

**AGENDA**  
**CITY OF ST. CHARLES**  
**LIQUOR CONTROL COMMISSION MEETING**  
**MONDAY, MARCH 19, 2018**  
**CITY COUNCIL CHAMBERS @ 4:30 PM**  
**2 E MAIN STREET**

1. Call to Order.
2. Roll Call.
3. Motion to accept and place on file minutes of the Liquor Control Commission meeting held on February 20, 2018.
4. Recommendation to approve an Ordinance Amending Title 5, Entitled “Business Licenses and Regulations” Chapter 5.08, “Alcoholic Beverages”, 5.08.090, “License - Classifications”, Section 5.08.100, “License Fees; Late Night Permit Fees; Fees Established, and Section 5.08.130 “License-Hours of Sale” of the St. Charles Municipal Code (New G-2 Liquor License Classification).
5. Recommendation to approve an Ordinance Amending Title 5, Entitled “Business Licenses and Regulations” Chapter 5.08, “Alcoholic Beverages”, 5.08.090, “License - Classifications”, Section 5.08.100, “License Fees; Late Night Permit Fees; Fees Established, and Section 5.08.130 “License-Hours of Sale” of the St. Charles Municipal Code (New E-8 Liquor License Classification/St. Charles History Museum).
6. Recommendation to approve Late Night Permits for Class B, C and D licenses of the City of St. Charles for FY 2018/2019.
7. Recommendation to approve a Proposal for a New Massage License for Restore and Recover to be located at 1121 E Main Street.
8. Public Comment
9. Executive Session (5 ILCS 120/2 (c)(4)).
10. Adjournment

***ADA Compliance***

Any individual with a disability requesting a reasonable accommodation in order to participate in a public meeting should contact the ADA Coordinator, Jennifer McMahon, at least 48 hours in advance of the scheduled meeting. The ADA Coordinator can be reached in person at 2 East Main Street, St. Charles, IL, via telephone at (630) 377 4446 or 800 526 0844 (TDD), or via e-mail at [jmcmahon@stcharlesil.gov](mailto:jmcmahon@stcharlesil.gov). Every effort will be made to allow for meeting participation. Notices of this meeting were posted consistent with the requirements of 5 ILCS 120/1 et seq. (Open Meetings Act).

**MINUTES**  
**CITY OF ST. CHARLES**  
**LIQUOR CONTROL COMMISSION MEETING**  
**TUESDAY, FEBRUARY 20, 2018**

1. **Call to Order.**

The meeting was convened by Liquor Commissioner Rogina at 4:30 pm.

2. **Roll Call.**

**Members Present:** Liquor Commissioner Rogina, Ald. Silkaitis, Cliff Carrignan, Robert Gehm, and Ald. Vitek.

**Others Present:** Mark Koenen, Atty. John McGuirk, Police Chief Keegan, DC Erik Mahan, and Tracey Conti

3. **Motion to accept and place on file minutes of the Liquor Control Commission meeting held on January 22, 2017.**

Motion by Mr. Carrignan, second by Ald. Silkaitis to accept and place on file minutes of the Liquor Control Commission meeting held on December 18, 2017.

**Voice Vote:** Ayes: Unanimous; Nays: None. Chrmn. Rogina did not vote as Chair.

**Motion carried.**

4. **Recommendation to approve an Ordinance Amending Title 5 “Business Licenses and Regulations”, Chapter 8 “Alcoholic Beverages”, Section 090 “License –Classifications” and Section 100 “License Fees; Late Night Permit Fees; Fees Established of the City of St. Charles Municipal Code.**

**DC Mahan:** Staff has been working on a proposal for 210 Cedar Avenue, LLC to be located at 210 Cedar Ave., which is proposed to be a small private event venue. They’re seeking liquor license either for BYOB or through a licensed caterer to provide liquor services for their small events such as, meetings, bridal showers, etc. We looked at other municipalities and drafted an ordinance. We propose a recommendation for a class D-9 license, which is in your packet, it allows for this type of service of alcohol at the location incidental to food service, whether it be through a class B or C license holder from the City of St. Charles or a BYOB with provisions such as the need for insurance from the person leasing the space.

**Mayor Rogina:** This is a place to have banquets. There are choices the customer would have. Is the Police Department confident that all the rules and regulations are satisfied in this construction of the new D-9 license?

**DC Mahan:** Yes. We think that this covers it very well, and from our conversations with the business owners we don’t foresee any problem along that line.

**Ald. Silkaitis:** Are they going to be allowed to sell liquor and also have BYOB service?

**DC Mahan:** The provision is there, but I don’t believe they have any intention of selling alcohol.

**Karen Ramella:** 108 Seventh Place, Geneva, IL.

**Ald. Silkaitis:** Are there any other businesses that have both the service of liquor and bring your own?

**DC Mahan:** No, this is why we looked to some other existing businesses that have this type of license. With special events we do allow liquor to be brought in from a licensed B or C class to provide service.

**Ald. Silkaitis:** We don't have any businesses currently that have a BYOB and the other two privileges as well?

**DC Mahan:** I don't believe we do.

**Ald. Silkaitis:** That's my concern.

**Mayor Rogina:** There is a small part that is BYOB, they have to have BASSETT training, or they sell liquor.

**Karen Ramella:** We are not selling. The choice would be they would bring in a caterer or bar service that's licensed in St. Charles.

**Ald. Silkaitis:** Do we need to have the option in the ordinance if they aren't going to do it?

**DC Mahan:** We were trying to make it as flexible as we could for them.

**Ald. Silkaitis:** That's fine, but there are three parts to this ordinance, and if they aren't going to use one part of it why have it in there.

**Mr. Carrignan:** You either have the caterer supply the liquor or you bring your own.

**Karen Ramella:** Or they don't have any.

**Mr. Carrignan:** If you choose one, you won't be doing the other. Where would the selling come in?

**Ald. Silkaitis:** That's part of the ordinance. They could actually sell liquor, buy the liquor and serve it themselves. Is that correct?

**DC Mahan:** It doesn't authorize the sale or delivery of alcohol. It would have to be done through a distributor.

**Ald. Silkaitis:** They could still sell you a drink, you could bring your own, or you could have a third party cater. It's too broad.

**Mayor Rogina:** That's not their intention, but if they decided they want to provide liquor they would still have to follow the rules established.

**Ald. Silkaitis:** It's too wide open in my opinion.

**Mayor Rogina:** You would vote yes to recommend this to City Council Committee if only two of the three prongs were in the ordinance. Not all three.

**Ald. Silkaitis:** Correct.

**Ald. Vitek:** I think it's a great space and a good idea.

**Mr. Gehm:** I think it's well done. It's a unique opportunity. I don't think we have another venue like this in St. Charles. We have BYOB with establishments, and that's all they do. As I understand, and I get your point Ron, the party renting the space has someone provide alcohol or bring their own. The intent is not to sell or be a distributor, regardless of what the event is, they have 2 choices, bring your own, or have a licensed vendor that is BASSETT trained and certified with insurance provide that.

**Karen Ramella:** Correct.

**Mr. Gehm:** That would be your client's privilege, correct?

**Karen Ramella:** Yes.

**Mr. Gehm:** Hopefully with some guidance from you saying these are the only 2 options, or you have no liquor at all.

**Mr. Carrignan:** How will the BYOB be handled? Is it being served by someone, or do they bring it and serve themselves?

**Karen Ramella:** I'm BASSETT trained and would be able to serve, and will always be present.

**Mr. Carrignan:** Is there always going to be a BASSETT trained person on site?

**Karen Ramella:** Yes.

**Mayor Rogina:** I'd like to try and get a unanimous vote if possible and that would be to eliminate any reference to the licensee selling liquor themselves, and strike that from the ordinance, keeping BYOB, or catered. It has to be a St. Charles licensed caterer. What are we striking from the ordinance?

**Mr. Gehm:** Shall authorize the sale or delivery of alcoholic liquors for consumption on premise.

**Mr. Carrignan:** We should change that to just delivery.

**Mr. Gehm:** Yes.

**Atty. McGuirk:** I think that we have several places where selling is referenced that would have to be removed.

**Mayor Rogina:** If we remove that and just have delivery; we're still covering catering and BYOB.

**Atty. McGuirk:** Sounds like it.

Motion by Ald. Silkaitis, second by Mr. Carrigan to recommend for approval an Ordinance Amending Title 5 "Business Licenses and Regulations", Chapter 8 "Alcoholic Beverages", Section 090 "License –Classifications" and Section 100 "License Fees; Late Night Permit Fees; Fees Established of the City of St. Charles Municipal Code. Conditional on removing any reference to the selling of liquor, they can have BYOB, or a third party come in who is qualified to do this.

**Mayor Rogina:** Chief do you see a problem with this being adjusted?

**DC Mahan:** Removing the sale part I don't foresee a problem. If someone wanted to bring in a cash bar, it wouldn't be able to happen.

**Mayor Rogina:** We have a motion on the table, but given the problem.

**Ald. Vitek:** If I understand this correctly the only way this would work is they would have to have the other license first to be able to sell. If we left it the way it is, it wouldn't be an issue because they would have to have the other license to be able to sell.

**Mayor Rogina:** The next item is to recommend the license for 210 Cedar, LLC.

**DC Mahan:** If selling were allowed to stay as an alternative, in the second paragraph...

**Mayor Rogina:** As an alternative to selling and servicing alcoholic liquor for a particular event. The implication is selling. Do you want to amend your own second here Cliff, otherwise I'll call the question.

**Mr. Carrigan:** We can call the question, and turn around and vote. If another licensee were to come in and they're authorized to sell liquor it bridges that gap.

**Mayor Rogina:** The question on the table is to remove the reference to sale in all areas of the ordinance. I'm going to call the question on that. If you support you'd want to vote yes, if you don't, vote no.

**Roll Call Vote:** Ayes: Silkaitis; Nays: Carrigan, Vitek, Gehm; Chrmn. Rogina did not vote as Chair. **Motion Failed.**

Motion by Ald. Vitek, second by Mr. Gehm to approve as is second Mr. Gehm to Recommend for approve an Ordinance Amending Title 5 "Business Licenses and Regulations", Chapter 8 "Alcoholic Beverages", Section 090 "License –Classifications" and Section 100 "License Fees; Late Night Permit Fees; Fees Established of the City of St. Charles Municipal Code.

**Mr. Carrigan:** Going back; the other licensee effectively bridges the gap on the sales issue.

**Mr. Gehm:** The 210 Cedar, LLC could not be the seller of any alcohol, it would have to be another St. Charles licensee, B or C, doing the selling.

**Roll Call:** Ayes: Gehm, Carrignan, Vitek; Nays: Silkaitis. Chrmn. Rogina did not vote As Chair. **Motion Carried**

**Mayor Rogina:** That passes 3 -1, and puts a recommendation for this license to go into our series of licenses and move along to Council Committee tonight.

**5. Recommendation to approve a Proposal for a New Class D-9 liquor license for 210 Cedar, LLC, to be located at 210 Cedar Avenue, St. Charles, Illinois 60174.**

**DC Mahan:** The Police Department has conducted background investigation no issues have come forth, we would like to recommend.

Motion by Mr. Carrignan, second by Ald. Vitek to recommend for approval a Proposal for a New Class D-9 liquor license for 210 Cedar, LLC, to be located at 210 Cedar Avenue, St. Charles, Illinois 60174.

**Ald. Silkaitis:** How does this effect the previous? This allows what we just approved.

**Mayor Rogina:** Nothing has been approved by City Council yet, we recommended it. City Council approves D-9, what this motion does if City Council approves our recommendation, is give them a D-9 license, which we recommended 3 -1.

**Mr. Gehm:** This would actually grant 210 Cedar, LLC the D-9 license.

**Ald. Silkaitis:** Thank you. I just wanted some clarification.

**Roll Call:** Ayes: Gehm, Carrignan, Vitek; Nays: Silkaitis. Chrmn. Rogina did not vote as Chair. **Motion Carried**

**6. Recommendation to approve a Proposal for a Liquor License Change Request for The Painted Vine Cellar, LLC, located at 1 W Illinois Street, Unit 110, St. Charles 60174, from a D-8 license to an F-2 BYOB (Bring Your Own Beverage) License.**

**DC Mahan:** This is a recommendation for approval of a liquor license change for the Painted Vine Cellar located at 1 W Illinois Street, St. Charles. They're requesting to change from a D-8 license to a BYOB license. After being in business for some time they have re-evaluated and decided it would be a better fit to have a BYOB license rather than a service license. They are in good standing with the City.

**John Kessler:** My address is 40W555 Fox Meade Drive, St. Charles.

**Ald. Silkaitis:** Have we ever done this before? Can I ask why?

**John Kessler:** With the amount of business we get we end up throwing away a lot of wine, which is basically throwing away our profit. Our intention is to keep all of our staff BASSETT

trained and keep our liability insurance.

Motion by Ald. Silkaitis, second by Mr. Gehm to Recommend for approve a Proposal for a Liquor License Change Request for The Painted Vine Cellar, LLC, located at 1 W Illinois Street, Unit 110, St. Charles 60174, from a D-8 license to an F-2 BYOB (Bring Your Own Beverage) License.

**Roll Call:** Ayes: Silkaitis, Gehm, Carrignan, Vitek; Nays: None Chrmn. Rogina did not vote as Chair. **Motion Carried**

**7. Recommendation to approve a Proposal for a New Class A5 License for BOKE Enterprises, LLC dba The Wine Exchange located at 1 Illinois Street, Unit 120 St. Charles.**

**DC Mahan:** Item 7 is also a change in a liquor license. Same license, A-5, however we have a request of change in ownership for the Wine Exchange. BOKE Enterprises, same business concept, same business plan, they have submitted an application for an A-5 liquor license. We did a background investigation and there are no items of concern. We recommend approval. The new owners are here if you have any questions.

Motion by Mr. Gehm, Second by Mr. Carrignan to recommend for approval a Proposal for a New Class A5 License for BOKE Enterprises, LLC dba The Wine Exchange located at 1 Illinois Street, Unit 120 St. Charles.

**Mayor Rogina:** To the current owner, Mike Frasier, you run a very successful operation. We appreciate all you've done over the years.

**Roll Call:** Ayes: Silkaitis, Gehm, Carrignan, Vitek; Nays: None. Chrmn. Rogina did not vote as Chair. **Motion Carried**

**8. Discussion to consider a "Site License/Market License" at 1825 Lincoln Highway (93 Octane Nano-Brewery). This concept would be in addition to Urban Counter and the Pride Liquor Store.**

**Mayor Rogina:** This item is not an action item, but it's a good idea to have a conversation with the owners before they move forward.

**Chief Keegan:** This is a concept in addition to their current offerings at that same location, the Urban Counter which is a class B license holder, and the pride liquor stores which is a Class A license holder. At the far end of the building they originally planned for an Italian market, but have shifted gears and want to look at a Nano-brewery.

The Pride, LLC/Parent Petroleum operates the entire complex, including the adjoining gas station at the corner of Bricher and Rt. 38. Unlike what we do here by approving it at the local level first. It's the opposite when you want a distributor/manufacturer. You have to go through the state first, then local. Before they continue with the licensure they want to discuss it with

you. We've put together what we believe is a concept plan in the license to incorporate all three businesses under one roof. Right now we have site licenses at the Q-Center, Pheasant Run and Hotel Baker, with different access and serving points and the entire site is included in the site license.

**Guy Morgano:** 1460 Terrance Drive, Naperville, IL.

**Chris Pecket:** 3450 Winnetka Road, Glenview, IL.

**Mayor Rogina:** At this point St. Charles does not have a functioning brewery; we have one that has been approved, but right now there are none.

**Chief Keegan:** We did approve one on N. 4<sup>th</sup> Street, it's not operational at this point. This would be the first operational brewery.

**Mayor Rogina:** Penrose in Geneva is very popular. I'm going to open it up to the commissioners for questions. It would be a site license.

**Mr. Carrignan:** Would all the beer be manufactured there or brought in from offsite?

**Mr. Pecket:** Both, we would like to distribute and manufacture. All 93 Octane will be brewed on site.

**Mayor Rogina:** I can have food at urban grill; then I would take my plate through the package liquor place to get to the brewery. Is that correct?

**Mr. Pecket:** Yes, or vice versa.

**Mayor Rogina:** There are ways we can do that to make sure we are in compliance with the Health Department.

**Mr. Morgano:** We currently meet all the health department requirements.

**Mr. Carrignan:** I like the concept.

**Mr. Silkaitis:** Does this affect the alcohol tax? Are you planning on selling what you brew outside of St. Charles?

**Mr. Pecket:** Yes.

**Mr. Silkaitis:** Would that be taxed?

**Mayor Rogina:** That's an interesting question. If he produces beer here and sells it to someone else, not in St. Charles, how does that work as far as the point of sale is concerned, who receives the alcohol tax?

**Mr. Pecket:** We have a distributor; we would pay the state and federal tax, once it hits the retail point.

**Mayor Rogina:** You're implying if you sold 5000 of beer to a distributor we would not be able to collect the alcohol tax.

**Ald. Silkaitis:** As a distributor, we would not get any tax revenue because it wasn't poured.

**Mayor Rogina:** That's what's being implied. There is enough time between now and going to Council to get more information if that will affect your decision.

**Mayor Rogina:** The purpose of the alcohol tax in St. Charles is to tax a person consuming alcohol in St. Charles at the time they are drinking.

**Chief Keegan:** The hours of operation mirror each other and all share bathrooms. They can't exceed 10pm. They can open as early as 7am, close at 10pm. They would have the same hours of operation that they currently have.

**Mayor Rogina:** That would be in the site license.

**Chief Keegan:** Correct.

**Mark:** For the sake of clarity, there is a liquor tax that is payed for packaged goods. I don't know if this would be considered as packaged goods if they are selling to a distributor.

**Mayor Rogina:** Let's get clarification on this.

**Mr. Carrignan:** The manufacturer sells to the distributor without a tax, the distributor puts on tax as the point of sale.

**Mr. Morgano:** Wholesale concept vs retail concept.

**Mr. Carrignan:** Are you looking for some type of idea of how we would vote?

**Mayor Rogina:** You can give them a signal tonight, this is not going to Council Committee tonight, for the purpose of moving along what you would do moving forward.

**Mr. Carrignan:** I'm comfortable with the distribution tax issue, we may need to do a little homework, but the concept itself makes sense and bring some value.

**Mayor Rogina:** I think at this point you're walking away with a Liquor Commission Recommendation. It's not final Council approval yet.

**Chief Keegan:** We are planning on advancing this to Government Operations Committee tonight to seek some direction due to the amount of capital they will be spending.

**Mayor Rogina:** Under the same approach or are you expecting to take action.

**Chief Keegan:** As a discussion item to seek direction.

**Mayor Rogina:** Is there anyone who objects to the concept here?

**Mayor Rogina:** I think you're in a position to deliver to Council Committee tonight that the

Liquor Control Commission was very comfortable with the concept.

**9. Discussion regarding Senate Bill 2322 which would set the legal age to buy or use tobacco products in the State of Illinois to age 21.**

**Mayor Rogina:** Senator McConnaughay has issued a letter suggesting some opinion on Senate Bill 2322, which is the State of Illinois blanketing the State with a statute to prohibit the sale of tobacco under the age of 21. The Chief and I had a meeting with the American Cancer Society they were looking for the City to create an ordinance. The Chief asked if they were looking for an ordinance that puts the hammer on the seller, or the buyer, or both. They were honest and indicated they were more concerned with the seller.

**Chief Keegan:** I'm concerned from an enforcement point of view, it's illegal to sell it to someone who is 18, but you can possess it. I thought it put our officers in a precarious position.

**Mayor Rogina:** If Geneva decided to leave it alone, and we changed to 21, we would have individuals who purchased tobacco legally and were being sited here in St. Charles. I left that conversation by asking that they come back when they have unanimity with the entire group of Cities in the Valley.

I think the Chief is looking for each member of the commission to opine on this. City Administrator Koenen and I are meeting with the Senator in about 2 weeks. We'd like to deliver some of the thoughts you have.

**Mr. Gehm:** I agree with 21 for tobacco just as alcohol. My question would be if the State decided to go forward with this how it would affect us here in the City?

**Chief Keegan:** We would have to change our tobacco ordinance to match the State.

**Mr. Gehm:** I think it's a good idea. But to the Chief's point, it would be a nightmare if we did something like this on our own. If the State does this and it's for buying and using; I would go along with that.

**Ald. Vitek:** Is there any discussion at the State level about that issue?

**Chief Keegan:** This is the first we've heard from the State getting involved in this conversation. Unless it involves both sale and possession it will be very tough for us to discern and enforce.

**Ald. Vitek:** I would think that would be the feedback then and other municipalities would be giving the same feedback. We're not the only PD with that issue.

**Chief Keegan:** I would hope that if they change anything it would be for both possession and sale.

**Mayor Rogina:** Having said that, and they change both, would you support 21?

**Ald. Vitek:** Yes, however both issues need to be addressed.

**Ald. Silkaitis:** Buy or use, it has to be none or both. I like 21. There will be some feedback from businesses.

**Mr. Gehm:** In the Senator's letter it states the legal age to buy or use tobacco. If the State decides this we don't have an option.

**Mr. Carrignan:** When I was growing up we sent guys to war at 18 years old. We now send people to Iraq and Afghanistan, if they want to smoke that's their decision. Being a cancer survivor I don't condone smoking what-so-ever, but I don't think it's our job to legislate that for an 18 year old in the service. You're 18, you're old enough to make decisions about how you want to treat your body.

**Mayor Rogina:** I agree with Cliff. If tobacco was so dangerous, it is dangerous, but we don't ban it. We limit sale to a certain age. If a young man or woman can fight in a war at 18, you're an adult, you can vote.

**Ald. Silkaitis:** I understand, but they why is alcohol set at 21?

**Mr. Carrignan:** I believe alcohol should be 18 also.

**Mayor Rogina:** You're logic makes sense.

**Chief Keegan:** I would ask that you engage the Senator on 2 items: We passed alternative nicotine products a couple years back, it's 18 to possess. I would ask that they consider alternative nicotine, and chewing tobacco. I would assume it would be blanketed across all products, but they have yet to come up with an opinion on alternative nicotine products.

**Mr. Gehm:** It is listed in the letter; tobacco products, electronic cigarettes, and alternative nicotine products. Make it inclusive.

**Chief Keegan:** It has to be very clear if passed.

**Mayor Rogina:** I think we have a majority opinion from the Liquor Commission that they would like to see 21. It's a tough issue.

**Chief Keegan:** I've only seen a couple of North Shore communities pass this thus far, Evanston, Deerfield, Park Ridge and Oak Park. There haven't been a lot.

10. Public Comment

11. Executive Session (5 ILCS 120/2 (c)(4)).

12. Adjournment

Motion to adjourn by Gehm, second by Carrignan to adjourn the Liquor Control Commission meeting at 5:22 p.m.

Liquor Control Commission Minutes

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**Voice Vote:** Ayes: Unanimous; Nays: none. Chairman Rogina did not vote as Chair.

**Motion carried.**

:tc



**G-2. Class G-2** Licenses shall authorize the retail sale of beer manufactured on premises for consumption on the premises of any nano-brewery market, or for consumption not on the premises in original sealed packaging only. The retail sales portion of the licensed premises shall be separate from the manufacturing portion of the premises. Food service shall be permitted in accordance with Class B or C Licenses. Class G-2 licenses shall further authorize the retail sale of crafted beers for consumption on the premises and the retail sale of alcoholic liquors in original packages only and not for consumption on the premises subject to the following provisions:

1. The products sold for consumption off the premises are not opened and consumed on the premises;
2. Permitted food service, goods, and merchandise, other than alcoholic liquor, are also offered for the retail sale on the premises.
3. The retail sale of beer, wine, or alcoholic liquor for consumption off the premises shall be in original packages only.

If the licensed premises consists of multiple shops or restaurants at one street address, alcohol sold for the purpose of consumption on the premises may be carried and consumed throughout the premises and only if such movement can be made wholly within the enclosed structure of the premises, or approved outdoor seating area. This license shall be a site license for the complete premises.

### 5.08.100 License Fees; Late Night Permit Fees; Fees Established

1. Fees Established. The fees for the various Classes of local liquor licenses authorized in this chapter shall be as follows:

Class License	Annual License Fee	Comments
A-1	\$1,600.00	Package Liquor Stores Only
A-2	\$1,600.00	Grocery Stores
A-2B	\$1,600.00	Wine/Beer Sales Only
A-4	\$1,600.00	Brewery, Distillery, and Winery Sales
A-5	\$1,800.00	Wine by Glass & Bottle Sales
A-6	\$1,600.00	Gasoline Station with Convenience Store
B-1	\$1,200.00	Basic Restaurant Liquor License
B-2	\$1,800.00	Purchase Wine w/Takeout
B-3	\$1,800.00	On Premise Consumption & Retail Sale of Wine
C-1 & C2	\$1,200.00	Basic Tavern Liquor License
C-3	\$1,800.00	Sale of Bottled Wine
D-1	\$4,000.00	Pheasant Run
D-2	\$2,000.00	Hotels
D-3	\$2,000.00	Banquet Halls/Country Clubs
D-4	\$1,000.00	Moose/Clubs
D-5	\$2,000.00	Arcada
D-6	\$2,000.00	Q-Center
D-7	\$500.00	Steele Beam Theatre
D-8	\$1,200.00	Arts & Entertainment License
D-9	\$500.00	Small Event Venues
E-1	\$50.00 per day	Not for Profit
E-2	\$100.00 per day	Special Events B/C licensees

E-3	\$50.00 per day	Kane County Fair
E-4	\$100.00 per day	City Owned Premises
E-5	\$500.00 annual	Harley Davidson
E-6	\$100.00 per day	Special Late Night Permit Event
E-7	\$100.00 per day	Special Events A-2/A-2B licensees
F-1	\$100.00	BYOB Beer and Wine Only
F-2	\$250.00	BYOB Beer, Wine, and Spirits
G-1	\$1,600	Brewery/Restaurant
<u>G-2</u>	<u>\$3,000</u>	<u>Nano Brewery/Market</u>
V	\$1000 - Initial License \$500 - Each Renewal License \$100 - Per each video gaming terminal	Video Gaming

2. NOTE: Initial license fee is doubled for all first time Class A, B, C, D, G license applicant fees.(Ord. 2017-M-17 § 1; Ord. 2014-M-25§ 2; Ord. 2014-M-5 § 2; Ord. 2014-M-4 § 3; Ord. 2012-M-30 § 7; Ord. 2010- M-52 § 7.)

<b>Late Night Permit</b>	<b>Fee</b>	<b>Renewal</b>
Late Night Permit -1 (1:00 a.m.)	\$800.00	\$800.00
Late Night Permit -2 (2:00 a.m.)	\$2,300.00	\$2,300.00

## 5.08.130 – License - Hours of Sale

1. It shall be unlawful for any person holding a Class A- 1, A- 2, A- 213, A- 4, A- 5, A-6, F- 1, F- 2, or G-2 license issued pursuant to this chapter to sell, offer for sale or to give away, in or upon any licensed premises any alcoholic liquor prior to the hour of 7: 00 a.m. and after the hour of 10:00 p.m.
2. It shall be unlawful for any person holding a Class B- 1, B- 2, B- 3, C- 1, C- 2, C- 3, D-8, D-9, or G- 1 license issued pursuant to this chapter to sell, offer for sale or to give away, in or upon any ALCOHOLIC BEVERAGES 5.08-21 licensed premises, any alcoholic liquor between the hours of 12:00 midnight and 7:00 a. m.
3. It shall be lawful for any person holding a B- 1, B-2, B- 3, C- 1, C-2, C- 3, or G-1 license issued pursuant to this chapter to sell, offer for sale, in or upon any licensed premises, any alcoholic liquor until 2:00 a.m. on January 1 without being issued a Late Night Permit.
4. It shall be unlawful for any person holding a Class D- 1 license issued pursuant to this chapter to sell, offer for sale or to give away, in or upon any licensed premises, any alcoholic liquor between the hours of 2:00 a.m. and 7:00 a.m. on Monday, Tuesday, Wednesday, Thursday and Friday; between the hours of 3:00 a. m. and 7:00 a.m.
5. It shall be unlawful for any person holding a Class D- 2, D-4, D- 5, D- 6, or D- 7 license issued pursuant to this liquor chapter to sell, offer for sale or to give away, in or upon any licensed premises, any alcoholic liquor between the hours of 2:00 a.m. and 7:00 a.m.
6. It shall be unlawful for any person holding a Class E-2 license or E-4 license issued pursuant to this chapter to sell, offer for sale or to give away, in or upon any licensed premises, any alcoholic liquor between the hours of 12:00 midnight and 10:00 a.m.
7. It shall be unlawful for any person holding a Class E-5 license issued pursuant to this chapter to sell or deliver, in or upon any licensed premises, any alcoholic liquor, except during those hours as specifically set forth in said Class E-5 license.
8. It shall be lawful for any person holding a Class E-6 Temporary License Permit issued pursuant to 5.08-22 this chapter to sell, offer for sale in or upon any licensed premises, any alcoholic liquor until 1:00 a.m. or 2:00 a.m. (on specified date as stated on approved permit by City Council).
9. It shall be unlawful for any person holding a Class E-2 license or E-4 license issued pursuant to this chapter to sell, offer for sale or to give away, in or upon any licensed premises, any alcoholic liquor between the hours of 12:00 midnight and 10:00 a.m. on Monday, Tuesday, Wednesday, Thursday, Friday, Saturday and Sunday.
10. It shall be unlawful for any person holding a Class E-5 license issued pursuant to this chapter to sell or deliver, in or upon any licensed premises, any alcoholic liquor, except during those hours as specifically set forth in said Class E-5 license.
11. It shall be lawful for any person holding a Class E-6 Temporary License Permit issued pursuant to 5.08-22 this chapter to sell, offer for sale in or upon any licensed premises, any alcoholic liquor until 1:00 a.m. or 2:00 a.m. (on specified date as stated on approved permit by City Council).

**City of St. Charles**  
**Ordinance No. 2086-M-\_\_\_\_\_**

**Ordinance Amending Title 5, Entitled “Business Licenses and Regulations” Chapter 5.08, “Alcoholic Beverages”, 5.08.090, “License - Classifications”, Section 5.08.100, “License Fees; Late Night Permit Fees; Fees Established, and Section 5.08.130 “License-Hours of Sale “of the St. Charles Municipal Code**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ST. CHARLES, KANE AND DUPAGE COUNTIES, ILLINOIS, AS FOLLOWS:**

**SECTION ONE:** That Title 5 “Business Licenses and Regulations” Chapter 5.08, “Alcoholic Beverages”, 5.08.090, “License – Classifications be amended by adding the following:

**5.08.090 – License - Classifications**

Local liquor licenses for the retail sale of alcoholic liquor shall be divided into the following classes and sub-classes:

8. **G-1. Class G-1 Licenses** shall authorize the retail sale of beer manufactured on premises for consumption on the premises or for consumption not on the premises in original/sealed packaging only. The retail sales portion of the licensed premises shall be separate from the manufacturing portion of the premises. Food service, late night permitting, and other alcoholic beverage service, shall be permitted in accordance with other Class B or C Licenses.
- G-2. Class G-2 Licenses shall authorize the retail sale of beer manufactured on premises for consumption on the premises of any nano-brewery market, or for consumption not on the premises in original sealed packaging only. The retail sales portion of the licensed premises shall be separate from the manufacturing portion of the premises. Food service shall be permitted in accordance with Class B or C Licenses. Class G-2 licenses shall further authorize the retail sale of crafted beers for consumption on the premises and the retail sale of alcoholic liquors in original packages only and not for consumption on the premises subject to the following provisions:
  1. The products sold for consumption off the premises are not opened and consumed on the premises;
  2. Permitted food service, goods, and merchandise, other than alcoholic liquor, are also offered for the retail sale on the premises.
  3. The retail sale of beer, wine, or alcoholic liquor for consumption off the premises shall be in original packages only.

If the licensed premises consists of multiple shops or restaurants at one street address, alcohol sold for the purpose of consumption on the premises may be carried and consumed throughout the premises and only if such movement can be made wholly within the enclosed structure of

the premises, or approved outdoor seating area. This license shall be a site license for the complete premises.

**SECTION TWO:** That Title 5 “Business Licenses and Regulations” Chapter 5.08, “Alcoholic Beverages”, Section 5.08.100, “License Fees; Late Night Permit Fees; Fees Established of the St. Charles Municipal Code be amended by adding the following:

<b>Class License</b>	<b>Annual License Fee</b>	<b>Comments</b>
A-1	\$1,600.00	Package Liquor Stores Only
A-2	\$1,600.00	Grocery Stores
A-2B	\$1,600.00	Wine/Beer Sales Only
A-4	\$1,600.00	Brewery, Distillery, and Winery Sales
A-5	\$1,800.00	Wine by Glass & Bottle Sales
A-6	\$1,600.00	Gasoline Station with Convenience Store
B-1	\$1,200.00	Basic Restaurant Liquor License
B-2	\$1,800.00	Purchase Wine w/Takeout
B-3	\$1,800.00	On Premise Consumption & Retail Sale of Wine
C-1 & C2	\$1,200.00	Basic Tavern Liquor License
C-3	\$1,800.00	Sale of Bottled Wine
D-1	\$4,000.00	Pheasant Run
D-2	\$2,000.00	Hotels
D-3	\$2,000.00	Banquet Halls/Country Clubs
D-4	\$1,000.00	Moose/Clubs
D-5	\$2,000.00	Arcada
D-6	\$2,000.00	Q-Center
D-7	\$500.00	Steele Beam Theatre
D-8	\$1,200.00	Arts & Entertainment License
<b><u>D-9</u></b>	<b><u>\$500.00</u></b>	<b><u>Small Event Venues</u></b>
E-1	\$50.00 per day	Not for Profit
E-2	\$100.00 per day	Special Events B/C licensees
E-3	\$50.00 per day	Kane County Fair
E-4	\$100.00 per day	City Owned Premises
E-5	\$500.00 annual	Harley Davidson
E-6	\$100.00 per day	Special Late Night Permit Event
E-7	\$100.00 per day	Special Events A-2/A-2B licensees
F-1	\$100.00	BYOB Beer and Wine Only
F-2	\$250.00	BYOB Beer, Wine, and Spirits
G-1	\$1,600	Brewery/Restaurant

G-2

V

\$3,000

\$1000 - Initial License

\$500 - Each Renewal License

\$100 - Per each video gaming terminal

Nano Brewery/Market

Video Gaming

**SECTION THREE:** That Title 5 “Business Licenses and Regulations” Chapter 5.08, “Alcoholic Beverages”, 5.08.130, “License – Hours of Sale” be amended by adding the following:

1. It shall be unlawful for any person holding a Class A- 1, A- 2, A- 213, A- 4, A- 5, A-6, F- 1, F- 2, or G-2 license issued pursuant to this chapter to sell, offer for sale or to give away, in or upon any licensed premises any alcoholic liquor prior to the hour of 7: 00 a.m. and after the hour of 10:00 p.m.

**SECTION FOUR:** That after the adoption and approval hereof, this Ordinance shall (i) be printed or published in book or pamphlet form pursuant to the authority of the City Council, or (ii) within thirty (30) days after the adoption and approval hereof, be published in a newspaper published in and with a general circulation within the City of St. Charles.

**SECTION FIVE:** This Ordinance shall be in full force and effect ten (10) days from and after its passage by a vote of the majority of the corporate authorities now holding office, approval and publication in the manner provided by law.

PRESENTED to the City Council of the City of St. Charles, Illinois, this \_\_\_\_ day of \_\_\_\_\_, 2018.

PASSED by the City Council of the City of St. Charles, Illinois this \_\_\_\_ day of \_\_\_\_\_, 2018.

APPROVED by the Mayor of the City of St. Charles, Illinois, this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
Raymond P. Rogina, Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

COUNCIL VOTE:

Ayes : \_\_\_\_\_

Nays : \_\_\_\_\_

Absent : \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

DATE: \_\_\_\_\_



#### **5.08.090 – License - Classifications**

**E-8. Class E-8** licenses shall authorize the service or delivery of alcoholic liquor, for consumption on the premises only and incident to food service at a special event sponsored by, or conducted at the St. Charles History Museum located at 215 E. Main Street, St. Charles, Illinois. The Class E-8 license shall be issued solely for the conduct of not more than twelve (12) events that the Local Liquor Control Commissioner and Chief of Police deem licensable per calendar year at the specific premises. Each of the events may not be more than one day in duration. The schedule of such events shall be subject to approval by the Chief of Police so as to avoid conflicts between said events and major festivals or events occurring in the City, including, but not limited to Scarecrow Festival, the St. Patrick's Day Parade, and the Holiday Homecoming Electric Lights Parade. Any such event at the premises which is in whole or partly held outdoors or on the City sidewalk, street or parking facility must otherwise be in accordance with any and all applicable provisions of the City's Code, including obtaining a special event permit from the City.

For purposes of selling or service of alcoholic liquor for a particular event on the premises, the holder of a Class E-8 license shall engage the services of a vendor who holds a then current and otherwise valid liquor license issued by the City of St. Charles for the purpose of supplying, opening, dispensing, selling, and/or serving alcoholic liquors for consumption on the premises where the service of food predominates.

5.08.100 – License Fees; Late Night Permit Fees; Fees Established

1. Fees Established. The fees for the various Classes of local liquor licenses authorized in this chapter shall be as follows:

<b>Class License</b>	<b>Annual License Fee</b>	<b>Comments</b>
A-1	\$1,600.00	Package Liquor Stores Only
A-2	\$1,600.00	Grocery Stores
A-2B	\$1,600.00	Wine/Beer Sales Only
A-4	\$1,600.00	Brewery, Distillery, and Winery Sales
A-5	\$1,800.00	Wine by Glass & Bottle Sales
A-6	\$1,600.00	Gasoline Station with Convenience Store
B-1	\$1,200.00	Basic Restaurant Liquor License
B-2	\$1,800.00	Purchase Wine w/Takeout
B-3	\$1,800.00	On Premise Consumption & Retail Sale of Wine

C-1 & C2	\$1,200.00	Basic Tavern Liquor License
C-3	\$1,800.00	Sale of Bottled Wine
D-1	\$4,000.00	Pheasant Run
D-2	\$2,000.00	Hotels
D-3	\$2,000.00	Banquet Halls/Country Clubs
D-4	\$1,000.00	Moose/Clubs
D-5	\$2,000.00	Arcada
D-6	\$2,000.00	Q-Center
D-7	\$500.00	Steele Beam Theatre
D-8	\$1,200.00	Arts & Entertainment License
D-9	\$500.00	Small Event Venues
E-1	\$50.00 per day	Not for Profit
E-2	\$100.00 per day	Special Events B/C licensees

E-3	\$50.00 per day	Kane County Fair
E-4	\$100.00 per day	City Owned Premises
E-5	\$500.00 annual	Harley Davidson
E-6	\$100.00 per day	Special Late Night Permit Event
E-7	\$100.00 per day	Special Events A-2/A-2B licensees
<u>E-8</u>	<u>\$500.00 annual</u>	<u>St. Charles History Museum</u>
F-1	\$100.00	BYOB Beer and Wine Only
F-2	\$250.00	BYOB Beer, Wine, and Spirits
G-1	\$1,600	Brewery/Restaurant
	\$1000 - Initial License	
V	\$500 - Each Renewal License	Video Gaming
	\$100 - Per each video gaming terminal	

2. NOTE: Initial license fee is doubled for all first time Class A, B, C, D, G license applicant fees.(Ord. 2017-M-17 § 1; Ord. 2014-M-25§ 2; Ord. 2014-M-5 § 2; Ord. 2014-M-4 § 3; Ord. 2012-M-30 § 7; Ord. 2010- M-52 § 7.

<b>Late Night Permit</b>	<b>Fee</b>	<b>Renewal</b>
Late Night Permit – 1 (1:00 a.m.)	\$800.00	\$800.00
Late Night Permit – 2 (2:00 a.m.)	\$2,300.00	\$2,300.00

## 5.08.130 – License - Hours of Sale

1. It shall be unlawful for any person holding a Class A- 1, A- 2, A- 213, A- 4, A- 5, A-6, F- 1, F- 2 license issued pursuant to this chapter to sell, offer for sale or to give away, in or upon any licensed premises any alcoholic liquor prior to the hour of 7: 00 a.m. and after the hour of 10:00 p.m.
2. It shall be unlawful for any person holding a Class B- 1, B- 2, B- 3, C- 1, C- 2, C- 3, D-8, D-9, E-8, or G-1 license issued pursuant to this chapter to sell, offer for sale or to give away, in or upon any ALCOHOLIC BEVERAGES 5.08-21 licensed premises, any alcoholic liquor between the hours of 12:00 midnight and 7:00 a. m.
3. It shall be lawful for any person holding a B- 1, B-2, B- 3, C- 1, C-2, C- 3, or G-1 license issued pursuant to this chapter to sell, offer for sale, in or upon any licensed premises, any alcoholic liquor until 2:00 a.m. on January 1 without being issued a Late Night Permit.
4. It shall be unlawful for any person holding a Class D- 1 license issued pursuant to this chapter to sell, offer for sale or to give away, in or upon any licensed premises, any alcoholic liquor between the hours of 2:00 a.m. and 7:00 a.m. on Monday, Tuesday, Wednesday, Thursday and Friday; between the hours of 3:00 a. m. and 7:00 a.m.
5. It shall be unlawful for any person holding a Class D- 2, D-4, D- 5, D- 6, or D- 7 license issued pursuant to this liquor chapter to sell, offer for sale or to give away, in or upon any licensed premises, any alcoholic liquor between the hours of 2:00 a.m. and 7:00 a.m.
6. It shall be unlawful for any person holding a Class E-2 license or E-4 license issued pursuant to this chapter to sell, offer for sale or to give away, in or upon any licensed premises, any alcoholic liquor between the hours of 12:00 midnight and 10:00 a.m.
7. It shall be unlawful for any person holding a Class E-5 license issued pursuant to this chapter to sell or deliver, in or upon any licensed premises, any alcoholic liquor, except during those hours as specifically set forth in said Class E-5 license.
8. It shall be lawful for any person holding a Class E-6 Temporary License Permit issued pursuant to 5.08-22 this chapter to sell, offer for sale in or upon any licensed premises, any alcoholic liquor until 1:00 a.m. or 2:00 a.m. (on specified date as stated on approved permit by City Council).
9. It shall be unlawful for any person holding a Class E-2 license or E-4 license issued pursuant to this chapter to sell, offer for sale or to give away, in or upon any licensed premises, any alcoholic liquor between the hours of 12:00 midnight and 10:00 a.m. on Monday, Tuesday, Wednesday, Thursday, Friday, Saturday and Sunday.
10. It shall be unlawful for any person holding a Class E-5 license issued pursuant to this chapter to sell or deliver, in or upon any licensed premises, any alcoholic liquor, except during those hours as specifically set forth in said Class E-5 license.
11. It shall be lawful for any person holding a Class E-6 Temporary License Permit issued pursuant to 5.08-22 this chapter to sell, offer for sale in or upon any licensed premises, any alcoholic liquor until 1:00 a.m. or 2:00 a.m. (on specified date as stated on approved permit by City Council).

**City of St. Charles**  
**Ordinance No. 2086-M-\_\_\_\_\_**

**Ordinance Amending Title 5, Entitled “Business Licenses and Regulations” Chapter 5.08, “Alcoholic Beverages”, 5.08.090, “License - Classifications”, Section 5.08.100, “License Fees; Late Night Permit Fees; Fees Established, and Section 5.08.130 “License-Hours of Sale” of the St. Charles Municipal Code**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ST. CHARLES, KANE AND DUPAGE COUNTIES, ILLINOIS, AS FOLLOWS:**

**SECTION ONE:** That Title 5 “Business Licenses and Regulations” Chapter 5.08, “Alcoholic Beverages”, 5.08.090, “License – Classifications be amended by adding the following:

**5.08.090 – License - Classifications**

Local liquor licenses for the retail sale of alcoholic liquor shall be divided into the following classes and sub-classes:

5. **Class E – Temporary Licenses** - Class E licenses shall authorize the retail sale of beer and wine (or alcoholic liquors if permitted by a Class E-1, E-4 or E-5 license) for consumption on the premises only and only for special events or catered functions where the dispensing of food predominates. The Local Liquor Control Commissioner may, with the advice and consent of the City Council, issue two (2) or more Class E licenses so as to authorize and delineate two (2) or more licensed premises to operate in conjunction with any such special event or catered function. Class E licenses are divided into the following sub-classes:
  - **E-1. Class E-1** licenses shall authorize, at the Local Liquor Control Commissioner with advice and consent of the City Council, either the retail sale of beer and wine or the retail sale of alcoholic liquors for consumption on the premises only. Class E-1 shall be issued for special events or catered functions, where the dispensing of food predominates. Applicants for Class E-1 licenses shall be limited to St. Charles organizations or groups, unless the Local Liquor Control Commissioner, with advice and consent of City Council, approves otherwise. There shall be no Class E-1 licenses issued beginning at 12:00 a.m. Friday, before Columbus Day and ending 12:00 a.m. Monday, on Columbus Day.
  - **E-2. Class E-2** licenses shall authorize the retail sale of beer and wine for consumption on the premises only. Class E-2 licenses shall be issued to only Class B and Class C liquor licensees for special events or catered functions where the dispensing of food predominates. There shall be no Class E-2 licenses issued beginning at 12:00 a.m. Friday before Columbus Day and ending 12:00 a.m. Monday, on Columbus Day. Notwithstanding the restrictions on the issuance of Class E-2 licenses in the preceding sentence, Class E-2 licenses may be issued during said period subject to the following provisions:
    1. A Class E-2 license may be issued only in the event the principal street access in front of the licensed premises is blocked due to road closure resulting from a festival taking place during said October period;

2. In addition to all other conditions and restrictions applicable to Class E-2 licenses, the Local Liquor Control Commissioner may impose such additional conditions and/or restrictions as he deems necessary; and
  3. The Local Liquor Control Commissioner may, with the advice and consent of the City Council waive or vary any conditions and/or restriction applicable to a Class E-2 license, if deemed appropriate under the circumstances.
- **E-3. The Class E-3** license shall authorize the retail sale of beer and wine for consumption on the premises only and within the pre-designated area of the Kane County Fair Grounds. Class E-3 shall also authorize the retail sale of wine and/or beer in original packages only. The retail area and consumption areas must be pre-approved by the Chief of Police (with a site drawing) at the time of the liquor license application. Further, wine and beer tasting bars shall be permitted in accordance with St. Charles Municipal Code 5. 08. 260.
  - **Class E-3** license shall be issued solely to the Kane County Fair for the conduct of the annual Kane County Fair and not more than twenty (20) days of events that the Local Liquor Control Commissioner and Chief of Police deem licensable per calendar year. Each of the events shall be subject to approval by the Chief of Police so as to avoid conflicts between other events and festivals occurring in the City. The Class E-3 license shall be valid only for the scheduled dates as outlined above and are subject to daily fees in accordance with St. Charles Municipal Code 5. 08. 100.
  - **E-4. Class E-4** licenses shall authorize at the Local Liquor Control Commissioner's discretion, and subject to prior approval by the City Council, either the sale or delivery of beer and wine, or alcoholic liquors, for consumption on City owned property, including but not by way of limitation, 1st Street Plaza. There shall be no Class E-4 licenses issued during the second full week of October, beginning 12:00 a.m. Friday and ending 12:00 a.m. Monday
  - **E-5. Class E-5** licenses shall authorize, at the Local Liquor Control Commissioner, with advice and consent of the City Council, either the sale or delivery of beer and wine or alcoholic liquors, for consumption on the premises only. The Class E-5 license shall be issued solely for the conduct of not more than twenty (20) days of events that the Local Liquor Control commissioner, City Council and Chief of Police deem licensable per calendar year at specific premises. Each of the events may not be more than one day in duration. The schedule of such events shall be subject to approval by the Chief of Police so as to avoid conflicts between said events and major festivals or events occurring in the City, including, but not limited to, Flea Market held at the Kane County Fairgrounds, Riverfest, Scarecrow Festival, and the St. Patrick's Day Parade. Such license shall be issued solely for specific premises that is open to the public and kept, used, maintained, advertised and held out to the public as a place where retail business activities or operations are conducted, other than the sale of alcoholic liquor. Events shall be permitted solely on such dates and during such times as are set forth in any Class E-5 license issued.
  - **E-6. Class E-6 Temporary License Permits** shall authorize the retail sale of beer and wine or the retail sale of alcoholic liquor for consumption on the premises only until 1:00 a.m. or 2:00 a.m. on a specified date. This license shall be issued to Class B and C license holders only for special events or catered functions with the dispensing of food. The issuance of the Class E-6

Temporary License Permit shall be at the discretion of the Local Liquor Control Commissioner, with advice and consent of City Council. Application for a Class E-6 Temporary License Permit shall be submitted 45 days in advance of a scheduled date. No more than four (4) permits shall be issued to any licensee per fiscal year. A license permit is per event during a 24-hour period. There shall be no Class E-6 Temporary License permits issued during the second full week of October beginning 12:00 a.m. on Friday and ending 12:00 a.m. on Monday.

- **E-7. Class E-7 Temporary License Permits** shall authorize the retail sale of beer and wine for consumption on the premises only. Class E-7 licenses shall be issued to only Class A-2 and A-2B liquor licenses for special events or catered functions where the dispensing of food predominates. The issuance of the Class E-7 Temporary License Permit shall be at the discretion of the local Liquor Control Commissioner, with advice and consent of City Council. No more than four (4) permits shall be issued to any one licensee per fiscal year. Application for a Class E-7 Temporary License Permit shall be submitted at least 45 days prior to a scheduled event. The hours of service for beer and wine under the E-7 Temporary License Permit shall be restricted to the hours of 12:00 p.m. – 9:00 p.m., Monday through Sunday.” In the event any Class E license (with respect to any Class E-5 license, if required in whole or in part by the Local Liquor Control Commissioner, City Council or Chief of Police) is for an out of doors special event or catered function, the following shall apply, in addition to all other requirements:
  1. The license shall rope off or fence the licensed premises.
  2. A sign limiting beer and wine (or alcoholic liquors if permitted by a Class E-1 or Class E-4 license) consumption to the roped off or fenced area shall be prominently displayed by licensee at all times.
  3. The license shall provide for the pickup of all litter and trash.
  4. The Local Liquor Control Commissioner, with the advice and consent of the City Council, in consultation with the Chief of Police, shall designate on each license issued the number of St. Charles police personnel and/or adult members of the licensee required to be present on the licensed premises at all times beer and wine (or alcoholic liquors if permitted by Class E-1 license) is being served, to supervise liquor sales and check identification of persons. The licensee shall be responsible for any and all compensation of police personnel at the then current over time rate. The licensee shall be required to post a cash deposit to secure the payment of such estimated compensation. If said deposit does not cover actual amount due, licensee is responsible for any balance due.
  5. A tamper proof wrist band, of a design and in a color (a separate color must be used for each day) approved by the Chief of Police, or his designee, shall be placed on the wrist of each person eligible to purchase beer or wine (or alcoholic liquors if permitted by a Class E-1 license) prior to that person being given access to the licensed premises. Minors shall not be permitted in any licensed premises. Notwithstanding the foregoing, the Local Liquor Control Commissioner may, with the advice and consent of the City Council, and as designated in any license, permit minors to be present in a licensed premises where food is also served.

- E-8. Class E-8 licenses shall authorize the service or delivery of alcoholic liquor, for consumption on the premises only and incident to food service at a special event sponsored by, or conducted at the St. Charles History Museum located at 215 E. Main Street, St. Charles, Illinois. The Class E-8 license shall be issued solely for the conduct of not more than twelve (12) events that the Local Liquor Control Commissioner and Chief of Police deem licensable per calendar year at the specific premises. Each of the events may not be more than one day in duration. The schedule of such events shall be subject to approval by the Chief of Police so as to avoid conflicts between said events and major festivals or events occurring in the City, including, but not limited to Scarecrow Festival, the St. Patrick’s Day Parade, and the Holiday Homecoming Electric Lights Parade. Any such event at the premises which is in whole or partly held outdoors or on the City sidewalk, street or parking facility must otherwise be in accordance with any and all applicable provisions of the City’s Code, including obtaining a special event permit from the City.

For purposes of selling or service of alcoholic liquor for a particular event on the premises, the holder of a Class E-8 license shall engage the services of a vendor who holds a then current and otherwise valid liquor license issued by the City of St. Charles for the purpose of supplying, opening, dispensing, selling, and/or serving alcoholic liquors for consumption on the premises where the service of food predominates.

**SECTION TWO:** That Title 5 “Business Licenses and Regulations” Chapter 5.08, “Alcoholic Beverages”, Section 5.08.100, “License Fees; Late Night Permit Fees; Fees Established of the St. Charles Municipal Code be amended by adding the following:

<b>Class License</b>	<b>Annual License Fee</b>	<b>Comments</b>
A-1	\$1,600.00	Package Liquor Stores Only
A-2	\$1,600.00	Grocery Stores
A-2B	\$1,600.00	Wine/Beer Sales Only
A-4	\$1,600.00	Brewery, Distillery, and Winery Sales
A-5	\$1,800.00	Wine by Glass & Bottle Sales
A-6	\$1,600.00	Gasoline Station with Convenience Store
B-1	\$1,200.00	Basic Restaurant Liquor License
B-2	\$1,800.00	Purchase Wine w/Takeout
B-3	\$1,800.00	On Premise Consumption & Retail Sale of Wine
C-1 & C2	\$1,200.00	Basic Tavern Liquor License
C-3	\$1,800.00	Sale of Bottled Wine
D-1	\$4,000.00	Pheasant Run
D-2	\$2,000.00	Hotels
D-3	\$2,000.00	Banquet Halls/Country Clubs
D-4	\$1,000.00	Moose/Clubs
D-5	\$2,000.00	Arcada
D-6	\$2,000.00	Q-Center
D-7	\$500.00	Steele Beam Theatre
D-8	\$1,200.00	Arts & Entertainment

		License
D-9	\$500.00	Small Event Venues
E-1	\$50.00 per day	Not for Profit
E-2	\$100.00 per day	Special Events B/C licensees
E-3	\$50.00 per day	Kane County Fair
E-4	\$100.00 per day	City Owned Premises
E-5	\$500.00 annual	Harley Davidson
E-6	\$100.00 per day	Special Late Night Permit Event
E-7	\$100.00 per day	Special Events A-2/A-2B licensees
<b><u>E-8</u></b>	<b><u>\$500.00 annual</u></b>	<b><u>St. Charles History Museum</u></b>
F-1	\$100.00	BYOB Beer and Wine Only
F-2	\$250.00	BYOB Beer, Wine, and Spirits
G-1	\$1,600	Brewery/Restaurant
V	\$1000 - Initial License \$500 - Each Renewal License \$100 - Per each video gaming terminal	Video Gaming

**SECTION THREE:** That Title 5 “Business Licenses and Regulations” Chapter 5.08, “Alcoholic Beverages”, 5.08.130, “License – Hours of Sale” be amended by adding the following:

2. It shall be unlawful for any person holding a Class B- 1, B- 2, B- 3, C- 1, C- 2, C- 3, D-8, D-9, **E-8** or G-1 license issued pursuant to this chapter to sell, offer for sale or to give away, in or upon any ALCOHOLIC BEVERAGES 5.08-21 licensed premises, any alcoholic liquor between the hours of 12:00 midnight and 7:00 a. m.

**SECTION FOUR:** That after the adoption and approval hereof, this Ordinance shall (i) be printed or published in book or pamphlet form pursuant to the authority of the City Council, or (ii) within thirty (30) days after the adoption and approval hereof, be published in a newspaper published in and with a general circulation within the City of St. Charles.

**SECTION FIVE:** This Ordinance shall be in full force and effect ten (10) days from and after its passage by a vote of the majority of the corporate authorities now holding office, approval and publication in the manner provided by law.

PRESENTED to the City Council of the City of St. Charles, Illinois, this \_\_\_\_ day of \_\_\_\_\_, 2018.

PASSED by the City Council of the City of St. Charles, Illinois this \_\_\_\_ day of \_\_\_\_\_, 2018.

APPROVED by the Mayor of the City of St. Charles, Illinois, this \_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_, 2018.

\_\_\_\_\_  
Raymond P. Rogina, Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

COUNCIL VOTE:

Ayes : \_\_\_\_\_

Nays : \_\_\_\_\_

Absent : \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

DATE: \_\_\_\_\_

**AGENDA ITEM EXECUTIVE SUMMARY**

Agenda Item number: 6

Title:

Recommendation to approve Late Night Permits for Class B, C and D Licenses of the City of St. Charles for FY 2018/2019

Presenter:

Jim Keegan, Chief of Police

Meeting: Liquor Control Commission

Date: March 19, 2018

Proposed Cost: n/a

Budgeted Amount: \$

Not Budgeted: **Executive Summary** *(if not budgeted please explain):*

Per our City Code, the attached memo and spreadsheet memorialize the annual late-night permit request for all Class, B, C and D liquor licenses holders for calendar year 2018-19. As the City Council is aware, the aforementioned liquor licenses are all licensed until midnight, and permitted per our code to request either a 1:00 a.m. or 2:00 a.m. late-night permit on an annual basis.

As a means of comparison from last year, there are 26 late-night permit requests this year.

20 B licenses

6 C licenses

12 locations are requesting to stay open until 1:00 a.m.

14 locations are requesting 2:00 a.m. permit requests

Three businesses from last year did not request permits

A 'Salute (closed)

Los Burritos (midnight only)

Pub 47 (midnight only)

Please see the associated material for further information.

**Attachments** *(please list):*

Memo, Late Night Permit Holder Liquor License Renewals

**Recommendation/Suggested Action** *(briefly explain):*

Recommendation to approve Late Night Permits for Class B, C and D Licenses of the City of St. Charles for FY 2018/2019



# Memo

To: Mayor Raymond Rogina, Liquor Commissioner  
From: James Keegan, Chief of Police  
Date: March 8, 2018  
Re: Late Night Permits/2018-19

---

Pursuant to city code, I have summarized police responses (see attachment) requiring written documentation by the police department and any action taken from the Liquor Control Commission during the last calendar year (2017). We continue to see progress and a willingness to make St. Charles a “destination” community in regards to our social environment. Within my tenure as the chief of police, I’ve seen consistent growth and development with not only unruly behavior being curbed, but also in positive relationships being forged with bar owners and managers.

As is customary and mandated within our City Code, each permit request was vetted by the respective city department to ensure compliance with fees, payments, permits, etc. As a means to identify our city code as it pertains to late night permitting, I’ve included the attached ordinance language as a frame of reference. Please see below:

---

## **City Ordinance/5.08.095 Late Night Permit**

- C. Annually, the liquor license renewal process shall commence on the first city business day in February. Current license holders shall submit a renewal application and include any requested changes. For those license holders applying for a new or renewing a late night permit, they are required to specify whether they are applying for the 1:00 a.m. or the 2:00 a.m. permit. In addition, any new or renewal applications shall include a current business concept outlining the operations intended during the late night permit term of one year, in conjunction with the liquor license to be issued on May 1 of the same year. Failure to provide a timely renewal application or late night permit application may result in a delay in issuing said license and permit by May 1 of that year.
- D. Upon receipt of a new or renewal application, the Liquor Commissioner shall cause a review of the previous year license application to determine whether there have been any changes noted with regard to ownership, management or business concept. This application shall be forwarded to:
  - 1. Chief of Police



2. Fire Department
  3. Finance Department
  4. Community Development Department
- E. The city departments indicated in Section D will review any infractions of any city code, reflecting negatively on the license holder that should be taken into account by the Liquor Control Commission and City Council. That information shall be returned to the Liquor Commissioner for review. In addition, the Chief of Police shall cause a review of the police related activity which will support a recommendation from the Chief of Police on whether the late night permit shall be issued and whether a 1:00 a.m. or 2:00 a.m. closing is recommended based on the permit application. The Chief of Police shall forward the recommendation to the Liquor Commissioner.
- F. Any application and recommendation for a new or renewal of a late night permit, shall be reviewed by the Liquor Control Commission. Based on this review the Local Liquor Commissioner shall make a recommendation on issuance to City Council. An applicant for a late night permit shall have the opportunity to be present and provide input on said application, prior to the Liquor Control Commission making a recommendation. Late night permits and renewals of late night permits shall be issued by the Liquor Commissioner with the advice and consent of the City Council.
- G. Any new liquor license application where a new late night permit is also applied for shall follow the same review process as outlined in paragraphs B, C, D, E and F of this Chapter.
- H. Notice of Violation Process-Late Night Permit. If during a liquor license year, May 1 through April 30, where a liquor license holder has been issued a late night permit and a notice of violation is issued by the Liquor Control Commissioner, the Liquor Control Commission shall hold a hearing on the matter. The liquor license with the late night permit shall be given notice of the purpose, date, time and location of the hearing in a similar manner to a liquor license violation. The matter will be heard before the Liquor Control Commission in the same manner as any license violation. The Liquor Control Commission shall provide advice and consent to the Local Liquor Control Commissioner, who shall make a final decision on the matter.
- I. Cause to Reduce Hours, Revoke Late Night Permit or Not Issue Late Night Permit. In the event that a liquor license holder, has applied for or been issued a late night permit, and has demonstrated circumstances giving reason to review whether that late night permit shall be issued, reduced in hours or revoked, the Liquor Control Commission shall receive input from these city departments:
1. Finance Department as it relates to unpaid fees, utilities or city taxes;

2. Fire Department as it relates to repetitive fire code violations affecting health and safety;
  3. Community Development Department, Building and Code Enforcement Division as it relates to building code violations;
  4. Police Department as it relates to repetitive calls for service that are indicative of underage patrons, over service of patrons, or liquor license violations affecting the safety of the general public where the licensee is not taking proactive measures to abate the problems;
  5. Other departments with applicable information.
- J. The license holder shall have the opportunity to respond to information in a public hearing prior to any action being taken, by the Liquor Control Commission before sending any recommendation to City Council.
- K. The Liquor Control Commission may recommend the issuance or denial of a requested late night permit for 1:00 a.m. or 2:00 a.m., or reduction in hours based on cause to the City Council for final decision.
- 

Please see the attached spreadsheet for additional information concerning specific permit requests. I recommend in favor of the aforementioned requests as identified in attached spreadsheet. I consider each licensed business in “good standing” with the City.

As always, I stand ready to answer any questions or concerns you might have in reference to my recommendations. Thank you in advance for your cooperation in this matter.

### FY 2018/2019 LATE NIGHT PERMITS

Business	Address	Class B License	Class C License	1:00 AM Permit	2:00 AM Permit	Reports	Arrests	Warning Letters	LCC Violations
2nd Street Bar & Grill	221 S Second Street		X		X	2			
Alibi Bar & Grill	12 N 3rd Street	X			X	6	6		1
Alley 64	212 W Main Street	X			X	13	4		
Main Street Pub	204 W Main Street	X			X	2	2		
Club Arcada	105 E Main Street	X		X					
Cooper's Hawk	3710 E. Main	X		X					
Crazy Fox	104 E Main Street	X		X					
Dawn's Beach Hut	8 N Third Street	X			X	1			
Dawn's Boatyard (Voodoo Rm)	214 W Main Street		X		X				
Filling Station	300 W Main Street	X			X				
Global Brew	2100 Prairie Street		X	X		1			
McNally's	109 W Main Street	X		X		1	1		
Northwoods – Evergreen	1400 W Main Street	X			X	1	1		
Pizzeria Neo	31 S 1st Street	X		X		1			
Pub 222	222 W Main Street		X		X	3	2		
Puebla Modern Mexican	51 S 1st Street	X		X					
Riverside Pizza	102 E Main Street	X			X				
Rookies (BK & MM)	312 W Main Street	X			X	2			
Rox City	100 W. Main Street	X			X	2			
Shakou	312 W Main Street	X		X					
Spotted Fox Alehouse	3615 E Main Street	X		X		1			
St. Charles Bowl	2520 W Main Street		X	X		1	1		
Tap House Grill	3341 W Main Street	X		X		2	1		
The House Pub	16 S Riverside		X		X	1	1		
The Office	201 E Main Street	X			X				
Vintage 53	162 S 1st Street	X		X					
<b>Total:</b>		<b>20</b>	<b>6</b>	<b>12</b>	<b>14</b>	<b>40</b>	<b>19</b>	<b>0</b>	<b>1</b>

**AGENDA ITEM EXECUTIVE SUMMARY**

Agenda Item number: 7

Title:

Recommendation to approve an Application for a New Massage Establishment License for Restore and Recover located at 1121 E Main Street, St. Charles, IL 60174.

Presenter:

Jim Keegan, Chief of Police

Meeting: Liquor Control Commission

Date: March 19, 2018

Proposed Cost: \$

Budgeted Amount: \$

Not Budgeted: **Executive Summary** *(if not budgeted please explain):*

This is a request for a new Massage Establishment License for Restore and Recover located at 1121 E Main Street, St. Charles, IL 60174.

As is customary procedure, a detective was assigned to this investigation and reviewed not only the site location via an inspection, but also the corresponding application and applicant.

We also found nothing of a derogatory nature that would preclude either the site location or the applicant from moving forward with a massage license, subject to City Council approval.

**Attachments** *(please list):*

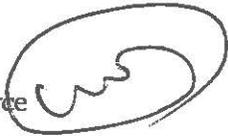
Massage Establishment Application  
Memo  
Background Check  
Site Plan  
Business Plan

**Recommendation/Suggested Action** *(briefly explain):*

Recommendation to Approve an Application for a New Massage Establishment License for Restore and Recover located at 1121 E Main Street, St. Charles, IL 60174.

## Police Department

# Memo

Date: 3/13/2018  
To: Chief Keegan  
From: Commander Chuck Pierce   
Re: Massage Therapist Background / Jessica Klecka

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The purpose of this memo is to document the background investigation of Jessica L. Klecka pursuant to her application for a Massage Establishment License for Restore and Recover.

Applicant:

Ho

- Klecka currently resides at the above address in Elgin, Illinois. Klecka has been residing at this address for approximately 4 years.
- The Elgin Police Department has no negative contacts with Klecka.
- Klecka has no negative contacts through our department's New World System.
- Klecka has no negative contacts through the Kane County Aegis System.
- Klecka showed no negative court information when run through Kane County Circuit Clerk.
- Klecka was born in Elgin, Illinois and is a U.S. Citizen.
- Klecka's maiden name is Jessica L. Cancel. This name was checked along with her current name in all the same data bases with no negative contacts found.
- Klecka stated that prior to living in Elgin she lived in Carol Stream, and St. Charles.

*Service, Courage, Professionalism, Dedication*



- Klecka was checked through Carol Stream with no negative contacts. Carol Stream also checked DuPage court System for me and found one traffic citation.
- Klecka plans on opening a new message establishment here in town under the name Restore and Recover. The business will be located at 1121 E. Main St. Suite 121/125, St. Charles, Il 60174.
- Klecka stated that she has yet to open the business and will not do so until she obtains a license. Klecka is currently employed with Mario Tricoci in Bloomingdale, Illinois. Klecka has been employed with the business since November 2011. I logged onto [www.google.com](http://www.google.com) and search Mario Tricoci through the search engine and found it to have good ratings. One reviewer gave Klecka 5 stars. Klecka's married name and maiden name were run through Google with nothing negative found.
- At this time Klecka will be the only message therapist and only employee of the business.
- On 02/13/2015, Klecka submitted a set of fingerprints to the St. Charles Police Department. The police department has yet to receive the results of the submission.
- Klecka stated that the massages would be taking place in the larger of the two rooms. Klecka provided a physical layout of the business when she submitted her application to the City of St. Charles. (See attached business floor plan) The smaller front room would be used as waiting and recovery.
- Klecka stated that she attended Cortiva School of Massage Therapy in Woodridge, Illinois where she obtained a State of Illinois Massage Therapist License #227.013689. (See attached copy of massage license)
- I logged onto the Illinois Department of Financial & Professional Regulation web site. I ran Klecka's Massage Therapist License, which came back valid and in good standing with no discipline. (See attached document)
- I logged onto TLOxp, which is a Law Enforcement Data Base. I ran Klecka's Social Security number, which registered to her. TLOxp did not list any additional licenses registered to Klecka.
- Klecka was given a copy of Local Ordinance Chapter 5.20 and was told to review the definitions and requirements of the Massage Therapist License.
- Klecka provided me with a copy of her lease agreement. Klecka has yet to sign the lease with Black Rhino Industries, LLC and is waiting to obtain her approval for the license before doing so. (See attached lease agreement) I did speak to Brian Dempsey with Black Rhino who advised they are holding the space for Klecka.

- Klecka provided me with a copy of her Certificate of Liability Insurance for herself and a quote for the business Restore and Recover. The quote for Restore and Recover is from State Farm Fire and Casualty Company. The insurance coverage of \$2,000,000.00 for each occurrence. Klecka is also covered under the American Massage Therapy Association (AMTA) with a Professional Liability Occurrence Coverage. This coverage is also \$2,000,000.00 per claim. The binder is compliant with the Massage Therapist License, Local Ordinance 5.20. (See attached copy of insurance documents)

This concludes this background investigation.

CP



ST. CHARLES  
SINCE 1834

As an applicant for licensing with the City of St. Charles, I am required to furnish information for use in determining my qualifications. In this connection, I authorize the release of any and all information you may have concerning me, including but not limited to criminal history and conviction information, information of a confidential or privileged nature or any data or materials which have been sealed or agreed to be withheld pursuant to any prior agreement or court proceeding involving disciplinary matters.

I hereby release, discharge, and exonerate the CITY OF ST. CHARLES POLICE DEPARTMENT, its agents and representatives, and any person furnishing information from any and all liability of every nature and kind arising out of the furnishing, inspecting, and copying of such documents, records and other information. This release shall be binding on my legal representatives, heirs, and assigns. It is understood and acknowledged by me that any information secured, pursuant to this required background investigation, which would negatively reflect on me or my ability to obtain licensing in the City of St. Charles or elsewhere may be disseminated to the appropriate agency or jurisdiction of proper authority. A copy of this document shall be as binding as the original.

Jessica Kleck

Applicant Name (Printed)

Applicant's Signature

3/6/18

Date

JAMES T. KEEGAN *Chief of Police*



Illinois Department of Financial and  
Professional Regulation

## Lookup Detail View

### Contact

#### Contact Information

Name	City/State/Zip	DBA/AKA
JESSICA LYNN KLECKA	ELGIN, IL 60124	

### License

#### License Information

License Number	Description	Status	First Effective Date	Effective Date	Expiration Date	Ever Disciplined
227013689	Licensed Massage Therapist	ACTIVE	12/13/2011	12/19/2016	12/31/2018	N

Generated on: 3/13/2018 2:41:35 PM

**RIDER ATTACHED HERETO & THEREFORE MADE A PART OF  
THIS LEASE BETWEEN BLACK RHINO INDUSTRIES, LLC, LESSOR,  
AND JESSICA KLECKA, LESSEE**

**EXHIBIT C**

**LESSEE INFORMATION/CONTACT SHEET**

COMPANY NAME: \_\_\_\_\_ PRIMARY CONTACT NAME: \_\_\_\_\_

MAILING ADDRESS [after lease is executed]: \_\_\_\_\_

LEASED PREMISES ADDRESS: \_\_\_\_\_ UNIT #: \_\_\_\_\_

PRIMARY PHONE #: \_\_\_\_\_ PRIMARY FAX #: \_\_\_\_\_

PRIMARY EMAIL ADDRESS: \_\_\_\_\_ MOVE-IN DATE: \_\_\_\_\_

Preferred Correspondence Method: Regular Mail: \_\_\_\_\_ Email: \_\_\_\_\_ Phone: \_\_\_\_\_

In case of emergency please contact the following:

1<sup>st</sup> Contact Name: \_\_\_\_\_ Phone#: \_\_\_\_\_

2<sup>nd</sup> Contact Name: \_\_\_\_\_ Phone#: \_\_\_\_\_

3<sup>rd</sup> Contact Name: \_\_\_\_\_ Phone#: \_\_\_\_\_

**KEY REQUIREMENTS**

# OF KEYS TO SUITE: \_\_\_\_\_ (2 keys provided free) **\* Additional keys are available for \$10.00 / each**

# OF KEYS TO BUILDING: \_\_\_\_\_ (2 keys provided free) **\* Additional keys are available for \$10.00 / each**

Mailbox required: \_\_\_\_\_ Yes \_\_\_\_\_ No # of Mailbox keys: \_\_\_\_\_

Will your space be alarmed? \_\_\_\_\_ Yes \_\_\_\_\_ No

Who is authorized to request duplicate keys? \_\_\_\_\_

Primary contact in case of an employee lock out? Contact Name: \_\_\_\_\_ Phone#: \_\_\_\_\_

**SIGNAGE (please indicate how you want your name to read)\***

DIRECTORY (if applicable): \_\_\_\_\_

SUITE DOOR (if applicable): \_\_\_\_\_

MONUMENT (if applicable): \_\_\_\_\_

**\*Signage varies by property, and signage as stated above may or may not be available at your property.  
Additional monthly fees for certain signage may apply.**

**BUSINESS HOURS:**

Monday -- Friday: \_\_\_\_\_

Saturday: \_\_\_\_\_ Sunday: \_\_\_\_\_

Tenant Signature of Approval: \_\_\_\_\_ Date: \_\_\_\_\_



# City of St. Charles

Office of the Mayor

Two East Main Street  
St. Charles, Illinois 60174-1984

Phone: 630-377-4445 • Fax: 630-377-6034

Office Use Only	
Received:	_____
Amount Paid:	_____
Receipt:	_____

## MESSAGE ESTABLISHMENT LICENSE APPLICATION

**IMPORTANT:** Application must be completed in full and notarized before it will be accepted.

**All fees must be paid at the time the application is submitted and a current certificate of insurance must be included with this application.**

Annual License Application Fee: \$250.00

Fingerprint Fee: \$50.00 (if new owner)

**NOTE:** Applicant must be fingerprinted by the St. Charles Police Department and must provide two passport-size photographs (2 x 2 inches, head and shoulders area, facing forward) with this application.

1.  New License Application       Renewal Application       Application Change

2. Please select the option that best describes your business:

Corporation       Partnership       Individual

3. Business Name: Restore and Recover      Sales Tax#: \_\_\_\_\_

Business Address: 1121 East Main Street, suite 125      Business Phone: \_\_\_\_\_

Email Address: \_\_\_\_\_

4. Name of Applicant: Jessica Klecka      Home Phone: \_\_\_\_\_

Home Address: \_\_\_\_\_      City/Zip: Elgin IL, 60124

Social Security: \_\_\_\_\_      Date of Birth: \_\_\_\_\_

Driver's License: \_\_\_\_\_      Issuing State: Illinois

**\*\*Must include a photocopy of government issued identification card.**

5. Have you ever been convicted of a criminal ordinance violation (other than minor traffic offences):

Yes       No

6. If yes, explain in detail:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

7. Days/Hours of Operation: 7 days a week 9am - 7pm → Dropping to 6 days

8. Will the business be supervised and conducted by a manager:

Yes

No

If no, please explain:

I am taking all responsibility, will manage myself and business

9. Name of Manager: \_\_\_\_\_ Home Phone: \_\_\_\_\_

Home Address: \_\_\_\_\_ City/Zip: \_\_\_\_\_

Social Security #: \_\_\_\_\_ Date of birth: \_\_\_\_\_

10. **List as indicated** previous three years' employment history:

Employer: MARIG Tricoci Phone: 847 202 1900

Address: 64 Stratford Dr, Bloomingdale Occupation: Massage Therapist

Dates of employment: From: Nov, 2011 To: March, 2013

Employer: \_\_\_\_\_ Phone: \_\_\_\_\_

Address: \_\_\_\_\_ Occupation: \_\_\_\_\_

Dates of employment: From: \_\_\_\_\_ To: \_\_\_\_\_

Employer: \_\_\_\_\_ Phone: \_\_\_\_\_

Address: \_\_\_\_\_ Occupation: \_\_\_\_\_

Dates of employment: From: \_\_\_\_\_ To: \_\_\_\_\_

11. Has the manager ever been convicted of a criminal or ordinance violation (other than minor traffic offenses):  Yes  No

If yes, explain in detail:

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12. Will you operate by appointment only?  Yes  No

13. If you answered Yes to #12, will walk-ins be accepted?  Yes  No

14. License and/or permit history. List all prior Massage Licenses/Permits and current status (use additional sheet if needed):

Issuing authority: State of Illinois  
Department of Financial and Professional  
Regulation Division of Professional Regulation Status: Active

Issuing authority: \_\_\_\_\_ Status: \_\_\_\_\_

15. Have you or any of your licensed massage therapists been sanctioned by the Illinois Department of Professional Regulation concerning your licensure? **As a reminder and per Illinois law, all Massage Therapists practicing inside the State of Illinois must be licensed by State of Illinois. Out of state licensees are NOT valid in Illinois.**  Yes  No

16. If any prior licenses/permits have been revoked/suspended, state the reason and disposition:

Reason: \_\_\_\_\_ Disposition: \_\_\_\_\_

Reason: \_\_\_\_\_ Disposition: \_\_\_\_\_

17. Describe the building and specific location within the building where the Massage business will be conducted:

**\*\*ATTACH A FLOOR LAYOUT/DIAGRAM OF THE BUSINESS\*\***

Approximate floor area devoted to the principal business: 200 sqft

Approximate floor area devoted to Massage stations: 200 sqft

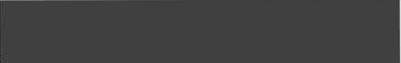
Approximate total floor area of premises: App. 500 sqft

18. Describe other activities or business conducted at this location:

Building has a multitude of other business including  
physical therapy, an esthetician.

My space has two rooms, one is a writing area, other will be divided for business/tech room

19. List as indicated all massage therapists and employees. This list must be updated with the office of the Liquor Commissioner within 10 days of any employment change.

Name: Jessica Klecka Home phone: 

Address:  City/Zip: 

Position employed: Massage Therapist

State of Illinois Massage License Number: 227,013689

Name: \_\_\_\_\_ Home phone: \_\_\_\_\_

Address: \_\_\_\_\_ City/Zip: \_\_\_\_\_

Position employed: \_\_\_\_\_

State of Illinois Massage License Number: \_\_\_\_\_

Name: \_\_\_\_\_ Home phone: \_\_\_\_\_

Address: \_\_\_\_\_ City/Zip: \_\_\_\_\_

Position employed: \_\_\_\_\_

State of Illinois Massage License Number: \_\_\_\_\_

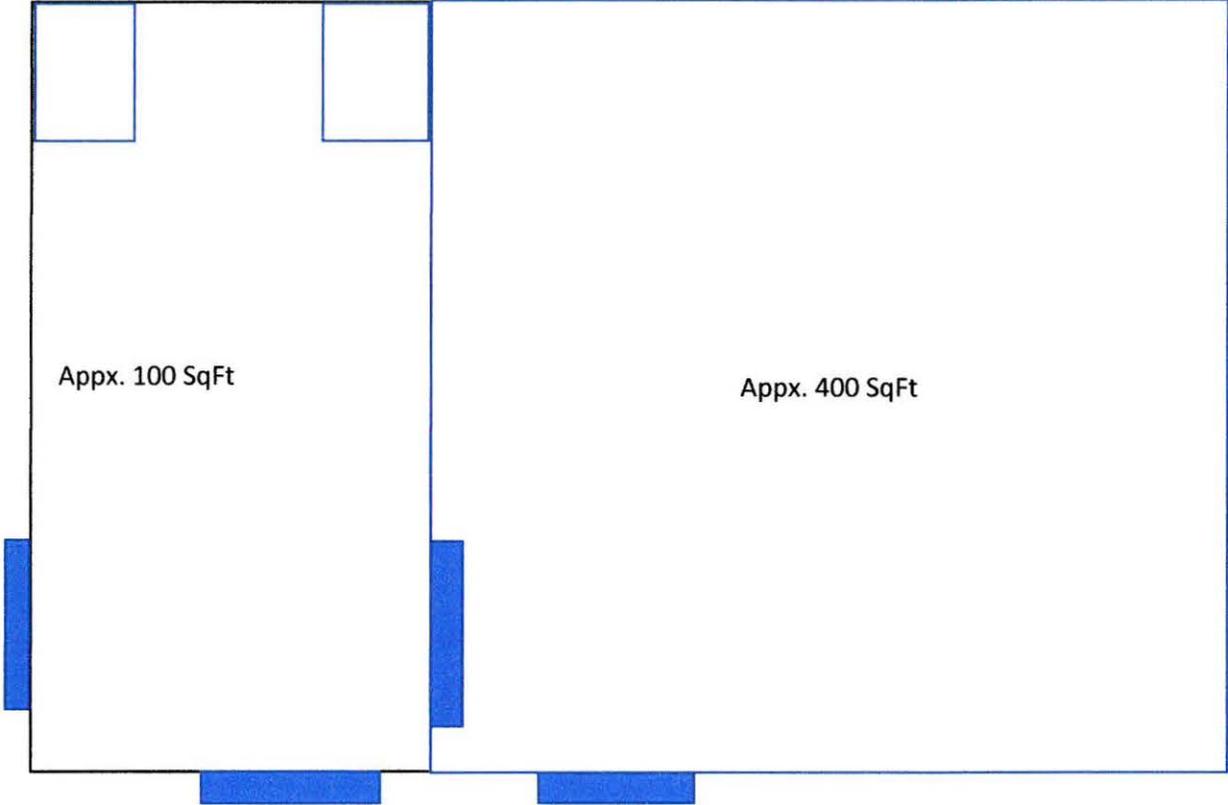
Name: \_\_\_\_\_ Home phone: \_\_\_\_\_

Address: \_\_\_\_\_ City/Zip: \_\_\_\_\_

Position employed: \_\_\_\_\_

State of Illinois Massage License Number: \_\_\_\_\_





DOOR











# Restore & Recover Massage Therapy

Jessica Klecka

Business Plan

Requesting \$22,000.00

1121 East Main Street, suite 121/125

Saint Charles, Il 60174-2205

P. (630)336-5099

Jessica.lmt@outlook.com

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## **Executive summary**

I have been in the massage therapy industry for 6 years. I have worked at a chiropractors' office as an independent contractor for a short time but have spent most of my career at Mario Tricoci day spa in Bloomingdale Il. Working for the spa industry has given me a clear sense on how to make someone feel relaxed and comfortable with me. I know how to listen to someone's needs and truly customize their service. I believe any massage should be in a clam and comfortable environment, no matter the type of service. Working in the industry I have focused my skills on getting results in the body which has made me one of the most popular technicians in the company. I don't believe a massage should just "feel good" it should have a lasting impact on the body.

## **Objective**

To establish a profitable massage therapy practice that focuses on safe and effective services for every guest.

## **Mission Statement**

With a strong code of ethics at the core of my practice, I will strive to provide safe and effective treatment to anyone who comes to me for relief.

## **Improving Skills**

I will never be done improving and evolving my practice. I have experience in numerous massage modalities such as Swedish relaxation, deep tissue therapeutic, pregnancy, trigger point therapy, aromatherapy and myofascial release. I am certified in Swedish, medical massage and well as hot and cold stones. Although I have knowledge of sports injuries and sports massage I feel improving my knowledge will no doubt will benefit new clients. The next certifications I plan on obtaining are cranial sacral and lymphatic massage. Both are every useful in the field and safe on almost any medical conditions.

## **Description of Business**

Massage therapy practice specializing in deep tissue/therapeutic/medical massage. Customizing each service for client goals needs and what their body responds best to. Massage is effective in relieving stress, restoring function, increasing performance, recusing pain and aiding in the recovery of old and new injuries. To insure services are safe and effective I will have each guest fill out an intake form that will have clients describe all health issues so the best and safest treatment can be provided for them. Knowing past injures and medications are important in determining the proper treatment. Will also be offering basic postural exams to better understand what is happening in a person's body. Selfcare will be given in the form of stretches and soft tissue home techniques with the understanding that I am not prescribing anything, just making suggestions to improve and prolong the results of the service.

## **Company Ownership**

Sole proprietorship, new business. I will be the sole owner and operator of my practice. I will use the software Mindbody to help me manage my business and clients. With client intake forms and files on the system I will be organized and efficient. Mindbody also allows clients to pay online and will help to manage my finances. I have a device that will allow me to accept credit cards as well. With the office equipment I will have everything organized and secure. Planning on having a business banking account and business credit card to keep all expenses and profits in the same place. I will make a once month trip to the bank, possible weekly trips, to deposit any cash payment I receive.

## **Company Policy**

To insure every client is protected as well as the practice, a client intake form will be filled out and signed with a statement that all information on document is correct and client agrees to any limitations of body work that the therapist suggests. If information on the intake form reveals a health concern that would mean certain massage techniques contraindicated for massage, the client must accept the limitations or not receive any body work. If the client is under the on-going care of a doctor for a specific condition, a doctors note is required to make sure all health care providers support and approve of massage therapy being added to clients health regiment. Client will be required to update intake form for changes every visit.

Cancellation policy will be a 24 hour notice requirement. If client cancels appointment within 24 hours of scheduled time, half of service cost is due before client can book another appointment. After three failed 24 hour notices the fee will be 100% of service price. If a client does not notify myself of the cancellation and simply does not show up it is automatically 100% of service due. Until balance is paid, client can not book another appointment.

## **Products and Services**

Products I will use will be basic sheets, towels, bolsters, pillow cases and massage oil or cream. I will use the lotus touch/biotone creams and gels which are unscented and will mix well with any aromatherapy scents that I may bring on. Aromatherapy I plan on using are certified organic in the following scents; grapefruit, eucalyptus, peppermint, lavender and tea tree oil. Will use basalt stones and marble stones for the massage service as well. With client consent I may also use a tool called pointer plus, which uses electric pulses that help to eliminate stubborn trigger points.

I will offer three main types of massage therapy; therapeutic/deep tissue, relaxation, and hot and cold stone massage.

I specialize in deep tissue and will use my advanced techniques to get the best results I possibly can. Therapeutic/deep tissue can be an intense experience and I will always work with in someone's pain threshold. These techniques can be extremely effective in breaking up knots and adhesions and replenishing function and balance to the body. Usually we are focusing on a specific pain or problem

but can still be full body. Because this work can be intense I will always use the cold stones at the end of a treatment to reduce inflammation and promote natural healing in the body.

Not everyone needs intense bodywork, some people just need to release tension and restore their body to a more relaxed state. That is where my relaxation work comes in. I slow down my techniques to release tension throughout the body while still getting results. It is a different feel to the massage and is gentler than deep tissue but can still be just as effective.

Heat relieves stress at a faster pace, reduces tension and pain. Hot stones can be extremely useful on someone with an immense amount of tension that I simply can't breakthrough. I can also be a very relaxing and feel good service that warms the body and gets beautiful results. Also using the hot and cold stones together actually work to flush out an area of the body that is holding excess tension and stress.

Every massage can be 100% customized and be more of a combination of all three services depending on the client's wants and needs. There is no one size fits all massage, everyone will get a custom experience.

## **Hours of Operation**

Appointment only. For the first month, I will take guests every day to determine what days and times work best for many clients. Appointments will be available between 9am to 7 pm seven days a week. Appointments can be made online through the system Mindbody. Same day booking will not be allowed online, guest will have to call me directly to make appointment. After determining what days of the week work best for most clients I will adjust accordingly and will be open five days a week.

## **Interior**

The building is wheelchair accessible with ample parking and separate male and female bathrooms. Office is located on the bottom level but the building is equipped with an elevator and stairs. The bathrooms are located on the same floor as the practice but are shared with other offices. My business will have two separate rooms, a waiting room, and the treatment room/office. I will have a wall divider in the treatment room to make sure the guest has all the privacy they need. This way I can make sure no one tampers with my files while I am in service. There is no water access to the room, but the bathrooms are nearby. To maintain cleanliness, I will be using tea tree oil hand wipes before and after treatments. Defense tea tree oil wipes have antibacterial, anti-fungal and antimicrobial ingredients. At client's preference I will gladly sanitize my hands with soap and water in the bathroom. The waiting room will have at least two chairs and will be inviting so guests don't feel rushed after a service. I will provide water to guests by having a mini fridge filled for their use. I will have dim lighting throughout the space for a more relaxing environment. The space itself will need to be painted. I will choose soft colors for the space.

## **Marketing**

Offering a variety of promotions will help bring people in for treatment. I will offer one raffle a month for a free massage. The raffle will be for the guests that come in for a service that month. For each service rendered that month, the guest will have their name put in for the raffle. There is also a referral bonus where their name will be added along the person who referred them. However, after the 5<sup>th</sup> referral from the same person, that person will receive a free massage as a thank you, which does not interfere with the raffle.

Social media is a vital part of any business so I plan on utilizing my own website as well as a Facebook page. The website will have a list of services and pricing, as well as my history and experience as a massage therapist and my goal for each client. I will be sending out a newsletter each week for the first month, then each month following, sharing tips and tricks to self-care and prolonging results in the sessions. Inform clients of upcoming schedule changes and promotions. I will also post this information monthly on Facebook for people who do not wish to receive the newsletter.

I plan on being an active member to the Saint Charles community and participating in local events. Staying current in all local news to better understand and connect with businesses around me. I want to be a known addition to the community by introducing myself and practice to near by businesses and participation in fairs with a table to promote myself. To help make a lasting impression I will have custom made business cards and possibly pamphlets with all my contact information and website details. Will also gladly offer chair massage events for local business who want to improve employee attitude and the overall atmosphere.

TriCity Crossfit will also be a huge referral factor in my business. I am working with the owner of the gym to include massage therapy as part of the monthly gym package. Details have not been worked out but I will gladly offer my services to all gym members. I will also figure out a designated time to visit the gym to talk to about my practice and do sports massage.

## **Target Market**

With over five years of experience in the massage field I have developed a strong following. Mainly of clients live in the Saint Charles area and travel to Bloomingdale, so the convenience of moving would be beneficial. Most of my clients are active and have high stress lives and are looking for pain management from running, over working, not adequate stretching, poor posture and muscle injuries. Having my practice out of a gym would inspire my current clientele to stay fit and provide resources that can guide them to healthier living.

Being a member of the gym, gave me a clear insight to what members put their body through and the body mechanics needed to insure every move is safe and effective. Members are serious about their health and fitness which make them excellent clients who will take their self-care and treatment seriously.

## Competition

Now more than ever people have plenty of options for massage but no one really offers massage in a cross fit environment in the area. The main competition in the area would be Body and Spirit, International Medical Massage and Element because they all offer customized therapeutic services.

Body and Spirit offer 30,60 and 90 min massages from \$40 - \$99 but upcharge for extra services like hot stone

International Medical Massage offer 45,60 and 90 min massages from \$60 - \$100 but that less then convenient hour.

Elements offer 60,90, and 100 min massages from \$59/\$89 - \$118/\$175 but charge even more for extra services like hot stone or deep tissue

## Pricing

Pricing is based on time, not type of service. No one will pay extra for needing specific work or wanting different elements added to their service. I will have the same rate for everyone. Each Service will be spaced 15 minutes apart for intake, payment, outtake and note charting. Clients can also pay in advance through the Mindbody system.

30 min massage will be booked for 45 minutes for \$45

60 minuet massages will be booked for 75 minutes for \$85

90 minute massages will be booked for 105 minutes for \$125

120 minute massages will be booked for 135 minutes for \$165

## Appendix

### Start-up Expenses

Business Licenses	300.00
Insurance	593.00
Security Deposit	1,200.00
Treatment Room Furniture	1,000.00
Massage table/chair & supplies	1,700.00
Stones hot/cold/core & supplies	700.00
Linens, towels, blanket & ext.	500.00
Waiting Room Decor	1,400.00
Office Furniture & Supplies	1,200.00
Massage Products	400.00
Painting & lighting	1,000.00
<b>Startup Expenses</b>	<b>10,000.00</b>
<b>FLOAT FUND</b>	<b>12,000.00</b>
<b>TOTAL LOAN AMOUNT</b>	<b>22,000.00</b>

### Monthly Expenses

Rent/utilities	\$800.00
Loan	\$500.00
Laundry	\$150.00
Products	\$150.00
Software/Internet	\$100.00
Business Taxes	\$500.00
Total Monthly Expenses	\$2,200.00

## Determining Start-up Capital

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8
Starting cash	\$12,000.00	\$8,640.00	\$5,960.00	\$4,300.00	\$3,320.00	\$3,360.00	\$3,400.00	\$3,440.00
Cash In:								
Cash Sales	1,700.00	2,380.00	3,400.00	4,080.00	5,100.00	5,100.00	5,100.00	5,780.00
Total Cash In	\$13,700	\$11,020	\$9,380	\$8,380	\$8,420	\$8,460	\$8,500	\$9,220
Cash Out:								
Expenses	\$2,200	\$2,200	\$2,200	\$2,200	\$2,200	\$2,200	\$2,200	\$2,200
Total Cash Out	\$2,200	\$2,200	\$2,200	\$2,200	\$2,200	\$2,200	\$2,200	\$2,200
Ending Balance	\$11,500	\$8,820	\$7,160	\$6,180	\$6,220	\$6,260	\$6,300	\$7,020
Payroll	\$2,860.00	\$2,860.00	\$2,860.00	\$2,860.00	\$2,860.00	\$2,860.00	\$2,860.00	\$2,860.00
Ending Balance	\$8,640.00	\$5,960.00	\$4,300.00	\$3,320.00	\$3,360.00	\$3,400.00	\$3,440.00	\$4,160.00
<b>CHANGE (CASH FLOW)</b>	<b>\$8,640.00</b>	<b>\$5,960.00</b>	<b>\$4,300.00</b>	<b>\$3,320.00</b>	<b>\$3,360.00</b>	<b>\$3,400.00</b>	<b>\$3,440.00</b>	<b>\$4,160.00</b>

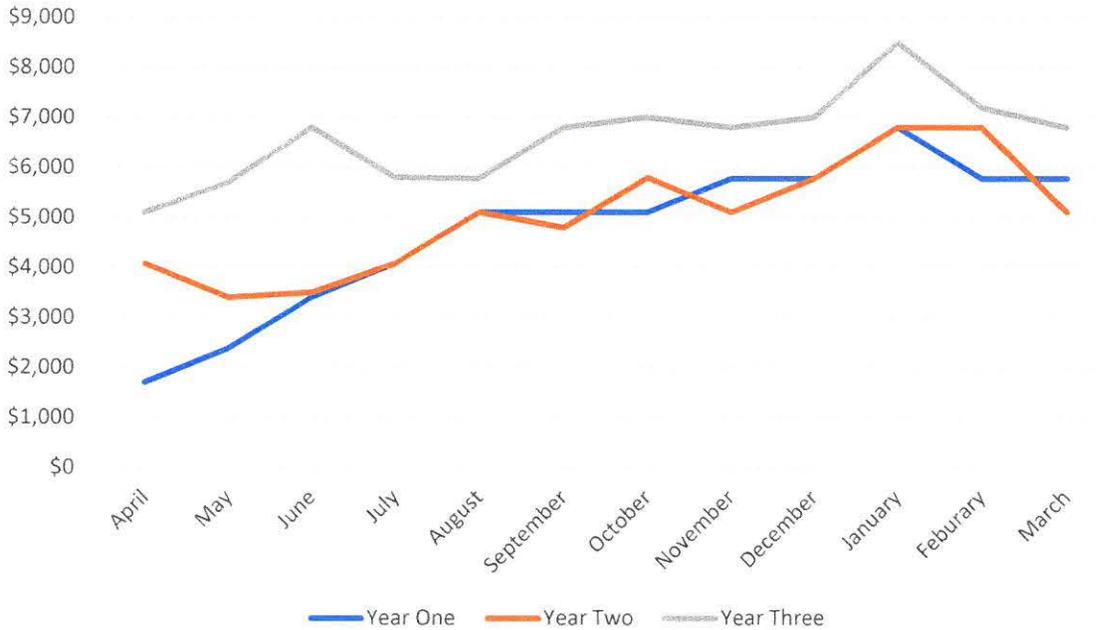
Payroll (2,860 - 30% taxes = \$2,000.00) until profit

	Month 9	Month10	Month 11	Month 12	Month 13
Starting cash	\$3,440.00	\$4,160.00	\$5,900.00	\$6,620.00	\$7,340
Cash In:					
Cash Sales Paid	\$5,780.00	\$6,800.00	5,780.00	\$5,780.00	\$5,780
<i>Total Cash In</i>	<i>\$9,220</i>	<i>\$10,960</i>	<i>\$11,680.00</i>	<i>\$12,400</i>	<i>\$13,120</i>
Cash Out:					
Expenses	\$2,200.00	\$2,200.00	\$2,200	\$2,200	\$2,200
<i>Total Cash Out</i>	<i>\$2,200.00</i>	<i>\$2,200.00</i>	<i>\$2,200</i>	<i>\$2,200</i>	<i>\$2,200</i>
Ending Balance	\$7,020.00	\$8,760.00	\$9,480.00	\$10,200	\$10,920
<i>Payroll</i>	<i>\$2,860.00</i>	<i>\$2,860.00</i>	<i>\$2,860.00</i>	<i>\$2,860</i>	<i>\$2,860</i>
Ending Balance	\$4,160.00	\$5,900.00	\$6,620.00	\$7,340	\$8,060
<b>CHANGE (CASH FLOW)</b>	<b>\$4,160.00</b>	<b>\$5,900.00</b>	<b>\$6,620.00</b>	<b>\$7,340.00</b>	<b>\$8,060.00</b>

**Payroll (2,860 – 30% taxes = \$2,000.00) until profit**

# Sales Forecast

## Three Year Forecast



**Year One Total Sales Forecast \$56,780**

**Year Two Total Sales Forecast \$70,240**

**Year Three Total Sales Forecast \$79,280**

Monthly totals are based off a 10-20 massage week per month.

Max massages per week are 35 hours - \$11,900 a month - \$142

## Five Year Plan

In Three years, depending on how sales go, I plan on expanding my practice to include two more massage therapists. I am limited to one technician in the current space, which works perfectly now that I am starting my practice. In three years I plan on moving my practice to a larger space. Year five I hope to have two hard working massage therapist that share my view point. With these new technicians I will hire an assistant and a service representative to help with client booking and clean up. With these new hires and the larger space I still expect my sales to double if not triple.

# State of Illinois

Department of Financial and Professional Regulation  
Division of Professional Regulation

LICENSE NO.  
227.013689

The person, firm, or corporation whose name appears on this certificate has complied with the provisions of the Illinois Statutes and/or rules and regulations and is hereby authorized to engage in the activity as indicated below:

EXPIRES:  
12/31/2018

LICENSED MASSAGE THERAPIST



JESSICA LYNN KLECKA  
426 ACUSHNET STREET  
ELGIN, IL 60124



*Bryan A. Schneider*

BRYAN A. SCHNEIDER  
SECRETARY

*Jessica Baer*

JESSICA BAER  
DIRECTOR

The official status of this license can be verified at [www.idfpr.com](http://www.idfpr.com)

11280310

State of Illinois  
Department of Financial and Professional Regulation  
Division of Professional Regulation  
LICENSED  
MASSAGE THERAPIST

LICENSE NO. 227.013689

JESSICA CANCEL

EXPIRES:  
12/31/2016

*Manuel Flores* MANUEL FLORES  
ACTING SECRETARY

*Jay Stewart* JAY STEWART  
DIRECTOR

The official status of this license can be verified at [www.idfpr.com](http://www.idfpr.com)

9232439

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**AMTA Member ID#:** 1267049

**AMTA Member Classification:** PROF

**Enrolled Member Effective Date:** 02/01/2018  
to 01/31/2019

Coverage for enrolled member's business is limited to claims arising from enrolled member's professional services.  
Business Name:

**Administered By:**

Healthcare Providers Service Organization  
Affinity Insurance Services, Inc.  
1100 Virginia Drive, Suite 250  
Fort Washington, PA 19034

**Insurance Company:**

Columbia Casualty Company  
A CNA Company

TYPE OF INSURANCE	MASTER POLICY NUMBER	LIMITS <small>(per enrolled member)</small>
Professional Liability Occurrence Coverage	0289955556	\$2,000,000 each claim/\$6,000,000 aggregate Subject to the Master Policy Aggregate

Coverage is afforded to AMTA Members for a period of 12 months concurrent with the Enrolled Member Effective Date or until membership is terminated or expires. Student Enrolled membership expires on the last day of the month in which the Student Enrolled Member graduates. No coverage is afforded to Student Enrolled Members for providing massage therapy services outside of school sanctioned and directed activities. If the AMTA Master Policy is non-renewed or cancelled, the AMTA Member's coverage under this policy will terminate upon the expiration of the Enrolled Member Effective Date and will not be renewed. The Master Policy Aggregate may be reduced by claims paid on behalf of other insureds.

**ADDITIONAL COVERAGES** *(included in Professional Liability Limits specified above)*

- |   |  |
|---|--|
| <ul style="list-style-type: none"> <li>• General Liability</li> <li>• Products Liability</li> <li>• Host Liquor Liability</li> <li>• Personal Injury Liability</li> </ul> | <ul style="list-style-type: none"> <li>• Good Samaritan Liability</li> <li>• Malplacement Liability</li> <li>• Fire &amp; Water Legal Liability <i>(subject to \$100,000 sub limit)</i></li> </ul> |
|---|--|

**COVERAGE EXTENSIONS**

**COVERAGE EXTENSION LIMITS**

- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li>• License Protection</li> <li>• Defendant Expense Benefit</li> <li>• Deposition Representation</li> <li>• Assault (excluding Texas)</li> <li>• Medical Payments</li> <li>• First Aid</li> <li>• Damage to Property of Others</li> </ul> | <ul style="list-style-type: none"> <li>\$10,000 per proceeding / \$25,000 aggregate</li> <li>\$10,000 aggregate</li> <li>\$2,500 per deposition / \$5,000 aggregate</li> <li>\$10,000 per incident / \$25,000 aggregate</li> <li>\$2,000 per person / \$100,000 aggregate</li> <li>\$2,500 aggregate</li> <li>\$10,000 aggregate</li> </ul> |
|--|---|

This material is intended to provide a general overview of the products and services offered. Coverage for enrolled member's business is limited to claims arising from enrolled member's professional services. Only the policy can provide the actual terms, coverage's, amounts, conditions and exclusions. Please contact HPSO at 1-888-253-1474 directly for a free copy of the complete policy.

**State Farm Fire and Casualty Company**

**Medical Office Policy**

Prepared: November 9, 2017

**Prepared for:** RESTORE AND RECOVERY  
1121 E MAIN ST  
SAINT CHARLES, IL 60174-2205

**Phone:**

**Prepared by:** Jay Janese  
Jay Janese Ins Agency Inc  
311 Randall Rd  
South Elgin, IL 60177-2248  
**Mailing address:** 311 Randall Rd  
**Phone:** (847)741-5733  
**Email:** jay.janese.g8xu@statefarm.com

**Quote Effective Date:** 11/09/2017

**Quote Results**

**Coverages**

**Limit**

**Premium**

Coverage B - Business Personal Property Loss Of Income And Extra Expense	10,000 - Replacement Cost Actual Loss Sustained - 12 Months	388.00
Coverage L - Business Liability - Per Occurrence	2,000,000	117.00
Coverage L - Business Liability - Annual Aggregate Limit	4,000,000	
Products / Completed Operations Liability - Annual Aggregate	4,000,000	
Damage to Premises Rented to You	300,000	
Coverage M - Medical Expenses	5,000	

**Policy Deductibles**

Basic Deductible	1,000
Employee Dishonesty	250
Equipment Breakdown	1,000
Inland Marine Computer Property Form	500
Money and Securities	250

**Discounts and Charges**

Enclosed Building Discount	(18.00)
Protective Devices Discount	(12.00)

**Extensions of Coverage**

Accounts Receivable (Off Premises)	15,000
Accounts Receivable (On Premises)	50,000
Arson Reward	5,000
Back-Up of Sewer or Drain	15,000
Brands And Labels	25,000
Collapse	Included
Damage To Non-Owned Buildings From Theft, Burglary Or Robbery	Coverage B Limit
Debris Removal	25% of covered loss
Dependent Property - Loss of Income	5,000
Employee Dishonesty	10,000
Equipment Breakdown	Included
Fire Department Service Charge	5,000
Fire Extinguisher Systems Recharge Expense	5,000
Forgery Or Alteration	10,000
Glass Expenses	Included

This is a sample quote that contains only a general description of some available coverages and limits with an approximate premium, subject to eligibility. It is not a contract, binder of coverage or coverage recommendation. All coverages are subject to the terms, provisions, exclusions, and conditions in the policy and its endorsements. If information used for rating changes or different rates are effective at the time of policy issuance, this rate quote may be revised. If you have any questions, please contact my office.

<u>Quote Results</u>	<u>Limit</u>	<u>Premium</u>
Increased Cost Of Construction And Demolition Costs (applies only when buildings are insured on a replacement cost basis)	10%	
Inland Marine Computer Property Form	25,000	
Inland Marine Computer Property Loss of Income / Extra Expense	25,000	
Money And Securities (Off Premises)	5,000	
Money And Securities (On Premises)	10,000	
Money Orders And Counterfeit Money	1,000	
Newly Acquired Business Personal Property (applies only if this policy provides Coverage B - Business Personal Property)	100,000	
Newly Acquired Or Constructed Buildings (applies only if this policy provides Coverage A - Buildings)	250,000	
Ordinance Or Law - Equipment Coverage	Included	
Outdoor Property	5,000	
Personal Effects (applies only to those premises provided Coverage B - Business Personal Property)	5,000	
Personal Property Off Premises	15,000	
Physicians and Surgeons Equipment	Coverage B Limit	
Pollutant Clean Up And Removal	10,000	
Preservation Of Property	30 Days	
Property Of Others (applies only to those premises provided Coverage B - Business Personal Property)	2,500	
Seasonal Increase - Business Personal Property	25%	
Signs	2,500	
Spoilage (applies only to those premises provided Coverage B - Business Personal Property) Expediting Expenses	1,000	
Spoilage (applies only to those premises provided Coverage B - Business Personal Property) Off Premises	5,000	
Spoilage (applies only to those premises provided Coverage B - Business Personal Property) On Premises	20,000	
Utility Interruption - Loss of Income	10,000	
Valuable Papers and Records (Off Premises)	15,000	
Valuable Papers and Records (On Premises)	50,000	
Water Damage, Other Liquids, Powder Or Molten Material Damage	Included	
<b>Total Annual Premium (Minimum premium applies)</b>		<b>475.00</b>
<b>Monthly Premium (Service charge not included)</b>		<b>39.58</b>

**Rating Information**

**Location 1 - office**

**Address:** 1121 E Main St  
Saint Charles, IL 60174-2205

**County:** Kane

**Is this address inside the city limits:** Yes

**Earthquake zone:** 05

**Occupancy / Ownership:** Tenant

**Type of business:** 831 - Massage  
Therapist / Acupressure / Reflexology

**Year built:** 1990

**Number of years the applicant has owned and operated the same type of insured business:** 0  
**Construction:** Frame

**Territory Zone:** 02

**Subzone:** 01

**Total Adjusted Square Feet:** 500

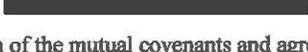
This is a sample quote that contains only a general description of some available coverages and limits with an approximate premium, subject to eligibility. It is not a contract, binder of coverage or coverage recommendation. All coverages are subject to the terms, provisions, exclusions, and conditions in the policy and its endorsements. If information used for rating changes or different rates are effective at the time of policy issuance, this rate quote may be revised. If you have any questions, please contact my office.

**OFFICE LEASE**

**For Recorder's Use Only**

*Consult a lawyer before using or acting under this form. Neither the publisher nor the seller of this form makes any Warranty with respect thereto, including any warranty of Merchantability or fitness for a particular purpose.*

LEASE TERM		LOCATION OF PREMISES
BEGINNING	ENDING	
March 1, 2018	February 28, 2019	
MONTHLY RENT	DATE OF LEASE	LOCATION OF PREMISES
SEE ATTACHED EXHIBIT A	The date Black Rhino Industries, LLC executes both Office Lease and attached Rider will be the "Date of Lease".	1121 E. Main Street, Suite 121/125 St. Charles, IL 60174 (approximately 500 s.f.)
INTENDED PURPOSE		
GENERAL OFFICE SPACE – MESSAGE THERAPY		
ANY AND ALL RIDERS, AMENDMENTS & DIAGRAMS ARE HEREBY ATTACHED AND THEREFORE MADE A PART OF THIS LEASE.		
LESSEE		LESSOR

NAME:   
 ADDRESS:   
 ADDRESS: 

NAME: Black Rhino Industries, LLC  
 ADDRESS: P.O. Box 3  
 ADDRESS: Wayne, IL 60174

In consideration of the mutual covenants and agreements herein stated, Lessor hereby leases to the Lessee and Lessee hereby leases from Lessor solely for the above purpose the premises designated above (the "Premises"), together with the appurtenances thereto, for the above Term.

**LEASE COVENANTS AND AGREEMENTS**

- RENT.** Lessee shall pay Lessor or Lessor's agent as rent for the Premises the sum stated above, monthly in advance, until termination of this lease, at Lessor's address stated above or such other address as Lessor may designate in writing. Said Rent and Security Deposit are delineated in the Rider attached hereto and made part of by this reference.
- HEAT; NON-LIABILITY OF LESSOR.** Lessee will at all reasonable hours during each day and evening during the term, when required by the season, to furnish at his own expense heat for the heating apparatus in the Demised Premises, except when prevented by accidents and unavoidable delays, provided, however, that except as provided by Illinois statute, the Lessor shall not be held liable in damages on account of any personal injury or loss occasioned by the failure of the heating apparatus to heat the Demised Premises sufficiently, by any leakage or breakage of the pipes, by any defect in the electric wiring, elevator apparatus and service thereof, or by reason of any other defect, latent or patent, in, around or about the said building.

\_\_\_\_\_  
Lessor's Initials

\_\_\_\_\_  
Lessee's Initials

3. **HALLS.** Lessor will cause the halls, corridors and other parts of the building adjacent to the Premises to be lighted, cleaned and generally cared for, accidents and unavoidable delays expected.
4. **ASSIGNMENT; SUBLETTING.** Lessee shall neither sublet the Premises or any part thereof nor assign this Lease nor permit by any act or default any transfer of Lessee's interest by operation of law, nor offer the Premises or any part thereof for lease or sublease, nor permit the use thereof for any purpose other than as above mentioned, without in each case the written consent of Lessor.
5. **SURRENDER OF PREMISES.** Lessee shall quit and surrender the Premises at the end of the term in as good condition as the reasonable use thereof will permit, with all keys thereto, and shall not make any alterations in the Premises without the written consent of Lessor; and alterations which may be made by either party hereto upon the Premises, except moveable furniture and fixtures put in at the expense of Lessee, shall be the property of Lessor, and shall remain upon and be surrendered with the Premises as a part thereof at the termination of this lease.
6. **NO WASTE OR MISUSE.** Lessee shall restore the Premises to Lessor, with glass of like kind and quality in the several doors and windows thereof, entire and unbroken, as is now therein, and will not allow any waste of the water or misuse or neglect the water or light fixtures on the Premises, and will pay all damages to the Premises as well as all other damage to other tenants of the Building, caused by such waste or misuse.
7. **TERMINATION; ABANDONMENT; RE-ENTRY; RELETTING.** At the termination of this lease, by lapse of time or otherwise, Lessee agrees to yield up immediate and peaceable possession to Lessor, and failing to do so, to pay as liquidated damages, for the whole time such possession is withheld, a per diem rate equal to double the daily gross rental rate that exists at the time of termination of this lease by lapse of time or otherwise, and it shall be lawful for the Lessor or his legal representative at any time thereafter, without notice, to re-enter the Premises of any part thereof, either with or (to the extent permitted by law) without process of law, and to expel, remove and put out the Lessee or any person or persons occupying the same, using such force as may be necessary so to do, and to repossess and enjoy the Premises again as before this lease, without prejudice to any remedies which might otherwise might be used for arrears of rent or preceding breach of covenants; or in case the Premises shall be abandoned, deserted, or vacated, and remain unoccupied five days consecutively, the Lessee hereby authorizes and requests the Lessor as Lessee's agent to re-enter the Premises and remove all articles found therein, place them in some regular warehouse or other suitable storage place, at the cost and expense of Lessee, and proceed to re-rent the Premises at the Lessor's option and discretion and apply all money so received after paying the expenses of such removal toward the rent accruing under this lease. This request shall not in any way be construed as requiring any compliance therewith on the part of the Lessor, except as required by Illinois statute. If the Lessee shall fail to pay the rent at the times, place and in the manner above provided, and the same shall remain unpaid five days after the day whereon the same should be paid, the Lessor, by reason thereof shall be authorized to declare the term ended, and the Lessee hereby expressly waives all right or rights to any notice or demand under any statute of the state relative to forcible entry or detainer or landlord and tenant, and agrees that the Lessor, his agents or assigns may begin suit for possession or rent without notice or demand.
8. **REMOVED PROPERTY.** In the event of re-entry and removal of the articles found on the Premises as hereinbefore provided, the Lessee hereby authorizes and requests the Lessor to sell the same at public or private sale with or without notice, and the proceeds thereof, after paying the expenses of removal, storage and sale to apply towards the rent reserved herein, rendering the overplus, if any, to Lessee upon demand.
9. **LESSOR NOT LIABLE.** Except as provided by Illinois statute, the Lessor shall not be liable for any loss of property or defects in the Building or in the Premises, or any accidental damages to the person or property of the Lessee in or about the Building or the Premises, from water, rain or snow which may leak into, issue or flow from any part of the Building or Premises, or from the pipes or plumbing works of the same. The Lessee hereby covenants and agrees to make no claim for any such loss or damage at any time. The Lessor shall be not be liable for any loss or damage of or to any property placed in any storeroom or storage place in the Building, such storeroom or storage place being furnished gratuitously, and no part of the obligations of this lease.
10. **OPTION TO TERMINATE.** In the event that the Lessor, his successors, attorneys or assigns shall desire to regain the possession of the Premises herein described, for any reason, Lessor shall have the option of so doing upon giving the Lessee thirty days' notice of Lessor's election to exercise such option.
11. **CONFESSION OF JUDGEMENT.** If default be made in the payment of rent, or any installment thereof, as herein provided, Lessee hereby irrevocable constitutes any attorney of any Court of Record in this State, attorney for Lessee and in Lessee's name, from time to time, to enter the appearance of Lessee, to waive the issuance of process and service thereof, to waive trial by jury, and to confess judgment in favor of Lessor against Lessee for the amount of rent which may be then due hereunder, together with costs of suit and a reasonable sum for plaintiff's attorney's fees in or about the entry of such judgment, and to waive and release all errors and right of appeal from any such judgment, and to consent to an immediate execution thereon.

12. **PLURALS; SUCCESSORS.** The words "Lessor" and "Lessee" wherever used in this lease shall be construed to mean Lessors or Lessees in all cases where there is more than one Lessor or Lessee, and to apply to individuals, male or female, or to firms or corporations, as the same be described as Lessor or Lessee herein, and the necessary grammatical changes shall be assumed in each case as though fully expressed. All covenants, promises, representations and agreements herein contained shall be binding upon, apply and inure to the benefit of Lessor and Lessee and their respective heirs, legal representatives, successors and assigns.
13. **HOLDING OVER.** Lessee will, at the termination of this lease by lapse of time or otherwise, yield up immediate possession to Lessor, and failing so to do, will pay as liquidated damages, for the whole time such possession is withheld, a per diem rate equal to double the daily gross rental rate that exists at the time of termination of this lease by lapse of time or otherwise; but the provisions of this clause shall not be held as a waiver by Lessor of any right of re-entry as hereinafter set forth; nor shall the receipt of said rent or any part thereof, or any other act in apparent affirmation of tenancy, operate as a waiver of the right to forfeit this lease and the term hereby granted for the period still unexpired, for a breach of any of the covenants herein.

### RULES AND REGULATIONS

- |  |   |
|--|---|
| <p>1. No sign, advertisement or notice shall be inscribed, painted or affixed on any part of the outside or inside of Building, except on the glass of the doors and windows of the room leased and on the directory board, and then only of such color, size, style and material as shall be first specified by the Lessor in writing, endorsed on this lease. No showcase shall be place in front of Building by Lessee, without the written consent of Lessor endorsed on this lease. The Lessor reserves the right to remove all other signs and showcases without notice to the Lessee, at the expense of the Lessee. At the expiration of the term Lessee is to remove all his signs from such windows, doors and directory board.</p> | <p>carried up into the Building; packages which can be carried by one person and not exceeding fifty pounds in weight, may, however, be carried down at such times as may be allowed by the management.</p>   |
| <p>2. Lessee shall not put up or operate any steam engine, boiler, machinery or stove upon the Premises, or carry on any mechanical business on the Premises without the written consent of the Lessor first had and endorsed on this lease, and all stoves which may be allowed in the Premises shall be placed and set up according to the city ordinance.</p>   | <p>5. No person or persons other than the janitor of this Building shall be employed by Lessee for the purpose of taking charge of Premises without the written consent of Lessor first had and endorsed upon this lease. Any person or persons so employed by Lessee (with the written consent of the Lessor) must be subject to and under the control and direction of the janitor of the Building in all things in the Building and outside of the Premises. The agent and janitor of the Building shall at all times keep a pass key and be allowed admittance to the Premises, to cover any emergency of fire, or required examination that may arise.</p> |
| <p>3. No additional locks shall be placed upon any doors of said room without the consent of the Lessor first had and endorsed upon this lease; and the Lessee will not permit any duplicate keys to be made (all necessary keys to be furnished by the Lessor) and upon the termination of this lease, Lessee will surrender all keys of Premises and Building.</p>   | <p>6. The Premises leased shall not be used for the purpose of lodging or sleeping rooms or for any immoral or illegal purpose.</p>   |
| <p>4. All safes shall be carried up or into Premises at such times and in such a manner as shall be specified by the Lessor; the Lessor shall in all cases retain the power to prescribe the proper position of such safes, and any damages done to the Building by taking in or putting out a safe, or from overloading the floor with any safe, shall be paid by the Lessee. Furniture, boxes or other bulky articles belonging to Lessee shall be</p>   | <p>7. The rent of an office will include occupancy of office, water to Lessor's standard fixtures, heat, and electrical service during reasonable working hours; but Lessor shall not be liable for any damages from the stoppage of water, heat or electrical service.</p>   |
|  | <p>8. If Lessee desires telegraphic or telephonic connections, the Lessor will direct the electricians as to where and how the wires are to be introduced, and without such written directions endorsed on this lease no boring or cutting for wires will be permitted.</p>   |
|  | <p>9. If Lessee desires Venetian or other awnings or shades over and outside of the windows, to be erected at the Lessee's expense, they must be of such shape, color, material and make as may be prescribed by the Lessor in writing on this lease.</p>   |

- 10. The light through the transoms opening into the hall shall not be obstructed by the Lessee. Birds, dogs or other animals shall not be allowed in Building. All tenants and occupants must observe strict care not to leave their windows open when it rains or snows, and for any default or carelessness in these respects, or any of them, shall make good all injuries sustained by other tenants, and also all damage to the Building resulting from such default or carelessness. Lessee shall be responsible for all pest control services within the leased premises.
- 11. No packages, merchandise or other effects shall be allowed to remain in the halls at any time.
- 12. The Lessor reserves the right to make such other and further reasonable rules and regulations as

in his judgment may from time to time be needful for the safety, care and cleanliness of the Premises and for the preservation of good order therein.

- 13. It is understood and agreed between the Lessee and the Lessor that no assent or consent in or waiver of any part of this lease has been or can be made unless done in writing and endorsed hereon by the Lessor; and in such case it shall operate only for the time and purpose in such lease expressly stated.
- 14. **ADDITIONAL TERMS RIDER.** Additional terms are stated in the attached Rider **BETWEEN BLACK RHINO INDUSTRIES, LLC, LESSOR, and JESSICA KLECKA, LESSEE** which is attached hereto and made a part of said Lease by this reference.

**WITNESS the hands and seals of the parties hereto, as of the Date of Lease stated above.**

**LESSEE:**

**JESSICA KLECKA**

By: \_\_\_\_\_  
Jessica Klecka

Date: \_\_\_\_\_

**LESSOR:**

**BLACK RHINO INDUSTRIES, LLC**

By: \_\_\_\_\_  
Brian Dempsey, Owner

Date: \_\_\_\_\_

**ASSIGNMENT BY LESSOR**

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, for value received, Lessor hereby transfers, assigns and sets over to \_\_\_\_\_, all right, title and interest in and to the above Lease and the rent thereby reserved, expect rent due and payable prior to \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
(SEAL)

\_\_\_\_\_  
(SEAL)

**GUARANTEE**

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, in consideration of One Dollar (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned Guarantor hereby guarantees the payment of rent and performance by Lessee, Lessee's heirs, executors, administrators, successors or assigns of all covenants and agreements of the above Lease.

\_\_\_\_\_  
(SEAL)  
Jessica Klecka

State of Illinois, County of \_\_\_\_\_ ss

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that \_\_\_\_\_ personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that he signed, sealed and delivered the said instrument as his free and voluntary act, for the uses and purposes therein set forth, including the release and waiver of right of homestead.

GIVEN under my hand and official seal this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

\_\_\_\_\_  
Notary Public

**This document was prepared by:  
Batavia Enterprises Real Estate, LLC  
106 W. Wilson, Suite 1L  
Batavia, IL 60510**

**RIDER ATTACHED HERETO & THEREFORE MADE A PART OF  
THIS LEASE BETWEEN BLACK RHINO INDUSTRIES, LLC, LESSOR,  
AND JESSICA KLECKA, LESSEE**

1. **RENT**

LESSEE shall pay to LESSOR, base net rent during the Lease Term as follows:

\$427.08 per month for the period of March 1, 2018 through February 28, 2019

LESSEE hereby agrees to pay each monthly rental installment by check payable to **Batavia Enterprises Real Estate, LLC (BERE, LLC)** on or before the first day of each month, in advance for the duration of this lease. If the rent is not received by the **BERE, LLC** office by the **5th day** of the month in which it is due; a 10% Late Charge, assessed on all rent, charges for taxes, insurance and/or "CAM" and Late Charges owed by LESSEE will become due and payable. If the rental payment is not yet received by the **BERE, LLC** office by the 15th day of the month in which it is due; an additional 10% Late Charge assessed on all rent, charges for taxes, insurance, and/or "CAM" and Late Charges owed by LESSEE will become due and payable and the matter will be referred to the LESSOR's Legal Department for necessary action. The fee for returned checks or NSF fee will be \$50.00 per occurrence.

1A. **NO RENT DEDUCTION OR SET OFF**

LESSEE's covenant to pay rent is and shall be independent of each and every other covenant of this lease. LESSEE agrees that any claim by LESSEE against LESSOR shall not be deducted from rent nor set off against any claim for rent in any action.

2. **FIRST MONTH'S RENT/PRO-RATED RENT**

LESSEE hereby agrees to pay at the execution of this Lease Agreement, one (1) full month's rent, including all NNN charges, utility charges and any other charges (the "Other Charges"), if applicable, associated with this Lease Agreement, in the amount of **\$800.00 (EIGHT HUNDRED DOLLARS AND 00/100)**. Said Rental Payment will be credited towards the first month's rental payment and Other Charges due to LESSOR pursuant to the terms of this Lease Agreement.

3. **RENTABLE AREA OF THE BUILDING**

If during the Term of this Lease Agreement, the actual Rentable Area of the Building is increased or decreased as a result of adding space to the building or removing space from the building, or if following re-measurement of the building by LESSOR the Rentable Area of the building is determined to be otherwise than as set forth above, LESSOR may change the Rentable Area of the Building and LESSEE's Proportionate Share by written notice to LESSEE.

4. **SECURITY DEPOSIT**

A Security Deposit in the amount of **\$1,200.00 (ONE THOUSAND TWO HUNDRED DOLLARS AND 00/100)** is required by the LESSOR and is due and payable at the signing of this lease. Such deposit shall be increased accordingly if LESSEE leases additional space from LESSOR, if LESSEE's monthly rent is increased upon renewal of this lease agreement and/or if

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the nature of LESSEE's business is altered so that additional monies are required to sufficiently protect LESSOR and/or LESSOR's building. Said Security Deposit shall not be kept separate or apart.

If LESSEE performs all of LESSEE's obligations hereunder, the Security Deposit shall be returned without payment of interest to LESSEE. If LESSEE does not return the Premises to LESSOR in the same good order, cleanliness and repair as at time of LESSEE's occupancy, or if LESSEE prematurely vacates the Premises or performs a breach of contract and/or default; LESSOR may apply Security Deposit towards damages and charges incurred, with LESSEE liable for damages and charges exceeding the deposit. Security Deposit does not apply towards any month's rent or last month's rent unless prior written consent or approval has been given from LESSOR.

**5. REAL ESTATE TAXES, CAM & PROPERTY / LIABILITY INSURANCE**

It is agreed that in addition to the net rent for the demised Premises, LESSEE will pay his/her proportionate share of real estate taxes, common area maintenance "CAM", and property/liability insurance, including a 15% administrative charge, for the Premises, as well as the proportionate share of the common area serving the Premises, by making scheduled monthly payments beginning **March 1, 2018** (presently \$266.67 per month based on 2016 actual expenses and estimated increases for the current year and any subsequent years, if applicable), as determined by LESSOR. Said applicable costs for property and liability insurance are outlined in the paragraph entitled "INSURANCE" contained in this lease document. Said applicable costs for CAM are outlined in the paragraph entitled "PAYMENT OF COMMON AREA COSTS". The NNN's are reconciled and invoiced once a year approximately in May. LESSOR reserves the right to change these figures at anytime throughout the year due to increases in actual expenses. LESSEE will be billed according the above-reference schedule for Real Estate Taxes, Common Area Maintenance and Insurance.

The collected funds received by LESSOR from LESSEE for real estate taxes, CAM and property / liability insurance for the Premises, so stated above, will be held in reserve by LESSOR until such time as they are needed to satisfy payment of real estate taxes, CAM and/or property / liability insurance.

LESSOR will draw from this prepaid reserve and use said funds to pay only LESSEE's proportionate share of real estate taxes, CAM and property/liability insurance for the aforementioned Premises, **after which LESSOR will forward to LESSEE a reconciliation of LESSEE's account and LESSEE hereby agrees to pay the entire amount of each billing remaining after the pre-pay has been applied.** In the reconciliation statement LESSOR will outline the pre-payment costs for the following year for the demised premise. LESSEE agrees to pay those costs, and understands that they are considered additional rent and will be subject to the same terms and conditions of this lease. LESSOR shall forward a report to LESSEE showing the LESSEE's balance at any time upon request by LESSEE.

LESSOR and LESSEE agree that no refunds from the pre-pay account shall be paid except at lease termination, pre-pay money cannot be applied to rent once on deposit, no interest shall be

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paid or due to LESSEE on the prepaid money and if there is an insufficient amount on deposit to satisfy the necessary expense, the remaining amount is due and payable at the time of billing.

If full payment is not received by LESSOR within ten days of LESSEE's receipt of the real estate tax, CAM or property/liability insurance reconciliation statement, a 10% late charge on the total remaining balance will be assessed each month until full payment, including all pertinent late charges, is received.

**5A. COMMON AREA FACILITIES & MAINTENANCE COSTS**

**(i). DESCRIPTION AND USE OF COMMON AREAS AND FACILITIES**

LESSOR shall make available, from time to time; designated areas that serve or offer a common benefit to the LESSEE as well as other tenants and occupants. These common areas include but are not limited to, all parking areas including employee parking areas maintained by LESSOR in or near the LESSOR's Premises; interior hallways and stairways, restroom facilities shared by two or more tenants, and common lighting equipment and fixtures; the boiler and all appurtenant radiators, pipes, fixtures and equipment. They shall also include all common sidewalks, truck ways, driveways, loading docks and areas, delivery areas, common signage, landscaped areas, retaining walls, fences, canopies or overhang, etc. These common areas so deemed appropriate by LESSOR, will be operated, managed, equipped, lighted, repaired, protected, heated and maintained by the LESSOR. To prevent a dedication or other prescriptive right therein in favor of the public or any group or individual, LESSOR may temporarily close any portion or all of the common area from time to time.

LESSOR may designate specific areas for the parking of vehicles of employees of the LESSEE. LESSEE agrees not to interfere with the rights of other tenants to benefit from the common areas. LESSOR shall maintain the right to establish, and from time to time change, alter and amend the size, location and nature of the common areas and may add or remove installations therein and to enforce against LESSEE and other users of the common areas, such reasonable rules and regulations (including the exclusion of employee's parking therein) as may be deemed necessary or advisable for the proper and efficient operation and maintenance of the common area. The rules and regulations herein provided may include the hours which the common area shall be open for use.

**(ii). APPLICABLE CHARGES FOR COMMON AREAS AND FACILITIES**

All costs incurred by LESSOR related to operating, managing, equipping, lighting, heating, repairing, protecting and maintaining the common areas and facilities, in the same condition as when originally installed are the sole responsibility of the tenants that benefit from the designated common areas. These costs and expenses include, but are not limited to: snow removal, ice removal, security, supervised sprinkler alarm systems, on-site and off-site vehicle and pedestrian traffic direction and control, cleaning expenses, removal of dirt and debris, replanting and replacing of flowers and landscaping, all utility charges including electrical, natural gas, water, sewage and telephone, lighting, maintenance and illumination of common

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fixtures, operation of loudspeakers and any other equipment supplying music. All costs and expenses incurred by LESSOR in supplying, maintaining and cleaning restrooms shared by two or more tenants, pest control, parking lot maintenance and repair, all premiums for Worker's Compensation insurance, wages, unemployment taxes, Social Security and Medicare taxes, fees for required licenses and permits and administrative costs equal to fifteen percent (15%) of the total costs of operating and maintaining the "common area."

(iii). TENANT'S PRO RATA SHARE OF COMMON AREA MAINTENANCE

LESSEE will pay to LESSOR in addition to all other amounts in this lease that portion of common area costs that is LESSEE's proportionate share. LESSEE's common area costs are calculated on the basis of: the proportion of the total number of square feet in the LESSEE's Premises (as set forth in this lease agreement) to the total number of gross leasable square feet within the LESSOR's property; and, the fraction of the LESSOR's Calendar Year during which the LESSEE is bound by the terms of this lease. The LESSOR's Calendar Year ends December 31st.

(iv). PAYMENT OF COMMON AREA COSTS

Based on the above calculation, the LESSEE will pay to LESSOR his/her proportionate share for common area expenses on a Monthly basis. Payments will be due and payable monthly starting on the first month of the lease and continue until the final month of the lease term. Each monthly payment will be one twelfth of the total amount of LESSEE's common area costs, based on an estimate of the LESSOR's current Calendar Year's common area maintenance charges associated with the Premises, and must be received by LESSOR no later than ten (10) calendar days following the due date. After the end of LESSOR's Calendar Year, LESSOR shall furnish LESSEE with a statement of the actual amount of LESSEE's proportionate share of such costs and expenses for such period. If the total amount paid by the LESSEE under this section for any lease year shall be less than the actual amount due from LESSEE for such year as shown on LESSOR's statement, LESSEE shall pay to LESSOR the difference between the amount paid by LESSEE and the actual amount due; such deficiency is to be paid within thirty (30) calendar days after the furnishing of each statement. If the total amount paid by LESSEE hereunder for any such Calendar Year shall exceed the actual amount due from LESSEE for the year, then the excess shall be credited against the next installment due from LESSEE to LESSOR. In the event that LESSOR is delayed, for any reason, in preparing or furnishing to LESSEE such Calendar Year-end reconciliation of expenditures and proportionate costs, LESSEE shall continue to make monthly payments in the same amount as those made during the preceding Calendar Year, and any deficiency in payments made during the preceding Calendar Year shall be paid within thirty (30) calendar days after the furnishing of each statement, or any excess payment shall likewise be credited against the next scheduled installment due from LESSEE. Any late payments of common area costs will be subject to a late charge penalty as previously set forth within this lease agreement.

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**6. PUBLIC UTILITIES**

**6A. WATER**

LESSEE represents that water/sewer will not be required in connection with LESSEE's business, but only for normal bathroom usage. Such water/sewer will be furnished by LESSOR. LESSOR reserves the right to increase water/sewer charges to LESSEE at an appropriate rate. LESSEE recognizes the supply of water to the Premises originates from the LESSOR's water meter and LESSOR has the option to install a separate and individual water meter to serve the Premises. If LESSOR exercises this option, LESSEE recognizes LESSEE will be responsible for the water/sewer charges for his/her Premises and will pay directly to the local water/sewer supply company for water/sewer charges.

Any additional requirements, extensions or additions to the present water/sewer system, now or in the future, (as a result of Lessee's business) shall be at the LESSEE's own obligation and expense and shall meet all Local, State, Federal and O.S.H.A. Codes. All such additions mentioned above will remain in the Premises and become the sole property of the LESSOR. However; LESSEE shall promptly remove (if LESSOR elects) all alterations and improvements and any other property placed in the Premises by LESSEE and shall repair any damage caused by such removal.

**6B. ELECTRICITY**

The Premises are not equipped with an independent electrical service or meter. LESSOR shall provide the electricity for normal usage in the Premises under the provisions of Section 6. LESSOR has the option during the term of this lease agreement to install an electrical system, meters, additions and/or improvements thereby making LESSEE's electrical service to the Premises independent to those of the building in general. LESSEE agrees that at such time LESSOR does choose to exercise this option, LESSEE will then make his/her own arrangements with the local power company as mentioned earlier in this clause.

Any additional requirements, extensions or additions to the present electrical system, now or in the future,(as a result of LESSEE's business) shall be at the LESSEE's own obligation and expense and shall meet all Local, State, Federal and O.S.H.A. Codes. All such additions mentioned above will remain in the Premises and become the sole property of LESSOR to include but not be limited to: transformers, bus ducts, disconnects breakers, breaker panels, conduit, wiring, etc. However; LESSEE shall promptly remove (if LESSOR elects), all alterations and improvements and any other property placed in the Premises by LESSEE and LESSEE shall repair any damage caused by such removal.

**6C. NATURAL GAS**

The Premises are not equipped with an independent natural gas service or meter. LESSOR shall provide the natural gas for normal heating usage in the Premises under the provisions of Section 6. LESSOR has the option during the term of this lease agreement to install an independent natural gas system, meter, additions and/or improvements; thereby making LESSEE's natural

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gas service to the Premises, independent to those of the building in general. LESSEE agrees that at such time LESSOR does choose to exercise this option. LESSEE will then make his/her own arrangements with Northern Illinois Gas Company as mentioned earlier in this clause.

All additional requirements, extensions or additions to the present natural gas piping system, now or in the future, (as a result of LESSEE's business) shall be at the LESSEE's own obligation and expense and shall meet all Local, State, Federal and O.S.H.A. Codes. All such additions shall remain in the leased premises and become the sole property of the LESSOR. However, LESSEE shall promptly remove (if LESSOR elects) all alterations and improvements and any other property placed in the premises by LESSEE and LESSEE shall repair any damage caused by such removal.

**6D. TELEPHONE, CABLE/SATELLITE TELEVISION, HIGH SPEED INTERNET**

LESSEE is fully responsible for telephone service, cable/satellite T.V. high speed internet, installation, repair and/or replacement in the leased premises. LESSOR is only responsible for providing *standard* phone service at the D-Mark Prior written approval for locations of all equipment, including wires, is required by LESSOR. If LESSOR elects LESSEE may be required to remove any and all cabling installed by LESSEE or LESSEE's contractor (at LESSEE's expense) into the leased premises upon termination of this lease.

**7. UTILITY USAGE FEE/RECONCILIATION**

It is agreed that in addition to the base rent for the Premises, LESSEE will pay their proportionate share of the utility costs for the Premises, including a 15% administrative charge, by making scheduled monthly payments beginning **March 1, 2018** (presently **\$106.25** per month based on the actual expenses for the previous year, and estimated increases for the current year and any subsequent years, if applicable), as determined by LESSOR. Said applicable costs for the utilities are outlined in the paragraph entitled Public Utilities. The collected funds received by LESSOR from LESSEE for the utility costs, will be held in reserve by LESSOR until such time as they are needed to satisfy payment of the actual utility costs for the Premises. The utility costs are reconciled and invoiced once per year and a reconciliation statement will be sent to LESSOR at that time. This reconciliation statement shall notify LESSEE of any increase to the monthly utility fee that will be required due to increases in the actual utility costs. LESSOR reserves the right to change these figures at any time throughout the year due to increases in actual expenses.

LESSOR and LESSEE agree that no refunds from the pre-pay account shall be paid except at lease termination, pre-pay money cannot be applied to rent once on deposit, no interest shall be paid or due to LESSEE on the prepaid money and if there is an insufficient amount on deposit to satisfy the necessary expense, the remaining amount is due and payable at the time of billing.

If full payment is not received by LESSOR within ten days of LESSEE'S receipt of the utility costs reconciliation statement, a 10% late charge on the total remaining balance will be assessed each month until full payment, including all pertinent late charges, is received by LESSOR.

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**8. INSURANCE**

LESSOR's fire and extended coverage insurance shall be an amount equal to 100% of replacement costs and shall be with LESSOR's insurance carrier. Any and all insurance forms, terms and conditions carried and maintained by the LESSOR but charged to the LESSEE; covering loss or damage to the building, property, personal injury and any and all optional protection systems as set forth under liability protection coverage on the leased premises or other improvements and benefits on the premises shall be for the sole benefit of the LESSOR.

All repair and/or replacement costs associated with protecting the leased premises and the building (s) that houses the leased premises are considered applicable expenses (and will be passed along from LESSOR to LESSEE) as they relate to insurance coverage including but not limited to smoke/fire alarm systems, telephone and alarm monitoring costs associated with any smoke/fire/water flow/valve-tampering/ sprinkler systems, standby sprinkler water systems, elevator inspections, main sprinkler water supply or riser, fire extinguishers, electrical self-insurance reserve, exit/emergency lighting; costs for umbrella liability coverage, property coverage, business interruption insurance (including loss of rents), machinery and boiler insurance, inland marine coverage, and general liability coverage; actual and estimated deductible expenses; 15% administrative costs, etc.

Any insurance carried and maintained by the LESSEE on the leased premises covering loss or damage to the building, property, personal injury and any and all optional protection systems as set forth under liability protection coverage on the leased premises or other improvements and benefits on the premises shall be for the sole benefit of the LESSEE. LESSEE AGREES TO MAINTAIN FIRE AND EXTENDED COVERAGE INSURANCE ON THE CONTENTS, LOCATED WITHIN THE LEASED PREMISES AND IF LESSEE DISPENSES, STORES, USES, OR GIVES AWAY ALCOHOLIC BEVERAGES "HOST LIQUOR LIABILITY" INSURANCE. LESSEE shall maintain and keep in force, plate-glass insurance coverage on all plate glass in the premises or be responsible for same. LESSEE agrees not to carry on any activity or store any flammable materials in a manner which would increase the fire insurance premium in the building. If the very nature of the LESSEE's business were to cause such an increase in premium, the LESSEE agrees to pay the increase upon presentation of the increased billing by LESSOR. LESSEE shall not permit any operation to be conducted in the demised premise that would cause suspension or cancellation of the fire and extended coverage insurance policy carried by the LESSOR and/or violate any Federal, State or Local Ordinances or regulations.

**9. LESSEE LIABILITY LIMITS**

LESSEE agrees to maintain public comprehensive liability insurance on the leased premises, as well as, umbrella coverage on the Leased Premises in the amounts listed on "Exhibit B" attached hereto and by this reference made a part hereof. The policies shall name Black Rhino Industries, LLC as an additional insured. A Certificate of Insurance showing proof of coverage must be furnished to the LESSOR and must be first approved by LESSOR's insurance agency/carrier after analysis of the listed insurance coverage, insurance company rating, etc. LESSEE also is to carry insurance on his/her own contents located within the premises. LESSOR will carry fire

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insurance on the building. LESSEE or LESSEE's insurance carrier must provide LESSOR with renewal certificates at each renewal period and/or any notice of cancellation.

**10. NON-LIABILITY OF LESSOR**

LESSOR shall not be liable to LESSEE for any damage or injury to him or his property occasioned by the failure of LESSOR to keep the premises in repair, and shall not be liable for any injury done or occasioned by wind or by or from any defect of plumbing, electric wiring or of insulation thereof, gas pipes, water pipes or steam pipes or from broken stairs, porches, railings or walks, or from the backing up of any sewer pipe or down-spout, or from the bursting, leaking or running of any tank, tub, washstand, water closet or waste pipe, drain, or any other pipe or tank in, upon or about the premises or the building of which they are a part nor from the escape of steam or hot water from any radiator, nor for any such damage or injury occasioned by water, snow or ice being upon or coming through the roof, skylight, trap-door, stairs, walks or any other place upon or near the premises, or otherwise; nor for any such damage or injury done or occasioned by the falling of any fixture, plaster or stucco, nor for any damage or injury arising from any act, omission, or negligence of co-tenants or of buildings or of owners of adjacent or contiguous property, or of LESSOR's agents or LESSOR himself, all claims for any such damage or injury being hereby expressly waived by LESSEE.

**11. HOLD HARMLESS**

LESSEE agrees to indemnify and save harmless LESSOR and any person with LESSOR from and against any and all claims and demands of third persons (including, but not limited to those for death, for personal injuries or for loss or damage to property) occurring in or arising, directly or indirectly out of or in connection with the use and occupancy of the premises, LESSEE's work or alterations performed by the LESSEE in or to the premises, the business conducted in the premises or as a result of any acts, omissions, or negligence of the LESSEE or their respective contractors, licensees, invitees, agents, servants, employees or other persons in or about the premises and from and against all costs, expenses and liability occurring in or in connection with any such claim or proceeding brought thereon.

**12. CONDITION AND UPKEEP-INCLUDING REPAIR AND/OR REPLACEMENT**

The aforementioned described premises are leased to LESSEE in an "as is" condition and LESSEE agrees to be responsible and to keep the interior of the leased premises in good order and repair. LESSEE expressly agrees to maintain sufficient heat in the leased premises to prevent damage to the building and/or water pipes. LESSEE shall maintain, repair and replace all interior non-structural items including; but not limited to, all equipment and mechanical systems and components as well as heating, ventilating and air-conditioning systems and components.

**13. LESSEE MAINTENANCE-INCLUDING REPAIR AND/OR REPLACEMENT**

LESSEE expressly agrees to be entirely responsible for LESSEE's own maintenance, repair and/or replacement of related items including but not limited to: doors, door closures, locks,

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keys, windows, window glass, light fixtures (including new bulbs and new ballasts), bathrooms and bathroom fixtures, toilet seats, faucets, sanitary and storm drains, heating, ventilating and air-conditioning systems and components, including changing the air filters at least 4 times per year, sump pumps, water heaters, etc. It is understood LESSOR is under no obligation to furnish heat, power, lights and/or bulbs beyond those existing in the area at the time of takeover. LESSEE will be responsible for maintenance and cleanliness of washrooms located in leased premises. In a case where LESSOR agrees to perform work to the leased premises, at the sole cost of LESSEE, LESSEE shall submit payment to LESSOR for such services within 10 days of receipt of invoice from LESSOR. If full payment of said invoice is not received by LESSOR in 10 days, a 10% Late Charge on the total remaining balance will be assessed each month along with a 15% administrative charge until full payment including all pertinent late charges is received by LESSOR.

**13A. SNOW REMOVAL**

LESSEE agrees to maintain, via the appropriate snow removal method i.e. shoveling, salting, any sidewalks, walkways, steps, porches, landings, etc. leading from the common parking area up to LESSEE's leased premises. Said areas are to be maintained in a manner sufficient to prevent any cause for injury to anyone visiting the leased premises. LESSOR will accept no responsibility or liability for any such injury caused by LESSEE's failure to maintain said areas in a safe manner.

**14. DAMAGE TO THE BUILDING**

LESSEE may use leased premises for the specified use, as defined on Page #1 of this lease agreement - but LESSEE shall not injure, overload, deface or otherwise harm site, building or leased premises nor permit the emitting of any objectionable noise or odor which will invalidate or increase the cost of any of the LESSOR's insurance (including the keeping or storage of articles of dangerous flammable or explosive character), or which would increase the danger of fire in the leased premises or in the building in which the same is located. LESSEE further agrees that LESSEE shall not perform any illegal or immoral acts on or within the leased premises, nor permit same, nor perform any acts or permit the emitting of any objectionable noise or odor which may prove to be dangerous or objectionable to neighboring tenants.

LESSEE agrees that if LESSEE damages the site, building or leased premises in any way as mentioned above, LESSEE will be held fully responsible to pay any and all costs for repairs, replacements or removal of damaged items or area. The same will apply to any damages incurred or modifications needed as a result of LESSEE's operations, activities or neglect thereof.

**15. ALTERATIONS, ADDITIONS & IMPROVEMENTS**

LESSEE shall not create any openings in the roof or exterior walls nor make any structural alterations or improvements to the demised premises without the prior written consent of the LESSOR.

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If LESSEE elects, after receiving prior written permission from LESSOR to alter, decorate, or improve the leased premises in any way then LESSEE hereby acknowledges and agrees to restore the leased premises to the condition of said premises prior to LESSEE's occupancy if so requested by LESSOR. Said restoration shall include removal of all alterations, additions, improvements, or decorations with LESSOR's approval and shall be completed by LESSEE and at LESSEE's sole cost and expense prior to the termination of this lease agreement.

LESSOR may, at LESSOR's option, agree to accept LESSEE's alterations, additions, improvements, or decorations as a permanent improvement to the leased premises and if so then LESSEE hereby acknowledges and agrees to keep the leased premises in said improved condition upon termination of this lease agreement. Said acceptance by LESSOR is only valid if LESSOR provides said prior notice, in writing, to LESSEE.

The terms and provisions contained in this section shall be in addition to and not in lieu of all terms and provisions contained in this lease and shall not restrict or in any way limit LESSOR's rights and remedies with respect to such alterations or additions or LESSEE's duties and obligations with respect thereto. Notwithstanding anything contained in this lease to the contrary, any venting by LESSEE of equipment to the outside of the building shall be subject to the express prior written consent of the LESSOR. Prior to the entry into any contract with respect to the delivery of materials or performing work to the premises therefore; LESSEE shall furnish LESSOR with plans and specifications, names and addresses of contractors, copies of contracts, necessary permits and indemnification in form and amount satisfactory to the LESSOR and waivers of liens against any and all claim costs, damages, liabilities and expenses which may arise in connection with such alterations or additions. Before commencing any work in connection with such alterations or additions, LESSEE shall furnish LESSOR with Certificates of Insurance from all contractors performing labor or furnishing materials insuring LESSOR against any and all liability which may arise out of or be connected with said additions or alterations. The Certificates of Insurance shall name LESSOR as an "Additional Insured". Upon completing any such alterations or completing any such alterations or additions, LESSEE shall furnish LESSOR with contractor's affidavits and full and final waivers of liens and receipted bills covering all labor expended and material used.

All such alterations and/or additions shall comply with all insurance requirements imposed by LESSOR's insurance companies and the requirements of all ordinances, statutes, rules and regulations of the local City, the State of Illinois and the U.S. Government and their respective agencies and departments now or thereafter in effect, including without limitation those relating to pollution and environmental control. All such alterations or additions shall be constructed out of materials approved by LESSOR and shall be constructed in good workmanlike manner. LESSEE shall permit LESSOR to inspect construction operations in connection with such alterations or additions, if LESSOR requests to do so, and LESSEE agrees to repair, remove or replace any alterations or improvements that have not been completed to LESSOR's satisfaction. ALL ALTERATIONS, ADDITIONS AND IMPROVEMENTS PERFORMED TO THE LEASED PREMISES DURING THE TERM OF THIS LEASE AGREEMENT WILL BE DONE STRICTLY AT THE SOLE COST OF THE LESSEE AND MUST MEET WITH

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LESSOR's FULL APPROVAL AND COMPLY WITH ALL NECESSARY LOCAL, STATE, FEDERAL, N.F.P.A., A.D.A., E.P.A. AND O.S.H.A. CODES AND REGULATIONS.

**16. COMMON AREA**

When common loading facilities are shared with other tenants; no materials or equipment may be stored on common aisles or loading docks except during a period of continuous loading and unloading activity. All materials and scrap must be picked up immediately and the area cleared by LESSEE. LESSOR reserves the right to dispose of these abandoned materials or issue a written warning to any LESSEE storing materials, equipment or other items on common halls, aisles, or dock areas or any areas, inside or outside of the building, including all parking lot areas. If LESSEE remains in violation of written warning from LESSOR following a 24-hour period, LESSOR shall assess a \$25.00 per day penalty, to be paid by LESSEE until said violation has been corrected to LESSOR's satisfaction.

**17. DOORS & WINDOWS**

All tenants and/or their employees must observe strict care not to leave doors and/or windows open upon their leaving the premises at the end of each workday. Failure to secure the leased premises and for any neglect or carelessness in these respects, or any of them, shall make LESSEE liable to make good all injuries sustained by other tenants and also all damage to the building resulting from such default or carelessness.

**18. KEYS, LOCKS, LESSOR'S ACCESS**

LESSOR shall at all times have and retain a key with which to unlock all doors in, on and about the Premises and LESSOR has the right to use any and all means, which LESSOR deems necessary and proper, to open such doors in case of an emergency in order to obtain entry into the Premises. Any entry to the Premises by LESSOR or LESSOR's representatives shall not under any circumstances be construed or deemed to be a forcible or unlawful entry or detainer of the Premises or any eviction, actual or constructive of LESSEE from the Premises, or any portion thereof. LESSOR will not enter the aforementioned Premises (while occupied by LESSEE), without prior permission, either verbal or written from LESSEE except in the case of an emergency. LESSEE will receive two (2) keys at Premises turnover, any keys issued after the first two (2) keys will be \$10.00 per key. LESSOR reserves the right to raise this fee to reflect current market pricing. LESSOR will charge **\$75.00 per core** for any lock change which includes keys, cores and/or door handles. LESSOR offers an after-hours emergency service for any calls pertaining to lock-outs prior to or after LESSOR's business hours of 7:00 a.m. to 3:30 p.m. Any calls that require personnel of LESSOR to assist customers on-site to open any locked spaces will be charged at the following rates: 1<sup>st</sup> call \$50.00, and any after-hours emergency service calls after the 1<sup>st</sup> call will be increased in \$50.00 increments.

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**19. PRIVILEGE OF INGRESS OR EGRESS**

LESSOR gives and grants to the LESSEE the right and privilege of using in common with a neighbor tenant and/or owners of the premises for the purpose of ingress and egress; the existing driveways and parking lots. LESSOR grants to LESSEE the right of ingress and egress at all times.

**20. SECURITY**

LESSEE recognizes LESSOR is not obligated to provide guard and/or security for the leased premises and LESSEE shall not hold LESSOR liable for any loss of property or personal effects in, on or about the Premises.

**21. BUILDING HOURS**

The Building hours when the Building will be unlocked are 7:00am to 5:00pm, Monday-Friday. The Building will be closed Saturdays and Sundays, and on major holidays including New Years' Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, the day after Thanksgiving Day and Christmas Day.

**22. OVERNIGHT STORAGE, SCAVENGER SERVICE, JANITORIAL**

LESSEE agrees that all overnight storage of vehicles, trucks or trailers will be done so in the assigned parking area out of the sight of the common public (whenever possible). LESSEE recognizes LESSOR assumes no liability for said vehicle, truck or trailer. LESSEE also agrees to keep all trash and scavenger equipment at the rear of the building and out of the sight of the common public.

LESSEE recognizes LESSOR is under no obligation to furnish salvage service or janitorial service for the leased premises. If LESSOR develops a trash program with one common collector, LESSEE will join the program for trash removal, provided the rates are competitive and the program is compatible with LESSEE's business. LESSEE will be billed directly by salvage service, with rate and future increases being determined by service, by the type and volume of trash created by LESSEE.

**23. MINIMUM HEAT**

Space provided with heating devices must be set and operating to maintain a minimum temperature of 60 degrees Fahrenheit throughout the duration of the Lease Term, when required by the season or weather conditions.

**24. FIRE EXTINGUISHERS**

It is the LESSEE's responsibility to provide in good working order, adequate fire extinguishers to protect their contents within the demised premises. The provisions of the National Fire Protection Association specify the type, size and quantity based on type of operation and it is the

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LESSEE's responsibility to comply with these provisions. LESSEE is responsible not only for providing these extinguishers; but also for the annual inspections, maintenance and upkeep.

**25. SPRINKLER ADDITIONS**

LESSEE agrees and understands that if new sprinkler heads or extensions of same are needed to comply with the NATIONAL FIRE PREVENTION ASSOCIATION, as well as local City Fire Department codes and regulations as a result of LESSEE's additions or equipment, such heads and labor for the installation will be at the LESSEE's expense.

**26. SIGNAGE**

LESSEE shall not place any painted or exterior sign, placard or other advertising media, banners, pennants, aerals, antennas, projections, awning or devices of any kind whatsoever on the site or on the exterior of the building; except a sign on the front which shall consist of the design and conformity approved in writing by LESSOR prior to installation of such signs and at the LESSEE's expense. Said sign shall remain the property of the LESSOR except that LESSOR reserves the right to have LESSEE remove or paint over said sign if LESSOR elects.

**27. DISABILITY ACCESSIBILITY**

The LESSOR has evaluated this property as it applies to the ADA accessibility guidelines for buildings and facilities and with the Architectural and Transportation Barriers Compliance Board (ATBCB). LESSOR is leasing this property in an "as is" condition and has evaluated the property for compliance and exceptions.

Any modification that LESSEE is required to perform, to the leased premises, the building that houses the leased premises, or the property on which the lease premises is located, in order for LESSEE to comply with ADA guidelines for employment, access, etc., will be done so strictly at the LESSEE's sole cost and expense after first obtaining LESSOR's full written approval of said modifications.

**28. DEFAULT BY LESSEE**

In the event of default in the payment of Monthly Rent, or in any of the covenants and agreements herein contained by LESSEE, LESSEE shall remain liable for any Monthly Rent and any other charges owed by LESSEE that, but for the termination of this Lease, would have become due during the remainder of the Lease Term, in addition to all reasonable and necessary attorney fees plus costs and expenses incurred by LESSOR in pursuit of its remedies hereunder, including brokers' fees, collection services, and other professional fees.

LESSEE further recognizes and agrees that in the case of default by LESSEE then LESSOR shall have the right to immediately repossess the Premises and be entitled to recover forthwith as damages the sum of the money equal to the value of the Monthly Rent and any other charges, as defined above, provided to be paid by the LESSEE for the balance of the Lease Term plus any other sum of money and damages owed by the LESSEE to the LESSOR. LESSOR shall have at

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all times valid and first lien upon all personal property which LESSEE now owns, or may hereafter acquire or have an interest in as security for payment of the Monthly Rent and other charges herein reserved.

Should LESSEE terminate this Lease and/or vacate the Premises prior to the natural expiration of the Lease Term, for any reason, LESSOR shall have the right to accelerate the monthly Rent payments, including any Additional Rent Charges, Late Fees and Other Charges due for the remainder of the Lease Term. These payments shall become due and payable immediately upon notice to LESSEE by LESSOR. In addition to the monthly Rent payments, Additional Rent Charges, Late Fees and Other Charges due for the remainder of the Lease Term, LESSOR hereby reserves the right to charge a fee in the amount of **\$500.00 (FIVE HUNDRED DOLLARS and 00/100)** ("Early Termination Fee"). Said Early Termination Fee will be deducted from the Security Deposit on LESSEE'S account at the time of early termination. Said Early Termination Fee will not release LESSEE from their obligation to the Monthly Rent and any other charges dues and owing through the end of the Lease Term, but will be applied as an administrative fee.

In the event LESSEE notifies LESSOR of their desire to terminate this Lease and vacate the Premises prior to the natural expiration of the Lease Term, and LESSOR is able to re-let the Premises to another tenant for the same or higher monthly Rent, then this Lease shall be terminated as of the day prior to the commencement date of the new lease with the new tenant. LESSEE shall notify LESSOR of their desire to terminate this Lease and vacate the Premises at least sixty (60) days prior to the natural expiration of the Lease Term and LESSOR shall make a reasonable effort to re-let the space prior to the natural expiration of the Lease Term.

**29. NON SMOKING**

Smoking of any product, tobacco related or otherwise, is not permitted within the Premises. LESSOR, at LESSOR's discretion, may terminate this lease agreement if LESSEE or LESSEE's employees, invitees, customers, etc. violate this clause when within the confines of the Premises, or the building that houses the Premises.

**30. HAZARDOUS MATERIALS**

LESSEE shall not transport, use, store, maintain, generate, manufacture, handle, dispose, release or discharge any Hazardous Materials (as defined below) upon or about the Premises, or permit LESSEE employees, agents, contractors, invitees and other occupants of the Premises to engage in such activities upon or about the Premises. However, the foregoing provisions shall not prohibit releases pursuant to permits issued by governmental authority or the transportation to and from, and use, storage, maintenance and handling within, the Premises of substances customarily used in the LESSEE's business: (i) such substances shall be used and maintained only in such quantities as are reasonably necessary for such permitted use of the Premises and the ordinary course of LESSEE's business therein, strictly in accordance with applicable Law, highest prevailing standards, and the manufacturer's instructions therefore, (ii) such substances shall not be disposed of, released or discharged in the Premises, and shall be transported to and from the Premises in compliance with all applicable Laws, and as LESSOR shall reasonably

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require, (iii) if any applicable Law or LESSEE's trash removal contractor requires that any such substances be disposed of separately from ordinary trash. LESSEE shall make arrangements at LESSEE's expense for such disposal directly with a qualified and licensed disposal company at a lawful disposal site (subject to scheduling and approval by LESSOR), (iv) any remaining such substances shall be completely, properly and lawfully removed from the Premises upon expiration or earlier termination of this Lease, and (v) for purposes of removal and disposal of any such substances. LESSEE shall be named as the owner and generator, obtain a waste generator identification number, and execute all permit applications, manifests, waste characterization documents and any other required forms.

**31. REMOVED PROPERTY**

In the event of re-entry and removal of the articles found on the Premises as hereinbefore provided, the LESSEE hereby authorizes and requests that the LESSOR sell the same at public or private sale with or without notice, and the proceeds thereof, after paying the expenses of removal, storage and sale to apply towards the rent reserved herein, rendering the overplus, if any, to LESSEE upon demand.

**32. LESSEE'S USE OF LEASED PREMISES**

LESSEE hereby agrees to use the Premises solely for the Intended Purpose listed on page 1 of this Lease Agreement and if LESSEE's use of the Premises conflicts in any way with the Intended Purpose stated on page 1 of this Lease Agreement LESSOR shall have the option to declare LESSEE in default and thereby terminate this Lease Agreement with 30 day written notice to the LESSEE.

**33. LICENSES AND PERMITS**

LESSEE shall be responsible for obtaining all licenses and permits necessary for its use and occupancy of the Premises and LESSEE shall comply, at its own cost and expense, with all laws now existing or hereafter enacted; with all rules and requirements pertaining to health, fire and safety; and with all other state, county and municipal requirements affecting the use, operation and cleanliness of the Premises.

**LESSEE:**

**JESSICA KLECKA**

By: \_\_\_\_\_  
Jessica Klecka

Date: \_\_\_\_\_

**LESSOR:**

**BLACK RHINO INDUSTRIES, LLC**

By: \_\_\_\_\_  
Brian Dempsey, Owner

Date: \_\_\_\_\_

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**EXHIBIT A**

**RENT SCHEDULE**

<u>Year</u>	<u>Size</u>	<u>Per SF</u>	<u>Monthly</u>	<u>Annually</u>
1	500	\$10.25	\$427.08	\$5,124.96

**NNN'S SCHEDULE**

**(Estimated Figures from 2016 Actual Billings)\***

<u>Year</u>	<u>Size</u>	<u>Charge</u>	<u>Per SF</u>	<u>Monthly</u>	<u>Annually</u>
1	500	Taxes	\$3.50	\$145.84	\$1,750.08
1	500	<u>CAM</u>	<u>\$2.90</u>	<u>\$120.83</u>	<u>\$1,449.96</u>
		<b>TOTALS</b>	<b>\$6.40</b>	<b>\$266.67</b>	<b>\$3,200.04</b>

\* The NNN's are reconciled and invoiced once per lease year. Lessor reserves the right to change these figures at any time throughout the year due to increases in actual expenses

**UTILITY USAGE FEES**

<u>Year</u>	<u>Monthly</u>	<u>Annually</u>
1	\$106.25	\$1,275.00

Total rent and other charges due by the 1<sup>st</sup> of each month  
during the Lease Term: **\$800.00**

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**EXHIBIT B**

**General Liability Insurance Required:**

\$2,000,000 Per occurrence

\$2,000,000 General Aggregate

\$1,000,000 Personal & Advertising Injury

\$5,000 Medical Payments

In addition to the above:

Tenant Legal Liability in the amount of \$300,000.00.

LESSOR needs to be named as an "additional insured"

This additional insured will be on a primary and non-contributory basis.

Also, a Waiver of Subrogation will apply. Indemnification and Hold Harmless Applies.