

LICENSE HEARING MINUTES
Hour Glass Café LLC, dba Hour Glass Bar & Café, 560 7th St W
(Initial application under ‘Trapped Puzzle Rooms Inc, dba The Lodge of Lazarus Crowe’)
Monday, September 11, 10:00 AM
Room 330 City Hall, 15 Kellogg Boulevard West
Nhia Vang, Legislative Hearing Officer

The hearing was called to order at 10:10 AM

Staff Present: Ross Haddow, Department of Safety and Inspections (DSI) Licensing Inspector; Frances Birch, DSI Zoning Inspector (remote participation)

Licensee: Jameson Fassett-Carman, Applicant/Owner; Karen Fassett-Carman, Co-owner

Others Present: Genaro (Gino) Ortiz, 356 Superior St; Martha Mena; 323 Superior St; Scott Entenman, 189 Dousman St

License Application: Liquor On Sale - 100 seats or less and Liquor On Sale - Sunday licenses

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

Minutes:

Ross Haddow, Department of Safety and Inspections (DSI) - Licensing, gave a staff report for licensee Hour Glass Café LLC (License ID# 20230000657), d/b/a Hour Glass Bar & Cafe, located at 560 7th St W. The application is for Liquor On Sale - 100 seats or less and Liquor On Sale - Sunday licenses. DSI is recommending approval with the following license 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 Section 409.02 of the City of Saint Paul Legislative Code.

3. Signage and staffing will be used to prevent alcohol from being removed from the licensed premises or brought into the licensed premises. This includes ensuring alcohol is not taken from the license premise into the adjacent Trapped Puzzle Rooms portion of the building, as well as all common spaces.
4. All doors to the establishment shall be closed at all times.
5. The licensee acknowledges and agrees that they are fully responsible and accountable for the management of the licensed premise (as defined in the approved floor plan), including all individuals and/or groups within and / or on the premise, to the extent required by Saint Paul Code of Ordinances.

District Council 9 – Fort Road Federation has submitted a letter of support. Building conditions, In Process; License approved with conditions; and Zoning approved.

Haddow added that Conditions 3 – 5 have been added after the original public notice went out. The original public notice only had two conditions. These were added because of concerns about the business and because they changed their “Doing Business As” name.

Hearing Officer Vang next asked Frances Birch about the Zoning review.

Frances Birch, Department of Safety and Inspections (DSI) - Zoning, gave a staff report. This location is zoned B3, General Business. A restaurant is a permitted use. Parking was not reviewed, as minimum parking requirements were eliminated from City zoning code.

Hearing Officer Vang: Is there a prohibition against liquor businesses being within a short distance from each other?

Haddow: No. There is no restriction for liquor-serving restaurants in that manner. The only kind of distance requirements we have is approval from schools that are in the area of off-sale liquor establishments like liquor stores. In this case, the school was far enough away that their approval was not required, and the nearby daycare is strictly a Christian daycare with no school session.

Hearing Officer Vang asked the applicant to talk about the business: history, hours of operation, number of employees, etc.

Jameson Fassett-Carman: The business plan is to operate a restaurant and cocktail bar cocktail kind of focused restaurant similar in the number of seats available, as well as the style of food and beverage menu, as Emerald Lounge, which is just down the street from us. The same building house both the restaurant (Hour Glass Bar & Café) and the puzzle room (Lodge of Lazarus Crowe) with separate business entities. They will be operating separately from each other. This license being discussed is not about the puzzle room, but rather in the context of the whole operation in terms of being able to serve customers coming to the restaurant as well as those coming to the puzzle room.

Hearing Officer Vang asked about staffing.

J. Fassett-Carman: We will have approximately 6 people at any given time on the restaurant side. That would be the maximum that we're anticipating, and then roughly the same amount on the puzzle room side. Though, when we first open it likely will be closer to three. As we expand and add more rooms, we will be able to increase the number of staff. We also have several build and design staff who just work with the puzzle room, which could be another four people during the day and not when most customers will be there.

Hearing Officer Vang asked about the site plan.

J. Fassett-Carman: In the site plan document, the part in yellow is the restaurant, blue is the common area used by both, and purple is the puzzle room. The upper floor is only for the puzzle room.

Only puzzle room customers will be able to go up to the upper floor because only puzzle room customers will be able to enter from the doors through the yellow area into the common area where the puzzle room entrance is. Customers will have to check in at a front desk with signs to access the puzzle room. Signs will also say that no food or alcohol is allowed beyond that point. Most puzzle games are scheduled in advance, so people will not just wander in. We will also have cameras to monitor access, along with the cameras in the puzzle rooms themselves. The restaurant experience is separate from puzzle room. Food and drink cannot be brought from one part of the business to the other.

Hearing Officer Vang asked if camera placement was done with a private consultant or by working with the Police Department.

J. Fassett-Carman: We did it ourselves. We have been in business managing puzzle rooms for 8 years and have a control room for monitoring customers. We know how to set cameras up around a game room to monitor people. It's an important part of the business to ensure that if folks get lost, staff can help. The purpose of the puzzle room is to help give clues, and allowing food or drink in the escape room would result in spillage and could damage the space with clues. Currently, there are no cameras place outside.

Hearing Officer Vang asked about the other businesses they own.

J. Fassett-Carman: We operate two other locations. One is in St. Paul at 561 Snelling Ave S, which has been open since late 2016. The other is in Minneapolis at 708 N 1st St, which opened in 2018. Neither has a restaurant so that part is new for us.

Hearing Officer Vang asked about the restaurant experience and concept.

J. Fassett-Carman: I do not have restaurant management experience. We do have a café & bar manager who used to work at Starbucks in different roles, and we hired a restaurant consultant to get us started. We have no prior liquor service experience but will be hiring experienced bartenders. We've talked to the owners of Emerald Lounge down the street and trying to do things similar to them.

Hearing Officer Vang asked about liquor training and certification.

Haddow: There is certification required. However, before every liquor license is issued, a liquor manual is reviewed with the license holder. Part of that liquor manual goes over training for carding and dealing with underage patrons. There are several training programs that license holder are encouraged to use like the Minnesota Licensed Beverage Association. The city do not require certification, but it is strongly encouraged.

J. Fassett-Carman: All managers will go through an outside training; bartenders will be training with us.

Hearing Officer Vang asked about an opening date.

J. Fassett-Carman: The hope is early October.

Hearing Officer Vang asked what is left to be done regarding building requirements.

J. Fassett-Carman: The process of building out all the puzzle rooms is quite long. We are opening with not every possible space being used, and plan to add more rooms with the remaining spaces as we go. By

the time we open the restaurant, we should have our certificate of occupancy and all our permits should be done. From there we would essentially be just doing our own work on the building with additional props and set dressing. Now we are waiting on an inspection that I believe it is supposed to happen today at noon. Hopefully we will then get our certificate of occupancy. The main entrance is the big thing they're looking at, as well as some fire exit signs. Both businesses share the entrance and some common spaces. We addressed them and hopefully the inspection says they're no longer an issue.

Hearing Officer Vang asked about capacity for the liquor service area.

J. Fassett-Carman: We have 48 table seats and 8 bar stools for a total of 56 people. The fire occupancy maximum is a greater number than that, but there's no way for us to serve that many people. The kitchen is the small yellow area of the map on the bottom. The Minnesota Department of Health (MDH) is ready to approve the license and is waiting to issue when we are ready to go so, we don't pay for time we don't use. We will be operating like a restaurant and not a bar. The kitchen is full-service but does not have a large vent hood because we have ventless kitchen equipment. This has all been approved by MDH.

Hearing Officer Vang asked about hours of operation.

J. Fassett-Carman: After talking with neighbors, we agreed to keep hours consistent with Bad Weather Brewing down the street:

Monday, Tuesday:	Closed
Wednesday, Thursday:	3pm – 10pm
Friday:	3pm – 11pm
Saturday:	12pm – 11pm
Sunday:	12pm – 10pm

Hearing Officer Vang asked about parking.

J. Fassett-Carman: We have a lot with 20-30 spots across the street. Access for customers is only at the front. There is a back access but signs will state access is not for customers.

Hearing Officer Vang asked about trash disposal and pickup.

J. Fassett-Carman: Trash disposal will be inside. We have a big basement and will bring it out from there. We will be doing recycling also but are not likely to use it much since we will use our own glassware. Pickup will be weekly. We have yet to figure out the time of day. It is picked up by the back door near because of the garage doors on Ann Street near the corner of Superior Street. There are houses across the street along with the church, which we will be mindful of.

Hearing Officer Vang asked about lighting.

J. Fassett-Carman: There is a lot of outdoor lighting on the building. We are in the process of going through and checking bulbs and replacing anything that's been burnt out. The building had been unoccupied for four or five years before we moved in, so there are some bulbs that need to be replaced. There are a few streetlamps also, and some lighting in the parking lot that the previous owners had that really illuminates it.

Hearing Officer Vang asked about lighting as a nuisance concern.

J. Fassett-Carman: We are looking at reducing the light posts to keep things illuminated but be less bothersome to neighbors, but it hasn't been a high priority for us. We have talked about going from 3 light posts to just one or two. We've also considered changing the bulb color from white to something like orange that's more pleasant. If it was an issue for neighbors, we would do something about that. I know we have talked to neighbors about that. Most of the lights face towards our building though.

Hearing Officer Vang encourage license holder to consult with DSI zoning on developing a lighting plan. She next asked about ownership and the vacancy of the building.

J. Fassett-Carman: We took over a year ago. Prior to that, it was just sitting vacant. The previous owner was hiring some lawn care. When we took over and started to build out the puzzle rooms and figuring out all the details for the restaurant, we neglected lawn care and other aspects of the property more than we should have. That was a mistake on our part for sure. We have been working hard to address those things and we will be doing so once we're open. We'll have people on site every day of the week because even though we're closed two days a week, we'll have our build and design team there. They're working on new experiences and new rooms, and we'll be able to have our staff picking up trash every single day and making sure that things look good. We've also been talking with a company about snow removal who works with the church across the street.

Hearing Officer Vang asked about parking lot access.

J. Fassett-Carman: It is open.

Hearing Officer Vang asked about controlling access to keep negative activity from happening on the open parking lot.

J. Fassett-Carman: The parking lot is not enclosed. There's only one entrance for cars but it is wide open for pedestrians. We are open to putting up some kind of gate or chain for cars.

Hearing Officer Vang next invited attendees to testify.

Gino Ortiz, 356 Superior St: We have lived here for about 60 years. There used to be a cable in the parking lot to keep people out, but that didn't deter cars much because when the cable chain was ignored, and cars just flew through it sometimes and broke it. The previous owners discontinued that practice. Sometime late at night cars would be driving in circles doing donuts on the parking lot. I've also had to call the police before to chase people out due to drugs or other activities. I'm glad the license holder is opening the business to deter some of these behaviors. I'm not objecting. Just concerned about parking and lighting. For parking, I want there to be some signage about where to send people and telling them to reduce speed, because people speed down Superior St and blow past stop signs. Sometimes they're running late to Alcoholics Anonymous, or they're in some other hurry. We have called parking enforcement too about cars parking illegally and blocking driveways. Some additional signage might help. I was concern about the number of people this would bring but it actually isn't as many as I thought so that's not an issue.

Hearing Officer Vang asked whether Ms. Ortiz has talked to Public Works about making the area a permitted parking only as regulating parking restriction to deter illegal parking and blocking driveways are out of her scope. A referral to Public Work can be sent after the hearing but noted that permitted parking would need a petition for neighbors to support and approve, and it would likely have some associated cost.

Ortiz: That is something we are considering.

Hearing Officer Vang referenced that Mr. Ortiz also submitted a letter of objection and accepted that into the record and gave J. Fassett-Carman a chance to respond.

J. Fassett-Carman: We have spoken and have a good relationship with Mr. Ortiz. We will make it clear on the website, such as when they reserve a puzzle room spot, about where to park in front of the building and in the parking lot. People will be coming in groups, so I don't anticipate a huge issue. There are tires on the parking lot that we are trying to get removed because the nearby CrossFit business left them on our property.

Ortiz: We also talked about lighting, which was good. There is the fence issue though.

J. Fassett-Carman: There's a fence between our parking lot and his property. It's just a metal chain link fence. We don't know exactly whether it's our fence or his fence, but we can get that figured out. That would be a project down the road for us. It's not something we're looking to address before we open.

Hearing Officer Vang asked the length of the fence.

Ortiz: About 60 – 70 feet long.

J. Fassett-Carman: Possibly 50 feet long.

Hearing Officer Vang asked about what issue concerns the fence issue and whether it has not been maintained and needs to be removed.

Ortiz: Last winter, when the roads turned icy, a trash truck took out a pole and some signs. The fence is buckling and kind of rickety. It's not a dangerous situation. It's just unsightly.

Martha Mena, 323 Superior St: The only thing I'm against it is the liquor license. There are 13 bars around that neighborhood. People can walk somewhere else or to the liquor store. Traffic also keeps going all the time and my husband and I are handicapped. Sometimes our spots get taken. I've been there for 48 years. My husband's family has been there for 75 years.

Hearing Officer Vang noted Mena's family's letters of objection and accepted it into the record and asked J. Fassett-Carman if he would like to respond.

J. Fassett-Carman: One of the most common questions we get for our other locations is about where to eat or drink afterwards, so it was a logic step to add that to the business. We don't want intoxicated people. Because it's us serving them instead of them leaving, we can monitor them more closely than if they went to a bar down the street. Puzzle rooms are not a drinking activity establishment. Our customers at other locations have never been a rowdy group. We are a restaurant and not a bar. Puzzle room hours are the same as the restaurant, though sometimes a puzzle room customer may not finish until after the restaurant closes.

Scott Entenman, 189 Dousman St: I submitted a letter, and I don't need to reiterate all of those points. I'm glad someone is moving in there. My concern is that alcohol will increase amount of people and traffic. Cars just speed through and I worry that liquor will make it worse.

J. Fassett-Carman: Could the City put in a "no right turns" sign for exiting our parking lot? That would divert cars towards West 7th.

Hearing Officer Vang stated that the request would like involve the neighbors and would need neighbors to request a study from public works. It would require the whole neighborhood to be involved and possibly requires some cost to the neighborhood.

Mena: I forgot to add, there's always someone parking and I can't get through. Parking is the biggest concern.

J. Fassett-Carman: Is there a way for Martha to get a handicapped parking sign?

Hearing Officer Vang suggested that she reach out to public works. Public Work contact can be shared.

Hearing Officer Vang next read into the record the letter from Marilyn Taylor, 336 Michigan St, which voiced concerns about nuisance activities, property maintenance, and parking. She then asked J. Fassett-Carman if he would like to respond.

J. Fassett-Carman: We've already addressed those points.

Hearing Officer Vang asked when last call for liquor service will be.

J. Fassett-Carman: That would be dependent on customer flow to determine that and they are not open yet.

Hearing Officer Vang next read into the record the letters from Elizabeth Mena-Larsen and Curt Larsen, which voiced concerns about nuisance activities, property maintenance, and parking. She gave J. Fassett-Carman an opportunity to respond.

J. Fassett-Carman: I think we addressed these points. We did also send our own letter to clarify some details about how we will operate. Elizabeth did appreciate the clarification.

Hearing Officer Vang asked about an exit plan for customers.

J. Fassett-Carman: They will exit through the front door and there is a front desk that will help direct traffic at closing.

Hearing Officer Vang next noted the petitions delivered by Scott Entenman and Curt Larson, and read the concerns noted it into the record.

J. Fassett-Carman: We have addressed these points already. Everyone listed here was sent a letter to clarify these things and I am always happy to have a conversation. I don't know if the employee parking issue is a huge thing. Employees will park in the lot, and it will only likely result in 5-6 cars at a time.

Hearing Officer Vang asked how they intend to keep and maintain the parking space.

J. Fassett-Carman: Yes. We want to keep the parking lot and to maintain it to help lessen a barrier to customers visiting our business.

Hearing Officer Vang next read into the record the letters of support from the District Council and from Lara Duddingston.

Hearing Officer Vang asked Mr. Haddow to discuss the city's complaint process if there are concerns about the business operation.

Haddow: There is a phone number that neighbors can call. It is 651-266-8989 which connects to the call center for any complaint. If it's noise, if it's parking, if it's you see people wandering the streets, if you think that they're open after hours. Whatever the complaint is, it can be directed there. I or one of my inspectors will do a follow-up with the business and figure out what's going on. Based on what we find, either we close out the complaint, or we work with the applicant to fix the problem, or if it's serious enough, we can go forward with adverse action. These complaints can come in at any time. Complaints are not only required at renewal, but can happen any time. If any member of the community has any concerns about something going on in the neighborhood, please let us know and the city will be more than happy to investigate it and figure out the best solution.

Hearing Officer Vang asked Mr. Haddow to explain the neighborhood notification process.

Haddow: The owner of any property within 350 feet of the property line gets a notification letter. This goes to both resident owners as well as other addresses for the property owner that we have from Ramsey County Property Records, especially if the building is not owner-occupied. We get this information from Ramsey County. The district council is also notified.

Ms. Vang stated that after reviewing the records and considering the testimonies from all parties, she will recommend to the City Council that they approve the license with the following agreed-upon 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 Section 409.02 of the City of Saint Paul Legislative Code.
3. Signage and staffing will be used to prevent alcohol from being removed from the licensed premises or brought into the licensed premises. This includes ensuring alcohol is not taken from the license premise into the adjacent Trapped Puzzle Rooms portion of the building, as well as all common spaces.
4. All doors to the establishment shall be closed at all times.
5. The licensee acknowledges and agrees that they are fully responsible and accountable for the management of the licensed premise (as defined in the approved floor plan), including all individuals and/or groups within and / or on the premise, to the extent required by Saint Paul Code of Ordinances.

The hearing adjourned at 11:20 AM.

The Conditions Affidavit was signed on September 8, 2023, and submitted on September 11, 2023.