

Capital Reporting Company  
In the Matter of: Red and Black, LLC t/a The Red Palace 09-19-2012

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DISTRICT OF COLUMBIA

ALCOHOLIC BEVERAGE CONTROL BOARD

MEETING

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IN THE MATTER OF: :  
 :  
Red and Black, LLC :  
t/a The Red Palace :  
1210 H Street, NE :  
Retailer CT : Show Cause  
License No. 72734 : Hearing  
ANC 6A : (Status)  
Case No. 12-CMP-00124 :  
Opening After Board-Approved :  
Hours :  
-----x

September 19, 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

MICHAEL STERN, OAG

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<p style="text-align: right;">2</p> <p>1           P R O C E E D I N G S</p> <p>2                               9:49 a.m.</p> <p>3           CHAIRPERSON MILLER: And go on to Case No.</p> <p>4 12- CMP-00124, The Red Palace, located at 1210 H</p> <p>5 Street, N.E., License No. 72734 in ANC 6A. He's not</p> <p>6 here either. Okay.</p> <p>7           MR. ENGLER: How are you doing?</p> <p>8           CHAIRPERSON MILLER: Good morning.</p> <p>9           MR. ENGLER: Hi. I'm Joe. I'm the owner of</p> <p>10 Red Palace. We're going to accept the option -- offer</p> <p>11 in compromise.</p> <p>12           CHAIRPERSON MILLER: Oh, okay. What we need</p> <p>13 to do though is wait for the government's attorney to</p> <p>14 come - - to arrive, if you can wait. They're obviously</p> <p>15 running late.</p> <p>16           MR. ENGLER: Okay. Where should I wait?</p> <p>17           CHAIRPERSON MILLER: In the audience seat</p> <p>18 back there.</p> <p>19           MR. ENGLER: Okay.</p> <p>20           CHAIRPERSON MILLER: Thank you.</p> <p>21           MR. ENGLER: Sure.</p> <p>22           CHAIRPERSON MILLER: Okay. We'll come back</p>	<p style="text-align: right;">4</p> <p>1 late for a few of these cases.</p> <p>2           (WHEREUPON, at 9:51 a.m., the hearing went</p> <p>3 off record until 10:06 a.m.)</p> <p>4           CHAIRPERSON MILLER: The next case on our</p> <p>5 calendar is a status for a show cause hearing. It is</p> <p>6 Case No. 12-CMP-00124, The Red Palace, located at 1210</p> <p>7 H Street, N.E., License No. 72734 in ANC 6A.</p> <p>8           Are the parties here on this case?</p> <p>9           MR. STERN: Michael Stern representing the</p> <p>10 District of Columbia.</p> <p>11           CHAIRPERSON MILLER: Okay. It appears the</p> <p>12 government is here but the applicant is not -- I mean,</p> <p>13 the Licensee is not.</p> <p>14           MR. STERN: Maybe.</p> <p>15           MR. ENGLER: Red Palace?</p> <p>16           MR. STERN: Yes.</p> <p>17           CHAIRPERSON MILLER: Oh, you are?</p> <p>18           MR. ENGLER: Yeah.</p> <p>19           CHAIRPERSON MILLER: You were here early. I</p> <p>20 was looking for your attorneys now. Okay. You're here</p> <p>21 without your attorney?</p> <p>22           MR. ENGLER: I'm my own attorney.</p>
<p style="text-align: right;">3</p> <p>1 to you.</p> <p>2           MR. SILVERSTEIN: Madam Chair, I would -- I</p> <p>3 would put on the record that though it is not normally</p> <p>4 the practice of this Board to wait, we have been</p> <p>5 informed that Metro is running late because of a power</p> <p>6 problem. The trains are being delayed 20-30 minutes in</p> <p>7 some places on the red line. And as such, we are going</p> <p>8 to be as lenient as we can because some of the people</p> <p>9 who are coming down here take that route.</p> <p>10           MR. ENGLER: I'm German. You have to be an</p> <p>11 hour early.</p> <p>12           MR. SILVERSTEIN: Pardon?</p> <p>13           MR. ENGLER: I'm German. You have to be an</p> <p>14 hour early.</p> <p>15           MR. SILVERSTEIN: You're also from Western</p> <p>16 Pennsylvania. You're on time all the time, Joe.</p> <p>17           MR. ALBERTI: Should we take a break and talk</p> <p>18 about all the dates in the back since we have time?</p> <p>19           CHAIRPERSON MILLER: Oh, is that -- oh, so</p> <p>20 they're not here for any of them? Okay. You want to</p> <p>21 do that? Okay. All right. We're going to take a</p> <p>22 short break because the government attorney is running</p>	<p style="text-align: right;">5</p> <p>1           CHAIRPERSON MILLER: You're your own</p> <p>2 attorney?</p> <p>3           MR. ENGLER: The best.</p> <p>4           CHAIRPERSON MILLER: Okay. Could you</p> <p>5 identify yourself for the record then? You're ready --</p> <p>6 again? I know you did this earlier. Could you -- I</p> <p>7 need you to identify yourself for the record.</p> <p>8           MR. ENGLER: Joseph A. Engler.</p> <p>9           CHAIRPERSON MILLER: Okay.</p> <p>10           MR. ENGLER: -- the owner of Red Palace.</p> <p>11           CHAIRPERSON MILLER: Okay. So I know that</p> <p>12 there was an attorney noted in the record but you're</p> <p>13 not waiting for your attorney is what --</p> <p>14           MR. ENGLER: No, no. I'm fine.</p> <p>15           CHAIRPERSON MILLER: Okay. Fine. All right,</p> <p>16 then. This is a show cause status hearing. I want to</p> <p>17 ask you if you received notice of this hearing?</p> <p>18           MR. ENGLER: Yes.</p> <p>19           CHAIRPERSON MILLER: And did you read it?</p> <p>20           MR. ENGLER: Yes.</p> <p>21           CHAIRPERSON MILLER: Did you understand it?</p> <p>22           MR. ENGLER: Yes. And I'm going to take the</p>

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<p style="text-align: right;">6</p> <p>1 offer in compromise. So --</p> <p>2 CHAIRPERSON MILLER: Okay. And you're going</p> <p>3 to waive our reading of the notice into the record?</p> <p>4 MR. ENGLER: That's good -- yeah -- as well.</p> <p>5 CHAIRPERSON MILLER: Okay. Mr. Stern, do you</p> <p>6 want to articulate what the offer in compromise is,</p> <p>7 please? Okay.</p> <p>8 MR. STERN: Yes. The Respondent will pay a</p> <p>9 fine of \$1000 to resolve this case. Oh, excuse me.</p> <p>10 That will be paid today.</p> <p>11 CHAIRPERSON MILLER: Okay. Is -- Mr. Engler,</p> <p>12 is that your understanding of the offer in compromise?</p> <p>13 MR. ENGLER: Yes, ma'am. Yes.</p> <p>14 CHAIRPERSON MILLER: And you understand you</p> <p>15 waive your right to a hearing?</p> <p>16 MR. ENGLER: Great. Yes.</p> <p>17 CHAIRPERSON MILLER: Okay. All right. Any</p> <p>18 questions by Board members?</p> <p>19 (No audible response.)</p> <p>20 CHAIRPERSON MILLER: Then I would move that</p> <p>21 we accept this offer in compromise to pay -- for a</p> <p>22 penalty of \$1000 to be paid today. Do I have a second?</p>	<p style="text-align: right;">8</p> <p style="text-align: center;">1 CERTIFICATE OF NOTARY PUBLIC</p> <p>2</p> <p>3 I, BRADLEY ANGLIN, the officer before whom the</p> <p>4 foregoing hearing was taken, do hereby certify that the</p> <p>5 testimony appearing in the foregoing transcript was</p> <p>6 recorded by me and thereafter reduced to typewriting</p> <p>7 under my direction; that said transcription is a true</p> <p>8 record of the testimony given by said parties; that I</p> <p>9 am neither counsel for, related to, nor employed by any</p> <p>10 of the parties to the action in which this was taken;</p> <p>11 and, further, that I am not a relative or employee of</p> <p>12 any counsel or attorney employed by the parties hereto,</p> <p>13 nor financially or otherwise interested in the outcome</p> <p>14 of this action.</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19 _____</p> <p style="text-align: center;">BRADLEY ANGLIN</p> <p style="text-align: center;">Notary Public in and for the</p> <p style="text-align: center;">District of Columbia</p> <p>21</p> <p>22</p>
<p style="text-align: right;">7</p> <p>1 MR. NOPHLIN: Second.</p> <p>2 CHAIRPERSON MILLER: Mr. Nophlin has seconded</p> <p>3 the motion. Are there any other comments on the</p> <p>4 motion?</p> <p>5 (No audible response.)</p> <p>6 CHAIRPERSON MILLER: Okay. All those in</p> <p>7 favor then of the offer in compromise, say aye?</p> <p>8 (Chorus of ayes.)</p> <p>9 CHAIRPERSON MILLER: All those opposed?</p> <p>10 (No audible response.)</p> <p>11 CHAIRPERSON MILLER: All those abstaining?</p> <p>12 (No audible response.)</p> <p>13 CHAIRPERSON MILLER: Then the vote is 5-0-0</p> <p>14 to approve the offer in compromise.</p> <p>15 MR. ENGLER: Thank you.</p> <p>16 CHAIRPERSON MILLER: Thank you.</p> <p>17 (WHEREUPON, at 10:09 a.m., the hearing was</p> <p>18 concluded.)</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p>	<p style="text-align: right;">9</p> <p style="text-align: center;">1 CERTIFICATE OF TRANSCRIPTION</p> <p>2</p> <p>3 I, MIRANDA PENNACHI, hereby certify that I am not</p> <p>4 the Court Reporter who reported the following</p> <p>5 proceeding and that I have typed the transcript of this</p> <p>6 proceeding using the Court Reporter's notes and</p> <p>7 recordings. The foregoing/attached transcript is a</p> <p>8 true, correct and complete transcription of said</p> <p>9 proceeding.</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14 _____</p> <p>15 Date MIRANDA PENNACHI</p> <p>16 Transcriptionist</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p>

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<hr/> <p style="text-align: center;">\$</p> <hr/> <p><b>\$1000</b> 6:9,22</p> <hr/> <p style="text-align: center;">1</p> <hr/> <p><b>10:06</b> 4:3  <b>10:09</b> 7:17  <b>12</b> 2:4  <b>1210</b> 1:6 2:4 4:6  <b>12-CMP-00124</b>      1:8 4:6  <b>14th</b> 1:13  <b>19</b> 1:11</p> <hr/> <p style="text-align: center;">2</p> <hr/> <p><b>2000</b> 1:13  <b>2012</b> 1:11  <b>20-30</b> 3:6</p> <hr/> <p style="text-align: center;">5</p> <hr/> <p><b>5-0-0</b> 7:13</p> <hr/> <p style="text-align: center;">6</p> <hr/> <p><b>6A</b> 1:8 2:5 4:7</p> <hr/> <p style="text-align: center;">7</p> <hr/> <p><b>72734</b> 1:7 2:5 4:7</p> <hr/> <p style="text-align: center;">9</p> <hr/> <p><b>9:49</b> 2:2  <b>9:51</b> 4:2</p> <hr/> <p style="text-align: center;">A</p> <hr/> <p><b>a.m</b> 2:2 4:2,3 7:17  <b>abstaining</b> 7:11  <b>accept</b> 2:10 6:21  <b>action</b> 8:10,14  <b>ALBERTI</b> 1:16</p>	<p>3:17</p> <p><b>Alcoholic</b>      1:2,12,13  <b>am</b> 8:9,11 9:3  <b>ANC</b> 1:8 2:5 4:7  <b>ANGLIN</b> 8:3,19  <b>appearing</b> 8:5  <b>appears</b> 4:11  <b>applicant</b> 4:12  <b>approve</b> 7:14  <b>arrive</b> 2:14  <b>articulate</b> 6:6  <b>attorney</b> 2:13 3:22      4:21,22      5:2,12,13 8:12  <b>attorneys</b> 4:20  <b>audible</b> 6:19      7:5,10,12  <b>audience</b> 2:17  <b>aye</b> 7:7  <b>eyes</b> 7:8</p> <hr/> <p style="text-align: center;">B</p> <hr/> <p><b>best</b> 5:3  <b>Beverage</b>      1:2,12,13  <b>Black</b> 1:5  <b>Board</b> 1:2,13 3:4      6:18  <b>Board-Approved</b>      1:9  <b>BRADLEY</b> 8:3,19  <b>break</b> 3:17,22  <b>BROOKS</b> 1:16  <b>Building</b> 1:13</p>	<hr/> <p style="text-align: center;">C</p> <hr/> <p><b>calendar</b> 4:5  <b>CALVIN</b> 1:17  <b>case</b> 1:8 2:3 4:4,6,8      6:9  <b>cases</b> 4:1  <b>cause</b> 1:7 4:5 5:16  <b>CERTIFICATE</b>      8:1 9:1  <b>certify</b> 8:4 9:3  <b>Chair</b> 3:2  <b>Chairperson</b>      1:14,15      2:3,8,12,17,20,2      2 3:19      4:4,11,17,19      5:1,4,9,11,15,19,      21      6:2,5,11,14,17,2      0      7:2,6,9,11,13,16  <b>Chorus</b> 7:8  <b>CMP-00124</b> 2:4  <b>Columbia</b> 1:1 4:10      8:21  <b>coming</b> 3:9  <b>comments</b> 7:3  <b>complete</b> 9:8  <b>compromise</b> 2:11      6:1,6,12,21      7:7,14  <b>concluded</b> 7:18  <b>Control</b> 1:2,12,13  <b>correct</b> 9:8  <b>counsel</b> 8:9,12  <b>Court</b> 9:4,6</p>	<p><b>CT</b> 1:7</p> <hr/> <p style="text-align: center;">D</p> <hr/> <p><b>D.C</b> 1:14  <b>Date</b> 9:15  <b>dates</b> 3:18  <b>delayed</b> 3:6  <b>direction</b> 8:7  <b>District</b> 1:1 4:10      8:21  <b>DONALD</b> 1:16</p> <hr/> <p style="text-align: center;">E</p> <hr/> <p><b>earlier</b> 5:6  <b>early</b> 3:11,14 4:19  <b>either</b> 2:6  <b>employed</b> 8:9,12  <b>employee</b> 8:11  <b>Engler</b>      2:7,9,16,19,21      3:10,13      4:15,18,22      5:3,8,10,14,18,2      0,22      6:4,11,13,16      7:15  <b>excuse</b> 6:9</p> <hr/> <p style="text-align: center;">F</p> <hr/> <p><b>favor</b> 7:7  <b>financially</b> 8:13  <b>fine</b> 5:14,15 6:9  <b>foregoing</b> 8:4,5  <b>foregoing/      attached</b> 9:7</p> <hr/> <p style="text-align: center;">G</p> <hr/>
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<p><b>German</b> 3:10,13  <b>given</b> 8:8  <b>government</b> 3:22      4:12  <b>government's</b> 2:13  <b>Great</b> 6:16</p> <hr/> <p style="text-align: center;"><b>H</b></p> <hr/> <p><b>hearing</b> 1:7,13      4:2,5 5:16,17      6:15 7:17 8:4  <b>hereby</b> 8:4 9:3  <b>hereto</b> 8:12  <b>HERMAN</b> 1:17  <b>He's</b> 2:5  <b>Hi</b> 2:9  <b>hour</b> 3:11,14  <b>Hours</b> 1:9</p> <hr/> <p style="text-align: center;"><b>I</b></p> <hr/> <p><b>identify</b> 5:5,7  <b>I'm</b> 2:9 3:10,13      4:22 5:14,22  <b>informed</b> 3:5  <b>interested</b> 8:13</p> <hr/> <p style="text-align: center;"><b>J</b></p> <hr/> <p><b>Joe</b> 2:9 3:16  <b>JONES</b> 1:17  <b>Joseph</b> 5:8</p> <hr/> <p style="text-align: center;"><b>L</b></p> <hr/> <p><b>late</b> 2:15 3:5 4:1  <b>lenient</b> 3:8  <b>License</b> 1:7 2:5 4:7  <b>Licensee</b> 4:13</p>	<p><b>line</b> 3:7  <b>LLC</b> 1:5  <b>located</b> 2:4 4:6</p> <hr/> <p style="text-align: center;"><b>M</b></p> <hr/> <p><b>ma'am</b> 6:13  <b>Madam</b> 3:2  <b>MATTER</b> 1:4  <b>Maybe</b> 4:14  <b>mean</b> 4:12  <b>MEETING</b> 1:3  <b>Member</b>      1:16,17,18  <b>members</b> 6:18  <b>met</b> 1:13  <b>Metro</b> 3:5  <b>Michael</b> 1:19 4:9  <b>MIKE</b> 1:18  <b>Miller</b> 1:14,15      2:3,8,12,17,20,2      2 3:19      4:4,11,17,19      5:1,4,9,11,15,19,      21      6:2,5,11,14,17,2      0      7:2,6,9,11,13,16  <b>minutes</b> 3:6  <b>MIRANDA</b> 9:3,15  <b>morning</b> 2:8  <b>motion</b> 7:3,4  <b>move</b> 6:20</p> <hr/> <p style="text-align: center;"><b>N</b></p> <hr/> <p><b>N.E</b> 2:5 4:7  <b>N.W</b> 1:13</p>	<p><b>NE</b> 1:6  <b>neither</b> 8:9  <b>NICK</b> 1:16  <b>Nophlin</b> 1:17 7:1,2  <b>nor</b> 8:9,13  <b>normally</b> 3:3  <b>Notary</b> 8:1,20  <b>noted</b> 5:12  <b>notes</b> 9:6  <b>notice</b> 5:17 6:3</p> <hr/> <p style="text-align: center;"><b>O</b></p> <hr/> <p><b>OAG</b> 1:19  <b>obviously</b> 2:14  <b>offer</b> 2:10      6:1,6,12,21      7:7,14  <b>officer</b> 8:3  <b>oh</b> 2:12 3:19 4:17      6:9  <b>Opening</b> 1:9  <b>opposed</b> 7:9  <b>option</b> 2:10  <b>otherwise</b> 8:13  <b>outcome</b> 8:13  <b>owner</b> 2:9 5:10</p> <hr/> <p style="text-align: center;"><b>P</b></p> <hr/> <p><b>paid</b> 6:10,22  <b>Palace</b> 1:6 2:4,10      4:6,15 5:10  <b>Pardon</b> 3:12  <b>parties</b> 4:8      8:8,10,12  <b>pay</b> 6:8,21</p>	<p><b>penalty</b> 6:22  <b>PENNACHI</b>      9:3,15  <b>Pennsylvania</b> 3:16  <b>people</b> 3:8  <b>places</b> 3:7  <b>please</b> 6:7  <b>power</b> 3:5  <b>practice</b> 3:4  <b>PRESENT</b>      1:15,18  <b>presiding</b> 1:14  <b>problem</b> 3:6  <b>proceeding</b> 9:5,6,9  <b>Public</b> 8:1,20</p> <hr/> <p style="text-align: center;"><b>Q</b></p> <hr/> <p><b>questions</b> 6:18</p> <hr/> <p style="text-align: center;"><b>R</b></p> <hr/> <p><b>reading</b> 6:3  <b>ready</b> 5:5  <b>received</b> 5:17  <b>record</b> 3:3 4:3      5:5,7,12 6:3 8:8  <b>recorded</b> 8:6  <b>recordings</b> 9:7  <b>red</b> 1:5,6 2:4,10      3:7 4:6,15 5:10  <b>reduced</b> 8:6  <b>Reeves</b> 1:13  <b>related</b> 8:9  <b>relative</b> 8:11  <b>reported</b> 9:4  <b>Reporter</b> 9:4</p>
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<p><b>Reporter's</b> 9:6  <b>representing</b> 4:9  <b>resolve</b> 6:9  <b>Respondent</b> 6:8  <b>response</b> 6:19            7:5,10,12  <b>Retailer</b> 1:7  <b>Room</b> 1:13  <b>route</b> 3:9  <b>running</b> 2:15            3:5,22  <b>Ruthanne</b> 1:14,15</p> <hr/> <p style="text-align: center;">S</p> <hr/> <p><b>seat</b> 2:17  <b>second</b> 6:22 7:1  <b>seconded</b> 7:2  <b>September</b> 1:11  <b>short</b> 3:22  <b>SILVERSTEIN</b>            1:18 3:2,12,15  <b>status</b> 1:8 4:5 5:16  <b>Stern</b> 1:19            4:9,14,16 6:5,8  <b>Street</b> 1:6,13 2:5            4:7  <b>Sure</b> 2:21</p> <hr/> <p style="text-align: center;">T</p> <hr/> <p><b>t/a</b> 1:6  <b>talk</b> 3:17  <b>testimony</b> 8:5,8  <b>Thank</b> 2:20            7:15,16  <b>That's</b> 6:4  <b>thereafter</b> 8:6</p>	<p><b>they're</b> 2:14 3:20  <b>today</b> 6:10,22  <b>trains</b> 3:6  <b>transcript</b> 8:5            9:5,7  <b>transcription</b> 8:7            9:1,8  <b>Transcriptionist</b>            9:16  <b>true</b> 8:7 9:8  <b>typed</b> 9:5  <b>typewriting</b> 8:6</p> <hr/> <p style="text-align: center;">U</p> <hr/> <p><b>understand</b> 5:21            6:14  <b>understanding</b>            6:12</p> <hr/> <p style="text-align: center;">V</p> <hr/> <p><b>vote</b> 7:13</p> <hr/> <p style="text-align: center;">W</p> <hr/> <p><b>wait</b> 2:13,14,16            3:4  <b>waiting</b> 5:13  <b>waive</b> 6:3,15  <b>Washington</b> 1:13  <b>We'll</b> 2:22  <b>We're</b> 2:10 3:21  <b>Western</b> 3:15  <b>WHEREUPON</b>            4:2 7:17  <b>whom</b> 8:3</p> <hr/> <p style="text-align: center;">Y</p> <hr/> <p><b>yourself</b> 5:5,7</p>		
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