

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

_____)		
Aalemu Investments, LLC)	Case No.:	14-CMP-00280
t/a Signature Lounge)	License No.:	095535
)	Board Order No.:	2014-476
<i>Applicant</i>)		
)		
Application for a New)		
Retailer's Class CT License)		
)		
at premises)		
1920 9th Street, N.W.)		
Washington, D.C. 20001)		
_____)		

TO: Jermaine Matthews,
on behalf of

Tsion Alemu and Amare Alemu
Aalemu Investment, LLC
1920 9th Street, N.W.
Washington, D.C. 20001

**ORDER REQUIRING APPLICANT TO DEMONSTRATE FITNESS FOR LICENSURE
UNDER § 25-301**

The applicant is hereby directed to appear before the Alcoholic Beverage Control Board (Board), located at the Reeves Center, 2000 14th Street, N.W., Suite 400, Washington, D.C., Suite 400 on January 21, 2015 at 10:00 a.m. for a **Qualifications Hearing**.¹

The purpose of the **Qualifications Hearing** is to determine whether the owners listed in the Application qualify for licensure under District of Columbia (D.C.) Official Code § 25-301. Because this hearing may result in an administrative action or order that impacts your rights, the hearing shall be conducted as a contested case hearing using the procedures provided by the D.C. Administrative Procedure Act (D.C. APA) (D.C. Official Code § 2-501 *et seq.*) and the protest procedures described in Title 23 of the D.C. Official Code (Title 23). *See* 23 DCMR § 1600.5, 1606.1-1606.8 (West Supp. 2014). Please also note that Title 25 of the D.C. Official Code (Title 25) places the burden of proof on the applicant to demonstrate through substantial evidence that

¹ This date and the time of the hearing may be changed to accommodate the applicant and any potential witnesses.

he or she meets the qualifications described in § 25-301. *Citizens Ass'n of Georgetown, Inc. v. D.C. Alcoholic Beverage Control Bd.*, 288 A.2d 666, 666-69, 671 (D.C. 1972); 23 DCMR § 1718.3 (West Supp. 2014).

All pleadings, or any other written communication, addressed to the Board, should be delivered to Martha Jenkins, General Counsel, 2000 14th Street, N.W., Suite 400, Washington, D.C. **You or your legal counsel, if represented, should contact General Counsel Martha Jenkins at (202) 442-4456 upon receipt of this notice to discuss any potential settlement, consent order, or stipulation that you want the Board to consider in lieu of a Qualifications Hearing in accordance with § 2-509(a).**

The basis of the contemplated action is certain information received by the Board. Specifically, the counts upon which this notice is based are set forth below:

Count I: Amare Alemu and Tsion Alemu lack good character and are generally unfit for the responsibilities of licensure in accordance with D.C. Official Code § 25-301(a)(1) based on the violations of Title 25 of the D.C. Official Code and Title 23 of the D.C. Municipal Regulations. The Board is further authorized to deny the Application pursuant to 23 DCMR § 401.1. This determination is supported by the following:

1. You applied for a new Retailer's Class CT License at premises 1920 9th Street, N.W., designated ABRA License No. 095535. During the application process, you engaged in, participated in, or permitted the following violations to occur on the premises, which constitute separate grounds for finding you unfit for licensure and denying the application.

2. Section 25-301 states, "Before issuing, transferring to a new owner, or renewing a license, the Board shall determine that the applicant meets all of the following criteria: (1) The applicant is of good character and generally fit for the responsibilities of licensure." D.C. Official Code § 25-301(a)(1). Under this statute, the Board may consider an applicant's participation and involvement in illegal activity. *Minkoff v. Payne*, 210 F.2d 689, 690-91 (D.C. Cir. 1953) (saying evidence that an applicant engaged in violations of the law is sufficient to merit a finding that the applicant is unfit for licensure).

3. Section 401.1 of Title 23 states, "[t]he Board may deny a license to an applicant if evidence shows that the applicant has permitted at the establishment conduct which is in violation of this title." 23 DCMR § 401.1 (West Supp. 2014).

1. You participated in, permitted, or allowed a licensed caterer to violate D.C. Official Code § 25-113(i)(2) and 23 DCMR § 2000.1 on or about June 11, 2014.

4. Section 25-113(i)(2) states, "... a caterer's license . . . authorize[s] the licensee to sell, deliver, and serve alcoholic beverages for consumption on the premises of a catered event at which the licensee is also serving prepared food. D.C. Official Code § 25-113(i)(2); *see also* 23 DCMR 2000.1 ("A Caterer is a business entity engaged principally in the processing,

preparation, and service of food products which it has prepared especially for the customer for an event, and the service of alcoholic beverages is incidental to the food preparation and service.”)

5. D’Moz Lumukanda stated that he “. . . was well-aware that the kitchen was inoperable . . . so we just suggested that patrons order from next door.” *Transcript*, September 24, 2014 at 18, *see also* 62-63. Mr. Lumukanda further admitted that alcohol was provided without food. *Id.* at 63, 78-79.

2. You participated in, permitted or allowed a licensed caterer to violate D.C. Official Code § 25-754.

6. Section 25-754(a) provides, “Alcoholic beverages shall not be manufactured, kept for sale, or sold by any licensee other than at the licensed establishment; provided, that the Board may permit the storing of beverages upon premises other than the licensed establishment under . . . a . . . [c]aterer’s license.” D.C. Official Code § 25-754(a), (a)(5).

7. ABRA’s records shows that B Café, holding ABRA Caterer’s License No. 86793, located at premises 3740 12th Street, N.E., never obtained an off-site storage permit from the Board. Nevertheless, Mr. Lumukanda admitted to providing alcohol for the establishment, which was stored and kept for sale on Signature Lounge’s premises when not in use. *Id.* at 24. He also admitted that beer, wine, and liquor were stored in Signature Lounge’s bar area. *Id.*

3. You participated in or permitted a violation of § 25-797 at your establishment by employing or controlling the bartending and security staff at a catered event.

8. Under § 25-797, “[t]he holder of an on-premises retailer’s license may rent out or provide the licensed establishment for use by a third party or promoter for a specific event; provided, that the licensee maintains ownership and control of the licensed establishment for the duration of the event, including modes of ingress or egress, and the staff of the establishment, including bar and security staff.” D.C. Official Code § 25-797(a). Further, under part (b), “[u]nder no circumstances shall a licensee permit the third party or promoter to be responsible for providing security or maintain control over the establishment’s existing security personnel. D.C. Official Code § 25-797(b).

9. Mr. Lumukanda admitted that the bartender and security staff working the event were under your employ or control, and not the caterers, at the event occurring on or about June 11, 2014. *Tr.* at 105-06.

4. You obtained an unlawful interest in a caterer’s license in violation of D.C. Official Code §§ 25-301.

10. Under § 25-301, “[b]efore issuing, transferring to a new owner, or renewing a license, the Board shall determine that the applicant meets all of the following criteria: (5) Except in the case of an application for a solicitor’s license, the applicant is the true and actual owner of the establishment for which the license is sought, and he or she intends to carry on the business for himself or herself and not as the agent of any other individual, partnership, association, limited

liability company, or corporation not identified in the application. D.C. Official Code § 25-301(a), (a)(5).

11. Under § 25-101(26), the term interest means “. . . the ownership or other share of the operation, management, or profits of a licensed establishment. The term “interest” shall not include an agreement for the lease of real property.” D.C. Official Code § 25-101(26).

12. Mr. Lumukanda admitted that you shared in the profits in the sale of alcohol at the event occurring on or about June 11, 2014. *Tr.* at 28, 46, 51-52, 56.

5. Additional Documents

13. Additional facts supporting Count I are also found in the transcript of the Fact Finding Hearing that occurred on September 24, 2014, and Case Report 14-CMP-00280, which are incorporated herein by reference and made part hereof of Count I.

All documents referenced in this notice are incorporated by reference, and also form the basis of the counts described above. Please contact William Hager, Public Information Officer, at (202) 442-4425 or william.hager@dc.gov if you wish to obtain copies of any document cited in this notice.

Please also note that the Board has the right to obtain additional information regarding the application under 23 DCMR § 1611.1.

If the Board finds that any of the owners participating in the application are unfit for licensure, this may result in the denial of the application, as well as an inability of the above-mentioned owners from renewing alcohol licenses or participating in other licensed establishments in the District of Columbia. In addition, in lieu of denying the application, the Board may impose conditions on the license under D.C. Official Code §§ 25-301 and 25-104(e). Finally, any information obtained during these proceedings may be used by ABRA or forwarded to other government agencies to support additional administrative or criminal actions against the applicant or the individual owners.

Under D.C. Official Code § 2-509(b), you may personally appear at the hearing, and you, as well as the applicant, may be represented by legal counsel. At your scheduled hearing, you have the right to produce witnesses and evidence on your behalf and to cross-examine witnesses. You may also examine evidence produced and have subpoenas issued on your behalf to require the production of witnesses and evidence.

The Board reserves the right to amend this notice in accordance with D.C. Official Code § 2-509 based on new information that is discovered during the hearing process. The Board also reserves the right to schedule additional hearings to address preliminary motions or additional information received by the Board during the hearing process.

All hearings are conducted before the Board in the English language. If a party or witness is deaf, or because of a hearing impediment cannot readily understand or communicate

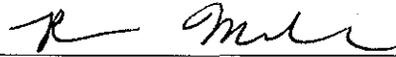
the spoken English language, the party or witness may apply to the Board for the appointment of a qualified interpreter.

Please note that under § 2-509, your failure to appear at the time and place set for the hearing, either in person or through counsel, or both, will not preclude the Board from proceeding in this matter or entering a default judgment.

ORDER

Therefore, the Board, on this 29th day of October 2014, hereby orders that Amare Alemu and Tsion Alemu, Managing Member of Aalemu Investments, LLC, demonstrate to the satisfaction of the Board that they qualify for licensure under D.C. Official Code § 25-301 in accordance with this Order. ABRA shall provide a copy of this Order to Jermaine Matthews, the representative of Aalemu Investment, LLC, and to the Applicants.

District of Columbia
Alcoholic Beverage Control Board



Ruthanne Miller, Chairperson



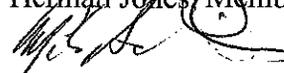
Nick Alberti, Member



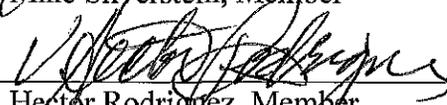
Ronald Brooks, Member



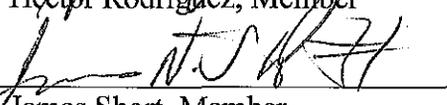
Herman Jones, Member



Mike Silverstein, Member



Hector Rodriguez, Member



James Short, Member

Under 23 DCMR § 1719.1 (2008), 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, Reeves Center, 2000 14th Street, NW, 400S, Washington, D.C. 20009.

Also, under 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 under 23 DCMR § 1719.1 (2008) 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) (2004).