

LICENSE HEARING MINUTES
Groundswell, 1342 Thomas Avenue
Thursday, May 2, 2013, 10:00 a.m.
330 City Hall, 15 Kellogg Boulevard West
Nhia Vang, Deputy Legislative Hearing Officer

The hearing was called to order at 10:00 a.m.

Staff Present: Larry Zangs, Department of Safety and Inspections (DSI)

Applicant: Tim Gilbert, Owner/Applicant

Groundswell: An upgrade in licenses from a Restaurant (2) – 1-12 Seats license to a Restaurant (4) – 51-150 Seats license, and add a Wine On Sale and Malt On Sale (Strong) licenses as part of the proposed expansion of the restaurant into an adjoining space.

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 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.

Mr. Zangs stated that the recommended license conditions were as follows:

1. Per City of Saint Paul Legislative Code 409.15(a)(2), On-sale wine license shall mean a license authorizing the sale of wine not exceeding fourteen (14) percent alcohol by volume, for consumption on the licensed premises only in conjunction with the sale and service of food (menu item only). The sale of Malt (Strong) will also take place only in conjunction with the sale and service of food.
2. Per City of Saint Paul Legislative Code 409.15(d), licensee must be able to show that gross receipts are at least sixty (60) percent attributable to the sale of food.
3. Licensee will submit to the Department of Safety and Inspections (DSI) annual gross receipts for food and liquor for each year the license is renewed.
4. Licensee agrees to close the establishment and have all customer/patrons vacate the premises by 12:00 a.m. (midnight) each day of the week as per City Zoning Code parking requirements.
5. No liquor sales, service and/or consumption is allowed outside the building without prior written approval and additional licensing from DSI.
6. No entertainment may be provided until prior written approval and the required Entertainment license has been obtained from DSI.

The Hamline Midway Coalition, District Council 11, submitted a letter of support. Staff recommended approval with the aforementioned conditions. Mr. Zangs explained that the space the business is expanding into was formerly a retail store and no additional parking would be required under the zoning code, one space per 400 square feet, provided the restaurant closes at midnight (12:00 a.m.). There is an existing patio to the west of the building and a sidewalk area facing Thomas Avenue that was not a part of this license application to serve alcohol. If the applicant intends to sell alcohol outside, it would be a separate license which would require a petition process and neighborhood notification. The applicant is able to sell food and non-alcoholic beverages on the patio area without any additional licenses. Service on the sidewalk, however, would require a separate license application with a site plan and an obstruction permit would need to be obtained from Public Works. If the applicant intends to have entertainment at the establishment, this would also require a separate license that again, would require neighborhood notification.

Ms. Vang asked Mr. Gilbert to explain his business plan. Mr. Gilbert stated that he and his partner, Seth McCoy, both lived in the neighborhood and wanted to build relationships in the community. They had purchased the coffee shop approximately three and one-half years ago and since they didn't have a lot of money, they solicited neighbors to volunteer their time working only for tips. They then hired permanent staff approximately two years ago to provide better consistency with their menu items and expanded their menu to include bakery, sandwiches, and pizzas. What the neighbors told them was that they really wanted a family restaurant in the neighborhood that served beer and wine. With the light rail project being built on University Avenue, they had looked at locations to move their business given the potential for increased revenue. None of the properties that they looked at were financially feasible, so when the tenant next to the coffee shop moved out, they approached the building owner about expanding into that space. They have worked closely with the district council, and with their help and support, were able to move forward with this project. They will now have a kitchen to be able to serve hot meals in addition to sandwiches, bakery and pizzas (*see sample menu which is made a part of this record*). Seth McCoy will continue to handle the operational part of the business and he will continue to handle the finances. He anticipated there would be 13 to 15 staff covering the different restaurant sections to include two people working in the kitchen preparing meals, a baker who would continue to manage the bakery area, someone else managing the coffee-wine bar, and overall general serving staff. The hours of operation during the week will be 6:30 a.m. to 11:00 p.m. (Monday through Thursday) and weekends (Friday through Sunday), 7:30 a.m. to midnight.

Ms. Vang read into the record the letter of objection/concern received from Cheryl Sass, 1350 Edmund Avenue (*said letter is made a part of this record*). Ms. Vang also read into the record the letter of support from the district council (*said letter is made a part of this record*).

Mr. Gilbert presented letters in support from the following: Kara McGuire, 1286 Lafond Avenue; Ingrid Christensen, president/owner of INGCO International, 595 Hamline Avenue North; Dan and Lisa Trudeau, 1277 Minnehaha Avenue West; Tricia Netland Wencel, 1648 Blair Avenue; Ellen Olsen, 122 Lafond Avenue; Douglas Byrnes, owner/coach, Spirit Gymnastics and Hamline University; and Adam Kintopf, 1331 Blair Avenue (*said letters are made a part of this record*).

After reviewing all of the documents of record, Ms. Vang said she will recommend to the City Council that they approve the license with the conditions recommended by DSI. The proposed conditions were agreed to by Mr. Gilbert and are as follows:

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The hearing adjourned at 10:30 a.m.

The Conditions Affidavit was signed and submitted on May 7, 2013.