

LICENSE HEARING MINUTES
Du , 475 Fairview Avenue South
Monday, April 22, 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 10:00 a.m.

Staff Present: Kristina Schweinler, Department of Safety and Inspections (DSI)

Licensee: Eric Carrara and Vanessa Carrara, Applicant/Owner

License Application: Liquor On Sale - 100 Seats or Less, Liquor On Sale - Sunday, Liquor Outdoor Service Area (Patio)

Other(s) Present: Neighbors: Mary Davis, Rebecca Mongin, Steve Mongin, Teresa Morrow, Danielle Finden, Chris, Finden, Steve Busse,

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.

There are three possible outcomes 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 noted that the City Council had approved a waiver of the 45-day notice requirement on May 13; she confirmed with Ms. Schweinler that the conditions placed on the license were those already agreed to.

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.

Kris Schweinler, Department of Safety and Inspections (DSI) gave a staff report. She said Building was in process, and Licensing and Zoning had both approved it with conditions:

1. Licensee agrees to operate the establishment in compliance with Section 409.02 of the City of Saint Paul Legislative Code as a "Restaurant".
2. Licensee agrees to close the establishment at 12:00 a.m. midnight. All patron/customers shall vacate the premises by 12:30 a.m. each day of the week as per City Zoning Code (parking requirement) and Section 409.02 of the City of Saint Paul Legislative Code.
3. Licensee agrees to maintain the site in accordance with the approved site plan on file with DSI. Site improvements shall be completed by 07/01/2019.

Ms. Schweinler said the approved site plan was not fully completed and there was a meeting the next day.

Ms. Vang asked what the previous establishment was. Ms. Schweinler said it was a restaurant – a coffee house. Ms. Vang asked whether a parking review had been required. Ms. Schweinler said they had been through that and there was no additional requirement as per code for a restaurant that closed at midnight.

Ms. Vang asked applicants Eric and Vanessa Carrara (1654 Juno Avenue) to talk about the business plan and when they were hoping to open.

Mr. Carrara said they lived 2 1/2 blocks away and had been there for nine years, and walked to the establishment daily when it was a coffee shop. They had been in the hospitality industry in Minneapolis, and wanted to bring something to the neighborhood that was convenient and an amenity. They had been looking at the site for nine years and purchased it a year ago. The tenant left their lease early, and they decided to rehab it and owner occupy rather than sell it to someone they weren't sure would know what to do with the space. He said they intended to do a quick casual café with a focus on high-end Italian delicacies. He said the reason for the liquor license was, statistically for restaurants, 96% of full establishments offered full liquor. They didn't want to or intend to be a bar. Liquor was not the forefront of what they were doing, but would be an amenity. He described the planned limited offerings; he said the offerings were limited because the space was small and their idea was food first and foremost. He said they didn't intend to stay open late; he knew they had the ability to stay open until midnight but would use that ability only for private events. He said the business hours during the week would be until 10:00 p.m., Sunday until 9:00 p.m., and weekends maybe 11:00 with last call at 11:00 or 11:30. They planned to open at 10:00 or 11:00 a.m. Ms. Vang asked about patio hours. Mr. Carrara said they would close a half hour earlier to limit any sound or disturbance to the neighborhood. He said they had the same hours and type of operation in Minneapolis, and had had zero complaints and huge support, and they wanted to do the same thing in St. Paul.

Ms. Vang said she had a site plan that hadn't been approved by zoning yet; she asked Mr. Carrara for an approximate seating capacity. Mr. Carrara said 25 to 30 inside, which was a reduction from the previous establishment. He said the previous tenant had the same patio, but Dué would be using it as a patio with seating for 20 to 25. He said they were doing more of a fast-casual approach where people didn't stay too long. Ms. Vang asked whether the patio would displace any parking. Mr. Carrara said that was determined in site plan review, and they would do whatever was recommended. They added a cooler addition on the back which triggered the site plan process. He said the parking there before was not safe or legal, and their objective was to rehab the site and make it safer, add some walking-friendly and bike-parking-friendly

changes. Ms. Vang asked about entry to and egress from the site. Mr. Carrara said the egresses were staying the same but they were opening the curb cut to accommodate both eastbound and westbound traffic. In response to a question from Ms. Vang, Mr. Carrara said they were adding bushes and trees, and replacing a fence on the west side and north side, which they thought would help with the appeal and sound. He said there was a fence on the owner's property to the north across the alley, and Dué was also adding one. He noted small outlines for speaker placement, with two speakers facing east on the patio and one small speaker facing south. He said they did the same thing at their location on Minneapolis – making sure the speakers were facing the street. He said the outdoor speakers could be turned down.

Ms. Vang asked about lighting. Mr. Carrara said there was up-down lighting all around the building for ambient lighting, and lighting under the patio canopy.

Ms. Vang noted that the application stated Mr. Carrara would be handling day-to-day management; she asked who would be managing the Minneapolis location. Mr. Carrara said they had a very large team; their company – Carrara and Co. - was a management company. They had 75 employees in Minneapolis, and this location would have another 20 or so, and four or five people in addition to himself and Ms. Carrara at the corporate level helping manage both businesses. He said he had a team but would be managing the business most of the time. Ms. Vang said the reason she asked was to ensure someone was around to address any complaints. He said it would initially come to him, and the management team would work to resolve it right away, which was the same process as in Minneapolis. In response to a question from Ms. Vang, he said there would be a total of 20 employees at Dué, with five to seven working at a time, depending on the season.

Ms. Vang asked whether patrons would seat themselves on the patio or go through the restaurant. Mr. Carrara said they usually helped direct, and there would be someone present to help direct or clear as needed. Ms. Vang asked if there would be clear delineation between the patio and parking. Mr. Carrara said there would be walls.

Ms. Vang noted the approval from the district council for the 45-day waiver; she asked what kind of process they went through to obtain the petition support. Mr. Carrara said they went door to door at least three times, sent out letters, went to both neighborhood councils and got support letters, and were open to getting phone calls and spoke to a lot of people. He said he believed they got 38 of 44 possible signatures, but some were illegible. Ms. Schweinler said there were a total of 37 and they obtained 27, for 73%.

Someone from the audience asked what the radius was for the petition. Ms. Schweinler said 300'. Ms. Vang asked for clarification of how the City counted. Ms. Schweinler said it was residences only. In response to a question from a neighbor in the audience, Ms. Schweinler said the owner of the apartment building would sign for the residents.

Ms. Vang asked whether there had been any issues at the location in Minneapolis, how they were addressed, and whether Mr. Carrara intended to use a similar protocol in St. Paul. Mr. Carrara said they'd had no noise complaints related to patrons, but had one complaint from a neighbor about dumping recycling at night. The neighbor called them directly and they figured out a plan

where employees were holding the recycling in the building and dumping it in the morning. He said their plan at Dué was to talk to the concerned person, bring to the management team and resolve immediately if possible, or work toward a solution and tell the person when it could be resolved if it could be.

Ms. Vang asked whether the dumpster was enclosed. Mr. Carrara said the previous business didn't have it enclosed, and Dué wasn't required to but they added it anyway.

Ms. Vang said since they were aware they were in a residential neighborhood, they would follow the same kind of structure as in Minneapolis related to dumping garbage. Mr. Carrara said they would; they had learned quickly. He said the space in Minneapolis was 5000 square feet and 220 seats, so Dué was easier to manage.

Ms. Vang said she would withhold further questions and open the hearing for public input. She said the hearing was informal in nature and Mr. Carrara would have an opportunity to respond to concerns.

Teresa Morrow (1867 James) said she would be a patron at the restaurant. She said she didn't know about this or receive any letters, and had significant concerns about parking and noise. She said there was already high parking demand from St. Kates students and residents of apartment buildings that didn't have sufficient parking. She said her concern was patrons leaving after midnight and walking down her street making a lot of noise. She asked whether they had thought about alternative parking arrangements such as at SPA (St. Paul Academy). She said all the other restaurants in the area closed at 10:00 p.m. She said people sitting on a patio at 11:00 p.m. or 11:30 p.m. at night would naturally get louder and louder, especially with music. She said there were a lot of kids in the neighborhood and late-night noise was a concern. Mr. Carrara said he agreed. He said the parking issue and SPA was already on their radar. SPA had had to sign off on the liquor license and they had spoken to the building and operations manager, and the request to use the parking was going through SPA's process. He said he had spoken to the apartment owners, and their concern was also with parking. He said the biggest change from Espresso (previous business) was they were cutting the seating almost in half, and customers would move through more quickly. Ms. Morrow said she and other neighbors would walk there. She reiterated that patrons leaving the restaurant at midnight was going to be an issue, as well as staff parking and noise from staff coming and going. She said having a plan to manage and address that would make neighbors feel better.

Mr. Carrara said the 12:00 a.m. time was just so they had the option, if they did have an event. He said the front portion of the building could be closed off for 15 to 20-person events. He said businesses in the neighborhood closed at 9:00 p.m. or 10:00 p.m., and if Dué closed at 10:00 p.m., they would have to stop serving at 9:30 p.m. and would have to give customers time to leave. He said they didn't plan on staying open late.

Vanessa Carrara said realistically the 12:00 a.m. is just a buffer, and they didn't want to manage that late either. She said most of their business would operate within the hours before 10:00 p.m. She said at their other restaurant, the parking lot was almost empty at 10:00 p.m. or 11:00 p.m. Mr. Carrara said there often were five or ten people that liked to mingle and stay a little longer.

He said he used to run Zelo downtown, which was a very large restaurant open until 12:00 a.m. and 2:00 a.m. on weekends, and they realized when they opened Italian Eatery (their Minneapolis restaurant) in a neighborhood that customers were done by 10:00 p.m., but there were a couple people that just wanted that little later experience, and that gave them the option so they didn't feel they had to rush. He said downtown, it was a drinking crowd, but Dué was a food-focused restaurant, and there was a portion of customers that liked to stay a little later but the only time they would be open until midnight was for an event. He said event business was becoming a big part of restaurants to help drive business success.

Ms. Carrara said their business and marketing plan was for food offerings that gave more incentive and pay homage to happy hour time frames. She said their Minneapolis restaurant had a parking arrangement with a church, so they were aware of respectful relationships. She said part of their training program was intensive, asking staff to pick up, being aware of noise impact, enforcing no smoking; staff were trained constantly about being respectful and being aware that the business was in a residential area.

Steve Busse (1862 James Avenue) said he would also be a patron. He said his concerns were similar to Ms. Morrow's; he asked how many parking spots were required. Ms. Schweinler said six, with one handicapped. Mr. Carrara said they had eight. Mr. Busse said a big concern was that the corner was already crazy traffic-wise; he asked whether a left turn into the parking lot from Randolph would be allowed. Mr. Carrara said the City was suggesting they change the egress; they were making a wider curb cut based the recommendation of City staff's suggestion. Mr. Busse noted for the City that the coffee shop across the street had an entrance close to intersection which was completely unsafe; he suggested restricting left turns into the parking lot. Mr. Carrara said they were taking all the suggestions from DSI, including the parking layout and addition of a fence. Mr. Busse thanked Mr. Carrara for adding the enclosure around the trash. He said if the posted hours were 10:00 p.m., he hoped Dué stayed with that plan. He asked how often Mr. Carrara anticipated having events. Mr. Carrara said with the colleges right around the corner, he wanted the restaurant to appeal to faculty and staff to have business dinners and lunches there. He said their space in Minneapolis could accommodate 40 people and here they could accommodate 15-20 people, which gave them another option to offer. He said he didn't think it would be a huge impact right away.

Ms. Carrara said they added funds for bike parking to encourage bikes and walkability, and there would be a significant bike rack at Dué to encourage that. She noted their grab and go offerings, so there would be a quicker turnaround of people and not people perched there for four hours at a time. She said part of the business plan was catering, so a lot of it would be going out the back door. Mr. Busse asked whether it would be run as a catering kitchen. Mr. Carrara said a large part of their business would involve Uber Eats and Amazon. He said once neighbors saw it rehabbed and open, they'd see it would operate more like a kitchen rather than seating. He said the bar was a very small portion of it. He noted again their addition of bike parking, and the walkability of the neighborhood, and said their focus was on a mile radius and people that were in the neighborhood. He said their owning the property and living a couple of blocks away gave them the opportunity to offer something unique there.

Chris Finden (423 Fairview Avenue S.) said he seconded the concerns about traffic and hours. He said he lived one block away on Fairview, and for him one of the main issues was how dramatic a change of use it was. He said it had always been something that closed by 6, 7, or 8:00 p.m. He said there were a lot of bars a half mile in either direction on Snelling and Cretin, and a half mile north, but this was a dramatic change of use for this site, expanding the hours five, six, seven hours later than it had been. He said it was a quiet corner in the evening and that's why they liked it. He said he had two small children that went to bed between 7:30 p.m. and 8:30 p.m., and having people walking by at 10:30 p.m. talking loudly and being drunk was not okay; he said he would be out on the street calling the cops. He said again that it was such a dramatic change of use for the corner. He said he had no problem with a restaurant or with booze, but changing what was going on there by that much seemed out of character for the neighborhood, especially when there were so many other options nearby. He asked whether they would be serving plated meals. Mr. Carrara said it was grab and go, and patrons could stay and eat if they liked. Mr. Finden said grab and go made him think convenience-like and that was just going to drive even more traffic. He said, from driving by, it looked like they'd reduced the footprint inside but doubled the patio space. Mr. Carrara said it was the same footprint; they were removing the false front wall and replacing it with glass. He said the interior seating was reduced, and the exterior was the same. Mr. Finden suggested reducing the fence on the north side by five or six feet from the corner for visibility. Mr. Carrara said he would bring that up with zoning; the fence was their request, and cutting it back was a good idea.

Mr. Carrara said, just to speak to a couple things, they lived on Juno a block away from Sweet Peas and Plums, and had never had any problems even though they were college bars; it never spilled out into their block. He said the Dué space was no way booze-focused; when you walked in you would see an Italian espresso machine, you would not see booze, you would see food. He said they were looking for that walk-up Italian experience. He said he knew the fear of being a bar, and they were not a bar. Mr. Finden said once there was a liquor license there, there would always be.

Ms. Schweinler said this was a restricted liquor license for a restaurant that closed at midnight and had restrictions above what a normal liquor license would be, and anyone new coming in and applying for that type of license would require a new notification. Mr. Finden said it felt like once that door was opened it was always open, and someone more booze-focused could come in. Ms. Schweinler said that location would always have to be a restaurant. She said liquor served there would have to be served to people consuming food.

Mr. Finden reiterated his reservations about the dramatic change of use on that corner. He said it was a gas station and then a coffee shop and not a late-night corner. He echoed the concerns about traffic, late night, and real change in character. He said being open until midnight was kind of a non-starter for him. He said he didn't get any notice, and no one knocked on their door.

Someone in the audience said none of the neighbors were contacted. Ms. Schweinler said they were probably over the 300 feet. She said the list came from GIS and Ramsey County, and if their names didn't get on the list they wouldn't have been notified. The speaker said she did get a letter but no one asked for a signature for a change of use. Ms. Schweinler said it wasn't a

change of use, and the only signature required was for the patio. The speaker said no one contacted them. Mr. Carrara said they contacted everyone on the list provided.

Ms. Vang asked Ms. Schweinler to clarify how the notification was sent out. Ms. Schweinler said the petition was done through mapping, and they did 300' from the property line, and anyone within that 300' would have gotten notice and should have been contacted for a petition. She said they only required a percentage; they preferred 90%, but the cut-off was 60% with district council approval. Dué obtained 72% of the required signatures and district council approval. (Copies of the 300' map were made and distributed.)

Mary Davis (473 Howell) said she was representing the renters in the neighborhood. She described the 24- and 30-unit apartment buildings, and said there was virtually no parking for the 150 or so residents, who all parked on Randolph or Howell. She said when they had the petition, only the property owner's signature was required, and she would like to have known that either the residents and patrons would not be able to park on Randolph. She noted that the letter from the Highland District Council said Dué received 90% of the signatures which was not true, and the building was not in the Highland district.

Ms. Vang noted that for the 45-day waiver, Dué received approval from the Macalester Groveland Community Council and Highland District Council, but indicated that only Macalester Groveland was the only neighborhood council that was required for this process.

Ms. Davis noted that area indicated for petition was St. Catherine and businesses, and there were only about ten residences that had to sign. Ms. Vang said what Ms. Davis was questioning was the ordinance which only required notification of residential owners. Ms. Davis said it was presented that they had 90% of the residents, and it was misleading, because the community council didn't really know the specific circumstances of that node. Ms. Schweinler clarified that the district councils were advisory only, and the City Council had the discretion to decide whether something went forward. Ms. Vang clarified that since they received the 45-day waiver, Mr. Carrara already had the license and what was being considered at the hearing was whether additional conditions were warranted to make it work. She said the City Council had already made the decision to issue the license.

Danielle Finden (423 Fairview) said neighbors were not aware of the change of use in the way they felt they should have been. She said now that it had been approved she wanted to talk about how they could come to an agreement. She said she thought it was great that something was coming in, but it was a significant change to the neighborhood, and the patronage very different from coffee shop to restaurant was a different demographic. She asked what the language would be like when people were walking to and from their vehicles and around the neighborhood, and would it be attracting a different demographic. She said she understood that, as a restaurant, a lot of money came from liquor sales and Mr. and Ms. Carrara just wanted to have that option. She said it sounded like they were reasonable with their expectations but just didn't want to be hamstrung with tight restrictions, and she respected that. She asked whether it would be possible to limit the number of private events, or for Mr. and Ms. Carrara to let the neighborhood know, beyond the 300', when there was going to be an event, just as a courtesy. She said St. Catherine's had to let neighbors within a larger radius know when there was going to be a private event with

noise and liquor. She said liquor service until midnight was an option every day of the week and that concerned her. She said she was also concerned about any speaker system outside. She said she trusted the Carraras when they said there would be no problems, but wanted to know what happened if there were complaints. Ms. Vang referred the question to Ms. Schweinler. Ms. Schweinler said there was always the option of registering a complaint with the Mayor's information and complaint line at 651-266-8989; if there were major concerns they suggested calling the police. Ms. Vang asked Ms. Schweinler to explain what happened when there was a complaint. Ms. Schweinler said DSI investigated and followed up with the complainant if possible; the problem was addressed if possible, or adverse action could be taken if it wasn't resolved. Ms. Schweinler also clarified that this was not a change of use; she said it was a restaurant and was continuing to be a restaurant. Ms. Finden said a mailing they received referred to a change of use. Ms. Schweinler said for the purposes of licensing it was not a change of use. She said the signature requirement was for adding the liquor patio license.

Neighbors in the audience commented that adding a liquor license was a big change.

Ms. Finden confirmed with Ms. Vang that the liquor license had been granted and the hearing was about adding restrictions. Ms. Vang said it was granted by the City Council on March 13. Ms. Finden said she would like to see restriction of liquor sales to 10:00 p.m., with an exception for private events once a month, with notification to a larger group of neighbors for the private events. She said she thought it would be nice to have some restrictions the neighborhood could agree on; they wanted to see Dué be successful and wanted to see an agreement made so people were happy and could help them be successful. She said she didn't want to see the Carraras invest in a business the neighbors were opposing and spreading word about, as had happened with SPA. She said outdoor liquor sales was another concern; she said she didn't know if it was possible to say they could serve liquor indoors but not outdoors. Ms. Schweinler said the application was specifically for Liquor Outdoor Service Area; she clarified that other similar liquor establishments in the area did not have conditions. Ms. Vang said the City had to allow Dué to operate within the same restrictions as other establishments, unless there was just-cause to warrant a restrictive condition. She said since Dué was a new establishment with no history of mismanagement, so she has concern about what Ms. Finden was asking for. She asked Ms. Schweinler whether they had ever restricted the hours of operation for an establishment that had applied for this type of license. Ms. Schweinler said not initially; but they had placed restrictions on licenses when they became a problem and when they had due cause.

Ms. Finden asked what the point of the hearing was if Ms. Vang wasn't planning on placing any restrictions. Ms. Vang said if Mr. Carrara had not received approval from the City Council it would have been a different process; with the 45-day waiver there were two processes. She said what Ms. Finden was asking for was very restrictive and had never happened in a hearing before her for a new establishment with no history of mismanagement or no enforcement action taken against Mr. Carrara's other establishment. Ms. Schweinler said Minneapolis had been contacted, and the Minneapolis business got rave reviews from the Minneapolis inspectors.

Ms. Finden said the neighborhood's experience was "if you give them an inch, they take a mile," and that once the liquor license was in, with a patio, the establishment might become something very different in a couple of years. She said the other concern was that all of these things had

already gone through and this was their first opportunity to come before the City to express any objection, but it was too late. She asked again what the purpose of the hearing was. Ms. Schweinler reiterated that any new application would require a new 45-day notice and a new process. Ms. Finden said none of them received the 45-day notification. Ms. Schweinler said that was an ordinance issue they could talk to their City Council member about if they would like the process to be different.

Ms. Vang said she understood the concerns about a future establishment. Ms. Finden said her concerns were with this establishment. She said they lived 306' away and it had always been a coffee shop; they had two small children who slept with the windows open, and having people consuming alcohol outside until 12:30 a.m. significantly changed what her home looked and felt like in the neighborhood, her ability to stay there, and the resale value.

Ms. Vang said she was sympathetic to the concerns. She said Mr. Carrara was present and heard the concern, and she hoped Mr. Carrara understood the ramifications of midnight hours, and would perhaps change his business model and close earlier.

Mr. Carrara said their posted hours were not going to be midnight. He said even in Minneapolis he didn't want to set the expectation and change it to a worse scenario. He said they went to the guidelines of what DSI and the license said, which was midnight. He said he didn't want to go outside the posted hours when they had a private event. He urged the neighbors to come to their Minneapolis location and see what they did. He said they were there for the neighborhood and lived two blocks away. He said Plums, Sweet Peas, and Joan on the Park all had patios and served liquor, and he had never heard of a compliance or noise issue, and they were college bars. He said Dué was not a college bar; they were not a bar at all.

Ms. Finden said she understood and her issue was not with Mr. Carrara at all; she said she believed Mr. Carrara's intention was probably to stick with what had been proposed. Ms. Vang said she could only look at what was before her, and could not predict the future outcome or make a recommendation that affected the future. She said any new business would have to go through the same process as described by Ms. Schweinler. She said applications were considered on a case by case basis.

Ms. Finden said she thought the neighbors' frustration was the notification and that licenses and approvals could be granted before the public had the opportunity to say anything about it. Ms. Vang reiterated that if Dué had not received the 45-day waiver from the district council, it would be a very different conversation. Ms. Finden said she received a notice and sent in a petition, and that's why she was invited to attend this hearing; she displayed the 45-day notice letter she received. She said she followed the process set out in the letter, and it was still too late.

Ms. Vang asked how the 45-day waiver process was handled. Ms. Schweinler said when the application was received, the 45-day notice was sent after background and financial checks were conducted. She said the district council also received that notice, and the district council was the one that waived the 45-day notice. They obviously didn't notify the neighbors that they were considering waiving the 45 days. She said if there were no objections within the 45 days, DSI

would administratively approve the license, but because there were objections, this hearing was scheduled.

Ms. Finden read from the notification letter which stated the Legislative Hearing Officer would make a recommendation as to whether the application should be approved or sent to an Administrative Law Judge. Ms. Schweinler said the notice letter was sent before the license was granted. Ms. Finden asked how there was approval if the City received objections. Ms. Schweinler said the objections were received after the City Council approved the license. Ms. Finden said obviously due process wasn't handled properly.

Ms. Vang said Mr. Carrara sought the approval of the district council during the 45-day period, and it is the district council's responsibility to notify the impacted neighborhood and to hold a hearing. She said at that point the neighbor's comments would have been accepted and made part of the review process. In response to a question from Ms. Finden, Ms. Vang said she didn't know how the district council sent out notification. Ms. Schweinler said the objection should be with the district council; they should have notified the neighbors. Ms. Vang said every district council had their own process; she said she would look into the matter and speak to the district council coordinator.

Mr. Carrara said he attended the meetings of both district councils and the neighbors present were in support. He said there were three neighbors present at the Macalester Groveland meeting. Ms. Schweinler reiterated that the process for the district council was completely separate from the City Council. Ms. Vang said she would consult with the district council coordinator about improving notification for these issues. She suggested that neighbors contact their Council member if they were interested in seeing a change to the ordinance.

Ms. Finden said the neighborhood present was concerned about their due process because they didn't think a liquor license was appropriate, but it had already been granted; the neighbors were upset that due process wasn't taken.

Steve Mongin (1857 James Avenue) said maybe it would have been more humane if they hadn't received the second letter because none of them got the first one and this was their first notice of anything changing significantly at that corner. Ms. Vang confirmed that Mr. Mongin had received the 45-day notice but wasn't part of the petitioning, and that's what was at issue for him. She said she would make a note of that. Mr. Mongin said people he'd spoken to were opposed, but were not present. He said he understood Mr. Carrara received 27 out of 37 signatures; he asked how that was confirmed. Ms. Finden asked whether they could see the list. Ms. Schweinler said they did a random check via telephone calls to at least 10%. Mr. Mongin noted that would be two or three people. Ms. Schweinler said she didn't know whether she was allowed to provide the list of signatures; she said a petition was usually anonymous. Mr. Carrara said he would provide the names. Mr. Mongin said it would be easy for someone to say they got a bunch of approvals for something, and write things down. He said based on talking to people in the neighborhood, he wondered where the 27 people came from. He said they had just agreed that the 300' radius only included ten residents. Ms. Schweinler and Mr. Carrara said that was not correct. Ms. Schweinler said there were 37 possible residents, and they obtained 27. Mr. Carrara said he turned in 38. He said he was given 44 PIDs, and he got 38, so obviously some

weren't accepted. Ms. Schweinler said one was a business. Mr. Carrara said he had the signatures.

Ms. Finden said she knew Mr. Carrara went through the process he was supposed to, and this was nothing against him, and as long as they could all be good neighbors, they wanted him to do well.

Someone from the audience said the opposition Mr. Mongin mentioned was the midnight time. Ms. Finden said Mr. Carrara said posted hours until 10:00 p.m., or sometimes he'd said 10:30 p.m. or 11:00 p.m. Mr. Carrara said 10:00 p.m. during the week and 11:00 p.m. on the weekends, Friday and Saturday. He said that's what would be posted, and knowing the area it was probably going to 9:00 p.m. during the week. He said he wanted to set realistic expectations and pull back if needed.

Ms. Finden asked how many employees would be onsite at a time. Mr. Carrara said without the patio, maybe three to five, with an extra one or two with the patio. Ms. Finden noted that Mr. Carrara had mentioned using SPA for parking; she asked whether he knew that would be temporary because SPA planned to develop that land. Mr. Carrara said he lived right on their doorstep and was aware. Ms. Finden asked Mr. Carrara whether he would have any rules about employee parking. Mr. Carrara said they were open to giving employees direction of where to park. He said if he could find more parking he would. He said he was trying to do what was best for the neighborhood and not just trying to make a buck.

Ms. Finden said the neighbors were passionate about the neighborhood, and it would behoove Mr. Carrara to win them over. Mr. Carrara said he felt the only way to do that would be for the neighbors to see the establishment when it was open. He said he was confident in that.

Ms. Finden noted the overgrown shrubbery in two spots. Mr. Carrara agreed and would re-do those spots, and they were also adding more greenery. He said the space had been really neglected; he described some exterior changes.

Mr. Mongin said they'd been residents in the area for a long time, and customers from previous businesses had parked in front of their house during the day, so even though they were outside of the radius they were greatly affected by people at a business at that location. He said they'd never had a business there stay open that late or serve liquor. He said the primary concerns were the timing and the lack of parking. He noted that the Groveland Tap had a large parking lot. He said keeping the hours earlier was better. He said he understood with this license there was a 60/40 requirement. Ms. Schweinler said it was a "substantial amount of food." Mr. Mongin asked how that was defined. Ms. Schweinler said if it were to be enforced it would be that patrons could only be served if they were consuming food, unless they were on a bonified waitlist. Mr. Mongin asked what if someone came in and said they wanted a glass of wine. Mr. Carrara said he would serve them, but they had to have the ability to serve substantial food. Ms. Schweinler said a restaurant that's granted a liquor license must substantially serve more food than alcohol, and can only serve liquor to those that are consuming food. She said a "substantial amount" when they were looking at receipts was usually 60/40 or over; she said most of these gourmet type restaurants were serving more food. Mr. Carrara said in Minneapolis they served

83% food, and being open during day hours in St. Paul would make the number go substantially higher. He said they were food-focused and had the coffee aspect.

Mr. Mongin restated his concerns, and said he was also concerned about who might go in there next, and their level of conscientiousness, which Mr. Carrara couldn't control. Mr. Carrara said they were the building owners and could control that. Mr. Mongin asked what if they sold the building. Ms. Schweinler re-iterated that there would be another notification.

Mr. Carrara said if the business should fail, he could protect the neighborhood by leasing it to the right tenant, beyond the due process through DSI's process.

Ms. Vang said stated that based on Mr. Mongin's testimony, she would not read his letter of objection into the record; she noted accepting his letter into the record.

Becky Mongin (1857 James) said everything had been covered and they wanted Mr. Carrara to be successful. She said one big thing was that she almost got hit by a car twice while she was walking to the S & S the previous Friday. She asked for anything Mr. Carrara could do to make it safer. Mr. Carrara said they were working with site plan review and felt it was much safer. He said they had a dual egress and re-configured the parking.

Ms. Mongin said James Avenue was already taking on a lot of parking. She questioned having a hearing when it was a done deal, and asked that Mr. Carrara really hear their words. Mr. Carrara said he'd lived there for eight or nine years and had had to deal with the SPA notification.

In response to a question from Mr. Mongin, Mr. Carrara clarified that his business address was on Juno and the establishment was on Fairview. He said the Juno address had received the 45-day notification but not the petition. He spoke about the requirements in Minneapolis.

Ms. Mongin said the situation was unique because of the number of businesses within the notification area; she said (the process) was disheartening for neighbors. Mr. Carrara said they would definitely do their best to manage the impacts of the business on the neighborhood. Ms. Vang again encouraged the neighbors to contact their Council members with their concerns about the city's notification's foot radius.

Ms. Vang closed the public hearing.

Ms. Vang noted and accepted the letters of support into the record.

Ms. Vang asked when the business was opening. Mr. Carrara said within six weeks, maybe sooner, as early as the end of May. Ms. Vang asked what was left with the renovation. Mr. Carrara said a lot of the exterior; they were waiting for the final sign-off on the site plan. He said they were also waiting for some equipment installation.

Ms. Vang said Mr. Carrara had heard the concerns of neighbors related to safety; she asked that he discuss that with zoning at the meeting the next day. She said she would like a copy of the site plan when it was approved.

Ms. Vang said she didn't have any conditions to add based on the information presented; she asked that Mr. Carrara keep the neighbors' perspective and concerns in mind, and encouraged him to continue conversations with them. She said she would support the Council's recommendation for approval of the license with no additional conditions.

The hearing adjourned at 12:43 p.m.

The Conditions Affidavit was signed and submitted on February 25, 2019.