HEY NONNY

LOCAL MUSIC * LOCAL FOOD * LOCAL DRINKS

BUSINESS PLAN SUMMARY September 13, 2017



THE GIST

HEY NONNY will be an intimate music venue, with an accompanying restaurant/bar, located at 10 S. Vail Ave. in Arlington Heights. Its theme is LOCAL – "Local Music, Local Food, Local Drink." The 3,900 square feet of space will be divided internally into two unified, but separable, public areas. First, it will feature a music venue/event room (the "Nonny Club") holding about 110 seated or up to 160 standing. The venue will have music nightly (Tuesday – Sunday), presenting the best Chicagoarea performers, along with up and coming touring acts. It will be a "listening room," for concerts in a club setting. Second there will be a restaurant/bar (the "Nonny Bar") with 60 seats for drinking and eating. An additional 16 seats at hi-top tables in the Nonny Club will provide additional seating for VIP and overflow dining. The gastropub environment will feature simple (not expensive) mostly Midwestern-sourced farm-totable foods. Drinks will focus on local beers and hand-crafted cocktails made with liquors and other ingredients from Midwest sources.

HEY NONNY?

"Hey Nonny Nonny" is an old English expression — often used in songs — for being carefree or unburdened. Shakespeare made "Hey Nonny Nonny" the central element of his "Sigh No More" song in the romantic comedy *Much Ado About Nothing*. There, Shakespeare tells us to be "blithe and bonny, converting all your sounds of woe into Hey Nonny Nonny." In 1991, Milwaukee rock band the Violent Femmes released a "Hey Nonny Nonny" song with a different lyric, but the same "let it go" message of carefree release. Music and release from the cares of the day — that's what HEY NONNY is about.

HEY NONNY'S UNIQUE MARKET OPPORTUNITY

HEY NONNY will be a centerpiece in the ongoing transformation of downtown Arlington Heights to a dining and entertainment hub/destination.

A. Location. The HEY NONNY space is in the center of downtown Arlington Heights. It is:

- part of a performing arts/restaurant complex located at Arlington Heights' central intersection: Campbell and Vail Streets;
- immediately across the street from Harmony Park, the primary gathering place for the community; and
- immediately north of Arlington Heights' largest parking garage.
- **B.** The Metropolis Entertainment Complex. The HEY NONNY building is part of a unified, internally-connected three-building entertainment complex that is Arlington Heights' dining and entertainment hub. It includes:
 - **Metropolis Performing Arts Center**. With an active 320-seat theater and a performing arts school.
 - **Metropolis Ballroom.** HEY NONNY's upstairs neighbor has four private event spaces, seating 250 (to be expanded soon), 80, 60 and 30 respectively.
 - **Armand's Restaurant.** Right across an interior hallway from HEY NONNY, featuring a popular burgers, pizza, and pasta menu.
 - Mago Restaurant. A Mexican restaurant on both sides of the Metropolis PAC lobby on Campbell Street.
 - **Big Shot Piano Bar.** A popular sing-along piano bar, which also serves dinner. It is ArlingA.ton Heights' favorite late night spot.
 - Arlington Ale House. A large new game and beer focused bar on the third floor of the Metropolis PAC building. It is Arlington Heights' only food-less bar.
- **C. Other Central Downtown Dining**. There are 13 other restaurants within 2 blocks of HEY NONNY:
 - Peggy Kinnane's. A popular Irish pub and restaurant.
 - La Tasca. A tapas restaurant.
 - Carlos & Carlos. An Italian restaurant run by Guatemalan Carlos Montiel.
 - Salsa 17. Large Mexican restaurant with table-made guacamole.
 - Cortland's Garage. Suburban outpost of popular Chicago bar, featuring burgers.
 - Tuscan Market. Bar with very limited food. Popular meeting spot.
 - Ttowa, Korean restaurant.
 - California Pizza Kitchen. The only "franchise" place downtown.
 - Dunton House. Diner (breakfast through dinner) with liquor license.
 - Bangkok Café. One of three Thai restaurants in downtown Arlington Heights.
 - Pho An Heights. A Vietnamese Pho restaurant.
 - Shakou Sushi. The Arlington Heights location opened in June, 2017.
 - Passero. A small Italian restaurant, opening in the fall of 2017.

There are no farm-to-table/local foods restaurants in or near Arlington Heights. The closest is the recently-opened Farmhouse on North in Barrington, about 9 miles from downtown Arlington Heights. There are no establishments in downtown Arlington Heights emphasizing a creative craft cocktail drink menu.

- **D. Downtown Entertainment**. Entertainment options in downtown Arlington Heights include the following:
 - Metropolis PAC. Presents over 400 events per year, of which about 200 are ticketed events (usually Thursday – Sunday); mostly plays. Music tends toward the over-60 audience.
 - Big Shot Piano Lounge. Piano bar five nights a week; no cover.
 - Peggy Kinnane's. Cover bands many weekends; \$5 cover.
 - Paragon Movie Theaters. Two blocks from HEY NONNY is a 5 screen multiplex.
 - Arlington Ale House. Background music and open mic. No cover.

None of these presents a ticketed event listening room club setting like that planned for HEY NONNY. At present, the entertainment options in downtown Arlington Heights are insufficient (in number and quality) to hold up the "entertainment" end of a "dining and entertainment hub."

E. Other Area Music Venues. Other music options in the area include:

- Mac's On Slade. A small (capacity about 70) bar in Palatine, serving bar food, and presenting blues and jazz Thurs. – Sat.; no cover. Recently closed and sold. Likely to re-open with similar format.
- Durty Nellies. Palatine has a bar food restaurant and separate large (800 people). Mostly tribute and cover bands with a \$7-\$10 cover, 3 nights a week.
- H.O.M.E. In a strip mall, a huge sports bar/restaurant with a 15,000 square foot entertainment venue with a capacity of over 1,000. Mostly D.J.s Fridays and Saturdays. Rarely bands. Admission is \$7 to \$15 at the door.

F. HEY NONNY's Competitive Market Position and Opportunity. As noted above, there is nothing like HEY NONNY anywhere in the Northwest suburbs. There is no "listening room" club presenting concerts in an intimate acoustically pristine setting. The nearest farm-to-table restaurant is in Barrington. And there is nothing in the Chicago area that combines these two elements. The geographically closest analog to HEY NONNY is the SPACE/Union Pizzeria combination in Evanston. In a room about 50% larger than HEY NONNY'S music venue room (2000 sq. ft. vs. 1400 sq. ft.), SPACE presents a wide variety of musical genres with a usual capacity of 240 (80 people at cocktail tables, 80 seated without cocktail tables, and 80 standing). The adjoining Union Pizzeria features a wood-burning pizza oven (it serves other things too) and seats about 120. Dining at the Nonny Bar will be driven by attendees at Nonny Club music performances. Northwest suburban audiences have demonstrated that they will pay \$10 to \$30 for a music club concert: over 10% of the SPACE audience has driven 15-24 miles to Evanston from the Northwest suburbs. That said, for HEY NONNY to realize its full potential, downtown Arlington Heights must develop its potential as a dining and entertainment hub.

- **G.** The Downtown Arlington Heights Opportunity. Downtown Arlington Heights represents an opportunity. With investment, cooperation and effort, downtown Arlington Heights can be a dining/entertainment "destination" beyond the draw of its constituent elements.
 - There is a significant core of dining options, closely grouped to permit on foot inter-establishment strolling.
 - There is abundant parking, if properly organized. However, there is work to be done to organize it, and to educate the public.
 - The Metropolis PAC is now on solid financial footing and is increasing its audience.
 - There is a collection of leaders/operators that are interested in collective promotion of downtown Arlington Heights: Tom Manetti (Ballroom); Larry Rebodos (Big Shot); Derek Hanley (Peggy Kinnane's); Colin and Lisa Gilbert (Tuscan Market); Brian Roginski (Cortland's); and Joe Keefe (Metropolis).
 - There are over 500,000 people living within a 12-minute drive of downtown Arlington Heights.
 - There is no other walking-centered "downtown" dining and entertainment center in the area.
 - Arlington Heights is the geographic and population center of the Northwest suburbs with solid average household incomes.
 - Arlington Heights is attracting a significant number of young families.
 - The Village of Arlington Heights supports the ongoing development of a downtown dining and entertainment hub.

That said, there is substantial work to be done to organize the business and governmental forces necessary to develop and hone a promotional theme and style, and to finance and implement a Downtown Arlington dining and entertainment district.

HEY NONNY DESIGN

HEY NONNY will be located in about 3,900 square feet of commercial condominium space at 10 S. Vail Ave. The HEY NONNY space is nearly square — roughly 61 feet by 64 feet, with the street exposure measuring 61 feet. The space will be configured into three primary sections: (1) the Nonny Bar gastropub space along the north and east (street) portions of the space, occupying about 1200 square feet; (2) the Nonny Club venue in the southeastern quadrant of the space, occupying about 1400 square feet (including a small "green room"; and (3) a back of house area containing kitchen, storage, coolers, dishwashing, and bathrooms, occupying about 1200 square feet. The Chicago firm d+k Archtects and Interiors has been retained for the design work on HEY NONNY.

The main entrance to HEY NONNY will be in the center on the east (street) side. The entrance will lead directly to a host/ticket station, from which guests will be directed

to their dining seat, to the bar, or into the venue. There will be a second entrance in the northwest corner from the interior hallway leading to the Metropolis Ballroom, the Metropolis Theatre, Armand's, Mago and the Big Shot Piano Lounge. The Nonny Bar gastropub will have table seating for about 50 and another 10 seats at the bar. The streetside windows in both the bar and venue rooms look out on Vail Avenue and across the street to Harmony Park, and will have low knee walls, above which will be windows that can open to the sidewalk and the street. Outside those windows will be five tables for sidewalk dining in the warm weather months. The focal point of the gastropub will be the 25-foot-long bar, behind which will be a muraled wall separating the bar and venue rooms. The wall will be permanent up to bar height, and above that will be able to retract upwards into the ceiling, opening the bar and venue rooms up to one another. When the wall is open, 50 of the 60 seats in the Nonny Bar room will provide a view directly to the stage in the Nonny Club venue. All seats in the Nonny Bar, except for the four tables next to the windows, will be a hi-top/bar level, to enhance sightlines into the venue.

The Nonny Club venue will have a stage approximately 18 feet wide and about 15 feet deep in the southwest corner. The stage will be designed with a wood backdrop with a vertical element and a curtain that can be either pushed to the sides, or used to provide a full backdrop. The wood background (no curtain) will be used to project sound for shows that are mostly or completely acoustic, while the curtain will be deployed for shows that are more amplified. The stage will be about 20 inches high. The only permanent seating will be the four hi-tops next to the windows, so that the room can be configured flexibly depending on the music being presented. The standard arrangement will have seating for 64 around 16 small 4-top cocktail tables arrayed in front of the stage, 16 at the four high-top rectangular tables adjacent to the windows. and standing room or seats with no tables for another 15 to 30 people (for total seated capacity of 95 to 110). An all-standing room show will have a capacity of 160 (with the four 4-tops remaining in place). There will be a small "green room" for performers adjacent to the venue space. The Nonny Club will feature a top-quality sound system. designed by T.C. Furlong, Inc. of Lake Forest, that can serve both band and DJ/dance functions. Stage lighting will be professionally designed and installed, with both sound and lights operated from a sound booth at the rear of the venue.

The restaurant/bar décor will be bright "prairie modern." The floors will retain the existing concrete (smoothed and coated), showing the outlines of the space's former bank existence. The North wall will have a long banquette with fabric in a deep blue theme color, and above it a wall of dark wood trimming fabric sections (with acoustic baffling behind them), which will provide some sonic control. The north wall will also feature an "art rail," from which a changing set of paintings and objects will be displayed. That theme will be repeated on the south wall in the venue, with wood panels below a drink rail and the wood trim/fabric theme above it. The place will feel like it is in the River North area of Chicago, providing a comfortable sophisticated environment for casual dining and interesting entertainment.

HEY NONNY DEMOGRAPHIC

HEY NONNY's design target is the 30-40 year-old parents of elementary and middle school students. That will also be the target demographic for Fridays and Saturdays at HEY NONNY, but the target for weekday and Sunday shows and dining will skew older. Obviously, HEY NONNY's menu and entertainment will appeal to a wide range of people, but the menu, design, and entertainment will all be focused on the young parents crowd. It should remind that group of the places they loved when they lived in Chicago.

HEY NONNY OPERATIONS

A. Hours. HEY NONNY will be open from 5 – midnight Tuesday through Thursday, from 3 p.m. to 1 a.m. on Friday, from 10:00 a.m. to 1 a.m. on Saturday, and from 10 a.m. to 8 p.m. on Sundays. It will be closed on Mondays.

B. Local Music

Chicago is the home to amazing musicians and bands known world-wide. But most people in the Northwest suburbs never hear those great performers, because the artists are either touring, or are playing in Chicago (which many of our residents find unfamiliar or inconvenient). HEY NONNY will bring those great talents to Arlington Heights, where they can be appreciated in an intimate "listening room." The club will also present up and coming touring bands for whom an intimate Chicago-area listening room is the perfect venue.

HEY NONNY will not feature any particular style or genre of music, other than to focus on performances that are suited to an intimate listening room. Thus, guests will hear cabaret, jazz, blues, Latin, country/Americana, chamber music, folksingers, pop, and every other style, all up close and personal. HEY NONNY will also play a significant role in providing a performance space for young area performers learning their craft. A typical week might look like this:

- Tuesdays. Open 5 p.m. to midnight. In the Nonny Club venue, the theme will change between Upcoming Talent Night (young and new performers, including school groups) and the Songwriters' Circle, with 3 or 4 singer-songwriters taking turns on songs, as in the Bluebird Café in Nashville. \$5 cover.
- Wednesdays. Open 5 p.m. to midnight. Jazz and Cabaret Night, featuring the best jazz and cabaret performers in Chicago. \$10 ticket/cover.
- Thursdays. Open 5 p.m. to midnight. Residency Night. One central performer will appear each Thursday for a 3-month residency in the Nonny Club, being accompanied each week by a different supporting cast. Residents may include Robbie Fulks, Jon Langford, Michael Miles, Jason Narducy, Sugar Blue and Anna Fermin. \$12 ticket/cover.
- Fridays. Open 3 p.m. to 1 a.m. There will be free entertainment for a HEY NONNY Happy Hour from 3 to 6, with the Big Wall between the bar and the

- venue wide open. At 6 p.m., the wall will close, and then great Chicago and touring performers will present two shows at 8 p.m. and 10 p.m. \$12-\$50 ticket/cover.
- Saturdays. Open 10:00 a.m. to 1 p.m. HEY NONNY will serve brunch from 10:30 to 3 p.m. in both the venue and bar rooms, with music on stage and the Big Wall open. Later major Chicago and touring performer will present two shows in the venue, at 8 p.m. and 10 p.m. \$12-\$50 ticket/cover.
- Sundays. Open 10 a.m. to 8 p.m. There will be a Jazz Brunch served from 10 a.m. 2:00 p.m., in both the venue and bar rooms, with jazz on stage with no additional charge. Later in the afternoon at 4 p.m., there will be a Bubble Chamber series, pairing various forms of chamber music with featured beverages. Bubble Chamber will be a \$10 ticket/cover.

Tickets will be sold in advance online and at the door for all music events. There will be limited food service in the NONNY Club room. With some exceptions, music events will be "all ages."

C. Local Food

HEY NONNY will focus on Midwest sourced foods, with significant suppliers noted on the menu. The "farm-to-table" food trend embraces a wide range of food sophistication. HEY NONNY will be at the simpler gastropub spectrum. It will feature mostly dishes that people have heard of, but which are not available at other downtown Arlington Heights restaurants. Two suppliers will be particularly important: Local Foods, a Chicago distributor of produce, meats and products from Midwestern farms, and Aqua-Terra Farms in Bristol, Wisconsin, a source of arctic char fish and variety of aqua-ponically-grown greens and vegetables (year round). One of the Aqua-Terra owners is an Arlington Heights resident.

Here is a concept of what a menu might look like, though the actual day-to-day menu will be shorter, and will feature seasonal specials:

Snacks/Apps/Small Plates		
Bacon fat fries \$5. Nonny ketchup	Brussels Sprouts. \$10. Homemade chorizo / pickled red onions / feta cheese / cilantro vinaigrette	Slagel Family Farms Swedish Meatballs. \$8. Honey-parsnip puree, Gaufrette potato, fried parsley, huckleberry
Wisconsin Cheese Curds. \$9 House-Made ketchup, spicy curd sauce.	Fresh Garden Hummus. \$10. Fermented chickpeas / tahini / fresh lemon / roasted seasonal vegetables / crudites / house made naan	Pork on a Waffle. \$12. Cornmeal waffle / pulled BBQ pork / local slaw / maple syrup drizzle
Charcuterie and Cheeses		
Soups and Salads		
Red Russian Kale. \$11. Ruby red chard / honey crisp apple / red cabbage / dried cranberries /	Mick Klug Farm Apple Salad. \$10. Shaved apples / red oak leaf / Parisienne apples /	Golden Beet Salad. \$9. Satsuma mandarin / macadamia nut / yogurt

Adams shares I II II II		
Mona cheese / olive oil croutons / green buttermilk dressing	candied pumpkin seeds / manchego cheese / caramel apple vinaigrette	
Arugula Salad. \$10. Freekah / toasted almonds / golden raisins / roasted cauliflower / fennel-yogurt vinaigrette.	Butternut Squash Soup. \$6. Butternut squash / curry / chevre / toastette.	Chicken Orzo Soup. \$6.
Sandwiches		
Roasted Amish Chicken Club. \$13 Butter blanched kale, beet pickled shallots, Catalpa Grove bacon, baby swiss cheese, black garlic ale mustard, toasted ciabatta, with kettle chips	HEY NONNY Burger. \$12. Slagel beef, bacon / cheddar / pickle / sesame bun / chips	Midwestern Grilled Cheese. \$12. Sharp Cheddar & Muenster, House pimento Cheese, toasted brioche, Malted Tomato soup
Large Plates		
Bucatini. \$14. Cacio e pepe / pecorino romano / black pepper	Arctic Char. \$20. Brussels sprouts / tomatoes / fennel / pomegranate reduction	Phyllo Strudel. \$16. Local mushrooms / tomato concasse / goat cheese / creamed spinach
Amish Half Chicken. \$22. Mustard dill spaeztle / crunchy salad / chicken jus	Stuffed Pork Chop. \$22. Chorizo and pumpkin seed stuffing / roasted poblano mashed potatoes / pan sauce	Grass-Fed Steak Frites. \$22. Marinated flat-iron steak, caramelized mushrooms and onions, black ale jus, hand cut fries
Desserts		
Chocolate Pecan Pie \$7	Hyper-Chocolate cake \$7.	Apple Buckle. \$8. Oatmeal – graham streusel / brown butter gelato
Butter Cake. \$9. Poached pear / cranberries / walnuts	House made gelatos. \$6.	
Late Night		
Pasty. \$10. Classic Upper Peninsula turnover with rutabaga, redskin potato, carrots, onion and beef	Empanadas (3). \$9 Mushroom Chorizo	Fresh Garden Hummus. \$10. Fermented chickpeas / tahini / fresh lemon / roasted seasonal vegetables / crudites / house made naan

D. Local Drinks

Craft cocktails will be the centerpiece of the HEY NONNY beverage program, with a changing list of featured cocktails. The cocktails will focus on products from Midwestern distilleries, including Few (Evanston), Chicago Distilling (Chicago), Letherbee (Chicago), CH Distillery (Chicago), Koval (Chicago), Rhine Hall (Chicago), North Shore (Lake Bluff), Death's Door (Middleton, WI), Yahara Bay (Madison, WI), Journeyman (Three Oaks, MI), Great Lakes (Milwaukee), and New Holland (Holland, MI). An experienced bar staff will combine showmanship and deep product knowledge

to make cocktail service a central part of the HEY NONNY show. No other Arlington Heights establishment emphasizes sophisticated craft cocktail service.

The HEY NONNY Bar will feature a rotating menu of 5-8 featured draft beers, with others available in bottles. There is no shortage of strong local beer suppliers. Events featuring specific beer and liquor producers will be held monthly in the HEY NONNY Bar.

"Local" wines are different story. Consumers are not clamoring for Midwestern wines, which are not well known, and which consumers perceive as being of low quality. The HEY NONNY Bar will include a few high-quality Michigan wines (sparkling wines from L. Mawby in Suttons Bay; pinot noir from Black Star Farms in Suttons Bay, Cabernet Sauvignon from Domaine Berrien in Berrien Springs, Chardonnay from Bower's Harbor in Traverse City, and Riesling from Shady Lane in Suttons Bay). But the majority of wines offered will be from outside the Midwest.

Finally, HEY NONNY will feature some non-alcoholic drink specialties, including juiced fruits and vegetables in the summer and drinking chocolate (a thick and intense version of hot cocoa) in winter.

V. HEY NONNY MANAGEMENT AND DEVELOPMENT SCHEDULE

Harmony Hospitality LLC will be the operating entity for HEY NONNY. It will lease the premises from the owner, Hey Nonny Metropolis, LLC. Both entities are co-owned by Chip Brooks and Chris Dungan, who will both be actively and intensively involved in the operation of HEY NONNY. Despite their involvement, HEY NONNY will in addition have and be operated by a professional operations staff.

A. OWNERS.

Chip Brooks is a long time (30+ years) Arlington Heights resident. Chip is a native of Kalamazoo, Michigan, with an undergraduate degree from Northern Michigan University and a law degree from University of Michigan. From high school through his early years in Chicago, Chip played drums/percussion in orchestras, polka bands, jazz bands, party bands, theater pit bands, big bands, and the Arlington Heights Community Concert Band. He moved to Chicago in 1980, and practiced law as a business litigation attorney with international law firm Holland & Knight (and a predecessor) for 36 years before retiring in 2016 to pursue the goal of creating a music

venue in Arlington Heights. While still practicing law, Chip served five months as an unpaid music intern at SPACE in Evanston, working three nights a week on the details of music venue operation. For four years, Chip has served on the Board of Directors of the Northwest Suburban Community Concert Association. Chip will become Basset and Food Safety certified.

Chris Dungan has lived in Arlington Heights since 1997. He grew up in Northbrook and was involved on the technical side of live theatrical and musical performances during his high school and college years. After graduating from Eastern Illinois University with a degree in Business Marketing, Chris began a long career in the generic pharmaceutical industry where he rapidly rose to senior executive management levels in the area of sales & marketing. In 2005, Chris Co-Founded PACK Pharmaceuticals, LLC and was its President of Corporate and Business Development, where he drove the company's strategic planning, marketing, finance and corporate management. In 2014, Pack Pharmaceuticals was sold to the Aceto Corporation, and Chris began returning to his entertainment roots. He has served on the Board of the Metropolis Performing Arts Centre since May of 2013. Chris too will be Basset and Food Safety certified.

B. MANAGEMENT

HEY NONNY will operate under four principal managers (none of whom will be the Owners):

General Manager. Responsible for all operations and the face of the business to the community. Reports to the Owners.

Venue Manager. Responsible for all venue operations. Reports to General Manager.

Kitchen Manager. Responsible for all back of house operations. Reports to General Manager.

Bar Manager. Responsible for all bar operations. Reports to General Manager.

C. DEVELOPMENT SCHEDULE

The development schedule is obviously subject to many factors, and approvals, but the plan is:

October 15, 2017 Construction drawings approved

November 10, 2017 General Contractor selected.

Dec. 11, 2017 - March 15, 2018 Construction

March 21-31, 2018 Soft Opening

April 1, 2018 Grand Opening