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Café Society rumbles

South Loop restaurant headed to court to defend lease

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When Jorge Armando opened his Café Society restaurant at 1801 S. Indiana Ave. in September 2001, cabbies from a nearby taxi company were among his few patrons.

The development of high-rise condos in the area brought in construction workers and eventually condo owners to the fledgling deli located on the ground floor of the National Vietnam Veterans Art Museum. But after six years of operation, Armando is headed to court to keep the restaurant's doors open. He said the museum's board of directors is trying to push him out to help ease its financial problems.

Armando, who pays \$1,800 a month to rent the space, said he was approached several times by board chairman Matt Keepman last fall, asking him to leave the space because the museum planned to sell it. Armando said he still has a lease agreement through 2013. He said he believes the board is struggling with financial difficulties and looking for a tenant that will pay a higher rent for his deli area and dining room that flank the museum's entrance on each side.

Armando said he refused to leave the location, and on Dec. 16, he received an eviction notice for not paying his rent on time. He denied the claim, hired a lawyer and his case is now headed to court, according to his lawyer Robert Deignan of the law firm Baker & McKenzie.

"They said all of his rents were late through the history of the lease," Deignan said. "This has not been a problem until just now. We have to ask ourselves what happened. The issue is not that our client is not paying his rent. He's paid his rent and they know it."

Keepman would not give much detail about the eviction, noting that he did not want to discuss and ongoing legal matter.

But he did confirm that the museum faces "fundraising challenges that we go through every year." He said the museum is in discussions with The Black Orchid Supper Club at 230 W. North to open a banquet hall at the Café Society site.



Café Society owner Jorge Armando may have to fight for his lease.
Photos by Josh Hawkins



Café Society's days at 18th and Indiana may be numbered.

"We're trying to position the museum for long-term sustainability," he said.

Black Orchid owner Marc Curtis did not return calls requesting an interview.

Keepman said the museum has discussed leasing the space to several other private groups, but he would not reveal who had submitted proposals.

Armando said he's heard from an unnamed source that the museum is \$700,000 in debt, but former executive director Kimo Williams, who served in 2003 and 2004, said it was unlikely that the group owed that kind of money.

Williams said the organization raised about \$147,000 during his time as director and took out a loan from Harris Bank for roughly \$200,000 to help keep the doors open and renovate the museum's third floor.

Williams did, however, say that during his time with the organization, Armando never was late paying his rent.

"There was no formal process for Jorge to pay his rent," Williams said, noting that Armando paid at the first of every month. "What Jorge would do is walk up to my office and give me a check."

It was during Williams' time as director that Armando expanded from the east side of the building to the dining room on the west side facing S. Indiana. "One of the things that's very important and why I moved the café from one side of the room to the other was visibility," he said, adding that he believed a restaurant would attract more people to the museum and hence more revenue.

Armando's lawyer, Deignan, said that in addition to the eviction notice, the museum is aiming to collect roughly \$3,000 from the restaurant in late fees for the delinquent rent. He said he and Armando have filed a counter claim saying that the museum owes Armando roughly \$6,000 in unpaid services for cleaning and maintaining the building in the absence of a janitor. Deignan said that the museum contracted Armando for the services but stopped paying several months ago. Armando, however, has continued the cleaning service because if he doesn't do it, then no one will.

"[Armando] has no choice," Deignan said. "He cannot stop cleaning the restrooms. It directly affects his business."

The case goes to court in March, Deignan said.

Jeff Ayersman, a board member of the newly-formed Prairie District Neighborhood Alliance, which represents condo owners in the area, said members got concerned after hearing that the museum is struggling financially.

"Sources have told us that they can't get that agreement with Black Orchid unless Café Society is moved out," Ayersman said. "That's why our contention is we are concerned about the use of the building."

He said that if the museum's board of directors plans to put a banquet hall in the building, then neighbors want to make sure they have a parking plan. The group also aims to ensure that the museum sticks with its contractual agreement with the city that at least 75 percent of the facility is used for the museum.

"We want that organization to succeed, but if they are going to provide something that's not legal with the agreement, then the City of Chicago should find a good use for that building," he said.