

**LICENSE HEARING MINUTES**  
**The Essence Event Center - 1217 Bandana Blvd.**  
**Monday, April 13, 2020, 10:00 a.m.**  
**Room 330 City Hall, 15 Kellogg Boulevard West**  
**Nhia Vang, Deputy Legislative Hearing Officer**

In light of the COVID-19 health pandemic, a remote hearing was held by telephone or other electronic means. It was called to order at 10:02 a.m. A roll call was made to confirm attendees.

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

Licensee: Long Nguyen, Applicant/Owner; Catherine Cuddy, Consultant and Manager

License Application: Liquor On Sale - 291 or more seats, Liquor On Sale - Sunday, and Entertainment (B)

Other(s) Present: Patrick Kyle, Wellington Management; Michael Kuchta, District 10

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.

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

1. No liquor sales, service, display and/or consumption is allowed outdoors without prior written approval and additional licensing from the Department of Safety and Inspections (DSI).

2. Licensee agrees to abide by Minnesota State Statute Section 340A.504 Subd. 3 stating that Sunday liquor sale/service/display/consumption may only occur in conjunction with the service of food by the licensed establishment for consumption on the premises.
3. Licensee agrees to close the establishment at 12:00 a.m. midnight. All patrons/customers/guests shall vacate the premises at 12:30 a.m. each day of the week as per City Zoning Code (parking requirement).

Mr. Fischbach said DSI didn't receive correspondence from the neighborhood organization. Building was in process; there was some construction taking place in the main building and out-building. License approved with conditions, Zoning approved with conditions, DSI recommended approval with conditions.

Ms. Vang asked whether Condition 3 was related to an additional parking requirement. Mr. Fischbach said the parking requirements for a rental hall versus a liquor on sale establishment were different when the establishment remained open past midnight, because they would be considered a bar. He said they were determined at the lower requirement rate. If they wanted to stay open past midnight there'd be an increase in parking.

Ms. Vang said, in terms of meeting the Entertainment B requirement, the applicant just had to meet the petition requirements. Mr. Fischbach said that was correct; he said they obtained two of a possible two signatures for 100%.

Ms. Vang confirmed that Mr. Nguyen understood and agreed to the conditions.

Ms. Vang asked Mr. Nguyen if he had experience running this type of rental hall. Mr. Nguyen said he had no experience in this area. He said he had hired project manager Catherine Cuddy, who would act as the operations manager for the business. Ms. Cuddy said she had experience from opening and owning a brewery in Minneapolis. She said she would be in charge of booking and running events at The Essence. She said she had a background in breweries and bars. She owned and ran Sisyphus Brewing in Minneapolis for four years and had sold her portion of it to pursue other things. She said she had also worked in restaurants with full liquor service. She said her brewery had an event space where they hosted weddings, corporate events, comedy shows.

Ms. Vang asked Mr. Nguyen how many people he'd be hiring to support the operation. Mr. Nguyen said they would have one operations manager, two day-of event coordinators, four to eight cleaning personnel, two to three traffic controllers, and they would hire a police presence for events. There would be a total of 12 to 15 to run the event. Ms. Cuddy said that was in addition to bartenders and some in-house security.

Ms. Vang asked whether they would be open daily or just certain days a week. Mr. Nguyen said they were projected to open around June 2020 for weddings events only, but they might push it to 2021. He said if everything had gone according to projections, their goal by 2021 was to have corporate events on weekdays, and wedding events on weekends. Now they were thinking only wedding events in 2021 on Friday, Saturday and Sunday, and not corporate events. There was a possibility that they could open this fall, depending on circumstances.

Ms. Vang asked how much was left in the renovation. Mr. Nguyen said they were on phase three and four of four phases. Phase three was the connector between the two buildings, and phase four would be completing the catering kitchen. He said the reality was they would be fully complete by mid-June. Ms. Vang asked if they were required to get a food license though the State of Minnesota. Mr. Nguyen said they were. Ms. Vang asked where they were in that process. Mr. Nguyen said he believed they had all of the MDH approvals and just needed to take the course and get the final permits for phase four. Ms. Cuddy said they hadn't ordered any equipment, but it had all been approved by the Department of Health. The City would have to come and approve it when the construction was complete and the equipment in place.

Ms. Vang referred to the floor plan and asked if there was one or multiple floors. Mr. Nguyen said there were multiple floors. The main event hall was on the main level, which was Picture 1. Picture 3 showed the second level which had the groom's and bride's rooms. There would be secured access for bride and groom parties on the second level.

Ms. Vang asked about the capacity. Mr. Nguyen said the capacity was up to 500 for an event with no dining, and dining-wise it was around 300 to 350.

Ms. Vang asked whether they would have in-house security for just the wedding events or for corporate events as well. Mr. Nguyen said for anything after 5:00 p.m.

Ms. Vang asked about security cameras. Mr. Nguyen said currently there were four to five cameras exterior and over 15 for the interior. Ms. Vang asked whether they had consulted with police or a professional for placement of the cameras. Mr. Nguyen said they consulted with a professional security company.

Ms. Vang asked whether they'd also have security staff for the exterior. Mr. Nguyen said yes. Ms. Vang asked whether they would also play a role in directing traffic. Mr. Nguyen said they were all in the same employee pool, and security would be one portion – interior and exterior. He said there would be three traffic controllers, depending on the size of the event, and they also planned to have police presence.

Ms. Vang asked if parking was shared or dedicated to the property. Mr. Nguyen said 65 spaces were dedicated for their events. Ms. Vang asked how they intended to accommodate additional parking demand. Mr. Nguyen said it was brought to their attention when they bought the property that they would need additional parking space for lease. The hotel ramp and Wellington Management ramp were options for leases. They had reached out to both but hadn't signed a lease yet due to the uncertainty about the projected date of completion.

Ms. Vang asked whether cleaning staff would be responsible for just the interior, or the exterior as well. Mr. Nguyen said they'd be responsible for both.

Ms. Vang asked Mr. Nguyen if he owned or leased the property. Mr. Nguyen said he owned the building. He said when he purchased the property, he was bringing his staffing agency to the building. He'd owned the staffing agency for 15 years. A lot of his staff would be working part time on weekends, providing security, clean up, and set up.

Ms. Vang asked to hear from the interested parties on the line. Pat Kyle with Wellington Management said they had submitted a letter of objection. Ms. Vang said she wouldn't read the letter into the record since he was testifying. Mr. Kyle said their biggest concern was that the building could not support the anticipated number of guests, and they didn't know where parking would go for 290-plus people. Initially when the applicant was announcing their plans, they hadn't reached out to Wellington to talk about a potential parking agreement. They had talked about it since, but no parking arrangement had been reached. Wellington was still open to talking to them and hoped they could work something out. Mr. Kyle said there was also a long history around the Bandana Square building and that parking ramp. The building was medical and office use and was quiet after the end of the workday. They had daytime security in and around the building and had engaged St. Paul police after hours. It had always been a concern about what was happening at the buildings after their tenants weren't there, and they weren't entirely comfortable with what the event center was putting in place to ensure that their guests would behave and be limited to parking where they were allowed, and would not be causing property damage as they had experienced in the past.

Ms. Vang asked Mr. Kyle how he felt about the plans after hearing from Mr. Nguyen during the hearing. Mr. Kyle said the plans sounded good, but these were legitimate concerns that they'd had in the past and had carried forward to the present. Ms. Vang said she hoped Mr. Kyle's office and Mr. Nguyen's office could continue to work on a parking agreement. She asked to receive a copy of any agreement reached.

Michael Kuchta, District 10, asked what the parking requirement was for the venue. Mr. Fischbach said 68 spaces. He said they could be made up a number of ways, including bike racks, and they did have some bike racks proposed to go towards parking. He clarified that if they were a restaurant of this size with a full liquor service, the parking requirement would be even less than for a rental hall. A restaurant would be at 1 (parking space) per 400 square feet and they would have to close at midnight. A rental hall was 1 per 200.

Mr. Kuchta asked if it was correct that from a code perspective the applicant had met the requirement, but the concern was that it was unlikely that 400 people would arrive in fewer than 70 vehicles, and there was a concern by nearby property owners about where those additional vehicles would park. Mr. Fischbach said the City had to look at what was black and white, and what the zoning code required for parking. He said he was sure Mr. Nguyen was aware that other tenants could use their own security to monitor parking, and tow unauthorized vehicles if there was proper signage. He said he would hope Mr. Nguyen would monitor that himself.

Ms. Vang confirmed with Mr. Kuchta that District 10 did not have an opinion on whether they supported or opposed the request. Mr. Kuchta said that was correct.

Ms. Vang said in light of the fact that everyone had a clear understanding of what was planned by The Essence Event Center, she didn't believe there were any additional conditions needed at this time. She said Mr. Nguyen had satisfied the questions asked, and she encouraged him to work with Best Western or Wellington to come to some agreement regarding additional parking spaces, although he was not required to do so per zoning requirements. She said she would

recommend approval of the request without any additional conditions other than the three that DSI has proposed.

The hearing adjourned at 10:30 a.m.

The Conditions Affidavit was signed and submitted on 2-24-20.