

APPROVED
 BY RESOLUTION# 2012-0304
 BOARD OF SUPERVISORS

**COUNTY OF SACRAMENTO
 CALIFORNIA**

MAY 08 2012

By *Cyndi Lee*
 Clerk of the Board

For the Agenda of:
 May 8, 2012

To: Board of Supervisors

From: Department of Regional Parks and Open Space

Subject: Resolution Approving An Agreement For Lease Of Real Property For Agricultural Purposes With Soil Born Farms Urban Agriculture Project For Use Of American River Ranch

Supervisorial District: Nottoli

Contact: Judy Robinson, Regional Parks/Infill Coordinator, 874-4551

Overview

Soil Born Farms Urban Agriculture Project (SBF) currently has two leases for the American River Ranch (ARR) with County Regional Parks. One lease is for 20 acres and the other is for 25 acres, located in the eastern portion of the River Bend Park on the American River Parkway. Each lease has different term lengths and rent amounts. The new term would be for 20 years with a ten year extension. In lieu of rent payments, the new lease requires funds to go into completion of a Master Plan and improvements to the Ranch facilities and operations. It is in the best interests of the County and Soil Born to combine these leases into one.

Recommendations

1. Adopt the attached Resolution, approving the lease with Soil Born Farms Urban Agriculture Project.
2. Delegate authority to the Director of Regional Parks to act as agent for the County to execute the lease and conduct all related business as described in the lease.

Measures/Evaluation

The measures of success will be the completion of the Master Plan and improvements to the existing ARR facilities, bringing more educational programs and urban farming opportunities to the Sacramento County residents.

Fiscal Impact

Costs to the County will be in staff time to participate in the Soil Born Farms Master Plan and any subsequent projects through community outreach and other required processes as may be necessary for project development. Under the terms of the lease Regional Parks will no longer receive an annual rental payment. The current rental payment is \$22,000 per year. Regional Parks will receive an offsetting fiscal benefit as Soil Born Farms will be responsible for maintenance in the lease area, all utility expenses, and the ongoing maintenance obligations associated with the Cordova Creek naturalization Project. The reduction in rent revenue is reflected in the Department's Fiscal Year 2012-13 budget request.

BACKGROUND:

Soil Born Farms Urban Agriculture Project (SBF), is a non-profit urban farming operation which provides and combines organic food production, education and food access programs to the Sacramento Region. SBF has leased and operated an organic farm at American River Ranch, on Regional Parks owned property within the American River Parkway since 2008. The first lease was entered into on May 27, 2008 for 25 acres and the second lease for 20 acres was entered into on January 1, 2011. This action is to combine these two leases into one.

Soil Born Farms is a one-of-a-kind facility with many impressive accomplishments over these last 45 months, including:

- Production of over 20,000 lbs/yr of organic produce for donation to the Sacramento Food Bank;
- Successful on-site farm stand;
- Providing education programs to more than 2,000 youth/year in grades K-12;
- Development of successful partnerships with area schools and businesses;
- Establishing the annual “Day on the Farm” event that attracts over 2,000 attendees/year;
- Engaging over 250 volunteers each year in site activities and community projects;
- Establishing the volunteer-led native plant nursery in partnership with the California Native Plant Society;
- Complete renovation of the farm irrigation system and replacement of windows on site structures;
- Established three acres of organic pasture and reestablishing over four acres of fruit orchards.

DISCUSSION

The 2008 American River Parkway Plan (ARPP) foresaw a demonstration farm and native plant nursery within this eastern edge of River Bend Park. Soil Born Farms was a participant in the Parkway Plan development and was working with County Parks to establish an urban farm consistent with the plan. This resulted in the initial 2008 lease of 25 acres for an initial term of ten years including an extension option for an additional ten years. Monthly rent in the amount of \$1,833.33 was to be paid to County Parks. The second lease in 2011 for the remaining 20 acres was for a two year term and an annual rent of \$400.

Since this time SBF has made numerous and significant improvements to the property and buildings, and has drawn regional and national attention to this portion of the Parkway for their unique programs and educational opportunities. SBF has evolved into a nationally recognized center for the promotion of urban agriculture, sustainable food systems and healthy food education. Their programs focus on promoting health and providing experiential learning opportunities for youth and adults, producing healthy food, improving access to healthy food for all and modeling land and environmental stewardship.

Differences between the New Lease and Existing Leases:

In order to facilitate continued investment in the ARR site and development of programs new facilities are needed as well as improvements to the existing infrastructure. To facilitate fund

raising efforts and generate the needed resources and revenues the two leases need to be combined into one and the term adjusted to a longer term in order to provide financing options for SBF. Even those making donations want to know that the life of their donation is more than two-ten years. The new lease term is for 20 years with the option for a ten year extension.

Other significant differences in the leases include the redirection of the prior rent payments to improvements to the ARR facilities. In lieu of rent SBF will continue to provide educational programs for the public; be responsible for maintaining and improving the structures and areas within the leased premises; pay all utilities; participate in the planning and construction of the Cordova Creek Naturalization Project which also includes on-going care and maintenance of the streambed plant materials; complete an American River Ranch Master Plan; and construct new facilities as may result from the adopted Master Plan. The Parkway Plan discusses that this, "is an appropriate area for an interpretive/educational center..." Further discussion of an interpretive center and placement within the developed recreation area of the ARPP and ARR will be one of the key facilities discussed with Stakeholders and the community during the upcoming master planning process. As a note, the proposed master plan will come to the Board of Supervisors for approval.

When preparing exhibits for the new lease, County Park staff utilized GIS resources to create a map showing the boundaries of the two combined leases. As part of this work the Cordova Creek Naturalization Project was discussed as the channel and streambed will be moved easterly from its current location. The current location of the creek serves as a natural western boundary for ARR, however after the creek project is complete, the fencing on the adjacent mitigation area becomes the more natural boundary and will also save costs associated with the creek project. With these considerations, the new map includes the entire creek area and a sliver to the eastern fence boundary of the mitigation area, which increases the total leased property to 55 acres rather than 45 acres as described in the two existing leases.

Public Outreach:

The new lease was presented to the Recreation and Park Commission at their January 2012 meeting as an information item. On February 17th it was presented to the American River Parkway Advisory Committee (ARPAC). Then on February 23rd it was an action item for the Recreation and Park Commission. While there was not a quorum of the Commissioners present to take formal action on this item, the two Commissioners present provided strong support for the new lease and for the great work that Soil Born Farms has done at this site. Similar positive comments were made at the ARPAC meeting and by members of the public present at both of the Commission meetings.

County Parks' staff has also been communicating with the Cordova Recreation and Park District and the City of Rancho Cordova regarding this lease. There is significant desire for an interpretive center at the ARR, which was also part of the 2008 ARPP discussions. Given the limited areas within the ARPP where developed recreation can occur, placement of this center within the developed recreation area of ARR is very important to the Rancho Cordova community (see attached exhibit showing developed recreation area on the ARR). Concern has been expressed that orchards not be planted within this developed recreation area until the master plan is complete and size/location of the interpretive center and other facilities have been

determined. Assurances have been made by SBF that nothing will be planted that would otherwise hinder an interpretive center until the master planning process is complete.

New Business Approach in County Parks:

This lease reflects the new business approach that County Parks is taking in how Park property and assets are operated and managed. County Parks is expanding on our collaborative partnerships with non-profits. While County Parks does not have additional revenue to invest in many facilities, leveraging the resources we do have helps others to make greater improvements than could otherwise be realized. This is reflected in the in-lieu rent being directed back into the facility, the longer term to realize improvements and performance language that ties Soil Born to making improvements early on in the lease term. The County is also streamlining how projects can be approved via the master plan adoption.

MEASURES/EVALUATION

The measures of success will be the completion of the Master Plan and improvements to the existing ARR facilities, bringing more educational programs and urban farming opportunities to the Sacramento County residents.

FINANCIAL ANALYSIS

Costs to the County will be in staff time to participate in the Soil Born Farms Master Plan and any subsequent projects through community outreach and other required processes as may be necessary for project development. Under the terms of the lease Regional Parks will no longer receive an annual rental payment. The current rental payment is \$22,000 per year. Regional Parks will receive an offsetting fiscal benefit as Soil Born Farms will be responsible for maintenance in the lease area, all utility expenses, and the ongoing maintenance obligations associated with the Cordova Creek naturalization Project. The reduction in rent revenue is reflected in the Department's Fiscal Year 2012-13 budget request.

Respectfully submitted,

APPROVED:
BRADLEY J. HUDSON
County Executive

JEFFREY R. LEATHERMAN, Director
Department of Regional Parks

By: _____
ROBERT B. LEONARD
Chief Deputy County Executive

Attachments:

- Resolution
- Attachment 1 – Lease Agreement
- Attachment 2 - Map Highlighting Developed Recreation Area on American River Ranch

RESOLUTION NO. 2012-0304

**RESOLUTION OF THE
COUNTY OF SACRAMENTO BOARD OF SUPERVISORS
APPROVING THE LEASE AGREEMENT OF REAL PROPERTY FOR
AGRICULTURAL PURPOSES WITH SOIL BORN FARMS URBAN AGRICULTURE
PROJECT FOR USE OF AMERICAN RIVER RANCH**

WHEREAS, the COUNTY is the owner of American River Ranch, located in the eastern portion of River Bend Park, on the American River Parkway, in Rancho Cordova, California;
and

WHEREAS, the COUNTY currently has two separate leases with Soil Born Farms, for use of the Ranch Property; and

WHEREAS, the COUNTY desires to combine these two leases into one lease for improved business practices and efficiencies; and

WHEREAS, Soil Born Farms has successfully managed and operated American River Ranch since 2008 and has evolved this site into a nationally recognized center for the promotion of urban agriculture, sustainable food systems and healthy food education.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the Board of Supervisors of the County of Sacramento, State of California hereby approves the lease agreement between the COUNTY and Soil Born Farms and delegates authority to the Director of Regional Parks to act as agent for the County to execute the lease and conduct all related business as described in the lease agreement.

ON A MOTION by Supervisor Serna, seconded by Supervisor Yee _____, the foregoing Resolution was passed and adopted by the Board of Supervisors of the County of Sacramento, State of California, this 8th day of May, 2012, by the following vote, to wit:

AYES: Supervisors, Peters, Yee, Serna, MacGlashan, Nottoli
NOES: Supervisors, None
ABSENT: Supervisors, None
ABSTAIN: Supervisors, None



In accordance with Section 25103 of the Government Code of the State of California a copy of the document has been delivered to the Chairman of the Board of Supervisors, County Of Sacramento on: 5/8/12

By: [Signature]
Deputy Clerk, Board of Supervisors

ATTEST: [Signature]
Clerk, Board of Supervisors

[Signature]

Chair of the Board of Supervisors
of Sacramento County, California

FILED
BOARD OF SUPERVISORS

MAY 08 2012

BY [Signature]
CLERK OF THE BOARD

LEASE AGREEMENT

**BETWEEN COUNTY OF SACRAMENTO AND
SOIL BORN FARM URBAN AGRICULTURE PROJECT
FOR USE OF AMERICAN RIVER RANCH**

THIS LEASE AGREEMENT ("Agreement" or "Lease") is made and entered into this _____ day of _____, 2012, by and between the **COUNTY OF SACRAMENTO**, a political subdivision of the State of California ("**COUNTY**") and the **SOIL BORN FARM URBAN AGRICULTURE PROJECT**, ("**SBF**" or "Lessee") a California non-profit, public benefit corporation, exempt from federal tax under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c) (3), and registered with the Attorney General of California as a Charitable Organization in the Registry of Charitable Trusts and assigned State Charity Registration Number 127683.

RECITALS

- a. COUNTY is the owner of the AMERICAN RIVER RANCH ("ARR"), located in within the American River Parkway in Rancho Cordova, California; and
- b. The American River Ranch and encompassing 55 acres of farmland as defined in the American River Parkway Plan is held by the COUNTY for educational and farming purposes; and
- c. SBF was formed in 2004 to support agricultural and environmental stewardship education and interpretive activities in the Sacramento Region; and
- d. SBF desires to lease the Premises (defined herein below) from COUNTY so that SBF may provide for the delivery of educational and sustainable farming programs at the American River Ranch and provide for the maintenance and renovation of the American River Ranch facilities; and
- e. COUNTY desires to lease the Premises to SBF so that SBF may provide for the delivery of educational programs and sustainable farming programs at the American River Ranch and provide for the renovation and maintenance of the American River Ranch facilities; and
- f. As a not for profit organization SBF reinvests net revenue into the organization and its programs. A key area of SBF's investment is dedicated to the on-going maintenance and improvement of the American River Ranch.
- g. The benefits to the public will be maximized by the leasing of the Premises for the above stated purpose.

AGREEMENT

NOW, THEREFORE, in consideration of and for the mutual promises, covenants and conditions herein contained, the parties hereto agree as follows:

1. INCORPORATION OF RECITALS.

The statement contained in the Recitals section above shall be incorporated in the Agreement by this reference.

2. CERTAIN DEFINED TERMS.

As used herein, the following words and phrases shall have the meanings set forth below:

- a. **“Director”** means the COUNTY OF SACRAMENTO Director of Regional Parks or any duly authorized officer or employee of the COUNTY OF SACRAMENTO acting on behalf of the Director.
- b. **“SBF”** means the Soil Born Farm Urban Agriculture Project, a California nonprofit public benefit corporation.
- c. **“Premises”** or **“Leased Premises”** means the American River Ranch including physical structures, landscaped areas, walkways and farmland, and the surrounding facilities, as specifically depicted on the site maps attached hereto as (Exhibit A) and incorporated fully herein by this reference.
- d. **“Real Property Improvements”** means acquisition of, development of, or additions to, real property or fixed assets.
- e. **“Administrator”** means the Administrator of the County’s Municipal Services Agency, or designee.
- f. **“Agricultural Purposes”** means farming operations of plowing, tilling, planting, cultivating and harvesting from the Leased Premises, in a manner consistent with sound agricultural practices commensurate with the custom and practice within the County of Sacramento.
- g. **“Anniversary Date”** means the date which is one year after the Lease Commencement Date, and annually thereafter during the Term of this Lease Agreement.
- h. **“County”** means the County of Sacramento, its Board of Supervisors, officers, employees and agents.
- i. **“Good Farming Practices”** means those methods, actions, and activities generally preformed by and consistent with sound agricultural practices

commensurate with the custom and practice within the County of Sacramento. Where the Lease authorizes the presence of farm animals, all operations incident thereto shall be carried out according to the best course of animal husbandry practiced in the County of Sacramento, subject to specific limitations enumerated in this Lease.

- j. "Sign" or "Signs" means any advertising sign, billboard, identification sign or symbol, poster, or other similar device, regardless of content.

3. DEMISE OF LEASED PREMISES; AS-IS CONDITION.

COUNTY hereby leases to SBF and SBF hereby hires and takes from COUNTY the Leased Premises. In doing so, SBF understands that the Premises is of regional interest for its natural and cultural resources, and agrees that its use of the Premises as herein set forth shall be for the benefit of the citizens of the County of Sacramento, California, among others.

SBF accepts the Leased Premises in its "As-Is Condition."

4. TERM.

The term of this Agreement shall be for a period commencing upon the date of execution by both parties (the "Lease Commencement Date") and terminating at 11:59 PM local time on April ____, 2032 (the "Lease Termination Date"), hereinafter "Term" or "Original Term". The Term may be extended for a maximum of one, ten year period (each "Extended Term", collectively "Extended Term"), with the terms and conditions subject to renegotiation as set forth herein. SBF shall give COUNTY written notice of its desire to exercise its right to extend the term a minimum of one hundred and eighty (180) days before the end of the Original Term, or if applicable, an Extended Term.

5. CONSIDERATION.

- a. In lieu of rent during the Original Term, and any term options thereafter, SBF shall:
 - (1) Provide, without cost to COUNTY, educational programs for the general public at the Leased Premises; and
 - (2) Provide, without cost to COUNTY, maintenance of the Leased Premises to including but not limited to the interior and exterior of the existing buildings, landscaped areas, farm fields; and
 - (3) Timely pay and being solely responsible for all utility services with the Leased Premises; and

- (4) Maintain the Leased Premises free and clear from any and all liens, claims, and demands for work performed, materials furnished, or operations conducted or ordered by SBF on or at the Premises.
- (5) Bear all costs to complete a Master Plan for the Leased premises that complies with the American River Parkway Plan, includes community outreach, CEQA documents and County staff time to advance to the Board of Supervisors for approval.

- i. Soil Born Farms' primary intention and responsibility in guiding the restoration and development of the American River Ranch is to serve the greater good of the region by demonstrating and interpreting the connections between food, health and the environment in a space that is accessible to the public. A proposed multipurpose Interpretative Center building within the portion of the American River Ranch lease that is designated Developed Recreation will support the education activities, community programs and events of Soil Born Farms and other supporting organizations. Education and interpretive programs will include activities such as interpreting the natural world of the parkway, Cordova Creek Restoration, habitat protection and restoration, organic food production, healthy eating and general health promotion.

- ii. Soil Born Farms will collaborate with Sacramento County, the City of Rancho Cordova, Cordova Recreation and Parks District and other American River Parkway stakeholders to develop a conceptual design (and budget) for an Interpretive Center building that will accommodate and incorporate the broad range of interrelated education programs and interpretive activities and showcase the American River Ranch and the American River Parkway.

- iii. Special care and consideration will be taken in the collaborative building design process to balance interpretive functions with the infrastructure needs and the ongoing, maintenance, operation, and management of the Interpretive Center building and larger American River Ranch site by lessee Soil Born Farms a California not for profit 501 (c) (3) organization. Until such time as the design and operating requirements of the Interpretive Center are determined, no permanent improvements shall occur within the potential location of the Interpretive Center building."

- b. No monetary consideration shall be paid by SBF to COUNTY during the Original Term of this Lease.

6. USE OF LEASED PREMISES.

- a. Use of the Premises is limited to SBF providing agricultural and educational activities that interpret issues related to sustainable food production, personal

health and environmental stewardship and maintaining offices and other facilities incidental to such use, and fund raising and activities supporting and complementing these uses. SBF shall not use said Leased Premises for any other purpose without the prior written consent of the Director.

- b. Access to the Leased Premises by the general public is required; though access to portions of the Premises may be restricted to officers, agents, employees, work force volunteers, patrons, invitees and subcontractors of SBF.
- c. SBF acknowledges and agrees that the Director may impose, from time to time, reasonable and non-discriminatory regulations consistent with the American River Parkway Plan (ARPP) 2008 or subsequent modifications thereto (collectively the "Plan"). SBF shall abide by said reasonable and nondiscriminatory regulations and use the Premises in conformance with the Plan; or in the alternative, shall exercise its Paragraph 19 early termination right.
- d. SBF shall not commit waste on the Premises.
- e. SBF shall not permit, or cause the existence of any nuisance on the Leased Premises.
- f. SBF shall provide for the regular removal of any trash or garbage located on or about the Leased Premises.
- g. SBF shall burn only in designated campfire circles associated with education programs, and shall obtain the permits and authorizations required by law or ordinance when conducting any such authorized burning.
- h. No hunting is permitted on the Premises. A violation of this covenant shall constitute a material breach of this Lease. SBF shall undertake reasonable efforts to prevent hunting by third parties on the Premises (which obligation shall be limited to posting signs, if necessary).
- i. This agreement shall not extend to any exploration for or extraction of any oil, gas or other mineral deposits from such property by SBF.
- j. Cordova Creek Naturalization Project: Construction and Public Use. Beginning in 2012, the County will be planning and constructing the Cordova Creek Naturalization Project as part of a Prop 84 State Grant. A map depicting the Area of Potential Effect (Exhibit C) shows the location of this project. It is the intent of the County to include Lessee in the project planning to help minimize impact to the agricultural operations on the Leased Premises. Lessee is also a partner in the project agreeing to provide long-term maintenance of streambed and planted materials. County will notify Lessee of construction schedule 30 days prior to commencement.

- i. Lessee shall cooperate and provide access as needed for construction, monitoring and maintenance of this creek area.
 - ii. It is the intent of the Cordova Creek Project to balance dirt on site, which includes Soil Born Farm and the elderberry mitigation area potentially. While the design of the new channel is not completed, SBF agrees in advance to cooperate and accommodate the project development and construction including soil balancing on-site.
 - iii. Lessee understands that there may be deed restrictions or other conditions associated with grant funds and future site use. Lessee agrees to accept and accommodate these conditions.
 - iv. Lessee has agreed to provide care and maintenance of the creek. Details of work scope will be identified once the Naturalization Project has completed design and more specific information is available.
- k. SBF shall not impair existing public pedestrian access to Cordova Creek from Dedo Way.
 - l. SBF shall maintain the dirt road in a passable condition for maintenance and monitoring of Cordova Creek, as well as access as needed by COUNTY, and the public (limited to pedestrians and bicyclists).

7. TENANT IMPROVEMENTS, ENCUMBRANCE OF LEASEHOLD INTEREST.

- a. SBF shall obtain the advance written approval of the Director prior to the installation or construction of any tenant improvements at the Leased Premises, including but not limited to alterations, refurbishment or additions to existing improvements on the Leased Premises. Director's approval shall not be unreasonably withheld, conditioned or delayed.
- b. For a 20 year lease term SBF proposes capital improvements (Exhibit B) to the premises and requires a 20 year term for financing improvements and to amortize the costs of the improvements. If significant progress on these improvements does not occur by year 8 of this lease, the lease shall revert to a 10 year lease with renewal options for two-10 year extensions, subject to renegotiation of this lease.
- c. Any construction work shall conform to the "County of Sacramento Standard Construction Specifications," including the required performance and payment bonds. This document can be found at www.saccountyspecs.net, and a hard copy is located in the Regional Parks office. SBF shall obtain at its sole cost and expense, all necessary licenses and permits required for repairs, restoration and/or construction of improvements, installation of equipment or other activity on the Leased Premises, and any other license, permits or approvals necessary for the conduct of SBF's activities and duties hereunder.

- d. Title to all tenant improvements made by SBF on the Leased Premises with the exception of portable displays and fixtures owned by SBF shall vest to COUNTY. Therefore, all tenant improvements to the Leased Premises shall remain the property of COUNTY upon the expiration, cancellation, or termination of this Agreement.
- e. Notwithstanding the above, SBF may encumber its leasehold interest for the sole purpose of financing significant capital improvements at the Premises. SBF shall secure the prior written consent of Lessor before the leasehold may be encumbered. Lessee will be required to provide Lessor with sufficient documentation, in the opinion of the Director, so that Lessor is able to determine whether it is in the best interest to County to consent to the encumbrance and Premises-related improvements. Any documents required by SBF and its lender must be in a form acceptable to the Director.

8. PROGRAMS, EVENTS AND ACTIVITIES

- a. SBF shall engage in organic agriculture production and habitat restoration activities and provide agricultural and educational activities that interpret issues related to sustainable food production, personal health and environmental stewardship to the public that are consistent with the American River Parkway Plan (ARPP) 2008 or subsequent modifications thereto (collectively the "Plan"). Within the first ninety (90) days of the term of the Agreement, SBF will provide an Operations Plan to the Director that describes the types of programs, services and activities offered; the types of uses allowed; staff hierarchy, qualifications and assignments; how fees will be determined; and volunteer programs, training, selection and assignments.
- b. SBF may sell farm and value-added food products and establish reasonable fees for agricultural and educational programs to offset its operational costs for the Leased Premises. These fees must be consistent with similar un-subsidized programs in the Sacramento area and conform to industry standards.
- c. Educational programs shall focus on educating children, families, and the public about issues related to sustainable food production, personal health and environmental stewardship within the American River Parkway and the Sacramento region.
- d. SBF may rent facilities within the Leased Premises for non-educational programs, such as weddings, fundraising events and family reunions that shall serve as fundraising activities supporting educational and site development expenses. The types of facility rentals and fees must be outlined in the Annual Report (as defined in Section 11.a. below).

- e. As site develops and facilities are in place, SBF shall extend free use and/or allow fundraising events for County Parks as agreed to with Director and pending site availability.

9. MAINTENANCE OF LEASED PREMISES.

- a. SBF shall:
 - i. Be responsible for maintaining areas within the Leased Premises, including the agricultural fields, Cordova Creek Native Plantings and trash removal, walkways, seating/picnic areas, outdoor seating area and any garden areas established on the Premises. NOTE: To be further determined following design and development of Cordova Creek Naturalization Project.
 - ii. Perform trail maintenance within the property boundary area, including weed abatement and trimming brush and trees, with the option to maintain grounds at a higher standard than provided by the County.
 - iii. Be responsible for the maintenance, repairs, safety and cleanliness of the interior and exterior of the buildings and other facilities at the Premises.
 - iv. Be responsible for the costs associated with all utilities and services and major repairs to existing non-agricultural sewer, electrical or water delivery systems beginning January 1, 2012 in connection with the use of said Leased Premises by SBF.
 - v. Be responsible for maintaining all fire breaks on the site and conducting regular mowing as necessary including field running length of property next to the bike trail. SBF will have the discretion of using managed grazing to maintain these fire breaks on Leased Premises, subject to compliance with other provisions of this agreement. Grazing with the purposes of maintaining fire breaks on bordering non-leased land is a permitted but not required lease activity. All grazing activity on non-leased land will only be conducted with the written authorization of Director.
 - vi. Be responsible for the costs associated with all agricultural operations including barns, greenhouses, animal pens, farm stand, and non-potable water delivery systems.
 - vii. Promptly reimburse COUNTY for any and all costs incurred by COUNTY in the performance of any additional services requested in writing by SBF and agreed to by COUNTY. Before beginning said performance, COUNTY shall provide SBF with the estimated cost for the service and the estimated time needed to complete the requested service.
 - viii. Be responsible for security of the site.

ix. Take steps necessary to publish and otherwise inform the public of COUNTY's role as property owner and Sacramento County Regional Parks' role as a community partner for all Premises-related activities and functions.

b. COUNTY shall:

i. Perform, at its sole cost, hazard tree trimming and/or hazard tree removal within the Leased Area. SBF shall endeavor to report any such hazards to COUNTY.

ii. As funds are available and at the discretion of the Director, fund significant repairs and those capital improvement projects ("Projects") determined by COUNTY and SBF as priorities and necessary. Such funding will be contingent upon the availability of COUNTY funds. Projects may include, but would not be limited to:

- (1) Roof repairs/replacement
- (2) HVAC system repairs
- (3) Major repairs which, in the opinion of COUNTY, are required to protect the structural integrity of the building
- (4) Non-agricultural potable water, electrical or sewer repairs

10. RESERVATION OF RIGHTS BY COUNTY.

a. Right of Entry.

(1) COUNTY reserves the right, without liability to SBF, upon not less than one (1) business days' prior written notice, to enter the Premises for purposes of inspection, surveying, test hole boring, and to perform COUNTY's obligations under this Lease; provided, however, that such entry shall any use not unreasonably interfere with SBF's use and enjoyment of the Premises.

(2) COUNTY, its officers, agents, and employees shall have the right, without limitation, throughout the term of this Lease, to enter upon the Premises, upon not less than one (1) business days' prior written notice, for any lawful purpose, including the purpose of determining whether SBF is complying with its obligations hereunder, provided that such entry does not unreasonably interfere with SBF's use and enjoyment.

b. Reassignment.

COUNTY reserves the right, at any time during the Term of this Lease, to demand and receive reassignment from Lessee of all, or any portion of, said Premises for any purposes other than that authorized by this Lease. Any such demand by COUNTY for reassignment shall be made in writing. Lessee hereby

agrees that COUNTY's decision in the matter shall be conclusive and further agrees to make such reassignment when so requested. If any portion of said Premises is reassigned to COUNTY as provided herein, the parties hereto agree that the terms of this Lease shall remain in full force and effect with regard to the Premises not reassigned ("Remainder"). COUNTY shall not be liable for any of Lessee's costs associated with COUNTY's exercise of its rights herein,

11. REPORTING REQUIREMENTS.

- a. SBF shall provide annual reports to the Recreation and Park Commission, on or before April 1, which shall describe its work from the year previous, and plans for the following year ("Annual Report"). Annual Reports shall include a description of programs, number of participants served, profit/loss statement with line item expenditures, fees, and any facility improvement projects accomplished, in the format agreed to by County.
- b. SBF shall notify Director in writing of key contact(s) for the operations of the Leased Premises, and shall keep such list of key contacts current.
- c. SBF shall timely notice COUNTY of the existence of hazards on the Premises to the extent such hazards are actually known to SBF.
- d. Upon COUNTY's request, COUNTY or its designee shall have the right at reasonable times and intervals, to audit, at SBF's premises, SBF's financial and program records as COUNTY deems necessary to determine SBF's compliance with legal and contractual requirements. SBF shall maintain such records for a period of the current year plus prior four years, and shall make them available for copying upon COUNTY's request at COUNTY's expense.

12. INSURANCE.

- a. Throughout the term of this Agreement, SBF for itself and its officers, representatives, agents, employees, sub-contractors, licensees, invitees, and suppliers, shall maintain in full force and effect the forms of insurance specified in Exhibit D, attached hereto and incorporated herein by this reference.
- b. COUNTY shall not be liable for the loss or damage to SBF'S equipment or structures unless such loss or damage is caused by the negligence or willful misconduct of COUNTY, its employees, authorized agents or contractors. In the event that SBF'S equipment or structures installed on the Premises are damaged in any way, COUNTY shall not be liable therefore and SBF shall have no claim or right against COUNTY for the costs of repair or replacement unless such loss or damage is caused by the negligence or willful misconduct of COUNTY.
- c. SBF shall carry property insurance to repair and/or replace existing and/or COUNTY authorized new construction of office, education or residential

structures on the premises in the event of damage resulting from fire, flood or natural disaster.

13. RISK REDUCTION.

SBF shall neither use nor permit the use of the Premises in such a manner as to increase the rate of insurance thereon in excess of that in existence at the commencement of the term hereof.

14. HAZARDOUS MATERIALS.

a. SBF's Compliance with Environmental Laws.

SBF shall at all times in all respects comply with all environmental laws and any amendments thereto affecting SBF's use of and operation on the Leased Premises, including all federal, state and local laws, ordinances and regulations relating to Hazardous Material. Without limiting the generality of the forgoing, reference is made to the provisions set forth in Sacramento County Code, Chapter 6.96, requiring disclosure of any Hazardous Materials used or stored on the Leased Premises, and providing to the COUNTY copies of Material Safety Data Sheets (MSDS) from the manufacturer on each product. As used herein, the term "Hazardous Material" means any hazardous or toxic substance, material or waste that is or becomes regulated by any local government authority, the State of California or the United States Government. The term "Hazardous Material" includes, without limitation, any material or substance which is (1) defined as "Hazardous Waste," "Extremely Hazardous Waste" or "Restricted Hazardous Waste" under Section 25115, 25117 or 25122.7, or listed pursuant to Section 25140 of the California Health and Safety Code, Division 20, Chapter 6.5 (Hazardous Waste Control Law); (2) defined as a "Hazardous Substance" under Section 25316 of the California Health and Safety Code, Chapter 6.8 (Carpenter--Presley-Tanner Hazardous Substance Account Act); (3) defined as a "Hazardous Material" or "Hazardous Substance" or "Hazardous Waste" under Section 25501 of the California Health and Safety Code, Division 20, Chapter 6.95 (Hazardous Materials Release Response Plans and Inventory); (4) defined as a "Hazardous Substance" under Section 25281 of the California Health and Safety Code, Division 20, Chapter 6.7 (Underground Storage of Hazardous Substances); (5) petroleum or petroleum containing compounds; (6) asbestos; (7) listed under Article 9, or defined as Hazardous Wastes or Extremely Hazardous pursuant to Article 11, of Title 22 of the California Code of Regulations, Division 4, Chapter 20; (8) designated as a "Hazardous Waste" pursuant to Section 311 of the Federal Water Pollution control Act (33 USC Section 1317); (9) defined as "Hazardous Waste" pursuant to Section 1004 of the Federal Resource Conservation and Recovery Act, 42 USC Section 6901 et seq. or (10) defined as a "Hazardous Substance" pursuant to Section 101 of the Comprehensive Environmental

Response, Compensation and Liability Act 42 USC Section 9601 et seq. (42 USC Section 9601).

b. Indemnification by SBF.

If SBF causes, or permits the use or storage of Hazardous Materials resulting in contamination of the Leased Premises, then SBF shall indemnify, defend and hold COUNTY harmless from any claims, judgments, damages, penalties, fines, costs, liabilities or losses which arise during or after the Term of this Lease Agreement as a result of such contamination. This indemnification of COUNTY by SBF includes, without limitation, costs incurred in connection with any reasonable investigation of site conditions or any cleanup, remedial action, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of Hazardous Material present in the soil or ground water on or under the Leased Premises, as a result of contamination caused by SBF during the term of this Lease. In no event shall SBF be responsible for any contamination found on or under the Leased Premises that existed prior to SBF's occupancy. Without limiting the foregoing, if the presence of any Hazardous Material on the Leased Premises caused or permitted by SBF results in any contamination of the Leased Premises, SBF shall promptly take all actions at its sole expense as are necessary to render the Leased Premises in compliance with all applicable environmental laws; provided that COUNTY's approval of such actions shall first be obtained, which approval shall not be unreasonably withheld so long as such actions would not have any material adverse effect on the Leased Premises.

c. Approval Required Regarding Hazardous Material.

SBF shall not cause or permit any Hazardous Material to be brought upon, kept or used in or about the Leased Premises by SBF, its officers, members, agents, employees, guests, contractors or invitees without the prior written consent of the COUNTY. With respect to Hazardous Materials normally and routinely used in SBF's operations, the COUNTY's approval shall be a continuing approval subject to review on such periodic basis as the COUNTY determines is appropriate.

d. Notices.

SBF shall promptly notify COUNTY and COUNTY shall promptly notify SBF in writing of such parties receipt of written notice or its actual knowledge of: (1) any enforcement, cleanup, removal or governmental or regulatory action instituted, completed or threatened pursuant to any Hazardous Materials laws; (2) any claim made by any person against SBF or the Leased Premises relating to damage, contribution, cost recovery compensation, loss or injury resulting from or claiming to result from any Hazardous Materials in or on the Leased Premises; and (3) any reports made to any environmental agency arising out of or in connection with any Hazardous Materials in or removed from the Leased

Premises, including any complaints, notices, warning or asserted violations in connection therewith (but excluding routine manifests, records or receipts that are submitted to environmental agencies for purposes of documenting waste disposal or product receipt activities). SBF shall also supply to COUNTY and COUNTY shall also supply to SBF, as promptly as possible, and in any event within ten (10) business days after the other first receives or sends the same, copies of all claims, reports, complaints, notices or warning or asserted violations relating in any way to the Leased Premises or the other's use thereof.

e. Right of Entry.

During the Term of this Lease Agreement, COUNTY, or those authorized by COUNTY, shall have the right of entry to test and determine the extent of any contamination of the Leased Premises provided that any such testing shall not unreasonably disrupt or interfere with SBF's operations. The results of such tests (including any reports, documents or test results) shall be simultaneously provided to the COUNTY and SBF.

f. No Warranty.

COUNTY does not warrant the environmental condition of the Leased Premises at the time of execution, or during the term of this Agreement. Notwithstanding the foregoing, COUNTY represents and warrants that it is not aware of any environmental contamination as of the date of this Agreement.

15. INDEMNIFICATION.

- a. SBF shall defend, indemnify and hold harmless COUNTY, its Board of Supervisors, officers, directors, agents, employees and volunteers from and against any and all demands, claims, actions, losses, liabilities, damages, and costs, including reasonable attorneys' fees, sustained by any person or to any property in, on or about the leased premises caused in whole or in part by a wrongful or negligent act or omission of SBF or anyone directly employed by SBF, its agents, invitees, guests, or volunteers.
- b. COUNTY shall defend, indemnify and hold harmless SBF, its officers, directors, agents, employees and volunteers from and against any and all demands, claims, actions, losses, liabilities, damages, and costs, including reasonable attorneys' fees, sustained by any person or to any property in, on or about the leased premises caused in whole or in part by a wrongful or negligent act or omission of COUNTY or anyone directly employed by COUNTY, its agents, invitees, guests, or volunteers.
- c. It is the intention of SBF and COUNTY that, where comparative fault is determined to have been contributory, principles of comparative fault will be followed and each party shall bear the proportionate cost of any damage

attributable to the fault of that party, its employees, agents, invitees, guests, or volunteers.

- d. SBF and COUNTY do hereby release and waive on behalf of themselves and their insurers, by subrogation or otherwise, all claims against SBF or COUNTY or on account of any fire or other casualty covered by the insurance required to be maintained by SBF and set forth in Exhibit E whether or not such fire or other casualty shall have resulted in whole or in part from the negligence of SBF or COUNTY.

16. NOTICE OF CLAIMS AND SUIT.

- a. COUNTY and SBF shall each give the other prompt and timely written notice of any personal injury or other accident claim in excess of ONE THOUSAND DOLLARS (\$1,000), and of any lawsuit coming to the knowledge of either when either such claim or lawsuit arises out of or is in any way connected with the Leased Premises or the operations of SBF hereunder, which in any way, directly or indirectly, contingently or otherwise, might reasonably affect the parties' relationship under this Agreement.
- b. Such notice shall be deemed prompt and timely if given within thirty (30) calendar days following the date of receipt of such claim by an officer, agent or employee of either party, and if given within ten (10) calendar days following the date of service of process upon either party with respect to any such lawsuit.

17. FORCE MAJEURE.

Neither COUNTY nor SBF shall be deemed to be in breach of this Lease if either is prevented from performing any of its obligations hereunder by reason of strike, boycott, labor dispute, embargo, shortage of energy or materials, act of God, act of a public enemy, act of a superior governmental authority, weather conditions, rebellion, riot, sabotage, or any other circumstance for which it is not responsible, or which is not within its reasonable control.

18. DAMAGE OR DESTRUCTION.

If destruction, total or partial, occurs during the term of this Lease, this Lease may be terminated by either party. If major repairs to the Premises are required or needed during the term of this Lease, COUNTY may elect to terminate this Lease rather than make the repairs to the Premises. Thirty (30) days written notice of termination by either party must be made to the other party if the entitled party desires to terminate this Lease.

19. EARLY TERMINATION OF AGREEMENT.

- a. Early Termination Without Cause. After year 8 of the Term, COUNTY has the right to terminate this Lease without cause before the expiration of the Term, or Extended Term if applicable, upon providing SOIL BORN a minimum of three hundred sixty-five (365) days written notice. Said termination without cause will be subject to reimbursement by County to SOIL BORN for Significant Capital Improvement project costs (for projects started or completed by SOIL BORN) on a pro-rata basis as to the remaining useful life of said project; and, in the discretion of the Director, other Premises improvement project costs. "Significant Capital Improvement" means a capital improvement project by Lessee at the Premises valued at \$25,000 or greater.
- b. Early Termination For Cause. COUNTY has the right to terminate this Lease before the expiration of the Term, should SOIL BORN default in the performance of any promise, term, condition, or covenant required of it herein, and fails to cure such default within thirty (30) calendar days following notice thereof from the Director. Said termination shall be effective upon receipt of COUNTY's written notice of early termination for cause by SOIL BORN. COUNTY shall not be responsible for any cost to or expense of SOIL BORN resulting from said early termination.

20. DEFAULT.

Except as otherwise provided herein, if SBF defaults in the performance of any promise, term, condition, or covenant required of it herein, and fails to cure said default within thirty (30) calendar days, or fails to make active and continuing efforts to cure said default within thirty (30) days following notice thereof from the Director, this agreement shall terminate. Said termination shall be effective upon the provision of the COUNTY'S written notice of termination to SBF.

21. SURRENDER/HOLDING OVER.

If SBF remains in possession of the Leased Premises for sixty (60) or fewer days following the expiration or sooner termination of this Lease, such holding over shall not be deemed to constitute an extension or renewal of this Lease, but shall merely create a tenancy from month to month which either party hereto may terminate upon thirty (30) days advance written notice to the other.

SBF shall peaceably surrender possession of the Premises upon the expiration or sooner termination of this Lease in as good order and condition as when received, excepting reasonable wear, destruction by lightning or other natural causes, or fire or other casualty not caused by the acts or omissions of SBF, its officers, authorized agents, employees, subcontractors, customers, invitees, or other persons doing business with SBF, or on the Premises with the consent of SBF.

Upon expiration or sooner termination of this Agreement, SBF shall promptly remove all personal property not owned by COUNTY. All injury or damage to COUNTY property

caused by such removal shall be repaired at SBF's sole cost and expense. SBF shall remove such personal property within thirty (30) days of such expiration or earlier termination date. Should SBF fail to remove or dispose of such property in a manner satisfactory to COUNTY, COUNTY may, at its election, consider such property abandoned and may dispose of same at SBF's expense, or after sixty (60) days of such expiration or earlier termination declare the personal property of SBF to be COUNTY property.

22. NONWAIVER OF RIGHTS.

No waiver of default by either party of any of the terms, covenants, and conditions hereof to be performed, kept, and observed by the other party shall be construed as, or shall operate as, a waiver of any subsequent default of any of the terms, covenants, or conditions, herein contained, to be performed, kept, and observed by the other party.

23. NON-DISCRIMINATION CLAUSE.

SBF shall not employ discriminatory practices in providing services, employing personnel, or in any other respect, on the basis of color, race, creed, national origin, religion, sex, sexual orientation, age, or physical or mental handicap in accordance with Title VI of the Civil Rights Act of 1964 (42 U.S.C. section 2000d), the Americans with Disabilities Act (42 U.S.C. Section 12131 et seq.), and other applicable laws and regulations requiring no discrimination.

24. INDEPENDENT CONTRACTOR.

It is understood and agreed that SBF (including SBF's authorized agents, employees, and volunteers) in the performance of this Agreement shall act in an independent capacity and not as officers, employees, agents, or volunteers of COUNTY. SBF shall be solely responsible for any liability arising from or relating to its negligent acts or omissions in the operations or activities or lease of the Leased Premises hereunder.

25. NEGATION OF PARTNERSHIP.

Nothing in this Lease shall be construed to render COUNTY or SBF in any way or for any purpose, a partner, joint venturer, or associate in any relationship with the other, other than that of landlord and tenant, nor shall this Agreement be construed to authorize either COUNTY or SBF to act as agent for the other.

26. EXPENSES

Except as otherwise expressly provided in Section 9(b), this Lease shall be without cost to the COUNTY for the maintenance and improvement of the Premises.

27. TAXES AND OTHER FEES.

SBF shall, at SBF's sole cost and expense, timely pay any and all taxes, and permit, license, or registration fees, and any other charge or assessment for which SBF is responsible, or which may be charged or assessed against SBF, the Leased Premises, or any property of SBF thereon, whether real or personal.

Under this Lease a possessory interest subject to property taxation and special taxation may be created. Pursuant to California Revenue and Taxation Code Section 107.6, and Chapter 2.5 (commencing with Section 53311), Part 1, Division 2, Title 5, of the Government Code, notice is hereby given that such property interest may be subject to property taxation, and special taxation if created, and that the party in whom the possessory interest is vested may be subject to the payment of property or special taxes levied on such interest.

28. ATTORNEY'S FEES AND COSTS.

Any party may bring suit or proceeding to enforce or require performance of the terms of this Lease, and each party in that suit or proceeding shall be responsible for their own attorneys' fees and costs.

29. ASSIGNMENTS AND SUBLETTING.

SBF shall have no right, authority, or power whatsoever to assign, or transfer any right, license, privilege or duty granted to or imposed upon it hereunder, without the prior written consent of the COUNTY. In such case as COUNTY consents to assignment, terms of lease may be subject to amendment. SBF may be allowed to sublet minority portions of lease with written consent of COUNTY, which consent shall not be unreasonably withheld.

30. ALTERATION.

No alteration, modification, amendment or variation of the terms of this Agreement shall be valid unless made in writing and signed by the parties hereto.

31. TITLE TO THE PREMISES.

Fee title to the Premises is and shall remain vested in COUNTY. Nothing contained in this Lease and no action or inaction by COUNTY shall be deemed or construed that COUNTY has granted to SBF any right, power or permission to do any act or to make any agreement which may create, give rise to, or be the foundation for, any right, title, interest, lien, charge or other encumbrance upon the estate of COUNTY in the Premises.

32. SUBORDINATION TO OIL AND GAS LEASE AND/OR PRODUCTION.

Intentionally omitted.

33. CONSERVATION EASEMENT.

The Leased Premises may be encumbered by LESSOR at anytime during the Term with a conservation easement as authorized and provided for in California Civil Code Section 815 et seq.; provided that such conservation easement shall not restrict SBF's rights to use the Premises for the purposes described herein or materially increase SBF's obligation under this Lease. The provisions of any such conservation easement are incorporated herein by this reference, and are binding upon the tenant.

34. SIGNS.

SBF shall place no sign, emblem, or advertising, of any kind or character, at or on the Leased Premises without the advance written approval of the Director, which shall not be unreasonably withheld.

35. NATURE OF TENANCY.

SBF is not eligible for relocation payment or assistance as a consequence of this tenancy. No relocation payment or assistance will be made to SBF by COUNTY upon termination of tenancy.

36. SUCCESSORS.

This Agreement shall bind the successors in interest of COUNTY and SBF in the same manner as if such successors were expressly named.

37. INTEGRATION.

All prior or contemporaneous agreements or understandings between and among the parties, their agents or representatives relative to the subject of this Agreement, are merged in and/or revoked by this Agreement.

38. COMPLIANCE WITH ALL LAWS.

SBF shall comply with all applicable federal, state, and local laws, regulations and enactments; local ordinances, rules and regulations; and the requirements of any other duly authorized governmental agency. In addition, Lessee shall comply with the SWPPP (regardless of County ownership of the Property) and all applicable local, state and federal occupational safety and health acts and regulations. If any failure by Lessee to comply with any such laws, regulations, and enactments, shall result in any fine, penalty, cost or charge being assessed, imposed or charged against County, Lessee shall reimburse and indemnify County for any such fine, penalty, cost or charge, including without limitation attorney's fees, court costs and expenses (excepting environmental fines and penalties which shall be handled in accordance with Paragraph 14). Lessee further agrees in the event of any such action, upon notice thereof being provided by County, to defend such action free of cost, charge or expense to County.

Lessee shall file any and all reports as required by federal, state, and local law, including but not limited to the Statement of Diversion and Use with the Division of Water Rights, California State Water Resources Control Board. Lessee shall assume responsibility for and payment of any fines or penalties levied on either County or Lessee arising from inaccurate reporting or non-compliance. In addition, Lessee shall assume responsibility for and payment of any future fees imposed by federal, state, or local government agencies related to regulatory requirements, including but not limited to diversion of water.

The provisions of this section shall survive the expiration or termination of this Lease Agreement.

39. ENDANGERED SPECIES.

a. SBF's Compliance with Environmental Laws.

SBF shall at all times in all respects comply with all environmental laws and any amendments thereto affecting SBF's use of and operation on the Leased Premises, including all federal, state and local laws, ordinances and regulations relating to endangered, threatened and other sensitive species. Without limiting the generality of the foregoing, reference is made to the provisions set forth in the California Endangered Species Act (California Fish and Game Code Section 2050, et seq.); the Federal Endangered Species Act (16 U.S.C. Sections 1531- 1543); and the Federal Migratory Bird Treaty Act (16 U.S.C. Sections 703-712).

b. Avoidance and Minimization.

SBF shall at all times engage in appropriate avoidance and minimization measures to prevent the unlawful take, possession or destruction of any protected species. This includes birds-of-prey, and the take, possession or destruction of the eggs and nests of any such bird.

c. Natural Resource Coordinator.

The County of Sacramento Department of Regional Parks (4040 Bradshaw Road, Sacramento, CA 95827; Phone: (916) 875-6961, Fax: (916) 875-6050) will be contacted concerning any questions related to this paragraph. The Department of Regional Parks will be contacted before any tree is removed or pruned to ensure that appropriate nest tree avoidance and minimization measures are implemented.

40. CULTURAL RESOURCES.

If any cultural resources, such as structural features, unusual amounts of bone or shell, artifacts, human remains, or architectural remains be encountered during any activities, work shall be suspended. At that time, Director will coordinate any necessary investigation of the find with appropriate specialists as needed. The project applicant, in

communication with SBF, shall be required to implement any mitigation deemed necessary for the protection of the cultural resources. In addition, pursuant to Section 5097.97 of the State Public Resources Code and Section 7050.5 of the State Health and Safety Code, in the event of the discovery of human remains, all work is to stop and the County Coroner shall be immediately notified. If the remains are determined to be Native American, guidelines of the Native American Heritage Commission shall be adhered to in the treatment and disposition of the remains.

41. CHARITABLE ORGANIZATION STATUS.

SBF shall maintain its status as a nonprofit, public benefit association; exempt from federal income tax under Section 501 (a) of the Internal Revenue Code as an organization described in Section 501 (c) (3), and registered with the Attorney General of California as a Charitable Organization in the Registry of Charitable Trusts. Failure to maintain a charitable organization status after ninety (90) days written notice and opportunity to cure may result in termination of this lease.

42. NOTICES.

- a. All notices hereunder provided to be given, or which may be given by any party, shall be deemed to have been fully given when made in writing, placed in an envelope, deposited in the United States mail, certified or registered mail, postage prepaid or sent by overnight mail, and addressed to the intended recipient at the appropriate address. The following addresses are the respective mailing addresses of the parties:

COUNTY:

Director, Department of Regional Parks
County of Sacramento
4040 Bradshaw Road
Sacramento, California 95827

SBF:

CEO, Soil Born Farm Urban Agriculture Project
PO Box 661175
Sacramento, CA 95866

- b. The address of a party to which notices shall or may be mailed may be changed by that party giving written notice to the other party. Nothing shall preclude the giving of notice by personal service.

43. AUTHORITY OF DIRECTOR.

The Director of the Department of Parks and Recreation shall administer this agreement on behalf of COUNTY. Unless otherwise provided herein or required by applicable law, the Director shall be vested with all rights, powers, and duties of COUNTY hereunder.

With respect to matters hereunder subject to the approval, satisfaction, or discretion of COUNTY or the Director, the decision of the Director in such matters shall be final.

44. AUTHORITY FOR AGREEMENT.

SBF warrants and represents that SBF has the right, power, and legal capacity to enter into and perform its obligations under this Lease Agreement, and no additional approvals or consents of any person or entity are necessary in connection therewith. The execution, delivery, and performance of this Lease by the undersigned on behalf of SBF has been duly authorized by all necessary corporate or other applicable action, and this Lease constitutes a legal, valid, and binding obligation of SBF, enforceable in accordance with its terms.

45. EXECUTION OF AGREEMENT.

Submission of this document by COUNTY for review, examination or execution by SBF does not constitute a reservation of an option to lease the Leased Premises or any other property within the County of Sacramento, and this document shall not be effective as a lease agreement, or otherwise, unless and until approved by the Board of Supervisors of the County or executed by the officer authorized by said Board.

46. INTERPRETATION OF AGREEMENT.

This Agreement shall be deemed to be executed within the State of California and construed with and governed by the laws of the State of California. It is agreed and acknowledged by the parties hereto that the provisions of this Lease Agreement have been arrived at through negotiation, and that each of the parties has had a full and fair opportunity to seek revision of the provisions of this Agreement and to have such provisions reviewed by legal counsel. Therefore, the normal rule of construction that any ambiguities are to be resolved against the drafting party shall not apply in construing and interpreting this Lease Agreement.

47. WATER SUPPLY.

County does not warrant the existence of or the water supply to the Premises. Lessee accepts the risk and is fully aware of the condition of the water supply system serving the rental premises and other lessees of County and County. Lessee understands that there are existing legal restraints or may be legal constraints upon the sources of water made available to the Leased Premises and the surrounding lands. **Lessee accepts the risk of a shortage or reduction in water supply which may arise from failures of wells, lack of legal authority to divert or deliver water and agrees hereby to waive any and all claims against County for damages, loss or reduction in crop yield or any other nature of damage or expense which may arise from water unavailability, fluctuations, or degradation of the quality of water diverted.** Lessee agrees to indemnify County, its Board of Supervisors, officers, directors, agents, employees and

volunteers from any such claims or costs of defense of those claims which might be made against County by third parties claiming through Lessee or as a beneficiary of Lessees. As to any water supply features such as wells, pumps or other apparatus which require repair or replacement during the term of the Agreement, Lessee shall promptly repair or reconstruct these facilities at its cost during the term of the Agreement (except if damage is caused by an act of God or nature) except that if such facilities shall be damaged due to the negligence of County or its unreasonable omission to act, County shall bear the costs of repair or replacement.

(1) **Water Conveyance Structures.** Lessee is prohibited from taking any action that would have the effect of dewatering any permanent water conveyance structures within or appurtenant to the Premises, in order to provide aquatic habitat for the Giant Garter Snake, a species protected pursuant to the Federal and California endangered species acts.

48. HEADINGS.

The headings of the articles and sections of this Lease are inserted only as matter of convenience and for reference and do not define or limit the scope or intent of any provisions of this Lease, and shall not be construed to affect in any manner the terms and provisions hereof or the interpretation or construction thereof.

49. GRANT ASSURANCES AND OTHER GRANT FUNDING SOURCE REQUIREMENTS.

Lessor has the right, but not the obligation, to apply and accept grant funds for improvements at the Leased Premises throughout the Term of the Lease. Lessee must, at all times during the Term, comply with the grant assurances and other grant funding source requirements; including but not limited to, Conditions, Covenants and Restrictions ("CC&Rs") recorded by Lessor. Lessee acknowledges and agrees that this Lease shall be subordinate to the recordation of such CC&Rs.

50. CONSENT.

Whenever the consent or approval of either party hereto is required or authorized hereunder, such consent or approval shall not be unreasonably withheld, conditioned, or delayed.

51. TIME OF THE ESSENCE.

Time is of the essence in the performance of this Lease.

52. ENTIRE AGREEMENT.

This Lease, together with all exhibits attached hereto, constitutes the entire agreement between the parties hereto, and all other representations or statements heretofore made,

verbal or written, are merged herein. This Lease may be amended only by written instrument duly executed by the parties hereto.

53. TERMINATION OF LEASE AGREEMENT DATED January 1, 2011 AND LEASE AGREEMENT DATED May 27, 2008.

The parties acknowledge and agree that with the execution of this Lease, Lease Agreement [January 1, 2011 "Agreement for Lease of Real Property for Agricultural Purposes"] and Lease Agreement [May 27, 2008 #00122 "Agreement for Lease of Real Property for Agricultural Purposes"] shall terminate.

(Remainder of page intentionally left blank)

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

COUNTY OF SACRAMENTO, a
political subdivision of the State of
California

SOIL BORN FARM URBAN
AGRICULTURE PROJECT, a California
nonprofit public benefit corporation

By: _____
Jeffrey Leatherman, Director
Department of Regional Parks

By: _____

Date: _____

Its: _____

Date: _____

REVIEWED AND APPROVED:

Deputy County Counsel

Exhibit List

- Exhibit A – Site Map
- Exhibit B – Existing Facilities Site Map
- Exhibit B1 – Proposed Site Improvements
- Exhibit C – Cordova Creek Diagram
- Exhibit D – Insurance Requirements

ATTACHMENT 2

Map highlighting Developed Recreation area on American River Ranch

RIVER BEND



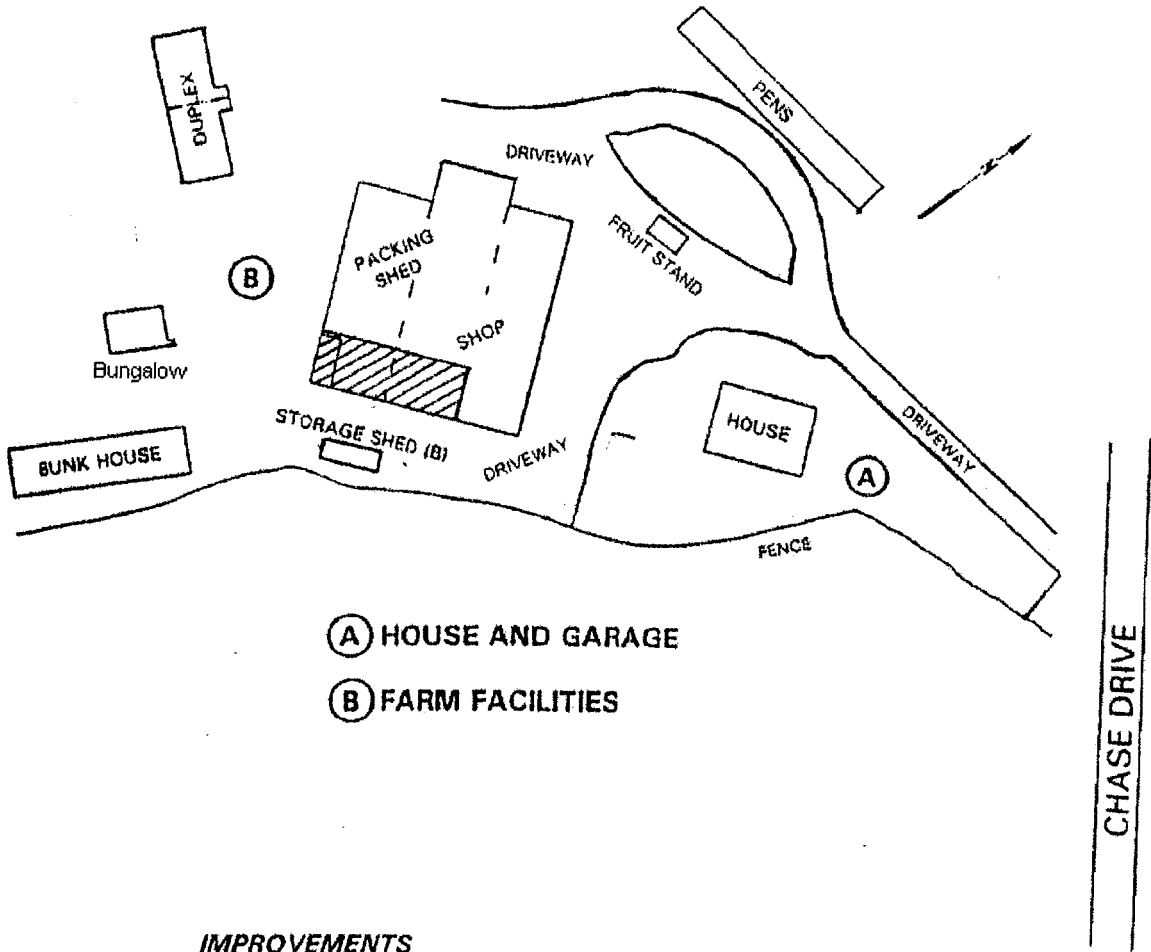
Prepared by the Sacramento County Planning & Community Development Department

Exhibit A: American River Ranch Lease Area (outlined in red)



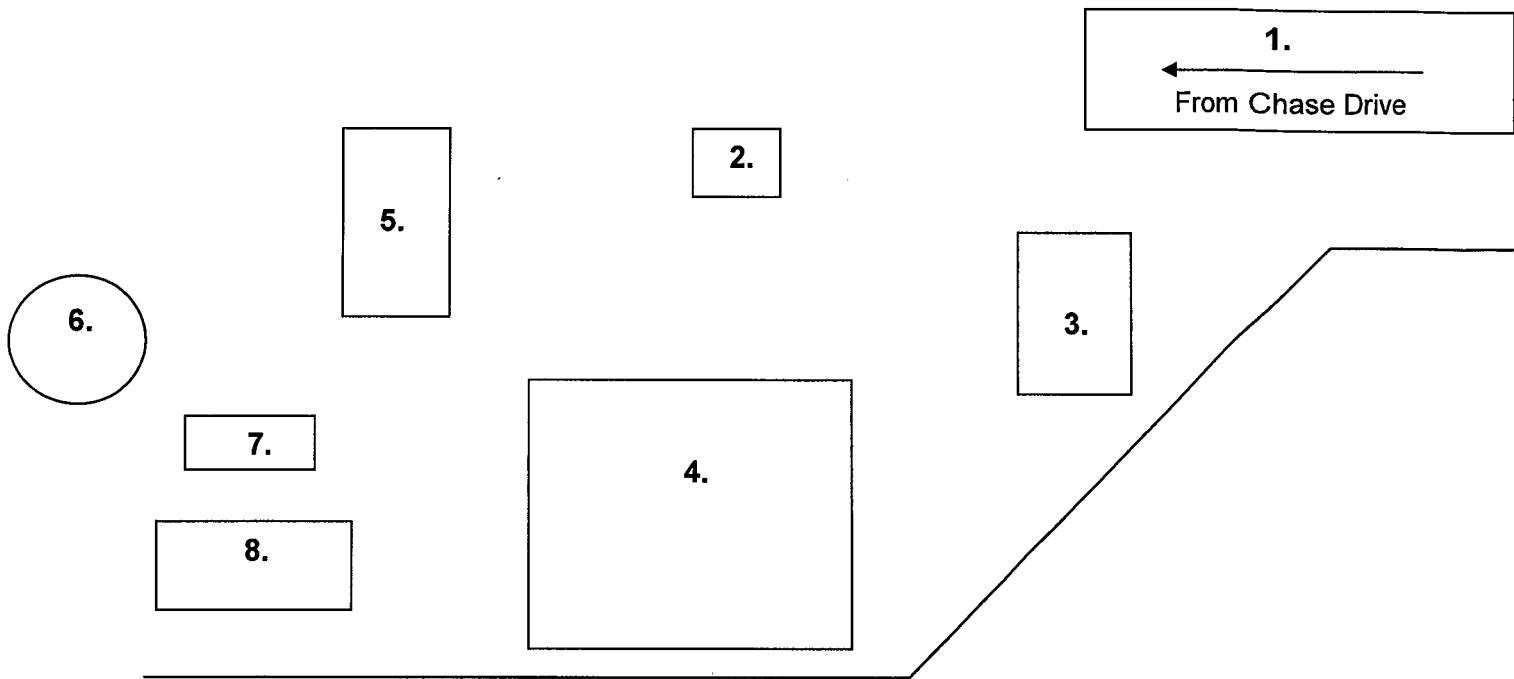
EXHIBIT "B"

Facilities Map



IMPROVEMENTS

House	1,800 sq. ft.
Garage	528 sq. ft.
Duplex	1,924 sq. ft.
Packing Shed/Shop	11,628 sq. ft.
Bunk House	2,200 sq. ft.
Bungalow	600 sq. ft.
Storage Shed (B)	299 sq. ft.

Proposed Farm Facilities & Improvement Map

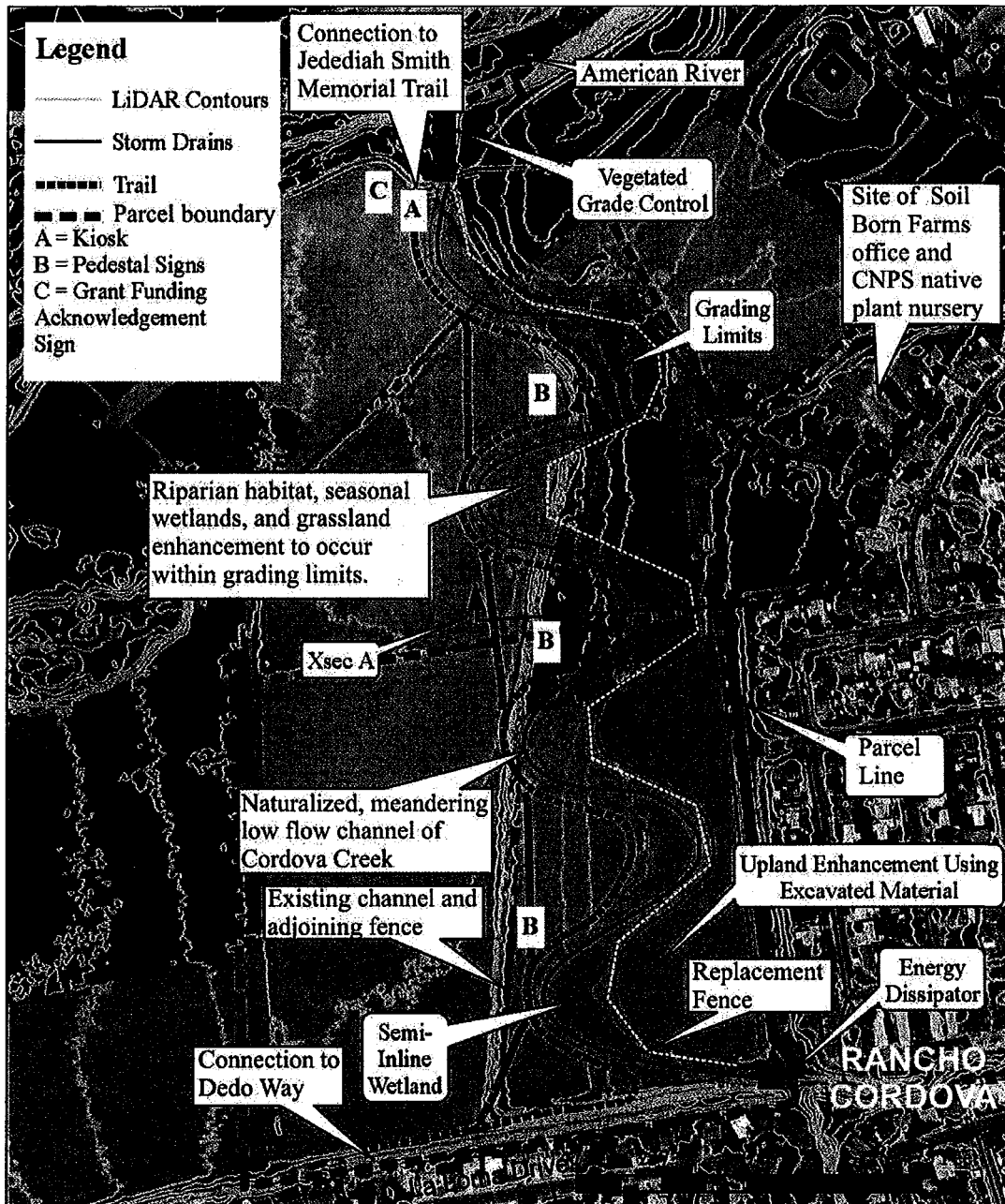
Note: All site improvements will be consistent with the American River Parkway Plan.

Planned/Proposed Improvements:

1. Entrance: repaved driveway from Chase Drive and installation of a parallel walking path.
2. Farm Stand: Renovated farm stand for produce sales.
3. Farm House: Currently used as office. Will revert back to house when new office created.
4. Barn: Structural repairs and updated electrical systems.
5. Interpretive Center: Demolition of existing duplex and construction of a new office and interpretive center in its place.
6. Outdoor Classroom/Amphitheatre: Construction of an outdoor classroom/amphitheatre to accommodate small group educational activities.
7. Kitchens: Renovation of indoor and outdoor kitchen facilities used in education programs and events.
8. Schoolhouse: Renovation of existing schoolhouse to accommodate community meetings, indoor education and events.

Interactive Farm and Garden Landscape: Development of integrated native habitat, pasture, orchard and annual vegetable fields on 55 acre site. Includes landscaped grounds with associated signage and walking paths.

EXHIBIT C: Cordova Creek Concept Diagram



The graphic shows a sinusoidal creek alignment for conceptual interpretation purposes only. The actual alignment will be designed with a more natural perspective.

Map Source PWA & Regional Parks

Not shown graphically are:
 Low water crossings (2) to be located during site design.
 These will be paid for with local match funding only.

Additional grade structures, also not shown, are budgeted in the request if required to meet design objectives.

Site Plan

Sacramento County Regional Parks
 American River Parkway
 Cordova Creek Naturalization Project
 in Rancho Cordova, California

Exhibit D – Insurance Requirements (Farm-Ranch)

Insurance

- A. The LESSOR agrees that it shall, during the full term of this lease and its own expense, keep the leased premises and any structural improvements on the leased premises insured in sufficient amounts against loss or damage by fire and other casualty commonly covered by standard fire and all risk coverage insurance including flood coverage. Valuation shall be on a replacement cost basis. The LESSOR does hereby release and waive on behalf of itself and its insurer by subrogation or otherwise, all claims against LESSEES on account of any fire or other casualty insured against whether or not such fire or other casualty shall have resulted in whole or in part from the negligence of LESSEE.
- B. LESSEE agrees that it shall, during the full term of this lease and at its own expense, keep its personal property, including livestock and crops, and non-structural improvements located on the leased premises insured against loss or damage as appropriate to the LESSEE's operations and as is commercially available. To the extent applicable and permitted by LESSEE's insurance policy, LESSEE does hereby release and waive on behalf of itself and its insurer by subrogation or otherwise, all claims against LESSOR on account of any fire or other casualty whether or not such fire or other casualty shall have resulted in whole or in part from the negligence of LESSOR.
- C. LESSEE shall maintain property damage and public liability insurance covering the leased premises. Liability insurance coverage shall be not less than One Million Dollars (\$1,000,000) combined single limit per occurrence for injury or property damage. LESSEE shall name LESSOR as an additional insured on LESSEE'S liability insurance policy.
- D. LESSEE shall furnish a certificate substantiating the fact that LESSEE has taken out the insurance herein set forth for the period covered by the Lease with an insurance carrier(s) with an A.M. Best financial rating of not less than A-: VII and authorized to do business in the State of California. LESSEE's insurance policy required by this Agreement shall maintain all insurance coverages and limits in place at all times and provide LESSOR with evidence of each policy's renewal ten (10) days in advance of its anniversary date.
- E. LESSEE is required by this Agreement to immediately notify LESSOR if they receive a communication from their insurance carrier or agent that any required insurance is to be canceled, non-renewed, reduced in scope or limits or otherwise materially changed. LESSEE shall provide evidence that such cancelled or non-renewed or otherwise materially changed insurance has been replaced or its cancellation notice withdrawn without any interruption in coverage, scope or limits. Failure to maintain required insurance in force shall be considered a material breach of the Agreement.

Exhibit D – Insurance Requirements (Farm-Ranch)

- F. The certificate of insurance shall be filed with the Internal Services Agency, Real Estate Division, not less than 10 days prior to the date of occupancy by the LESSEE.
- G. LESSOR is self-insured for liability and shall furnish LESSEE a letter confirming this upon request.
- H. LESSEE and LESSOR shall be solely responsible for payment of any deductible in their respective insurance or self-insurance programs, in the event of a claim.
- I. The insurance and self-insurance coverage limits to be maintained by LESSEE and LESSOR hereunder shall not limit LESSEE'S or LESSOR'S liability under this Lease.
- J. LESSEE shall maintain automobile liability insurance with limits not less than \$100,000 per person/\$300,000 each accident/ and \$50,000 property damage; or alternatively \$300,000 Combined Single Limit. If the automobile policy provides for non-owned and hired automobile coverage the LESSEE shall maintain that coverage for the term of the Lease.
- K. If required by law, LESSEE shall meet the statutory requirements of the State of California for workers' compensation and employer's liability insurance. The workers compensation policy required hereunder shall be endorsed to state that the workers' compensation carrier waives its right of subrogation against the County, its officers, directors, officials, employees, agents or volunteers, which might arise by reason of payment under such policy in connection with performance under this Agreement by the LESSEES.
- L. Notification of Claim. If any claim for damages is filed with LESSEE or if any lawsuit is instituted against LESSEE, that arise out of or are in any way connected with LESSEE's performance under this Agreement and that in any way, directly or indirectly, contingently or otherwise, affect or might reasonably affect LESSOR, LESSEE shall give prompt and timely notice thereof to LESSOR. Notice shall not be considered prompt and timely if not given within thirty (30) days following the date of receipt of a claim or ten (10) days following the date of service of process of a lawsuit.

Municipal Services Agency

COUNTY OF SACRAMENTO
BOARD OF SUPERVISORS



Department of Regional Parks

Jeffrey R. Leatherman, Director

MAY -2 PM 2:19

Bradley J. Hudson, County Executive
Robert B. Leonard, Chief Deputy County Executive

County of Sacramento

May 1, 2012

HEARING NOTICE

Greetings,

This courtesy letter is being sent to notify you that the following project has been scheduled for a Public Hearing. You previously received a similar letter notifying you that Sacramento County Department of Regional Parks received the following application and noticed upcoming public workshops. This project is proceeding through a review and approval process. This letter is being sent to all property owners within 500 feet of the proposed project and other Stakeholders.

Project Name: Soil Born Farms Open Air Classroom

Project Description: The Soil Born Farms Urban Agriculture & Education Project (“Soil Born Farms”) (SBF) is a non-profit 501(c)(3) organization, located at 2140 Chase Drive. Soil Born Farms, a nationally recognized center, promotes urban agriculture, sustainable food systems and healthy food education for youth and adults. To better facilitate the existing educational programs, SBF is proposing development of an open-air classroom. The Project is adjacent to the current on-site covered classroom. It proposes to transform an existing, and man-made grassed depression area, into a naturally-bermed outdoor seating and kitchen demonstration area. The project integrates outdoor and indoor spaces as a cohesive educational space for youth and adult classes. Consistent with the design guidelines within the American River Parkway Plan, the open-air, classroom would consist of native, drought-tolerant landscaping and terracing of the existing bermed areas for seating of approximately 200 people. It would be ADA compliant.

Approval Requests: 1. Request to the Board of Supervisors to amend the American River Parkway Plan River Bend Park Area Plan “Map” to include an outdoor open air classroom and demonstration kitchen.

For more information, contact either the Applicant’s Project Manager Shawn Harrison at (916) 363-9685 or call the Regional Parks Department at (916) 875-6961. Please reference the project name for all correspondence and project related questions. You may also review the project file at the Regional Parks Department Front Counter (4040 Bradshaw Road, Sacramento, CA 95827) during regular office hours (9:00am-5:00pm Monday through Friday). Please note that all comments received become a part of the public record for this project. Review and Comments will be forwarded to the Board of Supervisors.

Upcoming Public Hearing on Project: This project has been scheduled as a “Consent” matter on the Meeting Agenda. Should you desire this project be discussed with the Board, at the beginning of the meeting you may request that this item be removed from Consent. Otherwise this project will proceed for action without discussion. Your attendance and participation is welcomed and encouraged. Public Hearing Date:

May 22, 2012 9:30am Sacramento County Board of Supervisors Chambers, 700 H Street, Sacramento, CA 95814

Sincerely,

Jeffrey R. Leatherman, Director

Project Name:

Soil Born Farms Open Air Classroom

Information on the web:
www.sacparks.net

Information on the Project:

Applicant Project Manager:
Shawn Harrison
(916) 363-9685
info@soilborn.org