

DISTRICT OF COLUMBIA  
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ALCOHOLIC BEVERAGE CONTROL BOARD  
+ + + + +  
MEETING

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IN THE MATTER OF: :

:

Cyril W. Smith & Warren J. :

Smith t/a California Liquors : Fact-

2100 18th Street, NW : Finding

Retailer A - ANC-1C : Hearing

License No. 5018 :

:

(License in Safekeeping) :

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May 29, 2013

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

DONALD BROOKS, Member

MIKE SILVERSTEIN, Member

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

(9:35 a.m.)

CHAIRPERSON MILLER: The next case on our calendar is a Fact-Finding Hearing for California Liquors and that this located at 2100 18th Street, N.W., License No. 5018 in ANC-1C.

Sir, I don't know if you have signed in yet?

MR. SMITH: I have.

CHAIRPERSON MILLER: Okay. Good. Could you identify yourself for the record?

MR. SMITH: Cyril Smith.

CHAIRPERSON MILLER: Okay.

MR. SMITH: I own the building as well as the license.

CHAIRPERSON MILLER: All right.

MR. SMITH: It has been there since 1970. We are the only Class A licensee in Adams Morgan that owns the real estate.

CHAIRPERSON MILLER: Okay. So you have requested an extension of safekeeping for

1 your license?

2 MR. SMITH: I have.

3 CHAIRPERSON MILLER: Okay. I  
4 just --

5 MR. SMITH: I'm in the process of  
6 renovating the building.

7 CHAIRPERSON MILLER: Okay. So  
8 this hearing is somewhat informational. You  
9 are not under oath or anything like that.

10 MR. SMITH: No problem.

11 CHAIRPERSON MILLER: We want to  
12 get an understanding of what is going on with  
13 the license.

14 MR. SMITH: Anything I can help  
15 you with.

16 CHAIRPERSON MILLER: Okay. Why it  
17 has been in safekeeping since July, is that  
18 right, 2011?

19 MR. SMITH: Well, I'm battling  
20 prostate cancer, okay? And I'm having medical  
21 issues. Doing that, renovating the building  
22 simultaneously is a little difficult at the

1 present time. I suspect in 16 to 18 months,  
2 I -- well, let me show you.

3 CHAIRPERSON MILLER: Okay. You  
4 are not -- no, wait a second. You are not  
5 supposed to approach us. Ms. Walker will take  
6 that. Let's see, okay. Okay. Okay. And I'm  
7 just having a chance to read your note, so,  
8 you know, I'm sorry that you are --

9 MR. SMITH: No problem.

10 CHAIRPERSON MILLER: --  
11 experiencing the medical problems. And we --  
12 the purpose of this is just to really find out  
13 what is happening with licenses that are in  
14 safekeeping a long time.

15 MR. SMITH: When the building is  
16 totally renovated, I'm going to place it on  
17 the market and get out of it, okay? It will  
18 be a very nice piece of real estate.

19 CHAIRPERSON MILLER: So you are  
20 going to place the building on the market?

21 MR. SMITH: It had been on the  
22 market, but no one was willing to offer me the

1 money that I know it is worth, so I'm gong to  
2 have the building gutted entirely and start  
3 from scratch.

4 I just paid \$80,000 last year.  
5 I'm sorry, last month, as you can see, on a  
6 brand new roof.

7 CHAIRPERSON MILLER: Okay.

8 MR. SMITH: It's a very nice  
9 building. Anyone who knows anything about  
10 Adams Morgan knows it's a very beautiful  
11 building.

12 CHAIRPERSON MILLER: And the  
13 license is going to be sold with the building?

14 MR. SMITH: Real estate, liquor  
15 store, liquor license, a package deal, yes.

16 CHAIRPERSON MILLER: Okay. Okay.  
17 Others have questions? Mr. Alberti?

18 MEMBER ALBERTI: Mr. Smith, I'm  
19 sorry for your medical problems.

20 MR. SMITH: It's no problem.

21 MEMBER ALBERTI: Okay. I'm just  
22 curious, okay, so your plans are to gut the

1 building and renovate it. Okay.

2 MR. SMITH: I'm --

3 MEMBER ALBERTI: How long do you  
4 project this to take?

5 MR. SMITH: 16 to 18 months to  
6 complete the project.

7 MEMBER ALBERTI: I'm a little  
8 curious. I mean, you say that you want to  
9 sell the property and the license together.  
10 What gives you such confidence that the  
11 package deal is the best way to go? I mean,  
12 this is Adams Morgan. There are --

13 MR. SMITH: Sir?

14 MEMBER ALBERTI: Well, let me  
15 finish. There are many, many uses that  
16 building could be put to. And so I guess  
17 where my question is going is why not consider  
18 selling the license now and then selling the  
19 property separately? What makes you confident  
20 that the best thing for you is the package?

21 MR. SMITH: Sir, I have lived in  
22 Adams Morgan for about 35, 40 years. I was

1 one of the first people on the strip there.  
2 I was in Adams Morgan before Adams Morgan was  
3 known as Adams Morgan. It was only 18th  
4 Street.

5 I'm very knowledgeable about Adams  
6 Morgan and the potential for recouping -- I'll  
7 be fine. I just need 18 months to renovate  
8 the building and I'll be fine.

9 MEMBER ALBERTI: So what happens  
10 if the perspective buyer doesn't want the  
11 license?

12 MR. SMITH: I may open -- I may  
13 reopen myself.

14 MEMBER ALBERTI: Where?

15 MR. SMITH: In the same location.

16 MEMBER ALBERTI: Okay. So --

17 MR. SMITH: Sir --

18 MEMBER ALBERTI: -- what I'm  
19 getting at -- wait, wait, wait. What I'm  
20 hearing from you --

21 MR. SMITH: I'm going to --

22 MEMBER ALBERTI: Let me finish.

1       What I'm hearing from you is that there is  
2       this confidence or there is this -- you are so  
3       interactive, you are going to have a liquor  
4       store in that location. Is that what --

5                   MR. SMITH:   Sir, I --

6                   MEMBER ALBERTI:  -- I am hearing  
7       from you?

8                   MR. SMITH:  -- get calls, emails,  
9       letters all day and all night. When I go --  
10      when I return there today, I can just sit on  
11      the steps and people will walk up to me, is  
12      this your building, sir? Do you want to sell  
13      the building? This has been going on for the  
14      last four years.

15                  MEMBER ALBERTI:  Okay.

16                  MR. SMITH:  I'm extremely  
17      confident.

18                  MEMBER ALBERTI:  So where are you  
19      in your renovations now? I mean, what --

20                  MR. SMITH:  I just put an \$80,000  
21      roof on there last month.

22                  MEMBER ALBERTI:  Okay. And the

1 next step is?

2 MR. SMITH: I'm entertaining bids  
3 to gut the building. Hopefully the middle of  
4 July they will start gutting the building.

5 MEMBER ALBERTI: Okay. Thank you.  
6 I have no further questions.

7 CHAIRPERSON MILLER: Yes, Mr.  
8 Silverstein?

9 MEMBER SILVERSTEIN: Mr. Smith?

10 MR. SMITH: Yes.

11 MEMBER SILVERSTEIN: You have been  
12 in Adams Morgan for 35 years. You live there.  
13 You have been a part of the neighborhood and  
14 you find yourself in a health situation. I  
15 feel very uncomfortable putting any pressure  
16 on you.

17 MR. SMITH: Sir, please.

18 MEMBER SILVERSTEIN: But what we  
19 have to do with all of these things is we have  
20 to make sure we do not want people to hold on  
21 to these licenses for extended periods of  
22 time, because they are, not just your's, but

1       it's also the publics.

2                   And I, for one, feel sympathy  
3       towards you for your health issues. We all  
4       have these things when we reach a certain age.  
5       It's part of the cost of doing business, I  
6       guess. And I wish you well. And I would --  
7       I certainly have no problem with a short  
8       safekeeping and then just go back on it --  
9       come back and revisit this and see how you are  
10      doing. See how you are doing health-wise.  
11      See how you are doing selling it.

12                   MR. SMITH: Fine.

13                   MEMBER SILVERSTEIN: And you know,  
14      we don't really look at putting these things  
15      in for great amounts of time, because we want  
16      to move them forward, but we understand your  
17      situation. And we appreciate all the work  
18      that you have done in doing business in the  
19      city and in our neighborhoods for all these  
20      years, sir.

21                   MR. SMITH: Thank you, sir.

22                   MEMBER SILVERSTEIN: Yes.

1 CHAIRPERSON MILLER: Thank you.

2 Others?

3 MEMBER BROOKS: Yes, I have just a  
4 brief question.

5 CHAIRPERSON MILLER: Yes.

6 MEMBER BROOKS: Mr. Smith, the  
7 building, it was a liquor store, correct? The  
8 first floor there?

9 MR. SMITH: It's been a liquor  
10 store since the 1970s.

11 MEMBER BROOKS: I know that.

12 MR. SMITH: Yes, yes.

13 MEMBER BROOKS: Okay. I'm not  
14 asking you that. So you are gutting that  
15 portion or is it another portion included with  
16 that?

17 MR. SMITH: There is two entrances  
18 there, if you look at the photograph.

19 MEMBER BROOKS: I know it well.

20 MR. SMITH: There is a commercial  
21 entrance and there is a residential entrance.

22 MEMBER BROOKS: Yes, okay.

1 MR. SMITH: I'm doing everything.

2 MEMBER BROOKS: Okay. Then --

3 MR. SMITH: The liquor store is  
4 going to be gutted and the residential all the  
5 way down.

6 MEMBER BROOKS: The entire  
7 building?

8 MR. SMITH: Yes.

9 MEMBER BROOKS: Okay. Thank you,  
10 Madam Chair.

11 CHAIRPERSON MILLER: Okay. Any  
12 other questions? Okay. So I think you have  
13 given us an idea exactly of why you are  
14 requesting this and how long you need. I  
15 think what we will do is just take this under  
16 advisement and then get back to you with --

17 MR. SMITH: Fair enough.

18 CHAIRPERSON MILLER: -- respect to  
19 the -- how long it can take. It may be put in  
20 safekeeping for -- just to let you know, it  
21 might be a shorter amount of time, I think,  
22 than what you have asked for perhaps and then

1       you could come give us a status report.

2                   MR. SMITH: Fair enough.

3                   CHAIRPERSON MILLER: Or something  
4       like that. So we will just have to decide on  
5       that amount of time and then we will get back  
6       to you.

7                   MR. SMITH: No problem at all.

8                   CHAIRPERSON MILLER: All right.

9       Thank you very much.

10                  MR. SMITH: Okay. I would like to  
11       have those documents back though.

12                  CHAIRPERSON MILLER: Oh. Thank  
13       you.

14                  MR. SMITH: Thank you.

15                  (Whereupon, the Fact-Finding  
16       Hearing in the above-entitled matter was  
17       concluded at 9:45 a.m.)

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