



CITY OF WASHINGTON, ILLINOIS Committee of the Whole Agenda Communication

Meeting Date: March 9, 2026

Prepared By: Jon Oliphant, AICP, Planning & Development Director

Agenda Item: Washington Historical Society Parking Lot Lease Agreement Extension Discussion

Explanation: The City of Washington purchased the parking lot at 104 S. High Street in December 2016. As part of that purchase, the western 75' of the lot width remained under the ownership of Gross Enterprises, which also owned the Danforth Building at 128 Washington Square. An accompanying lease with Gross Enterprises commenced on December 1, 2016. The Washington Historical Society purchased the Danforth Building and the portion of the adjacent parking lot in late 2020. In accordance with the attached lease agreement, the entire parking lot was reconstructed in 2017 to allow for public parking. A map depicting the parking lot and its ownership delineation is attached. Also attached is a map showing the various public parking spaces around the Square. Aside from a rolling 10-year lease of the parking lot on the northeast side of the Square, this is the only existing parking lease agreement to the best of staff's knowledge.

The lease terminates on April 30, 2026. It automatically renews for successive one-year terms unless WHS or the City notifies the other in writing of its desire to terminate the lease no later than 60 days prior to the end of the initial term or any subsequent term. The City pays WHS rent equal to the property tax payable the previous year plus \$200. Staff recently received written notice from WHS that it would like to extend the parking lot lease agreement for another year. Since the lease was last negotiated nearly ten years ago, WHS has asked that a one-year agreement extension be amended so that the rent is equal to the property tax payable the previous year plus \$1,000. WHS is comfortable with each of the other terms.

Fiscal Impact: The latest City payment for the use of the parking spaces within the WHS lot was \$613.02 (\$413.02 property tax bill plus \$200). The expenditure of these funds is from the TIF Fund.

Action Requested: Staff is comfortable with the increased rent payment offer from WHS. This allows for about 11 parking spaces near the Square to be used by the public (two spaces are divided by the property line). Staff seeks direction from the Council at the March 9 Committee of the Whole meeting. If the Council is supportive of the amendment, approval of a revised lease via a resolution would be scheduled for an upcoming meeting.

PARKING LOT LEASE

This Parking Lot Lease (“Lease”) is entered into on November 30, 2016, between the City of Washington, an Illinois home-rule municipal corporation, whose mailing address is 301 Walnut Street, Washington, Illinois 61571 (“Tenant”) and Gross Enterprises, LLC, an Illinois limited liability company, whose mailing address is 201 South Main Street, Washington, Illinois 61571 (“Landlord”).

BACKGROUND

A. Landlord owns the real property legally described in Exhibit 1, together with all buildings and improvements thereon belonging to the Landlord (“Real Property”).

B. Tenant desires to lease the Real Property owned by Landlord and Landlord and Tenant desire to enter into a written lease to set forth the terms and conditions of the lease.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises, covenants and conditions herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Demise of Premises. The Landlord hereby leases to the Tenant, and the Tenant hereby leases from the Landlord, for the term or terms and upon the provisions hereinafter specified, the Real Property.

2. Term. The Tenant is hereby leasing the Real Property for the initial term commencing on December 1, 2016 (the “Effective Date”) and terminating on April 30, 2026 (the “Initial Term”). The Lease shall automatically renew for successive terms of one (1) year, unless Landlord or Tenant notifies the other party in writing of its desire to terminate this Lease no later than sixty (60) days prior to the end of the Initial Term or any subsequent one (1) year term. If neither Landlord nor Tenant provides such written notice at the end of the initial term or any subsequent term, the Lease will be deemed renewed for the next one (1) year term.

3. Rent. The Tenant shall pay rent to the Landlord in the amount equal to the sum of (a) the real estate taxes assessed on the Real Property payable in the previous lease year plus (b) Two Hundred and No/100 Dollars (\$200.00) on or before the later of May 1 of each year or ten (10) days after the date the real estate tax bill for the Real Property is received by the Tenant. The first rent payment shall be made no earlier than May 1, 2017 and the portion of the 2016 real estate taxes payable by Tenant as part of the first rent payment shall be the 2016 real estate taxes multiplied by one-twelfth (1/12). After the term of the Lease, Tenant shall make a final rent payment equal to the real estate tax bill for the final year of the Lease divided by three. The final rent payment shall be made on or before ten (10) days after the date the real estate tax bill for the Real Property is received by the Tenant. The rent may also be adjusted pursuant to Section 10 of this Lease.

4. Taxes. The Landlord shall be responsible for payment of all property taxes assessed against the Real Property during the term of the Lease. Tenant shall not be liable for any income, excise, excess profit, succession, transfer, franchise, betterment or other tax levied against the Landlord, all of which shall be the obligation of the Landlord.

5. Use. Tenant's use of the Real Property shall be limited to public parking and other public uses. Tenant shall be authorized to set time limits on public parking and enforce Tenant's parking ordinances, rules and regulations.

6. Pavement Improvement. Tenant, at Tenant's expense, shall repave the surface of the Real Property and paint parking strips in accordance with the layout set forth in Exhibit 2 on or before September 1, 2017.

7. Maintenance and Repair. Tenant shall, at Tenant's expense, provide maintenance, cleaning and repair services for the Real Property, including any necessary sweeping and/or snow removal. Such maintenance shall keep the Real Property in good working order and be in accordance with the Tenant's usual and customary standards. Such maintenance shall include necessary pavement patching and repair (limited to \$1,000 per patch), mowing, bush and tree trimming, (if any are adjacent to parking lot frontage), signage, sealing and striping of the pavement. Tenant shall not be obligated to repave the Real Property other than the patching and repair reference in the preceding sentence and as provided in Section 6 of this Lease. Tenant shall not be obligated to maintain any lot lighting unless such lighting was first installed by the Tenant after the Effective Date. During the term of this Lease, Landlord and Tenant hereby acknowledge that this Section 7 supersedes the maintenance, repair and replacement obligations of the parties set forth in Section 3 of the Reciprocal Easement Agreement dated November 30, 2016 that is recorded in the Office of the Tazewell County Recorder as Document No. 2016 000 1950.0

8. Default. If either party shall be in default of any of the provisions hereof, the other party may, in addition to any other remedy that may be available, terminate this Agreement; provided, however, that the non-defaulting party shall first give written notice of such default to the other party, who shall have ten (10) days after receipt of such notice to remedy such default. Notice of default shall be sent via Certified Mail, return receipt requested, to the respective correspondence address listed above.

9. Insurance. Tenant agrees to and shall, prior to the Effective Date, secure from a good and responsible company or companies doing insurance business in the State of Illinois, and maintain during the Initial Term and any subsequent terms of this Lease comprehensive public liability insurance, insuring against claims, demands and actions with respect to bodily injury, death or property damage arising from Tenant's use of the Real Property, with minimum limits of coverage in an amount not less than is commercially reasonable as determined by the Tenant. Landlord shall be named as an additional insured of such policy.

10. Landlord's Right to Reserve Parking Spaces. During the term of this Lease, Landlord may reserve up to five (5) spaces identified in Exhibit 2 for its exclusive use by providing written notice to Tenant ("**Landlord Exclusive Parking**"). If Landlord exercises its

right to reserve Landlord Exclusive Parking during the Initial Term, Landlord shall pay Tenant a Parking Improvement Fee calculated in Section 11 of this Lease. Additionally, if Landlord exercises its right to reserve Landlord Exclusive Parking, the annual rent shall be multiplied by a fraction, the numerator of which is the number of parking spots reserved for Landlord's exclusive use and the denominator is the number of parking spots in the Real Property (including Landlord Exclusive Parking). Upon Landlord exercising its right to reserve Landlord Exclusive Parking, the term "Real Property" shall not include the portion of the Real Property that consists of the Landlord Exclusive Parking.

11. Parking Improvement Fee. The Parking Improvement Fee shall be equal to: (a) the total cost of the parking lot improvement described in Section 6 of this Lease, multiplied by (b) 34.09%, multiplied by (c) a fraction the numerator of which is the number of parking spots reserved for Landlord's exclusive use and the denominator is the number of parking spots in the Real Property; multiplied by (d) the Lease Year Termination Percentage. The "Lease Year Termination Percentage is equal to:

Lease Year Landlord Exercises Exclusive Parking Space Rights	Lease Year Termination Fee Percentage
Effective Date – April 30, 2017	100%
May 1, 2017-April 30, 2018	90%
May 1, 2018-April 30, 2019	80%
May 1, 2019-April 30, 2020	70%
May 1, 2020-April 30, 2021	60%
May 1, 2021-April 30, 2022	50%
May 1, 2022-April 30, 2023	40%
May 1, 2023-April 30, 2024	30%
May 1, 2024-April 30, 2025	20%
May 1, 2025-April 30, 2026	10%
Lease Years beginning on or after May 1, 2026	0%

12. Miscellaneous Provisions.

(a). The provisions of this Lease shall be binding upon and inure to the benefit of the parties hereto, their heirs, executors, administrators, successors and assigns.

(b). This Lease shall be construed, enforced and governed in all respects in accordance with the laws and the statutes of the State of Illinois.

(c). Tenant may not assign its rights under this Agreement, in whole or in part, nor shall the Real Property or any part thereof be sublet, nor shall any rights or privileges granted by this Lease be sold, transferred or assigned without first obtaining the written consent of Landlord.

(d). The invalidity of any particular term or provisions of the Lease shall not affect the validity of the remaining terms and provisions hereof.

(e). No alterations to or modification of the terms or the provisions of this Lease shall be effective unless such alteration or such modification is reduced to writing, and is then properly executed by the parties hereto.

(f). All notices provided by this Lease shall be given in writing (i) either by actual delivery of the notice to the party thereunder entitled, or (ii) by mailing of the notice in the United States mail, first-class postage prepaid, to the address of the party entitled thereto, registered or certified mail, return receipt requested. The notice shall be deemed to be received (i) on the date of its actual receipt by the party entitled thereto and (ii) on the date of its mailing. All notices, demands or other communications to any of the parties to this Lease shall be addressed as described above. The address of any party hereto may be changed by notice to the other party duly served in accordance with the provisions hereof.

(g). Any waiver by a party hereto of a breach of any term or condition of this Lease shall not be considered as a waiver of any subsequent breach of the same or any other term or condition hereof.

(h). Nothing contained in this Lease shall be deemed or construed as creating a relationship of principal and agent, or of partnership or of joint venture between the parties hereto.

(i). Time is of the essence of each and every provision, covenant, and condition herein contained and on the part of Tenant or Landlord to be done and performed.

(j). For the convenience of the parties, this Lease may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same document.

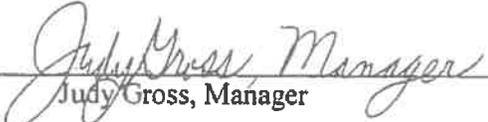
(k). Tenant will permit no lien, notice of intention to file lien, or other charges (whether arising out of work of Tenant or any contractor, subcontractor, mechanic, laborer or material man of Tenant or any mortgage, conditional sale, security agreement, chattel mortgage or otherwise) which might be or become a lien or encumbrance or charge upon the Real Property or any part thereof.

IN WITNESS WHEREOF, the parties have hereunto set their signatures this 30th day of November, 2016.

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LANDLORD:

Gross Enterprises, LLC

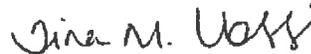


Judy Gross, Manager

STATE OF ILLINOIS)
) ss.
COUNTY OF TAZEWELL)

I, the undersigned, a Notary Public in and for the County and State aforesaid, DO HEREBY CERTIFY that JUDY GROSS, personally known to me to be the Manager of Gross Enterprises, LLC. appeared before me this day in person and acknowledged that she signed, sealed and delivered the foregoing instrument as her free and voluntary act and the free and voluntary act of such limited liability company for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this 30th day of November, 2016.



Notary Public



00167932 DOC

Exhibit 1

Legal Description

THE WEST 75.00 FEET OF LOT 26, IN THE ORIGINAL TOWN OF WASHINGTON, AS SHOWN IN PLAT BOOK "G", PAGE 1; BEING PART OF THE NORTHWEST QUARTER OF SECTION 24, TOWNSHIP 26 NORTH, RANGE 3 EAST, OF THE THIRD PRINCIPAL MERIDIAN, EXCEPT THE NORTH 7.00 FEET OF SAID LOT 26; ALL IN TAZEWELL COUNTY, ILLINOIS.

Copyright 2008 - Central Main Surveying, Inc.



Scale: 1"=30'
LEGEND

- GAS METER
- GAS VALVE
- POWER POLE
- WATER VALVE
- ☒ LIGHT POLE
- EDGE OF PAVEMENT
- BACK OF CURB
- GAS LINE
- TELEPHONE LINE
- WATER LINE
- SANITARY SEWER LINE
- FIBER LINE
- FENCE
- MANHOLE
- HANDHOLE

PLAT OF SURVEY

LOT 25, IN THE ORIGINAL TOWN OF WASHINGTON,
 AS SHOWN IN PLAT BOOK "G", PAGE 1 IN THE TAZEWELL COUNTY RECORDER'S OFFICE,
 BEING A PART OF THE NORTHWEST QUARTER OF SECTION 24, TOWNSHIP - 26-NORTH,
 RANGE-3-WEST OF THE THIRD PRINCIPAL MERIDIAN, TAZEWELL COUNTY, ILLINOIS.
 P.I.N.: 02-02-24-108-021

LEGAL DESCRIPTION

LOT 25, IN THE ORIGINAL TOWN OF WASHINGTON, AS SHOWN IN PLAT BOOK "G", PAGE 1, BEING PART OF THE NORTHWEST QUARTER OF SECTION 24, TOWNSHIP - 26-NORTH, RANGE-3-WEST OF THE THIRD PRINCIPAL MERIDIAN, TAZEWELL COUNTY, ILLINOIS, PARTICULARLY DESCRIBED AS FOLLOWS:

COUNTY CLERK CERTIFICATE

RECEIVED
 I HAVE REVIEWED THIS PLAT OF SURVEY AND THE LEGAL DESCRIPTION THEREON AND CERTIFY THAT THE SAME COMPLY WITH THE REQUIREMENTS OF THE ACTS RELATIVE TO THE RECORDING OF PLATS OF SURVEY AND THE RECORDING OF DEEDS AND CONVEYANCES IN THIS STATE.
 COUNTY CLERK _____ COUNTY CLERK

CITY OF WASHINGTON PLAT APPROVING OFFICERS CERTIFICATE

RECEIVED
 I HAVE REVIEWED THIS PLAT OF SURVEY AND THE LEGAL DESCRIPTION THEREON AND CERTIFY THAT THE SAME COMPLY WITH THE REQUIREMENTS OF THE ACTS RELATIVE TO THE RECORDING OF PLATS OF SURVEY AND THE RECORDING OF DEEDS AND CONVEYANCES IN THIS STATE.
 CITY CLERK _____ CITY CLERK

OWNERS CERTIFICATE

RECEIVED
 I, THE UNDERSIGNED, OWNER OF THE ABOVE DESCRIBED REAL ESTATE, HEREBY CERTIFY THAT THE INFORMATION CONTAINED IN THIS PLAT OF SURVEY IS TRUE AND CORRECT.

 OWNER

NOTARY PUBLIC CERTIFICATE

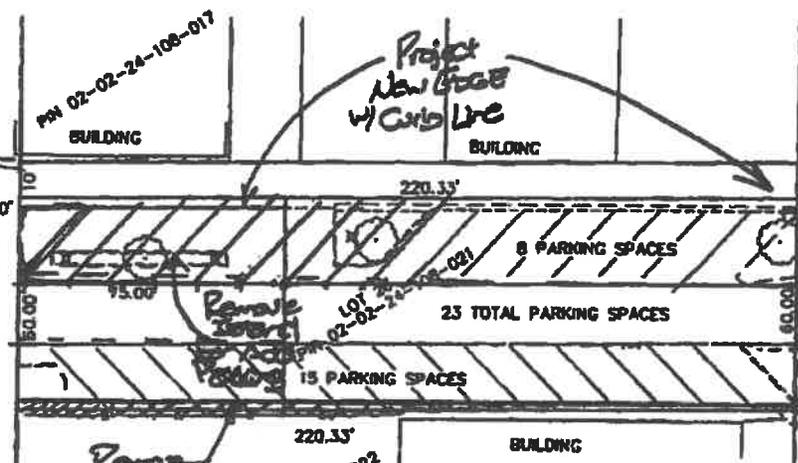
RECEIVED
 I, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR THE STATE OF ILLINOIS, DO HEREBY CERTIFY THAT I AM A NOTARY PUBLIC IN AND FOR THE STATE OF ILLINOIS, AND THAT I AM QUALIFIED TO TAKE AND RECORD THIS PLAT OF SURVEY.

 NOTARY PUBLIC

SURVEYOR'S CERTIFICATE

RECEIVED
 I, THE UNDERSIGNED, A LICENSED SURVEYOR IN THE STATE OF ILLINOIS, DO HEREBY CERTIFY THAT I AM A LICENSED SURVEYOR IN THE STATE OF ILLINOIS, AND THAT I AM QUALIFIED TO TAKE AND RECORD THIS PLAT OF SURVEY.

 SURVEYOR



PLAT OF SURVEY
 CITY OF WASHINGTON
 ILLINOIS

Drawn By: JBY
 Approved By: JBY
 Date: 10/11/2016
 Plot No: 807-009

Exhibit 2



Parking Lot Map

104 S. High St.

Washington Historical Society & City of Washington

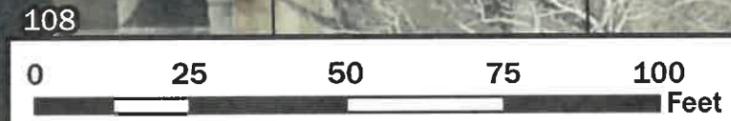
Legend

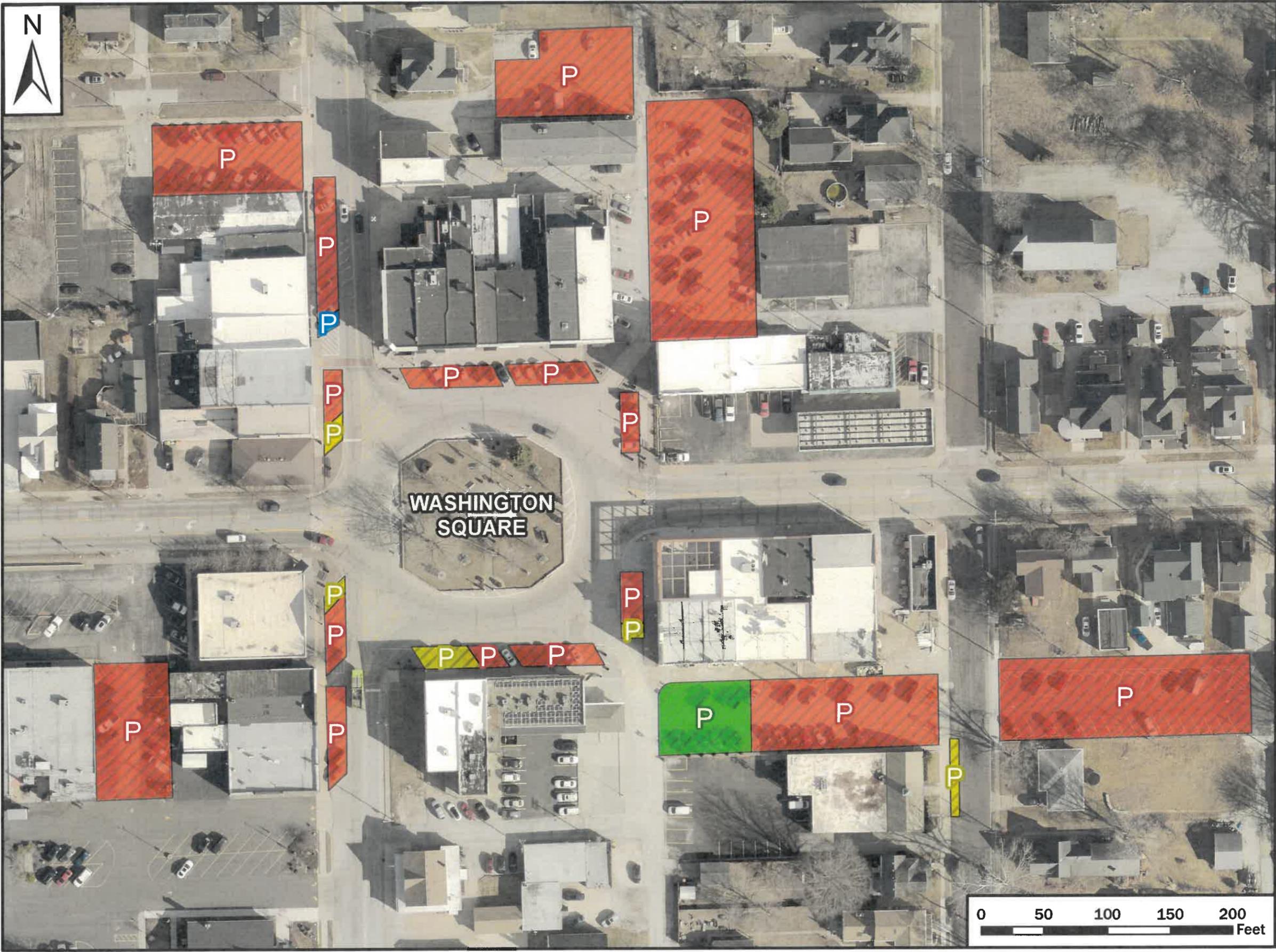
-  City of Washington
-  Washington Historical Society
-  Parcels



Date: 3/5/2026

This map indicates approximate data locations and may not be 100% accurate. Parcels are provided and maintained by Tazewell County.





Current Parking Restrictions Map

Historic Washington Square

Legend

- City Owned Parking
- Leased Parking
- 15 Min. Parking
- 30 Min. Parking

**It is unlawful to park a vehicle for more than 15 minutes in any consecutive period of time between 5:00 p.m. and 10:00 p.m.*

**It is unlawful to park a vehicle for more than 30 minutes in any consecutive period of time between 9:00 a.m. and 10:00 p.m.*



Date: 5/9/2025

This map indicates approximate data locations and may not be 100% accurate. Parcels are provided and maintained by Tazewell County.

