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DELAWARE DEPARTMENT OF  
**AGRICULTURE**

**DEPARTMENT OF AGRICULTURE  
AGRICULTURAL LANDS PRESERVATION  
REQUEST FOR PROPOSAL  
Agricultural Land Lease**

**CONTRACT NO. AGR-20-100\_AGLANDLEASE  
WILSON FARM-LEWES, DE**

**August 8, 2019**

**- Deadline to Respond -  
Sept. 6, 2019  
10:00 AM, LOCAL TIME**

ALL PROPOSERS:

The enclosed packet contains a "REQUEST FOR PROPOSAL" for AGRICULTURAL LAND LEASE.

The request for proposal consists of the following documents:

REQUEST FOR PROPOSAL - CONTRACT NO. AGR-20-100\_AGLANDLEASE

- A. REQUEST FOR PROPOSAL
  - B. GENERAL PROVISIONS
  - C. AWARD AND EXECUTION OF LEASE
  - D. DEPARTMENT OF AGRICULTURE SPECIFICATIONS AND LEASE REQUIREMENTS
  - EXHIBIT 1 – MAP OF LAND
  - EXHIBIT 2 – AGRICULTURAL LAND LEASE
  - EXHIBIT 3 – COVER CROP REQUIREMENTS
- 
- E. VENDOR BID SECTION
    - 1 – VENDOR BID FORM
    - 2 – NO BID REPLY FORM
    - 3 – NON-COLLUSION STATEMENT AND ACCEPTANCE

In order for your proposal to be considered, the proposal reply section shall be executed completely and correctly and returned in a sealed envelope clearly displaying the contract number by **Sept. 6, 2019 10:00 AM Local Time.**

**Proposals shall be submitted to:**

**Department of Agriculture  
Agricultural Lands Preservation – Wilson Farm  
AGR-20-100\_AGLANDLEASE  
Austin Short  
2320 S DuPont Hwy  
Dover, DE 19901**

Please review and follow the information and instructions contained in the general and special provisions section of the invitation. Should you need additional information, please contact Austin Short, (302) 698-4505; [Austin.Short@delaware.gov](mailto:Austin.Short@delaware.gov) or Scott Blaier, (302) 698-4532; [Scott.Blaier@delaware.gov](mailto:Scott.Blaier@delaware.gov)

## SECTION A

### REQUESTS FOR PROPOSALS

- A. Sealed proposals for **AGR-20-100 AGLANDLEASE** shall be received by the Agricultural Lands Preservation Section 2320 S. DuPont Hwy, Dover DE 19901, until **Sept. 6th 2019, 10:00 AM** at which time proposals will be publicly opened and recorded.

The Delaware Agricultural Lands Preservation Section has reviewed the parcel's current and intended future use and specifically determined that it is not "surplus real property" as defined by 29 Del. C. § 9402(d) and, therefore, The Department of Agriculture Agricultural Lands Preservation Section has determined that the parcel is outside the jurisdiction of the Commission on State Surplus Property.

**NOTE TO VENDORS: The Non-Collusion Statement must be notarized and signed or the bid will automatically be rejected.**

If you do not intend to submit a proposal, please return the "No Bid Reply Form."

**NOTE: Only the Proposer's name will be read at the bid opening.**

### B. KEY RFP DATES/MILESTONES

The following dates and milestones apply to this RFP and subsequent contract award. Vendors are advised that these dates and milestones are not absolute and may change due to unplanned events during the bid proposal and award process.

Activity	Due Date
RFP Availability to Vendors	August 8, 2019
Written Questions Due No Later Than (NLT)	August 26, 2019
Written Answers Due/Posted to Website NLT	Sept. 2, 2019
Proposals Due NLT	Sept. 6, 2019 10:00 A.M
Public Proposal Opening	Sept. 6, 2019 10:00 A.M
Contract Award	Will occur within 30 days of bid opening

### C. INQUIRIES & QUESTIONS

We welcome your interest in working with us, and we will be pleased to answer any questions you may have in formulating your response to this Request for Proposal.

All questions with regard to the interpretation of this solicitation, drawings, or specifications, or any other aspect of this RFP must be received in writing by **August 26, 2019** All questions will be answered in

writing by insert date and posted on <http://bids.delaware.gov/> website. All questions must make specific reference to the section(s) and page numbers from this RFP where applicable. Oral explanations or instructions will not be binding.

#### **D. RFP DESIGNATED CONTACT**

All requests, questions, or other communications about this RFP shall be made in writing to the State of Delaware. Address all communications to the person listed below; communications made to other State of Delaware personnel or attempting to ask questions by phone or in person will not be allowed or recognized as valid and may disqualify the vendor. Vendors should rely only on written statements issued by the RFP designated contact.

**Department of Agriculture Agricultural Lands Preservation  
Austin Short  
2320 S DuPont Hwy  
Dover, DE 19901  
(302) 698-4505 – [Austin.Short@delaware.gov](mailto:Austin.Short@delaware.gov)**

**or**

**[Scott.Blaier@delaware.gov](mailto:Scott.Blaier@delaware.gov) (302) 698-4532**

To ensure that written requests are received and answered in a timely manner, electronic mail (e-mail) correspondence is acceptable, but other forms of delivery, such as postal and courier services can also be used.

#### **E. CONTACT WITH STATE EMPLOYEE**

Direct contact with State of Delaware employees other than the State of Delaware Designated Contact regarding this RFP is expressly prohibited without prior consent. Vendors directly contacting State of Delaware employees risk elimination of their proposal from further consideration. Exceptions exist only for organizations currently doing business in the State who require contact in the normal course of doing that business.

### **SECTION B – GENERAL PROVISIONS**

#### **1. FORMS**

This Request for Proposal (RFP) contains pre-printed forms for use by the proposer in submitting a proposal. The forms contain basic information such as description of the land and have blank spaces for use by the proposer for entering information such as experience in the area for which the land may be utilized and proposed lease price.

#### **2. INTERPRETATION OF ESTIMATES**

The attention of proposers is called to the fact that, unless stated otherwise, the acreage referenced in this and all associated documents are estimates.

**3. DELIVERY OF PROPOSALS**

Proposals shall be delivered in sealed envelopes and shall bear on the outside the name and address of the proposer as well as the designation of the Lease. Proposals forwarded by U.S. Mail shall be sent first class to the address listed below. Proposals forwarded by delivery service other than the U.S. Mail or hand delivered must be delivered to the address listed below. All proposals must clearly display the bid number on the envelope.

**Department of Agriculture  
Agricultural Lands Preservation-Wilson Farm  
AGR-20-100\_AGLANDLEASE  
Austin Short  
2320 S DuPont Hwy  
Dover, DE 19901**

All proposals will be accepted at the time and place set in the advertisement. Proposer bears the risk of delays in delivery. Proposals received after the time set for public opening will be returned unopened.

**4. WITHDRAWAL OF PROPOSALS**

A proposer may withdraw his proposal unopened after it has been deposited, if such a request is made prior to the time set for the opening of the proposal.

**5. PUBLIC OPENING OF PROPOSALS**

The proposals shall be publicly opened at the time and place specified by the Agricultural Lands Preservation Section. Proposers or their authorized representatives are invited to be present. At the time of opening, only the names of the proposers will be announced.

**6. LAWS TO BE OBSERVED**

The contractor is presumed to know and shall strictly comply with all National, State, or County laws, and City or Town ordinances and regulations in any manner affecting the conduct of the work. The contractor shall indemnify and save harmless the State of Delaware, the Delaware Agricultural Lands Preservation Foundation and all officers, agents and employees thereof against any claim or liability arising from or based upon the violation of any such laws, ordinances, regulations, orders, or decrees whether by himself or by his employees.

**7. PERMITS AND LICENSES**

All necessary permits, licenses, insurance policies, etc. required by local, State or Federal laws, shall be provided by the contractor at his own expense.

8. **DOCUMENTS**

Prospective offerors should ensure they review all Request for Proposal documents for each separate agricultural lease. Documents include instructions, a map (Exhibit 1), an agricultural land lease (Exhibit 2) and a proposal reply form. Certain of these documents such as maps may necessarily be posted individual of one another. It is the responsibility of the proposer to ensure he has reviewed all applicable documents.

9. **EXAMINATION**

Each proposer should carefully examine the map (Exhibit 1) and agricultural land lease (Exhibit 2). Proposers are encouraged to visit the land subject to lease to fully view existing conditions that may affect the performance of the bidder under the lease. The successful proposer, after executing a lease, shall in no way be relieved of any obligation under the lease due to a failure to fully examine the lease or to visit the land subject to the lease.

10. **FORM OF BID**

Proposals shall include the Proposal Reply Form, enclosed herein. **Submit proposed lease amount on a yearly basis (including 5% annual lease increase after the initial year).** Sign and print name as noted. A proposer shall make no stipulations or other qualifications on the proposal reply form. Any such notations may subject a proposer to rejection.

11. **SIGNING BIDS**

If the proposer is an individual, the proposal reply form shall be signed by the individual, under his/her name. If the proposer is a partnership, the proposal reply form shall be signed by an authorized partner, under the name of the partnership. If the proposer is a corporation, the proposal reply form shall be signed by an authorized executive officer of the corporation under its registered name and the corporate seal shall be affixed.

12. **PROPOSAL SUBMITTAL**

The proposer shall assume full responsibility for timely delivery of all submitted proposals. Oral, email, fax or telephone proposals are not allowed. Each proposal shall be submitted in a sealed envelope marked Proposal Enclosed, labeled with the contract number, proposer's name and the bid opening date and time. Proposals submitted by mail shall be enclosed in an outer envelope marked with Proposal Enclosed and sent to:

**Department of Agriculture  
Agricultural Lands Preservation-Wilson Farm  
AGR-20-100\_AGLANDLEASE  
Austin Short  
2320 S DuPont Hwy  
Dover, DE 19901**

13. **ACCEPTANCE OF PROPOSALS**

The Delaware Agricultural Lands Preservation Foundation reserves the right to waive technicalities, to reject any and all proposals, to advertise for new proposals, to proceed to deal with the land otherwise, or to abandon the execution of an agricultural lease, if the best interest of the State will be promoted thereby. The Agricultural Lands Preservation Foundation shall award an agricultural land lease to the qualified bidder that offers the highest lease amount. The successful proposer shall be notified within thirty (30) days of proposal opening.

14. **CONTACT INFORMATION**

**Department of Agriculture Agricultural Lands Preservation – Wilson Farm  
AGR-20-100\_AGLANDLEASE**

**Austin Short  
2320 S DuPont Hwy  
Dover, DE 19901**

**(302) 698-4505 [Austin.Short@delaware.gov](mailto:Austin.Short@delaware.gov)**

15. **EXCEPTIONS**

None

16. **PROPOSAL / LEASE EXECUTION**

Both the non-collusion statement that is enclosed with this Request for Proposal and the Lease form delivered to the successful bidder for signature **shall** be executed by a representative who has the legal capacity to enter the organization into a formal Lease with the State of Delaware and Delaware Agricultural Lands Preservation Foundation. The awarded vendor(s) shall submit their **W-9** with the executed Lease form **and** complete a W-9 Form by visiting the Division of Accounting's Website: <http://accounting.delaware.gov>.

17. **DISQUALIFICATION OF PROPOSERS**

Any one or more of the following causes may be considered as sufficient for the disqualification of a proposer and the rejection of his proposal:

- a. More than one proposal for the same Lease from an individual, firm, or corporation under the same or different names.
- b. Evidence of collusion among proposers.
- c. Unsatisfactory performance record as evidenced by past experience.
- d. Not a Delaware resident. (All bidders must be a State of Delaware resident).

**SECTION C – AWARD AND EXECUTION OF LEASE**

**1. EVALUATION OF PROPOSALS**

a. Proposals will be evaluated on the following basis:

EVALUATION CRITERIA		PERCENTAGE	POINTS
1.	Annual Lease Amount Offered (* See Note Below *)	90	90
2.	The offeror’s use of Products and/or Services that are provided by Agricultural Businesses which are certified for Best Management Practices(BMP), Good Food Handling Practices(GHP) and Good Agricultural Practices (GAP) through the Delaware Department of Agriculture or surrounding State’s equivalent program.	10	10
TOTAL SCORE		100%	100

**NOTE: The lease amount offered for the FIRST YEAR will increase 5% each year thereafter.**

b. The right is reserved to waive technicalities, to reject any or all proposals, or any portion thereof, to advertise for new bids, to proceed to do the work otherwise, or to abandon the work, if in the judgment of the Agricultural Lands Preservation Section or its agent, the best interest of the State will be promoted thereby.

**2. AWARD OF LEASE**

The Delaware Agricultural Lands Preservation Foundation shall award an agricultural land lease to the qualified bidder who offers the highest bid. The successful bidder shall be notified within thirty (30) days after the proposals due date.

**3. EXECUTION OF LEASE**

a. The bidder to whom the award is made shall execute a formal Lease within twenty days after date of official notice of the award of the Lease.

b. If the successful bidder fails to execute the required Lease, as aforesaid, within twenty days after the date of official notice of the award of the Lease, his bid shall immediately become forfeited. Award will then be made to the next qualified bidder who made the highest bid, or the lease may re-advertised for bid, as the Agricultural Lands Preservation Foundation may decide.

**4. THE LEASE(S)**

The Lease with the successful bidder will be executed with the Delaware Agricultural Lands Preservation Foundation.



## **SECTION D**

### **SPECIFICATIONS AND LEASE REQUIREMENTS FOR LEASING AGRICULTURAL LANDS WITH THE DELAWARE AGRICULTURAL LANDS PRESERVATION FOUNDATION**

The State of Delaware will lease agricultural land known as **The Wilson Farm**, subject to the following:

#### **TERM OF LEASE**

The term of this lease is for five (5) crop seasons commencing on the 1st day of March 2020 and terminating on the 31st day of December 2024, without written notice of such termination, unless sooner terminated as herein provided. This lease may be renewed for up to an additional five (5) years if mutually acceptable to both parties and there are no violations during the first five (5) year period. The lease amount will increase five (5) percent (%) each year following the first year.

#### **ACREAGE**

The property offered for lease by the Agricultural Lands Preservation Foundation is 46.899 acres +/- . The Foundation does not guarantee the exact acres of the land for lease.

#### **LAND USAGE**

The land covered under this lease is to be used for agricultural purposes only as allowed and specified in the lease, and for no other purposes. Lessee covenants and agrees that it will farm in accordance with generally accepted farming practices and procedures. Failure to do so will be cause for immediate termination of the lease.

#### **ASSIGNMENT OF LEASE**

Lessee may not assign his interest in this lease.

#### **SECURITY**

Lessee covenants and agrees that he will in no way interfere with the security of the Institution or in the Department's ability to carry out its mission.

#### **BINDING**

This agreement is binding upon the parties hereto, their heirs, successors, administrators and assignees.

## **CONDITIONS**

The Lessee of this property shall agree to the following conditions.

**\*\*\*See Section V of Exhibit 2\*\*\***

## **HOLD HARMLESS**

The successful bidder agrees that it shall indemnify and hold the State of Delaware and the Agricultural Lands Preservation Foundation and all its agencies harmless from and against any and all claims for injury, loss of life, or damage to or loss of use of property caused or alleged to be caused, by acts or omissions of the successful bidder, its employees, and invitees on or about the premises and which arise out of the successful bidder's performance, or failure to perform as specified in the Agreement.

## **TERMINATION FOR CONVENIENCE**

Leases shall remain in effect for the time period and quantity specified unless the Lease is terminated by the State. The State may terminate the Lease as stated under the terms of the Lease.

## **TERMINATION FOR CAUSE**

If, for any reasons or through any cause, the Lessee fails to fulfill in timely and proper manner his obligations under this Lease, or if the Lessee violates any of the covenants, agreements, or stipulations of this Lease, the State shall thereupon have the right to terminate this Lease.

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## SECTION E

### VENDOR BID SECTION

To be considered for this Lease, complete the following forms fully and completely and return to The Delaware Agricultural Lands Preservation Foundation 2320 S DuPont Hwy, Dover DE 19901 by **Sept. 6, 2019 at 10:00 AM, Local Time**, at which time bids will be opened.

#### **THE FOLLOWING ARE REQUIRED IN ORDER FOR YOUR BID TO BE CONSIDERED:**

- 1. Non-Collusion Statement**
- 2. Vendor Bid Offer Form**
- 3. Brief description of experience relative to the conditions of this Request for Proposal**

#### **PUBLIC BID OPENINGS**

**NOTE: ONLY THE BIDDER'S NAME WILL BE READ AT THE BID OPENING**

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**DELAWARE AGRICULTURAL LANDS PRESERVATION FOUNDATION**

**AGRICULTURAL LAND LEASE  
OFFER FORM**

**PROPOSAL DUE: September 6<sup>TH</sup> 2019, 10:00 AM local time**

**TO: State of Delaware  
Department of Agriculture  
Agricultural Lands Preservation-Wilson Farm  
AGR-20-100\_AGLANDLEASE  
Austin Short  
2320 S DuPont Hwy  
Dover, DE 19901**

**AGRICULTURAL LAND LEASE BID FOR:  
Agricultural Lands Preservation Foundation – Wilson Farm, Lewes**

The undersigned, representing that he/she received a Bid Packet, read the Instructions to Bidders, reviewed the map of lands subject to lease (Exhibit 1), reviewed the agricultural lease (Exhibit 2) and had the opportunity to visit the land subject to the lease, hereby makes the following bid offer to lease the above-referenced agricultural lands for the terms listed in the this RFP and lease.

\$ \_\_\_\_\_ first year of agricultural lease (which increases 5% per year thereafter)

This bid offer is submitted with the knowledge that the Delaware Agricultural Lands Preservation Foundation (DALPF) reserves the right to waive technicalities, to reject any and all bids, to advertise for new bids, to proceed to deal with the land otherwise, or to abandon the execution of an agricultural lease, if the best interest of the State will be promoted thereby. The DALPF shall award an agricultural land lease to the highest qualified bidder. The successful bidder shall be notified within seven (7) working days.

PRINT NAME OF BIDDER: \_\_\_\_\_

SIGNATURE OF BIDDER: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

TELEPHONE: (\_\_\_\_) \_\_\_\_\_ DATE SUBMITTED: \_\_\_\_\_

Bidder is:  an individual;  partnership;  Corporation

If a partnership, bid offer shall be signed by an authorized partner under the name of the partnership. If a corporation, bid offer shall be signed by an authorized executive officer of the corporation under its registered name and the corporate seal affixed.

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**State of Delaware  
Department of Agriculture  
Agricultural Lands Preservation-Wilson Farm  
AGR-20-100\_AGLANDLEASE  
Austin Short  
2320 S DuPont Hwy  
Dover, DE 19901**

**NO BID REPLY FORM**

**BID # AGR-20-100\_AGLANDLEASE**

**BID TITLE: Agricultural Lands Preservation Foundation – Wilson Farm**

To assist us in obtaining feedback about our Invitations to Bid, we ask that each firm that does not wish to bid, state their reason(s) below and return to the above address.

We must offer a "No Bid" at this time because:

- \_\_\_\_\_ 1. We do not wish to participate in the bid process.
  
- \_\_\_\_\_ 2. We do not wish to bid under the terms and conditions of the Request for Bid document. Our objections are:  
\_\_\_\_\_  
\_\_\_\_\_
  
- \_\_\_\_\_ 3. We do not feel we can be competitive.
  
- \_\_\_\_\_ 4. We cannot submit a Bid because of the marketing or franchising policies of the manufacturing company.
  
- \_\_\_\_\_ 5. We do not wish to sell to the State. Our objections are: \_\_\_\_\_  
\_\_\_\_\_
  
- \_\_\_\_\_ 6. We are not a resident of the State of Delaware
  
- \_\_\_\_\_ 7. Other: \_\_\_\_\_

\_\_\_\_\_  
FIRM NAME

\_\_\_\_\_  
SIGNATURE

**CONTRACT NO:** AGR-20-100\_AGLANDLEASE  
**TITLE:** Agricultural Lands Preservation Wilson Farm  
**DEADLINE TO RESPOND:** Sept. 6<sup>th</sup> 2019 10:00 AM

**NON-COLLUSION STATEMENT**

This is to certify that the undersigned Vendor has neither directly nor indirectly, entered into any agreement, participated in any collusion or otherwise taken any action in restraint of free competitive bidding in connection with this proposal, **and further certifies that it is not a sub-contractor to another Vendor who also submitted a proposal as a primary Vendor in response to this solicitation** submitted this date to the State of Delaware, Department of Natural Resources and Environmental Control.

It is agreed by the undersigned Vendor that the signed delivery of this bid represents, subject to any express exceptions set forth at Attachment G, the Vendor's acceptance of the terms and conditions of this solicitation including all specifications and special provisions.

**NOTE:** Signature of the authorized representative **MUST** be of an individual who legally may enter his/her organization into a formal contract with the State of Delaware, Department of Natural Resources and Environmental Control.

COMPANY NAME \_\_\_\_\_ (Check one)

<input type="checkbox"/>	Corporation
<input type="checkbox"/>	Partnership
<input type="checkbox"/>	Individual

NAME OF AUTHORIZED REPRESENTATIVE \_\_\_\_\_

SIGNATURE \_\_\_\_\_ TITLE \_\_\_\_\_

COMPANY ADDRESS \_\_\_\_\_

PHONE NUMBER \_\_\_\_\_ FAX NUMBER \_\_\_\_\_

EMAIL ADDRESS \_\_\_\_\_

FEDERAL E.I. NUMBER \_\_\_\_\_ STATE OF DELAWARE LICENSE NUMBER \_\_\_\_\_

COMPANY CLASSIFICATIONS:  CERT. NO.: _____	Certification type(s)	Circle all that apply	
		Minority Business Enterprise (MBE)	Yes
	Woman Business Enterprise (WBE)	Yes	No
	Disadvantaged Business Enterprise (DBE)	Yes	No
	Veteran Owned Business Enterprise (VOBE)	Yes	No
	Service Disabled Veteran Owned Business Enterprise (SDVOBE)	Yes	No

The above table is for informational and statistical use only.

PURCHASE ORDERS SHOULD BE SENT TO:  
 (COMPANY NAME) \_\_\_\_\_

ADDRESS \_\_\_\_\_

CONTACT \_\_\_\_\_

PHONE NUMBER \_\_\_\_\_ FAX NUMBER \_\_\_\_\_

EMAIL ADDRESS \_\_\_\_\_

**AFFIRMATION:** Within the past five (5) years, has your firm, any affiliate, any predecessor company or entity, owner, Director, officer, partner or proprietor been the subject of a Federal, State, Local government suspension or debarment?  
 YES \_\_\_\_\_ NO \_\_\_\_\_ if yes, please explain \_\_\_\_\_

**THIS PAGE SHALL BE SIGNED, NOTARIZED AND RETURNED FOR YOUR BID TO BE CONSIDERED**

SWORN TO AND SUBSCRIBED BEFORE ME this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_

Notary Public \_\_\_\_\_ My commission expires \_\_\_\_\_

City of \_\_\_\_\_ County of \_\_\_\_\_ State of \_\_\_\_\_

Exhibit 1

MAP

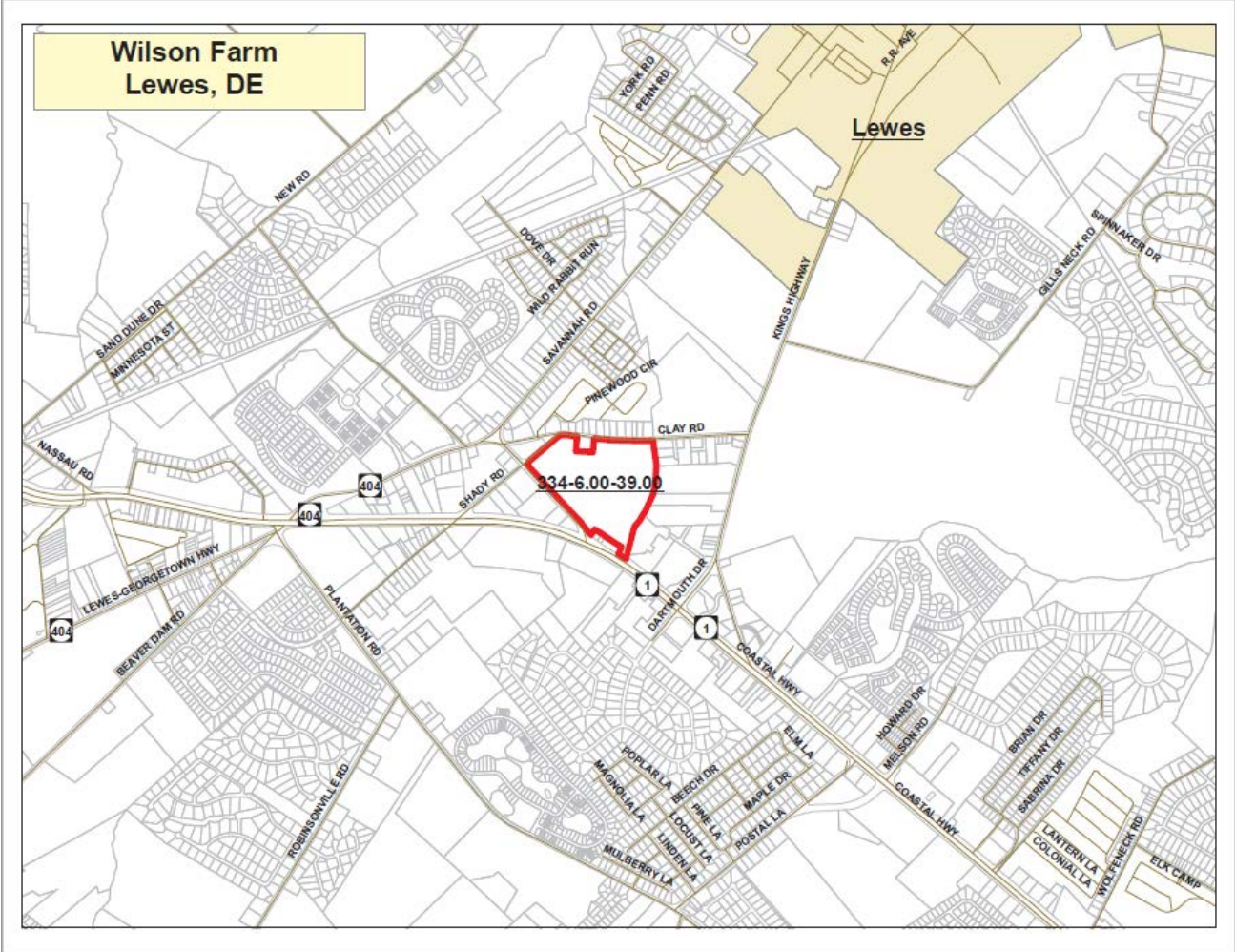




Exhibit 2

LEASE

Wilson Farm Lease

THIS FARM LEASE, made and entered this \_\_\_\_ day of \_\_\_\_, by and between the Delaware Agricultural Lands Preservation Foundation, hereinafter referred to as "Landlord", and \_\_\_\_\_, hereinafter referred to as "Tenant".

WITNESS:

WHEREAS, Landlord is the owner of a parcel of farmland located in Sussex County, Delaware comprised of approximately 46.899 acres and being Tax Parcel No. 3-34-6.00-39.00 ("the Property") and shown on Exhibit attached hereto; and

WHEREAS, Landlord wishes to lease the property to Tenant under and subject to the terms and conditions hereinafter set forth.

NOW THEREFORE, the parties hereto intending to be bound, for good and valuable consideration, agree as follows:

1. Landlord leases the Property to Tenant subject to the terms and conditions hereinafter set forth.
2. The term of the lease shall be a period of five (5) years commencing March 1, 2020 and ending December 31, 2024 unless extended in writing for an additional five (5) year period under mutually acceptable terms and conditions. The parties agree to engage in discussions regarding a possible lease extension on or after \_\_\_\_\_. **In accordance with the provisions of 25 Del C §6703 (b) this lease or any extension thereto shall terminate on the expiration date without requirement for notice, either written or oral.**
3. The rental for the first period (March 1, 2020 to December 31, 2020) of the lease shall be \$\_\_\_\_\_ payable at the time of execution of this lease. For each yearly period thereafter, the annual rent shall increase by five (5) percent per year and be payable in advance on or before January 1. If Tenant fails to make any rental payment on or before the due date, Tenant shall pay Landlord a late payment penalty of ten percent (10 %) of the amount of the rent. IF a rental payment is overdue for a period in excess of thirty (30) days, it shall be a condition of default and the lease subject to termination.
4. Tenant shall use the Property for agricultural purposes and in compliance with all laws, regulations and ordinances, including but not limited to zoning and environmental laws.

(a) Subject to the foregoing, Tenant shall be entitled at Tenant's exclusive expense make improvements to the Property by:

- i. installing any additional electric service needed in Tenant's name and paying for all electric services.
- ii. installing an irrigation system. The irrigation system may utilize the property's existing well. Landlord agrees to co-operate with Tenant in obtaining any additional well permits and Tenant shall be entitled to protect the area around the wellhead(s) with fencing as necessary.
- iii. making improvements to the existing structures so they are code compliant and usable. Tenant shall secure the structures to prevent public access and illegal entry.
- iv. providing for grass parking in the area shown on Exhibit B, provided that no paving, stabilization or permanent markers shall be used and at the termination of the lease the parking area shall be in a condition which allows for crop production in the area.

(b) Subject to the foregoing, Tenant's use of the Property shall be subject to the following provisions:

- i. No alcoholic beverages are permitted on the Property.
- ii. No hunting, trapping, fishing or other such activities are permitted on the Property.
- iii. Cover crops are required to prevent soil erosion and degradation.
- iv. Tenant may conduct sales to the public and otherwise of agricultural products grown or produced on the Property or farms in Delaware for the period between May 1 and November 30. The period for conducting sales may be extended only with the express written permission of the Landlord.
- v. Tenant may install and maintain beehives on the Property.
- vi. Tenant may conduct festivals and other promotional events featuring agricultural products grown or produced on the Property on up to four (4) occasions during each yearly lease period. Additional festivals or promotional events may be allowed with the express written permission of the Landlord.
- vii. Tenant may conduct educational activities on the Property featuring Tenant's farming operations and Delaware agriculture.
- viii. Tenant may advertise on the property with signs, banners, posters, etc. Tenant is responsible for obtaining any permits or permissions required, and complying with all relevant laws, regulations, and ordinances. The billboard on the Property is leased through another agreement by the Landlord and is not included in this lease.

5. Tenant shall at all times keep the Property and improvements in a well-maintained condition. The Property shall be free of litter and grass and tree line shall be cut and/or trimmed as necessary to maintain a neat appearance. No trees on the property shall be cut down or removed without the prior written consent of the Landlord. The fields used for growing crops shall be maintained in accordance with generally accepted good agricultural practices, including cover crops to prevent soil erosion and degradation.

6. At the termination of the lease, at the Tenant's sole expense, Tenant shall be entitled to remove all portable improvements, including any well pumps or irrigation systems. If it is necessary to abandon the well, the Tenant shall, at their sole expense, hire a Delaware licensed well-driller to abandon the well in accordance with state law and regulation. All improvements must be removed by Tenant within 45 days of lease termination.

7. Within thirty (30) days of the time of execution of this lease Tenant shall provide to Landlord a written certification or other form of acknowledgement from the Sussex County Planning and Zoning Office indicating that Tenant's proposed activities on the Property under this lease are permissible. Tenant shall provide to Landlord a copy of the written request setting forth the proposed activities prior to submission to the Sussex County Planning and Zoning Office and Landlord shall be entitled to provide its comments to Tenant within three (3) days of receipt of the copy of the written request.

8. Tenant shall at the time of execution of this lease provide to Landlord proof of insurance shown on Exhibit C which includes Landlord as an "additional insured".

Throughout the term of this lease or any extension thereto Tenant shall maintain at a minimum the level of insurance as set forth on Exhibit C and at all times include Landlord as an additional insured.

9. Tenant agrees to indemnify and save harmless Landlord from and against all loss, liability and expense (including without limitation, all reasonable legal expenses and reasonable counsel fees) arising from any claim, suit, or action by others related in any way or manner to Tenant’s occupancy or use of the Property.

10. Landlord reserves the right to enter the Property for purposes of inspection and to assure compliance with the terms of the lease Landlord shall provide advance reasonable notice to Tenant of entry onto the Property if possible.

11. Tenant shall take measures to adequately protect the Property from trespassing. Tenant shall also maintain and secure the cemetery plot on the property; this includes keeping the gate locked. The Landlord shall be provided with a duplicate key to the lock.

12. Tenant shall not cause or allow any nuisance conditions to exist on the Property. Tenant shall not use or dispose of any hazardous materials on the Property.

13. Tenant shall be responsible for obtaining all necessary governmental approvals for the activities conducted by Tenant on the Property, and Tenant shall comply at all times with all laws, regulations and ordinances relating to said activities. Tenant shall pay for any and all utilities relating to Tenant’s use of the Property. Tenant shall not permit any mechanic’s liens or similar liens to stand against any portion of the Property.

14. If Tenant fails to satisfy any requirements imposed on Tenant under this lease within ten (10) days after written notice from Landlord to Tenant requesting correction of the deficiency, Landlord shall be entitled to enter the Property and correct the deficiency. Tenant shall be responsible for all costs incurred by Landlord in correcting the deficiency. Failure of Tenant to reimburse Landlord for the cost of correcting a deficiency within ten (10) days after receipt of Landlord’s invoice shall be considered a material breach of the lease and cause for termination.

15. This lease shall be interpreted and governed by the laws of the State of Delaware. Any disputes which cannot be resolved by the parties shall be litigated in the appropriate State Court of the State of Delaware.

16. This lease shall not be assigned by Tenant and Tenant shall not be entitled to sub-let the lease. This lease shall be binding on the parties hereto, their heirs, administrators, executors and successors.

IN WITNESS WHEREOF, intending this Lease to be a sealed instrument under Delaware law, the parties hereto on the date aforesaid have signed and sealed this lease agreement.

LANDLORD

Delaware Agricultural Lands Preservation Foundation

By: \_\_\_\_\_ (SEAL)

TENANT

By: \_\_\_\_\_ (SEAL)

# EXHIBIT A

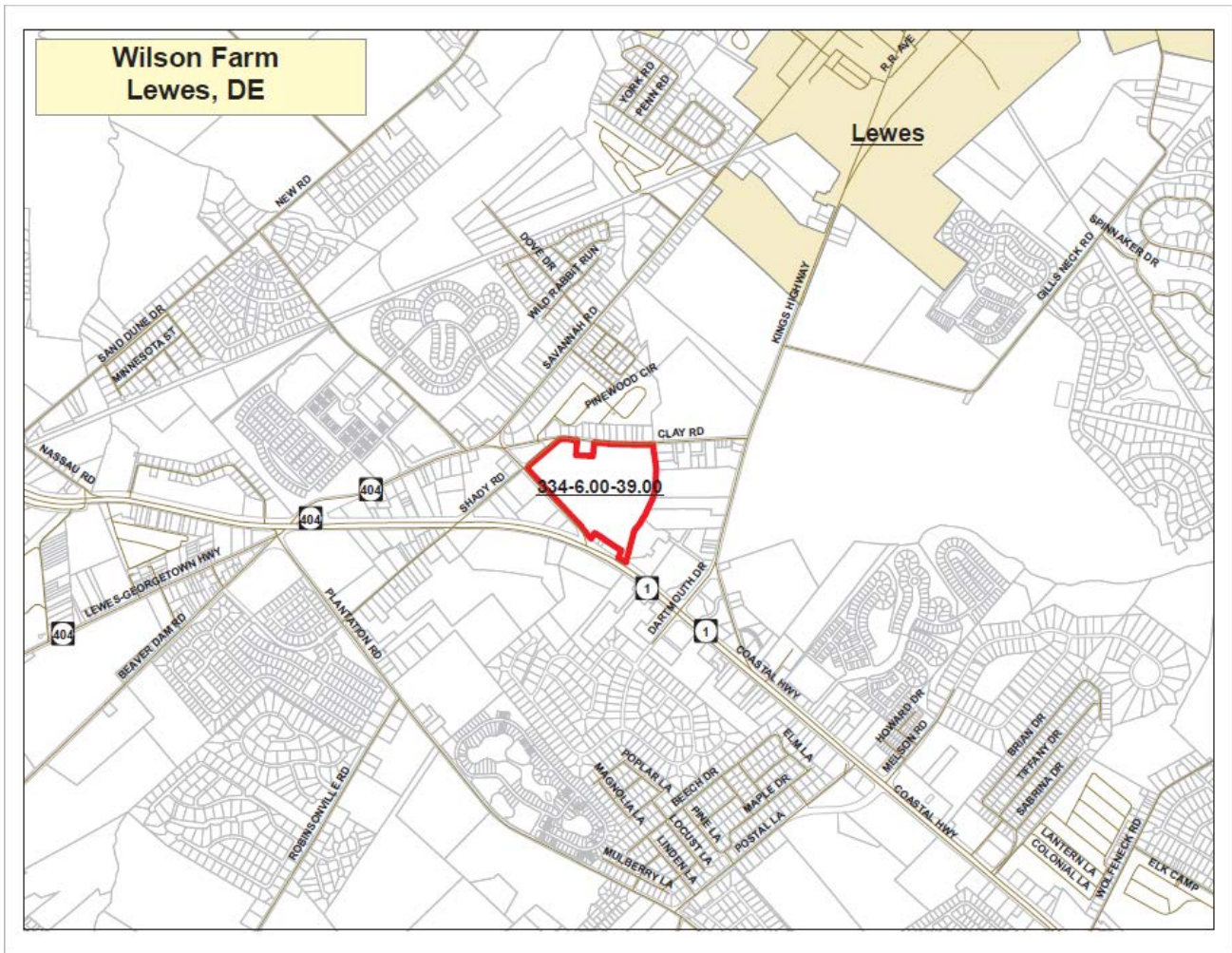


EXHIBIT B



## **EXHIBIT C**

### **INSURANCE COVERAGE REQUIREMENTS**

- A. During the term hereof, Tenant shall maintain in place, and provide a certificate of insurance for Worker's Compensation Insurance with an employer's liability limit of \$1,000,000, including, without limitation, statutory coverage for bodily injury, to provide for the payment of mandated state benefits to its employees employed on or in connection with the use of the Property by Tenant and its employees, in accordance with applicable law.
- B. Additionally, during the term thereof, Tenant shall maintain in place, and provide a certificate of insurance for:
- (i) Comprehensive General Liability Insurance, including but not limited to, Products and Completed Operations Insurance, Blanket Contractual Liability, Owner's and Contractor's Protective Liability, with a minimum combined single limit for personal injury, bodily injury, including death, and property damage of at least \$1,000,000 per occurrence.
- C. The certificate of insurance provided by the Tenant shall include the Landlord as additional insured. Such certificate shall also stipulate that the insurance will not be cancelled or materially changed without thirty (30) days prior written notice to Landlord, and shall also specify the date when such benefits and insurance expire.