

CITY OF MARYSVILLE AGENDA BILL

EXECUTIVE SUMMARY FOR ACTION

CITY COUNCIL MEETING DATE: April 13, 2015

AGENDA ITEM: Farmers Market Lease	
PREPARED BY: Jim Ballew	DIRECTOR APPROVAL:
DEPARTMENT: Parks and Recreation	
ATTACHMENTS: Lease Agreement Market Proposal	
BUDGET CODE:	AMOUNT:
SUMMARY:	

The city supported a Farmers Market in Comeford Park from 2003 through 2005 before the vendor terminated his lease agreement with the city due to relocation. As a part of the Healthy Communities project staff have been seeking vendors to operate a farmers market. Through these efforts staff has worked with representative with the Allen Creek Church as they were also looking to start a community farmers market in Marysville.

Allen Creek Community Church has extensive experience in managing customer service oriented businesses and has provided the city with a business plan with its Market Proposal. The Market will be located adjacent to City Hall in the vacant parking lot on Saturdays from 8:00am to 3:00pm beginning on May 30th through October 31, 2015 excluding June 20th which is the Strawberry Festival.

The Lease fee is \$100 per month payable in advance before the first of the month for the duration of the agreement.

RECOMMENDED ACTION: Staff recommends the City Council consider authorizing the Mayor to sign the Lease Agreement with the Allen Creek Community Church for the purpose of providing a Farmers Market at 1035 State Avenue from May31, 2015 through October 31, 2015.
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LEASE

THIS LEASE, made in duplicate this 27th day of February, 2015 between the CITY OF MARYSVILLE hereinafter referred to as Lessor, and Allen Creek Community Church of Marysville, Washington, hereinafter referred to as Lessee,

WITNESSETH:

1. The Lessor does hereby lease to Lessee, and Lessee does hereby lease from Lessor, a portion of those certain properties situated in Snohomish County, Washington, and described as follows:

A portion of the following described property Parcel A:

1035 State Avenue- Sec 28 Twp 30 Range 05 Parcel No. 30052800215700

The initial lease premises will be the portion of the above-described property depicted in Exhibit A- Parcel A. hereinafter called the "premises."

2. **PURPOSE:** The premises are to be used for the purpose of operating a Farmers Market and for no other purpose, without the written consent of Lessor. For purposes of this agreement, farmers market means an open-air market, including temporary stalls, for sale of produce, plants, flowers, handmade goods, prepared food and arts and crafts. The sale of alcoholic beverages and tobacco products are prohibited.

Lessee's use of the lease premises shall be **nonexclusive**.

3. **TERM:** The term of this lease shall be from May 1, 2015 to October 31, 2015; provided, this lease will be for Farmers Market Activities _____ only from 8:00 a.m to 3:00 p.m., unless otherwise authorized in writing by Lessor. The site will not be available for use on the third weekend of June due to the city's use of the property for the annual Strawberry Festival.

4. **EXTENSION:** If at the end of the lease term, or any extension thereof, Lessee has performed all terms and conditions of this lease in a manner reasonably satisfactory to Lessor, (in Lessor's sole subjective discretion), Lessee shall have the option to renew this lease for the following season (i.e. from May through October of each year), not to exceed a total of two (2) extensions.

If Lessee elects to exercise the extension right, Lessee shall give written notice to Lessor of the desire to extend not later than December 1st of the year prior to the next extension period. Lessor shall give written notice to Lessee of its acceptance or denial of the extension not later than ninety (90) days prior to commencement of the extension period.

5. **RENT:** Lessee covenants and agrees to pay the Lessor as rental for said premises a minimum monthly rental of \$100.00, in advance payable, on or before the 1st day of each month of the lease term.

6. **VENDOR SUBLESSEES:** Lessee is specifically granted the right to let stall spaces to vendors who will be subtenants of Lessee. During the initial lease term, the stall space rental shall not exceed \$40.00 per stall. In the event of the extension of this lease as provided above, the stall rental shall not increase more than \$5.00 per stall per year. Each Sub-lessee shall be required to secure a City business license as a condition of any sublease or participation in the farmers market.

7. **UTILITIES:** Lessee shall pay the City for water and electric utilities on or before the 1st day of each month for the prior months use of such utilities. Lessee shall provide a minimum of one portable restroom on site that complies with American Disabilities requirements for public use during any and all hours the Market operates. Portable facilities acquired for use by patrons will be maintained weekly and insured against loss by the Lessee for the duration of this agreement. Said facilities can remain on site for the duration of this Agreement and may be locked during periods the market is closed.

Lessee shall be solely responsible for and promptly pay all other charges for other utilities which may be used by Lessee on the leased premises.

8. **CONDITION OF PROPERTY:** The premises have been inspected and are accepted by Lessee in their present condition.

9. **IMPROVEMENTS/MODIFICATIONS:** Lessee shall not make any material modifications on the leased property or to it without the prior written consent of the Lessor. All improvements placed upon the property by the Lessee will become the property of the Lessor at the end of the lease unless the parties have made other written agreement with respect to such improvements; PROVIDED, upon written demand from Lessor to Lessee given within thirty (30) days after expiration or termination of this lease, Lessee shall remove any improvements made by Lessee and restore the affected portion of the lease premises to its condition prior to commencement of this lease. Such removal and restoration shall be completed within thirty (30) days after Lessor's demand to Lessee for such removal.

10. **LIABILITY INSURANCE**

The Lessee shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the Lessee's operation and use of the leased Premises.

No Limitation

Lessee's maintenance of insurance as required by the agreement shall not be construed to limit the liability of the Lessee to the coverage provided by such insurance, or otherwise limit the City's recourse to any remedy available at law or in equity.

A. Minimum Scope of Insurance

Lessee shall obtain insurance of the types described below:

1. Commercial General Liability insurance shall be written on Insurance Services Office (ISO) occurrence form CG 00 01 and shall cover premises and contractual liability. The City shall be named as an insured on Lessee's Commercial General Liability insurance

policy using ISO Additional Insured-Managers' or Lessors of Premises Form CG 20 11 or a substitute endorsement providing equivalent coverage.

2. Property insurance shall be written on an all risk basis.

A. Minimum Amounts of Insurance

Lessee shall maintain the following insurance limits:

1. Commercial General Liability insurance shall be written with limits no less than \$1,000,000 each occurrence, \$2,000,000 general aggregate.
2. Property insurance shall be written covering the full value of Lessee's property and improvements with no coinsurance provisions.

B. Other Insurance Provisions

The Lessee's Commercial General Liability insurance policy or policies are to contain, or be endorsed to contain that they shall be primary insurance as respect the City. Any Insurance, self-insurance, or insurance pool coverage maintained by the City shall be excess of the Lessee's insurance and shall not contribute with it.

C. Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best rating of not less than A: VII.

D. Verification of Coverage

Lessee shall furnish the City with original certificates, a copy of the additional insured endorsement, and a copy of the amendatory endorsements evidencing the insurance requirements of the Lessee.

E. Waiver of Subrogation

Lessee and City hereby release and discharge each other from all claims, losses and liabilities arising from or caused by any hazard covered by property insurance on or in connection with the premises or said building. This release shall apply only to the extent that such claim, loss or liability is covered by insurance.

F. Notice of Cancellation

The Lessee shall provide the City with written notice of any policy cancellation, within two business days of their receipt of such notice.

G. Failure to Maintain Insurance

Failure on the part of the Lessee to maintain the insurance as required shall constitute a material breach of lease, upon which the City may, after giving five business days notice to the Lessee to correct the breach, terminate the Lease or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to the City on demand.

11. **COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS:** Lessee and all vendors shall obtain all required business licenses and permits and pay all license and vendor fees required by law or City ordinance. Lessee shall comply with all laws, ordinances, orders, and regulations affecting the leased premises and their cleanliness, safety, occupation and use. Lessee will not perform any act or carry on any practices that may injure the leased premises or be a nuisance or menace to the public or adjoining premises.

Leasehold Excise Tax. During any month when tenant does not qualify for exemption from leasehold excise tax pursuant to Chapter 82.29A RCW, as additional rent Tenant shall pay to Landlord with the monthly rent a sum equal to 12.84% of the monthly rent for leasehold excise tax.

12. **INDEMNIFICATION:** Lessee shall defend, indemnify and hold the Lessor, its officers, elected officials, employees and volunteers, harmless from any and all claims, injuries, damages, losses or suits, including attorneys fees and costs of suit, arising out of or resulting from the acts, errors or omissions of the Lessee in performance of this lease, except for injuries or damages caused by the sole negligence of Lessor.

The obligations of the Lessee under this section arising by reason of any occurrence taking place during the term of this lease shall survive any termination of this lease.

13. **LIENS AND INSOLVENCY:** Lessee shall keep the leased premises and the property in which the leased premises are situated, free from any liens arising out of any work performed, materials furnished or obligations incurred by Lessee. In the event Lessee becomes insolvent, voluntarily or involuntarily bankrupt, or if a receiver, assignee or other liquidating officer is appointed for the business of the Lessee, then the Lessor may cancel this lease at Lessor's option.

14. **ASSIGNMENT:** EXCEPT as provided above, Lessee shall not assign this lease or any part thereof and shall not let or sublet the whole or any portion of the premises without the written consent of the Lessor. This lease shall not be assignable by operation of law. If consent is once given by the Lessor to the assignment of this lease, or any interest therein, Lessor shall not be barred from afterwards refusing to consent to any further assignment.

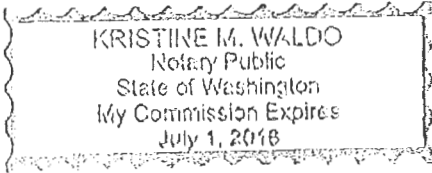
15. **ACCESS:** Lessee will allow Lessor free access at all reasonable times to the leased premises for the purpose of making inspection to assure compliance with the provisions of this lease.

16. **NOTICES:** Any notice required to be served in accordance with the terms of this lease, shall be sent by mail, addressed in care of the address stated below.

17. **DEFAULT & RE-ENTRY:** If any rents above reserved, or any part thereof, shall be and remain unpaid when the same shall become due, or if Lessee shall violate or default in any of the covenants and agreements herein contained, then the Lessor may cancel this lease upon giving the notice required by law, and re-enter said premises, but notwithstanding such re-entry by the Lessor, the liability of the Lessee for the rent provided for herein shall not be extinguished for the balance of the term of this lease, and Lessee covenants and agrees to

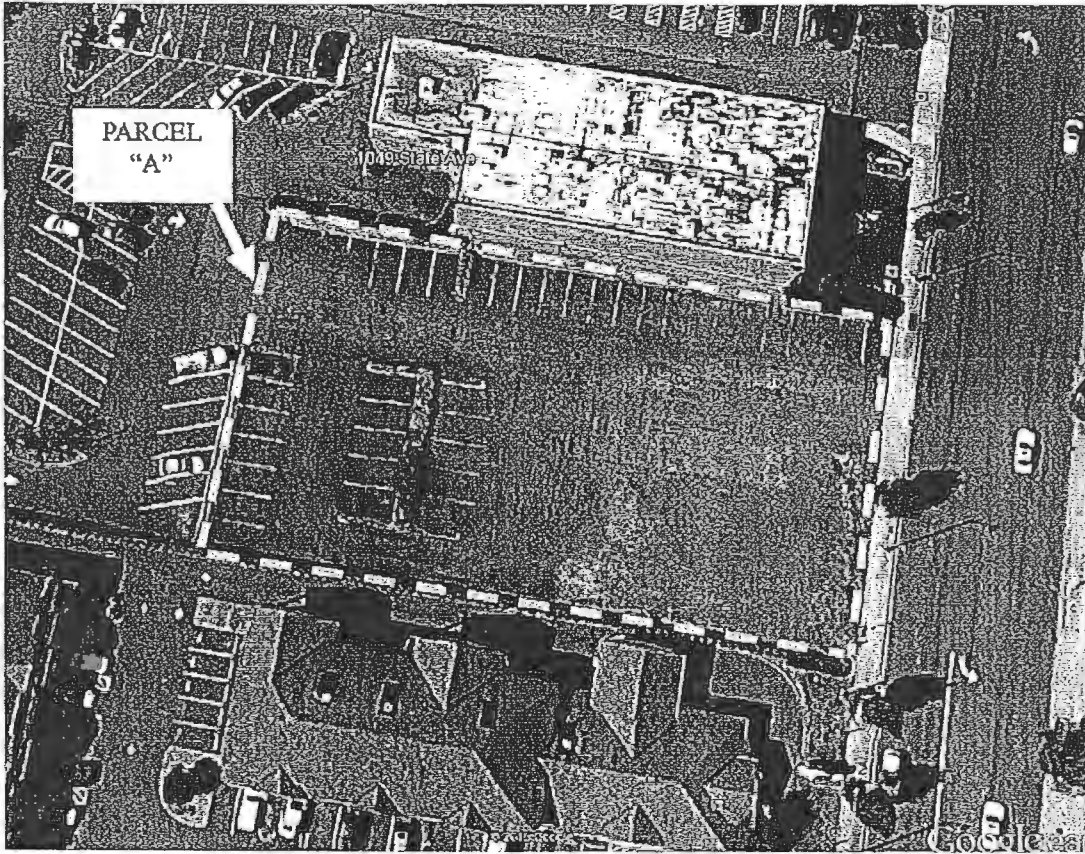
I certify that I know or have satisfactory evidence that Dan Hazen is the person who appeared before me, and said person acknowledged that HE/SHE signed this instrument, on oath acknowledged that HE/SHE was authorized to execute the instrument, and acknowledged it as the owner of the City of Marysville to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED this 27th day of February, 2015.



Kristine M. Waldo
Kristine M. Waldo
(Legibly print name of notary)
NOTARY PUBLIC in and for the State of
Washington, residing at Marysville
My commission expires 7-1-16

Exhibit A
Parcel



Parking for patrons of the Farmers Market is available outside of the area depicted as Parcel A and within the parking facilities and boundaries of City Hall 1049 State Avenue.



Marysville Farmers Market

Vision:

Marysville Farmers Market is the place to be on a Saturday in Marysville. The market is a vibrant, loving place where local consumers can meet local producers and know where their goods are coming from while having a great time in the process. Civic leaders, business leaders, consumers and producers enjoying music, conversation and the spirit of Marysville. Marysville Farmers Market is dedicated to making Marysville a healthier community in every facet.

Mission Statement:

The Marysville Farmer's Market exists to fund local compassion programs by creating profitable and sustainable relationships between producers and consumers in the Greater Marysville area.

Healthy Communities:

The Marysville Farmers Market will partner with the Marysville Healthy Communities program in any way possible. Our visions align to create a healthier Marysville in every facet of life. The support of the leadership at the City of Marysville has been integral to our research success and will be integral moving forward in creating a successful market.

Description:

The Marysville Farmer's Market will be a North Snohomish County community venue operating for the 5 month farmers grow season. The market will be held on Saturdays, from 10am-2pm from May 30th - September 26th except on June 20th, where we will observe the Strawberry Festival with the rest of our community.

Marysville is in need of a local outdoor marketplace to enhance awareness and access to fresh locally grown produce, local art, and to showcase performers. The market's focus will be on local food. In the past, markets in Marysville have become craft fairs rather than markets very quickly. The Marysville Farmers Market will have 70% or more of its vendors main product focus be local food, with an emphasis on locally grown produce to ensure this does not happen again and that the market becomes sustainable.

AC3 Community Center, under the 501(c)3 Allen Creek Community Church, has addressed such a needed community venue. By meeting with local farmers, artisans, educators, school districts, small businesses, and local government, there is a general consensus that the Marysville Farmer's Market is a viable nonprofit and is preparing to be launched in the spring of 2015.

AC3 Community Center and BAM (Business As Mission) Board will be the site managers of the proposed project. While the small businesses will be responsible for their own cash/credit sales, AC3 will manage space rental, signage, advertising, permits, lot rental, EBT (Electronic Benefits Transfer) for patrons, and general operating logistics. The revenue produced by this project will be directed back into the AC3 Community Center which supports a member run co-op farm (First Fruits), a Snohomish County food bank and resource center (Seeds of Grace), and other community accessed special projects run by volunteers.

Projected Outcome:

We envision the market to become a sustainable, eventually zero waste, market place. By centering not only on commerce, but by educating students, farmers, and the community at large about sustainable living and green grow practices, we feel that this endeavor will have a huge impact on the constituents accessing the Marysville Farmer's Market. Our priority is to bring community together to create a diverse meeting place of local growers, artisans, producers, and performers. We are creating a place where people can get local, healthy produce and support local small businesses in Marysville.

Market Managers:

Jared Galde – Jared has a passion for the Marysville community. He learned early in life the power of a hard day's work at the age of 14 working at Strand's Fuel on Sunnyside Boulevard. Since graduating from MPHS in 2001, Jared has continued to display this self-motivation. After working in lumber sales for Boise Cascade for nearly a decade, he has turned to carrying on his mother's legacy by becoming a broker at All Family Real Estate and Investment, LLC, the family owned real estate firm in Marysville. Jared strives to break the mold of the common real estate agent, procuring business by loving people and being a helpful member of the community. He looks to bring his communication skills to the Marysville Farmers Market board of directors with eyes on maintaining effective communication with vendors and sponsors as our operations manager.

Bet Galde – Bet has passion for her family and her community to eat local, organic food. Her passion for organization and her effective problem solving skills were honed for 8 years working for the City of Marysville. Since leaving the city to pursue motherhood fulltime, she's gracefully displaying her creative thinking and leadership skills in raising two little boys while coordinating and decorating weddings and other celebrations. She has a love of farmers markets and wants to bring these skills to the Marysville Farmer's Market board of directors in an effort to make Marysville a better place for her children to grow up in.

Tina Waldo – Tina has a passion for keeping things in order. Her organizational skills are a huge part of who she is. Tina has displayed her love of keeping things in order while working in finance and accounting for the past 20 years. She's studying business currently at Washington Cash while operating her own small business selling her delicious baked goods. Tina has a huge heart, the heart of a servant. She loves to give and keep on giving without asking for anything in return. She hopes to bring her organizational skills to the Marysville Farmers Market board of directors as our administrative manager.

Valen Gibbs – Valen is passionate about fitness. She's passionate about feeding her family, local, healthy, organic ingredients. She obtained her bachelor's degree in business marketing at Walla Walla 7th Day Adventist. Her work background includes owning and operating a floral shop, being a purchasing manager where she learned the art of negotiation and relationship maintenance and now is a full time mother of two children. Valen has an eye for quality and a magnetic personality. She hopes to bring these skills to the Marysville Farmers Market board of directors with a focus on maintaining the quality and "feel" of the market.

Kim Adcock – Kim has a passion for the local farming community. As a board member of the First Fruits Coop and the owner of the property where the farm is located, Kim is heavily involved in day to day farming operation. Her love of people and communication started early as she studied public relations and communication arts at North Dakota State University. Kim's leadership skills have been on display for many years. From owning and operating a local sign business to being a former board member for the local LeTip chapter and currently leading in First Fruits as well as other women's ministries at AC3. Kim loves the Marysville community, raising three awesome kids while finding time to give back at every turn. She hopes to bring her skill set to the Marysville Farmers Market board of directors with an eye on procuring sponsorships and maintaining productive relationships with local farmers, vendors and sponsors.

Jan Hayes – Jan has is passionate about the local farming community. As the manager of First Fruits Coop, she has woven herself in to the fabric of the local farming community creating lasting relationships within it. Jan worked for the University of Washington for 25 years, she is now retired and serving her community through First Fruits. Jan looks to bring this love of farming to the Marysville Farmers Market board of directors with eyes on maintaining a healthy number of local, organic farms at the market.