northbrook

Public Works

MEMORANDUM

To: Village Manager Cara Pavlicek
From: Director of Public Works Kelly Hamill
Date: 2024-11-12
Subject: A Resolution Authorizing the Execution of a Sub-Lease Agreement for The Grind Cafe at the Metra Train Station with Charlie E. Bliss of Park Ridge, Illinois

Overview

The Village of Northbrook and the Sub-Lessee of space at the Metra Train Station desire to execute a Lease Agreement for a period no more than six (6) months. Prior to the end of the 6-month term, Village staff will release a Request for Proposals for the subleasing of the space.

Fiscal Impact

The Village will continue to receive a monthly rent of $275.00 from the Sub-Lessee, for a total rental income in the amount of $1,650.00 for the 6-month period of this lease. Revenue from the rental income is directed to the Parking Fund.

Recommendation

Approval.

Background

The Village of Northbrook has a license agreement for the operation and maintenance of the Metra Train Station from its owner, Metra. The Village and Metra entered into the current agreement which has a term of 40 years in 2016 with Resolution 2016-30. In consideration for entering into this current agreement, Metra funded approximately $325,000 in repairs to the station which were undertaken in 2017. Additionally, under this agreement Metra is responsible for improvements to the station over $3,000 as well as the snow removal from the platforms. The Village is responsible for routine maintenance, cleaning, landscaping, and clearing snow from public walks in front of the station. With this lease, the Village is also able to sub-lease space within the station for a coffee shop or other businesses.

The Village of Northbrook has sub-leased space within the Metra Train Station to the Sub-Lessee since 1994. In 2023, the Village entered into a new 1-year lease with the Sub-Lessee. The new lease also included a reduction in the monthly rent from $400 to $275 due to a lack of commuters utilizing the Metra Station post pandemic. However, over the last year the Village has experienced an increase in the use of its parking facilities by commuters and determined that an increase in the rent is warranted. The current Sub-Lessee had expressed a concern with any increase in the monthly rent and desired to enter into a 6-month Sub-Lease to give both parties the opportunity to consider all options moving forward.

The Village will release a Request for Proposals in order to find its next qualified tenant to operate a business in the Downtown Train Station Facility. The Sub-Lessee is aware of how the Village intends to move forward and that they are welcome to participate in the Request for Proposal process and submit a proposal.

A Resolution Authorizing the Execution of a Sub-Lease for the Grind Cafe at the Metra Train Station.docx
Exhibit A - Proposed Sub-Lease for the Grind Cafe at the Metra Train Station.pdf