



HUTCHINSON

A CITY ON PURPOSE.

BID DOCUMENT

2025-2027

AGRICULTURAL PROPERTY LEASE – CITY
(2 Parcels in NE Corner of the City)

City of Hutchinson
111 Hassan Street SE
Hutchinson, MN 55350
January 2025



Office of the City Administrator
111 Hassan Street SE
Hutchinson, MN 55350-2522
320-234-4241/Fax 320-234-4240

**January 2025
Potential Bidder for City Agricultural Land**

There are two specific areas that are being leased:

Area #1: 35.35 acres (30 tillable). This land is known as the "Bernhagen Property" and is located in the NE section of Hutchinson city limits, west of Bluff Street and South of North High Drive/200th Street.

This land is tillable and is suitable for soybeans/corn type of crops.

Area #2: 6.5 acres (3 tillable). This land is just north of the "Bernhagen Property", located across the street along North High Drive/200th Street (outside of city limits).

This land is tillable and is suitable for soybeans/corn type of crops.

Together, these two areas have about **33 acres** of tillable property.

Bids are being accepted to lease these two properties out together within the same lease agreement.

If you have questions, or if you need any additional information, please contact:

Matt Jaunich
City Administrator
City of Hutchinson
111 Hassan Street SE
Hutchinson, MN 55350

(320) 234-4241 – Phone
(320) 234-4240 – Fax
mjaunich@hutchinsonmn.gov

PUBLIC NOTICE

Advertisement for Bids

City-Owned Agricultural Land

To Whom It May Concern:

The City of Hutchinson is accepting sealed bids for the leasing of two (2) separate properties of city-owned agricultural property located in the NE area of the City. The two properties will be included within one lease. The lease will be for a period of three crop years, starting in 2025.

Agricultural Property to be leased

Area #1: 35.35 acres (30 tillable). This land is known as the "Bernhagen Property" and is located in the NE section of Hutchinson city limits, west of Bluff Street and South of North High Drive/200th Street.

Area #2: 6.5 acres (3 tillable). This land is just north of the "Bernhagen Property", located across the street along North High Drive/200th Street (outside of city limits).

Bids may be submitted in person or mailed to: Attn: City Administrator, Ag Property Bid, City of Hutchinson, 111 Hassan St SE, Hutchinson, MN 55350. Bids shall be submitted in sealed envelopes and be clearly marked on the outside as being for "Ag Property Bid". **Sealed bids will be taken until 2:00 p.m. on Tuesday, January 28, 2025.** The bids will then be publicly opened and read aloud at the Hutchinson City Center, 111 Hassan St SE, Hutchinson, MN 55350.

Bid documents, including full legal descriptions of the properties, and informational sheets, including maps of the property, may be obtained by writing to: Matt Jaunich, City Administrator, City of Hutchinson, 111 Hassan St SE, Hutchinson, MN 55350. Information is also available at the Hutchinson City Center, 111 Hassan St SE, or online at www.hutchinsonmn.gov. Phone: (320) 234-4241. Email: mjaunich@hutchinsonmn.gov.

BID DOCUMENT

City of Hutchinson

2025 – 2027

City Agricultural Property Farm Lease
(2 Parcels in the NE Corner of the City)

Information required of bidder:

Name: -----

Address: -----

Telephone: (____) ____ - ____

The bidder must sign the "Bidder's Certification" below. The bidder hereby agrees to pay the following price per acre for leasing city-owned agricultural land located in the NE corner of the City. The price per acre shall be per year for the two-year agreement:

BID PER ACRE (AREA #1 & #2): \$ _____ (2025)
BID PER ACRE (AREA #1 & #2): \$ _____ (2026)
BID PER ACRE (AREA #1 & #2): \$ _____ (2027)

Bidder's Certification

I have reviewed the documents included in the bid document and hereby agree to execute and abide by the Lease, if the City of Hutchinson accepts my bid. It is agreed and understood that minor revisions of the attached "Typical" Farm Lease(s) may be made, with the agreement of the City and the Lessee. It is understood that all property leased and farmed by the bidder shall be returned in a plowed state to the City at the end of the lease period.

It is agreed and understood that the City may award the bid based on any criteria deemed to be of value to the City. The City also retains the right to reject any and all bids and waive any informalities and irregularities.

Bidder's signature

____/____/____
Date

FARM LEASE AGREEMENT

This lease agreement made this _____ day of _____, _____ by between the City of Hutchinson, ("Lessor") and _____ (" Lessee(s)").

1. Property Description: Lessor hereby rents to Lessee(s) in consideration of the rents and promises hereinafter described, the following property located in the County of McLeod and State of Minnesota, described as follows:

Parcel 1, as shown on attached Map 1, consisting of 30 tillable acres:

Beginning at the northwest corner of the Northwest Quarter of Section 32 in Township 117 North of Range 29 West, and running thence South or Southerly along the West line of said Northwest Quarter, 1324.4 feet to the Southwest corner of the North Half of said Northwest Quarter; thence East of Easterly along the south line of said North Half of said Northwest Quarter, 848 feet to the centerline of County Highway, known as Bear Lake Road; thence North 20degrees 41 minutes East, along the center line of said highway 1500 feet to a point on the North line of said North Half of said Northwest Quarter; thence West of Westerly along said North line, 1507.10 feet to the place of beginning, NOW KNOWN AS that part of Lot 1 of Auditors Plat of the West Half of Section 32, Township 117 North of Range 29 West, lying West of the Bear Lake Road;

EXCEPTING THEREFROM THE FOLLOWING DESCRIBED TRACT, TO WIT (Book 107 of Deeds on Page 291)

Beginning at a point on the North line of said Section 32, which point is due East 1307.73 feet of the Northwest Corner thereof; thence S.28 degrees 7 W., parallel with the centerline of County Road No. 7, 639.68 feet; thence South 61 degrees 53 East 162 feet to the centerline of County Road No. 7; thence North along said center line 726 feet to the North line of said Section 32; thence due west 183.67 feet to the point of beginning; save and except therefrom all that part lying within 33 feet of the North line and the Easterly line thereof; tract containing 2.5 acres, more or less, inclusive of the road right-of-way. Said area consisting of 14 acres more or less.

AND

Parcel 2, as shown on attached Map 2, consisting of 3 tillable acres:

That part of the Southwest Quarter of the Southwest Quarter of Section 29, Township 117 North, Range 29 West, described as follows to-wit: commencing at the Southwest corner of the Southwest Quarter of said Section 29; thence Easterly along the South line of said Southwest Quarter, a distance of 108.00 feet to the point of beginning of the parcel herein described; thence continuing Easterly along said South line a distance of 466.50 feet; thence Northerly deflecting to the left 90 degrees 00 minutes a distance of 522.00 feet; thence Westerly, parallel with said south line a distance of 556.95 feet to the west line of said Southwest Quarter, thence Southerly along said West line a distance of 389.29 feet to a point 133.00 feet Northerly from said southwest corner; thence Easterly parallel with said South line, a distance of 108.00 feet; thence Southerly, parallel with said West line, a distance of 133.00 feet to the point of beginning.

Total tillable acres = 33

2. Term. The term of this lease is for **three years** commencing on the first day of **January 2025**, and terminating on the last day of **December 2027**.

3. Rent. Lessee(s) shall provide a payment of \$_____ per acre for a total amount of \$_____ per year to Lessor by **November 1, 2025, November 1, 2026, and November 1, 2027**.

- a) The Lessee(s) waives any right to withhold rent in any claim against the Lessor.
- b) The Lessor and Lessee(s) understand and agree that **soybeans/Corn** will be planted on the above-described property. Should this lease be terminated by Lessor prior to the end of the agreement, the Lessor shall reimburse Lessees for the cost of the seed.
- c) Rent shall be paid to the city of Hutchinson, 111 Hassan St. SE. Hutchinson, MN and credited to the appropriate accounts.

4. Lessee's responsibilities. Lessee(s) shall be responsible for paying or doing the following:

- a) The Lessees shall occupy the premises for agricultural purposes only. The Lessee(s) will use normal, customary farming practices in the care and maintenance of the property and, without limiting normal practices, keep the premises free of noxious weeds to the extent possible.
- b) The Lessee(s) shall pay rent in a timely manner as prescribed herein.
- c) The Lessee(s) agree to comply with all statutes, ordinances, rules, orders, regulations, and requirements of the federal, state, county, and municipal governments regulating the use of the premises.
- d) The Lessee(s) shall allow access to the property by the Lessor and its agents during all reasonable hours for the purpose of examining the property to ascertain compliance with the terms of this lease and for any other lawful purpose including, but not limited to, or exhibiting the property for sale.
- e) The Lessee(s) shall not remove or move any existing structures or improvements made to the property by the Lessor. The Lessee(s) may not store equipment on the property for periods exceeding one week without coordinating such storage with the Lessor.
- f) The Lessee(s) shall pile rocks or other items taken out of any field in areas designated by the Lessor, if any.
- g) The Lessee(s) shall plow back all fields prior to the termination of this lease.

5. Independent Entities. The Lessor does not retain this lease as an agent of the organization. The Lessee(s) do not retain the Lessor as an agent of themselves. The Lessor shall not provide to the Lessee(s) their agents or employees, any benefits or expenses, including but not limited to insurance for liability or property, or ordinary business fences.

6. Costs Associated with This Lease. The Lessor is not responsible for paying any of the Lessee's costs associated with this lease, including preparation of the property for farming. The Lessee(s) shall pay all costs related to farming the property, including the cost of plowing property back at the end of the lease.

7. Insurance. The Lessee(s) shall acquire and maintain property and/or liability insurance adequate for their operations conducted on the property. The Lessee(s) shall provide proof of insurance upon request of the Lessor. The Lessee(s), while performing any service or function related to this lease, agree to indemnify, save and hold harmless, defend the Lessor and all its agents and employees from any and all claims, demands, actions or causes of action of whatever nature, or character, arising out of, or by reason of, the execution or performance of functions provided in accordance with this agreement.

8. Assignment and Subletting Prohibited. Lessee(s) agree to assign or sublease the premises only with the written consent of the Lessor. If the Lessor does not consent, it may, at its option, terminate the lease.

9. Surrender of Possession. The Lessee(s) shall surrender the property to the Lessor in good condition and repair upon termination of the lease, whether by lapse of time or otherwise.

10. Termination by Lessor. The Lessor, after providing 90 days written notice, may take possession of the property for any purpose deemed in the best interest of the Lessor. The Lessor shall allow the Lessee(s) to remove crops with normal, customary farming practices or return all rents paid for the year and compensate the Lessee(s) at rates not exceeding the current market rate per acre for any crop planted.

11. Remedy. If the Lessee(s) fail to pay the rent when due or fail to perform any of the promises contained in this lease, the Lessor may reenter and take possession of the property and hold the property without such reentering working a forfeiture of the rents to be paid by the Lessee(s) for the full term of the lease, after furnishing the Lessee(s) with a thirty (30) day written notice specifying the default.

12. Quiet Enjoyment. The Lessor promises that the Lessee(s) shall peaceably and quietly have, hold, and enjoy the leased property for the term of this lease provided Lessee(s) pay the rent and perform the promises described herein. Lessor will still be responsible to pay costs as noted in 3(b) above.

13. Lessee's Default. The rights and remedies of the Lessor are cumulative. None shall exclude any other right or remedy allowed by law or other provision of this agreement. In the event of one of the following acts, the Lessees shall be in default if:

- a) Lessee(s) fail, neglect, or refuse to pay any installment of rent or any other monies agreed to be paid, as provided in this lease when those amounts become due and payable, and if such failure continues for five (5) days after written notification by the Lessor.
- b) Any voluntary or involuntary petition or similar pleading under any sections of any bankruptcy act shall be filed by, or against the Lessee(s) or should any proceeding in a court or tribunal declare that Lessees and solvent or unable to pay debts.
- c) Lessee(s) fail, neglect, or refuse to keep and perform any other condition of this lease, and if such failure continues for a period of 30 days after written notification by the Lessor.
- d) The Lessee(s) make any assignment of any interest in this lease to any entity without the written consent of the Lessor.

In the event of any default or violation of this lease continuing for more than 30 days after written notification by the Lessor to the Lessee(s) of the default, the Lessor may enter into and take absolute possession of the property. Possession of the property and these conditions does not relieve the Lessee(s) of the obligation to pay the rent or abide by any other conditions of the lease.

In the event of any default or violation of the lease continuing for more than 30 days after written notification by the Lessor to the Lessee(s) of a default, the Lessor may return any rents paid by the Lessee(s) for that year and lease the property to another tenant.

14. Lease Agreement is binding. This Lease Agreement shall be binding upon the parties hereto and their heirs, successors and assigns.

15. Joint and Several Liability. By signing this lease, the Lessee(s) agree that their execution of this agreement will constitute their promise and agreement that each of them is jointly and severally liable for keeping and performing all of the terms, covenants and conditions of the lease and that notice by the Lessor to one of them shall constitute notice to both of them.

16. Notification. Notifications related to the lease shall be sent to the following addresses:

Lessee(s):

(Name)
(Address)
(City, State, Zip)
(Phone)

Lessor's Representative:

Matthew Jaunich
111 Hassan St. SE.
Hutchinson, MN 55350
(320) 587 – 5151

In testimony whereof, the Lessor and the Lessee(s) have set their hands as of the date and year first above written.

Matthew Jaunich
City Administrator, City of Hutchinson

(Lessee)