

**AGENDA
CITY OF ST. CHARLES
LIQUOR CONTROL COMMISSION MEETING**

**MONDAY, APRIL 18, 2016
CITY COUNCIL CHAMBERS @ 4:30 PM
2 E MAIN STREET**

1. Call to Order.
2. Roll Call.
3. Court Hearing regarding Massage Establishment Citation for Main Spa, 504 E Main Street, St. Charles.
4. Motion to accept and approve the minutes of the April 4, 2016 Special Liquor Control Commission meeting.
5. Recommendation to approve a proposal of a Class B liquor license for a new business Main Street City Pub to be located at 104 E Main Street, St. Charles (former River House BBQ).
6. Recommendation to approve a proposal of a Class C1 liquor license for a new business, Prohibition St. Charles to be located at 1W Illinois Street Ste. 170, St. Charles.
7. Other Business.
8. Public Comment
9. Executive Session (5 ILCS 120/2 (c)(4)).
10. Adjournment.

**MINUTES
CITY OF ST. CHARLES, IL
SPECIAL LIQUOR CONTROL COMMISSION MEETING
MONDAY, APRIL 4, 2016**

1. Opening of Meeting

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

2. Roll Call

Members Present: Liquor Commissioner Rogina, Robert Gehm, Ald. Payleitner, Ald. Lewis, And Chuck Amenta

Absent:

Others Present: Police Chief Keegan, Atty. John McGuirk, Mark Koenen, Cmdr. Gatlin, Deputy Chief Kintz, and Tina Nilles

3. Motion to accept and approve the minutes of the March 21, 2016 Liquor Control Commission meeting.

Motion by Mr. Gehm, second by Ald. Payleitner to accept and approve the minutes of the March 21, 2016 Liquor Control Commission meeting.

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

Chrmn. Rogina: We have three specific items to deal with on the agenda tonight.

4. Discussion regarding Massage Establishment Citation and Hearing Notice for Best Massage, 2774 E Main Street, St. Charles.

Chrmn. Rogina: Is there any representation from Best Massage here this evening. Yes, okay. I'll read into the record the following: Now comes the Petitioner, James Keegan, Chief of Police of the City of St. Charles, Illinois and files this complaint before the Local Liquor Control Commission of the City of St. Charles, Illinois, and states as follows: That on or about March 15, 2016, at approximately 12:40 p.m., the licensee, Best Massage, by and through its employees, officers and/or agents, committed the following violation of the St. Charles Massage Establishment Code.

1. Violated Section 5.20.130(G) of the Massage Establishment Act which states:

“No person, knowingly, in a massage establishment, shall place his or her hands upon, to touch with any part of his or her body, to fondle in any manner, or to massage, a sexual or genital area of another person.”

2. Violated Section 5.20.130(H) of the Massage Establishment Act which states:
“No massage therapist or employee shall perform or offer or agree to perform any act, whether or not for compensation of any form, which would require the touching of the patron’s sexual or genital area.”
3. Violated Section 5.20.180(B)(10) of the Massage Establishment Act which states:
“The license holder permits acts of prostitution or solicitations for acts of prostitution to be performed within the premises ...”
4. Violated Section 5.20.130(D) of the Massage Establishment Act which states:
“No person shall advertise, promote, or refer to himself or herself as a massage therapist as herein defined without being a massage therapist as provided in this chapter or Illinois statute.”
5. Violated Section 5.20.110(A) of the Massage Establishment Act which states:
“Supervision – A licensee of a licensed massage establishment shall have the premises supervised at all times when open for business. Any business rendering massage services shall have at least one person who is a licensed massage therapist on the premises at all times while the establishment is open. The licensee shall personally supervise the business, or shall delegate such supervisory responsibility to a manager whose name is listed on the massage business license and shall not violate, or permit others to violate, any applicable provisions of the chapter. The violation of any provision of this chapter by any agent or employee of the licensee shall constitute a violation by the licensee.”

On or about March 15, 2016, Best Massage was operating under a Massage License issued by the City of St. Charles. That the acts detailed in Section 2 of this Complaint of Violation each are prohibited and are in violation of and contrary to afore mentioned sections as numerated as I read the individual charges and the licensee, Best Massage, is responsible for the acts of its employees, officers and agents and is required to ensure that no violations of state law or ordinances of the City of St. Charles take place on said premises.

Chief Keegan, at this time we have not received any plea on this complaint – correct?

Chief Keegan: A couple of opening remarks, we as a City have taken a strong stance against illegal activity that has been numerated in the complaints that you will hear here this afternoon. We do our due diligence as a police department, not only to make sure our businesses are honored businesses, but we inspect their locations frequently, we do compliance checks which is what was done in this particular case. We have a zero tolerance approach to this type of activity and we do our best to have a 3-pronged approach to our ordinance. On the front end we license and codify all of our businesses to make sure they’re following best practices. Once they’re

licensed, I've talked about the inspection and compliance phase, we go into the business on a frequent basis to make sure their dotting i's and crossing t's; and lastly if there is violation of our ordinance or state law, we hold the business or in this case the massage therapist accountable. With that we can proceed with this item. We've not had any correspondence with the business or location but we can call them forward.

Rudon Fong or Rudy and my mother Ling Li who is the owner of the business leasing the building, 774 Castleton Court, Carol Stream, IL.

Chrmn. Rogina: The purpose here today is that we have not received the arraignment form that was delivered to you – we did not receive a plea. You have three choices: 1) Guilty plea and you do not request a hearing; 2) Guilty plea but you would like to tell your side of the story; 3) Not Guilty and are requesting a hearing. We need you to enter a plea of some sort at this time.

Rudy: We've made a decision of guilty with a hearing which is why we are here.

Chrmn. Rogina: For the record you are entering a guilty plea but would like to explain. After you are done any member of the commission or myself may like to ask you questions.

Rudy: Someone at our place of business was found out to be doing some illegal activity; so as an owner I cannot say we are not guilty. We open the business and we know we have to take the responsibility so that's why we plead guilty, but then as a business we have never told our employee to perform an illegal act to make money. We've been operating for more than a year and we know the police department will constantly track our service. We give good quality service to the residents of the City and we know what we can and cannot do.

After the masseuse was arrested we talked with her to see what was going on. She told us when the undercover came in, she didn't know. According to the police there was an agreement for \$60 that the police offered her so in return she would perform some inappropriate action. The police said she said yes, but the masseuse told me she didn't understand what he was saying. She did not respond. I don't think it's appropriate to say our employee made money for doing this inappropriate stuff. Secondly the undercover police said he would like her to undress herself; this she understood and she said no. We have not talked with the police officer, so that is our story from the employee who said she didn't do it. She was helping us for a couple of days because our business is small and in short of people. I think there is a miscommunication from what the police said and what she thinks she did.

Chrmn. Rogina: Let me understand this and correct me if I'm wrong, you come here today and plead guilty which to me means you agree with the police report. Then you say it's a miscommunication and the employee didn't understand, so I don't know why you're not pleading not guilty and asking for a hearing?

Rudy: Well, we think we didn't permit our people to do any illegal activity, but the police report is saying that. We can't say that because we are outside of the room and we can only listen to her story. We can trust her but the police were the ones inside the room. I don't think

the police would lie; so what I'm saying is when the police officer ask her to take her clothes off, she said no. To me that's a sign she didn't want to do anything.

Chrmn. Rogina: I think you expressed your position here, but the purpose here today is not to have a hearing other than for you to mitigate the damages. If you want to change your plea that is up to you, but absence that we're going to enter a guilty plea on this. We've heard your comments and that's where we stop. Basically a not guilty plea allows you to tell your side of the story and the police will tell theirs at a formal hearing. If you choose to plead guilty, fine, we've heard you and go from there. Do you believe as a business owner that you're responsible for the acts of your employees?

Rudy: Yes.

Ald. Payleitner: According to the police report the employee does not have a license to perform massages.

Rudy: Yes that's true.

Chrmn. Rogina: We have two charges. One the employee in the act of prostitution or solicitation and have her performing a massage without a license.

Chief Keegan: Besides the administration sanctions imposed by the City, the masseuse was charge in State court with an act of prostitution and one count of practicing without a license. These are both misdemeanor accounts and will be heard in the Kane County Branch of the Circuit Court.

Ald. Lewis: For clarity, the first time the police officer asked her to do an inappropriate act, she didn't understand what he was saying, but the second time he asked her to take off her clothes, she did understand. She can or cannot understand English or understands some?

Rudy: She understands some. Some words are more common than others but such as sexual terms, she doesn't understand that.

Chrmn. Rogina: We'll accept the plea as is and so you understand there is no need for you to stay because we'll go into executive session to discuss this matter and we'll have no decision today. I have 7-10 days to make a decision after discussing this with my colleagues and you will be served notice of the outcome.

Ald. Lewis: How many people do you employ?

Rudy: We just have two people. It is our fault that we did have someone working at our business without a license.

5. Discussion regarding Massage Establishment Citation and Hearing Notice for Lotus Spa, 1700 Lincoln Highway, St. Charles.

Chrmn. Rogina: I am going to read this into the record for its purposes, but as I understand it this particular establishment has returned its license and suspended their business?

Chief Keegan: Correct, they express an interest that they closed their business, forfeited their lease with Shodeen, and no longer are doing business as Lotus Spa in St. Charles.

Chrmn. Rogina: Now comes the Petitioner, James Keegan, Chief of Police of the City of St. Charles, Illinois and files this complaint before the Local Liquor Control Commission of the City of St. Charles, Illinois, and states as follows: that on or about March 15, 2016, at approximately 4:13 p.m., the licensee, Lotus Spa, by and through its employees, officers and/or agents, committed the following violation of the St. Charles Massage Establishment Code:

1. Violated Section 5.20.130(D) of the Massage Establishment Act which states:
“No person shall advertise, promote, or refer to himself or herself as a massage therapist as herein defined without being a massage therapist as provided in this chapter or Illinois statute.”
2. Violated Section 5.20.110(A) of the Massage Establishment Act which states:
“Supervision – A licensee of a licensed massage establishment shall have the premises supervised at all times when open for business. Any business rendering massage services shall have at least one person who is a licensed massage therapist on the premises at all times while the establishment is open. The licensee shall personally supervise the business, or shall delegate such supervisory responsibility to a manager whose name is listed on the massage business license and shall not violate, or permit others to violate, any applicable provisions of the chapter. The violation of any provision of this chapter by any agent or employee of the licensee shall constitute a violation by the licensee.”

On or about March 15, 2016, Lotus Spa was operating under a Massage License issued by the City of St. Charles. That the act detailed in Section 2 of this Complaint of Violation is prohibited and is in violation of and contrary to Section 5.20.130(D) of the St. Charles Municipal Code and the licensee of Lotus Spa is responsible for the acts of its employees, officers, and agents and is required to ensure that no violations of state law or ordinances of the City of St. Charles take place on said premises.

The licensee has entered a guilty plea and does not request a hearing, is not here today, and as Chief Keegan stated has closed the business. I may take action after we discuss this matter in executive session for the record but at this point there is no further conversation.

6. Discussion regarding Massage Establishment Citation and Hearing Notice for Main Spa, 504 E Main Street, St. Charles.

Chrmn. Rogina: For the record, now comes the Petitioner, James Keegan, Chief of Police of the City of St. Charles, Illinois and files this complaint before the Local Liquor Control Commission of the City of St. Charles, Illinois, and states as follows: that on or about March 15, 2016, at approximately 2:57 p.m., the licensee, Main Spa, by and through its employees, officers

and/or agents, committed the following violation of the St. Charles Massage Establishment Code:

1. Violated Section 5.20.130(G) of the Massage Establishment Act which states:
“No person, knowingly, in a massage establishment, shall place his or her hands upon, to touch with any part of his or her body, to fondle in any manner, or to massage, a sexual or genital area of another person.”
2. Violated Section 5.20.130(H) of the Massage Establishment Act which states:
“No massage therapist or employee shall perform or offer or agree to perform any act, whether or not for compensation of any form, which would require the touching of the patron’s sexual or genital area.”
3. Violated Section 5.20.180(B)(10) of the Massage Establishment Act which states:
“The license holder permits acts of prostitution or solicitations for acts of prostitution to be performed within the premises ...”
4. Violated Section 5.20.110(A) of the Massage Establishment Act which states:
“Supervision – A licensee of a licensed massage establishment shall have the premises supervised at all times when open for business. Any business rendering massage services shall have at least one person who is a licensed massage therapist on the premises at all times while the establishment is open. The licensee shall personally supervise the business, or shall delegate such supervisory responsibility to a manager whose name is listed on the massage business license and shall not violate, or permit others to violate, any applicable provisions of the chapter. The violation of any provision of this chapter by any agent or employee of the licensee shall constitute a violation by the licensee.”

On or about March 15, 2016, Main Spa was operating under a Massage License issued by the City of St. Charles. That the acts detailed in Section 2 of this Complaint of Violation each are prohibited and are in violation of and contrary to afore mentioned sections as numerated as I read individual charges of the St. Charles Municipal Code. That the licensee, Main Spa, is responsible for the acts of its employees, officers and agents and is required to ensure that no violations of state law or ordinances of the City of St. Charles take place on said premises.

The licensee of this particular matter has entered a plea of not guilty and requests a hearing.

Chief Keegan: To summarize your remarks and what you read into the record, the massage therapist in this case was charged with one state count of prostitution, the therapist was licensed through the State of Illinois and want to remind the commission members that we license the facility through the City and the individual massage therapists are licensed through the Department of Professional Regulations. I will ask the attorney of record to step forward and introduce yourself.

Atty. Peter K. Lee on behalf of the licensee of Main Spa, 5757 N. Lincoln Avenue, Chicago, IL.

Chrmn. Rogina: You are standing by your position of plea of not guilty and are requesting a hearing?

Atty. Lee: Yes.

Chrmn. Rogina: We will schedule a hearing two weeks from today, April 18, 2016 @ 4:30 p.m.

Atty. Lee: Looking at my schedule, I do have a hearing in Chicago in the afternoon that could take a while. Could I request a later date?

Chrmn. Rogina: April 18 is our normal regularly scheduled meeting which we meet on the third Monday of each month. This meeting is a special meeting we scheduled for today because we feel as a city that we didn't want to delay this process. We want to get it up front, get due process and get the facts on the table and go from there. I would like to suggest the April 18 date stays.

Atty. Lee: I'll see what I can do and meeting is at 4:30 p.m. Could I get a copy of the discovery from the police department for my file?

7. **Other Business-** none.

8. **Public Comments** – none.

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

Motion by Mr. Gehm, second by Ald. Payleitner to enter into Executive Session at 5:00 to discuss massage violations.

Roll Call: Ayes: Gehm, Payleitner, Lewis, Amenta; Nays: None Chrmn. Rogina did not vote as Chairman. **Motion Carried.**

Motion by Payleitner, second by Amenta to come out of Executive Session at 5:46 p.m.

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

10. **Adjournment**

Motion to adjourn by Mr. Gehm, second by Amenta at 5:46 p.m.

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



ST. CHARLES
SINCE 1834

AGENDA ITEM EXECUTIVE SUMMARY

Title:	Recommendation to Approve a Proposal for a Class B Liquor License for Main Street City Pub to be located at 104 E Main Street, St. Charles
Presenter:	Chief Keegan

Please check appropriate box:

<input type="checkbox"/>	Government Operations	<input type="checkbox"/>	Government Services
<input type="checkbox"/>	Planning & Development	<input type="checkbox"/>	City Council
<input type="checkbox"/>	Public Hearing	<input checked="" type="checkbox"/>	Liquor Control Commission (4/18/16)

Estimated Cost:		Budgeted:	YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----------------	--	-----------	-----	--------------------------	----	--------------------------

If NO, please explain how item will be funded:

Executive Summary:

This is an application request for a new Class B liquor license for Main Street City Pub to be located at 104 E Main Street, St. Charles (former Riverhouse BBQ). This will be a standard class B license requesting a 1:00 a.m. late night permit. All paper work is in order, background checks have been completed by the Police Department as well as fingerprints have been taken, and BASSET certification is complete.

This application is recommended by City staff for approval to move forward to the April 18, 2016 Government Operations Committee this evening.

Attachments: *(please list)*

- Liquor License Application (front page)
- Background Check
- Menu
- Site Plan and Business Plan

Recommendation / Suggested Action *(briefly explain):*

Recommendation to approve a proposal for a Class B liquor license for Main Street City Pub to be located at 104 E Main Street, St. Charles.

<i>For office use only:</i>	<i>Agenda Item Number: 5</i>
-----------------------------	------------------------------

Date: _____
() New Application
() Renewal Application

CITY OF ST. CHARLES
LIQUOR CONTROL COMMISSIONER
TWO EAST MAIN STREET
ST. CHARLES, ILLINOIS 60174-1984



City Retail Liquor Dealer License Application (rev. 12/13) Non-Refundable

Ordinance 5.08.050.A1 Application must be completed in full Incomplete applications will be rejected

Business Type: Circle one Individual Partnership Corporation Other LLC

Business Name MAIN Street City Pub Sales Tax # _____

Business Address 104 E MAIN ST Stcharles IL Business Phone # _____

Contact Person PETE ZAIKOWSKI Title President Phone # _____

If Corporation, Corporate Name PDS Enterprises Bartlett LLC

Corporation Address _____

Corporate Officers, plus manager of Establishment, Officers must include President, Vice President, Secretary and Treasurer Or Sole Proprietor

Have you had a business within the City of St. Charles under any other corporate name: Yes No
If yes, list address of business _____

Full Name, include Middle Initial PETER ZAIKOWSKI Title President

Birth Date _____ Birthplace IL Driver's License # _____ Home Phone # _____

Home Address _____

Full Name, include Middle Initial _____ Title _____

Birth Date _____ Birthplace _____ Driver's License # _____ Home Phone # _____

Home Address _____

Full Name, include Middle Initial _____ Title _____

Birth Date _____ Birthplace _____ Driver's License # _____ Home Phone # _____

Home Address _____

Type of Establishment: () Package Restaurant Tavern () Hotel/Banquet/ Arcada/Q-Center () Other _____

Check as Applicable to Holding Bar [5.08.010-F] Service Bar [5.08.010-O] Live Entertainment [5.08.010-H]
Type of Establishment: () Outside Dining [17.20.020-R]

Brief Business Plan Description based on type of establishment listed above:
The City Pub will be a unique gathering place by providing exemplary service with a simple yet unique themed menu and atmosphere that will create a sense of belonging for locals & visitors alike. Our credo is "Happy enthusiastic employees create a happy enthusiastic guest"

Initial: Liq Comm _____
Police Chief _____



Memo

Date: 4/6/2016
To: The Honorable Ray Rogina, Mayor-Liquor Commissioner
From: James Keegan, Chief of Police
Re: Background Investigation-Main Street City Pub

The purpose of this memorandum is to document and forward to your attention the results of the background investigation conducted by members of the St. Charles Police Department concerning the above mentioned establishment.

As is customary procedure, a detective was assigned this investigation and reviewed the site location/floor plans, the business plan and the corresponding application material. We found nothing of a derogatory nature that would preclude the applicant from obtaining a liquor license, subject to City Council approval.

Thank you in advance for your consideration in this matter.

PDS Enterprises Bartlett LLC/DBA Main Street City Pub, 104 E. Main Street.

Class B/Late Night Permit Request (1 am).

Main Street

City Pub

Appetizers

Spinach Artichoke Dip

Potato Skins

Beer Battered Onion Straws

Chili Cheese Fries

Fried Pickles

Quesadilla

City Pub Nachos

Buffalo wings

Bavarian Pretzel sticks

Burgers

Fresh never frozen 10oz hand patted burger

City Pub Burger

Bacon Cheddar Burger

Swiss Mushroom Burger

Parmesan Burger

Jack Daniel's Burger

Blue Cheese Burger

California Burger

Texas BBQ Burger

Fiesta Burger

Philly Burger

Patty Melt

Salads

Cobb Salas

Classic Caesar

Southwest Salad

Traditional Greek

House Salad

Soups

Chef's selection

Baked French Onion

City Pub Chili

Sandwiches

Steak Sandwich

Ruben

Home Cooked Italian Beef

BBQ Roast Beef

Hot Turkey or Beef

BBQ Pulled pork

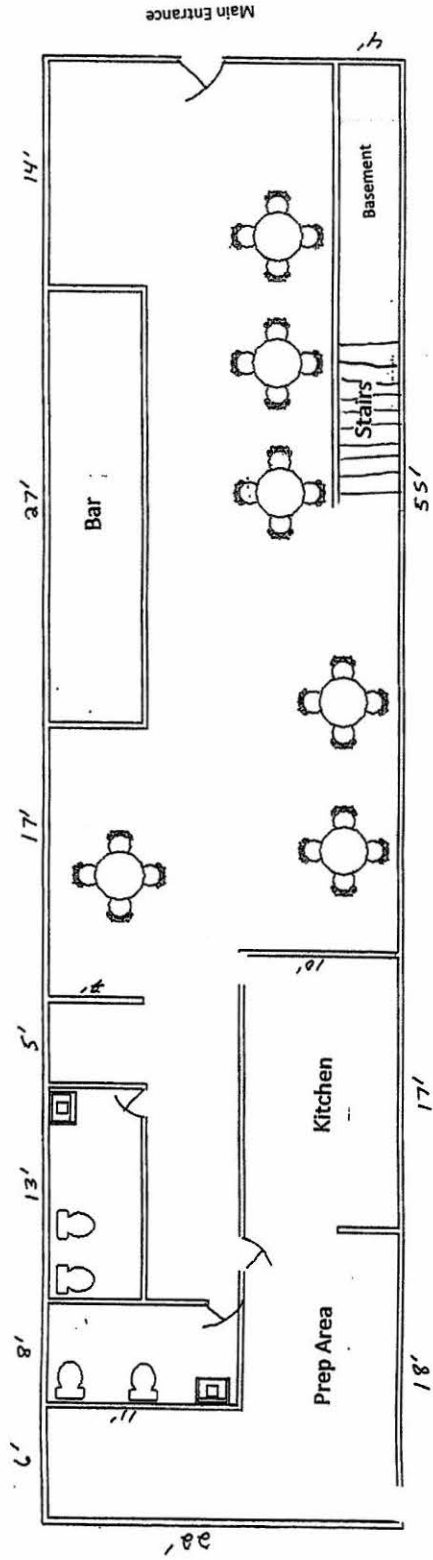
Blackened Talapia

Chicken Salad

Tuna Salad

BLT

Route 64 (Main Street)



1st Floor

**MAIN STREET
CITY PUB
BUSINESS PLAN
104 E MAIN ST
ST. CHARLES IL 60174**

**PDS ENTERPRISES BARTLETT LLC.
PETE ZAIKOWSKI
1572 KNOLL CREST
BARTLETT IL 60103
EMAIL PETERZAIKOWSKI@GMAIL.COM
PHONE 630-512-7312**

JANUARY 28TH 2016



TABLE OF CONTENTS

1.0	Executive Summary	3
1.1	Business Objectives	3
1.2	Mission Statement.....	3
1.3	Guiding Principles	4
1.4	Keys to Success	4
2.0	Company Description	4
2.1	Ownership.....	5
2.2	Legal Form.....	5
2.3	Start-Up Summary	5
2.4	Location and Facilities.....	5
3.0	Products	6
3.1	Products/Services Descriptions.....	6
3.2	Competitive Comparison	7
3.3	Product/Service Sourcing.....	7
3.4	Inventory Management	7
3.5	Warehousing and Fulfillment	7
4.0	Market Analysis	8
4.1	Industry Analysis	8
4.1.1	Market Size.....	8
4.1.2	Industry Participants	9
4.1.3	Main Competitors.....	9
4.1.4	Market Segments	9
4.2	Market Tests	10
4.3	Target Market Segment Strategy	10
4.3.1	Market Needs	10
4.3.2	Market Trends	10
4.3.3	Market Growth	10
4.4	Positioning	11
5.0	Marketing Strategy and Implementation	11
5.1	SWOT Analysis	11
5.1.1	Strengths	11
5.1.2	Weaknesses	12
5.1.3	Opportunities	12
5.1.4	Threats.....	12
5.2	Strategy Pyramid.....	12
5.3	Unique Selling Proposition (USP).....	12
5.4	Competitive Edge	12
5.5	Marketing Strategy and Positioning.....	13
5.5.1	Positioning Statement.....	13
5.5.2	Pricing Strategy	13
5.5.3	Promotion and Advertising Strategy	14
5.5.4	Website.....	14
5.5.5	Marketing Programs	14
5.6	Sales Strategy.....	14
5.6.1	Sales Forecast	15
5.6.2	Sales Programs	15
5.7	Legal	15
5.8	Milestones.....	15
5.9	Exit Strategy	16
6.0	Organization and Management.....	16
6.1	Organizational Structure	16
6.2	Management Team	16
6.3	Management Team Gaps	16

6.4	Personnel Plan	16
6.5	Board of Directors	17
7.0	Financial Plan.....	17
7.1	Important Assumptions.....	17
7.2	Start-Up Costs.....	17
7.3	Source and Use of Funds	18
7.4	Break-Even Analysis	18
7.4.1	Projected Profit and Loss.....	19
7.4.2	Projected Cash Flow.....	19

1.0 Executive Summary

The City Pub will be a unique gathering place in the suburb of St. Charles IL. By providing exemplary service (imagine walking into a cozy environment and being warmly greeted each day with a smile), a simple, yet unique, themed menu and atmosphere will create a sense of 'belonging' for locals and visitors alike. Our credo is: "happy enthusiastic employees create a happy enthusiastic guest".

The success of the Bar is in its owners – with collectively 30+ years' experience in the restaurant and bar industry. We are committed to making this operation a successful one. We are making this building our primary residence by occupying the apartment above, by living above the bar it will allow us to give the necessary attention to the bar starting up. I am keeping my current Job with The City of West Chicago and assisting my wife with the operations. We are planning to either sell or rent our current home in Bartlett IL. Employees have been hand selected and share the same views as the owners, that is, keeping the customer happy assures repeat business.

The City Pub has plans to capitalize on the excellent location.

The City Pub is looking to purchase the property in the City of St. Charles.

The following business plan summarizes the future of The City Pub, and its future plans for growth.

The City of St. Charles is also running a Downtown Business Incentive Award

The Downtown Business award is a 50/50 matching award designed to help new businesses renovate commercial 1st floor spaces needing upgrades. They will help us renovate with up to \$25,000 award. See attached at last page

1.1 Business Objectives

The City Pub will be capitalizing on a growing market in the city of St. Charles. The bar will cater to local resident and tourists during the day, and at night, the bar will cater to local patrons coming home from work for some relaxation. The bar will provide a menu featuring gourmet burgers and a variety of comfort foods for our patrons to enjoy.

To launch the venue with a highly publicized grand opening event in the spring of 2016.

The City Pub plans to generate a profit within the first 24 months of operations and add at least 4 jobs for the community.

The bar will accomplish these goals by holding itself apart from competition as a premium relaxing experience, offering a vast selection of beer and wine, by providing gourmet burgers and flat-breads in addition to standard fare, all in a relaxing environment designed to make patrons return.

1.2 Mission Statement

The City Pub will provide a comfortable place for locals to come for a premium relaxing experience, striving to be the bar of choice for the locals in the St. Charles neighborhood and surrounding suburbs. The City Pub will be known as the “Cheers Bar” – where everybody knows your name and the business will do this by: providing a relaxed atmosphere encouraging patrons to unwind specifically targeting professionals between the ages of 30 and 65 making \$50,000 annually. The City Pub is based on the guiding principles that life is to be enjoyed and this is reflected in its vast selection of beverages, it’s delicious food offerings and the professional team members. The City Pub wants to be synonymous with country singer Toby Keith’s song “*I Love This Bar*”.

1.3 Guiding Principles

The City Pub philosophy is simple: enjoy life and treat others as you’d want to be treated. These sound principles apply to all life’s situations, both personal and professional. At The City Pub, these principles are applied to management, employees, customers and suppliers alike.

Life is to be enjoyed! The City Pub employees love their jobs and their customers! This is not only reflected in the outstanding service – it is because management personally selects and trains each employee putting them in the position that is ideally suited for them.

Integrity – In the spirit of all great bartenders, treat each customer with utmost respect and professionalism. The City Pub bartenders and wait staff are trained to act professionally in all situations. If a regular patron happens to become disorderly say after a particularly stressful day, The City Pub staff is trained to promptly and discreetly order a cab or find a friend to drive them home. No one wants to work with drunken and disorderly individuals and the patrons do not want to be known as such either.

1.4 Keys to Success

The City Pub key to success will be based on:

- Outstanding customer services – The City Pub goal is be the place “where everyone knows your name” All team members are hand selected and love what they do.
- Customer Satisfaction – By providing a quiet and relaxed environment, where friends can meet and unwind and relax.
- Provide a vast offering of specialty beer and wine offerings – catering to the public’s increased requirement for variety and sophistication in alcoholic beverages.

2.0 Company Description

The City Pub will be a locally owned neighborhood bar Owned and operated under PDS Enterprises Bartlett LLC.

The City Pub will occupy a 2,200 square foot facility located in St. Charles.

The Bar will seat 30

2.1 Ownership

PDS Enterprises Bartlett LLC.

Daniela Zaikowski 20+ experience years in management and operations of four successful bar and restaurants businesses in the Chicagoland area.

Peter Zaikowski 10+ years' experience in the restaurant and bar industry managing 2 bars for over 10 years, located in Rosemount and Schiller Park Illinois.

2.2 Legal Form

TBA

2.3 Start-Up Summary

Following is a summary of required funds to establish the business:

Tenant improvement costs will be in the form of carpentry, flooring, and painting.

Total starts costs are under \$70,000

2.4 Location and Facilities

The location was a key component for The City Pub. We specifically sought this location because the demographics aligned with their target customer.

With 2,200 square feet The City Pub is centrally located between Geneva, South Elgin, West Chicago and Campton Hills.

The Bar location specifically meets the needs of the owner's patron profile – that is professionals between the ages of 30-65 with incomes between \$30,000 to \$50,000. The following table briefly summarizes the population in the 5 and 10 mile radius:

Demographic neighboring town Geneva IL	
Population	19,515
Median Age	36
Est. Average Household Income	65,103

Demographic neighboring town South Elgin IL	
Population	16,100
Median Age	31
Est. Average Household Income	71,190

Demographic neighboring town West Chicago IL	
Population	27,086
Median Age	28
Est. Average Household Income	65,744

3.0 Products

The City Pub will have a high end the selection of the products, and will adjust to customer demand.

3.1 Products/Services Descriptions

The City Pub will offer a broad and deep variety of specialty beers and wines which will appeal to the public's ever changing and increasingly more sophisticated demands for variety in beer and wine.

Patrons desiring food will not be disappointed by the bar's food offerings either. We plan on starting with gourmet burgers and flat-breads along with weekly specials.

The kitchen will never close; patrons will always be able to have food

Competitive Comparison

Within a 2 mile radius of the subject are 3 comparable establishments:

The Office
201 E main St
St. Charles Il 60174

Pub 222
12 N 3rd St
St. Charles Il 60174

The House Pub
16 S Riverside Dr
S. Charles Il 60174

3.2 Product/Service Sourcing

The key food suppliers for the business will be Sysco Foods

Alcoholic beverages will be purchased from local distributor.

3.3 Inventory Management

The POS system will be instrumental in The City Pub success. Bartender theft and employee theft can quickly be the financial demise of any business. The POS systems will alert the owner when inventory levels are low and the bar manager when to place his order.

3.4 Warehousing and Fulfillment

N/A

3.5 Future Products/Services

The owners of The City Pub realize the customer is the key to the success of the business and will work continually to improve/enhance the patron experience. Comment cards will be available throughout the bar and management will keenly review these comments, making adjustments as needed.

4.0 Market Analysis

The City Pub will be located next to existing business with an established customer base. We will be able to capitalize on the foot traffic as well as the car traffic.

4.1 Industry Analysis

Although people still gather to socialize in bars, just as they have for hundreds of years, other factors have come into play for the industry as well. Problems with driving while intoxicated have changed patterns of people in United States. The growing concern with health and fitness toward the end of the 20th century took its toll on the bar industry. Keeping tabs on this industry requires a look at the alcoholic beverage industry as a whole--what people buy in the store doesn't differ much from what they buy in a bar. The distilled spirits industry generates around \$100 billion in U.S. economic activity annually. (Distilled Spirits Council)

The US bar and nightclub industry includes about 45,000 establishments (single-location companies and branches of multi-location companies) with combined annual revenue of about \$20 billion. No major companies dominate; varying state liquor laws complicate the ability to form large chains. The industry is highly fragmented: the 50 largest companies account for about 5 percent of revenue. (First Research)

Personal income and entertainment needs drive demand. The profitability of individual companies depends on the ability to drive traffic and develop a loyal clientele. Large companies can offer a wide variety of food, drinks, and entertainment, and have scale advantages in purchasing, financing, and marketing. Small companies can compete effectively by serving a local market, offering unique products or entertainment, or providing superior customer service. The industry is labor-intensive: average annual revenue per worker is about \$60,000. (First Research)

Major sources of revenue include beer (about 35 % of sales), distilled spirits or hard liquor (30 %), food and non-alcoholic beverages (20 %), and wine (7 %). (First Research).

4.1.1 Market Size

The US bar and nightclub industry includes about 45,000 establishments (single-location companies and branches of multi-location companies) with combined annual revenue of about \$20 billion. No major companies dominate; varying state liquor laws complicate the ability to form large chains. The industry is highly fragmented: the 50 largest companies account for about 5% of revenue. (First Research)

4.1.2 Industry Participants

There are few barriers to entry in the neighborhood bar industry, and the capital costs of starting a new neighborhood bar are low. However, competition among bars and taverns is intense due to the large number of bars in the target market. When combined with a small industry growth rate, market share gains by one bar will be at the expense of others.

Competing for the neighborhood bar are other small neighborhood bars and larger chain restaurants with full service bars. Additional competition for The City Pub is other types of bars, for example, sports bars, pubs, coffeehouses, and wine sellers. The slower economy resulted in some patrons purchasing from grocery stores, package stores and convenience stores.

4.1.3 Main Competitors

There are 3 competitors The Office, Pub222 and the House Pub

Market Segments

- Women age 30 – 65 is our target market
- Tourists and workers on their lunch hour – the bistro is located in a strip mall next to established businesses that will generate foot traffic making it an ideal location for both tourists and residence alike.
- Late night crowd seeking comfort food and libations – The City Pub will have offer a place to relax and enjoy premium gaming experience.

We the potential owners of Daniels's are targeting the following individuals for their target market:

- Household income of \$50,000
- Between the ages of 30 and 65
- Gender Demographic (75% Female, 25% Male)
- Lives within a 10 miles radius of the subject location

4.2 Market Tests

As potential owners we specifically targeted this location because of the established business in the area that would generate instant advertisement for our establishment. 'Neighborhood bar' in the suburbs – a bistro that is quaint and cozy – but also provides a great option for locals and visitors to enjoy.

While patrons can find similar Venues by traveling more than 3 to 15 miles to Fox Lake or the other side of town we believe that with the right atmosphere and attitude we can draw even their customers to Daniels's. Experienced in the business, we as potential owners listen to patrons and will create ideas based on their requests and needs.

The local distributors support this business venture as well and based on the area demographics and are anxious tap into this lucrative market.

4.3 Target Market Segment Strategy

The City Pub specifically targets individuals in the local market with incomes between \$30,000 and \$50,000 desiring a quiet neighborhood place to relax and unwind while enjoying premium relaxing experience.

This target group was selected primarily because of

- the location,
- the setting is designed to appeal to this target market and
- The current target market only has three venues comparable to the subject.
- **Market Needs**
As the manager of two bars, Daniela Zaikowski was repeatedly told by her patrons, that they are visiting this type of establishment more and more.

4.3.1 Market Trends

- Recent market trends focus increasingly on healthier lifestyles. Studies have shown that although consumers are drinking less alcohol, their tastes are becoming more discriminating.
- A greater emphasis on technology (POS) and training (“Star Servers and Bartenders”) resulting in increased productivity and earnings.
- Upgrades in improvements and interior décor – the days of the dimly lit and dark smoky bar rooms are quickly becoming a thing of the past.

The City Pub is designed to embrace these trends. The City Pub will feature a vast assortment of locally crafted and imported beer offerings. The wine selection will be somewhat smaller but just as impressive. Food offerings will consist of gourmet flat-breads along with, finely prepared daily gourmet specials. The owners will rely on POS system for orders, inventory control, accounting functions, time management and other functions. All bartenders will be hand selected and trained to cross sell appetizers or higher margin items. The City Pub interior is designed to be a comfortable, sociable and enjoyable environment.

4.3.2 Market Growth

Liquor sales and the bar industry overall is demonstrating improving trends. The following is a summary from the February 2012 U.S. Distilled Spirits Council Report:

- Volume / revenue growth at pre-recession levels.
- Revenue up 6.3% to \$20.3 billion
- Volumes up 2.9% to 196 million 9-liter cases
- Growth driven by improving economy/consumer confidence, increase in restaurant sales, stable pricing environment and product innovation
- Improved economy = return of premiumization

- Sales growth has pushed market share to 34.1% of revenue, 33.8% of volume
- Future growth dependent upon state of economy (Industry Review Distilled Spirits Council 02/2012)

4.4 Positioning

The City Pub will position itself as the Bar of choice for patrons desiring a comfortable and relaxing experience. We will appeal to suburbanites living in the area who don't care to travel more than a few minutes from home.

5.0 Marketing Strategy and Implementation

The City Pub will position itself as the bistro of choice by providing top notch service, offering a vast selection of beverages, and providing both gourmet flat-breads as well as daily market specials. The ambience and décor will be comfortable and relaxing, it will be a one of a kind experience in the suburbs. The owners and staff are constantly aware of patrons changing likes and dislikes and the bar and grille will act quickly to make changes to meet these needs.

5.1 SWOT Analysis

The following information summarizes the SWOT analysis. SWOT stands for strengths, weaknesses, opportunities and threats. A SWOT analysis is a method for strategic planning that evaluates these four elements as they relate to the business objectives.

5.1.1 Strengths

- Relatively easy entry and low capital outlay.
- Committed owners with combined 30 years industry experience.
- THE CITY PUB will be a unique one of a kind experience in its suburban location.
- Targeted, specific focus on its customers creates a memorable experience for its patrons resulting in repeat business.

5.1.2 Weaknesses

- Disorderly patrons can potentially harm both business reputations or cause collateral damage
- Employee theft can make or break a bar business. Management's exclusive use of the POS system mitigates this risk.
- Very specific target market – if the target market was broader the owners could increase market share in the segment that was the strongest.
- High turnover in bar industry – many bars are here today and gone tomorrow

5.1.3 Opportunities

- Opportunity to obtain a share of a \$16.7 million market

5.1.4 Threats

- Another new entrant could potentially hurt market share; competition is fierce

5.2 Strategy Pyramid

- Strategy: Be the neighborhood bar of choice
- Tactics: Provide exceptional customer service in a relaxed and inviting environment encouraging patrons to return again
- Programs: Extensive and ongoing employee training. Employees will be rewarded financially for providing impeccable service with opportunities to benefit in profit sharing.
- All staff are hand selected and share the same core beliefs of the owners; everyone will be trained to be keenly aware of patrons and anticipate their needs before the customer does, for example always offering to promptly show them to their table, graciously asking to hang their coats, and bring them their drinks expediently.

5.3 Unique Selling Proposition (USP)

The City Pub will be a small, casual local bar. The bar features a vast selection of hand crafted beers – both local and imported, as well as an impressive wine selection. The bar features gourmet burgers, flat-breads as well as daily specials.

5.4 Competitive Edge

The City Pub specifically caters to its target market and is truly a unique local experience. The Bar differs in its décor, its extensive beer and wine offerings, The City Pub patrons cannot get this experience in any other bar within a 5 mile radius.

5.5 Marketing Strategy and Positioning

The City Pub is located on Main St.. Traffic counts approximate 12,000 daily. In addition to its prime location, The City Pub will rely on:

- Advertising
 - Outdoor Signage
 - Grand Opening
- Word of Mouth

According to the Bob Johnson with Beverage Management Institute in Clearwater, South Carolina, the only cost-effective way to advertise a bar is word-of-mouth. "When you don't have word-of-mouth working for you, you are in serious trouble. It's not necessarily terminal. There are still ways to get some advertising and marketing out there without spending a ton of money. But anytime you reach into your own pocket to buy advertising for a bar, it's not good.

"Word-of-mouth advertising is priceless," he continues. "It means everything is right. Everything is happening. The bar is alive. Your employees love working there. They are talking and saying great things about the place, and that is passed on to your customers. The customers love being there, and they tell other customers. If you can get to that point, it's just priceless."

5.5.1 Positioning Statement

The owners have a combined 30+ year's industry experience in restaurant and bar management and fully support the operation. The City Pub will provide a vast collection of handcrafted beers and wine, and gourmet burgers and flat-breads, and will strive to be the premier bar 'where the locals go' in suburban Lake County. The City Pub will go above and beyond the call of duty making patrons come back and tell everyone they know.

5.5.2 Pricing Strategy

The City Pub pricing will be similar to the competitor's (competition based pricing) initially and management may consider lowering drink prices initially to attract initial patrons. However, near term, when The City Pub captures at least 2% of the local market, management plans to price alcohol and food to be more reflective of acquisition costs.

The menu items are moderately priced. Appetizer range from \$6-8, gourmet flat-breads wraps range from \$6-\$12 and the daily gourmet plates average \$8.00.

5.5.3 Promotion and Advertising Strategy

The City Pub primary promotion and advertising strategy will be outdoor street signage and word of mouth. Additionally the bar is planning a grand opening in summer of, 2016.

In addition, The City Pub will participate in select promotions annually. Once the bar is up and running, management will determine which nights need a boost. Historically, bars are busiest Friday and Saturday nights, with Thursdays coming in third place. The City Pub might decide to create a promotion night say on Tuesdays or Wednesday evenings. In addition, the bistro will have promotional events on holidays such as Cinco de Mayo and the 4th of July. Management anticipates profit to equate to 3X the cost of advertising the promotion. In order to maintain the high energy levels during the promotions, all prizes will be awarded at the end of the evening. That way, patrons will have to stay all night to see whether or not they've won the grand prize.

5.5.4 Website

The City Pub will have website featuring the menu items, phone number, hours of operation, events calendar and map. The website will also have links to its Facebook Page.

5.5.5 Marketing Programs

The owners of The City Pub will rely on a combination of customer feedback / sales reports captured from the POS to determine how well the bar is performing. Customer comment cards will be available tableside and guests will have the option to receive discounts on appetizers when the card is submitted. Additionally, the neighborhood market will utilize a local ‘mystery shopper’ company. All employees will be made aware of The City Pub commitment to customer service and this additional tool to be used to evaluate employee performance.

5.6 Sales Strategy

The patrons will be warmly greeted immediately upon entering the bar. The objective at The City Pub is to make everyone feel at home and be the place ‘where everyone knows your name’. Upon finding a comfortable location either on the couch, table, patrons will be asked for their drink and food order. The City Pub truly values its employees and provides them with the very best training – and therefore the best service. Management believes that this investment in its employees ensures satisfied customers and in turn repeat business, leading to increased revenues.

The City Pub will be one of the few places that will truly make people happy. The employees will engage in a friendly conversation in hopes of building new relationships with the patrons.

At The City Pub, the staff goes above and beyond the call of duty which makes patrons come back and tell everyone they know.

5.6.1 Sales Forecast

The following table demonstrates the annual sales forecast:

Table 5.6.1 Annual Sales Forecast

Avg Sales forecast	Year 1	Year 2	Year 3
Avg Gaming	12,000	13,000	15,000
Avg Food & Drink	520,000	624,000	748,780
Year	1	2	3
Cost of sales	517,600	562,700	665,200
Total Income	14,400	74,400	98,580

Avg Food	25,550	29,400	33,600
Cost of Sales w/tax	4,817	5,337	5,908
Gross Margin	129,133	180,963	221,162

5.6.2 Sales Programs

The City Pub employees will be the primary salespeople and will participate daily in the tip pool. Employees will participate in ongoing training and be compensated for their accomplishments as well. The City Pub has a strong belief that the business only performs as well its employees.

5.7 Legal

The City Pub will obtain the following licenses: liquor liability license, food service license, sales tax license, and entertainment permit.

5.8 Milestones

The following milestones will guide The City Pub to meet its goals:

Table 5.8 Milestones

Milestone	Date
Secure mortgage	March 2016
Obtain and meet necessary licensing requirements	March 2016
Furnish restaurant and bar area	March 2016
Complete Retrofit and Build-Out	April 2016
Purchase inventory, kitchen equipment and POS system	April 2016
Interview and hire employees	April 2016
Grand Opening	May 2016
Hire accountant when revenues exceed \$500,000	Year Five

5.9 Exit Strategy

In the event that sales drop more than 20% for more than four consecutive quarters, the bistro' will have to liquidate. After employee's compensation, furniture, and equipment will be sold at auction to repay lenders.

6.0 Organization and Management

The following information provides the organizational components germane to The City Pub.

6.1 Organizational Structure

The City Pub will be owned by PDS Enterprises Bartlett LLC.

General duties will include review of daily operations, inventory control, employee training, employee hiring and firing, ordering supplies, and routine maintenance and upkeep of the bar, equipment and facilities management.

The owners will also hire bartenders.

All full time employees will be compensated with benefits including health insurance and education and training.

6.2 Management Team

Daniela Zaikowski, with over 20 years' experience helped establish two neighborhood-based, independently owned bar and restaurants. These gathering places showcase fine wines with exemplary food offerings.

Peter Zaikowski has over two decades of experience in management, project development, and marketing providing the foundation for his business operations, including site selection,

6.3 Management Team Gaps

Until The City Pub reaches \$500,000 in annual revenues, they will utilize a part time bookkeeper to assist in payroll and income tax preparation (Reference legal and accounting line item on income statement).

6.4 Personnel Plan

The following chart shows employee salaries over the next three year period:

Table 6.4 Personnel Plan

Position	Year 1	Year 2	Year 3
Staff	70,000	80,000	90,000
owner	20,800	20,800	41,600
Total Personnel Cost	90,800	108,800	113,600

*While the salaries appear low, these employees all benefit from the daily tip pool. Average take home pay is \$24,000 and compares favorably with industry peers.

6.5 Board of Directors

N/A

7.0 Financial Plan

The financial plan will cover the following:

- Required Cost of Start-Up
- Profit and Loss
- Cash Flow
- Balance Sheet
- Financial Ratios

7.1 Important Assumptions

- All 5 employees will be hired from day one of operations (the analysis does not assume employee growth during the initial two years of operations)
- Zero growth in employees' salaries over the first two years, then after initial two years, employees' salaries will be re-evaluated.
- Management salaries remain constant as well - \$1,733 monthly over the initial two years of operations
- Average drink sales price: \$3.25
- Average appetizer sales price: \$5.00
- Average meal sales price: \$7.00

7.2 Start-Up Costs

Following is a summary of required funds to establish the business:

Tenant improvement costs will be in the form of carpentry, flooring, painting.

Kitchen and equipment

Table 7.2 Start-Up Costs

Startup Expenses	Amount
Insurance	4,200
Beginning Inventory	4,500
Utility Deposit	150
Licenses	2,300
Other initial costs	53,850
Total startup expenses	70,000

7.3 Source and Use of Funds

Table 7.3 Source and Use of Funds

Source and use of Funds	
Owner Injection	45,000
City Award Program	25,000
Total source of Funds	70,000
Use of funds	
Property improvements and build out	70,000

7.4 Break-Even Analysis

Total fixed costs are estimated to be \$94,150. The variable cost (overhead) is estimated to be \$4.25 per unit. Units are assumed to be: the combined average of: the average drink, the average appetizer, and the average meal. Based on the assumption of \$12.00 as the average sales price per unit, plus the average use of video gaming of 40.00 the breakeven revenue then is 2,241 units. Or 6 units per day

7.4.1 Projected Profit and Loss

The City Pub estimated profit and loss for the initial three years of operations is reflected below:

Table 7.5.2 Pro Forma Profit and Loss

7.4.2 Projected Cash Flow

The statement of cash flow shows the incoming and outgoing cash of the business.

Avg Sales forecast	Year1	Year2	Year3
Avg Drink	\$208,000.00	\$249,600.00	\$299,500.00
Avg Food	\$312,000.00	\$374,400.00	\$449,280.00
Gaming	\$12,000.00	\$13,000.00	\$15,000.00
Total Income	\$532,000.00	\$637,000.00	\$763,780.00
Cost of sales			
Avg Drink	\$104,000.00	\$124,000.00	\$148,000.00
Avg Food	\$218,400.00	\$262,000.00	\$314,500.00
Taxes			
Total Cost	\$322,400.00	\$386,000.00	\$462,500.00
Gross Margin	\$209,600.00	\$251,000.00	\$301,280.00
Expenses			
Owners			
Compensation	\$20,000.00	\$20,000.00	\$25,000.00
Salaries	\$70,000.00	\$80,000.00	\$90,000.00
Advertising	\$3,000.00	\$3,000.00	\$5,000.00
Insurance	\$4,000.00	\$4,000.00	\$4,000.00
Legal	\$1,000.00	\$1,000.00	\$1,000.00
Accounting	\$3,200.00	\$3,200.00	\$3,200.00
Office expense	\$2,000.00	\$2,000.00	\$2,000.00
Repairs	\$5,000.00	\$5,000.00	\$10,000.00
Telephone	\$500.00	\$500.00	\$500.00
Internet	\$3,000.00	\$3,000.00	\$3,000.00
Charities (Local)	\$3,000.00	\$3,000.00	\$3,000.00
Mortgage	\$36,000.00	\$36,000.00	\$36,000.00
Marketing	\$2,000.00	\$2,000.00	\$4,000.00
Utilities	\$12,000.00	\$12,000.00	\$14,000.00
Liquor license	\$2,000.00	\$2,000.00	\$2,000.00
Total expenses	\$166,700.00	\$176,700.00	\$202,700.00
Net Profit	\$42,900.00	\$74,300.00	\$98,580.00

1st Year Projections by Month

Main Street City Pub

Month	January	February	March	April	May	June	July	August	September	October	November	December	Totals
Total Sales													
Net Sales	44333	44333	44333	44333	44333	44333	44333	44333	44333	44333	44333	44337	532000
Cost of Goods Sold	26866	26866	26866	26866	26866	26866	26866	26866	26866	26866	26866	26874	322400
Gross profit	17467	17467	17467	17467	17467	17467	17467	17467	17467	17467	17467	17463	209600
Owner/Compensation	1666	1666	1666	1666	1666	1666	1666	1666	1666	1666	1666	1674	20000
Employee Wages	4083	4083	4083	4083	4083	4083	4083	4083	4083	4083	4083	4087	49000
payroll Taxes	1750	1750	1750	1750	1750	1750	1750	1750	1750	1750	1750	1750	21000
Rent	3000	3000	3000	3000	3000	3000	3000	3000	3000	3000	3000	3000	36000
Repairs/ maint	416	416	416	416	416	416	416	416	416	416	416	424	5000
Accounting/Legal	265	265	265	265	265	265	265	265	265	265	265	1285	4200
Advertising	250	250	250	250	250	250	250	250	250	250	250	250	3000
Dues and subscriptions	250	250	250	250	250	250	250	250	250	250	250	250	3000
Insurance	333	333	333	333	333	333	333	333	333	333	333	337	4000
Utilities	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	12000
Supplies	166	166	166	166	166	166	166	166	166	166	166	174	2000
Telephone	42	42	42	42	42	42	42	42	42	42	40	40	500
License	166	166	166	166	166	166	166	166	166	166	166	174	2000
Marketing	166	166	166	166	166	166	166	166	166	166	166	174	2000
Charities												3000	3000
Total Operating Exp	13553	13553	13553	13553	13553	13553	13553	13553	13553	13553	13551	17619	166700
Operating Profit	3914	3914	3914	3914	3914	3914	3914	3914	3914	3914	3916	-156	42900
Befote tax													
Income Taxes	1369.9	1369.9	1370	1370	1370	1370	1370	1370	1369.9	1369.9	1370.6	-54.6	15015
assume 35%													
Net profit	2544.1	2544.1	2544	2544	2544	2544	2544	2544	2544.1	2544.1	2545.4	-101.4	27885

Table 7.5.2 Pro Forma Cash Flow

Pro Forma cash Flow	Year 1	Year 2	Year 3
Beginning Cash Balance	0.00	14,100	212,700
Cash Flows			
Income from sales	209,600	251,000	201,280
Accounts Receivables			
Total Inflows			
Total cash outflows	195,500	176,700	202,700
	14,100	88,400	186,980

Facade Improvement Grants

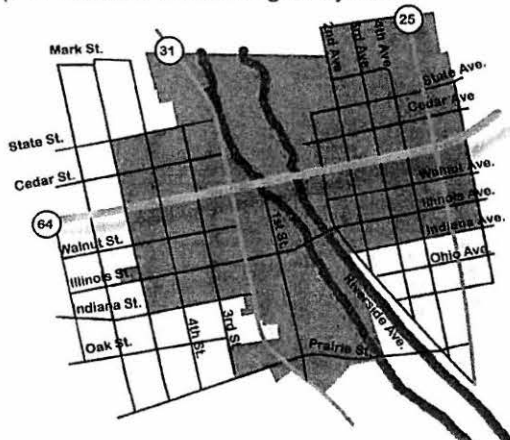
Purpose:

The Façade Improvement Program is a 50/50 matching grant program to encourage the rehabilitation and restoration of downtown building facades.

Program Details: (See program description for complete details)

- A 50/50 matching grant up to \$10,000 per façade for all qualifying facades .
- The Historic Preservation Commission can provide design guidance to meet the architectural standards.
- Grants require a recommendation by the Historic Preservation Commission and approval of the grant agreement by the City Council.
- Properties must be located within the Downtown Special Service Area 1B and the building must be used for commercial purposes.
- Acceptance of applications begins in February for funding year beginning May 1.

Map of Façade Grant Eligibility Area



Corridor Improvement Grants

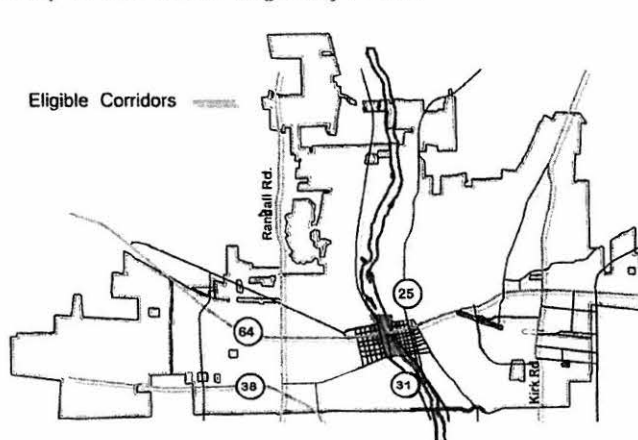
Purpose:

The Corridor Improvement Program is a 50/50 matching grant program to encourage the beautification of St. Charles' highly visible corridors.

Program Details: (See program description for complete details)

- A 50/50 matching grant for landscape improvements.
- The Corridor Commission can provide design guidance.
- Grants require a recommendation by the Corridor Improvement Commission and approval of the grant agreement by the City Council.
- Properties must be located along Main St., Randall Road, Kirk Rd., Rt. 38 or in Special Service Area 1B.

Map of CIC Grant Eligibility Areas



Downtown Business Incentive Award

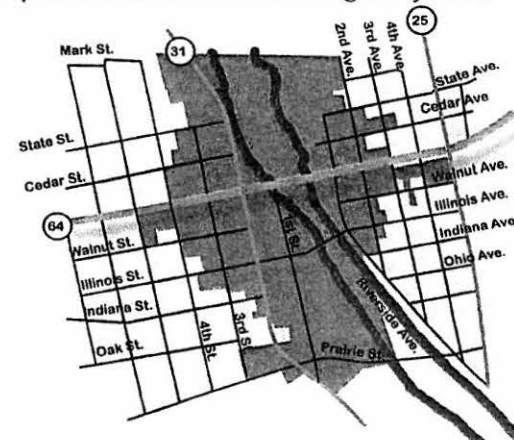
Purpose:

The Downtown Business award is a 50/50 matching award designed to help both existing and new businesses renovate commercial 1st floor spaces in need of building upgrades. The maximum award is up to \$25,000.

Program Details: (See program description for complete details)

- A 50/50 matching for permanent structural, plumbing, electrical, mechanical, and life safety upgrades (fire sprinklers, alarms, etc.). No cosmetic improvements.
- Awards of up to \$10,000 are approved by Staff.
- Awards over \$10,000 up to 25,000 require City Council approval.
- Properties must be located in Special Service Area 1B and the business must be on the 1st/ground floor.
- Limited to specific retail and service uses (please see program description for more information).

Map of Downtown Award Eligibility Area





ST. CHARLES
SINCE 1834

AGENDA ITEM EXECUTIVE SUMMARY

Title: Recommendation to Approve a Proposal for a Class C1 Liquor License for a new business Prohibition St. Charles to be located at 1 W Illinois Street Ste. 170, St. Charles

Presenter: Chief Keegan

Please check appropriate box:

<input type="checkbox"/>	Government Operations	<input type="checkbox"/>	Government Services
<input type="checkbox"/>	Planning & Development	<input type="checkbox"/>	City Council
<input type="checkbox"/>	Public Hearing	<input checked="" type="checkbox"/>	Liquor Control Commission (4/18/16)

Estimated Cost:		Budgeted:	<input type="checkbox"/> YES	<input type="checkbox"/> NO
------------------------	--	------------------	------------------------------	-----------------------------

If NO, please explain how item will be funded:

Executive Summary:

This is an application request for a new Class C1 liquor license for Prohibition St. Charles to be located at 1W Illinois Street Ste. 170, St. Charles. Marwan Taib will be the owner to this establishment and is already a respected licensee for two other establishments in St. Charles. This license will be an add-on to the building where he currently operates Charleston on the River. He also owns The Spotted Fox on the east side of town. All required documents are still being collected at this time for Police Department to review but we are asking this Liquor Commission to recommend approval to move this application forward to the April 25, 2016 Government Services Committee as which time all documents will be in order.

Attachments: *(please list)*

Liquor License Application (front page)

Recommendation / Suggested Action *(briefly explain):*

Recommendation to approve a proposal for a Class C1 Liquor License for a new business Prohibition St. Charles to be located at 1 W Illinois Street Ste. 170, St. Charles.

For office use only: *Agenda Item Number: 6*

Date: _____
() New Application
() Renewal Application

CITY OF ST. CHARLES
LIQUOR CONTROL COMMISSIONER
TWO EAST MAIN STREET
ST. CHARLES, ILLINOIS 60174-1984



City Retail Liquor Dealer License Application (rev. 12/13) Non-Refundable

Ordinance 5.08.050.A1 Application must be completed in full Incomplete applications will be rejected

Business Type: Circle one Individual Partnership Corporation Other _____

Business Name PROHIBITION CANT CHARLES Sales Tax # _____

Business Address 1 ILLINOIS SUITE 1704 CHARLES Business Phone # 630-549-7712

Contact Person MARWAN TAIB Title MANAGER Phone # _____

If Corporation, Corporate Name _____

Corporation Address SAME AS ABOVE

Corporate Officers, plus Manager of Establishment, Officers must include President, Vice President, Secretary and Treasurer Or Sole Proprietor

Have you had a business within the City of St. Charles under any other corporate name: Yes No
If yes, list address of business SPOTTED FOX ALE HOUSE & CHARLESTON ON THE RIVER

Full Name, include Middle Initial MARWAN TAIB Title MANAGER

Birth Date _____ Birthplace _____ Driver's License # TD-5488440 Home Phone # _____

Home Address _____

Full Name, include Middle Initial _____ Title _____

Birth Date _____ Birthplace _____ Driver's License # _____ Home Phone # _____

Home Address _____

Full Name, include Middle Initial _____ Title _____

Birth Date _____ Birthplace _____ Driver's License # _____ Home Phone # _____

Home Address _____

Type of Establishment: () Package () Restaurant Tavern () Hotel/Banquet/ () Other _____
Arcada/Q-Center

Check as Applicable to () Holding Bar [5.08.010-F] () Service Bar [5.08.010-O] () Live Entertainment [5.08.010-H]
Type of Establishment: () Outside Dining [17.20.020-R]

Brief Business Plan Description based on type of establishment listed above:
UPSCALE TAVERN that will specialize on CRAFT COCKTAILS
WHISKEYS BOURBONS, SCOTCH THE CONCEPT WILL BRING AN
EXCELLENT VALUE FOR THE RESIDENTS TO ENJOY AS A COMPLEMENT
TO CHARLESTON ON THE RIVER & THE WINE EXCHANGE

Initial: Liq Comm _____
Police Chief