

# Council Study Session

July 18, 2022

<b>Agenda Item</b>	Review and Discussion of Imperatrice Property Lease	
<b>From</b>	Joseph Lessard	City Manager
<b>Contact</b>	<a href="mailto:joe.lessare@ashland.or.us">joe.lessare@ashland.or.us</a> ; 541-552-2103	
<b>Item Type</b>	Requested by Council <input checked="" type="checkbox"/> Update <input type="checkbox"/> Request for Direction <input type="checkbox"/> Presentation <input type="checkbox"/>	

## **SUMMARY**

At the Request of Mayor Akins, a review and discussion of the lease of the City's Imperatrice Property to the Land Manatee Foundation (LMF) has been placed on the City Council's Study Session agenda. The lease was approved by the City Council at the February 18, 2020 Business Meeting ([Minutes](#), [Staff Report](#)).

The Imperatrice Property was purchased by the City of Ashland for \$950,288 in 1996 with Food and Beverage Tax funds. The purchase was for use of the property as a wastewater effluent disposal site. The site is no longer needed to support any wastewater related treatment options based on decisions made over the past decade. During the recent Special Called Meetings of May 23-24 and June 14 of this year, an informal vote of the City Council identified possible future uses of the property for open space, trails and/or a solar farm.

Currently the property is leased to LMF for cattle grazing with FY 2022-23 leaser revenue to the City of \$1.00 per annum. In addition, the lessee covers additional costs associated with the leased tax lots, reference section 3.2 of attachment #1. The lease includes the following cancellation clause, reference section 2.2 of attachment #1. Either party may terminate the lease with 30 days written notice to the other party.

## **REFERENCES & ATTACHMENTS**

Attachment #1: Property lease of the Imperatrice Property to the Land Manatee Foundation

**CITY OF ASHLAND**  
**GROUND LEASE AGREEMENT FOR RANCHING AND SUSTAINABLE FARMING**

THIS AGREEMENT ("Lease") is entered into between the CITY OF ASHLAND, OREGON ("City"), and Land Manatee Foundation (LMF), ("Lessee").

**RECITALS**

- A. City owns property commonly known as the Imperatrice Property. The portion of the Property which is the subject of this Lease is described below and in attached Exhibit A and is hereinafter referenced as "the Premises".
- B. Lessee desires to lease the Premises for purposes of operating a restorative and regenerative ranch for cattle and horses in accordance with Lessee's proposal in response to the City's Request for Proposal (RFP) Project 2019-29, Beneficial Use and Lease of the City's "Imperatrice" Property. Lessee's proposal is attached as Exhibit B, and its provisions are fully incorporated herein as enforceable terms of this Lease.
- C. City desires to lease the Premises described in Exhibit A to Lessee under the circumstances set forth in this Lease.

**AGREEMENTS**

In consideration of the matters described above, and of the mutual benefits and obligations set forth in this Lease, the parties agree as follows:

1. **Description** of Leased Property. The Premises subject to this Lease and described in Exhibit A comprise approximately 265 pastoral irrigatable acres and are encumbered by numerous easements and title exceptions as shown in the RFP attached as part of Exhibit B. Lessee will use Premises to operate a restorative and regenerative ranch for cattle and horses according to Lessee's proposal in Exhibit B. The Premises are further limited in their use by Lessee as follows:
    - 38 1E 32 – TL 100 (3.17 acres: access only)
    - 38 1E 32 – TL 200 (65.88 acres: this tax lot is to the south and west of the Talent Irrigation District (TID) canal) – in total
    - 38 1E 33 – TL 200 (total tax lot is 406.86 acres: lease includes approximately 200 acres south of TID canal) – the entire lot may be used with appropriate fencing along the TID canal approved by the City in consultation with TID.
  - 1.1 Access: City provides access across the southern line of the following City owned tax lots for the purposes of moving livestock from the adjacent property to the Premises: 381E28 TL 500, 381E28 TL 600 and 381E27 TL 100.
    - 1.1.1 City understands that Lessee has rights to trespass on the adjacent property 381E34 TL 100. However, should disputes arise, the City will not substantiate or have any interest in such disputes.
2. **Term.** The original term of this Lease shall be for 2 years, commencing on February 15, 2020 and ending on February 14, 2022.

- 2.1. Option to Renew. Lessee shall have the option to renew this lease for up to 3 successive terms of one year each, as follows:
  - 2.1.1. Each renewal term shall commence on the day following expiration of the preceding term.
  - 2.1.2. The option shall be deemed exercised by Lessee, unless Lessee gives City written notice not less than 180 days prior to the last day of the expiring term stating that the option will not be exercised. The giving of such notice shall be sufficient to terminate the Lease at the end of the expiring term without further act of the parties.
  - 2.1.3. The terms and conditions of the Lease for each renewal term shall be identical with the original term, except for the number of renewal options then remaining.
- 2.2. Terminate. Either party may terminate this lease at any time upon 30 days prior written notice to the other party.

### 3. **Lease Fees.**

- 3.1. Rent. Lessee agrees to pay to City rent in the amount of \$1.00 per year plus quarterly reimbursement for all City-incurred fees and assessments associated with the Premises, as described in 3.2. The City will deliver a quarterly rent bill to Lessee at the beginning of the quarter. Lessee agrees to promptly pay the City the full amount shown in each quarterly rent bill.
  - 3.2. City-Incurred Fees. The City will pay the following fees and assessments, plus any mandated subsequent increases, with the understanding that Lessee will fully reimburse these payments, as prescribed in 3.1 and 3.3.
    - 3.2.1. Talent Irrigation District (TID) Annual Assessment (2019 assessment was \$9,711.4);
    - 3.2.2. Oregon Department of Forestry Fire Protection Fee (2019 assessment was \$1,787.92); and
    - 3.2.3. Jackson County Property Tax (2019 assessment was \$897.35).
    - 3.2.4. City will provide notice of cost increases from said agencies as those charges are paid (typically by the October quarterly lease/rent fee).
    - 3.2.5. For planning purposes, total incurred 2019 costs were **\$12,396.67**; so quarterly payments would be **\$3,099.17** plus \$1.00.
  - 3.3. Rent Due Dates. Rent shall be due quarterly at the beginning of the quarter on January 1; April 1; July 1; and October 1; and become past due ten days past the due date. Interest on past due rent shall be 1.5% per month. The first quarterly payment will be prorated based upon the final agreement date.
  - 3.4. Security Deposit. [Not Applicable].
4. **Maintenance**. Lessee shall keep and maintain the Premises and all improvements in good and substantial repair and condition, including the exterior condition of improvements.
- 4.1. Repairs. Lessee shall make all necessary repairs and alterations and shall maintain the Premises and all improvements in compliance with all applicable building and zoning laws and all other laws, ordinances, orders and published requirements of public agencies.
  - 4.2. Maintain. Lessee shall keep and maintain all fences which are currently upon the Premises or which may be erected while the Lease is in effect, in a visually appropriate manner, and in good condition and repair to effectively serve their purposes.
  - 4.3. Free from debris. Lessee shall provide proper containers for trash and garbage and shall keep the Premises free and clear of weeds, rubbish, debris, and litter at all times.
  - 4.4. Inspections. City shall have the right to conduct reasonable inspections and investigations of the Premises and the operations conducted on the Premises at any time, and from time to time with reasonable advance notice, and Lessee shall cooperate fully with City during such inspections and investigations.

4.4.1 Lessee shall make arrangements for an annual site visit in coordination with the City and TID ditch rider to ensure Lessee is maintaining appropriate TID canal conditions.

5. **Alterations.** Lessee shall have the right to erect, maintain, and alter such facilities as fencing and irrigation systems upon the Premises provided such facilities conform to the applicable requirements of all federal, state, and local laws. Prior to construction of such facilities or improvements on the Premises, the detailed plans for them must have been reviewed and approved in writing by the City, which approval shall not be unreasonably withheld. Absent such approvals or any necessary land use approvals, all use of the Premises must cease immediately. Lessee shall be solely responsible for all material and labor costs of any alteration of the Premises.
6. **Land Use Approvals Required.** This Lease is not a land use approval. Lessee is not the City's agent, and City is not the Lessee's agent for purposes of any contracts or commitments made by either party. Lessee acknowledges and agrees that future preliminary and/or final approvals, including plans, plan amendments, plan modifications, civil plans (construction plan approvals), construction permits and building permits are subject to compliance with all applicable approved plans, approval conditions and applicable land development regulations in effect at the time the approvals are sought. No rights to obtain preliminary and/or final approvals, including plans, plan amendments, plan modifications, or building permits, nor any other rights to develop and/or construct on Premises have been granted or implied simply by the City's approval of this Lease. Lessee must fully comply with all approved plans, approval conditions and applicable laws in effect at the time the final approvals are sought. Lessee, or its successors and assigns, may not attempt to force, coerce or intimidate the City to approve final plans or grant other construction authorizations, including building permits, by asserting that the City has committed to such approvals for construction on any parcel within the Premises based on the theory of vested rights, equitable estoppel, or any other legal theory based on the City's approval of this Lease or any associated agreement. This Lease does not grant Lessee the right to move or construct anything on any parcel other than the Premises. City approval of final plans and/or construction orders requires strict compliance with applicable planning procedures, approval conditions and the applicable criterion for approval.
7. **Ownership and Removal of Alterations.** Upon completion of any construction and final structural inspection thereof, Lessee improvements included in any planning action, including any further improvements to the Premises approved by any other authority, shall become and remain property of Lessee. Lessee shall remove any such improvements before termination of the Lease. Lessee shall at all times be and remain the honorable fixtures, trade fixtures and personal property brought on the Premises and shall have the right to remove all such items at the end of the term of this Lease.
8. **Rights Reserved to the City.** The City reserves the following rights:
  - 8.1. Improve Premises. The right to develop or improve the Premises without interference or hindrance of the Lessee.
  - 8.2. Maintain Premises. The right, but not the obligation, to maintain and keep the Premises in good repair, together with the right to direct and control all activities of Lessee not in conformance with the Lease.
  - 8.3. Protect Premises. The right to take any action considered necessary to protect the Premises from waste or nuisance, together with the right to prevent Lessee from erecting, or permitting to be erected, any building or other structure on the Premises which, in the opinion of the City, would limit the usefulness of the Premises or constitute a hazard.

8.4. Temporary Closures. The right to temporarily close or to restrict the use of the Premises or any of the facilities for maintenance, improvement, or for the safety of the public. Lessee is entitled to full abatement of rent during such temporary closures.

9. **Non-appropriations; No Agency**. The City and Lessee are entering into this Lease voluntarily in the spirit of cooperation and coordination to facilitate Lessee's desire to lease the Premises for purposes set forth in Exhibit B. However, nothing in this Lease makes the City responsible for the contracts or commitments of Lessee regarding development to achieve Lessee's desired outcome. Lessee is not subject to public contracting rules and regulations, and nothing herein makes Lessee subject to such public agency procurement requirements.

9.1. All City obligations pursuant to this Lease which require the expenditure of funds are contingent upon future appropriations by the City as part of the local budget process. Nothing in this Lease implies an obligation on the City to appropriate any such monies.

## 10. **Lessee Obligations**

10.1. Commercial activities permitted. Lessee may conduct any approved and related commercial activities upon obtaining a business license, as specified in the City of Ashland Ordinances.

10.2. Utilities. Lessee shall promptly pay any charges for electricity, water and sewer, and all other charges for utilities which may be furnished to the Premises at Lessee's order or consent.

10.3. Fencing. Lessee will act with City to install fencing in a manner that separates or divides the Premises in a manner that protects canals and irrigation facilities from encroachment and damage by livestock. Fencing shall in no way restrict the use of the access way along the irrigation canal.

10.4. Liens, Taxes. Lessee shall pay all sums of money that become due for any labor, services, materials, supplies, utilities, furnishings, machinery or equipment which have been furnished or ordered by Lessee which may be secured by lien against the Premises. Lessee shall pay all real and personal property taxes assessed against the Premises, such payments to be made no later than November 15 of the year in which the taxes become due and payable.

10.5. Compliance with laws. Lessee shall comply with all federal, state, county, and city laws, orders and ordinances;

10.5.1. Local Laws. The terms, restrictions and requirements of approvals are set forth in the applicable County and State statutes and regulations, the preliminary and final approvals, and this Lease. All local development approvals and permits identified by local law or this Lease shall be obtained at the sole cost of the Lessee. The failure of this Lease to address a particular permit, condition, term or restriction shall not relieve Lessee of the duty to comply with any laws governing permitting requirements, conditions, terms or restrictions.

10.6. Marijuana Grow Prohibited. Lessee is not permitted to grow or cultivate on the Premises any forms of commonly used marijuana, cannabis, or cannabinoid substances as defined under Federal or State law such as, but not limited to, marijuana or industrial hemp as defined under ORS 571.300.

10.7. Lessee's Specific Compliance with Environmental Laws. As used in this paragraph, the term "hazardous material" means any hazardous or toxic substance, material, or waste, including, but not limited to, those substances, materials, and wastes listed in the United States Department of Transportation Hazardous Materials Table (49 C.F.R. § 172.101) or by the United States Environmental Protection Agency as hazardous substances (40 C.F.R. Part 302) and any amendments, ORS 466.567, 466.205, 466.640 and 468.790 and regulations of the Oregon State Department of Environmental Quality, petroleum products and their derivatives, and such other substances, materials and wastes as become regulated or subject to cleanup authority under any environmental laws. Environmental laws mean any federal, state, or local statutes, regulations, or ordinances or any judicial or other governmental orders pertaining to the protection of health, safety, or the environment.

- 10.7.1. Lessee's Compliance with Laws and Permits. Lessee shall cause the Premises and all operations conducted on the Premises (including operations by any subtenants) to comply with all environmental laws.
- 10.7.2. Flammables and Explosives Prohibited. Lessee shall not store any flammable or explosive liquids or solids within the Premises without a permit. For the purpose of this rental agreement, "flammable or explosive liquids or solids" shall not apply to fuel or other flammables contained within any vehicle used or stored at the Premises. Fueling of vehicles while in any enclosed storage facility is strictly prohibited.
- 10.7.3. Limitation on Uses of Hazardous Materials. Lessee shall not use or allow any agents, contractors or subtenants to use the Premises to generate, manufacture, refine, transport, treat, store, handle, recycle, release or dispose of any hazardous materials, other than as reasonably necessary for the operation of Lessee's activities as contemplated under this lease.
- 10.7.4. Disposal and Contamination Clean-up. Lessee shall be responsible for disposing of all hazardous materials in compliance with environmental laws, and Lessee shall be responsible for any environmental clean-up of the Premises that is necessary due to Lessee's activities. Lessee shall not be responsible for any environmental cleanup of the Premises resulting from activities not authorized by the Lessee such as trespass or pre-existing contamination.
- 10.8. Specific Obligations; Bi-Annual Reporting. Lessee shall provide a report two times a year in January and July on the number and type of livestock grazing on the Premises; the general agricultural improvements made; general restoration processes; and any educational opportunities provided for the previous quarter. Reports may be made to Michael Morrison, Public Works Superintendent at michael.morrison@ashland.or.us.
11. **Damage or Destruction of Premises.** Lessee shall be responsible for damage or destruction to the Premises or any improvements resulting from Lessee's operations, or anything done or permitted by Lessee under this Lease. If the Premises or any improvements thereon are damaged or destroyed by fire or other casualty as a result of activities by Lessee,
- 11.1. Lessee shall:
- 11.1.1. Promptly repair, rebuild or restore the property damaged or destroyed to substantially the same condition consistent with the applicable building codes; and
- 11.1.2. Apply for any net proceeds of insurance resulting from claims for such losses, as well as any additional money of Lessee necessary.
- 11.2. If the damage or destruction which occurs is such that the cost of repair, rebuilding or restoration of the property damaged or destroyed exceeds 50% of the fair market value of the improvements, Lessee shall have the option within 60 days from the date of damage or destruction, to notify City in writing whether or not Lessee elects to repair, rebuild, or restore in as provided in this section or to terminate this Lease. Upon giving such notice to terminate, this Lease shall terminate on the date specified in the notice, and City shall be entitled to the net proceeds of insurance.
12. **Insurance.** Lessee shall obtain and maintain continuously in effect at all times during the term of this Lease, at Lessee's sole expense, the following insurance:
- 12.1. Worker's Compensation Insurance in compliance with ORS 656.017, which requires subject employers to provide Oregon workers' compensation coverage for all their subject workers. Lessee certifies in attached Exhibit C its compliance with state workers' compensation coverage requirements during the term of this Lease.
- 12.2. General Liability Insurance with a combined single limit, or the equivalent, of not less than \$2,000,000 per occurrence for bodily injury and property damage. It shall include contractual liability coverage for the indemnity provided under the Lease.

- 12.3. Automobile Liability Insurance with a combined single limit, or the equivalent, of not less than \$1,000,000 per occurrence for each accident for bodily injury and property damage, including coverage for owned, hired or non-owned vehicles, as applicable.
- 12.4. Notice of Cancellation or Change. There shall be no cancellation, material change, reduction of limits or intent not to renew the insurance coverage(s) without 30 days' written notice from the contractor or its insurer(s) to the City.

13. **Indemnification; Waiver of Subrogation.** Lessee will defend, indemnify and save City, its officers, employees and agents harmless from any and all losses, claims, actions, costs, expenses, judgments, subrogations, or other damages resulting from injury to any person (including injury resulting in death,) or damage (including loss or destruction) to property, of whatsoever nature arising out of or incident to this Lease or the activities that take place on the Premises. Lessee waives the right of subrogation regarding the insurance policy as described in the Insurance Section in this Lease. Lessee will not be held responsible for damages caused by negligence of City.

#### 14. **Default**

14.1. Events of Default. The following shall be events of default:

14.1.1. Default in Rent: Failure of Lessee to pay any rent or other charge within ten days after it is due.

14.1.2. Default in Other Covenants: Failure of Lessee to comply with any covenant, term or condition, or to fulfill any obligation of the Lease (other than the payment of rent or other charges) within 30 days after written notice by City specifying the nature of the default. If the default is such that it cannot be completely remedied within the 30-day period, this provision shall be complied with if Lessee begins correction of the default within the 30- day period and proceeds in good faith to effect the remedy as soon as practicable.

14.1.3. Insolvency: Insolvency of Lessee and assignment by Lessee for the benefit of creditors; the filing by Lessee of a voluntary petition in bankruptcy; an adjudication that Lessee is bankrupt or the appointment of a receiver of the properties of Lessee; the filing of an involuntary petition of bankruptcy and failure of the Lessee to secure a dismissal of the petition within 30 days after filing; attachment of or the levying of execution on the leasehold interest and failure of the Lessee to secure discharge of the attachment or release of the levy of execution within ten days.

14.2. Remedies on Default. In the event of a default, the City at its option may terminate the Lease by notice in writing by certified or registered mail to Lessee. The notice may be given before or within thirty days after the running of the grace period for default and may be included in a notice of failure of compliance. If the Premises are abandoned by Lessee in connection with a default, termination shall be automatic and without notice.

14.3. Damages. In the event of termination by default, City shall be entitled to recover immediately the following amounts as damages:

14.3.1. The reasonable cost of re-entry and releasing including the cost of any clean up, refurbishing, removal of Lessee's property and fixtures, or any other expense occasioned by Lessee's failure to quit the Premises upon termination and to leave the Premises in the required condition, any remodeling costs, attorney fees, court costs, broker commissions and advertising cost.

14.3.2. The loss of reasonable lease fee value from the date of default until a new tenant has been or, with the exercise of reasonable efforts could have been secured.

14.4. Re-Entry After Termination. If the Lease is terminated for any reason, Lessee's liability to City for damages shall survive such termination, and the rights and obligations of the parties shall be as follows:

14.4.1. Lessee shall vacate the premises immediately, and within thirty (30) days, remove any property of Lessee including any fixtures which Lessee is required to remove at the end of

the lease term, perform any cleanup, alterations or other work required to leave the Premises in the condition required at the end of the term. City may 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.

15. **Assignment of Interest or Rights.** Without prior written approval, neither Lessee or any assignee or other successor of Lessee shall sublease, assign, transfer or encumber any of Lessee's rights in and to this lease or any interest, nor license or permit the use of the rights granted except as provided in this paragraph. Lessee shall not assign all or any part of its rights and interests under this Lease to any successor through merger, consolidation, or voluntary sale or transfer of substantially all of its assets, without prior written approval of the City. Written approval of the City shall not be unreasonably withheld.
16. **Condemnation.** If any legally, constituted authority condemns the Premises or such part thereof which shall make the Premises unsuitable for leasing, this Lease shall cease when the public authority takes possession, and Landlord and Tenant shall account for rental as of that date. Lessee shall not have any rights in or to any award made to City by the condemning authority and further waives any action or remedy to recover compensation against the condemning authority for any loss or damage caused by the condemnation.

**17. General Provisions.**

- 17.1. No Partnership or Joint Venture. Nothing in this Lease shall be construed to render the City in any way or for any purpose a partner, joint venturer, or associate in any relationship with Lessee other than that of Lessor and Lessee nor shall this Lease be construed to authorize either party to act as agent for the other.
- 17.2. Nonwaiver. Waiver by either party of strict performance of any provision of this Lease shall not be a waiver of or prejudice the party's right to require strict performance of the same provision in the future or of any other provision.
- 17.3. Consent of City. Whenever consent, approval or direction by the City is required, all such consent, approval or direction shall be received in writing from the City Administrator.
- 17.4. Notices. All notices required under this Lease shall be deemed to be properly served if sent by certified or registered mail to the last address previously furnished by the parties. Until changed by the parties by notice in writing, notices shall be sent to:

CITY:  
City of Ashland  
Attn: Public Works Superintendent  
20 Main Street  
Ashland, OR 97520

LESSEE:  
Land Manatee Foundation (LMF)  
Attn: Renee L. De Launay  
PO Box 3373  
Ashland, OR 97520

- 17.5. Governing Law. This Lease and all matters relating to this Lease shall be governed by the laws of the State of Oregon in force at the time any need for interpretation of this Lease or any decision or holding concerning this Lease arises.
- 17.6. Extraterritorial Regulation. Nothing in this Lease shall interfere with the legislative authority of City under ORS 226.010 or any other provision of state law.
- 17.7. Binding on Successors. This Lease shall be binding on and shall inure to the benefit of the heirs executors administrators successors and assigns of the parties hereto.
- 17.8. Entry for Inspection. City shall have the right to enter on the Premises at any time to determine Lessee's compliance with this Lease or to make necessary repairs to the Premises whether or not such inspection is made the duty of City to make repairs shall not mature until a reasonable



time after City has received written notice from Lessee of the repairs that are required. In addition, City shall have the right at any time during the last twelve months of the term of this Lease to place and maintain on the Premises notices for leasing or selling of the Premises.

- 17.9. Holdover by Lessee. If the Lessee does not vacate the Premises at the time required, the City shall have the option to treat the Lessee as a Lessee from month to month subject to all provisions of this Lease except the provision for term.
- 17.10. Severability. If any provision of this Lease is held by a court of competent jurisdiction to be either invalid void or unenforceable the remaining provisions of this Lease shall remain in full force and effect unimpaired by the holding.
- 17.11. Entire Agreement. This Lease and its attachments constitute the sole and only agreement between City and Lessee respecting the leasing of the Premises to Lessee. Any agreements or representations respecting the Premises their leasing to Lessee by City or any other matter discussed in this Lease not expressly set forth or incorporated into this Lease are null and void.

**INTENDING TO BE BOUND**, the parties have executed this Lease as of the date written below.

**LESSEE:**

\_\_\_\_\_  
Renee L. De Launay, Land Manatee Foundation

\_\_\_\_\_  
Date

**ORDER**

Pursuant to ORS 271.360 the governing body hereby approves and authorizes the terms of this lease as set forth above.

**CITY:**

\_\_\_\_\_  
City Administrator, City of Ashland

\_\_\_\_\_  
Date

**EXHIBIT A**  
**LAND LEASE PROPERTY DESCRIPTION -- "THE PREMISES"**

City of Ashland Ground Lease Agreement Property. "The Premises" is shown in red dashed lines and includes 381E32 TL400, all of 381E32 TL200 and a portion of 381E33 TL200. Area north of TID canal in 38 1E 33 TL200 may be utilized with approved fencing (see agreement). Note: all lines are shown for reference, not actual tax lots



The property within the leased Premises is comprised of three separate tax lots which are described in further detail and includes data from the Jackson County Assessor's Office:

Jackson County Map Reference:	38 1E 32 Tax Lot 200 38 1E 33 Tax Lot 200
Address Location:	Approximately 2 miles North of Ashland. This parcel of four tax lots lays adjacent to the Northeast side of Interstate 5 and the associated "Northbound" I-5 weigh station. This property extends uphill in a Northeasterly direction across the east canal of the TID.
Owner of Record:	City of Ashland
Assessor's Account No:	38 1E 32 Tax Lot 200 1-012688-4 38 1E 33 Tax Lot 200 1-012367-6
Present Use:	224.4 acre irrigated pasture* 423.95 acre dry pasture
Zone:	EFU
Size:	648.35 acres TOTAL

Jackson County Map Reference:	38 1E 32 Tax Lot 100
Address Location:	Approximately 2 miles North of Ashland adjacent to both sides of Butler Creek Road. This property is approximately 200-300 feet North of Interstate 5.
Owner of Record:	City of Ashland
Assessor's Account No:	1-012687-6
Present Use:	dry pasture and access
Zone:	EFU
Size:	3.17 acres

**Proposal to the City of Ashland, Oregon, Public Works/Engineering Division  
Beneficial Use and lease of the City's "Imperatrice" Property**

Section 1 Specific Proposal Requirements, Description of RFP and  
Property Description

Project No: 2019-29

Project Type: Property Lease

Project Duration: 24 months (3.2.9 Period Of Use Recognition)

City Project Manager: Mike Morrison

Public Works Director: Paula C. Brown

Attachments not included in 4 page limit: Addendum No.1, Exhibit C, Proposer Info, IRS Determination and EIN, Attachments No.1-No.4, LMF Conservation Ranching Program/ Protocols and LMF one page Estimated Business Plan for Property. LMF Synopsis and LMF Bi-laws available upon request.

Proposer acknowledges the City of Ashland's rights to cancel this procurement or reject any and all proposals in accordance with ORS 279B.100. The applicant understands that a lease agreement will be designed to match the specific proposal that is awarded the property lease. If awarded the lease, Land Manatee Foundation ("LMF") will be available to participate in the City of Ashland processes.

The property description to be leased to the accepted proposer is a tract of land located in Jackson County Oregon and is more fully described as follows. All that portion of the following listed tax lots which lie southerly and westerly of the Talent Irrigation East Lateral Ditch:

- 1: 38 1E 32 tax lot 100 (exempting Property west of Butler Creek Road)
- 2: 38 1E 32 tax lot 200 (behind Port of Entry)
- 3: 38 1E 33 tax lot 200 (facing Ashland as viewable irrigated/dry-land grasslands)

Containing 265 pastoral irrigate-able acres more or less. (3.2.10 Limits of Use)

Containing 424 acres of dry land more or less.

Accepting all legal encumbrances, right of ways, current as well as future easements and existing biological sensitivities. (Recognition of 3.2.1-3.2.8)

The subject area susceptible to project proposer's operation consists of primarily 265 pastoral irrigatable<sup>1</sup> acres.

**Prelude**

This proposal is hereby submitted by LMF in response to the City of Ashland RFP for the Beneficial Use of the "Imperatrice" Property, Project No. 2019-29 Distributed on November 22,2019.

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<sup>1</sup>Irrigatable in this proposal references the RFP 1.1.3 present uses calculations; 3.2.3 TID water availability 4.64 acre feet per acre.



The applicant has examined the subject RFP and hereby acknowledges all details and provisions of the City's proposal process.

### **Proposed Beneficial Use of the "Imperatrice" Property**

#### Approach, Environmental Stewardship, Public Benefit, Sustainability Experience and Supporting Plan Success

LMF is a 501c3 organization registered with the Federal Government under section 501(c)(3) of Title 26 of the United States Code. Its Internal Revenue Service (IRS) Determination Letter is attached as well as the corresponding tax-exempt charitable organization Employer Identification Number 83-2612886 [CP-575] is in compliance with Federal, State and all local County Laws. The mission of LMF is to lead by exemplary example in communities in the exercise of ranching conservation by encompassing regenerative agriculture, holistic environmental sustainability and land/livestock based education (supplying the community with 4H Horses, FFA partnerships, and Youth Programs), including preservation and knowledge of heritage culture land uses, wildlife balance and spring development. LMF is proposing to use the "Imperatrice" property as a living history-designed ranching conservation program by revitalizing the glory of the land usages in an environmentally sustainable method using integrated authentic traditions to preserve past ranching culture.

LMF proposes to apply the same ranching conservation practices on the property that it has been using in the local community on private lands. It will focus on restoring grasslands to an aesthetic view by regenerative grazing practices with traditional ranching species (ie cattle and possibly horses/mules for limited times) tough enough to survive predators on their own in accordance with specified certification standards, under a grazing management plan implemented by the LMF livestock manager, utilizing water efficiently, restoring irrigation systems, utilizing mechanical and burning spray-free blackberry removal/setback, following holistic habitat development, applying environmentally conscious and heritage based education, and observing sensitive waterways/spring(s) management plans.

LMF is responsible for the quality of work, professional services provided and for providing or utilizing volunteers who are qualified and competent people, and shall provide all supplies, equipment, tools and incidentals to accomplish the work set forth. LMF will follow all appropriate safety methods to assure compliance required with State and Federal regulations, and departmental policies and procedures for all field work in compliance with all applicable codes, land use permitting and professional service standards.

The proposer's project management will be transparent, coordinating with the City's agencies and proposer will be available to meet the City staff as required during the project's duration to review the scope of work and deliverables. LMF shall provide general liability insurance coverage at the agreed upon limits specified in the lease agreement for the subject property. The City of Ashland, its elected officials, officers and employees shall be listed as Additional Insureds on the policy. LMF accepts the TID Annual Charge, ODF Fire Protection Fees and Property taxes.

LMF recognizes that the rental fee will be negotiated. No costs will be imposed on the City of Ashland, and LMF will indemnify the City of Ashland from any and all actions of the leaseholder on the City-owned "Imperatrice" property.

Since the organization is a not-for-profit entity, the projected land use is not for business-driven purposes, but rather for a community benefit. Direct environmental stewardship benefits to the community include:

Significant improvements to the land and its appearance.

Restoring the land to its prior ranching use, but providing ecological support and ensuring biodiversity.

Using holistic regenerative agriculture which is free from pesticides and chemical sprays, erosion, pollutants, dust and manufacturing processes.

Providing opportunities for community involvement in compliance with permitting and after mechanical equipment periods.

Providing open space habitat/spring developed areas for wildlife, offering ample watering and forages in corridors of passage and refuge.

Offering a designated timed field trip in following year(s), including educational opportunities to showcase experienced livestock management, grazing timing on drylands and irrigated land and fencing methods of preserving native and sensitive species biodiversity.

Imposing no costs on the City for equipment, fencing canals, water utilization, improved irrigation efficiency, improved irrigation ditches maintenance, experienced operators, and livestock grazing management. Increased property value as a result of the methods applied.

LMF proposes to pay the City of Ashland \$1.00 as a financial benefit while also accepting the yearly costs associated with the property not to be imposed on the City.

Livestock will be managed by the entity the entire length of time the animals are on the property, and the number of animals accords with a specified habitat management plan as defined by Land Manatee Foundation Ranching Conservation Habitat Management Plan (see attached document for reference) in conjunction with NRCS Prescribed Grazing standards [528-1]. Grazing animals and farm implements are utilized as a tool for a specified outcome beneficial to the land use management goals, property specific plans and community wellbeing. Any existing farm/ranch equipment and implements, pipe and fencing on the property are encouraged to be left there and can be utilized for the property by LMF.

The developed Ranching Conservation Program and Protocols Certification specific to Land Manatee Foundation can be found in the attached document, which is a living document based on Renee De Launay's compilation of experience and scientific methodology. Renee De Launay is the Founder and Operating CEO of Land Manatee Foundation. She brings 16 years of restoration grazing history and animal healthcare expertise to implement on the City Property. Her youth was well spent in and out of the saddle learning all she has through experience on ranches throughout Southern Oregon, many of which have since changed ownership, being developed for other purposes, closed off to ranching, or converted to hemp, etc. This decline in quality uses of land for traditional agriculture spurred Renee to educate and guide EFU property owners on best practices and maintain agricultural production in the community, using the practices described herein. The supporters of her initiative all have ongoing working relationships with Renee and have utilized her management plans in numerous ways in this



community on their own operations and are dedicated to the practices advocated by Renee in LMF.

These supporting associates and Renee are supplying the equipment and grazing animals to be utilized by LMF. A dozer, excavator(s), water lines, troughs, spring boxes, valves, a livestock handling chute, a livestock handling facility and load out panels, a ditch leveler, a skidsteer, tractors, haying implements, trailers, cattle hauling and transportation, horses and mules for packing supplies and doctoring/attending to livestock needs, a water truck, a dump truck, and a backhoe, in conjunction with their knowledge and cumulative experience with conservation ranching operations, environmentally conscious activities, safety and time. It is roughly estimated that all of the ditches need to be addressed, a quarter of the property is in matured blackberries and the current forages are heavily in warm season grasses and noxious weeds or undesirable species. With a goal of addressing 20% of the property's blackberries and its ditches per year, the propagation of cool season grasses and native species can be promoted to restore the land's ranching glory.

Experienced active supporting associates and references include the following with attached declaration letters of commitment:

Michael Winters (retired Jackson County Sheriff, Winters [Ranches] LLC; TID acumen) cell 541-944-6086 See attached No.1

Morgan Troxel (Troxel Family Farm/ Maddox Angus Ranch) cell 541-947-2246 See attached No.2

Dina Cantrell (Jackson County Brand Inspector, Cantrell Family Farming Ranches) cell 541-210-0754 See attached No.3

Renee De Launay (LMF Founder, CEO) 541-973-9817 See attached No.4

Elizabeth Schaefer (retired llama rancher) cell 314-809-2737

Gary Baldwin (4AgHawaii Partnerships) cell 808-987-3983 See attached No. 5

Bruce McLean (Chief Maintenance Operator Warren Resorts) cell 541-324-7950

Rodger Goddard (TID and Dunn Ditch acumen) cell 541-821-8810

### **Adherence to Jackson County Land Development Ordinances**

In reviewing the current Jackson County Land Development Ordinance ("LDO"), the proposer concludes that LMF's proposed farm use for ranching conservation practices as defined in ORS 215.243 for grazing, harvesting, berry removal via equipment operation and living history uses and any creation, restoration and enhancement of wetlands described above is a Type 1 use, permitted by right and only requiring non-discretionary staff review (pursuant to section 4.2.2 on table 4.2-1 for Exclusive Farm Use (EFU) zoned land, Jackson County LDO). Type 1 authorizations are not land use decisions as defined by ORS 215.402. Any additional applications and permits that may arise will be the responsibility of LMF to follow the process time line for application approval. Any lease that comes from the acceptance of this proposal is not a land use approval. Proposer acknowledges and agrees that future preliminary and or final approvals including plans, plan amendments, plan modifications, or building permits nor any rights to develop and/or construct on property have been granted or implied simply by the acceptance of this proposal or a lease.

PROPOSER INFORMATION:

LAND MANATEE FOUNDATION  
Proposer Company Name

PO BOX 3373 ASHLAND OR 97520  
Company Address (from which work will be performed)

541-973-8715                      \_\_\_\_\_                      \_\_\_\_\_  
Telephone Number                      Fax Number                      FEDERAL ID NUMBER

Printed Name of Person Signing RFP: RENEE L. DE LAUNAY

Title: FOUNDER

Signature: 

Email Address: LANDMANATEEFOUNDATION@GMAIL.COM



EXHIBIT C

**CERTIFICATIONS/REPRESENTATIONS:** Consultant, by and through its authorized representative, under penalty of perjury, certifies that (a) the number shown on the attached W-9 form is its correct taxpayer ID (or is waiting for the number to be issued to it and (b) Consultant is not subject to backup withholding because: (i) it is exempt from backup withholding, or (ii) it has not been notified by the Internal Revenue Service (IRS) that it is subject to backup withholding as a result of a failure to report all interest or dividends, or (iii) the IRS has notified it that it is no longer subject to backup withholding. Consultant further represents and warrants to City that: (a) it has the power and authority to enter into this Agreement and perform the Work, (b) the Agreement, when executed and delivered, shall be a valid and binding obligation of Consultant enforceable in accordance with its terms, (c) the work under the Agreement shall be performed in accordance with the highest professional standards, and (d) Consultant is qualified, professionally competent, and duly licensed (if applicable) to perform the Work. Consultant also certifies under penalty of perjury that its business is not in violation of any Oregon tax laws, it is an independent contractor as defined in the Agreement, it is authorized to do business in the State of Oregon, and Consultant has checked four or more of the following criteria that apply to its business.

- (1) Consultant carries out the work or services at a location separate from a private residence or is in a specific portion of a private residence, set aside as the location of the business.
- (2) Commercial advertising or business cards or a trade association membership are purchased for the business.
- (3) Telephone listing is used for the business separate from the personal residence listing.
- (4) Labor or services are performed only pursuant to written contracts.
- (5) Labor or services are performed for two or more different persons within a period of one year.
- (6) Consultant assumes financial responsibility for defective workmanship or for service not provided as evidenced by the ownership of performance bonds, warranties, errors and omission (professional liability) insurance or liability insurance relating to the Work or services to be provided.

  
Consultant's signature

12-12-19  
Date

Confidential and specific to Land Manatee Foundation.  
Living document not yet proofed by all editors.

Land Manatee Foundation

CONSERVATION RANCHING  
PROGRAM PROTOCOLS  
Ranching Heritage