



September 10, 2012

PM Entertainment Corp.
DBA Pure Lounge
146 South Murphy Avenue
Sunnyvale, CA 94086-6112
Attn: Michael Shi Hua Hu and Peter Yuenching Lin

**Re: 6-Month Compliance Review (MPP 2012-7526)
Under Special Development Permit 2010-7415**

Dear Michael and Peter:

The Community Development Director has reviewed the materials that you have provided and consulted with the Department of Public Safety and staff with the Department of Alcoholic Beverage Control. The review has indicated that Pure Lounge is currently operating in violation of Conditions of Approval #2 and #9, which state the following:

2. *APPROVED USE – The uses approved at the site are a restaurant with general alcohol sales and an entertainment establishment, with dancing, for patrons 21 years or older. Both approved uses shall operate at the site and alcohol sales shall not exceed 50% of the monthly gross food and beverage revenues. The City may request inspection of sales receipts to verify compliance with this condition on a quarterly basis. [COA] [PLANNING]*
9. *USE AND ABC COMPLIANCE - Non-compliance with the Conditions of Approval for this Special Development Permit or non-compliance with the requirements of the Department of Alcoholic Beverage Control at any time may trigger either: 1) reconsideration of the SDP and the imposition of additional Conditions of Approval; or 2) initiation of revocation proceedings by the Director of Community Development. [COA] [PLANNING]*

The sales reports that have been submitted indicate the food sales have only generated an average of 21% of the gross sales to date. Food sales must be no less than 50% of the total sales in order to comply with the Conditions of

Approval as well as the terms of your Type 47 "eating place" liquor license. This letter serves as official notice of noncompliance with the Conditions of Approval for the project.

You have indicated concern regarding the hours of operation for the site, which are conditions imposed on the ABC license for the site. These conditions are imposed by the ABC and cannot be modified for one year (California Business and Professional Code Section 23803 and Rule 66).

Staff is aware that that you have made every effort to comply with the Conditions of Approval and you have been very cooperative with the Department of Public Safety regarding security and calls for service to the site. Your cooperation is greatly appreciated and has been taken into consideration.

The Conditions of Approval require a second 6-Month Compliance Review which will require the submittal of a new Miscellaneous Plan Permit by January 26, 2013. At this time, the City has determined that we will monitor your progress in achieving compliance with the permit conditions related to food vs. alcohol sales during the next five months. We realize that the business is new and time is needed to develop a customer base. However, failure to show that the business can operate in compliance with the Conditions of Approval may result in revocation of the permit at the end of the second 6-month review period.

If you are requesting different hours or to change the use type, you will need to work with the project planner to determine the appropriate permit application and associated fees and timing.

If you are in disagreement with this decision, you may appeal the decision to the Planning Commission within fifteen (15) calendar days of the date of the date of this notice. Appeals must be submitted in writing along with a \$123 appeal fee. Planning Fees are subject to change every fiscal year, please verify fees with Planning Division staff.

Please note that all Conditions of Approval remain in effect and that you must submit a second 6-Month Compliance Review by January 26, 2013. If you have any questions regarding this permit, please contact me at (408) 730-7429 or at smendrin@ci.sunnyvale.ca.us. Thank you for your cooperation.

Regards,



Shaunn Mendrin
Senior Planner

CC: Christopher Sun Trustee, et. al.
1 Atherton Oaks Ln
Atherton, CA 94027
Attn: Jane Sun

Stephen Hogate, ABC, via email

Enc.: Conditions of Approval
ABC License
Security Plan

ATTACHMENT B

FINAL CONDITIONS OF APPROVAL AND STANDARD DEVELOPMENT REQUIREMENTS APPROVED BY PLANNING COMMISSION ON AUGUST 23, 2010

Planning Application 2010-7415 146 S. Murphy Street
PM Entertainment

Special Development Permit to allow a restaurant use with general alcohol sales and to allow an entertainment establishment, with dancing, for 21 or older, both within an existing building (no exterior changes are proposed).

The following Conditions of Approval [COA] and Standard Development Requirements [SDR] apply to the project referenced above. The COAs are specific conditions applicable to the proposed project. The SDRs are items which are codified or adopted by resolution and have been included for ease of reference, they may not be appealed or changed. The COAs and SDRs are grouped under specific headings that relate to the timing of required compliance. Additional language within a condition may further define the timing of required compliance. Applicable mitigation measures are noted with "Mitigation Measure" and placed in the applicable phase of the project.

In addition to complying with all applicable City, County, State and Federal Statutes, Codes, Ordinances, Resolutions and Regulations, Permittee expressly accepts and agrees to comply with the following Conditions of Approval and Standard Development Requirements of this Permit:

THE FOLLOWING GENERAL CONDITIONS SHALL APPLY TO THE APPROVED PROJECT.

1. **CONFORMANCE WITH APPROVED PLANNING APPLICATION** – All building permit drawings and subsequent construction and operation shall substantially conform with the approved planning application, including: drawings/plans, materials samples, building colors, uses and other items submitted as part of the approved application. Any proposed amendments to the approved plans, uses or Conditions of Approval are subject to review and approval by the City. The Director of Community Development shall determine whether revisions are considered major or minor. Minor changes are subject to review and approval by the Director of Community Development without a public hearing. Major changes are subject to review at a public hearing. [COA] [PLANNING]
2. **APPROVED USE** – The uses approved at the site are a restaurant with general alcohol sales and an entertainment establishment, with dancing, for patrons 21 years or older. Both approved uses shall operate at the site and alcohol sales shall not exceed 50% of the monthly gross food and beverage revenues. The City may request inspection of sales receipts to verify compliance with this condition on a quarterly basis. [COA] [PLANNING]

3. PERMIT EXPIRATION (Ordinance 2895-09): If not exercised the Use Permit shall expire three (3) years from the date of approval by the final review authority (as adopted by City Council on April 21, 2009, RTC 09-094). Extensions of time to exercise the permit may be considered, for a maximum of two one year extensions, if applied for and approved prior to the expiration of the permit approval. If the approval is not exercised within this time frame, the permit is null and void. [SDR] (PLANNING)
4. USE EXPIRATION - The approved and exercised permit for the use shall expire if the use is discontinued for a period of one year or more. [SDR] (PLANNING)
5. COMPLIANCE REVIEW - The following compliance reviews shall be required for the proposed use and shall be provided by the property owner or business owner and if the required materials are not submitted within the specified timeframes, the Director of Community Development may take compliance review to public hearing with a recommendation to initiate revocation of the SDP:
 - a) Compliance Review Timeframes:
 - i) Six (6) month compliance review from the commencement of the entertainment establishment (commencement shall be based on issuance of license from ABC)
 - ii) A second six month compliance review will occur approximately six (6) months from the date of action of the initial compliance review.
 - b) Compliance Review: The property owner or business owner shall apply for a compliance review (Planning Application type "Other" and the MPP fee) with Director of Community Development to determine if the business has successfully complied with all conditions of approval and applicable Municipal Codes. The property owner or business owner shall provide a narrative and supporting documentation indicating how the establishment has complied with all conditions of approval and the Director of Community Development may inspect the site and other documentation to verify the submitted narrative. If the Director of Community Development determines that the use is not in compliance with the approved conditions of approval, the compliance review will be referred to the Planning Commission for discretionary review. The Planning Commission may modify conditions of approval, impose new conditions of approval, recommend the City Council revoke the permit, require additional compliance reviews, or take no further action.
 - c) Subsequent Compliance Review: After the second six (6) month review, the Director of Community Development may require a subsequent compliance review, upon notice to applicant, to determine continued compliance with the applicable conditions of approval. Subsequent compliance reviews shall comply with the requirements of condition of approval 5(b). [COA] [PLANNING]
6. BUSINESS LICENSE - The project applicant shall apply for a business license prior to commencement of the use. The applicant shall provide the Planning Division with a copy of the issued license. [COA] [PLANNING]

7. TITLE 25 - Provisions of Title 25 of the California Administrative Code shall be satisfied with dependence on mechanical ventilation. [SDR] [BUILDING]
8. ALCOHOL BEVERAGE CONTROL (ABC) – The project applicant shall obtain all appropriate licenses from the Department of Alcoholic Beverage Control prior to commencement of the sale of alcohol on the subject property. [COA] [PLANNING]
9. USE AND ABC COMPLIANCE - Non-compliance with the Conditions of Approval for this Special Development Permit or non-compliance with the requirements of the Department of Alcoholic Beverage Control at any time may trigger either: 1) reconsideration of the SDP and the imposition of additional Conditions of Approval; or 2) initiation of revocation proceedings by the Director of Community Development. [COA] [PLANNING]
10. SIGN PERMIT – The project applicant shall apply for a separate permit for all new exterior signage. The Director of Community Development may determine if the sign permit may be reviewed by staff or Heritage Preservation Commission, depending on the scope of the sign. [COA] [PLANNING]

THE FOLLOWING CONDITIONS SHALL BE MET AS INDICATED OR PRIOR TO COMMENCEMENT OF THE APPROVED USE (WHICHEVER OCCURS FIRST).

11. NOTICE OF PROJECT RESTRICTIONS – The Notice of Project Restrictions will be prepared by the Planning Division and shall include a description of the subject property, the Planning Application number, attached conditions of approval and any accompanying subdivision or parcel map, including book and page and recorded document number, if any, and shall be signed and notarized by each property owner of record. The property owner or designated appointee shall provide the necessary information to the Planning Division. For purposes of determining the record owner of the property, the property owner or designated appointee shall provide, within 30 days of permit approval, evidence to the City in the form of a report from a title insurance company indicating that the record owner(s). The property owner shall sign and notarize the document as per the accompanying instructions and provide the document to the Planning Division prior to issuance of a Building Permit or within 30 days of preparation of the Notice of Project Restriction (whichever occurs first). [COA] [PLANNING]
12. SECURITY AND SAFETY PLAN (DEPARTMENT OF PUBLIC SAFETY REVIEW) - Obtain approval from the Crime Prevention Division of Public Safety Department for crime prevention measures appropriate to the proposed development 30 days prior to commencement of the approved use. The plan shall include general policies and procedures, crowd management measures, management of the transition from restaurant to entertainment for under 21, training program, implementation and record keeping. [COA] [PUBLIC SAFETY]

13. SECURITY CAMERAS SYSTEM – The project applicant shall work with Public Safety to determine the appropriate number and locations of security cameras for the site. Locations and camera specifications shall be submitted to the Director of Community Development to determine if any additional permits are needed. The security camera system shall be installed and inspected by the Crime Prevention Division of Public Safety Department prior to commencement of use. [COA] [PUBLIC SAFETY]
14. RECYCLING AND SOLID WASTE ENCLOSURE – The doors on the existing recycling and solid waste enclosure shall be replaced with steel doors prior to commencement of the approved use. The doors shall be painted to match the enclosure. Any extensive changes to the trash enclosure will be subject to review by the Director of Community Development and a separate Landmark Alteration Permit may be required. [COA] [PLANNING]
15. SITE MAINTENANCE – The project applicant or property owner shall repair any broken exterior features (like for like), clean windows and clean the entrance area and area around rear exit and trash enclosure within 30 days of commencement of the use. [COA] [PLANNING]

THE FOLLOWING CONDITIONS SHALL BE ADDRESSED ON THE CONSTRUCTION PLANS SUBMITTED FOR ANY DEMOLITION PERMIT, BUILDING PERMIT, GRADING PERMIT, AND/OR ENCROACHMENT PERMIT AND SHALL BE MET PRIOR TO THE ISSUANCE OF SAID PERMIT(S).

16. CONDITIONS OF APPROVAL – Final plans shall include all Conditions of Approval included as part of the approved application starting on sheet 2 of the plans. [COA] [PLANNING]
17. RESPONSE TO CONDITIONS OF APPROVAL – A written response indicating how each condition has or will be addressed shall accompany the building permit set of plans. [COA] [PLANNING]
18. BLUEPRINT FOR A CLEAN BAY – The building permit plans shall include a “Blueprint for a Clean Bay” on one full sized sheet of the plans. [SDR] [BUILDING]
19. SOLID WASTE DISPOSAL PLAN - A detailed recycling and solid waste disposal plan shall be submitted for review and approval by the Director of Community Development prior to issuance of building permit. [COA] [PLANNING]
20. BEST MANAGEMENT PRACTICES - The project shall comply with the following source control measures as outlined in the BMP Guidance Manual and SMC 12.60. Best management practices shall be identified on the building permit set of plans and shall be subject to review and approval by the Director of Public Works:

- a) Storm drain stenciling. The stencil is available from the City's Environmental Division Public Outreach Program, which may be reached by calling (408) 730-7738.
- b) Landscaping that minimizes irrigation and runoff, promotes surface infiltration where possible, minimizes the use of pesticides and fertilizers, and incorporates appropriate sustainable landscaping practices and programs such as Bay-Friendly Landscaping.
- c) Appropriate covers, drains, and storage precautions for outdoor material storage areas, loading docks, repair/maintenance bays, and fueling areas.
- d) Covered trash, food waste, and compactor enclosures.
- e) Plumbing of the following discharges to the sanitary sewer, subject to the local sanitary sewer agency's authority and standards:
 - i) Discharges from indoor floor mat/equipment/hood filter wash racks or covered outdoor wash racks for restaurants.
 - ii) Dumpster drips from covered trash and food compactor enclosures.
 - iii) Discharges from outdoor covered wash areas for vehicles, equipment, and accessories.
 - iv) Swimming pool water, spa/hot tub, water feature and fountain discharges if discharge to onsite vegetated areas is not a feasible option.
 - v) Fire sprinkler test water, if discharge to onsite vegetated areas is not a feasible option. [SDR] [BUILDING]

THE FOLLOWING CONDITIONS SHALL BE COMPLIED WITH AT ALL TIMES DURING THE CONSTRUCTION PHASE OF THE PROJECT.

21. BLUEPRINT FOR A CLEAN BAY – The project shall be in compliance with stormwater best management practices for general construction activity until the project is completed and either final occupancy has been granted. [SDR] [BUILDING]

THE FOLLOWING CONDITIONS SHALL BE COMPLIED WITH AT ALL TIMES THAT THE USE PERMITTED BY THIS PLANNING APPLICATION OCCUPIES THE PREMISES.

22. HOURS OF OPERATION (RESTAURANT) – The restaurant use with on sale general alcohol sales shall comply all ABC license requirements and with the following hours of operation and age restrictions at all times:
- a) The hours of operation for the restaurant are limited to 6:00 a.m. to 1:30 a.m. for standard hours of operation, excluding short duration sales events which may have extended hours and no one under 21 years of age is allowed on the premises after 10:00 p.m. Hours extending beyond 1:30 a.m. require review and approval by the Director of Community Development through a Miscellaneous Plan Permit. [COA] [PLANNING/PUBLIC SAFETY]

23. HOURS OF OPERATION (ENTERTAINMENT ESTABLISHMENT, WITH DANCING) – The entertainment establishment for 21 or older shall comply all ABC license requirements and with the following hours of operation and age restrictions at all times:
- a) The hours of operation are limited to 10:00 p.m. to 1:30 a.m. (unless reduced hours are applied by ABC) for standard hours of operation, excluding short duration sales events which may have extended hours and no one under 21 years of age is allowed on the premises after 10:00 p.m. Hours extending beyond 1:30 a.m. require review and approval by the Director of Community Development through a Miscellaneous Plan Permit. [COA] [PLANNING/PUBLIC SAFETY]
24. EVENTS - No outside event promoters are allowed to operate at this location. All entertainment/entertainers must be hired directly by the business managers or owners. Only private events operated by the bona fide tenant (PM Entertainment Inc), or its successors, are permitted. [COA] [PLANNING]
25. SECURITY - The business operator shall retain private uniformed security guards who shall be responsible for monitoring noise, any patrons loitering outside of the building, and shall be on-site at all times when entertainment establishment and dancing is occurring and a minimum of 1 hour prior to the nightclub operating hours and until all patrons have departed the site and surrounding area. The security camera system shall be maintained in working order in compliance with the system approved by the Crime Prevention Division of Public Safety Department. Security guards shall comply with the following:
- a) The security guards shall be responsible for working closely with Public Safety to resolve problematic operational issues, including crowd management and patron queuing.
 - b) Private security guards shall be responsible for ensuring that no patrons are loitering in front or rear area of the premises, at all times.
 - c) All private security guards shall comply with the security plan approved by Public Safety.
 - d) The amount of security guards needed shall be a minimum of 1 per 40 patrons unless otherwise approved by the Department of Public Safety [COA] [PUBLIC SAFETY].
26. EMPLOYEE TRAINING – The business operator shall ensure that all employees are trained on the following:
- a) The business operator shall create an employee manual that informs employees the proper procedure in dealing with drunk and disorderly patrons and all security protocol included in the security plan. The manual shall address items such as outside transportation contact information for patrons leaving the club to their homes, maximum drink limits for inebriated patrons, policies on over-service of drinks, etc.
 - b) Employees shall be given training and education from the employee manual on a quarterly basis. [COA] [PUBLIC SAFETY].

27. SECURITY AND SAFETY PLAN - The business operator shall comply with the approved security and safety plan and noncompliance with the security plan resulting in extraordinary public safety service will result in the City billing the business or land owner for public safety services pursuant to SMC 9.47. Any revisions to the approved security plan shall be submitted to Crime Prevention Division of Public Safety Department for review. [COA] [PUBLIC SAFETY]
28. SITE INSPECTIONS - The City reserves the right to conduct biannual inspections of the site to ensure that use is operating in compliance with the approved conditions of approval. [COA] [PLANNING]
29. SECURITY CAMERA SYSTEM OPERATION - The security camera system shall be maintained and operated at all time the business is in operation and recordings shall be retained for 30 days. The Department of Public Safety may request copies at any time. [COA] [PUBLIC SAFETY].
30. PRIVATE ROOMS - The creation of private rooms is prohibited. Open alcoves or similar features that allow clear visibility into the area may be added and require review and approval by the Director of Community Development through a Miscellaneous Plan Permit. [COA] [PUBLIC SAFETY].
31. RECYCLING AND SOLID WASTE - All exterior recycling and solid waste shall be confined to approved receptacles and enclosures. [COA] [PLANNING]
32. LOUDSPEAKERS PROHIBITED - Out-of-door loudspeakers shall be prohibited at all times. [COA] [PLANNING]

**BEFORE THE
DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL
OF THE STATE OF CALIFORNIA**

IN THE MATTER OF THE APPLICATION OF

PM ENTERTAINMENT CORP
DBA: PURE LOUNGE
146 S MURPHY AVE
SUNNYVALE, CA 94086-6112

}
}
} FILE: 47-511499
}
} PETITION FOR CONDITIONAL
} LICENSE

For Issuance of an On-Sale General Eating Place License
Under the Alcoholic Beverage Control Act

WHEREAS, petitioner(s) has/have filed an application for the issuance of the above-referred-to license(s) for the above-mentioned premises; and,

WHEREAS, the City of Sunnyvale on 8/23/2010 approved a Planned Development Permit Number [2010-7415], limiting the petitioner's licensed operation; and,

WHEREAS, the proposed premises is within 600 feet of First Samoan Assembly of God located at 305 East Washington Ave., Sunnyvale; and,

WHEREAS, issuance of an unrestricted license without the below described conditions would interfere with the public use of the above-mentioned consideration point; and,

WHEREAS, pursuant to Section 23958 of the Business and Professions Code, the Department may deny an application for a license where issuance would result in or add to an undue concentration of licenses; and,

WHEREAS, the proposed premises are located in Census Tract 5086.02 where there presently exists an undue Concentration of licenses as defined by Rule 61.3 of Chapter 1, Title 4, of the California Code of Regulations and Section 23958.4 of the Business and Professions Code; and,

WHEREAS, the petitioner(s) stipulate(s) that by reason of the aforementioned over-concentration of licenses, grounds exist for denial of the applied-for-license(s); and,

WHEREAS, the proposed premises is located within the immediate vicinity of a residential area; and,

WHEREAS, issuance of an unrestricted license would be contrary to public welfare and morals;

WHEREAS, the Sunnyvale Police Department protested the unconditional issuance of the license; and,

WHEREAS, the protest(s) deal(s) with the proposed operation of the applied-for premises; and,

WHEREAS, the privilege conveyed with the applied-for license requires that the petitioner(s) operate(s) the premises, in good faith, as a Bona Fide Public Eating Place; and,

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WHEREAS, Chien T. DUONG, Chung NGUYEN, Emanuel NGUYEN (aka Emma NGUYEN), and Chau NGUYEN (aka Michael NGUYEN), have established that they do not have the qualifications to hold an ABC license; and,

NOW, THEREFORE, the undersigned petitioner(s) do/does hereby petition for a conditional license as follows, to-wit:

1. Sales, service and consumption of alcoholic beverages shall be permitted only between the hours of 10:00 A.M. to 12:00 A.M. (Midnight) Sunday through Friday and 10:00 A.M. to 1:00 A.M Saturdays.
2. The sale of alcoholic beverages for consumption off the premises is strictly prohibited.
3. The monthly gross sales of alcoholic beverages shall not exceed the gross sales of food during the same period. The licensee shall at all times maintain records which reflect separately the gross sale of food and the gross sale of alcoholic beverages of the licensed business. Said records shall be kept no less frequently than on a monthly basis and shall be made available to the Department on demand.
4. Licensee(s) shall not share any profits, or pay any percentage or commission to a promoter or any other person, based upon monies collected as a door charge, cover charge, or any other form of admission charge, including minimum drink orders, or the sale of drinks.
5. The premises shall be maintained as a bona fide food restaurant and shall provide a menu containing an assortment of foods normally offered in such restaurants.
6. The licensee shall comply with the provisions of Section 23038 of the Business and Professions Code and acknowledges that incidental, sporadic, or infrequent sales of meals or a mere offering of meals without actual sales shall not be deemed sufficient to consider the premises in compliance with the aforementioned code section.
7. During normal meal hours, the licensee(s) shall employ and use the services of adequate staff and employees for the preparation and service of meals, such as cook(s) and waitress(es).
8. The premises shall possess a supply of food and goods adequate to make substantial sales of meals.
9. The premises shall possess the necessary utensils, table service, and condiment dispensers with which to serve meals to the public.
10. Food facilities must be maintained in a sanitary condition to comply with all the regulations of the local health department.
11. The subject alcoholic beverage license shall not be exchanged for a public premises type license.

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12. Loitering (loitering is defined as "to stand idly about; linger aimlessly without lawful business") is prohibited on any sidewalks or property adjacent to the licensed premise under the control of the licensee(s) as depicted on the ABC-257 dated 4-28-2011.
13. No person under the age of twenty-one (21 years of age) shall sell or deliver alcoholic beverages.
14. The interior lighting maintained therein shall be sufficient to make easily discernible the appearance and conduct of all persons and patrons in that portion of the premises where alcoholic beverages are sold, served, delivered, or consumed.
15. No employee or agent shall be permitted to accept money or any other thing of value from a customer for the purpose of sitting or otherwise spending time with customers while in the premises, nor shall the licensee(s) provide or permit, or make available either gratuitous or for compensation, male or female persons who act as escorts, companions, or guests of and for the customers.
16. Licensee(s) shall provide a sufficient number of security personnel while exercising the privilege of the ABC license to maintain order inside of the licensed premises. Said security personnel shall be licensed as a security guard by the State of California and operate in such a manner as to be readily identifiable as security.
17. The petitioner(s) will be required to provide advance notice to the Sunnyvale Police Department of any event that will include live entertainment, amplified music, or host more than 500 people. This notification shall occur no less than **TWO WEEKS** prior to the planned event. Private banquets with food service, that meet all of the following requirements are excluded from this provision: all attendees are known prior to the event; the event is not open to the public, and there is no fee or charge to attend the event.
18. The licensee(s) shall not maintain or construct any type of enclosed room intended for use by patrons or customers for any purpose. Any VIP or segregated area must be visible to the licensees, premise employees, and members of the general public at all times.
19. The licensee(s) and premises employees shall not require a minimum purchase of alcoholic beverages in any of the VIP or segregated areas of the premises.
20. The licensee(s) and premises employees shall not consume any alcoholic beverages in any of the VIP or segregated areas of the premises.
21. Alcoholic beverages in the VIP or segregated areas of the premises shall only be served and poured by premises employees. Patrons are prohibited from serving themselves alcoholic beverages in the VIP or segregated areas of the premises.
22. Each individual VIP or segregated area of the premises shall be staffed by a premises employee at all times alcoholic beverages are being ordered, served, and consumed in those areas.

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23. There shall be no exterior advertising or sign of any kind or type, including advertising directed to the exterior from within, promoting or indicating the availability of alcoholic beverages. Interior displays of alcoholic beverages or signs which are clearly visible to the exterior shall constitute a violation of this condition.
24. During the hours of operation, there will be an owner/manager or designated responsible person, twenty-five (25) years of age or older on the premises who is in charge of the operations of the business. The manager or designated responsible person shall be qualified by the Department, pursuant to Rule 57.6.
25. The person designated to be responsible for the operation of the business shall not perform official police or investigate activities but shall immediately report any violation of law and any suspicious activities observed to the Sunnyvale Police Department.
26. The petitioner(s), manager(s), and person(s) designated to be responsible for the operation of the business shall cooperate fully with all City staff, law enforcement personnel, and City code enforcement officers and shall not obstruct or impede their entrance into the licensed premises while in the course of their official duties.
27. Full meal service must be made available up to one-half (1/2) hour prior to the cessation of dispensing or alcoholic beverages or to closing.
28. The petitioner(s) shall make no changes in the premises interior without prior written approval from the State of California, Department of Alcoholic Beverage Control.
27. The licensee(s) shall not maintain or construct any type of enclosed room intended for use by patrons or customers for any purpose. Any VIP or segregated area must be visible to the licensees, premise employees, or members of the general public at all times.
28. No alcoholic beverages shall be consumed on any property adjacent to the licensed premises under the control of the licensee(s) as depicted on ABC-253 dated 04-28-2011.
29. That Chien T. DUONG (DOB:03/01/46), Chung NGUYEN (DOB: 06/04/44), Emanuel NGUYEN (aka Emma NGUYEN DOB: 11/25/72), and Hai Chau NGUYEN (aka Michael NGUYEN DOB: 03/05/73), shall not participate either directly or indirectly in the ownership, management, or operation of the licensed premises, including but not limited to, acting as a consultant, either gratuitously or for compensation.
30. That Chien T. DUONG (DOB:03/01/46), Chung NGUYEN (DOB: 06/04/44), Emanuel NGUYEN (aka Emma NGUYEN DOB: 11/25/72), and Hai Chau NGUYEN (aka Michael NGUYEN DOB: 03/05/73), shall not be employed or volunteered in any capacity in the operation or control of the licensed premises.

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31. That Chien T. DUONG (DOB:03/01/46), Chung NGUYEN (DOB: 06/04/44), Emanuel NGUYEN (aka Emma NGUYEN DOB: 11/25/72), and Hai Chau NGUYEN (aka Michael NGUYEN DOB: 03/05/73), shall not participate or be involved either directly or indirectly in the business or financial activities conducted in said premises. They shall not provide either directly or indirectly any financial assistance to the operation of the licensed premises.

This petition for conditional license is made pursuant to the provisions of Sections 23800 through 23805 of the Business and Professions Code and will be carried forward in any transfer at the applicant-premises.

Petitioner(s) agree(s) to retain a copy of this petition on the premises at all times and will be prepared to produce it immediately upon the request of any peace officer.

The petitioner(s) understand(s) that any violation of the foregoing condition(s) shall be grounds for the suspension or revocation of the license(s).

DATED THIS 11/22/11 DAY OF _____, 2011.



Michael Shi Hua Hu, Pres/Sec/Stockholder



Peter YuchChing Lin, Tres/Stockholder

Pure Lounge Security Plan (2012)

This Security Plan has been adopted pursuant to Condition of Approval No. 12 of the Special Development Permit granted by the City of Sunnyvale to PM Entertainment, Inc. (Jane Sun, et. al.) on August 23, 2010 (No. 2010-7415).

Type of Entertainment Offered

Pure Lounge has a type 47 license and operates as both as a restaurant and lounge.

The operating hours are

Sundays: closed

Mondays: 11am to 2pm and 5pm to 10 pm

Tuesdays: 11am to 2pm and 5pm to 10pm

Wednesdays: 11am to 2pm and 5pm to 10pm

Thursdays: 11am to 2pm and 5pm to 1:30 pm

Fridays: 11am to 2pm and 5pm to 1:30 pm

Saturdays: 11am to 2pm and 5pm to 1:30am

Sales, service and consumption of alcoholic beverages shall be permitted only between the hours of 10:00a.m. to 12:00a.m. (Midnight) on Sunday through Friday and 10:00 a.m. to 1:00a.m. on Saturdays.

Thursday and Friday Nights (dinner and lounge).

- At least 4 security guards shall arrive at 9:30pm.

1 guard shall start to check ID at the front door at 10pm sharp, making sure all upcoming patrons are 21 and over. 1 guard shall remain at the rear end smoking patio for the entire duration of the operation hours. 2 guards shall remain and roam the interior of the venue at all time.

The following security plan is for Saturday Nights, all other days will be operated mainly as a Restaurant.

A. General Policies and Procedures:

1. Number of security personnel

PL (Pure Lounge) will utilize a ratio of 1 Security staff per 50 patrons for all night club events. An additional 7 security staff members will also assigned in front of the night club directing foot traffic, checking IDs, and maintaining a safe environment. A Head of Security (HOS) will be in charge of all security staff and overall operation of the night. All security staff are required to be in uniforms in which consist of full suits (black color), ties (white color) and security nameplates (name, PL logo, Security logo) pinned to the upper portion of their suits. All security staff will be given radios and ear pieces to communicate with each other and management. Security staff will be also required to have flashlights.

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1/26/12

Note: no outside security contractor will be used. PL management will train and use its own house security team.

All security guards shall have a current guard card and their security training shall be current.

On duty security guards shall not carry weapons on their person.

The Head of Security shall maintain a current roster of the security staff's guard cards, personal contact information, and their photographs.

A daily log for security guards will be maintained to document the name of the security guard and the hours worked. This log will be made available to Sunnyvale DPS upon request.

In addition to the above security staff mentioned above, we will have a designated security staff member assigned to as a Dress Code Enforcer (DCE). This individual's job is to make sure that all patrons are in accordance with PL's dress code.

As necessary, we will incorporate extra security staff members to ensure the safety of our employees, patrons, and neighbors.

Security guards wearing security uniforms shall remain on scene and outside of the venue (Macy's parking lot) until the crowd has left.

2. Dress Code

PL will strictly enforce dress code through DCE and ID checkers.

3. Video Surveillance System & Control

A minimum of 16 video cameras and recording equipment will be installed to cover every corner of the venue. Video Surveillance will be recorded and stored for a minimum of 30 days. Upon request, digital copies will be made available to the Sunnyvale Department of Public Safety (SDPS).

4. Prevention:

PL understands that the proper prevention before any incident is imperative! Proper preventions are as follow but not limited to:

- A) Proper dress code: if a patron is out of dress code, he or she will be notified in a professional manner and ask to go home and change.
- B) Intoxication: any patron that is under the influence of an alcoholic beverage before entering the venue will be denied entrance. If a patron inside venue seems to be intoxicated, he/she will no longer be able to order additional alcoholic beverages. Bartender, Servers, and Security will communicate with HOS to address issue. Security will maintain observe and report status on intoxicated person until further notice from HOS. If a patron is perceived to be too impaired

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- to drive safely, a PL staff will try to persuade the customer not to drive, and arrange a safe ride (taxi). If the customer refuses, PL management will notify SDPS with a description of the person and license plate number of the vehicle, if possible.
- C) Drugs: patrons perceived to be under the influence of any drugs will be denied entrance into the venue. Patrons caught inside the premises with contraband will be asked to leave immediately. PL management will notify the SDPS.
 - D) Unruly Patrons: When a patron acts in a manner that is violent, abusive, indecent, profane, boisterous, or otherwise disorderly, security staff will ask the patron to leave immediately. If necessary, SDPS will be contacted for assistance.
 - E) False ID: If PL's ID checker has a strong suspicion that an ID is false, altered, or belongs to someone other than the person presenting the ID, he or she shall confiscate the ID and turn it over to management, to be presented to the police. A receipt will be written to person for confiscating ID. If the existing ID is expired, a second source of ID is required for verification purposes.
 - Note: a video camera will be installed at the entrance of the premises so that every single person that comes into the venue will be videoed and recorded.

Note: for all of the above except for A, the first thing PL management staff shall do is to contact SDPS to report the incident.

5. Physical disturbance.

When a fight ensues, a nearby Security Staff Member is to radio for help and assist in breaking up the fight immediately, with the help of other security staff members. The PL management staff will immediately notify SDPS by calling (911) to report the incident.

Security will take out hostile/fighting group out of the premises immediately. The second group will be escorted out at a later time. Security will ask witness(s) for statements and check for injuries.

Cooperation with SDPS

All employees including management staff of PL shall and will cooperate with DPS on all things at all times.

408-730-7110 desk office for questions

911 for all incidents, emergency on needing of DPS.

Contact the on duty Patrol Captain in regard to event planning.

7. All Security staff must complete annual trainings, focusing on:

- Crowd Control
- Prevention
- Altercations
- Emergency Services
- Incident Reporting
- Operation

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- Observation on Intoxication level on patrons
- Police Officer Standards and Training (POST) security measures

This training will be documented to include the agenda topics and security guards in attendance.

All hired staff and contracted employees of Pure Lounge shall cooperate with Sunnyvale DPS officers during the course of their duties.

8. Transition between restaurant hours to late night event:

PL employees shall inform all customers during Saturday night dinner time that everyone will be ID checked by 8:30pm. Those that are under the legal age of 21 will be asked nicely to leave premises by 9pm. All patrons inside the premises starting at 9pm will be 21 and over. PL will clearly state this regulation on our website, menu, and all promotional materials.

B. Operation Plan

1. Prior to opening doors (the following will occur in chronological order on all nights):

- Security staff members arrive and a staff meeting will be given either by the HOS and or Pure Management.
- Security Staff will secure venue and check dinner guests ID
- Security staff members will set up the front door including stanchions, ropes, and barricades
- Security staff members will go to their assigned area(s)
- Once the line reaches "Fibbers" (bar next door), a Security Staff Member will be assigned to the end of the line and a second Security Staff Member will be assigned to the beginning of the hallway
- No one is permitted to loiter at the front door
- Sound & lighting are set up by In-House Management
- Security Staff Members are instructed that all patrons attending that evening's late night event must line up on the right hand side of the venue (as you face the venue) against the wall.
- If the line reaches "Fibbers" then the line must be broken, restarting at the hallway. Person(s) lining up in the hallway are not permitted to have bottles or cans of beverages in their possession
- Upon Authorization by In-House Management, doors open and Security Staff begins conducting admission. Handheld metal detectors shall be used at the entrance.
- Management Staff shall make sure that there are sufficient lightings at the front doors and rear end smoking patio.
- A least one security staff shall remain at the rear end patio for the entire duration of the operation hours.

2. Admission (door opens)

- All Security Staff Members are instructed to be vigilant for patrons who appear to be under the influence, non-compliant with dress code, or display a poor attitude
- All Security Staff Members are instructed to communicate with HOS at all times for any incident that have or may occur.
- ID person acts as second check & balance and identifies person(s) who may be denied admission for various reasons
- Persons to be denied admissions are referred to DEC or HOS
- Security Staff Members that are assigned inside PL will be at the exit doors, adjacent to dance floor, and as rovers
- Security Staff Members are instructed to be vigilant for persons who appear to be over-intoxicated, aggressive, or maybe in need of assistance
- In-house Management will actively monitor crowd and regulates the music format/lighting, as necessary

3. Admission Completed (Outside):

- Music format will change to a slow starting at approximately 15-30 minutes prior to shut down.
- Lighting is slowly raised beginning approximately 15-30 minutes prior to shut down. Security Staff Members that inside PL will move outside and will place themselves in the front, hallway, street, and Macy's parking lot.
- All security staff with the exception of a few shall walk with and direct all patrons to their cars and ensure they leave in an orderly fashion.

Once all patrons have left the parking lots, security guards will conduct a final (walk through) to ensure all trash in cleared from the parking lots.

PM Entertainment, Inc., understands and agrees that failure to adhere to the terms of this Security Plan will constitute violation of the Conditions of Approval of the Special Development Permit and may be used by the City as grounds for modification or revocation of the Permit. The terms of this Security Plan are in addition to, and do not limit, any other Conditions of Approval in the Permit. Any changes to this Plan require written approval of the Sunnyvale Department of Public Safety. The Department of Public Safety may require modifications to the Security Plan to address any public safety issues that arise as a result of the business operation. This Security Plan shall be binding on PM Entertainment's employees, agents, successors and assigns.

Dated:

PM ENTERTAINMENT, INC.
146 S. Murphy Ave., Sunnyvale, CA

Michael Shihua He
Title: CFO
Name: *Michael Shihua He*

PETER LIN
[Signature]

Dated:

CITY OF SUNNYVALE

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

Frank Grgurina
Chief of Public Safety