



City of Morgan Hill

Legislation Details (With Text)

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Title: LICENSE AGREEMENT WITH GEORGE CHIALA FARMS
Sponsors:
Indexes:
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Attachments: 1. GC Farms Resolution, 2. chiala lease

Date	Ver.	Action By	Action	Result
12/16/2015	1	City Council	approved	Pass

CITY COUNCIL STAFF REPORT MEETING DATE: DECEMBER 16, 2015

PREPARED BY: Anthony Eulo, Program Administrator/Community Services Department
APPROVED BY: City Manager

LICENSE AGREEMENT WITH GEORGE CHIALA FARMS

RECOMMENDATION(S)

Adopt resolution authorizing City Manager to Further Negotiate and Execute a License Agreement with George Chiala Farms subject to the review and approval of the City Attorney.

COUNCIL PRIORITIES, GOALS & STRATEGIES:

Ongoing Priorities

Maintaining fiscal responsibility

REPORT NARRATIVE:

The City completed its purchase of property for ball field development in August. Since the property is currently occupied by George Chiala Farms (GC Farms) and the City will not be developing the property in the next year, it is fiscally prudent to enter into a new license agreement with GC Farms that will enable them to continue to produce crops on the land while ensuring that it is maintained without expense to the City.

The attached license agreement, which was drafted by the City Attorney, provides GC Farms with continued access to the property and requires them to conduct normal and appropriate maintenance. There will be no obligation to pay for any relocation costs by the City provided the City does not

terminate the license agreement prior to the harvesting of crops. The agreement requires the land to be farmed organically, in order to avoid future contamination, and only allows for the production of annual crops.

COMMUNITY ENGAGEMENT: Inform

If this license agreement is executed, the City will inform the owners and occupants of the neighboring parcels that GC Farms. is continuing to operate on the property.

ALTERNATIVE ACTIONS:

As an alternative to this action, the City could do any of the following:

- Enter into a temporary agreement with GC Farms now and issue a competitive solicitation for other agricultural users of the land for 2016 and beyond; or
- Decline to enter into a temporary agreement with GC Farms now and have the land go fallow in 2016 which will require the City to undertake weed abatement and other maintenance activities.

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

The Council authorized the purchase of this property in July as the last step in a multiyear property acquisition.

FISCAL AND RESOURCE IMPACT:

Annual revenue of \$5,200 will result from the proposed license agreement with will help offset the property taxes the City will be required to pay until the property is annexed into the City. Administering this license agreement is included in the work program of the Community Services Department.

CEQA (California Environmental Quality Act):

Categorical Exemption

This action is categorically exempt per Section 15304 (Minor Alterations to Land) of the CEQA guidelines.

LINKS/ATTACHMENTS:

Resolution

Lease Agreement