

**THE DISTRICT OF COLUMBIA
ALCOHOLIC BEVERAGE CONTROL BOARD**

In the Matter of:)

Kovaler, LLC)
t/a Veranda)

Applicant for Substantial Change)
(Class Change))
to a Retailer's Class CR License)

at premises)
1100 P Street, N.W.)
Washington, D.C. 20005)

Case No. 15-PRO-00085
License No. ABRA-073443
Order No. 2015-543

Kovaler, LLC, t/a Veranda (Applicant)

John Fanning, Chairperson, Advisory Neighborhood Commission (ANC) 2F

Roger L. McClung, Sofia Ellis, Negin Shakibi, Robert Simpson, Mary L. Brown, Wilbur Allen,
Ken Adams, and Tomas Snoreck (Group of Residents)

BEFORE: Donovan Anderson, Chairperson
Nick Alberti, Member
Mike Silverstein, Member
Ruthanne Miller, Member
James Short, Member

**ORDER ON SECOND AMENDMENT TO SETTLEMENT AGREEMENT AND
WITHDRAWAL OF ANC 2F'S PROTEST**

The Application filed by Kovaler, LLC, t/a Veranda, for a Substantial Change to change its Class from a Retailer's Class CR License to a Retailer's Class CT License located at 1100 P Street, N.W., Washington D.C., having been protested, came before the Alcoholic Beverage Control Board (Board) for a Roll Call Hearing on September 4, 2015, and Protest Status Hearing on October 21 2015, in accordance with D.C. Official Code § 25-601 (2001).

The official records of the Board reflect that the Applicant, ANC 2F, and a Group of Residents entered into Settlement Agreement (Agreement), dated December 19, 2005, and an Amendment to Settlement Agreement (Amendment), dated May 4, 2011, that governs the

operation of the Licensee's establishment. This matter comes now before the Board to consider the Parties' Second Amendment to Settlement Agreement (Second Amendment), dated October 8, 2015, in accordance with D.C. Official Code § 25-446 (2001).

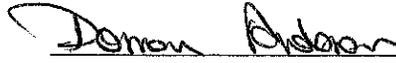
The Second Amendment has been reduced to writing and has been properly executed and filed with the Board. The Applicant; Chairperson John Fanning, on behalf of ANC 2F; and Roger L. McClung, Sofia Ellis, Negin Shakibi, Robert Simpson, Mary L. Brown, Wilbur Allen, Ken Adams, and Tomas Snoreck; are signatories to the Second Amendment.

This Second Amendment constitutes a withdrawal of the Protest filed by ANC 2F.

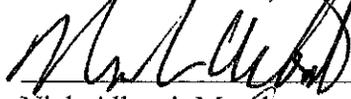
Accordingly, it is this 18th day of November, 2015, **ORDERED** that:

1. The Application filed by Kovaler, LLC, t/a Veranda, for a Substantial Change to change its Class from a Retailer's Class CR License to a Retailer's Class CT License located at 1100 P Street, N.W., Washington D.C., is **GRANTED**;
2. The Protest of ANC 2F in this matter is hereby **DISMISSED**;
3. The above-referenced Second Amendment to Settlement Agreement, signed on October 8, 2015, submitted by the parties to govern the operations of the Applicant's establishment is **APPROVED** and **INCORPORATED** as part of this Order;
4. All terms and conditions of the original Agreement and Amendment, not amended by the Second Amendment, shall remain in full force and effect; and
5. Copies of this Order shall be sent to the Applicant, ANC 2F, and the Group of Residents.

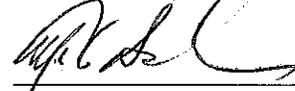
District of Columbia
Alcoholic Beverage Control Board



Donovan Anderson, Chairperson



Nick Alberti, Member



Mike Silverstein, Member



Ruthanne Miller, Member



James Short, Member

Pursuant to D.C. Official Code § 25-433(d)(1), any party adversely affected may file a Motion for Reconsideration of this decision within ten (10) days of service of this Order with the Alcoholic Beverage Regulation Administration, 2000 14th Street, N.W., Suite 400S, Washington, DC 20009.

Also, pursuant to section 11 of the District of Columbia Administrative Procedure Act, Pub. L. 90-614, 82 Stat. 1209, D.C. Official Code §2-510 (2001), and Rule 15 of the District of Columbia Court of Appeals, any party adversely affected has the right to appeal this Order by filing a petition for review, within thirty (30) days of the date of service of this Order, with the District of Columbia Court of Appeals, 430 E Street, N.W., Washington, D.C. 20001; (202/879-1010). However, the timely filing of a Motion for Reconsideration pursuant to 23 DCMR §1719.1 (2008) stays the time for filing a petition for review in the District of Columbia Court of Appeals until the Board rules on the motion. See D.C. App. Rule 15(b) (2004).

AMENDMENT TO VOLUNTARY AGREEMENT

THIS AMENDMENT TO VOLUNTARY AGREEMENT ("Amendment") is made this 8th day of October 2015, by and between Kovaler, LLC t/a Veranda ("Licensee"), ANC2F, and a group of residents of 1100 P St. NW: Mary L. Brown, Roger McClung, Sofia Ellis, Wilbur Allen, Robert Simpson, Ken Adams, Negin Shakibi, and Tomás Snorek ("Residential Group").

WITNESSETH

WHEREAS, Licensee holds a retailers license Class C Restaurant (Application Number 61014, License Number 73443) for the premises at 1100 P Street, N.W., Washington, D.C.; and,

WHEREAS, the Licensee has applied to change the license class for the premises to a Class C Tavern License (Application Number _____, License 073443); and,

WHEREAS, the Licensee and the Residential Group entered into a Voluntary Agreement dated December 19, 2005, which agreement was approved by the Alcoholic Beverage Control Board and is in full force and effect; and,

WHEREAS, ANC 2F was added as a party to the Voluntary Agreement when the Voluntary Agreement was amended in 2011; and,

WHEREAS, ANC 2F and the Residential Group, having determined that the operations of Licensee are not in breach of the Voluntary Agreement; and,

NOW, THEREFORE, in consideration of the recitals set forth above, and other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties agree as follows:

1. Recitals Incorporated. The recitals set forth above are incorporated herein by reference.
2. The following sentences in the Voluntary Agreement are amended to reflect the change in license class:
 - a. Section 3 "Nature of the Business" should be changed to: "The Applicant shall manage and operate a tavern as defined by Title 25 of the D.C. Code, Section 25-101(52). A future decision to change its business model in a manner that would not conform with the tavern definition, or a future offering requiring an entertainment endorsement, shall be subject to the appropriate approvals from the Alcohol Beverage Regulation Administration and/or the ABC Board prior to making such changes."
3. The following sentence shall be added to Section 3 of the Voluntary Agreement at the conclusion of that section:
 - a. The parties agree that the Licensee shall not designate a portion of the tavern's interior as a dance floor.
4. The following sentences shall be added to Section 10 of the Voluntary Agreement, in place of the first sentence of that Section:
 - a. Applicant agrees to limit occupancy on its sidewalk café to 60.
Applicant further agrees that patrons on the sidewalk café will not be served alcohol, unless they are seated. Notwithstanding anything contained herein to the contrary, during special events the Applicant may serve alcohol to patrons on the sidewalk café who are not seated. Special events will be defined as private or ticketed events which are booked in advance including but not limited to fundraisers, engagement parties, and receptions.

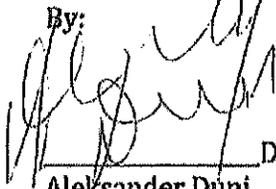
- b. Applicant agrees that the sidewalk café shall not be used or occupied prior to 10:30 in the morning for any circumstances, including a special event.
- 5. The following sentence shall be added to Section 11 of the Voluntary Agreement, in place of the last sentence in that Section:
 - a. Applicant agrees that with respect to the sidewalk café, no music shall be used.
- 6. Agreement in Effect. Except as otherwise specifically provided herein, the Voluntary Agreement and prior Amendment remains in full force and effect.
- 5. Counterparts. This Amendment may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

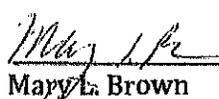
IN WITNESS WHEREOF, the parties have executed this Amendment as of the date of first above written.

[SIGNATURES APPEAR ON NEXT PAGE]

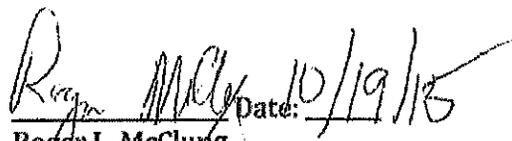
LICENSEE

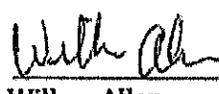
Kovaler LLC T/A Veranda

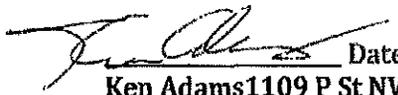
By:  Date: 10/19/15
Aleksander Duni

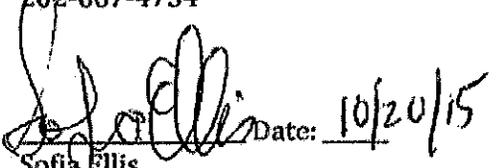
 Date: 10/19/15
Mary L. Brown
1110 P St NW
Washington DC 20005
202-657-4754

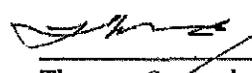
RESIDENTIAL GROUP

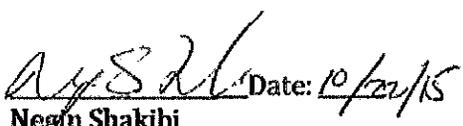
 Date: 10/19/15
Roger L. McClung
1110 P St NW
Washington DC 20005
202-667-4754

 Date: 10/21/2015
Wilbur Allen
1116 P St NW
Washington DC 20005
202-253-8523

 Date: 10/22/15
Ken Adams
1109 P St NW
Washington DC 20005
202-299-0809

 Date: 10/20/15
Sofia Ellis
1112 P St NW
Washington DC 20005
202-412-3578

 Date: 2015.10.22
Thomas Snoreck
1105 P St NW
Washington DC 20005
202-387-2150

 Date: 10/22/15
Negin Shakibi
1109 P St NW
Washington DC 20005
202-299-0809

ANC 2F
Advisory Neighborhood Commission
By:

 Date: 10.26.15
Robert Simpson
1107 P St NW
Washington DC 20005
202-234-2940

 Date: 11/8/15
John J. Fanning, Chairman

**THE DISTRICT OF COLUMBIA
ALCOHOLIC BEVERAGE CONTROL BOARD**

In the Matter of:)	
)	
Kovaler, LLC)	
t/a Veranda)	
)	
Holder of a)	License No. ABRA-073443
Retailer's Class CR License)	Order No. 2011-248
)	
at premises)	
1100 P Street, N.W.)	
Washington, D.C. 20005)	

Kovaler, LLC, t/a Veranda (Licensee)

Charles D. Reed, Chairperson, Advisory Neighborhood Commission (ANC) 2F

Michael Otten, on behalf of Pegasus Condominium Association (Pegasus)

Mary L. Brown, Roger McClung, Sofia Ellis, Wilbur Allen, Robert Simpson, Ken Adams, Negin Shakibi, and Tomas Snorek (Residential Group)

BEFORE: Nick Alberti, Interim Chairperson
Donald Brooks, Member
Herman Jones, Member
Calvin Nophlin, Member
Mike Silverstein, Member

ORDER ON AMENDMENT TO VOLUNTARY AGREEMENT

The official records of the Alcoholic Beverage Control Board (Board) reflect that Kovaler, LLC, t/a Veranda (Licensee), Pegasus Condominium Association (Pegasus), and a Residential Group (collectively, "Parties") entered into a Voluntary Agreement (Agreement), dated December 19, 2005, that governs the operation of the Licensee's establishment. This matter comes now before the Board to consider the Parties' Amendment to Voluntary Agreement (Amendment), dated May 4, 2011, in accordance with D.C. Official Code § 25-446 (2001). The Amendment also includes ANC 2F as a party to the Agreement.

The official records of the Board reflect that the Parties have agreed to amend the original Agreement to reflect the Parties' agreement that the Licensee extends its hours of operation inside of the establishment and sidewalk café.

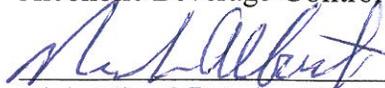
The Amendment has been reduced to writing and has been properly executed and filed with the Board. The Licensee; Chairperson Charles D. Reed, on behalf of ANC 2F; Michael Otten, on behalf of Pegasus; and Mary L. Brown, Roger McClung, Sofia Ellis, Wilbur Allen, Robert Simpson, Ken Adams, Negin Shakibi, and Tomas Snorek, members of the Group of Residents, are signatories to the Agreement. Pursuant to the Amendment, all terms and conditions of the original Agreement not amended by the Amendment shall remain in full force and effect.

Accordingly, it is this 22nd day of June 2011, **ORDERED** that:

1. The above-referenced Amendment to Voluntary Agreement submitted by the Licensee, ANC 2F, Pegasus, and a Residential Group to govern the operations of the Licensee's establishment is **APPROVED** and **INCORPORATED** as part of this Order; and
2. Copies of this Order shall be sent to the Licensee, ANC 2F, Pegasus, and the Residential Group.

Kovaler, LLC
t/a Veranda
License No. ABRA-073443
Page 3

District of Columbia
Alcoholic Beverage Control Board



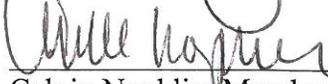
Nick Alberti, Interim Chairperson



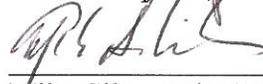
Donald Brooks, Member



Herman Jones, Member



Calvin Nophlin, Member



Mike Silverstein, Member

Pursuant to 23 DCMR § 1719.1 (April 2004), any party adversely affected may file a Motion for Reconsideration of this decision within ten (10) days of service of this Order with the Alcoholic Beverage Regulation Administration, 2000 14th Street, N.W., Suite 400S, Washington, DC 20009.

AMENDMENT TO VOLUNTARY AGREEMENT

THIS AMENDMENT TO VOLUNTARY AGREEMENT ("Amendment") is made this 17th day of May 2011, by and between Kovaler, LLC t/a Veranda ("Licensee"), Pegasus Condominium Association, 1426 11th Street NW ("Pegasus"), and a group of residents of 1100 P St. NW: Mary L. Brown, Roger McClung, Sofia Ellis, Wilbur Allen, Robert Simpson, Ken Adams, Negin Shakibi, and Tomás Snorek ("Residential Group").

WITNESSETH

WHEREAS, Licensee holds a retailers license Class C Restaurant (Application Number 61014, License Number 73443) for the premises at 1100 P Street, N.W., Washington, D.C.; and,

WHEREAS, the Licensee, Pegasus, and the Residential Group entered into a Voluntary Agreement dated December 19, 2005, which agreement was approved by the Alcoholic Beverage Control Board and is in full force and effect; and,

WHEREAS, the parties wish that ANC 2F be added as a party to the Voluntary Agreement, and,

WHEREAS, the Licensee has requested certain changes in its operating hours so as to enlarge the hours by opening one-half hour on all days of operation and adding one hour to the Friday and Saturday closing time for the sidewalk café; and,

WHEREAS, ANC 2F , Pegasus and the Residential Group, having determined that the operations of Licensee have not disturbed the community and that the Licensee is not in breach of the Voluntary Agreement are agreeable to the requested changes the conditions set forth within this Amendment;

NOW, THEREFORE, in consideration of the recitals set forth above, and other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties agree as follows:

1. Recitals Incorporated. The recitals set forth above are incorporated herein by reference.
2. Hours of Operation. Section 4 of the Voluntary Agreement is amended in its entirety to read as follows:

Interior of the restaurant:

Sunday – Thursday 10:30 a.m. to 11 p.m.
Friday and Saturday 10:30 a.m. to midnight

Sidewalk café:

Sunday – Thursday 10:30 a.m. to 10:30 p.m.
Friday and Saturday 10:30 a.m. to 11:30 p.m.

Licensee may not extend its hours without amendment of this Agreement and approval of the ABC Board. Up until one (1) hour prior to closing, Licensee's kitchen facilities shall remain open with food service. Applicant further agrees that the 10:30 p.m. Sunday through Thursday closing time of the sidewalk café, or the 11:30 p.m. closing time of the sidewalk café on Friday and Saturday, shall be enforced using its best efforts to ensure that patrons have an opportunity to complete food and beverage service, such as by informing patrons who are seated within an hour of closing time of the sidewalk café that they will be required to finish dining or move inside at that time. Licensee shall make best efforts to discourage boisterous or loud groups from using the sidewalk café, by inviting those groups inside to the bar or indoor dining area.

3. Agreement in Effect. Except as otherwise specifically provided herein, the Voluntary Agreement remains in full force and effect.

4 Counterparts. This Amendment may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date of first above written.

[SIGNATURES APPEAR ON NEXT PAGE

LICENSEE

Kovaler LLC T/A Veranda

By:

Aleksander Duni Date: 4/25/11
Aleksander Duni

Adjoining Property Owner

Michael Otten
1426 11th Street NW
Washington, DC 20005

M Otten Date: 4/26/11

RESIDENTIAL GROUP

R. McClung Date: 4/22/11
Roger L. McClung
1110 P St NW
Washington DC 20005
202-667-4754

Sofia Ellis Date: 5-4/11
Sofia Ellis
1112 P St NW
Washington DC 20005
202-412-3578

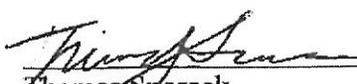
Negin Shakibi Date: 4/25/11
Negin Shakibi
1109 P St NW
Washington DC 20005
202-299-0809

Robert Simpson Date: 04.24.2011
Robert Simpson
1107 P St NW
Washington DC 20005
202-234-2940

Mary L Brown Date: 4/24/11
Mary L Brown
1110 P St NW
Washington DC 20005
202-657-4754

Wilbur Allen Date: 9/25/11
Wilbur Allen
1116 P St NW
Washington DC 20005
202-253-8523

Ken Adams Date: 4/25/11
Ken Adams
1109 P St NW
Washington DC 20005
202-299-0809

 Date: 2011.07.26
Thomas Sporeck
1105 P St NW
Washington DC 20005
202-387-2150

ANC 2F
Advisory Neighborhood Commission
By:

 Date: May 4, 2011
Charles D. Reed, Chairman

**THE DISTRICT OF COLUMBIA
ALCOHOLIC BEVERAGE CONTROL BOARD**

In the Matter of:)	
)	
Kovaler, Inc.)	
t/a Veranda)	
New Application for a Retailer's)	
Class CR License – Renewal)	
at premises)	Case no.: 61014-05/058P
1100 P Street, N.W.)	License no.: 73443
Washington, D.C.)	Order no.: 2006-006
)	

Kovaler, Inc., Applicant

Mary L. Brown, on behalf of a group of five (5) or more individuals, and Michael J. Otten, President, on behalf of the Pegasus Condominium Association, Protestants

BEFORE: Charles A. Burger, Chairperson
Vera M. Abbott, Member
Judy A. Moy, Member
Audrey E. Thompson, Member
Peter B. Feather, Member
Albert G. Lauber, Member
Eartha Isaac, Member

ORDER ON VOLUNTARY AGREEMENT AND WITHDRAWN PROTEST

The new application for a Retailer's Class "CR" License, having been protested, came before the Board on October 5, 2005, in accordance with D.C. Official Code § 25-601 (2001). Mary L. Brown, on behalf of a group of five (5) or more individuals, and Michael J. Otten, President, on behalf of the Pegasus Condominium Association, filed timely oppositions by letter on September 16, 2005.

The official records of the Board reflect that the parties have reached an agreement that has been reduced to writing and has been properly executed and filed with the Board. Pursuant to the agreement, dated December 19, 2005, the Protestants have agreed to withdraw their protests, provided, however, the Board's approval of the pending application is conditioned upon the licensee's continuing compliance with the terms of the agreement.

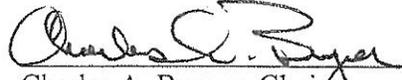
Kovaler, Inc.
t/a Veranda
Case no. 61014-05/058P
License no. 73443
Page two

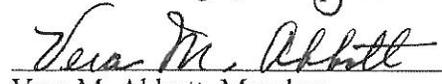
Accordingly, it is this 25th day of January 2006, **ORDERED** that:

1. The protests of Mary L. Brown, on behalf of a group of five (5) or more individuals, and Michael J. Otten, President, on behalf of the Pegasus Condominium Association, are **WITHDRAWN**;
2. The new application of Kovaler, Inc., t/a Veranda, for a Retailer's Class "CR" License at 1100 P Street, N.W., Washington, D.C., is **GRANTED**;
3. The above-referenced agreement is **INCORPORATED** as part of this Order;
and
4. Copies of this Order shall be sent to the Protestants and the Applicant.

Kovaler, Inc.
t/a Veranda
Case no. 61014-05/058P
License no. 73443
Page two

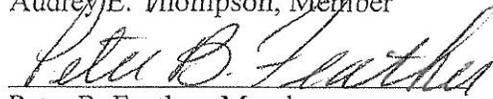
District of Columbia
Alcoholic Beverage Control Board

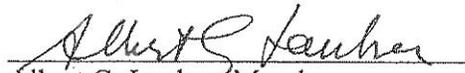

Charles A. Burger, Chairperson


Vera M. Abbott, Member


Judy A. Moy, Member


Audrey E. Thompson, Member


Peter B. Feather, Member


Albert G. Lauber, Member

Eartha Isaac, Member

Pursuant to 23 DCMR § 1719.1 (April 2004), any party adversely affected may file a Motion for Reconsideration of this decision within ten (10) days of service of this Order with the Alcoholic Beverage Regulation Administration, 941 North Capitol Street, N.E., Suite 7200, Washington, D.C. 20002.

2005 DEC 27 P 3:40

RECEIVED BY ZPC

VOLUNTARY AGREEMENT

THIS VOLUNTARY AGREEMENT ("Agreement") is made on this 17th day of December 2005, by and between Kovaler, LLC t/a Veranda ("Applicant"), Michael Otten, 1426 11th Street NW ("Otten"), and a group of residents of 1100 P St. NW: Mary L. Brown, Roger McClung, Sofia Ellis, Wilbur Allen, Robert Simpson, Ken Adams, Negin Shakibi, and Thomas Snoreck ("Residential Group").

WITNESSETH

WHEREAS, Applicant has applied for a retailers license Class C Restaurant (Application Number 61014, License Number 73443) for the premises at 1100 P Street, N.W., Washington, D.C.; and

WHEREAS, the location of the establishment is on a block that otherwise consists exclusively of residential property in the Greater 14th Street Historic District, and the establishment abuts (and shares a common wall with) a residential condominium, and that no liquor license has previously been located at this address; and

WHEREAS, Applicant represents that it is seeking to operate a restaurant and sidewalk café and is not seeking an Entertainment Endorsement; and

WHEREAS, Otten and the Residential Group have filed timely protests in the above-captioned application proceeding and seek a mutually satisfactory Voluntary Agreement; and

WHEREAS, all parties have successfully concluded their negotiations; and

WHEREAS, the Applicant, Otten and the Residential Group desire that this Agreement shall promptly be filed with the Alcoholic Beverage Control Board ("ABC Board") together with

a recommendation that the Board promptly issue a "CR" license to Applicant subject to the requirements of this Agreement;

NOW THEREFORE, in consideration of the recitals set forth above and the mutual covenants and conditions set forth below, the parties agree as follows:

1. **Recitals Incorporated.** The recitals set forth above are incorporated herein by reference.
2. **Term of Agreement.** Pursuant to §25-446(d)(1) of the D.C. Code, this Agreement shall run for the term of the license, including renewal periods.
3. **Nature of Business.** The Applicant shall manage and operate a restaurant as defined by Title 25 of the D.C. Code, §25-101(43). A future decision to change its business model in a manner that would not conform with the restaurant definition, or a future offering of entertainment, shall be considered by all parties to be a substantial change in operation of the establishment that requiring Applicant to request the appropriate approvals from the Alcohol Beverage Regulation Administration and/or the ABC Board prior to making such changes.
4. **Hours of Operation.** The parties agree to a trial period for the hours of operation of the interior of the restaurant and the sidewalk café as follows:

Interior of the restaurant:

Sunday – Thursday 11 a.m. to 12:30 a.m.
Friday and Saturday 11 a.m. to 1:30 a.m.

Sidewalk café:
11 a.m. to 10:30 p.m. 7 days a week

Up until one (1) hour prior to closing, Applicant's kitchen facilities shall remain open with food service. Applicant further agrees that the 10:30 p.m. closing time of the sidewalk café shall be enforced using its best efforts to ensure that patrons have an opportunity to complete food and beverage service, such as by informing patrons who are seated after 9:30 p.m. that the sidewalk

café closes at 10:30 p.m. and they will be required to finish dining or move inside by that time. The parties agree to negotiate in good faith for a long term or permanent replacement of the hours limitations contained in this Agreement. In the event the parties are unable to reach an agreement regarding same on or before December 15, 2006, then either party may petition the Board for a Fact Finding hearing for Resolution of An Impasse in Negotiations. Upon petition to the Board, the parties shall submit in writing, their best written offers for replacement language for this provision. The Board shall consider the parties proposals and render an order approving of a replacement provision.

5. **Square Footage and Occupancy.** The square footage of the interior of the establishment is approximately 1400 square feet with a current authorized maximum occupancy of [60] persons. Applicant will provide seating for at least 34 patrons at tables and up to 15 patrons at the bar. Applicant shall post the certificate of occupancy in a prominent location in the entryway. Applicant may not expand its occupancy or reduce available seating by more than ten percent (10%) without amendment of this Agreement.

6. **Parking.** Applicant recognizes the potential adverse impact on-street parking by its patrons on the ability of residents of 1426 11th Street, NW and the Residential Group to park their vehicles near their homes. In particular, Applicant acknowledges that residents of the 1100 block of P Street, with one exception, have no access to off-street parking behind their homes. Applicant agrees that prior to commencing business and at all times thereafter it shall undertake reasonable efforts to discourage patrons from driving to the establishment and parking in the surrounding neighborhood. To this end, Applicant will have available walking directions from the area Metro stations (U Street/Shaw, Mt. Vernon Square/Convention Center, Metro Center, Farragut North and Dupont Circle) as well as available Metrobus and nearby Circulator lines;

post such information on its website, should it have a website; and advise patrons of the unavailability of parking and/or encourage patrons not to drive on all its promotional and advertising materials. Applicant will also encourage its staff to use mass transit to commute to work where practicable. Applicant and the other parties agree to meet three months after the establishment opens to assess parking impacts, and if adverse affects are noted, to consider other means to mitigate such affects.

7. Applicant wishes to position itself as a neighborhood restaurant serving Logan Circle and Shaw area residents. Applicant may offer special inducements to such residents as a means of attracting their patronage. It is understood that any inducements are not required of the Applicant as a provision under this Agreement.

8. **Conformance with building codes and fire prevention.** Applicant shall meet and maintain all building code regulations and to take fire prevention measures required by law.

9. **Special Events.** Pursuant to Title 23 of the D.C. Municipal Regulations, § 716, a special event may be designated by the licensee for the purpose of closing later than normal (but no later than the legal closing times designated by the statute) or by having entertainment or a cover charge. Otten, and the Residential Group believe that the location of this establishment as the only commercial business in an otherwise all-residential block raises concerns that such events could substantially disrupt the peace, order and quiet of the surrounding residential area. Applicant agrees that it will limit special events to not more than 3 per year. Applicant has agreed to the limitation with the understanding that the limit will be reviewed by the parties at the end of one year from the opening date of the restaurant. The parties will employ the procedure set forth in paragraph 20(b) in such review.

10. **Sidewalk Café.** Applicant plans to provide sidewalk café seating for approximately [68] patrons on a space of 1200 square feet. Applicant will direct that its employees inspect the sidewalk café at least once per hour to ensure its cleanliness. Applicant agrees to maintain foliage and living greenery during times of year that the sidewalk café is in use. Otten, and the Residential Group have agreed to this provision with the understanding that the Applicant is presently considering the installation of an arbor on the P Street side of the establishment that would be used to support grape vines or similar foliage, and that the café on the 11th Street side will be fenced in a manner complementary to the neighborhood architecture. Parties agree that, in addition to the arbor on the P Street side, Applicant may consider leaving one or more existing trees in place or installing other small trees on the site. Applicant has also agreed to install outdoor furniture superior in quality and appearance to basic white plastic outdoor chairs. Applicant acknowledges that approval to use public space for a sidewalk café is contingent upon obtaining a use of public space permit from the Department of Transportation under a separate process. Otten and the Residential Group agree that a public space permit application consistent with the terms of this Agreement shall not object when that permit is presented to the ANC and to the Public Space Committee.

11. **Noise and Privacy.** Applicant will comply with the noise-abatement requirements contained in §25-725 of the D.C. Code. Further, the Applicant agrees to abide by all relevant provisions of the District of Columbia D.C. Noise Control Act of 1977 (D.C. Law 2-53), including 20 DCMR, Chapters 27 and 28, as amended. If necessary, Applicant will take reasonable steps to reduce noise emanating from the establishment from the opening of the entry and exit doors. Applicant agrees that with respect to the sidewalk café, no background music shall be used.

12. **Public Space and Trash.** The Applicant shall keep the sidewalk (up to and including the curb), tree boxes, curb, and alley free of litter, bottles, and other debris in compliance with D.C. Code and Municipal Regulations. Applicant is aware that illegal dumping in the public alley is an on-going concern of its neighbors and that Applicant's trash practices, if not consistently diligent, may have the effect of encouraging such dumping. Applicant agrees to alter the concrete surface where trash will be stored to assure a smooth surface that will support trash bins, and to re-grade the surface as appropriate. Applicant agrees to maintain sufficient trash bins on its private property to ensure that the bins will not overflow. Applicant shall, to the extent permitted by law, enclose the trash bins by a physical structure to keep the bins out of public view on the sides and top and inaccessible to rodents and vermin and unauthorized people. The physical structure shall be set back from the property line adjoining 1426 11th St. NW by 24 inches or by a distance mutually agreed to by Otten and Applicant, so as to allow residents of 1426 11th St. NW to reasonably access parking spaces behind its building. The physical structure shall also be constructed of materials, finished, and maintained to present a neat and tidy appearance, recognizing that several members of the Residential Group will be view the trash area from their front windows. Applicant further agrees to contract with a commercial trash hauler for pickup at least six times weekly. Applicant shall not deposit trash and recyclable material into the trash bins in a manner that it unduly disturbs residents. Applicant shall make reasonable efforts to require its trash and recycling contractors to pick up trash and materials after 8:00 a.m. Applicant shall also police the sidewalk (up to and including the curb), and the public alley in the area adjacent to the trash area daily for refuse and other materials and maintain a clean, tidy and professional presence in these areas. Applicant shall not install exterior public pay telephones.

13. **Alley Access.** Applicant recognizes that the public alley in the rear of the establishment is active and its accessibility is necessary for the ingress and egress of residents. Applicant shall not impede access to the public alley. Applicant shall not permit its employees to park in the public alley and shall instruct its suppliers to not block access to the public alley during deliveries. Applicant shall not permit its patrons to enter or exit the establishment from the alley, except in the case of an emergency.

14. **Rats and Vermin Control.** The Applicant shall provide rat and vermin control surrounding the dumpster area by providing outside traps and baiting. Applicant agrees to maintain the cleanliness of the bins and surrounding area so as to prevent odors and the attraction of vermin. Applicant shall enter into a pest control contract with a licensed pest control company containing provisions commercially reasonable terms and reasonably agreeable to the Community. Applicant shall provide proof of its rat and vermin control contract upon request of the other parties.

15. **Participation in the Community.** In order to maintain an open dialogue with the community, Applicant is encouraged to regularly send a representative to ANC 2F meetings, which occur on the first Wednesday of each month at 7:00 p.m. at the Washington Plaza Hotel, 10 Thomas Circle, N.W., Washington, D.C. 20005. Applicant, upon notice from the ANC, shall exercise its best efforts to send a representative of the establishment to a meeting of the ANC to discuss and find reasonable ways to resolve problems associated with its operations. Nothing in this paragraph shall prohibit Otten or the Residential Group from taking any concerns directly to the Applicant for resolution.

16 **License Ownership.** Applicant agrees to abide by all Alcoholic Beverage

Regulations Administration (ABRA) regulations regarding the ownership of the license. Applicant agrees not to transfer or sell to any other entity before obtaining approval from the ABC Board. Applicant agrees to notify any prospective transferee, assignee or contractee of the existence of this Agreement and to provide them with a copy.

17 **Appearance of Premises.** Applicant acknowledges that the establishment is located in a historic district and agrees to abide by applicable regulations of historic districts. With respect to lighting, signage, and exterior renovation, Applicant shall apply for and receive all required permits from the Historic Preservation Review Board prior to making exterior changes to the premises. For the purposes of this Agreement, Applicant agrees that exterior lights shall be of a design and type that will not be directed into the windows of surrounding residential buildings. Otten and the Residential Group agree that the specifics of lights, signage and exterior renovation is a matter that should be deferred to the historic permitting process, which includes ANC review.

18. **Kitchen exhaust.** Applicant agrees to install a grease-catching or grease-filtering hood over its cooking area and to vent kitchen exhaust through an existing chimney that exits the building on the rear roof. All parties agree that the result of these arrangements should produce no noticeable odors, including odors detectable from elevated decks or rear patio areas. Parties agree to assess the effectiveness of these arrangements, and if not sufficiently effective, Applicant will promptly consider further measures, such as cleaning its interior grease traps more regularly, increasing the height of the exhaust or improving the interior filtration system.

19. **Binding Effect.** This Voluntary Agreement shall be binding upon and enforceable against the successors and assigns of Applicant.

20. Informal Dispute Resolution.

a. Generally. In the case that Otten or the Residential Group has a concern regarding the operation of the business, it shall first contact the Applicant's Manager to attempt resolution prior to involving the District of Columbia agencies or officials, or law enforcement agencies, or instituting proceedings under this Agreement. Applicant shall also encourage any other individual not party to the Agreement to also contact the Applicant's manager as indicated above.

b. Review Procedures. Where this Agreement provides for or permits specific reviews, the parties will meet and negotiate in good faith over the matters under review. If the parties cannot agree, they may engage a mutually acceptable and qualified mediator to assist in the negotiations.

21. Notices and Enforcement Before ABC Board. Pursuant to §25-446(c) of the D.C. Code, this Agreement, once approved by the ABC Board and made a condition of license, is enforceable by the ABC Board. In the event of a violation of the provisions of this Voluntary Agreement, Otten or the Residential Group agree that concerns about compliance with the agreement are in the ordinary course best resolved informally, by notifying the licensee and providing an opportunity for cure. However, parties may elect to file a complaint with the ABC Board pursuant to Section 1900. Violations that are repetitive in nature or continuous may result in parties requesting the ABC Board to initiate an Order to Show Cause proceeding against the licensee.

22. **Notice.** Notice under this Agreement shall be in writing, and may be given by mail or by hand delivery. Mail notice shall be deemed effective as of three days after mailing and hand delivery upon actual delivery. Notices may be addressed:

If to Applicant, to:

Aleksander Duni, Managing Member
Kovaler, LLC, t/a Veranda
1100 P Street, N.W.
Washington, D.C. 20005
(301) 674-1666
Aduni001@yahoo.com

With a copy to:

Andrew J. Kline, Esq.
1225 19th Street, NW
Suite 320
Washington, DC 20036
202-686-7600
akline@klinelawdc.com

If to Otten, to:

Michael Otten
1426 11th St NW Unit# 2
Washington DC 20005

If to Residential Group,

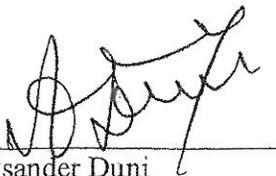
to the addresses indicated on the signature page, below.

Applicant and other signatories may change the notice address listed above by written notice to the other signatories at the addresses provided in this Agreement. Failure to give notice shall not constitute waiver or acquiescence to the violation, but notice shall be a prerequisite to the filing of a complaint with the Alcoholic Beverage Control Board.

23. **Counterparts.** This Agreement may be executed simultaneously in two or more

counterparts, each of which shall be deemed as original, but all of which together shall constitute one and the same instrument.

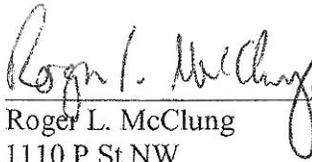
24. Termination of Protest Upon execution of this Agreement and its acceptance by the ABC Board, Otten, and the Residential Group shall consider any and all concerns related to the operation of the proposed licensed premises to have been addressed by this Agreement. All parties believe that this Agreement complies with all applicable laws and regulations of the District of Columbia. Pursuant to §25-446 of the D.C. Code, all parties request that the ABC Board approve this Agreement and promptly issue a license to the Applicant, conditioned upon Applicant's compliance with this Agreement.


Aleksander Duni
Kovaler LLC T/A Veranda

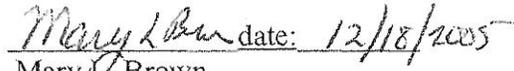
date: 12/19/05 

date: 12/18/05

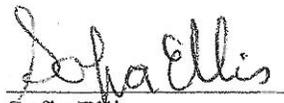
Michael Otten
1426 11th Street NW Unit #2
Washington DC 20001
202.271.4736


Roger L. McClung
1110 P St NW
Washington DC 20005
202.667.4754

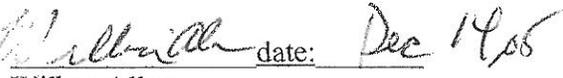
date: 12/14/05


Mary L. Brown
1110 P St NW
Washington DC 20005
202.667.4754

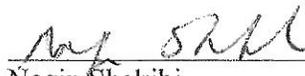
date: 12/18/2005


Sofia Ellis
1112 P St. NW
Washington DC 20005
202.412.3578

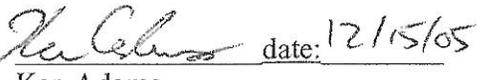
date: 12/14/05


Wilbur Allen
1116 P St. NW
Washington DC 20005
202.253.8523

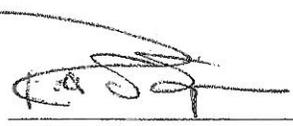
date: Dec 14, 05


Negin Shakibi
1109 P St. NW
Washington DC 20005
202.299.0809

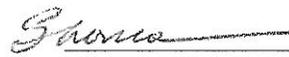
date: 12/15/05


Ken Adams
1109 P St. NW
Washington DC 20005
202.299.0809

date: 12/15/05


Robert Simpson
1107 P St. NW
202.234.2940

date: 12.15.05


Thomas Snoreck
1105 P St. NW
202.387.2150

date: 12.14.05