

CITY OF CHESAPEAKE, VIRGINIA

REQUEST FOR PROPOSALS
LEASE OF REAL PROPERTY FOR AGRICULTURAL FARMING
+/- 427 ACRES, BALLAHACK ROAD

I. OVERVIEW

REAL PROPERTY: +/- 427 Acre portion of land located at Ballahack Road, in the City of Chesapeake, Virginia (Portion of Tax Map Parcels 1070000000030, 1180000000460 and 1180000000540).
See Exhibit "A" attached.

PURPOSE: The City of Chesapeake, Public Works/Right of Way ("City") is seeking proposals from qualified Responders to lease the property for Agricultural Farming.

SPECIFICATIONS: Estimated land area is +/- 427 Acres.

BACKGROUND: The property is currently used for Agricultural Farming.

LEASE TERM: The City envisions an initial lease term of one (1) year, which will begin January 1, 2020, and end December 31, 2020, with the opportunity for four (4) one-year renewal terms.

II. FUTURE USE

The City of Chesapeake purchased these parcels and is currently offering +/- 427 acres of the land to be used for Agricultural Farming. The City requests qualified persons/companies to submit proposals to state their intended purpose for the use of the land. Qualified responders should include in their responses (i) the amount of rent they are willing to pay, and (ii) a description of how this property would be used and designed, including egress and ingress. **Minimum rental rate is \$80 per acre, or \$34,160.00 annual rent.** The property is being leased "AS IS."

III. PROPOSAL REQUIREMENTS

A. Respondent Qualifications:

1. Experience – Qualified responders will have experience in the growing of agricultural crops.

2. Insurability – Qualified responders shall have, as a minimum, the insurance requirements listed below:

<u>Form</u>	<u>Limits</u>
General Liability umbrella policy	\$1,000,000

The City of Chesapeake shall be a named additional insured on the General Liability Umbrella policy requiring an endorsement from the insurance carrier.

3. Responder can have no outstanding debts or claims against the City at the time of execution.

B. Submittal of Proposals:

Each Respondent must submit with its proposal the items listed below:

1. Five (5) copies of each proposal enclosed in two (2) envelopes (outer and inner), each of which shall be sealed, and the inner envelope clearly labeled “Request for Proposals, Lease of Farm Land, Ballahack Road.”
2. All proposals shall be received and date-stamped in the location described below no later than **FRIDAY, MAY 31, 2019 at 5:00 p.m. local time.** All proposals received after that time will not be considered, and will be returned unopened to the respondent.
3. Location for submissions:

City of Chesapeake
Attention: Jean B. Rella, Right of Way Agent
Department of Public Works
306 Cedar Road, Third Floor
Chesapeake, Virginia 23322

4. Proposals submitted by telephone, facsimile, or e-mail will not be considered.
5. All inquiries for information should be directed to **Katie Wilson**, of **Right of Way** via email only: **kmwilson@cityofchesapeake.net**.
6. All relevant documents to this Request for Proposals can be found online at: **cityofchesapeake.net**.
7. It is understood and agreed that this proposal may be modified, by mutual agreement in subsequent negotiations.

- C. Contents of Proposal: Respondents must include in their proposal the following documents and information which will be used as an evaluation criteria:

1. Evidence of insurability at limits described above and a copy of your current insurance coverage;
2. A description of the proposed agricultural use of the property;
3. A description of your agricultural farming experience;
4. Types of improvements (if any) to be made by responder at the responder's expense;
5. Targeted timeline for needed improvements, if applicable;
6. Proposed terms of lease agreement including rent offered. **Minimum rent is \$80 per acre, or \$34,160.00 annual rent;**
7. Letter of credit showing ability to provide necessary financing, if applicable;
8. Landlord/mortgage company references for the past two (2) years;
9. Anticollusion / Nondiscrimination / Drug Free Workplace Form as referenced below;
10. Certification of compliance with Immigration Laws and Regulations as referenced below.

IV. REVIEW AND SELECTION

Proposals will be reviewed by City staff to determine if they are responsible and responsive. A summary of all proposals received will be provided to the Chesapeake City Council ("City Council") for their review. The City Council will evaluate the proposals based on several criteria, including, but not limited to, the lease rate offered for the real property, offeror's agricultural farming experience, maintenance of the status of prior-converted cropland for the property, and the best interests of the City. The participants will be notified by mail of the City Council's selection. The City Council reserves the right to reject any and all proposals and to select the proposal that it deems is in the best interests of the City, even if it is not the highest lease rate. The selection among the proposals shall be in the sole discretion of the City Council.

Only responsive and responsible proposals will be considered. Proposals that attempt to change or do not meet the requirements in this Request for Proposals may be rejected as being non-responsive. Each proposal shall be considered a valid offer until the City notifies participants that City Council has selected a proposal.

If a proposal is selected, the City will notify the selected participant and will prepare a lease agreement setting forth the terms consistent with the terms in the Request for Proposals and the participant's proposal. The tenant will sign the lease agreement, and the matter will be placed on the City Council's agenda for a public hearing and formal approval pursuant to applicable laws and procedures. Advertisement of the public hearing will be pre-paid by the tenant unless waived by the Public Works Department. City Council has the absolute authority to award the lease to any offeror, or to refuse all offers.

The City of Chesapeake does not discriminate against faith based organizations in accordance with Code of Virginia Section 2.2-4343.1 or against any contractor, bidder, or offeror because of race, religion, color, sex, national origin, disability or any other basis prohibited by State law relating to discrimination in employment.

V. Anticollusion / Nondiscrimination / Drug-Free Workplace Form

The attached Anticollusion/Nondiscrimination/Drug-Free Workplace form incorporated herein should be executed and returned with the proposal documents.

VI. Certification of Compliance with Immigration Laws and Regulations

The Certification of Compliance with Immigration Laws and Regulations incorporated herein should be executed and returned with the proposal documents.

VII. State Corporation Commission Identification Number

Pursuant to Code of Virginia, Section 2.2-4311.2, subsection B, a bidder or offeror organized or authorized to transact business in the Commonwealth of Virginia pursuant to Title 13.1 or Title 50 is required to include in its bid or proposal the identification number issued to it by the State Corporation Commission (SCC). Any bidder or offeror that is not required to be authorized to transact business in the Commonwealth as a foreign business entity under Title 13.1 or Title 50 or as otherwise required by law is required to include in its bid or proposal a statement describing why the bidder or offeror is not required to be so authorized.

SCC Identification Number: _____ (REQUIRED)

Name and Address of Proposer:

Date: _____

By: _____

(signature in ink)

Typed name: _____

FEIN/SSN # _____

Telephone No. () _____

Anticollusion / Nondiscrimination / Drug-Free Workplace Form

ANTICOLLUSION/NONDISCRIMINATION/DRUG-FREE WORKPLACE CLAUSE

ANTICOLLUSION CLAUSE:

IN THE PREPARATION AND SUBMISSION OF THIS PROPOSAL/BID, THE OFFEROR/BIDDER DID NOT EITHER DIRECTLY OR INDIRECTLY ENTER INTO ANY COMBINATION OR ARRANGEMENT WITH ANY PERSON, FIRM, OR CORPORATION, OR ENTER INTO ANY AGREEMENT, PARTICIPATE IN ANY COLLUSION, OR OTHERWISE TAKE ANY ACTION IN THE RESTRAINT OF FREE, COMPETITIVE BIDDING IN VIOLATION OF THE SHERMAN ACT (15 U.S.C. SECTION 1), SECTIONS 59.1-9.1 THROUGH 59.1-9.17 OR SECTIONS 59.1-68.8 THROUGH 59.1-68.8 OF THE CODE OF VIRGINIA, 1950, AS AMENDED.

THE UNDERSIGNED OFFEROR/BIDDER HEREBY CERTIFIES THAT THIS AGREEMENT, OR ANY CLAIMS RESULTING THEREFROM, IS NOT THE RESULT OF, OR AFFECTED BY, ANY ACT OF COLLUSION WITH, OR ANY ACT OF, ANOTHER PERSON OR PERSONS, FIRM OR COPORATION ENGAGED IN THE SAME LINE OF BUSINESS OR COMMERCE, AND THAT NO PERSON ACTING FOR, OR EMPLOYED BY, THE CITY OF CHESAPEAKE HAS AN INTEREST IN, OR IS CONCERNED WITH, THIS PROPOSAL/BID, AND THAT NO PERSON OR PERSONS, FIRM OR CORPORATION OTHER THAN THE UNDERSIGNED, HAVE, OR ARE, INTERESTED IN THIS PROPOSAL/BID.

DRUG-FREE WORKPLACE:

DURING THE PERFORMANCE OF THIS CONTRACT/LEASE, THE OFFEROR/TENANT AGREES TO (I) PROVIDE A DRUG-FREE WORKPLACE FOR THE OFFEROR'S/TENANT'S EMPLOYEES; (II) POST IN CONSPICUOUS PLACES, AVAILABLE TO EMPLOYEES AND APPLICANTS FOR EMPLOYMENT, A STATEMENT NOTIFYING EMPLOYEES THAT THE UNLAWFUL MANUFACTURE, SALE, DISTRIBUTION, DISPENSATION, POSSESSION, OR USE OF A CONTROLLED SUBSTANCE OR MARIJUANA IS PROHIBITED IN THE OFFEROR'S/TENANT'S WORKPLACE AND SPECIFYING THE ACTIONS THAT WILL BE TAKEN AGAINST EMPLOYEES FOR VIOLATIONS OF SUCH PROHIBITION; (III) STATE IN ALL SOLICITATIONS OR ADVERTISEMENTS FOR EMPLOYEES PLACED BY OR ON BEHALF OF THE OFEROR/TENANT THAT THE OFFEROR/TENANT MAINTAINS A DRUG-FREE WORKPLACE; AND (IV) INCLUDE THE PROVISIONS OF THE FOREGOING SECTIONS I, II, AND III IN EVERY SUBCONTRACT OR PURCHASE ORDER OF OVER \$10,000 SO THAT PROVISIONS WILL BE BINDING UPON EACH SUBCONTRACTOR OR VENDOR.

FOR THE PURPOSE OF THIS SECTION, "DRUG-FREE WORKPLACE" MEANS A SITE FOR THE PERFORMANCE OF WORK DONE IN CONNECTION WITH A SPECIFIC CONTRACT/LEASE AWARDED TO AN OFFEROR/TENANT IN ACCORDANCE WITH THIS CHAPTER, THE EMPLOYEES OF WHOM ARE PROHIBITED FROM ENGAGING IN THE UNLAWFUL MANUFACTURE, SALE, DISTRIBUTION, DISPENSATION, POSSESSION OR USE OF ANY CONTROLLED SUBSTANCE OR MARIJUANA DURING THE PERFORMANCE OF THE CONTRACT/LEASE.

NONDISCRIMINATION CLAUSE:

1. EMPLOYMENT DISCRIMINATION BY OFFEROR/BIDDER SHALL BE PROHIBITED.
2. DURING THE PERFORMANCE OF THIS LEASE, THE SUCCESSFUL OFFEROR/BIDDER SHALL AGREE AS FOLLOWS:
 - a) THE OFFEROR/BIDDER WILL NOT DISCRIMINATE AGAINST ANY EMPLOYEE OR APPLICANT FOR EMPLOYMENT BECAUSE OF RACE, RELIGION, COLOR, SEX, NATIONAL ORIGIN, AGE, DISABILITY, OR ANY OTHER BASIS PROHIBITED BY STATE LAW RELATING TO DISCRIMINATION IN EMPLOYMENT, EXCEPT WHERE THERE IS A BONA FIDE OCCUPATIONAL QUALIFICATION/CONSIDERATION REASONABLY NECESSARY TO THE NORMAL OPERATION OF THE OFFEROR/BIDDER. THE OFFEROR/BIDDER AGREES TO POST IN CONSPICUOUS PLACES, AVAILABLE TO EMPLOYEES AND APPLICANTS FOR EMPLOYMENT, NOTICES SETTING FORTH THE PROVISIONS OF THIS NONDISCRIMINATION CLAUSE.
 - b) THE OFFEROR/BIDDER, IN ALL SOLICITATIONS OR ADVERTISEMENTS FOR EMPLOYEES PLACED ON BEHALF OF THE OFFEROR/BIDDER, WILL STATE THAT SUCH OFFEROR/BIDDER IS AN EQUAL OPPORTUNITY EMPLOYER.
 - c) NOTICES, ADVERTISEMENTS, AND SOLICITATIONS PLACED IN ACCORDANCE WITH FEDERAL LAW, RULE OR REGULATION SHALL BE DEEMED SUFFICIENT FOR THE PURPOSE OF MEETING THE REQUIREMENTS OF THIS SECTION.
 - d) OFFEROR/BIDDER WILL INCLUDE THE PROVISIONS OF THE FOREGOING SECTIONS A, B, AND C IN EVERY SUBCONTRACT OR PURCHASE ORDER OF OVER \$10,000 SO THAT THE PROVISIONS WILL BE BINDING UPON EACH SUBCONTRACTOR OR VENDOR.

Name of Offeror: _____

Date: _____

By: _____ (SEAL)

Print Name: _____

Title: _____

**CERTIFICATION OF COMPLIANCE WITH IMMIGRATION
LAWS AND REGULATIONS**

Section 54.72.2 of the Chesapeake City Code requires that any person or entity doing business with the City of Chesapeake, including its boards and commissions, shall include a sworn certification by the contractor or vendor of compliance with all federal immigration laws and regulations. These laws include the Federal Immigration Reform and Control Act, which makes it unlawful for a person or other entity to hire, recruit, or refer for a fee for employment in the United States, an alien knowing the alien is unauthorized, and Section 40.1-11.1 of the Code of Virginia, which makes it unlawful for any employer to knowingly employ an alien who cannot provide documents indicating that he or she is legally eligible for employment in the United States. The state law, in particular, places an affirmative duty on employers to ensure that aliens have proof of eligibility for employment.

Accordingly, this certification shall be completed and attached to all contracts and agreements for goods and services made by the City of Chesapeake or any of its boards and commissions. Failure to attach a completed certification shall render the contract or agreement void.

Type or print legibly when completing this form.

Legal name of contractor or vendor:

(Note: This is your name as reported to the IRS. This should match your Social Security card of Federal ID Number.)

Type of business entity:

Sole proprietorship (Provide full name and address of owner):

Limited Partnership (Provide full name and address of all partners):

General Partnership (Provide full name and address of all partners):

Limited Liability Company (Provide full name and address of all managing members):

Corporation (Provide full name and address of all officers):

Doing Business As:

If Applicable (Note: This is the name that appears on your invoices but is not used as your reporting name):

Name and Position of person completing this Certificate:

Physical Business Address:

Primary Correspondence Address (if different from physical address):

Number of employees:

Are all employees eligible for employment in the United States?

Under penalties of perjury, I declare on behalf of the contractor/vendor listed above that to the best of my knowledge and based upon reasonable inquiry, each and every one of the contractor's/vendor's employees are eligible for employment in the United States as required by the Federal Immigration Reform and Control Act of 1986 and Section 40.1-11.1 of the Code of Virginia. I further declare on behalf of the contractor/vendor that the contractor/vendor shall use due care and diligence to ensure that all employees hired in the future will be eligible for employment in the United States. I affirm that the information provided herein is true, correct, and complete.

Subscribed to this _____ day of _____, 20____, on behalf of _____, as evidenced by the following signature and seal:

Name of contractor/vendor: _____

Printed name of Signatory: _____

Signature: _____

Date: _____

COMMONWEALTH OF VIRGINIA,
CITY/COUNTY OF _____, to-wit:

The foregoing Certification of Compliance with Immigration Laws and Regulations was acknowledged before me this _____ day of _____, 20____, by _____, in his/her capacity as _____ for _____. He/She is personally known to me or has presented valid proof of his/her identity.

Notary Public

Registration No.: _____

My commission expires: _____

OFFEROR INFORMATION:

Name of Proposer: Individual, Business or Organization:

By: _____ Date: _____
(signature in ink)

Print name: _____

Title: _____

Address: _____

E-mail: _____

Phone No. (_____) _____ Fax No. (_____) _____

FEIN / SSN #: _____

Is your firm a "minority" business? Yes No If yes, please indicate the "minority" classification below:

African American Hispanic American American Indian Eskimo Asian

Aleut Other; please explain: _____

Is your firm Woman Owned? Yes No

Is your firm a Small Business? Yes No

EXHIBIT "A"

SAMPLE LEASE AGREEMENT

THIS LEASE AGREEMENT, made this ___ day of _____, 20___, by and between the CITY OF CHESAPEAKE, a municipal corporation of the Commonwealth of Virginia (hereinafter called "Lessor" or "City"), and _____ (hereinafter called "Lessee") (together, the "Parties.").

WITNESSETH: That for an in consideration of the rent hereinafter specified to be paid by the Lessee, and the covenants and agreements hereinafter contained by the Lessee to be kept and performed, the Lessor hereby lets and demises unto the Lessee approximately 427 acres, more or less, of real property located on Ballahack Road in the City of Chesapeake, Virginia, as shown on the plat attached hereto as Exhibit "A" (the "Property"). The Property shall be used by the Lessee solely for the cultivation of crops. The Property is further identified as portions of Chesapeake Tax Map Parcels 1070000000030, 1180000000460 and 1180000000540. The Parties covenant and agree that the terms and conditions of this Lease shall be as follows:

1. Term of Lease: The term of the Lease shall be for the period beginning January 1, 2020, and ending December 31, 2020. Upon mutual written consent of the Parties, the term of lease may be renewed by the City Manager for successive one-year periods, not to exceed four (4) additional year of tenancy. If Lessee desires to renew the Lease during this four –year period, he/she shall give Lessor written notice on or before September 1 of each year for the next succeeding renewal period. In turn, Lessor will give notice to Lessee on or before November 1 of the next succeeding

renewal period whether or not Lessor will renew the Lease. Notwithstanding the foregoing, Lessee acknowledges and understands that the land is to be used for conservation, passive recreation, and other public uses and that, accordingly, this Lease and any renewals thereof may be terminated in the event Lessor determines that the Property, or any portion thereof, is needed for a public purpose. Lessor shall give the Lessee at least ninety (90) days' written notice of termination under this provision.

2. Notices: All notices to the Parties shall be given by certified or registered letter to the following:

For the City: City Manager
 City of Chesapeake
 306 Cedar Road, 6th Floor
 Chesapeake, Virginia 23322

For the Lessee: _____

3. Rent: Lessee covenants and agrees to pay the Lessor as rent for the Property the sum of \$_____ annually. The rent shall be paid in two equal installments of \$_____ each, the first of which shall be paid on or before January 1, 2020, and the second to be paid no later than July 1, 2020. The payment shall be made payable to "City of Chesapeake" and shall be delivered to the office of the City Attorney, 306 Cedar Road, 6th Floor, Chesapeake, Virginia 23322. Should the lease of the Property be extended, the rental price may be renegotiated pursuant to market values and will be payable in two equal installments, the first of which shall

be due on the date of the renewal of the Lease, and the second of which shall be due no later than six (6) months following such renewal date each year.

4. Farm Use. The Lessee shall not use or allow the use of the Property for any purpose other than the cultivation of crops, and incidental agricultural uses, without the express written consent of Lessor. Lessee agrees to apply best management practices to include erosion practices as set forth in a nutrient management plan program approved by the Agriculture Extension Agent for the City of Chesapeake. Lessee shall not apply, nor allow the application of, sewage sludge or bio-solids to the Property. Lessee agrees to take all necessary precautions to prevent contamination, infestation, and nuisances of any type from developing or existing on the Property.

Lessee agrees that prior to commencing farming activities on the Property he/she shall have enrolled in a farm service program [Agricultural Risk Coverage (“ARC”), Price Loss Coverage (“PLC”), or equivalent program] administered by Farm Service Agency of the U. S. Department of Agriculture. Lessee further agrees that he/she shall remain in said farm program throughout the duration of this Lease and any renewals thereof.

5. Prohibited Activities. No hunting, fishing, trapping, excavating, dumping or storing of materials other than those materials related to the farming operation is permitted by the Lessee or by any other person on the Property. Lessee shall not use, nor allow the use of, the Property for any unlawful activity. Open burning on the Property is prohibited.

6. Preservation of Non-Farmland. Lessee shall not disturb the woodlands and wetlands existing on, or adjacent to, the Property.
7. Access by Third Parties. Lessee shall not permit third parties, other than Lessee's employees and agents, to access the Property for any purpose without the express written permission of Lessor. Lessee shall take reasonable steps to keep the Property secure from trespassers, including, without limitation, the installation and maintenance of locked gates and "No Trespassing" signs as needed.
8. Insurance; Indemnification. Lessee agrees to defend, indemnify and hold harmless the Lessor against any and all claims for property damage or personal injury, including death, arising out of the use and occupancy of the Property by the Lessee, including the use or occupancy by Lessee's employees, contractors, invitees, guests, and other persons expressly or impliedly permitted by Lessee to go upon the Property. The Lessor shall not be responsible for any damage to the Property or crops of the Lessee that are damaged or stolen by any person or weather event, other than as provided in Paragraph 13 below. Lessee further agrees to obtain and maintain, at his/her sole cost and expense, a general liability umbrella insurance policy in the amount of \$1,000,000.00, satisfactory to the City's Risk Manager, naming the City of Chesapeake as additional insured, which policy shall indemnify and hold the City, its officials and employees, harmless against any and all claims and shall keep the same in force during the term of this Lease and any extensions thereof. Such insurance shall be placed with an insurance company licensed to conduct business in the Commonwealth of Virginia. Lessee shall furnish the City

Manager or his/her designee with a certificate of insurance containing sufficient evidence that the required coverage and limits have been secured prior to Lessee commencing farming activities on the Property. The certificate of insurance will have a sixty-day notice of cancellation, non-renewal or change in coverage clause from the insurance company to the City Manager or designee. The Lessee shall provide annually to the City Manager or designee a copy of all declaration pages showing the required coverage.

9. Release of Contaminants. In the process of using, maintaining, or storing farm machinery, Lessee shall be responsible for the clean-up of any spill, leak, or other release of gasoline, oil, hydraulic fluid, or other potential contaminants. Should the Lessee fail to clean up the released contaminants in a timely and satisfactory manner, Lessor may have the site cleaned and bill the Lessee for all costs incurred.

10. Maintenance of Ditches. Lessee agrees to maintain the ditches on the Property in the condition in which he/she finds them or better.

11. No Assignment. This Lease shall be between the Parties hereto and their respective successors in interest, and may not be assigned or sublet by Lessee without the prior written approval of the Lessor.

12. Breach of Lease. Lessee agrees that his/her failure to perform any material provision of this Lease shall give the Lessor the right to terminate the tenancy, in addition to damages and all other remedies provided by law. Such termination shall become effective thirty (30) days from the date of written notice to Lessee of his/her failure or refusal to perform one or more materials terms of the Lease. Written

notice of breach may be delivered to Lessee or mailed by first-class mail to the address provided in Paragraph 2 of this Lease. Termination shall be automatic and without further notice unless Lessee cures the breach to the satisfaction of Lessor within the thirty (30) day notice period.

13. Storage of Storm Debris. Lessor and Lessee acknowledge that, in the event of a major weather event, Lessor is entitled to deposit fallen trees and other debris on the Property. In such event, Lessor will take reasonable steps to avoid or minimize any damage to Lessee's crops and shall reimburse Lessee for crop damage caused directly by Lessor's deposit of storm debris. The value of the damaged crops shall be determined using a methodology or formula agreed upon by the Parties.
14. Governing Law. This Lease shall be governed by the laws of the Commonwealth of Virginia. The Parties agree that any action commenced in regard to the terms contained in this Lease shall be brought in the courts of the City of Chesapeake, Virginia.
15. Entire Agreement. This Lease represents the entire understanding of the Parties and may be modified only by written agreement signed by the Parties hereto.
16. Authorization. This Lease was authorized by resolution adopted by the Chesapeake City Council on _____, 20____, following a duly authorized public hearing.

EXHIBIT "B"

GIS Exhibit / Photographs Showing the Property