

LICENSE HEARING MINUTES
Willard's Liquors, 738 Thomas Avenue
Thursday, June 27, 2019, 2:00 p.m.
Room 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: Kris Schweinler, Department of Safety and Inspections (DSI)

Licensee: Arlene and Curtis Favors, Applicant/Owner

License Application: Liquor On Sale - 100 Seats or Less, Liquor On Sale - Sunday, Gambling Location

Other(s) Present: Darryl Bridge, neighbor

Legislative Hearing Officer Nhia Vang made introductory comments about the hearing process: This is an informal legislative hearing for a Class N license application. This license application requires neighborhood notification to inform nearby residents and the District Council about the application and to 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 may make a recommendation for the City Council to consider.

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. 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.

Minutes:

Kris Schweinler, Department of Safety and Inspections (DSI) gave a staff report. She said the recommendation was for approval with the seven conditions. She said the first condition was updated language for the standard security conditions, the remainder were the same as the previous license holder.

1. Licensee will create a video surveillance camera and lighting placement plan (video surveillance plan) for the interior and exterior of the licensed premises. Licensee will submit the video surveillance plan to the Saint Paul Police Department (SPPD) liaison with the Department of Safety and Inspection (DSI) for review and approval. In accordance with the approved video surveillance plan, licensee will ensure that video surveillance camera system is in good working order, ensure it is recording 24 hours per day, ensure it can produce recorded surveillance video in a commonly used, up-to-date format, and ensure that accurate date and time of day are visible on all recorded video. Licensee will retain surveillance video for a minimum of thirty (30) days. If an incident is deemed serious by SPPD, licensee shall make surveillance video immediately available for viewing by SPPD. If a copy of the surveillance video for a serious incident is requested by SPPD, Licensee shall have the technology, materials and staff available to immediately make the copy. In all other cases, licensee shall provide a copy of the surveillance video to the requestor within 48 hours.
2. The License holder will use metal detecting devices to prevent the introduction of weapons into the establishment.
3. The License holder will check identification of patrons to ensure that no one under 21 years of age is served alcoholic beverages.
4. The License holder will employ properly trained security personnel, who will be on duty every day from 7:00pm until closing. The security guard(s) will adhere to the following guidelines:
 - a) The security guards will not socialize with patrons and will not be allowed to drink alcoholic beverages while on duty.
 - b) The security guards will wear identifying clothing and/or arm bands to be easily identified as security personnel for Willard's Liquors.
 - c) The security guards will conduct outside sweeps or walk-arounds at least twice an hour while on duty to disperse or discourage people from excessive hanging out or loitering adjacent to the licensed establishment, and especially in the doorway to the establishment.
 - d) Security guards will ask patrons to park legally adjacent to the establishment and will call police to enforce parking regulations if necessary.
 - e) Security and bar personnel will meet with police on a regular basis to discuss security problems and concerns.
5. The License holder will lock the doors to the establishment at 1:30am.
6. The back door will remain locked after 5:30pm to prevent entry. (This is to allow for deliveries.)
7. Criminal histories or background checks will be conducted on all security personnel to eliminate any candidates who have a criminal history from working as security guards.

Ms. Vang asked whether there was an additional parking requirement. Ms. Schweinler said they were grandfathered in, and there was no parking required.

Ms. Vang asked Mr. and Ms. Favors to talk about their plans. Questions and agreement with the conditions being placed on their licenses. Mr. Favors said Ms. Favors was the majority owner;

she was the business and he was the property. He said they had purchased the building and three adjacent houses. They did not have questions and agreed to the conditions.

Mr. Favors said they had taken Ms. Schweinler's advice and gotten the ID scanner, and it was working well. He said they also planned to take her suggestion and get a doorway metal detector, even though it wasn't a condition. He said Willard's had a bad reputation because of the community more than anything. He said they wouldn't make an investment in a block of property without looking at the community, regardless of the business. He said a lot of the concerns expressed were misinformation and some was community stuff.

Ms. Vang asked when they plan to take over the building and the business. Mr. Favors said this liquor process would determine that. He said if the license was denied, they would move forward with the property purchase but not the business. Frank (current owner) was still operating but had allowed them to be very hands-on in anticipation of the change of ownership. He said he'd known Frank for 35 years and had worked with him for 25, as a bartender while in school, and as a general contractor maintaining the properties. Ms. Favors had been managing the business for four years. Mr. Favors said he had a law degree in business transaction law.

Ms. Vang asked what kinds of negative experiences they'd had with the business and how they'd been resolved. Mr. Favors said he was bartender/manager/security/event coordinator, and Ms. Favors had also played the same roles. Ms. Favors said they handled disruptive patrons with a barred-out list, where people just weren't allowed back in. She said that information was documented and shared with security staff. Mr. Favors said that information could be put into the new ID scanner.

Ms. Vang asked about the door metal detector. Mr. Favors said it would be added eventually; and would check certain zones. He said they were still wandering everybody, and the scanner would let security know where to pay particular attention on the body. Ms. Vang asked whether they were worried about how that would affect business. Mr. Favors said if it deterred people who didn't want to be wanded or go through the metal detector, they didn't want them in there anyway.

Ms. Vang asked how many security staff they would have and whether they would be hired specifically to provide security. Ms. Favors said they had four that worked on a rotating schedule. She said they had two security staff starting on at 7:00 p.m. on Thursday through Sunday. Mr. Favors said the conditions called for security starting at 7:00 p.m. every night. There were one personnel starting at 7:00 p.m. during the week, and on the weekends, there was two.

Ms. Vang asked whether the security was on staff or from a security company. Mr. Favors said they were staff, but he had been talking to a former police officer who had agreed to come and train staff in terms of how to mesh better with police. He said they called the non-emergency number sometimes for parking and other problems; he said the concerns mentioned in the

letters were very true, that calling the non-emergency line was a flip of the coin. He said the former police officer said he would help him contact police when it was needed, along with Detective Tom Arnold. Ms. Vang asked whether Mr. Favors had a good relationship with the police. Mr. Favors said he did; they were regulars at the bar when he bartended, but it was hard to get a commitment from the guys until they had full ownership of the bar and could make some decisions. He said the current owner was also good friends with them.

Ms. Vang asked how many staff there were in addition to security. Mr. Favors said around ten. Ms. Vang said she also understood they were getting a food license. Ms. Vang noted there was no kitchen on the floor plan. Mr. Favors said they had snacks and pizza, bar food. She asked about the status of the food license. Mr. Favors said the Minnesota Department of Health didn't need to do an inspection since it was just a change in ownership but needed the new company's work comp insurance, which they couldn't get until this process was approved.

Ms. Vang asked about alcohol compliance training for wait and bar staff. Ms. Favors said they had already done training. Mr. Favors they were very much in contact with Officer Stanway, a liaison officer. Ms. Schweinler said he was with DSI. Mr. Favors said the current owner had always had staff do MLBA training every year.

Ms. Vang asked whether they had submitted a plan to the police department as required in Condition 1. Mr. Favors said they had worked with Officer Stanway on that. He said they had 15 cameras that covered the bar and adjacent properties. Ms. Vang said she assumed Ms. Favors, as manager, had the skill set to help the police if they ever needed to make a copy of the video. Ms. Favors said she did.

Ms. Vang asked Mr. and Ms. Favors if they would be willing to provide their contact information for neighbors who had concerns so that they could be communicated directly. Ms. Favors said yes, they encouraged that.

Ms. Vang asked whether they had met with the district council. Mr. Favors said he knew Caty (District 7 co-director) and they had asked her to be their in-house general contractor a couple of years before to help with property rehabs. Ms. Vang encouraged them to continue to hone that relationship. Ms. Favors said she had known Tia (another District 7 co-director) since high school.

Ms. Vang noted Condition 5 requiring them to lock doors at 1:30 a.m.; she asked whether they did that. Mr. Favors said they locked the doors at 12:30 a.m. Ms. Favors said they did last call at midnight when it was busy, and she was usually on her way home by 1:00 a.m.

Ms. Vang said there were ten staff plus security plus Mr. and Ms. Favors, and no parking. She asked how they encouraged staff to park far enough away so it didn't have an effect on residents and members of the community. Ms. Favors said some staff lived in the houses they were buying, so they could walk. Mr. Favors said his office was right next door. He said they

used to live in that house and now lived in Dayton’s Bluff. He said the staff had a couple of alley spots at the properties they were buying.

Ms. Vang asked how they would be managing it differently than the current owner. Mr. Favors said they would be a lot more hands-on. Ms. Favors said she was learning from working for the current owner, and learning the dos and don’ts and things that could be done better. Mr. Favors said they wanted to be more community oriented; he said they were products of that community and it was an honor for them.

Ms. Vang asked whether the hours of operation would change. Mr. Favors said the 2:00 a.m. was tried in the past and that wasn’t very profitable and was anti-community. Ms. Favors said they were going to close at 1:00 a.m. Mr. Favors said the guidelines indicated they closed at 2:00 a.m., but it hadn’t close at 2:00 a.m. in quite some time. Ms. Schweinler said they hadn’t had a 2:00 a.m. license for several years; she said technically there was no sales or service after 1:00 a.m., and display and consumption and everybody out done by 1:00 a.m.

Ms. Vang said they were inheriting a history with the property, with complaints about trash, loitering, parking, bad behaviors, etc. She asked how they protect their staff and customers. She understands they didn’t invite negative behaviors but this type of business attracted that behavior and said appreciate them adding more security measures. Mr. Favors said they were adding more cameras in the doorway. Mr. Favors said the community “is what it is,” and they invited the people who had the concerns and the complaints to come be a part of the business and help make it better. He said they were going to have a meet and greet, and a barbecue and block party for the neighborhood. He said they had talked to Mr. Fischbach about how that licensing worked.

Ms. Vang noted the gambling location; she asked what organization they were supporting. Ms. Favors said Destination Education. Mr. Favors said they had pull-tabs and scratch-offs. AF pull tabs, scratch-offs.

Ms. Vang asked them to address the specific concerns in the letters.

Ms. Favors said, in terms of trash, they had someone who came at 6:00 a.m. every morning and cleaned up from the night before, halfway up the block. Mr. Favors said it had always been that way.

Ms. Vang reviewed the letter received on April 24 from Rachel Canning, who lived not too far from the business and opposed the license, expressing concerns about drive-by shootings, shootings inside the bar, fights, loud arguments, noise levels, loud music. Mr. Favors said the writer was under the impression that if they were not granted a liquor license, Willard’s was going to close; he said a lot of people were under that impression. He said the problems she stated happened on every other block in that community. He said there was a park, a store, and a parking lot nearby where the same things happened. He said Willard’s did have problems, but

that community needed help. He said they were making an investment and were not going to drive it into the ground.

Ms. Vang said Ms. Canning questioned whether staff was really doing metal detecting or monitoring loitering. Mr. Favors and Ms. Favors said the loitering started with smoking ban. She said they were trying to address the problem, by asking people to come in or leave if they were not smoking. Ms. Vang asked whether they were asking staff to proactively do that. Ms. Favors said they were.

Ms. Vang asked whether they had ever had the need to call police to resolve fights. Mr. Favors said fighting happened throughout the neighborhood. He said Willard's got blamed for everything that happens in the neighborhood. He noted an incident where someone was shot a block-and-a-half away, and made it to Willard's where they called 911 and provided medical attention, but people associated the shooting with Willard's.

Ms. Vang said Ms. Canning noted how differently the business was being managed from another nearby business. Ms. Favors said the comparison was apples and oranges. She said they had six people there at a time and closed at 11:00 p.m. or earlier. Mr. Favors said they (the other business) were not very inviting to everyone.

Ms. Vang reviewed the letter of complaint from Linda Green, questioning who was responsible for enforcement citing specific April dates when there was constant loitering and loud noise and music, vehicles blocking traffic and illegally parked, and questioning the professionalism of security guards. She had made unsuccessful attempts to contact police and believed this would become a nuisance for the community. Mr. Favors said people were outside smoking and someone would drive by and talk to them; he said it did get boisterous. He noted that on April 20 everybody in the community was high, it was the weed day. Ms. Favors said if people were driving by with loud music there was nothing they could do. She said for certain things they called non-emergency, but when they arrived it was gone. She said all they could do was try to control what went on in their immediate area. She said if people were parking illegally they couldn't be forced to move. Mr. Favors said they encouraged security to get them to move.

Ms. Vang asked whether there had been a referral from the police department for a violation of conditions. Ms. Schweinler said DSI did compliance checks. Ms. Vang asked whether there had ever been enforcement action taken against Willard's. Ms. Schweinler said "no" other than the recent event in which a gun got in due to improper wandering. She said it was a first offense and Mr. Schweitz paid the fine. She said this was a new license application so they started over.

Ms. Vang reviewed letter from David Green with concerns about security personnel and enforcement. Ms. Schweinler noted it was from the same address as the previous letter. Mr. Favors said he would like to knock on their door and invite them to help make the business better. Ms. Vang said she hoped they attended their open house, and maybe that would help them change their perspective. Mr. Favors said he would knock on doors and not just send letters.

Ms. Vang reviewed support correspondence. She asked if there were any letters Mr. and Ms. Favors wanted to add to the record. Mr. Favors submitted a congratulatory letter from Jill Hendrickson, formerly with the greater Frogtown CDC.

Ms. Vang invited neighbor Darryl Bridges to speak. Mr. Favors said Mr. Bridge was one of their tenants and had been adamant about coming.

Mr. Bridges said the things that he'd heard had been going on for a while. He said he'd lived across the alley for over ten years, and didn't feel the problems were as bad as described. He said he was a patron of the bar. He said they were trying hard to eliminate the problems that were there, and he believed they would do a very good job of owning the bar.

Ms. Vang said, based on the testimony, she was encouraged that Mr. and Ms. favors were adding security measures and staff training, hadn't heard anything to warrant denial of the application. She said she would recommend the Council approve the application. She said it would come before Council under Consent within about four weeks.

The hearing adjourned at 2:45 p.m.

The Conditions Affidavit was signed and submitted on March 28, 2019.