## LICENSE HEARING MINUTES

Strength Collective, 755 Prior Ave N. Unit 235C Monday, April 29, 2019, 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 9:59 a.m.

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

Licensee: Jenny Halstead, Applicant/Owner; Rod Musson, Building Owner Representative

License Application: Health/Sport Club

Other(s) Present: Herbert Dupaul, neighbor

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.

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 to take an adverse action on the application, which could involve review by an administrative law judge.

## Minutes:

Jeff Fischbach, Department of Safety and Inspections (DSI) gave a staff report: DSI recommends one condition, which is a restatement of City ordinance. DSI received a letter of support from the Hamline Midway Coalition. Building is in process, Environmental Health is in process - this is new construction - Zoning and License approved with conditions, DSI recommends approval with the conditions.

Ms. Vang asked Mr. Fischbach what Environmental Health entails. Mr. Fischbach said plans had to be submitted to the health inspector for review for compliance with the City ordinances regarding method of construction and maintenance, etc. An inspection will be conducted when it

is completed, and then occasionally as needed. Ms. Vang confirmed with Mr. Fischbach that the Environmental Health process is not waiting for the licensing piece, and she asked whether she needs to look at the zoning. Mr. Fischbach said Zoning approved it under the building permit process; it is a permitted use.

## **Recommended Condition:**

1. At least one employee or manager, trained and qualified in first aid and CPR according to standards established by rule by the Department of Safety and Inspections shall be on duty at all times that the licensed premises are in operation or open to members of the public. Such standards shall be in conformity with standards and guidelines established by the American Red Cross with respect to water safety instructors or by the American Heart Association for similar purposes.

Ms. Vang asked applicant Jennifer Halstead to talk about the business.

Ms. Halstead said she had been a personal trainer for ten years and had owned several businesses, and this business is a co-working gym for personal trainers. She will focus on the personal trainers as her clients and assist them with their businesses and clients. There will be a maximum of six personal trainers working at one time. There will be no group fitness, just one or two people working with each trainer. She will limit the number of people that can work with a trainer in the space at a given time. In response to a question from Ms. Vang, Ms. Halstead said the trainers will be independent contractors but be subject to background checks and have CPR certification, and be independently insured as well as insured under the Halstead Fitness policy. Ms. Halstead said this is a new business and concept, and currently she is the only trainer, and her hours are 5:30 a.m. to 8:30 p.m. Ms. Vang asked whether there would be consistent hours as other trainers were added. Ms. Halstead said there will be. She reiterated that all trainers will be vetted before using the space.

Ms. Vang referred to the site plan and noted there are no changing rooms. Ms. Halstead said it is built as a personal training studio.

Ms. Vang asked Ms. Halstead on the status from opening day. Ms. Halstead and Mr. Musson (building owner representative) said they are very close, and hope to open in May. Ms. Vang asked what was still outstanding besides the Environmental Health. Ms. Halstead said she would have an appointment with the health inspector to go over cleaning procedures and materials.

Ms. Vang asked Ms. Halstead how her previous business experience would guide her to be successful in this business. Ms. Halstead said she had worked with other entrepreneurial businesses and applied that business knowledge when she became a personal trainer. She had opened a gym in downtown Minneapolis that was about 10,000 ft², and with a different business model with employees and trainers on staff. The US Bank stadium squeezed out a lot of small businesses, and in her transition, she started working in Hamline Midway neighborhood and fell in love with the eclectic and diverse nature of the area. When she decided to re-conceptualize the business model and open the co-working space, the neighborhood was the perfect area.

Ms. Vang asked Ms. Halstead what kind of issues she'd encountered with the gym and how they'd been addressed. Ms. Halstead said it was hard to focus on either her staff or her clients, and she found she needed more members to flesh out and run the business operation, and had to leave the trainers aside to take care of their own training and other needs. See realized that if the trainers weren't happy, the clients weren't happy. When re-conceptualizing this business idea, she focused on the trainer as the client, using her own business experience to teach them.

Ms. Vang asked whether the business is the first of its kind here. Ms. Halstead and Mr. Musson said it is.

In response to a question from Ms. Vang, Mr. Musson said he is present to answer any questions about parking or the building. Ms. Vang noted that parking had been discussed previously at the hearings for two other businesses in the building; she asked whether anything had changed. Mr. Musson said they had resubmitted a new site plan for a multi-use parking structure. They had learned from the traffic engineer that they had distinct daytime and evening parking demand. The engineer is working out additional items such as signage. Even at the worst time, which is Friday afternoon, they still have 80 to 100 stalls available on-site, and people are parking out on the streets. They have just put signs up and will monitor how it is working. Ms. Vang and Mr. Musson reviewed the most current parking site plan provided by Mr. Musson. Ms. Vang asked whether it is near completion. Mr. Musson said they had been asked for a site survey identifying lot lines and sewer and water connections, and anticipate having everything complete for submission to Tia (City zoning staff) the next week or the following week. In response to a question from Ms. Vang, he said they are not gaining parking spaces.

Ms. Vang asked why people are still parking on the residential streets. Mr. Musson said it was mainly lack of signage for the additional surface parking to the north. Ms. Vang asked whether tenants had been educated to inform their customers. Mr. Musson said they had been talking to Can Can and Black Stack and trying to get employees and patrons to park up there. Ms. Vang asked Ms. Halstead to encourage her clients to utilize existing parking spaces. Mr. Musson said they had also implemented shuttle service in the mornings and at night, and are working with the Creative Enterprise Zone on a circulator that would hit three or four areas around the community. Ms. Vang asked whether that would be free to patrons. Mr. Musson said it would. Ms. Vang asked people would know. Mr. Musson said they'd advertised it in College Possible, and are currently running 30-40 people a day on the commuter. The Creative Enterprise Zone is excited about getting that going and are looking for another off-site parking lot where people could park and then hop on and go to places of interest in the neighborhood.

Ms. Vang noted that the parking lot is well lit. Mr. Musson said it is. Ms. Vang asked about parking right at the building. Mr. Musson said the surface lots are not being utilized, and they are trying to get people off the streets and into the lots. Ms. Vang asked how long they had been doing the education. Mr. Musson said they started about a month ago, and the snow had caused a lot of problems. With the snow gone people can see better, they have the signs are up and it seems to be helping. Ms. Vang said those sound like good plans to minimize residential impact. Mr. Musson said they would continue to find ways to help minimize that.

Ms. Vang opened the hearing for public testimony.

Herbert Dupaul (1932 Chelton Avenue W.) said he lives across the street from 755 Prior, and they still get parking (from the businesses) on the street, and it is an ongoing thing. He has observed that parking for the businesses is sometimes filled up. He is not able to park in front of his own house, sometimes from morning to night, and it is not only their house but three quarters of the block, also on Howell.

Ms. Vang asked Mr. Dupaul if he is encouraged by the efforts to re-route parking and use of the commuter bus. Mr. Dupaul said it sounds good, and he wishes them luck.

Ms. Vang then read into the record an email received in March from Valerie Godet at 849 Howell Street, raising concerns about congested and dangerous traffic on Prior and adjacent streets, insufficient parking for the businesses, pedestrians crossing mid-block, cars parking illegally and too close to intersections, litter and trash by visitors.

Ms. Vang said the City does monitor traffic but not to that specific degree, and that gets pushed to property owners both businesses and residents to self-monitor and report. She asked Mr. Musson whether he calls in traffic violations. Mr. Musson said they have started towing if people are illegally parked, too close to the intersection or in the lot. Ms. Vang asked about pedestrian safety and whether crosswalks are marked. Mr. Dupaul said the crosswalk at Chelton is marked but the intersection at Peacock doesn't have painted crosswalk, and people cross diagonally, and jaywalk. Ms. Vang asked whether that had come up in conversations with Zoning. Mr. Musson said they hadn't addressed that; he said a traffic study had been putting up cameras and monitoring it, and he would ask them what they had found. He said they are trying to get a handle on where everyone is parking and where they are coming from.

Ms. Vang read the last letter received from a Miss Hughes (no address given) on April 11, expressing concerns about parking, trash, and noise, and the safety of the residents. Ms. Vang asked whether trash is picked up daily. Mr. Musson said they have janitors that walk the property. Patrons are not supposed to be taking alcohol outside of the building. Ms. Vang asked what actions are taken against patrons who violate. Mr. Musson said they have talked to tenants several times, and there is signage, but monitoring it is up to the tenants.

Mr. Musson said they have contacted Amtrak to see if they can lease that building and the parking around it, with the idea of getting people to park there and then commuting them to the building. He said they are also in negotiations to purchase the lot to the south. They would tear down the back of the building, and that would add another 200 stalls. He said they want to take the pressure off the neighborhood, and that wasn't what they intended when they started.

MS. Vang reviewed correspondence of support.

Ms. Vang said the concerns raised related to traffic, noise, and trash are being addressed to some extent by the property owner, and she didn't have any conditions to add at this point. She said the use is a permitted use in this zoned area, and she didn't have anything that would warrant additional conditions or a recommendation for denial of the application. She said she would be recommending to the City Council that they issue the license with the condition brought forth by

DSI. She said the next step was that the matter will come before the Council under Consent; she said she anticipated maybe four to six weeks given the work load from recent hearings.

Mr. Musson asked Mr. Fischbach about the status of the Environmental Health Review. Mr. Fischbach said he would check in with the inspector.

The hearing was adjourned at 10:30 a.m.

The Conditions Affidavit was signed and submitted on April 29, 2019.