

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

In the Matter of)	
)	
Houri Razooyan;)	License No: N/A
)	Case Nos.: N/A
Arzo Amin, t/a)	Order No: 2016-137
Grace Period;)	
)	
Respondents)	
)	
Order to Cease and Desist)	
)	
at premises)	
2417-2419 Evarts Street, N.E.)	
Washington, D.C. 20018)	

TO: Houri Razooyan
Property Owner
1118 Halesworth Drive
Potomac, MD 20854-6180

Arzo Amin, t/a
Grace Period
350 G Street, S.W., Unit N520
Washington, D.C. 20024
Holder of a Caterer's License

ORDER TO CEASE AND DESIST

INTRODUCTION

On March 30, 2016, the Alcoholic Beverage Control Board reviewed compelling evidence that Arzo Amin, t/a Grace Period, holder of a Caterer's License (ABRA License No. 099262) and property owner Houri Razooyan allowed or permitted an illegal nightclub event at 2417-2419 Evarts Street, N.E., on February 5, 2016, and other occasions. In addition, the property does not have necessary licenses integral to the safety of the premises and likely fails to comply with the city's fire code.

Based on this determination, and in the interest of public safety, the Board orders Mr. Razooyan and Grace Period to cease selling, serving or permitting the consumption of alcohol on the premises. Moreover, Mr. Razooyan shall cease and desist allowing or permitting catered events to occur on the premises. Finally, ABRA shall no longer issue one-day substantial change and temporary licenses at 2417-2419 Evarts Street, N.E.

FINDINGS OF FACT

The Board issues the following findings of fact:¹

I. Background

1. Houri A. Razjooyan owns 2417-2419 Evarts Street, N.E. *Investigative Report*, District of Columbia Consumer and Regulatory Affairs (DCRA), 201610235, 2 (Feb. 1, 2016) [*Exhibit 8*]. The report indicates that no Business License related to the provision of Entertainment Services, Public Hall License, or Certificate of Occupancy has been issued or assigned to 2417-2419 Evarts Street, N.E. *Id.* 2, Attachment 6 (“Certification”).
2. The records of the Alcoholic Beverage Regulation Administration (ABRA) indicate that no liquor license has been issued or assigned to 2417-2419 Evarts Street, N.E.
3. In response to community complaints, DCRA Investigator K.D. Meredith found evidence that nightclub events lasting until 3:00 a.m. have been occurring at 2417-2419 Evarts Street, N.E. *Id.* at 1. Furthermore, the event hosts sold alcohol and offered bottle service during these events. *Id.* at 2. The report further shows that multiple nightclub events at the venue have been advertised to the general public through social media in the past. *Id.* (“Real Rich in Washington”; “Pretty Nasty” Eventful Webpages).

II. February 5, 2016

4. On Friday, February 5, 2016, ABRA Investigators Jason Peru and Shawn Townsend responded to a request for service from the Metropolitan Police Department at 2419 Evarts Street, N.E. *Case Report*, 500 Incorporated, 2 (Date of Occurrence: Feb. 5, 2016). After arriving at the scene at approximately 10:40 p.m., the investigators spoke with Officer Thomas Duvall. *Id.* The investigators then entered the establishment, which also functions as a warehouse. *Id.*
5. Once inside, the investigators observed a nightclub in operation. *Id.* Specifically, they observed security checking the identification of patrons before allowing admission into the venue and observed individuals collecting a \$20 cover charge from patrons. *Id.* They saw approximately 200 people in the venue. *Id.* Moreover, they saw a fully stocked bar with a large

¹ The Board incorporates the Case Report related to this matter by reference. *Case Report*, 500 Incorporated (Date of Occurrence: Feb. 5, 2016).

number of liquor bottles and a menu on a white board advertising drinks, such as Ciroc, Grey Goose vodka, mixed drinks, wine, and beer. *Id.* at 2, Exhibit Nos. 4, 5. Finally, they saw patrons purchasing and consuming alcoholic beverages. *Id.* at 2.

6. Inside the venue, Brian Bess, who was working at the event, indicated that he was not licensed as a manager by the Board, and that the event was hosted by a licensed caterer. *Id.* at 2. He told the investigators that the warehouse is frequently used as a private club that may be rented for events. *Id.* Investigator Peru requested to see the establishment's licenses, but Mr. Bess could not produce any. *Id.* Mr. Bess then directed the investigators to Glenworth Campbell, who represented Grace Period, the caterer. *Id.*

7. Mr. Campbell told the investigators that he did not own Grace Period, ABRA License No. 099262.² *Id.* He also indicated that he was not a licensed manager. *Id.* Mr. Campbell was unable to provide any invoices for the alcoholic beverages provided at the event. *Id.* However, he had possession of the Grace Period license issued by the Board. *Id.*

8. It should be noted that Glenworth Campbell told the investigators that food would be arriving at the venue "shortly." *Id.* Nevertheless, between 10:40 p.m. and 12:15 a.m. there was no indication that food had been delivered, prepared, or served. *Id.* As a result, the Board concludes that no food was present during the event, or, at the very least, food service was incidental to the service of alcohol. 23 DCMR § 2000.1 (West Supp. 2016).

9. During the investigation, Fire Inspector Thomas Burr arrived at the warehouse. *Id.* Based on his inspection of the premises, he concluded that there were multiple fire code violations and that the premises were not appropriate for a nightclub event based on the lack of licenses. *Id.* Fire Inspector Burr subsequently ordered Mr. Bess and Mr. Campbell to end the event and have all patrons leave. *Id.*

III. February 26, 2016

10. On February 26, 2016, Investigator Peru spoke with the owner of Grace Period, Arzo Amin, over the phone. *Id.* at 2-3. Ms. Amin indicated that she was unaware that a licensed manager had to be present when an owner is not present at an event. *Id.* at 3. She also indicated that she did not know that her catering company had failed to serve food at the event. *Id.* She further indicated that Mr. Campbell should have had alcohol invoices. *Id.* She also indicated that she had no written contract for the event occurring on February 5, 2016. *Id.* Ms. Amin ended the conversation by saying that she had an emergency call on the other line and that she would call back; however, she never did. *Id.*

CONCLUSIONS OF LAW

11. Title 25 of the District of Columbia (D.C.) Official Code (Title 25) provides the Board with the authority to order any individual or licensee to immediately cease "... violating any

² The Case Report contains an incorrect license number of Grace Period. The Board relies on the correct number found in ABRA's records.

provision of . . . [Title 25 when] the violation has caused, or may cause, immediate and irreparable harm to the public . . .” D.C. Official Code § 25-829(a).

I. No license holder may engage in alcohol activity at the warehouse without the appropriate licenses authorizing the use of the building as an event space.

12. The warehouse located at 2417-2419 Evarts Street, N.E., does not have a public hall license or any other license required by DCRA; consequently, no liquor license holder may host events on the premises.

13. Under § 25-823(1), a licensee shall not violate “. . . any of the provisions of this title, the regulations promulgated under this title, or any other laws of the District . . .” D.C. Official Code § 25-823(1).

14. Section 2851 of Title 47 of the D.C. Official Code requires all businesses to refrain from operating without all necessary business licenses and endorsements. D.C. Official Code § 47-2851.02(a). Title 47 also provides for the following endorsements to the business license: “Entertainment” and “Public Health: Food Establishment Retail.” Section 2820(b) of Title 47 provides that “owners . . . of buildings in which . . . balls, dances, . . . or entertainments of any description . . . are conduct, for profit or gain, shall pay a license fee of \$500 per annum . . .” D.C. Official Code § 47-2820(b). Section 2820(e) further states that “[a]ny license issued pursuant to this section shall be issued as an Entertainment endorsement to a basic business license under the basic business licensc system . . .” D.C. Official Code § 47-2820(e). Under § 1600.2 of Title 19 of the D.C. Municipal Regulations, a “public hall” is defined as any place where “. . . a ball, dance, exhibition, lecture, concert, or convention is conducted for profit or gain.” 19 DCMR § 1600.2 (West Supp. 2016). The operation of a public hall requires a Public Hall License issued by the Director of the DCRA unless the establishment has a capacity of four hundred (400) or fewer occupants *and* holds a Retailer’s Class C or D License issued by this Board. 19 DCMR § 1600.1 (West Supp. 2016) (emphasis added).

15. It should also be noted that “no person shall use any structure, land, or part of any structure or land for any purpose until a certificate of occupancy has been issued to that person stating that the use complies with the provisions of this title and the D.C. Construction Code, Title 12 DCMR.” 11 DCMR § 3203.1 (West Supp. 2016).

16. On February 5, 2016, and other occasions, individuals hosted nightclub events where alcohol was sold and consumed on the premises in exchange for compensation. *Supra*, at ¶¶ 4-6. Events featuring this type of activity must occur in a properly licensed premise. *Supra*, at ¶¶ 14-15. Nevertheless, the owner of the property has not obtained a public hall license or certificate of occupancy, even though these types of license are required to host nightclub events. *Supra*, at ¶¶ 1, 14-15. Under these circumstances, the sale, service, and consumption of alcoholic beverages on the premises by Grace Period on February 5, 2016, or any other licensee in the future, constitutes a violation of the “laws of the District” under § 25-823(1) and cannot be permitted. *Supra*, at ¶¶ 4-7.

II. The violations identified above demonstrate an immediate and irreparable harm to the public, because the use of the premises as a nightclub threatens the safety of the public.

17. The Board finds that the continued operation of this venue without the necessary licenses and permits causes irreparable harm to the public by allowing the establishment to maintain a continuing nuisance and threatens the safety and welfare of the public.

18. All violations of Title 25 are deemed nuisances pursuant to § 25-805. D.C. Official Code § 25-805; *see also Com. ex rel. Preate v. Danny's New Adam & Eve Bookstore*, 625 A.2d 119, 122 (1993) (It is well-settled that even a lawful business may be enjoined from operation if it is shown that, under the particular circumstance, its operation constitutes a public nuisance); *Camp v. Warrington*, 227 Ga. 674, 674, (1971) (“where it is made to appear with reasonable certainty that irreparable harm and damage will occur from the operation of an otherwise lawful business amounting to a continuing nuisance, equity will restrain the construction, maintenance or operation of such lawful business.”). In this case, permitting nightclub events and other alcohol focused events at the venue without the required licenses would allow the owner to maintain and benefit from the operation of a continuing nuisance.

19. Furthermore, the Board is convinced that the continued use of the warehouse as a nightclub threatens the health, safety, and welfare of the public. As noted in 19 DCMR § 1602.1,

A Public Hall License may be denied for any of the following reasons: (1) the ownership’s criminal convictions; (2) “[t]he activities . . . associated with the public hall have created or will create a nuisance or a threat to the public health, public safety, or the peace, order, or quiet of the surrounding community”; (3) “[t]he activities . . . associated with the public hall have had or will have a significant adverse effect on the residential parking needs and vehicular and pedestrian safety of the surrounding neighborhood”; (4) the premises fail to comply with the zoning, building, or fire code; or (5) the applicant has allowed or permitted illegal activity or otherwise failed to prevent violence.

In re Superclub Ibiza, LLC, t/a Ibiza, Case Nos. 14-251-00308, 15-251-0004, Board Order No. 2015-102, ¶ 23 (D.C.A.B.C.B. Mar. 18, 2015). Because the warehouse lacks a Public Hall License, it cannot be said that these factors have been considered. The Board is also concerned that the violations of the fire code identified by Fire Inspector threatens of the safety of any person attending an event at the warehouse. Therefore, allowing the owner and others to continue hosting nightclub events at this site constitutes an unacceptable risk to the public.

III. Under 23 DCMR § 2009, the Board summarily suspends the use of the premises as a catering site based on the threat to public safety.

20. The Board summarily suspends the use of the warehouse for nightclub and other alcohol-related events, because such activity presents and imminent and immediate danger to the public because the premises are unfit and unsafe for human occupation due to the lack of a certificate of occupancy, public hall license, and the fire code violations.

21. Under § 2009.1, “The Board . . . as a result of its own investigation, may order a . . . summary suspension or summary revocation hearing pursuant to the procedures set forth in D.C. Official Code § 25-826. 23 DCMR § 2009.1 (West Supp. 2016). Under the summary suspension provision found at § 25-826(a) and § 2009.1, “If the Board determines . . . that the operations of a licensee [or event site] present an imminent danger to the health and safety of the public, the Board may summarily revoke, suspend, fine, or restrict, without a hearing, the license to sell alcoholic beverages in the District.” D.C. Official Code § 25-826(a). Furthermore, under § 2009.3, “If the Board determines that disruptive activity or unlawful conduct has occurred at the event site, the Board may place restrictions upon the number, nature, or size of events permitted at a site.” 23 DCMR § 2009.3 (West Supp. 2016).

22. As noted above, the failure of the premises to comply with the certificate of occupancy, public hall license, and fire code means that the appropriate government agencies have not determined that the premises are safe for use as a nightclub. *Supra*, at ¶¶ 1, 16. Despite this lack of approval, the premises have been used multiple times in the past for unlawful nightclub events. *Supra*, at ¶ 3. Under these circumstances, the warehouse is unsafe and unfit for human occupancy or use as a nightclub; therefore, all alcohol-related events at this location must immediately cease.

ORDER

Therefore, the Board, on this 6th day of April 2016, hereby orders Houri Razooyan and Grace Period to **CEASE AND DESIST** selling, serving, or permitting the consumption of alcohol at 2417-2419 Evarts Street, N.E., pursuant to § 25-829 and 23 DCMR § 2009.

IT IS FURTHER ORDERED that Houri Razooyan shall **CEASE AND DESIST** allowing or permitting licensed caterers to host events at 2417-2419 Evarts Street, N.E., in accordance with § 25-826 and 23 DCMR § 2009.

IT IS FURTHER ORDERED, pursuant to D.C. Official Code § 25-115(c) and 23 DCMR § 1003.1, that ABRA shall no longer issue temporary licenses and one-day substantial change licenses for 2417-2419 Evarts Street, N.E.

IT IS FURTHER ORDERED, pursuant to D.C. Official Code § 25-801(e), that ABRA refer this matter to the Office of the Attorney General for the District of Columbia (OAG) for prosecution. The Board further requests that OAG seek the enforcement of this Order in the Superior Court of the District of Columbia under D.C. Official Code §§ 25-829(f) (cease and desist orders) and 25-805 (nuisance).³

³ The nuisance provision states,

(a) Any building, ground, or premises where an alcoholic beverage is manufactured, sold, kept for sale, or permitted to be consumed in violation of this title shall be a nuisance.

(b) An action to enjoin any nuisance defined in subsection (a) of this section may be brought in the name of the District of Columbia by the Corporation Counsel in the Civil Branch of the Superior Court of the

The parties are **ADVISED** that the sale, service or consumption of premises without an alcohol license constitutes a violation of D.C. Official Code § 25-102.

The parties are further **ADVISED** that the Board will lift this Order upon a showing that the use of the premises for alcohol-related purposes complies with the laws of the District of Columbia.

ABRA shall serve notice by certified mail or personal delivery to the parties.

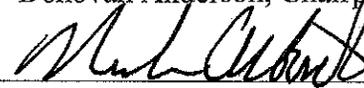
District of Columbia against any person conducting or maintaining such nuisance or knowingly permitting such nuisance to be conducted or maintained.

D.C. Official Code § 25-805.

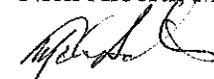
District of Columbia
Alcoholic Beverage Control Board



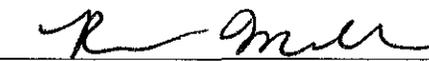
Donovan Anderson, Chairperson



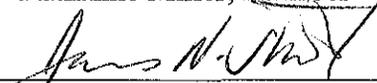
Nick Alberti, Member



Mike Silverstein, Member



Ruthanne Miller, Member



James Short, Member

You have the right to request a hearing before the Board conducted in accordance with subchapter I of Chapter 5 of Title 2. Pursuant to D.C. Official Code § 25-829(b)(1), you may submit a written request to the Board for a hearing within fifteen (15) days of service of this Order. Additionally, you also have the option of submitting a written request to the Board for an expedited hearing pursuant to D.C. Official Code § 25-829(c)(1) within ten (10) days of service of this Order. Please note that if you fail to request a hearing, this Order shall be deemed final. D.C. Official Code § 25-829(d).

In addition, the owner of the premises, in response to the summary suspension order imposed by the Board may also request an emergency hearing within 72 hours after service of this notice in accordance with D.C. Official Code § 25-826(c). A written request for a hearing should be addressed to the Board and sent to the Alcoholic Beverage Regulation Administration, Reeves Center, 2000 14th Street, NW, 400S, Washington, D.C. 20009.

The request for a hearing should indicate whether the party seeks a hearing under § 25-829 or an emergency hearing under § 25-826(c). The Board reserves the right to consolidate these actions into a single hearing, if necessary.

If you request a hearing, you may appear personally at the hearing, and you and the establishment, may be represented by legal counsel. You have the right to produce witnesses and evidence on your behalf and to cross-examine witnesses. You may examine evidence produced, and have subpoenas issued on your behalf to require the production of witnesses and evidence.

All hearings are conducted in the English language. If you, any corporate officer, or any witnesses to be called are deaf, have a hearing impediment, or cannot readily understand or

communicate the spoken English language, an application may be made to the Board for the appointment of a qualified interpreter.

Your failure to appear at the time and place set for the hearing, if requested, either in person or through counsel, or both, will not preclude the Board from proceeding in this matter. Should you have any questions, contact ABRA Adjudication Specialist Danette Walker at 202-442-4418.

Finally, if this order becomes final or you do not file a request for a hearing, please note the following: pursuant to 23 DCMR § 1719.1, 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, Reeves Center, 2000 14th Street, NW, 400S, Washington, D.C. 20009. In addition, pursuant to section 11 of the District of Columbia Administrative Procedure Act, Pub. L. 90-614, 82 Stat. 1209, District of Columbia 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, 500 Indiana Avenue, N.W., Washington, D.C. 20001. However, the timely filing of a Motion for Reconsideration pursuant to 23 DCMR § 1719.1 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).