



# Liquor/Beer License Application

City of Madison Clerk  
210 MLK Jr Blvd, Room 103  
Madison, WI 53703

[licensing@cityofmadison.com](mailto:licensing@cityofmadison.com)  
608-266-4601

Class A: ☐ Beer, ☐ Liquor, ☐ Cider  
Class B: ☐ Beer, ☒ Liquor,  
☐ Class C Wine

(Agenda Item Number)

58367

(Legistar file number)

UCLIB-2019-01089

(License number)

15

(Alder District #)

513

(Police Sector)

Office Use Only

## Section A – Applicant

- List the name of your ☐ Sole Proprietor, ☐ Partnership, ☐ Corporation/Nonprofit Organization or ☒ Limited Liability Company exactly as it appears on your State Seller's Permit.  
DOWNTOWN MADISON INVESTMENTS LLC
- Trade Name (doing business as) SILK EXOTIC MADISON EAST GENTLEMEN'S CLUB
- Address to be licensed 3554 E WASHINGTON AVE MADISON WI 53704
- Mailing address 11400 W SILVER SPRING RD MILWAUKEE WI 53225
- Anticipated opening date MARCH 2020
- Is the applicant an employee or agent of, or acting of behalf of anyone except the applicant named in question 1?  
☒ No ☐ Yes (explain)  
\_\_\_\_\_
- Does another alcohol beverage licensee or wholesale permittee have interest in this business? ☒ No ☐ Yes (explain)  
\_\_\_\_\_

## Section B—Premises

- Describe in words the building or buildings where alcohol beverages are to be sold and stored. Include all rooms including living quarters, if used, and any outdoor seating used for the sales, service, and/or storage of alcohol beverages and receipts. Alcohol beverages may be sold and stored only on the premises as approved by Common Council and described on license.

FIRST FLOOR AND BASEMENT.

9. Applicants for on-premises consumption only. Estimated capacity (patrons and employees):

Indoor: ± 150 Outdoor: 0

10. Describe existing parking and how parking lot is to be monitored.

CURRENT PARKING LOT HAS ABOUT 8 SPOTS ; PARKING LOT TO BE MONITORED BY THIRD PARTY SECURITY ; VALET AVAILABLE (PROFESSIONAL COMPANY TO SECURE OFFSITE PARKING)

11. Was this premises licensed for the sale of liquor or beer during the past license year?

☐ No ☒ Yes, license issued to T.C. VISIONS INC (name of licensee)

### Section C—Corporate Information

This section applies to corporations, nonprofit organizations, and Limited Liability Companies only. Sole proprietorships and partnerships, skip to Section D.

12. Name of liquor license agent KYLE ZUBKE

13. City, state in which agent resides WANNABEE WI

14. How long has the agent continuously resided in the State of Wisconsin? 4 YRS

15. Has the liquor license agent completed the responsible beverage server training course?

☐ No, but will complete prior to ALRC meeting ☒ Yes, date completed 10/24/19

16. State and date of registration of corporation, nonprofit organization, or LLC.

WI 4/24/19

17. In the table below list the directors of your corporation or the members of your LLC.

☒ Attach background check forms for each director/member.

Title	Name	City and State of Residence
PRESIDENT	SCOTT KRAHN	HARTLAND WI
TREASURER	JOSEPH MODL	HARTLAND WI
SECRETARY	CRAIG PLOETZ	COLGATE WI

18. Registered agent for your corporation or LLC. This is your agent for service of process, notice or demand required or permitted by law to be served on the corporation. This is not necessarily the same as your liquor agent.

SCOTT KRAHN

19. Is applicant a subsidiary of any other corporation or LLC?

☒ No ☐ Yes (explain) \_\_\_\_\_

20. Does the corporation, any officer, any director, any stockholder, liquor agent, LLC, any member, or any manager hold any interest in any other alcohol beverage license or permit in Wisconsin?

☐ No ☒ Yes (explain) \* SEE ATTACHED

### Section D—Business Plan

21. What type of establishment is contemplated?

- ☒ Tavern ☒ Nightclub ☐ Restaurant ☐ Liquor Store ☐ Grocery Store  
☐ Convenience Store without gas pumps ☐ Convenience Store with gas pumps  
☒ Other GENTLEMEN'S CLUB

22. Private organizations (clubs): Do your membership policies contain any requirement of "invidious" (likely to give offense) discrimination in regard to race, creed, color, or national origin? ☒ No ☐ Yes

23. Hours of operation: please enter opening and closing times in the table below.

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
7PM - 2AM	7PM - 2AM	7PM - 2AM	7PM - 2AM	7PM - 2AM	7PM - 2:30AM	7PM - 2:30AM
(Class B only) Enter below any hours when food service will not be available, if applicable						
-	-	-	-	-	-	-

### Section E—Consumption on Premises

*This section applies to Class B and Class C applicants only. Class A license applicants (consumption off premises) may skip to Section F.*

24. Indicate any other product/service offered. LIVE ENTERTAINMENT

25. All restaurants and taverns serving alcohol must substantiate their gross receipts for food and alcohol beverage sales broken down by percentage. (Note: Non-alcoholic drinks are classified as "Food.") New establishments estimate percentages:

50 % Alcohol            % Food 50 % Other

If applicable, describe "Other": ADMISSIONS: 10% ENTERTAINMENT: 40%

Do you have written records to document the percentages shown? ☐ No ☒ Yes  
You may be required to submit documentation verifying the percentages indicated.

26. Do you plan to have live entertainment? ☐ No ☒ Yes—what kind? EXOTIC DANCE WITH DJ

If planned entertainment includes live music (except solo acoustic), a DJ, or a designated dance floor, please also complete an Entertainment License.

### Section F—Required Contacts and Filings

27. I understand that liquor/beer license renewal applications are due April 15 of every year, regardless of when license was initially granted. ☐ No ☒ Yes

28. I understand that I am required to host an information session at least one week before the ALRC meeting. ☐ No ☒ Yes

29. I agree to contact the Alderperson for this location to discuss my application and to invite the Alderperson to my information session. ☐ No ☒ Yes

30. I agree to contact the Police Department District Captain for this location prior to the ALRC meeting. ☐ No ☒ Yes
31. I agree to contact the Deputy Clerk prior to the ALRC meeting. ☐ No ☒ Yes
32. I agree to contact the neighborhood association representative prior to the ALRC meeting. ☐ No ☒ Yes
33. I intend to operate under the alcohol license within 90 days of the Common Council granting this license. The license shall be considered surrendered if not issued within 90 days of being granted. ☐ No ☒ Yes
34. I understand we must file a Special Occupational Tax return (TTB form 5630.5) before beginning business. [phone 1-800-937-8864] ☐ No ☒ Yes
35. I understand a Wisconsin Seller's Permit must be applied for and issued in the same name as that shown in question 1, above. [phone 608-266-2776] ☐ No ☒ Yes
36. Is the applicant indebted to any wholesaler beyond 15 days for beer or 30 days for liquor? ☒ No ☐ Yes

### Section G—Information for Clerk's Office

37. This application is for the license period ending June 30, 2020.
38. State Seller's Permit 4 5 6 - 1 0 3 0 4 7 4 1 3 7 - 0 4
39. Federal Employer Identification Number 83-4522867
40. Who may we contact between 8 a.m. and 4:30 p.m. regarding this license?

Contact person KYLE ZUBKE

Business phone 920 988 9865 Business e-mail address K. ZUBKE @ SILKEXOTIC.COM

Preferred language ENGLISH

If needed, a qualified interpreter can be provided at no charge to you. Would you like an interpreter?

☐ Yes (language: \_\_\_\_\_)

☒ No (If you answer no and you do require an interpreter, the ALRC will refer your application to a subsequent meeting and this may delay your application process)

Si usted requiere o necesita un/a intérprete, nosotros podemos proveer un/a intérprete sin costo alguno. ¿Le gustaría tener un/a intérprete?

☐ Sí, lenguaje: \_\_\_\_\_

☐ No. Si usted escoge "no" en la solicitud/aplicación, y usted sí requiere un/a intérprete, el comité remitirá su solicitud para una nueva junta y esto puede atrasar el proceso de su solicitud.

41. Corporate attorney, if applicable: Name JEFF SCOTT OLSON (JEFF SCOTT OLSON LAW FIRM)
- Phone 608 283 6001 E-mail SCRANDALL @ SCOFFLAW.COM

**NOTICE:** Completed application are due by noon of the third Monday (fourth, if the Clerk's office is closed on the third Monday) to get on the agenda for the proceeding months Alcohol License Review Committee. A completed application **must** be accompanied by the following items:

- ☒ Copy of State Seller's Permit (Not Business Tax Registration Certificate), ☒ Appointment of Agent (if Corp/LLC),
- ☒ Member background investigation forms, ☒ Articles of Incorporation (if Corp/LLC), ☒ Floor Plans,
- ☒ Copy of Lease, ☒ Business Plan, and ☐ Sample Menu (if applying for Class B license)

If required items are missing, the application will not be considered complete and will not be accepted by the Clerk's Office until all requirements are submitted. No exceptions are made.

**Read carefully before signing:** Under penalty provided by law, the applicant states that the above information has been truthfully completed to the best of the knowledge of the signer. Signer agrees to operate the business according to law, and that the rights and responsibilities conferred by the license(s), if granted, will not be assigned to another. Lack of access to any portion of licensed premises during inspection will be deemed a refusal to permit inspection. Such refusal is a misdemeanor and grounds for revocation of this license.

Penalty for materially false application information: Any person who knowingly provides materially false information on this application may be required to forfeit not more than \$1,000.

  
 \_\_\_\_\_  
 (Officer of Corporation/Member of LLC/Partner/Sole Proprietor)

10/23/19  
 \_\_\_\_\_  
 (Date)

<b>Clerk's Office checklist for complete applications</b>		
<input type="checkbox"/> WI Seller's Permit Certificate (matching articles of incorporation) <input type="checkbox"/> FEIN <input type="checkbox"/> Written description of premises	<input type="checkbox"/> Background investigation form(s) <input type="checkbox"/> Form for surrender of previous license <input type="checkbox"/> *Articles of Incorporation <input type="checkbox"/> *Appointment of Agent * Corporation/LLC only	<input type="checkbox"/> Floor Plans <input type="checkbox"/> Lease <input type="checkbox"/> Business Plan <input type="checkbox"/> **Sample Menu ** Class B only
<b>Upon Application Submission, the Clerk's Office issued to the application:</b>		
<input type="checkbox"/> Orange sign <input type="checkbox"/> Orange business card <input type="checkbox"/> "Applying for a Liquor/Beer License in the City of Madison" brochure with contact information		
Date complete application filed with Clerk's Office _____		
Date of ALRC meeting _____ Date license granted by Common Council _____		
Date provisional issued _____ Date license issued _____		

## **Silk Madison East Location Business Proposal**

**Address:** 3554 E Washington Ave, Madison WI 53704

**Investment:** Renovations and improvements of interior and exterior of building. Money will be personally invested by owners without any bank loans thereby proving their commitment to the project.

Scott Krahn, Joe Modl, and Craig Ploetz, who together own Downtown Madison Investments, LLC, also own four Silk Exotic Gentlemen's Clubs:

2 in downtown Milwaukee

1 on the northwest side of Milwaukee

1 in the Town of Middleton

Scott is a retired Milwaukee police officer and firefighter; Joe is a retired Postal worker. Scott and Joe invest in the Silk organizations but play no role in managing the clubs. Craig is an investor in and manager of the four Silk clubs.

Kyle Zubke, who will be the liquor license agent for DMI, is also the agent on the license of the Silk in Middleton. He is the Director of Operations of the four Silk operations. Kyle has worked in the adult entertainment industry since 2006.

The Silk club on the Northwest side of Milwaukee has been open since 2003, and for the past 16 years, has established an excellent track record of running a clean club that has a good relationship with law enforcement and is a good neighbor in the community.

The Silk club in Middleton opened in 2009, and for the past 10 years, it, too, has established a record of running a club that has maintains a cooperative relationship with law enforcement and causes no trouble in the community.

There are 2 Silk clubs located in downtown Milwaukee. One has been open for 18 months; the other, for 6 months. Both have established a good relationship with law enforcement and the neighborhood.

At all Silk locations the staff emphasizes taking pro-active, preventive security measures, (striving to be aware of any potential problems and to resolve those problems before they start) and attracting high end patrons and deterring troublemakers.

**Operation:**

**Hours:** Sun-Thu 7pm-2am; Fri-Sat 7pm-2:30am

**Parking** will be provided by a valet company and will be off-site. Zenith Limousine Company, a well-known local valet company that serves restaurants on the Square, contracts with nearby surface parking or parking structures where it will park staff and customers' cars. Silk has two clubs in downtown Milwaukee that have no parking lot or street parking available and have worked with valet companies and surrounding businesses for several years to make the lack of parking a non-issue.

Also, since Visions is not a large club, to further alleviate parking problems, when bachelor parties or large groups seek to make a reservation, those will be referred to Silk in Middleton which has ample parking for large parties. We incentivize large parties to go to the Middleton location by giving the entire group free admission.

**Noise level** will be minimal and contained within the interior of the club. We use state-of-the-art soundproofing. Our clientele prefers lounge-like, social atmosphere not loud club music. We hire a professional sound company to set limits on the sound system so we do not disturb neighbors.

**Security:** Our entire staff goes through an extensive training program on how to handle every possible scenario. There will a dress code that is strictly enforced. A positive attitude is required to enter the premises. Patrons who arrive already intoxicated or unruly will not be permitted entry and will be removed from the parking lot. Thirty-two security cameras will be installed to record the interior and exterior of the building.

There will be a significant remodeling of the club, with a more subtle exterior and added lighting in the parking lot.

Floor hosts who have been trained in security measures will monitor entering patrons and check IDs at the front entrance. They will use state of the art metal detectors and wand all patrons wanting to enter the premises, and purses will also be checked. No weapons will be allowed inside the establishment under any circumstances.

Additional floor hosts will make sure everyone inside is comfortable and undisturbed, contributing to a serene atmosphere. Upon closing, floor hosts will ensure that all patrons, employees, and entertainers leave safely and in an orderly manner. Uniformed professional security personnel will patrol outside the club from opening until last patron leaves the area safely.

The security firm of Endres and Endl (operated by ex-sheriff's deputies from Dane County) has been retained to patrol the parking lot and exterior from opening until last patron safely leaves the area. They will ensure that loiterers and potential troublemakers are not allowed to linger, with an emphasis on deterring problems before they can take root.

**Neighborhood:** employees and cleaning staff will make sure the property and the area surrounding the property is cleaned every day and night. There will not be any unsightly waste or garbage anywhere in the vicinity of the building.

SILK MADISON EAST FLOOR PLAN  
DOWNTOWN MADISON INVESTMENTS LLC

