

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 Hopeful, Inc. :

8 t/a To Be Determined :

9 (formerly Bobby Lew's Saloon) :

10 1815 Connecticut Ave, NW

11 License #91955

12 Retailer CR

13 ANC 1C

14 Request to Extend Safekeeping

15 - - - - -X

16 Wednesday, October 5, 2016

17

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

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3 BOARD MEMBERS PRESENT

4 NICK ALBERTI, BOARD MEMBER

5 JAMES SHORT, BOARD MEMBER

6 MIKE SILVERSTEIN, BOARD MEMBER

7 RUTHANNE MILLER, BOARD MEMBER

8

9 ALSO PRESENT:

10 LISA DRAZIN

11

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

2 FACT FINDING HEARING

3 CHAIRPERSON ANDERSON: We now move on to
4 our fact finding hearing calendar. The first
5 case on our fact finding hearing calendar is
6 Hopeful Inc., formerly Bobby Lew's Saloon,
7 located at 1815 Columbia Road NW, license #91955.
8 Will the parties please approach and identify
9 themselves for the record, please?

10 MS. DRAZIN: Good morning, board members,
11 Lisa Drazin of Hopeful, Inc.

12 CHAIRPERSON ANDERSON: All right, Ms. Drazin,
13 I see that you are continuing asking the board to
14 have this license remain in safekeeping and I
15 know that we have -- you've been here before, we
16 had granted safekeeping status through September
17 30th, and I think we asked you to bring some
18 further information, so can you update us? Where
19 are you in bringing this license back on board to
20 be utilized.

21 MS. DRAZIN: The redevelopment of 1815
22 Columbia Road is in the approval and permitting

1 process. We are before the Historic Preservation
2 Review Board for a public hearing on October 27,
3 2016. We are attempting to schedule our second
4 consultation with the Historic Preservation
5 office for next week, hopefully next Friday
6 afternoon. So, once we receive consent for our
7 design concept from the Historic Preservation
8 Review Board, then we can move rapidly into
9 design development and eventually move forward on
10 the permits.

11 CHAIRPERSON ANDERSON: Why is it that you
12 have to go before the Historic Preservation
13 Board?

14 MS. DRAZIN: Thank you for asking. The
15 building was designated as noncontributing to the
16 historic district by historic preservation review
17 board chairman, Charles I. Casell, in 1995. As a
18 noncontributing building that is about to add
19 five stories to an existing, commercial,
20 noncontributing structure, we must go for review
21 by the HPRB, and that is the history of that.

22 CHAIRPERSON ANDERSON: Do we have any other

1 questions by any board members?

2 MR. ALBERTI: Yes.

3 CHAIRPERSON ANDERSON: Mr. Alberti.

4 MR. ALBERTI: Ms. Drazin, I'd like you to
5 provide a little bit more detail on what the
6 status is with HPRB because information I have
7 before me is that HPRB -- they lifted or
8 rescinded the determination that it was
9 noncontributing. Is that correct?

10 MS. DRAZIN: That is incorrect. The
11 information is [inaudible 2:04:00].

12 MR. ALBERTI: So, you've applied to demolish
13 the building?

14 MS. DRAZIN: No sir, we have not.

15 MR. ALBERTI: You were issued a demolition
16 permit in 2015.

17 MS. DRAZIN: We're not demo -- we're
18 demolishing four walls -- three walls.

19 MR. ALBERTI: Okay, so you were issued a
20 demolition permit, all right.

21 MS. DRAZIN: We do not have a raise permit.
22 We have a demolition permit.

1 MR. ALBERTI: Right. That's what I said.

2 MS. DRAZIN: Partial demolition.

3 MR. ALBERTI: I said demolition, not raise.

4 So --

5 MS. DRAZIN: May I ask where you received the
6 information?

7 MR. ALBERTI: It's on DCRA's website.
8 Detailed description, "hold lifted on 07/19/16
9 per HPO's determination that the building is
10 noncontributing, hold lifted on that date per
11 HPO's information that the building is
12 noncontributing and therefore, not subject to
13 HPRB conditions." Maybe I'm reading this wrong.
14 It says "do not issue any building permits
15 without approval of zoning administrator." DCRA
16 is consulting with the historic preservation
17 office to determine if demolition of the building
18 is allowed and if previous permits were
19 appropriately approved and issued. Can you speak
20 to that?

21 MS. DRAZIN: Yes, we had two illegal zoning
22 holds placed on our property as we began our

1 approval process. In fact we were not even into
2 our approval process. But those zoning holds are
3 illegal and we have the director of DCRA has
4 asked us to write her a letter saying the events
5 that occurred leading to those illegal zoning
6 holds.

7 MR. ALBERTI: So, what's the October 27th
8 hearing before HPRB? What's the subject of that
9 hearing?

10 MS. DRAZIN: Oh, the applicant, in accordance
11 with the law, the historic preservation law, has
12 made an application for referral to the Historic
13 Preservation Review Board for concept design
14 review.

15 MR. ALBERTI: Okay, is this the first time --

16 MS. DRAZIN: They made that application on
17 July 27th, 2016.

18 MR. ALBERTI: Okay. So, is this the first
19 time that they are reviewing this?

20 MS. DRAZIN: Yes.

21 MR. ALBERTI: Okay. Given -- assuming that
22 they approve your design, what's your timeline?

1 MS. DRAZIN: Our timeline is whatever is
2 determined by the Historic Preservation Review
3 Board at this point.

4 MR. ALBERTI: Assuming that they give you
5 approval, they approve your design concept, from
6 that point forward what is your timeline. I
7 believe we would take about 60 to 90 days for
8 design development and then move into
9 construction drawings and hopefully be in
10 permitting sometime during early 2016 --

11 CHAIRPERSON ANDERSON: You mean 2017.

12 MS. DRAZIN: Thank you very much, Mr.
13 Anderson.

14 MR. ALBERTI: It's 2017.

15 MS. DRAZIN: 2017. And then hopefully
16 permitting -- we'll get through permitting in
17 maybe six months which is standard process time
18 and then we'll be into construction. But we'll
19 do it as quickly as possible.

20 MR. ALBERTI: Okay. Thank you, I have no
21 further questions.

22 CHAIRPERSON ANDERSON: Are there any other

1 questions by any other board members? Yes, Ms.
2 Miller.

3 MS. MILLER: Good morning. I don't remember
4 exactly, do you have a tenant at this point who's
5 doing the design for themselves or are you
6 designing the space?

7 MS. DRAZIN: We are designing space to meet
8 the new 2013 construction codes. Our project,
9 like all new projects in D.C., all new
10 construction, is subject to the 2013 construction
11 codes, the D.C. water infrastructure replacement
12 costs and also the cost of HPRB review.

13 In the case of our small project, the
14 increased costs, which are compulsory for the
15 District of Columbia, increase our base
16 construction costs by 45.8%. Our building must
17 be designed to pay all the mandatory compulsory
18 costs and mandatory benefits required by the
19 District of Columbia. After the building is
20 built it must also pay mandatory property
21 maintenance costs, D.C. property taxes, business
22 district improvement, business BIT taxes, as well

1 as provide the private developer subsidy for
2 inclusionary zoning affordable housing.

3 This building cannot be designed by a tenant,
4 it must be designed as five additional
5 residential stories to an existing non-
6 contributing commercial building in order to bear
7 the burden of these costs. So, we are very
8 happy, as property owners, to look to the benefit
9 of the community and to provide for all of the
10 benefits required by the District of Columbia but
11 no tenant can design our building for us. We
12 must provide the properly designed space as well
13 as the residential space above, in order to meet
14 the mandatory requirements of the District of
15 Columbia.

16 MS. MILLER: So, you're doing all this first
17 and then are you going to be looking for a tenant
18 or are you looking for a tenant now or do you
19 have someone in mind now that's interested?

20 MS. DRAZIN: We've had quite a number of
21 people approach us for this space but we will be
22 in the market with a commercial leasing agent

1 about the point when we start construction and
2 then the liquor license will be part of the
3 lease. As you may know, due to the mitigation of
4 climate change that is incorporated in the 2013
5 construction codes, and is now mandated by the
6 federal government as our president has signed
7 the Paris Climate Treaty on September 3, 2016,
8 our building must meet very strong requirements
9 for the mitigation of climate change in order
10 that the District of Columbia adapts to the
11 changing climate.

12 MS. MILLER: So, what's the date about when
13 you think you'll be putting it out for a tenant?
14 Up for bid or however you call it.

15 MS. DRAZIN: As soon as we receive our
16 construction permits, we'll be in the market.

17 MS. MILLER: Okay, do you have an estimated
18 time for that?

19 MS. DRAZIN: Well, if we are blessed and the
20 HPRB gives consent, I suspect that we will begin
21 design development around election day because
22 they need to make their decision and send us a

1 letter and then hopefully nine months later we'll
2 be demolishing and getting ready to break ground
3 -- or -- construct, not really break ground.

4 MS. MILLER: And that's when you would be
5 able to accept a tenant?

6 MS. DRAZIN: We'll be engaging a commercial
7 leasing agent.

8 MS. MILLER: Okay.

9 MS. DRAZIN: Prospective tenants want to be
10 able to see finished space or a beautiful
11 rendering of what they will lease. A good,
12 credit-worthy tenant will put anywhere between
13 one to three million dollars into the space
14 simply to make the décor and the kitchen. We
15 will provide the flue, the grease traps, utility
16 vault and all the necessary accoutrements that
17 are now required by the D.C. construction codes,
18 including an interior trash room. These are new
19 features -- some of them are new, some of them
20 are old, but when they have to be put into a
21 space in addition to the replacement of a main
22 water line that is required by D.C. water, it

1 becomes too expensive for tenants. They must
2 have completed space that they can finish to
3 their liking.

4 MS. MILLER: Okay.

5 MS. DRAZIN: Am I making sense?

6 MS. MILLER: Yes, yes. Thank you. Okay.

7 CHAIRPERSON ANDERSON: Yes, Mr. Silverstein.

8 MR. SILVERSTEIN: Ms. Drazin, the hearing
9 before HPRB is 27 October, correct?

10 MS. DRAZIN: I believe so, yes.

11 MR. SILVERSTEIN: Have they given you any
12 indication as to whether you're going to be on
13 the consent calendar or whether there's going to
14 be a full evidentiary hearing?

15 MS. DRAZIN: I believe, because we're new
16 construction, that we must be a full evidentiary
17 hearing. Of course, we would greatly prefer to
18 be on the consent calendar.

19 MR. SILVERSTEIN: So at this point you do
20 believe or you're certain that it's going to be a
21 full hearing?

22 MS. DRAZIN: I don't know yet, because I have

1 to go for my second consultation with the HPR
2 office.

3 MR. SILVERSTEIN: Who are you working with?

4 MS. DRAZIN: Mr. David Maloney, the state
5 historic commissioner.

6 MR. SILVERSTEIN: You're working with Mr.
7 Maloney himself?

8 MS. DRAZIN: Yes.

9 MR. SILVERSTEIN: Assuming you get approval,
10 this is concept, correct?

11 MS. DRAZIN: Yes.

12 MR. SILVERSTEIN: Massing etc.

13 MS. DRAZIN: Yes.

14 MR. SILVERSTEIN: Will you then have to go
15 back for design afterwards?

16 MS. DRAZIN: No. There are two procedures at
17 HPRB. One is concept design review and the
18 second is a permit application review, and we
19 have chosen to go the route of concept design
20 review. So, we do not --

21 MR. SILVERSTEIN: So, if you get approval
22 here you don't have to go back there again, is

1 that what you're saying?

2 MS. DRAZIN: I don't believe so, no sir.

3 MR. SILVERSTEIN: Now, you intend, or hope to
4 put something in the first floor, correct?

5 MS. DRAZIN: Oh yes. [inaudible 2:15:22]

6 MR. SILVERSTEIN: Okay, now I could care less
7 about climate change from my own personal point
8 of view on this particular property, but what I
9 do care about on this particular property, and
10 every such property, is acoustical change. What
11 are you going to do to ensure that the people
12 that you rent to, or whatever, on the first floor
13 do not disturb the people who live there on the
14 other floors which is so often a problem that
15 ends up getting dumped in our lap.

16 MS. DRAZIN: Yes, excellent question, Mr.
17 Silverstein.

18 MR. SILVERSTEIN: By experience, it's
19 something that we all concern ourselves with.

20 MS. DRAZIN: Yes. My condominium documents
21 attorney also informed me of this problem and we
22 intend to meet it head on. First of all, the

1 construction code and the various other codes
2 that we must meet, building codes, require extra
3 space cushioning insulation between the
4 commercial space and the residential space, but
5 my instructions to the architect and the RFP,
6 state specifically to make sure that there's
7 appropriate noise insulation to protect the ears
8 and well-being of our residents. So, yes, I am
9 very aware of that and we will do that.

10 MR. SILVERSTEIN: The bones of an old
11 building often are great conductors of noise --

12 MS. DRAZIN: Yes.

13 MR. SILVERSTEIN: -- and if you put, you
14 know, the piping, the plumbing all of those
15 things may be old and were at a certain time and
16 to a certain standard, and when you have a
17 hundred people downstairs and somebody on the
18 second floor -- what was there may not be
19 adequate to provide sound mitigation and, if
20 nothing else, I hope that putting this out here
21 now will heighten your already existing concern
22 for this.

1 MS. DRAZIN: Yes, you're making excellent
2 points and we have already discussed the fact
3 that we will be demolishing the three exterior
4 walls -- the two exterior walls done four feet as
5 directed by the zoning administrator. We have
6 been given direction to remove the front glass
7 and then the interior -- the reason we are
8 building as opposed to asking a tenant, is not
9 only the exorbitant cost of replacing D.C. water
10 infrastructure and street for the building but
11 also we'll be replacing the entire interior of
12 the building to make not only the residential
13 tenant residents comfortable with noise
14 insulation but also the commercial tenants
15 downstairs.

16 MR. SILVERSTEIN: Thank you.

17 MS. DRAZIN: We don't want our residential
18 tenants disturbing our commercial tenants. So,
19 we will be -- the entire building will be new.

20 MR. SILVERSTEIN: Very good. Thank you. No
21 further questions, Mr. Chairman.

22 CHAIRPERSON ANDERSON: Thank you. Any other

1 --

2 MS. DRAZIN: Rather, the interior of the
3 building will be new.

4 MR. SILVERSTEIN: Right.

5 CHAIRPERSON ANDERSON: I googled the address
6 and I was just looking at the building.

7 MS. DRAZIN: I'm sorry, you --

8 CHAIRPERSON ANDERSON: I said I googled the
9 address and I was just looking at the building,
10 the existing building, and while -- I just wanted
11 you to know that's what I was doing while the
12 conversation was going on.

13 MS. DRAZIN: Oh, thank you.

14 CHAIRPERSON ANDERSON: Are there any other
15 questions by any other board members? Any final
16 comments that you want to make ma'am? Did you
17 have a question, Ms. Miller?

18 MS. MILLER: No, I already asked it.

19 CHAIRPERSON ANDERSON: Okay.

20 MS. DRAZIN: Mr. Alberti, may I clarify the
21 note I think you found on the property
22 information verification system?

1 MR. ALBERTI: I don't think there's any need.
2 I think we all understand what it means, which is
3 consistent with what you've said today, I don't
4 think you really need to do that.

5 MS. DRAZIN: Okay. I'm sorry you found that
6 confusing.

7 MR. ALBERTI: I don't think we need to dwell,
8 really just for efficiency and brevity, I think
9 we understand.

10 MS. DRAZIN: Right. Okay.

11 CHAIRPERSON ANDERSON: If you have -- I'm
12 just saying do you have any final thoughts that
13 you want to make? Any final comments you want to
14 make?

15 MS. DRAZIN: Frankly, sir, we want to build
16 the building as quickly as possible and put a
17 tenant in it. That's our goal. We think it will
18 help improve our street, our neighborhood and the
19 city and we're looking forward to cooperating
20 with DCRA, with HPRB, and with you to bring this
21 to a very successful conclusion.

22 CHAIRPERSON ANDERSON: All right, thank you.

1 The board will take your request to extend
2 safekeeping under advisement, okay? Thank you,
3 ma'am.

4 MS. DRAZIN: Thank you. May I also add that
5 we've made a considerable investment in this
6 license and we would like very much not to lose
7 it. We've invested over \$60,000 in the value of
8 this license and so it would -- maintaining it
9 helps us to attract tenants. We do receive calls
10 consistently about the space but no one is
11 willing to lease it until we have finished space
12 and they have a good rendering, so please take
13 that into consideration.

14 CHAIRPERSON ANDERSON: All right. I see
15 ma'am. Just for -- I see that on the
16 advertisement for the building that you have
17 identified that there is a liquor license
18 available --

19 MS. DRAZIN: Yes.

20 CHAIRPERSON ANDERSON: -- so that is -- I did
21 see that. Okay. Thank you.

22 MS. DRAZIN: Thank you.