

LICENSE HEARING MINUTES
CITY HOUSE, 258 Mill Street
Thursday, OCT 05, 2017, 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: Kris Schweinler, Department of Safety and Inspections (DSI)
Eric Hudak, Department of Safety and Inspections (DSI)

Applicant: Susie Odegard, Special Services Manager, 651-266-6416

City of Saint Paul Parks

DBA City House: Add a Liquor – Outdoor Service Area (Patio) & ~~Entertainment (B)~~ licenses to the existing Liquor On Sale – 291 or more seats, and Liquor On Sale – Sunday licenses

Ms. Vang stated that this was an informal legislative hearing for a Class N license application for an Outdoor Service Area (Private Patio) license be added to the existing Liquor On Sale – 291 or more seats, and Liquor On Sale – Sunday licenses. This license also requires the applicant to meet the petitioning requirement. In addition, an Entertainment (B) license was also included in the application but was withdrawn on September 13, 2017. Today's hearing will only address the Outdoor Service Area (Private Patio) license. Because this application is a Class N license, it requires neighborhood notification so that surrounding residents have an opportunity to voice their concerns. The City received letters 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 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 were asked to explain their review of the application and state their recommendation. Ms. Vang will then ask the applicant to discuss their business plan and then invite interested parties to testify. 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. Eric Hudak reviewed the license conditions. Building recommended approval with conditions; zoning recommended approval with conditions; and licensing was recommending approval of the license application. He further stated that under the zoning code, no additional parking was required but the original conditions apply:

Existing License Conditions:

1. Any events exceeding the A-2 limits of 150 will be required to provide restroom fixtures to accommodate the additional occupants.
2. All countertops used for the public must meet the 2015 Accessibility code. 8/3/16:
Conditions added by Council Resolution 16-1293:
3. Sales shall occur only during the hours and days of service permitted by State law, and

within the liquor service area determined by the Department of Safety and Inspections.

4. Prudent care will be taken to ensure that all sales are made only to persons age 21 and over.
5. Prudent care will be taken to ensure that no sales are made to individuals who are or appear to be intoxicated.
6. Red River Kitchen agrees to defend and hold harmless the City of St. Paul, its agents, officials, and employees from any and all liability for claims of injury, death or property damage relating to or resulting from the sale, use, consumption, or distribution of alcoholic beverages on or about the premises managed and under control of Red River Kitchen. Red River Kitchen specifically agrees that it will take all steps required by the State of Minnesota to ensure that all persons involved in the sale, use, or distribution of alcoholic beverages on or about the premises, have received the required State of Minnesota training for serving and distributing alcohol. Such training shall include, but not be limited to: checking for proper identification before selling alcohol, not serving to minors, recognizing the signs of excessive consumption, and how to refuse to serve someone.
7. Any failure or negligence on the part of Red River Kitchen to comply with any rules, regulations, or training relating to the sale, use, or distribution of alcoholic beverages shall be the exclusive and sole liability of Red River Kitchen and in no way shall the liability be transferred onto the City of Saint Paul.
8. Red River Kitchen shall obtain and keep in force dram shop insurance that names the City of Saint Paul, its employees, agents, and officers as additional insureds. This policy is in addition to any other insurance required by the Management Agreement.

Ms. Kris Schweinler reviewed the license conditions regarding the preparation for meeting the petitioning requirement:

- a. Petition all the owners of all private residences, dwellings and apartment houses located within three hundred (300) feet of the property* where the proposed outside service area is located.

Measurements shall be determined from the property line of the licensed premises to the property line of the residential uses; provided, however, where the licensed premises is located within a shopping mall or shopping center the measurements shall be determined from the nearest corner of the building in which the licensed premises is located to the property line of the residential uses.

**A map of properties and list of property owners within of 300 feet from your property line is available upon request.*

Note: Establishments within the downtown development district are exempt from the petition requirement.

- b. Depending on the number of signatures you obtain, the following additional information will be required:

A petition containing 90% of the possible signatures

If you obtain the signatures of ninety (90) percent or more of such persons, the council may grant the license.

A petition containing 60-89% of the possible signatures

If you obtain the signatures of sixty (60) percent to eighty-nine (89) percent of such persons, the following additional information must be submitted with your petition:

- A demonstration in writing that the applicant made a good faith effort to fulfill all petition requirements.

Consent of less than 60% of owners and occupants within three hundred feet

If the applicant fails to obtain the signatures of sixty (60) percent of such persons, the following additional information must be submitted with your petition:

- A demonstration in writing that the applicant made a good faith effort to fulfill all petition requirements.
- A demonstration in writing that the results of the petition attempt showed a generally favorable disposition from the surrounding community toward the proposed extension of the liquor service area to the patio area.
- Written confirmation from the district council representing the area showing support for the request to extend the liquor service area to the patio.

Ms. Schweinler noted that the petitioning requirement was not met for the Entertainment B application, including lack of support from the Fort Road Federation 9th District Council, which resulted in the applicant withdrawing the license. However, the petitioning requirement was met for the Outdoor Service Area (Patio) license application on August 3, 2017, where 143 out of a possible 238 residential property owners (or 60.8%) supported the Outdoor Service Area license, including support from the Fort Road Federation 9th District Council.

Ms. Vang asked Ms. Susie Odegard whether she had questions about the existing conditions and whether she wanted to respond to the concerns raised. Ms. Odegard did not have questions regarding the existing conditions but noted that the biggest concern was the Entertainment B license which was withdrawn.

Red River Manages the City House for the Park Department. They have done a great job managing the establishment since they opened. This establishment allows food and beverages while being able to watch the river. Ms. Odegard also noted the business being an asset for the community.

Regarding the issue of parking, the licensed business currently has a conditional use of 48 parking spaces specific for City House. There is also a surface lot of 28 parking spaces and then there are also off-street parking. The condition for the original license was to add more parking signage, which they have completed to direct parking to the City House Garage parking. Posted signage is located right off Sheppard Road which directs patrons to available parking spaces.

Regarding trash and recycling, bins are held inside of City House Garage. There are no bins on the outside of the business. City House contract for the recycling with Eureka recycling, which picks up recycling weekly. Staff from the Parks Department stops by daily for trash pick-up. Trash bins are only put out for trash pick-up.

Ms. Vang asked Ms. Odegard to respond to Ms. Schanno's concern regarding noise traffic and issues of parking. Ms. Odegard stated that typically delivery to the business occurs daily and that noise from the delivery are no different that deliveries made to surrounding properties. It should be noted by staff

that any issue regarding parking or traffic infractions be made to Saint Paul's traffic and enforcement unit.

Ms. Vang asked whether additional parking would be required for big event and how City House would handle or monitor the traffic generated from the event. Ms. Odegard stated that a parking plan is required in advance of the event where there are more than 200 guests. They will then work with the organizer to determine from their allotted 48 spaces in the garage and work with Excel Center for additional parking. City House had a big event this summer and they managed it well with no issues. There were no complaints received. They also have second event coming up and Ms. Odegard do not foresee any issues.

Ms. Vang then read into the record received letters/emails of concerns and objections for the following addresses (*said letters and emails were made part of this record*):

Allen Voelz	256 Spring street Unit 222, St Paul MN 55102
Cynthia Schanno	256 Spring street Unit 113, St Paul MN 55102
Mary Carpenter	256 Spring St unit 117, St Paul MN 55012
Susan Bergen	256 Spring St unit 419 St Paul MN 55102
James Niven	256 Spring St unit 418, St Paul MN 55102
Jennifer Nasifigler	256 Spring St Unit 318, ST Paul MN 55102
Ann A Gjeltu	256 Spring St Unit 317, St Paul MN 55102
Georgene & Bruce Gustin	256 Spring St Unit 121, St Paul MN 55102
Linda Holmen	256 Spring St Unit 417, St Paul MN 55102
Alva Voelz	256 Spring St Unit 222, St Paul MN 55102
Mary & Scott Carpenter	256 Spring St Unit 117, St Paul MN 55102
Ray & Karen Stanchfield	256 Spring St Unit 422, St Paul MN 55102
Diane & Robert Awsumb	256 Spring ST Unit 217, St Paul MN 55102
Dale & Claudia Zellmer	284 Spring St, St Paul MN 55012
Gary & Perri Hite	284 Spring St, Unit 406, St Paul MN 55012

Ms. Vang noted that many of the conditions and concerns have already been addressed in the discussion thus far and noted that Ms. Odegard also submitted a response to the concerns and objections raised (*said letter was also made part of the record*), including mentioning that City House abide to City policies.

Ms. Vang enquired about the business, its history, hours of operation, etc. Ms. Odegard stated that hours of operations are from 11 AM to 9:00 PM. Any special events are handled on a request basis and will be those events are required to be completed and closed by 10 PM. Smoking was mentioned in one of the letters and Ms. Odegard indicated that smoking was not allowed on Park property. Ms. Vang suggested to Ms. Odegard to talk to Red River management about developing a plan to address smoking if the issue comes up in the future. With regards to the number of employees, Ms. Odegard did not know off hand and thought that seasonally, about eight (8) staff works at City House but noted that she will send confirmation following the hearing. (*Email was received on October 6th that Red River employs twenty (20) staff.*)

Ms. Vang enquired about liquor identification training and requirements. Ms. Schweinler noted that annually, licensees are required to meet the requirement at renewal if they want the 7% discount. DSI requirements are what Red River follows for identification to serve liquor.

Ms. Vang discussed the site plan for the outdoor service area (patio) with Ms. Odegard who indicated that the patio has no outside access to patrons. To enter the patio area, patrons must enter the establishment in order to access the patio area which faces the river. The patio area will not be open year-round. It is anticipated that the patio will be open from May to October. It will only be open on a seasonal basis. Operating hours were reiterated to be from 11 AM to 9:00 PM with a 9 PM closing.

After reviewing received testimonies, emails and letters, Ms. Vang will recommend approval of the license application with the existing license conditions:

Existing License Conditions:

1. Any events exceeding the A-2 limits of 150 will be required to provide restroom fixtures to accommodate the additional occupants.
2. All countertops used for the public must meet the 2015 Accessibility code. 8/3/16: Conditions added by Council Resolution 16-1293:
3. Sales shall occur only during the hours and days of service permitted by State law, and within the liquor service area determined by the Department of Safety and Inspections.
4. Prudent care will be taken to ensure that all sales are made only to persons age 21 and over.
5. Prudent care will be taken to ensure that no sales are made to individuals who are or appear to be intoxicated.
6. Red River Kitchen agrees to defend and hold harmless the City of St. Paul, its agents, officials, and employees from any and all liability for claims of injury, death or property damage relating to or resulting from the sale, use, consumption, or distribution of alcoholic beverages on or about the premises managed and under control of Red River Kitchen. Red River Kitchen specifically agrees that it will take all steps required by the State of Minnesota to ensure that all persons involved in the sale, use, or distribution of alcoholic beverages on or about the premises, have received the required State of Minnesota training for serving and distributing alcohol. Such training shall include, but not be limited to: checking for proper identification before selling alcohol, not serving to minors, recognizing the signs of excessive consumption, and how to refuse to serve someone.
7. Any failure or negligence on the part of Red River Kitchen to comply with any rules, regulations, or training relating to the sale, use, or distribution of alcoholic beverages shall be the exclusive and sole liability of Red River Kitchen and in no way shall the liability be transferred onto the City of Saint Paul.
8. Red River Kitchen shall obtain and keep in force dram shop insurance that names the City of Saint Paul, its employees, agents, and officers as additional insureds. This policy is in addition to any other insurance required by the Management Agreement.

The hearing adjourned at 10:30 a.m.

The Conditions Affidavit was signed and submitted on Oct 10, 2017.