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GOVERNMENT OF THE DISTRICT OF COLUMBIA
ALCOHOLIC BEVERAGE REGULATION ADMINISTRATION
ALCOHOLIC BEVERAGE CONTROL BOARD

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IN THE MATTER OF: :
RED LINE DC, LLC, t/a RED LINE : Show Cause Hearing
1833 14th Street, NW : Case # 14-CMP-00209
License # 85225 :
Retailer Class CR :
ANC-2C :

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Wednesday, January 13, 2016

Whereupon, the above-referenced matter came on for
hearing at the Alcoholic Beverage Control Board, Reeves
Center, 2000 14th Street, NW, Suite 400S, Washington, D.C.
20009.

1 CHAIRPERSON:

2 DONOVAN ANDERSON, Presiding

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4 BOARD MEMBERS:

5 RUTHANNE MILLER

6 NICK ALBERTI

7 MICHAEL SILVERSTEIN

8 JAMES SHORT

9

10 ALSO PRESENT:

11 LOUISE PHILLIPS, Assistant Attorney General

12 On behalf of the District of Columbia

13 VIJAY PAUL, ESQ.

14 On behalf of Red Line

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

2 CHAIRMAN ANDERSON: All right. All right. We
3 now move back to our -- we now move back to our show cause
4 hearing status. The case on our agenda is case number
5 14-CMP-00209, Red Line. Would the parties please approach?

6 MS. PHILLIPS: Good morning, board members.
7 Louise Phillips --

8 MR. PAUL: Good morning.

9 MS. PHILLIPS: -- Assistant Attorney General for
10 the District.

11 Sorry.

12 MR. PAUL: Good morning, board members. My name
13 is Vijay Paul. I'm the attorney for Red Line.

14 CHAIRMAN ANDERSON: And are there any preliminary
15 matters?

16 MS. PHILLIPS: Yes, there are, Mr. Chair. The
17 parties have discussed and agreed upon an offer in
18 compromise to be presented to the board. The fine is \$650,
19 provided the quarterly statement has been filed. I have had
20 no confirmation that it has been filed. So that should be
21 part of the offer in compromise stated on the form. If the
22 fine is not paid within 30 days, then the license will be

1 suspended until the fine is paid.

2 CHAIRMAN ANDERSON: What about if the statement
3 has not been filed? Is there any provision regarding that
4 matter?

5 MS. PHILLIPS: There does not appear to be a set
6 provision in the file.

7 Did you file it?

8 MR. PAUL: All the returns are filed.

9 MS. PHILLIPS: Okay.

10 MR. PAUL: And this was -- the return in
11 question, this was the copy of that return.

12 MS. PHILLIPS: Okay. I think we should hand this
13 up to the board.

14 I'm not familiar with how to read it, but he's
15 saying that it has been filed and that's his proof. So the
16 board can look at it and see if that is the proof that the
17 board requires. We also have the person responsible for
18 clocking the filing of quarterly statements in the systems
19 right here, and she nodded to me that it was filed.

20 CHAIRMAN ANDERSON: Okay.

21 MS. PHILLIPS: That's Ms. Clark.

22 CHAIRMAN ANDERSON: Okay. All right. All right.

1 So the offer in compromise is a \$650 fine, and that the
2 matter will be paid -- the fine will be paid within 30 days,
3 and if it's not paid within 30 days, the license will be
4 suspended. Do you understand -- is this a term -- is this
5 your understanding of the agreement, sir?

6 MR. PAUL: I do understand, sir.

7 CHAIRMAN ANDERSON: And do you understand -- you
8 understand that by agreeing to this offer in compromise
9 you're waiving your right to a hearing?

10 MR. PAUL: I do, sir.

11 CHAIRMAN ANDERSON: And you also agree that
12 you're waiving your right to appeal this matter?

13 MR. PAUL: I do, sir.

14 CHAIRMAN ANDERSON: All right. Thanks. Are
15 there any board members who have questions regarding this
16 matter?

17 MR. ALBERTI: Yes.

18 CHAIRMAN ANDERSON: Go ahead, Mr. Alberti.

19 MR. ALBERTI: Ms. Phillips?

20 MS. PHILLIPS: Yes.

21 MR. ALBERTI: My count is that this is the third
22 secondary within three years. Do you agree?

1 MS. PHILLIPS: I don't know. Let me check.

2 MR. ALBERTI: I don't know that you have the
3 investigator's history there.

4 MS. PHILLIPS: I do but I -- it -- it's not my
5 case, so it might not be totally up-to-date.

6 MR. ALBERTI: I discussed this with our attorney
7 and she agrees with the count that I have.

8 MS. PHILLIPS: I can't say yay or nay, because I
9 can't count them quite as quickly as you do.

10 MR. ALBERTI: Ms. Jenkins is going to help you
11 out.

12 MS. PHILLIPS: Okay. That's -- that's my answer.
13 I mean, I can sit here and figure it, but if the board's
14 calculated and Ms. Jenkins has calculated, all I can do is
15 say, if that's what the history says, the document speaks
16 for itself.

17 MR. ALBERTI: Okay.

18 CHAIRMAN ANDERSON: All right. The board is
19 going to seek -- we're going to take a break, but -- so let
20 me read the statement first. As Chairperson of the
21 Alcoholic Beverage Control Board for the District of
22 Columbia, and in accordance with Section 45 of the Open

1 Meetings Amendment Act of 2010, I move that the board -- ABC
2 Board hold a closed meeting for the purpose of seeking legal
3 advice from our counsel on case -- on case number
4 14-CMP-00209, El Rincon per Section 45 -- I'm sorry -- the
5 Red Line per Section 45(b)(4) of the Open Meetings Amendment
6 Act of 2010. I will -- is there a second?

7 MR. SHORT: Second.

8 CHAIRMAN ANDERSON: Mr. Short has taken -- has
9 seconded the motion. I'll now take a rollcall vote.

10 Ms. Miller?

11 MS. MILLER: Agree.

12 CHAIRMAN ANDERSON: Mr. Alberti?

13 MR. ALBERTI: I agree.

14 CHAIRMAN ANDERSON: Mr. Short?

15 MR. SHORT: I agree.

16 CHAIRMAN ANDERSON: Mr. Silverstein?

17 MR. SILVERSTEIN: I agree.

18 CHAIRMAN ANDERSON: As it appears that the motion
19 is passed, I hereby give notice that ABC Board will hold a
20 closed meeting in the ABC conference room pursuant to the
21 Open Meetings Amendment Act of 2010. And so we'll -- we'll
22 appear shortly, probably about 10, 15 minutes. Okay?

1 MS. PHILLIPS: Thank you.

2 CHAIRMAN ANDERSON: All right. That will give
3 you an opportunity to talk. All right.

4 (Thereupon, a recess was taken.)

5 CHAIRMAN ANDERSON: Okay. We're back in session
6 regarding case -- it's case -- show cause hearing status,
7 case number 14-CMP-00209. I'll recall the case. And the
8 parties are here. And so I'll ask the question again. Are
9 there any preliminary matters?

10 MS. PHILLIPS: Based on the discussions prior to
11 the board going into recess, I've looked at the
12 investigative history and discussed it with the
13 representative for the establishment, showed him the CMR
14 section that discusses this issue and we would like to
15 revise the offer and compromise to \$750 to be paid within 30
16 days.

17 CHAIRMAN ANDERSON: All right. The offer of
18 compromise is for the \$750 fine to be paid within 30 day --
19 30 days, and it's my -- and if the fine is not paid within
20 30 days, you'll -- the license will be suspended. Is that
21 correct?

22 MS. PHILLIPS: That's what you -- that's what the

1 government stated. I'm sorry. I thought you were talking
2 to the establishment.

3 CHAIRMAN ANDERSON: And is this your
4 understanding of the offer in compromise, sir?

5 MR. PAUL: It is, sir.

6 CHAIRMAN ANDERSON: And are you aware that by
7 accepting this offer in compromise, you're waiving your
8 right to a hearing?

9 MR. PAUL: I do, sir.

10 CHAIRMAN ANDERSON: You're also waiving your --
11 your right to appeal this matter?

12 MR. PAUL: I do, sir.

13 CHAIRMAN ANDERSON: Okay. Thanks. Thank you.

14 Are there any board members who have any comments
15 regarding this offer in compromise?

16 (No response heard.)

17 CHAIRMAN ANDERSON: Hearing none, then I move
18 that this offer in compromise be -- be accepted. So I make
19 a -- is there a second?

20 MR. SHORT: Second.

21 CHAIRMAN ANDERSON: Mr. Short has seconded the
22 motion. Those in favor say aye.

1 GROUP: Aye.

2 CHAIRMAN ANDERSON: All right. The matter
3 passes. The offer has been accepted by the board five to --
4 five to zero vote. Ms. Walker will give you some documents
5 to sign shortly. Thank you very much.

6 MR. PAUL: Thank you very much. Thank you,
7 board.

8 (Whereupon, the above-entitled matter concluded.)

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