

State of Texas

County of Galveston

Grazing Lease Agreement

This Grazing Lease (“Lease”) is made and entered this ___ day of March, 2022, by and between PARTIES, the Texas City Economic Development Corporation, a Texas Non-Profit Corporation (“Lessor”) and Texas City Future Farmers of America, (“Lessee”).

In consideration of the mutual covenants and agreements set forth in this Lease, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by Lessor and Lessee, Lessor does hereby lease to Lessee, and Lessee does hereby lease from Lessor, that certain tracts of land situated in the City of Texas City, Galveston County, Texas containing approximately 5.82 acres, particularly described as ABST 63 PAGE 3 LOT 2 (302-0) BLK 3 SUB E KOHFELDTS RESUB and ABST 63 PAGE 3 LOT 1 (301-0) BLK 3 SUB E KOHFELDTS RESUB, and further described on **Exhibit “A”** attached hereto and made a part hereof for all purposes (the “Premises”).

1. **TERM.** This Lease shall be for a one (1) year term beginning on _____, 2022, and ending on _____, 2023, and shall automatically renew each year.
2. **RENT.** Lessor agrees to lease the Premises to Lessee for and in consideration of Lessee’s maintaining the property so that the grass/vegetation does not grow above the height of 14 inches and Lessee’s compliance with the provisions established in this Grazing Lease Agreement.
3. **FENCING.** Lessee shall construct a fence around the Premises. The fence shall be constructed utilizing T-Posts and barbed wire. A swing gate will be constructed to provide access to the property for the Lessee.
4. **USE OF PREMISES.**
 - a. Lessee shall use the Premises solely for the purposes of grazing cattle and shall use the Premises for no other purpose.
 - b. Lessee agrees to rotate the animals and move them to an alternate grazing location when the grass is grazed out, to give the land rest and allow the grass to re-grow.
 - c. Lessee shall not make any alterations, additions or improvements to the Premises without the prior written consent of Lessor.

5. COMPLIANCE WITH ORDINANCES. Lessee agrees to comply with all City Ordinances, especially §95.070 - §95.074 relating to livestock, attached hereto as **Exhibit “B”** and made a part hereof for all purposes.
6. MAINTENANCE, REPAIR AND SURRENDER. At the termination of this Lease, Lessee shall surrender and deliver the Premises to Lessor, in the state of repair and condition comparable to the state of repair and condition as at the time Lessor delivered possession thereof to Lessee, reasonable wear and tear excepted. Lessor shall have no obligation whatsoever to perform any maintenance, repairs or other services in connection with the Premises or this Lease.
7. INSURANCE. Throughout the term of this Lease, Lessee shall carry and maintain, at Lessee’s sole cost and expense, general liability insurance of an “occurrence” type against all claims, arising out of liability of Lessee for injury to persons or property damage occurring in or about the Premises or arising out of the use or occupancy thereof, at minimum combined single limit of \$1,000,000.00 each occurrence and \$1,000,000.00 as a general aggregate.
8. INDEMNIFICATION. Lessee shall indemnify, defend, and hold harmless Lessor and Lessor’s Officials, Officers, Agents, and Employees, from and against any all claims, demands, liabilities, losses, costs, damages, suit or expenses of every kind (including without limitation, attorneys’ fees, accountants’ fees, court costs and interest) resulting or arising from any and all injuries to, including death of any person or damage to any property caused by the occupancy of the Premises by Lessee and/or the acts or omissions of Lessee or Lessee’s Agents, Employees, or Contractors.
9. DEFAULT. In the event Lessee fails to perform any or all of its obligations set forth in this Lease, Lessor shall give Lessee ten (10) days to cure any defect and Lessor may terminate this Lease if Lessee fails to cure the defect or to perform its Lease obligations.
10. INSPECTION BY LESSOR. Lessor and Lessor’s agents shall have the right to enter into and on the Premises at any reasonable time for the purpose of inspecting the Premises.
11. ASSIGNMENT AND SUBLEASE. Lessee may not assign this Lease or sublet any portion of the Premises without the prior written consent of Lessor.
12. ACCEPTANCE OF PREMISES. Lessor and Lessee recognize, stipulate and agree that Lessee has accepted the Premises in its current “As-is”, condition and with all faults and without any warranty, representation, expressed or implied, concerning the condition or characteristics of the premises, without limiting the foregoing,

Lessor makes no representation or warranty concerning the condition of the Premises, or the fitness of the Premises for any purpose.

13. TERMINATION. This Lease Agreement may be terminated by either party upon at least ninety (90) days prior written notice to the other party.

14. MISCELLANEOUS.

a. All notices and correspondence under this Lease shall be given by certified or registered mail to the parties at the following addresses:

If to Lessor: Texas City Economic Development Corporation
Attention: Economic Development Director
1801 9th Avenue N.
Texas City, Texas 77590

If to Lessee: Texas City Future Farmers of America
1431 9th Avenue N.
Texas City, Texas 77590

b. This Lease shall be binding upon and inure to the benefit of the parties to this Lease and their respective heirs, executors, administrators, legal representatives, successors and permitted assigns.

c. In the event any one or more of the provisions contained in this Lease shall for any reason be held 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 provisions of this lease.

d. This Lease shall constitute the entire understanding of the parties with respect to the subject matter hereof and supersedes any and all prior agreements, written or oral, between the parties and no amendment, modification, or alteration of the terms hereof shall be binding upon the parties unless the same is in writing, dated after this Agreement and duly executed by both Lessor and Lessee.

e. This Lease shall be governed by the laws of the State of Texas and venue for any lawsuit involving this Lease shall be in Galveston County, Texas.

f. Nothing contained in this Lease shall be deemed or construed by the parties hereto, nor by any third party, as creating a relationship between the parties other than the relationship of Lessor and Lessee.

This Lease is executed effective this _____ day of March, 2022.

LESSOR: Texas City Economic Development Corporation

By: _____

Printed Name: Garrett C. McLeod

Title: Economic Development Director

LESSEE: Texas City Future Farmers of America

By: _____

Printed Name: Nikki Ashcraft

Title: FFA Advisor