

LICENSE HEARING MINUTES
The White Squirrel, 974 7th Street West
Monday, April 19, 2021, 10:00 a.m.
Remote - 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 10:00 a.m. A roll call was made to confirm attendees.

Staff Present: DSI Staff, Department of Safety and Inspections (DSI) – Ross Haddow, Erik Hudak, Yaya Diatta

Licensee: Jarret Oulman, Applicant/Owner

License Application: Add a Liquor-Outdoor Service Area (Patio) license to the existing Liquor On Sale – 100 seats or less, Liquor On sale – Sunday, Liquor On Sale – 2 AM Closing, Entertainment (A), and Cigarette/Tobacco License

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:

DSI Staff, Ross Haddow, Department of Safety and Inspections (DSI) gave a staff report for the White Squirrel to add a Liquor-Outdoor Service Area (Patio) license to the existing Liquor On Sale – 100 seats or less, Liquor On sale – Sunday, Liquor On Sale – 2 AM Closing, Entertainment (A), and Cigarette/Tobacco Licenses. Licenses have already been approved; this request applies only to the license for Liquor-Outdoor Service Area (Patio) outside.

Existing license conditions are:

1. Per City of Saint Paul Legislative Code 411.02, the definition of Entertainment A is, "Amplified or nonamplified music and/or singing by performers without limitation as to

number, and group singing participated in by patrons of the establishment." (includes karaoke). Entertainment A license does not allow for patron and/or performance dances.

Recommended Additional License Conditions:

2. Any noise associated with indoor and/or outdoor activities (e.g., seating area) shall comply with applicable State and Local rules and regulations, including but not limited to Chapter 293 Noise Regulations of the City of Saint Paul Legislative Code.

There were no correspondents received from the neighborhood organization association. Inspection requirements outstanding, there are a few building permits still in process of being closed, licenses approved with conditions, zoning has approved. DSI's recommendation as stated is approved with conditions.

They have met all the requirements for licensing standard, they just won't be approved until the final building permits have been finalized.

Ms. Vang asked Mr. Oulman to explain about the outstanding permits that are limiting him from getting the licenses.

Mr. Oulman stated he had the first walk through final inspection for his Certificate of Occupancy on Thursday, April 15, 2021. The inspector gave him a list of items to complete: a handrail on the steps, a maximum occupancy sign, a sign for door to remain open, attach booths to floor and a handicap sign in the handicap parking space. All are easy fixes and should be done within a week or so. He would like to open business on May 15th or possibly May 23rd but have not informed his employees to commit to a certain date yet. He is also waiting for the Health Department inspection. In addition, he needs to finish a mop closet and install an ice machine, possibly by the end of the week.

Ms. Vang asked Mr. Oulman to talk about the business: history, hours of operation, number of employees, entertainment, karaoke, and general business plan.

Mr. Oulman said he wants to operate the restaurant, bar, and music business to attract local artists to program original music in the neighborhood. He owned a small bar in NE Minneapolis, the 331 Club with original music 6 nights a week (up until last year). He operated Como Dockside for three years. The venue programmed the pavilion series and tried to give it some different kind of programming and genres than previous. He also operates the Amsterdam Bar for 10 years which is a midsize music venue for local musicians. He also does national and local touring with pod casts, classical music, heavy metal shows and all kinds of stuff. The Amsterdam provides 8000 square feet of versatile space. The White Squirrel would provide a space for 1000 square feet, which is smaller and cozier. The maximum occupancy inside is 56, the patio size is 24. He would like to offer an inviting, creative space for the community, especially with original programming and to keep local artists in St. Paul instead of them going to Minneapolis. The financial model is set up for liquor sales with low labor costs because the space is small and would not accommodate a lot of people. Regarding staffing, there will be 1 or 2 people working at once on slow days and more on busier days, maybe 7-9 both in the front house and the back house. He has no plans to hire security.

Ms. Vang asked about hours of operation. Mr. Oulman said that his proposed hours will be Monday – Sunday 2:00 p.m. to 2:00 a.m. but as things move along or demand is higher, he may go open at 12:00

p.m. instead of 2:00 p.m. on the weekends. He wanted to have hours that were easy to remember for people.

Ms. Vang asked about the staging area, sound proofing, signage, basement, patio, and lighting. Mr. Oulman stated that the stage will be 16 x 8 feet with a foot of area in the back for staging equipment. He proposed to put in staging risers 4 x 8-foot platforms that have foldable legs so it can be at floor level or 16 inches high. Regarding soundproofing, insulation was installed in the walls and there are glass block windows, which would not be opened. The new door in back by the landing with exit signs and emergency lights on the interior and exterior. Another emergency exit is on the other side of the bathrooms with the same signage which was the focus of the inspector from last Thursday's inspection. The downstairs is not for customers, it's just for storage. The patio is entered from the walkway outside and is approximately 6 feet from the building and customers would engage with staff to enter the patio. There will be exterior lighting at the back of the building and a string of patio lighting across the patio. The fireplace shown on the drawing for the patio will not be used. The patio will be fenced off between the building and the patio. The mechanicals will also be fenced. Overall, there will be fencing between the lot and the patio. There will be no fence installed by the bushes because they already have an existing wall on lot line. In all, there will be three (3) new non-gapped, wood fences possibly 4 to 6 feet high.

Ms. Vang asked about music and patio seating. Mr. Oulman said that music will not be amplified to the patio and music will be entirely contained in the building. The 24-person seating was determined by SAC determination.

Ms. Vang asked about the process to getting signatures for your patio service. Mr. Oulman said the Department of Safety and Inspection provided him with a list of individual addresses. He went door-to-door knocking. He was able to get a hold of some people that way. Knocking on doors is not the first time he's done that. One of his first step in applying for this license was to pursue a commercial development district designation which required him to go through a similar petitioning process. Instead of a 300-foot radius for the extension of liquor service to the patio, he was required to get signatures for property owners within a 100-foot radius. His closest neighbors were already informed at this point. The two property owners that the business directly abut had already signed the first petition, so when he went back and had the same conversation with them again, they were still supportive. The petition for the extension of liquor service to the patio was a 300-foot radius. He knocked on doors and spoke with several neighbors. If he was unable to touch base with them, he went back again several times. There were two homes that he went back twice but was unable to reach them. One of the address was a house that was sold, and he contacted the realtor to see who the new owner was but was unable to make contact. In the case of the commercial spaces, he walked into the business and engaged with the operators: the vintage shops, barber shop, and Tattoo place. He left messages with the two bars he visited with the bartenders because the owners were not onsite since their contacts were not on their website. He also left messages with Mike Runyan and Ted Caspers on their website in November 2019 and again in 2021 but was unable to get through to them to discuss his business plans. He spoke to Craig Cohen (the owner that he bought the building from) and Dave Thune (who owns the building across the street) who both indicated support, but they did not give their contact information for him to circle back for confirmation. In all, he made 4 or 5 efforts (via emails and text messages) to reach out to Mike Runyan who sent the objection letter. Mr. Runyan called him back welcoming him to the neighborhood and stated that he wasn't going to attend the hearing and basically "gave [Mr. Mr. Oulman] his blessing" to move forward. That acknowledgement took the edge off.

Ms. Vang asked why he had chosen to pursue a commercial district over the normal process. Mr. Oulman chose this space because he liked the size of the site, the particular neighborhood and the site had nearby business like the bars in the area. He contacted Councilmember Noecker to regarding his interested in opening a business with liquor licenses, entertainment, etc. and was informed that there may be another avenue to pursue and to contact Eric Hudak and Ross Haddow as to how to proceed with a commercial development district designation.

Ms. Vang then read into the record a submitted email in opposition of the license application from Michael Runyon at mcruns2009@yahoo.com. His email was received on March 3, 2021 (within the notification period. The property he referenced on record is the The Nook. *(Letters/Emails are made a part of this record)*. She also wanted background information. The implication of Mr. Runyon's letter suggests that having a commercial development designation waived all other licensing requirements and Ms. Vang wanted confirmation from staff if that was the case.

Mr. Haddow says that the development district is a little-known tool that's been in city ordinance for decades and decades. It allows an establishment or property owner to designate a parcel or a series of parcels as a development district. There are several of them throughout the city...downtown and along University. Designation as a commercial development district allows an establishment to have a liquor license without having the requirement of food. The main waived requirement is the requirement of a full-service restaurant.

Mr. Hudak said that Mr. Oulman's process is within the confines of the ordinances. Mr. Runyan's objection was largely in question is the process in which these commercial districts are done, not Mr. Oulman or his establishment. He had a conversation with Mr. Runyan before the hearing and Mr. Runyan stated that he was in support of Mr. Oulman's business. Having a commercial development district designation does not waive requirements, it's more or less a means of establishing a business. Nothing would prevent Mr. Runyan to pursue the same route if he wanted to. At this point, Mr. Runyan does not need to because he's an established business owner and has met past requirements.

Ms. Vang asked if the commercial designation prevents Mr. Oulman from meeting additional parking requirements? Mr. Haddow said, no, parking requirements are separate through zoning.

Ms. Vang would like to hear from Mr. Diatta for the zoning review report. Mr. Diatta said staff looked at the building plan review and AMANDA system to see if the business needed additional parking. It was approved by his staff. Previously the site was zoned for offices spaces and the request here was to change the use. In terms of parking, the parking spaces remained unchanged. Nine parking spots were previously used and based on that ratio and what is planned, the new use meets the same parking ratio.

Ms. Vang asked about Mr. Oulman past experience and how his staff will be trained to handle unruly or overserved customers. Mr. Oulman stated that his staff goes through annual liquor service training through ALE Training company, which provides thorough training especially with handling overserved persons, carding, safety, and staff training for being diplomatic, redirecting, subjectiveness, etc. He intends to do what's in the best interest of the safety of the customer and the bar personal.

Ms. Vang asked how many servers will be in the patio area and how will it be monitored. Mr. Oulman said his patio staff of 1 will use a handheld credit card reader for tableside charges, they will also wait tables, clean up and bus frequently.

Ms. Vang, what about garbage pick-up and cleaning services? Mr. Oulman stated that Waste Management picks up recycling once a week on Tuesdays and garbage once a week on Fridays. The garbage bins have enclosures per the site plan. There is recycling behind the bar and patio. Recycling gets dumped at 10:00 p.m. and the slim Jim's get put out for the first employee of the morning shift to put it out before 2:00 p.m.

Ms. Vang was looking at the STAMP report and wants to know how Mr. Oulman will maintain and keep the property clean. Mr. Oulman believes that the property has been under-utilized for over 30 years. People were not maintaining it in the past because no one was around to do it because it was vacant. He has upgraded the building and will continue to maintain it, including the landscaping. He also has maintenance who will be responsible for the White Squirrel in addition to the other businesses Mr. Oulman own.

Ms. Vang stated that after reviewing the records and testimonies from all parties, she believes that Mr. Oulman has satisfied all of the requirements asked of him and thinks that he is a responsible owner. She believes that Mr. Runyan's objection did not have any relevance to Mr. Oulman's business specifically and will share his concerns about the commercial development district to the councilmember. In closing, Ms. Vang finds that the license for Liquor-Outdoor Service Area (Patio) license in the patio will not be an issue especially given its fenced area, low lighting and that amplified music will not be played out there. Ms. Vang will recommend to the City Council that they approve the license without any additional condition other than that those that Mr. Oulman has already agreed to. Ms. Vang verified whether the conditions affidavit has been signed. Mr. Haddow said that the affidavit is signed and will forward it to licensing staff.

Ms. Vang wished Mr. Oulman well and thanked him for choosing St. Paul to do business.

The hearing adjourned at 11:20 a.m.

The Conditions Affidavit was signed and submitted on March 3, 2021.