

LICENSE HEARING MINUTES
LAVS TAC Ent LLC, dba The Foundry Pub, 1201 Jackson Street
Thursday, May 4, 2023 at 2:00 PM
Room 330 City Hall, 15 Kellogg Boulevard West
Nhia Vang, Legislative Hearing Officer

The hearing was called to order at 2:00 PM

Staff Present: Ross Haddow, Department of Safety and Inspections (DSI) Licensing Inspector; Eric Hudak, DSI Licensing Manager; Joe Voyda, DSI Licensing Inspector; YaYa Diatta, DSI Zoning Manager

Licensee: Michael LaValle, Applicant/Owner; Jess LaValle, Owner

Others Present: Ue Vang & Pa Kou Lee, 83 Maryland Avenue

License Application: Liquor On Sale - 100 seats or less, Liquor On Sale – Sunday, and Gambling Location licenses

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. Also received was an email of support from the district council.

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:

Mr. Diatta: We do not have minimum parking requirements anymore, so Zoning no longer looks at parking requirements. New businesses do not need to provide parking. This is also an allowed use for this location.

Ross Haddow, Department of Safety and Inspections (DSI) gave a staff report for licensee LAVS TAC Ent LLC (License ID# 20230000060), d/b/a The Foundry Pub, located at 1201 Jackson Street. The application is for Liquor On Sale - 100 seats or less, Liquor On Sale – Sunday, and Gambling Location licenses. DSI is recommending approval with the following license conditions:

1. License holder will create a video surveillance camera and lighting placement plan (video surveillance plan) for the interior and exterior of the licensed premises. License holder 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, license holder 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. License holder will retain surveillance video for a minimum of thirty (30) days. If an incident is deemed serious by SPPD, license holder 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, license holder shall have the technology, materials and staff available to immediately make the copy. In all other cases, license holder shall provide a copy of the surveillance video to the requester within 48 hours.
2. License holder will use an identification card scanner system to record and retain for a minimum of thirty (30) days the identification of all patrons who enter or re-enter the licensed establishment after 10:00 p.m. until closing during any day of operation. If an incident is deemed serious by SPPD, license holder shall make identification card scanner information immediately available for viewing by SPPD. In all other cases, license holder shall provide recorded card scanner information to the requester within 48 hours.
3. License holder shall retain clearly identifiable security personnel. Clearly identifiable security personnel shall mean a uniform or marked outerwear. Security personnel shall be assigned to each entrance/exit of the license premises starting at 10:00 p.m. during any day of operation and shall remain until all patrons have left the property of the licensed business. While on duty security personnel shall screen each patron upon entry using a metal detection device and check all handbags and packages carried by patrons to effectively detect and prohibit weapons from entering the licensed premises. The requirement to screen patrons includes those who have left for any duration of time and return to re-enter the licensed premises. Security personnel shall verify the age of patrons by checking state or federally issued photo identification cards using the method outlined in condition #2. License holder shall establish and require that security personnel enforce a no picture identification/no entrance policy.
4. Security or staff will conduct outside sweeps of the building and parking lot at least twice an hour to disperse and discourage loitering from 9:00 p.m. during any day of operation until closing and shall remain at the licensed premises until all patrons have left the property/parking lot. All customers/patrons must be off the property/parking lot within 30 minutes after closing time.
5. License holder will remove any litter, trash, debris, or similar materials around exterior of licensed premises daily.

6. Signage shall be prominently posted at all exits stating, "You are exiting into a residential neighborhood - please leave quietly".

The District Council 6 - North End Neighborhood Organization submitted an email of support. Building is N/A; License is approved with conditions; and Zoning is approved.

Ms. Vang asked Mr. LaValle to talk about the business: history, hours of operation, number of employees, etc.

Mr. LaValle: I am the owner of the business as well as the property, including the parking lot. I have been an employee here for over 30 years with both bar and managing experience particularly within the last 5 years. I took over as general manager during July 2019. Ownership change process started in July of 2019 as well. License application and purchase agreement drafting started in January of 2022.

Ms. Vang: Have you witnessed any incidents during your time working here that would make this business under your direct management operate differently?

Mr. LaValle: Yes. Once I obtained financial control, there were a lot of improvements put in especially the security investments.

Ms. Vang referenced the proposed 6 conditions being imposed and asked whether they were carryovers from the last license holder or whether there were some that were newly added.

Mr. LaValle: Yes and no. The conditions that came out of there, there's one condition that was suggested by DSI. The remaining 5 are things that I implemented when I took over the business and therefore were added as license conditions because they were standard business operating procedures for us.

Ms. Vang verified whether conditions 2 – 6 were what Mr. LaValle proposed.

Mr. LaValle: Conditions 1 – 5 were things I did since taking over management. Conditions 1 & 2 were drastically upgraded once I took ownership. We have installed the state-of-the-art video surveillance system that covers not only the property, but a few adjacent properties also. For card scanning, those handhelds were upgraded to Android devices. Regarding condition 3, we upgraded from hand wands to airport metal detection walk-through security. This is installed right now. I had concerns about putting it in, but 75% of our regular clientele thanked us and said they felt safer after we installed it.

Ms. Vang asked why he chose that route.

Mr. LaValle: We have a gun violence issue in St. Paul, and I wanted to send a message that we are fighting against that. We want people to feel safe.

Ms. Vang asked whether any customers have refused to go through the metal detector and if they have been turned away.

Mr. LaValle: Yes. Same with the ID scanners. They are welcome to go elsewhere.

Ms. Vang: How does the process work upon entry to the establishment?

Mrs. LaValle: Customers put their stuff in a basket and walk through, and as they're doing that our security scans their IDs. The security searches through the bags, and no large backpacks are allowed. Signs are posted with this policy as well.

Ms. Vang: Did you have to submit a new video surveillance plan?

Mr. LaValle: We did have an existing plan, but Chuck (Sgt. Graupman) came out and inspected the new system. We have better coverage now than we had before. In addition, we added cameras on the front of the building, so it covers the Old Maryland Street. Jackson is covered as well. The alley in back is covered also. The video is recorded back 72 days since we upgraded our hard drive. We provide it via zip drive or send it online.

Ms. Vang: Will you be in the bar as manager?

Mr. LaValle: I am the manager on duty. We have a total of 15 staff on payroll, including: 4 security guards, cleaning, my wife, and I, and 7 bartenders, I think. I am there every day except for vacations. I live 15 minutes away in Oakdale as well. I am available if need be. We have contingencies in place. Video can even be pulled up on an iPad, whether I am there or not.

Ms. Vang: How many cameras are there?

Mr. LaValle: 11

Ms. Vang asked about entrances and exits.

Mr. LaValle: Entrance is on the north side of the building off the parking lot. That is where the metal detector is. The door in the southeast is for exit-only after 9pm.

Ms. Vang asked about seating.

Mr. LaValle: There are 22 stools at the bar, 4 high-top tables. There is also a lounge area with an L-shaped booth.

Ms. Vang asked about the gambling location license.

Mr. LaValle: We have 2 pull-tab machines and electronic e-tabs behind the bar. The pull-tab machines are next to the South door. We are affiliated with CLIMB Theater in Inver Grove Heights. The previous owner was affiliated with them as well. Regarding training, everyone is trained in, and we have low turnover, so we have only had to train in 2 new people over the last 5 years.

Ms. Vang asked if Mr. LaValle had questions or concerns about DSI's recommended conditions.

Mr. LaValle: These were all standard procedures that we put in place. I had no problems with these recommendations from DSI.

Ms. Vang: Do you understand what violations would mean to your business? Do you want us to walk through that?

Mr. LaValle: Yes, I am aware. I understand the penalty matrix and everything.

Ms. Vang: Can you tell us about your hours of operations?

Mr. LaValle: Mondays are 3pm – midnight. All other days we open at noon. Tuesdays we close at midnight typically. Wednesdays, I leave it to bartenders if they decide to stay open until 1am. The remaining days of the week, we are open until 1am.

Ms. Vang asked Mr. LaValle about training to his staff regarding the handling of nuisance activities.

Mr. LaValle: The biggest challenge for us has been owning a business in the world we live in with safety issues. Other places have closed, and their clientele have decided to come here. Some are welcome and some are not. We do community events and charities like mitten and toy drives. We want to let people know this is a neighborhood bar. Food trucks have been a hit but a security challenge with people being outside.

Mrs. LaValle: I help co-own the business as well.

Ms. Vang: Do you co-manage and operate this business as well?

Mrs. LaValle: Yes.

Ms. Vang revisited the six conditions and noted that the conditions have been helpful to the management of the business as it directly addressed the behaviors associated with the business at this location. She next mentioned that there was a council action back in 2022 that had a penalty against the establishment and asked whether Mr. LaValle was the manager at the time.

Mr. LaValle: I was the manager but not the owner during that incident and it shaped the security conditions.

Ms. Vang: Do security personnel get trained to call the police? Do they patrol the parking lot? What is their schedule?

Mr. LaValle: Yes. Security starts at 9pm rather than 10 pm. There are 2 staff who work every night of the week. We have 3 staff on Thursday – Saturday and some on-call if needed. Staff make their rounds in the parking lot and cameras inside for bartender to monitor the parking lot. When it comes to closing, we have signs on the door ask customers to leave quietly and signs on

the fence outside saying to respect the neighbors. We don't have a problem with people leaving at closing time, since we close at 1am and other nearby bars are opened until 2am. With security, they are told that if people are peaceful, we want to avoid confrontation. We can call on the police as needed but we want to focus on de-escalation. We don't want our staff putting themselves in danger.

Ms. Vang: Is DSI's recommendation to reach out to police department?

Mr. Hudak: Yes, and it will never be held against a business for calling the police.

Ms. Vang reiterated that she did not want Mr. LaValle to put himself and his staff in jeopardy.

Mr. LaValle: What's important to me is that the record shows that we were proactive in calling the police, even if they don't show up promptly. We are not afraid to use that resource.

Ms. Vang next asked about trash and to understand how trash gets picked up.

Mr. LaValle: Trash and recycling are picked up weekly between 9-11am. Cleaning is every day between 9am and 12pm. Our garbage goes out every night since it's quiet, but recycling and the loud bottles are usually disposed of the next day.

Mrs. LaValle: Sometimes bottles are disposed of at night if there aren't many.

Mr. LaValle: Sometimes there is big overflow for an event, but we do what we can do make sure it doesn't spill out. Sometimes I will take things home with me.

Mrs. LaValle: I told our cleaning people that we've got to go through the parking lot every day. People in their car in the parking lot maybe toss trash out. We work every day to make sure that they clean that up, and across the street and down the boulevard.

Mr. LaValle: If you look at the map, I am there on Saturdays and Sundays with more time than Mondays and Fridays, and typically I go out and clean by walking up the boulevard along Old Maryland. Across the street there used to be a vet clinic, but now it's going to be a staffing agency. Their parking lot typically gets filled with some overflow parking because they're not open. We will try to pick up on the grass out there as well. I have worked with the neighbors, and it has drastically improved. Sometimes people will throw things over the fence though into our parking lot. The parking lot has a fence on the west side that has helped reduce that, but I still pick that up.

Ms. Vang next introduced the other attendees wishing to testify. Those in attendance were:

Ue Vang, 83 Maryland Avenue
Pa Kou Lee, 83 Maryland Avenue

Ms. Vang invited Mr. Ue Vang to testify.

Mr. Ue Vang: We object to this application. We have lived here since 2010. The bar was not a big deal until we had kids. We now have 2 boys and 2 girls, ranging from 12 to 5 years old. Crime has been increasing a lot. We are concern about stray bullets. Regardless of security, there is only so much that a business can do when a group comes together outside. We hear gunshots right behind the bar last summer, and police were called. This business still draws some type of crowd, and maybe this bar belongs somewhere else. We don't want to run them out of business, but the crowds have gotten worse. Our kids are more trained than military now when it comes to gunshots. I don't know what the long-term effects are of this. If you have kids, you do fear for them. This might just not fit with the neighborhood.

Ms. Vang: I appreciate your concerns. Do you have any suggestions that would help address the safety issue?

Mr. Ue Vang: Not sure anything can be done. It will still draw crowds and crimes and death from shootings outside. Someone got shot about 3 doors down within the last month or so.

Ms. Vang: Is your concern that this business attracts the kind of behavior you don't want to affect your young children?

Mr. Ue Vang: It just draws the bad type of people. Our home has been devalued because we call the police so much.

Ms. Vang: I want to make sure you still call the police though.

Mr. Ue Vang: We will. More calls do lower our property value though. Sometimes money needs to be valued less than safety of the community, but it does hurt.

Ms. Vang: Have you observed a difference in operation since Mr. LaValle took over?

Mr. Ue Vang: The past ownership was more reserved and not proactive. Mr. LaValle has made a lot of improvements with security and such. It still just draws a bad crowd. There's nothing we can do about that outside the building.

Ms. Vang then gave Mr. LaValle an opportunity to respond.

Mr. LaValle: I appreciate him being here. We have talked a lot informally as our paths have crossed, even just crossing the street. We have talked about things like lighting and tree trimming to improve security. It's hard though with the community we are in, and we share the same sentiments. This is a community challenge we have that we need to stay proactive on.

Ms. Vang: Does the city have any tools to resolve issues that happen outside the establishment?

Mr. Hudak: They can call the police or our complaint line, which is 651-266-8989. There's also a method to leave complaints online. We hold license holders responsible for what happens in their business and their parking lot if they control it. There have been incidents that occurred as many of you know. Ones that are tied to the bar, we address those though adverse licensing

action. Regarding the adverse action in 2021, we reached a settlement agreement with Mr. LaValle. He has been one of the more engaged license applicants we have dealt with. I am confident that he will operate in a safe manner. He did not apply for the 2am license because he recognized it as a safety issue since many incidents are tied to those incidents.

Ms. Vang asked that tools can be of use to neighbors to assist with immediate help and long-term problems solving.

Mr. Hudak: We are complaint-based, which means that we investigate complaints that are received. They can come in the form of a police report. We have a police sergeant assigned to us, who you referred to as Chuck. That is Sergeant Charles Graupman. He oversees the cameras and the surveillance plan. His expertise was used to develop the camera placement in the Foundry that's now placed.

Mr. Ue Vang: We have never filed a complaint in 10 years. We have called the police because of safety but we have never filed a complaint. We just wanted to come in and be heard.

Mr. Hudak: I'm glad you're here. An open dialogue is the best way to get issues resolved. We step in if need and can use the law and regulations to help.

Mr. Ue Vang: Our area has changed a lot. Mr. LaValle is a good business owner, but I still just see a lot of risk.

Ms. Vang: I want to reassure you that even if we don't deny the license application and we move forward, we're still taking that into consideration. That's why we're here. If you have a condition that I have not considered, I welcome your input. Your testimony is important because I want to be able to help you find some middle ground. The licensing team takes these conditions seriously, and they can lead to penalties for not complying with them.

Mr. Hudak: There is a process in place, and it would take multiple offenses to lead to revocation, which would prevent a business from operating with that license for 15 years.

Ms. Vang asked Mrs. Pa Kou Lee if she had anything to add.

Mrs. Pa Kou Lee: A couple days ago we found a .40 caliber bullet on the grass near our deck, and I didn't even know what that was until then. My kids' room is near that deck. We have a garden next to the fence and we have found bullet casing there also. I have to explain to my kids what these things are, including liquor bottles that we only touch with gloves when we are cleaning things up. For me, as a parent, this is hard. We teach our kids to stay away from the bar and train them like armies. If they see cars there too long or see a suspicious group, we teach them to get away from the bar. They already have that mentality.

Ms. Vang: Thank you for that. I am sorry for what you have dealt with. I feel for you. This is a larger issue that we need to get City Council involvement with, and I will be bringing this story to them. We need to have a larger conversation about gun violence. In this license hearing, my hands are largely tied over what I can recommend. I can put in conditions regarding the property

and its perimeter. I will your concerns up with Council President Brendmoen, who represents your area. Councilmembers have been having policy sessions on gun violence and I will share your perspective with them. Mr. LaValle, do you have a response?

Mrs. LaValle: I completely feel for you and what you have dealt with is wrong. If I could control all the issues, I would. We have done everything we can though. Most of our staff are single moms. I want everyone to be safe. I am sorry for what you go through. We want this to be a community.

Mr. LaValle: We need to continue to brainstorm on gun violence. I am committed to North End Neighborhood Organization that has agreed to be an active partner in their community and to provide support about what I think needs to be changed in our area. I'm committed to that. I don't want to kick the can down the road. I want to solve the problem. We have a good dialogue, but maybe we can adjust to prevent gatherings against that fence. We will keep being proactive.

Ms. Vang next read into the record the letter from Tou Vang (no address provided), which stated concerns about safety, trash, and parking. She then gave the applicant the opportunity to respond.

Mr. LaValle: I haven't seen incidents reflecting this, but I hope the police report reflects that. I do understand the concern of safety. Regarding parking, if there are illegally parked cars, I will call the police. It might be interesting to explore residential parking only on that street. We will stay engaged and proactive though. Our lot has 26 stalls. We have closed it in the past to prevent loitering.

Ms. Vang next read into the record the letter from Brittany Moen (no address provided), which stated concerns about safety and noise. She then gave the applicant the opportunity to respond.

Mr. LaValle: Nothing I haven't already said.

Ms. Vang: When was this death mentioned in the letter?

Mr. LaValle: This was the result of a carjacking in our parking lot. It was after we had closed. We were gone and patrons were gone. When the guy was fighting to get his car back that was when he was shot.

Ms. Vang: When you close in the evening, do you have a gate or bollard to prevent others from using the parking lot? If not, I would encourage you to do so, though I won't be recommending that as a condition at this time, but I strongly encourage you to consider it.

Mr. LaValle: I'm not opposed but I do need to evaluate the logistics of it.

Ms. Vang next read into the record the letter from Janet O'Connell on behalf of James Ness (77 E Rose Avenue), which stated concerns about gambling with no specific concerns raised. She then gave the applicant the opportunity to respond.

Mr. LaValle: Nothing new to add.

Ms. Vang next read into the record the letter from Pa Kou Lee (83 Maryland Avenue E), which did not express any specific concerns.

Ms. Vang next read into the record the letter from the North End Neighborhood Organization, which voiced support and highlighted Condition #1 regarding cameras. She then asked DSI staff for clarification on Condition #1.

Mr. Hudak: That is a standard camera condition that we put on licenses. We do this deliberately so that officers on calls can know what the condition is and what should happen. Any life-safety incident nearby we would require that camera footage.

Mr. LaValle: Just to clarify, they brought that issue up in that letter because that condition language had not been finalized yet. I was concern about having to have every staff member trained on providing video footage and having admin access to the cameras, since I am the only manager. Using technology, we were able to make it work, and I am okay with that condition. There was some discussion about changing it, but I changed by business process to adapt to it.

Mr. Hudak: We had a conversation with him, and Mr. LaValle is well aware that the bottom line is that he needs to provide video footage when asked, and that a failure to do so would result in a violation.

Ms. Vang then reviewed the police incident report and asked Mr. Haddow to highlight specific actions.

Mr. Haddow: Proactive police visits are unrequested stop-bys. I encourage businesses to build relationships with police and ask them to stop by. They do not get counted against the business. There are traffic accidents that just happened to be nearby. There are some disturbances about suspicious people. There was a weapons discharge in January. There were disturbances for disorderly conduct with no report filed. This could be because it was minor such as loud music or because the incident was over by the time police showed up.

Ms. Vang then reviewed the STAMP activity report, so that the owner was aware of past incidents. She then asked if there have been past enforcement actions taken against the business from the police or STAMP activity reports.

Mr. Haddow: Currently? None. I am satisfied with what he has presented. He has been very cooperative.

Mr. LaValle: What report is this exactly?

Mr. Haddow: The City uses STAMP, a program for logging complaints, licenses, and permits. It is the city's way of tracking information on properties.

Ms. Vang informed the applicants that she reviews these complaints to see how reported issues have been resolved and to educate businessowners about their responsibilities.

Mr. LaValle: That explains a fire inspector coming to check on a door that was complained about for being unlocked. It was locked and he left, and now I know why he stopped by.

Ms. Vang stated that after reviewing the records and testimonies from all parties, she will recommend to the City Council that they approve the license with the following conditions:

1. License holder will create a video surveillance camera and lighting placement plan (video surveillance plan) for the interior and exterior of the licensed premises. License holder 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, license holder 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. License holder will retain surveillance video for a minimum of thirty (30) days. If an incident is deemed serious by SPPD, license holder 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, license holder shall have the technology, materials and staff available to immediately make the copy. In all other cases, license holder shall provide a copy of the surveillance video to the requester within 48 hours.
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3. License holder shall retain clearly identifiable security personnel. Clearly identifiable security personnel shall mean a uniform or marked outerwear. Security personnel shall be assigned to each entrance/exit of the license premises starting at 10:00 p.m. during any day of operation and shall remain until all patrons have left the property of the licensed business. While on duty security personnel shall screen each patron upon entry using a metal detection device and check all handbags and packages carried by patrons to effectively detect and prohibit weapons from entering the licensed premises. The requirement to screen patrons includes those who have left for any duration of time and return to re-enter the licensed premises. Security personnel shall verify the age of patrons by checking state or federally issued photo identification cards using the method outlined in condition #2. License holder shall establish and require that security personnel enforce a no picture identification/no entrance policy.
4. Security or staff will conduct outside sweeps of the building and parking lot at least twice an hour to disperse and discourage loitering from 9:00 p.m. during any day of operation until closing and shall remain at the licensed premises until all patrons have left the property/parking lot. All customers/patrons must be off the property/parking lot within 30 minutes after closing time.
5. License holder will remove any litter, trash, debris, or similar materials around exterior of licensed premises daily.

6. Signage shall be prominently posted at all exits stating, "You are exiting into a residential neighborhood - please leave quietly".

The hearing adjourned at 3:33 PM.

The conditions affidavit was signed on April 17, 2023 and submitted on May 4, 2023.