

DISTRICT OF COLUMBIA
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ALCOHOLIC BEVERAGE CONTROL BOARD
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MEETING

IN THE MATTER OF:

1841 Columbia Road Custodian,
LLC t/a To Be Determined Fact-
(Formerly, The Attic) Finding
1841 Columbia Road, NW Hearing
Retailer CR - ANC-1C
License No. 86065

(Request to Extend
Safekeeping)

May 1, 2014

The Alcoholic Beverage Control
Board met in the Alcoholic Beverage Control
Hearing Room, Reeves Building, 2000 14th
Street, N.W., Suite 400S, Washington, D.C.
20009, Chairperson Ruthanne Miller, presiding.

PRESENT:

RUTHANNE MILLER, Chairperson
NICK ALBERTI, Member
MIKE SILVERSTEIN, Member
HECTOR RODRIGUEZ, Member

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P-R-O-C-E-E-D-I-N-G-S

(10:16 a.m.)

CHAIRPERSON MILLER: Okay. We are now going to skip to a Fact-Finding Hearing for To Be Determined (Formerly The Attic) located at 1841 Columbia Road, N.W., License No. 86065, in ANC-1C. And this involves a request for an extension for a safekeeping.

When you are ready. Good morning.

MR. PASCAL: Good morning. Paul L. Pascal of Pascal & Weiss on behalf of UIP 1841 Columbia Road, LLC.

MR. BONNELL: Good morning, I'm Peter Bonnell. I'm with the UIP 1841 Columbia Road, LLC.

CHAIRPERSON MILLER: Okay. So I gather, just from my notes, you are here because you did have an extension, one extension, and the time has run and you are here to ask for a second extension and explain why?

MR. PASCAL: Correct.

1 CHAIRPERSON MILLER: Okay.

2 MR. PASCAL: The -- my client
3 purchased this building in 2012. It is 160
4 plus unit apartment building at 1841 Columbia
5 Road with some retail on the front first
6 level. They have gone through an extensive
7 rehabilitation of spending \$8 million to rehab
8 the building.

9 So far, all but about 20 percent
10 of the units, the residential units are
11 complete and rented. They waited to finish
12 off the front of the building and I'll submit
13 for the record a copy of the pro forma
14 brochure.

15 And they are now in the process of
16 leasing the retail space. And this particular
17 space is one of the last spaces left. And
18 they have actively listed it with a broker
19 now. They have now leased the other retail
20 space. If you look at the front of the
21 brochure, they completely redesigned the
22 front.

1 So, in essence, the reason why it
2 has taken time to get through the first period
3 is this extensive rehabilitation and the
4 redoing of the retail. It's now a pretty nice
5 building to go by and look at and they have
6 done a nice thing for the neighborhood. So it
7 is actively listed now and I would anticipate
8 that this is probably the last time I have to
9 come back in front of you.

10 They are hoping to lease it. They
11 do have a number of bites. And the whole idea
12 then is to then convey the license to the
13 restaurant that they want to put in that site.

14 CHAIRPERSON MILLER: Okay. So
15 this is a situation where you are the landlord
16 holding onto the license until you get a
17 restaurant in the new space?

18 MR. PASCAL: That's correct.

19 CHAIRPERSON MILLER: Okay.

20 MR. PASCAL: We didn't want to go
21 through the process of putting the license on
22 them and then retransferring it out.

1 CHAIRPERSON MILLER: Okay. And
2 could you just refresh our recollection? When
3 was the license last in use?

4 MR. BONNELL: Some time before we
5 bought the building. I think it was -- we
6 closed in April of 2012.

7 CHAIRPERSON MILLER: Okay.

8 MR. BONNELL: And there was a
9 restaurant that had been defunct for probably
10 a year or two and the group that we bought the
11 building from wasn't actively leasing it,
12 because it was under contract to us. So they
13 had it in safekeeping and then --

14 CHAIRPERSON MILLER: Okay. What
15 was that restaurant? Just to -- do you know?

16 MR. PASCAL: It was called The
17 Attic.

18 CHAIRPERSON MILLER: Oh, The
19 Attic. Formerly known as The Attic. Okay.
20 Got it. Others have questions? The building
21 has been under renovation since you bought it,
22 basically?

1 MR. BONNELL: We closed in April
2 2012. It takes a few months to get the
3 permits. We started in the fall of 2012. We
4 upgraded the heating and cooling systems in
5 the residential portion, which is messy and
6 time consuming. We did that first. And then
7 we completely tore off the old storefront,
8 which was aluminum, not very attractive, and
9 we replaced it with more historically accurate
10 kind of brushed bronze and that took time and
11 was messy and you can't really lease it while
12 you have got the front of the store torn off.

13 And that finished up late last
14 year and we have been actively leasing ever
15 since. And we are trading LOIs with a couple
16 of respective tenants, at this point.

17 CHAIRPERSON MILLER: So is the
18 space finished now or not quite?

19 MR. BONNELL: The space is --

20 CHAIRPERSON MILLER: For the
21 record.

22 MR. BONNELL: -- ready for a new

1 tenant. It's not built-out, but it's a box.

2 CHAIRPERSON MILLER: Okay.

3 MR. BONNELL: A clean box.

4 CHAIRPERSON MILLER: And do you
5 expect that you will have a restaurant tenant
6 within six months?

7 MR. BONNELL: I expect we will
8 have a tenant within six months. I'm not sure
9 what type, but we would like to -- the liquor
10 license, obviously, is a great draw for
11 tenants, so we want to hold that out as an
12 incentive.

13 CHAIRPERSON MILLER: Okay. I just
14 want to ask one more question.

15 MR. BONNELL: Sure.

16 CHAIRPERSON MILLER: If you get a
17 tenant that doesn't use a liquor license, then
18 what's your plan with the liquor license?

19 MR. BONNELL: I think we would
20 make that decision at the time. We are
21 primarily residential landlord, so I may have
22 to confer with my counsel on what we would do

1 at that point.

2 CHAIRPERSON MILLER: Okay.

3 MR. PASCAL: A lot of that depends
4 on what you will do next week with the
5 Moratorium in Adams Morgan.

6 CHAIRPERSON MILLER: I don't think
7 it will be decided next week.

8 MR. PASCAL: I think you are
9 having your hearings then.

10 CHAIRPERSON MILLER: Yes, we are
11 having our hearing.

12 MR. BONNELL: Hopefully --

13 CHAIRPERSON MILLER: So I guess
14 just one more clarifying question. I think I
15 asked it before, but within six months, you
16 hope to have a tenant or you expect to have a
17 tenant?

18 MR. BONNELL: I hope we have a
19 tenant much sooner than that.

20 CHAIRPERSON MILLER: Much sooner
21 than that.

22 MR. BONNELL: Yeah.

1 CHAIRPERSON MILLER: It's likely.

2 Okay. All right. Mr. Alberti?

3 MEMBER ALBERTI: No, actually, you
4 asked my question.

5 CHAIRPERSON MILLER: Oh.

6 MEMBER ALBERTI: What do you plan
7 to do with the license if it didn't go to a --

8 CHAIRPERSON MILLER: Okay.

9 MEMBER ALBERTI: -- tenant.

10 CHAIRPERSON MILLER: Okay.

11 MR. PASCAL: We will follow your
12 hearings.

13 CHAIRPERSON MILLER: Any other
14 questions? For six months?

15 MEMBER ALBERTI: Yes.

16 CHAIRPERSON MILLER: Extension?

17 MEMBER ALBERTI: Yeah.

18 CHAIRPERSON MILLER: Okay. Then I
19 think what I would like to do is move to grant
20 you an extension for six months.

21 MR. BONNELL: Thank you.

22 CHAIRPERSON MILLER: Okay. Do I

1 have a second?

2 MEMBER ALBERTI: I'll second that.

3 CHAIRPERSON MILLER: Okay. Mr.

4 Alberti seconded the motion. Any final
5 comments?

6 All those in favor say aye.

7 ALL: Aye.

8 CHAIRPERSON MILLER: All those
9 opposed? All those abstaining? The motion
10 passes 4-0-0.

11 MR. PASCAL: Thank you for coming.
12 Thank you very much.

13 CHAIRPERSON MILLER: Okay. Thank
14 you.

15 (Whereupon, the Fact-Finding
16 Hearing in the above-entitled matter was
17 concluded at 10:23 a.m.)

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