

## **LEASE AGREEMENT**

This agreement entered into this 1st day of December 2020, by and between Lake Region Post 703, the American Legion, an Illinois Corporation, Fox Lake, Illinois, (hereinafter called Lessor), and the County of Lake, State of Illinois, a body politic, (hereinafter called Lessee).

Witnessed that:

Whereas, Lessor is the owner of a certain property commonly known as Lake Region Post 703, The American Legion, at 703 N. U.S. Highway 12, and Riverside Island Dr., Fox Lake, Illinois 60020; having a County Real Estate Pin Number 05-04-300-004, and

Whereas, Lessee will use a portion of the above mentioned property, as described herein, as a radio communications center and headquarters for the Lake County Sheriff Department's Marine Patrol Unit, and shall be involved in the patrol of boating regulations and law enforcement on the Fox Chain-O-Lakes.

Now therefore, both parties bind themselves to the following covenants and agreements:

1. **TERM:** This Agreement shall be effective as of the date of execution by both Parties, provided, however, the initial term shall be for five (5) years at which time rental payments shall commence and be due at a total annual rental of \$11,800 to be paid annually.

Upon agreement of the Parties, LESSEE may pay rent by electronic funds transfer and in such event, LESSOR agrees to provide to LESSEE bank routing information for such purpose upon request of LESSEE.

LESSEE shall invoice the LESSOR after December 1 and upon approved invoice Payment shall be made in accordance with the Local Government Prompt Payment Act.

Invoices shall be submitted to:  
Lake County Facilities and Construction  
18 N. County Street, 9<sup>th</sup> Floor  
Waukegan, IL 60085

2. **FUNDING:** This Agreement shall be deemed executory only to the extent of monies appropriated and available for the purpose of the contract and no liability on account thereof shall be incurred by Lake County beyond the amount of such monies. In the event that Lake County fails to appropriate funds for the purpose of this lease payment in subsequent years, the County may cancel without penalty or charge, upon thirty (30) days written notice of such non-appropriation of funds.

3. **EXTENSIONS.** This Agreement shall automatically be extended for two (2) additional five (5) year terms unless LESSEE terminates it at the end of the then current term by giving LESSOR written notice of the intent to terminate at least ninety (90) days prior to the end of the then current term. Each of the Lessee's Renewal Terms shall be on the same terms and conditions herein.
4. **EXTENSION RENTALS.** The annual rental during each renewal term of this Agreement shall be equal to one hundred ten percent (110%) of the annual rental for the immediately preceding lease term.
5. Lessee shall be entitled to use the space as described in paragraph 5a and 5b below and approximated on Exhibit 1 that is attached and incorporated herein by reference for lease purposes only. An actual survey will be conducted to verify the exact dimensions of the property occupied by Lake County in this lease and that information will control in the event of a purchase or other action. In the event of a purchase, the property described in 4 b (below) is not included in the Lessee's right to purchase, however, the Lessee will have the privilege to purchase equivalent square footage that is contiguous to the portion of the property (A to B to C to D) and access to (A to B to C to D) indicated as (A to H to J to B) as referenced in Exhibit 1.
  - a) At the East entrance to the Legion parking lot (access Point "H"), encompassed by Riverside Island Dr. ("Point A"), South approximately 199 feet along the edge of the parking lot pavement, to (Point B), and East approximately 74 feet (to the seawall ("Point C") and North along the seawall approximately 155 feet to Riverside Island Drive ("Point D") and West approximately 85 feet back to "Point A", in (Exhibit 1). Within this space are two parking spaces on the North side of the Headquarters building (Point "F"), plus two parking spaces adjacent to West side of building (Point "G") and
  - b) Twelve (12) parking spaces which are marked on pavement in yellow paint directly West (Point "E") of the Sheriff's Marine Headquarters building (Exhibit 1). Lessor reserves the right to re-designate parking in Point E in a reasonable proximity thereto for Lessee's agents and employees, subject to the Lessee's approval, which shall not be unreasonably withheld, and
  - c) Free and unimpeded use of the boat launching ramp (Point "I") at Southeast end of property, for Sheriff Department Equipment only, as long as the lease is in force to access storage area for personal watercraft maintained by the LESSOR.
6. Lessee shall not tow or have towed any vehicles from Lessee's designated parking spaces without first giving notice to the bartender and/or an officer of the Legion. Lessor agrees not to tow or have towed any Lake County Sheriff vehicles or any vehicles in the Lake County Sheriff's leased parking spaces, without first consulting with the Lake County shift commander on duty. Lessee agrees that there shall be no parking of privately owned boat trailers, and/or privately owned boats, overnight on Legion property leased by the Sheriff except as may be necessary on a temporary basis for Sheriff's law enforcement operations

7. Lessor hereby grants Lessee the right to maintain its equipment within confines indicated in paragraph 4a and 4b, (above), as long as the lease is in force. Lessor acknowledges that Lessee has erected its own building, radio tower and docks on Lessor's property to perform law enforcement activities associated with its Marine unit office.
8. Lessee acknowledges that the premises are in good order and repair. Lessee agrees to take good care of, and keep in clean condition, the site occupied and to do so at Lessee's expense. Lessee further agrees to maintain in good repair the building on said site and to restrict the use of said facilities for Sheriff's Marine business only.
9. Lessee shall not make any additional alterations, or improvements, in, to or about the premises without first obtaining written consent from the Lessor's Executive Board.
10. Lessee shall not assign this lease or sublet any portion of the premises without first obtaining written consent from the Lessor's Executive Board. Any such assignment or subletting without consent of the Lessor's Executive Board shall be void and, at the option of the Lessor, may terminate this lease.
11. All applications and connections for necessary utility services on the demised premises shall be done by and made in the name of the Lessee only, and Lessee shall be solely liable for utility charges as they become due, including those for sewer, water, gas, electricity, and telephone services that are specifically attributable to Lessee's use of said utilities. Lessee shall not make any infrastructure alterations or improvements, in, to, or about the site without first obtaining written consent from the Lessor's Executive Board.
12. Lessee shall permit Lessor or Lessor's agents to enter upon the premises at reasonable times and upon reasonable notice, for the purpose of inspecting the same, and will permit the Lessor at any time within 90 days prior to the expiration of this lease, to place upon the premises any usual "To Let," "For Lease," or "For Sale" signs, and permit persons desiring to lease or purchase the same to inspect the premises thereafter.
13. If the premises become materially UNFIT for occupancy because of Lessor's act or neglect, Lessee may declare the Lease terminated and may vacate if the problem is not cured by the Lessor within 90 days. Lessee may choose to remain in possession after terminating the Lease, until suitable substitute premises are available, but no longer than 180 days. Lessee will be entitled to a return of rental paid beginning from the date of notification or to a pro-rated portion of the rental if Lessee chooses to remain on site. If the Lessee remains on site beyond the 120 day period, a month-to-month lease will be in effect, and the Lessee will pay a prorated amount equal to the original lease terms reduced by a mutually agreed amount commensurate with the limited use of the property resulting from the unfitness. If the premises become materially unfit for occupancy, through no fault of the Lessor, the Lessee shall be responsible for all repairs to the Lessee's own property as a result of damage by natural causes, third parties, and/or by Lessee's activities, and the lease shall remain in full force.

14. Each party ("Indemnifying Party") shall defend, indemnify and hold the other party and its directors, officers and employees harmless from and against any and all third party claims, suits, actions, or demands for liability, and any associated damages, losses, costs and expenses (including the reasonable costs and expenses of attorneys and other professionals) payable to third parties to the extent arising out of or resulting from the (i) negligence or willful misconduct of the Indemnifying Party, or (ii) the inaccuracy of any representation

Lessee may provide self-insurance to cover their risk. Lessee is responsible for maintaining the following insurance at their own expense: workers' compensation; general liability including bodily injury and property damage and property and casualty for all structures owned by the Lessee.

15. In the event of partial destruction or damage of the Lessor's premises from other than natural causes, during the term thereof, such damage shall not terminate the lease. Lessee shall be responsible for the cost of repairs to Lessor's property only to the extent the damage was caused by Lessee's activity on Lessor's property. Lessee shall be responsible for all repairs to the Lessee's own property as a result of damage by natural causes and/or by Lessee's activities.

16. Lessee shall comply with all statutes, ordinances and requirements of all municipal, state and federal authorities now in force, or which may hereafter be in force, pertaining to the premises, occasioned by or affecting the use thereof by Lessee.

17. If either party defaults in the performance of any of the covenants or conditions thereof and does not cure any such default within 90 days of notice from the other party, the affected party may terminate the lease. In the event that the Lessor terminates the lease due to Lessee's default, Lessee shall pay Lessor the full rent otherwise due through the end of the term of the lease plus any damage caused by the Lessee to Lessor's property plus the cost to remove Lessee's facility and equipment. In the event Lessee terminates the lease due to Lessor's default, Lessee will have no obligation to pay rent from the period of default notification to such time as the condition of default is corrected. Lessee may declare the lease terminated and may vacate if the problem is not cured by the Lessor within 90 days. Lessee may choose to remain in possession after terminating the lease, until suitable substitute premises are available, but no longer than 180 days. This month-to-month tenancy may be extended after the 180-day period at the pro-rated monthly amount of the original lease until the end of the original lease term. Lessee will be entitled to a return of rental paid beginning from the date it becomes untenable or to a prorated portion of the rental if Lessee chooses to remain on site. Lessee will be responsible for the cost of removing Lessee's own facility and equipment.

18. Lessor shall be responsible for all maintenance work in all common areas, including seal coating and striping parking lot, snow removal, lawn maintenance, and launch area. All areas shall be clean and in working order.

19. No failure of either party to enforce any term hereof shall be deemed to be a waiver of the Party's rights.

20. NOTICES. All notices hereunder must be in writing and shall be deemed validly given if sent by certified mail, return receipt requested or by commercial courier, provided the courier's regular business is delivery service and provided further that it guarantees delivery to the addressee by the end of the next business day following the courier's receipt from the sender, addressed as follows (or any other address that the Party to be notified may have designated to the sender by like notice):

**LESSOR:**

Lake County Sheriff's Office  
25 S. Martin Luther King, Jr. Drive  
Waukegan, IL 60085  
Attention: Business Manager

**LESSEE:**

Lakes Region Post 703  
703 N. U.S. Highway 12 and Riverside Island Drive  
Fox Lake, Illinois 60020  
Attention: Commander of the Executive Board

Notice shall be effective upon actual receipt or refusal as shown on the receipt obtained pursuant to the foregoing.

21. This lease is, and shall be, subordinated to all existing and future liens and encumbrances against the Lessor's property.
22. Upon termination of the lease, before the Lessee vacates the premises, the Lessee will offer the Lessor an option to purchase the Lessee's docks.
23. Prior to the termination of this lease, regardless of cause, the Lessee shall remove all of the Lessee's property and all of the Lessee's improvements to the property to include, but not limited to: utility lines, fencing, signage, decks, boat docks, septic system, concrete pads, sidewalks, foundations, trailers, buildings, lighting, antennas, asphalt surfaces, etc. at the Lessee's expense. The Lessee shall grade and replace all areas of the leased property back to its original condition. If the Lessee retains possession of the premises after the expiration of the Lease Term, the lease shall continue in full force and effect on the same terms and conditions for a period of up to 90 days, except the Lessee shall pay the Lessor one-and-one-half times (150%) the prorated monthly amount of the annual rent until the property is restored to its original condition.
24. In the event Lessor decides to sell this property, commonly known as Lake Region Post 703, the American Legion, located at 703 N. U.S. Highway 12 and Riverside Island Drive, Fox Lake, Illinois, which is a part of Lake County Real Estate pin number 05-04-300-004, both Parties acknowledge that Lessor grants to Lessee the right of first refusal to buy the portion of the above mentioned property occupied by Lessee in paragraphs 5a, plus equivalent square footage contiguous to (A to B to C to D), specifically (A to H to J to B) for access, right of way, and/or easement to access the parcel. Lessee will have the privilege to buy the above said property based on the same terms and price as the Lessor is willing to sell to a third party, or to negotiate alternate price and conditions, when the Lessor indicates to the Lessee a desire to sell and/or Lessor receives a bona fide offer from a third party. Lessee shall notify Lessor of Lessee's intent to decline, or make a counteroffer, in writing, within ten (10) business days after receiving complete information

25. regarding the bona fide third-party offer. Lessee shall have sixty (60) additional business days, from "notification", to submit a firm offer subject to County Board approval. The Lessor then has thirty (30) additional business days to respond to the Lessee's offer and/or withdraw Lessor's offer to sell any portion of its property.
26. The Lessor may sell or assign this lease in its entirety to another party without recourse from the Lessee. If the lease is assigned or sold, all provisions of this lease shall remain in full force and all parties to the assigned agreement shall be bound by all of its provisions.
27. Lessor shall provide prior notice to Lessee if Lessor leases to another tenant any other portion of its property that abuts the property that is the subject of this lease. Said Notice shall be given 30 days prior to the new tenant occupancy and will advise Lessee of the new, additional tenant's use of common property.
28. The foregoing constitutes the entire agreement between the parties and may be modified only by a writing signed by both parties.

[Signature Page to Follow]

IN WITNESS WHEREOF, the Parties hereto have set their hands and affixed their respective seals the day and year first above written.

**LESSOR:**

County of Lake, a body politic, and corporation of the State of Illinois

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

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

**LESSEE:**

American Legion

By: Lakes Region Post 703



By: \_\_\_\_\_

Name: Robert R. Gabriel

Its: Commander Post 703

Date: 11/11/2020



Lisabeth A Realey  
Finance Officer Post 703  
11/11/2020

Exhibit 1

