LICENSE HEARING MINUTES

Holiday Inn St Paul East, 2201 Burns Avenue Thursday, April 11, 2013, 2:00 p.m. 330 City Hall, 15 Kellogg Boulevard West Nhia Vang, Deputy Legislative Hearing Officer

The hearing was called to order at 2:00 p.m.

Staff Present: Peg Fuller, Department of Safety and Inspections (DSI)

<u>Applicant</u>: Steve Leth, General Manager; David Sykora, Food and Beverage Manager, appeared on behalf of the owner/applicant, Jean Huh

Others Present: Wendy Busch, Merrick Inc; John Barker, Merrick Inc.; John and Susan Parnell, 2190 Suburban Avenue

<u>Holiday Inn</u>: Gambling Location license to be added to the following existing licenses: Liquor On Sale – 291 or more Seats, Liquor On Sale – Sunday, Entertainment (B), Hotel/Motel – up to 50 rooms, Hotel/Motel – each additional room over 50 (145), Swimming Pool – Public, Whirlpool, Restaurant (4) – 51-150 seats, and Restaurant (D) – Add on (Bar Only) licenses

Ms. Vang stated that this was an informal legislative hearing for a license application. This particular license required a Class N notification which means the neighborhood was notified and people had the chance to voice their concerns. The City received a petition and letter of concern/objection which triggered the hearing. There were three possible results from this hearing: 1) recommend the City Council issue this license without any conditions; 2) recommend the City Council issue this license with agreed upon conditions; or 3) recommend the City Council not issue this license but refer it to the city attorney to take an adverse action on the application, which could involve review by an administrative law judge. The applicant will be required to sign a Conditions Affidavit demonstrating the understanding of the conditions.

DSI staff will explain their review of the application and state their recommendation. Ms. Vang said she will then ask the applicant to discuss their business plan. At the end of the hearing, she will make a recommendation for the City Council to consider. Her recommendation will be on the Consent Agenda; the City Council is the final authority on whether the license is approved or denied.

Ms Fuller stated that there were no existing conditions on the license and DSI was not recommending any conditions in conjunction with the gambling license. She explained that this proposed gambling location was for bar-operation pull tabs where the bartenders sold the tickets rather than having an electronic machine or booth. The bartenders were in no way compensated for the sales and if funds ended up coming out short, the bar was responsible for making up the loss. This was not a way to generate additional revenue for the bar as it typically did not draw new customers; it was a means to keep customers entertained while at the bar. No additional parking was required with the addition of this license.

Ms. Busch stated that she had been the gambling manager at Merrick for the past 20 years. They currently had five other gambling locations based in St. Paul. She approached the manager of the Holiday Inn to see if they would be willing to sell pull tabs as a bar operation. When she explained how the proceeds would benefit programs, including youth programs in St. Paul, the manager agreed. They had never had any problems or complaints with any of their gambling locations.

Mr. Leth stated that he believed the sale of pull tabs would not generate any new customers and would generally serve as an entertainment activity for guests of the hotel who patronized the bar/restaurant. He said he had reviewed the complaints from the neighbors and was unaware of their concerns until the scheduling of this hearing. The hotel hosted approximately seven large events per year with some events lasting as long as three days. They also hosted church services on Sunday mornings. He acknowledged that there was a lack of parking in the lot when these large events were at the hotel. The hotel did have an informal agreement with Cub Foods to allow overflow parking in their lot with the hotel providing shuttle service for guests; guests were advised of this parking option upon check-in at the hotel. He had approached the manager at McKnight Village Apartments to see if he could arrange for overflow parking in their lot and that request was denied.

Ms. Fuller stated that McKnight Village Apartments were zoned residential and the hotel was zoned commercial; therefore, overflow parking from the hotel would not be allowed. A conditional use permit would be required if the apartments were to allow overflow parking from the hotel in their lot.

Mr. Parnell submitted a letter/petition from the neighbors with concerns they had regarding the management of the hotel (*said letter/petition is made a part of this record*). The biggest concern was parking along Suburban Avenue when there were large events hosted at the hotel as the parking lot lacked sufficient parking. He also took issue with the lack of lawn maintenance in that the property along Burns Avenue seemed to be a priority in appearance while the property abutting Suburban Avenue was not maintained at all. He said he had called the city many times regarding the lawn needing to be mowed; he also took issue with the fact that the leaves on the property were never raked in the fall.

Mrs. Parnell stated that when there are large events at the hotel, overflow from the lot spills onto Suburban Avenue with people parking on both sides of the street. It was her opinion that an emergency vehicle would be prohibited from traveling down their street during these events. This could result in a fatality if emergency vehicles were unable to respond to an emergency call.

Ms. Vang read an email received from Les and Nancy Anderson, 2147 Suburban Avenue, who objected to the grant of the license (*said email is made a part of this record*). Ms. Vang then read a letter received from the District 1 Community Council indicating support of the gambling location license and citing a list of complaints concerning the property with suggested possible remedies (*said letter is made a part of this record*).

Ms. Vang asked Mr. Leth if he attended the district council meetings. Mr. Leth responded that he was unaware there was a neighborhood council until he received their letter in conjunction with this hearing. Ms. Vang encouraged Mr. Leth to attend those meetings and to become familiar with the neighbors in the community. She also suggested he contact the district council prior to hosting any large events at the hotel; they could perhaps assist in getting notifications out to the neighbors.

Ms. Vang stated that she was considering adding conditions to the license to include the creation of a landscape maintenance plan and requiring hiring staff for large events to direct traffic and parking. Mr. Leth responded that since he was now aware of the concerns of the neighbors, he would be sure that lawn maintenance was a top priority. As far as overflow parking going into the neighborhood, he did not directly have any control over where people parked. However, he would be sure that all guests would be aware of the alternative to park in the Cub Foods lot with complimentary shuttle

service. He also offered the neighbors his contact information so that when they had concerns, they could contact him directly.

Ms. Vang stated that she was not going to recommend adding any conditions to the license. She will recommend to the City Council they approve the license application with no conditions.

The hearing adjourned at 2:50 p.m.