

# **Coffelt Farm Preserve Agricultural Lease Request for Proposals**

**CLOSES: June 1, 2022 at 4pm**



**350 Court St. No.6  
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# Coffelt Farm Preserve Agricultural Lease Request for Proposal

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## **Coffelt Farm Preserve Agricultural Lease Request for Proposals**

### **BACKGROUND**

Coffelt Farm Preserve is located on Orcas Island, Washington. The San Juan County Conservation Land Bank (Land Bank) acquired the 189-acre property from Vern and Sidney Coffelt in 2008 to conserve its agricultural legacy and resources, open space character and diverse wildlife habitat. Its prime farmland, wetlands and mature forests were deemed a valuable community resource. These “Conservation Values” are described further in the *Coffelt Farm Preserve Stewardship and Management Plan* (Attachment A) and in the San Juan Preservation Trust’s Conservation Easement (Attachment B) that protects the farm from development and ensures that it remains available for agricultural production in perpetuity.

The Land Bank’s stewardship goals for Coffelt Farm Preserve are:

- To protect agricultural resources and support a viable agricultural operation that demonstrates sustainable practices;
- To protect and enhance freshwater resources and other ecological values and services; and
- To provide the local community with access to and enjoyment of food and farmland, environmental and agricultural education, and scenic rural character.

Since the Land Bank acquired Coffelt Farm Preserve, farm operations were managed first by a non-profit, Coffelt Farm Stewards, and currently by Lum Farms LLC under an interim lease through 2022. These operations have maintained the farm as a diversified, though primarily livestock-based operation. In addition to advancing its stewardship goals, the Land Bank seeks to maintain the farm as a model for small-scale, community-oriented agriculture and as a welcoming place for visitors and all members of the community.

### **PURPOSE OF RFP**

This Request for Proposals (RFP) represents the Land Bank’s process for identifying experienced farmers or farm organizations who wish to conduct agricultural operations at Coffelt Farm under a long-term lease. Interested parties must submit proposals, using the Proposal Template Form (Attachment H), describing their interest, skills and abilities to operate a successful agricultural business or non-profit organizational operation. All proposals from qualified applicants will receive consideration. We welcome and encourage proposals from BIPOC (Black, Indigenous, and people of color) and other systematically marginalized individuals and from organizations led by or supporting such individuals.

### **OVERVIEW OF AGRICULTURAL LEASE AREA**

The 150-acre Agricultural Lease Area (ALA) includes pastures and hay areas currently used for rotational grazing by sheep, cattle, goats, and poultry. Infrastructure includes a two-bedroom

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farm manager house, an RV pad with utilities for seasonal RV use, and multiple farm buildings primarily set up for livestock management. These include a dairy facility with a heavy-use area, shelters, lambing barn, hay/feed storage and barns, compost facilities, community mobile slaughter site, tool and equipment storage, shop space, and farm store. There is extensive perimeter and interior livestock fencing in varied condition, and with some gaps. Fencing priorities may be negotiated based on lessees needs. Use of limited existing farm-related equipment and items owned by the Land Bank will be negotiated and clarified within the lease. A summary of buildings, infrastructure and associated equipment is included as Attachment C.

There are two legal water sources: a spring well that supplies multiple hydrants and structures throughout the property and a Class B well that supplies the dairy barn. Stock water is also available in some of the pastures. Use of these systems is included in the lease with the expectation that the Lessee will make reasonable efforts to conserve water. The property includes shared and separate electrical meters. Depending on uses, shared electrical payments may be necessary and will be defined within the lease (*Current average utility costs for the farm lessee are around \$700/month*).

In addition to livestock production, past operations have included a half-acre market garden. It should be noted that water for irrigation of commercial crops is limited to one acre (pending water right approval). Non-commercial gardens may utilize the spring water within use limits set by water rights of up to one acre-foot per year for domestic use, including non-commercial gardens. Past operations have also included grain, row crops, and orchards. See the CART Coffelt Report (Attachment D) for a thorough overview of infrastructure and agricultural potential.

Coffelt Farm Preserve also includes areas that are not part of the ALA. Such areas include much of the surrounding forestland, the fenced riparian area, the Land Bank field office and associated outbuildings, and the Life Estate areas of Sidney Coffelt. Mrs. Coffelt lives on the property and has exclusive use of her home, yard and several small outbuildings as well as shared use of the orchard and the dairy barn shop area (see Attachment A). If the Coffelt Life Estate terminates during the Term of this Lease, the Land Bank agrees to offer the Life Estate property for lease to the Tenant, and the Land Bank and Tenant agree to negotiate in good faith to determine a fair rental value and timeline for the addition of this property to the ALA.

The Land Bank is responsible for management of areas of the preserve outside of the ALA and Life Estate areas and is in the process of conceptualizing a public access trail on the edge of the property. If a trail is constructed it will be separated from the pastures by field fencing installed at the Land Bank's expense. The resulting small reduction in lease area acreage would be

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reflected in a concomitant lease rate adjustment based on the acreage value presented in the *Coffelt Farm Lease Rate and Reserve Study* (Attachment G).

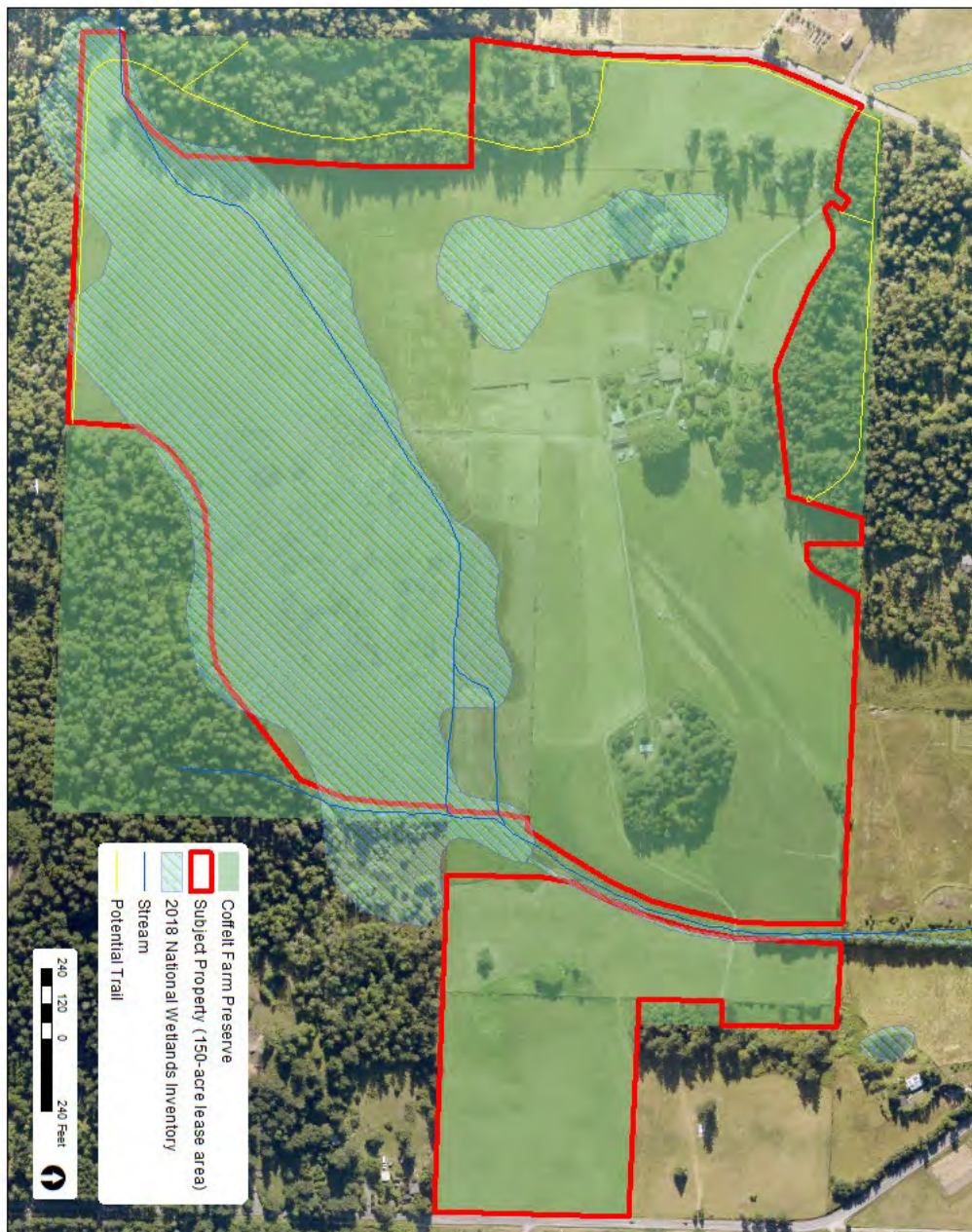


Figure 1. Coffelt Farm Preserve Agricultural Lease Area (ALA)

### OVERVIEW OF AGRICULTURAL LEASE TERMS

The Agricultural Lease includes approximately 150 acres of pasture and the use of areas, buildings, infrastructure and equipment as described in this RFP and attachments. Based on the finding of the 2021 *Coffelt Farm Lease Rate and Reserve Study* (Attachment G), the lease

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rate will be \$2,358 per month (\$28,296 per year). The Lessee will accept the Coffelt Farm Lease Area "as is" in its present condition as shown during the Field Tours.

The Lease will be offered for a five-year term with a five-year renewal option, which the Land Bank can unilaterally terminate at its sole discretion no later than April 1, 2027, if the Land Bank REET has not been fully reauthorized at one percent (1%) by December 31, 2026. Additionally, the renewal option will not apply if the Land Bank determines, in its best judgment that the Lessee, after notice and opportunity to be heard, has failed to substantially meet its obligations under the Lease. The Land Bank will consider proposals which require or would benefit from additional five-year renewal terms beyond 2033.

### General Land Bank Responsibilities

The Land Bank is the owner of the property, infrastructure and some equipment and will interface with the Lessee regularly. During the term of the Lease the Land Bank will meet all of the requirements of the Agricultural Lease, including but not limited to:

- The Owner shall be solely responsible for existing buildings and improvements regarding structural integrity, building exteriors, fencing, and utilities installations, and will maintain, repair, replace, or remove as required for safety, functionality, and longevity, as defined by RCW 59.18.060 *Landlord Duties*. Temporary structures including hoop houses and high tunnels are not included in Owner's responsibility. The Land Bank shall have sole discretion over and control of these activities.
- Installing perimeter fencing where missing and required, to be identified and prioritized with Lessee.
- Owner will consider a cost share agreement for organic and/or biological soil amendments based on soil testing. To be negotiated and specified within a collaborative Soil Nutrient Management Strategy (e.g., Attachment F).
- Owner will consider investing in Best Management Practice infrastructure improvements recommended by SJICD and NRCS as cost share projects.
- Coordinating with Lessee on control of priority weeds and activities protecting riparian areas and water quality.

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- Communicating effectively with Lessee and make every effort to coordinate with Lessee to minimize disruptions caused by Land Bank projects and activities.

### General Lessee Responsibilities

The Lessee must meet all requirements of the Lease, including but not limited to:

- Communicating and coordinating effectively with Land Bank staff and Life Estate holder.
- Adhering to a Land Bank approved Lessee Farm Management Plan that will be attached to the Lease.
- Collaborating with the Owner in the Voluntary Stewardship Program through the development and implementing a SJICD Individual Stewardship Plan (Attachment E).
- Collaborating with Land Bank on development and implementation a Soil Nutrient Management Strategy (E.g. attachment F)
- Bearing financial responsibility for all expenses associated with farm operations.
- Performing day-to-day maintenance, cleanliness, upkeep, and minor repairs; interior spaces; repairs due to farm operation damage; as defined by RCW 59.18.130 *Duties of Tenant*.
- Controlling state-listed noxious weeds by taking reasonable measures to prevent their establishment and/or spread in a manner consistent with integrated pest management practices. In addition, it is Lessee's responsibility to control rodents within farm buildings as necessary to prevent damage.
- Coordinating with Land Bank on activities protecting riparian areas and water quality.
- Coordinating with IGFC Mobile Slaughter unit and members for use of the slaughter site.
- Carrying a comprehensive agricultural general liability insurance policy and indemnity as defined in the Agricultural Lease.

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- Making timely monthly payment of rent and utilities.
- Complying with terms in San Juan Preservation Trust Conservation Easement.

### **LESSEE MINIMUM QUALIFICATIONS**

This RFP is open to experienced farmers and organizations with a demonstrated history of managing successful agricultural operations and/or agricultural research and education programs.

The Lessee shall:

- Have a minimum of three years of successful experience managing a farm, including hands-on production and financial management.
- Have the demonstrated capacity to carry out all necessary farming, marketing, and/or program operations.
- Present a general farm business plan demonstrating viability for the next five years (may include income contributed from outside, non-farm sources, but must demonstrate the financial viability of the Farm).
- Present a Lessee Farm Management Plan detailing the proposed farm operations, demonstrating compatibility with resources, size, and configuration of the Farm.
- Have willingness to engage with the Land Bank in ensuring that the property continues to provide desired public benefits. This may include hosting or participating in periodic tours or events within portions of the lease area in exchange for a concomitant payment or lease rate reduction.
- Have good communication skills and be comfortable interfacing with Land Bank staff.
- Pass a background check.

### **ADDITIONAL DESIRED QUALIFICATIONS**

- Demonstrated experience in the stewardship of agricultural and natural resources.
- A desire and demonstrated commitment to providing community benefits such as:



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- limited public access and education
- cooperative support of other local farms
- community food networks and equity
- agricultural research and/or progressive agricultural management practices
- commitment to climate resiliency
- education or support of young and developing farmers

### **RFP CLARIFICATION AND REVISIONS**

Proposers must examine all RFP documents carefully and may request additional information or clarification prior to submitting a proposal. Failure to request additional information or clarification shall preclude proposers from subsequently claiming any ambiguity, inconsistency, or error. The Land Bank will issue responses to inquiries and any other corrections or amendments it deems necessary in written addenda prior to the due date. Proposers should rely only on the representations, statements or explanations that are contained in this RFP and the written addenda to this RFP. Where there appears to be a conflict between the RFP and any addendum issued, the last addendum issued will prevail.

The Land Bank has the sole discretion and 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 Lease. Acceptance of a proposal will not create any rights on the applicant's part, including and without limitation, rights of enforcement, equity, or reimbursement.

### **PROPOSAL CONTENTS**

Proposals should contain a concise vision statement and description of what is being proposed and be fully responsive to all requirements of this RFP. Elaborate artwork, expensive paper, and expensive visuals are neither necessary nor desired. Do not assume the Selection Committee is familiar with the proposer. The provided proposal template (Attachment H) is intended to ensure uniformity of information and to aid in clear understanding and evaluation of each proposal. Failure to submit a proposal in accordance with these guidelines or to provide any information requested may result in rejection of your proposal. To provide consistency in the review of the proposals, proposers are requested to prepare responses on 8-1/2 x 11 paper with font size no smaller than 10 point.

### **PROPOSAL SELECTION CRITERIA AND REVIEW**

Proposals will be evaluated and scored by a Selection Committee composed of Land Bank staff and Commissioners. The Selection Committee will primarily use the criteria presented below. Applicants may be asked to participate in an interview.

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The Selection Committee will refer proposals and scores to the Land Bank Commission, which will review all qualifying proposals, giving substantial weight to the highest scoring proposal, and select the proposal that the Commission, in its discretion, believes is in the best interest of the County. The Commission reserves the right to reject all proposals. Final approval will be in the form of a signed and recorded lease from San Juan County Council and/or Manager.

Scoring Criteria	Max Points
1. Proposal completeness	10
2. The extent to which the proposal fulfills the Land Bank's requirements as stated in this RFP and the Draft Agricultural Lease.	20
3. Applicant's demonstrated experience, skills, and past performance in managing similar operations.	20
4. Extent to which the proposed activities support the Conservation Values established for Coffelt Farm Preserve.	25
5. Extent to which the proposed activities support the desired public benefits established for Coffelt Farm Preserve.	25

### RFP PROCESS TIMELINE

The Land Bank will endeavor to complete the RFP process by the following dates. Any changes will be announced in advance in writing.

Stage	Date
1. RFP Release	2/18/22
2. Field Tour 1 – participation in one tour is mandatory	3/30/22
3. Field Tour 2 – participation in one tour is mandatory	3/13/22
4. Proposals Due – only proposals received by 4pm on due date will be accepted	6/1/22
5. Selection Committee recommendation at Land Bank Commission meeting	7/15/22
6. Lease negotiation complete – to SJC for legal review and Council Approval	10/30/22
7. Lease effective date	TBD/23

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### COMMUNICATIONS AND PROPOSAL SUBMISSION

RFP Questions	RFP Submission
<p>All questions regarding this RFP must be directed to Charlie Behnke at: 360-830-7340</p> <p>or</p> <p><a href="mailto:charlieb@sjclandbank.org">charlieb@sjclandbank.org</a></p>	<p>Submit one proposal by mail to:</p> <p>Attn: Charlie Behnke San Juan County Land Bank 350 Court St. No.6, Friday Harbor, WA 98250</p> <p>(or)</p> <p>Submit a single PDF proposal (all pages merged into one document) by email to: <a href="mailto:charlieb@sjclandbank.org">charlieb@sjclandbank.org</a></p> <p><b><u>Expect to receive confirmation within One business day of receiving proposal. Please follow up if you do not here back.</u></b></p>

### LIST OF ATTACHMENTS

Attachment A - Coffelt Farm Preserve Stewardship Management Plan  
Attachment B - San Juan Preservation Trust Conservation Easement  
Attachment C - Agricultural lease buildings, infrastructure and equipment  
Attachment D - Conservation Ag Resource Team (CART) Coffelt Report  
Attachment E - SJICD Individual Stewardship/Farm Management Plan, CNMP  
Attachment F - Coffelt Soil Nutrient Management Strategy 2019  
Attachment G - Coffelt Farm Lease Rate and Reserve Study  
Attachment H - Proposal Template Form

# **Coffelt Farm Preserve Agricultural Lease Request for Proposal**

## **ATTACHMENT H - PROPOSAL TEMPLATE FORM**

**Applicant Name**

**Farm or Organization Name**

**Mailing Address**

**Phone            E-mail**

**Relevant licenses or certifications**

**First professional references (name, phone, and email)**

**Second personal reference (name, phone, and email)**

**Do you identify as and/or do you or your organization provide support to beginning farmer/ranchers (with less than 10 years of experience)?**

### **1. VISION AND GOALS**

- a. Briefly describe your vision and goals for the Coffelt Farm Preserve Agricultural Lease Area (ALA). What will the farm operation produce, when and how will you begin, and an overview of 1-, 3-, 5- year plus plan and goals.
- b. Describe how your operation will be compatible with and/or enhance the agricultural and natural resources on the property including soils, forage, and surface waters.
- c. Describe how your operation will fit with the size and configuration of the farm and how you will utilize existing farm infrastructure, equipment and housing.

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- d. Describe how your operation will maintain, and/or enhance soil health. Lessee will develop a Soil Nutrient Management Strategy in collaboration with the Land Bank, how do you foresee the Land Bank contributing financially or otherwise to these efforts?
- e. Describe how your operation will be compatible with, maintain, and/or enhance the natural resources on the property including, surface water, soils, and wildlife habitats.
- f. Do you foresee your farming/ranching practices working towards climate resiliency? If so, please explain?
- g. Describe benefits your operation will provide to the community and/or your concrete plans to collaborate with others on the property. Examples: Food equity (efforts to provide healthful, affordable and culturally significant foods), agricultural education and research, farmer to farmer collaborations, employment opportunities, maintaining agricultural resources, youth engagement, etc.

## **2. EXPERIENCE AND QUALIFICATIONS**

- a. Describe how your relevant hands-on commercial farming/ranching background and farm business management experience has prepared you for this lease opportunity.
- b. Describe any relevant education, trainings, certifications, or mechanical aptitude you have.
- c. Describe any experience owning or leasing farmland and managing a farm operation (including financial management). If applicable, identify the lessor(s) of such farmland.

## **3. BUSINESS PLAN**

At a minimum:

- a. Describe the management structure you are proposing (i.e., LLC, Sole Proprietorship, Cooperative, non-profit), including the role of each person involved. Describe your

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experience managing the specified business/organization and/or the structure and history of the entity.

- b. Provide a general five-year income and expense projection for your proposed farm operations.
- c. Affirm that your business/organization would be able to meet the \$2,358 monthly lease rate plus an estimated \$700+/month in utility fees and agreed maintenance expenses.
- d. What revenue sources do you anticipate your operation relying on beyond farm product sales? Sales of non-farm items, grants, donations, education fees, agrotourism, subleasing, etc. Outside day jobs.
- e. Describe the avenues through which you anticipate distributing your crops/farm goods to the market or the community.
- f. The outlined term of lease is for five years with the conditional option to renew for another five years. If your plan would require or benefit from a different term, please explain.

### 4. LESSEE FARM MANAGEMENT PLAN

Provide a plan that addresses the following:

- a. Describe the farm operation in detail. Include estimated livestock species and numbers, crop types and acreages, and other farm activities (e.g., value-added production, classes/workshops, training, tours, etc). For livestock, please refer to the attached SJICD Farm Plan (Attachment E). The maximum production limits would ensure that the farm is not pushed beyond carrying capacities. The minimum production standard would ensure that the farmland is able to support the defined goals both ecologically and economically.
- b. Describe specific agricultural practices that would be implemented. Examples: nutrient management, composting, , haying, tilling, rotational grazing, crop rotation, cover cropping, perennial crops, integrated pest management, certification goals.

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- c. Describe in detail the farm assets you own, lease, or would have a right to use in your farming operations at Coffelt Farm.
- d. Describe the people on the farm. Who will occupy the residence? What are your anticipated need for farm employees, and/or volunteers and how that need will be filled? How they will be housed if needed?
- e. Describe your operations water requirements for livestock, irrigation, and/or processing. What practices will be employed to conserve water?
- f. In order to operate Coffelt Farm in accordance with your plans, do you anticipate the need for capital improvements? At this point, what modifications and/or additional infrastructure improvements would you propose to implement at your expense? Note: lease is based on existing infrastructure and limits imposed by Conservation Easement.
- g. Are you willing and able to coordinate with IGFC Mobile Slaughter Unit and Members for use of the mobile slaughter site with the ALA?


### 5. PERSONAL FINANCIAL STATEMENT

For each person who will have a financial interest in the operation of the farm, other than wage earning employees, please provide a personal financial statement on the form shown below (and available for download at <https://ohiose.com/wp-content/uploads/2020/04/SBA-Personal-Fiancial-Statement.pdf>).

In addition, submit a credit report for each person. To order a free annual credit report: [www.annualcreditreport.com](http://www.annualcreditreport.com) or call 1-877-322-8228.

All Private Personal Information will remain confidential.

# Coffelt Farm Preserve Agricultural Lease Request for Proposals

	OMB APPROVAL NO. 3245-0188 EXPIRATION DATE: 11/30/2004				
PERSONAL FINANCIAL STATEMENT					
U.S. SMALL BUSINESS ADMINISTRATION <span style="float: right;">As of _____</span>					
Complete this form for: (1) each proprietor, or (2) each limited partner who owns 20% or more interest and each general partner, or (3) each stockholder owning 20% or more of voting stock, or (4) any person or entity providing a guaranty on the loan.					
Name _____	Business Phone _____				
Residence Address _____	Residence Phone _____				
City, State, & Zip Code _____					
Business Name of Applicant/Borrower _____					
ASSETS	LIABILITIES				
(Omit Cents)	(Omit Cents)				
Cash on hand & in Banks _____ \$ _____	Accounts Payable _____ \$ _____				
Savings Accounts _____ \$ _____	Notes Payable to Banks and Others _____ \$ _____				
IRA or Other Retirement Account _____ \$ _____	(Describe in Section 2)				
Accounts & Notes Receivable _____ \$ _____	Installment Account (Auto) _____ \$ _____				
Life Insurance-Cash Surrender Value Only _____ \$ _____	Mo. Payments \$ _____				
(Complete Section 8)	Installment Account (Other) _____ \$ _____				
Stocks and Bonds _____ \$ _____	Mo. Payments \$ _____				
(Describe in Section 3)	Loan on Life Insurance _____ \$ _____				
Real Estate _____ \$ _____	Mortgages on Real Estate _____ \$ _____				
(Describe in Section 4)	(Describe in Section 4)				
Automobile-Present Value _____ \$ _____	Unpaid Taxes _____ \$ _____				
Other Personal Property _____ \$ _____	(Describe in Section 6)				
(Describe in Section 5)	Other Liabilities _____ \$ _____				
Other Assets _____ \$ _____	(Describe in Section 7)				
(Describe in Section 5)	Total Liabilities _____ \$ _____				
Total _____ \$ _____	Net Worth _____ \$ _____				
Total	Total				
<b>Section 1. Source of Income</b>					
Salary _____ \$ _____	<b>Contingent Liabilities</b>				
Net Investment Income _____ \$ _____	As Endorser or Co-Maker _____ \$ _____				
Real Estate Income _____ \$ _____	Legal Claims & Judgments _____ \$ _____				
Other Income (Describe below)* _____ \$ _____	Provision for Federal Income Tax _____ \$ _____				
	Other Special Debt _____ \$ _____				
Description of Other Income in Section 1.					
*Alimony or child support payments need not be disclosed in "Other Income" unless it is desired to have such payments counted toward total income.					
Section 2. Notes Payable to Banks and Others. (Use attachments if necessary. Each attachment must be identified as a part of this statement and signed.)					
Name and Address of Noteholder(s)	Original Balance	Current Balance	Payment Amount	Frequency (monthly, etc.)	How Secured or Endorsed Type of Collateral