

# REQUEST FOR PROPOSALS

## TO LEASE FARMLAND

The City of Appleton owns 105.8 acres of farmland which supports the City's objective in preparing land for future industrial development. Management of the farmland is assigned to the Community and Economic Department and is administered through the Economic Development Specialist. The land has been farmed for several years, since the City has taken ownership. The purpose of this RFP is to achieve optimal net income while pursuing environmental sustainability and positive local community relations. A major financial goal of this farmland RFP will be to establish a lease consistent with fair market cash rent.

The City of Appleton is seeking proposals to lease approx. 105.8 Ac. of farmland in the City of Appleton. Proposals are due by **12:00 Noon, March 13, 2020**. The Common Council will approve final selection on April 1, 2020. Upon mutual execution of the lease document, receipt of the first rental installment and proof of insurance access will be granted on May 1, 2020.

**SITE:** The proposed site is located in the City of Appleton and is comprised of approximately 105.8 Ac. as indicated on Exhibit A.

**RESTRICTIONS:** The City does not have any of the proposed farmed areas identified for future road/utility work in the Five Year Plan until 2025. Any future roadway/utility work that would impact availability of farmland will be shared with the selected proposer and the lease will be adjusted per section 2 of the attached draft lease.

Additionally, the City has 50 acres under contract with Hayden Properties, LLC for purchase as identified in Exhibit A. Should this transaction not close, up to an additional 36.6 acres of land may be added to the land leased for farming at the per acre rate agreed to by the selected proposer.

**LEASE DOCUMENT:** A draft copy of the lease document is provided for your review. Please note the terms when preparing your proposal.

**REQUIREMENTS:** Please provide the following information in your proposal:

- 1)Proposed rental rate/Acre
- 2)Proposed term (In years). Preference will be given to term consistent with Section 2 of the attached Draft Lease.
- 3)Proposed Lessee. If Corporation or LLC, please provide Articles of Incorporation and By-Laws.
- 4)The standard lease document includes rental reimbursement should the City “take back” any pre-paid leased property. If you propose crop reimbursement, please provide the calculation formula in your proposal.

SUBMITTAL: Please submit proposals no later than 12:00 Noon March 13, 2020 to:

City of Appleton  
c/o Community and Economic Development  
Attn: Matt Rehbein  
100 N. Appleton St.  
Appleton, WI 54911-4799

Or via E-Mail to:  
[Matthew.rehbein@appleton.org](mailto:Matthew.rehbein@appleton.org)

Should you have any questions, please contact Matt Rehbein, Economic Development Specialist 920-832-6463 or [matthew.rehbein@appleton.org](mailto:matthew.rehbein@appleton.org).

## LEASE AGREEMENT

This Lease Agreement entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2020 between the City of Appleton (hereinafter called Landlord) and \_\_\_\_\_, (hereinafter called Tenant).

Landlord Address: City of Appleton  
100 North Appleton Street  
Appleton, WI 54911

Tenant Address: Tenant name, LLC  
1234 Rd  
City, WI 549XX

Property: Southpoint Commerce Park—Areas Delineated in Exhibit A as “Area to be Farmed” (hereafter referred to as “premises” or “property”)

1. **Rental:** TENANT will pay the LANDLORD the total sum of \_\_\_\_\_ and no/100 Dollars rent (147± acres x \$\_\_\_\_\_.00 per acre) each year for the term of this lease payable as follows: For 2020, \$\_\_\_\_\_ shall be paid upon execution of this agreement and the balance of \$\_\_\_\_\_ shall be paid on or before November 1, 2020; thereafter, on an annual basis, one half of the total, \$\_\_\_\_\_, shall be due and payable on or before April 1 with the remaining balance, \$\_\_\_\_\_, being due and payable on or before November 1 and continuing in like fashion each subsequent year this lease is in effect. In the event Tenant fails to make payment as indicated in this section, the undersigned \_\_\_\_\_, does personally guarantee said rental payments on behalf of Tenant. On the eleventh day following the date when rent is due and payable, a late payment fee shall accrue at the rate of \$25.00 per day until the rent and penalty are paid in full. Time is of the essence.

2. **Term:** The initial lease term shall commence upon execution of this agreement and shall run until \_\_\_\_\_, 20\_\_\_\_. Thereafter this lease and all obligations herein shall automatically renew for four (4) additional one year periods running from May 1<sup>st</sup> until April 30<sup>th</sup> of the subsequent year with the final year concluding on \_\_\_\_\_, 20\_\_\_\_. **Tenant may terminate this lease only upon providing Landlord with written notice prior to February 28<sup>th</sup> of the forthcoming renewal year.** The Landlord, at its option, may terminate this lease all is relates to all or a portion of the property at any time and for any reason during its term upon thirty (30) days written notice to the Tenant. In the event the Landlord terminates this lease for a portion of the property, Tenant shall be reimbursed a prorated portion of any rent already paid that year and subsequent rental payments shall be adjusted based on remaining acreage available for Tenant’s use. Tenant shall be entitled to no other adjustments or remedies as a result of early lease termination.

3. **Real Estate Taxes and Special Assessments:** Landlord agrees to pay all real estate taxes and special assessments with regard to said property.

4. **Use of Premises:** Tenant may use the premises solely for growing crops, participating in agricultural programs, or use as set aside for agricultural program purposes. The spreading of manure on

the premises at any time expressly prohibited. In the event Tenant uses the land as set aside or for conservancy purposes, Tenant will cut all weeds, vegetation, or plant growth at least once during the months of June, July and August.

5. **Indemnification**: Landlord and Tenant shall be liable for their own acts and/or negligence and the acts and/or negligence of their invitees and guests, and each agrees to indemnify, defend and hold harmless the other for any losses, damages, costs or expenses, including litigation expenses (including court costs and attorney's fees) paid or sustained by reason of the act and/or negligence of the other, or the other's invitees and guests or arising in any way out of this agreement.

6. **Insurance**: Tenant shall indemnify and save harmless the Landlord and Landlord's agents or employees against and from any and all damages and costs, and all claims for the same, and any and all penalties, fines, and forfeitures occasioned by or growing out of Tenant's failure to comply with, conform to or obey any Federal, State, or Municipal law, ordinance, rule, regulation, order, or notice as aforesaid. Tenant shall secure insurance consistent with the terms set forth in Exhibit B attached hereto and incorporated herein by reference and shall provide proof of such insurance.

7. **Assignment of Lease**: This lease may not be assigned by Tenant, and in the event Tenant may vacate the premises, the lease shall immediately terminate. This lease may be assigned by Landlord to another party.

8. **Tests; Inspections**: Landlord, its successors, assigns, contractors, agents and/or employees shall at reasonable times have the right to enter upon the premises to conduct any tests, inspections or studies as Landlord may deem desirable; provided, however, that any such tests, inspections or studies shall not materially interfere with Tenant's use of the premises and provided further that such inspections shall not in any way obligate Landlord to make any repairs or replacements to the premises.

9. **Entry Upon Premises**: Landlord, its successors, assigns, contractors, agents, and/or employees shall at reasonable times have the right to enter upon the premises to install, construct, maintain, repair, replace, and operate sewer, water, gas, and electric lines, cables, poles, substations, and other appurtenant structures; provided that such installation, construction, maintenance, repair, replacement, and operation shall not materially interfere with Tenant's use of the premises. In the event Landlord decides to provide this premise with City sewer and water, it shall do so at its sole expense.

10. **Liens**: Tenant shall not directly or indirectly create, or permit to be created, or permit to remain and will immediately discharge, any lien, encumbrance, or charge on, or pledge of, the premises or any part thereof or the interest of Tenant under this lease.

11. **Holdover**: In the event Tenant holds over or remains in possession or occupancy of the premises after the expiration or earlier termination of this lease, Tenant shall be obligated to pay Landlord fifty dollars (\$50.00) a day as rent for every day said Tenant holds over or remains in possession and Landlord shall have the right to recover from Tenant all reasonable costs of eviction, including court costs and attorney's fees.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

SIGNATURES APPEAR ON THE FOLLOWING PAGE



\_\_\_\_\_, TENANT

Witness: \_\_\_\_\_  
Printed Name: \_\_\_\_\_

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Witness: \_\_\_\_\_  
Printed Name: \_\_\_\_\_

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**CITY OF APPLETON**

Witness: \_\_\_\_\_  
Printed Name: \_\_\_\_\_

By: \_\_\_\_\_  
Timothy M. Hanna, Mayor

Witness: \_\_\_\_\_  
Printed Name: \_\_\_\_\_

By: \_\_\_\_\_  
Kami Lynch, City Clerk

Approved as for form:

\_\_\_\_\_  
James P. Walsh, City Attorney  
J:\Attorney\WORD\CRB\Economic and Community Development\  
Farm Lease - Blank form (2020).docx

**Exhibit A**

**Area to be Farmed**

SAMPLE

## IR 2.1 SMALL EXPOSURE JOBS

### City of Appleton Insurance Requirements

#### Project: Southpoint Commerce Park Farm Lease

The Contractor shall not commence work on contract until proof of insurance required has been provided to the applicable department before the contract or purchase order is considered for approval by the City of Appleton.

It is hereby agreed and understood that the insurance required by the City of Appleton is primary coverage and that any insurance or self-insurance maintained by the City of Appleton, its officers, council members, agents, employees or authorized volunteers will not contribute to a loss. All insurance shall be in full force prior to commencing work and remain in force until the entire job is completed and the length of time that is specified, if any, in the contract or listed below whichever is longer.

#### 1. INSURANCE REQUIREMENTS FOR CONTRACTOR

Commercial General Liability coverage at least as broad as Insurance Services Office Commercial General Liability Form, including coverage for Products Liability, Completed Operations, Contractual Liability, and Explosion, Collapse, Underground coverage with the following minimum limits and coverage:

- Each Occurrence limit ..... \$1,000,000
- Personal and Advertising Injury limit ..... \$1,000,000
- General aggregate limit (other than products/completed operations)  
per project ..... \$2,000,000
- products/completed operations aggregate ..... \$2,000,000
- Fire Damage limit — any one fire ..... \$50,000
- Medical Expense limit — any one person ..... \$5,000
- Watercraft Liability, (protection and indemnity coverage) IF the project  
work includes the use of, or operation of any watercraft..... \$1,000,000  
NOTE: per occurrence for bodily injury and property damage
- Products/Completed Operations coverage must be carried for two years after  
acceptance of completed work.

**Automobile Liability** coverage at least as broad as Insurance Services Office Business Automobile Form, with minimum limits of \$1,000,000 combined single limit per accident for bodily injury and property damage, provided on a Symbol #1 – “Any Auto” basis.

**Workers’ Compensation** as required by the State of Wisconsin, and employers liability insurance with sufficient limits to meet underlying umbrella liability insurance



requirements. If applicable for the work coverage must include Maritime (Jones Act) or Longshoremen's and Harbor Workers Act coverage.

**Builder's Risk/Installation Floater/Contractor's Equipment or Property (If applicable):**

The Contractor is responsible for loss and coverage for these exposures. City of Appleton will not assume responsibility for loss, including loss of use, for damage to property, materials, tools, equipment, and items of a similar nature which are being either used in the work being performed by the contractor or its subcontractors or are to be built, installed, or erected by the contractor or its subcontractors.

**2. APPLICABLE TO CONTRACTORS/SUBCONTRACTORS**

- **Builder's Risk/Installation Floater/Contractor's Equipment or Property:** The Contractor is responsible for loss and coverage for these exposures. The City of Appleton will not assume responsibility for loss, including loss of use, or damage to property, materials, tools, equipment and items of a similar nature which are being used in the work being performed by the Contractor or its subcontractors or are to be built, installed or erected by the Contractor or subcontractors.
- **Primary and Non-Contributory requirement: All insurance must be primary and non-contributory to any insurance or self-insurance carried by City of Appleton.**
- **Acceptability of Insurers:** Insurance is to be placed with insurers who have an *A.M. Best* rating of no less than A- and a Financial Size Category of no less than Class VI, and who are authorized as an admitted insurance company in the State of Wisconsin.
- **Additional Insured Requirements:** The following must be named as **additional insureds** on all liability policies for liability arising out of project work: **City of Appleton, and its officers, council members, agents, employees and authorized volunteers. On the Commercial General Liability Policy, the additional insured coverage must be ISO form CG 20 10 07 04 and also include Products – Completed Operations equivalent to ISO form CG 20 37 07 04 or their equivalents for a minimum of 2 years after acceptance of work. This does not apply to Workers Compensation policies.**
- Certificates of Insurance acceptable to the City of Appleton shall be submitted prior to commencement of the work to the applicable department. **In addition form CG 20 10 07 04 for ongoing work exposure and form CG 20 37 07 04 for products-completed operations exposure must also be provided or its equivalent.** These certificates shall contain a provision that coverage afforded under the policies will not be canceled or non-renewed until at least 30 days' prior written notice has been given to the City of Appleton.

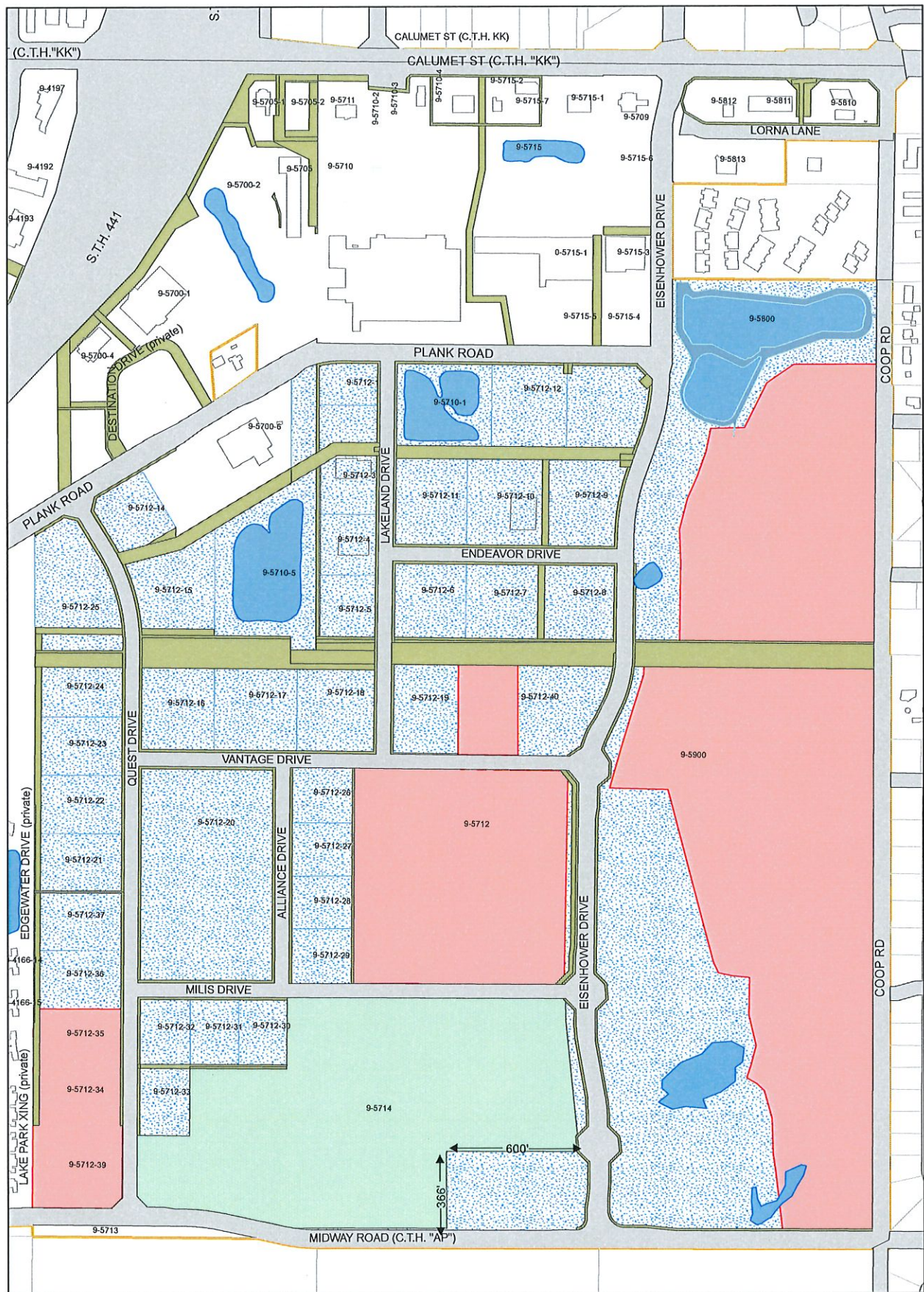
### 3. INSURANCE REQUIREMENTS FOR SUBCONTRACTOR








All subcontractors shall be required to obtain commercial general liability (if applicable watercraft liability), automobile liability, workers' compensation and employers liability, (if applicable aircraft liability) insurance. This insurance shall be as broad and with the same limits as those required per Contractor requirements, excluding umbrella liability, contained in Section 1 above.

The following additional coverages are required where the corresponding box is checked. In addition, Contractor shall be responsible for consulting with its insurance carrier to determine whether any of the other following coverages should be carried based upon the specific project:

- Bond Requirements**
  - **Bid Bond:** The Contractor's Bid Bond equal to 5% of the contract shall accompany the bid for the project.
  - **Payment and Performance Bond:** If awarded the contract, the Contractor will provide to the Owner a Payment and Performance Bond in the amount of the contract price, covering faithful performance of the contract and payment of obligations arising thereunder, as stipulated in bidding requirements, or specifically required in the contract documents on the date of the contract's execution.
  - **Acceptability of Bonding Company:** The Bid, Payment and Performance Bonds shall be placed with a bonding company with an *A.M. Best* rating of no less than A- and a Financial Size Category of no less than Class VI.
  - **License and Permit Bond:** The Contractor will provide to the City a License and Permit Bond in the amount stipulated in Appleton's Municipal Code.
  
- Property Insurance Coverage** to be provided by the Contractor
  - The property insurance must include engineering or architect fees and must equal the bid amount, plus any change orders.
  - Coverage includes property on the work site/s, property in transit and property stored off the work site/s.
  - Coverage will be on a **Replacement Cost basis**.
  - The City of Appleton, consultants, architects, architect consultants, engineers, engineer consultants, contractors and subcontractors will be added as named insureds to the policy.
  - Coverage must include collapse and be written on a "special perils" or "all risk" perils basis.
  - Coverage must include water damage (including, but not limited to, flood, surface water, hydrostatic pressure) and earth movement.
  - Coverage must include testing and start up.
  - Coverage must include boiler and machinery if the exposure exists.

- Coverage must include engineers' and architects' fees.
  - Coverage must include building ordinance or law coverage with a limit of 5% of the contract amount.
  - The policy must cover/allow partial utilization by owner.
  - Coverage must include a "waiver of subrogation" against any named insureds or additional insureds.
  - Contractor is responsible for all deductibles and coinsurance penalties.
- Pollution Liability – Contractors; Motor Vehicle/Automobile; Professional; Environmental Consultants/Engineers**
- Definition of "Covered Operations" in the policy must include the type of work being done for the City of Appleton
  - Limits of Liability:
    - \$500,000 each loss for bodily injury, property damage, environmental damage
    - \$1,000,000 Aggregate for bodily injury, property damage, environmental damage (environmental damage includes pollution and clean-up costs)
  - Deductible must be paid by the Contractor, consultants/engineers
  - The City of Appleton, its Council members and employees must be Additional Insureds
  - The policy must also cover subcontractors
  - Specify if "Wrongful Delivery" is covered
  - Must cover motor vehicle loading and unloading and show on Certificate of Insurance
  - Certificate of Insurance must state:
    - If the policy is an Occurrence or a Claims Made Form
    - If the defense costs reduce the limit of liability
    - If the policy covers motor vehicle loading and unloading claims
    - If there is an underground storage tank or a super fund exclusion
    - If there is a Contractual Liability Exclusion
    - If Bodily Injury includes mental anguish and emotional distress
- Aircraft Liability** insurance with a limit of \$3,000,000 per occurrence for bodily injury and property damage including passenger liability and slung cargo **IF** the project includes the use or operation of any aircraft, drone or helicopter.
- Watercraft liability protection and indemnity coverage** to be provided by the Contractor



Southpoint Commerce Park	
	Right of way
	Ponds
	Easement
	City Limits
	Optional Farm Area = 36.6 Ac
	Current Farmed Area = 105.8 Ac
	Park Parcels

# EXHIBIT A



1"=400'

Date: 1/28/2020