

LICENSE HEARING MINUTES
Lucy Bar & Restaurant LLC, dba Tin Cups Plus, 1220 Rice St
Thursday, May 29, 2:00 PM
Room 330 City Hall, 15 Kellogg Boulevard West
Nhia Vang, Legislative Hearing Officer

The hearing was called to order at 2:00 PM

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

Licensee: Munaye Tesfaye, Applicant/Owner; Ade Terefe, Manager

License Application: Adding a Gambling Location license to the existing Liquor On Sale - 100 seats or less, Liquor On Sale - Sunday and Entertainment (B) 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:

Jeff Fischbach, Department of Safety and Inspections (DSI) - Licensing, gave a staff report for licensee Lucy Bar & Restaurant LLC, (License ID# 20240001343), d/b/a Tin Cups Plus, located at 1220 Rice St. The application is for adding a Gambling Location license to the existing Liquor On Sale - 100 seats or less, Liquor On Sale - Sunday and Entertainment (B) licenses. DSI is recommending approval with the following existing 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.

The District 6 North End Neighborhood Organization has been informed of the application. Building conditions, N/A; License approved with conditions; and Zoning approved.

Hearing Officer Vang asked if Ms. Tesfaye had questions about the conditions.

Tesfaye: Yes.

Terefe: Our first license was approved by the City. What is the issue here? The neighborhood wants us. I see the objection, but we are under new management and in good condition. I don't understand why there is an objection. If we violate conditions, they can complain, but that hasn't happened. If the City allowed us to have the liquor license, how would this be different. Customers have demanded that we have pull tabs like the business had before.

Fischbach: The previous licensed business did have a gambling location license, but it was not asked for in this new business's initial application. Their initial license was issued earlier this year, and the district council supported it. They did some construction after the previous business closed in 2023.

Hearing Officer Vang stated that while the process is similar, the key difference is that the application for gambling location license received a letter of objection, which automatically triggers the hearing being conducted.

Tesfaye: Yes.

Hearing Officer Vang asked the applicant to talk about the business: history, hours of operation, number of employees, and types of gambling planned for.

Terefe: We plan to end gambling at 10pm. Our current hours 11am – 11pm, and we may even end the gambling earlier, depending on the customer interest. The types of gambling will be pulls tabs, raffles, and e-pull tabs. Our charitable partner is an American Legion and they will be doing the training.

Hearing Officer Vang: Where will pull tabs and e-pull tabs machines be located?

Terefe: The pull tabs will be in the small room by the entrance, where they were under the previous owner. There will also be 4-5 tablets for e-pull tabs placed around the bar.

Hearing Officer Vang: Has training happened yet?

Terefe: Not yet. The new manager will be doing the training.

Hearing Officer Vang: How often will raffles be offered?

Terefe: Every Sunday. Not sure what type of raffles they will be. The new manager will know better. I'm not as familiar with the gambling.

Hearing Officer Vang: Will you be on-site?

Terefe: The new manager will be on-site. I was just the one who repaired and fixed things. He will work with the customers. His name is Roja Smith.

Hearing Officer Vang stated if there are issues, neighbors will most likely talk to the manager. She asked whether the applicants will be on-site.

Terefe: Only as needed. We brought this person on because he has experience. He does good work. We had considered plans for an Ethiopian restaurant but ended up wanting to keep this business as-is because of what we heard from the neighborhood. We have an Ethiopian restaurant in Minneapolis, so this is our second restaurant.

Hearing Officer Vang: How have things been running so far at this location?

Terefe: It's going well. We had a soft open in March and then just opened for business officially on May 19, 2025. There was good customer demand for gambling and better management. We bought the property at the same time as the business licenses. We need to satisfy customer needs for things like pull tabs or we will lose them. We meant to add this when we initially opened, but unfortunately did not.

Hearing Officer Vang asked if nearby businesses in the area open late and whether share parking was of concerns.

Terefe: Most of our business comes after 4pm and the other businesses close earlier. There shouldn't be any issues.

Hearing Officer Vang asked whether cameras would be installed inside.

Terefe: Yes, but we plan to add more.

Hearing Officer Vang asked how customers would be seated.

Terefe: We don't have many customers right now, so it's self-seating. We will have a host when business picks up.

Hearing Officer Vang asked about staffing.

Terefe: We have 8 part-time people in total with 3 in front-house and 5 back-house.

Hearing Officer Vang next referred to the STAMP Activity Report and asked about garbage removal, noting garbage issues in 2024.

Terefe: I know there was an issue with the neighboring liquor store. There are also homeless people who sleep in front of the restaurant, and some are scary people. They just leave garbage. It's much cleaner now, since we opened for business. I politely ask homeless people to not sleep there or leave garbage, and it works but it's a struggle. We've asked the city for advise on how to handle this.

Hearing Officer Vang asked whether nearby businesses shard experiences or is it isolated just to this address because the building was vacant in 2023.

Terefe: The vacancy was the main cause. Once we opened, conditions improved.

Hearing Officer Vang: Are you the property owner and business owner?

Tesfaye: We own the property and the business, yes.

Terefe: The supermarket owns the rest of the building. It was sold separately when the original owner sold the building.

Hearing Officer Vang: How is trash handled?

Terefe: We all handle our own trash.

Hearing Officer Vang: How is snow handled?

Terefe: We handle snow together.

Hearing Officer Vang: Where are your trash containers?

Terefe: In the back. We keep them locked. I think the lack of containers and the vacancy caused a lot of the illegal dumping.

Hearing Officer Vang: Is your trash pickup scheduled the same as the other businesses?

Terefe: We do our own. Republic Services comes once a week, but we may switch to twice a week as things pick up. Our container is small now, as we just had our soft opening on March 29, and opened fully this last Monday. The soft opening told us that we need the pull tabs, and people were disappointed when we opened officially without the pull tabs.

Hearing Officer Vang referenced the STAMP Activity Report and informed that the report is helpful for helping business managing their business, especially, the historical context as new businesses inherit known issues associated with the business. She asked if there will be employee training.

Terefe: Staff are trained already, but it will be ongoing. Some staff are original employees of the business, and some are new.

Hearing Officer Vang: Are they trained to check IDs when people order drinks?

Terefe: Yes. We do that in Minneapolis and have never had any issues. We don't want to lose the license.

Hearing Officer Vang stated that business do not automatically lose their licenses and that DSI will first attempt to work with the business to resolve issues before further escalation.

Terefe: Minneapolis has never had any issues. We do wine and beer only there, though, so this is more serious. Liquor training will also be the first thing we do with new employees. We've had a lot of meetings about this since March.

Hearing Officer Vang: Are they also trained on safety and how to handle overserved customers?

Terefe: We have two experienced bartenders. They know how to handle situations and limit alcohol consumption when necessary.

Hearing Officer Vang: Have you connected with the district council?

Terefe: Not yet. The fire inspector and state restaurant inspector have both come.

Hearing Officer Vang: Have you met Kerry Antrim from the district council?

Terefe: Yes, when we first applied for the liquor license. She encouraged us to keep the business as-is and keep the name.

Hearing Officer Vang stated that she recommend the applicants develop and maintain that relationship with the district council.

Terefe: I will. They've given very good information.

Hearing Officer Vang next reference the Police Incident Report which documented several disturbances in the area near the business. She encouraged the applicants to review as it may be helpful to them to understand nearby safety issues.

Terefe: I know I saw something a few weeks ago but I don't know how it was resolved.

Hearing Officer Vang: Do you have any questions for me?

Terefe: How long will this take to process?

Hearing Officer Vang: If I recommend approval to the City Council, the earliest it could appear on their meeting agenda is either June 11 or June 18. The mayor would then need to sign the file.

Fischbach: The gambling nonprofit organization also needs approval from the state gambling control board, which isn't granted until the City does its approval. The state approval doesn't allow gambling until the next calendar month after the approval. If they grant it in June, the earliest possible start is July 1.

Hearing Officer Vang next read into the record the letter of objection from a resident on Albemarle Street. No address or name were provided. The key concern raised was about safety. She then gave the applicant the opportunity to respond.

Tesfaye: Why didn't they give a name and address? There is something going on. Some people also tried to operate this business as well. The new manager suspects this may be one of the people who tried to be hired for his job. The area is not perfect, but we have to do business there in a safe way. We don't want this to be a bad area. I don't accept this. Why did they hide themselves? I think it's because they weren't hired. Some people tried to force us to hire them. The neighborhood needs that business. The previous business was successful, and nobody complained about it. We will bring it back as it was. That letter is not from the neighborhood. It's from someone who hates us. We will operate safely.

Hearing Officer 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 existing 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.

The hearing adjourned at 2:52 PM.

The existing conditions affidavit is on file with the Department of Safety and Inspections.