

CITY OF COBURG

FARM LEASE AGREEMENT

Portion of tax lot 200 of Map 16-03-28

THIS LEASE is entered into between **Kizer and Sons, Inc.** (hereinafter referred to as Lessee) and the **City of Coburg, an Oregon municipal corporation**, (hereinafter referred to as Lessor).

RECITALS

- A. Lessor is the owner of property in Lane County, Oregon, identified as tax lot 200 of assessor's map 16-03-28 ("tax lot 200").
- B. Lessor desires to lease a portion of tax lot 200 to Lessee for agricultural use on the terms set out in this Lease.

AGREEMENT

1. Description of Leased Property. Lessor hereby leases to Lessee the following described property ("the Premises"), which constitutes a portion of tax lot 200.

Beginning at a point 36.03 chains East of the Northwest corner of Donation Land Claim No. 42 in Section 28, Township 16 South, Range 3 West of the Willamette Meridian; Thence South 19.50 chains; Thence West 36.03 chains; Thence South 50 links; Thence East 71.30 chains to East line of said Claim; Thence North 34.86 chains; Thence West 12.82 chains; Thence South 14.64 chains; Thence South 89° 48' West 18.42 chains; Thence West 3.97 chains to point of beginning all in Lane County, Oregon;

EXCEPT: That portion conveyed to the State of Oregon by and through its State Highway Commission, by Deed recorded April 12, 1957, Records Reception No. 10499, Lane County Oregon Deed Records, in Lane County, Oregon.

ALSO, EXCEPT OUT: Beginning at a point 36.03 chains East of the Northwest corner of Donation Land Claim No. 42 in Section 28, Township 16 South, Range 3 West, of the Willamette Meridian said point being the **True Point of Beginning**; Thence East 262 feet to an angle point in the above described parcel; Thence North 89°48' East 188 feet more or less to the Northerly extension of an existing north-south fence; Thence South along said fence line and its northerly extension, 1320 feet more or less to a point on the southerly boundary of the above described parcel; Thence West 450 feet more or less to the southerly extension of a north-south fence; Thence North 1320 feet more or less to the point of beginning, all in Lane County Oregon.

The portion to be leased will be the approximately 33 acres, and is

generally shown on **Exhibit "A,"** attached hereto and incorporated by reference herein.

2. Term of Lease. The term of this Lease shall commence [insert start date] and terminate on midnight the 30th day of September, 2027, unless earlier terminated under the provisions of this Lease.

3. Consideration. Lessee agrees to pay Lessor the annual fixed rent of \$5775.00 per year for the entire Premises. Lessee may mail the rental payment or deliver it in person to Lessor at Coburg City Hall, 91136 N. Willamette St., PO Box 8316, Coburg, Oregon 97408, no later than September 15th of each year.

Use of the Premises. The Lessee shall use the Premises during the term of this lease for legal farming activities and for no other purpose whatsoever without the Lessor's written consent.

Lessee shall farm, cultivate, maintain, and operate the Premises consistent with the best agricultural practices employed by the farming industry in the area. Lessee shall refrain from practices that will cause unusual erosion on the premises. Lessee shall maintain the Premises in compliance with all federal, state and other governmental laws.

Lessee shall maintain the Premises in good condition and shall not commit, permit or suffer waste to the Premises.

It is understood the chemicals and fertilizers may be necessary to produce the highest financial returns from the Premises. It is also understood that chemicals and fertilizers can damage the Premises if applied incorrectly or on crops that are excluded on the product label. Chemicals and fertilizers shall be used by Lessee, if necessary, to produce the highest financial returns from the Premises, subject to the condition that Lessee shall not, without Lessor's prior written consent, use any of the fertilizers or chemicals that would adversely affect crops grown after termination of the lease.

Lessee will not be granted access through the Sewer Treatment Plant access road and must obtain and maintain access from other properties throughout the life of this lease. Emergency access through the Sewer Treatment Plan may only be granted by the Public Works Director, and will be subject to special circumstance consideration only **Lessee initial here** _____.

Lessee may create or use access to the subject property from its own adjacent property. If Lessor chooses to create access from its adjacent property across any culvert, then construction across the culvert is subject to review and approval by the City. Any improper or unapproved construction will not be allowed, and any damages (i.e., flood hazard) created by improper or unapproved construction will be the sole liability of the Lessor. **Lessee initial here** _____.

Lessor has installed an irrigation system designed to dispose of clean effluent on the land in the event that such a disposal is required by Lessor's discharge permit for wastewater effluent. Lessor may enter onto the leased premises at any time to irrigate if required by Lessor's discharge permit. Lessor will notify Lessee prior to the initiation of irrigation, and will attempt to work with Lessee to reduce any impact on Lessee's operations, but will not delay or modify the irrigation program if it is Lessor's conclusion that such irrigation is necessary. **Lessee initial**
Coburg – Kizer and Sons, Inc.
10/1/22 – 9/30/2027

here _____.

Lessor anticipates that, if necessary, the period of irrigation will most likely begin after the irrigation flow of the Muddy Creek irrigation system is shut down for the year and end at the time when rain runoff has brought the irrigation ditch to a normal wet period flow. This is most likely to occur after September 1, and end before December 1 but cannot be determined for certain in advance. Lessee further acknowledges that such discharge of effluent may limit the ability to grow products for human consumption. Lessee hereby acknowledges that Lessor's entry and consequent acts on the Premises may be a withdrawal of a portion of the Premises from Lessee's use and may cause harm to Lessee's crops, current or future, and interests hereunder, regardless of the degree of care exercised. Lessee hereby waives any and all possible legal and equitable claims against Lessor, Lessor's agents and representatives for any economic or property harm, except that arising from bad faith acts by Lessor or its agents and representatives. Lessee further promises to exercise all reasonable care not to cause harm to any of Lessor's property or work on the Premises. **Lessee initial here** _____.

4. Lessor's Right of Entry and Use.

It shall be lawful for the Lessor, the Lessor's agents and representatives, at any reasonable time to enter into or upon the Premises for the purpose of examining into the condition thereof, or for any other lawful purpose, including without limitations any related to Lessor's operation of the wastewater facility and/or other public facilities on the Premises.

5. Assignment and Sublease

The Lessee will not assign, transfer, pledge, hypothecate, surrender or dispose of this lease, or any interest herein, nor sublet, nor permit any other person or persons whomsoever to occupy or cultivate crops on the Premises. Nothing in this lease conveys rights of succession to heirs or relatives of the Lessee, and in the event of death or dissolution of the Lessee, the Lessor has the right to terminate the lease at its discretion provided any refund due on the remaining period of the lease is provided to the Lessee's estate or successor. **Lessee initial here** _____.

6. Indemnity; Liability Insurance

Lessee shall indemnify, defend and hold Lessor harmless from any and all claims, judgements, damages, penalties, fines, costs, liabilities, or losses arising out of or relating to any activity of Lessee on Premises.

At all times during the term hereof, the Lessee will, at the Lessee's own expense, keep in effect and deliver to the Lessor liability insurance policies in form, and with an insurer, satisfactory to the Lessor. Such policies shall insure both the Lessor and the Lessee against all liability for damage to persons or property in, upon, or about the Premises and provide each party with not less than 30 days' notice of cancellation. The amount of such insurance shall be not less than \$1,000,000 for injury to one person, not less than \$1,000,000 for injuries to all persons arising out of any single incident or incidents and not less than \$1,000,000 for damage to property, or a combined single limit of not less than \$1,000,000. Lessee will add an Additional Insured endorsement attached naming the City of Coburg, its officers, agents, and employees as Additional Insureds.

9.15.2022

Jesse,

Sign and initial the original farm lease agreement. Return the original document and the Liability Insurance information required under Section 6 of lease.

Let me know if you have any questions.

Thanks!

A handwritten signature in black ink, appearing to read "James DeFina", written in a cursive style.

7. Default

The following shall be events of default:

- a) Failure to pay rent when due
- b) Dissolution, termination of existence, insolvency, business failure, discontinuance as a going business (except for labor disputes), appointment of a receiver of any of the Premises, assignment of the benefit of creditors, or commencement of any proceedings under any bankruptcy or insolvency laws by or against Lessee
- c) Failure of Lessee to comply with any other term or condition, or fulfill any other obligation of the lease within 30 days after written notice by Lessor specifying the amount of the default with reasonable particularity.
- d) Abandonment of the Premises by the Lessee

In the event of default, Lessor shall have the right to re-enter, take possession of the Premises, and remove any persons or property by legal action or by self-help with the use of reasonable force and without liability for damages. Such right shall be cumulative and addition to all other remedies available to Lessor under applicable law.

8. Holdover

If Lessee remains on the property after expiration of the lease, and the Lessor continues to accept lease payments, then the holdover tenant can continue to legally occupy the property. Holding over shall not be deemed to operate as a renewal or extension of this lease, but shall constitute either a day-to-day lease or a month-to-month lease, subject to immediate termination by the Lessor without any notice or recourse.

10. Termination. This lease will terminate on September 30, 2027. At termination of the lease, the Premises will be returned to Lessor in the same condition as it was in at the commencement of the lease.

11. Relationship. Nothing contained in this Lease will create a partnership, joint venture, fiduciary, or employment relationship between Lessor and Lessee. Neither Lessor nor Lessee has the power or authority to act on behalf of the other or in the other's name directly or indirectly in any manner. Lessor shall not be responsible for any debts, liabilities, or obligations Lessee contracts or incurs in carrying out Lessee's farming operations on the Premises or otherwise.

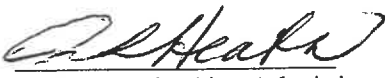
IN WITNESS WHEREOF, the parties have executed this lease on the day and year set forth below:

LESSEE

Jesse Farver
Kizer and Son, Inc.

Date

LESSOR


Anne Heath, City Administrator
City of Coburg

9-13-2022

Date

EXHIBIT "A"

