

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

In the Matter of:

Kanu, Inc.

t/a 1 West Dupont Circle Wine & Liquors

Application for Renewal of the

Single Sales Exception to a

Retailer's Class A License

at premises

2012 P Street, N.W.

Washington, D.C. 20036

License No. ABRA-074429

Order No. 2012-031

Kanu, Inc., t/a 1 West Dupont Circle Wine & Liquors (Applicant)

Will Stephens, Chairperson, Advisory Neighborhood Commission (ANC) 2B

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

**ORDER ON APPLICATION FOR RENEWAL
OF THE SINGLE SALE EXCEPTION AND
AMENDMENT TO VOLUNTARY AGREEMENT**

The official records of the Alcoholic Beverage Control Board (Board) reflect that Kanu, Inc., t/a 1 West Dupont Circle Wine & Liquors, located at 2012 P Street, N.W. Washington, D.C., Applicant for a Renewal of the Exception to Single Sales Restriction, and ANC 2B entered into a Voluntary Agreement (Agreement), dated June 5, 2009, that governs the operation of the Licensee's establishment. This matter comes now before the Board to consider the Parties' Amendment to Voluntary Agreement (Amendment), dated December 14, 2011, setting forth the terms and conditions that govern the operation of the Applicant's establishment and incorporating an agreement to waive the single sales restriction.

The Applicant has a pending secondary tier violation. However, ANC 2B supports this request, as demonstrated in the Amendment among the Parties to waive the single sales restriction, for this establishment, subject to the terms and conditions therein.

Kanu, Inc.
t/a 1 West Dupont Circle Wine & Liquors
License No. ABRA-074429
Page 2

For these reasons, the Board finds no significant adverse impacts and grants the Application.

The Amendment has been reduced to writing and has been properly executed and filed with the Board. The Applicant and Chairperson Will Stephens, on behalf of ANC 2B, are signatories to the Amendment.

Pursuant to the Amendment to Voluntary Agreement, dated December 14, 2011, all terms and conditions of the Voluntary Agreement, dated June 5, 2009, not amended by the Amendment shall remain in full force and effect.

Accordingly, it is this 18th day of January 2012, **ORDERED** that:

1. The Application filed by Kanu, Inc., t/a 1 West Dupont Circle Wine & Liquors, for Renewal of the Exception to the Single Sales Restriction at the location of 2012 P Street, N.W., Washington, D.C., is **GRANTED**;
2. The Board's approval of this Application is perpetual and not limited to one year;
3. The above-referenced Amendment to Voluntary Agreement submitted by the Parties to govern the operations of the Applicant's establishment is **APPROVED** and **INCORPORATED** as part of this Order, except for the following modification:

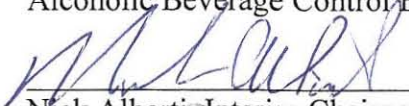
Section 2 (Single-Sales Exemption) – The following sentence in Section 2 shall be removed: "However, ANC 2B reserves the right to revoke this exemption should the Licensee be cited for violations by the Alcoholic Beverage Regulation Administration, the ABC Board or the Metropolitan Police Department."

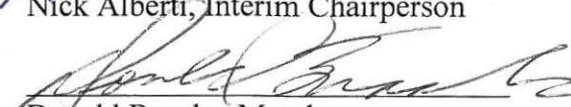
The parties have agreed to this modification.

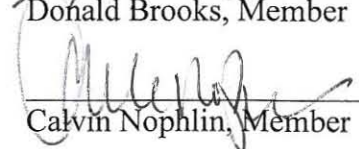
4. Copies of this Order shall be sent to the Applicant and ANC 2B.

Kanu, Inc.
t/a 1 West Dupont Circle Wine & Liquors
License No. ABRA-074429
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District of Columbia
Alcoholic Beverage Control Board




Nick Alberti, Interim Chairperson

Donald Brooks, Member

Calvin Nophlin, Member

I recuse myself from this matter.



Mike Silverstein, Member

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

VOLUNTARY AGREEMENT

THIS VOLUNTARY AGREEMENT, made on this 14th day of December, 2011 by and between Kanu Inc. dba 1 West Dupont Circle Wines and Liquors located at 2012 P Street, NW, ("Licensee"), and Advisory Neighborhood Commission 2B ("ANC 2B")

RECITALS

WHEREAS, Licensee is the holder of a Class A license (License Number 74429) issued by the Alcoholic Beverage Control ("ABC") Board for premises located at 2012 P Street N.W., Washington, D.C.; and

WHEREAS, Licensee has applied to the Board for approval to extend hours of operation Monday through Sunday until maximum hours allowed under District law; and

WHEREAS, Licensee has previously been granted an exemption from the single-sales ban enacted in Ward 2 by ANC2B;

WHEREAS, ANC 2B has previously entered into a Voluntary Agreement with the Licensee on February 4, 2009 and June 5, 2009;

NOW, THEREFORE, in considerations of the Recitals set forth above, and the mutual covenants in agreements hereinafter set forth, the parties agree as follows:

1. **Hours of Operation and Sales.** ANC2B agrees to amend section 2 of the June 5, 2009 ("Hours of Operation and Sales") to allow the Licensee to operate during the hours legally set forth by the ABC Board and the Government of the District of Columbia.
2. **Single-Sales Exemption.** ANC2B hereby grants the Licensee an exemption to the single-sales ban enacted by the Council of the District of Columbia. The Licensee shall not have to reapply for this exemption annually. However, ANC2B reserves the right to revoke this exemption should the Licensee be cited for violations by the Alcoholic Beverage Regulation Administration, the ABC Board or the Metropolitan Police Department.
3. **Agreements Otherwise Unamended.** Except as otherwise provided herein, the terms and conditions of the previously executed Voluntary Agreement are expressly reaffirmed and remain in full force and effect. The Licensee reaffirms its continuing efforts to pursue a partnership with neighboring businesses to help alleviate the trash and rodent issues in the alley behind the 2000 block of P Street, curb public drunkenness and public urination.

APPLICANT:

ADVISORY
NEIGHBORHOOD COMMISSION
2B:

Kanu, Inc.
Dba 1 West Dupont Circle Wines and Liquors

Prav Saraff, Manager

Will Stephens, Chairman



**GOVERNMENT OF THE DISTRICT OF COLUMBIA
Dupont Circle Advisory Neighborhood Commission 2B**

December 19, 2011

Acting Chairman Nick Alberti
Alcoholic Beverage Control Board
Reeves Center
2000 14th Street NW
Washington, DC 20009

Re: Request for 2 items for One West Dupont Circle, 2012 P St NW: (1) Proposal to amend VA hours to reflect new legislation allowing liquor stores to stay open until 12am, and (2) Application for exception to single-sales restrictions. (2B02)

Dear Mr. Alberti:

At its regular meeting on December 14, 2011, the Dupont Circle Advisory Neighborhood Commission ("ANC 2B" or "Commission") considered requests by One West Dupont Circle. The applicant asked for support for their request for an exception to the singles sales restriction and also additional hours of operation up to the new statutory limit of 12:00 a.m. With nine of the nine Commissioners present, a quorum at a duly-noticed public meeting, the Commission approved the following motion by a vote of 8-0.

ANC 2B supports One West Dupont Circle's request to stay open until 12:00 a.m. ANC 2B also supports the application for exception to single-sales restrictions.

Commissioner Mike Silverstein did not participate due to his position on the ABC Board. Kevin O'Connor (kevin.oconnor@dupontcircleanc.net), Mike Feldstein (mike.feldstein@dupontcircleanc.net), and I (will.stephens@dupontcircleanc.net) are the Commission's representatives in this matter.

We have already signed an amended Voluntary Agreement (VA) with One West Dupont, incorporating the singles sales exception and the additional hours, which was submitted to ABRA for Board approval last week. We hope the Board will approve the VA as submitted.

ON BEHALF OF THE COMMISSION.

Sincerely,

Will Stephens, Chair

Cc: thea.davis@dc.gov
martha.jenkins@dc.gov
cynthia.simms@dc.gov
fred.moosally@dc.gov

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

In the Matter of:)	
)	
Kanu, Inc.,)	License Number: 74429
t/a 1 West Dupont Circle)	ORDER NUMBER: 2009-194
Wines and Liquors)	
)	
Holder of a Retailer's)	
Class A License)	
at premises)	
2012 P Street, N.W.)	
Washington, D.C. 20036)	

Kanu, Inc., t/a 1 West Dupont Circle Wines and Liquors, Licensee

Mike Silverstein, Chair, Advisory Neighborhood Commission 2B (ANC 2B)

BEFORE: Peter B. Feather, Chairperson
Mital M. Gandhi, Member
Nick Alberti, Member
Charles Brodsky, Member
Donald Brooks, Member
Herman Jones, Member

ORDER ON AMENDMENT TO VOLUNTARY AGREEMENT

The official records of the Alcoholic Control Board (Board) reflect that Kanu, Inc. t/a 1 West Dupont Circle Wines and Liquors, Holder of a Retailer's Class A License located at 2012 P Street, N.W., Washington D.C., and Mike Silverstien, Chair, ANC 2B (the Parties), have entered into an Amendment to Voluntary Agreement (Agreement) dated June 5, 2009, setting forth the terms and conditions that govern the operation of the Applicant's establishment. This Agreement amends the original Voluntary Agreement (August 23, 2006) among the Parties regarding the hours of sale and operation.


The Agreement has been reduced to writing and has been properly executed and filed with the Board. The Applicant and Chairperson Silverstein are signatories to the Agreement.

Kanu, Inc.
t/a 1 West Dupont Circle Wines and Liquors
License No: 74429
Page 2

Accordingly, it is this 29th day of July 2009, **ORDERED** that:

1. This above-referenced Amendment to the Voluntary Agreement submitted by the Parties to govern the operations of the Applicant's establishment is **APPROVED** and **INCORPORATED** as part of this Order; and
2. Copies of this Order shall be sent to the Applicant and to ANC 2B.

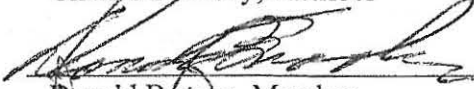
District of Columbia
Alcoholic Beverage Control Board


Peter B. Feather, Chairperson

Mital M. Gandhi, Member


Nick Alberti, Member

Charles Brodsky, Member


Donald Brooks, Member



Herman Jones, Member

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

AMENDMENT TO VOLUNTARY AGREEMENT

THIS AMENDMENT TO VOLUNTARY AGREEMENT is made on this 5th day of June, 2009 by and between Kanu, Inc t/a 1 West Dupont Circle Wines and Liquors, License # 74429 (Licensee), and Advisory Neighborhood Commission 2B (ANC 2B), (collectively, the Parties).

RECITALS

WHEREAS, Applicant and ANC 2B entered into a Voluntary Agreement dated August 23, 2006, concerning the Licensee's Retailer's Class A alcoholic beverage license for an establishment located at 2012 P Street NW, Washington, D.C. and

WHEREAS, in the Original Voluntary Agreement, ANC 2B requested and Licensee agreed to specific controls regarding the Hours of Operation and Sales of Alcoholic Beverages on a trial basis; and

WHEREAS, the Parties have agreed to enter into this Amendment to Voluntary Agreement to permit the Licensee to extend its Hours of Operation and Sales of Alcoholic Beverages to conform to other such establishments in the neighborhood

WHEREAS, the Parties request that the Alcoholic Beverage Control Board approve this Amendment to Voluntary Agreement conditioned upon the Licensee's compliance with the terms of this written Amendment and the previously executed Voluntary Agreement, and

NOW, THEREFORE, in consideration of the recitals set forth above, it is mutually understood and agreed by and between the undersigned Parties to amend the previously executed Voluntary Agreement as follows:

1. ***Recitals Incorporated.*** The recitals set forth above are incorporated herein by reference.

2. ***Hours of Operation and Sales.***

The Licensee's Hours of Operation shall be as follows:

Monday thru Saturday: 10:00 A.M. – 10:00 P.M.

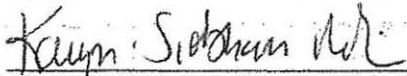
3. ***Compliance with ABRA Regulations.*** Licensee promises that it shall abide by all Alcoholic Beverage Regulations Administration (ABRA) regulations and all other provisions applicable to liquor licensees.

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DISTRICT OF COLUMBIA
ALCOHOLIC BEVERAGE
REGULATIONS ADMINISTRATION

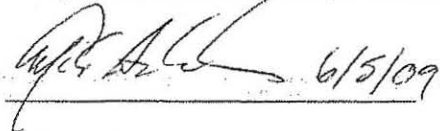
- 4.. **Agreement Otherwise Unamended.** Except as otherwise provided herein, the terms and conditions of the previously executed Voluntary Agreement are expressly reaffirmed and remain in full force and effect. The licensee reaffirms its continuing efforts to pursue a partnership with neighboring businesses to join in acquiring a trash compactor to help alleviate the trash and rodent issues in the alley behind the 2000 block of P Street NW.

IN WITNESS THEREOF, the parties have affixed hereunto their signatures;

ANC

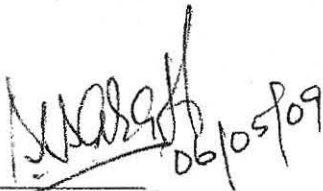


Karyn-Siobhan Robinson, Former Protestant and original signatory

 6/5/09

Mike Silverstein, ANC 2B Chair

Licensee

 06/05/09

Sajan Saraff, President, Kanu Inc

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DISTRICT OF COLUMBIA
ALCOHOLIC BEVERAGE
ADMINISTRATION

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

In the Matter of:)
)
)

Kanu, Inc.)

t/a 1 Stop Wine & Liquor)

Transfer Application of a Retailer's)

License Class "A" to premises)

2012 P Street, N.W.)

Washington, D.C.)
)
)

Applicant)
_____)

Case No.: 61067-06/028P

Order No.: 2007-018

License No.: 74429

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

ALSO PRESENT: Fred P. Moosally, III, Esquire, General Counsel
Alcoholic Beverage Regulation Administration

Dimitri P. Mallios, Esquire, on behalf of the Applicant

Lyle M. Blanchard, Esquire, on behalf of Sheryl K. Birsky and a
group of five (5) or more residents, Protestants

**FINDINGS OF FACT, CONCLUSIONS OF LAW,
AND ORDER**

The application, filed by Kanu, Inc. ("Applicant"), t/a 1 Stop Wine & Liquor, to transfer its Retailer's Class "A" License from 2000 P Street, N.W., to a new location at premises 2012 P Street, N.W., Washington, D.C., initially came before the Alcoholic Beverage Control Board ("Board") for a roll call hearing on January 11, 2006. It was determined that timely protests were filed pursuant to D.C. Official Code § 25-601 (2001) by Advisory Neighborhood Commission ("ANC") 2B, and Sheryl K. Birsky, as both an abutting property owner and on behalf of a group of five (5) or more residents (collectively, "Protestants"). The filed protest issues, pursuant to D.C. Official Code § 25-602(a) (2001), are whether the transfer of the license to the proposed location would adversely affect the peace, order, and quiet of the neighborhood.

The case came before the Board for a public protest hearing on September 6, 2006. At the conclusion of the September 6, 2006 protest hearing, the Board took its decision in this matter under advisement. The Board having considered the evidence, the testimony of the witnesses, the arguments of counsel, and the documents comprising the Board's official file, makes the following:

FINDINGS OF FACT

1. The Applicant is seeking to transfer out of safekeeping a Class "A" retailer's license from 2000 P Street, N.W., to a new location at 2012 P Street, N.W. (Alcoholic Beverage Regulation Administration ("ABRA") License File Nos. 70788 and 74429.) The Applicant's proposed location is commercially zoned "C-2-B", which permits medium/high density development, including office, retail, housing, and mixed uses. (Board Exhibit No. 1 at 2.) The Applicant's transfer application indicates that there are no other Class "A" retailer's licenses within 400 feet of the Applicant's proposed location. (ABRA License File No. 74429.) The Applicant's transfer application was protested based upon concerns regarding its adverse impact on peace, order and quiet. (Tr. 9/6/06 at 41.)
2. ANC 2B was not a Protestant at the September 6, 2006 protest hearing because a voluntary agreement was reached between the Applicant and ANC 2B that was submitted to the Board by cover letter dated August 23, 2006. (Tr. 9/6/06 at 6; Protest File No. 61067-06/028P; Board Exhibit No. 2.) ANC 2B withdrew its protest of the license application contingent upon the Board's approval of the submitted voluntary agreement. (Protest File No. 61067-06/028P.) The Applicant's voluntary agreement requires the trade name of the establishment to be changed from "1 Stop Wine & Liquor" to "S.S. 1 West Dupont Circle Wine & Liquor." (Board Exhibit No. 2.) The voluntary agreement also places numerous restrictions on the types and quantities of alcoholic beverages and other items to be sold in an effort to limit panhandling, loitering, and public drinking in the surrounding area of the establishment. (Protest File No. 61067-06/028P.) Such restrictions include prohibiting the Applicant from selling malt liquor as well as various types and sizes of single beers and liquor. (Case No. 61067-06/028P.)
3. The Protestants filed a Motion to Dismiss that was received by the Board on August 30, 2006. (Tr. 9/6/06 at 4, 6-7.) In its Motion to Dismiss, the Protestants raised the issue of whether the Applicant's corporation was in good standing with the District of Columbia. (Tr. 9/6/06 at 6.) The Applicant subsequently produced a certificate of good standing from the Department of Consumer and Regulatory Affairs and the Protestants informed the Board that they were satisfied that this issue had been addressed. (Tr. 9/6/06 at 7.) The Protestants also filed a Supplemental Motion in support of their Motion to Dismiss that was received by the Board on September 5, 2006. (Tr. 9/6/06 at 7.) The Supplemental Motion argued that the West Dupont Circle Moratorium Zone prohibited the Applicant's transfer application as it only permits two Class "A" retailer's licenses to be located in this moratorium area. (Tr. 9/6/06 at 7.) The Board agreed with the Protestants that only two Class "A" retailer's licenses are permitted in the West Dupont Circle Moratorium Zone; however, it found that the Applicant's license -- previously

located at 2000 P Street, N.W. -- along with State Liquors at 2159 P Street, N.W., were the two Class "A" retailer's licenses located within and permitted in this moratorium area. (Tr. 9/6/06 at 8, 16-17, 27-30.)

4. Sajan Saraff is the sole owner and officer of Kanu, Inc. (Tr. 9/6/06 at 46, 80-81.) He has previously owned and operated other liquor stores over the past thirteen years, including Ben Mal, Imperial Liquors, and Barmy Wine and Liquors, but does not currently have an ownership interest in another ABC license. (Tr. 9/6/06 at 35-36, 46, 48-49, 79; ABRA License Application No. 74429.) The first establishment Mr. Saraff worked at was State Liquors at 2159 P Street, N.W., where he worked for more than two years. (Tr. 9/6/06 at 47, 59.) He first bought a liquor store around 1996 with his wife which was Barmy Wine and Liquors located at 1912 L Street, N.W., but later sold his interest in this store to Pushpa Saraff, his wife, who still owns this establishment. (Tr. 9/6/06 at 48, 62-63, 79-80; ABRA License Application No. 74429.) Mr. Saraff's son also owned a Class "A" retailer's license, Van Ness Liquors, but sold his ownership interest in that establishment. (Tr. 9/6/06 at 49, 63-65, 80.) Mr. Saraff purchased the building where the establishment is seeking to be located with his wife. (Tr. 9/6/06 at 50, 59.) Mr. Saraff clarified that while both he and his wife own the building under the separate ownership entity, 2012 P Street, Inc., which will collect rent from Kanu, Inc., his wife does not have an ownership interest in his Class "A" retailer's license. (Tr. 9/6/06 at 60-61, 64, 80-81, 83.) The Applicant's establishment will have a separate inventory from his wife's store. (Tr. 9/6/06 at 64, 84.)

5. Mr. Saraff plans to operate an upscale neighborhood liquor store that sells some food items, including nice gourmet cheeses, crackers, and olives. (Tr. 9/6/06 at 50, 70-73.) He is seeking a tasting permit and intends to offer wine tastings. (Tr. 9/6/06 at 53.) The establishment will operate on the basement and first floor of the building. (Tr. 9/6/06 at 68-69.)

6. Mr. Saraff noted that under his agreement with ANC 2B his hours of operation would be Monday through Thursday, 10 a.m. to 9 p.m. and Friday and Saturday from 10 a.m. to 10 p.m. (Tr. 9/6/06 at 51-52, 58.) He has agreed not to sell drug paraphernalia, malt liquor, as well as various types and sizes of single beers and miniatures. (Tr. 9/6/06 at 51, 57-58.) Mr. Saraff also agreed under his voluntary agreement with ANC 2B to not provide check cashing services. (Tr. 9/6/06 at 52.) The establishment will have lottery sales but will not advertise the availability of lottery items under its voluntary agreement. (Tr. 9/6/06 at 65, 67; Board Exhibit No. 2.)

7. Mr. Saraff testified that he does not sell to intoxicated persons, that his employees will receive alcohol awareness training, and that he will call MPD if any problems occur outside of the store. (Tr. 9/6/06 at 53, 57.) He noted that a Burger King used to be at the establishment's location and operated from about 6 a.m. to midnight. (Tr. 9/6/06 at 55.) Mr. Saraff has not had any violations of any ABC laws in the previous establishments he has owned. (Tr. 9/6/06 at 82.)

8. With regard to parking, Mr. Saraff noted that his block has heavy pedestrian traffic and that there is meter parking available on nearby streets. (Tr. 9/6/06 at 55, 77-78.) To address the parking issue, he agreed in his voluntary agreement to not accept any deliveries in front of his store during rush hour, which is defined as prior to 9:30 a.m. or after 5 p.m. (Tr. 9/6/06 at 55-56; Board Exhibit No. 2.) Mr. Saraff stated that his establishment will rely heavily on pedestrian traffic and not adversely affect parking because he is operating a neighborhood store and does not have a parking lot that would attract persons from Virginia and Maryland. (Tr. 9/6/06 at 56-57, 67, 75.)

9. Nehdi Naghdi lives in Maryland but works and is part owner of the Oasis Grocery Store ("Oasis") located at 2024 P Street, N.W., about four or five doors down from the Applicant's proposed location. (Tr. 9/6/06 at 90-91, 106-107, 110.) He has worked at Oasis, which sells beer and wine between the hours of 9 a.m. and 10 p.m. seven days a week, for close to 19 years. (Tr. 9/6/06 at 100, 106-109, 112, 118.) He identified a petition that was made available for signature at Oasis objecting to the Applicant's establishment. (Tr. 9/6/06 at 91, 95-100.) Mr. Naghdi was present at work when some of the individuals signed the petition. (Tr. 9/6/06 at 96; Protestants' Exhibit No. 1.) Mr. Naghdi was unaware who prepared the petition or how it got in his establishment and did not sign it. (Tr. 9/6/06 at 110-111.) However, he was in agreement with the Petition's statement that the Applicant's proposed establishment would interfere with his business and the peace, order, and quiet of the neighborhood. (Tr. 9/6/06 at 121.)

10. Mr. Naghdi recalled the Galaxy Liquors store on the corner of the 2000 block of P Street, N.W., that closed three or four years ago. (Tr. 9/6/06 at 100-101, 116-117.) He indicated that this establishment posed a lot of problems for Oasis with regard to panhandlers and drunks that sometimes required them to call MPD. (Tr. 9/6/06 at 103-104.) Mr. Naghdi stated that when the Galaxy Liquors store closed it made a huge difference with many of these individuals leaving the area. (Tr. 9/6/06 at 104.) He indicated that he is concerned that the panhandlers would return with the opening of the Applicant's establishment. (Tr. 9/6/06 at 104-105.)

11. Eliezer Halbfinger has resided at 1413 21st Street N.W., for the past six years and lived in the neighborhood for the past thirteen years. (Tr. 9/6/06 at 126-127.) She is one of the Protestants and believed that the Applicant's establishment would have a negative impact on peace, order, and quiet of the neighborhood. (Tr. 9/6/06 at 126-127.) Specifically, Ms. Halbfinger stated that when the Galaxy Liquors store was located on the 2000 block of P Street, N.W., there were a number of incidents where vagrants and habitual alcoholics would be found drinking alcoholic beverages in the alleyway behind her house. (Tr. 9/6/06 at 127, 132-133.) She still sees vagrants in the neighborhood but indicated that she has had a lesser number of people drinking alcohol in the alleyway the past three years since Galaxy Liquors has been closed. (Tr. 9/6/06 at 127-129, 142.) Ms. Halbfinger is concerned that the presence of a liquor store would bring this type of activity back. (Tr. 9/6/06 at 128.)

12. James Graham lives in Maryland but works at and is one of the co-owners of DJ Hut, which is located at 2010 P Street, N.W., next door to the Applicant's proposed

establishment. (Tr. 9/6/06 at 146, 150.) DJ Hut has been at its current location for about four years but Mr. Graham indicated that he has been involved in the record selling business at that location for almost twenty-one years. (Tr. 9/6/06 at 147, 160.) Mr. Graham thought that a liquor store would be a detriment to the neighborhood. (Tr. 9/6/06 at 146.) Specifically, he believed that Dupont Circle has been very quiet and that another liquor store would not benefit the neighborhood based upon his past experiences with liquor stores in the area. (Tr. 9/6/06 at 146-147.) Mr. Graham stated that when Galaxy Liquors was operating it hurt his business as customers had to walk through homeless people, panhandlers, and intoxicated persons. (Tr. 9/6/06 at 147, 161.) He had concerns with granting a Class "A" retailer's license and indicated that homeless people still walk through the neighborhood and that the Applicant's proposed establishment could bring the wrong type of person to the neighborhood. (Tr. 9/6/06 at 153.)

13. With regard to parking, Mr. Graham indicated that five or six customers a week get parking tickets as parking enforcement is aggressive in the area. (Tr. 9/6/06 at 149.) He acknowledged that a fair amount of his customers are from the neighborhood who walk to his establishment. (Tr. 9/6/06 at 151.)

14. Mary Ann Puglisi has resided at 1431 21st Street, N.W., for about twenty years in a building owned by her family. (Tr. 9/6/06 at 168, 175, 189.) Her building is on the corner of 21st and P Streets, N.W., above the ABC licensed restaurant Café Japonne. (Tr. 9/6/06 at 168, 176.) Ms. Puglisi believed the Applicant's establishment would have an adverse impact on peace, order, and quiet in light of its location right next to Dupont Circle. (Tr. 9/6/06 at 168, 178-181, 191.) Specifically, she indicated that Dupont Circle has a lot of people, including homeless persons, who would drink alcoholic beverages in neighboring alleys and use these areas as restrooms when Galaxy Liquors was open, and that these alleys are also relied upon by residents to take out their trash and walk to their cars. (Tr. 9/6/06 at 169, 185, 191-192.) Ms. Puglisi stated that she also used to have persons sleeping and passed out under the front stoops of her building. (Tr. 9/6/06 at 169.) She believed these problems would return with the granting of the Applicant's transfer application. (Tr. 9/6/06 at 178-179.)

15. Ms. Puglisi stated that an upscale liquor store does not have check cashing, phone cards, or lottery or signage in its windows. (Tr. 9/6/06 at 171, 174, 183-184.) She had not reviewed the Applicant's final voluntary agreement with ANC 2B. (Tr. 9/6/06 at 175.)

16. At the September 6, 2006 protest hearing, the Protestants raise the issue of whether the Applicant's proposed location is within 400 feet of the other Class "A" retailer (State Liquors) in the West Dupont Circle Moratorium Zone, and, thus, prohibited from transferring its license to 2012 P Street, N.W., under D.C. Official Code § 25-333(a) (2001). (Tr. 9/6/06 at 42, 200.) The Protestants also asked the Board to examine whether a conflict of interest exists between the Applicant's ownership of the liquor store and a separate corporation, which consists of Mr. Saraff and his wife, owning the building that the Applicant pays rent. (Tr. 9/6/06 at 200-201.)

CONCLUSIONS OF LAW

17. Pursuant to D.C. Official Code § 25-313(a) (2001), an Applicant must demonstrate to the satisfaction of the Board that the location for which a liquor license is sought is appropriate for the neighborhood in which it is located. Having considered the evidence upon which this determination must be made and the findings of fact adduced at the protest hearing, the Board concludes that the Applicant has demonstrated that the transfer out of safekeeping of its Retailer's Class "A" License from 2000 P Street, N.W., to 2012 P Street, N.W. – with the conditions imposed by the Board as contained in the Applicant's voluntary agreement with ANC 2B – would be appropriate for the delineated area in which the establishment is located.

18. The Board recognizes that pursuant to D.C. Official Code § 1-309.10(d) (2001) and D.C. Official Code § 25-609 (2001), an ANC's properly adopted written recommendations are entitled to great weight from the Board. See Foggy Bottom Ass'n v. District of Columbia ABC Bd., 445 A.2d 643 (D.C. 1982). In this case, Darren A. Bowie, ANC 2B Chairperson, on behalf of ANC 2B, filed a timely protest letter received on November 23, 2005, protesting the transfer of the Applicant's Retailer's Class "A" License to 2012 P Street, N.W. ANC 2B's discussions with the Applicant subsequently resulted in a detailed five (5) page voluntary agreement signed on August 23, 2006 by ANC 2B Chairperson Darren Bowie that places a significant number of restrictions on the operations of the Applicant. The Board notes that the written recommendations of ANC 2B as contained in its voluntary agreement with the Applicant are entitled to great weight. The Board finds the written recommendations and conditions contained in ANC 2B's voluntary agreement to be reasonable and address many of the concerns and issues raised by the Protestants at the September 6, 2006 protest hearing. As a result, the Board is approving the voluntary agreement and incorporating it as "Attachment A" to this order.

19. Pursuant to D.C. Official Code § 25-313(b)(2) (2001) and Title 23 of the District of Columbia Municipal Regulations ("23 DCMR") § 400.1(a) (2004), the Board must determine whether the transfer of the Applicant's Retailer's Class "A" License to 2012 P Street, N.W., will have an adverse effect on the peace, order, and quiet of the neighborhood. The testimony of Mr. Naghdi, Ms. Halbfinger, Mr. Graham, and Ms. Puglisi did reveal real problems that occurred several years ago when Galaxy Liquors was open on the 2000 block of P Street, N.W., with panhandling, loitering, drinking in public, and individuals using the alleys for bathrooms. However, the Board finds based upon the testimony of Mr. Saraff and the recommendations of ANC 2B that the conditions imposed in the voluntary agreement, dated August 23, 2006, will substantially address the above-referenced concerns raised by the Protestants. Specifically, the Applicant's agreement places numerous restrictions on the types and quantities of alcoholic beverages and other items to be sold in an effort to limit panhandling, loitering, and public drinking in the surrounding area of the establishment. Such restrictions include prohibiting the Applicant from selling malt liquor as well as various types and sizes of single beers and liquor. The Board has found similar restrictions to have a positive effect on the peace, order, quiet of a neighborhood by limiting panhandling,

loitering, and public drinking. The Board finds based upon these conditions that transferring the Applicant's license to 2012 P Street, N.W., will not have an adverse impact on peace, order, and quiet.

20. Pursuant to D.C. Official Code § 25-313(b)(3) (2001), the Board finds based upon the testimony provided by Mr. Saraff and Mr. Graham that the establishment will not have an adverse effect on residential parking needs and vehicular and pedestrian traffic. Specifically, the testimony of Mr. Saraff indicated that this will be a neighborhood store that relies heavily on pedestrian traffic. Mr. Saraff's statement that there is heavy pedestrian traffic from the neighborhood was supported by the testimony of Mr. Graham who indicated that his adjacent business "DJ Hut" receives a fair amount of its customers from the neighborhood who walk to the establishment. Furthermore, the testimony of Mr. Saraff revealed that there is meter parking available on nearby streets. Finally, the testimony of Mr. Saraff indicated that his voluntary agreement with ANC 2B prevents him from accepting deliveries in front of the store during rush hour, which is before 9:30 a.m. and after 5:00 p.m.

21. Pursuant to D.C. Official Code § 25-313(b)(1) (2001), the Board finds no evidence from the record as a whole that the establishment will have an adverse effect on real property values. The Board notes that this was not raised as a protest issue by the Protestants.

22. Pursuant to D.C. Official Code § 25-314(a), the Board finds no evidence from the record as a whole that the transfer of the Applicant's license to 2012 P Street, N.W., will have an adverse impact on any schools, recreation centers, day care centers, or public libraries. The Board notes that this was not raised as a protest issue by the Protestants. Additionally, the Board did not find approving the transfer of this Class "A" retailer's license to constitute overconcentration as the Applicant's license is one of only two Class "A" retailer's licenses permitted to be located in the West Dupont Circle Moratorium Zone under 23 DCMR § 307.1.

23. At the September 6, 2006 protest hearing, the Protestants raise the issue of whether the Applicant's proposed location is within 400 feet of the other Class "A" retailer (State Liquors) in the West Dupont Circle Moratorium Zone, and, thus, prohibited from transferring its license to 2012 P Street, N.W., under D.C. Official Code § 25-333(a) (2001). A close review of this section, however, reveals that the 400 foot prohibition contained in this provision is not applicable to this license application as it applies solely to new applications and does not preclude transfer to new location applications.

24. The Protestants also asked the Board to examine at the September 6, 2006 hearing whether a conflict of interest exists between the Applicant's ownership of the liquor store and a separate corporation, which consists of Mr. Saraff and his wife, owning the building that the Applicant leases. With regard to this issue, the Board has consistently found that a landlord-tenant relationship does not constitute a conflict of interest provided the liquor license does not default to the landlord or the Applicant's spouse in the event that rent is not paid or the Applicant goes out of business. In an effort to establish clear

procedures and requirements in this area when both a husband and wife own separate Class "A" or Class "B" retailer's licenses, the Board adopted 23 DCMR § 403 in 2004. While the oral representations of Mr. Saraff at the September 6, 2006 hearing indicate his understanding of these requirements, the Board's regulations require the submission of a signed and notarized affidavit regarding these requirements. As such, the Board is requiring the Applicant to submit a signed and notarized written affidavit consistent with the requirements of 23 DCMR § 403.1 (2004) within ten (10) business days of the date of this Order. A Class "A" retailer's license for the Applicant's new location shall not be issued until the Applicant has complied with this requirement.

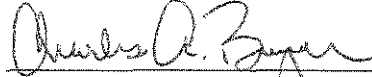
Therefore, it is hereby ORDERED on this 14th day of February 2007, that the application filed by Kanu, Inc., t/a 1 Stop Wine & Liquor to transfer its Retailer's Class "A" License from 2000 P Street, N.W., to a new location at 2012 P Street, N.W., Washington, D.C., be and the same is hereby GRANTED.

It is FURTHER ORDERED that the following conditions are hereby imposed on the Applicant and shall become a term of the license:

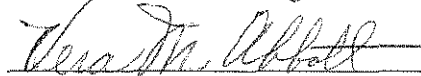
1. The Applicant shall follow the terms and conditions contained in the attached October 23, 2006 voluntary agreement with ANC 2B;
2. The Applicant's trade name shall be changed to S.S. 1 West Dupont Circle Wine & Liquor; and
3. The Applicant must submit a signed and notarized written affidavit consistent with the requirements of 23 DCMR § 403.1 (2004) within ten (10) business days of the date of this Order.

Kanu, Inc.
t/a 1 Stop Wine & Liquor
February 14, 2007

District of Columbia
Alcoholic Beverage Control Board



Charles A. Burger, Chairperson

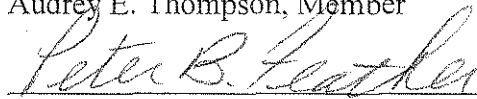


Vera M. Abbott, Member

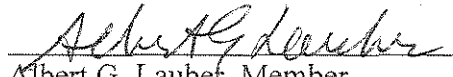


Judy A. Moy, Member

Audrey E. Thompson, Member



Peter B. Feather, Member



Albert G. Laubel, Member

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

Also, pursuant to section 11 of the District of Columbia Administrative Procedure Act, Pub. L. 90-614, 82 Stat. 1209, D.C. Official Code § 2-510 (2001), and Rule 15 of the District of Columbia Court of Appeals, any party adversely affected has the right to appeal this Order by filing a petition for review, within thirty (30) days of the date of service of this Order, with the District of Columbia Court of Appeals, 500 Indiana Avenue, N.W., Washington, D.C. 20001. However, the timely filing of a Motion for Reconsideration pursuant to 23 DCMR § 1719.1 (April 2004) 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).

VOLUNTARY AGREEMENT

KANU, INC.
("Applicant")

and

Dupont Circle Advisory Neighborhood Commission 2B
9 Dupont Circle NW
Washington, D.C. 20036

WHEREAS, Applicant's application for a new Retailer's Class "A" License is pending before the District of Columbia Alcoholic Beverage Control Board ("Board"); and

WHEREAS, the premises 2012 P Street NW, are within the jurisdictional boundaries of Protestant Dupont Circle Advisory Neighborhood Commission 2B ("ANC 2B"); and

WHEREAS, Dupont Circle ANC 2B is recognized by the Board as a Protestant in said case; and

WHEREAS, Applicant and Protestant mutually desire to resolve said protest;

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth below, and subject to the approval of the Agreement by the Board, the parties agree as follows, from the date of adoption of this Agreement by the Board and throughout the term thereof:

1. Applicant agrees to change its name so that the name of the establishment will be S.S. 1 West Dupont Circle Wine & Liquor.
2. Applicant will display near a cash register at least one sign at least 9 inches by 12 inches in size, stating that there will be no sales to minors.

(Attachment A)

3. Applicant shall ~~make reasonable effort to~~ enforce 100% ID check to all patrons who have never purchased in the store at any time prior or who are not personally known to be 21 years of age.

4. Applicant certifies that its employees will complete during the term of this license a course in server training, such as Training for Intervention Procedures (TIPS), Techniques of Alcohol Management (TAM), or Responsible Vendor Server and Manager Training Program (PRIDE). Employees of the Applicant will not consume alcohol while on the premises, or be intoxicated.

5. Applicant will not sell to any one customer less than six bottles of alcoholic beverages in bottles containing 50 ml or less. Applicant will not sell caselots of alcoholic beverages packaged in containers of a half pint or less.

6. Applicant agrees to sell no single miniatures and only sell miniatures in minimum six lot amounts. Applicant agrees to sell no malt liquors.

7. Applicant will not sell the following items ^{or services}

- a. Velicoff ½ pint and pint
- b. Odesse Vodka ½ pint and pint
- c. Odesse Gin ½ pint and pint
- d. Smirnoff ¼ pint
- e. Seagram's Gin ¼ pint
- f. Bacardi Light ¼ pint
- g. Bacardi Gold ¼ pint
- h. Christian Bros. ¼ pint
- i. Gilbey's Vodka ½ pint
- j. Gilbey's Gin ½ pint
- k. Gordon's Vodka ½ pint
- l. Gordon's Gin ½ pint
- m. Raynal ¼ pint
- n. Paul Masson Brandy ¼ pint
- o. Icehouse Singles (12, 16, 22 oz.)

OR COMPATIBLE

off-brand or
generic brands

- p. Bud Ice Singles (12, 16, 22 oz.)
- q. MGD Singles (12, 16, 22 oz.)
- r. Budweiser Singles (12, 16, 22 oz.)
- s. Miller High Life Singles (12, 16, 22 oz.)
- t. MGD Lite Singles (12, 16, 22 oz.)
- u. Coors Singles (12, 16, 22 oz.)
- v. Coors Lite Singles (12, 16, 22 oz.)
- w. Drug Paraphenalia
- x. Blunts
- y. Sexually oriented materials.

z. *Check Cashing Services. ANC 2B agrees to revisit this provision two years after entry of this agreement.*

8. Applicant agrees to install a food section specializing in gourmet bread, tea, crackers, olives and cheeses.

9. Applicant shall not advertise the availability of phone cards and lottery items.

10. Applicant agrees that there will be no more than 2 floors of retail space. 20% of this space shall be dedicated to non-alcohol related items. (See #8)

11. Applicant will not facilitate the consumption of alcohol in public space. Specifically, Applicant will not provide free paper or plastic cups or "go-cups" (as defined by ABC regulations Section 709.7). Applicant will not sell cups or drinking utensils in any smaller quantities than three packaged together.

12. Applicant may obtain a Tasting Permit to allow tastings of items for sale in the store.

13. Applicant will make reasonable effort to ensure that the environs of the Applicant's establishment are kept free of litter and debris. ("Immediate environs" is defined in Section 720.2 of the ABC regulations as including "all property on which the premises are located; all property used by the licensee to conduct its business, whether part of the premises or not, including, sidewalks or other

public property immediately adjacent to the premises or adjacent to the property used by the licensee to conduct its business”).

14. Applicant will make a reasonable effort to discourage the opening or consumption of alcoholic beverages in the “immediate environs” (as defined above) of Applicant’s establishment.

15. Applicant will make a reasonable effort to discourage littering, loitering, public urination, or public defecation in the immediate environs” (as described above) by persons who make purchases at Applicant’s establishment.

16. Applicant specifically acknowledges its responsibility under D.C. law and ABC regulations not to sell or deliver alcoholic beverages to any person who is inebriated, or who is known to have a history of alcohol abuse, or to any person under the age of 21. Applicant also agrees not to sell alcoholic beverages to any person appearing to be mentally ill or to be mentally incapacitated.

17. Applicant shall operate the store during the hours of 10:00AM –9:00PM Monday through Thursday and 10:00 A.M.- 10:00 P.M. Friday and Saturday.

18. Applicant will make a reasonable effort to employ a security guard on Friday and Saturday nights from 8:00PM-10:15PM.

19. Applicant shall accept no deliveries in front of the store prior to 9:30AM or after 5:00PM. Deliveries made outside of these hours shall be made to the rear of the store.

20. Applicant shall attend, or send a representative to attend, 1 ~~public safety~~ meeting per calendar quarter.

21. Applicant acknowledges that any failure to adhere to the foregoing commitments will constitute grounds for Protestant to petition the Board for revocation of Applicant’s ABC license following a Show Cause Hearing pursuant to 23 DCMR 1513.5. Protestant

agrees to notify Applicant in writing of any alleged violation of this Agreement and shall afford applicant fourteen (14) calendar days to correct, or begin to correct, the violation, prior to notifying the Board.

22. Applicant agrees to ensure that all employees are informed of the provisions of this Agreement.

In consideration of and reliance upon, the foregoing commitments, Protestant hereby agrees to withdraw its protest to Applicant's ABC license application.

This Agreement shall not preclude Protestant from exercising any other rights under the ABC statute or regulations, nor from challenging Applicant's compliance with any other District of Columbia laws or regulations not covered in this Agreement.

IN WITNESS WHEREOF, the parties have affixed hereunto their signatures:

Applicant *Isarak* 02/27/06 Protestant *Kaun-Soldman* ANC DB

Don A. Bowie 8/23/03
Darren Bowie, ANC Chair