

**571—21.4 (456A) Lease procedures.** The following procedures shall be followed by the department in administering the agricultural lease program.

**21.4(1) *Advertising for bids.*** A notice shall be published in at least two local newspapers a minimum of two weeks prior to the date of the bid opening.

**21.4(2) *Prebid informational meeting.*** A prebid informational meeting may be held when the land manager determines it is in the state's best interest. Notice of a prebid informational meeting shall be included in the advertisement for bids and in the written instructions to bidders. The meeting shall be held no later than one week prior to the bid opening. If a prebid meeting is required, bidders must attend to qualify to submit a bid.

**21.4(3) *Form of bid.*** Written sealed bids shall be utilized.

**21.4(4) *Public bid opening.*** All sealed bids shall be publicly opened as stated in the notice for bids. The results of the bids shall be made available to any interested party.

**21.4(5) *Awarding of lease.*** The amount of the bid, past experience with the bidder, the bidder's ability to comply with the terms of the lease, and the bidder's ability to perform the required farming practices shall be considered. The department reserves the right to waive technicalities and reject any or all bids not in the best interest of the state of Iowa.

**21.4(6) *Final approval of award.*** All awards of leases shall be approved by the director. Additionally, awards of all leases on sovereign land shall be subject to approval by the state executive council on recommendation of the natural resource commission.

**21.4(7) *Negotiated leases.*** The land manager may negotiate a lease with any prospective operator, subject to approval of the director, in any of the following instances:

- a. No bids are received.
- b. Gross annual rent is \$5000 or less.
- c. Where land acquired by the department is subject to an existing tenancy.
- d. To synchronize the lease period of newly leased areas with other leases in the same management unit.
- e. Where a proposed lease includes only land not accessible to equipment necessary to perform the required farming operations, except over privately owned land, provided the prospective operator possesses legal access to the leased land over said privately owned land.

f. Where the director authorizes a lease as a condition of a land purchase or trade.

**21.4(8) *Payment of cash rent.*** The operator shall pay a minimum of 10 percent of the total gross rent at the time of signing of the lease and the balance for each crop year on or before December 1, or shall pay 50 percent of the total annual rent each April 1 and the balance for each crop year on or before December 1. The appropriate minimum payment shall be determined by the land manager.

**21.4(9) *Payment of crop share rent.*** The operator shall pay the total annual rent December 1 or at time of harvest whichever is later.

**21.4(10) *Standard termination.*** Leases shall be terminated in accordance with Iowa Code chapter 562. If the department requires leased land for other conservation purposes, the operator shall relinquish all rights under the existing lease, upon demand by the director, at the end of the current crop year consistent with Iowa Code chapter 562.

**21.4(11) *Termination for cause.*** If the operator fails to comply with any of the terms of the lease, the department may serve notice demanding redress within a specified period of time and, if compliance is not made within the specified period, may proceed to collect any moneys which may be due and payable during the crop year the lease is terminated, and void the remainder of the lease. Further, the department shall have a landlord's lien as set out by Iowa Code chapter 570.

**21.4(12) *Previous agreements.*** The department shall recognize legal agreements regarding agricultural leases which are in effect at the time the department acquires jurisdiction to the land covered by those legal agreements.

**21.4(13) *Amendment to lease.*** Amendments to any lease shall be evidenced by written instruments attached to and made a part of the lease. Final approval of amendments shall be by the director.

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