RESOLUTION 2016-018  PASSED: MARCH 14, 2016

AUTHORIZING THE CITY MANAGER OF THE CITY OF DEKALB, ILLINOIS TO EXECUTE FIVE SMALL FARM LEASES FOR A PERIOD OF THREE YEARS (MARCH 1, 2016 – DECEMBER 15, 2018).

WHEREAS, the City of DeKalb is a Home-Rule Municipal Corporation governed by the applicable provisions of the Illinois Constitution and Illinois Municipal Code; and,

WHEREAS, the City owns certain properties which are leased for agricultural purposes, pending future public use by the City, and the City periodically renews the leases for said properties; and,

WHEREAS, while large parcels are leased through a competitively bid process, the leases for small, irregular parcels are proposed to be leased to the persons farming adjacent, larger parcels, to increase the efficiency of farming operations, with rental payments equivalent to that paid for the larger City parcels let by competitive bid; and,

WHEREAS, the City Council’s action herein would be expressly authorizing the execution of an agreement with a City Employee, Danny Wells, as disclosed below, on terms and conditions identical to those offered to other adjacent property tenants;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF DEKALB, ILLINOIS:

Section 1: The City hereby authorizes the lease of four small parcels of land adjacent to the DeKalb Taylor Municipal Airport (DTMA) and one parcel adjacent to the Dresser Road Water Tower, as follows:

1. 20.3 Acre parcel at DTMA leased to DeKalb High School Future Farmers of America at $116.25 per acre.
2. 7.3 Acre parcel at DTMA leased to Weishaar Farms at $232.50 per acre.
3. 5.5 Acre parcel at DTMA leased to Larson Grain Farms at $232.50 per acre.
4. 14.5 Acre parcel at DTMA leased to Diehl Farms at $232.50 per acre.
5. 9.0 Acre parcel at Dresser Road water plant leased to City Employee Danny Wells at $232.50 per acre.

The City Manager is authorized and directed to execute lease agreements with each of the foregoing parties, on terms and conditions acceptable to her, with terms not exceeding three years in length.

Section 2: That this Resolution shall become effective immediately upon its passage and recording by the City Clerk.

PASSED BY THE CITY COUNCIL of the City of DeKalb, Illinois, at a regular meeting thereof held on the 14th day of March, 2016 and approved by me as Mayor on the same day. Passed by an Omnibus roll call vote of 9-0 on the Consent Agenda. Aye: Jacobson, Finucane, Marquardt, Snow, Noreiko, Baker, Fairve, Rey.

ATTEST:

JENNIFER JEEP JOHNSON, City Clerk  
JOHN A. REY, Mayor
DEKALB TAYLOR MUNICIPAL AIRPORT at DRESSER ROAD
AGRICULTURAL FARM LEASE
Portion of Lot #4, =-9 ACRES

This lease is entered into the 1st day of March, 2016, between City of DeKalb, an Illinois Municipal Corporation, Landlord, and Danny Wells, Tenant.

The Landlord, in consideration of the agreements set forth in this lease to be kept and performed by the Tenant, rents and leases to the Tenant, to occupy and to use for agricultural purposes only, the following real estate located in the County of DeKalb and State of Illinois, described as follows (hereinafter referred to as the "Property"):

The cropland of Permanent Tax Index No(s). Portion of Lot #4, consisting of 9 tillable acres.

The term of this lease shall be from the 1st day of March, 2016 to the 15th day of December, 2018 or earlier if final harvesting has occurred. Following final harvest in the last year of the lease, the Tenant shall obtain the Landlord’s consent prior to the application of any fertilizer or the completion of any fall tillage operations. In the last year of the lease, Tenant shall, in all events, complete final harvest by not later than December 15, 2018; any crops remaining on the Property thereafter shall become the property of the Landlord.

The terms of this lease shall be binding on the heirs, executors, administrators, and assigns of both Landlord and Tenant in like manner as upon the original parties, except by mutual agreement otherwise.

SECTION 1. AMOUNT OF RENT AND TIME OF PAYMENT.

The Tenant agrees to pay the Landlord as annual cash rent for the above-described Property the sum of $2092.50, which shall be paid on the 15th day of March of each year of the lease.

This represents 9 acres @ $232.50 per acre.

SECTION 2. LANDLORD'S INVESTMENT AND EXPENSE.

The Landlord agrees to allow Tenant the quiet enjoyment of the Property so long as Tenant complies with all of Tenant’s obligations of this Lease.

SECTION 3: TENANT'S INVESTMENT AND EXPENSES.

The Tenant agrees to furnish the Property and to pay the items of expenses described below:

A. All machinery, equipment, fuel and labor necessary to operate the Property.

B. All ad valorem property taxes or assessments of any nature on the Property. The Tenant shall be responsible for paying all property taxes and assessments due for the Property during the term of this lease (e.g. the Tenant shall pay the property taxes for tax
year 2015, which are due and payable in calendar year 2016, the taxes for tax year 2016, which are due and payable in 2017, and the taxes for tax year 2017, which are due and payable in 2018). The tenant shall be responsible for obtaining a copy of the tax and assessment bill(s) for the Property, and for timely paying all taxes and assessments on or prior to their due date.

C. All operating expenses or the portion of expenses not furnished or paid by the Landlord as provided in this lease. Except as otherwise expressly indicated herein, the Landlord shall not be responsible for any expenses related to the Property or this lease.

D. **Insurance.** Tenant covenants and agrees prior to any use or occupancy of the Property and at Tenant’s sole cost and expense to maintain in full force and effect at all times during the term of this lease, workmen’s compensation insurance (if required under applicable law) with statutory limits of coverage and general liability insurance naming Landlord as an additional insured with waiver of subrogation and with limits not less than One Million ($1,000,000) for personal injury, including bodily injury and death, property damage, and with coverage for pollution, crop spraying, overspray and drift. **Tenant shall provide Landlord with a copy of the declaration pages of all such insurance policies.** Such insurance policies shall be issued by an insurance company approved by Landlord and in a form acceptable to Landlord and shall be subject to modification or cancellation only upon written notice delivered by certified mail to Landlord not less than thirty (30) days in advance of any such proposed modification or cancellation. Said policies shall name the Landlord as an additional primary insured on all forms of coverage.

**SECTION 4. TENANT’S DUTIES IN OPERATING PROPERTY.**

In addition to the agreements covered by the foregoing provisions of this lease, the Tenant further agrees that he will perform and carry out the stipulations represented in the following clauses:

A. To faithfully cultivate the Property in a timely, thorough and businesslike manner.

B. Not assign this lease to any person or persons or sublet any part of the Property without the written consent of the Landlord.

C. To take proper care of all trees, vines and shrubs, and to prevent injury to the same.

D. Not to cut live trees except by permission of the Landlord.

E. Not to allow noxious weeds to go to seed on said Property, but to destroy the same and to cut and maintain the sprouts, brush, weeds and grass up to the roads adjoining the land as often as needed each year.

F. Not to burn cornstalks, straw, or other crop residues grown upon the Property except by permission of the Landlord, but to leave or spread all such material upon the land, and in
no case to remove from the Property any such material without the consent of the Landlord.

G. To prevent all unnecessary waste, or loss, or damage to the Property of the Landlord.

H. The Tenant agrees to plow in any post-harvest crop residue on or before November 15\textsuperscript{th} of each year of this lease. Tenant also agrees to follow such crop rotation, tillage practices, fertilizer programs, conservation measures and arrangements as are instructed by Landlord.

I. To keep the Property neat and orderly.

J. The buildings, fences and other improvements on the Property are to be kept in as good repair and condition as they are at the beginning of the lease, or in as good repair and condition as they may be put in by the Landlord during the term of the lease, ordinary wear and depreciation excepted.

K. To preserve established watercourses or ditches, to refrain from any operation that will injure them, and to comply with all applicable rules and regulations governing the maintenance and use of watercourses, ditches, erodible soils, drainage systems or related areas of the Property.

L. To haul and spread all manure on appropriate fields at times and in quantities consistent with environmental protection requirements.

M. Follow the farming practices that are generally recommended for and that are best adapted to this type of Property and for this locality unless other practices are agreed upon.

SECTION 5. MANAGEMENT AND BUSINESS PROCEDURES.

The Landlord and Tenant agree that they will observe the following provisions:

A. Except when mutually decided otherwise, the land use and cropping system shall be approximately as follows: All tillable cropland as hereby rented to Tenant.

B. The fertilizer and limestone program shall be nitrogen, phosphorus and potash applied annually to produce corn or soybeans and maintain the fertility of the soil, for which the Tenant shall provide records and receipts of all applications, to the Landlord or his Agent, if requested. Soil testing, fertilizer, chemical, seed and ag lime costs are all Tenant's expense.

SECTION 6. DEFAULT, COMPENSATION FOR DAMAGE, METHOD OF SETTLEMENT, RIGHT OF ENTRY.

A. Tenant is not to erect or permit to be erected upon said Property, any structure, building, fence or sign of any kind whatsoever, except by the written consent of the Landlord, nor
to purchase any materials or incur any expenses for the account of the Landlord without its approval and will not make a claim for labor at any time unless Landlord has given written permission at a previous date.

B. Nothing in this lease shall confer upon the Tenant any right to minerals underlying said land or any part thereof, but the same are hereby expressly reserved by the Landlord together with the full right and liberty to them, to enter upon the Property and to bore, search and excavate for same, to work and remove the same, and to deposit excavated rubbish, and with full liberty to pass over said Property with vehicles and lay down and work any such railroad track or tracks, tanks, pipe lines, powers and structures as may be necessary or convenient for the above purpose. Said Landlord, however, agrees to deduct from the annual rent, pro-rata, for the land so taken by him or his assigns for said uses when the rental of such land is cash, and to reimburse the said Tenant for any actual damage he may suffer for crops destroyed where such land is on grain rent and to release Tenant from obligation to continue farming this Property when development of resources interferes materially with Tenant's ability to make a satisfactory return.

C. Landlord shall in no way be liable in damages for failure of water supply or for any damage by the elements or otherwise, to any of the improvements, nor for any loss or damage while improvements are under construction or repair, nor for any failure to repair or alter or replace any buildings or improvement.

D. Tenant takes possession of the Property subject to the hazards of operating a farm and assumes all risk of accidents to himself, his family, employees, agents, representatives, contractors or assigns in pursuance of his farming operations, or in performing repairs to the buildings, fences and other improvements, or accidents and injuries arising out of the use of farm equipment and machines.

E. **Indemnity.** Tenant shall indemnify, defend and hold harmless Landlord and its employees, agents, representatives, contractors and assigns from any and all claims, liens, penalties, demands, actions, proceedings, liabilities or losses of any nature whatsoever (including attorneys' fees and expenses and court costs) arising out of or relating to the acts or omissions of Tenant, or its employees, agents, representatives, contractors or assigns, in exercising any of Tenant's rights hereunder or from use or occupancy of the Property in any manner whatsoever by the Tenant, or its employees, agents, representatives, contractors or assigns, except to the extent solely due and proximately caused by Landlord's gross negligence or willful and wanton acts.

F. **Liability for Damage to Property or Persons.** Landlord shall not be liable to Tenant for any injury or death to any person or persons, or for any damage to Tenant's business or to the property, machines, fixtures, and equipment of Tenant, or any person claiming through or under Tenant, arising out of any accident or occurrence in, upon or near the Property unless such injury, death or damage is solely due to and proximately caused by Landlord's gross negligence or willful and wanton acts. All property of Tenant shall be kept or stored at the Property at the risk of Tenant, and Tenant shall defend and hold Landlord harmless from claims arising out of damage to same, including subrogation claims by Tenant's insurance carrier, unless such damage shall be solely due and
proximately caused by the willful act or gross neglect of Landlord. Landlord shall not be responsible for injury or damage to any persons or property of Tenant or of others caused by or resulting from bursting, breakage or leakage of pipes, from steam, snow or ice, from running, backing up, seepage or overflow of water or sewage in or near the Property or resulting from acts of God or the elements or from any defect or negligence in the occupancy, construction, operation or use of the Property including any building improvements, structural elements, mechanical systems and other machinery and equipment.

Landlord shall not be liable for any injury or damage to persons or property or to any building, structure or improvements on the Property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain or snow or leaks from any building, structure or improvements on the Property or from the pipes, appliances or plumbing works or from the roof, street or subsurface or from any other place or by dampness or by any other cause of whatever nature; Landlord shall not be liable for any such injury or damage caused by other tenants or by occupants of the Property or property adjacent thereto or by the public, or by operations in the construction of any private, public, or quasi-public work. Landlord shall not be liable for any latent defect in construction or renovations to the Property or to any building, structure or improvements located on the Property.

G. **Right of Entry.** The Landlord or his Agent shall be entitled to free access to the Property at all times and may make any repairs and improvements thereon. If this lease is terminated, the Landlord or his Agent shall be entitled to fall till, fertilize or otherwise prepare the ground and plant in proper season for the following year's crops.

H. If the Tenant shall, from any cause, fail to comply with any of Tenant's obligations herein, the Landlord may at any time when such failure occurs after giving five days' written notice of its intention to do so: (1) terminate this lease; or (2) terminate Tenant's right to possession under this lease and take possession of said Property and buildings thereon which the Tenant agrees to surrender without said possession terminating this lease and Tenant's obligation to pay rent hereunder, and employ other persons to tend said crop and perform all the agreements of the Tenant as herein contained as fully as the same are contemplated in this agreement and after deducting all monies advanced, or monies or crops due for the rent and the expense of attending such crop as aforesaid, to pay the residue, if any, to the Tenant. If the Tenant shall fail to pay the cash rent, or shall fail to keep any of the agreements of this lease, all costs and attorney's fees of the Landlord in enforcing collection or performance, shall be added to and become a part of the obligations payable by the Tenant hereunder.

I. **Yielding Possession.** The Tenant agrees that at the expiration of the term of this lease, he will yield up possession of the Property to the Landlord without further demand or notice, in as good order and condition as when same were entered upon by the Tenant, loss by fire or tornado, and ordinary wear excepted. The Tenant shall pay to the Landlord a reasonable compensation for any damage to the Property above the aforementioned exceptions.
J. The Tenant shall be responsible for all employer obligations on hired labor with respect to safety requirements, social security and workers compensation contributions, and the Landlord shall have no responsibilities therefore.

SECTION 7. ENVIRONMENTAL CONCERNS.

A. The Tenant is to use prudence and care in transporting, storing, handling and applying all fertilizers, pesticides, herbicides, and other chemicals and similar substances, and to read and follow instructions on the labels for the use of such materials in order to avoid injury or damages to persons or property or both on the Property and adjoining areas.

B. Any chemicals for weed or insect control or other use, when used, should be applied at levels not to exceed the manufacturer's recommendation for the soil types involved. The Tenant agrees to provide the Landlord annually, a written report indicating the product name, amount, date of application and location of application of all pesticides and fertilizers used on the Property.

C. No chemicals will be stored on the Property. When chemicals or petroleum products are on the Property, they will be only those planned to be used on the Property, and they will be in closed, tight containers above ground and clearly marked. No chemicals or chemical containers will be disposed of on the Property.

D. Both Landlord and Tenant affirm the goals of minimizing soil erosion losses and preserving the productivity of the land in ways that are consonant with their needs and desires for acceptable current returns to their individual inputs on the Property.

E. Environmental Indemnity.

(a) Tenant hereby agrees to defend, protect, indemnify and hold harmless Landlord, Landlord's affiliates, directors, officers, agents and employees, and Landlord's participants, successors and assigns (hereinafter, collectively the "Indemnified Parties"), from and against, and shall reimburse the Indemnified Parties for, any and all actual out-of-pocket costs (including, without limitation, attorneys' fees, consultants' fees, laboratory costs, expenses and court costs), expense or loss arising from any claim, liability, demands, damage, injunctive relief, claims of lien, liens, settlements, legal and administrative proceedings, injury to person, property or natural resources, fine, penalty, action, cause of action and obligations and liabilities of any kind or nature whatsoever (collectively, "Costs and Liabilities"), incurred by or asserted against any Indemnified Party and arising directly or indirectly, in whole or in part, out of the release, discharge, deposit or presence, or alleged or suspected release, discharge, deposit or presence of any Hazardous Materials at, on, within, under, about or from the Property, or in or adjacent to any part of the Property, or in the soil, groundwater or soil vapor on or under the Property, or elsewhere in connection with the transportation of Hazardous Materials to or from the Property in violation of any Hazardous Materials Laws, whether or not known to Tenant or Indemnified Parties, whether foreseeable or unforeseeable, regardless of the source of such release, discharge,
deposit or presence, regardless of when such release, discharge, deposit or presence occurred or is discovered. Without limiting the generality of the foregoing indemnity, such Costs and Liabilities shall include, without limitation, all actual out-of-pocket costs incurred by Indemnified Parties in connection with (i) determining whether the Property is in compliance or the amount of money required to remediate any environmental contamination, and causing the Property to be or become in compliance, with all applicable Hazardous Materials Laws, (ii) any investigation, clean up, removal or remediation of any kind and disposal of any Hazardous Materials present in the soil, groundwater, or at, on, under or within the Property, released from the Property, or which migrate, flow, or percolate onto, under or within any facility or property with respect to which Tenant or Landlord otherwise would have any liability or are otherwise present due to the act of a third party, to the extent required by applicable Hazardous Materials Laws in effect at the time of such investigation, clean up, removal, remediation or disposal, and (iii) repair of any damage to the Property or any other property caused by any investigation, clean up, removal, remediation or disposal.

(b) Upon demand by any Indemnified Party, Tenant shall defend any investigation, action or proceeding in connection with any claim or liability, or alleged claim or liability, that would, if determined adversely to such Indemnified Party, be covered by the foregoing indemnification provisions, such defense to be at Tenant's sole cost and expense and by counsel chosen by such Indemnified Party, which counsel may, without limiting the rights of an Indemnified Party pursuant to the next succeeding sentence of this Section 5(b), also represent Tenant in such investigation, action or proceeding.

(c) As used herein, the term "Hazardous Materials" means and includes any flammable, explosive, or radioactive materials or hazardous, toxic or dangerous wastes, substances or related materials or any other chemicals, materials or substances, exposure to which is prohibited, limited or regulated by any federal, state, county, regional or local authority or which, even if not so regulated, may or could pose a hazard to the health and safety of the occupants of the Property or of property adjacent to the Property, including, but not limited to, asbestos, PCBs, petroleum products and byproducts, substances defined or listed as "hazardous substances" or "toxic substances" or similarly identified in, pursuant to, or for purposes of, the Comprehensive Environmental Response, Compensation, and Liability Act, as amended (42 U.S.C. Section 9601, et seq.), the Hazardous Materials Transportation Act (49 U.S.C. Section 1801, et seq.), the Resource Conservation and Recovery Act (42 U.S.C. Section 6901, et seq.), and any so-called "Superfund" or "Superlien" law, or any other federal, state or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, or any substances or mixture regulated under the Toxic Substance Control Act of 1976, as now or hereafter amended (15 U.S.C. Section 2601, et seq.); and any "toxic pollutant" under the Clean Water Act, as now or hereafter amended (33 U.S.C. Section 1251, et seq.); and any
hazardous air pollutant under the Clean Air Act, as now or hereafter amended (42 U.S.C. Section 7901, et seq.). The term "Hazardous Materials Laws" means any federal, state or local law, code, statute, ordinance, rule, regulation, rule of common law or guideline relating to Hazardous Materials now or hereafter enacted or promulgated (collectively, and including, without limitation, any such laws which require notice of the use, presence, storage, generation, disposal or release of any Hazardous Materials to be provided to any party).

(d) This Environmental Indemnity provision shall survive the termination of this Lease.

SECTION 8. ADDITIONAL AGREEMENTS.

A. Tenant shall attend a mandatory safety and security meeting provided by Landlord prior to operating on the Property.

B. Dumping fill, spreading septic, sewage material, sludge or sludge lime, waste treatment, or non-agricultural material is prohibited, except with the express, written consent of the Landlord.

C. No hunting rights or privileges are granted for the Property and Tenant shall not allow any hunting to take place thereon.

D. Tenant will timely certify the acreages planted of each crop at the Farm Service office.

E. Landlord may, from time to time, remove some portion of the Property from Tenant's use under this lease, without penalty to Landlord except for the payment of crop damage as detailed below. In the event of the Landlord selling, changing the land use, altering the Property or otherwise removing a portion of the Property from the use of Tenant, the Tenant will be given notice to remove the growing crop, if possible. Additional land may be excluded from this lease by Landlord before planting a new crop. Any annual rent collected to date then to be refunded to Tenant. The Landlord will compensate the Tenant for crop damage during the growing season resulting from borings or other activities before planting, amount not to exceed the per acre price; after the crop is planted, not to exceed $600.00 per acre; after July 15th until harvest season, not to exceed $700.00 per acre with Landlord keeping the rent in all cases.

F. The failure of Landlord on one or more occasions to enforce any one of the provisions of this Lease Agreement or to exercise any right, remedy or privilege hereunder shall not be construed as a waiver of any subsequent breach or default of a similar nature or as a waiver of any such provision, right, remedy or privilege.

G. This Lease Agreement and its interpretation and application shall be governed by the internal laws of the State of Illinois without giving effect to conflicts of laws principles. Venue for any action concerning the enforcement of this Lease Agreement shall be proper only in the Sixteenth Judicial Circuit Court, DeKalb County, Illinois.
IN WITNESS WHEREOF, we affix our signatures this, the day and year first written above.

City of DeKalb,
an Illinois Municipal Corporation

By: 

Its: City Manager

Tenant

Danny Wells

PERSONAL GUARANTY

Tenant’s performance of all of the foregoing obligations of the Lease are hereby unconditionally guaranteed by the person whose signature appears below. Said Guarantor waives presentment, dishonor and understands that Landlord has no obligation to pursue Tenant to enforce any provisions of this Lease prior to enforcing same against Guarantor. Tenant and Guarantor acknowledge that Landlord would not enter into this Lease without Guarantor executing and guaranteeing Tenant’s obligations herein.

Guarantor

______________________________
Print Name

______________________________
Signature
RESOLUTION 2016-018  PASSED: MARCH 14, 2016

AUTHORIZING THE CITY MANAGER OF THE CITY OF DEKALB, ILLINOIS TO EXECUTE FIVE SMALL FARM LEASES FOR A PERIOD OF THREE YEARS (MARCH 1, 2016 – DECEMBER 15, 2018).

WHEREAS, the City of DeKalb is a Home-Rule Municipal Corporation governed by the applicable provisions of the Illinois Constitution and Illinois Municipal Code; and,

WHEREAS, the City owns certain properties which are leased for agricultural purposes, pending future public use by the City, and the City periodically renews the leases for said properties; and,

WHEREAS, while large parcels are leased through a competitively bid process, the leases for small, irregular parcels are proposed to be leased to the persons farming adjacent, larger parcels, to increase the efficiency of farming operations, with rental payments equivalent to that paid for the larger City parcels let by competitive bid; and,

WHEREAS, the City Council’s action herein would be expressly authorizing the execution of an agreement with a City Employee, Danny Wells, as disclosed below, on terms and conditions identical to those offered to other adjacent property tenants;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF DEKALB, ILLINOIS:

Section 1: The City hereby authorizes the lease of four small parcels of land adjacent to the DeKalb Taylor Municipal Airport (DTMA) and one parcel adjacent to the Dresser Road Water Tower, as follows:

1. 20.3 Acre parcel at DTMA leased to DeKalb High School Future Farmers of America at $116.25 per acre.
2. 7.3 Acre parcel at DTMA leased to Weishaar Farms at $232.50 per acre.
3. 5.5 Acre parcel at DTMA leased to Larson Grain Farms at $232.50 per acre.
4. 14.5 Acre parcel at DTMA leased to Diehl Farms at $232.50 per acre.
5. 9.0 Acre parcel at Dresser Road water plant leased to City Employee Danny Wells at $232.50 per acre.

The City Manager is authorized and directed to execute lease agreements with each of the foregoing parties, on terms and conditions acceptable to her, with terms not exceeding three years in length.

Section 2: That this Resolution shall become effective immediately upon its passage and recording by the City Clerk.

PASSED BY THE CITY COUNCIL of the City of DeKalb, Illinois, at a regular meeting thereof held on the 14th day of March, 2016 and approved by me as Mayor on the same day. Passed by an Omnibus roll call vote of 5-0 on the Consent Agenda. Aye: Jacobson, Finucane, Marquardt, Snow, Noreiko, Baker, Fairve, Rey.

ATTEST:

JENNIFER JEEP JOHNSON, City Clerk  
JOHN A. REY, Mayor
DEKALB TAYLOR MUNICIPAL AIRPORT
AGRICULTURAL FARM LEASE

Portions of Tracts 13 and 14, 08-24-251-004, 08-24-251-005, and 08-24-401-003 - 20.3 acres

This lease is entered into the 1st day of March, 2016, between City of DeKalb, an Illinois Municipal Corporation, Landlord, and the Board of Education of DeKalb Community Unit School District No. 428, DeKalb County, Illinois (organized under the provisions of the School Code) by its Board of Education, Tenant.

The Landlord, in consideration of the agreements set forth in this lease to be kept and performed by the Tenant, rents and leases to the Tenant, to occupy and to use for agricultural purposes only, the following real estate located in the County of DeKalb and State of Illinois, described as follows (hereinafter referred to as the "Property"):

The cropland of Permanent Tax Index No(s). Portions of Tracts 13 and 14, 08-24-251-004, 08-24-251-005, and 08-24-401-003

The term of this lease shall be from the 1st day of March, 2016 to the 15th day of December, 2018 or earlier if final harvesting has occurred. Following final harvest in the last year of the lease, the Tenant shall obtain the Landlord's consent prior to the application of any fertilizer or the completion of any fall tillage operations. In the last year of the lease, Tenant shall, in all events, complete final harvest by not later than December 15, 2018; any crops remaining on the Property thereafter shall become the property of the Landlord.

The terms of this lease shall be binding on the heirs, executors, administrators, and assigns of both Landlord and Tenant in like manner as upon the original parties, except by mutual agreement otherwise.

SECTION 1. AMOUNT OF RENT AND TIME OF PAYMENT.

The Tenant agrees to pay the Landlord as annual cash rent for the above-described Property the sum of $2359.88, which shall be paid on the 15th day of March of each year of the lease.

This represents 20.3 acres @ $116.25 per acre.

SECTION 2. LANDLORD'S INVESTMENT AND EXPENSE.

The Landlord agrees to allow Tenant the quiet enjoyment of the Property so long as Tenant complies with all of Tenant's obligations of this Lease.

SECTION 3: TENANT'S INVESTMENT AND EXPENSES.

The Tenant agrees to furnish the Property and to pay the items of expenses described below:

A. All machinery, equipment, fuel and labor necessary to operate the Property.
B. All *ad valorem* property taxes or assessments of any nature on the Property. The Tenant shall be responsible for paying all property taxes and assessments due for the Property during the term of this lease (e.g. the Tenant shall pay the property taxes for tax year 2015, which are due and payable in calendar year 2016, the taxes for tax year 2016, which are due and payable in 2017, and the taxes for tax year 2017, which are due and payable in 2018). The tenant shall be responsible for obtaining a copy of the tax and assessment bill(s) for the Property, and for timely paying all taxes and assessments on or prior to their due date.

C. All operating expenses or the portion of expenses not furnished or paid by the Landlord as provided in this lease. Except as otherwise expressly indicated herein, the Landlord shall not be responsible for any expenses related to the Property or this lease.

D. **Insurance.** Tenant covenants and agrees prior to any use or occupancy of the Property and at Tenant's sole cost and expense to maintain in full force and effect at all times during the term of this lease, workmen's compensation insurance (if required under applicable law) with statutory limits of coverage and general liability insurance naming Landlord as an additional insured with waiver of subrogation and with limits not less than One Million ($1,000,000) for personal injury, including bodily injury and death, property damage, and with coverage for pollution, crop spraying, overspray and drift. Tenant shall provide Landlord with a copy of the declaration pages of all such insurance policies. Such insurance policies shall be issued by an insurance company approved by Landlord and in a form acceptable to Landlord and shall be subject to modification or cancellation only upon written notice delivered by certified mail to Landlord not less than thirty (30) days in advance of any such proposed modification or cancellation. Said policies shall name the Landlord as an additional primary insured on all forms of coverage.

**SECTION 4. TENANT'S DUTIES IN OPERATING PROPERTY.**

In addition to the agreements covered by the foregoing provisions of this lease, the Tenant further agrees that he will perform and carry out the stipulations represented in the following clauses:

A. To faithfully cultivate the Property in a timely, thorough and businesslike manner.

B. Not assign this lease to any person or persons or sublet any part of the Property without the written consent of the Landlord.

C. To take proper care of all trees, vines and shrubs, and to prevent injury to the same.

D. Not to cut live trees except by permission of the Landlord.

E. Not to allow noxious weeds to go to seed on said Property, but to destroy the same and to cut and maintain the sprouts, brush, weeds and grass up to the roads adjoining the land as often as needed each year.
F. Not to burn cornstalks, straw, or other crop residues grown upon the Property except by permission of the Landlord, but to leave or spread all such material upon the land, and in no case to remove from the Property any such material without the consent of the Landlord.

G. To prevent all unnecessary waste, or loss, or damage to the Property of the Landlord.

H. The Tenant agrees to plow in any post-harvest crop residue on or before November 15th of each year of this lease. Tenant also agrees to follow such crop rotation, tillage practices, fertilizer programs, conservation measures and arrangements as are instructed by Landlord.

I. To keep the Property neat and orderly.

J. The buildings, fences and other improvements on the Property are to be kept in as good repair and condition as they are at the beginning of the lease, or in as good repair and condition as they may be put in by the Landlord during the term of the lease, ordinary wear and depreciation excepted.

K. To preserve established watercourses or ditches, to refrain from any operation that will injure them, and to comply with all applicable rules and regulations governing the maintenance and use of watercourses, ditches, erodible soils, drainage systems or related areas of the Property.

L. To haul and spread all manure on appropriate fields at times and in quantities consistent with environmental protection requirements.

M. Follow the farming practices that are generally recommended for and that are best adapted to this type of Property and for this locality unless other practices are agreed upon.

SECTION 5. MANAGEMENT AND BUSINESS PROCEDURES.

The Landlord and Tenant agree that they will observe the following provisions:

A. Except when mutually decided otherwise, the land use and cropping system shall be approximately as follows: All tillable cropland as hereby rented to Tenant.

B. The fertilizer and limestone program shall be nitrogen, phosphorus and potash applied annually to produce corn or soybeans and maintain the fertility of the soil, for which the Tenant shall provide records and receipts of all applications, to the Landlord or his Agent, if requested. Soil testing, fertilizer, chemical, seed and ag lime costs are all Tenant's expense.

SECTION 6. DEFAULT, COMPENSATION FOR DAMAGE, METHOD OF SETTLEMENT, RIGHT OF ENTRY.
A. Tenant is not to erect or permit to be erected upon said Property, any structure, building, fence or sign of any kind whatsoever, except by the written consent of the Landlord, nor to purchase any materials or incur any expenses for the account of the Landlord without its approval and will not make a claim for labor at any time unless Landlord has given written permission at a previous date.

B. Nothing in this lease shall confer upon the Tenant any right to minerals underlying said land or any part thereof, but the same are hereby expressly reserved by the Landlord together with the full right and liberty to them, to enter upon the Property and to bore, search and excavate for same, to work and remove the same, and to deposit excavated rubbish, and with full liberty to pass over said Property with vehicles and lay down and work any such railroad track or tracks, tanks, pipe lines, powers and structures as may be necessary or convenient for the above purpose. Said Landlord, however, agrees to deduct from the annual rent, pro-rata, for the land so taken by him or his assigns for said uses when the rental of such land is cash, and to reimburse the said Tenant for any actual damage he may suffer for crops destroyed where such land is on grain rent and to release Tenant from obligation to continue farming this Property when development of resources interferes materially with Tenant's ability to make a satisfactory return.

C. Landlord shall in no way be liable in damages for failure of water supply or for any damage by the elements or otherwise, to any of the improvements, nor for any loss or damage while improvements are under construction or repair, nor for any failure to repair or alter or replace any buildings or improvement.

D. Tenant takes possession of the Property subject to the hazards of operating a farm and assumes all risk of accidents to himself, his family, employees, agents, representatives, contractors or assigns in pursuance of his farming operations, or in performing repairs to the buildings, fences and other improvements, or accidents and injuries arising out of the use of farm equipment and machines.

E. **Indemnity.** Tenant shall indemnify, defend and hold harmless Landlord and its employees, agents, representatives, contractors and assigns from any and all claims, liens, penalties, demands, actions, proceedings, liabilities or losses of any nature whatsoever (including attorneys' fees and expenses and court costs) arising out of or relating to the acts or omissions of Tenant, or its employees, agents, representatives, contractors or assigns, in exercising any of Tenant's rights hereunder or from use or occupancy of the Property in any manner whatsoever by the Tenant, or its employees, agents, representatives, contractors or assigns, except to the extent solely due and proximately caused by Landlord's gross negligence or willful and wanton acts.

F. **Liability for Damage to Property or Persons.** Landlord shall not be liable to Tenant for any injury or death to any person or persons, or for any damage to Tenant's business or to the property, machines, fixtures, and equipment of Tenant, or any person claiming through or under Tenant, arising out of any accident or occurrence in, upon or near the Property unless such injury, death or damage is solely due to and proximately caused by Landlord's gross negligence or willful and wanton acts. All property of Tenant shall be kept or stored at the Property at the risk of Tenant, and Tenant shall defend and hold
Landlord harmless from claims arising out of damage to same, including subrogation claims by Tenant's insurance carrier, unless such damage shall be solely due and proximately caused by the willful act or gross neglect of Landlord. Landlord shall not be responsible for injury or damage to any persons or property of Tenant or of others caused by or resulting from bursting, breakage or leakage of pipes, from steam, snow or ice, from running, backing up, seepage or overflow of water or sewage in or near the Property or resulting from acts of God or the elements or from any defect or negligence in the occupancy, construction, operation or use of the Property including any building improvements, structural elements, mechanical systems and other machinery and equipment.

Landlord shall not be liable for any injury or damage to persons or property or to any building, structure or improvements on the Property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain or snow or leaks from any building, structure or improvements on the Property or from the pipes, appliances or plumbing works or from the roof, street or subsurface or from any other place or by dampness or by any other cause of whatever nature; Landlord shall not be liable for any such injury or damage caused by other tenants or by occupants of the Property or property adjacent thereto or by the public, or by operations in the construction of any private, public, or quasi-public work. Landlord shall not be liable for any latent defect in construction or renovations to the Property or to any building, structure or improvements located on the Property.

G. Right of Entry. The Landlord or his Agent shall be entitled to free access to the Property at all times and may make any repairs and improvements thereon. If this lease is terminated, the Landlord or his Agent shall be entitled to fall till, fertilize or otherwise prepare the ground and plant in proper season for the following year's crops.

H. If the Tenant shall, from any cause, fail to comply with any of Tenant's obligations herein, the Landlord may at any time when such failure occurs after giving five days' written notice of its intention to do so: (1) terminate this lease; or (2) terminate Tenant's right to possession under this lease and take possession of said Property and buildings thereon which the Tenant agrees to surrender without said possession terminating this lease and Tenant's obligation to pay rent hereunder, and employ other persons to tend said crop and perform all the agreements of the Tenant as herein contained as fully as the same are contemplated in this agreement and after deducting all monies advanced, or monies or crops due for the rent and the expense of attending such crop as aforesaid, to pay the residue, if any, to the Tenant. If the Tenant shall fail to pay the cash rent, or shall fail to keep any of the agreements of this lease, all costs and attorney's fees of the Landlord in enforcing collection or performance, shall be added to and become a part of the obligations payable by the Tenant hereunder.

I. Yielding Possession. The Tenant agrees that at the expiration of the term of this lease, he will yield up possession of the Property to the Landlord without further demand or notice, in as good order and condition as when same were entered upon by the Tenant, loss by fire or tornado, and ordinary wear excepted. The Tenant shall pay to the Landlord a reasonable compensation for any damage to the Property above the aforementioned exceptions.
J. The Tenant shall be responsible for all employer obligations on hired labor with respect to safety requirements, social security and workers compensation contributions, and the Landlord shall have no responsibilities therefore.

SECTION 7. ENVIRONMENTAL CONCERNS.

A. The Tenant is to use prudence and care in transporting, storing, handling and applying all fertilizers, pesticides, herbicides, and other chemicals and similar substances, and to read and follow instructions on the labels for the use of such materials in order to avoid injury or damages to persons or property or both on the Property and adjoining areas.

B. Any chemicals for weed or insect control or other use, when used, should be applied at levels not to exceed the manufacturer's recommendation for the soil types involved. The Tenant agrees to provide the Landlord annually, a written report indicating the product name, amount, date of application and location of application of all pesticides and fertilizers used on the Property.

C. No chemicals will be stored on the Property. When chemicals or petroleum products are on the Property, they will be only those planned to be used on the Property, and they will be in closed, tight containers above ground and clearly marked. No chemicals or chemical containers will be disposed of on the Property.

D. Both Landlord and Tenant affirm the goals of minimizing soil erosion losses and preserving the productivity of the land in ways that are consonant with their needs and desires for acceptable current returns to their individual inputs on the Property.

E. Environmental Indemnity.

(a) Tenant hereby agrees to defend, protect, indemnify and hold harmless Landlord, Landlord's affiliates, directors, officers, agents and employees, and Landlord's participants, successors and assigns (hereinafter, collectively the "Indemnified Parties"), from and against, and shall reimburse the Indemnified Parties for, any and all actual out-of-pocket costs (including, without limitation, attorneys' fees, consultants' fees, laboratory costs, expenses and court costs), expense or loss arising from any claim, liability, demands, damage, injunctive relief, claims of lien, liens, settlements, legal and administrative proceedings, injury to person, property or natural resources, fine, penalty, action, cause of action and obligations and liabilities of any kind or nature whatsoever (collectively, "Costs and Liabilities"), incurred by or asserted against any Indemnified Party and arising directly or indirectly, in whole or in part, out of the release, discharge, deposit or presence, or alleged or suspected release, discharge, deposit or presence of any Hazardous Materials at, on, within, under, about or from the Property, or in or adjacent to any part of the Property, or in the soil, groundwater or soil vapor on or under the Property, or elsewhere in connection with the transportation of Hazardous Materials to or from the Property in violation of any Hazardous Materials Laws, whether or not known to Tenant or Indemnified Parties, whether
foreseeable or unforeseeable, regardless of the source of such release, discharge, deposit or presence, regardless of when such release, discharge, deposit or presence occurred or is discovered. Without limiting the generality of the foregoing indemnity, such Costs and Liabilities shall include, without limitation, all actual out-of-pocket costs incurred by Indemnified Parties in connection with (i) determining whether the Property is in compliance or the amount of money required to remediate any environmental contamination, and causing the Property to be or become in compliance, with all applicable Hazardous Materials Laws, (ii) any investigation, clean up, removal or remediation of any kind and disposal of any Hazardous Materials present in the soil, groundwater, or at, on, under or within the Property, released from the Property, or which migrate, flow, or percolate onto, under or within any facility or property with respect to which Tenant or Landlord otherwise would have any liability or are otherwise present due to the act of a third party, to the extent required by applicable Hazardous Materials Laws in effect at the time of such investigation, clean up, removal, remediation or disposal, and (iii) repair of any damage to the Property or any other property caused by any investigation, clean up, removal, remediation or disposal.

(b) Upon demand by any Indemnified Party, Tenant shall defend any investigation, action or proceeding in connection with any claim or liability, or alleged claim or liability, that would, if determined adversely to such Indemnified Party, be covered by the foregoing indemnification provisions, such defense to be at Tenant's sole cost and expense and by counsel chosen by such Indemnified Party, which counsel may, without limiting the rights of an Indemnified Party pursuant to the next succeeding sentence of this Section 5(b), also represent Tenant in such investigation, action or proceeding.

(c) As used herein, the term "Hazardous Materials" means and includes any flammable, explosive, or radioactive materials or hazardous, toxic or dangerous wastes, substances or related materials or any other chemicals, materials or substances, exposure to which is prohibited, limited or regulated by any federal, state, county, regional or local authority or which, even if not so regulated, may or could pose a hazard to the health and safety of the occupants of the Property or of property adjacent to the Property, including, but not limited to, asbestos, PCBs, petroleum products and byproducts, substances defined or listed as "hazardous substances" or "toxic substances" or similarly identified in, pursuant to, or for purposes of, the Comprehensive Environmental Response, Compensation, and Liability Act, as amended (42 U.S.C. Section 9601, et seq.), the Hazardous Materials Transportation Act (49 U.S.C. Section 1801, et seq.), the Resource Conservation and Recovery Act (42 U.S.C. Section 6901, et seq.), and any so-called "Superfund" or "Superlien" law, or any other federal, state or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, or any substances or mixture regulated under the Toxic Substance Control Act of 1976, as now or hereafter amended (15 U.S.C. Section 2601, et seq.); and any "toxic pollutant" under the Clean Water
Act, as now or hereafter amended (33 U.S.C. Section 1251, et seq.); and any hazardous air pollutant under the Clean Air Act, as now or hereafter amended (42 U.S.C. Section 7901, et seq.). The term "Hazardous Materials Laws" means any federal, state or local law, code, statute, ordinance, rule, regulation, rule of common law or guideline relating to Hazardous Materials now or hereafter enacted or promulgated (collectively, and including, without limitation, any such laws which require notice of the use, presence, storage, generation, disposal or release of any Hazardous Materials to be provided to any party).

(d) This Environmental Indemnity provision shall survive the termination of this Lease.

SECTION 8. ADDITIONAL AGREEMENTS.

A. Tenant shall attend a mandatory safety and security meeting provided by Landlord prior to operating on the Property.

B. Dumping fill, spreading septic, sewage material, sludge or sludge lime, waste treatment, or non-agricultural material is prohibited, except with the express, written consent of the Landlord.

C. No hunting rights or privileges are granted for the Property and Tenant shall not allow any hunting to take place thereon.

D. Tenant will timely certify the acreages planted of each crop at the Farm Service office.

E. Landlord may, from time to time, remove some portion of the Property from Tenant's use under this lease, without penalty to Landlord except for the payment of crop damage as detailed below. In the event of the Landlord selling, changing the land use, altering the Property or otherwise removing a portion of the Property from the use of Tenant, the Tenant will be given notice to remove the growing crop, if possible. Additional land may be excluded from this lease by Landlord before planting a new crop. Any annual rent collected to date then to be refunded to Tenant. The Landlord will compensate the Tenant for crop damage during the growing season resulting from borings or other activities before planting, amount not to exceed the per acre price; after the crop is planted, not to exceed $600.00 per acre; after July 15th until harvest season, not to exceed $700.00 per acre with Landlord keeping the rent in all cases.

F. The failure of Landlord on one or more occasions to enforce any one of the provisions of this Lease Agreement or to exercise any right, remedy or privilege hereunder shall not be construed as a waiver of any subsequent breach or default of a similar nature or as a waiver of any such provision, right, remedy or privilege.

G. This Lease Agreement and its interpretation and application shall be governed by the internal laws of the State of Illinois without giving effect to conflicts of laws principles. Venue for any action concerning the enforcement of this Lease Agreement shall be proper only in the Sixteenth Judicial Circuit Court, DeKalb County, Illinois.
IN WITNESS WHEREOF, we affix our signatures this, the day and year first written above.

City of DeKalb,
an Illinois Municipal Corporation

By: ________________________________
    Its: City Manager

Tenant

Board of Education of Community School District No. 428 DeKalb County, Illinois

PERSONAL GUARANTY

Tenant’s performance of all of the foregoing obligations of the Lease are hereby unconditionally guaranteed by the person whose signature appears below. Said Guarantor waives presentment, dishonor and understands that Landlord has no obligation to pursue Tenant to enforce any provisions of this Lease prior to enforcing same against Guarantor. Tenant and Guarantor acknowledge that Landlord would not enter into this Lease without Guarantor executing and guaranteeing Tenant’s obligations herein.

Guarantor

______________________________
Print Name

______________________________
Signature
RESOLUTION 2016-018        PASSED: MARCH 14, 2016

AUTHORIZING THE CITY MANAGER OF THE CITY OF DEKALB, ILLINOIS TO EXECUTE FIVE SMALL FARM LEASES FOR A PERIOD OF THREE YEARS (MARCH 1, 2016 – DECEMBER 15, 2018).

WHEREAS, the City of DeKalb is a Home-Rule Municipal Corporation governed by the applicable provisions of the Illinois Constitution and Illinois Municipal Code; and,

WHEREAS, the City owns certain properties which are leased for agricultural purposes, pending future public use by the City, and the City periodically renewes the leases for said properties; and,

WHEREAS, while large parcels are leased through a competitively bid process, the leases for small, irregular parcels are proposed to be leased to the persons farming adjacent, larger parcels, to increase the efficiency of farming operations, with rental payments equivalent to that paid for the larger City parcels let by competitive bid; and,

WHEREAS, the City Council’s action herein would be expressly authorizing the execution of an agreement with a City Employee, Danny Wells, as disclosed below, on terms and conditions identical to those offered to other adjacent property tenants;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF DEKALB, ILLINOIS:

Section 1: The City hereby authorizes the lease of four small parcels of land adjacent to the DeKalb Taylor Municipal Airport (DTMA) and one parcel adjacent to the Dresser Road Water Tower, as follows:

1. 20.3 Acre parcel at DTMA leased to DeKalb High School Future Farmers of America at $116.25 per acre.
2. 7.3 Acre parcel at DTMA leased to Weishaar Farms at $232.50 per acre.
3. 5.5 Acre parcel at DTMA leased to Larson Grain Farms at $232.50 per acre.
4. 14.5 Acre parcel at DTMA leased to Diehl Farms at $232.50 per acre.
5. 9.0 Acre parcel at Dresser Road water plant leased to City Employee Danny Wells at $232.50 per acre.

The City Manager is authorized and directed to execute lease agreements with each of the foregoing parties, on terms and conditions acceptable to her, with terms not exceeding three years in length.

Section 2: That this Resolution shall become effective immediately upon its passage and recording by the City Clerk.

PASSED BY THE CITY COUNCIL of the City of DeKalb, Illinois, at a regular meeting thereof held on the 14th day of March, 2016 and approved by me as Mayor on the same day. Passed by an Omnibus roll call vote of 9-0 on the Consent Agenda. Aye: Jacobson, Finucane, Marquardt, Snow, Noreiko, Baker, Faivre, Rey.

ATTEST:

JENNIFER JEFF JOHNSON, City Clerk

JOHN A. REY, Mayor
DEKALB TAYLOR MUNICIPAL AIRPORT
AGRICULTURAL FARMLAND LEASE
Track 09-17-100-022 14.5 acres

This lease is entered into the 1st day of March, 2016, between City of DeKalb, an Illinois Municipal Corporation, Landlord, and Diehl Farms Partnership, Tenant.

The Landlord, in consideration of the agreements set forth in this lease to be kept and performed by the Tenant, rents and leases to the Tenant, to occupy and to use for agricultural purposes only, the following real estate located in the County of DeKalb and State of Illinois, described as follows (hereinafter referred to as the "Property"):

The cropland of Permanent Tax Index No(s). of Track 09-17-100-022 acres consisting of 14.5 tillable acres.

The term of this lease shall be from the 1st day of March, 2016 to the 15th day of December, 2018 or earlier if final harvesting has occurred. Following final harvest in the last year of the lease, the Tenant shall obtain the Landlord's consent prior to the application of any fertilizer or the completion of any fall tillage operations. In the last year of the lease, Tenant shall, in all events, complete final harvest by not later than December 15, 2018; any crops remaining on the Property thereafter shall become the property of the Landlord.

The terms of this lease shall be binding on the heirs, executors, administrators, and assigns of both Landlord and Tenant in like manner as upon the original parties, except by mutual agreement otherwise.

SECTION 1. AMOUNT OF RENT AND TIME OF PAYMENT.

The Tenant agrees to pay the Landlord as annual cash rent for the above-described Property the sum of $3371.25, which shall be paid on the 15th day of March of each year of the lease.

This represents 14.5 acres @ $232.50 per acre.

SECTION 2. LANDLORD'S INVESTMENT AND EXPENSE.

The Landlord agrees to allow Tenant the quiet enjoyment of the Property so long as Tenant complies with all of Tenant's obligations of this Lease.

SECTION 3: TENANT'S INVESTMENT AND EXPENSES.

The Tenant agrees to furnish the Property and to pay the items of expenses described below:

A. All machinery, equipment, fuel and labor necessary to operate the Property.

B. All ad valorem property taxes or assessments of any nature on the Property. The Tenant shall be responsible for paying all property taxes and assessments due for the
Property during the term of this lease (e.g. the Tenant shall pay the property taxes for tax year 2015, which are due and payable in calendar year 2016, the taxes for tax year 2016, which are due and payable in 2017, and the taxes for tax year 2017, which are due and payable in 2018). The tenant shall be responsible for obtaining a copy of the tax and assessment bill(s) for the Property, and for timely paying all taxes and assessments on or prior to their due date.

C. All operating expenses or the portion of expenses not furnished or paid by the Landlord as provided in this lease. Except as otherwise expressly indicated herein, the Landlord shall not be responsible for any expenses related to the Property or this lease.

D. **Insurance.** Tenant covenants and agrees prior to any use or occupancy of the Property and at Tenant’s sole cost and expense to maintain in full force and effect at all times during the term of this lease, workmen’s compensation insurance (if required under applicable law) with statutory limits of coverage and general liability insurance naming Landlord as an additional insured with waiver of subrogation and with limits not less than One Million ($1,000,000) for personal injury, including bodily injury and death, property damage, and with coverage for pollution, crop spraying, overspray and drift. **Tenant shall provide Landlord with a copy of the declaration pages of all such insurance policies.** Such insurance policies shall be issued by an insurance company approved by Landlord and in a form acceptable to Landlord and shall be subject to modification or cancellation only upon written notice delivered by certified mail to Landlord not less than thirty (30) days in advance of any such proposed modification or cancellation. Said policies shall name the Landlord as an additional primary insured on all forms of coverage.

**SECTION 4. TENANT’S DUTIES IN OPERATING PROPERTY.**

In addition to the agreements covered by the foregoing provisions of this lease, the Tenant further agrees that he will perform and carry out the stipulations represented in the following clauses:

A. To faithfully cultivate the Property in a timely, thorough and businesslike manner.

B. Not assign this lease to any person or persons or sublet any part of the Property without the written consent of the Landlord.

C. To take proper care of all trees, vines and shrubs, and to prevent injury to the same.

D. Not to cut live trees except by permission of the Landlord.

E. Not to allow noxious weeds to go to seed on said Property, but to destroy the same and to cut and maintain the sprouts, brush, weeds and grass up to the roads adjoining the land as often as needed each year.

F. Not to burn cornstalks, straw, or other crop residues grown upon the Property except by permission of the Landlord, but to leave or spread all such material upon the land, and in
no case to remove from the Property any such material without the consent of the Landlord.

G. To prevent all unnecessary waste, or loss, or damage to the Property of the Landlord.

H. The Tenant agrees to plow in any post-harvest crop residue on or before November 15th of each year of this lease. Tenant also agrees to follow such crop rotation, tillage practices, fertilizer programs, conservation measures and arrangements as are instructed by Landlord.

I. To keep the Property neat and orderly.

J. The buildings, fences and other improvements on the Property are to be kept in as good repair and condition as they are at the beginning of the lease, or in as good repair and condition as they may be put in by the Landlord during the term of the lease, ordinary wear and depreciation excepted.

K. To preserve established watercourses or ditches, to refrain from any operation that will injure them, and to comply with all applicable rules and regulations governing the maintenance and use of watercourses, ditches, erodible soils, drainage systems or related areas of the Property.

L. To haul and spread all manure on appropriate fields at times and in quantities consistent with environmental protection requirements.

M. Follow the farming practices that are generally recommended for and that are best adapted to this type of Property and for this locality unless other practices are agreed upon.

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The Landlord and Tenant agree that they will observe the following provisions:

A. Except when mutually decided otherwise, the land use and cropping system shall be approximately as follows: All tillable cropland as hereby rented to Tenant.

B. The fertilizer and limestone program shall be nitrogen, phosphorus and potash applied annually to produce corn or soybeans and maintain the fertility of the soil, for which the Tenant shall provide records and receipts of all applications, to the Landlord or his Agent, if requested. Soil testing, fertilizer, chemical, seed and ag lime costs are all Tenant's expense.

SECTION 6. DEFAULT, COMPENSATION FOR DAMAGE, METHOD OF SETTLEMENT, RIGHT OF ENTRY.

A. Tenant is not to erect or permit to be erected upon said Property, any structure, building, fence or sign of any kind whatsoever, except by the written consent of the Landlord, nor
to purchase any materials or incur any expenses for the account of the Landlord without its approval and will not make a claim for labor at any time unless Landlord has given written permission at a previous date.

B. Nothing in this lease shall confer upon the Tenant any right to minerals underlying said land or any part thereof, but the same are hereby expressly reserved by the Landlord together with the full right and liberty to them, to enter upon the Property and to bore, search and excavate for same, to work and remove the same, and to deposit excavated rubbish, and with full liberty to pass over said Property with vehicles and lay down and work any such railroad track or tracks, tanks, pipe lines, powers and structures as may be necessary or convenient for the above purpose. Said Landlord, however, agrees to deduct from the annual rent, pro-rata, for the land so taken by him or his assigns for said uses when the rental of such land is cash, and to reimburse the said Tenant for any actual damage he may suffer for crops destroyed where such land is on grain rent and to release Tenant from obligation to continue farming this Property when development of resources interferes materially with Tenant's ability to make a satisfactory return.

C. Landlord shall in no way be liable in damages for failure of water supply or for any damage by the elements or otherwise, to any of the improvements, nor for any loss or damage while improvements are under construction or repair, nor for any failure to repair or alter or replace any buildings or improvement.

D. Tenant takes possession of the Property subject to the hazards of operating a farm and assumes all risk of accidents to himself, his family, employees, agents, representatives, contractors or assigns in pursuance of his farming operations, or in performing repairs to the buildings, fences and other improvements, or accidents and injuries arising out of the use of farm equipment and machines.

E. **Indemnity.** Tenant shall indemnify, defend and hold harmless Landlord and its employees, agents, representatives, contractors and assigns from any and all claims, liens, penalties, demands, actions, proceedings, liabilities or losses of any nature whatsoever (including attorneys' fees and expenses and court costs) arising out of or relating to the acts or omissions of Tenant, or its employees, agents, representatives, contractors or assigns, in exercising any of Tenant's rights hereunder or from use or occupancy of the Property in any manner whatsoever by the Tenant, or its employees, agents, representatives, contractors or assigns, except to the extent solely due and proximately caused by Landlord's gross negligence or willful and wanton acts.

F. **Liability for Damage to Property or Persons.** Landlord shall not be liable to Tenant for any injury or death to any person or persons, or for any damage to Tenant's business or to the property, machines, fixtures, and equipment of Tenant, or any person claiming through or under Tenant, arising out of any accident or occurrence in, upon or near the Property unless such injury, death or damage is solely due to and proximately caused by Landlord's gross negligence or willful and wanton acts. All property of Tenant shall be kept or stored at the Property at the risk of Tenant, and Tenant shall defend and hold Landlord harmless from claims arising out of damage to same, including subrogation claims by Tenant's insurance carrier, unless such damage shall be solely due and
proximately caused by the willful act or gross neglect of Landlord. Landlord shall not be responsible for injury or damage to any persons or property of Tenant or of others caused by or resulting from bursting, breakage or leakage of pipes, from steam, snow or ice, from running, backing up, seepage or overflow of water or sewage in or near the Property or resulting from acts of God or the elements or from any defect or negligence in the occupancy, construction, operation or use of the Property including any building improvements, structural elements, mechanical systems and other machinery and equipment.

Landlord shall not be liable for any injury or damage to persons or property or to any building, structure or improvements on the Property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain or snow or leaks from any building, structure or improvements on the Property or from the pipes, appliances or plumbing works or from the roof, street or subsurface or from any other place or by dampness or by any other cause of whatever nature; Landlord shall not be liable for any such injury or damage caused by other tenants or by occupants of the Property or property adjacent thereto or by the public, or by operations in the construction of any private, public, or quasi-public work. Landlord shall not be liable for any latent defect in construction or renovations to the Property or to any building, structure or improvements located on the Property.

G. **Right of Entry.** The Landlord or his Agent shall be entitled to free access to the Property at all times and may make any repairs and improvements thereon. If this lease is terminated, the Landlord or his Agent shall be entitled to fall till, fertilize or otherwise prepare the ground and plant in proper season for the following year's crops.

H. If the Tenant shall, from any cause, fail to comply with any of Tenant's obligations herein, the Landlord may at any time when such failure occurs after giving five days' written notice of its intention to do so: (1) terminate this lease; or (2) terminate Tenant's right to possession under this lease and take possession of said Property and buildings thereon which the Tenant agrees to surrender without said possession terminating this lease and Tenant's obligation to pay rent hereunder; and employ other persons to tend said crop and perform all the agreements of the Tenant as herein contained as fully as the same are contemplated in this agreement and after deducting all monies advanced, or monies or crops due for the rent and the expense of attending such crop as aforesaid, to pay the residue, if any, to the Tenant. If the Tenant shall fail to pay the cash rent, or shall fail to keep any of the agreements of this lease, all costs and attorney's fees of the Landlord in enforcing collection or performance, shall be added to and become a part of the obligations payable by the Tenant hereunder.

I. **Yielding Possession.** The Tenant agrees that at the expiration of the term of this lease, he will yield up possession of the Property to the Landlord without further demand or notice, in as good order and condition as when same were entered upon by the Tenant, loss by fire or tornado, and ordinary wear excepted. The Tenant shall pay to the Landlord a reasonable compensation for any damage to the Property above the aforesaid exceptions.
J. The Tenant shall be responsible for all employer obligations on hired labor with respect to safety requirements, social security and workers compensation contributions, and the Landlord shall have no responsibilities therefore.

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A. The Tenant is to use prudence and care in transporting, storing, handling and applying all fertilizers, pesticides, herbicides, and other chemicals and similar substances, and to read and follow instructions on the labels for the use of such materials in order to avoid injury or damages to persons or property or both on the Property and adjoining areas.

B. Any chemicals for weed or insect control or other use, when used, should be applied at levels not to exceed the manufacturer's recommendation for the soil types involved. The Tenant agrees to provide the Landlord annually, a written report indicating the product name, amount, date of application and location of application of all pesticides and fertilizers used on the Property.

C. No chemicals will be stored on the Property. When chemicals or petroleum products are on the Property, they will be only those planned to be used on the Property, and they will be in closed, tight containers above ground and clearly marked. No chemicals or chemical containers will be disposed of on the Property.

D. Both Landlord and Tenant affirm the goals of minimizing soil erosion losses and preserving the productivity of the land in ways that are consonant with their needs and desires for acceptable current returns to their individual inputs on the Property.

E. Environmental Indemnity.

(a) Tenant hereby agrees to defend, protect, indemnify and hold harmless Landlord, Landlord's affiliates, directors, officers, agents and employees, and Landlord's participants, successors and assigns (hereinafter, collectively the "Indemnified Parties"), from and against, and shall reimburse the Indemnified Parties for, any and all actual out-of-pocket costs (including, without limitation, attorneys' fees, consultants' fees, laboratory costs, expenses and court costs), expense or loss arising from any claim, liability, demands, damage, injunctive relief, claims of lien, liens, settlements, legal and administrative proceedings, injury to person, property or natural resources, fine, penalty, action, cause of action and obligations and liabilities of any kind or nature whatsoever (collectively, "Costs and Liabilities"), incurred by or asserted against any Indemnified Party and arising directly or indirectly, in whole or in part, out of the release, discharge, deposit or presence, or alleged or suspected release, discharge, deposit or presence of any Hazardous Materials at, on, within, under, about or from the Property, or in or adjacent to any part of the Property, or in the soil, groundwater or soil vapor on or under the Property, or elsewhere in connection with the transportation of Hazardous Materials to or from the Property in violation of any Hazardous Materials Laws, whether or not known to Tenant or Indemnified Parties, whether foreseeable or unforeseeable, regardless of the source of such release, discharge,
deposit or presence, regardless of when such release, discharge, deposit or presence occurred or is discovered. Without limiting the generality of the foregoing indemnity, such Costs and Liabilities shall include, without limitation, all actual out-of-pocket costs incurred by Indemnified Parties in connection with (i) determining whether the Property is in compliance or the amount of money required to remediate any environmental contamination, and causing the Property to be or become in compliance, with all applicable Hazardous Materials Laws, (ii) any investigation, clean up, removal or remediation of any kind and disposal of any Hazardous Materials present in the soil, groundwater, or at, on, under or within the Property, released from the Property, or which migrate, flow, or percolate onto, under or within any facility or property with respect to which Tenant or Landlord otherwise would have any liability or are otherwise present due to the act of a third party, to the extent required by applicable Hazardous Materials Laws in effect at the time of such investigation, clean up, removal, remediation or disposal, and (iii) repair of any damage to the Property or any other property caused by any investigation, clean up, removal, remediation or disposal.

(b) Upon demand by any Indemnified Party, Tenant shall defend any investigation, action or proceeding in connection with any claim or liability, or alleged claim or liability, that would, if determined adversely to such Indemnified Party, be covered by the foregoing indemnification provisions, such defense to be at Tenant's sole cost and expense and by counsel chosen by such Indemnified Party, which counsel may, without limiting the rights of an Indemnified Party pursuant to the next succeeding sentence of this Section 5(b), also represent Tenant in such investigation, action or proceeding.

(c) As used herein, the term "Hazardous Materials" means and includes any flammable, explosive, or radioactive materials or hazardous, toxic or dangerous wastes, substances or related materials or any other chemicals, materials or substances, exposure to which is prohibited, limited or regulated by any federal, state, county, regional or local authority or which, even if not so regulated, may or could pose a hazard to the health and safety of the occupants of the Property or of property adjacent to the Property, including, but not limited to, asbestos, PCBs, petroleum products and byproducts, substances defined or listed as "hazardous substances" or "toxic substances" or similarly identified in, pursuant to, or for purposes of, the Comprehensive Environmental Response, Compensation, and Liability Act, as amended (42 U.S.C. Section 9601, et seq.), the Hazardous Materials Transportation Act (49 U.S.C. Section 1801, et seq.), the Resource Conservation and Recovery Act (42 U.S.C. Section 6901, et seq.), and any so-called "Superfund" or "Superlien" law, or any other federal, state or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, or any substances or mixture regulated under the Toxic Substance Control Act of 1976, as now or hereafter amended (15 U.S.C. Section 2601, et seq.); and any "toxic pollutant" under the Clean Water Act, as now or hereafter amended (33 U.S.C. Section 1251, et seq.); and any
hazardous air pollutant under the Clean Air Act, as now or hereafter amended (42 U.S.C. Section 7901, et seq.). The term "Hazardous Materials Laws" means any federal, state or local law, code, statute, ordinance, rule, regulation, rule of common law or guideline relating to Hazardous Materials now or hereafter enacted or promulgated (collectively, and including, without limitation, any such laws which require notice of the use, presence, storage, generation, disposal or release of any Hazardous Materials to be provided to any party).

(d) This Environmental Indemnity provision shall survive the termination of this Lease.

SECTION 8. ADDITIONAL AGREEMENTS.

A. Tenant shall attend a mandatory safety and security meeting provided by Landlord prior to operating on the Property.

B. Dumping fill, spreading septic, sewage material, sludge or sludge lime, waste treatment, or non-agricultural material is prohibited, except with the express, written consent of the Landlord.

C. No hunting rights or privileges are granted for the Property and Tenant shall not allow any hunting to take place thereon.

D. Tenant will timely certify the acreages planted of each crop at the Farm Service office.

E. Landlord may, from time to time, remove some portion of the Property from Tenant's use under this lease, without penalty to Landlord except for the payment of crop damage as detailed below. In the event of the Landlord selling, changing the land use, altering the Property or otherwise removing a portion of the Property from the use of Tenant, the Tenant will be given notice to remove the growing crop, if possible. Additional land may be excluded from this lease by Landlord before planting a new crop. Any annual rent collected to date then to be refunded to Tenant. The Landlord will compensate the Tenant for crop damage during the growing season resulting from borings or other activities before planting, amount not to exceed the per acre price; after the crop is planted, not to exceed $600.00 per acre; after July 15th until harvest season, not to exceed $700.00 per acre with Landlord keeping the rent in all cases.

F. The failure of Landlord on one or more occasions to enforce any one of the provisions of this Lease Agreement or to exercise any right, remedy or privilege hereunder shall not be construed as a waiver of any subsequent breach or default of a similar nature or as a waiver of any such provision, right, remedy or privilege.

G. This Lease Agreement and its interpretation and application shall be governed by the internal laws of the State of Illinois without giving effect to conflicts of laws principles. Venue for any action concerning the enforcement of this Lease Agreement shall be proper only in the Sixteenth Judicial Circuit Court, DeKalb County, Illinois.
IN WITNESS WHEREOF, we affix our signatures this, the day and year first written above.

City of DeKalb,
an Illinois Municipal Corporation

By: [Signature]
Its: City Manager

Tenant

Diehl Farms Partnership

PERSONAL GUARANTY

Tenant's performance of all of the foregoing obligations of the Lease are hereby unconditionally guaranteed by the person whose signature appears below. Said Guarantor waives presentment, dishonor and understands that Landlord has no obligation to pursue Tenant to enforce any provisions of this Lease prior to enforcing same against Guarantor. Tenant and Guarantor acknowledge that Landlord would not enter into this Lease without Guarantor executing and guaranteeing Tenant’s obligations herein.

Guarantor

Print Name

Signature
RESOLUTION 2016-018         PASSED: MARCH 14, 2016

AUTHORIZING THE CITY MANAGER OF THE CITY OF
DEKALB, ILLINOIS TO EXECUTE FIVE SMALL FARM
LEASES FOR A PERIOD OF THREE YEARS (MARCH 1,

WHEREAS, the City of DeKalb is a Home-Rule Municipal Corporation governed by the
applicable provisions of the Illinois Constitution and Illinois Municipal Code; and,

WHEREAS, the City owns certain properties which are leased for agricultural purposes, pending
future public use by the City, and the City periodically renews the leases for said properties; and,

WHEREAS, while large parcels are leased through a competitively bid process, the leases for
small, irregular parcels are proposed to be leased to the persons farming adjacent, larger parcels, to
increase the efficiency of farming operations, with rental payments equivalent to that paid for the
larger City parcels let by competitive bid; and,

WHEREAS, the City Council’s action herein would be expressly authorizing the execution of an
agreement with a City Employee, Danny Wells, as disclosed below, on terms and conditions
identical to those offered to other adjacent property tenants;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF
DEKALB, ILLINOIS:

Section 1: The City hereby authorizes the lease of four small parcels of land adjacent to the DeKalb
Taylor Municipal Airport (DTMA) and one parcel adjacent to the Dresser Road Water Tower, as
follows:

1. 20.3 Acre parcel at DTMA leased to DeKalb High School Future Farmers of America at
$116.25 per acre.
2. 7.3 Acre parcel at DTMA leased to Weishaar Farms at $232.50 per acre.
3. 5.5 Acre parcel at DTMA leased to Larson Grain Farms at $232.50 per acre.
4. 14.5 Acre parcel at DTMA leased to Diehl Farms at $232.50 per acre.
5. 9.0 Acre parcel at Dresser Road water plant leased to City Employee Danny Wells at $232.50
per acre.

The City Manager is authorized and directed to execute lease agreements with each of the
foregoing parties, on terms and conditions acceptable to her, with terms not exceeding three years
in length.

Section 2: That this Resolution shall become effective immediately upon its passage and
recording by the City Clerk.

PASSED BY THE CITY COUNCIL of the City of DeKalb, Illinois, at a regular meeting
thereof held on the 14th day of March, 2016 and approved by me as Mayor on the same day.
Passed by an Omnibus roll call vote of 8-0 on the Consent Agenda. Aye: Jacobson, Finucane,
Marquardt, Snow, Noreiko, Baker, Faiyer, Rey.

ATTEST:

JENNIFER JESS JOHNSON, City Clerk

JOHN A. REY, Mayor
DEKALB TAYLOR MUNICIPAL AIRPORT
AGRICULTURAL FARM LEASE
Portion of the Airport Farm North of Barber Greene Road)

This lease is entered into the 1st day of March, 2016, between City of DeKalb, an Illinois Municipal Corporation, Landlord, and Larson Grain Farms, Tenant.

The Landlord, in consideration of the agreements set forth in this lease to be kept and performed by the Tenant, rents and leases to the Tenant, to occupy and to use for agricultural purposes only, the following real estate located in the County of DeKalb and State of Illinois, described as follows (hereinafter referred to as the "Property"):

The cropland of Permanent Tax Index No(s). (Portion of) 09-17-100-117 consisting of approximately 5.5 tillable acres.

The term of this lease shall be from the 1st day of March, 2016 to the 15th day of December, 2018 or earlier if final harvesting has occurred. Following final harvest in the last year of the lease, the Tenant shall obtain the Landlord’s consent prior to the application of any fertilizer or the completion of any fall tillage operations. In the last year of the lease, Tenant shall, in all events, complete final harvest by not later than December 15, 2018; any crops remaining on the Property thereafter shall become the property of the Landlord.

The terms of this lease shall be binding on the heirs, executors, administrators, and assigns of both Landlord and Tenant in like manner as upon the original parties, except by mutual agreement otherwise.

SECTION 1. AMOUNT OF RENT AND TIME OF PAYMENT.

The Tenant agrees to pay the Landlord as annual cash rent for the above-described Property the sum of $1278.75, which shall be paid on the 15th day of March of each year of the lease.

This represents 5.5 acres @ $232.50 per acre.

SECTION 2. LANDLORD'S INVESTMENT AND EXPENSE.

The Landlord agrees to allow Tenant the quiet enjoyment of the Property so long as Tenant complies with all of Tenant’s obligations of this Lease.

SECTION 3: TENANT'S INVESTMENT AND EXPENSES.

The Tenant agrees to furnish the Property and to pay the items of expenses described below:

A. All machinery, equipment, fuel and labor necessary to operate the Property.

B. All ad valorem property taxes or assessments of any nature on the Property. The Tenant shall be responsible for paying all property taxes and assessments due for the
Property during the term of this lease (e.g. the Tenant shall pay the property taxes for tax year 2015, which are due and payable in calendar year 2016, the taxes for tax year 2016, which are due and payable in 2017, and the taxes for tax year 2017, which are due and payable in 2018). The tenant shall be responsible for obtaining a copy of the tax and assessment bill(s) for the Property, and for timely paying all taxes and assessments on or prior to their due date.

C. All operating expenses or the portion of expenses not furnished or paid by the Landlord as provided in this lease. Except as otherwise expressly indicated herein, the Landlord shall not be responsible for any expenses related to the Property or this lease.

D. **Insurance.** Tenant covenants and agrees prior to any use or occupancy of the Property and at Tenant's sole cost and expense to maintain in full force and effect at all times during the term of this lease, workmen's compensation insurance (if required under applicable law) with statutory limits of coverage and general liability insurance naming Landlord as an additional insured with waiver of subrogation and with limits not less than One Million ($1,000,000) for personal injury, including bodily injury and death, property damage, and with coverage for pollution, crop spraying, overspray and drift. **Tenant shall provide Landlord with a copy of the declaration pages of all such insurance policies.** Such insurance policies shall be issued by an insurance company approved by Landlord and in a form acceptable to Landlord and shall be subject to modification or cancellation only upon written notice delivered by certified mail to Landlord not less than thirty (30) days in advance of any such proposed modification or cancellation. Said policies shall name the Landlord as an additional primary insured on all forms of coverage.

**SECTION 4. TENANT'S DUTIES IN OPERATING PROPERTY.**

In addition to the agreements covered by the foregoing provisions of this lease, the Tenant further agrees that he will perform and carry out the stipulations represented in the following clauses:

A. To faithfully cultivate the Property in a timely, thorough and businesslike manner.

B. Not assign this lease to any person or persons or sublet any part of the Property without the written consent of the Landlord.

C. To take proper care of all trees, vines and shrubs, and to prevent injury to the same.

D. Not to cut live trees except by permission of the Landlord.

E. Not to allow noxious weeds to go to seed on said Property, but to destroy the same and to cut and maintain the sprouts, brush, weeds and grass up to the roads adjoining the land as often as needed each year.
F. Not to burn cornstalks, straw, or other crop residues grown upon the Property except by permission of the Landlord, but to leave or spread all such material upon the land, and in no case to remove from the Property any such material without the consent of the Landlord.

G. To prevent all unnecessary waste, or loss, or damage to the Property of the Landlord.

H. The Tenant agrees to plow in any post-harvest crop residue on or before November 15th of each year of this lease. Tenant also agrees to follow such crop rotation, tillage practices, fertilizer programs, conservation measures and arrangements as are instructed by Landlord.

I. To keep the Property neat and orderly.

J. The buildings, fences and other improvements on the Property are to be kept in as good repair and condition as they are at the beginning of the lease, or in as good repair and condition as they may be put in by the Landlord during the term of the lease, ordinary wear and depreciation excepted.

K. To preserve established watercourses or ditches, to refrain from any operation that will injure them, and to comply with all applicable rules and regulations governing the maintenance and use of watercourses, ditches, erodible soils, drainage systems or related areas of the Property.

L. To haul and spread all manure on appropriate fields at times and in quantities consistent with environmental protection requirements.

M. Follow the farming practices that are generally recommended for and that are best adapted to this type of Property and for this locality unless other practices are agreed upon.

SECTION 5. MANAGEMENT AND BUSINESS PROCEDURES.

The Landlord and Tenant agree that they will observe the following provisions:

A. Except when mutually decided otherwise, the land use and cropping system shall be approximately as follows: All tillable cropland as hereby rented to Tenant.

B. The fertilizer and limestone program shall be nitrogen, phosphorus and potash applied annually to produce corn or soybeans and maintain the fertility of the soil, for which the Tenant shall provide records and receipts of all applications, to the Landlord or his Agent, if requested. Soil testing, fertilizer, chemical, seed and ag lime costs are all Tenant's expense.

SECTION 6. DEFAULT, COMPENSATION FOR DAMAGE, METHOD OF SETTLEMENT, RIGHT OF ENTRY.
A. Tenant is not to erect or permit to be erected upon said Property, any structure, building, fence or sign of any kind whatsoever, except by the written consent of the Landlord, nor to purchase any materials or incur any expenses for the account of the Landlord without its approval and will not make a claim for labor at any time unless Landlord has given written permission at a previous date.

B. Nothing in this lease shall confer upon the Tenant any right to minerals underlying said land or any part thereof, but the same are hereby expressly reserved by the Landlord together with the full right and liberty to them, to enter upon the Property and to bore, search and excavate for same, to work and remove the same, and to deposit excavated rubbish, and with full liberty to pass over said Property with vehicles and lay down and work any such railroad track or tracks, tanks, pipe lines, powers and structures as may be necessary or convenient for the above purpose. Said Landlord, however, agrees to deduct from the annual rent, pro-rata, for the land so taken by him or his assigns for said uses when the rental of such land is cash, and to reimburse the said Tenant for any actual damage he may suffer for crops destroyed where such land is on grain rent and to release Tenant from obligation to continue farming this Property when development of resources interferes materially with Tenant's ability to make a satisfactory return.

C. Landlord shall in no way be liable in damages for failure of water supply or for any damage by the elements or otherwise, to any of the improvements, nor for any loss or damage while improvements are under construction or repair, nor for any failure to repair or alter or replace any buildings or improvement.

D. Tenant takes possession of the Property subject to the hazards of operating a farm and assumes all risk of accidents to himself, his family, employees, agents, representatives, contractors or assigns in pursuance of his farming operations, or in performing repairs to the buildings, fences and other improvements, or accidents and injuries arising out of the use of farm equipment and machines.

E. **Indemnity.** Tenant shall indemnify, defend and hold harmless Landlord and its employees, agents, representatives, contractors and assigns from any and all claims, liens, penalties, demands, actions, proceedings, liabilities or losses of any nature whatsoever (including attorneys' fees and expenses and court costs) arising out of or relating to the acts or omissions of Tenant, or its employees, agents, representatives, contractors or assigns, in exercising any of Tenant's rights hereunder or from use or occupancy of the Property in any manner whatsoever by the Tenant, or its employees, agents, representatives, contractors or assigns, except to the extent solely due and proximately caused by Landlord's gross negligence or willful and wanton acts.

F. **Liability for Damage to Property or Persons.** Landlord shall not be liable to Tenant for any injury or death to any person or persons, or for any damage to Tenant's business or to the property, machines, fixtures, and equipment of Tenant, or any person claiming through or under Tenant, arising out of any accident or occurrence in, upon or near the Property unless such injury, death or damage is solely due to and proximately caused by Landlord's gross negligence or willful and wanton acts. All property of Tenant shall be kept or stored at the Property at the risk of Tenant, and Tenant shall defend and hold
Landlord harmless from claims arising out of damage to same, including subrogation claims by Tenant's insurance carrier, unless such damage shall be solely due and proximately caused by the willful act or gross neglect of Landlord. Landlord shall not be responsible for injury or damage to any persons or property of Tenant or of others caused by or resulting from bursting, breakage or leakage of pipes, from steam, snow or ice, from running, backing up, seepage or overflow of water or sewage in or near the Property or resulting from acts of God or the elements or from any defect or negligence in the occupancy, construction, operation or use of the Property including any building improvements, structural elements, mechanical systems and other machinery and equipment.

Landlord shall not be liable for any injury or damage to persons or property or to any building, structure or improvements on the Property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain or snow or leaks from any building, structure or improvements on the Property or from the pipes, appliances or plumbing works or from the roof, street or subsurface or from any other place or by dampness or by any other cause of whatever nature; Landlord shall not be liable for any such injury or damage caused by other tenants or by occupants of the Property or property adjacent thereto or by the public, or by operations in the construction of any private, public, or quasi-public work. Landlord shall not be liable for any latent defect in construction or renovations to the Property or to any building, structure or improvements located on the Property.

G. **Right of Entry.** The Landlord or his Agent shall be entitled to free access to the Property at all times and may make any repairs and improvements thereon. If this lease is terminated, the Landlord or his Agent shall be entitled to fall till, fertilize or otherwise prepare the ground and plant in proper season for the following year's crops.

H. If the Tenant shall, from any cause, fail to comply with any of Tenant's obligations herein, the Landlord may at any time when such failure occurs after giving five days' written notice of its intention to do so: (1) terminate this lease; or (2) terminate Tenant's right to possession under this lease and take possession of said Property and buildings thereon which the Tenant agrees to surrender without said possession terminating this lease and Tenant's obligation to pay rent hereunder, and employ other persons to tend said crop and perform all the agreements of the Tenant as herein contained as fully as the same are contemplated in this agreement and after deducting all monies advanced, or monies or crops due for the rent and the expense of attending such crop as aforesaid, to pay the residue, if any, to the Tenant. If the Tenant shall fail to pay the cash rent, or shall fail to keep any of the agreements of this lease, all costs and attorney's fees of the Landlord in enforcing collection or performance, shall be added to and become a part of the obligations payable by the Tenant hereunder.

I. **Yielding Possession.** The Tenant agrees that at the expiration of the term of this lease, he will yield up possession of the Property to the Landlord without further demand or notice, in as good order and condition as when same were entered upon by the Tenant, loss by fire or tornado, and ordinary wear excepted. The Tenant shall pay to the Landlord a reasonable compensation for any damage to the Property above the aforementioned exceptions.
J. The Tenant shall be responsible for all employer obligations on hired labor with respect to safety requirements, social security and workers compensation contributions, and the Landlord shall have no responsibilities therefore.

SECTION 7. ENVIRONMENTAL CONCERNS.

A. The Tenant is to use prudence and care in transporting, storing, handling and applying all fertilizers, pesticides, herbicides, and other chemicals and similar substances, and to read and follow instructions on the labels for the use of such materials in order to avoid injury or damages to persons or property or both on the Property and adjoining areas.

B. Any chemicals for weed or insect control or other use, when used, should be applied at levels not to exceed the manufacturer's recommendation for the soil types involved. The Tenant agrees to provide the Landlord annually, a written report indicating the product name, amount, date of application and location of application of all pesticides and fertilizers used on the Property.

C. No chemicals will be stored on the Property. When chemicals or petroleum products are on the Property, they will be only those planned to be used on the Property, and they will be in closed, tight containers above ground and clearly marked. No chemicals or chemical containers will be disposed of on the Property.

D. Both Landlord and Tenant affirm the goals of minimizing soil erosion losses and preserving the productivity of the land in ways that are consonant with their needs and desires for acceptable current returns to their individual inputs on the Property.

E. Environmental Indemnity.

(a) Tenant hereby agrees to defend, protect, indemnify and hold harmless Landlord, Landlord's affiliates, directors, officers, agents and employees, and Landlord's participants, successors and assigns (hereinafter, collectively the "Indemnified Parties"), from and against, and shall reimburse the Indemnified Parties for, any and all actual out-of-pocket costs (including, without limitation, attorneys' fees, consultants' fees, laboratory costs, expenses and court costs), expense or loss arising from any claim, liability, demands, damage, injunctive relief, claims of lien, liens, settlements, legal and administrative proceedings, injury to person, property or natural resources, fine, penalty, action, cause of action and obligations and liabilities of any kind or nature whatsoever (collectively, "Costs and Liabilities"), incurred by or asserted against any Indemnified Party and arising directly or indirectly, in whole or in part, out of the release, discharge, deposit or presence, or alleged or suspected release, discharge, deposit or presence of any Hazardous Materials at, on, within, under, about or from the Property, or in or adjacent to any part of the Property, or in the soil, groundwater or soil vapor on or under the Property, or elsewhere in connection with the transportation of Hazardous Materials to or from the Property in violation of any Hazardous Materials Laws, whether or not known to Tenant or Indemnified Parties, whether
foreseeable or unforeseeable, regardless of the source of such release, discharge, deposit or presence, regardless of when such release, discharge, deposit or presence occurred or is discovered. Without limiting the generality of the foregoing indemnity, such Costs and Liabilities shall include, without limitation, all actual out-of-pocket costs incurred by Indemnified Parties in connection with (i) determining whether the Property is in compliance or the amount of money required to remediate any environmental contamination, and causing the Property to be or become in compliance, with all applicable Hazardous Materials Laws, (ii) any investigation, clean up, removal or remediation of any kind and disposal of any Hazardous Materials present in the soil, groundwater, or at, on, under or within the Property, released from the Property, or which migrate, flow, or percolate onto, under or within any facility or property with respect to which Tenant or Landlord otherwise would have any liability or are otherwise present due to the act of a third party, to the extent required by applicable Hazardous Materials Laws in effect at the time of such investigation, clean up, removal, remediation or disposal, and (iii) repair of any damage to the Property or any other property caused by any investigation, clean up, removal, remediation or disposal.

(b) Upon demand by any Indemnified Party, Tenant shall defend any investigation, action or proceeding in connection with any claim or liability, or alleged claim or liability, that would, if determined adversely to such Indemnified Party, be covered by the foregoing indemnification provisions, such defense to be at Tenant's sole cost and expense and by counsel chosen by such Indemnified Party, which counsel may, without limiting the rights of an Indemnified Party pursuant to the next succeeding sentence of this Section 5(b), also represent Tenant in such investigation, action or proceeding.

(c) As used herein, the term "Hazardous Materials" means and includes any flammable, explosive, or radioactive materials or hazardous, toxic or dangerous wastes, substances or related materials or any other chemicals, materials or substances, exposure to which is prohibited, limited or regulated by any federal, state, county, regional or local authority or which, even if not so regulated, may or could pose a hazard to the health and safety of the occupants of the Property or of property adjacent to the Property, including, but not limited to, asbestos, PCBs, petroleum products and byproducts, substances defined or listed as "hazardous substances" or "toxic substances" or similarly identified in, pursuant to, or for purposes of, the Comprehensive Environmental Response, Compensation, and Liability Act, as amended (42 U.S.C. Section 9601, et seq.), the Hazardous Materials Transportation Act (49 U.S.C. Section 1801, et seq.), the Resource Conservation and Recovery Act (42 U.S.C. Section 6901, et seq.), and any so-called "Superfund" or "Superlien" law, or any other federal, state or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, or any substances or mixture regulated under the Toxic Substance Control Act of 1976, as now or hereafter amended (15 U.S.C. Section 2601, et seq.); and any "toxic pollutant" under the Clean Water
Act, as now or hereafter amended (33 U.S.C. Section 1251, et seq.); and any
hazardous air pollutant under the Clean Air Act, as now or hereafter amended (42
U.S.C. Section 7901, et seq.). The term "Hazardous Materials Laws" means any
federal, state or local law, code, statute, ordinance, rule, regulation, rule of
common law or guideline relating to Hazardous Materials now or hereafter
enacted or promulgated (collectively, and including, without limitation, any such
laws which require notice of the use, presence, storage, generation, disposal or
release of any Hazardous Materials to be provided to any party).

(d) This Environmental Indemnity provision shall survive the termination of this
Lease.

SECTION 8. ADDITIONAL AGREEMENTS.

A. Tenant shall attend a mandatory safety and security meeting provided by Landlord
prior to operating on the Property.

B. Dumping fill, spreading septic, sewage material, sludge or sludge lime, waste treatment,
or non-agricultural material is prohibited, except with the express, written consent of the
Landlord.

C. No hunting rights or privileges are granted for the Property and Tenant shall not allow
any hunting to take place thereon.

D. Tenant will timely certify the acreages planted of each crop at the Farm Service office.

E. Landlord may, from time to time, remove some portion of the Property from Tenant's use
under this lease, without penalty to Landlord except for the payment of crop damage as
detailed below. In the event of the Landlord selling, changing the land use, altering the
Property or otherwise removing a portion of the Property from the use of Tenant, the
Tenant will be given notice to remove the growing crop, if possible. Additional land may
be excluded from this lease by Landlord before planting a new crop. Any annual rent
collected to date then to be refunded to Tenant. The Landlord will compensate the
Tenant for crop damage during the growing season resulting from borings or other
activities before planting, amount not to exceed the per acre price; after the crop is
planted, not to exceed $600.00 per acre; after July 15th until harvest season, not to exceed
$700.00 per acre with Landlord keeping the rent in all cases.

F. The failure of Landlord on one or more occasions to enforce any one of the provisions of
this Lease Agreement or to exercise any right, remedy or privilege hereunder shall not be
construed as a waiver of any subsequent breach or default of a similar nature or as a
waiver of any such provision, right, remedy or privilege.

G. This Lease Agreement and its interpretation and application shall be governed by the
internal laws of the State of Illinois without giving effect to conflicts of laws principles.
Venue for any action concerning the enforcement of this Lease Agreement shall be
proper only in the Sixteenth Judicial Circuit Court, DeKalb County, Illinois.
IN WITNESS WHEREOF, we affix our signatures this, the day and year first written above.

City of DeKalb,
an Illinois Municipal Corporation

By:

its: City Manager

Tenant

Larson Grain Farms

PERSONAL GUARANTY

Tenant's performance of all of the foregoing obligations of the Lease are hereby unconditionally guaranteed by the person whose signature appears below. Said Guarantor waives presentment, dishonor and understands that Landlord has no obligation to pursue Tenant to enforce any provisions of this Lease prior to enforcing same against Guarantor. Tenant and Guarantor acknowledge that Landlord would not enter into this Lease without Guarantor executing and guaranteeing Tenant's obligations herein.

Guarantor

Lynn M. Martz

Print Name

Signature
RESOLUTION 2016-018  PASSED: MARCH 14, 2016

AUTHORIZING THE CITY MANAGER OF THE CITY OF DEKALB, ILLINOIS TO EXECUTE FIVE SMALL FARM LEASES FOR A PERIOD OF THREE YEARS (MARCH 1, 2016 – DECEMBER 15, 2018).

WHEREAS, the City of DeKalb is a Home-Rule Municipal Corporation governed by the applicable provisions of the Illinois Constitution and Illinois Municipal Code; and,

WHEREAS, the City owns certain properties which are leased for agricultural purposes, pending future public use by the City, and the City periodically renews the leases for said properties; and,

WHEREAS, while large parcels are leased through a competitively bid process, the leases for small, irregular parcels are proposed to be leased to the persons farming adjacent, larger parcels, to increase the efficiency of farming operations, with rental payments equivalent to that paid for the larger City parcels let by competitive bid; and,

WHEREAS, the City Council’s action herein would be expressly authorizing the execution of an agreement with a City Employee, Danny Wells, as disclosed below, on terms and conditions identical to those offered to other adjacent property tenants;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF DEKALB, ILLINOIS:

Section 1: The City hereby authorizes the lease of four small parcels of land adjacent to the DeKalb Taylor Municipal Airport (DTMA) and one parcel adjacent to the Dresser Road Water Tower, as follows:

1. 20.3 Acre parcel at DTMA leased to DeKalb High School Future Farmers of America at $116.25 per acre.

2. 7.3 Acre parcel at DTMA leased to Weishaar Farms at $232.50 per acre.

3. 5.5 Acre parcel at DTMA leased to Larson Grain Farms at $232.50 per acre.

4. 14.5 Acre parcel at DTMA leased to Diehl Farms at $232.50 per acre.

5. 9.0 Acre parcel at Dresser Road water plant leased to City Employee Danny Wells at $232.50 per acre.

The City Manager is authorized and directed to execute lease agreements with each of the foregoing parties, on terms and conditions acceptable to her, with terms not exceeding three years in length.

Section 2: That this Resolution shall become effective immediately upon its passage and recording by the City Clerk.

PASSED BY THE CITY COUNCIL of the City of DeKalb, Illinois, at a regular meeting thereof held on the 14th day of March, 2016 and approved by me as Mayor on the same day. Passed by an Omnibus roll call vote of 6-0 on the Consent Agenda. Aye: Jacobson, Finucane, Marquardt, Snow, Noreiko, Baker, Faivre. Rey.

ATTEST:

JENNIFER JEEP JOHNSON, City Clerk

JOHN A. REY, Mayor

[Signature]
DEKALB TAYLOR MUNICIPAL AIRPORT
AGRICULTURAL FARM LEASE
Track 09-18-400-006 3.4 acres and Portion of Track 09-19-100-007 3.89 acres

This lease is entered into the 1st day of March, 2016, between City of DeKalb, an Illinois Municipal Corporation, Landlord, and Tom Weishaar, Weishaar Farms, Tenant.

The Landlord, in consideration of the agreements set forth in this lease to be kept and performed by the Tenant, rents and leases to the Tenant, to occupy and to use for agricultural purposes only, the following real estate located in the County of DeKalb and State of Illinois, described as follows (hereinafter referred to as the "Property"):

The cropland of Permanent Tax Index No(s). 09-18-400-006 acres and Portion of Track 09-19-100-007 acres consisting of 7.3 tillable acres.

The term of this lease shall be from the 1st day of March, 2016 to the 15th day of December, 2018 or earlier if final harvesting has occurred. Following final harvest in the last year of the lease, the Tenant shall obtain the Landlord’s consent prior to the application of any fertilizer or the completion of any fall tillage operations. In the last year of the lease, Tenant shall, in all events, complete final harvest by not later than December 15, 2018; any crops remaining on the Property thereafter shall become the property of the Landlord.

The terms of this lease shall be binding on the heirs, executors, administrators, and assigns of both Landlord and Tenant in like manner as upon the original parties, except by mutual agreement otherwise.

SECTION 1. AMOUNT OF RENT AND TIME OF PAYMENT.

The Tenant agrees to pay the Landlord as annual cash rent for the above-described Property the sum of $1697.25, which shall be paid on the 15th day of March of each year of the lease.

This represents 7.3 acres @ $232.50 per acre.

SECTION 2. LANDLORD’S INVESTMENT AND EXPENSE.

The Landlord agrees to allow Tenant the quiet enjoyment of the Property so long as Tenant complies with all of Tenant’s obligations of this Lease.

SECTION 3: TENANT’S INVESTMENT AND EXPENSES.

The Tenant agrees to furnish the Property and to pay the items of expenses described below:

A. All machinery, equipment, fuel and labor necessary to operate the Property.

B. All ad valorem property taxes or assessments of any nature on the Property. The Tenant shall be responsible for paying all property taxes and assessments due for the
Property during the term of this lease (e.g. the Tenant shall pay the property taxes for tax year 2015, which are due and payable in calendar year 2016, the taxes for tax year 2016, which are due and payable in 2017, and the taxes for tax year 2017, which are due and payable in 2018). The tenant shall be responsible for obtaining a copy of the tax and assessment bill(s) for the Property, and for timely paying all taxes and assessments on or prior to their due date.

C. All operating expenses or the portion of expenses not furnished or paid by the Landlord as provided in this lease. Except as otherwise expressly indicated herein, the Landlord shall not be responsible for any expenses related to the Property or this lease.

D. **Insurance.** Tenant covenants and agrees prior to any use or occupancy of the Property and at Tenant's sole cost and expense to maintain in full force and effect at all times during the term of this lease, workmen's compensation insurance (if required under applicable law) with statutory limits of coverage and general liability insurance naming Landlord as an additional insured with waiver of subrogation and with limits not less than One Million ($1,000,000) for personal injury, including bodily injury and death, property damage, and with coverage for pollution, crop spraying, overspray and drift. **Tenant shall provide Landlord with a copy of the declaration pages of all such insurance policies.** Such insurance policies shall be issued by an insurance company approved by Landlord and in a form acceptable to Landlord and shall be subject to modification or cancellation only upon written notice delivered by certified mail to Landlord not less than thirty (30) days in advance of any such proposed modification or cancellation. Said policies shall name the Landlord as an additional primary insured on all forms of coverage.

SECTION 4. **TENANT'S DUTIES IN OPERATING PROPERTY.**

In addition to the agreements covered by the foregoing provisions of this lease, the Tenant further agrees that he will perform and carry out the stipulations represented in the following clauses:

A. To faithfully cultivate the Property in a timely, thorough and businesslike manner.

B. Not assign this lease to any person or persons or sublet any part of the Property without the written consent of the Landlord.

C. To take proper care of all trees, vines and shrubs, and to prevent injury to the same.

D. Not to cut live trees except by permission of the Landlord.

E. Not to allow noxious weeds to go to seed on said Property, but to destroy the same and to cut and maintain the sprouts, brush, weeds and grass up to the roads adjoining the land as often as needed each year.

F. Not to burn cornstalks, straw, or other crop residues grown upon the Property except by permission of the Landlord, but to leave or spread all such material upon the land, and in
no case to remove from the Property any such material without the consent of the Landlord.

G. To prevent all unnecessary waste, or loss, or damage to the Property of the Landlord.

H. The Tenant agrees to plow in any post-harvest crop residue on or before November 15th of each year of this lease. Tenant also agrees to follow such crop rotation, tillage practices, fertilizer programs, conservation measures and arrangements as are instructed by Landlord.

I. To keep the Property neat and orderly.

J. The buildings, fences and other improvements on the Property are to be kept in as good repair and condition as they are at the beginning of the lease, or in as good repair and condition as they may be put in by the Landlord during the term of the lease, ordinary wear and depreciation excepted.

K. To preserve established watercourses or ditches, to refrain from any operation that will injure them, and to comply with all applicable rules and regulations governing the maintenance and use of watercourses, ditches, erodible soils, drainage systems or related areas of the Property.

L. To haul and spread all manure on appropriate fields at times and in quantities consistent with environmental protection requirements.

M. Follow the farming practices that are generally recommended for and that are best adapted to this type of Property and for this locality unless other practices are agreed upon.

SECTION 5. MANAGEMENT AND BUSINESS PROCEDURES.

The Landlord and Tenant agree that they will observe the following provisions:

A. Except when mutually decided otherwise, the land use and cropping system shall be approximately as follows: All tillable cropland as hereby rented to Tenant.

B. The fertilizer and limestone program shall be nitrogen, phosphorus and potash applied annually to produce corn or soybeans and maintain the fertility of the soil, for which the Tenant shall provide records and receipts of all applications, to the Landlord or his Agent, if requested. Soil testing, fertilizer, chemical, seed and ag lime costs are all Tenant's expense.

SECTION 6. DEFAULT, COMPENSATION FOR DAMAGE, METHOD OF SETTLEMENT, RIGHT OF ENTRY.

A. Tenant is not to erect or permit to be erected upon said Property, any structure, building, fence or sign of any kind whatsoever, except by the written consent of the Landlord, nor
to purchase any materials or incur any expenses for the account of the Landlord without its approval and will not make a claim for labor at any time unless Landlord has given written permission at a previous date.

B. Nothing in this lease shall confer upon the Tenant any right to minerals underlying said land or any part thereof, but the same are hereby expressly reserved by the Landlord together with the full right and liberty to them, to enter upon the Property and to bore, search and excavate for same, to work and remove the same, and to deposit excavated rubbish, and with full liberty to pass over said Property with vehicles and lay down and work any such railroad track or tracks, tanks, pipe lines, powers and structures as may be necessary or convenient for the above purpose. Said Landlord, however, agrees to deduct from the annual rent, pro-rata, for the land so taken by him or his assigns for said uses when the rental of such land is cash, and to reimburse the said Tenant for any actual damage he may suffer for crops destroyed where such land is on grain rent and to release Tenant from obligation to continue farming this Property when development of resources interferes materially with Tenant's ability to make a satisfactory return.

C. Landlord shall in no way be liable in damages for failure of water supply or for any damage by the elements or otherwise, to any of the improvements, nor for any loss or damage while improvements are under construction or repair, nor for any failure to repair or alter or replace any buildings or improvement.

D. Tenant takes possession of the Property subject to the hazards of operating a farm and assumes all risk of accidents to himself, his family, employees, agents, representatives, contractors or assigns in pursuance of his farming operations, or in performing repairs to the buildings, fences and other improvements, or accidents and injuries arising out of the use of farm equipment and machines.

E. **Indemnity.** Tenant shall indemnify, defend and hold harmless Landlord and its employees, agents, representatives, contractors and assigns from any and all claims, liens, penalties, demands, actions, proceedings, liabilities or losses of any nature whatsoever (including attorneys' fees and expenses and court costs) arising out of or relating to the acts or omissions of Tenant, or its employees, agents, representatives, contractors or assigns, in exercising any of Tenant's rights hereunder or from use or occupancy of the Property in any manner whatsoever by the Tenant, or its employees, agents, representatives, contractors or assigns, except to the extent solely due and proximately caused by Landlord's gross negligence or willful and wanton acts.

F. **Liability for Damage to Property or Persons.** Landlord shall not be liable to Tenant for any injury or death to any person or persons, or for any damage to Tenant's business or to the property, machines, fixtures, and equipment of Tenant, or any person claiming through or under Tenant, arising out of any accident or occurrence in, upon or near the Property unless such injury, death or damage is solely due to and proximately caused by Landlord's gross negligence or willful and wanton acts. All property of Tenant shall be kept or stored at the Property at the risk of Tenant, and Tenant shall defend and hold Landlord harmless from claims arising out of damage to same, including subrogation claims by Tenant's insurance carrier, unless such damage shall be solely due and
proximately caused by the willful act or gross neglect of Landlord. Landlord shall not be responsible for injury or damage to any persons or property of Tenant or of others caused by or resulting from bursting, breakage or leakage of pipes, from steam, snow or ice, from running, backing up, seepage or overflow of water or sewage in or near the Property or resulting from acts of God or the elements or from any defect or negligence in the occupancy, construction, operation or use of the Property including any building improvements, structural elements, mechanical systems and other machinery and equipment.

Landlord shall not be liable for any injury or damage to persons or property or to any building, structure or improvements on the Property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain or snow or leaks from any building, structure or improvements on the Property or from the pipes, appliances or plumbing works or from the roof, street or subsurface or from any other place or by dampness or by any other cause of whatever nature; Landlord shall not be liable for any such injury or damage caused by other tenants or by occupants of the Property or property adjacent thereto or by the public, or by operations in the construction of any private, public, or quasi-public work. Landlord shall not be liable for any latent defect in construction or renovations to the Property or to any building, structure or improvements located on the Property.

G. **Right of Entry.** The Landlord or his Agent shall be entitled to free access to the Property at all times and may make any repairs and improvements thereon. If this lease is terminated, the Landlord or his Agent shall be entitled to fall till, fertilize or otherwise prepare the ground and plant in proper season for the following year's crops.

H. If the Tenant shall, from any cause, fail to comply with any of Tenant's obligations herein, the Landlord may at any time when such failure occurs after giving five days' written notice of its intention to do so: (1) terminate this lease; or (2) terminate Tenant's right to possession under this lease and take possession of said Property and buildings thereon which the Tenant agrees to surrender without said possession terminating this lease and Tenant's obligation to pay rent hereunder, and employ other persons to tend said crop and perform all the agreements of the Tenant as herein contained as fully as the same are contemplated in this agreement and after deducting all monies advanced, or monies or crops due for the rent and the expense of attending such crop as aforesaid, to pay the residue, if any, to the Tenant. If the Tenant shall fail to pay the cash rent, or shall fail to keep any of the agreements of this lease, all costs and attorney's fees of the Landlord in enforcing collection or performance, shall be added to and become a part of the obligations payable by the Tenant hereunder.

I. **Yielding Possession.** The Tenant agrees that at the expiration of the term of this lease, he will yield up possession of the Property to the Landlord without further demand or notice, in as good order and condition as when same were entered upon by the Tenant, loss by fire or tornado, and ordinary wear excepted. The Tenant shall pay to the Landlord a reasonable compensation for any damage to the Property above the aforementioned exceptions.
J. The Tenant shall be responsible for all employer obligations on hired labor with respect to safety requirements, social security and workers compensation contributions, and the Landlord shall have no responsibilities therefore.

SECTION 7. ENVIRONMENTAL CONCERNS.

A. The Tenant is to use prudence and care in transporting, storing, handling and applying all fertilizers, pesticides, herbicides, and other chemicals and similar substances, and to read and follow instructions on the labels for the use of such materials in order to avoid injury or damages to persons or property or both on the Property and adjoining areas.

B. Any chemicals for weed or insect control or other use, when used, should be applied at levels not to exceed the manufacturer's recommendation for the soil types involved. The Tenant agrees to provide the Landlord annually, a written report indicating the product name, amount, date of application and location of application of all pesticides and fertilizers used on the Property.

C. No chemicals will be stored on the Property. When chemicals or petroleum products are on the Property, they will be only those planned to be used on the Property, and they will be in closed, tight containers above ground and clearly marked. No chemicals or chemical containers will be disposed of on the Property.

D. Both Landlord and Tenant affirm the goals of minimizing soil erosion losses and preserving the productivity of the land in ways that are consonant with their needs and desires for acceptable current returns to their individual inputs on the Property.

E. Environmental Indemnity.

(a) Tenant hereby agrees to defend, protect, indemnify and hold harmless Landlord, Landlord's affiliates, directors, officers, agents and employees, and Landlord's participants, successors and assigns (hereinafter, collectively the "Indemnified Parties"), from and against, and shall reimburse the Indemnified Parties for, any and all actual out-of-pocket costs (including, without limitation, attorneys' fees, consultants' fees, laboratory costs, expenses and court costs), expense or loss arising from any claim, liability, demands, damage, injunctive relief, claims of lien, liens, settlements, legal and administrative proceedings, injury to person, property or natural resources, fine, penalty, action, cause of action and obligations and liabilities of any kind or nature whatsoever (collectively, "Costs and Liabilities"), incurred by or asserted against any Indemnified Party and arising directly or indirectly, in whole or in part, out of the release, discharge, deposit or presence, or alleged or suspected release, discharge, deposit or presence of any Hazardous Materials at, on, within, under, about or from the Property, or in or adjacent to any part of the Property, or in the soil, groundwater or soil vapor on or under the Property, or elsewhere in connection with the transportation of Hazardous Materials to or from the Property in violation of any Hazardous Materials Laws, whether or not known to Tenant or Indemnified Parties, whether foreseeable or unforeseeable, regardless of the source of such release, discharge,
deposit or presence, regardless of when such release, discharge, deposit or presence occurred or is discovered. Without limiting the generality of the foregoing indemnity, such Costs and Liabilities shall include, without limitation, all actual out-of-pocket costs incurred by Indemnified Parties in connection with (i) determining whether the Property is in compliance or the amount of money required to remediate any environmental contamination, and causing the Property to be or become in compliance, with all applicable Hazardous Materials Laws, (ii) any investigation, clean up, removal or remediation of any kind and disposal of any Hazardous Materials present in the soil, groundwater, or at, on, under or within the Property, released from the Property, or which migrate, flow, or percolate onto, under or within any facility or property with respect to which Tenant or Landlord otherwise would have any liability or are otherwise present due to the act of a third party, to the extent required by applicable Hazardous Materials Laws in effect at the time of such investigation, clean up, removal, remediation or disposal, and (iii) repair of any damage to the Property or any other property caused by any investigation, clean up, removal, remediation or disposal.

(b) Upon demand by any Indemnified Party, Tenant shall defend any investigation, action or proceeding in connection with any claim or liability, or alleged claim or liability, that would, if determined adversely to such Indemnified Party, be covered by the foregoing indemnification provisions, such defense to be at Tenant's sole cost and expense and by counsel chosen by such Indemnified Party, which counsel may, without limiting the rights of an Indemnified Party pursuant to the next succeeding sentence of this Section 5(b), also represent Tenant in such investigation, action or proceeding.

(c) As used herein, the term "Hazardous Materials" means and includes any flammable, explosive, or radioactive materials or hazardous, toxic or dangerous wastes, substances or related materials or any other chemicals, materials or substances, exposure to which is prohibited, limited or regulated by any federal, state, county, regional or local authority or which, even if not so regulated, may or could pose a hazard to the health and safety of the occupants of the Property or of property adjacent to the Property, including, but not limited to, asbestos, PCBs, petroleum products and byproducts, substances defined or listed as "hazardous substances" or "toxic substances" or similarly identified in, pursuant to, or for purposes of, the Comprehensive Environmental Response, Compensation, and Liability Act, as amended (42 U.S.C. Section 9601, et seq.), the Hazardous Materials Transportation Act (49 U.S.C. Section 1801, et seq.), the Resource Conservation and Recovery Act (42 U.S.C. Section 6901, et seq.), and any so-called "Superfund" or "Superliens" law, or any other federal, state or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, or any substances or mixture regulated under the Toxic Substance Control Act of 1976, as now or hereafter amended (15 U.S.C. Section 2601, et seq.); and any "toxic pollutant" under the Clean Water Act, as now or hereafter amended (33 U.S.C. Section 1251, et seq.); and any
hazardous air pollutant under the Clean Air Act, as now or hereafter amended (42 U.S.C. Section 7901, et seq.). The term "Hazardous Materials Laws" means any federal, state or local law, code, statute, ordinance, rule, regulation, rule of common law or guideline relating to Hazardous Materials now or hereafter enacted or promulgated (collectively, and including, without limitation, any such laws which require notice of the use, presence, storage, generation, disposal or release of any Hazardous Materials to be provided to any party).

(d) This Environmental Indemnity provision shall survive the termination of this Lease.

SECTION 8. ADDITIONAL AGREEMENTS.

A. **Tenant shall attend a mandatory safety and security meeting provided by Landlord prior to operating on the Property.**

B. Dumping fill, spreading septic, sewage material, sludge or sludge lime, waste treatment, or non-agricultural material is prohibited, except with the express, written consent of the Landlord.

C. No hunting rights or privileges are granted for the Property and Tenant shall not allow any hunting to take place thereon.

D. Tenant will timely certify the acreages planted of each crop at the Farm Service office.

E. Landlord may, from time to time, remove some portion of the Property from Tenant's use under this lease, without penalty to Landlord except for the payment of crop damage as detailed below. In the event of the Landlord selling, changing the land use, altering the Property or otherwise removing a portion of the Property from the use of Tenant, the Tenant will be given notice to remove the growing crop, if possible. Additional land may be excluded from this lease by Landlord before planting a new crop. Any annual rent collected to date then to be refunded to Tenant. The Landlord will compensate the Tenant for crop damage during the growing season resulting from borings or other activities before planting, amount not to exceed the per acre price; after the crop is planted, not to exceed $600.00 per acre; after July 15th until harvest season, not to exceed $700.00 per acre with Landlord keeping the rent in all cases.

F. The failure of Landlord on one or more occasions to enforce any one of the provisions of this Lease Agreement or to exercise any right, remedy or privilege hereunder shall not be construed as a waiver of any subsequent breach or default of a similar nature or as a waiver of any such provision, right, remedy or privilege.

G. This Lease Agreement and its interpretation and application shall be governed by the internal laws of the State of Illinois without giving effect to conflicts of laws principles. Venue for any action concerning the enforcement of this Lease Agreement shall be proper only in the Sixteenth Judicial Circuit Court, DeKalb County, Illinois.
IN WITNESS WHEREOF, we affix our signatures this, the day and year first written above.

City of DeKalb,  
an Illinois Municipal Corporation

By:  
Its:  

Tenant  

Thomas Weishaar, Weishaar Farms

PERSONAL GUARANTY

Tenant’s performance of all of the foregoing obligations of the Lease are hereby unconditionally guaranteed by the person whose signature appears below. Said Guarantor waives presentment, dishonor and understands that Landlord has no obligation to pursue Tenant to enforce any provisions of this Lease prior to enforcing same against Guarantor. Tenant and Guarantor acknowledge that Landlord would not enter into this Lease without Guarantor executing and guaranteeing Tenant’s obligations herein.

Guarantor

Print Name

Signature