



LASSEN COUNTY

Health and Social Services Department

- ☒ **HSS Administration**
- ☐ **Public Guardian**
336 Alexander Avenue
Susanville, CA 96130
(530) 251-8128
- ☐ **Grant and Loans Division**
1400 Chestnut Street, Ste. C
Susanville, CA 96130
(530) 251-8309
- ☐ **Behavioral Health**
555 Hospital Lane
Susanville, CA 96130
(530) 251-8108/8112
- Brashear Annex**
700 Brashear Street
Susanville, CA 96130
(530) 251-8112
- ☐ **Patients' Rights Advocate**
336 Alexander Avenue
Susanville, CA 96130
(530) 251-8322
- ☐ **Public Health**
1445 Paul Bunyan Road
Susanville, CA 96130
(530) 251-8183
- ☐ **Environmental Health**
1445 Paul Bunyan Road
Susanville, CA 96130
(530) 251-8183
- ☐ **Community Social Services**
1400 Chestnut Street, Ste A
Susanville, CA 96130
- LassenWORKS**
Business & Career Network
PO Box 1359
1616 Chestnut Street
Susanville, CA 96130
(530) 251-8152
- Child & Family Services**
1600 Chestnut Street
Susanville, CA 96130
(530) 251-8277
- Adult Services**
PO Box 429
1400 Chestnut Street, Ste B
Susanville, CA 96130
(530) 251-8158
- ☐ **HSS Fiscal**
PO Box 1180
Susanville, CA 96130
(530) 251-2614

Date: April 23, 2024

To: Aaron Albaugh, Chairman
Lassen County Board of Supervisors

From: Barbara Longo, Director
Health and Social Services

Subject: Lease Agreement between Lassen County Health and Social Services and Kramer Ranch, LLC for 1616 Chestnut Street for the term of April 1, 2024 through June 30, 2028.

Background:

Since 2008, Lassen County Health and Social Services (HSS) has rented the building located at 1616 Chestnut Street, Susanville to provide services to Lassen County residents who receive, CalWORKS, CalFresh, Medi-Cal and Employment Services. In March, 2024 this building was sold to Kramer Ranch, LLC.

Kramer Ranch, LLC has agreed to take honor the current lease with Lassen County Health & Social Services for the remainder of the term.

Fiscal Impact:

There is no impact to County General Funds. The Lease Agreement will be paid out of 120/0852.

Action Requested:

1) Approve Lease Agreement with Kramer Ranch, LLC and 2) Authorize the CAO to execute the agreement.

**LEASE AGREEMENT BETWEEN
KRAMER RANCH, LLC.
AND LASSEN COUNTY HEALTH AND SOCIAL SERVICES**

ARTICLE 1: PARTIES

Section 1.01 This Lease is entered into between Karen Kramer, Charles Kramer, and Rob Kramer, Kramer Ranch LLC, hereinafter referred to as "Landlord"; and LASSEN COUNTY, a political subdivision of the State of California, hereafter referred to as "Tenant".

ARTICLE 2: PREMISES

Section 2.01 Landlord Leases to Tenant, and Tenant hires from Landlord, for the term, at the rental and upon the conditions in this Lease, the real property in Susanville, County of Lassen, State of California, located at 1616 Chestnut Street, consisting of approximately nine thousand (9,000) square foot office buildings and parking adjacent to such building, herein collectively called "Premises".

Section 2.02 Landlord Leases to Tenant, and Tenant hires from Landlord, for the term, at the rental and upon the conditions in this Lease, the real property in Susanville, County of Lassen, State of California, located at 1616 Chestnut Street, consisting of approximately seven thousand two hundred (9,000) square foot office building.

ARTICLE 3: LEASE TERM

Section 3.01 The term of this Lease shall be for a period of four (4) years, commencing April 01, 2024, and expiring on June 30, 2028, hereafter called the "Term."

Section 3.02 Holding over after the expiration of the term of this Lease shall be a tenancy from month to month, on the same terms and conditions of this Lease.

ARTICLE 4: RENT

Section 4.01 For and during the term of this Lease, Tenant shall pay to Landlord for the use and occupancy of the Premises payable in advance on the first (1st) day of each and every month, commencing April 01, 2024, and on the 1st day of each succeeding month during the term hereof.

Rent shall be as follows:

Original Lease Term: April 1, 2024 through June 30, 2028						
Service Description	Term	Funding Source	Unit Type	Rate	Total # Units	Total
Rent	04/01/2024 - 06/30/2025	CaWORKs	Monthly	\$14,400.00	12	\$ 172,800.00
Rent	07/01/2025 - 06/30/2026	CaWORKs	Monthly	\$14,400.00	12	\$ 172,800.00
Rent	07/01/2026 - 06/30/2027	CaWORKs	Monthly	\$14,400.00	12	\$ 172,800.00
Rent	07/01/2027 - 06/30/2028	CaWORKs	Monthly	\$14,400.00	12	\$ 172,800.00
Maximum Contract Amount						\$ 691,200.00

ARTICLE 5: UTILITIES

____ County Initials
Kramer Lease 1616 Chestnut

1

Agency Initials _____

AGREEMENT BETWEEN LASSEN COUNTY AND KRAMER, LLC.

Section 5.01 Tenant shall pay for all water, gas, heat, light, power, telephone service, rubbish removal, and all other utilities services of any kind and nature whatsoever, supplied to and used on the Premises by Tenant except as provided in Section 5.02, below.

Section 5.02 Landlord shall pay for all exterior lighting and the repair and maintenance of the parking lot and common areas, including snow removal.

ARTICLE 6: USE AND OCCUPANCY

Section 6.01 Tenant shall use the Premises solely as an office, and other related activities associated with the operation of business. Landlord acknowledges that Landlord is familiar with and consents to the scope of use.

Section 6.02 Tenant shall comply with and conform to all laws and regulations, municipal, state, and federal, and any and all applicable requirements and orders of any municipal, state, or federal board or authority, present or future, in any way relating to the condition, use, or occupancy of the Premises throughout the entire term of this Lease.

Section 6.03 Tenant agrees, in using the Leased Premises:

- a) Not to commit any waste or suffer any waste to be committed upon the leased Premises;
- b) Not to commit any public or private nuisance or any other act or thing which might or would disturb the quiet enjoyment of any occupant of nearby property;
- c) Not permit any activity or activities which might cause unreasonable annoyance to adjoining landowners.

ARTICLE 7: ALTERATIONS, REPAIRS, RESTORATION

Section 7.01 Tenant will take responsibility for installations, additions or improvements in or to the Premises, and structural alterations or changes either to the interior or exterior of the building on said Premises as Tenant desires, so long as all such work is done at Tenant's sole expense and upon approval of the Landlord in writing. Landlord's approval shall not be unreasonably withheld.

Section 7.02 All alterations, additions, or improvements which are made in or to the Premises shall be surrendered with said Premises upon the termination of this Lease.

Section 7.03 Tenant agrees, at the expense of Tenant, to maintain the Premises in good condition and repair throughout the term of this Lease, and alterations or changes made by Tenant pursuant to Section 7.01 above shall be maintained in good repair by Tenant.

Section 7.04 Landlord agrees, at the expense of Landlord, to maintain in good condition and repair through the term of this Lease the general maintenance of the parking lot, plate and window glass, electrical facilities, plumbing facilities, water heaters, air conditioning equipment, roofs, foundations, exterior walls, sidewalks, down spouts, water pipes, gas main, sewers, and electrical conduits and connections to the building.

Section 7.05 Tenant agrees to pay promptly for all labor done and materials furnished for any work improvements, alteration, or addition requested by Tenant in connection with the premises other than that described in Section 7.04, above, and to keep and to hold the premises free, clear, and harmless of and from all liens that should arise by reason of any such work. If any such lien shall at any time be filed against the premises, Tenant shall cause the same to be discharged of record within thirty (30) days after the date of filing the same.

Section 7.06 Should the Premises and the Leasehold improvements be damaged or destroyed by fire, casualty, or hazard, and if damage is so slight as not to interfere substantially with the Tenant's use of said premises, the Tenant shall notify Landlord, who shall immediately undertake to make repairs to the building and improvements and restore the same to substantially the same condition as they were in immediately preceding such damage or destruction. Such work shall be done as rapidly as conditions permit. In the event that such damage is so slight so as not to interfere substantially with Tenant's use of said Premises, there shall be no abatement of rent.

Section 7.07 Should there be total or substantial destruction in such building and improvements so that the Premises are rendered unusable, either in whole or in part, either party shall have the right to terminate this Lease. In the event neither party elects to terminate this Lease, Landlord shall, to the extent of available insurance proceeds, repair or rebuild such building and improvements to substantially the same condition they were in immediately preceding such damage or destruction. Should either party elect to so terminate this Lease, the proceeds of insurance shall be paid over to Landlord, and such insurance proceeds shall be and become the sole and absolute property of Landlord.

ARTICLE 8: INDEMNITY AND INSURANCE

Section 8.01 Tenant agrees to protect, indemnify, and save Landlord harmless from and against any and all liability to third parties resulting from Tenant's occupation and use of the Premises, specifically including, without limitations, any claim, liability, loss, or damage arising by reason of:

- a) The death or injury of any person or persons, or by reason of the damage to or destruction of any property, including property owned by Tenant or any person who is an employee or agent of Tenant, and caused or allegedly caused by either the condition of the Premises, or some act or omission of Tenant or of some agent, contractor, employee, servant, subtenant, or concessionaire of Tenant on the Premises;
- b) Any work performed on the Premises or materials furnished to the Premises at the instance or request of Tenant or any agent or employee of Tenant; and
- c) Tenant's failure to perform any provision of this Lease or to comply with any requirement of law or any requirement imposed on Landlord or the Premises by any duly authorized governmental agency or political subdivision.

Except that Landlord shall be liable to Tenant for damage resulting from the acts or omissions of Landlord or Landlord's authorized representatives. Landlord shall hold Tenant harmless from all damages arising out of such damage.

Section 8.02 Tenant shall, at its own cost and expense, procure and maintain during the entire term of this lease public liability insurance and property damage insurance issued by an insurance company acceptable to Landlord and insuring Landlord against loss or liability caused by or connected with Tenant's occupation and use of the Premises under this lease in amounts not less than:

- a) \$500,000.00 for injury to or death of one person and, subject to that limitation for the injury or death of one person, of not less than \$1,000,000.00 for injury to or death of two or more persons as a result of any one accident or incident; and
- b) \$300,000.00 for damage to or destruction of any property of others.

General Liability (Bodily Injury and Property Damage) including Premises and Operations (including off-site operations), Blanket Contractual Liability, Broad Form Property Damage, Products and Completed Operations, Personal Injury, Liability and Owners and Contractors Protective Liability in an amount not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate.

Section 8.03 Landlord shall, during the term of this Lease, procure, carry, and pay for fire and extended coverage insurance, insuring the Building and other Improvements on the Premises. The term "extended coverage" as used herein shall mean any casualties that are commonly included under the term "extended

coverage" as that term is known and used in the casualty insurance business. Tenant agrees, at the expense of Tenant, to maintain the premises in good condition and repair throughout the term of this Lease, including alteration or changes made by Tenant pursuant to Section 7.01.

Section 8.04 Landlord shall not be liable at any time for any loss, damage, or injury to the property or person of any person whomsoever at any time occasioned by or arising out of any act or omission of the Tenant, or of anyone holding under Tenant or the occupancy or use of the Premises.

Section 8.05 Tenant shall provide a certificate of insurance to Landlord.

Section 8.06 Landlord shall be named as additional insured with respect to the use of the leased property under this lease.

ARTICLE 9: ASSIGNMENT AND SUBLEASING

Section 9.01 Tenant shall not assign, mortgage, or hypothecate this Lease, in whole or in part, nor sublet all or any part of the Premises, without the prior written consent of Landlord in each instance. This prohibition against assigning or subletting shall be construed to include a prohibition against any assignment or subletting by operation of law. Landlord's consent will not unreasonably be withheld. The consent by Landlord to any assignment or subletting shall not constitute a waiver of the necessity for such consent to any subsequent assignment or subletting.

ARTICLE 10: DEFAULT OR REMEDIES

Section 10.01 Landlord may at their option, and without limiting Landlord in the exercise of any other right or remedy they may have on account of a default or breach by Tenant, exercise the rights and remedies specified in section 10.02 if:

- a) Tenant defaults in payment of any money agreed to be paid by Tenant to Landlord for rent or for any other purpose under this Lease, and if such default continues for thirty (30) days after written notice to Tenant by Landlord;
- b) Tenant abandons the Premises for a period of thirty-five (35) days;
- c) Tenant defaults in performance of any of the other of its agreements, conditions, or covenants under this Lease and such default continues for thirty-five (35) days, plus such a period of delay as Tenant may encounter in the performance of their agreements by reason of matters beyond the control of Tenant.

Section 10.02 On any breach, default or abandonment Landlord may exercise any of the following rights after the periods of times stated in section 10.01:

- a) Immediately re-enter and remove all persons and property from the Premises. In the event of any such re-entry by Landlord, Landlord may make any repairs, additions, or improvements in, to or upon the Premises which may be necessary or convenient; provided, however, that Landlord shall be entitled to recover from Tenant the expense of said repairs or alterations only to the extent necessary to restore the building to the condition that it was in on the commencement of the term of the Lease, reasonable wear and tear and improvements authorized as provided in Section 7.01 excepted. In such instance, the Lease will be terminated, and Landlord will be entitled to otherwise recover all damages allowable under law or this Lease.
- b) To collect by suit or otherwise each installment or other sum as becomes due hereunder, or to enforce, by suit or otherwise, any other term or provisions hereof or on the part of Tenant required to be kept or performed, it being specifically agreed that all unpaid installments of rent or other sums shall bear interest at the highest legal rate from the due date thereof until paid.

- c) Terminate this Lease, in which event Tenant agrees to immediately surrender possession of the Premises and to pay to Landlord, in addition to any other remedy Landlord may have, all damages Landlord may incur by reason of Tenant's defaults, including the cost of recovering the Premises.
- d) In the event that this lease is terminated due to an uncured default by the County hereunder, Landlord may declare all rent payments to the end of County's then current fiscal year to be due, including any delinquent rent from prior budget years. In no event shall Landlord be entitled to a remedy of acceleration of the total rent payments due over the term of the Lease. The parties acknowledge and agree that the limitations set forth above are required by Article 16, section 18 of the California Constitution. Landlord acknowledges and agrees that said Article 16, section 18 of the California Constitution supersedes any law, rule, regulation or statute which conflicts with the provision of this paragraph. Notwithstanding the foregoing, Landlord may have other rights or civil remedies to seek relief due to the County's default under the lease. Such rights or remedies may include a right to continue the County's right to possession under the Lease and sue for the rent as it becomes past due.
- e) Landlord's failure to take advantage of any default or breach of covenant on the part of the Tenant shall not be, nor be construed as a waiver thereof, nor shall any custom or any practice which may grow up between the parties in the course of administering this instrument be construed to waive or to lessen the right of Landlord to insist upon the performance by Tenant of any term, covenant, or condition hereof, or to exercise any rights given them on account of any such default.

ARTICLE 11: GENERAL PROVISIONS

Section 11.01 Tenant shall peaceably give up and surrender to Landlord the Premises and every part thereof to Landlord at the termination of this Lease in as good a condition and repair as reasonable use and wear thereof will permit.

Section 11.02 In the event of a sale or conveyance by the Landlord of the Premises or any part containing said Premises, Landlord shall be released from any future liability upon any of the covenants or conditions, expressed or implied, in favor to Tenant, and in such event, Tenant agrees to look solely to the responsibility of the successor in interest to the Landlord in and to this Lease.

Section 11.03 Landlord shall be entitled, at all reasonable times, to go on the Premises for the purpose of inspecting the Premises, or for the purposes of inspecting the performance by Tenant of the terms and conditions of this Lease, or for the purpose of posting and keeping posted thereon notice of non-responsibility for any construction, alteration, or repair thereof as required or permitted by any law or ordinance.

Section 11.04 All provisions of this Lease shall be deemed as running with the land, and construed to be "conditions" as well as "covenants" as though the words specifically expressing or imparting covenants and conditions were used in each separate provision.

Section 11.05 Each and all of the covenants, conditions, and restrictions in this Lease shall inure to the benefit of and shall be binding upon the successors in interest of the parties.

Section 11.06 This Lease contains the entire agreement of the parties with respect to the matters covered by this Lease, and no other agreement, statement, or Premises made by any party, or to any employee, officer, or agent of any party, which is not contained in this Lease shall be binding or valid.

Section 11.07 If any term, covenant, condition, or provision in this Lease is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions shall remain in full force and effect and shall in no way be affected, impaired, or invalidated.

Section 11.08 Shall either party commence any legal action proceeding against the other based on this Lease, the prevailing party shall be entitled to an award of attorney's fees.

Section 11.09 This lease shall not be recorded, except that if either party requests the other party to do so, the parties shall execute a memorandum of lease.

LANDLORD

Kramer Ranch, LLC.

Dated: 4/11/24

By: Charles Kramer
Charles Kramer, Owner

Dated: 4/11/24

By: Karen Kramer
Karen Kramer, Owner

Dated: 4/11/24

By: Rob Kramer
Rob Kramer, Owner

TENANT

Lassen County

Dated: _____

By: _____
Richard Egan
County Administrative Officer

Dated: 4/19/2024

By: Barbara Longo
Barbara Longo, Director
Health and Social Services

Approved as to form:

Amanda Uhrhammer
County Counsel

Dated: 4/18/24

By: [Signature]