



To: Board of Health

From: Anne Marrin, Director of Operations and Planning

Date: January 13, 2025

Re: Mental Health Board Lease Agreement

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The Crystal Lake ARPA Project is set to commence in February, beginning with relocation and demolition activities. Temporary workspaces have been strategically planned to support ongoing programming; however, Building A cannot accommodate all staff during the construction period. To address this, we sought additional temporary office space.

The Mental Health Board has agreed to lease space that meets our operational needs. This arrangement fits within the Department's budget.

Attached is a proposed one-year lease that includes utilities, furniture, IT access, and designated areas for conference rooms and secure file storage. The lease term runs from February 1, 2025, to November 30, 2025, aligning with the County's budget cycle. After this period, the lease transitions to a month-to-month arrangement at the prior rate plus a 5% increase, not to exceed six months, or until the Crystal Lake facility is complete.

Please review the attached lease for further details

## LEASE OF PROFESSIONAL OFFICES

THIS LEASE made by and between the **McHenry County Mental Health Board**, a community mental health board (“Landlord”) and **McHenry County Department of Health**, a public health agency. (“Tenant”).

1. **Premises.** The areas subject to this Lease are: (1) office number(s) 114, 117, 119, 120, 121 (totaling 689.73 square feet), of the building located at 620 Dakota Street, Crystal Lake, Illinois (“Exclusive Leased Premises”) and (2) the right to use, on a non-exclusive revocable basis and in common with the Landlord and other tenants (the “Property”), defined as the common facilities of the Premises, including, hallways, the parking lot and washrooms. The Exclusive Leased Premises and the Property are a portion of the overall “Premises.” The exact office number(s) assigned to the Tenant from time to time during the term of this Lease shall be determined in the exclusive discretion of the Landlord and may be changed from time to time by the Landlord upon at least 30 days written notice to Tenant. Tenant may use common meeting rooms and additional equipment located on the Premises based on availability and prior approval, at Landlord’s sole discretion. The limited use of any conference room, common area, or any area within the Property shall only be approved by Landlord if it directly relates, at Landlord’s sole discretion, to the Mission Statement or Purpose and attached hereto as Exhibit A.

2. **Term.** The term of this Lease (“Term”) shall be from February 1, 2025, and end on November 30, 2025. Starting on Dec. 1, 2025, Tenant shall have the right to continue the tenancy on a month-to-month basis at the prior rent, plus 5%, not to exceed 6 months.

3. **Rent.** The rent for the term of this Lease is \$16.00 psf (see square feet in paragraph 1, above). The rent shall be paid to Landlord by the Tenant in  monthly or  quarterly installments of **\$919.64** commencing on February 1, 2025 and continuing a like sum on  the first (1<sup>st</sup>) day of each calendar month thereafter, or  the first (1<sup>st</sup>) day of the month of each quarter thereafter (March 1<sup>st</sup>, June 1<sup>st</sup>, September 1<sup>st</sup>), or  a single annual payment of **\$0.00**, all payable at Landlord’s address first above written. While common area maintenance is included by Landlord in the rent above, Tenant remains liable

for all negligence or gross negligence by Tenant or its agents. In addition, Tenant understands and agrees that the rent amount (or a single annual payment in an amount to be negotiated) for future leases or extensions of this Lease may be increased/assessed at Landlord's sole discretion, to take into account wear and tear and repairs necessary to keep the Premises in good repair and suitable condition.

4. **Property Tax.** In the event Landlord loses any property tax exemption as a result of tenant's use of the Premises, Tenant hereby agrees to reimburse Landlord for the full amount assessed as additional rent. Tenant understands that the amount of this assessment, if any, is not known to Landlord at this time, but agrees to be solely responsible for any and all property tax incurred by Landlord which results from Tenant's use of the premises.

5. **Utilities and Equipment Use.**

a. Landlord shall

provide all utilities as part of the rent expense. Tenant is responsible for contracting for communication/data services from a vendor and setting up a separate firewall with built-in security. Access to the Community Resource Center (CRC) IT server room (#124) will be granted on a case-by-case basis upon coordination with MHB System Analyst I. Landlord shall not be responsible for any outages, interruption of service, or Acts of God relating to any utility or communication/data services provider.

**OR**

provide all utilities including communication/data services as part of the rent expense. Pursuant to this Lease, Landlord will provide tenant with free public Wi-Fi subject to the following restrictions: The Wi-Fi guest network goes through the Landlord firewall. Landlord's security policy does not permit outside firewalls or VPN's on the MHB network. However, Landlord can accommodate a Tenant's request for a VLAN (Virtual Local Area Network) if the Tenant has devices that require local access to each other. Landlord shall not be responsible for any

outages, interruption of service, or Acts of God relating to any utility or internet provider

b. Tenant acknowledges that certain personal property items of Landlord, including furniture and fixtures will be located on the Premises and may be used by Tenant pursuant to the terms of an existing Equipment Use Agreement (“Equipment Use Agreement”). See **Exhibit B**, attached hereto and made a part hereof by reference. Tenant assumes complete responsibility for all such personal property of Landlord which may be located on the Premises. Should any of Landlord’s personal property on the Premises or within the scope of the Equipment Use Agreement be damaged or destroyed during the Term of this Lease, Tenant shall immediately notify Landlord. Landlord shall have the right and discretion to determine whether the property shall be repaired or replaced: in either case, Tenant shall bear the cost and the repaired or new property shall be the property of Landlord and not of Tenant.

6. **Restriction on Use.**

a. Tenant will comply promptly with all statutes, ordinances, rules, orders, regulations and requirements of federal, state, county and city governments regulating Tenant’s use of the Premises. Tenant will not use or permit the use of the Premises or any common elements, in any such manner that will create a nuisance or disturb other users of the Premises (including Landlord itself or other tenants) or any adjoining neighbors. The quiet enjoyment of the Premises for Landlord and other Tenants is a material condition of this Lease, that Landlord can enforce at any time.

b. Tenant has been informed by Landlord that the lowest level of the Premises (“Basement”) is utilized by Landlord as storage of files protected by State and Federal law from viewing by any person not explicitly authorized by Landlord. Pursuant thereto, access to, use and possession of the Basement by Tenant and its employees is unauthorized, except in the case of an emergency requiring shelter for the safety of people.

c. Tenant is only licensed to use the Property for the activities directly related, in Landlord’s sole discretion, to the Mission Statement or Purpose and attached as “Exhibit A” to this Lease.

Tenant explicitly consents to this limited use of the Property and Landlord's sole determination and authority to approve or disapprove Tenant's use of the Property.

7. **Condition of Premises.** Tenant has accepted Premises "as is" from Landlord. Tenant further agrees to surrender the Premises to the Landlord upon termination of the Lease or any of its extensions, in a condition comparable to the condition of the Premises upon the commencement of this Lease, ordinary wear and tear excluded.

8. **Insurance.** Tenant shall purchase and maintain in force during the Term of this Lease insurance with the minimum stated limits for Tenant and its employees as follows:

**Worker's Compensation & Employer Liability:**

Coverage A: Statutory		
Coverage B: Employer's Liability	Each Accident	\$500,000
	Disease - policy limit	\$500,000
	Disease - each employee	\$500,000

**Commercial General Liability:**

General Aggregate	\$2,000,000
Products & Completed Operations Aggregate	\$2,000,000
Personal & Advertising Injury	\$1,000,000
Each Occurrence	\$1,000,000

**Commercial Automobile Liability:**

Bodily Injury & Property Damage - combined single limit	\$1,000,000
Policy shall cover all owned autos	\$1,000,000
Policy shall cover all non-owned and hired vehicles	\$1,000,000

**Professional Liability:**

Per Occurrence	\$1,000,000
Aggregate	\$1,000,000

All of the above insurance shall be written through a company or companies approved in writing by Landlord. Tenant shall furnish certificates of insurance to Landlord upon request as evidence of compliance with this provision and such certificates shall require the insurance carrier to notify Landlord, in writing, at least 30 days prior to any non-renewal, reduction or cancellation.

The Commercial General Liability and the Commercial Automobile Liability policies shall include Landlord as an additional insured on a primary, non-contributory basis unless otherwise agreed to, in writing, by Landlord. Tenant's Worker's Compensation, Commercial General Liability, and Commercial Automobile Liability policies shall provide a waiver of subrogation in favor of Landlord unless otherwise agreed to, in writing, by Landlord. Notwithstanding any terms to the contrary, Landlord has the right to obtain its own insurance and under no circumstances will Landlord be obligated to pay for insurance premiums attributable to Tenant.

Under no circumstances shall Landlord be responsible for any damage to Tenant's personal property or liable for any claim by Tenant for loss of profit or business interruption.

9. **Limitation of Liability.** Except as provided by Illinois statute, the Landlord shall not be liable for any damage occasioned by failure to keep the Premises in repair and shall not be liable for any damage done or occasioned by or from water, snow or ice, nor for any damage arising from acts or neglect of any owners or occupants of adjacent or contiguous property.

10. **Non-Liability of Landlord.** Except as provided by Illinois statute, Landlord shall not be liable to Tenant for any damage or injury to him or his property occasioned by the failure of Landlord to keep the Premises in repair, and shall not be liable for any injury done or occasioned by wind or by or from any defect of plumbing, electric wiring or of insulation thereof, gas pipes, water pipes or steam pipes, or from broken stairs, porches, railings or walks, or from the backing up of any sewer pipe or down-spout, or from the bursting, leaking or running of any tank, tub, washstand, water closet or waste pipe, drain, or any other pipe or tank in, upon or about the Premises or the building of which they are a part nor from the escape of steam or hot water from any radiator, it being agreed that said radiators are under the control of Tenant, nor from any such damage or injury occasioned by water, snow or ice being upon or coming through the roof, skylight, trap-door, stairs, walks or any other place upon or near the Premises, or otherwise, nor for any such damage or injury done or occasioned by the falling of any fixture, plaster or stucco, nor for any damage or injury arising from any act, omission or negligence of co-tenants or of other persons, occupants of the same building or of adjoining or contiguous buildings or of owners of adjacent or contiguous

property, or of Landlord's agents or Landlord himself, all claims for any such damage or injury being hereby expressly waived by Tenant.

11. **Landlord's Remedies.** If Tenant shall vacate or abandon the Premises or permit the same to remain vacant or unoccupied for a period of ten days, or in case of the non-payment of the rent reserved hereby, or any part thereof, or of the breach of any covenant in this Lease contained. Tenant's right to the possession of the Premises thereupon shall terminate with or (to the extent permitted by Law) without any notice or demand whatsoever, and the mere retention of possession thereafter by Tenant shall constitute a forcible detainer of the Premises; and if the Landlord so elects, but otherwise, and with or without notice of such election or any notice or demand whatsoever, this Lease shall thereupon terminate, and upon the termination or Tenant's right of possession, as aforesaid, whether this Lease be terminated or not, Tenant agrees to surrender possession of the Premises immediately, without the receipt of any demand for rent, notice to quit or demand for possession of the Premises whatsoever, and hereby grants to Landlord full and free license to enter into and upon the Premises or any part thereof with or (to the extent permitted by Law) without process of law, and to expel and to remove Tenant or any other person who may be occupying the Premises or any part thereof, and Landlord may use such force in and about expelling and removing Tenant and other persons as may reasonable be necessary, and Landlord may re-possess himself of the Premises as of his former estate, but such entry of the Premises shall not constitute a trespass or forcible entry or detainer, nor shall it cause a forfeiture of rents due by virtue thereof, nor a waiver of any covenant, agreement or promise in this Lease contained, to be performed by Tenant. Tenant hereby waives all notice of any election made by Landlord hereunder, demand for rent, notice to quit, demand for possession, and any and all notices and demand whatsoever, of any and every nature, which may or shall be required by any statute of this state relating to forcible entry and detainer, or to Landlord and Tenant, or any other statute, or by the common law, during the term of this Lease or any extension thereof. The acceptance of rent, whether in a single instance or repeatedly, after it falls due, or after knowledge of any breach thereof by Tenant, or the giving or making of any notice or demand, whether according to any statutory provision or not, or any act or series of acts except an express written waiver, shall not be construed as a waiver of

Landlord's rights to act without notice or demand or of any other right hereby given Landlord, or as an election not to proceed under the provisions of this Lease.

12. **Destruction of Premises.** In the event the building shall be damaged by fire, storm, or other cause so as to be capable of repair within a reasonable time, Landlord, at its sole discretion, shall cause the same to be so repaired. In the event of total destruction of the said building and Landlord's decision, at its sole discretion, not to rebuild the building within a reasonable period of time, Tenant shall be liable for rent only up to the time of such destruction. In the event Landlord decides to rebuild the building in its entirety and Tenant can find suitable temporary quarters during the period of rebuilding, all rental payments due and payable from and after the date of destruction until the date Tenant re-occupies the building shall be suspended and waived by Landlord.

13. **Default.** In the event of any breach of this Lease by Tenant, Landlord, in addition to the other rights and remedies it may have, shall have the immediate right of re-entry and may remove all persons and property from the Premises; such property removed may be stored in a warehouse or elsewhere at the cost of and the account of Tenant. Should Landlord elect to re-enter as herein provided, or should it take possession pursuant to legal proceedings or pursuant to any notice provided by law, Landlord may either terminate this Lease, re-let the demised premises or any part thereof for such term or terms (which may be for a term extending beyond the Term of this Lease) and at such rent or rents and on such other terms and conditions as Landlord, in its sole discretion, may deem advisable with the right to make alterations and repairs to the demised premises.

The Tenant shall be deemed to be in default hereunder in the payment of rent or the payment of any other monies as herein required if such payments are not made within five days of the 1<sup>st</sup> day of each month. Late fees shall begin to accrue on the 6<sup>th</sup> day of each month at a rate of \$100.00 per day and shall continue until that month's rent, plus all late fees, have been paid in full.

14. **After Notice or Suit.** After the service of notice or the commencement of a suit or after final judgment for possession of the Premises, Landlord may receive and collect any rent due, and the payment of said rent shall not waive or affect said notice, said suit, or said judgment.



15. **Sublease.** Tenant may not, whether voluntarily, or by operation of law, or otherwise: (a) assign or otherwise transfer this Lease; (b) sublet any part of the Premises, or allow the same to be used or occupied by anyone other than Tenant; or (c) mortgage, pledge, encumber, or otherwise hypothecate this Lease or the Premises, in any manner whatsoever, without in each instance obtaining the prior written consent of Landlord, such consent to be given in Landlord's sole discretion.

16. **Miscellaneous.**

a. **Notices.** Whenever under this Lease a provision is made for any demand, notice or declaration of any kind or whether it is deemed desirable or necessary by either party to give or serve any such notice, demand or declaration to the other, it will be in writing and sent via facsimile, electronic mail or personal delivery.

If to Tenant:	Public Health Administrator McHenry County Department of Health 667 Ware Road Woodstock, IL 60098
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To Landlord:	Executive Director 620 Dakota Street Crystal Lake, IL 60012 Fax: 815-455-2925
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Such notices, demands or declarations will be deemed sufficiently served or given for all purposes one (1) day after transmitted by facsimile or electronic mail or the date of personal delivery.

b. **Waiver.** One or more waivers of any covenant, Term or condition of this Lease by Landlord will not be construed by Tenant as a waiver of any subsequent breach of the same covenant, Term or condition. The consent or approval of Landlord to or of any act by Tenant requiring consent or approval will not be deemed to waive or render unnecessary consent to or approval of any subsequent similar act.

c. **Rules and Regulations.** The license granted by this Lease is subject to such other reasonable rules, regulations and policies regarding the use of the Premises, which may from time to time be adopted by Landlord and made available to Tenant through Policy Tech and a required ("Tenant Policy

and Procedure Acknowledgement.”) See **Exhibit C**, attached hereto and made a part hereof by reference. These rules, regulations and policies may include separate agreements regarding the confidentiality of protected health information.

d. **Attorneys’ Fees.** Should it become necessary to employ an attorney to enforce any of the conditions or covenants hereof, including the collection of expenses, rent or gaining possession of the Premises, or expenses so incurred, the prevailing party is entitled to recover their attorney fees at the hourly billing rate charged by the Mental Health Board attorney’s.

e. **Relationship of Parties.** Nothing contained in this Lease will be deemed or construed by the parties or by any third party to create the relationship of principal and agent, partnership, joint venture, or of any association whatsoever between Landlord and Tenant.

f. **Governing Laws.** The laws of the State of Illinois will govern the validity, performance and enforcement of this Lease.

g. **Forum Selection and Jurisdiction.** Both parties agree that any dispute arising out of the Term of this Lease, or the validity, performance and enforcement of this Lease will be resolved through the 22nd Judicial Circuit Court of Illinois, located in Woodstock, Illinois. Both parties agree to submit themselves to the jurisdiction of the State of Illinois regarding the validity, performance and enforcement of this Lease.

h. **Covenant to Bind Successors.** The provisions, covenants and conditions of this Lease will be binding on the legal representatives, heirs, successors and assigns of the respective parties.

i. **Entire Agreement.** This Lease sets forth all of the covenants, promises, agreements, conditions and understandings between Landlord and Tenant governing the Premises. There are no covenants, promises, agreements, conditions and understandings, either oral or written, between them other than those set forth herein. No subsequent alterations, amendments, changes or additions to this Lease will be binding upon Landlord or Tenant unless and until reduced to writing and signed by both parties.

j. **Original Document; Authenticity; Waiver of Objection to Admission into**

**Evidence.** The parties acknowledge that a signed copy of this Lease of Professional Offices (and any referenced documents) transmitted via email through the use of a .pdf file, photocopy, facsimile, or other process of complete and accurate reproduction and transmission, shall be deemed an original including the signatures affixed thereto. Furthermore, Tenant hereby waives any objection to the admission of a copy of this Lease (and any referenced documents) into evidence, at any legal proceeding arising out of any claim pertaining to this Lease (and any referenced documents) based on authenticity or the best evidence rule within the Illinois Rules of Evidence.

**IN WITNESS WHEREOF**, the parties hereunto have executed this Lease on the date indicated below.

**LANDLORD:**

MCHENRY COUNTY  
MENTAL HEALTH BOARD

By \_\_\_\_\_  
Leonetta Rizzi, Executive Director

Date \_\_\_\_\_

**TENANT:**

McHENRY COUNTY  
DEPARTMENT OF HEALTH

By \_\_\_\_\_  
Melissa Adamson, Public Health Administrator

Date \_\_\_\_\_

**EXHIBIT A**

MISSION STATEMENT OR PURPOSE

To protect and promote the health, safety and wellbeing of those who live, learn, work and play in McHenry County.



**EXHIBIT B**  
**Equipment Use Agreement**

To facilitate the use of equipment and other assets that are owned by the McHenry County Mental Health Board, we are granting temporary use of the following equipment from

2/1/2025 to 11/30/2025 to McHenry County Department of Health  
Start Date                      End Date                      Named Agency

**Please review the attached asset list and notify Christy Golden at [CGolden@MC708.org](mailto:CGolden@MC708.org) of any changes by February 15, 2025.**

All equipment/assets that are in use pursuant to this Agreement are expected to be returned in the condition in which given at the end date specified above. Any damaged or destroyed property will be immediately reported to the Mental Health Board designate. Any materials lost, stolen, or damaged shall be replaced or purchased at Tenants expense per the request of the Mental Health Board.

Agreed to on this date by:

\_\_\_\_\_  
Agency Director or Designate

\_\_\_\_\_  
Today's Date

\_\_\_\_\_  
Mental Health Board Designate

\_\_\_\_\_  
Today's Date

# MCHENRY COUNTY MENTAL HEALTH BOARD

## Exhibit C - Policies & Procedures for MHB Tenants

To access the below Mental Health Board Policies and Procedures go to <https://mcmhb.policytech.com/dotNet/noAuth/login.aspx?ReturnUrl=%2f> (complete instructions attached).

- Automatic External Defibrillator (AED) Protocol
- Building Security – Visitor Sign In Sheet
- Children in the Workplace
- Communicable Diseases
- Critical Incidents & Occurrence Report Form
- Emergency Operation
- Sentinel Events
- Smoke Free
- Use of Overhead Intercom System
- Wandering and Elopement
- Weapons Policy and Procedure
- Governing Use of MHB Meeting Rooms

I acknowledge that I have received access to view the above documents online and will ensure that onsite individuals within this agency will read and abide by these Mental Health Board policies and procedures.

\_\_\_\_\_  
Agency

\_\_\_\_\_  
Executive Director

\_\_\_\_\_  
Date