

1 GOVERNMENT OF THE DISTRICT OF COLUMBIA

2 ALCOHOLIC BEVERAGE REGULATION ADMINISTRATION

3 ALCOHOLIC BEVERAGE CONTROL BOARD

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6 IN THE MATTER OF: :

7 GEORGETOWN MORATORIUM ZONE HEARING :

8 - - - - - :

9

10 Wednesday, February 24, 2016

11                   Whereupon, the above-referenced matter

12 came on for hearing at the Alcoholic Beverage

13 Control Board, Reeves Center, 2000 14th Street,

14 N.W., Suite 400S, Washington, D.C. 20009

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

2 CHAIRMAN ANDERSON: Good morning

3 everyone. I'd like to welcome you to the

4 regularly scheduled meeting of the District of

5 Columbia Alcoholic Beverage Control Board.

6 Please note that today's hearing will be

7 conducted in accordance with DC (inaudible) Code

8 2574 of the Open Meetings Act.

9 Today is February 24, 2016. I'd like to

10 introduce members of the board with us today. To

11 my far right is Ruthanne Miller. To my far left

12 is Mike Silverstein. To my immediate left is Mr.

13 James Short. I am Donovan Anderson, and I'm

14 Chair of the board. The board currently has four

15 members in attendance to conduct business, and

16 so, therefore, we have a forum today.

17 I'd like to mention two things before we

18 get started. First off, if you have any

19 electronic devices - pages, cell phones, or such,

20 please make certain that they're turned off to

21 avoid any interruption of these proceedings.

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1                    Secondly, there's a piece of paper on the  
2 front of the desk. When you come forth when your  
3 case is called, please take a seat at the table  
4 and please sign in. This is to ensure the  
5 correct spelling of your name for the record.

6                   Additionally, when you introduce yourself  
7 for the record, please spell your name out loud  
8 for the court reporter.

9 We will now turn to our show cause status  
10 hearing.

11 All right. The next matter on our  
12 agenda, we have the proposed rulemaking for the  
13 Georgetown moratorium.

14 Will the parties for this case please  
15 appear. I think we have Mr. Joe Sternlieb, CEO,  
16 of Georgetown Business Improvement District  
17 (inaudible). I do -- take my apologies.

18 MR. STERNLIEB: No. You did very well.  
19 Thank you.

20 CHAIRMAN ANDERSON: All right. Mr. Bob  
21 vom Eigen, who is the president of the Citizens

1 Association of Georgetown. You can -- we're  
2 going to have two panels, so you can sit there.

3 And we have Mr. Tom Birch, who is a  
4 commissioner from (Inaudible). You can also pull  
5 up a chair and sit over on this side, the three  
6 folks that I had just called, please.

7 The second panel, we have Sonia  
8 Bernhardt, who is the president of the Georgetown  
9 Business Association. Is she here?

10 MR. STERNLIEB: Sonia had called Bill  
11 Starrels, the ANC, that she was running a little  
12 bit late.

13 CHAIRMAN ANDERSON: All right.

14 MR. WILCOX: Mr. Chairman, my name is  
15 James Wilcox. I'm also with the GBA, and  
16 (inaudible).

17 CHAIRMAN ANDERSON: I'm sorry. What's  
18 your name, sir?

19 MR. WILCOX: My name is James Wilcox.  
20 I'm a board member of the GBA along with Ms.  
21 Bernhardt, and although she's the main witness, I  
22 -- she asked me to (inaudible).

1                   CHAIRMAN ANDERSON: You can come up in  
2 the second panel. So you can -- second panel.

3                   Mr. Kline? I think I recognize -- I'm  
4 sorry, Mr. Kline. You're one of the few  
5 attorneys that I recognize that I didn't see.  
6 You were hiding back there.

7                   MR. KLINE: I was hiding.

8                   CHAIRMAN ANDERSON: Mr. Kline, who is  
9 from the Restaurant Association of Metro  
10 Washington. And Mr. Mark Lee, Executive Director  
11 of D.C. Nightlife Hospitality Association.

12                  Do we have anyone else in the audience  
13 who wishes to speak on this matter? Speak now or  
14 forever hold your piece. I don't want --  
15 although you're not registered, if you're here  
16 and you'd like to speak, then let me know so I  
17 can have you brought forward. Hold on one  
18 minute, please.

19                  Good morning. We're here today to  
20 conduct a public hearing and take comment on  
21 various proposals regarding the future of the  
22 Georgetown moratorium. The existing moratorium

1 does not allow for the issuance of new C/T, D/T  
2 C/N, D/N or C/X licenses. Restaurant licenses  
3 are capped at 68 and taverns and nightclubs are  
4 capped at 6. The existing moratorium was  
5 recently renewed by merchants of rulemaking, and  
6 is set to expire April 9, 2016.

7 I will begin by calling -- I've already  
8 called the witnesses who have notified the agency  
9 that they're willing to testify today, and I've  
10 already called them.

11 I will also entertain comments from other  
12 interested parties who wish to be heard.  
13 Additionally, interested parties are permitted to  
14 submit written comment to the board's  
15 consideration by no later than 4:00 p.m. on  
16 Friday, March 4, 2016.

17 At the conclusion of the hearing, thanks  
18 -- you know, sometimes I'm a potted plant. Of  
19 course I have a speech that I'm giving, and I  
20 know what I'm supposed to be doing. I'm already  
21 at the conclusion of the hearing, and I've not  
22 had an opportunity to hear speakers yet.

1 All right. So what we will have -- this  
2 is just findings some information from the public  
3 free to share with us. And so I will have the  
4 first -- all right.

5 So we can have Mr. Sternlieb. You can  
6 start your presentation.

7 MR. STERNLIEB: Good morning, Mr.  
8 Anderson, and members of the board. My name is  
9 Joe Sternlieb. I'm the CEO of the Georgetown  
10 Business Improvement District. Thank you for  
11 holding this hearing today to discuss the  
12 Georgetown cap and moratorium zone.

13 Over the last two years, the Georgetown  
14 BID has worked closely with our community  
15 partners on ANC2E and the Citizens Association of  
16 Georgetown, the CAG, to address the future of the  
17 Georgetown moratorium. In August 2015, the BID  
18 released a white paper on the Georgetown  
19 moratorium that examined the history, economic,  
20 and social impacts on the neighborhood, and the  
21 current conditions of the Georgetown restaurant  
22 scene. The whitepaper outlined several policy

1 alternatives to the impending expiration of the  
2 Georgetown moratorium and recommended it be  
3 allowed to expire. After posting the whitepaper  
4 on the BID's website, inviting feedback, and  
5 earning some local media coverage, the BID  
6 received exactly zero comments on our website on  
7 the whitepaper or the moratorium.

8           The BID then met intensively with  
9 negotiators recording the ANC and CAG during the  
10 last months of 2015 to develop a consensus  
11 approach to ending the moratorium. All three  
12 organizations agreed that the time to end the  
13 moratorium had come, and that the moratorium did  
14 not serve as an effective policy tool to mitigate  
15 the negative impacts of licensed establishments  
16 or bad operators.

17           Over seven negotiating sessions, the  
18 three groups agreed on elements to include in a  
19 Georgetown settlement agreement template that the  
20 ANC and CAG will present to new C/R and D/R  
21 license applicants in cases where they believe a  
22 settlement agreement is appropriate. The



1 template outlines operating conditions that the  
2 BID and residential community believe are  
3 reasonable for new C/R and D/R license applicants  
4 and provides flexibility to add, subtract, or  
5 modify elements, depending on the location of the  
6 applicant's establishment.

7           We believe that the compromise reached  
8 between ourselves and the community to develop  
9 this Georgetown settlement agreement template and  
10 eliminate the Georgetown license cap and  
11 moratorium will allow new, high quality,  
12 restaurants to open in Georgetown while  
13 protecting the residential community from  
14 potential negative impacts of restaurants that  
15 serve alcohol.

16           The BID board voted unanimously at its  
17 regularly scheduled meeting on January 21, 2016,  
18 where a quorum was present to support ending the  
19 Georgetown cap and moratorium on C/R and D/R  
20 licenses and to request that the ABC review the  
21 Georgetown settlement agreement template for  
22 legal sufficiency and appropriateness. And also

1 adopt a protocol for reviewing C/R and D/R  
2 license applications in Georgetown that is  
3 consistent with what this board does for such  
4 license applications in Adams Morgan.

5           In Adams Morgan, we understand that the  
6 average staff conducts a preliminary review of  
7 new C/R and D/R license applications for  
8 appropriateness and refers questionable  
9 applications to the ABC board through a fact-  
10 finding hearing to be held prior to placarding an  
11 applicant's establishment.

12           The conditions that gave rise to the  
13 moratorium in Georgetown no longer exist, and the  
14 Georgetown license cap and moratorium has created  
15 a barrier to entry for new restaurants that does  
16 not exist in other neighborhoods.

17           Further, the appropriateness standards  
18 defined in D.C. municipal regulations do not  
19 justify the continued existence of the cap and  
20 moratorium. We have provided more details on how  
21 the appropriateness standards now apply in

1 Georgetown that's appended to our written  
2 testimony that we've submitted today.

3 In conclusion, once the public record  
4 closes, the Georgetown BID asks that the board  
5 issue a rulemaking ending the Georgetown cap and  
6 moratorium at its first opportunity to do so.  
7 Thank you for giving us this opportunity to  
8 testify, and I'm happy to answer any of your  
9 questions.

10 CHAIRMAN ANDERSON: Thank you.

11 Who wants to speak next? And please  
12 identify yourself.

13 MR. STARRELS: I'll speak and then my  
14 counterpart Tom, Commissioner Birch, will speak.

15 I'm Bill Starrels, and I'm co-chair with  
16 Tom Birch for the ANC2E ABC Committee. I've been  
17 doing alcohol work for the ANC for many, many  
18 years now.

19 Chairman Anderson and fellow board  
20 members, I want to thank you for your time today  
21 for this most important matter. And I'm not  
22 going to read my whole testimony that I typed out

1 because a lot of the points are shared by the  
2 eloquent testimony of the CEO of the BID board,  
3 Mr. Sternlieb. At the end of the day, we're on  
4 the same page, and it's not -- in essence of  
5 time, I'm not going to repeat everything that I  
6 have here.

7 I do want to highlight the fact that, you  
8 know, we have these very productive working  
9 sessions with the BID with our friends at CAG,  
10 and therefore all the constituency in Georgetown  
11 were well-represented and each side gave a little  
12 bit here and there.

13 At the end of the day, we came out with  
14 what I think is an excellent document, and the  
15 settlement agreement, and excellent points  
16 overall. And we are on the same page that the  
17 time has come where it's time to lift the cap on  
18 licenses and essentially do away with the  
19 moratorium as we know it, and hopefully that will  
20 yield some new and hopefully good restaurants to  
21 Georgetown. By doing this, we're simply hoping

1 that it's going to seem a little bit more  
2 welcoming to businesses going forward here.

3 And we've also, as an aside, committed in  
4 separate talks and just discussions with our  
5 friends at the BID that we're going to get  
6 together, and they have a potential chef that's  
7 looking for somewhere to put a restaurant in the  
8 metropolitan area in D.C. We're going to get  
9 early on with the BID with our friends at CAG and  
10 try to have a meeting to show them that we're  
11 welcoming them to Georgetown, and we want to be  
12 considered. So we do work very, very well  
13 together.

14 I also want to emphasize that all the  
15 entities, that being of the Georgetown BID,  
16 Citizens Associations of Georgetown, and ANC2E  
17 had taken votes with quorums of their committees  
18 and reports and approved what is being put  
19 forward today. So everything was done correctly  
20 and legitimized.

21 I also want to point out one of the board  
22 members that was very engaging and supportive at

1 the end of the day on the bid board is Greg  
2 Castin (phonetic), and Mr. Castin, who is a  
3 restaurateur in the city and Georgetown specific  
4 these days, is a past two-term crest of the  
5 Restaurant Association of Metropolitan Washington  
6 of their current treasurer.

7 So we worked very hard to make sure that  
8 everybody was on the same page, and that's always  
9 a sign of an excellent negotiation.

10 I'm going to turn things over to  
11 Commissioner Birch, who has a little bit more  
12 details to talk about. Thank you.

13 MR. BIRCH: Good morning, Chairman  
14 Anderson and members of the board. Thank you  
15 very much for giving us time on your agenda this  
16 morning to talk about this topic, which is very  
17 important to us and our community but also for  
18 the city.

19 As has been explained, the ANC has voted  
20 and sent you our resolution requesting that the  
21 moratorium, which was --

1                   CHAIRMAN ANDERSON: I'm sorry. Can you  
2 identify yourself again for the record.

3                   MR. BIRCH: I'm sorry. My name is Tom  
4 Birch. It's B-i-r-c-h. And I am a Commissioner  
5 on the ANC2E (inaudible).

6                   In 1989, when the moratorium was first  
7 developed and instituted, I was living in  
8 Georgetown and was very much involved with  
9 citizens and my neighbors to request that  
10 moratorium. I live a block and a half off of M  
11 Street and not far from many, many licensees.  
12 And the problems that we had with liter, and  
13 vandalism, and noise were constant. I could  
14 guarantee that I would be awakened at about 3:15  
15 every Saturday morning and Sunday morning after  
16 the bars had closed at 3:00 a.m. and people were  
17 looking for their cars, which were parked  
18 somewhere around my house. And the gutters and  
19 my steps would be littered with beer bottles  
20 because people were drinking in their cars before  
21 they were going to buy more drinks.

1           At any rate, it was a problem that does  
2 not exist now. One reason that we were so intent  
3 on pursuing the moratorium that many years ago is  
4 that we wanted to kind of put the brakes on  
5 Georgetown from becoming of an uncontrollable  
6 entertainment district. We're not (inaudible) in  
7 the city anymore, and so that problem no longer  
8 exists. So things have changed.

9           But what's more, there has -- because of  
10 the moratorium still existing in Georgetown,  
11 where the last others took our lead but then have  
12 come to you and said it's time to expire. So  
13 here we are the holdouts, but no longer. But it  
14 has created what we see as kind of a barrier to  
15 restaurants obtaining licenses and locating in  
16 our neighborhood.

17           And so we want to create that kind of  
18 welcoming environment my colleagues have  
19 explained so far, but at the same time we want to  
20 curtail the negative impacts of licensees. So we  
21 adopted this resolution to allow the moratorium  
22 to expire at our January board meeting, but we



1 also adopted the settlement agreement template  
2 that Mr. Sternlieb and Mr. Starrels have  
3 discussed.

4           What's significant here is that the  
5 business community and the residential community  
6 have come together on this issue, and we're  
7 looking for an alternative replacement to the  
8 moratorium, which is -- would be the settlement  
9 agreement template. Negotiated in good faith, as  
10 Mr. Sternlieb described, over three months. We  
11 sat down on a weekly basis and really put time  
12 going back and forth with this and came up with  
13 what we hope are a strong and dependable set of  
14 standards for operating in Georgetown that will  
15 attract the kind of restaurants we'd like to see  
16 in our neighborhood. We're committed to working  
17 together to ensure that this plan goes forward.

18           There are some things that we have asked  
19 of ABRA that you look at this settlement  
20 agreement as something that can work for us.  
21 That if it is appropriate, that there are links  
22 on the ABRA website to the settlement agreement

1 on our own websites, and that you would respect  
2 and support the executed agreements when they  
3 come to you.

4 Our objective has been to, as I said, to  
5 discourage those negative consequences but also  
6 encouraging restaurants, not drinking  
7 establishments, restaurants to locate in our  
8 neighborhood.

9 A year or two ago I had an application  
10 from a restaurant on M Street that wanted to do  
11 outdoor café, and we went along with that; but  
12 you know, the hours were allowed until 3:00, and  
13 this is a restaurant that usually closes up at  
14 11:30 anyway. And I said why do you want to do  
15 that. And I checked with some of the other, you  
16 know, sort of quality restaurants that we have,  
17 and they don't stay open past midnight; and  
18 that's what we're looking for in this template,  
19 for that kind of an establishment to come to  
20 Georgetown.

21 So we're addressing issues of operation.  
22 We're addressing issues of noise disturbance. We

1 don't want a place that's going to have noise  
2 that can be heard, you know, outside the  
3 establishment, issues of trash maintenance, and  
4 so forth. The kinds of things we generally and  
5 typically deal with in the settlement agreement.

6           It's our intention to work with new  
7 applicants to enter into agreements that  
8 approximate this template. They can be tailored  
9 to each specific area. These are minimum  
10 standards that we're looking for, but again, to  
11 encourage new restaurants that will serve our  
12 community but not create the kind of negative  
13 impacts that we lived with in years past.

14           We're grateful to you for extending the  
15 moratorium until April that gave us a little more  
16 time that we needed collectively to work out our  
17 agreement, but we hope that you can help us  
18 ensure that we'll attract and guarantee the kind  
19 of establishments we feel will be an enhancement  
20 to Georgetown and to the city. And we very much  
21 hope that this board will adopt the protocol that  
22 Mr. Sternlieb described, which we feel is a very

1 important piece in guaranteeing that the  
2 licensees -- the applicants that we're seeing are  
3 those that we're looking for.

4           And we've had problems in the past where  
5 licenses have been issued and places never  
6 opened. The licenses have just been held. You  
7 know, it's a lost opportunity. Or a licensee  
8 that had no kitchen, you know, a C/R license. I  
9 mean, those kinds of things we know we can  
10 prevent, and by that kind of vetting the  
11 applicants beforehand, if ABRA staff can take a  
12 look at things and bring them to you if there's  
13 some questions. We hope that (inaudible).

14           So we hope that you'll review the  
15 settlement agreement and give us your feelings on  
16 it for legal sufficiency and appropriateness,  
17 give us any comments that you might have, if not  
18 today, later certainly. Thank you.

19           CHAIRMAN ANDERSON: Thank you.

20           MR. VOM EIGEN: Good morning, Chairman  
21 Anderson and members of the board. My name is  
22 Robert vom Eigen, and I am president of the

1 Citizens Associations of Georgetown. Last name  
2 is with a small v as in Victor, o-m as in Mary,  
3 Capital E-i-g-e-n. Robert is easier.

4           With me today is our ABC Committee --  
5 CAG's ABC Committee Chair, Karen Cruse, who is  
6 here to support me in case I can't answer any  
7 questions you might have. My testimony will  
8 include a quick summary on the moratorium zone,  
9 and I will explain why we've decided, along with  
10 the Advisory Neighborhood Commission 2E, and  
11 Georgetown BID to permit the moratorium zone to  
12 expire, I guess, it's April 9th. I will explain  
13 how we will proceed after April 9th in  
14 negotiating reasonable settlement agreement using  
15 the template we have submitted to the board.

16           The moratorium was created in 1989 to  
17 address negative impacts of the restaurants that  
18 obtained liquor licenses that were prevalent at  
19 that time. Prior to the moratorium, there was  
20 trash, pets, public drunkenness, late night  
21 noise, vandalism, parking violations. The  
22 moratorium zone limited the number of restaurant

1 licenses in the central area of Georgetown, which  
2 fluctuated over the years during the moratorium -  
3 - during the life of the moratorium.

4           The moratorium zone encompassed the  
5 Georgetown waterfront area with the exception of  
6 Washington Arbor and the area north of Q Street  
7 was outside the moratorium zone. So it did make  
8 a comprehensive approach to the problem.

9           In any event, CAG, the ANC2E  
10 commissioners, and affected residents negotiated  
11 voluntary agreements under the moratorium with  
12 new restaurant owners to impose restrictions on  
13 loud entertainment, late night noise, and trash  
14 outside the restaurant.

15           Between 1989 and today, the conditions  
16 have changed. The Georgetown restaurants by and  
17 large adhere to the voluntary agreements, which  
18 restricted negative impacts upon the adjoining  
19 residential properties. However, there is  
20 another problem that has arisen. Georgetown is  
21 no longer attracting, on a reliable basis,  
22 quality restaurants in part because the other

1 areas of D.C. no longer have moratorium zones,  
2 and the red tape that accompanies a moratorium.  
3 If the moratorium were extended in Georgetown, it  
4 would be the only moratorium zone in the District  
5 of Columbia. With the encouragement of the  
6 Georgetown BID, CAG, and ANC2E, we've developed a  
7 template agreement that would be negotiated with  
8 applicants for restaurant liquor licenses. There  
9 is no ceiling on the number of liquor licenses  
10 for new restaurants. If a new restaurant owner  
11 refuses to enter into a settlement agreement, CAG  
12 and ANC can protest granting a liquor license to  
13 the ABC board.

14 Settlement agreement template seeks to  
15 create an environment which applicants may  
16 operate a viable business while concurrently  
17 curtailing any adverse effects on surrounding  
18 neighborhoods. The template sets forth minimum  
19 conditions sought by the community, but Sections  
20 9 and 10 of the template provide flexibility for  
21 establishments in both directions.

1                   For establishments located on property  
2   abutting or close to residential properties,  
3   additional or different protective measures may  
4   be appropriate.

5                   For establishments located on properties  
6   that would not have an impact on residential  
7   properties, fewer or less restrictive measures  
8   may be appropriate.

9                   The template is not intended to be  
10  (inaudible), provided that the parties negotiate  
11  a good faith to find a fair middle ground.

12                  One final request, we are aware of the  
13  pre-clearance investigations performed by ABRA  
14  for restaurant liquor license applicants that on  
15  their face may have questionable authenticity or  
16  qualifications -- and adequate qualifications.  
17  This procedure has been applied in the Adams  
18  Morgan area, and we hope it will be conducted in  
19  Georgetown as well.

20                  That concludes my remarks. If you have  
21  any questions, I'd be glad to answer them.

22                  CHAIRMAN ANDERSON: Thank you.



1                   Mr. Kline, if you --

2                   MR. KLINE:  Yes.  Good morning, Chairman  
3  Anderson, members of the board.  I'm Andrew  
4  Kline.  I'm general counsel to the Restaurant  
5  Association of Metropolitan Washington, which  
6  actively promotes the Washington D.C. area food  
7  service industry on behalf of our 900 plus  
8  members.  These members include sit-down  
9  establishments, both national, local, and  
10 regional, and also fast casual establishments  
11 that grew up here locally and also have come in  
12 from other places to open in the District of  
13 Columbia.

14                  As the restaurant scene has continued to  
15 grow, so has the membership of the organization.  
16 The organization was established in 1920, and as  
17 I said, we have over 900 members.

18                  We are fundamentally opposed to an  
19 extension of the cap on C/R and D/R licenses, and  
20 indeed, we oppose moratoria and caps anywhere in  
21 the District of Columbia.  That's been our  
22 fundamental position for many years.  We have

1 not, however, testified in opposition to a  
2 moratorium since 2004, which was when the 17th  
3 Street, Dupont East moratorium was relaxes, and  
4 we did so in that case to support the expansion  
5 of a couple prominent members, (Inaudible) and  
6 Hank's Oyster Bar in their expansion.

7           The cap on C/R and D/R licenses in  
8 Georgetown, however, is irrelevant. It doesn't  
9 make any difference. As has been pointed out in  
10 the excellent analysis done by the BID, there are  
11 at least 20 licenses available. Anybody wants to  
12 call me, I probably have access to about five.  
13 Nobody wants them. They're there, so it really  
14 doesn't matter. Extend the cap, don't extend the  
15 cap. It really doesn't make any difference.  
16 It's not going to affect the marketplace in  
17 Georgetown one way or the other.

18           The conditions that gave rise to the  
19 moratorium initially no longer exist. We all  
20 knew the places, Anastasia's, Crazy Horse,  
21 Winston's, Third Edition, all those places are  
22 gone. They're not there anymore, and as Mr.

1 Birch testified, the conditions that gave rise to  
2 them being there have all changed, along with  
3 other conditions.

4           We think the biggest reason the  
5 moratorium was enacted in the first place is your  
6 predecessors were not as engaged in enforcing the  
7 law and enforcement by the agency was lax, and in  
8 frustration, seeing nothing else to do, the first  
9 moratorium was enacted. That's changed much in  
10 20 years, and this board takes its role  
11 seriously. And ABRA takes its roles seriously in  
12 enforcing the law, so those conditions simply do  
13 not exist anymore.

14           The reason I'm here is really not to  
15 debate the merits of the moratorium but to  
16 express our very serious opposition and concern  
17 about the notion of a template voluntary  
18 agreement. I think that it's important to sort  
19 of walk through what the process is in these  
20 cases so that we're all on the same page.

21           An ABC license application is a contested  
22 case proceeding. That's a trial type proceeding

1 under the law, and applicants are entitled to the  
2 protections of a trial type process. It's up to  
3 the council and in some instances the ABC board  
4 to make general policy provisions concerning ABC  
5 licenses and how they operate. Such things as  
6 hours, noise provisions, use of outdoor space,  
7 use of promoters, all of these things that are  
8 contained in this template voluntary agreement,  
9 those tend to apply across the board, and that's  
10 the providence of the council and to a limited  
11 extent the ABC board in promulgating regulations  
12 that are then presented to the council.

13           The process is to apply for a license,  
14 and if it's contested, a hearing is, of course,  
15 scheduled. But the parties have the ability to  
16 negotiate an agreement called a settlement  
17 agreement to resolve the issues that are in that  
18 case. It's not intended that there be a blanket  
19 set of restrictions or minimum conditions -- I  
20 think they've been referred to today -- that  
21 would apply to every applicant in a particular

1 neighborhood. That's not the law. That's not  
2 how the statutory scheme is set up.

3           Instead, everyone has an opportunity, and  
4 if they want to enter into negotiations and agree  
5 to restrictions on their license to resolve the  
6 protest, they're free to do that. If on the  
7 other hand they want to go to hearing, they're  
8 free to do that as well.

9           And ANC has a very special role in the  
10 licensing process in two respects. One is  
11 they're one of the few parties that have standing  
12 in these cases to file a protest. Second, the  
13 law says that they're entitled to great weight,  
14 which means that the board must specifically  
15 address the concerns that they raise in either  
16 granting or denying the license. But what we  
17 must keep in mind is they are advisory  
18 neighborhood commissions. Their function is to  
19 advise. Their function is not to rule-make.  
20 They don't have that authority under the statute.

21           On behalf of the association and on  
22 behalf of the many clients that I've represented

1 before this board, we are extremely concerned  
2 about a neighborhood having the ability to set  
3 minimum standards, which then presumably set a  
4 benchmark that must be fought when each  
5 individual location has not been considered as  
6 contemplated by the law. We heard that this is  
7 more welcoming to business. We don't see it that  
8 way. What we see is welcome to the neighborhood,  
9 sign here. We have a set of conditions for you.  
10 We don't see that as welcoming. We don't see how  
11 this neighborhood and other neighborhoods in the  
12 District of Columbia have seen their hospitality  
13 business industries expand by such approaches.  
14 It would seem to be exactly the opposite of  
15 welcoming.

16           It's been said that this was negotiated  
17 in good faith. Well, there weren't any  
18 applicants at the table. This was the BID, and  
19 CAG, and the ANC. I haven't heard that there  
20 were any applicants, anyone who sought to open  
21 the business at the table when this template was  
22 negotiated.

1           It was also said that this is for use  
2   where settlement agreement is appropriate. Well,  
3   I've been doing this a long time, and I cannot  
4   remember a case where we filed an application in  
5   Georgetown, where Georgetown did not think a  
6   settlement agreement was appropriate. So that  
7   means it's every case that this will be tendered,  
8   and this what's supposed to be signed.

9           In closing, I would just ask that you  
10   reject this notion that ANCs have authority or  
11   neighborhoods have authority to set minimum  
12   standards, and that you -- as you've done, and we  
13   appreciate it -- review cases on a case-by-case  
14   basis so that the individual circumstances of  
15   each licensee can be looked at, considered, and  
16   after a hearing or even as part of a settlement  
17   agreement that adequately and appropriately  
18   addresses the concerns, that the license can be  
19   approved. Thank you.

20           CHAIRMAN ANDERSON: Thank you.

21           MR. LEE: I'm grateful to follow Mr.  
22   Kline because I thought perhaps I'd come into the

1 wrong room. What's being proposed is not an end  
2 to a moratorium. My name is Mark Lee, and I'm  
3 the Executive Director of the D.C. Nightlife  
4 Hospitality Association, and with the indulgence  
5 of the board, I will read my written statement  
6 that I've submitted to you.

7           My name is Mark Lee, and I serve as  
8 Executive Director of the D.C. Nightlife  
9 Hospitality Association, a nonprofit trade  
10 association representing local bar, restaurant,  
11 nightclub, and entertainment venues of all types  
12 and sizes, located throughout the city and  
13 contributing to a vibrant community, nightlife,  
14 and dynamic nighttime economy in the District.

15           Hospitality is the largest hometown  
16 private sector business category on a primary  
17 employer, leading job creator, major tax revenue  
18 contributor, key economic development generator,  
19 and provider of the popular dining and  
20 socializing amenities residents and visitors  
21 broadly support and eagerly patronize.



1                   Nightlife establishments are proud to be  
2 a signature source of nourishment for the social  
3 and cultural soul of our great and growing city.  
4 In addition, nighttime hospitality builds  
5 neighborhoods. We create the social gathering  
6 spots where neighbors meet, interact, and nurture  
7 a sense of community. It is for those reasons we  
8 are dismayed that those who today propose the  
9 continuation of an only modestly modified  
10 Georgetown liquor licensing moratorium, seek to  
11 deny the neighborhood a path to recovery of its  
12 past economic vitality and restoration of its  
13 shared community life.

14                   Instead, those groups propose to  
15 additionally include new restrictions and  
16 limitations that are both self-defeating and  
17 exceed the legal authority, legislative intent,  
18 and legitimate influence allowed them.

19                   Georgetown is widely recognized from both  
20 internal and external perspectives as a  
21 commercial district long in decline. It has been  
22 left behind as other areas have enjoyed a

1 renaissance of residential growth and commercial  
2 development. Unfortunately, for the few areas  
3 burdened with the legacy of ongoing moratoriums  
4 with none yet eliminated, that is the common  
5 experience. Crude and brutal instrument of a  
6 blanket prohibition, imposed first in Georgetown  
7 and nearly three decades ago is near universally  
8 recognized as an experiment gone wrong. All four  
9 other moratorium zones in only three micro areas  
10 are slowly edging away from what they hope will  
11 eventually become merely a painful memory of a  
12 bad idea from a bygone era.

13           That era was a time when a dysfunctional  
14 city government was inept at and largely  
15 incapable of adequate inappropriately  
16 administering its laws and enforcing its  
17 regulations. The few remaining moratorium  
18 proponents cling to the notion that those  
19 conditions continue to exist today. They are  
20 wrong.

21           For our part, we welcome the effective  
22 and efficient administration of reasonable and

1 rational alcohol licensing regulations.  
2 Forthright and fair application of sensible rules  
3 serves commerce and communities and creates the  
4 environment for both to thrive.

5           What startles us is that ANC2E, the  
6 Citizens Associations of Georgetown, and the  
7 Georgetown BID are not begging the board to pull  
8 the neighborhood out of its misery by totally  
9 eliminating the moratorium in its entirety. We  
10 are dumbfounded that they instead not only seek  
11 to continue the moratorium for all but one  
12 primarily license class, but that they  
13 additionally seek sanction to independently and  
14 illegitimately impose major operational  
15 restrictions. They hope to truncate evening  
16 hours, prohibit allowable activity, and impose  
17 special noise limits, and incredulously ask to do  
18 so within an expanded geographic area.

19           These groups ask that the cap on  
20 restaurant licenses be lifted when there's  
21 currently an abundance of restaurant licenses  
22 available and not utilized, but ask that no new

1 licenses for bars be considered, allowing more of  
2 something for which there is demonstratively no  
3 takers is rather disingenuous. Suggesting they  
4 be proffered with an entirely arbitrary and  
5 competitively disadvantageous operating  
6 conditions and expect there to be growth and  
7 interest is comical.

8           The sole and solitary signal that  
9 Georgetown could send to shed its unfortunately  
10 negative image would be to become the first  
11 moratorium zone with a common sense to declare  
12 that this failed marketplace manipulation is  
13 finally and fully over. Nothing short of that  
14 will symbolize that Georgetown is, again, open  
15 for business and welcoming of the now prevailing  
16 enterprise model offering a variety and diversity  
17 of dining, drinking, and entertainment activities  
18 that have proven popular in vibrant, thriving,  
19 dynamic, and successful neighborhoods.

20           We believe that the Georgetown Business  
21 Association advocates the smarter solution.  
22 Stating in its December 28 letter that the

1 moratorium should be allowed to expire without  
2 the imposition of additional restrictions. The  
3 board has the power to do exactly that. We ask  
4 you to do so.

5           Most important is that the board must not  
6 allow these proponents to subvert a mechanism  
7 designed to resolve specific license problems on  
8 a case-by-case basis by transforming settlement  
9 agreements into a localized cookie cutter policy  
10 making instrument utilized on an a priori basis.  
11 It is an attempt to override and overrule  
12 citywide regulations to unequal application of  
13 the law while usurping the authority of city  
14 legislators and thwarting administrative  
15 adjudication by the board.

16           You must reject this perverse grab of  
17 power. We implore the board to do so. Thank  
18 you.

19           CHAIRMAN ANDERSON: Thank you.

20           MR. WILCOX: Mr. Chair and members of the  
21 board, my name is James Wilcox. I've been a  
22 member of the board of Georgetown Business

1 Association for approximately 10 years. I'm a  
2 former officer of the organization as well, and I  
3 serve on its Economic Development Small Business  
4 Committee.

5 Ms. Bernhardt was going to come and  
6 testify today. She apparently is running late,  
7 so I will make a few comments on behalf of the  
8 organization.

9 First, I really want to thank you for the  
10 opportunity to be heard on an issue of great  
11 importance to Georgetown and the Georgetown  
12 business community in particular. I'm glad to  
13 hear that everyone here today is in favor of  
14 doing away with the moratorium in one form or  
15 fashion.

16 I had thought about submitting the  
17 wonderful analysis the BID did on the reasons why  
18 the moratorium conditions no longer exist. My  
19 understanding is that they may not be necessary,  
20 but we're happy to submit that as a supplement if  
21 that's a possibility reasonably.

1                   GBA has been in existence for 40 years.  
2   This is our 40-year anniversary. We were not  
3   involved in any way in these negotiations that  
4   took place between the ANC, and the CAG, and the  
5   BID. We just weren't allowed to express an  
6   opinion. We did express an opinion, as former  
7   witnesses have stated, which is in a letter that  
8   was sent to Mr. (Inaudible), which we can also  
9   make available to the board if they don't already  
10   have it.

11                  CHAIRMAN ANDERSON: We do have that.

12                  MR. WILCOX: It seems to us that at this  
13   point the main issue is what to do with this  
14   template, if anything. ANC, CAG, and BID have  
15   proposed a template which would not apply to  
16   existing liquor licenses in Georgetown, but which  
17   would apply to new applicants.

18                  If the three of them want informally to  
19   use the template as some kind of guideline to  
20   determine when one or all of them will protest a  
21   future application, and thus to provide some  
22   clarity and greater predictability to the

1 licensing process, we think that's fine. But GBA  
2 respectfully submits that ABRA should not endorse  
3 the template. The template should not be legally  
4 binding on future applicants, and it should not  
5 create any presumptions regarding which  
6 applications ABRA will improve in the future for  
7 four reasons, which I'll briefly go through.

8           First of all, the template purports to be  
9 an agreement between three parties. We've heard  
10 from them today - the ANC, CAG, and the BID.  
11 They're all very, very important. However, it  
12 has not been endorsed by any individual  
13 applicants, as was discussed before, and it's  
14 opposed by not only GBA but the restaurant  
15 association and the hospitality organization. So  
16 it's not more than a settlement, which is  
17 partially agreed upon by some affected parties,  
18 but is not supported overall.

19           We think it's inappropriate to call it a  
20 settlement and to give it legal effect when all  
21 the affected parties did not agree to it.



1                   Number two, there are recitations in the  
2 third paragraph of the preamble to the settlement  
3 agreement to the effect that the merchants  
4 understand and agrees that all the conditions  
5 being imposed are important and useful. GBA  
6 doesn't so this is just flat out erroneous.

7                   Going beyond that, as been pointed out,  
8 the template additionally imposes additional  
9 restrictions on such things as hours of operation  
10 and noise. GBA has 40 years of experience in  
11 Georgetown. Mr. Birch happens to be my  
12 individual ANC commissioner, and GBA believes  
13 that ANC and CAG already do an excellent job of  
14 protecting the interests of the residents in  
15 Georgetown under the existing law, and we see no  
16 reason to impose additional requirements on  
17 applicants beyond those which apply citywide,  
18 especially regarding noise and hours of  
19 operation. In other words, from our perspective  
20 Georgetown shouldn't be singled out and treated  
21 differently from every other neighborhood and

1 every other ward in the city. There's no real  
2 basis for that.

3           Taking hours of operation as an example,  
4 many younger affluent residents tends to keep  
5 later hours than their seniors. I think that's  
6 just a reality, and GBA does not want to  
7 discourage them from frequenting businesses in  
8 Georgetown. Thus, we object to the provisions in  
9 the template regarding hours of operation and  
10 noise.

11           Third, from GBA's perspective, the  
12 template represents an improper, unfair, and  
13 discriminatory restraint of competition in trade.  
14 There are currently numerous licensees in  
15 Georgetown who are legally permitted to stay open  
16 later than midnight and are subject to the  
17 general rules regarding noise. And even though  
18 the current conditions don't support a  
19 moratorium, the template would impose  
20 substantially more restrictive conditions on new  
21 applicants than on these current licensees. This  
22 limits the ability, as a new entrance into

1 Georgetown, to compete with entities that already  
2 hold licenses. It's, therefore, just wrong. It  
3 may also inadvertently create a market for new  
4 entrance into Georgetown to purchase an existing  
5 liquor license instead of apply for a new one,  
6 just so they can avoid the additional  
7 restrictions on noise and hours of operation. I  
8 don't think that's what's intended or desired  
9 either.

10           It would be one thing if the city council  
11 and ABRA were to adopt additional requirements  
12 equally and across the board, but in our view,  
13 ABRA shouldn't endorse a template which unduly  
14 restricts the ability of new licensees to compete  
15 on equal terms to companies that currently hold  
16 licenses in Georgetown based on a partial  
17 settlement by only some of the affected parties,  
18 which is what we have here.

19           Fourth and finally, paragraphs 9 and 10  
20 of the template set forth when the residents and  
21 the applicants can seek different terms from  
22 those which would otherwise apply. From GBA's

1 perspective, those two paragraphs are slanted too  
2 much in favor of the residents and against the  
3 future applicants.

4           Paragraph 9 essentially provides that  
5 where an establishment is located "close to a  
6 residential property," the residents can seek  
7 additional restrictions. So compliance with the  
8 general terms in the template is not a safe  
9 harbor for an applicant. Further, there's no  
10 even a definition of what close to means. So it  
11 would be problematic for an applicant to  
12 determine when the residents would seek more  
13 restrictive terms. And beyond that,  
14 interestingly, the restrictive terms haven't been  
15 presented to ABRA for you to look at them and see  
16 if they'd even be reasonable.

17           In contrast, an applicant can only seek  
18 less restrictive terms if the establishment  
19 "would not have an impact on a residential  
20 property or is otherwise exceptional." I  
21 personally live in Georgetown about four blocks  
22 away from M Street, and if a restaurant on M

1 Street were to close after midnight, customers  
2 and employees might park on the street near my  
3 house, taking away some available parking. And  
4 they may talk when they return to their cars  
5 after leaving the restaurant. So almost any  
6 applicant could have some impact on a residential  
7 property, making this supposed authority to seek  
8 more lenient provisions really inapplicable.

9 Further, it's GBA's position that later  
10 closing hours and normal noise restrictions  
11 should be applied generally in Georgetown. So  
12 for an applicant also to show that it somehow  
13 exceptional and entitled to particular additional  
14 relief, when from GBA's perspective, the relief  
15 should be broadly available, we think is wrong.  
16 We think that everybody should be treated  
17 evenhandedly, both the companies that have  
18 existing licenses and the new applicants with  
19 whom everybody is going to be competing.

20 In short and in closing, GBA submits that  
21 the liquor license moratorium in Georgetown  
22 should expire. GBA would not object if the ANC

1 and CAG decide to use the template as an informal  
2 guideline to determine when they object to or  
3 want to object to a liquor license, but GBA  
4 respectfully submits that the template should not  
5 be endorsed, adopted, or treated as any kind of  
6 meaningful precedent by this body.

7 Thank you very much, and if you have  
8 questions, please let me know.

9 CHAIRMAN ANDERSON: Thank you.

10 MR. WILCOX: This is Ms. Bernhardt, if  
11 she wants to say something.

12 CHAIRMAN ANDERSON: Ms. Bernhardt, if you  
13 want to testify, you can bring a chair up, and  
14 then you'll --

15 MS. BERNHARDT: (Inaudible)

16 CHAIRMAN ANDERSON: And, gentlemen,  
17 please make -- create some space so that -- and  
18 please identify yourself for the record before  
19 you speak, please.

20 MS. BERNHARDT: Good morning. Thank you.  
21 My name is Sonia Bernhardt, and I'm president of  
22 the Georgetown Business Association. And I'm

1 grateful for my colleague that could speak on  
2 behalf of the association.

3           And we feel that as Georgetown turns 265  
4 years old this year that the laws of the city are  
5 adequate for the licensing of allowing people to  
6 distribute and sell alcohol, and we feel that we  
7 should be fair to all businesses, as difficult as  
8 it is to be a small business. That we have these  
9 laws in place, and they should be the same for  
10 Georgetown as they are anywhere else in the city.  
11 And I couldn't have identified the situation  
12 better than Jim Wilcox did.

13           So that's what I'm here to say. I back  
14 it, and I represent a large group, and we love  
15 Georgetown. We love the residents as much as we  
16 do the businesses that make it fun to go there,  
17 and we'd like to see a thriving business  
18 community that includes not only retail but also  
19 some wonderful establishments. And want to have  
20 an open-arm attitude for those people that seek  
21 to open a business and be successful in that  
22 party of the city. That's it. Thank you.

1                   CHAIRMAN ANDERSON: Thank you. All  
2 right. Are there any other members in the  
3 audience who would like to speak on the  
4 moratorium?

5                   Hearing none, board members questions.

6                   Yes, Ms. Miller.

7                   MS. MILLER: Good morning, everyone, and  
8 thank you for coming. I was going to start off  
9 saying that I think it was so great that all the  
10 different parties got together and worked things  
11 out, but it doesn't sound like that's exactly  
12 totally what happened. The other positive thing,  
13 though, I would say is I'm glad that it sounds  
14 like the problems don't exist that the moratorium  
15 was in place for.

16                  So I just want to have an understanding  
17 of what the GBA is versus the Georgetown BID. Do  
18 you represent different businesses or districts,  
19 so I understand the context that the two of you  
20 are coming from? Because one is saying this  
21 template is a good thing, which we can explore a  
22 little further, and one is saying it isn't, as



1 far as I understand. Do you represent the same  
2 businesses or --

3 MS. BERNHARDT: There is a slight  
4 difference in the sense that we represent the  
5 business owners more so than we do the actual  
6 structural buildings. So there is a distinction  
7 between the Georgetown Business Association that  
8 we are the businesses --

9 MS. MILLER: Okay.

10 MS. BERNHARDT: -- occupying the  
11 buildings --

12 MS. MILLER: Got it.

13 MS. BERNHARDT: -- and more in line with  
14 that representation.

15 MS. MILLER: Okay.

16 MS. BERNHARDT: And we similarly see many  
17 things equally with the BID, but that would be  
18 our difference.

19 MR. WILCOX: I think there's --

20 CHAIRMAN ANDERSON: One think I'll ask  
21 you to do, just identify yourself for the record,

1 so we'll know -- if you read a transcript, you'll  
2 know who's speaking.

3 MR. WILCOX: Yeah. My name is Jim Wilcox  
4 again. I think there's a considerable overlap in  
5 the two boards, which I acknowledge. Another  
6 difference I'd point out is that the way the BID  
7 is set up, there's a very specific BID zone where  
8 they can levy taxes on the various businesses and  
9 spend that money to improve activities within  
10 that zone.

11 We are not limited in that way, so we  
12 represent a broader range of businesses  
13 geographically than what the BID would do. I  
14 mean, BID does a great job. As I said, I think  
15 Josh's analysis on the moratorium was right on,  
16 but we do have somewhat different perspectives on  
17 this particular issue, although we really  
18 appreciate all they do; and we agree with them  
19 most of the time, and Joe is wonderful.

20 MR. STERNLIEB: The Business Improvement  
21 District is a compulsory district in the sense  
22 that the property owners in 1999 got together,

1 petitioned the city to impose an addition BID tax  
2 on the properties in the zone. It covers the  
3 area M Street and all the commercial properties  
4 south to the river, and everything that was  
5 Constant Avenue to R Street, and those little  
6 stubs of commercial area off of Wisconsin Avenue,  
7 Prospect Street, PEO.

8           We have about 1,500 members. We  
9 represent both property owners and tenants. Our  
10 board is composed of about 22 voting members,  
11 another 4 non-voting members from the university.  
12 The GBA, CAG, and the ANC serve on our board in  
13 an advisory capacity.

14           We also run something called the  
15 restaurant roundtable. It meets every six weeks  
16 with about 25 to 30 members, Georgetown  
17 restaurants that come in and advise us. We  
18 vetted this approach with that group on two  
19 occasions, and then brought all of our board  
20 members who represent the restaurant industry to  
21 look specifically at the template and comment on  
22 it.

1           The GBA, by contrast, is a voluntary  
2 membership organization with about six members  
3 who serve on both boards.

4           Does that answer your question?

5           MS. MILLER: Yes. Okay. So let me ask  
6 you. I mean, we've heard a lot of criticism now  
7 or concerns about that template. So my first  
8 question --

9           MR. STERNLIEB: Can I clarify one thing?

10          MS. MILLER: Yeah.

11          MR. STERNLIEB: Because I think some of  
12 the criticism may simply be based on a  
13 misunderstanding of what's been presented here.  
14 I don't believe -- I don't want to speak for  
15 everybody else. I don't believe that the BID is  
16 asking the ABC to approve the template and impose  
17 it. All that we've asked the ABC to do is to  
18 review the provisions within the template for  
19 legal sufficiency so that if any of those  
20 provisions were to end up in a template, or if  
21 that template, as it is today, were submitted, is  
22 there anything in there that the board would find

1 objectionable as a matter of law or policy.

2 That's all we've asked.

3 I think there's a clear understanding of  
4 the groups that it's between the applicants and  
5 the ANC and CAG, and the BID is not a party. If  
6 you'll notice in the draft, the BID doesn't sign  
7 this. The BID will not be taking any positions  
8 on any liquor licenses coming before you. We've  
9 never testified before you for or against a  
10 liquor license applicant, and we won't.

11 So it's really for these folks, and there  
12 are examples in the last couple years to -- you  
13 know, not to criticize my friend, Mr. Kline, but  
14 just to point out a factual error he made. There  
15 have been instances where the CAG and the ANC  
16 chose not to protest or ask for settlement  
17 agreements of recent applicants in just the last  
18 two years. So there are situations where people  
19 come forward, and I can guarantee you, in the  
20 coming years, there will be applicants who come  
21 before you where there won't be settlement  
22 agreements and there won't be protests. We've

1 been meeting with people on a regular basis who  
2 have all eyes for space, who these guys just  
3 don't care about. It's really those impactful --

4           And the last thing I'll say about this is  
5 Georgetown is a little different. The fact of  
6 the matter is, if you're a resident who lives in  
7 a home built in 1879 that has single pane windows  
8 that were installed in 1879, and you've got to go  
9 to the Old Georgetown Board to ask for permission  
10 to put a double pane window in and they say no,  
11 you're stuck with whatever noise there is right  
12 in front of your house. And if it's right next  
13 to somebody who wants a 3:00 a.m. Friday,  
14 Saturday license, you are screwed. So there are  
15 places that are really different in Georgetown  
16 because of the fact that there's a federal  
17 historic district where you just -- we locally  
18 have no control over these issues.

19           Now, we have plenty of new buildings in  
20 Georgetown that have triple pane windows and are  
21 butted right up against the Whitehurst Freeway  
22 where you can't hear the helicopter that's right

1 in front of you go by, perfectly appropriate to  
2 put a very late night establishment right in  
3 front of it. Nobody is going to care, but there  
4 are other places where they really will. And  
5 that's sort of what's different about what we're  
6 asking for today. So I just want to clarify.

7 MS. MILLER: Well, just on that point, I  
8 don't totally follow what's different because --  
9 and one of my questions is how this is going to  
10 go. But if you have a midnight hour in that  
11 template and you -- are you saying you come  
12 across a building that has those windows that  
13 will protect them from the noise, that there's  
14 the flexibility to change that to a later hour?

15 MR. STERNLIEB: That's what number 10 is.

16 MS. MILLER: Okay.

17 MR. STERNLIEB: That's specifically that.  
18 So I'll give you an example. There was a  
19 template agreement done when (Inaudible) Billy  
20 sued last year that is actually more permissive  
21 than what's in here by the same people who  
22 negotiated this. The reason concern in the

1 community from their constituents -- I don't want  
2 to speak for you -- but my sense is that there  
3 were cases on this Constant Avenue that about 32nd  
4 Street in the back where folks wanted to do  
5 outdoor, late night dining and drinking in other  
6 people's backyards essentially. I mean,  
7 literally the distance between where you're  
8 sitting and where I'm sitting. That's what they  
9 were -- and so the neighbors didn't want this at  
10 all. They wanted to continue the moratorium and  
11 the cap.

12                   And the last thing I'll say, if I can, to  
13 speak to one other point that was made, the fact  
14 that this is going on is making an enormous  
15 difference in the number of restaurants that are  
16 coming to us.

17                   MS. MILLER: Uh-huh (affirmative).

18                   MR. STERNLIEB: Notwithstanding the fact  
19 that there are existing licenses available under  
20 the cap that are being held in safekeeping, the  
21 rent-taking for those has been enormously  
22 detrimental to the economy in Georgetown. People



1 are resentful if they have to pay \$5,000, or  
2 \$10,000, or \$50,000 for a license that's being  
3 held by somebody who didn't create any value in  
4 that compared to being in other parts of the city  
5 where they just have to come to this board and  
6 make their case.

7           And so we've been approached by a number  
8 of restaurants in the last few weeks and months  
9 who are aware of what's going on and saying thank  
10 God you're doing this. It's changing the  
11 reputation of Georgetown, and we're very  
12 optimistic that this will continue moving in the  
13 right direction.

14           MS. MILLER: That's great. And let me  
15 ask you, do you see a difference between what you  
16 call a template and what they call guidelines?  
17 Is this something more than guidelines that  
18 you're proposing?

19           MR. BIRCH: Can you clarify the question,  
20 please?

21           MR. STERNLIEB: This is a starting point,  
22 if you will.

1 MS. MILLER: A starting point? Well,  
2 what's the obligation on the part of an applicant  
3 when they would come to you and this would be in  
4 place, however, it's to be in place? What does  
5 it mean? You would show them these provisions  
6 and say this is our starting point for  
7 negotiation of a settlement agreement?

8 MR. BIRCH: Well, what were --

9 MR. VOM EIGEN: Does this work for the  
10 business plan?

11 MR. BIRCH: What we're trying to do --  
12 and knowing the business plan and the operations  
13 of establishments that give us absolutely no  
14 problem, they fit the profile that we've  
15 identified in the guidelines.

16 MR. VOM EIGEN: I mean, it's all  
17 negotiated. It's signed by -- it's not a rule.  
18 It's not a regulation. It's none of that. It's  
19 a suggestion of where we would start from, and we  
20 would be flexible depending upon the location.  
21 Anything south of M Street is going to be a  
22 little different than stuff north of M Street.

1 MS. MILLER: So let me ask you this: I  
2 don't mean to interrupt you, but just -- there  
3 have been a lot of settlement agreements in  
4 Georgetown, right, over the years. Is this any  
5 different from you're pulling the best provisions  
6 from all the documents, and putting them in one  
7 document, and saying this is our starting point;  
8 we like these provisions?

9 MR. STARRELS: What we're trying to do  
10 here is in our early discussions with the BID and  
11 then, of course, we put this out into the  
12 community. The press writes it up, and you do  
13 have very active discussions. And I do differ  
14 with the notion that, you know, we weren't  
15 talking to more than our little working group as  
16 meeting every once in a while.

17 But one of the things we heard out there  
18 is to get uniformity out there would help  
19 perspective restaurateurs looking at Georgetown.  
20 So we're trying to put kind of something out  
21 there that if there is a need for settlement

1 agreement, these are the type of things we're  
2 going to be looking at.

3 And again, if somebody is proposing a  
4 restaurant on M Street, not on 32nd Street where  
5 you're abutting another property, sure the  
6 business plan is legitimate. You're not -- it  
7 doesn't look like you're going to do a night  
8 club, you know, starting at midnight, whatever,  
9 we'll work with them. We expect to.

10 MS. MILLER: Can I have --

11 MR. STARRELS: And we have a history of  
12 making these things work over the years.

13 MS. MILLER: Did you put these out for  
14 comment to restaurants?

15 MR. STARRELS: Pretty actively the BID  
16 did.

17 MS. MILLER: These provisions, these  
18 templates, what do you think, you did that?

19 MR. STERNLIEB: I don't want to give the  
20 impression that everybody thought this was  
21 fabulous. We were facing a situation in the  
22 business community where there was a high -- I

1 don't want to say likelihood -- but a high  
2 possibility that folks -- (inaudible) continue  
3 the moratorium for another five years. And the  
4 restaurants believe that the critical mass is  
5 really an important element to the success of the  
6 commercial district.

7               So, you know, I want to remind folks that  
8 five years ago, conditions weren't so different  
9 than they are today, but the folks from the  
10 community asked the board to continue the  
11 moratorium; and it was continued. And so what we  
12 were looking at was a situation where we want to  
13 try to create peace but also respond to the need  
14 of the restaurants to have more food in  
15 Georgetown.

16               MS. MILLER: Okay. So --

17               MR. STERNLIEB: So the answer is yes.

18               MS. MILLER: But that doesn't go to the  
19 merits. I mean, because you're saying you want -  
20 - you're willing to do this to get rid of the  
21 moratorium. But my question is, what's the  
22 merits of having a template? What was the

1 problem that it's supposed to -- this is exactly  
2 what I said before, but what is the problem it's  
3 supposed to address? Why are you putting --  
4 because we don't have a moratorium, you need a  
5 template; are you saying that?

6 MR. STARRELS: I think it makes it easier  
7 for -- instead of having, you know, each person  
8 worrying about -- before they even take a step in  
9 the water in Georgetown, they say, you know, the  
10 BID, which represents the businesses in a very  
11 active fashion here, and other entities in  
12 Georgetown, via CAG because they worry about OGB  
13 matters. They worry about what can they do to a  
14 building they want to perhaps put that restaurant  
15 in. It's a big investment these days.

16 And by doing this template, they see,  
17 first off, that all the entities are working  
18 together. They don't emphatically have to go to  
19 an attorney to worry about how in the world am I  
20 going to do business in Georgetown. We're trying  
21 to make it more welcoming, and by doing a  
22 template, which is basically out there -- and you

1 know, it's kind of trying to be very transparent  
2 -- we're trying to make it more welcoming, easier  
3 for restaurants to come in here.

4 MS. MILLER: Okay. I mean, I do hear  
5 what you're saying. You're giving it more  
6 predictability. You're saying this is here.  
7 This is what --

8 MR. KLINE: But why is it here today is  
9 the question? I mean, if that's the intent --

10 MS. MILLER: Uh-huh (affirmative).

11 MR. KLINE: -- I don't know what it has  
12 to do with this process. It seems that what's  
13 being attempted here is an effort to, in some  
14 way, have the ABC board put its stamp on it, and  
15 if not, I don't know why it would be in this  
16 proceeding at all. That's number one.

17 Number two, in terms of vetting, I mean,  
18 I want to make this crystal clear, a couple  
19 points in response to Mr. Sternlieb. One is all  
20 I've said was I've never dealt with any  
21 application in Georgetown where a settlement  
22 agreement was not requested. Maybe there are

1 cases. I asked one of the commissioners under  
2 oath on the stand in a case, and he couldn't name  
3 any. So maybe there are a few, but I'm not aware  
4 of them.

5 MR. STERNLIEB: There are.

6 MR. KLINE: And the second is, in terms  
7 of the every six-week meetings of the restaurant  
8 council, whatever it's called.

9 MR. STERNLIEB: Roundtable.

10 MR. KLINE: Roundtable, thank you. Our  
11 RMW is a partner in that, all right. And when  
12 word came back to RMW board and myself as general  
13 counsel that this is what was contemplated, we  
14 picked up the phone and said, "What are you  
15 doing? We do not support this. This is a  
16 problem. It's a bad precedent. We don't want to  
17 see it happen." So this notion that everyone is  
18 on board and all there restaurants are on board,  
19 I want to dispel that notion immediately because  
20 that's just not the case.

21 MR. WILCOX: And I'd like to make one  
22 further comment, if I could, really responding to



1 some of the points that Commissioner Starrels  
2 made.

3 I think it's important, and I would ask  
4 the board to take a look at paragraphs 9 and 10.  
5 If really all this is supposed to do is give  
6 predictability and a general template, a general  
7 understanding for what the residents and the BID  
8 would find acceptable, then why don't we just say  
9 in paragraphs 9 and 10 that this is merely a  
10 guideline; it's not binding on anybody and give  
11 applicants, as well as the residents, an  
12 unrestricted right in every instance to negotiate  
13 different terms? Right now it's written much  
14 more narrowly than that.

15 I know, Ms. Miller, you're an attorney.  
16 I'm not sure about the rest of you, but you know,  
17 if you look at it, it's pretty conditional, as I  
18 tried to point out in my testimony. And I think  
19 if the intent is really just a starting point, as  
20 has been described, then let's just say it's a  
21 starting point and a guideline; none of it is  
22 binding. There's no presumption that's going to

1 be given, and either side can negotiate anything  
2 they want to without regard to any of the above  
3 provisions.

4 MS. MILLER: Thank you very much.

5 Mr. Chairman.

6 CHAIRMAN ANDERSON: Mr. Alberti.

7 MR. ALBERTI: I want to address the whole  
8 topic of -- first of all, I want to thank  
9 everyone for coming. Your input has been very  
10 helpful, and I'm encouraged that we seem to have  
11 agreement across the board on lifting the cap on  
12 C/Rs and D/Rs. We've heard similar arguments in  
13 Adams Morgan. I think it was a good idea there.  
14 I'm just encouraged by that, all I've heard.

15 With respect to the settlement agreement,  
16 this board should not sanction or endorse the  
17 template. I'm not even sure that we can legally  
18 do that, but I've have to ask others. But I  
19 believe we shouldn't even -- we shouldn't endorse  
20 the (inaudible).

21 I don't think we should comment on it  
22 either. I don't think that we should even

1 comment on legal sufficiency of some of the  
2 items, and that's because, as Mr. Kline pointed  
3 out, the negotiations you have on the settlement  
4 agreement could end up at a contested hearing.  
5 And for that reason, the board cannot be a party  
6 to having offered an opinion on any of those  
7 conditions.

8           So we're having all this discussion. I  
9 think -- and I applaud you for thinking about and  
10 constructing a template, but it's not -- it's not  
11 -- it should not be part of this process. All  
12 right.

13           Having said that, I served on an ANC that  
14 represented H Street, and we had what we call the  
15 standard settlement agreement. It was our  
16 starting point when we started -- when we entered  
17 into negotiations with new businesses. I thought  
18 it was very helpful. I thought it kind of  
19 signaled to new licensees that we wanted to  
20 create a level playing field. It signaled to  
21 them what our expectations were. They might come  
22 in with fears that we're going to ask for

1 something that's, you know, egregious, onerous,  
2 and they would look at our standard agreement and  
3 go, well, you know, I can work with this. This  
4 is a good starting point.

5 I thought it was very helpful. I didn't  
6 find it -- see it as a hindrance to attracting  
7 new business on H Street. You all know, even  
8 before the street cars started running, we were  
9 getting new businesses weekly.

10 So I just want to put that to rest on the  
11 essays. I don't -- I applaud the community for  
12 constructing a starting point for negotiations,  
13 but I don't see it as being something that this  
14 board would comment on or endorse.

15 CHAIRMAN ANDERSON: I just want to state  
16 that Mr. Alberti is speaking for himself. I just  
17 want to --

18 MR. ALBERTI: Yes.

19 CHAIRMAN ANDERSON: I want to -- I want  
20 to know that this is not the board's position.  
21 We have not discussed it, and we haven't made any  
22 determination. This is Mr. Alberti's personal

1 position. Of course, you'll know that's what  
2 will go back there, but at least you'll know that  
3 -- at least I know I'm open (inaudible).

4 MR. ALBERTI: Thank you.

5 CHAIRMAN ANDERSON: Mr. Short.

6 MR. SHORT: Morning, gentlemen and  
7 neighbors from the community. I'm glad to also  
8 see you here this morning because forums like  
9 this help our city develop. It really does.  
10 Georgetown is a very important part of  
11 Washington, DC. I've been here for a lot of  
12 years and bought my first car in Georgetown.  
13 There's a good car dealership -- right there on M  
14 Street. I was a part of business there. My  
15 father used to work at Neiman's Market there on M  
16 Street, and some parts of me with Georgetown in a  
17 lot of ways. I have family members that live  
18 there close to the hospital, and I worked at the  
19 fire station there on M Street for a number of  
20 years. So I had a chance to -- even going to the  
21 mall when they first opened it up, especially the  
22 fire marshal's office. So I've been actively

1 involved with Georgetown a lot, and I'm just glad  
2 to see it vibrant. So both sides sitting here  
3 today, talking it over in a public forum is very  
4 healthy, I think, for our city and very healthy  
5 for this process.

6 I've gained a little more knowledge after  
7 reading and hearing, even going into the essay  
8 and hearing Mr. Alberti and hearing other board  
9 members discussing it today.

10 I, like the Chairman, have an open mind  
11 and just like to think after we sit back and hash  
12 this over, we'll come up with a decision that's  
13 going to help everybody. The business community  
14 has to live with the community. The community  
15 has to live with the business community, and hand  
16 in hand this city will continue to grow  
17 economically and healthy. And this is going to  
18 work. This forum is the right place and the  
19 right time for this to happen, and I'm assured  
20 that, at least my point of view as a board  
21 members, that by the time you hear back from this  
22 board, there will be some great decisions made.

1 Thank you, Mr. Chairman.

2 CHAIRMAN ANDERSON: Thank you, Mr. Short.

3 Mr. Silverstein.

4 MR. SILVERSTEIN: Thank you, Mr.

5 Chairman. First, I don't think Georgetown is a

6 neighborhood in decline. There's really not much

7 misery there, Mark. The real misery is for

8 anybody trying to buy a house or a condo there,

9 or anybody trying to pay their real estate taxes.

10 God, I wish I could afford to live there.

11 Second, I think we should all understand

12 and Mr. Sternlieb pointed this out that

13 Georgetown, by law, is treated differently than

14 any other neighborhood in the district because it

15 is a heavily protected historic district, not by

16 HPRB, but by act of Congress.

17 We've had people from other neighborhoods

18 and my own neighborhood by Dupont who have talked

19 about how they spent thousands of dollars to

20 soundproof their place so that they could deal

21 with noise issues and live there comfortably. In

22 Georgetown, you can't always get what you want

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1 when it comes to replacing or soundproofing  
2 windows without first going to the Old Georgetown  
3 Board, and what you are allowed may cost tens of  
4 thousands of dollars more than what I might have  
5 to pay in my neighborhood; and it might not be  
6 what fits. It might not be what helps you.  
7 Noise is a really serious issue (inaudible) has  
8 been dealing with the FAA and takeoffs at 5:40 in  
9 the morning from National Airport. Have they  
10 restored the 5:13 flight on American -- and  
11 they're going over, and these people do not have  
12 the legal right to put in what they need to put  
13 in their homes to soundproof so they can -- they  
14 can sleep. If there is misery, maybe that's one  
15 of the problems.

16 But you can't really say that people  
17 should move somewhere else. People have been  
18 living in Georgetown for more than 240 years.  
19 It's a precious neighborhood, and they have a  
20 right to a good night's sleep like everyone else.  
21 I think we all agree on that.



1           That said, I think we all agree that it's  
2 time to get rid of the cap on C/Rs and D/Rs. I  
3 haven't heard anybody say that's wrong. Whatever  
4 purpose it did serve, it isn't serving anymore.  
5 So the question is how do we move forward fairly  
6 while still protecting a neighborhood that has  
7 special challenges?

8           Well, we've done things as a board that  
9 seem to be without -- in law, setting standards.  
10 We generally set standards in certain  
11 neighborhoods on sidewalk cafes, and summer  
12 gardens where there are residents. You know that  
13 it's probably going to be 11:00 and 12:00 if  
14 you're in the same circumstances as the majority  
15 of ones that are in those types of situations.

16           As far as hours in the proposed template,  
17 hours of operation, a moratorium, this moratorium  
18 and others, has led to people buying licenses on  
19 the market who really shouldn't, and if we give  
20 our (inaudible) template hours -- I agree with  
21 the gentlemen from the business association --  
22 you're going to see a market for existing

1 licenses that have full and legal hours. So that  
2 somebody who comes and moves in would rather  
3 spend that money there and be able to stay open  
4 the full legal hours rather than get a license  
5 that would limit their hours.

6 I think the template is an excellent  
7 effort on your part to try to be fair and  
8 flexible, and it doesn't hurt to put that out  
9 there to the public and say this is what we want  
10 to do; and this is how we feel that we're going  
11 to set up a situation that is a level playing  
12 field on one hand and on the other hand is fair  
13 to the neighbors.

14 And my question to Bill and to Joe -- and  
15 I know all of you -- how can you do this -- is  
16 this necessarily going to give the folks who are  
17 there now, the existing licensees, some kind of  
18 an edge if you were to allow this?

19 MR. STARRELS: I don't think so because  
20 most of those licenses, first off, were very  
21 stable. The ones that, you know -- there are  
22 those that have agreements with them, and I just

1 -- I think that when we get some new businesses  
2 here, I don't think we're going to get a large  
3 number of new businesses here. There are only so  
4 many spaces one can go in to put up a restaurant.

5 MR. SILVERSTEIN: Bingo.

6 MR. STARRELS: And I think things will  
7 work out. And you know, like the last time we  
8 had -- we freed up some of the licenses which  
9 were in safekeeping. I mean, we didn't have a  
10 tremendous turnout for those licenses, so I don't  
11 think we're going to see a stampede here. And I  
12 think things will work out very nicely here.

13 MR. STERNLIEB: We did do a survey of  
14 existing establishments in Georgetown with C/R  
15 licenses, and found that the vast majority of  
16 them, even if they have the 2:00 a.m. closing  
17 hour, serve their -- have last call at 11:45,  
18 12:00, something like that. They're not doing  
19 enough business to justify using all the hours.

20 Now, when you talk to restaurants, of  
21 course, they would never give those hours up.  
22 They wouldn't trade those hours back in the next

1 time they come through with a license. They want  
2 that -- the answer, Mr. Silverstein, is we don't  
3 know, and that's why, you know, we come back  
4 every so many years. That's why we continue to  
5 talk to each other about if it's not working, if  
6 we have created unfair advantages, we'll revisit  
7 that.

8 MR. WILCOX: I guess, Mr. Silverstein,  
9 I'll make another point, which is simply that,  
10 you know, Mr. Starrels in particular and Mr.  
11 Sternlieb were talking about the current  
12 situation. We're talking about doing away with  
13 the moratorium and how to proceed forward, and I  
14 agree with Mr. Sternlieb said that nobody knows  
15 exactly how this is going to work out. But  
16 clearly, there's a lot of advantage potentially  
17 to a restaurateur and other business to be able  
18 to stay open until 2 o'clock, and it seems to --  
19 and no one is willing to give that up. It may be  
20 that tomorrow nobody is willing -- nobody is that  
21 interested in staying open until 2 o'clock, but  
22 in a year that may change.

1                   MR. SILVERSTEIN: Here's a point. I want  
2 to interrupt you right on that. You may have a  
3 restaurant that you close every night at 2  
4 o'clock, and then the cast from House of Cards  
5 comes to town last week. And they want to have a  
6 party that one night that they're all there, and  
7 Mr. Kline knows exactly what I'm talking about.  
8 These types of special events, and if a place has  
9 12 o'clock close, they're not going to be able to  
10 do that. So they may be closed -- you know, they  
11 may close almost every night at 12:00 or every  
12 night at 12:00, but to have that flexibility  
13 every once in a while, they're not going to want  
14 to give that up.

15                  MR. WILCOX: Right. I think it's a  
16 substantial advantage, and I think it basically  
17 enables -- provides existing licensees with an  
18 unfair advantage over these new applicants that  
19 are going to generally be capped at 12 o'clock  
20 and have also different and more stringent noise  
21 restrictions.

1                   MR. STARRELS: Can I speak to that  
2 please?

3                   MR. SILVERSTEIN: Yeah.

4                   MR. STARRELS: Provision 10 should not be  
5 taken lightly. That addresses the special needs  
6 that can come up. We also have other agreements  
7 which we've done, and we recently exercised on in  
8 recent months, where applicants' special needs --  
9 you know, we can tailor them -- can have like a  
10 one-day exception for later hours. We have done  
11 that actively in Georgetown.

12                  And furthermore, this is vetted by the  
13 BID board at great length, a lot of discussion  
14 there, and it's not just one person talking here  
15 when Mr. (Inaudible) talks.

16                  MR. KLINE: If I mean, I mean, Georgetown  
17 has been around a long time, and I've got a long  
18 memory; and I think certain board members do too.  
19 And to say, well, gee, if applicants want to come  
20 back, we'll certainly deal with them. We all  
21 remember how that worked out in the Obama  
22 inauguration weekend when many applicants went

1 back to Georgetown ANC and said, "Gee, we'd like  
2 to stay a bit later." And the ANC not allowed  
3 not a single one of them to say a bit later. So  
4 that's a caution that I found throw out there in  
5 acting on behalf of licensees that when it's in  
6 the agreement, it's fine when we're in this room  
7 to say, "Oh, gee, it's all great. If you come  
8 back we'll liberalize it." It doesn't always  
9 happen.

10 MR. BIRCH: If I might respond --

11 MR. STERNLIEB: Maybe we learn by our  
12 mistakes. We have gotten those requests now, you  
13 know, for New Year's and for holidays, and we  
14 routinely approve them. And in fact, we've been  
15 talking about and putting in settlement  
16 agreements that may restrict hours to have a  
17 provision that when the city allows the extra  
18 hour, it's automatic, and they don't even have to  
19 come to us for approval. So that's --

20 CHAIRMAN ANDERSON: I appreciate that.

21 MR. STERNLIEB: -- that painful memory of  
22 a bad idea and bygone era.

1                   CHAIRMAN ANDERSON:  You're not talking  
2   about the election of Obama?

3                   MR. BIRCH:  No, not indeed.

4                   CHAIRMAN ANDERSON:  I just want to make  
5   sure --

6                   (Cross-talk)

7                   MR. BIRCH:  No, I mean, it's just, you  
8   know, they come to use like two days before the  
9   event, and people didn't know what to do.  That  
10  was an outlier from --

11                  MR. SILVERSTEIN:  I thank you all.  I  
12  think I've used up enough of my time here, and I  
13  want to thank you all for being here, for your  
14  concern and your love of not only Georgetown but  
15  the city that we all love.  And we're going to do  
16  our best on this to try and move forward in a way  
17  that protects the residents and still provides a  
18  minimum amount of the heavy hand of government.

19                  CHAIRMAN ANDERSON:  Thank you, sir.

20                  Mr. Birch?

21                  MR. BIRCH:  The comment I have is just so  
22  much depends on the settlement agreement, and we



1 have certainly learned this to be the fact.  
2 During the moratorium we even had bad businesses,  
3 and it's not the cap on liquor licenses  
4 prevented, you know, bad behavior from occurring.  
5 But when a settlement agreement can set some  
6 standards and set some parameters, I really think  
7 the way Mr. Alberti described that kind of -- you  
8 didn't call it a template, but you know, the sort  
9 of starting point. That's what this is and what  
10 we're talking about here. I appreciate your  
11 comments and your questions. It's been very  
12 helpful to our own thinking, I believe.

13 CHAIRMAN ANDERSON: Mr. Alberti.

14 MR. ALBERTI: I wanted to ask Mr. vom  
15 Eigen. Something you said and I'm not sure I  
16 heard you correctly. You were discussing  
17 something about entertainment endorsements. Did  
18 I hear you correctly in your -- in your  
19 presentation.

20 MR. VOM EIGEN: No. Not in my testimony,  
21 but there's -- the promoter provision, is that  
22 what we're talking about, the template?

1 CHAIRMAN ANDERSON: No, that's different.

2 MR. ALBERTI: All right. So I didn't  
3 know if you wanted to address -- but I know that,  
4 that was the topic that got addressed in the  
5 Adams Morgan hearings. And so I didn't want to  
6 let it pass over here in case there was --

7 MR. STERNLIEB: I can give some insight  
8 into the discussions that we had, just so you  
9 understand. We started the conversation where  
10 they said -- my friends to my right, your left --  
11 said we have to make sure that there are no  
12 entertainment endorsements, period, within the  
13 settlement agreement, and we said, no, that's not  
14 acceptable. What are the issues? What are the  
15 underlying concerns? And it was noise, and the  
16 noise provision is irreflective of that.

17 But right now or in the past, I think,  
18 there have been a number of business licenses  
19 that have come before the settlement agreements  
20 done in Georgetown where they've said, you know,  
21 specifically no entertainment endorsement.  
22 That's not lifted. So in fact, the settlement

1 agreement is in some ways more permissive than  
2 past settlement agreements, or the template, the  
3 guidelines, however you want to describe it, more  
4 permissible with an understanding that the  
5 concern is noise upsetting folks late at night,  
6 not about entertainment. So there can be comedy.  
7 There can be music. There can be other things so  
8 long as it doesn't bleed out and disturb sleep.

9 MR. ALBERTI: That answers my question.  
10 Thank you so much for that.

11 CHAIRMAN ANDERSON: Do we have any other  
12 questions by any of the board members? Do we  
13 have any final statements that anyone would like  
14 to make?

15 MR. SILVERSTEIN: Thank you.

16 MS. MILLER: Thank you.

17 CHAIRMAN ANDERSON: I expected more.  
18 Well, I would like to thank each and every one of  
19 you for your presentation this morning. I -- for  
20 you to take time out of your schedule to come  
21 here and express your views. And the board will,  
22 of course, in our -- I'm still on vacation, so

1 I'm sorry -- in our deliberation around back will  
2 take it on advisement.

3 I know that took a lot of work to put the  
4 settlement agreement together. I do not know  
5 where the board will come down on the settlement  
6 agreement, but, please, if the board says that  
7 they cannot endorse it, I don't want you to think  
8 that we did not appreciate the time and the  
9 effort you got together to put it together. I  
10 don't know what we're going to decide, but I just  
11 want to let you know that if that comes down,  
12 it's not that we do not appreciate that you have  
13 taken the time to negotiate to come with some  
14 type of template. I just want to state that on  
15 the record.

16 All right. What I am going to do is that  
17 I'm going to close the official -- although  
18 normally we don't do this, but I want to get some  
19 advice from counsel. So I will do it this way to  
20 say as Chairman of the Alcohol Beverage Control  
21 Board for the District of Columbia in accordance  
22 with D.C. Official Code Section 2-547(b) of the

1 Open Meetings Act, I move that ABC Board hold a  
2 closed meeting for the purpose of seeking legal  
3 advice from our counsel on the proposed rule-  
4 making -- public hearing on the Georgetown  
5 moratorium. And pursuant to D.C. Official Code  
6 2, Section 2, Section 547(b)(4) of the Open  
7 Meetings Act and to deliberate, again, on the  
8 Georgetown moratorium rule-making for the reason  
9 cited in D.C. Official Code Section 2-574(b)(13)  
10 of the Open Meeting Act. Is there a second?

11 MR. SHORT: Second.

12 CHAIRMAN ANDERSON: Mr. Short has  
13 seconded the motion. I'll now take a roll call  
14 vote on the motion before us.

15 Ms. Miller?

16 MS. MILLER: Agree.

17 CHAIRMAN ANDERSON: Mr. Alberti?

18 MR. ALBERTI: Agree.

19 CHAIRMAN ANDERSON: Mr. Short?

20 MR. SHORT: I agree.

21 CHAIRMAN ANDERSON: Mr. Silverstein?

22 MR. SILVERSTEIN: I agree.

1                   CHAIRMAN ANDERSON:   And Mr. Anderson?   I  
2   agree.

3                   And it appears that the motion has  
4   passed, I hereby give notice that the ABC Board  
5   will recess this proceeding to hold a closed  
6   meeting in the ABC Board conference room pursuant  
7   to Section 2-547(b) of the Open Meetings Act.

8                   Again, thank you very much, and the board  
9   is in recess.

10                  MS. MILLER:   Thank you very much.

11                  (Off the record from 11:41 a.m. until  
12   1:42 p.m.)

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