

LICENSE HEARING MINUTES
Local Legend Hospitality LLC, dba Local Rumor, 1811 Selby Avenue
Thursday, July 11, 2:00 PM
Room 330 City Hall, 15 Kellogg Boulevard West
Nhia Vang, Legislative Hearing Officer

The hearing was called to order at 1:59 PM

Staff Present: Tom Ferrara, Department of Safety and Inspections (DSI) Licensing Inspector; Frances Birch, DSI Zoning Inspector

Licensee: David Cochran, Applicant/Owner; Sara Baumgartner, Spouse

License Application: Liquor On Sale - 100 seats or less, Liquor On Sale - Sunday, and Liquor-Outdoor Service Area (Sidewalk) licenses

Others in attendance: Christine Wahlstrom, 1824 Selby Avenue

Legislative Hearing Officer Nhia Vang made introductory comments about the hearing process: This is an informal legislative hearing for a license application. This license application required a Class N notification to inform neighbors and the District Council about the application and provide them with an opportunity to submit comments. The city received correspondence of concern/objection, which triggered this hearing.

The hearing will proceed as follows: DSI staff will explain their review of the application and state their recommendation. The applicant will be asked to discuss their business plan. Members of the community will be invited to testify as to whether they object to or support the license application. At the end of the hearing, the Legislative Hearing Officer will develop a recommendation for the City Council to consider. The recommendation will come before the City Council as a resolution on the Consent Agenda; the City Council is the final authority on whether the license is approved or denied.

There are three possible results from this hearing: 1) a recommendation that the City Council issue this license without any conditions; 2) a recommendation that the City Council issue this license with agreed upon conditions; or 3) a recommendation that the City Council not issue this license but refer it to the city attorney's office to take an adverse action on the application, which could involve review by an administrative law judge.

Minutes:

Tom Ferrara, Department of Safety and Inspections (DSI) - Licensing, gave a staff report for licensee Local Legend Hospitality LLC, (License ID# 20240000988), d/b/a Local Rumor, located at 1811 Selby Avenue. The application is for Liquor On Sale - 100 seats or less, Liquor On Sale - Sunday, and Liquor-Outdoor Service Area (Sidewalk) licenses. DSI is recommending approval with the following license conditions:

1. Licensee agrees to operate the establishment in compliance with Section 409.02 of the City of Saint Paul Legislative Code as a "Restaurant".
2. Licensee agrees to close the establishment at 12:00 a.m. midnight. All patron/customers shall vacate the premises by 12:30 a.m. each day of the week as per Section 409.02 of the City of Saint Paul Legislative Code.

3. Signage shall be prominently posted at all entrances and exits to make patrons aware that when they leave the premises they are exiting into a residential neighborhood and should show respect and consideration for the residents.
4. Licensee agrees to limit the placement of table(s)/chair(s) on the public sidewalk to the area and number of seats shown on the approved sidewalk seating plan on file with the Department of Safety and Inspections (DSI) and Public Works.
5. Each year prior to the placement of table(s) and/or chair(s) in the public right-of-way (i.e., sidewalk), the licensee agrees to obtain a new Obstruction Permit from the Department of Public Works. Licensee agrees to maintain the sidewalk café in accordance with the conditions placed on an approved Obstruction Permit, acknowledges that an Obstruction Permit is effective on April 1 and expires on October 31 of each year, that table(s) and/or chair(s) may not be placed in the public right-of-way before or after the effective/expiration dates, and that a failure to comply with this condition will result in adverse action being taken against all of their licenses.
6. Licensee agrees to take appropriate action(s) to ensure that the sale, display, and/or consumption of alcoholic beverages is contained within the defined alcohol service area as per the approved plan on file with DSI.

The District 8 Summit-University Planning Council submitted an email acknowledging receipt of the application. Building conditions, N/A; License approved with conditions; and Zoning approved.

Hearing Officer Vang asked if the applicant understood and agreed to the conditions listed on the Class N Notification, or if they had any questions. Applicant responded to understanding the conditions and agreeing without questions.

Hearing Officer Vang then asked about the Zoning review.

Frances Birch, Department of Safety and Inspections (DSI) - Zoning, gave a staff report. The area is zoned B2 – Community Business. This is a permitted use. There are no parking requirements associated with this application. There is a parking lot. Any changes to the parking lot would need to meet current rules for parking lots.

Hearing Officer Vang asked if the full liquor license was an upgrade to the location from the Wine On Sale and Malt On Sale (Strong) licenses.

Ferrara: Yes. This does not require any additional review on our part.

Hearing Officer Vang asked the applicant to talk about the business: history, hours of operation, number of employees, etc.

Cochran: I'm here with my wife Sara. She is originally from here and I relocated here 3 years ago with our family from California. We have 4 children. Two are in college and two are at Groveland Park Elementary. We own a home 4-5 blocks away. We are a part of this community. My wife owns a spa on West 7th as well. We are invested in Saint Paul. I've been in the hospitality business for 30 years. The conditions are all common sense and I agree to them. This space has been vacant for 4 years and this is where I wanted to be.

Sara Baumgartner: We want this to be an approachable space that is welcoming to the community. We will be cautious about neighborhood disruptions and will implement training on that for our staff.

Neighbors of this business are our neighbors too. This won't be a dive bar or a club and won't be a place to get drunk.

Cochran: The menu is New American Comfort Food. It will be a range of comfort foods from different cultures that make up our country. It's in the same realm as Gus Gus or Emerald Lounge. Price points will be industry standard. It won't be a place for St Thomas students to come do alcohol shots.

Hearing Officer Vang asked about the status of renovations to the building.

Cochran: We're done. There may be some small parts that we still need to bring in, but construction is done. The City has done a final inspection and it's been approved. We had a good turnout for a soft opening event for family and friends, which was double what we expected. We learned from that that we need more glassware, but don't want glassware on the sidewalk. We may use acrylic cups out there.

Hearing Officer Vang: What is your outdoor seating plan like?

Cochran: We will have picnic tables 4 feet from the building and 2 feet from the edge of the sidewalk (more measurement).

Hearing Officer Vang: Is there an approved site plan to share with us for outdoor seating?

Cochran: I will send it.

Hearing Officer Vang: Will there be a fence to delineate the space, and how will people be seated?

Cochran: No. I applied for a STAR grant for a permanent boulevard structure. There are just 6 2-seat picnic tables. We prefer to seat patrons, but there are no reservations, so it's possible people may choose to seat themselves out there. If people seat themselves, we can manage it.

Hearing Officer Vang: What is lighting like?

Cochran: Aside from the streetlamp, we will have security lighting on the front of the building that has a sensor to turn on automatically when it gets dark. We will have bistro lighting as well. I will also have cameras outside and inside. I monitor the cameras myself and get automatic updates if anything happens after hours. I will share footage with police if they request it.

Hearing Officer Vang: Will the sidewalk have dedicated staffing?

Cochran: It's a small footprint. Staff are all trained on being conscious of noise and disruptions, and a manager will be there when I'm not around. We will have 20 people total on staff.

Hearing Officer Vang inquired to ensure that liquor is served within a designated space and in view of staff.

Cochran: The storefront is all windows, and you can see outside from indoors very easily.

Hearing Officer Vang next asked about the interior seating plan.

Cochran: We will have 43-45 seats. We also have a bar area. The basement level is just office and storage and is off limits to patrons.

Hearing Officer Vang asked about staff training.

Cochran: All staff will be certified in Training for Intervention Procedures (TIPS). Everyone will be trained to check IDs. We will also do continuing education. All staff are seasoned professionals and I hand-picked them due to their maturity level. I've been in this business for 32 years.

Hearing Officer Vang: How have you dealt with overserved customers?

Cochran: It's about never escalating a situation and making sure they can get home safely. I have had to refuse customers.

Hearing Officer Vang: The letters of objections raise issues of noise. What are your plans to minimize noise?

Cochran: We are an establishment that is not intended to attract loud noise. Ambiance music levels will be low. If loud patron conversations are an issue, we can end outdoor service. Signs are good, but a lot of people don't read them.

Baumgartner: Staff will also remind people to be respectful of neighbors when seating patrons outside.

Hearing Officer Vang: Could you provide more information on the music outdoors?

Cochran: There is a speaker at our front door that you can barely hear from the outdoor tables. It plays very softly.

Hearing Officer Vang asked about the business' hours of operations.

Cochran: Indoors and outdoors will have the same hours:

Sunday – 11am-11pm

Monday – closed.

Tuesday-Wednesday – 12pm-12am

Thursday-Saturday – 11am -12am

Hearing Officer Vang: When will last call be?

Cochran: Last call is a half hour before close, and we are done serving 15 mins before closing.

Hearing Officer Vang: What is trash pickup like?

Cochran: There are 3 bins in a gated and privacy-fenced area. 2 are mine, and 1 for the antique dealer. We share a parking lot as well and they close earlier, and we have the same hauler. Trash is picked up once a week between 9am and 12pm. We will wait until next day to empty bottles into the recycling. We talked about that today after a staff went to do that after the friends and family event.

Hearing Officer Vang: How are deliveries made, and how often?

Cochran: Deliveries come in along the retaining wall and park in front of the dumpster to offload there, so they don't stop on the street. Food delivery is twice a week, alcohol once a week.

Hearing Officer Vang: You don't own the parking lot, correct?

Cochran: Correct. We have no intention of changing the parking lot.

Hearing Officer Vang next invited other attendees to testify.

Christine Wahlstrom, 1824 Selby Avenue: I can see this from my porch. I've lived here since 1999 and seen many businesses. The coffee shop was the best and the quietest. I can even hear the silverware being moved and conversations happening on the patio when I sit on my porch. There used to be issues with student rental housing nearby creating loud parties and robberies. The neighborhood is nicer now, and there is less student housing. I like having food in the area. My issue is the alcohol and the problems associated with that. I don't want to get between drunk people. I've been a bartender and am a probation officer and I don't want to live in that. It will bring the students if you have alcohol. I don't know if they will binge drink, but they will walk in groups up and down Selby. It's not so bad early in the evening, but it gets worse later in the night. They also leave garbage and pass out my porch. I haven't dealt with that without a bar there. Even with Starbucks, people leave their empty cups and other trash. I don't want to encourage that behavior. I love indoor food, but outdoor seating and alcohol is a problem. We don't have the police force that we used to have, because of the Mayor and Council decisions. I can't count on police to come. I don't want to have to call them.

Hearing Officer Vang then gave the applicant the opportunity to respond.

Cochran: These are natural concerns. I can't control how sound travels. I can do my best. My door is always open to receive concerns. Covid taught us that outdoor space is needed for a restaurant to survive. As far as just serving food, I would like that, but we can't survive on just serving food.

Wahlstrom: I've worked restaurants and bars and I get it. I disagree about the effect of covid, but we don't need to get into that. If St. Thomas wasn't so close, along with Macalester, Concordia, and St. Kate's being nearby, this would be less of an issue. St. Thomas is the biggest concern though.

Cochran: I live nearby, and we have student housing near us, so I understand parking and noise concerns. The school was there when we moved in, and so was the church nearby, which creates parking issues on Sundays. Living near these places were choices I made when moving into the neighborhood.

Wahlstrom: I agree, except that we've got the antique malls, your place, and a barbershop. It's all good, but then there's the student housing. Not everyone has a garage, and families are fighting for parking.

Cochran: It might not make a big difference, but I will be walking or biking to work. My chef will even be biking in when he can. About half of the staff are within 1-2 miles, none are students. We will do what we can to not take up parking spaces. We have financing through the Minnesota

Department of Employment and Economic Development, Drake Bank, and the Neighborhood Development Center. We want to be a good community member.

Wahlstrom: Why open here and not Grand Avenue?

Cochran: It's because we live so close. I couldn't pass up the opportunity. I was working in Minneapolis, and I didn't want someone outside the community taking over that space.

Wahlstrom: What was the opportunity?

Cochran: The building owner had some health issues and wasn't ready to rent or remodel the space. I've been talking to him for 2 years, and when he was ready to lease the space, he reached out to me.

Hearing Officer Vang: I know you don't like alcohol, but it is an allowed use at this location. Please still call the police if the need arises and don't put yourself at risk. Do you want staff to explain the complaint process?

Wahlstrom: I know how it works, but I've had 911 operators asked me to get involved and put myself at risk. Alcohol causes escalation without warning and puts us in a bad situation.

Hearing Officer Vang: How will you mitigate that as a business owner?

Cochran: The TIPS training really gets into recognizing those situations and how to deescalate them. It's an 8-hour course that needs to be renewed. It gives situational tools and visual keys to look for. We will be vigilant and do what we can.

Wahlstrom: Will guns be allowed?

Cochran: No.

Hearing Officer Vang: If it helps, the City has 6 conditions that we do not take lightly. I encourage you to call the City with concerns about a violation. Not all establishments have this many conditions.

Wahlstrom: Blue door did not serve alcohol outside until the very end. I was not in favor of it.

Ferrara: I will reiterate that they are a restaurant. Alcohol must be served with food. DSI also encourages all businesses to call police when necessary. It is not held against them.

Hearing Officer Vang: Could you please explain DSI's complaint process?

Ferrara: All complaints are received and investigated. If an inspection substantiates a complaint, many times we will begin with enforcement by education. If we have continued complaints, they'll get an enforcement notice. If we proceed to adverse action, penalties can range from fines to suspensions and up to revocation. We try to focus on correcting behaviors though, because that avoids continued problems and if a license is revoked, alcohol isn't permitted at the facility again for a long time. they're revoked. Alcohol is never permitted at their facility again.

Wahlstrom: I understand. It seems like it's leaning towards a done deal. If we could not put alcohol on the sidewalk, I would appreciate that.

Hearing Officer Vang: That would be a denial of the licenses. Businesses tend to have to earn that type of license restriction through negative behavior. Licenses and conditions can be modified later if the behavior warrants it. Any other suggestions along the lines of conditions that would address the specific issue you're having?

Wahlstrom: This is a done deal and it's upsetting, and it seems like a waste of my time.

Hearing Officer Vang: Mr. Cochran has gotten a chance to hear from you. You didn't waste your time.

Wahlstrom: I did. The notice made it look like this was about whether they would get their liquor license.

Hearing Officer Vang: The process is to allow for folks to voice their concerns. Evidence presented hasn't risen to the level of denial at this point.

Wahlstrom: It needs to be added to notices that these are givens and there's nothing we can do. The process already gone through.

Ferrara: Regarding process, before notification went out, DSI determined there is no grounds for denial. Conditions mean a license is still going forward but this builds in the public engagement. I will also note that this is all for a recommendation to the City Council. They are the final authority.

Hearing Officer Vang: Do you have suggestions for additional conditions?

Wahlstrom: Can there be a condition that no alcohol is allowed outdoors?

Hearing Officer Vang: What you are suggesting is a denial of the license.

Wahlstrom: The notice needs a better description and way of saying that they can serve alcohol until they do something wrong.

Ferrara: These communications are guided by Chapter 310 of the legislative code. DSI doesn't have a lot of wiggle room. Public input is built into the process here and earlier at the district council level. Again, the Council is the final authority on this.

Wahlstrom: Well, I have issues with City Council

Hearing Officer Vang: The conditions and sometimes just conversations like this can help business work with their neighbors.

Wahlstrom: I would have approached this differently if I knew it was already approved.

Ferrara: The license is still not approved. This is an opportunity to restrict it before it moves forward. Council may still deny the license, also.

Wahlstrom: What could I do then to restrict it?

Hearing Officer Vang: Typically, a license doesn't have to have conditions attached at all. As I said in my opening remarks, I could make a recommendation to not place any conditions. DSI recommended some, some were carried over from the previous business, and some are standard conditions. Mr. Cochran has agreed to these. You're asking for a denial of the liquor-outdoor service area (sidewalk) license.

Wahlstrom: It's already been agreed upon.

Hearing Officer Vang: The hearing provides opportunities to public input, and if there's evidence that you can provide to support your case for denial, such as from the soft opening, if drinks were leaving the premises, that would raise flags for me. Did you notice any issues during the soft open?

Wahlstrom: I wasn't home that day.

Ferrara: Denying the license because of neighborhood input when the use is allowable could get challenged in court. Moving forward, things can change upon renewal if evidence substantiates a change.

Baumgartner: This hearing provided good reminders about being respectful. Neighbors can always feel free to call us. We don't want anyone to be unhappy.

Hearing Officer Vang next read into the record the letters of objection from Chillon Leach, 1795 Dayton Avenue, which voiced concerns about parking noise, garbage disposal, other nuisance activities, and the odor of grill cleaning. She then gave the applicant the opportunity to respond.

Cochran: The letter also mentioned the picnic tables being bolted down. They are just fastened to the ground, per a recommendation from our landlord to keep them from getting stolen. It also mentioned kids behind us, and those kids are excited about us opening. We see them walking by. I talked to my team about being respectful of those neighbors, as they're right behind where the trash bins are. I can't speak to odors from the grill. We aren't going to be as grease-focused restaurant with less of a focus on burgers and fries. We also won't be cleaning the grills at night. I don't know why anyone would do that. We got our vents checked and they are working properly. The smell coming out the vent means it's working properly.

Hearing Officer Vang next read into the record the letters of support from neighbors and the Union Park District Council. She then asked about the potential need for a visual screen between the parking lot and a neighboring house.

Ferrara: Our code states that any new intoxicating liquor establishment must have visual screens where the off-street parking abuts a residential use or has one across an alley. This was first raised to us last week, as the Blue Door was grandfathered in. They were serving intoxicating beverages already, but we need to see if the change to a full liquor license necessitates the visual screen. We will do further research and update you on our findings.

Hearing Officer Vang: That may result in a condition being added to the license.

Cochran: What should the specifications be on the screen?

Birch: I can answer questions about that if the need for one arises.

Cochran: What if the neighbor doesn't want it?

Ferrara: This is in our licensing code. It's not variable.

Hearing Officer Vang stated that after reviewing the records and considering the testimonies from all parties, she will recommend to the City Council that they approve the license with the following agreed-upon conditions:

1. Licensee agrees to operate the establishment in compliance with Section 409.02 of the City of Saint Paul Legislative Code as a "Restaurant".
2. Licensee agrees to close the establishment at 12:00 a.m. midnight. All patron/customers shall vacate the premises by 12:30 a.m. each day of the week as per Section 409.02 of the City of Saint Paul Legislative Code.
3. Signage shall be prominently posted at all entrances and exits to make patrons aware that when they leave the premises they are exiting into a residential neighborhood and should show respect and consideration for the residents.
4. Licensee agrees to limit the placement of table(s)/chair(s) on the public sidewalk to the area and number of seats shown on the approved sidewalk seating plan on file with the Department of Safety and Inspections (DSI) and Public Works.
5. Each year prior to the placement of table(s) and/or chair(s) in the public right-of-way (i.e., sidewalk), the licensee agrees to obtain a new Obstruction Permit from the Department of Public Works. Licensee agrees to maintain the sidewalk café in accordance with the conditions placed on an approved Obstruction Permit, acknowledges that an Obstruction Permit is effective on April 1 and expires on October 31 of each year, that table(s) and/or chair(s) may not be placed in the public right-of-way before or after the effective/expiration dates, and that a failure to comply with this condition will result in adverse action being taken against all of their licenses.
6. Licensee agrees to take appropriate action(s) to ensure that the sale, display, and/or consumption of alcoholic beverages is contained within the defined alcohol service area as per the approved plan on file with DSI.
7. Licensee acknowledges that compliance with Section 409.08 (11) of the City of St Paul Legislative Code is required, which includes construction of a visual screen separating the parking area from the residential use adjoining the east property line. Any required construction shall be done after obtaining applicable trades permit(s) and maintained thereafter in good order and repair.

The hearing adjourned at 3:12 PM.

The Conditions Affidavit was signed and submitted on July 29, 2024.