

# REQUEST FOR PROPOSALS Arable Crop Land Lease

#### 1. General

The City of Leduc (City) has the following lands available for lease:

NE 30 49 24 W4

Approximate Farmable Land 28.37 HA (70.10 Acres)

2021723;1;1

Approximate Farmable Land 15.03 HA (37.13 Acres)

#### 2. Land Information

The City is accepting proposals from Respondents interested in leasing the land(s) for the purpose of cultivation.

The City reserves the right to periodically change the Leased acres as required for changes of use of the land.

#### Location Land A:

NE 30 49 24 W4 as outlined in Appendix A Approximate Farmable Land 28.37 HA (70.10 Acres)

Crops for the past 3 years:

2022: Canola 2021: Wheat 2020: Canola

#### Location Land B:

2021723;1;1 as outlined in Appendix B

Approximate Farmable Land 15.03 HA (37.13 Acres)

Crops for the past 3 years:

2022: Barley 2021: Barley 2020: Canola

#### Stewardship

Respondents must demonstrate the capability to engage in soil cultivation and crop production competently and responsibly and to comply with the Lease Agreement (Appendix C).

The Lessee will be responsible all weed control as required. *Pesticides must be approved by the City prior to their application and use.* 

The Lessee will follow the Beneficial Management Practices for crops grown, as outlined by Alberta Agriculture and Rural Development.

#### Restrictions on Leased Land(s)

Hunting is NOT permitted on leased lands.

No crop species can be planted back-to-back.

#### 3. Lease Term and Payment Schedule

The lease is for a 5-year term, beginning April 1, 2023 and ending December 31, 2027. The successful respondent will execute a Lease Agreement substantially similar to the one provided in Appendix C.

The City reserves the right to supplement the Lease Agreement after proposal consideration and award.

50% of the annual gross lease is payable April 1 and November 1 of each year.

If applicable, property taxes, GST, and other applicable taxes are the responsibility of the Lessee.

#### 4. Insurance

#### Certificate of Insurance

General Liability Insurance in accordance with the *Insurance Act*, in an amount not less than \$2,000,000.00 per occurrence, insuring against bodily injury, personal injury, and property damage, including loss of use thereof. Such insurance must include blanket contractual liability and will be in effect for the duration of this Contract and any extensions or renewals. This insurance coverage must extend to all levels of subcontractors. *The City is to be listed as an Additional Insured.* 

Any insurance called for under this Agreement is to be endorsed to provide the City <u>30</u> days advance written notice of cancellation or material change.

#### 5. Additional Information

Any questions regarding this RFP are to be submitted by email to purchaser@leduc.ca.

The Respondent is responsible for obtaining all information required for the preparation of its Proposal. The City is not responsible for any costs, expenses, losses, damages or liability incurred by Respondents in responding to this RFP.

### 6. Information Disclosure and Confidentiality

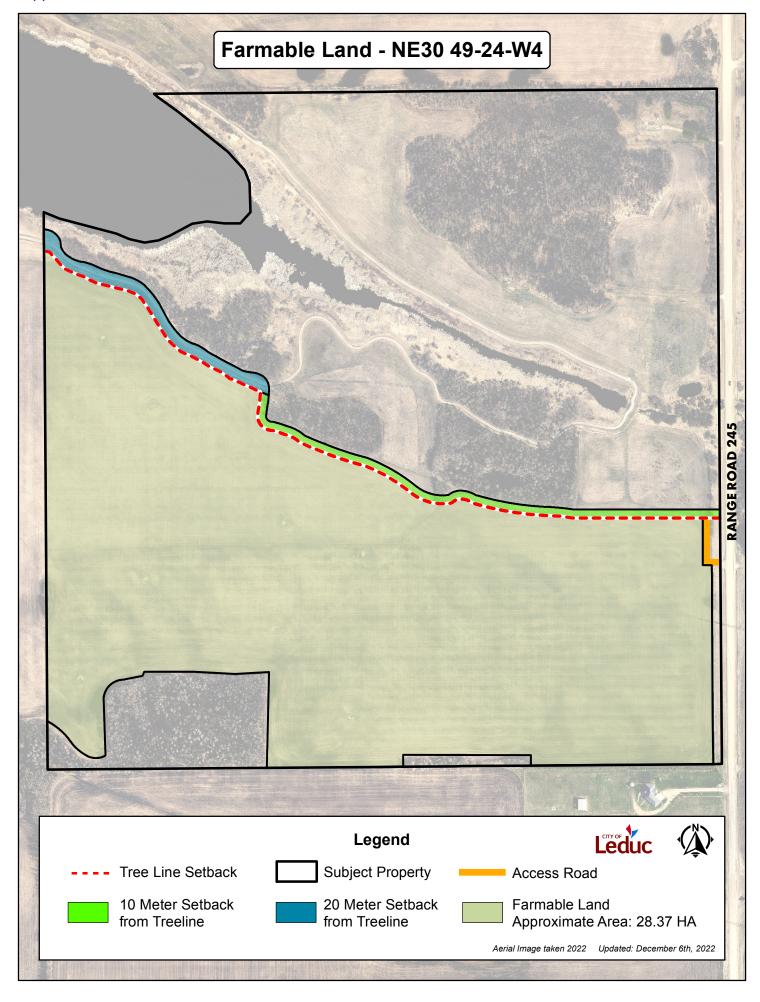
All documents submitted to the City will be subject to the protection and disclosure provisions of the *Freedom of Information and Protection of Privacy Act*.

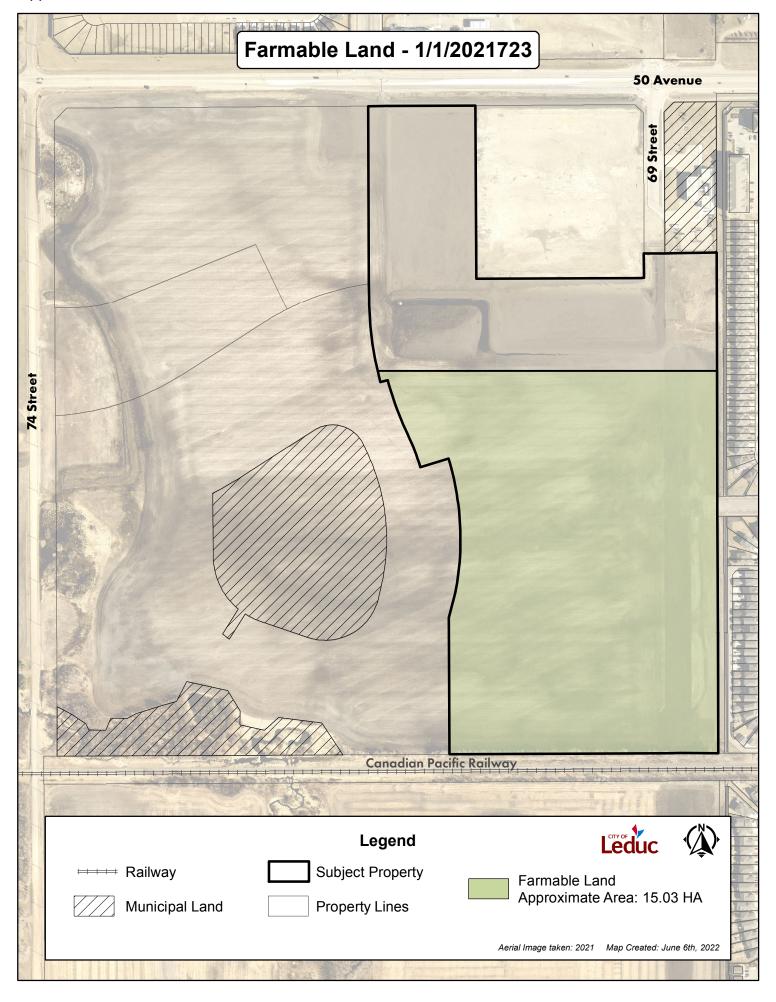
#### 7. Submission

Respondents will complete the Proposal to Lease form (Appendix D) and submit the proposal form to the City. Proposals are to be received <u>before 5:00 p.m., Tuesday, January 31, 2023 by email to purchaser@leduc.ca.</u>

### 8. Appendices

Appendix A – Land Location A
Appendix B – Land Location B
Appendix C – Lease Agreement
Appendix D – Proposal to Lease form





#### **CULTIVATION LEASE**

Between

THE CITY LEDUC, of 1 Alexandra Park, Leduc, AB T9E 4C4 ("Lessor") and of , AB ("Lessee")

WHEREAS the Lessor owns or is entitled to own the portion of farmable land, which portion is noted in red on the attached Schedule "A" ("Lands");

NOW THEREFORE the Lessor and Lessee ("Parties") agree as follows:

#### **Definitions**

- In this Lease:
  - a. "Agricultural Chemical" means:
    - any substance that is intended, sold or represented for use in preventing, destroying, repelling or mitigating any insect, nematode, rodent, predatory animal, parasite, bacteria, fungus, weed or other form of plant or animal life or virus, except a virus, parasite, bacteria, or fungus in living people or animals;
    - ii. any substance that is a pest control product within the meaning of the *Pest Control Products Act* (Canada) or is intended for use as such a pest control product;
    - iii. any substance that is a plant growth regulator, a defoliant or a plant desiccant; and
    - iv. a fertilizer within the meaning of the *Fertilizers Act* (Canada) that contains a substance referred to in subclause i, ii or iii;

but does not include a substance that is intended, sold or represented for use in potable water to prevent or destroy bacteria, parasites, or viruses if the substance is not a pest control product within the meaning of the *Pest Control Products Act* (Canada);

- b. "Applicable Environmental Law" means any law or regulation of Alberta or Canada governing the protection or enhancement of the environment, including, without limitation, the Environmental Protection and Enhancement Act (Alberta), the Pesticide Sales, Handling, Use and Application Regulation (Alberta), the Pesticide (Ministerial) Regulation (Alberta), the Fertilizers Act (Canada), the Food and Drug Act (Canada), the Pest Control Products Act (Canada), or any statutes which may be substituted for the foregoing;
- c. "Qualifying Farming Operation" means permissible farming operations, which are limited to the planting, growing and production of crops;

<u>Term</u>	
2.	This Lease shall take effect on, 20, and shall expire on, 20 (the "Term").
Rent	
3.	The yearly rental rate with respect to this Lease shall be (\$00) Dollars [(\$00) Dollars per acre x () acres] ("Rent"), which Rent is due and payable upon execution of this Lease and for the subsequent year, payable on or before ( )

#### Covenants, General

- 4. The Lessee covenants and agrees with the Lessor to:
  - a. pay the Rent when due;
  - b. not remove sand, gravel, topsoil or minerals;
  - c. not assign this Lease or sublet the Lands without the prior written consent of the Lessor, which consent may be arbitrarily withheld;
  - d. use appropriate and approved methods of land husbandry and not impoverish or permit waste upon the Lands;
  - e. conduct only Qualifying Farming Operation on the Lands:
  - f. not permit any livestock on the Lands;
  - g. not conduct on the Lands any activity or operation which is not a Qualifying Farming Operation or which otherwise would result in an increase of tax liability pursuant to the *Municipal Government Act* (Alberta) or any other applicable legislation;
  - h. use reasonable best efforts to rid the Lands of Canada Thistle, French Weed, Russian Thistle, Tumble Weed, Wild Mustard and all other noxious weeds deemed so under any applicable municipal, provincial or federal statute or order;
  - i. at all times during the Term keep the buildings and fences, if any around and upon the Lands in good repair and shall be responsible for all materials equipment and expenses required to carry out the same;
  - j. not cut down timber on the Lands;
  - k. not carry on upon the Lands, any offensive trade or any business or trade by reason of which the rate of insurance upon the buildings, if any on the Lands may be increased;
  - I. allow any incoming tenant to cultivate the Lands after the harvest in the last crop of the Term:
  - m. not remove or burn any crop residue, such as straw or cornstalks, without the Lessor's express written consent;
  - n. not make any improvements or alterations to the Land without the Lessor's express written consent. In the event the Lessor consents to any improvements or alterations, the Lessor does not accept any responsibility in respect of the maintenance, repair, replacement or insurance thereof, all of which shall be the Lessee's responsibility;

- o. remove any improvements or alterations that are consented to upon the termination of this Lease:
- p. indemnify and save harmless the Lessor from any and all claims, demands, actions and causes of action of whatsoever kind which may be brought against the Lessor arising from his use or occupation of the Lands;
- q. notify the Lessor in writing as to the specific category of Qualifying Farming Operation intended to be conducted on the Lands, including types of crop (if applicable), which Qualifying Farming Operation shall not negatively effect any possible or intended future use of the Lands. If the Lessor concludes in its absolute discretion that such specific category will so conflict, then the Lessor shall notify the Lessee of such conclusion and the Lessee shall choose another category of Qualifying Farming Operation or crop type, as the case may be, and the provisions of this Section 5(p) shall continue to apply; and
- r. during the Term, maintain at the Lessee's expense with the Lessee and the Lessor as named insureds, comprehensive general liability insurance, with inclusive limits of not less than \$2,000,000.00 per occurrence, for claims for damages arising from bodily injury (including death) and property damages caused by or arising out of any act or omission relating to the use of the Lands by the Lessee.

#### **Lands Condition / Environmental Matters**

- 5. The Lessor or its agents may, at all reasonable times during the Term, enter upon the Lands to view the state and condition thereof. If the Lessor finds any disrepair on any such examination, the Lessee shall cause the same to be rectified within such period as the City may require after notice in writing has been given to him or left at or upon the Lands, and in the event that the Lessee fails to make the necessary rectifications, then the Lessor or his agents may enter upon the Lands and make such rectifications at the expense of the Lessee. Any such rectification expenses incurred by the Lessor may, at the Lessor's option, be added to and form part of the Rent.
- 6. The Lessee must comply with, and ensure the Lands remain in compliance with all Applicable Environmental Law. The Lessee will not place or permit any Agricultural Chemicals or other chemicals which constitute a danger to the environment on the Lands, except in compliance with Applicable Environmental Law, and then only in such quantities as not to constitute a danger to the environment. At the Lessor's request, the Lessee shall provide the Lessor with a copy of all correspondence with any governmental authorities or agencies regarding the Lessee's compliances with or violations of Applicable Environmental Law.
- 7. Notwithstanding the provisions of any Applicable Environmental Laws, the Lessee shall not place or permit any soil sterilants upon the Lands.
- 8. At the Lessor's request, the Lessee shall provide the Lessor with a copy of a record of all applications of Agricultural Chemicals to the Lands. The record must include the following information:
  - a. the name of the person for whom the Agricultural Chemical was applied;
  - b. the name of the person that applied for the Agricultural Chemical;
  - c. the location where the Agricultural Chemical was applied;
  - d. the year, month, day and time at which the Agricultural Chemical was applied;
  - e. the name of the pest and the purpose for which the Agricultural Chemical was applied;

- f. the approved common name or trade name of the Agricultural Chemical and the *Pest Control Products Act* (Canada) registration number;
- g. the application rate and total quantity of the Agricultural Chemical applied;
- h. the method of application;
- i. if the Agricultural Chemical was applied outside an enclosed structure, the meteorological conditions prevailing at the time of the application, including temperature, humidity, precipitation and approximate wind speed and direction; and
- j. the location and distance of any Agricultural Chemical used or applied within thirty (30) horizontal metres of an open body of water;

and shall be maintained by the Lessee for a period of not less than ten (10) years from the date of the application to which the record applies.

#### **Quiet Enjoyment**

9. Subject to the terms of this Lease, the Lessor covenants to provide the Lessee with quiet enjoyment of the Lands during the continuance of the Term.

#### **Taxes**

10. The Lessor hereby agrees to pay all taxes, levies, rates and assessments that may be levied against the Lands during the Term, excepting thereout any such tax relating to the use of the Lands or the crops planted by the Lessee thereon, which shall be the sole responsibility of the Lessee.

#### Sale of Lands

11. The Lessee agrees that if any or all of the Lands are sold by the Lessor or are required for any purpose whatsoever (including without limiting the generality of the foregoing, the commencement of road construction activities), which the Lessor may in its sole discretion determine, then the Lands so sold or required may be withdrawn from the operation of this Lease by the Lessor sending the Lessee a notice to such effect, and this Lease shall be considered amended without further authorization or agreement, upon the expiration of thirty (30) days after the date of mailing, at which time the Lessee shall immediately vacate and deliver up possession of the sold or required portion accordingly. The Lessor shall compensate the Lessee for any crops on the Lands so sold or withdrawn, at current market value therefor, provided however that the sums then due or accruing due pursuant to this Lease have been paid.

#### **Land Compensation**

12. With the exception of crop sale revenue earned by the Lessor while in good standing under this Lease, any payment, subsidy, compensation or other reimbursement made during the Term by a governmental agency, marketing agency, petroleum producer, or other third party in connection with the ownership of, right to use, rehabilitation of, or inconvenience to the use of, the Lands shall be the property of the Lessor. Any such payment, subsidy, compensation or other reimbursement made in connection with the agricultural production from the Lands shall be the property of the Lessee.

#### **Termination**

- 13. If during the Term of the Lease, the Lessee's goods and chattels shall be at any time seized or taken in execution or attachment by any creditor of the Lessee, or if the Lessee shall make any assignment for the benefit of creditors, or becoming bankrupt or insolvent or shall take the benefit of any statute which may be in force for the protection of bankrupt or insolvent debtors, then the current year's Rent shall immediately become due and payable and the Lease shall immediately be considered terminated.
- 14. If the Rent or any part thereof is in default, without the requirement of notice thereof being given to the Lessee, or if a breach or default by the Lessee of any of the covenants herein contained is not remedied within such period as the City may require, then this Lease shall be considered terminated and the Lands surrendered.

#### **Miscellaneous Matters**

- 15. The Lease contains the entire agreement between the Parties, and no alteration thereof shall be binding upon either Party unless set forth in writing signed by both the Parties.
- 16. The Lessee for itself and its heirs, executors, successors and assigns hereby accepts this Lease of the Lands to be held by it as tenant, subject to the conditions, restrictions and covenants set forth above.
- 17. Wherever the singular or masculine are used throughout this Lease, the same shall be construed as the plural, or feminine or neuter gender wherever the context so requires, and vice versa.
- 18. Any notice required to be given hereunder shall be in writing and either delivered or sent by prepaid registered mail to the addresses shown on page 1 of this Lease. Notices shall be hand delivered in the event of postal disruption. Notices sent by mail shall be deemed to have been received on the third business day after mailing.

	as affixed its corporate seal attested to by the signatures of its unto set its hand effective this day of
	LESSOR
	Per:
	Per:
	LESSEE
Witness	Per:
Witness	Per:
Witness	Por·

#### SCHEDULE "A" - PLAN



# Proposal to Lease Municipal Land(s) for Agricultural Use April 1, 2023 – December 31, 2027

Proposal to lease municipal land(s) for specified agricultural use for a 5-year term commencing April 1, 2023.

The following	lands a	re available	for lease:
J			

NE 30 49 24 W4 Approximate Farmable Land 28.37 HA (70.10 Acres)

2021723;1;1

Approximate Farmable Land 15.03 HA (37.13 Acres)

Respondents are to submit a separate Proposal to Lease form for <u>each</u> portion of land they are interested in. Proposals are to be received before 5:00 p.m., Tuesday, January 31, 2023. Proposals are to be submitted via email to: <u>purchaser@leduc.ca</u>.

Respondent Information:	
Name: Address: Contact information (phone and email):	
2. Legal land description of municipal land	available for lease:
Check the box of the portion of land you are	interested in leasing:
<ul><li>□ NE 30 49 24 W4 (70.10 Acres)</li><li>□ 2021723;1;1 (37.13 Acres)</li></ul>	
3. Bid proposal to lease:	
Bid amounts should be recorded on a per faincluding GST.	armable acre and total annual payment basis, not
Bid per farmable acre \$	Total annual payment \$

#### 4. Planned use of land:

Describe your planned use of the land for the duration of the lease term:



# Proposal to Lease Municipal Land(s) for Agricultural Use April 1, 2023 – December 31, 2027

#### 5. Crop rotation plan:

Describe the crop rotation you have planned for the duration of the lease term:

Year	Crop
2023	
2024	
2025	
2026	
2027	

#### 6. Tillage / Seeding

Describe what tillage and seeding method(s) you plan to use for the lease term:

#### 7. Pest and weed management

Describe your weed management plan for the duration of the lease term, including main target weeds and planned chemical group rotations if applicable.

Describe other pests that should be managed and the management plan you would incorporate during the lease term.

Describe all methods of weed and pest control that will be used (e.g. cultural, mechanical, biological, chemical, other).



Authorized Individual

## Proposal to Lease Municipal Land(s) for Agricultural Use April 1, 2023 – December 31, 2027

8. Nutrient manag	ement			
Describe your nutrient management plan during the lease term.				
9. Sensitive areas				
areas on these land	g the land, describe your plan to minimize possible impacts on any sensitive ds (this includes impacts of your farming activities, as well as impacts of the nicles, and/or off-road vehicles for example.			
10. Assumptions				
·	mptions that were made in the development of this proposal.			
200020 a, acca.	The same and the semander and action of the proposal.			
44 Door and subject				
11. Proposal submi	SSION			
Date Printed name of				
Authorized				
Individual				
Signature of				

By typing your name into the digital signature field above, you confirm the information on this form is accurate.