

LICENSE HEARING MINUTES
Flanneljax's, 755 Prior Avenue N., #102
Monday, September 24, 2018, 10:00 a.m.
Room 330 City Hall, 15 Kellogg Boulevard West
Nhia Vang, Deputy Legislative Hearing Officer

The hearing was called to order at 10:00 a.m.

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

Licensee: Keith Beveridge, Applicant/Owner; Laura Tober, Director

License Application: Liquor On Sale - 100 Seats or Less, Liquor On Sale - Sunday, Entertainment (B)

Legislative Hearing Officer Nhia Vang gave the following information about the hearing: 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 a letter of concern/objection, which triggered this hearing.

Ms. Vang noted that the district council had submitted a letter stating they had no objection to a 45-day waiver being issued, but the waiver did not come before the City 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, Ms. Vang will develop 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 to take an adverse action on the application, which could involve review by an administrative law judge. The City Council is the final authority on whether the license is approved or denied.

Ms. Vang confirmed with staff that the objector was notified of the meeting.

Jeff Fischbach, Department of Safety and Inspections (DSI) gave a staff report. He read the recommended conditions.

Recommended conditions:

1. Liquor service shall be limited to the licensed liquor service area as per the plans submitted and on file with the Department of Safety and Inspections (DSI) dated

- 11/16/2017. Any changes to the approved service area require prior written approval from DSI.
2. Licensee acknowledges that Sunday liquor sale/service/display/consumption may only occur in conjunction with the sale of food by the licensed establishment for consumption on the premises.
 3. 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.

Mr. Fischbach said there had been conversations between the applicant and DSI regarding being open Sundays without alcohol service, which would require additional conditions. He said he wasn’t sure which direction the applicant would be going. He read and clarified those conditions. DSI received a letter of support from the district council, including support for a 45-day waiver, but they didn’t go forward with the waiver because of DSI’s initial interpretation of the code prohibiting Sunday liquor sales without food service. Building and License were approved, and the business was open now without liquor service. Zoning was under review. The approved site plan expired on June or July 1, and the owner chose not to renew it, and required improvements were not completed yet. An application had been submitted for a review of a new site plan and it was on schedule to be completed at about the same time this review was completed.

Ms. Vang asked about changes to the site plan. Mr. Fischbach said one of the principal parking areas had an entrance that was not to current standards, and they were given time but the work didn’t get completed. He noted that the work involved relocating a utility pole. Ms. Vang asked whether this license had any impact on parking requirements. Mr. Fischbach said zoning got a list of the rent toll and would ensure compliance with off-street parking requirements, but there was no indication that was an issue. He said DSI recommended approval with conditions, pending zoning approval and resolution of the Sunday license issue.

Ms. Vang asked whether requirements in the letter dated August 3rd had been met. Mr. Fischbach said the first four were remaining, and the last three had been satisfied.

Keith Beveridge, President of KAM Sharp Enterprises Inc. said they intended to only service in their space and would comply with the liquor in their service area. He said obtaining a

restaurant license was more complicated than they anticipated, and they initially thought they might be relocating to another space in the building. He said Ms. Tober was looking into the restaurant license requirements, and in the interim they agreed 100% that they would sell on Sunday and would ask for the Sunday sales to be applied when they got the restaurant license. Mr. Fischbach said it was DSI’s position that they should move forward with the Sunday sales in the hearing, and DSI would hold off on it until they had complied with the conditions for the Sunday license, as long as they were acting in a timely manner. Ms. Vang confirmed with Mr. Fischbach that DSI was proposing the fourth condition be added.

Mr. Beveridge said the inspector had signed off on the surveillance plan. He said they intended to go through with the Sunday sales plan, but didn’t know how long the State process was for issuing a restaurant license. In response to a question from Ms. Vang, he said they had started the process. He said they didn’t want to be in the restaurant business, didn’t have a kitchen, and would be selling only prepackaged food. He said adding a sink would require SAC approval which would take four to six weeks. He said they were presuming they could make it work with what they had, but if the State came back with a requirement for another sink, they’d have to go back for SAC approval.

Ms. Vang asked Mr. Beveridge to review conditions and confirmed that he agreed and understood the conditions placed on the licenses.

Ms. Vang asked about the entertainment. Mr. Beveridge said it was called ax throwing but was really small hatchets. He said they played a lot of dart-like games, and held tournaments. He said the focus was on team-building, with corporate groups. He said they also did social events including birthday parties, and bachelor and bachelorette parties. In response to a question from Ms. Vang, he said the space was 5500 square feet.

Ms. Vang said it sounded dangerous; she asked what kind of medical assistance was on site. Mr. Beveridge said everyone was Red Cross trained, and groups were supervised by staff at all times. He said only two people and a staff person were allowed in the throwing lanes at one time, and the throwing lanes were separated from the scoring table. He said there had been no safety concerns at his location or elsewhere in the industry. He said it was a fast-growing sport, and he hoped to eventually franchise other locations, with St. Paul as the headquarters.

In response to additional question from Ms. Vang, Mr. Beveridge said they had two or three full time employees and needed 20 to 30 part-time to be fully staffed. He said they had been open since April 20th, and were open 2:00 p.m. to 10:00 p.m. Tuesday through Thursday, noon to 11:00 p.m. on Friday and Saturday, and noon to 8:00 p.m. on Sunday. He said there had been no issues or problems in the time they’d been open. He said they weren’t serving any food or drinks yet, but customers had been asking.

Ms. Vang asked whether customers booked ahead. Ms. Tober said they preferred to have customers book ahead, but would accept walk-ins.

Ms. Vang asked if they were on the main floor. Ms. Tober said they were on the main level, and their space was enclosed.

Ms. Vang asked about noise mitigation. Mr. Beveridge said they were in a corner of the building. He said one common wall had been sound-proofed by the landlord, and they had taken steps such as adding rubber matting on floor. He said they had a professionally-installed audio system which they could control.

Ms. Vang asked about on-site management. Mr. Beveridge said when they were not present they had a general manager. Ms. Vang asked whether a petition had been required for the Entertainment B license. Mr. Fischbach said it was an industrial zone, and a petition was not required.

Ms. Vang asked Mr. Beveridge to respond to the concerns raised in the letter received. She noted for the record that objector had been also been notified of the hearing. Objector’s letter was made part of the record.

Mr. Beveridge said one of the issues in the letter was parking. He said they complied with site plan and was told it was adequate. He said the building owner went before City Council. He said he drove by the letter-writer’s house the previous week, and the street was full, but the north parking lot at his building had two cars, the second lot (referred to site plan) had about 20 cars, and the underground parking was empty. He said the letter writer’s street was a busy street in general and was also two blocks away from the business, and Flanneljax’s customers would not park that far away.

Ms. Vang asked whether customers knew about the underground parking. Ms. Tober said there were signs. Mr. Beveridge said there were two lots across the street that were available for customers and that’s where the majority of customers parked. Ms. Tober said they informed customers where parking was. Mr. Fischbach said once the entrance was brought up to code that would help alleviate some of these issues.

Mr. Beveridge said from the landlord’s perspective this was a City utility pole and he was told by the City it would take two years to move it. The land lord was now working to bring a contractor in to move it. He said the landlord wanted to be in compliance and needed the site plan approved. He said the biggest change on site plan was changing parking to diagonal from perpendicular, and some landscaping still needed to be completed.

Mr. Beveridge said the other issue in the letter was drinking in front of his (letter-writer’s) house. He said they were on sale only and wouldn’t allow patrons to leave with or bring in alcohol. Ms. Vang asked whether they would have personnel at each door to make sure people don’t leave with drinks. Mr. Beveridge said that would be part of the supervision of every group, and there would also be someone at the main door. He said the only other door was an emergency exit which they didn’t use. In response to questions from Ms. Vang, he said the emergency exit went out to a courtyard with limited access, and was marked as an emergency exit.

Ms. Vang asked Mr. Beveridge and Ms. Tober whether they’d had a chance to talk to the district council. Ms. Tober said they had met when they were going through the amendment of the commercial development district. Ms. Vang asked whether there were any issues or questions raised at the district council meeting. Mr. Beveridge said there were no issues when they met.

Ms. Vang asked how many video cameras had been installed. Ms. Tober said there were ten: two exterior and eight inside. She said they were installed in March or April during the build-out.

Ms. Vang asked Mr. Fischbach if these were standard conditions for this type of business. Mr. Fischbach said Sunday sales usually wasn’t an issue and Condition 2 was added because they weren’t having food, Condition 3 was standard for this entertainment license, and Condition 1 was a restatement of fact.

Ms. Vang asked how liquor would be secured on Sundays; she noted that there wasn’t a cooler on the site plan. Ms. Tober said there was a locked cabinet in the employee break area. Ms. Vang asked Mr. Fischbach whether that would satisfy the requirement for securing liquor on Sundays until the Sunday license was granted. Mr. Fischbach said he hadn’t been involved in the review, but if that wasn’t adequate DSI would work with them.

Ms. Vang asked about trash pick-up and whether they would work with other businesses on site to keep it clean. Ms. Tober said there was a shared dumpster, and employees took trash and recycling out at the end of the night. Ms. Vang asked whether there was clean-up after each event. Ms. Tober said caterers cleaned up their things, and they cleaned up their own space after each event because there was usually another group coming in.

Ms. Vang asked how many customers there were on a given night. Mr. Beveridge said corporate events could accommodate 50 to 60 people, and were three to four hours; social events were every two hours, at 4:00, 6:00, 8:00 and 10:00; and walk-ins were for one hour. He said they cleaned up after every group.

Ms. Vang said she had no other questions and would recommend that the City Council issue the license with the agreed upon conditions, subject to Zoning and any other issues that needed to be signed off.

1. Liquor service shall be limited to the licensed liquor service area as per the plans submitted and on file with the Department of Safety and Inspections (DSI) dated 11/16/2017. Any changes to the approved service area require prior written approval from DSI.
2. Licensee acknowledges that Sunday liquor sale/service/display/consumption may only occur in conjunction with the sale of food by the licensed establishment for consumption on the premises.
3. 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.

4. If licensee remains open on Sundays and does not have a Liquor On Sale - Sunday license, the following conditions apply: **Licensee is required that all Liquor be secured in a cabinet, locker, or storage area which is locked and remained locked all day Sunday. **No alcoholic beverages may be offered, displayed, sold, or consumed by anyone in the establishment and no alcoholic beverage container of any kind, whether empty or containing any alcoholic beverage, shall remain on the bar, tables, counters or any other place to which a customer has access, or at any location in the customer areas of the establishment.

The meeting was adjourned at 10:38 a.m.

The conditions affidavit was signed on September 21, 2018.