

LICENSE HEARING MINUTES
Grand Catch, 1672 Grand Avenue
Thursday, March 15, 2018, 10:00 a.m.
Room 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: Jeff Fischbach, Department of Safety and Inspections (DSI)

Licensee: Beth Judeh, Applicant/Owner

License Application: Liquor On Sale 100 Seats or Less, Liquor On Sale - Sunday, Liquor Outdoor Service Area (Patio), Liquor Outdoor Service Area (Sidewalk)

Other(s) Present: Sameh Wadi, Saed Wah, Isaac Ramon

Legislative Hearing Officer Nhia Vang gave the following information about the hearing: 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, Ms. Vang will develop a recommendation for the City Council to consider. Her recommendation will be on the Consent Agenda at the City Council meeting.

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 to take an adverse action on the application, which could involve review by an administrative law judge. The City Council is the final authority on whether the license is approved or denied.

Minutes:

Jeff Fischbach, Department and Safety and Inspections (DSI), gave a staff report. He said the location currently had wine, malt, sidewalk and patio license. He said the current owners were taking on a couple of additional partners and adding full liquor on sale. He said in 2014 the current owners added the outdoor liquor service area licenses, and at that time some conditions were added to the current wine and beer license. He said those conditions included a 9:30 p.m. closing for the rear patio seating area Sunday through Thursday, and 10:00 p.m. closing Friday and Saturday. He said one of the current owners had come in and said they planned to close at 10:00 p.m. every night; he noted that their license allowed them to stay open until midnight. He said the owner had asked for a little background on how that 9:30 restriction got put on there,

and had asked whether, for consistency, they could keep the patio open until 10:00. Mr. Fischbach said that request was submitted with the application and was reflected in the license conditions. He said for an upgrade to a full liquor on sale there were separation from churches and schools. He said there was a church and a school within 300 feet, and the owners have obtained petition waivers from both, agreeing to waive the separation requirement. He said for the separation requirement to be waived, the Council would have to approve by a 5-7 majority vote. He said DSI was recommending seven conditions. He highlighted and reviewed the conditions as follows:

Conditions 1 and 2 (related to the granting of a new Liquor On Sale license to a location) could only be granted to a restaurant that met the definition of a restaurant under the City's licensing code. He said the conditions associated with that included requirement that the business close by midnight and everyone be off the premises by 12:30 a.m.

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.

Conditions 3, 4 and 5 were standard conditions related to sidewalk seating and were on the existing license.

3. Licensee agrees to operate the establishment in compliance with Section 409.02 of the City of Saint Paul Legislative Code as a "Restaurant".
4. 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.
5. Sidewalk seating approved for a maximum of sixteen (16) seats.

Condition 6 related to noise outside and was on the existing license.

6. Any outdoor activities related to the outdoor seating areas on either public or private property shall comply with applicable State and Local rules and regulations, including but not limited to Chapter 293 Noise Regulations of the City of Saint Paul Legislative Code.

Condition 7 required daily 10:00 p.m. closing for the patio each day of the week.

7. The outdoor patio seating area located at the rear of the building shall close by 10:00 p.m. each day of the week.

Ms. Vang confirmed that the entertainment license condition included on the original Class N notification had been removed. Mr. Fischbach said the entertainment was part of the current wine and beer license and he had inadvertently left that condition on the notification for the full liquor license. He stated the applicant were not applying for entertainment so the condition has been

removed. He concludes by stating that DSI did not receive any correspondence from district council, Building was not applicable, License approved with conditions, Zoning approved with conditions, and DSI recommended approval with conditions.

Ms. Vang asked about the sidewalk site plan. Mr. Fischbach said he would provide a copy; he said it was a Public Works-approved site plan. Ms. Vang asked about the obstruction permit. Mr. Fischbach said obstruction permit renewals had just been mailed out and the licensees would need to get it by April 1, the beginning of the period when seating was allowed. He said he didn't know whether they had already applied. Ms. Vang asked whether there were additional SAC fees involved. Mr. Fischbach said SAC had already been reviewed; he said they were not adding any seating.

Licensee Beth Judeh said she carried the license at that location and had been working with Mr. Fischbach on the conditions. She said they had previously been operating as Grand Central. She said entertainment was a non-issue and at the time they were doing piano and cello inside. She said they had decided not to have live or amplified music outdoors for the patio area because they wanted to respect the neighbors and it was easier to manage if they just let it go. In response to a question from Ms. Vang regarding music on the sidewalk, Ms. Judeh said that the volume is set to very low and was restricted from being turned up beyond a certain set volume. She said the sidewalk obstruction permit had been applied and paid for. In response to additional questions from Ms. Vang, she said the liquor service had already been extended, there were four or five tables set along the street, the 48" minimum clearance was met, customers came inside to be seated on the sidewalk, and the area was not enclosed.

Ms. Judeh said one of the main reasons for wanting 10:00 p.m. (patio closing) was to align with their hours of operation. She referred to the letters of objection and said the one had to do with being open until midnight and the noise of late hours, which didn't apply.

Ms. Vang asked the hours of operation. Ms. Judeh said they would be open seven days a week from 11:00 a.m. to 10:00 p.m. Ms. Vang confirmed that hours didn't change on the weekend. Ms. Judeh said they didn't now, and if they were to change the hours, the condition on the patio hours would remain.

Ms. Vang asked whether staff numbers would increase with the additional liquor service. Ms. Judeh said Grand Central was initially more of a deli, and when they shut that down and added a kitchen, they did add staff. She said they tried menu service but struggled a little and made a business decision that they needed a fresh concept that wasn't available elsewhere in the city. In response to a question from Ms. Vang, she said there would be a total of 25 to 35 employees.

Ms. Vang noted the parking demand on Grand, and confirmed with Mr. Fischbach that there was no increase in the parking requirements. She asked how employee parking would be handled. Ms. Judeh said they also owned (the neighboring business) Shish and had been on the block for 12 years, and most current employees biked or bussed. She said she wasn't sure about new employees. She said there was always a concern with parking on Grand Avenue and said they'd had discussions with Macalester about how to alleviate parking issues created by their

(Macalester) staff parking on the street. She said they would work on encouraging people to use other modes of transportation.

Ms. Vang asked how long Grand Central (Grand Catch) has been in business. Ms. Judeh said they took possession in 2012, had a soft opening the last week in 2012, and has been opened for business since 2013.

Ms. Vang asked what problems they'd encountered in their business and how they had been handled. Ms. Judeh said their biggest challenge was staffing, she said the restaurant industry as a whole in the metro struggled with finding enough staff. She said they were a family-run business and very hands-on and involved. She said in terms of any issues, when they applied for outdoor service (in 2014) people were worried about the entertainment but when they found out the music was from a nationally acclaimed pianist who lived in the neighborhood, and musicians from Macalester, the neighborhood realized it was fine. She said there'd received a complaint from a neighbor about the speaker on the patio being disruptive. In response to that concern, they made the business decision to remove speakers from the patio and they are no longer there. She said the complaint had come to them directly and they continue to maintain a good relationship with the neighbors.

Ms. Vang noted that Ms. Judeh had business partners and another business, and she asked Ms. Judeh whether she would be running the day-to-day operation of the business. Ms. Judeh said they had a manager who operates the business, but they are operated as a team. She said her office is located upstairs and is typically on-site Monday through Friday, but they did have a manager and bar manager who are there as well.

Business partner Sameh Wadi, chef/owner of World Street Kitchen and Milk Jam Creamery in Minneapolis, described the new concept.

Ms. Vang said they obviously had a well-run staff, were managing both businesses and adding more staff and a new cuisine. She said she liked the idea of controlling noise by eliminating the patio music entirely. She asked how many seats were on the patio; she noted that it was completely enclosed. Ms. Judeh said the seat count was near 50; she said they'd had to have two exits and 50 was the tipping point. Ms. Vang asked how staff handled noise for customers outside. Ms. Judeh said they would be adding umbrellas or sun-shades, which would also absorb noise. She said the guests they were anticipating were groups interacting among themselves, and they wouldn't be competing with music. Mr. Wadi said they would also be working with staff about rules. He said the concept and menu were such that they would be expecting a higher caliber guest, and not students that wanted to party at 2:00 a.m. He said it would be families and friends that wanted to come together for a meal, and people that wanted to share an experience. He said they would be instructing staff on how to alleviate noise problems and handle complaints, and how to manage that expectation right off the bat.

Ms. Vang asked about IDing guests; she noted the proximity of the college. Mr. Wadi said everybody would be going through the program for how to check IDs. He said they had a no-serve rule for anyone entering the establishment who was obviously impaired. He said they were taking employees through the steps of alleviating any issue. He said they had built their

reputation on being operators that wanted a concept to go further than just trying to make some money and get out of town.

Ms. Vang said asked whether they had seen the one additional letter from Macalester. Ms. Judeh said she had reached out to Deanna (Seppanen, Director of the High Winds Fund) who said she wanted consistency on the block. Ms. Seppanen had said that her tenant, French Meadow, had a license for full liquor on their outside service area, with a condition of 9:30 closing Sunday through Thursday. Ms. Judeh said Ms. Seppanen was new to High Winds, and neither of them really knew where that condition came from. Mr. Fischbach said when French Meadow went in, the district council requested those hour limitations, when Grand Central went in they wanted to be treated the same as French Meadow. Ms. Judeh said they closed at 9:00, except on the weekends which were a little later, so it wasn't necessarily aligning with their hours of operation anyway. She said she had told Ms. Seppanen that French Meadow could also request a 10:00 p.m. closing. In response to a question from Ms. Vang, Mr. Fischbach clarified the process French Meadow would go through to make that request.

Ms. Judeh said, for Ms. Seppanen, consistency was important throughout the block, and she had also brought up parking. She said they had had a candid conversation about parking - about Macalester staff not all parking on campus, causing problems for other people parking in the neighborhood. She said they talked about coming up with some solutions, including use of a vacant lot across the street that was currently being used for construction vehicles for work being done on campus. She said she understood there would be a City process for using a vacant lot for parking.

Ms. Vang said she was glad they had a relationship with the district council and Macalester, and she hoped they would continue to make the good business decisions they had been making. She said she didn't see a need for additional conditions. She noted there had been some complaints over the years but the applicant had responded to them. Mr. Fischbach said no adverse actions related to the complaints. Ms. Judeh asked what the complaints had been. Ms. Vang said they were for garbage; she asked how garbage was handled. Ms. Judeh said between French Meadow, Shish, and Grand Central there were a lot of trucks, and as a solution they had shared garbage. She said it was currently picked up currently three times a week, and they would monitor and change that if necessary. She said she thought the incident was once when service was missed, and they called it in right away. She said the back of the Shish building at 1668 (Grand) was a warehouse used by Ace Hardware, and there were two dumpsters there - one for garbage and one for recycling. She said Italian Pie Shoppe had their own garbage containers. She said the other business brought their garbage over to their dumpster.

Ms. Vang said she didn't have any more questions to ask or conditions she felt were warranted. She said, in terms of Macalester's concerns about consistency in the neighborhood, they did have the option to request that their condition be modified. She asked Mr. Fischbach whether it was their practice to impose the same conditions for every business in one block. Mr. Fischbach said it was not. He said he couldn't remember whether they had a condition for hours on the patio when Grand Central's current license originally went out for notice, but they received objections and the condition was added as part of the Legislative Hearing process. He said those conditions were imposed on a case by case basis, and sometimes based on past history.

Ms. Vang said she was satisfied with the testimonies presented and comfortable recommending that the Council approve the license with conditions. She confirmed that the applicants understood the conditions and consequences for violation. As such, she will recommend to the City Council that they approve the license 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. Sidewalk seating approved for a maximum of sixteen (16) seats.
4. 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.
5. Licensee agrees to take appropriate action(s) to ensure that the sale, display, and/or consumption of alcoholic beverages is contained within the defined area as per the approved sidewalk seating plan on file with DSI.
6. Any outdoor activities related to the outdoor seating areas on either public or private property shall comply with applicable State and Local rules and regulations, including but not limited to Chapter 293 Noise Regulations of the City of Saint Paul Legislative Code.
7. The outdoor patio seating area located at the rear of the building shall close by 10:00 p.m. each day of the week.

Mr. Fischbach asked whether they intended to open and operate before receiving the liquor license. He clarified that they had maintained the wine and beer license and applied to operate the restaurant under the existing license if they opened before this review was done. He said renewal was on a prorated basis, and currently went through April 14. Ms. Judeh said they hoped to open the first week in April and would continue with the limited beer and wine if they didn't have the full liquor. Mr. Fischbach said if this review wasn't done by April 14, they'd have to do a monthly prorated fee review.

The hearing adjourned at 10:47 a.m.

The Conditions Affidavit was signed on January 25, 2018.