

Beaverton Marsh Preserve Agricultural Lease Request for Proposals

CLOSES: February 29th, 2024



**350 Court St. No.6
Friday Harbor, WA 98250
www.sjclandbank.org**

SJC Conservation Land Bank Agricultural Lease Request for Proposal

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BACKGROUND

Beaverton Marsh Preserve agricultural lease area is located on San Juan Island, Washington. The Conservation Land Bank (Land Bank) acquired the 460-acre property in multiple phases, beginning with the Northern section that includes the prime agricultural area in 2001. The Land Bank aims to conserve agricultural legacy and resources, wetland habitats, and outstanding scenic values. These “Conservation Values” are described further in the *Beaverton Marsh Preserve Stewardship and Management Plan* (Attachment A).

The Land Bank’s stewardship goals for the agricultural areas of Beaverton Marsh Preserve are:

- To protect agricultural resources and support a viable agricultural operation that demonstrates Best Management Practices (BMP’s);
- To protect and enhance freshwater resources and other ecological values and services; and
- To provide farmers with affordable and stable access to farmland.

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 Beaverton Marsh

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Preserve under a long-term lease. Interested parties must submit proposals describing their interests, skills, and abilities to operate a successful agricultural and business or non-profit organizational operation. All proposals from qualified applicants will receive consideration.

OVERVIEW OF AGRICULTURAL LEASE AREA

In recent years the Agricultural Lease Area (ALA) has been managed primarily for hay and grazing. Soil types are considered prime farmland (see soil NRCS Soil Survey and recent soil tests). Pastures are seasonally wet and border critical areas including wetland, marsh, and bog/fen habitat. Operations will need to be designed and managed to prioritize the protection of soil and water quality.

There is one primary access gate to the Western area off Roche Harbor Road with a second primitive roadside access to the East area. Perimeter livestock fencing is in poor condition and is a priority for the Land Bank to replace. Land Bank will supply materials and Lessee will collaborate on the fencing plan and implementation.

There are two wells on the property that may be used at a sustainable and allowable rate, West well ~14 GPM, East well ~4 GPM. There is currently no power to the property, however a solar water system is being installed at the western well. The water system will have the potential to support a small (<5 acre), irrigated area and/or livestock, and will need to be customized to the operation. A similar water system could be added to the Eastern well if needed.

There are currently no structures on the property, the Land Bank will consider proposed building additions such as sheds, livestock shelters, high tunnels, etc. There is no housing option on the property.

Beaverton Marsh Preserve also includes areas that are not part of the ALA. Such areas include much of the surrounding wetland, forests, and buffers. In addition, Land Bank reserves the right to develop a public trail along Roche Harbor Rd and along the Western property line, fencing replacement and additions may be designed to accommodate a corridor of a minimum 12' along these boundaries. This corridor will also allow for additional hedgerow habitat. The Land Bank is responsible for management of areas of the preserve outside of the ALA.

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Figure 1. Beaverton Marsh Preserve Agricultural Lease Area (shaded) with potential public trail (purple)

OVERVIEW OF AGRICULTURAL LEASE TERMS

The Draft Agricultural Lease (Attachment G) includes up to 35 acres of pasture. The Land Bank is also open to leasing a portion(s) of this acreage for irrigated annual or perennial crops as water resources and rights allow. Lease rates will be based on the finding of the 2021 lease rate study, non-irrigated: \$30/acre/year, irrigated: \$250/acre/year. A rent reduction may be considered and negotiated for the startup period. The Lessee will accept the Lease Area "as is" in its present condition as shown during the Field Tours and described in the Draft Agricultural Lease.

Leases will be offered for an initial five-year term with optional five-year renewals up to a negotiated length appropriate for the operation. The Land Bank can unilaterally terminate at its sole discretion no later than December 31, 2028, 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.

General Land Bank Responsibilities

The Land Bank is the owner of the property and existing infrastructure and will interface

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with the Lessee regularly. During the term of the Lease the Land Bank will meet all the requirements of the Agricultural Lease, including but not limited to:

- Land Bank will provide materials for perimeter fencing where missing and required, to be prioritized with lessee.
- Land Bank will consider a cost share agreement for organic and/or biological soil amendments based on soil testing.
- Land Bank will consider investing in BMP infrastructure improvements recommended by SJICD and/or NRCS as cost share projects.
- Land Bank will coordinate with Lessee on control of priority weeds and activities protecting wetland areas and water quality.
- Land Bank staff will communicate 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:

- Lessee will develop a clear farm plan to be attached to the lease.
- Lessee will participate in the Voluntary Stewardship Program via a SJI Conservation District Individual Stewardship Plan
- Lessee will collaborate with Land Bank on development and implementation of a soil nutrient management strategy.
- Lessee will bear financial responsibility for all expenses associated with farm operations.
- Lessee will maintenance and repair farm infrastructure and equipment as defined in the Agricultural Lease.
- Lessee will control state-listed noxious weeds within the ALA using Land Bank approved methods.
- Lessee will coordinate with Land Bank on activities protecting water quality in wetland and riparian areas.
- Lessee shall maintain a comprehensive agricultural general liability insurance policy as defined in the Agricultural Lease.
- Lessee shall make timely payment of rent and utilities.
- Lessee will Communicate and coordinate effectively with Land Bank staff.

LESSEE MINIMUM QUALIFICATIONS

This RFP is open to experienced farmers and organizations with a demonstrated history of

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managing successful agricultural operations and/or agricultural/food systems research and education programs.

The Lessee shall:

- Have a minimum of two years of successful experience managing a farm, including hands-on production and financial management; and/or operating an agricultural/food system organization.
- Have the demonstrated capacity to carry out all necessary farming, marketing, and/or program operations.
- Present a general business plan demonstrating viability of operation and/or program.
- Commitment to the stewardship of agricultural and natural resources and modeling BMP's.
- Have good communication skills and be comfortable interfacing with Land Bank staff.

ADDITIONAL DESIRED QUALIFICATIONS

- Commitment to providing community benefits such as:
 - local product distribution
 - commitment to climate resiliency
 - education, partnerships, or support for young and developing farmers.
 - agricultural research and/or education
 - collaborations with farmers or organizations

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.

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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 E) 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.

PROPOSAL SELECTION CRITERIA AND REVIEW

Proposals will be evaluated and scored by a Selection Committee composed of Land Bank staff and Commissioners and may include members from other local Ag organizations. The Selection Committee will use the criteria presented below. Applicants may be asked to participate in an interview.

The Selection Committee will refer proposals and scores to the Land Bank Commission, which will vote to select or reject the highest scoring proposal. Final approval will be in the form of a signed and recorded lease from San Juan County Council.

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.	30
3. Applicant's demonstrated experience, skills, and past performance in managing similar operations.	30
4. Extent to which the proposed activities support the Conservation Values established for Beaverton Marsh Preserve.	30

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	12/10/23
2. Field Tour – participation in a tour is mandatory, schedule before Feb. 16th	2/16/24
4. Proposals Due – only proposals received by 4pm on due date will be accepted	2/29/24

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5. Selection Committee recommendation at Land Bank Commission meeting	3/15/24
5. Lease negotiation complete – to SJC for legal review and Council Approval	4/05/24
7. Lease effective date	TBD

COMMUNICATIONS AND PROPOSAL SUBMISSION

RFP Questions	RFP Submission
<p>All questions regarding this RFP and to schedule a site visit must be directed to Charlie Behnke at: 360-830-7340</p> <p>or</p> <p>charlieb@sjclandbank.org</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: charlieb@sjclandbank.org</p> <p><u>Expect to receive confirmation within One business day of receiving proposal. Please follow up if you do not here back.</u></p>

LIST OF AVAILABLE ATTACHMENTS:

- Attachment A –Proposal Form Template (See below)
- Attachment B – Draft Agricultural Lease (See below)
- Attachment C - Soil information (Available by request)
- Attachment D - SJCCLB *Ag Overview, Objectives, and Policy* (Available by request)
- Attachment E - *Preserve Stewardship Management Plan* (Available by request)

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**ATTACHMENT A – BEAVERTON MARSH PRESERVE AGRICULTURAL LEASE PROPOSAL
TEMPLATE**

Applicant Name(s)

Farm or Organization Name

Mailing Address

Phone E-mail

First Professional Reference (name, phone, and email)

Second Personal Reference (name, phone, and email)

1. Vision and Goals

- a. Describe in detail your vision and goals for the Beaverton Marsh Preserve Farm Lease. What will the farm operation produce, when and how will you begin, and a brief overview of 1, 3, 5+ year plan and goals. Include livestock species and #'s, crop types and acreages.
- b. What infrastructure additions or modifications would your operation require and who do you propose be responsible for such capital expenses?
- c. Describe your operations water requirements for livestock, irrigation, and/or processing. and what practices will be employed to conserve water.
- d. Describe how your operation will maintain, and/or enhance soil health. How do you foresee the Land Bank contributing financially to these efforts?
- e. Describe how your operation will be compatible with, maintain, and/or enhance 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?

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- g. Describe the benefits your operation will provide to the community. Examples: Local sales, education, research, collaborations, employment opportunities, youth engagement, etc.

2. Experience and Qualifications

- a. Describe how your relevant hands-on commercial farming/ranching background and experience has prepared you for this lease opportunity. Provide details of your roles and agricultural qualifications.
- b. Describe any relevant education, training, certifications you have.
- c. Describe any experience leasing farmland and identify the lessor(s) of such farmland.
- d. Describe your and/or the organization's communication style and how you envision communicating, collaborating, and resolving conflict with the Land Bank and other stakeholders and parties.

3. Business Plan

- a. Describe the management structure you are proposing E.g., LLC, Sole Proprietorship, Cooperative, non-profit, including the role of each person involved. Describe your experience managing the specified business/organization and/or the structure and history of the entity.
- b. Outline a five-year business plan with financial projections of your proposed farm operations.
- c. Affirm that your business/organization would be able to meet the lease rate. If your plan requires different lease rate terms, please explain.
- d. What revenue sources do you anticipate your operation relying on beyond farm product sales? E.g., grants, donations, education fees, agrotourism, subleasing (requires approval), etc.
- e. Describe the avenues through which you anticipate selling and distributing your crops/farm goods?
- f. The outlined term of the lease is for 5 years with the conditional option to renew for consecutive 5-year terms. What total length of term would your plan require or benefit from, please explain.

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ATTACHMENT B – DRAFT AGRICULTURAL LEASE

DRAFT AGRICULTURAL LEASE AGREEMENT

**BETWEEN THE SAN JUAN COUNTY LAND BANK AND
("LESSEE")**

This Lease Agreement is entered into between Lessor San Juan County, acting through the San Juan County Land Bank ("Land Bank") and Lessee ("Lessee").

WHEREAS, the Land Bank is the owner of a 111-acre property (PARCELS: 350431001, 350341003, 350232002, 350232003, AND 351121002) on ROCHE HARBOR RD on SAN JUAN ISLAND, known as the BEAVERTON MARSH PRESERVE ("Property"); and

WHEREAS, the Lessee wishes to lease a portion of the Property from the Land Bank exclusively for agricultural 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 approximately xx acres of the Property to the Lessee, and the Lessee agrees to lease the Property from the Land Bank. Lease area includes (EXAMPLE: previously hayed grasslands from boundary at Roche Harbor rd. boundary to southern fence line bordering reed canary grass dominant riparian area and forested areas; and extending east to west inside fenced boundaries. The Property is legally described in Attachment A, and a map of and description of the lease area in B.)

2. **Term.** The Lease term shall commence at the time this lease is signed by both Land Bank and Tenant and shall terminate on xxxx.

3. **Rent.** The rental payment shall be xxx per month, payment of which is to be paid to the Land Bank by the first business day of each month and is delinquent if not paid on or before the tenth day of the month. Rent shall be paid to the Land Bank at the address stated below or at such other place as the Land Bank designates.

San Juan County Land Bank
350 Court Street, # 6
Friday Harbor, WA 98250

4. **Rent Adjustments.**
The monthly rental payment shall be adjusted one time at the end of the initial five-year term of the Lease, with the new rental payment to commence beginning xxxx. The adjustment shall be based on changes to the Seattle -Tacoma – Bellevue Consumer Price Index all items (CPI) as follows:

$$\text{Original Rent} \times \frac{\text{CPI Current Year}}{\text{CPI Original Year}} = \text{Current Rent}$$

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CPI Starting Year

5. **Late Charges.** If payment of the 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 Lessee is leasing the Property "as is" in its present condition. The agricultural and other characteristics of the Property, 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 Lessee 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, Lessee acknowledge that they are personally familiar with the condition of the Property, and agree to lease said property in its existing condition. Lessee agrees to maintain and repair existing structures. The Land Bank shall have no obligation with regard to the maintenance and repair of the Property during the term of this Lease, however they may conduct work at their sole discretion including but not limited to:

- A. Periodic soil testing, including but not limited to standard analysis of organic matter, nitrogen (N), phosphorus (P), potassium (K), calcium (Ca), magnesium (Mg), sodium (Na), and soil pH (acidity) to monitor soil quality and fertility; and
- B. Collaborate on soil health and/or pasture improvements with Lessee; and
- C. Fencing repair, maintenance, installation; and
- D. Take all measures reasonably necessary to control state listed noxious weeds on the Property; and
- E. Solar water system installation, repairs, and maintenance; and
- F. Land Bank will be responsible for management all areas outside of the lease boundaries as indicated on map in attachment B; and
- G. Land Bank will maintain Preserve signage at the entrance. Lessee and Land Bank will collaborate on signage and information at other appropriate locations to guide and inform visitors.

7. **Permitted Uses.** This Lease is solely for agricultural purposes as described in the Farm Plan of the Lessee 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. By way of example, adding pastured chickens to the Farm Plan may be done by written consent of staff. Changing the plan to include planting an orchard must be through formal amendment.

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

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A. Use agricultural Best Management Practices (BMP's). Practices will be consistent with a San Juan Islands Conservation District's (SJICD) Individual Stewardship Plan developed for the Lease Area; and

B. Farming activities. Use farmland for activities consistent with the Lessee's proposed Farm Plan as set out in Attachment C; and

C. Maintain compliance. Comply at all times with all applicable federal, state and local laws, codes, regulations applicable to the Leased area; and

D. Protect sensitive habitat and resources. Streams and wetlands on the Property provide valuable water resources, wildlife habitat and agricultural benefits. Such areas shall be protected from nutrient and sediment-laden runoff, soil compaction and other unnecessary disturbance through observance of seasonal, limited duration grazing, appropriately timed haying and other sound agricultural practices. Land Bank may, at its expense, conduct periodic monitoring of vegetation cover and water quality.

E. Maintain soil health. Maintain soil health. Maintaining and improving soil health and fertility, while protecting water quality, is a priority for the Land Bank and Lessee. Lessee and Land Bank will collaborate in the development of a soil nutrient management strategy. Land Bank and Lessee may consider a cost share agreement for soil inputs with Land Bank having sole discretion over their investment in inputs. Soil test results will be reviewed at time of renewal to help assess successful stewardship of the soil.

H. Use water responsibly. Lessee understands the physical and legal limitations of water for agricultural and commercial use on the Farm and will take efforts to conserve the resource and use sustainably. If the operation overburdens the resource, adjustments will be made by Lessee to reach an appropriate use level.

I. Fence Vegetation Management. While recognizing the pollinator and other benefits provided by native hedgerows, Lessee shall manage woody vegetation along fence lines within the Agricultural Lease Area to reduce damage and encroachment into pastures.

G. Promotion and Marketing Materials. Lessee will acknowledge the Land Bank when appropriate at events and in promotional and marketing materials such as Farm tours, educational events, websites, social media, farm store, farmer's market booths, press releases, etc.

H. Submit annual report. Lessee will provide an annual report by February 1st of each calendar year including the following: overview of farm activities, stewardship and soil health practices employed.

9. **Environmental Indemnity**. Lessee agrees to indemnify the Land Bank, to the extent provided by law, for any actions, damages, liability or expenses under federal, state or local

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environmental laws for environmental conditions existing on the Property 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 Property, including but not limited to fertilizers, pesticides, herbicides, paint and other toxic materials on or around the Property; noise control concerns on or around the Property; and any other violation or alleged or potential violation of a county, state, or federal environmental law.

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

11. **Ownership and Disposition of Improvements.** No improvements or structures shall be added to the Property 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 Lessee or the Lessee's agents or invitees or any person claiming by, through or under the Lessee, shall be at the sole risk of the Lessee. The Land Bank shall in no event be responsible for insuring said personal property, and the Lessee 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 Property 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 Lessee.

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

15. **Insurance.** The Lessee shall maintain **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 Lessee.

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16. **Indemnification.** The Lessee agrees to indemnify and hold the Land Bank harmless from any claim for damage to person or property made by the Lessee or any of its agents or employees or anyone else claiming by, through or under the Lessee, 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, Lessee's improvements and alterations of either the Land Bank or the Lessee 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.** Lessee 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 Lessee'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 **30** days after Lessee 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 Property and remove all Lessee's property from the Property; or

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C. Terminate Lessee’s right to possession of the Property.

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

20. **Condemnation.** If the Property, or any part of the Property, shall be taken by condemnation or eminent domain or sold under threat thereof and the remaining portion is not reasonably suited for the Lessee’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 Lessee 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 Lessee as follows:

San Juan County	Lessee
Land Bank	XXXXXXXXXXXXXXXXXX
350 Court St. #6	XXXXXXXXXXXX
Friday Harbor, WA 98250	Friday Harbor, WA 98250

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 Lessee, 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 be recorded by the Land Bank.

LEASE ATTACHMENT A
LEGAL DESCRIPTION

PARCEL B: (Tax Parcel No. 351121003)

The East half of the Northwest quarter of the Northwest quarter, and that portion of the Northeast quarter of the Northwest quarter lying West of the County Road, as conveyed to San Juan County under Auditor's File No. 130698, records of said county, all in Section 11, Township 35 North, Range 3 West, W.M., San Juan County, Washington;

EXCEPT the North 758.34 feet thereof (as measured perpendicular to the North line thereof).

PARCEL C: (Tax Parcel No. 350232002)

The West 608.01 feet (as measured perpendicular to the West line thereof) of that portion of the Southwest quarter of Section 2, Township 35 North, Range 3 West, W.M., San Juan County, Washington, lying South and West of County Road No. 3 as conveyed to San Juan County under Auditor's File No. 130698, records of said county.

PARCEL D: (Tax Parcel No. 350232003)

That portion of the Southwest quarter of Section 2, Township 35 North, Range 3 West, W.M., San Juan County, Washington, lying South and West of County Road No. 3 as conveyed to San Juan County under Auditor's File No. 130698, records of said county;

EXCEPT the West 608.01 feet thereof (as measured perpendicular to the West line thereof).

PARCEL E: (Tax Parcel No. 350341001)

That portion of the East half of the Southeast quarter of Section 3, Township 35 North, Range 3 West, W.M., San Juan County, Washington, lying South of County Road No. 3 as conveyed to San Juan County under Auditor's File No. 130698, records of said county.

PARCEL F: (Tax Parcel No. 350341003)

The East 627.70 feet (as measured perpendicular to the East line thereof) of that portion of the East half of the Southeast quarter of Section 3, Township 35 North, Range 3 West, W.M., San Juan County, Washington, lying South of County Road No. 3 as conveyed to San Juan County under Auditor's File No. 130698, records of said county.

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LEASE ATTACHMENT B PRESENT CONDITIONS REPORT

Access: The property is accessed by Roche Harbor Rd. The primary entry includes a gated corral and parking area. A second primitive gate exists to access the Eastern pastures.

Fencing: Perimeter livestock fencing is in poor condition and nonexistent in places. Lessee and Land Bank will collaborate on a perimeter and interior fence plan and installation.

Water Supply: Two deep wells exist as on the property available for agricultural use (see map below). Land Bank will install a solar pump system in the Western well (~14 gpm) to supply holding tank. Eastern well (~4 gpm) has no pump or power. Water system will need to be customized to the operation by lessee and used at a sustainable rate.

Noxious and Invasive Weeds: Noxious weeds noted on the property include scattered tansy ragwort (*Senecio jacobea*), One-seeded hawthorn (*Craetagus monogyna*), which is found throughout the Preserve along fencelines, hedgerows and occasional annual sapling regrowth in pastures. There are also scattered patches of Canada (*Cirsium arvense*) and bull (*Cirsium vulgare*) thistle, and Himalayan blackberry (*Rubus armeniacus*), patches oxeye daisy (*Leucanthemum vulgare*) is present in the western pastures.

Beyond Lease Area Beaverton Marsh Preserve also includes areas that are not part of the ALA. Such areas include much of the surrounding wetland, forests, and buffers. In addition, Land Bank reserves the right to develop a public trail along Roche Harbor Rd and along the Western property line, fencing replacement and additions may be designed to accommodate a corridor of a minimum 12' along these boundaries. This corridor will also allow for additional hedgerow habitat. The Land Bank is responsible for management of areas of the preserve outside of the ALA.

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Figure 2. Approximate Lease Area

LEASE ATTACHMENT C
EXAMPLE FARM PLAN

Livestock:

1. Season – Sheep and/or cattle pastured spring – fall, dependent on the availability of forage, condition of soil (wetness).
2. Maximum stocking rate of 30 animal units.
3. Rotation – Livestock will be rotated throughout the grasslands using temporary electric fencing and will be moved to leave at least 3” of stubble height of forage to support healthy regrowth. Livestock shall not be allowed to create exposed soil due to overgrazing.
4. Wetland pastures approved for grazing will be flash grazed as conditions allow between June 1 and October 1.
5. Mowing – Grazed and non-grazed areas will be mowed in fall as needed to maintain grasslands and encourage robust spring growth.
6. Livestock will be kept out of wetland and riparian areas outside of the ALA, except for grazing trials arranged jointly between the Land Bank and the Tenant.
7. Stock water will be transferred from wells to storage tank and then to stock troughs.
8. All livestock, equipment, and temporary infrastructure will be removed by November of each year.

Irrigated row crops:

1. Convert approximately 2 acres to row crop production.
2. First year - with deer fencing, cover cropping, and drip irrigation water system development.
3. Second year - grow market crops on 1 acre, continue cover cropping 1 acre
4. Third year and beyond – rotate crops, continue cover cropping and consider expanding if water resources allow.

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LEASE ATTACHMENT D

EXAMPLE ALLOWED IMPROVEMENTS/STRUCTURES

Lessee may water holding tank and water distribution system on the property.

A portable shelter structure may be utilized and/or shade trees planted following approval of species and location by Land Bank

Temporary livestock corrals may be used

Lessee may improve gate Eastern gate access to facilitate safe and functional access.

A multiuse shed may be constructed following approval of location by Land Bank

2000 square foot greenhouse/high tunnel for propagation and crops