

## **AGRICULTURAL LAND LEASE AGREEMENT**

THIS AGRICULTURAL LAND LEASE AGREEMENT ("Lease") is entered into this 29<sup>nd</sup> of March 2016 by and between the COUNTY COMMISSIONERS OF CAROLINE COUNTY, a body politic and corporate and a political subdivision organized and existing under the laws of the State of Maryland ("County"), and Eric Hignutt of Hignutt Farms, LLC ("the Lessee"),

### **WITNESSETH:**

WHEREAS, the Lessor desires to lease to certain land to Lessee to use for agricultural purposes; and

WHEREAS, the parties desire to enhance the land, conserve its resources, and maintain the land in a high state of cultivation.

NOW, THEREFORE, and in consideration of the terms, conditions, covenants, and promises herein contained, and for other good and valuable consideration, the receipt and sufficiency of all which are hereby acknowledged, the parties hereto covenant and agree as follows:

### **Section I. PROPERTY TO BE LEASED:**

- (a) The County hereby leases to the Lessee the following described property, to use for agricultural purposes:

All that tillable land stipulated between the parties to contain approximately 136.4 acres +/-, known as North County Regional Park, north of Greensboro on MD State Route 313 in Caroline County, Maryland

- (b) The County reserves the right to change the acreage available for use by Lessee under this Lease.
- (c) The parties agree that the aggregate number of acres stipulated upon which Lessee is obligated to pay rent for the use thereof is one hundred and thirty six (136.5) acres.

### **Section II. TERM OF LEASE:**

The term of the lease will be for a three (3) year term beginning on March 30, 2016 ending on March 29, 2019. In no event shall this Lease be extended beyond December 31, 2019 for purposes of harvesting crops.

### **Section III. RENEWAL:**

This Lease may be renewed for a two year period only in writing signed by the Lessor and the Lessor to renew or agree to renew this Lease. There

is no obligation, expressed or implied, on the part of the Lessor to renew or agree to renew this Lease.

**Section IV. RENT:**

For the use of this Property Lessee shall pay Lessor annual cash rent of \$27,280 (based upon a rate of \$200/acre x 136.4 acres) payable on or before October 15 annually.

**Section V. DUTIES OF LESSEE:**

- (a) Lessee shall be responsible for controlling Johnson grass, thistles, and other noxious weeds on the premises in compliance with Title 9, Subtitle 4 of the Agriculture Article of the Annotated Code of Maryland (as amended) and other applicable laws and regulations. If there is Johnson grass on the premises, a plan of compliance shall be filed with the Maryland Department of Agriculture and a copy sent to the Lessor.
- (b) Lessee shall farm the aforesaid property in a husband like manner and in accordance with the customary farming practices for Caroline County, Maryland, and shall not use the land for any other purposes.
- (c) Lessee shall permit employees of the County to enter upon the lands in pursuit of their assigned duties and to inspect the premises.
- (d) Lessee shall surrender the land at the conclusion of this Lease with a suitable ground cover approved in advance by County.
- (e) Lessee shall maintain the "pH" and fertility levels of the soil at their current levels. Lessee shall complete an annual soil test and submit a copy of the results to the County within the period of this agreement. The above shall be conducted in accordance with the procedures prescribed by the University of Maryland, Maryland Cooperative Extension.
- (f) Lessee shall furnish all labor and equipment, and Lessee shall also provide at Lessee's expense, all seed, fertilizer, herbicides and time. Lessee shall also keep the ditches on the property clear and maintain the fences, if any.
- (g) Lessee shall not remove any fencing, buildings, structures, boundary markers, or alter or damage roads, ditching, hedgerows, soil or trees or commit any waste on said premises without written consent of the Lessor.
- (h) This Lease does not convey hunting rights. Lessee acknowledges and agrees that the County, in its sole discretion, may sell or grant hunting right son the property in the future by a process to be determined in the discretion of the County. Lessee shall be eligible to obtain hunting rights through such process. Should the Lessee determine that the exercise of hunting rights to the Property interferes with Lessee's operations, Lessee may terminate the Lease at the end of any year. Nothing in this Lease shall

prevent the Lessee from exercising any right with respect to seeking damages from third parties hunting on the Property, whether by permission of the County or otherwise.

- (i) Lessee will pay for all crop inputs required for production of crops.
- (j) Lessee is allowed to work the ground at any time of day or night as necessary for timely production of crops.
- (j) Lessee agrees to use the property for crops considered to be agronomic for purposes of maintaining the tax status of the land as farmland.
- (k) Lessee shall maintain and operate the underground irrigation water supply system, in particular the above ground irrigation pump, motor and diesel fuel tank at the Choptank River shoreline to meet the Above Storage Tank (AST) controls established by the Maryland Department of Environment.

**Section VI. DUTIES OF COUNTY:**

County warrants that Lessee shall have peaceful and undisturbed possession of the tillable land in accordance with this Lease.

- (b) County represents that the subject property is exempt from all real property taxes.
- (c) County agrees to allow Lessee to park farm equipment, such as tractors, trucks, combines, planters, disks, trailers, plows, spreaders, cultivators, packers, sprayers, etc., as required for production of crops, on the property provided such use does not interfere with any County park-related projects and only during planting, harvesting, and cultivation of crops. County shall not be liable for missing or damaged equipment.
- (d) County agrees to allow Lessee the use of private lanes and farm entrances as required to have access to the fields day or night.
- (d) County waives rights to any government crop assistance, disaster assistance, crop insurance payments and/or subsidy payments and assigns all crop benefits to the Lessee. Long-term set aside agreements are not included in this waiver.
- (e) County agrees to ensure the protection and access to the underground irrigation system referenced in the plat recorded at the Caroline Land Records to support farming operation on the "Western Property".
- (f) County further recognizes the recommended improvements to the irrigation pump station noted in the Supplemental Environmental Assessment report produced by RK&K that is associated with the underground irrigation system and shall coordinate the schedule to ensure

the cost effective completion of these improvements in partnership with the Lessee.

**Section VII. DEFAULT BY LESSEE:**

If the Lessor determines that the Lessee is in violation of any of the terms and conditions of this Lease, then Lessor shall send written notice of such violation to Lessee by registered or certified mail at the above address. Should Lessee fail to correct any violation within fourteen (14) days from the receipt of such notice, Lessor will then have the right to immediately terminate this Lease. Upon such termination Lessor shall be entitled to an immediate possession of the leased property and any crops remaining thereon, with no obligation to reimburse the Lessee therefore. Rent shall be adjusted on pro rata basis to the date of termination.

**Section VIII. LIABILITY:**

County shall not be responsible for or supervise farming activities of Lessee or for any other acts done or omitted by Lessee in connection with this Lease. Further, Lessee hereby agrees to indemnify and hold harmless the County and its elected and appointed officials, employees, and agents from and against any losses, claims, damages, liabilities, costs, judgments, fines, amounts paid on account thereof (whether in settlement or otherwise), expenses, and fees (collectively, a "claim") arising out of, or in any manner pertaining to this Lease.

**Section IX. GENERAL PROVISIONS:**

- (a) Lessee shall not assign this Lease or sublet the property, nor any portion thereof, without prior written consent of County.
- (b) Lessee shall not make any alterations or additions to the property without the prior written consent of Lessor. Any additions that may be authorized by Lessor shall be at the Lessee's expense.
- (c) This Lease sets forth the entire understanding of the parties and shall not be altered or amended except by a written document signed by all the parties hereto.
- (d) This Lease is binding on the parties hereto, their heirs, and personal representatives, successors or assigns, as the case may be.
- (e) All notices required or provided under this Contract shall be in writing and shall be delivered personally or shall be sent by prepaid registered or certified mail, addressed as set forth

below:

If to Lessor:

Mark Lasocha, Park Supervisor  
Caroline County Recreation & Parks  
107 South Fourth Street  
Denton, MD 21629  
[mlasocha@carolinemd.org](mailto:mlasocha@carolinemd.org)

If to Lessee:

Eric Hignutt  
16530 Steel Road  
Henderson, MD 21640  
Ehfarmsmd@outlook.com

(f) This Contract is enforceable under the law of the State of Maryland in a Court of Competent Jurisdiction in Caroline County, Maryland.

(g) If any provision in this Contract or the application thereof cannot be enforced to its fullest extent, then such provision shall be enforced to the maximum extent permitted by law. The invalidity, illegality, or unenforceability of any term or provision of this Contract shall not affect or limit the validity, legality or enforceability of any other term or provision

hereof.

IN WITNESS WHEREOF, the parties have executed this Lease and affixed their respective seals the date first above written:

**ATTEST:**

**COUNTY COMMISSIONERS OF  
CAROLINE COUNTY,  
MARYLAND**

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Jennifer M. Farina  
Administrative Coordinator

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Wilbur Levengood, Jr., President

Approved for Legal Sufficiency:

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Heather L. Price, County Attorney

