

Staff Summary

Subject LEASE AGREEMENT WITH VIZZ GROUP LLC FOR A RESTAURANT IN THE SHUTTLE AND VANDERBILT PASSAGES IN GRAND CENTRAL TERMINAL
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name KIM TREVISAN

Date MAY 28, 2025
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	MNR	05/28/25		X	
2	Finance Committee	05/28/25	X		
3	Board	05/28/25	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
3	Chief Administrative Officer		
2	Chief Financial Officer		

AGENCY: MTA Metro-North Railroad ("MNR")

LESSEE: Vizz Group LLC ("Vizz Group")

LOCATION: Grand Central Terminal ("GCT")

PREMISES: MC-10, approximately 8,455 sq. ft. located in the Shuttle Passage

USE: Operation of a combination quick service and a sit-down restaurant

ACTION REQUESTED: Authorization to enter into a lease agreement

TERM: Fifteen (15) years

RENT:	Period	Base Rent	Percentage Rent
	Year 1	\$630,000.00	11% of gross sales over a breakpoint of \$6,300,000
	Year 2	\$648,900.00	11% of gross sales over a breakpoint of \$6,489,000
	Year 3	\$668,367.00	11% of gross sales over a breakpoint of \$6,683,670
	Year 4	\$688,418.01	11% of gross sales over a breakpoint of \$6,884,180
	Year 5	\$709,070.55	11% of gross sales over a breakpoint of \$7,090,706
	Year 6	\$730,342.67	11% of gross sales over a breakpoint of \$7,303,427
	Year 7	\$752,252.95	11% of gross sales over a breakpoint of \$7,522,530
	Year 8	\$774,820.54	11% of gross sales over a breakpoint of \$7,748,205
	Year 9	\$798,065.15	11% of gross sales over a breakpoint of \$7,980,652
	Year 10	\$822,007.11	11% of gross sales over a breakpoint of \$8,220,071
	Year 11	\$846,667.32	11% of gross sales over a breakpoint of \$8,466,673
	Year 12	\$872,067.34	11% of gross sales over a breakpoint of \$8,720,673
	Year 13	\$898,229.36	11% of gross sales over a breakpoint of \$8,982,294
	Year 14	\$925,176.24	11% of gross sales over a breakpoint of \$9,251,762
	Year 15	\$952,931.53	11% of gross sales over a breakpoint of \$9,529,315

FINANCE COMMITTEE MEETING LEASE AGREEMENT WITH VIZZ GROUP LLC FOR A RESTAURANT IN THE SHUTTLE AND VANDERBILT PASSAGES IN GRAND CENTRAL TERMINAL (Cont'd)

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COMMENTS:

MTA Real Estate issued a request for proposals ("RFP") dated May 1, 2024 for retail space MC-10 located between the Shuttle Passage and Vanderbilt Passage in Grand Central Terminal. This unit was previously occupied by Rite- Aid Pharmacy until February 29, 2024. In response to the RFP, a single proposal was received by Vizz Group LLC ("Vizz Group").

The Vizz Group proposal was evaluated according to the Selection Process guidelines outlined in the Real Estate Department Real Property Disposition Guidelines last approved by the MTA Board in March, 202. After initial review and consideration, Vizz Group's proposal was deemed complete and responsible and was additionally evaluated by MTA Real Estate's third-party real estate service providers CBRE and JLL against the selection criteria listed in the RFP and recommended for selection. The net present value of the base rent proposal is \$7,348,207 (calculated at 6%) which is in line with the appraised value of \$100/sf. of the Premises, as estimated by an independent appraiser.

Vizz Group is a current GCT tenant in good standing, operating the Grand Brassiere in Vanderbilt Hall. In MC-10, Vizz Group proposes to operate a combination quick-serve food, retail, and a sit-down bar/restaurant. The proposed menu will include breakfast (bagels, oatmeal, juice bar, and coffee station) and a lunch into dinner menu offering a variety of food choices from salads, pizza, focaccia sandwiches, antipasto platters and desserts. A selection of alcoholic beverages from local distilleries, breweries and vineyards will also be available. Vizz Group will invest approximately \$5 million to improve and fit-out the space.

Based on the foregoing, MTA Real Estate requests authorization to enter into a lease, on behalf of MNR, with Vizz Group under the above-described terms and conditions.