

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

In the Matter of:)		
)		
KAT, LLC)	Case No.:	22-251-00007
t/a Cloud Restaurant & Lounge Sports Bar)	License No:	ABRA-093572
)	Order No:	2022-120
)		
Holder of a)		
Retailer's Class CT License)		
)		
at premises)		
1919 9th Street, N.W.)		
Washington, D.C. 20001)		

BEFORE: Donovan Anderson, Chairperson
James Short, Member
Bobby Cato, Member
Rafi Aliya Crockett, Member
Jeni Hansen, Member
Edward S. Grandis, Member

ALSO PRESENT: KAT, LLC, t/a Cloud Restaurant & Lounge Sports Bar, Respondent

Richard Bianco, Counsel, on behalf of the Respondent

Charles J. Coughlin, Assistant Chief
Office of the Attorney General for the District of Columbia

Martha Jenkins, General Counsel
Alcoholic Beverage Regulation Administration

ORDER APPROVING OFFER IN COMPROMISE

The above-mentioned parties appeared before the Alcoholic Beverage Control Board on March 23, 2022. At the hearing, the parties proposed an offer-in-compromise (OIC) to resolve the enforcement action described in the cases identified above. The Board approved the OIC at the hearing.

ORDER

Therefore, on this 30th day of March 2022, the Board **APPROVES** the OIC presented by the parties. The terms of the OIC are as follows:

1. The Respondent shall file a Security Plan by 5:00 p.m. on April 4, 2022, compliant with Title 25 of the D.C. Official Code, and remain in compliance with its security plan while in operation.
2. The Security Plan shall also contain the following provisions:
 - a. Requirements that all patrons shall be subject to search by metal detecting wands and physical examination of any bags or purses brought into the establishment with subsequent “pat down” searches being supplemental as necessary.
 - b. Requirements for preserving a crime scene or scene of a violent incident including that the licensee shall cooperate with any investigations conducted by MPD or ABRA and ask their employees to stay and be interviewed by MPD in the event that a crime has occurred. The Respondent agrees to submit a list of all security personnel employed by the establishment which will be kept on premises, with the job title or role of each employee listed and their contact information. Such list shall be updated upon the hiring or termination of each security employee, and shall be available at the establishment upon request by MPD or ABRA.
 - c. Requirements that all security cameras are maintained in working order at all times and where the Respondent knows or should know that cameras are inoperable, Respondent will follow the procedures set forth in D.C. Code §25-402, 403(e)(3)(G).
 - d. Requirements that training on how to identify and handle intoxicated patrons, de-escalation of threats and violence, and on reporting incidents of violence or injury to the manager, security supervisor, or other appropriate authority shall be conducted bi-annually for all staff and security personnel, and new staff and security personnel shall be trained on the Security Plan within 30 days of hire.
 - e. All staff and security officers shall be trained on the revised Security Plan prior to the Board’s reinstatement of Respondent’s ABC license.
3. The Respondent pay a fine of \$2,000 for violating D.C. Official Code § 25-823(a)(6) (primary tier violation) without admitting guilt;
4. Prior to the Board lifting the suspension of the ABC license, Respondent shall ensure that all sixteen cameras currently in place are in full working order and that footage from all cameras is capable of being saved and maintained for at least 30 days.

5. ABRA shall perform a walkthrough of the establishment to ensure compliance with this Order before the suspension is lifted;
6. The Respondent shall otherwise comply with the OIC attached to this Order; and
7. The suspension on the Respondent's license shall be lifted upon satisfaction of the terms of the OIC, including the repair of all security cameras, the filing of a revised and compliant Security Plan, the training of all staff related to the Security Plan, a walkthrough by ABRA officials, and the payment of the required fine.

IT IS FURTHER ORDERED that the Respondent must pay all fines imposed by the Board within thirty (30) days from the date of this Order, or its license shall be immediately suspended until all amounts owed are paid.

The ABRA shall deliver copies of this Order to the Government and the Respondent.

District of Columbia
Alcoholic Beverage Control Board

eSigned via SeamlessDocs.com
Donovan Anderson
Key: ac43cb9eb9d5f09e4b730093d1dccc8

Donovan Anderson, Chairperson

eSigned via SeamlessDocs.com
James Short
Key: 547ae373f822de6ac8d1b332ad2049ec

James Short, Member

eSigned via SeamlessDocs.com
Bobby Cato
Key: 256d3fca1fb146d7f4b75bd7917d20d

Bobby Cato, Member

eSigned via SeamlessDocs.com
Rafi Aliya Crockett, Member
Key: b560e91845e1f9e4016155e5c12f81cc

Rafi Crockett, Member

eSigned via SeamlessDocs.com
Jeni Hansen, Member
Key: 82172091f0508447491b56f9c2a41899

Jeni Hansen, Member

eSigned via SeamlessDocs.com
Edward Grandis, Member
Key: 5027bda7f9f0040ec14adeb52541ce5

Edward S. Grandis, Member

Pursuant to 23 DCMR § 1719.1, 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, N.W., 400S, Washington, D.C. 20009. Also, pursuant to section 11 of the District of Columbia Administrative Procedure Act, Pub. L. 90-614, 82 Stat. 1209, District of Columbia 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 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).

Finally, in the case of a summary suspension, “A person aggrieved by a final summary action may file an appeal in accordance with the procedures set forth in subchapter I of Chapter 5 of Title 2.” D.C. Code § 25-826(d).

**GOVERNMENT OF THE DISTRICT OF COLUMBIA
ALCOHOLIC BEVERAGE REGULATION ADMINISTRATION
ALCOHOLIC BEVERAGE CONTROL BOARD**



IN THE MATTER OF: KAT, LLC, t/a CLOUD RESTAURANT & LOUNGE SPORTS BAR, Respondent.	Case No. 22-251-00007 License No. 093572 Retailer Class CT
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OFFER IN COMPROMISE FOR BOARD APPROVAL

The District of Columbia, jointly with the licensee (respondent), submits this Offer in Compromise (OIC) to the Alcoholic Beverage Control Board (Board), as authorized by 23 DCMR § 1604.5, for approval by the Board.

The Parties understand that if the Board approves the OIC, this case will conclude. Respondent will be obligated to abide by the terms of the OIC shown below. If the Board does not approve the OIC, litigation of this Summary Suspension will continue.

By accepting this OIC, Respondent does not admit to liability. Respondent has been advised that there is no obligation to accept an OIC. Respondent has been advised, through service of the Notice of Summary Suspension that at any Summary Suspension Hearing or other proceedings, respondent may: be represented by legal counsel, have subpoenas issued to require the production of witnesses and evidence, produce witnesses and evidence, cross-examine witnesses, and apply to the Board for a qualified interpreter.

The OIC terms are as follows.

- (1) Revised Security Plan: Respondent shall submit an updated Security Plan to ABRA and the Office of the Attorney General (OAG) by 5:00 p.m. on April 4, 2022. The Security Plan shall comply with all applicable requirements under D.C. Code Title 25 and corresponding

regulations, including 25 DCMR § 402. The revised Security Plan shall be reviewed and accepted by the Board prior to lifting the suspension of the establishment's ABC license. The revised Security Plan shall include:

- a. The minimal requirements outlined under the existing Security Plan shall remain in effect unless otherwise outlined below.
- b. Requirements that all patrons shall be subject to search by metal detecting wands and physical examination of any bags or purses brought into the establishment with subsequent "pat down" searches being supplemental as necessary.
- c. Requirements for preserving a crime scene or scene of a violent incident including that the licensee shall cooperate with any investigations conducted by MPD or ABRA and ask their employees to stay and be interviewed by MPD in the event that a crime has occurred. The licensee agrees to submit a list of all security personnel employed by the establishment which will be kept on premises, with the job title or role of each employee listed and their contact information. Such list shall be updated upon the hiring or termination of each security employee, and shall be available at the establishment upon request by MPD or ABRA.
- d. Requirements that all security cameras are maintained in working order at all times and where the Respondent knows or should know that cameras are inoperable, Respondent will follow the procedures set forth in D.C. Code §25-402, 403(e)(3)(G).
- e. Requirements that training on how to identify and handle intoxicated patrons, de-escalation of threats and violence, and on reporting incidents of violence or injury to the manager, security supervisor, or other appropriate authority shall be conducted bi-annually for all staff and security personnel, and new staff and security personnel shall be trained on the Security Plan within 30 days of hire.
- f. All staff and security officers shall be trained on the revised Security Plan prior to the Board's

reinstatement of Respondent's ABC license.

- (2) Security Cameras: Prior to the Board lifting the suspension of the ABC license, Respondent shall ensure that all sixteen cameras currently in place are in full working order and that footage from all cameras is capable of being saved and maintained for at least 30 days.
- (3) Fine: Prior to the Board lifting the summary suspension of the ABC License, the Respondent shall pay a fine in the amount of \$2,000 for violations of their security plan, provided however that by entering into this Offer in Compromise, Respondent does not admit liability for the violations. In no event shall the fine be paid later than thirty (30) days from the Board's acceptance of this OIC.
- (4) Compliance Walk-through: Prior to Board's lifting the suspension of the establishment's ABC license, an ABRA investigator shall conduct a walk-through of the licensed establishment with respondent to evaluate the establishment's compliance with the requirements outlined above.
- (5) Suspension: The summary ABC license suspension shall be lifted upon satisfaction of these conditions, specifically (1) repair of any inoperable cameras; (2) revision of the security plan; (3) training of all staff and security officers on the revised Security Plan; (4) successful walkthrough by ABRA; (5) payment of fine.

Dated: March 29, 2022.

Respectfully submitted,

KARL A. RACINE
Attorney General for the District of Columbia

CHAD COPELAND
Deputy Attorney General
Civil Litigation Division

/s/ Kimberly M. Johnson
KIMBERLY M. JOHNSON [435163]
Chief, Civil Enforcement Section

/s/ Charles J. Coughlin
CHARLES J. COUGHLIN [1016993]
Assistant Chief, Civil Enforcement Section

/s/ Anthony P. Celo
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Anthony.Celo@dc.gov

Attorneys for the District of Columbia

CONSENT OF RESPONDENT

By this Offer in Compromise, I agree to accept and perform its terms. I acknowledge the validity of the OIC and waive further litigation including the motion of reconsideration to which I would have a right under 23 DCMR § 1719.1. I also recognize that I am waiving any right to appeal an adverse ruling of the Board that might have followed any such hearing. By this settlement, I waive all such rights. I sign this OIC without reservation, and I fully understand its meaning and my rights.

/s/ Tesfit Kiflu
Tesfit Kiflu, Owner
Respondent

03/29/2002
DATE

/s/ Richard J. Bianco
Richard Bianco, Esq.
Attorney for Respondent

3/29/22
DATE

* Admitted to practice only in Pennsylvania and Ohio. Practicing in the District of Columbia under the direct supervision of Charles J. Coughlin, a member of the D.C. Bar, under D.C. Court of Appeals Rule 49(c)(4).

CERTIFICATE OF SERVICE

I certify that on March 29, 2022, the was served by electronic mail or by U.S. mail, first class postage pre-paid, to:

Richard Bianco, Esq.
Counsel for Respondent
2001 L St., N.W., Suite 500
Washington, D.C., 20036
rich@lawrjb.com

Tesfit Kiflu, Owner
Kat, LLC t/a Cloud Restaurant & Lounge Sports Bar
1919 9th St., N.W.
Washington, D.C. 20001

/s/ Anthony P. Celso _____
Anthony P. Celso
Assistant Attorney General*