

LICENSE HEARING MINUTES
Sally's Automotive Inc., d/b/a same, 670 Pelham Boulevard, Suite 120
Thursday, November 16, 2017, 2:00 p.m.
Hearing 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.

<u>Staff Present:</u>	Jeff Fischbach, Department of Safety and Inspections (DSI)
<u>Licensee:</u>	Ryan Duffy, Applicant/Owner, Sally's Automotive Inc., d/b/a same
<u>License Application:</u>	Second-Hand Dealer- Motor Vehicle <i>(NOTE: This is for a change in ownership of an existing licensed location.)</i>
<u>Other (s) Present:</u>	Marques Barnes, Contractor for Sally's Automotive Inc.

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's office 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 reviewed the license conditions:

Recommended License Conditions:

1. The parking lot shall be striped and maintained in accordance with the approved site plan on file with the Department of Safety and Inspections (DSI) dated 06/05/2007. The maximum number of vehicles displayed "for sale" outdoors shall not exceed eight (8). All inventory, for-sale and/or display vehicles must be parked in the area shown on the approved site plan on file with DSI dated 06/05/2007 (which is the southwest corner of the property fronting along Pelham Blvd). Any changes to the site plan must be approved by the Zoning Administrator.
2. A minimum of three (3) customer/employee parking spaces must be maintained on the property for this business. All vehicles on the site must be parked as shown on the approved site plan on file in DSI dated 06/05/2007. Any changes to the site plan must be approved by the Zoning Administrator.
3. The license holder agrees to maintain the site in accordance with the approved site plan which includes any vehicle barriers, fencing, bollards and chains, wheel stops, striping of parking spaces, etc.
4. Customer, employee, inventory, and/or for-sale vehicles shall not be parked or stored in the public right-of-way (e.g., street, alley, boulevard, driveway, etc.). This includes cars which have been sold and are awaiting pick-up by their owners, inventory vehicles not yet ready for sale, employee driven vehicles owned/titled/etc. by the business, etc.

5. There shall be no exterior storage of vehicle parts, tires, oil or any other similar materials associated with the business. Trash will be stored in a covered dumpster.
6. All vehicles parked outdoors must appear to be completely assembled with no major body parts missing.
7. Vehicle salvage is not permitted.
8. Auto body repair and/or vehicle painting are not permitted.
9. Auto repair is not permitted.
10. Customer vehicles may not be parked longer than ten (10) days on the premises. It shall be the responsibility of the licensee to ensure that any vehicle not claimed by its owner is removed from the lot as permitted by law.
11. Provide maneuvering space on the property to allow vehicles entering and exiting the site to proceed forward as stipulated on the approved site plan.
12. Licensee must comply with all federal, state, and local laws.
13. Storage of vehicle fluids, batteries, etc. shall be in accordance with Ramsey County Hazardous Waste Regulations.
14. The curb cut closest to the intersection of Pelham and Wabash must be removed, or bollards and chain must be installed along the southern property line from Pelham to the second curb cut from the intersection of Pelham and Wabash in accordance with the approved site plan on file with DSI dated 06/05/2007. Any work required to bring the site into compliance with the approved site plan must be completed prior to license issuance.

Note: The Second-Hand Dealer Motor Vehicle License is issued on the condition that the State of Minnesota Dealer Number is submitted to DSI upon issuance by the State of Minnesota Dealer Unit & the ownership group for both the State Dealer License and City license are the same for this location.

Mr. Jeff Fischbach noted the conditions list #1 – 13 are standard conditions attached to this type of license and indicated that condition #14 is unique to this situation. This location previously had a second-hand dealer license; the previous licensee did not comply with the requirements. Condition #14 is more substantial than under the previous licensee and it will require compliance this time. Posts are required to be anchored in to block incoming traffic. Work must be completed prior to final license issuance. Even though we are in the winter months, these posts can still be completed in winter months. Licensee must follow the proper steps for posts installation.

Mr. Fischbach noted that building was not applicable; zoning recommended approval with conditions and licensing was recommending approval with conditions of the license application. No communication was received from the District Council.

Ms. Vang asked what the height of these bollards and chain?

Mr. Ryan Duffy replied that a 4-foot post and chains per the submitted site plan, and he will move forward with the work soon as the license is issued.

Ms. Vang then asked about Mr. Duffy's business plan and whether he had questions regarding the proposed conditions.

Mr. Duffy indicated that this application is his first business. Since 2001-2002, he has been buying and selling used cars to fix and sell. Minnesota State law only allows so many sales of vehicles until you should get a dealer's license. Given his success so far, he decided to apply for this type of business and to become a business owner.

His plan is to specialize on import cars. He understands that the site plan restricts the sale of cars to only eight. He does not intend to offer more than what he can fix. Currently, he has no offsite storage. Repairs will be done offsite at other garages so there will be no car repair conducted on site. He does not live in St Paul and the detailing of the cars will likely be done at his home. Major repairs will be outsourced to other Twin Cities repair service and no repair work will be done on site.

Mr. Fischbach provided an explanation of the conditions discussed and provided clarification and outcomes if conditions were violated.

Mr. Duffy indicated that understand the expectations. The "inventory is part of his 8" spaces designated for the location. If he drives one of the for-sale vehicles as a dealer car, it is one of the eight from his inventory. He also brought his independent contractor with him to the hearing so that he will be reminded to park off -site since the site plan has limited parking for customer and handicap parking.

Mr. Fischbach reiterated to the applicant the need to have the lot striped for parking of customers and for for-sale vehicles. If the work is not completed in the winter, then in the spring, Mr. Duffy will still be required to complete the striping as weather permits. Mr. Fischbach will contact the applicant after the City Council make a decision regarding the license application. If they approve this license, Mr. Fischbach will instruct him to start the chains and bollard's work. Once condition #14 has been completed, the license will be issued by DSI.

Mr. Duffy intends to operate and manage this business himself. Because he is just starting his business, he does not have any plans to hire employees. He has an independent contractor who will be working with him. His hours of operation are from 9:00 am to 5:00 pm Monday- Friday; Saturday from 10 am to 3 pm are by appointment only.

Mr. Duffy has no plans yet to have surveillance cameras installed. It was suggested by Ms. Vang to explore that option due to the location and for his own protection because of burglaries and accidents at the busy intersection. Ms. Vang suggested that he contact the police department when he was ready so that the police department may recommend the best camera placements. A number to the police department can be provided.

Regarding trash containers, Ms. Vang pointed to conditions #5. Dr. Duffy indicated that there are no outside trash containers. He was reminded to have trash stored in a covered dumpster and that trash are to be properly picked up.

Mr. Duffy has no plans to have any additional signage. He does not believe his business will generate loud noises. He plans to be a better business owner than his predecessor. He intends to comply with the requirements and that the lot will be a cleaned lot.

Ms. Vang then asked about the status of the Certificate of Occupancy for this multiuse building noting that there were pending files still opened.

Mr. Fischbach stated he has complied with the requirements.

Ms. Vang reference the received objection email from Mr. John N. Allen, Industrial Equities – Meridian LLC, who owns the 650 Pelham Boulevard property, 321 First Avenue North, Minneapolis, MN 55401. (*Emails were made a part of this record*).

Mr. Duffy was asked whether he had read the correspondence and if he wanted to respond to the email. Mr. Duffy stated that the auto dealer license had been there prior to Mr. Allen's business moving in; Mr. Duffy plans to improve the site.

Letters of support were also read and made part of the record. Mr. Duffy also had a letter of support and will email it so that it can be added to the record.

Ms. Vang stated that after reviewing supporting documents and testimonies, she will recommend to the City Council that they approve the license with the agreed-upon conditions:

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The hearing adjourned at 2:30 p.m.

(The Conditions Affidavit was signed and submitted on October 11, 2017.)