

ORDNER FARMS & 4S FARMS PARTNERSHIP LEASE



Parcel 2 Farm Lease – Ordner Farms & 4S Farms Partnership

Background: CCIA is located on approximately 2,400 acres of land. A significant portion of which remains unimproved and available for agricultural use. In addition, this lease will help to reduce mowing costs on unimproved property and generate revenue. Parcel 2 consists of 640.48 acres of aeronautical land utilized for agricultural purposes. The current operators have a long-standing history with the City having farmed this land since 2010. The entity has evolved over the years from S&S Farms to 4S Farms and is now structured as a 50/50 partnership between 4S Farms Partnership and Ordner Farms.

Summary: The proposed lease terms are highly favorable to the City, securing a guaranteed revenue stream for a five-year term with an additional three-year option to renew. Key highlights of the agreement include:

- **Market Position:** The starting rental rate is positioned above the current Fair Market Value (FMV).
- **Revenue Growth:** A fixed annual escalation of 1% ensures consistent growth over the life of the lease.
- **Operational Continuity:** Maintaining this partnership ensures the land remains managed and productive, reducing airport maintenance costs and preventing wildlife hazards through active farming.

Recommendation: Airport Staff recommend approval of this lease. 4S Farms and Ordner Farms have proven to be valued partners who consistently meet their obligations and maintain the land to airport standards.

