

DEPARTMENT OF BUSINESS AFFAIRS AND CONSUMER PROTECTION  
CITY OF CHICAGO

*LICENSE PLAN OF OPERATION*

Licensee: Doty Road Ventures, LP as Interim Management for The Goatee Group, LP  
Premises: The Factory Gentlemen's Club  
12050-54 S. Doty Road  
Chicago, Illinois 60628  
License Type: Public Place of Amusement and Retail Food License  
Account Number: 335240

Pursuant to Chapter 4-4-313 of the City of Chicago Municipal Code, Doty Road Ventures LP, as Interim Management for The Goatee Group, LP (collectively "Licensee") has agreed to comply with the conditions listed below to assure that the operation of the licensed premises will not cause a public nuisance.

This Plan of Operation ("Plan") is submitted to the City of Chicago and Chicago Police Department, and will be purposefully focused on 'safety' and 'security', in order to address the more critical concerns expressed to the Licensee by the City of Chicago, and the Chicago Police Department, relative to prior business operations conducted on the premises. The Plan (as applied herein) will effectively reduce, or in most cases, eliminate the following 'stated' prior critical issues:

- Any and all undesired parking by Club patrons in neighboring residential areas, and the 'uber' type businesses that were initiated as a result.
- The parking of vehicles on the shoulder of the Bishop Ford Expressway (with Club bound patrons crossing the highway and jumping the fence)
- The parking of vehicles along the shoulder of Doty Rd
- The blockage of Doty Rd by Club bound vehicles and parked vehicles
- Excessive alcohol being brought in and consumed on the Premises
- The excessive taxing of police resources
- Complaints of nuisance by the community

The principals of Doty Road Ventures, LP are highly experienced in more difficult security challenges in large scale nightclub environments similar to that of the subject Premises, and have successfully dealt with such challenges both currently, and in the past. Doty Road Ventures, LP as Interim Management will take necessary steps to create a safer and more secure environment for patrons, while mitigating the prior ongoing nuisance and problematic issues faced by prior management on the Premises, and which negatively affected the surrounding residential neighborhood, and taxed police resources, as well as that of emergency personnel.

A safer and more secure business environment will be created by Doty Road Ventures, LP through effective, well-structured security, improved strict management of vehicles visiting the Premises (thus better traffic flow), and rigid operational policies and procedures implemented within the Club, including, but not limited to, improved management and enforcement of levels of alcohol being brought to, and consumed on, the Premises.

### ***1. General Security***

General security of the interior and exterior of the Premises, as well as general security for daily business operations is proposed to be contracted by the Interim Management to Pro-Tech Security Group, Inc. (see attached).

Pro-Tech Security Group Inc. will staff the Premises with security personnel with both, armed (off-duty police officers) and unarmed (certified security specialists). All security personnel will be clearly identifiable and recognizable by wearing matching brightly colored t-shirts, vests, jackets or other matching apparel. Armed off-duty police officers will wear slightly different attire than other security personnel so as to be easily identifiable to law enforcement.

A Security Manager will supervise and manage the entire security operation during each business day, and will remain on the Premises during all business hours. The Security Manager will at all times report to, and be subordinate to, the General Manager of the Interim Management's business operations, as well as Interim Management ownership.

The Security Manager, as well as the General Manager of the Interim Management's business operations will be the primary contacts for the Interim Management during business hours, and will be available to proactively meet with, and respond to, any law enforcement official visiting the Premises, whether of an informal nature, or in response to a police call.

Contracted security will be in addition to security personnel (unarmed) who will be directly employed by the Interim Management. At all times while the licensed premises is open a minimum of 20 security guards (contracted and personnel) will be on duty.

### ***2. Security Cameras***

The Premises is equipped with 50 interior cameras and 14 exterior cameras. Twelve of these are PTZ cameras. Each of the cameras will be recording to on-premise DVR's with a storage capacity of approximately 30 days. Digital video will be made available to law enforcement, upon request. The Interim Management will designate one individual (employee) who will monitor all security cameras throughout the Premises in order to identify problematic or potentially problematic situations as quickly as possible, and notify security personnel timely.

Camera footage shall be provided to the Chicago Police Department within two hours upon request.

### 3. *Traffic and Right-of-Way*

The proximity of the Premises, situated in the middle of a roughly 2.5 mile long frontage road bordering the Bishop Ford Expressway, poses challenges for ingress/egress from the area on busy weekend nights. It is for this reason that the Interim Management will direct all Club bound traffic to enter Doty Road ONLY at 115<sup>th</sup> Street heading South, and that all traffic exiting the Club exit heading south ONLY (towards 130<sup>th</sup> St), and exit Doty Road ONLY at 130<sup>th</sup> Street. This action will leave one lane open on Doty Rd ensuring free-flowing traffic at all times during Club business hours, and at the same time, ensure that any emergency vehicles or public safety vehicles always have an open lane to travel Doty Rd between 115<sup>th</sup> St and 130<sup>th</sup> St., irrespective of the level of Club activity.

The Interim Management in cooperation with police will situate 2 Club Security personnel (not in any type of official capacity, but merely for directional and informational functions) on the shoulder at the intersections of 115<sup>th</sup>/Doty Rd and 130<sup>th</sup> /Doty Rd. (as further described below). These Club Security personnel will not in any way act as a policing unit, nor to interrupt traffic in any way, but merely be present at each intersection to provide only 'Club bound' vehicles pertinent direction and instruction (as indicated below) so as to afford "Club bound" patrons proper information and safe access to the Club, in conformance with this Plan).

130<sup>th</sup> St and Doty Road – 2 Club Security personnel will be present, not in an official capacity, but merely in the capacity of advising any Club bound vehicular or pedestrian traffic (northbound from 130<sup>th</sup> St) as follows;

- a) Club bound patrons will be notified that the Club will not allow vehicular access to the Club northbound from 130<sup>th</sup> St, and further, that any vehicles coming from 130<sup>th</sup> St will be turned away and denied access to Club parking, once they do reach the Club parking area. (Security personnel will radio ahead to notify all other security personnel of a Club bound vehicle disobeying the above instructions).
- b) Club bound patrons will be notified that should any vehicular traffic decide to proceed northbound down Doty Rd (from 130<sup>th</sup> St), that no parking will be allowed on Doty Road for Club patrons, and will also be notified (solely meant as discouragement for any such action) that any cars parked on Doty Rd will be towed.
- c) Club bound patrons will be notified that no pedestrian traffic will be allowed access to the Club. All Club patrons must be drive-up (valet controlled).

115<sup>th</sup> St and Doty Road - Club Security personnel will be present at this intersection, not in an official capacity, but merely in the capacity of advising any Club bound vehicular or pedestrian traffic (southbound from 115<sup>th</sup> St) as follows;

- d) Club bound patrons will be notified that any and all Club patrons must surrender their vehicle to the valet company.
- e) Club bound patrons will be notified that there will be no self-park for any Club patrons.

f) Club bound patrons will be notified that no drop-offs of patrons will be allowed. Any and all patrons exiting a vehicle that is not simultaneously surrendered to the valet company will be denied access to the Club (excepting only bona-fide limousine services displaying the proper government issued 'livery' license tag). It is the Interim Management's belief that licensed taxicab services and genuine Uber services (originated by Uber dispatch) are not prevalent in the subject area, and therefore any patrons arriving using such modes of transportation will be handled on a case by case basis. If it is the Interim Management's belief that the ride originated from a vehicle parked elsewhere in the neighborhood, access to the club will be denied.

In addition to the above, there will be at least (1) dedicated security person driving a security vehicle back and forth on Doty Rd between 115<sup>th</sup> Street and 130<sup>th</sup> Street in order to monitor Doty Road in an effort to further advise Club patrons (who may have ignored the above advisements and signage) who attempt to park on the shoulder of Doty Rd and walk to the Club, and additionally for any pedestrian traffic that may come from patrons attempting to park on the Bishop Ford Expressway and jumping the fence to elude other security personnel.

All security personnel and valet personnel will carry 2-way radios and will be actively communicating with each other with respect to any vehicular or pedestrian traffic not adhering to the above, so as to avert any issue before it becomes problematic.

The proposed actions described above:

- i) Will effectively diminish, if not eliminate, any blockage of Doty Rd., regardless of the level of Club activity.
- ii) Will effectively diminish, if not eliminate, any unauthorized parking on Doty Rd.
- iii) Will effectively eliminate the concern of the Pullman residents, more specifically, any Club patrons parking on neighborhood streets and walking/uber to the Club, and returning to their vehicles at a late hour disturbing the Pullman residents as Club patrons leave.

By exercising the above described actions, essentially all Club related activity will be contained to the Premises, and the adjacent parcel (valet 'staging' area). Any prospective Club patrons who do attempt to park in the neighborhood and walk/uber to the Club will be notified well in advance of reaching the Club of their inability to enter the Premises without a vehicle, and should they continue to walk towards the Club, will be denied access to the Premises (and will not be able to reach any point inside the outer gates of the Premises). Any such pedestrians will not be met with confrontation, but rather, will simply be left with no other alternative but to quickly head back to their vehicles, thus removing them from the surrounding neighborhood.

#### **4. Club Parking / Valet**

There will be NO self-park. With the exception of limousines, all vehicles transporting club patrons will be required to be surrendered to valet parking personnel, for which a reasonable fee will be charged for general valet parking. Signs will be posted. Video surveillance will capture all vehicles, license plates, and all activity related to valet activity on the Premises.

Only vehicles traveling southbound on Doty Rd from 115<sup>th</sup> St (in accordance with Paragraph 3 above) will be allowed access to the Premises. Any vehicles traveling north on Doty Rd (from 130<sup>th</sup> St) will be courteously denied access to the Premises, and upon reaching the Premises area, kindly re-directed to enter Doty Rd at 115<sup>th</sup> St and travel south from that point, back to the Club.

The Interim Management shall enact a 2-stage process for accepting vehicles on the Premises for valet parking, and subsequent admittance of those patrons into the Club. Such process will employ the gated adjacent parcel located at 12000-12040 S Doty Rd (connected by common gate to the Premises) as a valet 'staging' area, with the valet 'drop-off' area being on the Premises proper (at the front entrance to the Club). (Please note that the adjacent parcel shares common ownership with the Premises).

Security and valet personnel will direct Club bound vehicles heading south on Doty Rd to the (north gate) entrance of the valet 'staging' area, which will be located on the front parking area (parallel to Doty Rd) of the adjacent parcel. The valet 'staging' area will be a 2-lane area, which, in that configuration, can accommodate up to 20 vehicles at one time, so as to keep the southbound lane of Doty Rd as clear as possible, even during busier Club evenings. At all times, it will be the Interim Management's intent that the northbound lane remains open.

Upon entering the valet 'staging' area, each vehicle will be met by visible, armed, off-duty police officer(s), along with Club personnel who will advise the occupants of each vehicle of the following:

- The mandatory valet requirement
- the associated valet charge
- the ID requirement to enter the Club
- the cover charge to enter the Club
- the limitations on alcohol which can be brought into the Club.

Personnel will also notify each vehicle's occupants that entry into the Club will require passing through multiple metal detectors, including hand held wand devices. During this time, Club personnel (as well as armed, off-duty police security personnel will also be surreptitiously looking for any type of visible weapons, drugs, excessive alcohol, and persons with any known gang affiliations, etc.. in order to determine whether to allow the vehicle to proceed to the valet 'drop-off' area (parking area in front of Club building) on the Premises.

Any vehicle which is deemed to be occupied by persons (or contents) who/that may present an issue for the Club, or the neighborhood, will be denied access to the valet drop-off area (and thus denied access to Club Premises). Club personnel and/or Security personnel, shall jointly assess and render such decision.

Such action will operate to limit access to the Premises (and admittance to the Club), by the following individuals;

- prospective patrons who have known or suspected gang affiliations
- prospective patrons who have known or suspected drug dealing affiliations
- prospective patrons who are carrying, are known to, or are suspected of, carrying weapons



- prospective patrons who, in the discretion of Licensee, pose a potential risk to the safe operation of the Licensee's business operations
- prospective patrons who appear to be intoxicated

Any vehicle containing individual(s) falling into any one or more of the above categories, will be refused entry through the outer gates of the Premises and instead, be directed by armed security personnel out of the valet 'staging' area of the adjacent parcel (south gate of adjacent parcel) before any such vehicle is even able to drive onto the Premises, and before any occupant contained therein can exit the vehicle. In all cases wherein the Interim Management is denying access to a vehicle/patron(s), any such vehicle/patron(s) will never gain access to any portion of the Premises at any time, which in itself will operate to quickly diffuse any potential situation before it gets started, and any such vehicle will be immediately directed by armed off-duty police to exit the valet staging area (exiting the south (Doty Rd) gate of the adjacent property) and proceed southbound on Doty Rd to 130<sup>th</sup> St to exit the area.

For those patrons who are allowed to valet their vehicle, upon reaching the valet 'drop-off' area, the valet will take possession of the vehicle, and at the same time, security personnel will make sure that no excessive amounts of alcohol (based on number of vehicle occupants) is actually removed from the vehicle. Any amounts deemed excessive will be required to remain in the vehicle, and the vehicle's occupants will be reminded that no access to the vehicle will be available once the vehicle is surrendered to valet. Refusal by prospective patrons to adhere to stated alcohol limits will cause denial of entry into the Club, and the vehicles and its occupants will be directed by armed security off the Premises out of the Doty Rd gate and directed south on Doty Rd towards 130<sup>th</sup> St to exit the area.

In order to maintain and preserve the security level as established within the Club on any given evening, there will be NO access to vehicles by patrons who have already entered the Club. Unless leaving the Premises, NO patron will be allowed to access their vehicle once the vehicle has been surrendered to valet personnel. Signs will be posted accordingly.

In order to maintain and preserve the security level as established within the Club on any given evening, there will be NO re-entry allowed into the Club. All patrons leaving the Club doors will have their vehicle retrieved by valet personnel, and will be required to leave the Premises, heading south on Doty Rd (towards 130<sup>th</sup> st). Signs will be posted accordingly.

## **5. *Alcohol Policy***

The Interim Management (ownership of same) does possess a long standing liquor license (in good standing since its inception date) at another facility, and is keenly aware of, and recognizes that there is a direct correlation between the amount of alcohol consumed by patrons, and the behavior of patrons, thus the level of police resources potentially required to address that resulting behavior. The Licensee will therefore establish limits as to the amount of alcohol that can be brought onto the Premises. Those limits will be actively enforced. Visible and conspicuous signage will be posted. BYOB limits shall be as follows:

Beer: One (1) 6-pack per patron.

Liquor: One (1) 750ML bottle per every 2-3 patrons.

Wine / Champagne: Three (3) 750ML bottles per every 2-3 patrons.

Additionally;

- Intoxicated individuals will be refused admittance onto the Premises.
- Servers, bartenders and front door personnel will be BASSET certified.
- It will be the policy of the Interim Management that any patron who appears to be intoxicated will be denied access to the keys to their vehicle, and alternate transportation made available.

#### **6. *Right to Refuse Entry***

While the Interim Management shall endeavor to create an inviting atmosphere, and welcome all who wish to patronize the Premises, as a private business, the Interim Management shall reserve the right to refuse admittance to the Premises to any individual(s) who, in the discretion of the Interim Management, may pose a risk to the safety and security of the Club, its business operations, Club employees, other patrons, the Premises, and/or the surrounding neighborhood, and will post visible signage indicating so.

The Interim Management, as part of its security operations outlined herein, will strive to send a strong message to the rougher clientele who previously frequented the Premises, that they are no longer welcome, and that the illegal business that was previously conducted on the Premises, will no longer be tolerated, and that police will be called.

The Interim Management will strive to quickly, efficiently, and effectively convey that message, so as to minimize any confrontations on the Premises with that group of individuals who previously frequented the Premises.

#### **7. *Security (Club Entry)***

All patrons will be required to pass through a full body metal detector prior to entering the club. Security personnel will be equipped at the front door with additional metal detecting wands to do secondary sweeps and searches, if necessary. Any weapons, or objects deemed to be able to be used as weapons, will be confiscated. Signage will be posted.

The identification (IDs) of all patrons will be swiped and scanned with handheld ID scanners that will store each Club patron's personal information so that in the event there is an incident the information can be retrieved for police. Additionally, in the event of the expulsion of an unruly patron, the ID scanner can notify us if that same unruly patron tries to re-enter on a subsequent night.

#### **8. *Occupancy***

The Interim Management, being experienced in large capacity nightclub environments, is well aware of the potential volatile nature of a business operating at or near maximum capacity when alcohol is involved, and the associated higher incidence of police calls. The Interim Management will exercise prudent capacity restrictions (more restrictive than currently limited by existing ordinance) when the Interim Management deems it is appropriate.

Occupancy will be monitored closely. Hand clickers will be used to determine the number of patrons who have entered / exited. Additionally, stationed security personnel will be informed of the occupancy limits of individual rooms and closely monitor those rooms so the occupancy limits are not exceeded. Upon maximum capacity being reached (whether governed by existing ordinance, or as may be periodically be voluntarily reduced by the Interim Management), additional patrons will be admitted only upon the same amount of patrons having exited. There will be no 'in-and-out' privileges granted to any patrons.

#### **9. Security (Club Operations)**

There will be strong security presence stationed within the club at strategic points as well as patrolling security personnel. There will be strong security presence outside the club as well, both stationed and patrolling, in addition to the extensive valet presence.

In the event that we are forecasting a larger than normal crowd on any specific night, one week's notice will be given to the police to alert them of that potential.

#### **10. Security (Close of Business)**

The Interim Management recognizes that, with respect to the city, law enforcement, as well as the neighboring community, that the business will be judged not just on how well it handles patrons entering the facility, but perhaps more so on how it handles patrons leaving the facility at the end of the night.

In order to limit the amount of patrons leaving at time of business close, and putting a strain on valet and security resources, approximately 45 minutes prior to close of business, the music genre will purposefully start to change, the music tempo will slow, services provided within the club will be noticeably reduced (and ultimately eliminated before close of business), and ongoing periodic announcements will be made reminding patrons that the business is getting ready to close. This action will spread out the departure of patrons to a more manageable and safer level, and not cause a rush for the door at time of close.

All exiting patrons will be contained to the front porta cache area, and will be surreptitiously surrounded by security personnel. Club doors will be locked upon the last patron leaving the building so as to prevent any attempted re-entry. No patrons will be allowed to spread out into the parking area beyond that which is safe to contain the number of patrons waiting for their vehicle. Valet personnel will work efficiently to prior position any remaining vehicles parked in the front of the building so as to accommodate the outflow of patrons at closing time. Valet personnel will be fully staffed and will work efficiently to provide each patron their vehicle as quickly as possible. A separate lane/area will be designated for any patrons with complaints about valet, or their vehicle, so as to keep the valet flow efficient.

#### **11. Noise Containment**

The Premises is situated deep within an industrial area and bordered by the Bishop Ford Expressway thereby causing no discernible noise or disruption to the immediate area, or to any neighboring residential areas. With the elimination of pedestrian traffic on Doty Road and the inability of walk-ups to gain access to the Premises (as outlined herein), the noise and disruption of the surrounding neighborhood should be greatly diminished, if not effectively eliminated.



## ***12. Lighting***

The building and all parking lots are brightly lit in accordance with City of Chicago's lighting ordinances.

## ***13. Gun Free Zone***

The Interim Management acknowledges the rights of duly licensed individuals to legally conceal/carry a registered legal firearm. The Interim Management shall nevertheless establish the Premises as a 'Gun Free Zone', wherein firearms will not be allowed. Conspicuous signage will be displayed.

## ***14. Cooperation & Participation – Community & Chicago Police Department***

All efforts will be made to listen to and timely address any and all concerns from the community, as well as the Chicago Police Department. Being a cooperative and concerned neighbor, as well as working productively with law enforcement, will be important considerations to the Interim Management. The Interim Management understands that it is reliant upon law enforcement, and will in turn, be a partner upon whom law enforcement can also rely.

Based on the pending agreement between Doty Road Ventures, LP and licensee The Goatee Group, LP, for the Purchase and Sale of the Premises, the Department of Business Affairs and Consumer Protection (BACP) will allow Interim Management, Doty Road Ventures, LP to operate the licensed business as a manager on the existing licenses held by The Goatee Group, LP; and to execute this Plan of Operation in its own name. The approval of Doty Road Ventures, LP as Interim Management is limited to a period of six (6) months from the execution of this Plan of Operation and subject to the requirement that Doty Road Ventures, LP agrees to complete and file an application for a Public Place of Amusement (PPA) License and Retail Food license with BACP within five (5) months of the execution date of this Plan of Operation. Provided Doty Rd Ventures, LP has completed and filed said application with the BACP timely within the above prescribed five (5) month deadline, and in the event BACP does not timely approve said application before the expiration of the six (6) month interim management period granted to Doty Rd Ventures, LP, the BACP will timely grant, without request, an extension to Doty Rd Ventures, LP so as to allow it to continue uninterrupted, to operate the licensed business as interim manager. Any such extension shall continue in force until such time that the BACP does formally approve or deny the application for a PPA License and Retail Food License.

If Doty Road Ventures, LP fails to timely complete and/or file an application for a Public Place of Amusement (PPA) License and Retail Food License with the BACP as required herein, and as a result, it has not been issued a PPA and/or Retail Food license within six (6) months of the date of execution of this Plan of Operation, it must seek an extension from BACP to continue to operate as Interim Management. The extension shall be requested in writing to BACP, and shall explain why the extension is necessary. Factors that BACP may consider in determining to grant an extension shall be if Doty Road Ventures, LP is timely and actively pursuing the required licenses, and any community, police, or aldermanic objections to the extension. If an extension is not sought by Doty Road Ventures, LP or is denied by BACP, and Doty Rd Ventures, LP continues to operate the licensed business without said extension being granted by the BACP, The Goatee Group, LP as Licensee hereby stipulates that an unlawful transfer of the licenses will have occurred as prohibited by Municipal Code of Chicago §4-4-190, and that the licenses are subject to revocation.


The conditions of this plan of operation are legally binding and may be enforced by the City of Chicago enforcement authorities. Violation of the above stated conditions may result in the imposition of a cease and desist order and fines in addition to license suspension or revocation.

The conditions imposed pursuant to this plan of operation shall apply to the business address; Doty Road Ventures, LP as Interim Management for The Goatee Group, LP; all officers, managers, partners, and direct or indirect owners of Doty Road Ventures LP; The Goatee Group, LP 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 above conditions on 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. In the event that Doty Road Ventures, LP's license applications are approved by BACP, The Goatee Group, LP is relieved of conditions of this Plan of Operation.

It shall be the duty of every person conducting, engaging in, operating, carrying on or managing the above-mentioned business entity to post this plan of operation next to the license certificate in a conspicuous place at the business address. No change in the plan of Operation can be made without prior notice and approval by BACP.

**Licensee:** Doty Road Ventures, LP as Interim Management for The Goatee Group, LP

**Business Address:** 12050-54 S. Doty Road  
Chicago, Illinois 60628

By:   
Doty Road Ventures, LP as Interim Management for The Goatee Group, LP

By:   
Member, The Goatee Group, LP

By:  -and-  
Maria Guerra Lapacek, Commissioner  
Business Affairs and Consumer Protection

Date: 11/30/15