LICENSE HEARING MINUTES The High Hat Cafe LLC, dba The High Hat, 485 Selby Avenue Thursday, August 15, 2:00 PM Room 330 City Hall, 15 Kellogg Boulevard West Nhia Vang, Legislative Hearing Officer

The hearing was called to order at 2:01 PM

<u>Staff Present</u>: Tom Ferrara, Department of Safety and Inspections (DSI) Licensing Inspector; Frances Birch, DSI Zoning Inspector (remote participation)

Licensee: Michael Noyes, Applicant/Owner

<u>License Application</u>: Liquor On Sale - 100 seats or less, Liquor On Sale - Sunday, Liquor-Outdoor Service Area (Patio), Liquor-Outdoor Service Area (Sidewalk), and Entertainment (A) licenses

Others in attendance:

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 The High Hat Cafe LLC, (License ID# 20240001073), d/b/a The High Hat, located at 485 Selby Avenue. The application is for Liquor On Sale - 100 seats or less, Liquor On Sale - Sunday, Liquor-Outdoor Service Area (Patio), Liquor-Outdoor Service Area (Sidewalk), and

Entertainment (A) licenses. DSI is recommending approval with the following license conditions:

Recommended 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. 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.
- 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).

The District 8 Summit University Planning Council is aware of the application. Building conditions, N/A; License approved with conditions; and Zoning approved.

Hearing Officer Vang 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 special conditions needed for this use.

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

Noyes: I received the letter of objection and reached out to the objector. They weren't available to talk but did express an interest in doing so.

Hearing Officer Vang next read into the record the letter of objection from Michelle Hotzler, 472 Dayton Avenue, which voiced concerns about proximity to residential uses and potential outdoor entertainment. She then gave the applicant the opportunity to respond.

Noyes: Outside entertainment wouldn't be happening. The entertainment would be for karaoke indoors. Maybe we would have an unamplified acoustic guitar player on Sunday mornings or something. This is not a bar, but rather a place where people get a drink with their food. We are not going to be a place that is open late either. Regarding noise, we have never received noise complaints since we opened. We have speakers playing music outside and have never had an issue. I know the objector expressed concern about The Gnome across the street, but I don't think my business should be penalized for their concerns about that business.

Hearing Officer Vang asked about the number of tables are on the sidewalk.

Noyes: Up to three. We had three last summer but only have two 4-tops this summer.

Hearing Officer Vang asked whether the non-sidewalk patio was enclosed.

Noyes: No. It's just a private sidewalk between the neighboring parking lot and the building.

Hearing Officer Vang asked about trash picked up.

Noyes: Trash is picked up directly to the west of the building. Behind the building there is a backyard that we own separating our building and the neighboring lot to the north. Trash is picked up every Monday and Friday. I don't have a dumpster, so they just roll my bins out to the truck.

Hearing Officer Vang asked about the lighting on the side of the building facing the patio and sidewalk and whether it has caused issues.

Noyes confirmed the lighting and stated that there's been no issues.

Hearing Officer Vang next asked about the menu.

Noyes: We have a brunch and lunch menu. Lunch is Tuesday – Friday (closed Mondays) and brunch on Saturday – Sunday. Hours are 8am – 2pm all 6 days. I'm wanting to expand hours into the evening at some point. I would like to see what demand is on certain nights and I won't know what works best until I try. The intention to start is to have bloodies and mimosas with brunch. Once that raises additional revenue I would expand into dinner with more inventory, equipment, and hiring. Dinner would be a simple drink menu with a few cocktails and small plates, and not go late into the night.

Hearing Officer Vang: How many staff do you have now and how many do you anticipate adding with the license?

Noyes: Right now, we have 12-15 employees, 5 of them are full-time. Adding dinner hours would mean doubling staff. Most of the staff are neighborhood people who stayed with me when I left W.A. Frost.

Hearing Officer Vang: Will you be doing any alcohol awareness training with staff?

Noyes: Yes. I will be doing the ServSafe alcohol program with all of them.

Hearing Officer Vang: You mentioned that for entertainment you were thinking of acoustic guitar and karaoke. Could you expand on that?

Noyes: It's a small space that seats about 55 people maximum inside, and 75 when you include outdoor seating. I don't need to have the license, but I'd like to keep the option open. We don't have room for bands. It might be a nice license to have for private events though.

Hearing Officer Vang: Considering the patio and sidewalk are both used for outdoor service right now, do you have people seating themselves or going inside for seating?

Noyes: Seating is done by going inside first. We monitor the tables outside just by looking through the windows.

Hearing Officer Vang: Does your outdoor space allow smoking?

Noyes: No.

Hearing Officer Vang: Are hours the same inside as outside?

Noyes: Yes.

Hearing Officer Vang: Are your utensils disposal or washable?

Noyes: All washable.

Hearing Officer Vang: Will you be changing your trash pickup plan with the new licenses?

Noyes: I might add a 3rd pick up time during the week to avoid the need for a dumpster if waste increases. The biggest issues regarding liquor service and trash at W.A. Frost were when glass bottles got dumped at night and made a lot of noise. I would always make sure staff left them until the next day to avoid making a lot of noise at night.

Hearing Officer Vang: Do we have verification that you informed the district council of your application before you applied?

Noyes: I reached out to them a few times but never heard back.

Ferrara: We verify that correspondence before the public notice goes out.

Hearing Officer Vang: Do you have any other questions?

Noyes: Could we go through the conditions again?

Ferrara read through the list of recommended conditions.

Hearing Officer Vang: The last two are just focused on the sidewalk service. Do you have any additional questions?

Noyes: What happens next?

Hearing Officer Vang: This item will likely go before Council on August 28, 2024. It will be voted on under their consent agenda and not have public testimony. There is no need to show up. This hearing serves as this item's public hearing.

Ferrara: The mayor then signs the resolution usually on mid-day Friday. DSI will then likely issue the license on Monday or Tuesday the following week.

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.
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The hearing adjourned at 2:27 PM.

The Conditions Affidavit was signed and submitted on August 20, 2024.