

*Note: This draft agricultural lease/Special Use Permit (draft lease) is provided in response to public comments requesting information about lease terms should the National Park Service authorize continued ranching on lands included in the planning area for the General Management Plan Amendment (GMPA). The GMPA is currently the subject of a NEPA planning process. The draft lease/permit is based on the preferred alternative identified in the GMPA Draft Environmental Impact Statement (EIS). The NPS may modify the preferred alternative, or identify a different preferred alternative, in the Final EIS. If continued ranching is authorized through the NEPA process, the NPS will prepare a final lease/permit authorizing the types and levels of ranching activities that are approved in the Record of Decision.*

**POINT REYES NATIONAL SEASHORE AND  
NORTH DISTRICT GOLDEN GATE NATIONAL RECREATION AREA  
AGRICULTURAL LEASE/PERMIT**

*THIS AGRICULTURAL LEASE/PERMIT* (Lease) is made and entered into as of (*insert date*), by and between the United States Department of the Interior, National Park Service (NPS or Lessor), an agency of the United States of America and \_\_\_\_\_ and \_\_\_\_\_ (collectively referred to as Lessee).

*WHEREAS*, the Point Reyes National Seashore (Point Reyes) and the North District of Golden Gate National Recreation Area (GGNRA) are administered by the Secretary of the Department of the Interior (Secretary) through the Superintendent of Point Reyes National Seashore pursuant to the National Park Service Organic Act, 54 U.S.C. Section 100101(a), the enabling acts for Point Reyes and GGNRA, 16 U.S.C. Section 459c *et seq.* and 16 U.S.C. Section 460bb *et seq.* respectively, and other laws applicable to units of the National Park System, and

*WHEREAS*, the NPS is authorized to lease historic agricultural lands within Point Reyes and GGNRA in accordance with the terms and conditions of 16 U.S.C. § 459c-5 and § 460bb-2(j) respectively; and under the NPS Organic Act, the NPS may issue special use permits, and

*WHEREAS*, on January 31, 2013, the Director of the National Park Service delegated the authority to issue agricultural lease/permits in Point Reyes and GGNRA to the Regional Director, Pacific West Region for terms up to 20 years, and

*WHEREAS*, on \_\_\_\_\_ the NPS issued a Record of Decision for the Environmental Impact Statement (EIS) for the *Point Reyes National Seashore and the North District of Golden Gate National Recreation Area General Management Plan* (GMPA) which authorized continued ranching and dairying operations as set forth in the GMPA Record of Decision, and

*WHEREAS*, Lessee desires to lease certain property from Lessor as more particularly described on Exhibit A (the Premises); and

*WHEREAS*, Lessor has agreed to lease the Premises to Lessee on the terms, agreements, covenants, conditions and provisions set forth in this Lease and solely for the purposes provided in this Lease.

*NOW THEREFORE*, in consideration of the rents to be paid under this Lease and all of the terms, agreements, covenants, conditions and provisions contained in this Lease, Lessee and Lessor (the Parties) hereby agree as follows:

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## 1. DEFINITIONS

As used in this Lease, the following terms shall have the following meanings:

- 1.1. "Agency" means any federal, state or local agency, department, commission, board, bureau, office or other governmental authority having jurisdiction.
- 1.2. "Applicable Laws" includes, without limitation, all present and future statutes, regulations, rules, requirements, ordinances, codes, Environmental Requirements, guidelines, judgments, orders and the like, and any amendments thereto, of any Agency or judicial body, whether now existing or hereafter established, relating to or affecting the Premises or the use or occupancy of the Premises.
- 1.3. "Commencement Date" is as defined in Article 5 of this Lease.
- 1.4. "Cyclic Maintenance" means (i) all repairs, maintenance, or replacement-in-kind necessary to maintain the Premises and the existing improvements thereon in good order, condition, and repair; (ii) housekeeping and routine and periodic work scheduled to mitigate wear and deterioration without materially altering the appearance of the Premises; (iii) the repair or replacement-in-kind of broken or worn-out elements, parts or surfaces so as to maintain the existing appearance of the Premises; and (iv) scheduled inspections of all building systems on the Premises.
- 1.5. "Default" means Lessee's failure to keep and perform any of the Provisions of this Lease.
- 1.6. "Diversification Activities" mean those agricultural or livestock-related activities that were analyzed in the GMPA EIS and approved in the Record of Decision that may be implemented on the Premises in accordance with the GMPA EIS and Record of Decision and the terms of the ROA for the Premises.
- 1.7. "Environmental Requirements" means, without limitation, all standards or requirements relating to the protection of human health or the environment such as:
  - 1.7.1. standards or requirements pertaining to the reporting, permitting, management, monitoring, investigation or remediation of emissions, discharges, releases, or threatened emissions, releases or discharges of Hazardous Materials into the air, surface water, groundwater, or land;
  - 1.7.2. standards or requirements relating to the manufacture, handling, use, treatment, storage, disposal, or transport of Hazardous Materials; and

- 1.7.3. standards or requirements pertaining to the health and safety of employees or the public.
- 1.8. "Expiration Date" is as defined in Article 5 of this Lease.
- 1.9. "Hazardous Materials" means, without limitation, any material or substance, whether solid, liquid, or gaseous in nature,
  - 1.9.1. the presence of which requires reporting, permitting, management, monitoring, investigation or remediation under any Environmental Requirement; or the presence of which poses or threatens to pose a hazard to the environment or human health and safety;
  - 1.9.2. that is or becomes defined as a "hazardous waste," "extremely hazardous waste," "restricted hazardous waste," "hazardous substance," "pollutant," "discharge," "waste," "contaminant," or "toxic contaminant" under any Environmental Requirement, or any above-ground or underground storage containers for the foregoing;
  - 1.9.3. that is toxic, explosive, corrosive, flammable, infectious, radioactive, reactive, carcinogenic, mutagenic, or otherwise hazardous to human health or the environment and is or becomes regulated under any Environmental Requirement;
  - 1.9.4. that contains, without limitation of the foregoing, gasoline, diesel fuel or other petroleum hydrocarbons or derivatives, or is an above-ground or underground storage container for the same;
  - 1.9.5. that contains, without limitation of the foregoing, polychlorinated biphenyls (PCBs), asbestos, asbestos-containing materials, lead-based paints, urea formaldehyde foam insulation; pesticides or
  - 1.9.6. that contains or consists of radon gas.
- 1.10. "Hazardous Materials Occurrence" means any use, generation, treatment, keeping, storage, transport, release, disposal, migration, or discharge of any Hazardous Materials from, on, under or into the Premises or the Park that causes any environmental contamination.
- 1.11. "Improvements or Alterations" means any construction or improvement that does not fall within the definition of Cyclic Maintenance, including any construction or improvement designed to support Diversification Activities.
- 1.12. "Lease/Permit" means this 20-year instrument which contains those certain termination and revocation provisions as provided for herein.

- 1.13. "NPS" means the management officials in charge of the administration and operation of Point Reyes and the GGNRA north district, including the Superintendent or his/her designee(s).
- 1.14. "Park" means, without limitation, all lands, waters and structures within the legislative boundaries of Point Reyes National Seashore and the north district Golden Gate National Recreation Area, all natural and cultural resources within such boundaries, and any other property within such boundaries belonging to or administered by the NPS. As appropriate given the context, this term also includes the visiting public and NPS employees.
- 1.15. "Pasture Improvements" mean structural range improvements to facilitate grazing (e.g., water troughs, fencing, pipelines) and land treatments to manage vegetation or address resource management objectives (e.g., brush or grass mowing, reseeded, brush burning).
- 1.16. "Personal Property" means all furniture, fixtures, equipment, appliances, inventory, supplies and apparatus placed on the Premises that are neither permanently attached to nor form a part of the Premises, whether leased or owned by Lessee. In addition, manufactured housing units identified on Exhibit A constitute Lessee's Personal Property.
- 1.17. "Premises" shall mean the approximately \_\_\_\_\_ acres of land shown in Exhibit A and all improvements thereon, but not including items of Personal Property.
- 1.18. "Provision" shall mean any term, agreement, covenant, condition or provision of this Lease or any combination of the foregoing.
- 1.19. "Ranch Operating Agreement (ROA)" shall mean an annual agreement describing the operating practices that Lessee is allowed to conduct on the Premises and the conservation and preservation obligations that Lessee is required to perform on the Premises each year.
- 1.20. "Term" is as defined in Article 5 of this Lease.
- 1.21. "Termination Date" means the Expiration Date or such earlier date as this Lease is terminated or revoked pursuant to any Provision of this Lease.

## 2. LEASE OF THE PREMISES

### 2.1. Lease of the Premises; Reservation of Rights

In accordance with the powers granted by Congress, Lessor, for and in consideration of all of the rents and Provisions contained in this Lease to be paid, kept and performed by Lessee, hereby leases to Lessee, and Lessee hereby hires, upon and subject to all of the rents and Provisions contained in this Lease, from Lessor, the Premises:

subject to all Applicable Laws, and all liens, encumbrances, restrictions, rights and conditions of law or of record or otherwise actually known to Lessee or reasonably ascertainable by inspection or survey;

excepting and reserving unto Lessor and its agents the right to enter and to permit any Agency to enter upon the Premises for the purposes of inspection, inventory or when otherwise deemed appropriate by Lessor for the protection of the interests of Lessor, including Lessor's interests in any natural or cultural resources located on, in or under the Premises;

excepting and reserving to Lessor the right at any time to close to travel any of its lands, to erect and maintain gates and fences at any point thereon, to regulate or prevent traffic of any kind thereon, to manage wildlife thereon, to prescribe the methods of use thereof, and to maintain complete dominion over the same; provided, however, that at all times during the Term, Lessor shall provide Lessee and Lessee's invitees with reasonable access to the Premises subject only to interruptions related to maintenance, management or administrative operations or by matters beyond Lessor's control; and

provided further that Lessee hereby waives any claims for damages for any injury, inconvenience to or interference with Lessee's use and occupancy of the Premises, any loss of occupancy or quiet enjoyment of the Premises, or any other loss occasioned by Lessor's exercise of its rights under this Section 2.1 except to the extent that the damages, expenses, claims or suits result from the willful misconduct or sole negligence of Lessor, or its employees or contractors; provided, further, that Lessor shall be liable only to the extent such claims are allowed under the Federal Tort Claims Act;

### 2.2. Easements

Nothing contained in this Lease shall give or be deemed to give Lessee an independent right to grant easements or other rights-of-way over, under, on, or through the Premises.

### 2.3. Mineral Rights

Lessor hereby retains the sole and exclusive right to oil, gas, hydrocarbons and other minerals (of whatsoever character) in, on, or under the Premises.

#### 2.4 Water Rights

Water rights will be perfected as deemed necessary by the Lessor in its own name for water developed or used in connection with this Lease. The Lessee shall furnish Lessor such information as is necessary for the perfection and maintenance of such rights, including statutory fees, and information for the management and protection of the Park. Lessee shall not perfect water rights in Lessee's own name or in the name of any other entity.

Upon request, Lessee shall monitor the use of appropriated water and provide information to Lessor relating to Lessor's water rights reporting requirements under Applicable Laws.

### 3. ACCEPTANCE OF THE PREMISES

#### 3.1. Lessee's Due Diligence

Prior to entering into this Lease, Lessee has made a thorough, independent examination of the Premises and all matters relevant to Lessee's decision to enter into this Lease, and Lessee is thoroughly familiar with all aspects of the Premises and is satisfied that they are in an acceptable condition and meet Lessee's needs.

#### 3.2. "As Is" Condition of the Premises

Lessee hereby expressly accepts the Premises and all improvements thereon in their existing "AS IS" condition "WITH ALL FAULTS" and acknowledges that in entering into this Lease, Lessee does not rely on, and Lessor does not make, any express or implied representations or warranties as to any matters including, without limitation, the suitability of the soil or subsoil; any characteristics of the Premises or improvements thereon; the suitability of the Premises for the approved use; the economic feasibility of Lessee's use and occupancy of the Premises; title to the Premises; the presence of Hazardous Materials in, on, under or in the vicinity of the Premises; variations in weather or environmental conditions affecting Lessee's intended use of the Premises; or any other matter. Lessee has satisfied itself as to such suitability and other pertinent matters by Lessee's own inquiries and tests into all matters relevant to determining whether to enter into this Lease and Lessee hereby accepts the Premises.

### 4. USE OF THE PREMISES AND RANCH OPERATING AGREEMENT

#### 4.1 Lessee intends to use the Premises for beef cattle or dairy ranching and other

activities expressly set forth in the Ranch Operating Agreement (ROA) attached hereto as Exhibit B. For Leases where residential use is authorized, Lessee agrees to use the Premises as the principle residence (as defined by the Internal Revenue Service) of at least one of the undersigned Lessees throughout the entire Term of the Lease.

- 4.2 Lessee's use of the Premises is contingent on Lessee's execution of and good faith participation in the development and implementation of the ROA. No changes to the uses and activities on the Premises may occur unless approved in an ROA duly executed by the Parties.
- 4.3 In the first year of the Lease Term, Lessee agrees to meet with Lessor within 3 months of the issuance of the GMPA Record of Decision to develop the initial ROA. The ROA will identify the activities that Lessee is authorized to conduct on the Premises; the required management activity standards and mitigation measures that apply to authorized activities; and Lessee's maintenance obligations. NPS will prepare the ROA for Lessee's signature. Lessee agrees to sign the ROA within 120 days of the initial ROA meeting between the Parties.
- 4.4 In each subsequent year of the Lease Term, Lessee agrees to meet with NPS on a yearly basis (not later than March 1st of each year) to discuss whether any changes should be made to the ROA, to resolve issues of concern, and to discuss Lessee's compliance with the Provisions of this Lease.
- 4.5 If Lessee desires to modify any activities authorized in the ROA or undertake new activities or practices, Lessee agrees to follow the process set out in Article 21 of this Lease for requesting NPS approval.
- 4.6 Activities approved by NPS will be included in the ROA for that year, which Lessee must sign no later than April 1st of that calendar year.
- 4.7 If NPS determines that changes to Lessee's operations are needed to protect Park resources or to be consistent with the terms of the GMPA Record of Decision, NPS will provide Lessee with a revised ROA by March 1st of that year. Lessee agrees to execute a new ROA not later than April 1st of that year.
- 4.8 If neither Party seeks changes to the ROA in a given year, the prior year's ROA will be renewed by both Parties adding their signatures thereto.
- 4.9 Prior to January 31st of each calendar year during the Lease Term, Lessee shall provide NPS with written documentation of Cyclic Maintenance activities completed in the prior calendar year and suggested cyclic maintenance activities for the following year. By the same date, Lessee shall certify that Lessee has inspected all utility systems on the Premises (including water, electrical and septic) and shall provide written documentation of the operational condition of

these systems.

- 4.10 The ROA in effect at any particular time is fully incorporated into and considered a Provision of this Lease.
- 4.11 Failure of Lessee to timely execute the first ROA or any subsequent ROA is grounds for termination of this Lease.
- 4.12 Except as set forth in Article 21.5, Lessee acknowledges that beef cattle and dairy ranching activities, Diversification Activities, Ground Disturbance, Improvements and Alterations, Pasture Improvements, and Vegetation Removal may only be included in the ROA if such activities have been analyzed in the GMPA and its accompanying Environmental Impact Statement and have been approved in the Record of Decision.
- 4.13 Lessee may neither authorize nor host activities that require a National Park Service Special Use Permit, including organized events and filming activities, upon the Premises without Lessor's prior approval and issuance of a Special Use Permit.
- 4.14 Lessee's use and occupancy of the Premises shall be in accordance with all of the Provisions contained in this Lease, the ROA and all Applicable Laws. No use of land or waters beyond the boundaries of the Premises is authorized.
- 4.15 Lessee shall not engage in any activity that may be dangerous or harmful to persons, property or the Park; that constitutes or results in waste or unreasonable annoyance (including, without limitation, the introduction of signage or the use of loudspeakers or sound or light apparatus that could disturb Park visitors outside the Premises); that in any manner causes or results in a nuisance; or that is of a nature that it involves a substantial hazard, such as the manufacture or use of explosives, chemicals or products that may explode.
- 4.16 The Parties hereby acknowledge and agree that Lessee's covenant that the Premises shall be used and maintained as set forth in this Article 4 is material consideration for Lessor's agreement to enter into this Lease. The Parties further acknowledge and agree that any violation of said covenant shall constitute a Default under this Lease.
- 4.17 Lessee's use of the Premises is subject to the right of the NPS to establish trails, roads and other improvements and betterments over, upon, or through said Premises and further to the use by travelers and others of such roads and trails as well as those already existing. Lessee understands that Park visitors are authorized to walk or hike on the various pastures and fields included in the Premises, even in areas where there are no established trails.

4.18 Lessee's operations under this Lease must be performed in accordance with the conditions outlined in the following regulatory documents:

4.18.1. U.S. Fish and Wildlife Service (USFWS) Biological Opinion for the General Management Plan Amendment, dated -----

4.18.2. National Oceanic and Atmospheric Administration (NOAA) Fisheries Biological Opinion for the General Management Plan Amendment, dated - ----.

4.18.3 *(Note: Additional regulatory documents may be added.)*

## 5. TERM

5.1. The term of this Lease ("Term") shall be for a period of twenty (20) years, commencing on *(insert date)* ("Commencement Date") and expiring on *(insert date)* ("Expiration Date"), or on such earlier date as provided for in this Lease.

5.2. Lessee shall have the right to terminate this Lease by giving six months advance written notice to Lessor. Lessor shall have the right to revoke this Lease by giving six months written notice to Lessee in the event Lessee breaches any Provision of this Lease. Lessor shall also have the right to revoke this Lease for any reason in Lessor's sole discretion after first providing Lessee with one year's written notice of such revocation. Notwithstanding the foregoing, if Lessor, in its sole discretion, determines that there is a significant health or safety risk to persons or property associated with Lessee's continued use or occupancy of the Premises, Lessor shall have the right to revoke this Lease after first providing Lessee with 60 days written notice of such revocation. Lessor shall also have the ability to order Lessee to immediately halt or abate the activities giving rise to the health or safety risk.

5.3. Six months prior to the Expiration Date of this Lease, NPS may offer this Lease, or a similar lease, to Lessee. If Lessee fails to execute a subsequent lease prior to the Expiration Date, the Provisions of this Lease regarding Lessee's obligations to surrender and vacate the Premises shall apply. Lessor has no obligation to offer a subsequent lease to Lessee.

## 6. RENTS, TAXES AND ASSESSMENTS

6.1. *(Note: There is no draft lease language for rent at this time because the formula for determining fair market rent will be determined through an appraisal conducted under the Uniform Standards of Professional Appraisal Practice adopted by the Appraisal Foundation. NPS anticipates that lease rental rates will allow for annual adjustments so that rents remain consistent with market conditions. The NPS will also consider authorizing Lessees to fund maintenance reserve accounts with a qualified financial institution. If authorized, the accounts would be funded with a portion of rental proceeds, to be determined by Lessor,*

*and the funds would be used to support maintenance and upkeep of the leased premises.)*

- 6.2. Lessee shall pay the proper Agency, when and as the same become due and payable, all taxes, assessments, and similar charges which, at any time during the Term of this Lease, are levied or assessed against the Premises.
- 6.3. Rents due hereunder shall be paid without assertion of any counterclaim, setoff, deduction or defense and without abatement, suspension, deferment or reduction. The rental rate and payment requirements are set forth in the ROA.
- 6.4. Except as otherwise expressly provided in this Lease, this Lease shall continue in full force and effect, and the obligations of Lessee under this Lease shall not be released, discharged or otherwise affected, by reason of: (i) any damage to or destruction of the Premises or any part thereof or any improvements thereon; (ii) any restriction or prevention of or interference with any use of the Premises or the improvements or any part thereof; (iii) any claim that Lessee or any other person has or might have against Lessor; (iv) any failure on the part of Lessor to perform or comply with any of the Provisions in this Lease or any provision of any other agreement with Lessee or any other person.

## 7. CATTLE

Lessee is authorized to graze cattle on the Premises in accordance with the provisions of this Lease and the ROA. Lessee shall provide documentation to NPS upon request demonstrating that Lessee has an ownership interest in all cattle on the Premises. Lessee is not permitted to allow use of the Premises for any cattle in which Lessee does not have an ownership interest.

## 8. OTHER LIVESTOCK

Lessee shall have no livestock other than cattle on the Premises unless specifically authorized in the ROA. Lessee shall provide documentation to NPS upon request demonstrating that Lessee has an ownership interest in any other livestock authorized under the ROA. Lessee is not permitted to allow use of the Premises for any livestock in which Lessee does not have an ownership interest.

## 9. DIVERSIFICATION ACTIVITIES IN THE PASTURE AND RANCH CORE SUBZONE

Except as authorized in the ROA, Lessee shall not engage in any Diversification Activities on the Premises, including in the Pasture and Ranch Core subzones. If Lessee seeks to undertake any Diversification Activities, Lessee shall follow the approval process set forth in Article 21.

10. PASTURE IMPROVEMENTS AND CULTIVATION OF HAY, HAYLAGE & SILAGE

- 10.1. Except as authorized in the ROA, Lessee shall not engage in any Pasture Improvements on the Premises.
- 10.2. Except as authorized in the ROA, Lessee shall not cultivate any hay or haylage on the Premises.
- 10.3. If Lessee seeks to undertake any Pasture Improvements or to cultivate hay or haylage, Lessee shall follow the approval process set out in Article 21.
- 10.4. Silage that was authorized under prior lease/permits, analyzed in the GMPA, and approved through the Record or Decision may continue, subject to any conditions included in the ROA. Applications for new silage areas will not be accepted.

11. TREE AND VEGETATION REMOVAL

- 11.1. Except as authorized in the ROA, Lessee shall not cut or remove trees or any other vegetation.
- 11.2. If Lessee seeks to cut or remove any tree or vegetation that is not incident to specific activities authorized in the ROA (hereafter referred to as Vegetation Removal), Lessee shall follow the approval process set out in Article 21.
- 11.3. Lessee shall consult with the NPS prior to undertaking any treatment or removal of trees within the Ranch Core that Lessee believes to be hazardous.

12. EXCAVATION, SITE AND GROUND DISTURBANCE

- 12.1. Except as authorized in the ROA, Lessee shall not alter any landscape feature; conduct any mining or drilling operations; remove any sand, gravel or similar substances from the ground or any watercourse; commit waste of any kind; or in any manner change the contour or condition of the Premises.
- 12.2. If Lessee seeks to undertake any excavation or ground disturbance that is not incident to specific activities authorized in the ROA (hereafter referred to as Ground Disturbance), Lessee shall follow the approval process set out in Article 21.
- 12.3. If archaeological or historic resources are discovered during the course of any ground disturbing activity, Lessee shall stop all such work and notify Lessor. Lessor shall visit the site and determine whether work may proceed and under what circumstances. Any cultural resources recovered on the Premises are the property of Lessor. The recovery of these items is subject to federal law, with

penalties imposed for violations.

13. TREATMENT OF LIVESTOCK, MANAGEMENT OF REFUSE AND CARCASSES

13.1. Lessee shall promptly treat diseased, injured, or dying livestock in accordance with customary veterinary practices. Lessee shall immediately remove dead livestock from the Park and shall dispose of the carcasses in accordance with all Applicable Laws.

13.2. In order to protect public health and safety and Park resources, Lessee shall promptly report the results of any livestock disease testing, including tests for Johne's disease, to NPS in the event that such testing reveals a suspected or known incidence of disease.

13.3. Lessee shall be responsible for removing refuse, litter, trash, abandoned equipment and miscellaneous debris from the Premises and disposing of such materials in accordance with all Applicable laws.

14. PROTECTION OF WILDLIFE AND PLANTS

14.1. Wildlife management, including management of elk, removal of non-native species, and the restoration of native species, is the responsibility of the NPS. Except for ranching, diversification, residential and maintenance activities authorized in the ROA, Lessee shall not engage in any other activities that impact wildlife or that support or increase populations of non-native or invasive plant or animal species.

14.2. Lessee acknowledges that wildlife may cause occasional damage to fences, ranching structures, livestock, forage and Lessee's personal property and agrees to seek no reimbursement or other compensation therefore. On a case-by-case basis and in its sole discretion, Lessor may evaluate incidences of depredation and choose a course of action. The nature of the course of action taken, if any, will be guided by NPS's management goals for the wildlife species, the extent and frequency of the damage, and other NPS management objectives.

15. WAIVER OF WASTE DISCHARGE REQUIREMENTS FOR CONFINED ANIMAL FACILITIES AND/OR NONPOINT SOURCE POLLUTION AND SOIL EROSION

15.1. *(Note: NPS will develop provisions regarding water quality protection and reporting requirements for beef and dairy ranches following consultations with the RWQCB.)*

16. PESTICIDE AND HERBICIDE USE

- 16.1. The NPS utilizes Integrated Pest Management ("IPM") to treat pest problems. The goal of IPM is to use the least-toxic, effective methods of controlling pests.
- 16.2. In accordance with Article 21, Lessee shall submit in written request to Lessor to use pesticides on the Premises. Except as authorized in the ROA, Lessee shall not use any pesticide (including, without limitation, any rodenticide, insecticide or herbicide) on the Premises. If use of such products is authorized in the ROA, Lessee shall comply with the terms of any Pesticide Use Permit (PUP) issued by NPS.
- 16.3. Lessee shall manage, treat, generate, handle, apply, store and dispose of all pesticides in accordance with Applicable Laws, including reporting and certification requirements.

## 17. FIRE PREVENTION AND SUPPRESSION

Lessee and its employees, agents, and contractors shall, in Lessee's use and occupancy of the Premises, take all reasonable precautions to prevent forest, brush, grass, and structural fires.

## 18. RANCH WORKER HOUSING

- 18.1. Lessee shall not provide any rancher worker housing on the Premises except as authorized in the ROA, including in manufactured housing units that are Lessee's Personal Property. Ranch worker housing is only authorized for workers who are employed on a ranch within Point Reyes National Seashore or the north District of Golden Gate National Recreation Area on at least a part-time basis.
- 18.2. Manufactured housing units that constitute Lessee's personal property are so noted on Exhibit A.
- 18.3. If NPS authorizes Lessee to provide ranch worker housing, Lessee shall ensure, at its sole cost and expense, that such housing is safe, sanitary, and decent and that the physical condition of such housing complies with all Applicable Laws, including building codes. Lessee is also responsible for keeping exterior areas around such housing units clean and slightly.
- 18.4. Ranch worker housing rental agreements issued by Lessee shall comply with Applicable Laws, including landlord-tenant laws.
- 18.5. Any rents charged by Lessee for ranch worker housing units on the Premises shall not exceed rental rates identified in the Appraisal.
- 18.6. Lessor reserves the right to inspect ranch worker housing and to review ranch worker rental agreements to ensure that housing conditions and rental rates

comply with this Lease.

- 18.7. Any landlord-tenant disputes between Lessee and ranch worker tenants are solely between Lessee and tenant and are not the responsibility of the NPS.

## 19. CYCLIC MAINTENANCE

- 19.1. Lessee is responsible for the Cyclic Maintenance of all buildings and improvements on the Premises, including fences and corrals, at Lessee's sole cost and expense. *(Note: If NPS authorizes the use of Maintenance Reserve Accounts, a provision will be added to the Lease authorizing Lessee to draw funds from the account to pay for maintenance work.)*
- 19.2. Lessee shall perform all Cyclic Maintenance in accordance with Applicable Laws, this Lease, the ROA and the Preservation and Maintenance Guidelines attached thereto as Exhibit \_\_. *(Note: The Preservation and Maintenance Guidelines can be found in Appendix F of the GMP Amendment Draft EIS.)*
- 19.3. Lessee shall perform all Cyclic Maintenance in a good and careful manner and with materials of a quality and standard acceptable to NPS. Lessee shall also install, use, and keep all equipment and materials used for Cyclic Maintenance activities in a safe and orderly manner. Lessee is encouraged to engage licensed contractors who meet applicable California licensing, bonding and certification requirements when undertaking any Cyclic Maintenance activities. Lessee shall maintain all buildings and improvements on the Premises in a condition that is decent, safe, sanitary and sightly.
- 19.4. Lessee shall maintain all water systems from the main line including the water meter, well pump and controls to the building(s) and outlying water spigots, water troughs, faucets, and stand pipes on the Premises. Lessee shall maintain water systems to show no evidence of leaks. Lessee shall also take all reasonable measures to conserve water through the use of water-restricting/low flow devices and low volume flush toilets. Lessee shall replace or repair any damage or loss to the water system within the Premises.
- 19.5. Lessee shall repair or replace any broken or damaged components of the Premise's sewage disposal system. Lessee shall also maintain the leach field on the Premises by mechanical methods (e.g., mowing) so as to prevent the establishment of woody vegetation on the leach field.
- 19.6. Lessee shall maintain the electrical system on the Premises to a standard that complies with Applicable Laws. Lessee shall repair or replace any broken or damaged components of the electrical system on the Premises that are not the responsibility of PG&E, including electrical lines and equipment (conduits, fuses, panels, switches, etc.). Lessee shall inspect the electrical system on the Premises

annually to ensure compliance with Applicable Laws and any requirements of the utility provider. Electrical systems shall be equipped with properly functioning safety equipment, overload protective devices and switches. High voltage (220v and higher) systems shall have contact points marked in accordance with Applicable Laws, including National Safety Council coding standards.

- 19.7. Lessee shall maintain all liquid petroleum gas (LPG) systems on the Premises including but not limited to tanks, valves, regulators, and piping to a standard that complies with Applicable Laws. Natural and liquefied petroleum gas systems shall be maintained from the tank into the building(s). LPG systems shall be inspected annually. Placement of any new or additional tank(s) is subject to written approval of the NPS.
- 19.8. All fire protection systems including alarms, sprinkler systems and extinguishers shall be inspected by Lessee on an annual basis. Lessee shall maintain fire protection systems in full operating condition at all times and in accordance with Applicable Laws and NFPA requirements.
- 19.9. Lessee shall be responsible for removing slash buildup around buildings within the Premises so as to prevent fire and egress hazards.
- 19.10. Lessee shall maintain existing water reservoirs in a safe and secure condition to prevent washouts and erosion. Lessee shall notify Lessor prior to initiating reservoir maintenance activities so that Lessor can assess potential effects to threatened and endangered plant and animal species. Mitigation measures and other conditions related to reservoir maintenance activities approved by NPS will be included in the ROA.
- 19.11. Lessee shall maintain ranch service roads on the Premises in a serviceable and safe condition. No new roads or truck trails shall be established without prior written permission of the Lessor. Mitigation measures and other conditions related to ranch service road maintenance activities approved by NPS will be included in the ROA.
- 19.12. Lessee shall maintain fences in good repair to ensure that livestock are confined at all times. Unless alternative designs are approved by Lessor, Lessee shall repair and replace fences according to NPS-approved fence designs so as to not impede movement of wildlife. Such designs are set forth in Exhibit \_\_. (*Note: Exhibit to be developed.*) Lessee shall remove abandoned fences and other decrepit improvements from the Premises and dispose of them outside the Park or as directed by NPS.
- 19.13. The costs of maintenance and repair of fences, including portions of fences that lie along common boundaries between the Premises and an adjacent ranch, shall be shared equally between Lessee and the adjacent ranch operator. In the case of a

dispute with an adjacent rancher, Lessee shall promptly notify NPS and NPS shall review the issue and determine the amount of financial responsibility to be borne by each rancher.

## 20. CONSTRUCTION OF IMPROVEMENTS OR ALTERATIONS

- 20.1. Except as authorized in the ROA, Lessee shall not undertake any Improvements or Alterations on the Premises, including those designed to support diversification activities. If Lessee seeks to undertake any Improvements or Alterations, Lessee shall follow the approval process set out in Article 21.
- 20.2. Certain assigned buildings, structures, and areas within the Premises are contributing features of a historic district listed on the National Register of Historic Places. As directed by NPS, Lessee agrees to construct all approved Improvements or Alterations in accordance with the Secretary of the Interior's Standards for Historic Preservation.
- 20.3. Lessee shall perform all Improvements and Alterations in a good and careful manner and with materials of a quality and standard acceptable to NPS. Lessee is encouraged to engage licensed contractors who meet applicable California licensing, bonding and certification requirements when undertaking any Improvements and Alterations.
- 20.4. Lessee shall also install, use and keep all equipment and materials used for Improvements and Alterations in a safe and orderly manner.
- 20.5. Lessee shall perform all Improvements or Alterations in accordance with all Applicable Laws and NPS-approved design plans and shall undertake all such activities at Lessee's sole cost and expense.
- 20.6. Lessee shall not construct any Improvements or Alterations outside the boundaries of the Premises.
- 20.7. Upon request, Lessee shall furnish Lessor with a true and correct copy of any contract, and any modification or amendment thereof, with any architect, contractor or consultant retained by Lessee for the purpose of undertaking any Improvements or Alterations.
- 20.8. Lessor in its discretion is entitled to have on the Premises at any time during the construction of Improvements or Alterations a representative who shall be entitled to inspect all aspects of construction activities on the Premises.

## 21. APPROVAL PROCESS FOR CERTAIN ACTIVITIES

- 21.1. Except as authorized in the ROA, Lessee shall not undertake any Diversification

Activities, Ground Disturbance, Improvements or Alterations, Pasture Improvements, or Vegetation Removal on the Premises (including those that are temporary in nature), or use any pesticides.

- 21.2. If Lessee desires to undertake any Diversification Activities, Ground Disturbance, Improvements or Alterations, Pasture Improvements, Vegetation Removal, or use any pesticides, Lessee shall notify NPS at least 30 days in advance of the annual ROA meeting referred to in Article 4 of this Lease and provide a brief, written description of the activity.
- 21.3. NPS will review this information and inform Lessee whether additional information, such as design plans or operational information, is required before NPS can complete its review of the request. As a prerequisite to obtaining NPS approval, Lessee, at Lessee's sole cost and expense, shall prepare and submit any additional information requested by NPS. Lessee acknowledges that delays in submitting the requested information could delay NPS's consideration of the request until the following year's ROA review process.
- 21.4. NPS may authorize Diversification Activities, Ground Disturbance, Improvements and Alternations, Pasture Improvements, and Vegetation Removal that have been analyzed in the GMPA Environmental Impact Statement and approved in the Record of Decision without the need for additional compliance under the National Environmental Policy Act. Mitigation measures and other conditions related to authorized activities would be included in the ROA.
- 21.5. Lessee acknowledges that activities not analyzed in the GMPA Environmental Impact Statement and approved through the Record of Decision will require environmental compliance, in accordance with Article 25, and NPS approval. NPS will determine whether to approve such activities on a case-by-case basis.
- 21.6. Diversification Activities, Ground Disturbance, Improvements and Alternations, Pasture Improvements, Vegetation Removal, and pesticide uses approved by NPS may also require the approval of other Agencies. Lessee, at its sole cost and expense, is responsible for obtaining any approvals deemed necessary by any Agency.
- 21.7. Title to any Improvements or Alterations and any Pasture Improvements on the Premises shall be and remain solely in the Lessor, except for any Improvements or Alterations made to items of Lessee's personal property.

## 22. LIMITATION ON EFFECT OF APPROVALS

All rights of Lessor to review, comment upon, approve, inspect or take any other action with respect to the use and occupancy of the Premises by Lessee, or any other matter, are expressly for the benefit of Lessor and no other party. No

review, comment, approval or inspection, right or exercise of any right to perform Lessee's obligations, or similar actions required or permitted by, of, or to Lessor under this Lease, or actions or omissions of Lessor's employees, contractors, or other agents, or other circumstances shall give or be deemed to give Lessor any liability, responsibility or obligation for, in connection with, or with respect to Lessee's use or occupancy of the Premises, nor shall any such approval, actions, information or circumstances relieve or be deemed to relieve Lessee of its obligations and responsibilities for the use and occupancy of the Premises as set forth in this Lease.

## 23. PERMITS AND APPROVALS

Except as otherwise provided in this Lease, Lessee shall be responsible for obtaining, at its sole cost and expense, all necessary permits, approvals or other authorizations relating to Lessee's use and occupancy of the Premises.

## 24. PROPERTY INTEREST

This Lease shall vest in Lessee no property interest in the Premises or in the improvements thereon, except that manufactured residential units noted on Exhibit A shall be and remain Lessee's personal property. Except in the case of such units, title to real property and improvements thereon, including any Improvements or Alterations and any Pasture Improvements constructed by Lessee, shall be and remain solely in Lessor and no compensation shall be due to the Lessee. Nor does this Lease grant Lessee any exclusive use of the Premises, except for ranch buildings used for ranching purposes, and housing units occupied for residential purposes, in accordance with the ROA.

## 25. COMPLIANCE WITH APPLICABLE LAWS; NEPA, NHPA

25.1. Lessee, at its sole cost and expense, shall promptly comply with all Applicable Laws relating to Lessee's use and occupancy of the Premises. Lessee shall immediately notify Lessor of any notices received by or on behalf of Lessee regarding any alleged or actual violation(s) of or non-compliance with Applicable Laws. Lessee shall, at its sole cost and expense, promptly remediate or correct any violation(s) of Applicable Laws.

25.2 In the event that Lessee seeks to undertake activities that were not analyzed and approved through the GMPA and its Record of Decision and that therefore require the preparation of compliance documents pursuant to the National Environmental Policy Act ("NEPA"), the National Historic Preservation Act ("NHPA"), the Endangered Species Act (ESA) or similar statutes ("Compliance Activity"), Lessee shall supply all necessary information about such activities to NPS and any Agency in a timely manner. If NPS determines that undertaking Compliance Activity is warranted, NPS may elect, in its sole discretion, to (i) arrange for the

preparation of compliance documents with the costs of such compliance to be reimbursed by Lessee, or (ii) direct Lessee to have the NEPA and other compliance documents prepared as directed by NPS. Lessee shall not implement any aspect of the Compliance Activity until NPS determines that all applicable compliance requirements have been met, NPS has approved the activity for the Premises, and appropriate updates have been made to the ROA.

## 26. HAZARDOUS MATERIALS; ENVIRONMENTAL HEALTH AND SAFETY

### 26.1 Hazardous Materials

26.1.1. In connection with this Lease, Lessee, its officers, agents, employees and contractors, shall not bring, use, handle, generate, treat, keep, or store any Hazardous Materials on, about, under or into the Premises or elsewhere in the Park except in compliance with all Applicable Laws and as approved in writing by Lessor. However, Lessee shall not be obligated to obtain Lessor's approval to use, store, or generate Hazardous Materials as necessary for the normal operation or maintenance of vehicles or other ranch equipment. Lessee agrees to be responsible for the timely acquisition of any permit(s) required for the use, storage or generation of Hazardous Materials necessary for the normal operation and maintenance of vehicles and ranch equipment.

26.1.2. Lessee, its officers, agents, employees and contractors, shall not release, discharge or dispose of any Hazardous Materials from, on, about, under or into the Premises or elsewhere in the Park.

26.1.3. If Lessee knows of or reasonably suspects any past, ongoing, or potential violation of Environmental Requirements in connection with the Premises or Lessee's activities, Lessee shall immediately inform Lessor and shall provide any relevant information or documents to Lessor.

26.1.4. If any Hazardous Materials Occurrence is caused by, arises from, or is exacerbated by the activities authorized under this Lease or by the use of the Premises by Lessee, its officers, agents, employees or contractors, Lessee shall promptly take all actions at its sole cost and expense as are required to comply with Applicable Laws and to allow the Premises and any other affected property to be used free of any use restriction that could be imposed under Applicable Laws; provided that, except in cases of emergency, Lessor's approval of such actions shall first be obtained.

26.1.5. Should Lessee, its officers, agents, employees or contractors, fail to perform or observe any of the obligations or agreements pertaining to Hazardous Materials or Environmental Requirements for a period of thirty (30) days (or such longer period of time as is reasonably required) after

notice, then Lessor shall have the right, but not the duty, without limitation of any other rights of Lessor under this Lease, personally or through its agents, consultants or contractors to enter the Premises and perform the same. Lessee agrees to reimburse Lessor for the costs thereof and to indemnify Lessor as provided for in this Lease.

26.2. Lead-Based Paint, Asbestos, etc.

Lessee understands and acknowledges that the Premises may contain asbestos, asbestos-containing materials, lead-based paint and pesticides. Lessee agrees that in the case of any Improvements or Alterations or other activities that Lessee desires to undertake on the Premises, Lessee shall be responsible for complying with all Environmental Requirements related to these materials and shall solely bear all costs associated therewith. Nothing in this Lease shall be construed to require Lessee to remove these materials unless Environmental Requirements require such removal.

26.3. Indemnities for Hazardous Materials.

26.3.1. Lessee shall indemnify, defend, save and hold Lessor, its employees, successors, agents and assigns, harmless for, from and against, and reimburse Lessor for, any and all claims, demands, damages, injuries, losses, penalties, fines, costs, liabilities, causes of action, judgments, and expenses, including without limitation, consultant fees and expert fees, that arise during or after the Term as a result of any violation of any Environmental Requirement in connection with this Lease or any Hazardous Materials Occurrence in connection with this Lease.

26.3.2. The provisions of this Section 26.3 shall survive any termination or revocation of this Lease. Article 27 (Insurance) of this Lease shall not limit in any way Lessee's or Lessor's obligations under this Section 26.3.

27. INSURANCE --- *(Note: Provisions regarding insurance will be developed.)*

28. INDEMNITY

28.1. In addition to the indemnification contained in Article 26, Lessee shall protect, indemnify, defend, and hold Lessor, its employees, successors, agents and assigns, harmless from and against, and reimburse Lessor for, any and all claims, demands, damages, injuries, losses, penalties, fines, costs, liabilities, causes of action, judgments, and expenses incurred in connection with or arising in any way out of this Lease; the use or occupancy of the Premises by Lessee or its officers, agents, employees, contractors, guests or invitees; the design, construction, maintenance, or condition of any Improvements or Alterations on the Premises; or any accident or occurrence on the Premises or elsewhere arising out of the use or

occupancy of the Premises by Lessee or its officers, agents, employees, contractors, guests or invitees. Lessee's obligations hereunder shall include, but not be limited to, the burden and expense of defending all claims, suits and administrative proceedings (with counsel reasonably approved by NPS), even if such claims, suits or proceedings are groundless, false or fraudulent, and conducting all negotiations of any description, and paying and discharging, when and as the same become due, any and all judgments, penalties or other sums due against the United States.

- 28.2. Lessee acknowledges and agrees that it has an immediate and independent obligation to defend Lessor from any claim that actually or potentially falls within this Article 28, regardless of whether such allegation is, or may be, groundless, fraudulent or false. Such obligation to defend and indemnify shall arise at the time such claim is tendered to Lessee by Lessor and shall continue until discharged through performance or judicial determination.
- 28.3. Lessor shall not be liable to Lessee, and Lessee hereby waives all claims against Lessor for any damage to or destruction of the Premises, including improvements thereon and Lessee's Personal Property, and for any personal injuries or death sustained in connection with or as a result of the use and occupancy of the Premises by Lessee and Lessee's officers, agents, employees, contractors, guests, and invitees.
- 28.4. Lessor agrees to cooperate, to the extent allowed by law, in the submission of claims pursuant to the Federal Tort Claims Act against the United States by third parties for personal injuries or property damage resulting from the negligent act or omission of any employee of the United States in the course of his or her employment.
- 28.5. This Article 28 shall survive any termination or revocation of this Lease. Lessee's obligations under this Article 28 shall not in any way be affected by the absence in any case of covering insurance or by the failure or refusal of any insurance carrier to perform any obligation on its part under insurance affecting the Premises.

## 29. LIENS

- 29.1. Lessee shall have no power to do any act or to make any contract that may create or be the foundation for any lien, mortgage or other encumbrance upon the reversion, fee interest or other estate of Lessor or of any interest of Lessor in the Premises, except as approved in writing by Lessor.
- 29.2. Lessee shall not suffer or permit any liens known to Lessee to stand against the Premises, the improvements thereon, or any part thereof by reason of any work, labor, or services performed for or materials supplied to, or claimed to have been

supplied to Lessee. If any such lien shall at any time be filed against the Premises, the improvements thereon, or any part thereof, Lessee shall cause the same to be discharged of record within sixty (60) days after notice to Lessee of filing the same, by either payment, deposit or bond, unless such lien shall be contested. If Lessee fails to discharge or contest such lien within such period and such failure shall continue for a period of fifteen (15) days after notice by Lessor, then, in addition to any other right or remedy of Lessor, Lessor may, but shall not be obligated to, procure the discharge of the same either by paying the amount claimed to be due, by deposit in court, or by bonding. All amounts paid or deposited by Lessor for any of the aforesaid purposes, and all other expenses of Lessor and all necessary disbursements in connection therewith in defending any such action or in procuring the discharge of such lien, shall become due and payable forthwith by Lessee to Lessor upon written demand therefor.

- 29.3. Nothing in this Lease shall be deemed to be, or be construed in any way as constituting, the consent or request of Lessor, expressed or implied, by inference or otherwise, to any person, firm or corporation, for the performance of any labor or the furnishing of any materials on or to the Premises or any part thereof, or as giving Lessee any right, power or authority to contract for or permit the rendering of any services or the furnishing of any materials that might in any way give rise to the right to file any lien against Lessor's interest in the Premises.

### 30. ASSIGNMENT

Lessee shall not assign this Lease, in whole or in part, or any property on the Premises excepting Lessee's Personal Property. Notwithstanding the foregoing exception for Lessee's Personal Property, Lessee must retain an ownership interest in any livestock authorized to be on the Premises.

### 31. SUBLETTING

Except for Ranch Worker Housing authorized under the ROA, Lessee shall not sublet the Premises or any part thereof or any property thereon, nor grant any interest, privilege or license whatsoever in connection with this Lease.

### 32. DEFAULTS AND LESSOR'S REMEDIES

- 32.1. This Lease is made upon the express condition that if Lessee fails to keep and perform any of the Provisions of this Lease, this Lease shall become void at the option of Lessor, provided that Lessor shall first give Lessee thirty (30) days written notice of Lessor's intention to revoke this Lease and regain possession of the Premises. The notice shall describe the specific Default and shall state Lessor's intention to reenter the Premises and declare this Lease forfeited if such Default continues. Such notice shall be served in the manner provided in Article 38 of this Lease.

- 32.2 If Lessee does not cure the Default or present a reasonable plan therefor within the thirty (30) day period, then Lessor shall be entitled to the possession of the Premises, and may enter into and upon the same or any part thereof and repossess the same and expel Lessee and those claiming through or under Lessee and remove their effects without being guilty of any manner of trespass and without any prejudice to any remedies that might otherwise be used for arrears of rent or preceding Default.
- 32.3. It is further agreed that all rights of Lessee under this Lease shall, at Lessor's option, be revoked upon the filing or execution of (a) a petition in bankruptcy by or against Lessee, (b) a petition seeking relief of the same or different kind under any provision of the Bankruptcy Act or its successor, (c) an assignment for the benefit of creditors, or (d) a petition or other proceeding against Lessee for the appointment of a trustee, receiver or liquidator.
- 32.4. If this Lease is revoked by Lessor prior to the Expiration Date, all of the rights of Lessee under this Lease and in the Premises shall terminate.
- 32.5. No failure by Lessor to insist upon the strict performance of any Provision of this Lease or to exercise any right or remedy upon a Default, and no acceptance by Lessor of full or partial rent during the continuance of any such Default shall constitute a waiver of any such Default or of such Provision. No Provision of this Lease and no Default under this Lease may be waived, altered or modified except by a written instrument executed by Lessor. No waiver of any Default shall affect or alter this Lease, but each and every Provision of this Lease shall continue in full force and effect with respect to any other then existing or subsequent Default.
- 32.6. At the option of Lessor, Lessor may, in lieu of revoking this Lease, assess a penalty of \$100.00 per day for any failure by Lessee to keep and perform any of the Provisions of this Lease. In such case, Lessee shall be given notice in writing of a grace period (from one day to thirty days) to remedy the situation before a penalty will be assessed. Payment of any penalty under this provision shall not excuse Lessee from curing the Default. This provision shall not be construed as preventing Lessor from issuing citations or initiating enforcement proceedings under Applicable Laws.

### 33. LESSOR'S RIGHT TO CURE DEFAULTS

If Lessee shall fail or neglect to do or perform any act or thing provided in this Lease to be done or performed and such failure shall not be cured within the applicable grace period provided in Article 32 of this Lease, then Lessor may, but shall not be required to, do or perform or cause to be done or performed any other act or thing (entering upon the Premises for such purposes, if Lessor shall so elect), and Lessor shall not be or be held liable or in any way responsible for any

loss, disturbance, inconvenience, annoyance or damage resulting to Lessee on account thereof, and Lessee shall repay to Lessor upon demand the entire cost and expense thereof, including, without limitation, compensation to the agents, consultants and contractors of Lessor and expenses. Lessor may act upon shorter notice or no notice at all if necessary in Lessor's judgment to meet an emergency situation or governmental time limitation or to protect Lessor's interest in the Premises. Any act or thing done by Lessor pursuant to this Article 33 shall not be construed as a waiver of any such Default by Lessee or as a waiver of any Provision of this Lease.

#### 34. ALTERNATIVE DISPUTE RESOLUTION

Except in the case of emergencies, prior to seeking any judicial relief relating to the rents or Provisions of this Lease, the Parties shall first meet and attempt, in good faith, to resolve their disagreement. If the Parties are not able to resolve their dispute within 30 days of the date on which the disputing Party first informed the other Party in writing of the existence of a dispute, then either Party may seek judicial relief.

#### 35. SURRENDER AND VACATE THE PREMISES, RESTORATION

- 35.1. On or before the Termination Date of this Lease, Lessee shall surrender and vacate the Premises and remove therefrom all of Lessee's Personal Property (including manufactured residential units identified as Lessee's Personal Property on Exhibit A), and any Improvements or Alterations identified by Lessor for removal. Subject to the approval of Lessor, Lessee shall also restore the Premises to a condition at least equal to that existing at the time this Lease was entered into, normal wear and tear excepted. All major building systems including heat, air conditioning (if applicable), electrical, fire suppression, water supply and sewer shall be in complete and good working order and shall function as designed.
- 35.2. If Lessee shall fail or neglect to remove Lessee's Personal Property and any Improvements and Alterations identified by Lessor for removal, and restore the Premises to good working order as described in this Article 35, then, at Lessor's option, these items shall either become the property of Lessor without compensation therefor, or Lessor may cause them to be removed and the Premises to be repaired at the expense of Lessee, and no claim for damages against Lessor, its employees, agents or contractors shall be created by or made on account of such removal or repair work, including repairs to major building systems.

#### 36. HOLDING OVER

This Lease shall terminate upon the Termination Date and any holding over by Lessee after the Termination Date shall not constitute a renewal of this Lease or give Lessee any rights under this Lease or in or to the Premises.

37. COMPLIANCE WITH FEDERAL EQUAL OPPORTUNITY LAWS

Lessee shall comply with the terms and conditions set out in Exhibit D. (*Note: Exhibit D will be provided at the time of the lease.*)

38. NOTICES & LESSEES AUTHORIZED REPRESENTATIVES

Any notice or other communication required or permitted under this Lease shall be in writing and shall be delivered by hand or certified mail with return receipt requested. Notices and other communications shall be addressed as follows:

If to Lessor:

Superintendent  
Point Reyes National Seashore  
Point Reyes Station, CA 94956

If to Lessee, Lessee has designated the two individuals listed below to receive notices and communications related to this Lease:

NAME/ADDRESS/EMAIL AND PHONE

NAME/ADDRESS/EMAIL AND PHONE

39. NO PARTNERSHIP OR JOINT VENTURE

Lessor is not for any purpose a partner or joint venturer of Lessee in the development or operation of the Premises or in any business conducted on the Premises. Lessor shall not under any circumstances be responsible or obligated for any losses or liabilities of Lessee.

40. ANTI-DEFICIENCY ACT

In accordance with the Anti-Deficiency Act, 31 U.S.C. Section 1341, Lessee and Lessor agree that nothing contained in this Lease shall be construed as binding Lessor to expend, in any fiscal year, any sum in excess of the appropriation made by Congress for that fiscal year in furtherance of the subject matter of this Lease, or to involve Lessor in any contract or other obligation for the future expenditure of money in excess of such appropriations.

41. GENERAL PROVISIONS

41.1. No Payments by Lessor

Under no circumstances or conditions, whether now existing or hereafter arising, and whether or not beyond the present contemplation of the Parties, shall Lessor be expected or required to make any payment of any kind whatsoever with respect to the Premises or be under any obligation or liability except as expressly set forth in this Lease.

41.2. No Congressional Conflict of Interest

No member or delegate to Congress or Resident Commissioner shall be admitted to any share or part of this Lease, or to any benefit that may arise therefrom, but this provision shall not be construed to extend to this Lease if made with a corporation for its general benefit.

41.3. No Third Party Beneficiary

This Lease shall not be construed to confer upon any person or entity, other than the Parties hereto, any right or interest, including, without limiting the generality of the foregoing, any third party beneficiary status or any right to enforce any provision of this Lease.

41.4. No Concession Contract

Lessee hereby agrees that Lessee is not a Concessioner and that the provisions of law regarding National Park Service concessionaires, including 54 U.S.C. Section 101911 - 101926, do not apply to Lessee or this Lease.

41.5. Relocation Assistance

No rights shall be acquired by virtue of this Lease entitling Lessee to claim benefits under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, Public Law 91-646.

41.6. Severability

In case any one or more of the provisions of this Lease shall for any reason be held in a final disposition by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Lease, and this Lease shall be construed as if such invalid, illegal or unenforceable provisions had not been contained in this Lease, unless the rights and obligations of the Parties have been materially altered by such holding of invalidity, illegality or unenforceability.

41.7. Exhibits

Each of the exhibits referenced in this Lease is attached hereto and incorporated herein.

41.8. Time of the Essence

Time is hereby expressly declared to be of the essence of this Lease and of each and every Provision of this Lease.

41.9. Headings

Article, Section and Subsection headings in this Lease are for convenience only and are not to be construed as a part of this Lease or in any way limiting or amplifying the Provisions of this Lease.

41.10. Lease Construed as a Whole

The language in all parts of this Lease shall in all cases be construed as a whole according to its fair meaning and not strictly for or against either Lessor or Lessee. The Parties acknowledge that each party and its counsel have had the opportunity to review this Lease and ROA. The rule of construction that any ambiguities are to be resolved against the drafting party shall not be employed or applied in the interpretation of this Lease.

41.11. Meaning of Terms

Whenever the context so requires, the neuter gender shall include the masculine and the feminine, and the singular shall include the plural and vice versa.

41.12. Applicable Law

The laws of the United States shall govern the validity, construction and effect of this Lease.

41.13. Entire Agreement and Amendment

This instrument, together with the exhibits hereto, constitute the entire agreement between Lessor and Lessee with respect to the subject matter of this Lease and supersede all prior offers, negotiations, discussions, and correspondences, oral and written. This Lease shall be terminated on the Termination Date and shall have no further force and effect, except for provisions that expressly survive such termination. This Lease may not be amended or modified in any respect whatsoever except by an instrument in writing signed by Lessor and Lessee.

41.14. Applicable Law

The laws of the United States shall govern the validity, construction and effect of this Lease.

41.15. Joint and Several Liability

If there is one or more individuals named as Lessee hereunder, the obligations and liabilities of the Lessee hereunder shall be joint and several.

41.16. Counterparts

This Lease may be executed in multiple originals, each of which is deemed to be an original, and may be signed in counterparts.

IN WITNESS WHEREOF, the Regional Director, Pacific West Region, acting on behalf of the United States, in the exercise of the delegated authority from the Secretary, as Lessor, and Lessee have executed this Lease by proper persons thereunto duly authorized as of the date first above written.

THE UNITED STATES DEPARTMENT OF THE INTERIOR, NATIONAL PARK SERVICE

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Regional Director  
Pacific West Region  
"LESSOR"

Date: \_\_\_\_\_

By: \_\_\_\_\_  
"LESSEE"

Date: \_\_\_\_\_

By: \_\_\_\_\_  
"LESSEE"

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**EXHIBIT A  
THE PREMISES**

DEIS DRAFT

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DEIS DRAFT

**EXHIBIT B**  
**RANCH OPERATING AGREEMENT**

1. INTRODUCTION

- 1.1. This Ranch Operating Agreement (ROA) is entered into between the National Park Service and the signatories of the Lease identified as AGRI-8530-1000-----. Lessee is responsible for conducting all activities authorized on the Premises in accordance with the Provisions of the Lease and this ROA.
- 1.2. The definitions from the Lease are hereby incorporated into this ROA.
- 1.3. The activities authorized in this ROA are appropriate given site-specific conditions on the Premises and have either been approved by NPS as being consistent with the GMPA and Record of Decision or following completion of a Compliance Activity under Article 25 of the Lease.

2. RENTS

*(Note: The process for establishing rent for activities authorized on the ranch and the schedule for rental payments will be determined through the appraisal process. Rental rate determinations will account for all activities occurring on the ranch, including diversification activities.)*

3. AUTHORIZED LIVESTOCK OPERATIONS

- 3.1. *(Note: Example text for a Beef Operation)* The average stocking rate for this beef cattle grazing operation is \_\_\_\_ Animal Units (for \_\_\_\_ AUMs annually) for this year. Stocking rates may vary based upon the operational grazing regime and information derived from the monitoring of desired condition indicators and standards. Lessee shall provide monthly stocking rates by class of animal (cattle, calf, bull) to Lessor by the 15th of the following month. Any adjustments to the stocking rate for this year must be approved in advance by NPS.
- 3.2. *(Note: Example text for a Dairy Operation)* The number of cattle authorized for this dairy operation is \_\_\_\_ animals. This number includes \_\_\_\_ milk cows, \_\_\_\_ dry cows, \_\_\_\_ heifers, and \_\_\_\_ bulls. Stocking rates may vary based upon the operational grazing regime and information derived from the monitoring of desired condition indicators and standards. Lessee shall provide monthly stocking rates by class of animal (milk cow, dry cow, heifer, bull) to Lessor by the 15th of the following month. Any adjustments to the stocking rate for this year must be approved in advance by NPS.
- 3.3. Animal units will be determined in a manner consistent with the GMPA as approved in the Record of Decision.

- 3.4. NPS would determine the adjustments to stocking rates for beef and dairy operations based on the use of a rangeland forage production model (Draft EIS Appendix I), monitoring data, NPS range program manager and rancher expertise, historical information, USDA guidelines, and variation in ground conditions and weather/climate.
  - 3.5. The following management activity standards and mitigation measures from Exhibit \_\_ apply to authorized livestock activities: \_\_\_\_\_. *(Note: Appendix D to the Draft EIS contains a list of management activity standards and mitigation measures for ranching activities. Standards and Mitigation measures applicable to the type of cattle operation authorized on each ranch will be identified at the time of the ROA.)*
  - 3.6. NPS may conduct spot counts at any time to determine the actual number of animals or Animal Units on the Premises. Lessee shall remedy any exceedances of livestock numbers within 5 days of notice by NPS.
  - 3.7. Lessor will obtain RDM measurements in the fall months prior to winter rains. If RDM measurements indicate that the applicable RDM standard is not being met, Lessor may impose adjustments in stocking rates or other range management practices to improve range conditions. The determination of whether or not overgrazing is occurring shall be made by Lessor and Lessor's decision shall be final.
  - 3.8. Lessor may, at Lessor's discretion, update or modify grazing standards and livestock monitoring procedures at any time during the term of the Lease. NPS shall notify Lessee prior to the adoption of new grazing standards or monitoring procedures and inform Lessee of the date upon which such changes will take effect.
4. **DIVERSIFICATION ACTIVITIES AUTHORIZED IN THE RANCH CORE SUBZONE** *(Note: The provisions below would only be included in ROAs for ranches where NPS has authorized relevant Diversification Activities.)*
- 4.1. Consistent with Article 21 of the Lease, Lessee has requested and NPS has approved the following Diversification Activities in the Ranch Core Subzone. No other Diversification Activities may be conducted.
  - 4.2. Lessee shall conduct the approved Diversification Activities listed below in a manner consistent with NPS's approval of the activity and all Applicable Laws.
  - 4.3. **LIVESTOCK SPECIES:** *(Example text)*
    - 4.3.1 Lessee may maintain up to \_\_\_\_ *(insert number and type of livestock*

*species*) in the Ranch Core subzone.

4.3.2. The following management activity standards and mitigation measures from Exhibit \_\_ apply to the management of these livestock species: \_\_\_\_\_. *(Note: Appendix D to the Draft EIS contains a list of management activity standards and mitigation measures for ranching activities. Standards and mitigation measures applicable to the specific authorized activity will be identified at the time of the ROA.)*

4.4. HORSE BOARDING: *(Example text)*

4.4.1. Lessee is authorized to board (*insert #*) horses in the Ranch Core subzone.

4.4.2. The structures and paddock areas for horse boarding operation are identified in the Horse Boarding exhibit attached hereto.

4.4.3. Lessee shall perform manure management activities for the horse boarding operation in a manner that is consistent with RWQCB standards.

4.4.4. The use of the Premises by horse boarding customers is subject to the Provisions of the Lease, including Articles 4 and 24 thereof.

4.4.5. The following management activity standards and mitigation measures from Exhibit \_\_ apply to horse boarding activities: \_\_\_\_\_. *(Note: Appendix D to the Draft EIS contains a list of management activity standards and mitigation measures for ranching activities. Standards and mitigation measures applicable to the specific authorized activity will be identified at the time of the ROA.)*

4.5. ROW CROPS: *(Example text)*

4.5.1. Lessee is authorized to grow \_\_\_ acres of \_\_\_\_\_ in the area of the Ranch Core Subzone in the area depicted on Exhibit\_\_ .

4.5.2. The following management activity standards and mitigation measures from Exhibit \_\_ apply to the cultivation of row crops: \_\_\_\_\_. *(Note: Appendix D to the Draft EIS contains a list of management activity standards and mitigation measures for ranching activities. Standards and mitigation measures applicable to row crops will be identified at the time of the ROA.)*

4.5.3. No irrigation is authorized for row crop activities

4.6. FARM STAYS AND FARM TOURS [*Note: Provisions regarding Farm Stays and Tours would be included here if approved by NPS. Farm stays and Farm*

*Tours may require separate authorization under a Commercial Use Authorization or Concession Contract.]*

- 4.7. SMALL SCALE PROCESSING *[Note: Provisions regarding processing of farm products would be included here if approved by NPS.]*
5. DIVERSIFICATION ACTIVITIES AUTHORIZED IN THE PASTURE SUBZONE  
*(Note: Similar to the Ranch Core Subzone provision above, an ROA would include provisions relating to Pasture Subzone Diversification Activities authorized by NPS.)*
6. VEGETATION REMOVAL
  - 6.1. Vegetation Removal consisting of the trimming and maintenance of vegetation immediately around structures for fire protection and landscape maintenance in the Ranch Core subzone is authorized.
  - 6.2. Vegetation Removal consisting of targeted, mechanical removal of non-native, invasive vegetation such as thistles within the Range, Pasture and Ranch Core subzones is authorized in the following areas depicted on Exhibit \_\_. The following management activity standards and mitigation measures from Exhibit \_\_ apply to removal of invasive vegetation: \_\_\_\_\_. *(Note: Appendix D to the Draft EIS contains a list of management activity standards and mitigation measures for ranching activities. Standards and mitigation measures applicable to the removal of invasive plants on a specific ranch will be identified at the time of the ROA.)*
  - 6.3. Lessee is authorized to mow and maintain the areas depicted on Exhibit \_\_ at the following times of the year: -----. The following management activity standards and mitigation measures from Exhibit \_\_ apply to mowing: \_\_\_\_\_. *(Note: Appendix D to the Draft EIS contains a list of management activity standards and mitigation measures for ranching activities. Standards and mitigation measures applicable to mowing on a specific ranch will be identified at the time of the ROA.)*
7. SILAGE, HAYLAGE AND HAY *(Note: Provisions regarding silage, haylage and hay would only appear in ROAs for ranches where NPS has authorized such activities.)*
  - 7.1. Lessee is authorized to grow and process haylage in the following area depicted on Exhibit \_ which consists of \_\_\_ acres. The following management activity standards and mitigation measures from Exhibit \_\_ apply to the cultivation of haylage: \_\_\_\_\_. *(Note: Appendix D to the Draft EIS contains a list of management activity standards and mitigation measures for ranching activities. Standards and mitigation measures applicable to haylage will be identified at the*

*time of the ROA.) Haylage may only be produced for cattle owned by Lessee that are authorized under the terms of the Lease.*

7.2. Lessee is authorized to grow and process hay in the in the following area depicted on Exhibit \_\_\_ which consists of \_\_\_ acres. The following management activity standards and mitigation measures from Exhibit \_\_ apply to the cultivation of hay: \_\_\_\_\_. *(Note: Appendix D to the Draft EIS contains a list of management activity standards and mitigation measures for ranching activities. Standards and mitigation measures applicable to haylage will be identified at the time of the ROA.)* Hay may only be produced for cattle owned by Lessee that are authorized under the terms of the Lease.

7.3. Lessee is authorized to grow and process silage in the following area depicted on Exhibit \_\_ which consists of \_\_\_ acres. The following management activity standards and mitigation measures from Exhibit \_\_ apply to the cultivation of silage: \_\_\_\_\_. *(Note: Appendix D to the Draft EIS contains a list of management activity standards and mitigation measures for ranching activities. Standards and mitigation measures applicable to silage will be identified at the time of the ROA.)* Silage may only be produced for cattle owned by Lessee that are authorized under the terms of the Lease.

## 8. GROUND DISTURBANCE

8.1. Lessee is authorized to undertake the following types of Ground Disturbance in the areas depicted on Exhibit \_\_. The following management activity standards and mitigation measures from Exhibit \_\_ apply to Ground Disturbance: \_\_\_\_\_. *(Note: Appendix D to the Draft EIS contains a list of management activity standards and mitigation measures for ranching activities. Standards and mitigation measures applicable to excavation and ground disturbing activities will be identified at the time of the ROA.)*

## 9. PASTURE IMPROVEMENTS

9.1. The following Pasture Improvements are authorized in the areas depicted on Exhibit \_\_. The following management activity standards and mitigation measures from Exhibit \_\_ apply to these Pasture Improvements: \_\_\_\_\_. *(Note: Appendix D to the Draft EIS contains a list of management activity standards and mitigation measures for ranching activities. Standards and mitigation measures applicable to authorized Pasture Improvements will be identified at the time of the ROA.)*

## 10. MANURE MANAGEMENT *(Note: This provision would only be included in ROAs for dairy operations.)*

10.1 Lessee shall consult with Lessor on the preparation of any plans required by the

RWQCB to ensure consistency with the GMPA and Record of Decision. Lessee shall provide Lessor with copies of any plans submitted to the RWQCB.

- 10.2. Manure spreading and irrigation is limited to the Pasture subzone. Approved locations for manure spreading and irrigation in the Pasture subzone are identified in Exhibit \_\_.
- 10.3. The timing of manure spreading shall conform to Applicable Laws. In addition, the following management activity standards and mitigation measures from Exhibit \_\_ apply to manure spreading: \_\_\_\_\_. *(Note: Appendix D to the Draft EIS contains a list of management activity standards and mitigation measures for ranching activities. Standards and mitigation measures applicable to manure spreading will be identified at the time of the ROA.)*
- 10.4. Lessee shall notify Lessor if manure spreading would occur outside of the summer dry season.
- 10.5. Manure accumulating around feeding or watering stations shall be promptly gathered and stored in accordance with Applicable Laws and in a manner that does not contribute to water pollution or create unsanitary or unsightly conditions. Alternatively, Lessee may dispose of manure outside the Park in accordance with Applicable Laws.
- 10.6. Manure may be stored for use as fertilizer provided that such storage and use is accomplished in accordance with Applicable Laws. In addition, the following management activity standards and mitigation measures from Exhibit \_\_ apply to manure storage: \_\_\_\_\_. *(Note: Appendix D to the Draft EIS contains a list of management activity standards and mitigation measures for ranching activities. Standards and mitigation measures applicable to manure storage will be identified at the time of the ROA.)*
11. PESTICIDE AND HERBICIDE USE
  - 11.1. The following pesticides have been approved through the NPS's Pesticide Use Permit process for use on the Premises: -----.
  - 11.2. Lessee shall comply with the terms of such permits when using the approved products on the Premises. Pesticide application work must be supervised by a person licensed or certified in the use of the approved pesticides.
  - 11.3. Lessee shall provide information regarding the amount and timing of pesticide applications to Lessor so that Lessor can fulfill Lessor's reporting requirements regarding pesticide use in the Park.
12. CYCLIC MAINTENANCE *(Note: This provision would highlight cyclic maintenance*

*requirements for a given year.)*

13. IMPROVEMENTS AND ALTERATIONS *(Note: If a rancher requests authority to undertake improvements such as a new barn, appropriate terms and conditions would be included in this section.)*
14. USE OF MAINTENANCE RESERVE ACCOUNT *(Note: Provisions regarding a Maintenance Reserve Account would be added to this section if NPS determines that the use of a Maintenance Reserve Account is appropriate.)*
15. RANCH WORKER HOUSING *(Note: Provisions for ranch worker housing and rental rates for such housing will be determined through the appraisal process.)*
  - 15.1. Lessee is authorized to provide housing to ranch workers in the following buildings on the Premises: -----.
  - 15.2. Lessee shall rent and maintain such housing in accordance with Article 18 of the Lease.
  - 15.3. Rents charged shall not exceed the following for each authorized unit: *(List each unit and rental rate as determined through the appraisal process.)*

*(Signature blocks to be added)*

*(List of attachments to be prepared)*

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