

Capital Reporting Company
In the Matter of: Z Kitchens, LLC t/a Zola Wine and Kitchen 07-25-2012

1

DISTRICT OF COLUMBIA

ALCOHOLIC BEVERAGE CONTROL BOARD

MEETING

-----x
IN THE MATTER OF: :
 :
Z Kitchens, LLC :
t/a Zola Wine and Kitchen :
505 9th Street, NW :
Retailer CR : Show Cause
License No. 79757 : Hearing
ANC 2C :
Case No. 12-AUD-00020 :
Failed to File Quarterly :
Statements :
-----x

July 25, 2012

The Alcoholic Beverage Control

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

PRESENT

RUTHANNE MILLER, Chairperson

NICK ALBERTI, Member

DONALD BROOKS, Member

HERMAN JONES, Member

CALVIN NOPHLIN, Member

MIKE SILVERSTEIN, Member

ALSO PRESENT

CHRISSY GEPHARDT, OAG

Capital Reporting Company
In the Matter of: Z Kitchens, LLC t/a Zola Wine and Kitchen 07-25-2012

2

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

2 2:12 p.m.

3 CHAIRPERSON MILLER: Okay. Our first case on
4 the afternoon calendar is Case No. 12-AUD-00020, Zola
5 Wine and Kitchen, 505 9th Street, N.W., License No.
6 79757, in ANC 2C.

7 MS. GEPHARDT: All right. Chrissy Gephardt
8 on behalf of the government.

9 MR. KLINE: Good afternoon. Andrew Kline on
10 behalf of the Licensee.

11 CHAIRPERSON MILLER: Good afternoon. So this
12 is a failure to file quarterly statement show cause
13 hearing. Are there any preliminary matters?

14 MS. GEPHARDT: Yes, there are preliminary
15 matters. The parties have agreed on an offer in
16 compromise that we would like to present to the Board
17 to resolve the charge, which is the subject of this
18 notice. We are proposing a \$1000 fine to be payable
19 within 60 days.

20 CHAIRPERSON MILLER: Okay. Mr. Kline,
21 there's been an offer of \$1000 to be paid within 60
22 days. Is your client amenable to this?

Capital Reporting Company

In the Matter of: Z Kitchens, LLC t/a Zola Wine and Kitchen 07-25-2012

3

1 MR. KLINE: Yes. And for the record, I just
2 handed to Ms. Fashbaugh a letter authorizing me to act
3 on behalf of the Licensee with respect to this matter.
4 This was before the Board on a status and represented
5 them at that time and we would be proceeding in that
6 fashion.

7 CHAIRPERSON MILLER: Okay.

8 MR. KLINE: So you have that letter now. And
9 the Licensee would accept that offer in compromise. If
10 it's accepted, it would waive any right for appeal.
11 And I would add that this licensee is getting out of
12 the business so to the extent that that has any bearing
13 on the Board's consideration of this offer in
14 compromise. I wanted to make that representation.

15 CHAIRPERSON MILLER: And your client knows
16 that by accepting this offer in compromise, he waives
17 his right to -- right to a hearing?

18 MR. KLINE: Yes.

19 CHAIRPERSON MILLER: Good, okay. All right.
20 Then I would move that the Board accept this offer in
21 compromise of \$1000 to be paid within 60 days. Do I
22 have a second?

Capital Reporting Company
In the Matter of: Z Kitchens, LLC t/a Zola Wine and Kitchen 07-25-2012

4

1 BOARD MEMBER: Second.

2 CHAIRPERSON MILLER: Any comments or
3 questions?

4 (No audible response.)

5 CHAIRPERSON MILLER: Okay. The motion's been
6 seconded. All those in favor, say aye?

7 (Chorus of ayes.)

8 CHAIRPERSON MILLER: All those opposed?

9 BOARD MEMBER: Opposed.

10 CHAIRPERSON MILLER: All those abstaining?

11 (No audible response.)

12 CHAIRPERSON MILLER: Then a motion passes by
13 a vote of 5-1-0.

14 MR. KLINE: Great. Thank you.

15 CHAIRPERSON MILLER: Thank you.

16 MS. GEPHARDT: Okay. Thank you.

17 (WHEREUPON, at 2:15 p.m., the hearing was
18 concluded.)

19

20

21

22

1 CERTIFICATE OF NOTARY PUBLIC

2

3 I, BRADLEY ANGLIN, the officer before whom the
4 foregoing hearing was taken, do hereby certify that the
5 testimony appearing in the foregoing transcript was
6 recorded by me and thereafter reduced to typewriting
7 under my direction; that said transcription is a true
8 record of the testimony given by said parties; that I
9 am neither counsel for, related to, nor employed by any
10 of the parties to the action in which this was taken;
11 and, further, that I am not a relative or employee of
12 any counsel or attorney employed by the parties hereto,
13 nor financially or otherwise interested in the outcome
14 of this action.

15

16

17

18 _____

19 BRADLEY ANGLIN

20 Notary Public in and for

21 DISTRICT OF COLUMBIA

22

1 CERTIFICATE OF TRANSCRIPTION

2

3 I, MIRANDA PENNACHI, hereby certify that I am not
4 the Court Reporter who reported the following
5 proceeding and that I have typed the transcript of this
6 proceeding using the Court Reporter's notes and
7 recordings. The foregoing/attached transcript is a
8 true, correct and complete transcription of said
9 proceeding.

10

11

12

13

14

15 _____
Date

16

MIRANDA PENNACHI
Transcriptionist

17

18

19

20

21

22

Capital Reporting Company
 In the Matter of: Z Kitchens, LLC t/a Zola Wine and Kitchen 07-25-2012
 Page 1

<hr/> <p style="text-align: center;">\$</p> <hr/> <p>\$1000 2:18,21 3:21</p> <hr/> <p style="text-align: center;">1</p> <hr/> <p>12-AUD-00020 1:8 2:4</p> <p>14th 1:13</p> <hr/> <p style="text-align: center;">2</p> <hr/> <p>2:12 2:2</p> <p>2:15 4:17</p> <p>2000 1:13</p> <p>2012 1:11</p> <p>25 1:11</p> <p>2C 1:8 2:6</p> <hr/> <p style="text-align: center;">5</p> <hr/> <p>505 1:6 2:5</p> <p>5-1-0 4:13</p> <hr/> <p style="text-align: center;">6</p> <hr/> <p>60 2:19,21 3:21</p> <hr/> <p style="text-align: center;">7</p> <hr/> <p>79757 1:7 2:6</p> <hr/> <p style="text-align: center;">9</p> <hr/> <p>9th 1:6 2:5</p> <hr/> <p style="text-align: center;">A</p> <hr/> <p>abstaining 4:10</p> <p>accept 3:9,20</p> <p>accepted 3:10</p> <p>accepting 3:16</p> <p>act 3:2</p> <p>action 5:10,14</p> <p>add 3:11</p>	<p>afternoon 2:4,9,11</p> <p>agreed 2:15</p> <p>ALBERTI 1:16</p> <p>Alcoholic 1:2,12,13</p> <p>am 5:9,11 6:3</p> <p>amenable 2:22</p> <p>ANC 1:8 2:6</p> <p>Andrew 2:9</p> <p>ANGLIN 5:3,19</p> <p>appeal 3:10</p> <p>appearing 5:5</p> <p>attorney 5:12</p> <p>audible 4:4,11</p> <p>authorizing 3:2</p> <p>aye 4:6</p> <p>eyes 4:7</p> <hr/> <p style="text-align: center;">B</p> <hr/> <p>bearing 3:12</p> <p>behalf 2:8,10 3:3</p> <p>Beverage 1:2,12,13</p> <p>Board 1:2,13 2:16 3:4,20 4:1,9</p> <p>Board's 3:13</p> <p>BRADLEY 5:3,19</p> <p>BROOKS 1:17</p> <p>Building 1:13</p> <p>business 3:12</p> <hr/> <p style="text-align: center;">C</p> <hr/> <p>calendar 2:4</p> <p>CALVIN 1:18</p> <p>case 1:8 2:3,4</p>	<p>cause 1:7 2:12</p> <p>CERTIFICATE 5:1 6:1</p> <p>certify 5:4 6:3</p> <p>Chairperson 1:14,16 2:3,11,20 3:7,15,19 4:2,5,8,10,12,15</p> <p>charge 2:17</p> <p>Chorus 4:7</p> <p>Chrissy 1:19 2:7</p> <p>client 2:22 3:15</p> <p>COLUMBIA 1:1 5:21</p> <p>comments 4:2</p> <p>complete 6:8</p> <p>compromise 2:16 3:9,14,16,21</p> <p>concluded 4:18</p> <p>consideration 3:13</p> <p>Control 1:2,12,13</p> <p>correct 6:8</p> <p>counsel 5:9,12</p> <p>Court 6:4,6</p> <p>CR 1:7</p> <hr/> <p style="text-align: center;">D</p> <hr/> <p>D.C 1:14</p> <p>Date 6:15</p> <p>days 2:19,22 3:21</p> <p>direction 5:7</p> <p>DISTRICT 1:1 5:21</p> <p>DONALD 1:17</p>	<hr/> <p style="text-align: center;">E</p> <hr/> <p>employed 5:9,12</p> <p>employee 5:11</p> <p>extent 3:12</p> <hr/> <p style="text-align: center;">F</p> <hr/> <p>Failed 1:9</p> <p>failure 2:12</p> <p>Fashbaugh 3:2</p> <p>fashion 3:6</p> <p>favor 4:6</p> <p>file 1:9 2:12</p> <p>financially 5:13</p> <p>fine 2:18</p> <p>first 2:3</p> <p>foregoing 5:4,5</p> <p>foregoing/ attached 6:7</p> <hr/> <p style="text-align: center;">G</p> <hr/> <p>Gephardt 1:19 2:7,14 4:16</p> <p>getting 3:11</p> <p>given 5:8</p> <p>government 2:8</p> <p>Great 4:14</p> <hr/> <p style="text-align: center;">H</p> <hr/> <p>handed 3:2</p> <p>hearing 1:7,13 2:13 3:17 4:17 5:4</p> <p>hereby 5:4 6:3</p> <p>hereto 5:12</p> <p>HERMAN 1:17</p>
---	---	---	---

Capital Reporting Company
 In the Matter of: Z Kitchens, LLC t/a Zola Wine and Kitchen 07-25-2012
 Page 2

<p>_____</p> <p style="text-align: center;"><u>I</u></p> <p>interested 5:13</p> <p>it's 3:10</p> <p>_____</p> <p style="text-align: center;"><u>J</u></p> <p>JONES 1:17</p> <p>July 1:11</p> <p>_____</p> <p style="text-align: center;"><u>K</u></p> <p>Kitchen 1:6 2:5</p> <p>Kitchens 1:5</p> <p>Kline 2:9,20 3:1,8,18 4:14</p> <p>_____</p> <p style="text-align: center;"><u>L</u></p> <p>letter 3:2,8</p> <p>License 1:7 2:5</p> <p>licensee 2:10 3:3,9,11</p> <p>LLC 1:5</p> <p>_____</p> <p style="text-align: center;"><u>M</u></p> <p>matter 1:4 3:3</p> <p>matters 2:13,15</p> <p>MEETING 1:3</p> <p>Member 1:16,17,18 4:1,9</p> <p>met 1:13</p> <p>MIKE 1:18</p> <p>Miller 1:14,16 2:3,11,20 3:7,15,19 4:2,5,8,10,12,15</p> <p>MIRANDA 6:3,15</p> <p>motion 4:12</p> <p>motion's 4:5</p>	<p>move 3:20</p> <p>_____</p> <p style="text-align: center;"><u>N</u></p> <p>N.W 1:13 2:5</p> <p>neither 5:9</p> <p>NICK 1:16</p> <p>NOPHLIN 1:18</p> <p>nor 5:9,13</p> <p>Notary 5:1,20</p> <p>notes 6:6</p> <p>notice 2:18</p> <p>NW 1:6</p> <p>_____</p> <p style="text-align: center;"><u>O</u></p> <p>OAG 1:19</p> <p>offer 2:15,21 3:9,13,16,20</p> <p>officer 5:3</p> <p>opposed 4:8,9</p> <p>otherwise 5:13</p> <p>outcome 5:13</p> <p>_____</p> <p style="text-align: center;"><u>P</u></p> <p>p.m 2:2 4:17</p> <p>paid 2:21 3:21</p> <p>parties 2:15 5:8,10,12</p> <p>passes 4:12</p> <p>payable 2:18</p> <p>PENNACHI 6:3,15</p> <p>preliminary 2:13,14</p> <p>present 1:15,19 2:16</p> <p>presiding 1:14</p>	<p>proceeding 3:5 6:5,6,9</p> <p>proposing 2:18</p> <p>Public 5:1,20</p> <p>_____</p> <p style="text-align: center;"><u>Q</u></p> <p>quarterly 1:9 2:12</p> <p>questions 4:3</p> <p>_____</p> <p style="text-align: center;"><u>R</u></p> <p>record 3:1 5:8</p> <p>recorded 5:6</p> <p>recordings 6:7</p> <p>reduced 5:6</p> <p>Reeves 1:13</p> <p>related 5:9</p> <p>relative 5:11</p> <p>reported 6:4</p> <p>Reporter 6:4</p> <p>Reporter's 6:6</p> <p>representation 3:14</p> <p>represented 3:4</p> <p>resolve 2:17</p> <p>respect 3:3</p> <p>response 4:4,11</p> <p>Retailer 1:7</p> <p>Room 1:13</p> <p>Ruthanne 1:14,16</p> <p>_____</p> <p style="text-align: center;"><u>S</u></p> <p>second 3:22 4:1</p> <p>seconded 4:6</p> <p>SILVERSTEIN 1:18</p>	<p>statement 2:12</p> <p>Statements 1:9</p> <p>status 3:4</p> <p>Street 1:6,13 2:5</p> <p>subject 2:17</p> <p>_____</p> <p style="text-align: center;"><u>T</u></p> <p>t/a 1:6</p> <p>testimony 5:5,8</p> <p>Thank 4:14,15,16</p> <p>thereafter 5:6</p> <p>there's 2:21</p> <p>transcript 5:5 6:5,7</p> <p>transcription 5:7 6:1,8</p> <p>Transcriptionist 6:16</p> <p>true 5:7 6:8</p> <p>typed 6:5</p> <p>typewriting 5:6</p> <p>_____</p> <p style="text-align: center;"><u>V</u></p> <p>vote 4:13</p> <p>_____</p> <p style="text-align: center;"><u>W</u></p> <p>waive 3:10</p> <p>waives 3:16</p> <p>Washington 1:14</p> <p>WHEREUPON 4:17</p> <p>whom 5:3</p> <p>Wine 1:6 2:5</p> <p>_____</p> <p style="text-align: center;"><u>Z</u></p> <p>Zola 1:6 2:4</p>
---	--	--	---