LICENSE HEARING MINUTES Cinema Ballroom, 1560 St. Clair Avenue Wednesday, April 3, 2013, 10:00 a.m. 330 City Hall, 15 Kellogg Boulevard West Nhia Vang, Deputy Legislative Hearing Officer

The hearing was called to order at 10:00 a.m. <u>Staff Present</u>: Larry Zangs and Corinne Tilley, Department of Safety and Inspections (DSI) <u>Applicant</u>: Eric Hudson and Eileen Arcilla, co-owners/applicants <u>Cinema Ballroom</u>: Dance or Rental Halls licenses

Ms. Vang stated that this was an informal legislative hearing for a license application. This particular license required a Class N notification which means the neighborhood was notified and people had the chance to voice their concerns. The City received a letter 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 an 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 will explain their review of the application and state their recommendation. Ms. Vang said she will then ask the applicant to discuss their business plan. 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. Zangs stated that the recommended license conditions were as follows:

- 1. The Rental Hall license is issued to this location for a rental hall use only, as defined under Chapter 405 of the City of Saint Paul Legislative Code.
- 2. Licensee agrees not to rent the building to, operate, and/or allow to be operated on the premises any use that meets the definition of a "public dance hall" or a "dance hall" as defined respectively under Chapter 405, and Section 65.642 of the City of Saint Paul Legislative Code.
- 3. Licensee acknowledges having received a copy of Chapter 405, and Section 65.642 of the City of Saint Paul Legislative Code.
- 4. Licensee shall maintain the approved shared parking arrangement on file with the City, to provide off-street parking per the City Zoning Ordinance.

There were currently two outstanding permits, a building permit and a fire sprinkler permit, which needed to be finalized before the license could be issued. The Macalester Groveland Community Council submitted a letter recommending approval of the license. DSI was recommending approval of the license with conditions. Mr. Zangs went on to explain the difference between a rental hall and a dance hall under the zoning code. A rental hall was a permitted use under the zoning code; they can teach dance and the hall can be rented out for private parties. A dance hall would require a conditional-use permit under the code. This meant that if any fee were charged at the door, it would

be considered a dance hall. Since the applicants had not applied for a conditional-use permit, they could not operate a dance hall.

Ms. Vang asked the applicants whether they understood Chapter 405. Ms. Arcilla responded that this had been an ongoing process for the past five years. She had received a copy of the code and believed she had a clear understanding of Chapter 405. Ms. Vang asked about the shared parking agreement. Ms. Arcilla explained that they had a monthly lease with the owners of Sweeney Cleaners to utilize their parking lot. Ms. Tilley confirmed that the shared parking agreement was on file with the city.

Ms. Vang asked Ms. Arcilla to explain the plans for their business. Ms. Arcilla responded that the building originally was a movie theater which was then converted to a racquetball court. They purchased the property in 2005 and converted the space into a ballroom with studios on the upper level and main level. They employed approximately 12 dance instructors who taught dance classes, such as Latin, ballroom, salsa, swing, etc., with classes taught at varying hours seven days a week. The reason they were seeking a rental hall license was to be able to rent the main-floor studio on Saturday nights for special events: weddings, bar and bat mitzvahs, corporate events, etc. A host would be responsible for hiring their own licensed caterer to bring in food that was already prepared, beverages/alcohol, set up, take down, entertainment, and anything else associated with hosting a party. A host was also required to hire one or more of their employees to staff private parties. The main reason they decided to obtain the rental hall license was because they saw this as an opportunity for their dance instructors to earn extra income since lessons were not taught on Saturday nights.

Ms. Vang asked Mr. Zangs whether a liquor license or entertainment license would need to be obtained to be able to rent the space for private parties. Mr. Zangs responded that a host was able to bring in their own alcohol under a rental hall license without needing a license or special permit. As for entertainment, such as a DJ, it was only allowed to be provided by the host of a party and likewise did not require a license or special permit.

Ms. Vang reviewed the site plan with the applicants. She asked about the outstanding permits. Mr. Hudson responded that they had done a lot of upgrades to the building. They constructed new walls going down to the basement and were then required to install new sprinkler heads in various locations throughout the building. It had been a costly endeavor but he believed it was worth the investment.

Ms. Vang read into the record the letter of objection/concern received from Lisa Quinn-Lee and Robert Lee, 261 Brimhall Street (*said letter is made a part of this record*). She asked the applicants to address the concerns outlined in the letter. Ms. Arcilla responded that in order to keep noise to a minimum, smoking was only allowed at the rear of the building, where the property abuts other businesses, rather than at the front where there are residences. Staff was also present to monitor the activities outside of the building including picking up litter. Concerning trash, they had a dumpster at the rear of the building next to their property which seemed to always be overflowing. She believed it did contribute to litter blowing around the neighborhood on windy days. She said they would look into obtaining their own recycling containers for separate service since this was a problem. As far as parking, staff generally parked throughout the neighborhood. They had a shared parking agreement with Sweeney Cleaners to use approximately seven of their spaces and with Lund & Lange Florists to use nine spaces. They also had an agreement with Macalester College to use their parking lot on the evenings when events were not planned at the college. As far as delivery trucks and other vehicles blocking the alley, they were not the only business who utilized the alley for deliveries. They had a

separate handout with the instructions for deliveries on where to park and when the building was open to access. Currently, the building was available for deliveries on Friday, the day before the event, and beginning at 10:00 a.m. on Saturday up to the time of the event. If they saw a truck parked that was blocking the alley, they would ask the driver to move their truck.

Ms. Vang read into the record a letter of support from the district council (said letter is made a part of this record).

Mr. Zangs stated that in looking at the website for Cinema Ballroom, there were events listed which require an admission fee, one in particular being Sunday night dances. Any event where there is an admission fee for the general public constitutes a dance hall which requires a dance hall license. In order to obtain a dance hall license, they would need to make an application to the Planning Commission to obtain a conditional use permit.

Mr. Hudson clarified that the Sunday night events were dance instruction first followed by a social dance for students to practice their dance moves. They considered anyone who walked in the door to be a potential student. Ms. Arcilla stated it was her opinion that general admission meant the cost for any student who came in to take a lesson and then to practice dancing after that lesson with instructors present to guide students.

Mr. Zangs responded that the way the language read on the website is that this was a dance hall and not for instructional dance. In his opinion, the terms "general admission" and "social dance" meant it was open to the public and was a dance hall facility. He suggested the language on the website needed to be modified to clearly indicate that dance was instructional only.

Ms. Vang concurred with Mr. Zangs in his assessment that the language on the website led one to believe that this was a dance hall. She agreed that the language be modified to clearly indicate dance was instructional only. She suggested the applicants make the necessary changes to their website and email Mr. Zangs indicating the changes had been made so he could confirm. She also requested Mr. Zangs modify condition #2 to clearly identify what the sections of the code cited relate to so that any member of the public would have a general understanding of what the code is rather than having to look it up. She confirmed that all outstanding permits would need to be finalized before the license would be issued.

After reviewing all of the documents of record, Ms. Vang said she will recommend to the City Council that they approve the license with conditions. The proposed conditions were agreed to by Ms. Arcilla and Mr. Hudson and are as follows:

- 1. The Rental Hall license is issued to this location for a rental hall use only, as defined under Chapter 405 of the City of Saint Paul Legislative Code.
- 2. The licensee understands that any dance activities on the licensed premises shall be for instructional purposes only. No dance events, open to the general public patronage, is allowed. Licensee agrees not to rent the building to, operate, and/or allow to be operated on the premises any use that meets the definitions of a "public dance hall" or a "dance hall" per the licensing provisions of St Paul Leg. Code, Chapter 405. Dance or Rental Halls, and per the zoning/landuse requirements of St Paul Leg. Code, Sec. 65.642. Dance hall.

- 3. Licensee acknowledges having received a copy of Chapter 405, and Section 65.642 of the City of Saint Paul Legislative Code.
- 4. Licensee shall maintain the approved shared parking arrangement on file with the City, to provide off-street parking per the City Zoning Ordinance.

The hearing adjourned at 10:55 a.m.

The Conditions Affidavit was signed and submitted on April 19, 2013.