

DISTRICT OF COLUMBIA  
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ALCOHOLIC BEVERAGE CONTROL BOARD  
+ + + + +  
MEETING

IN THE MATTER OF: :  
:  
Balducci's Holding, Inc. :  
t/a To Be Determined : Fact-Finding  
3201 New Mexico Ave NW : Hearing  
Retailer B - ANC 3D :  
License #88667 :  
:  
(Request to Extend :  
Safekeeping) :

Wednesday,  
December 12, 2018

The Alcoholic Beverage Control Board met in the Alcoholic Beverage Control Hearing Room, Reeves Building, 2000 14th Street, N.W., Suite 400S, Washington, D.C. 20009, Chairperson Donovan W. Anderson, presiding.

PRESENT:

DONOVAN W. ANDERSON, Chairperson  
NICK ALBERTI, Member  
BOBBY CATO, JR., Member  
MIKE SILVERSTEIN, Member  
REMA WAHABZADAH, Member

ALSO PRESENT:

ANNE MARIE VASSALLO-McKINNON, Applicant Attorney  
ALLEN MERKEN, Applicant

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

2 3:58 p.m.

3 CHAIRPERSON ANDERSON: All right. We  
4 are back on the record. We now have a Fact-  
5 Finding Hearing for Balducci's Holding, LLC t/a  
6 To Be Determined, License No. 88667, request to  
7 extend safekeeping.

8 Would the parties, please, approach  
9 and identify themselves for the record, please?

10 MS. VASSALLO-McKINNON: Good morning.  
11 I'm Anne Marie Vassallo McKinnon. That's V, as  
12 in Victor, A-S-S-A-L-L-O new word McKinnon, M-C-  
13 K-I-N-N-O-N, of the Skeen Law Firm on behalf of  
14 Balducci's Holding, LLC.

15 CHAIRPERSON ANDERSON: Good afternoon,  
16 Ms. Vassallo-McKinnon. Yes, sir, you are?

17 MR. MERKEN: Allen Merken. I'm the  
18 Vice President of Real Estate. That's M-E-R-K-E-  
19 N. And I'm here on behalf of Balducci's.

20 CHAIRPERSON ANDERSON: All right.  
21 This is asking for an extension of safekeeping of  
22 the license. The license has been in safekeeping

1 since 2015 and it is now almost 2019. It is not  
2 apparent that this license will be on board. If  
3 we were to grant this extension, it would be  
4 through March 31, 2019.

5 So basically, I'm thinking ahead,  
6 because you had asked for an extension and this  
7 would have carried you through March of 2019.  
8 That's basically three months.

9 When you have a license, will you be  
10 able to identify a location by March of 2019?  
11 And if you are unable to locate a location by  
12 March of 2019, why? And when will you be able to  
13 identify a location?

14 MS. VASSALLO-McKINNON: Chairman, let  
15 me just give you give you a little update of  
16 where we are at and then we can answer any  
17 questions there might be.

18 We -- in our letter to you in  
19 September of this year, we indicated that we  
20 still have firmly in place a Letter of Intent  
21 with Valor Development for their Ladybird Project  
22 redevelopment. It is over on Yuma Street.

1           We met with you about a year ago. We  
2 gave you a formally drafted copy of that Letter  
3 of Intent with Valor. And we received from them  
4 the first round of -- the first initial draft of  
5 the lease in March of 2018. We began to go  
6 through that lease, as the initial round of  
7 reviews, and I'm going to ask Allen to step in  
8 here.

9           Around May, Valor Development ran into  
10 a snag with the landowner. The developer is not  
11 the landowner at this point. Valor has been  
12 seeking its zoning entitlement for the property.  
13 So they communicated to us that they would not be  
14 continuing, at that time, with active lease  
15 negotiations until they worked out things with  
16 the developer.

17           So I'm going to ask Allen to step in  
18 here and tell us where we are at in terms of the  
19 negotiations which are ongoing and still active  
20 with Valor and what Valor is doing to try and  
21 advance the project forward.

22           I will say that a comment on this,

1 that project is still very much the identified  
2 site. Balducci's still wants to pursue it. It  
3 meets all its requirements. It is simply, at  
4 this time, they are on the sideline until the  
5 developer and the property owner figure out what  
6 they need to do next.

7 MR. MERKEN: And that is true. We are  
8 still actively working with them. Valor has also  
9 brought in a larger developer to work with them  
10 to work through some of their ground issue  
11 problems. And where, at this time, they are not  
12 sharing those with us. We don't know if it's  
13 parking, if it's residential, what it is, but  
14 they are working through that. They have brought  
15 another developer in. They are working. They  
16 realize every month that this isn't open, they  
17 are also losing money, so they are trying to  
18 expedite it.

19 As of yesterday, they have not given  
20 us even a clear, they just said well, no, wait,  
21 we are going to talk to you in January.  
22 Hopefully we will have some good news, but that

1 is as far as we have. So we are kind of at the  
2 mercy of the developer. In the meantime, I'll  
3 share this also.

4 In the meantime, Balducci's is in the  
5 middle of a refinancing to help our operation and  
6 to get ready so when this happens, we will have  
7 all the complete financing for the company all  
8 ready to go. So we are -- you know, that is  
9 taking place over the next several months.

10 MS. VASSALLO-McKINNON: I think as we  
11 articulated to the Board last year when we had  
12 the chance to meet with you, having the license  
13 is a very important tool in terms of negotiation,  
14 because it provides an element of certainty of  
15 one of the things that ultimately makes a  
16 Balducci's successful.

17 Fine wines and craft beers are an  
18 important part of the business model because they  
19 not only bring people into the store, they also  
20 serve as a complimentary type of product. A  
21 person comes in to buy food, they may buy wine.  
22 A person comes in to buy wine, they may think of

1 food. It helps to expand the customer's time and  
2 experience in the store.

3 So having this license, and this was  
4 explained. I believe last year the gentleman who  
5 was with me, Joel Chase, he is no longer with the  
6 company. He was articulating to the Board that  
7 the license provides a very important element of  
8 certainty.

9 Should we no longer have this license  
10 and in the future apply anew, go through the  
11 standard application process with the ANC, appear  
12 before the Board, our notices, all of that, we  
13 believe we qualify for the license. We realize  
14 this license category is in the moratoria. There  
15 are certain exceptions that allow you to still  
16 qualify for the license. And we believe that  
17 that would happen.

18 However, there is never the certainty.  
19 The law could change. There could be some  
20 unforeseen or unknown disagreement. We don't  
21 know. So having this license and being able to  
22 continue having the license it is very important

1 in terms of providing certainty that you can take  
2 into the lease negotiations.

3 MR. MERKEN: And yet it's -- now, the  
4 safekeeping, now -- well, we appreciate the fact  
5 that, you know, we are going through this and,  
6 you know, we can have it. It would be great. We  
7 don't want to stay too long at the party, so to  
8 speak, but, you know, we are looking here for  
9 whatever guidance you want to instill upon us.

10 CHAIRPERSON ANDERSON: Well, I think  
11 the problem is that we are going to -- this  
12 extension, it was -- it's because extensions are  
13 only granted for six months, so this extension,  
14 if granted, is through March of 2019, March 31,  
15 2019.

16 And so what you are telling me is that  
17 you are going to come back again in March and  
18 request another extension through September of  
19 2019.

20 MS. VASSALLO-McKINNON: Yes, I believe  
21 you are correct.

22 CHAIRPERSON ANDERSON: So --



1 MS. VASSALLO-McKINNON: While we would  
2 very much like to give you a delivery date --

3 CHAIRPERSON ANDERSON: And so --

4 MS. VASSALLO-McKINNON: -- I think  
5 it's all an estimate.

6 CHAIRPERSON ANDERSON: -- if we agree  
7 to this now, what are you going to provide us in  
8 -- when you ask for the extension in March of  
9 2019? What is it -- what should we expect? What  
10 should we hold you -- what should -- because  
11 there has to be some point and I agree with you  
12 that having a license, I mean, we do have these  
13 issues where yes, you can apply for a new  
14 license, because you are applying for a B  
15 License. So it's not as controversial as  
16 applying for an A.

17 So or so it's -- you can get a B  
18 License. So but it's always good when someone  
19 has something in-hand. I mean, we have other  
20 cases where people believe that I need to hold on  
21 to the license, but at the same time, what is it  
22 that -- what's the expectation? There has to be

1 some expectation.

2           There has to be some end goal to say  
3 we are going to have this license. We are going  
4 to have -- we are going to identify a location,  
5 because even if you were to say I signed a lease,  
6 it -- there is really no assurances that within--  
7 by September of 2019 you will be operational,  
8 because from what I am told, we are still  
9 gathering land. So even if you sign a lease, you  
10 are not going to come onboard maybe until 2020.

11           So but there has to be some yardstick  
12 that we have to measure whether or not there is  
13 progress and I'm not -- it doesn't appear to me  
14 that there is any progress since the last time  
15 you were here. There is still no lease.

16           MS. VASSALLO-McKINNON: I think you  
17 are correct, because of the difficulty of  
18 agreement that arose between the property owner  
19 and Valor Development, we were not able to move  
20 forward in the last six months. We are pretty  
21 much still on a holding pattern.

22           MR. MERKEN: You are correct. It's a

1 time line. If we were actually to come back and  
2 say we have a lease, you are right, it would  
3 probably be 12 to 14 months before the property  
4 would actually get open.

5 CHAIRPERSON ANDERSON: And you are in  
6 a different position if you have a lease, because  
7 if you have a lease, then we know that you are  
8 actively -- because then the Board can't say we  
9 are going to take away the license, because we  
10 know that you have a lease. And so you are in  
11 the process of doing the build-out to open up.

12 But you still haven't identified a  
13 property. Well, you haven't identified a  
14 property, because you don't have a lease.

15 MS. VASSALLO-McKINNON: We have a  
16 draft lease sitting here.

17 CHAIRPERSON ANDERSON: But you know  
18 what I mean.

19 MS. VASSALLO-McKINNON: Right, right.

20 CHAIRPERSON ANDERSON: It's not --

21 MS. VASSALLO-McKINNON: It's not --

22 CHAIRPERSON ANDERSON: -- a lease

1       until the four -- the document is signed and  
2       dated and then folks -- their obligation that  
3       need to sign. So right now, do you -- there is  
4       nothing there. And as I said, I'm always  
5       thinking ahead and I'm trying to figure out how  
6       if we approve this, when you come back in March,  
7       is it still -- okay, we are still looking for a--  
8       we are still trying to find -- we -- there is  
9       still no progress.

10                You come back in September, there is  
11       still no progress, because as I said before, I am  
12       aware that there is still going to be a process  
13       before the license is open. So you tell me. I  
14       mean, what is it that we should expect? What is  
15       it that should we hold you to?

16                I mean, of course, there are certain  
17       things that are beyond your control, but what is  
18       it that we should hold you to in March if we  
19       approve this today?

20                MS. VASSALLO-McKINNON: You bring up  
21       a very good point. In addition to providing you  
22       the update of where we are at, at this point, we

1 actually applied for this opportunity today,  
2 because we want to seek some guidance. We want--  
3 I mean, you want to see benchmarks from us. We  
4 would really like to meet these benchmarks,  
5 because this is a great market for Balducci's to  
6 get back into. We very much want to.

7 But we cannot provide a delivery date  
8 of the property, the Ladybird Project, because we  
9 don't have one. So we would also like the  
10 guidance from the Board. What would the Board  
11 like us to -- we would prefer to continue to file  
12 our annual application, we will pay our annual  
13 renewal fee, we pay that in September, to make  
14 our request for safekeeping, provide you with our  
15 update.

16 And if that doesn't provide an element  
17 of comfort to the Board, then if you want us to  
18 relinquish this license, I mean, we are willing  
19 to do what the Board wants us to do. Keep taking  
20 into account the development, both curves and  
21 benchmarks that you want to see.

22 CHAIRPERSON ANDERSON: Well, we can't

1 tell you to relinquish the -- we can't tell you  
2 to do that. And we can't take away the license  
3 from -- currently. So therefore, if we were to  
4 decide not to grant the extension, then we need  
5 to -- we are going to want another form, so we  
6 would have what is called a Contested Fact-  
7 Finding Hearing.

8 And so therefore, you would come and  
9 it's a contested matter. So even if the  
10 recommendation today was to not grant the  
11 extension, we still have -- we still would have  
12 to give you an opportunity to come back here.  
13 And so why is it that what we are doing is  
14 improper?

15 So I can't tell you what to do. I  
16 mean, if you want to relinquish it, then that's  
17 yours, but again, you are saying that we want to  
18 hold on to it, because it's good to have a  
19 license because of the surety. But I -- the  
20 Board, at some point, we had at some point in our  
21 history, had a very long list of establishments  
22 that were in safekeeping.

1                   And so what the Board is trying to  
2                   keep is a safekeeping list to a manageable --

3                   MS. VASSALLO-McKINNON:   Um-hum.

4                   CHAIRPERSON ANDERSON:   -- list.   And  
5                   to say that if you don't -- if you can't provide  
6                   us with sufficient guidance why is it you want to  
7                   keep this license in safekeeping, then we are  
8                   going to start the process and have you turn it  
9                   over.   So I'm not going to say this is what you  
10                  need to do, but you just have to show the Board  
11                  that yes, I could easily say to you that there  
12                  are certain areas in DC you can go and sign a  
13                  lease and you will be onboard immediately.

14                  However, you know the market that you  
15                  want to open in and so, therefore, you are trying  
16                  to be in a specific market.

17                  MS. VASSALLO-McKINNON:   Okay.

18                  CHAIRPERSON ANDERSON:   So but as I  
19                  said, there are plenty of other areas in DC that  
20                  you can utilize, but maybe that market is not  
21                  attractive to you.   So but it just has to be --  
22                  it can't be this holding pattern.   At some point,

1 someone is -- it can't be a holding pattern.

2 I'm not sure -- you are paying -- you  
3 are paying a fee to renew the license and it's in  
4 a holding pattern. It's not being utilized.

5 MS. VASSALLO-McKINNON: We paid the  
6 annual fee on the 17th.

7 CHAIRPERSON ANDERSON: Right. So  
8 that's what I'm saying, so you are also paying  
9 and are you going to continue paying this fee for  
10 20 years or 10 year if we allow you to do it?  
11 And so it's a decision at some point that you  
12 have to make, but we are not in a position.

13 So we just bring you in to say this is  
14 -- you need to tell us what is going on with you  
15 identifying a location, because as I said, as I  
16 stated, once you identify a location, it's going  
17 to take a while for the license to start  
18 generating income.

19 So it's -- any questions by any other  
20 Board Members? Mr. Alberti?

21 MEMBER ALBERTI: I'm just curious. so  
22 this is just a regular B, it's not a full-service



1 grocery then?

2 MS. VASSALLO-McKINNON: It's a Class  
3 B Retailer. I believe we have the grocery  
4 endorsement option, full-service grocery.

5 MEMBER ALBERTI: All right. Can I ask  
6 the Director who is sitting in the back, the type  
7 of license, Mr. Moosally?

8 MR. MOOSALLY: Regular Class B.

9 MEMBER ALBERTI: Pardon?

10 MR. MOOSALLY: Regular Class B.

11 MEMBER ALBERTI: Regular Class B. So  
12 my curiosity then is what steps do you think you  
13 would avoid by not having to apply for a new  
14 license?

15 MS. VASSALLO-McKINNON: I'm sorry. I  
16 looked up the statute just to make sure. I  
17 looked up both the definition of full-service  
18 grocery to make sure.

19 MEMBER ALBERTI: No, but that's not in  
20 play here. You are not a full-service grocery.  
21 If you were to apply, you would have to -- that  
22 would basically be a new application.

1 MS. VASSALLO-McKINNON: The old -- the  
2 most concerning one is, for instance, that --  
3 well, I believe that the individuals on the  
4 license would qualify. They have already  
5 qualified.

6 MEMBER ALBERTI: All right. It's just  
7 a matter of background check, which is --

8 MS. VASSALLO-McKINNON: A change in  
9 the law is, you know, something that we can't  
10 control. We don't foresee one, but it could  
11 happen. And I don't believe we would encounter  
12 too much opposition, but you never know.

13 MEMBER ALBERTI: You don't avoid that  
14 step.

15 MS. VASSALLO-McKINNON: No, I  
16 understand.

17 MEMBER ALBERTI: Because --

18 MS. VASSALLO-McKINNON: We don't.

19 MEMBER ALBERTI: -- when you transfer  
20 to a location, there will be a public  
21 announcement and a chance for the public to weigh  
22 in.

1 MS. VASSALLO-McKINNON: Right, I know  
2 that. We always have --

3 MEMBER ALBERTI: Right. So --

4 MS. VASSALLO-McKINNON: -- ANC  
5 consideration and certainty, you know, just --

6 MEMBER ALBERTI: So yeah, I just want  
7 to make -- I just want to agree with you, because  
8 I really want to -- because I think the licensee  
9 is just sort of psychologically saying I've got  
10 the license and this is great to him.

11 But really --

12 (Simultaneous speaking)

13 MS. VASSALLO-McKINNON: A change --

14 MEMBER ALBERTI: -- your --

15 MS. VASSALLO-McKINNON: -- in the law,  
16 I think, is the biggest concern.

17 MEMBER ALBERTI: -- that's the only --

18 MS. VASSALLO-McKINNON: Somebody gets  
19 -- sections are altered.

20 MEMBER ALBERTI: Right. That's the  
21 only way and you can look at the history --

22 MS. VASSALLO-McKINNON: Yeah, right.

1                   MEMBER ALBERTI:  -- of changes in law.  
2                   And it really doesn't really -- I can't think of  
3                   in the last 50 years changes in the law that  
4                   would have affected you.

5                   MS. VASSALLO-McKINNON:  I would not be  
6                   worth my salt if I made guarantees to my clients.

7                   MEMBER ALBERTI:  No, I know, I know.  
8                   But I just want you and your client to understand  
9                   that except for the certain nebulous changes in  
10                  the law, which aren't likely, what we really --  
11                  are there really any processes?  And so there are  
12                  no guarantees.  As there are no guarantees for  
13                  the transfer, as there are to a location.  There  
14                  are no guarantees for a new license.

15                  Okay.  I just wanted --

16                  MS. VASSALLO-McKINNON:  I'll talk  
17                  about that.

18                  MEMBER ALBERTI:  -- to do that so  
19                  every -- I just hope that you know that and  
20                  consider that.

21                  MS. VASSALLO-McKINNON:  Right.  And  
22                  the costs, I mean, I have weighed into my client

1 that the costs are very -- the administrative  
2 costs and the owner fee cost.

3 MEMBER ALBERTI: Okay.

4 MR. MERKEN: Internally for us to have  
5 -- to know that we have it, it helps us in a  
6 business strategy going to investors, talking to  
7 the landlord and the developers to say well, here  
8 is our -- what we are going to be offering the  
9 public. Here is what we are offering. Here is  
10 what we will do.

11 It's nice to know that we have this  
12 and we just have to go through, where if we don't  
13 have it, it's kind of something we can't promise,  
14 because we don't know what we are going to get.

15 CHAIRPERSON ANDERSON: Any other  
16 questions by any Board Members? Any other  
17 comments that you want to make?

18 MS. VASSALLO-McKINNON: For my  
19 background, I looked up some of the other  
20 licenses in safekeeping. We are not the longest,  
21 but clearly not the shortest.

22 CHAIRPERSON ANDERSON: Well, there are

1 certain types of licenses, all right, let me --  
2 you can look at that list. I'll tell you why.  
3 We have a class --

4 MS. VASSALLO-McKINNON: I looked it up  
5 already and so far I can see the Board's  
6 dispositions on a --

7 CHAIRPERSON ANDERSON: No, but I'm  
8 saying that there is a class of license that we  
9 have right now that will stay in safekeeping  
10 perpetually. And we will renew them because it's  
11 a class of license until DC changes the law,  
12 these folks cannot utilize the license that they  
13 have.

14 So you might see some license in there  
15 that we routinely -- they pay the fee. We  
16 routinely will extend it, because they are hoping  
17 and praying that the law will be changed so they  
18 can use their license. So that's why I'm saying,  
19 you can't look at that list, because you will  
20 realize that yes, you are not the oldest one.

21 And I'm not quite sure -- and they  
22 might be -- they probably will stay in that

1 state, maybe for the next 10 to 15 years, unless  
2 the City Council changes the law. They believe  
3 that it's in their business sense to pay the  
4 renewal fee, because this license is so valuable  
5 to them, which currently it is very valuable, but  
6 they can't use it until the law is changed. So  
7 don't --

8 MS. VASSALLO-McKINNON: Okay. Well,  
9 my next question --

10 CHAIRPERSON ANDERSON: All right.

11 MS. VASSALLO-McKINNON: -- I had also  
12 looked at the language of the statute. It said,  
13 you know, "demonstrate satisfactory progress."  
14 And --

15 CHAIRPERSON ANDERSON: And that's the  
16 way -- remember --

17 MS. VASSALLO-McKINNON: Satisfactory  
18 progress.

19 CHAIRPERSON ANDERSON: -- what did I  
20 say to you when you started? I said, okay, this  
21 extension is through March of 2019. So  
22 therefore, you are going to come back to us.

1 MS. VASSALLO-McKINNON: Yes.

2 CHAIRPERSON ANDERSON: So what is it  
3 that we should expect? Because it's -- we are  
4 talking about three months and you have to come  
5 back again. So you are going to come back to us  
6 again.

7 MS. VASSALLO-McKINNON: Yes.

8 CHAIRPERSON ANDERSON: And when I said  
9 to you like if you had a lease, then it's an easy  
10 -- you just say, you know, we signed a lease. Of  
11 course, you know, it is going to take us a year  
12 to do the build-out and do all of that and that's  
13 fine, we understand that. But you are still  
14 saying to us that we are still searching for a  
15 location.

16 MS. VASSALLO-McKINNON: Actually, I do  
17 want to make clear this Ladybird Project is the  
18 site that Balducci's has identified in the  
19 District of Columbia. There is a Letter of  
20 Intent. And I realize Letters of Intent are not  
21 necessarily binding, but there is also a draft  
22 lease sitting on Mr. Merken's desk that he has



1       been told by Valor Development we can't discuss  
2       it with you, because we are still trying to get  
3       things settled with the property owner. And the  
4       property owner compelled to bring in an  
5       additional deep-pocket developer to try and  
6       transfer the entire project.

7                       So in the District of Columbia, I  
8       don't think you are really considering alternate  
9       sites. Now, would it make sense to look at  
10      alternate sites to quickly use this license?  
11      That's kind of a double-edged sword.

12                      MR. MERKEN: Well, we have, but you  
13      know, not -- but there is nothing that was worth  
14      talking about, at this point.

15                      CHAIRPERSON ANDERSON: All right.

16                      MR. MERKEN: There is a half a dozen,  
17      but we just haven't --

18                      CHAIRPERSON ANDERSON: And have you  
19      provided us with a Letter of Intent?

20                      MS. VASSALLO-McKINNON: We did provide  
21      you a copy last year in September. It's dated  
22      September --

1                   CHAIRPERSON ANDERSON: Oh, so you  
2 didn't provide this to us today.

3                   MS. VASSALLO-McKINNON: Yes, and we  
4 would be glad to include it in our letter of  
5 September 17th.

6                   CHAIRPERSON ANDERSON: I just have the  
7 letter. I don't have anything else, so all  
8 right.

9                   MS. VASSALLO-McKINNON: We don't have  
10 a new copy of the Letter of Intent.

11                   CHAIRPERSON ANDERSON: All right.

12                   MS. VASSALLO-McKINNON: All right. We  
13 are still under the previous one.

14                   CHAIRPERSON ANDERSON: All right.  
15 Well, I think we are stuck between a rock and a  
16 hard place to avoid this -- to avoid having you  
17 come back. You need to provide us something.  
18 Hopefully you have something more concrete to  
19 provide to us moving forward, because you are  
20 going to come back to us in March and in order  
21 for you not to have to pay her to be here with  
22 us, you have -- we need something more concrete.

1           If it's sending something more  
2 concrete, it's like okay, here is a lease. We  
3 signed a lease. Then you are not going to come  
4 back to us, because we understand that you have  
5 now signed the lease and so I would say I'm going  
6 to recommend to the Board that we grant the  
7 request through March 31, 2019.

8           But to let you know that to avoid  
9 coming back here, then I think if you -- you need  
10 to tell us where you are in signing the lease.  
11 Where -- what's the hold up? What is it you need  
12 to find out from the larger-- what's the time  
13 line? Because I think if you provide us a time  
14 line to say this is what -- this is how long it  
15 is going to take to -- you know, for us to sign  
16 the lease, then we are reasonable people.

17           And so if it's a reasonable request,  
18 then it will be approved. But if it's not, then  
19 we are going to bring you back here and then if  
20 you can't -- if it's still like we are still  
21 talking, then the Board could say that we are  
22 going to start the process to cancel the license.

1                   And that takes another process, so  
2                   it's not -- we just don't say we are going to  
3                   cancel it and cancel it. We have to give you an  
4                   opportunity in a more formalized structure to  
5                   tell us why is it that we should not take it.

6                   Okay? So with that, do you have any  
7                   final comments you want to make?

8                   MS. VASSALLO-McKINNON: No, thank you.

9                   CHAIRPERSON ANDERSON: I make a motion  
10                  that we grant this request through March 31,  
11                  2019. Is there a second?

12                  MEMBER SILVERSTEIN: Second.

13                  CHAIRPERSON ANDERSON: Mr. Silverstein  
14                  has seconded the motion.

15                  All those in favor say aye.

16                  ALL: Aye.

17                  CHAIRPERSON ANDERSON: Those opposed?  
18                  The matter passes, sometimes I have to count just  
19                  to make sure I know, 5-0-0.

20                  Well, thank you very much, but I have  
21                  told you what the expectation is and we will see  
22                  what happens in March of 2019.



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C E R T I F I C A T E

This is to certify that the foregoing transcript

In the matter of: Balducci's

Before: DCABRA

Date: 12-12-18

Place: Washington, DC

was duly recorded and accurately transcribed under  
my direction; further, that said transcript is a  
true and accurate record of the proceedings.

*Neal R Gross*

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Court Reporter

**NEAL R. GROSS**

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