

LICENSE HEARING MINUTES
La Cucaracha Restaurant, 36 Dale Street S
Thursday, July 28, 2016, 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 2:05 p.m.

Staff Present: Jeff Fischbach, Department of Safety and Inspections (DSI)

Applicant: Nina Turner, Applicant/Owner

Others Present: Ian Houmas, Adonis Eco Housing, charitable organization

La Cucaracha Restaurant: This is an application for a Gambling Location license to be added to the following existing licenses: Liquor On Sale - 101-180 Seats, Liquor On Sale - Sunday, and Shared Parking Agreement licenses. The license will allow a charitable organization to sell pull tabs, tip boards, raffle tickets, and operate a paddle wheel at La Cucaracha Restaurant once the organization has obtained a State of Minnesota Gambling Control Board Premise Permit.

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. Fischbach stated reviewed the existing license conditions:

1. Parking lot must be striped and clearly identified as customer parking only.
2. The bar area within the restaurant may not be expanded in accordance with the application for variance and the site plan on file with the Zoning administrator.
3. The La Cucaracha Restaurant cannot expand into any of the space formerly occupied as a pharmacy.
4. The La Cucaracha Restaurant must lease seven (7) off-street parking spaces for use by restaurant employees. These off-street parking spaces must be maintained so long as the premises is licensed as an On-Sale Liquor establishment. A copy of the off-street parking lease must be posted on the premises. A copy of the lease shall be provided to DSI.
5. The applicant and the applicant's successors and assigns agree to waive any right to a hearing or appeal under Saint Paul legislative Code 310.05 or any decision of the Saint Paul City Council as it pertains to a decision on future expansion of the liquor service area in the premises.

The Summit Hill Association submitted a letter of support dated June 13, 2016 recommending approval of the addition of a Gambling Location license. (*Email from district council is made a part of this record.*) Zoning recommended approval with conditions; licensing was recommending approval subject to renewal of the Shared Parking Agreement.

Ms. Vang asked whether additional parking would be required by adding the gambling license to the existing licenses. Mr. Fischbach responded that under the zoning code, no additional parking was required.

Ms. Vang asked Ms. Turner to talk about her business: history, hours of operation, number of employees, etc.

Ms. Turner stated that the restaurant was a family-owned business which had been in operation for the past 52 years. She had purchased the property approximately 36 years ago and had eight other tenants who occupied the building. She was raised in the neighborhood and took absolute pride in her business and its contribution to the neighborhood. The restaurant opened at 11:00 a.m., closed at 10:00 p.m. Sunday through Thursday and closed at midnight on Friday and Saturday nights. Seating accommodated approximately 200 people; she employed approximately 33 staff and was on-site managing the restaurant during the day. Parking had always been an issue given the thriving vibrancy of the Crocus Hill neighborhood. The building she owned had a lot with 14 parking spaces and she leased an additional seven spaces as required under the zoning code; this was also listed as a condition on her license. Deliveries were made to the restaurant twice per week and garbage was picked up four times per week.

Ms. Vang asked why she was seeking a gambling location license. Ms. Turner responded that it was merely another service she wanted to provide to her customers. It also was a benefit for charitable organizations.

Mr. Houmas stated that pull tabs would be offered for sale electronically and meat raffles would be held one to two times per week. The proceeds would go towards affordable housing and to youth organizations.

Ms. Vang referred to an email received from John and Cynthia McKeen, 62 Dale Street South, Apt D, and two letters received from Christine Graf, 62 Dale Street South, Apt B. (*Said email and letters are made a part of this record.*) She asked Ms. Turner whether she had read the correspondence and asked her to respond to the concerns raised.

Ms. Turner replied that she believed she had addressed most of the concerns raised by the McKeens and Ms. Graf in that she had owned the building and took pride in her business and neighborhood. She did not believe that the clientele she served would turn into “bad news” given the addition of gambling at her establishment. She referred to the past police calls for service to her restaurant which were never attributed to negative behaviors from any of her customers. This was confirmed by Mr. Fischbach.

Ms. Vang stated that after reviewing the records and testimony presented, she will recommend to the City Council that they approve the license with the existing license conditions:

1. Parking lot must be striped and clearly identified as customer parking only.

2. The bar area within the restaurant may not be expanded in accordance with the application for variance and the site plan on file with the Zoning administrator.
3. The La Cucaracha Restaurant cannot expand into any of the space formerly occupied as a pharmacy.
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5. The applicant and the applicant's successors and assigns agree to waive any right to a hearing or appeal under Saint Paul legislative Code 310.05 or any decision of the Saint Paul City Council as it pertains to a decision on future expansion of the liquor service area in the premises.

The hearing adjourned at 2:30 p.m.

The Conditions Affidavit was signed and submitted on July 28, 2016. (NOTE: Since the legislative hearing conducted on July 28, 2016, Adonis Eco Housing withdrew their license from the State. CHOPS has been replaced as the new charitable organization for the gambling location license for operation at La Cucaracha Restaurant.)