DEPARTMENT OF BUSINESS AFFAIRS AND CONSUMER PROTECTION
CITY OF CHICAGO

PLAN OF OPERATION

Licensee:	**Milk Bar LLC (Operating as "The Shore Club Chicago")**
Premises:	**1625 N. Lake Shore Drive (North Avenue Beach) Chicago, IL 60614**
License Types:	**2019- Illinois Special Use Permit Liquor License re-occurring Special Events Permit & Tent Permit**
Account Number:	**430622**
Site:	**1**

Pursuant to the City of Chicago Municipal Code Section 4-60-040 (h), the City of Chicago Department of Business Affairs and Consumer Protection (BACP) and the above named Licensee have agreed to the issuance of an **Illinois Special Use Permit Liquor License re-occurring Special Events Permit & Tent Permit** under the following conditions:

Licensee shall operate as a seasonal restaurant and event venue where the primary business activity will be the sale and service of food and where the sale of alcoholic beverages will only be incidental to the food service and not as a tavern. Licensee shall not operate in a manner where the sale of alcoholic beverages is the primary activity.

1. Days and Hours of Operation

Licensee will be open to the general public from May 1st through November 1st on Sundays through Saturdays from 9am-10pm. In addition to the operation days listed above, Licensee may host private events, not open to the general public that shall end no later than 11pm. Private events that make use of the entire Premises shall be subject to approval by the Chicago Park District (the "Park District") and the local Alderman.

2. Occupancy

Licensee shall not operate at or attempt to increase the Occupancy for the indoor Premises over 200 persons. The combined outdoor patio portions of the Premises shall operate under the occupancy of 275 persons. However, Licensee shall meet with the local Alderman upon her request and shall be willing to review the occupancy capacity based on public safety concerns conveyed by the Alderman.

3. Employees

a) Licensee Employees will be comprised of approximately 40 employees, including Managers, Bartenders, Floor Managers, Hosts, Security Managers, Security Personnel, Bussers, Servers, Food Runners, Cooks, Dish Washers, a Controller, and Assistants.

b) General Management will be the responsibility of the Licensee.

c) Alcohol serving staff will be required to hold Beverage Alcohol Sellers and Servers Education and Training (BASSET) certification by a provider recognized by the Illinois Liquor Control Commission.

d) Licensee shall have a minimum of four (4) security staff in addition to the Security Manager, at all times when the Premises are open to the general public. Each person providing security at the licensed establishment shall have prior adequate training provided by the Licensee.

4. Door Policies

a) Patrons entering the Premises must be at least 21 years old or accompanied by a legal guardian that is at least 21 years old. Patrons will be required to provide valid Illinois Liquor Control Commission approved identification at the front door. Adequate proof of age and identity of an individual in Illinois is a document issued by a federal, state, county or municipal government including, but not limited to, a driver's license, selective service card or an Armed Services identification card.

b) Prior to and as a condition of their employment, security staff will have received training to detect fake licenses or identification cards in order to insure that no underage drinking takes place on the premises.

c) Licensee's security staff at the entrances shall strictly enforce the occupancy limits at all times.

5. Sound Measures

Licensee shall take reasonable steps to mitigate noise by regularly monitoring the interior and exterior areas around the premises during all of its business hours in order to address and abate excessive noise generated by patrons and music.

a) Licensee has hired Craft Lighting and Sound, a professional sound consulting and engineering firm to take specific measures to create and maintain a high quality and non-obtrusive sound environment for its patrons and neighbors.

b) Licensee shall limit the use and size of subwoofers on the Premises to control vibration and prevent it from traveling onto the beach as well as excessive noise. The outside area shall have small speakers.

c) Music will be incidental to the concept and operation at the Premises. There will be no visible DJ Booth on the premises except for temporary use during private events which may include but are not limited to Weddings, Corporate Events, Charity Events, Fundraisers and other privately held events.

d) Licensee will occasionally have live music but all performers will be limited to acoustic instruments in the outdoor areas. The Alderman's office will be notified and asked for approval before any musical performances that could potentially be considered obtrusive to the neighbors.

6. Security Camera System

a) Licensee will install a Video Surveillance System, with 12 high resolution Cameras (8 exterior, 4 interior). The system will cover all areas of the interior and exterior of the premises and will be centrally monitored and recorded utilizing a 250 GB Digital Video Recorder. The system will be set

to record 24 hours each day and all files of footage shall be kept for a minimum of 8 days and make such data available upon demand to any law enforcement agency.

b) Adequate exterior lighting will be maintained in all areas.

7. Garbage Removal and Collection

Licensee shall store and remove garbage from the Premises on a regular basis and in compliance with the Chicago Board of Health Rules and Regulations and the Municipal Code of Chicago ("Municipal Code") and shall keep garbage containers in good repair. All care shall be taken by Licensee to limit noise and disturbance when garbage containers are being loaded and unloaded

a) Licensee will contract with a licensed waste collection and hauling contractor to provide adequately sized dumpster and scheduled hauling service. All garbage and rubbish will be removed and disposed of daily or at such other frequency as may be necessary to prevent a nuisance, or in compliance with Municipal Code. If warranted, Licensee shall increase the frequency of pick-ups to ensure no excess garbage accumulates in the area where garbage containers for the Premises are located.

b) Collection by the hauler will be scheduled between 11pm to 7am to mitigate the impact of refuse removal noise.

c) When garbage is removed at the end of the business day employees will move and place the garbage in plastic sacks carefully and quietly into the dumpsters so as to make little or no noise.

d) Dumpsters will be located in an enclosed area and camouflaged as shipping containers to avoid being unsightly and will be secured in the rear (west) of the premises such that they can only be accessed and emptied by the hauling contractor quickly and without unduly interfering with other ingress or egress from LakeShore Drive or the Lakefront Trail.

8. Rodent Control

Licensee shall take reasonable steps to control rodent infestation by ensuring garbage containers are covered and locked, and by having traps installed near dumpsters inside the garbage enclosed area.

9. Delivery Operations

Deliveries shall be done in a way to minimize conflicts with users of any of the Lakefront Trails and Paths.

a) All deliveries shall be scheduled between 5 a.m. and 9 a.m on any day of the week. Deliveries shall not be allowed on the following holidays: Memorial Day, 4th of July, and Labor Day. Deliveries outside of the aforementioned times may be approved by Park Concession Management provided the request is made seven (7) days in advance.

b) Delivery trucks or vans shall be staged at W LaSalle Drive, in front of the bus stop designated area. No motorized vehicles in the service of the venue shall be allowed to drive on the Lakefront Paths (either the pedestrian or the bike path).

10. Meetings and Community Organizations

Licensee shall regularly attend CAPS Beat meetings and agrees to meet with local Alderman, City agencies and community groups at their request to identify, address and resolve all complaints accurately identified and ascribed to Licensee's business operations.

11. Exterior Safety Plan

Licensee shall have a minimum of two (2) security staff designated to oversee the implementation of the Exterior Safety Plan, at all times when the Premises are open to the general public. Licensee's Exterior Safety Plan incorporated herein, shall serve to prevent or minimize the following conditions:

a) Excessive Noise: Licensee will prevent excessive noise during business hours from customers entering and leaving the premises. Security staff will be posted at the front entrance monitoring and carding customers and respectfully but firmly requesting departing customers to leave quietly. Licensee's security will be responsible for enforcement of its security policies, all of which shall be consistent with all local, state and federal laws.

b) Obtrusive Customer Behavior: If a customer is inside the establishment and is acting obtrusively, security staff and/or the manager on duty are instructed to kindly approach the customer and request that the customer leave the Premises. In addition, the manager on duty or security staff will assist the customer in getting a taxi, or if with friends, the manager on duty and/or security staff will also kindly request the friend or friends to please leave quietly with the obtrusive customer. In any event, assistance with getting a taxi or taxis will be offered.

c) Exterior Loitering: While there will generally be some customer traffic at the front door, customers and other individuals will not be allowed to loiter in front of the premises. Licensee shall post signs near the exits, entrances, in and around the Premises that read "Leave Quietly and Do Not Loiter". Security staff will also walk around the building exterior at regular intervals, generally every hour starting at 11am to confirm that no individuals are loitering near the premises out of direct sight from the Premises. The security camera system will also be utilized to monitor record and preserve all exterior activity. Special attention will be paid to the lakefront trail to ensure that patrons are never blocking the path or potentially causing a bottleneck. Security staff will be available to assist in the event that an accident occurs on the path outside of the venue or a non-patron that may be in need of assistance.

d) Smoking: Licensee shall enforce all applicable City and State non-smoking laws as they relate to both the interior and the exterior of the Premises, as well as at the front of the Premises.

e) Accumulation of Litter: In addition to the maintaining a trash free environment inside the premises, Licensee will control the accumulation of litter from its customers and other individuals by maintaining a routine sweep of litter outside the establishment by our staff. The walk around sweeps will occur at opening and periodically through closing each night. The final sweep each night of operation will include a sweep of litter for 50 yards on each side of the Premises.

f) Fights, Verbal Harassment and Criminal Activity: Licensee shall take reasonable steps to prevent fighting, public intoxication, unruly behavior or any other illegal behavior. Proper prevention of fights and other such activity begins with proper security procedures at the front door and proper control and monitoring of alcohol consumption by customers consistent with the BASSET training of all managers and servers. In the event that Licensee views any illegal activity in or around the Premises, Licensee shall immediately contact the Police via telephone and document all incidents reported to the police in a written log and shall retain all incident reports generated for no less than two (2) years. Additionally, it is the responsibility of Licensee to ensure it can produce evidence of any call made for service regarding the Premises or any activity thereon or about. Evidence shall mean a valid log or bill from a communications provider, containing the name of the telephone customer with the date, time and number called for service, as well as proof that the caller was/is an employee of Licensee and was on duty at the time of such call for service.

g) Parking and Traffic Congestion: Customers will be encouraged to utilize public transportation options, on-demand car services such as Taxis, Uber, and Lyft and access the property by way of the Lincoln Park walking bridge.

Parking will be limited: parking options may be available at the adjacent parking lot, the History Museum parking lot, and the Lincoln Park Zoo, run by Standard Parking.

Licensee will enter an agreement with Standard Parking to offer parking for potential patrons at a lower rate.

Licensee shall discourage any illegal parking of vehicles by its patrons in and around the Premises by refusing to service to any such person who is parking their car illegally and Licensee's security personnel will monitor the exterior of the Premises to prevent and deter patrons from parking or unloading illegally.

h) Valet Parking: Although Licensee will not provide valet parking at the Premises during normal operation hours when the venue is opened to the public, Licensee will encourage any entity renting the venue to provide valet parking service when private events for over 75 guests are being held at the premises.

i) Pedestrian Traffic: Licensee will create a line within the interior of the Premises. When long lines are expected, Licensee will mitigate interference with pedestrian traffic in front of the Premises by creating additional corrals along the interior of the Premises. Licensee will further mitigate the risk of a line by scheduling an adequately sized entry team of hosts and security managers to move patrons quickly through the line. In the event that the Premises reach maximum capacity, a paging system will be used and guests will be asked to stay away from the Lakefront path near the venue entrance during their wait.

j) Conflicts with the Lakefront Trail use: Licensee agrees to alter the placement of the tent structure away from the Lakefront Trail if requested by the Park District or the Alderman's office to adapt to potential changes on the path location and width or if conflicts with trail users are identified once the venue is in operation.

k) Licensee shall also utilize a taxi company to assist with patrons leaving the premises. The Licensee shall assist patrons requesting taxi services arriving at and departing from the Premises and ensure that taxis and other vehicles dropping off passengers at the licensed premises do so efficiently so that the flow of street traffic is not disturbed. Patrons exiting the Premises who appear to be over served will be encouraged to take a taxi home and will be assisted by security staff into taxis.

12. Ownership & Management

Licensee has retained The Shore Club Chicago, LLC, to be the on-site manager of the Premises. The Shore Club Chicago, LLC shall be owned and operated by Robert Schloss, Lisa Jaroscak, and Nicholas Thayer, William La Macchia Jr. and Stefani Management Services, Inc.

a) Licensee will not engage another manager at the Premises without prior written approval by the Park District and local Alderman.

b) Any change in Ownership of 10% or more of the Licensee and/or manager shall be deemed material. Licensee shall provide the Alderman's office with a certification attesting its ownership structure once a year when applying for the first permits of the season. Any material change in Ownership will cause a breach of this Operating Agreement unless previously approved by the Park District and the local Alderman.

13. Programming & Events

a) Licensee will provide a venue for Corporate Events, Charity Events, Weddings, Social Networking Events, and Fundraisers. In addition, Licensee will host weekly events with a focus on supporting local businesses. These events will consist of workshops, exercise classes, speaker series and other activity based programs designed to offer entertainment to local patrons. In addition, Licensee will host events celebrating Memorial Day, Mother's Day, Flag Day, Independence Day, Air & Water Show, Father's Day, and Labor Day.

b) Private events that make use of the entire venue shall be subject to approval by the Park District and the local Alderman and will be limited to two (2) such events per calendar month.

14. Marketing & Promotions

a) Licensee shall be the exclusive booker of all performances and events held at the Premises. No outside promoters will be used for any performance.

b) Licensee shall follow all applicable State of Illinois regulations and prohibitions regarding Alcoholic beverage companies and brands sponsoring any events at the Premises.

15. DJ's

Licensee will not utilize the services of a guest disc jockey (DJ). A "guest DJ" will be defined as a DJ that charges over $500 for a performance. Additionally, Licensee shall not promote the appearance of any DJ, through social media or otherwise. Any DJ performance is to be incidental and/or ancillary to the food and beverage experience on the Premises.

16. Liquor Sales

a) Licensee is permitted to serve alcoholic beverages at all times on the Premises.

b) Licensee shall not serve beverages in bottles.

c) Licensee shall not sell package goods for the consumption off of the Premises. No Alcoholic Beverages will be allowed off of Premises.

d) Shots and other drinks that encourage binge drinking will be prohibited.

e) The sale and service of liquor will not extend past 10pm on any day.

17. Signage

Licensee will not install any flashing signage. Any non-temporary signage must be approved by the Park District. All marketing activation must be approved by the Park District.

18. Licensee agrees that any aldermanic approval for special events or temporary structure permit applications will not be granted without a valid, executed Plan of Operation.

19. Licensee agrees that this Plan of Operation cannot be modified or amended without the approval of the local Alderman.

The conditions of this Plan of Operation are legally binding and may be enforced by the City of Chicago enforcement authorities under MCC 4-60-040 (h). All other conditions of the license are governed by the City of Chicago Municipal Code. Violation of the above stated conditions may result in the imposition of a fine and/or suspension or revocation of the business licenses issued to the Licensee at 23 W. Hubbard,

Chicago, IL. Violation of the above stated conditions may also result in the issuance of Cease and Desist Orders prohibiting the activity which violates the conditions of the liquor license.

The conditions of the permits issued pursuant to this Plan of Operation shall apply to the business address and License and to all officers, managers, partners, and direct or indirect owners of the licensed entity. The sale of the business to other persons purchasing the stock or membership units of the licensed entity does not void the conditions of the license. Any and all potential new owners of the licensed entity shall be subject to the same conditions set forth in this Plan of Operation.

It shall be the duty of every person conducting, engaging in, maintaining, operating, carrying on or managing the above mentioned business entity to post this liquor license Plan of Operation next to any permits and/or licenses in a conspicuous place at the business address.

Licensee: **Milk Bar LLC**

Premises: **1625 N. Lake Shore Drive**
(North Avenue Beach)
Chicago, IL 60614

Robert Schloss, Member

Shannon K. Trotter
City of Chicago
Local Liquor Control Commissioner

4/25/19
Date