

FARM LEASE

(Approximately 40 Acres -
Public Works Property - Ten Mile Road)

THIS FARM LEASE ("Lease"), made effective the 1st day of January, 2023, by and between The City of Meridian, an Idaho municipal corporation ("Landlord"), and Louie Asumendi ("Tenant").

RECITALS

A. Landlord is the record owner of certain real property situated in Ada County, Idaho, as such real property is legally described and generally depicted on Exhibit A ("Premises"). Landlord intends to develop or dispose of the Premises at an undetermined time in the future, as dictated by Landlord's infrastructure expansion needs and by Landlord's real property requirements ("Development Activity").

B. Tenant is aware of the possible Development Activity and desires to lease the Premises in order to plant an agricultural crop ("Crop"); and Landlord desires to lease the Premises to Tenant until such time as Development Activity occurs, according to the terms and conditions contained herein.

WITNESSETH

1. **AGREEMENT.** Landlord, for and in consideration of the rents, covenants and agreements herein described, does hereby lease to the Tenant the approximate **40 acres** as shown crosshatched on **Exhibit A** for the sole purpose of planting a Crop(s).
2. **TERM.** Tenant shall Lease said Premises for a one year period, from January 1, 2023 through December 31, 2023 ("Term"), unless otherwise terminated as provided herein. Notwithstanding the foregoing, the Term shall expire five (5) days following Tenant's ordinary course of harvest or removal of the Crop.
3. **RENT.** Tenant does hereby covenant, promise and agree to pay to the said Landlord as rent in the manner and at the time herein specified, at the rate of **\$150.00** per acre for a total sum of **\$6,000.00** ("Rent") payable on the earlier of **December 15, 2023**, or within ten (10) days following harvest or removal of the Crop. Rent shall be paid to Landlord at The City of Meridian, 33 East Broadway Ave, Meridian, ID 83642.
4. **ACCESS ROAD.** Landlord is authorized, but not required, to relocate the existing access road from N. Ten Mile Road via a property boundary adjustment during the Lease Term. Landlord and Tenant hereby agree to amend this Lease, including Exhibit A, if necessary to reflect the access road relocation.
5. **TAXES AND EXPENSES.** Landlord shall pay when due all real property taxes and all irrigation district assessments. The Tenant shall pay all personal property taxes levied and assessed against the Tenant's fixtures, equipment and other property on the Premises. Tenant agrees to perform all labor and pay all expenses connected with the farming of said Premises, including all operation costs, repairs, and electric utility expenses.
6. **CARE OF PREMISES.** Tenant agrees that he will maintain the Premises in good order and in neat and farm-like condition and further agrees:

6.1 To control all weeds (noxious weeds included) growing on the Premises in a good and farm-like manner including but not limited to those growing in, along and around cultivated fields, roadways, ditches, drains, and fences. Tenant shall also be responsible for

the eradication and control of any rodents on the Premises. If Tenant defaults hereunder, Landlord shall have the right after three days written notice served on the Tenant to control such weeds (noxious weeds included) and gophers and the cost thereof shall be borne by the Tenant as additional Rent.

6.2 To clean out and keep in good repair all ditches and drains on said Premises used for irrigation purposes, all necessary materials and labor to be furnished at Tenant's expense.

7. **IMPROVEMENTS.** Except as otherwise provided herein, Landlord shall be entitled to enter the Premises to demolish, remove and/or alter all outbuildings, improvements, or its personal property on the Premises. Tenant agrees to cooperate with Landlord in any such action, including the moving of its farm equipment, so long as such cooperation is at no cost to Tenant.

8. **RIGHT OF ENTRY.** Upon five (5) days' notice, Landlord and Landlord's employees, agents and contractors, shall be entitled to enter the Premises to conduct surveys, studies, testing, demolish improvements, or for any other action related to Landlord's Development Activities.

9. **SURRENDER OF POSSESSION.** At the termination of the Lease Term, Tenant shall quit and surrender possession of the Premises to Landlord, removing all personal belongings and leaving the Premises in as good a state and condition as reasonable use and wear thereof will permit (damages by the elements excepted). Tenant will leave the irrigation systems (including any pump and controls) in an operating condition on the Premises. Landlord's Development Activity is dictated by many factors; and as such, Tenant shall not prepare or improve any portion of the Premises in anticipation of leasing the Premises for another term. Any improvements made to the Premises after harvesting said Crop shall be at Tenant's own risk and expense.

10. **HAZARDOUS WASTE.** The Tenant shall not cause or permit any hazardous substance(s) to be used, stored, generated or disposed of on or in the Premises, without first obtaining the Owner's written consent. Notwithstanding the Owner's consent, if any hazardous substance(s) is used, stored, generated or disposed of on or in the Premises by the Tenant, such usage, storage, generation and disposal shall, in all respects, be in strict accordance all federal, state and local laws, statutes, ordinances and regulations. If the Premises become contaminated in any manner for which the Tenant is liable, the Tenant shall indemnify, defend, save and hold the Owner harmless from any and all claims, damages, fines, judgments, penalties, costs, liabilities or losses arising during or after the Term and arising as a result of that contamination by the Tenant. As used herein, "hazardous substance" shall mean any hazardous or toxic substance, material or waste which is or becomes regulated by any local governmental authority, the State of Idaho or the United States Government.

11. **INSURANCE.** Tenant shall indemnify, defend, protect, and save Landlord from all actions or claims for personal injuries or property damage sustained upon the Premises and predicated upon the Landlord's ownership of the Premises. Tenant agrees to secure and keep, in full force and effect from and after the date Landlord first allows Tenant on the Premises, broad form general liability insurance insuring for death, bodily injury and property damage in the combined single limit amount of at least one million dollars (\$1,000,000). The policy shall name Landlord and Tenant as insured and shall further name The City of Meridian as an additional insured. A copy of the policy or Certificate of Insurance shall be delivered to Landlord, at 33 E. Broadway Avenue, Meridian, ID 83642. Tenant shall also secure and keep in force Workers' Compensation or similar insurance to the extent required by federal, state and local law.

12. **NOTICES.** Whenever any notice, approval, consent, request or election is given or made pursuant to this Lease, it shall be deemed delivered when (i) it is in writing and personally delivered (ii) 2 business days after deposit in the United States mail, postage prepaid, certified or registered mail, return receipt requested and addressed to the party at the address set forth below; (iii) 1 day after deposit with a reputable overnight courier service (such as Federal Express), delivery charges paid, receipt confirmation requested, and addressed to the party at the address set forth below. The addresses below shall be used for notice under this section unless Owner or Tenant provides notice under this section of an alternate address or facsimile number.

Tenant: **Louie Asumendi**

Address: 8620 Ustick Rd, Nampa, Idaho 83651

Landlord: **The City of Meridian, Department of Public Works**

Address: 33 E. Broadway Ave, Meridian, Idaho 83642

13. **DEFAULT.** Tenant's use of the Premises in any unlawful manner shall be deemed a breach of the Lease and cause Tenant to forfeit all Tenants' rights under this Lease. The Lease shall be immediately terminated at no expense to Landlord. It is further agreed that if any rent shall be due and unpaid, or if default shall be made in any of the covenants herein contained, then it shall be lawful for Landlord to re-enter the Premises and remove all persons therefrom and at its option, terminate this Lease, after first giving Tenant written notice of the matter in which he is in default and a lapse of 15 days without Tenant having removed and corrected default.

14. **LIENS.** Tenant agrees not to cause or permit any liens to be placed on the Premises during the Lease term. Any liens on the Premises caused by Tenant shall be considered a breach of this Lease and shall be removed immediately at Tenant's sole cost and expense.

15. **ASSIGNMENT. SUBLEASE. SUCCESSION.** Tenant shall not assign, lease or sublease any portion of said Premises; or permit any other person or persons to occupy or improve the same, or make or suffer to be made any alterations thereon. This Lease shall be binding upon and shall inure to the benefit of the respective heirs, personal representatives, successors and assigns of the parties.

16. **HEADINGS.** The headings, title and captions used in this Lease are for convenience only and are not part of this Lease.

17. **LEGAL FEES AND COSTS; VENUE.** If either party shall default under this Lease and said default is cured with the assistance of an attorney for the other party, as a part of curing said default, the reasonable attorneys' fees incurred by the other party shall be added to the balance due and payable or, in the case of a non-monetary default, shall be paid to the other party upon demand. In the event suit or action is filed by either party against the other to interpret or enforce this Lease, the unsuccessful party to such litigation agrees to pay to the prevailing party all costs and expenses, including attorneys' fees incurred therein, including the same with respect to an appeal. The Parties agree that the laws of Idaho shall govern the interpretation of this Agreement and that venue shall be in Ada County, Idaho.

18. **ENTIRE AGREEMENT.** This Lease, including the exhibits attached hereto, contains the entire agreement between the parties as of the date of this Lease and the execution hereof has not been induced by either party or any agent of either party, by representations, promises, undertakings not expressed herein. There are no collateral agreements, stipulations, covenants, promises, inducements or undertakings whatsoever between the parties concerning the subject matter of this Lease which are not expressly contained herein. This Lease may only be amended by written document signed by both parties.

19. **SIGNATURES: COUNTERPARTS.** This Lease, and all ancillary documents executed by the parties in connection herewith, may be executed by electronic signature and/or in multiple counterparts, each of which shall be deemed to be an original but all of which, together, shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals, the day and year the Lease first above written.

LANDLORD: CITY OF MERIDIAN

By:

Robert E. Simison, Mayor

Attest:

City Clerk

TENANT: LOUIE ASUMENDI

By:

Louie Asumendi
