



San Juan County Land Bank

Request for Proposals (RFP) :

**Zylstra Lake Preserve Short-Term Agricultural Hay
Rental Agreement**

CLOSES:

March 26th 2021



**San Juan County Land Bank
350 Court St. No.6
Friday Harbor, WA 98250
www.sjclandbank.org**

INTRODUCTION AND BACKGROUND

The Land Bank's Zylstra Lake Preserve is located on San Juan Island. The Preserve was acquired to protect and enhance ecological resources while simultaneously continuing access for agricultural activities and providing opportunities for public access. In recent years, Agricultural activities have primarily consisted of haying and grazing. This RFP is for continuing hay harvest on approximately 70 acres of maintained hay fields.

The Land Bank approved an Interim Stewardship Management Plan (SMP) in 2020 that will be replaced with a long term SMP in 2022. During the interim period, haying will continue in the designated fields (see map below). In addition, agricultural assessments will continue to identify goals and models for long term agricultural activities on the property. The Land Bank will also be taking steps to improve soil and forage quality through soil amendments and are pursuing the potential of no-till seeding

The Request for Proposals (RFP)

The Request for Proposals (RFP) represents the Land Bank's first step in identifying experienced farmers who wish to harvest hay at Zylstra Lake Preserve with a short-term Rental Agreement for the 2021 and 2022 seasons. Interested parties must submit a proposal describing interest, skills and their ability to manage and conduct a successful hay harvest. See proposal contents below as well as the Draft Agricultural Rental Agreement which is included with this RFP as Attachment A.

This Rental Agreement will include approximately **70 acres of hay field**. Harvest may be no earlier than **July 1st and shall be completed by August 15th**. Timing and boundaries will be coordinated with Land Bank Staff. Access will be permitted only during the hay harvest period unless otherwise agreed upon.

The Rental Agreement will be offered for a rate of **\$3,000/year**, funds will go directly towards soil amendments. A lessee with capacity/ability to help with maintenance and/or improvements to soil, forage, weed control, and/or fence infrastructure, could substitute assistance with this work in lieu of payment. Such arrangements will be negotiated and specified in the lease and rates will be based on prevailing wages.

The Land Bank reserves the right to reject any or all proposals and discontinue this RFP process without obligation or liability. Final acceptance of any proposal will be conditional upon satisfactory negotiation and execution of the Agricultural Rental Agreement. Acceptance of a proposal will not create any rights on the applicant's part, including and without limitation, rights of enforcement, equity, or reimbursement.

RFP PROCESS TIMELINE

EVENT	DATE
1. RFP Release Date	March 5th 2021
2. Proposal Due Date	March 26th 2021
4. Award Notification	April 1st 2021
5. Hay Harvest Periods	July 1 st – Aug 15 th 2021 and 2022

RENTAL AREA DESCRIPTION

Multiple open hay fields totaling approximately 70 acres. Some perimeter fencing to prevent public access. (See map below)

No water, no power, and no infrastructure included
Access from San Juan Valley Rd. and Valley Farms Rd.

LAND BANK RIGHTS AND RESPONSIBILITIES

SJC Land Bank is the owner of the property, and will interface with the Lessee prior to and during the hay season. During the term of the Rental Agreement the Land Bank reserves the right to access the lease area at any time as needed. The Land Bank will make every effort to coordinate with the Lessee and to minimize disturbance to operations and damage to the hay crop. It is critical to note that public trails border the Ag fields, however public access to the hay fields is restricted. Land Bank Staff will coordinate with Lessee to develop plan to ensure public safety and minimize interference to operations during the harvest, which may include closing portions or all of the property to public access.

LESSEE MINIMUM QUALIFICATIONS

This RFP is open to experienced farmers with a demonstrated history of managing successful hay operations in San Juan County. The Lessee will accept the Zylstra Lake Preserve Agricultural Hay Rental Area "as is" in its present condition as shown during the Field Tour and described in the Draft Lease (Attachment A). The Lessee will:

- Have a minimum of two years of experience with hay harvest in San Juan County.
- Have the equipment and capacity to carry out all necessary farming operations.
- Have good communication skills and be comfortable interfacing with Land Bank staff.

LESSEE RIGHTS AND RESPONSIBILITIES

The Lessee must meet all requirements of the Draft Rental Agreement, including but not limited to:

- Communicating and coordinating effectively with Land Bank staff for timing, access, areas to be hayed, and public safety.
- Access to the property for hay harvest only unless otherwise agreed upon in writing
- Employing typical best practices for hay harvest, including minimum 3” cut height
- Bearing financial responsibility for all expenses associated with farm operations.
- Removing the crop and all equipment upon completion of hay harvest
- Carrying a comprehensive agricultural general liability insurance policy.
- Making Lease payments and/or completing stewardship activities

PROPOSAL CONTENTS

Proposals may be completed digitally or using ink (no pencil). Incomplete proposals will not be accepted. Please do not include any attachments or documents other than those listed below.

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Applicants Name

Mailing Address

Phone

Email

1. Experience and Qualification

A. Describe your relevant experience that has prepared you to successfully execute the terms of the Zylstra Lake Preserve Interim Hay Rental Agreement. Provide details of your agricultural qualifications and experience specifically with hay field management.

2. Vision and Goals

A. Describe your planned haying practices including: forage cut height, estimated timing.

B. Describe any proposed interest and ability to help with maintenance and/or improvements to soil, forage, weed control, and/or fence infrastructure, could substitute assistance with this work in lieu of payment.

3. Business Plan

A. Describe how the hay crop will be used and/or sold.

B. Describe your estimated costs and profit. If your plan would require terms different those outlined in the RFP and the Draft Interim Lease (Attachment A), please explain

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SELECTION CRITERIA

Proposals will be scored using the criteria presented below by a Selection Committee comprised of Land Bank Staff and commissioners, and members of SJC Ag agencies (WSU, SJICD, ARC), which will vote to select or reject the highest scoring proposal. Applicants may be asked to participate in an interview.

The following elements will considered in evaluating proposals:

1. Completion of all required responses.
2. The extent to which the proposal fulfills the Land Bank's requirements as stated in this RFP and the Draft Lease.
3. The applicant's experience, skills, and past performance in managing similar operations.

CONTACT INFORMATION

Any questions about the Zylstra Lake Preserve Agricultural Hay Rental Area, this RFP, or to request a site visit should be directed to:

Charlie Behnke
360-830-7340
charlieb@sjclandbank.org

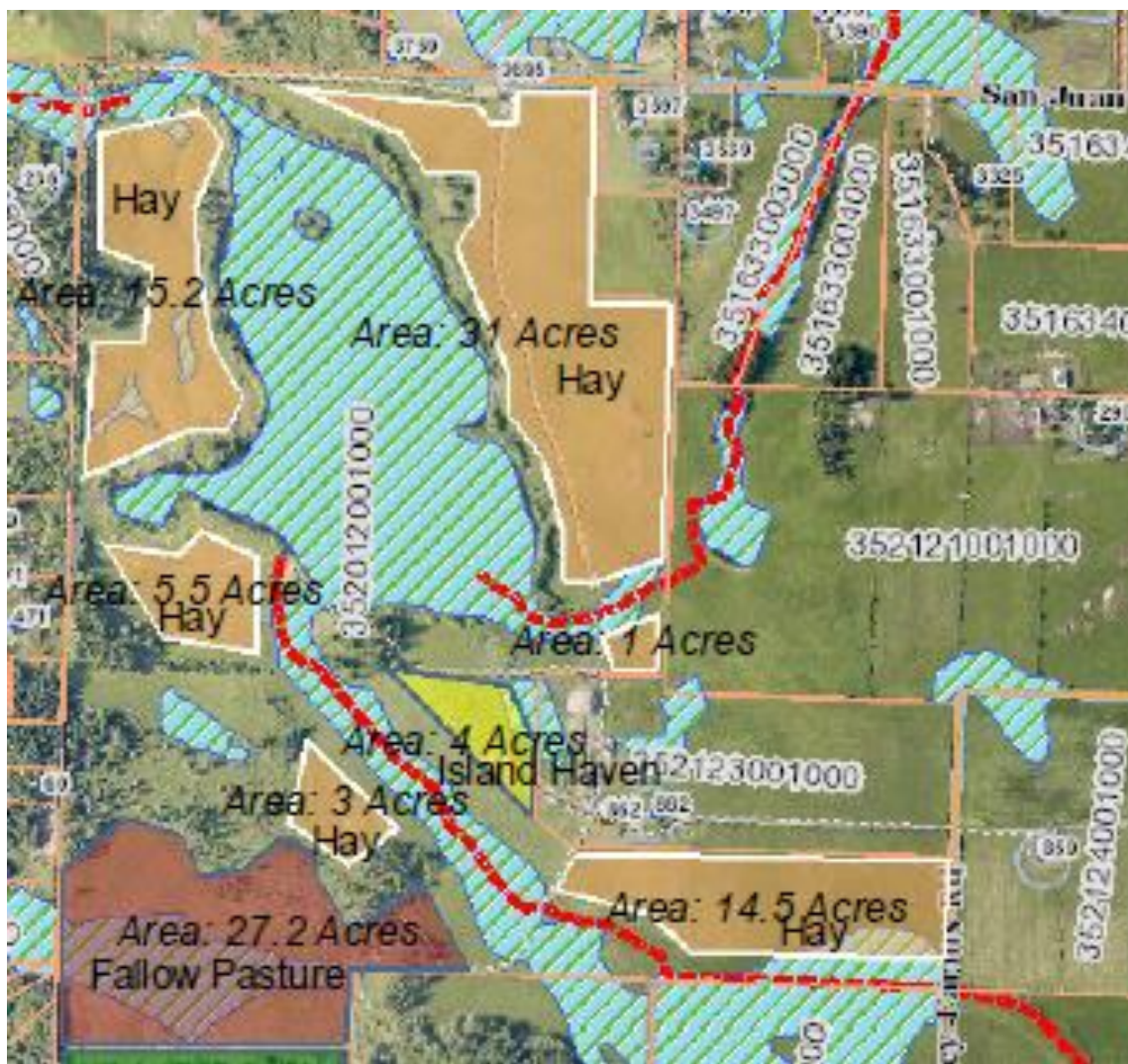


Figure 1 - Approximate hay harvest areas

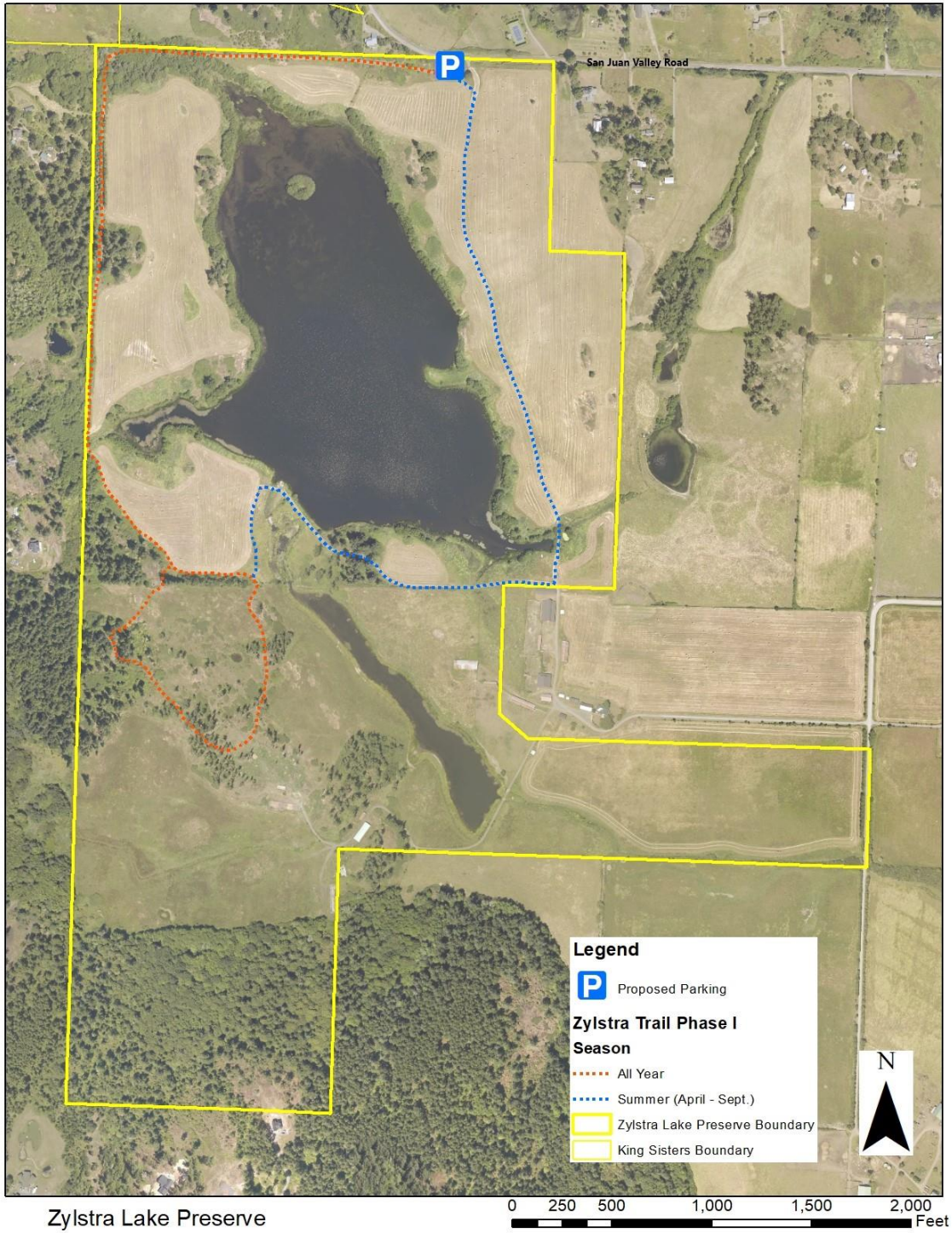


Figure 2 - Public trails

Attachment A – Draft Lease

AGRICULTURAL LEASE

BETWEEN THE SAN JUAN COUNTY LAND BANK AND [INSERT NAME OF TENANT]

[COMPLETE AND REPLACE ALL BRACKETED INSERTS]

This Lease Agreement is entered into between Lessor San Juan County, acting through the San Juan County Land Bank ("Land Bank") and Tenant [INSERT NAME OF TENANT]("Tenant").

WHEREAS, the Land Bank is the owner of a [284]-acre parcel of agricultural land ([352012001000])on [SAN JUAN VALLEY ROAD] on [SAN JUAN ISLAND], known as the [ZYLSTRA LAKE PRESERVE] ("Farm"); and

WHEREAS, the Tenant wishes to lease a portion of the Farm from the Land Bank exclusively for agricultural hay harvest purposes.

NOW, THEREFORE, the parties agree to enter into this agricultural lease on the following terms and conditions:

1. **Leased Property.** The Land Bank agrees to lease the Farm to the Tenant, and the Tenant agrees to lease the Farm from the Land Bank. The Farm is legally described in Attachment A.
2. **Term.** The Lease term shall commence on July 1st 2021 and shall terminate on [SEPTEMBER 1ST, 2022]
3. **Rent.** The rental payment shall be [\$3,000] per year, payment of which is to be paid to the Land Bank by the December 1st of each year and is delinquent if not paid on or before the tenth day of that month. Rent shall be paid to the Land Bank at the address stated below or at such other place as the Land Bank designates.
4. **Rent Adjustments.** If by mutual agreement in writing, Tenant may assist the Land Bank with infrastructure improvements in exchange for a rental payment reduction calculated at an hourly rate. Any such agreement shall be subject to prevailing wage requirements. Lessee shall submit a written report of stewardship activities, hours, and expenses December of each year.
5. **Late Charges.** If payment of the annual rent is more than 30-days late, a late fee of 10% of the amount of the monthly rent can be charged for each month that the rent is overdue. Nothing in this paragraph shall prevent the Land Bank from exercising its rights under paragraph 19.
6. **Property "As Is."** The Tenants are leasing the Farm "as is" in its present condition. The agricultural and other characteristics of the Farm, its current use and existing improvements, are described in a Present Conditions Report prepared by the Land Bank and acknowledged by the Land Bank and the Tenant to be complete and accurate as of the date of this Lease. The report is attached to this Lease as Attachment B. By signing this Lease, Tenants acknowledge that they are personally familiar with the condition of the Farm, and agree to lease said property in its existing condition. Tenants agree to maintain and repair existing structures. The Land Bank shall have no obligation with regard to the maintenance and repair of the Farm during the term of this Lease [INCLUDE ANY EXCEPTIONS].
 - A. **Invasive Species Management.** Owner has overall management for treatment, removal, disposal and prevention of seed dispersal of all noxious weeds and invasive species on the Farm (whether or not required by

law), including those growing along fences, ditches or other improvements, field borders, rights-of-way, drains, roads and other uncultivated areas. However, Tenant acknowledges that Owner may not control all noxious weeds and invasive species (except when control is required by law) for a variety of reasons. In active hay lease areas, focus will be on the removal of tansy ragwort.

7. **Permitted Uses.** This Lease is solely for agricultural hay harvest purposes between July 1st and August 15th, and as described in the Farm Plan of the Tenant which is attached to this Lease as Attachment C. Minor changes to the Farm Plan may be made by written consent of the Land Bank staff. Significant changes must be made through the Lease amendment process.

8. **Farming Practices.** Lessees may use the Farm for their farming or other agricultural activities as provided for in paragraph 7 and for no other purpose, and in so doing shall:

- A. Use farm practices consistent with the Farm Plan as set out in Attachment C; and
- B. Comply at all times with all applicable federal, state and local laws, codes and regulations regarding use of the Farm for farming and other agricultural activities; and
- C. Take all measures reasonably necessary to control noxious weeds on the Farm; and
- D. Leave at least 3 inch forage stubble height
- E. Prepare an annual written summary of the year's activities and meet with the Land Bank staff at the end of each [DECEMBER] to review the year's agricultural and stewardship activities on the Farm.

9. **Environmental Indemnity.** Tenant agrees to indemnify the Land Bank, to the extent provided by law, for any actions, damages, liability or expenses under federal, state or local environmental laws for environmental conditions existing on the Farm after the execution date of this Agreement, including but not limited to any claims, damages or losses arising from the improper storage, disposal, transportation or treatment of solid or hazardous waste on or around the Farm, including but not limited to fertilizers, pesticides, herbicides, paint and other toxic materials on or around the Farm; noise control concerns on or around the Farm; and any other violation or alleged or potential violation of a county, state, or federal environmental law.

10. **Expenses.** The Tenants shall pay all expenses incurred in connection with the Tenant's farming activities.

11. **Ownership and Disposition of Improvements.** No improvements or structures shall be added to the Farm without the written consent of the Land Bank. Approved improvements or structures are listed in Attachment D. Additional improvements or structures shall be approved by an amendment to Attachment D. This written amendment shall be signed by both the Tenant and the County Administrator and include the ownership of the improvement, required insurance coverage, if any, and the agreed disposition of the improvement upon the termination of the Lease. Each such consent shall be executed in the form of a deed and recorded as an amendment to this Lease.

12. **Personal Property.** Any and all personal property in and about the premises belonging to the Tenant or the Tenant's agents or invitees or any person claiming by, through or under the Tenant, shall be at the sole risk of the Tenant. The Land Bank shall in no event be responsible for insuring said personal property, and the Tenant agrees to hold the Land Bank harmless from any claim made by a third party asserting damage to any such personal property.

13. **Inspection.** The Land Bank may, at any reasonable time, enter upon the Farm to inspect the same or to perform any work which the Land Bank has the right or the duty to perform. The Land Bank may schedule educational or site tours by the public with seven days advance notice to the Tenant.

14. **Free of Liens.** The Tenant will keep the Farm free and clear of all liens of any nature whatsoever.

15. **Insurance.** The Tenant shall maintain [INSERT FARM OR GENERAL] comprehensive liability insurance in an amount not less than \$1,000,000, or if greater, to the limit of the policy for combined single-limit bodily injury, including wrongful death, or property damage to defend and indemnify all activities and services covered by this Agreement with a commercial insurance carrier protected under the State of Washington Guaranty Fund or with a risk pool approved by the Insurance Commissioner. Such insurance shall be endorsed to include San Juan County, its officers, elected officials, employees and agents as an additional insured, and shall not be reduced or cancelled without thirty (30) days prior written notice to the Land Bank.

Each insurance shall be endorsed to include language containing a “cross liability” or “separation of insureds” indicating essentially that except with respect to the limits of insurance, and any rights or duties specifically assigned in the coverage part to the first named insured, this insurance applies as if each named insured were the only named insured, and separately to each insured against whom a claim is made or a suit is brought. Any payment of a deductible or self-insured retention shall be the sole responsibility of the Tenant.

16. **Indemnification.** The Tenant agrees to indemnify and hold the Land Bank harmless from any claim for damage to person or property made by the Tenant or any of its agents or employees or anyone else claiming by, through or under the Tenant, or by any visitor, invitee or other person.

The parties release each other and their respective authorized representatives from any claims for damage to any person or to the premises and to the fixtures, personal property, Tenant’s improvements and alterations of either the Land Bank or the Tenant in or on the premises that are caused by or result from risk insured under any insurance policies carried by the parties and in force at the time of such damage.

17. **Subleasing and Assignment.** Tenant shall not sublease or assign this Lease or any of their rights thereunder to any other party without the written permission of the Land Bank.

18. **Dispute Resolution.**

A. Any controversy or claim arising out of or relating to this Lease that is not resolved through mediation, shall be resolved by final and binding arbitration pursuant to RCW 7.04A. Demand for arbitration shall be made in writing to the other party. The arbitration shall be held in San Juan County before a single arbitrator selected by the agreement of the parties. If the parties cannot agree upon an arbitrator within fifteen (15) days after the demand for arbitration is made, the arbitrator shall be selected by a judge in the Superior Court of San Juan County in accordance with the procedures set out in RCW 7.04A.110.

B. Unless the parties agree otherwise in writing, the arbitration hearing shall occur no later than sixty (60) days after the date the arbitrator is appointed.

C. The parties agree that, with the exception of the circumstances set out in RCW 7.04A.230, the arbitrator=s decision shall be binding, final and not appealable to any court of law.

D. Each party shall pay its own costs of arbitration including attorney’s= fees. The arbitrator=s fee and any administrative expenses imposed by the arbitrator shall be shared equally by the parties.

E. This Lease shall be governed by laws of the state of Washington, both as to interpretation and performance.

19. **Default.** This Lease is subject to Tenant's performance of the duties set out in this Lease. If Tenant defaults in performance of the of the duties, and the breach continues for more than [NUMBER] days after Tenant receives written notice of the default, the Land Bank may, at its option:

- A. Pursue any legal remedy to recover for the breach, and continue this lease agreement in force; or
- B. Declare this Lease agreement forfeited, reenter the Farm and remove all Tenant's property from the Farm; or
- C. Terminate Tenant's right to possession of the Farm.

Upon surrender of the premises, the Tenant shall give up ownership of any crops on the Farm at the time of the default.

20. **Condemnation.** If the Farm, or any part of the Farm, shall be taken by condemnation or eminent domain or sold under threat thereof and the remaining portion is not reasonably suited for the Tenant's use, then this Lease may be terminated by either party as of the date of the taking by notice given by either part to the other within sixty (60) days after the taking. If not terminated the rent shall be equitably adjusted. The date of the taking shall be considered as the date the condemner takes possession of the property.

21. **Nonwaiver.** The failure of either the Land Bank or the Tenant to insist upon strict performance of any covenant or agreement of this Lease shall not be construed as a waiver of such covenant or agreement, each of which shall remain in full force and effect.

22. **Notices:** Any notice required to be sent by either party to the other shall be effective if sent by United States Mail, registered or certified, return receipt requested, postage prepaid and addressed to the Land Bank or the Tenant as follows:

San Juan County	Tenant
Land Bank	[INSERT NAME]
350 Court St. #6	[INSERT ADDRESS]
Friday Harbor, WA 98250	[INSERT CITY, STATE, ZIP]

23. **Binding Effect.** This Lease is the entire agreement of the parties and can be modified only by written agreement. The Lease shall be binding upon the Land Bank and the Tenant, and their respective successors, administrators, executors, heirs and assigns. No modification or alteration to this Lease shall be effective without a written change signed by the party bound thereby. The provisions of this Lease shall be interpreted in accordance with the laws of the state of Washington.

24. **Recordation.** This Lease will not be recorded by the Land Bank.