

**CHARLOTTE PARK AND WILDLIFE REFUGE
AGRICULTURAL LEASE**

This lease is entered into the 1st day of ~~November~~ ^{December}, 2015, between the TOWN OF CHARLOTTE, Vermont (hereinafter referred to as "Town") and CLARK HINSDALE, III, MANAGING PARTNER, NORDIC HOLSTEINS, LLC, a Vermont limited liability company with its principal place of business in Charlotte, Vermont (hereinafter referred to as "Lessee").

Description of the Leased Premises. The Town hereby leases to the Lessee to occupy and use for agricultural purposes only the following described property located in Charlotte, Vermont: Being 125 acres of land, more or less, located in the Charlotte Park and Wildlife Refuge (the "Park"), situated between US Route 7 and Greenbush Road in the Town of Charlotte. The leased agricultural property ("Leased Premises") is specifically depicted as Units A, B, C, E, F, G, H, I, J, K, L, M, N, and the Town of Charlotte Scenic Overlook on the map entitled "Exhibit 1, Charlotte Park and Wildlife Refuge Management Units, 2015", (the "Map"), a copy of which is attached hereto and incorporated herein.

1. **Term of the Lease.** The term of the lease shall be five (5) growing seasons beginning upon signing of this Lease to December 31, 2020.
2. **Optional Renewal Provision.** The parties shall have the option of renewing the lease for an additional five-year period. Renewal shall occur only upon Lessee's delivery to Town by July 1, 2020 of a written request to renew the lease for the additional period. Upon said delivery, Landlord shall have until October 1, 2020 to provide written notice of its acceptance or rejection of Lessee's renewal request. If Lessee fails to deliver such renewal request, the lease shall terminate at the end of the initial term; conversely, if Town fails to notify Lessee in writing of its decision, the lease shall automatically renew for the additional five-year period.
3. **Payment of Rent.** The Town will be compensated annually at a rate of \$30 per acre for land that is extensively farmed and \$50 per acre for land that is intensively farmed ¹ On or before April 1 of each year the Town and Lessee shall complete and sign a farm use summary sheet for that year identifying the prospective use and lease payment by agricultural unit, and the anticipated value of field remediation and work-in-kind to be performed, if any, by the Lessee. Fifty percent (50%) of the anticipated lease payment due to the Town will be paid by July 1st of each year, and fifty percent (50%) of the lease payment due to the Town will be paid by November 1st of each year. The November 1st payment will be adjusted based on the actual work-in-kind performed, as approved by the Selectboard.
4. **Damage Deposit.** Prior to initiating any use of or work on the Leased Premises, Lessee shall deliver to Town a security and damage deposit of \$1,000. The deposit will be a credit against the final lease payment of the lease term. A security and damage deposit provided in association with a prior lease shall be adequate for meeting the requirement of the current lease.
5. **Use and Care of Leased Premises.** The Lessee shall have the right to use the property for agricultural purposes consistent with accepted agricultural practices as defined by the Vermont Commissioner of Agriculture, with federal, state and local laws and ordinances governing the conduct of agricultural operations, and in accordance with the terms and provisions of the following documents: (1) Charlotte Park and Wildlife Refuge Comprehensive Management Plan, dated June, 1999; (2) the Ordinance Regulating Conduct in Charlotte Park and Wildlife Refuge, dated July 1998; (3) the Management Agreement by and between Demeter Fund, Inc. and the Town of Charlotte, dated July 10, 1999; and (4) the Grant of Development Rights and Conservation Restrictions by and

¹ "Extensive" refers to farming in which large areas of land are used with minimum outlay and labor, for example pasture, hay, field corn and grains. This will also include land dedicated to grassland bird habitat. "Intensive" refers to land cultivation designed to increase the productivity of a given area by the expenditure of more capital and labor upon it. This will include vegetables and fruits.

CHARLOTTE TOWN CLERK'S OFFICE

RECEIVED FOR RECORD

This 2nd day of December A.D. 20 15
at 11 o'clock 0 minutes A m and
recorded in vol. 221 on page 179-183
Attest: [Signature] Town Clerk

between the Demeter Fund, Inc., Vermont Land Trust, Inc., and the Vermont Housing and Conservation Board dated June 23, 1998 and recorded in Volume 99, Page 510 of the Charlotte Land Records, each as may be amended from time to time, which are incorporated into this Lease by reference as if set forth in full (the "Governing Documents"). Additionally, the Lessee will abide by the Management Framework in Attachment A to this Lease, which is incorporated into this Lease. The Lessee shall maintain the property in good and orderly condition, and return the premises to the Town at the expiration of this lease in a manner consistent with all provisions contained herein. Damages and/or losses beyond the Lessee's control shall not be held against the Lessee.

6. **Herbicide, Pesticide and Fertilizer Use.** A Nutrient Management Plan will be written by the Lessee in collaboration with the Charlotte Park and Wildlife Refuge Oversight Committee (the "Oversight Committee"). It is expected that at a minimum the plan will meet all Natural Resources Conservation Service (NRCS) criteria for water quality and soil erosion. The use of herbicides and other pesticides will be kept to a minimum consistent with the terms and provisions of the above-referenced Comprehensive Management Plan. Appropriate safety measures will be taken when using herbicides/pesticides, including signage to warn park visitors of pesticide use and marking areas they should not enter. The Lessee shall keep records of the dates, acreage, and rates of application, and shall submit such records to the Oversight Committee annually.
7. **Cancellation.** The Town reserves the right to cancel this lease for nonpayment of rent on or after November 2nd of each year if rent is not current. The Town may also cancel this lease if, after providing thirty (30) days written notice to cure, Lessee remains in violation of one or more conditions of this Lease or the Governing Documents. Death, bankruptcy or incapacity of the Lessee shall terminate this lease with incapacity determined at the sole judgment of the Charlotte Selectboard.
8. **Maintenance of Fences.** The Lessee shall be solely responsible for the maintenance of any fences on the property used to contain livestock. To assure public safety and the coordination of recreational uses, agricultural uses, and park maintenance, the location of fencing and gates will be approved by the Oversight Committee in advance of installation. Animals will be fenced out of surface waters and riparian buffers. Warning signs will be posted on electric fence.
9. **Rights of Town to Use and Occupy Leased Premises.** The Town, by its authorized representatives, may enter the leased premises at any reasonable time without notice or compensation to the Lessee to inspect the premises, to perform maintenance upon the premises, and to conduct soils analysis, engineering studies, etc. which the Town at its sole discretion may deem appropriate.
10. **Hunting.** No hunting is permitted without prior approval of the Charlotte Selectboard, pursuant to the terms and provisions of the Ordinance Regulating Conduct in Charlotte Park and Wildlife Refuge.
11. **Assignment and Sublease.** Lessee shall not assign this lease or sublet any portion of the premises without the Town's prior written consent.
12. **Liability Insurance.** Lessee shall maintain at Lessee's sole expense during the term of this lease, comprehensive general liability insurance with a minimum liability with respect to bodily injury of \$1,000,000, per occurrence, for each person and \$1,000,000, per occurrence, with respect to property damage. Said policy shall name the Town as an additional insured, shall be issued by a company licensed to do business in Vermont and shall provide at least ten (10) days written notice to Town before cancellation or material changes become effective. A Certificate of Insurance shall be provided to the Town on an annual basis prior to initiating any use of or work on the Leased Premises.
13. **LWCF Grant Restrictions.** The "Scenic Overlook," which is included in the Leased Premises, was purchased in 1973 with the assistance of a grant from the Land and Water Conservation Fund (LWCF Project #50-00174), managed by the Bureau of Outdoor Recreation, U.S. Department of Interior. This grant included a requirement that

recreational uses must be allowed on the Scenic Overlook. Any requirements associated with the grant, as mandated by the State of Vermont or the U.S. Department of Interior will be adhered to, even if such requirements restrict the agricultural use of this area, and such restrictions will not be considered a default on this lease.

14. Other Provisions

- a. Lessee has reviewed premises and accepts them in "as is" condition.
- b. Lessee accepts risk of theft or loss of all personal property and livestock kept on the premises.
- c. Agricultural operations will not significantly interfere with recreational activities in the Park, and shall be carried out in a way that avoids damage to trails, overlook areas, structures, and other improvements made to the property by the Town. Lessee shall repair damage to trails or other Town property within the Park caused by farming activities.
- d. Lessee agrees to indemnify Town against all claims relating to damages to persons or property by reason of Lessee's use or occupancy of the premises or arising from the acts of Lessee's employees, guests, agents, independent contractors or business invitees.
- e. This lease and the activities of the Lessee and the Town shall be governed by the laws of the State of Vermont.
- f. Lessee shall not, without written consent of the Town, cultivate portions of the Leased Premises which have not been previously cultivated.
- g. This lease and the attachments hereto represents the entire agreement between the parties and may not be modified, amended or supplemented except by an instrument in writing signed by both parties hereto.
- h. This lease shall be binding upon and inure to the benefit of the parties hereto and upon their respective successors, heirs, administrators and assigns.

14. Agricultural Activities. Lessee agrees to conduct agricultural operations on the Leased Premises in a manner consistent with the multiple management objectives of the Park, described within the above-referenced Comprehensive Management Plan, for recreation and wildlife uses as well as for agriculture. Lessee's agricultural activities and practices shall be consistent with the terms and provisions of the Governing Documents and will be planned collaboratively with the Oversight Committee. The management framework and specific implementation requirements for this lease are identified in Attachment A.

In Witness Whereof, the parties have signed this lease:

J.R. Morris 12/1/2015
 Chair, Selectboard Date

Clark M. Hinsdale III 11-10-15
 Lessee Date

**State of Vermont
Chittenden County**

At Charlotte, this 10th day of November, 2015,
Clark W Hinsdale III personally appeared, and he/she acknowledged this instrument, by him/her sealed and subscribed, to be his/her free act and deed.

Before me, Christina M. Baker
 Notary Public

My Commission Expires 2-10-2019

State of Vermont
Chittenden County

At Charlotte, this 1st day of December,
2015, W. Lane Morrison personally appeared, and he/she acknowledged
this instrument, by him/her sealed and subscribed, to be his/her free act and deed.

Before me, Mary A Mead
Notary Public

My Commission Expires 2-10-2019

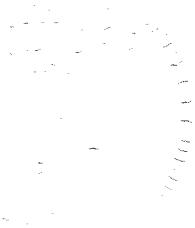
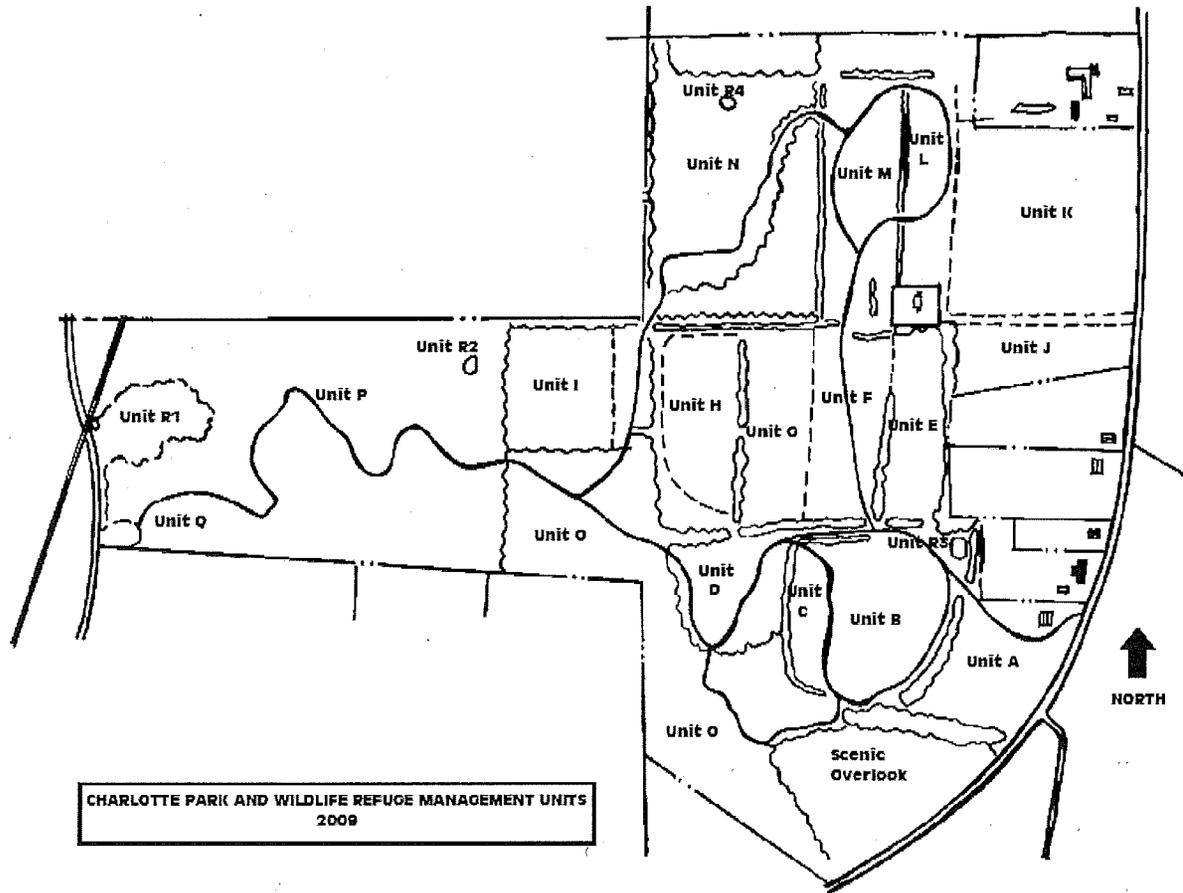


EXHIBIT 1

CHARLOTTE PARK AND WILDLIFE REFUGE MANAGEMENT UNITS, 2015



Attachment A of the Charlotte Park and Wildlife Refuge Agricultural Lease, between the Town of Charlotte and Clark Hinsdale III, Managing Partner, Nordic Holsteins, LLC

Approved by Selectboard on September 28, 2015

Goals and Action Steps

The following is a list of goals and action steps that have been mutually agreed upon during the 2011-2015 Park agricultural lease, that will apply to the 2016-2020 lease renewal.

1. Hedgerows will not be removed. The Park Oversight Committee is responsible for the maintenance of hedgerows.
2. The following wildlife areas will be excluded from the agricultural lease and will be managed by the Park Oversight Committee. The lease payment for these areas will be subtracted from the annual lease payment.
 - a. The riparian buffer between Units A and B, along the hedgerow between Unit A and the Overlook, and in the southeast corner of Unit E
 - b. Unit N, which is being managed with wildlife habitat as priority
3. An approximately 13 acre area in Units F and G will be designated as a grassland bird management area. Except for a mowed access to Unit H, the field will not be mowed until August 1. The lease payment for the 13 acres will be waived if the Lessee is receiving no other funding for grassland bird management of the land. Changes in field management may be made with mutual agreement between the Lessee and the Park Oversight Committee.
4. Under the current lease, all fields have all been converted to hay. This use has reduced field erosion, minimized pesticide use, and is generally less damaging to Park trails and infrastructure than other farming activities. The Park Committee feels that permanent hay is the best use for the Park agricultural units in the future. The use of the fields for other crops will require the approval of the Park Oversight Committee.
5. Agricultural units will not be used for pasture without the approval of the Park Oversight Committee.
6. The Lessee and the Park Oversight Committee will work together to develop a plan to improve field conditions and prevent erosion near the drainage ditch at the northern edge of Unit I.