

# **Frazer Homestead Preserve Agricultural Lease Request for Proposals**

**CLOSES: February 29th, 2024**



**350 Court St. No.6  
Friday Harbor, WA 98250  
[www.sjclandbank.org](http://www.sjclandbank.org)**

# SJC Conservation Land Bank Agricultural Lease Request for Proposal

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## BACKGROUND

Frazer Homestead Preserve is located on San Juan Island, Washington. The Conservation Land Bank (Land Bank) acquired the 68-acre property in 2006. The Land Bank aims to conserve its agricultural and ecological legacy and resources, outstanding scenic value, and provide limited public access by way of a roadside trail connecting to American Camp National Historic Park. These “Conservation Values” are described further in the *Frazer Homestead Preserve Stewardship and Management Plan* (Attachment A).

The Land Bank’s stewardship goals for the agricultural areas of Frazer Homestead 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 Frazer Homestead Preserve under a long-term lease. Interested parties must submit proposals describing their interests, skills, and abilities to operate a successful agricultural operations and business or

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non-profit organizational program. All proposals from qualified applicants will receive consideration.

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

The approximate 40-acre Agricultural Lease Area (ALA) has been managed for hay, grazing, and grain in recent years. Soil types are considered prime farmland (see soil NRCS Soil Survey and recent soil tests). Some pasture areas are seasonally wet, and operations will need to be designed and managed to prioritize the protection of soil and water quality accordingly.

There are two access gates, one off Rosler rd. to the northern fields and a second off Cattle Point rd. towards the south end of the ALA. Perimeter livestock fencing is in fair condition but may require improvements depending on the operation. Land Bank and Lessee will collaborate on fencing plan and implementation.

The current water system consists of a half-acre pond with a solar water pump to a stock tank. This surface water source may be used for livestock; however, a water right would need to be pursued for irrigation uses. The water system will likely require improvements and customization depending on operation.

There are several small lease exclusion areas on the property. Two Island Marble Butterfly plots, ½ acre in Southern area and ¼ acre in the NW area. There is also a pasture prairie trial in the SE area, outside of the ALA.

There are currently no structures on the property, the Land Bank will consider proposed building additions such as sheds, livestock shelters, etc. In addition, proposals that include the development of farmer housing in the Preserve will be considered. However, such an addition would require a partner farmer/organization willing to collaborate on required infrastructure and utility expenses.

Frazer Homestead Preserve also includes areas that are not part of the ALA. Approximately 10 acres south of the ALA may be negotiated into the lease on a short-term basis for additional hay or grazing area. Other areas include surrounding prairie, forestland, public trails, and a parking area off Rossler Road. The Land Bank is responsible for management of areas of the preserve outside of the ALA.

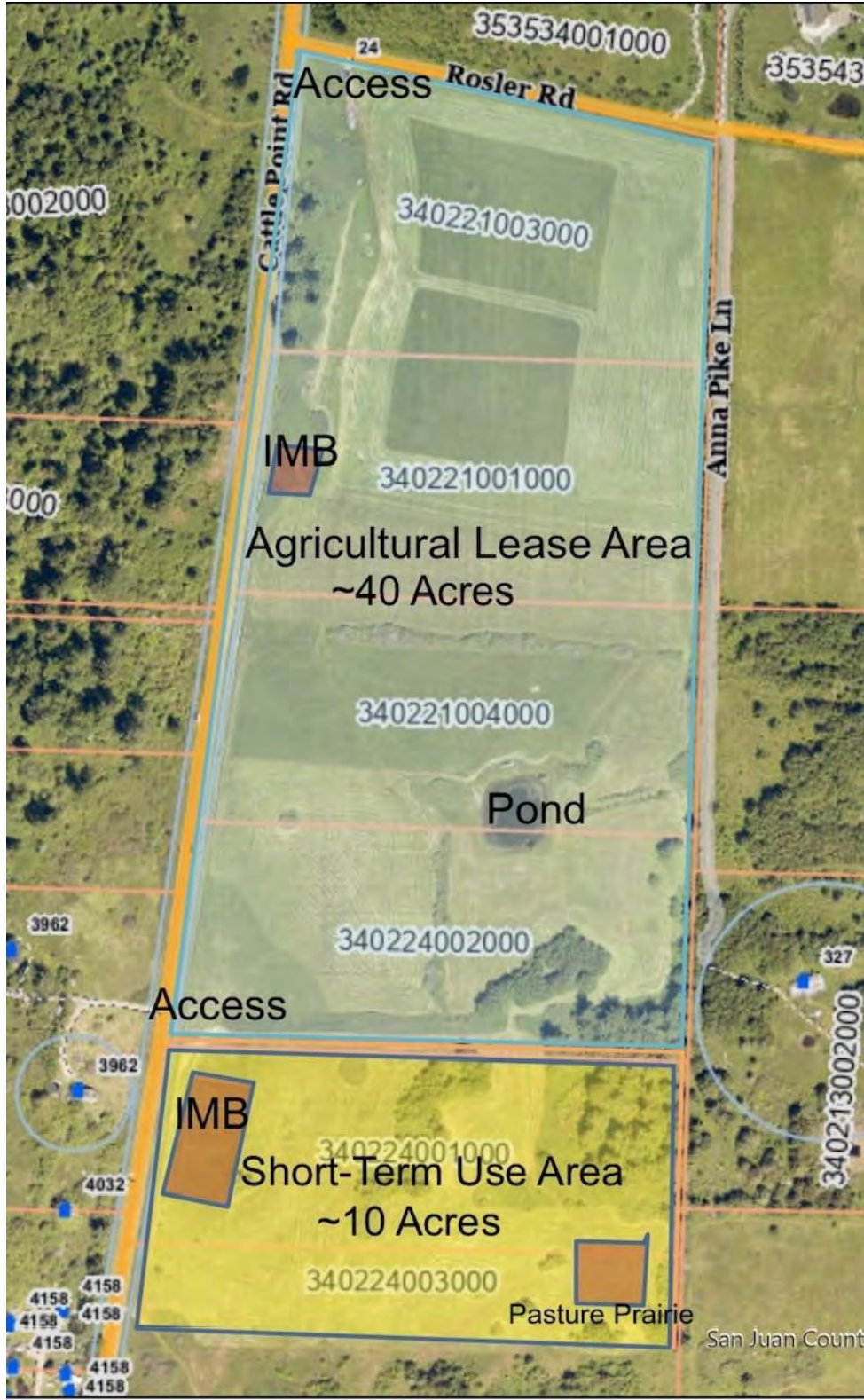


Figure 1. Frazer Homestead Agricultural Lease Area (ALA)

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### **OVERVIEW OF AGRICULTURAL LEASE TERMS**

The Draft Agricultural Lease (Attachment xx) includes up to 40 acres of pasture, with an optional 10 additional acres on a short-term basis. The Land Bank is also open to leasing a portion of this acreage for irrigated annual or perennial crops as water resources and rights allow. Lease rates will be based on a recent 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 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

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- 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 maintain 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 wetland areas and water quality.
- Lessee shall carry 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 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 systems 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

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### **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.

### **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.

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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.	2/16/24
4. Proposals Due – only proposals received by 4pm on due date will be accepted	2/29/24
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><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><u>Expect to receive confirmation within One business day of receiving proposal. Please follow up if you do not here back.</u></p>



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### **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 – FRAZER HOMESTEAD 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 past 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 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 approximately 63 acres of agricultural and forest land (TPN #340221003, 340221001, 340221004, 340224002, 340224001, AND 340224003) on Cattle Point Road on San Juan Island, known as the Frazer Homestead Preserve (“Preserve”); and

WHEREAS, the Lessee wishes to lease a portion of the Property from the Land Bank exclusively for agricultural purposes.

WHEREAS, the Land Bank is willing to allow the permissive use of approximately ten acres of pasture in the southern area of Parcels E and F of the Preserve for grazing or mowing under a revocable license. The Property is legally described in Attachment A, and a map of and description of the lease area in B.); and

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 40 acres of the Property to the Lessee, and the Lessee agrees to lease the Property from the Land Bank. Lease area includes (EXAMPLE: All fenced pasture within Parcels A, B, C, and D 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

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based on changes to the Seattle -Tacoma – Bellevue Consumer Price Index all items (CPI) as follows:

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

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 acknowledges 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. **Licensed Uses.** The Tenant is granted a revocable license authorizing Tenant to graze animals or harvest hay the southern fenced 10 acres of the Preserve during the term of this agreement. Use of these ten acres is not part of the lease, but is a revocable license for the sole purposes of either grazing or harvesting hay. This license is revocable by either party at any time upon 14 days written notice to the other party.

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Two exclusion areas, approximately ¼ acre with the ALA and ½ acre licensed area have been fenced and are actively managed for Island Marble butterfly habitat. Use of that area shall be restricted and remain accessible to personnel involved with the butterfly project.

8. **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 a livestock shelter 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.

9. **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:

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 and Licensed 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.** 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

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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 1<sup>st</sup> of each calendar year including the following: overview of farm activities, stewardship and soil health practices employed.

10. **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 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.

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

12. **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.

13. **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.

14. **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.

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

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16. **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.

17. **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.

18. **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.

19. **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.



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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.

20. **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

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.

21. **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.

22. **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.

23. **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**  
**Land Bank**  
350 Court St. #6  
Friday Harbor, WA 98250

**Lessee**  
XXXXXXXXXXXXXXXXXX  
XXXXXXXXXXXX  
Friday Harbor, WA 98250

24. **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.

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25. **Recordation.** This Lease will be recorded by the Land Bank.

**ATTACHMENT A  
LEGAL DESCRIPTION**

**SJC Conservation Land Bank Agricultural Lease Request for Proposal**

**LEGAL DESCRIPTION**

PARCEL A:

That portion of the Southeast Quarter of the Southwest Quarter of Section 35, Township 35 North, Range 3 West, W.M., lying East of the East margin of Cattle Point Road, as conveyed to San Juan County under Auditor's File No. 65985, and South of the South margin of County Road No. 160;

ALSO, the North 200 feet, as measured along the East line of that portion of Government Lot 3 in Section 2, Township 34 North, Range 3 West, W.M., lying East of the East margin of Cattle Point Road, as conveyed to San Juan County under Auditor's File No. 65985;

PARCEL B

The North 705 feet, as measured along the East line of that portion of Government Lot 3 in Section 2, Township 34 North, Range 3 West, W.M., lying East of the East margin of Cattle Point Road, as conveyed to San Juan County under Auditor's File No. 65985;

EXCEPT the North 200 feet of said Government Lot 3, as measured along the East line thereof.

PARCEL C:

The North 1178 feet, as measured along the East line of that portion of Government Lot 3 in Section 2, Township 34 North, Range 3 West, W.M., lying East of the East margin of Cattle Point Road, as conveyed to San Juan County under Auditor's file No. 65985;

EXCEPT the North 705 feet of said Government Lot 3, as measured along the East line thereof.

PARCEL D:

The North 1628 feet, as measured along the East line of that portion of Government Lot 3 and the Southeast Quarter of the Northwest Quarter of Section 2, Township 34 North, Range 3 West, W.M., lying East of the East margin of Cattle Point Road, as conveyed to San Juan County under Auditor's File No. 65985;

EXCEPT the North 1178 feet of said Government Lot 3, as measured along the East line thereof.

**LICENSE USE AREA: Portions of Parcels E and F, see map below.**

**SJC Conservation Land Bank Agricultural Lease Request for Proposal**

**CONTINUED**

PARCEL E:

That Portion of the Southeast Quarter of the Northwest Quarter of Section 2, Township 34 North, Range 3 West, W.M., San Juan County, Washington, lying East of the East margin of Cattle Point Road, as conveyed to San Juan County under Auditor's File No. 65985, records of said County;

EXCEPT the North 1628 feet of said Southeast Quarter of the Northwest Quarter of said Section 2, as measured along the East line thereof;

ALSO EXCEPT that portion of the said Southeast Quarter of the Northwest Quarter, lying South of the following described line:

Commencing at the North Quarter corner of said Section 2, which point is marked by a concrete monument, from which the Center of said Section 2, which point is also marked by a concrete monument, bears South 00°10'35" West, 2619.85 feet; THENCE along said Center of Section line, South 00°10'35" West, 2025.52 feet to the TRUE POINT OF BEGINNING of said line; THENCE leaving said Center of Section line, South 89°37'46" West, 1112.53 feet to the East margin of said Cattle Point Road and the terminus of said line.

PARCEL F:

That portion of the Southeast Quarter of the Northwest Quarter of Section 2, Township 34 North, Range 3 West, W.M., San Juan County, Washington, lying East of the East margin of Cattle Point Road, as conveyed to San Juan County under Auditor's File No. 65985, records of said County;

EXCEPT that portion of said Southeast Quarter of the Northwest Quarter lying North of the following described line:

Commencing at the North quarter corner of said Section 2, which point is marked by a concrete monument, from which the Center of said Section 2, which point is also marked by a concrete monument, bears South 00°10'35" West, 2619.85 feet; THENCE along said Center of Section line, South 00°10'35" West, 2025.52 feet to the TRUE POINT OF BEGINNING of said line; THENCE leaving said Center of Section line, South 89°37'46" West, 1112.53 feet to the East margin of said Cattle Point Road and the terminus of said line.

Situate in San Juan County, Washington.

## SJC Conservation Land Bank Agricultural Lease Request for Proposal

### ATTACHMENT B PRESENT CONDITIONS REPORT

**Fences and Gates:** A woven wire fence in good condition follows the north and western boundary of the Farm. A four-strand barbed wire fence of poor condition follows the eastern boundary from the southeast corner to about the middle of the eastern boundary, and a five-strand barbed wire fence of average condition finishes the eastern boundary in thick brush. A five-strand barbed wire fence of good condition follows the southern boundary of the Licensed use area. The exclusion fence surrounding the pond needs replacing with woven wire. There are two gates into the property: One 12' gate off Rosler Road, and another 12' gate off Cattle Point Road, on the southwest end of ALA. The gates are in good condition.

**Parking Area:** The Land Bank plans to improve the farm access gate off Rossler road for easier farm access. In addition, there may be a small parking area added to support farm use and access to the existing public trail.

**Public Trail:** Outside of the ALA, along the western boundary of the preserve, bordering Cattle Point Road there is a public walking trail (American Camp Trail) that a connection route from town to the National Historic Park. A woven wire fence separates the trail from ALA, Land Bank is responsible for managing the trail.

**Pond/Water Supply:** There is a pond approximately ½ acre in area, located close to the center of the preserve. Water is supplied from a vertical pipe connected to the pond on the north side. A solar panel with batteries and a pump. The pond outlet leads north to a ditch, then east to the property line. Water system will likely require improvement and customization to the new operation.

**Noxious and Invasive Weeds:** Noxious weeds noted on the property include scattered tansy ragwort (*Senecio jacobea*) and One-seeded hawthorn (*Craetagus monogyna*), which is found throughout the Preserve along fencelines, hedgerows and as annual sapling regrowth in pastures. A patch of slender-flowered thistle (*Carduus tenuiflorus*) approximately fifty yards south of the Rosler Road gate is thought to have been eradicated, but should be monitored. There are also scattered patches of Canada (*Cirsium arvense*) and bull (*Cirsium vulgare*) thistle, and Himalayan blackberry (*Rubus armeniacus*).

**Island Marble Butterfly Habitat Patch:** Two plots exist and are actively managed by partnering agencies. Approximately ½ acre of the SW area has been fenced by the San Juan Preservation Trust and ¼ acre in the mid west portion of the ALA. The goal is to promote habitat and food for the Island marble butterfly, the southern plot has been successful several consecutive years. These plots will continue to be managed by Land Bank and partners through the term of this lease.

**Pasture Prairie Trial:** Approximately ¼ acre in the SE region of the license use area is a trial aiming to introduce native forb species into existing pasture. The Land Bank will coordinate with Lessee on management within the plot.

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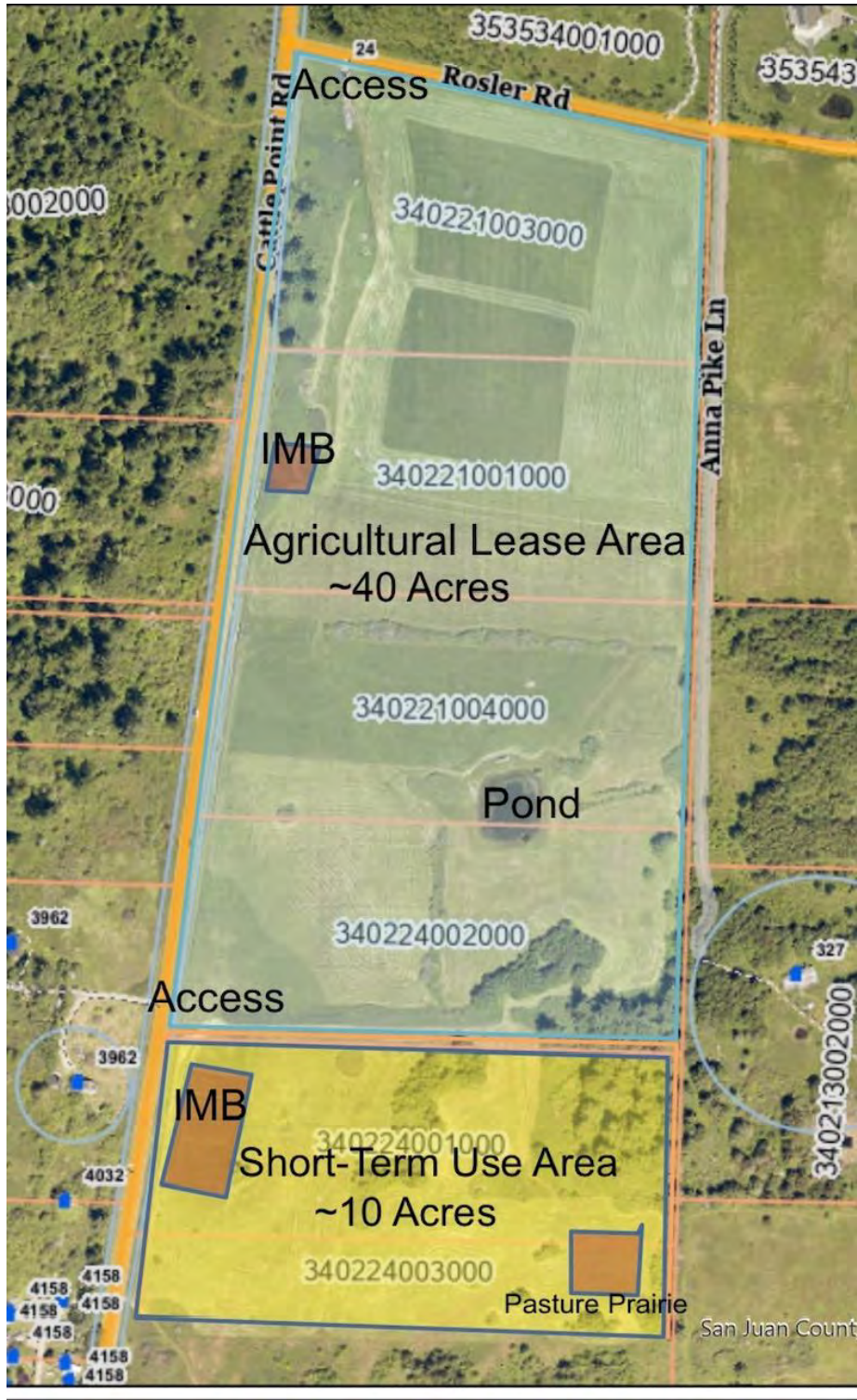


Figure 2. Approximate Lease Area

**LEASE ATTACHMENT C**  
**EXAMPLE FARM PLAN**

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. Mowing – Grazed and non-grazed areas will be mowed in fall as needed to maintain grasslands and encourage robust spring growth, and to control invasive plant species.
5. Livestock will be kept out of pond area.
6. Stock water will be transferred from pond to stock troughs using solar pump provided by Land Bank.
7. All livestock, equipment, and temporary infrastructure will be removed by November of each year, unless otherwise agreed upon with Land Bank.

**LEASE ATTACHMENT D**  
**EXAMPLE ALLOWED IMPROVEMENTS/STRUCTURES**

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

A portable livestock shelter structure may be utilized and/or shade trees may be planted following approval of species and placement from Land Bank.

Temporary livestock corrals may be used as needed.

Lessee may construct a multi-use shed near the access gate.