THE DISTRICT OF COLUMBIA ALCOHOLIC BEVERAGE AND CANNABIS BOARD

In the Matter of:)	
Kezira, Inc.)	
t/a Kezira Lounge)	
_) Case No.:	23-CMP-00007
Applicant for a Renewal of a) License No.:	ABRA-117490
Retailer's Class CR License	Order No.:	2024-079
at premises)	
3013 Georgia Avenue, N.W.)	
Washington, D.C. 20001		

BEFORE: Donovan Anderson, Chairperson

James Short, Member Silas Grant, Jr., Member

PARTIES: Kezira, Inc., t/a Kezira Lounge, Respondent

Christopher Southcott, Assistant Attorney General, Office of the Attorney General for the District of Columbia

Martha Jenkins, General Counsel Alcoholic Beverage and Cannabis Administration

FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER

INTRODUCTION

The Alcoholic Beverage and Cannabis (Board) finds that Kezira, Inc., t/a Kezira Lounge, (hereinafter "Respondent" or "Kezira Lounge") committed one violation of D.C. Official Code §§ 25-762(b)(13) and two violations of D.C. Official Code § 25-823(b)(5)(A) and (C) on January 19 into the early morning hours of January 20, 2024, by operating after its licensed hours, preventing the lawful entry of government officials, and lying to investigators. The Respondent shall pay a total fine of \$3,000 for the offenses.

Procedural Background

This case arises from the Notice of Status Hearing and Show Cause Hearing (Notice), which the Board executed on November 3, 2023. *ABCA Show Cause File No.* 23-CMP-00007,

Notice of Status Hearing and Show Cause Hearing, 2 (Nov. 3, 2023). The Notice charges the Respondent with multiple violations, which if proven true, would justify the imposition of a fine, as well as the suspension or revocation of the Respondent's license.

Specifically, the Notice charges the Respondent with the following violations:

Charge I: [On January 19, 2024,] [y]ou extended the hours of operation for the establishment in violation of D.C. Code § 25-762(a) and (b)(13)

Charge II: [On January 19, 2024,] [y]ou failed to cooperate with an ABCA and MPD investigation by refusing to allow ABCA investigators and MPD officers to enter or inspect the licensed premises without delay, [in violation of D.C. Code § 25-823(a)(5)(A).

Charge III: [On January 19, 2024,] [y]ou failed to cooperate with an ABCA and MPD investigation by providing false or misleading statements with the intention of influencing, impeding, or obstructing the investigation, [in violation of D.C. Code § 25-823(a)(5)(C).

Both the Government and Respondent appeared at the Show Cause Status Hearing on December 6, 2023. The parties proceeded to a Show Cause Hearing and argued their respective cases on January 31, 2024.

FINDINGS OF FACT

The following statements represent the Board's findings of fact based on the evidentiary record. In reaching its determination, the Board considered the evidence, the testimony of the witnesses, the arguments of the parties, and all documents comprising the Board's official file. The Board credits all testimony and evidence identified or cited below unless otherwise stated.

- 1. Kezira, Inc., t/a Kezira Lounge, holds a Retailer's Class CR License at 3013 Georgia Avenue, N.W., Washington, D.C. *ABCA License No. 117490*. In the early morning hours of January 20, 2023, ABCA Investigator Mark Ruiz was returning to the agency's headquarters with another ABCA investigator via Georgia Avenue, N.W., at around 2:55 a.m., and noticed patrons entering the Respondent's establishment. *Transcript* (*Tr.*), Jan. 31, 2024 at 14. Investigator Ruiz contacted the Metropolitan Police Department (MPD) and officers arrived within six minutes of the call. *Id.* at 15.
- 2. ABCA's records show that the establishment's licensed hours of operation ended at 2:00 a.m. on that day. *Id.* at 16. Therefore, the establishment could not host patrons or sell, serve, or permit the consumption of alcohol after 2:00 a.m. *Id.* at 16-17.
- 3. Upon arriving at the establishment, the investigative team and MPD attempted to enter the premises. *Id.* at 18. Outside the establishment, Investigator Ruiz observed patrons inside, patrons entering the premises, and music playing. *Id.* at 17. The team knocked at the door, announced themselves loudly, and although Investigator Ruiz heard the music get turned off, no one answered the door. *Id.* at 18, 25. Investigator Ruiz further saw patrons leaving out the back

of the establishment and being ushered out by security. *Id.* at 21. He also saw multiple people looking at the investigative team while the team was waiting outside. *Id.* He further saw people knocking tables and chairs over, picking those items up, and removing hookah items. *Id.* at 22. The investigative team eventually called the Fire Marshall because it was a hazard to have people inside. *Id.* at 26-27. In addition, the other investigator went to the rear to knock and announce the arrival of ABCA and MPD. *Id.* at 26-27.

- 4. The establishment eventually opened the door at 3:20 a.m. after the investigators had been knocking since 2:58 a.m. *Id.* at 28. The other investigator asked for a licensed manager; however, a female present denied the presence of any manager and said the manager had left. *Id.* at 30. Nevertheless, at that time, Investigator Ruiz recognized her as the owner of the establishment, Mekedes Yeshualashet, based on his prior visits to the establishment. *Id.* at 31. When confronted with this information, the owner then admitted her identity. *Id.* The owner further stated that all of the people present in the establishment were employees. *Id.* Nevertheless, based on Investigator Ruiz's observations, it appears that the persons who left the establishment had been engaging in nightlife activities at the premises. *Id.* at 33.
- 5. Based on video evidence and testimony, the Board did not find the testimony of the owner credible or honest.

CONCLUSIONS OF LAW

6. The Board has the authority to fine, suspend, or revoke the license of a licensee who violates any provision of Title 25 of the District of Columbia (D.C.) Official Code pursuant to D.C. Code § 25-823(a)(1). Furthermore, after holding a Show Cause Hearing, the Board is entitled to impose conditions if the Board determines "that the inclusion of the conditions would be in the best interests of the locality, section, or portion of the District in which the establishment is licensed." D.C. Code § 25-447(f).

I. Standard of Proof

7. In this matter, the Board shall only base its decision on the "substantial evidence" contained in the record. 23 DCMR § 1718.3 (West Supp. 2024). The substantial evidence standard requires the Board to rely on "such relevant evidence as a reasonable mind might accept as adequate to support a conclusion." *Clark v. D.C. Dep't of Employment Servs.*, 772 A.2d 198, 201 (D.C. 2001) *citing Children's Defense Fund v. District of Columbia Dep't of Employment Servs.*, 726 A.2d 1242, 1247 (D.C. 1999).

II. The Board Sustains the Charges Brought by the Government.

- 8. The Board finds the Respondent liable for all charges.
- 9. Under D.C. Official Code § 25-762(b)(13), a licensee cannot extend the hours of operation of the establishment. D.C. Code § 25-762(b)(13). In this case, the Board credits the observations of the investigator that the business was permitting patron entry after 2:00 a.m. and that nightclub activities appeared to have been occurring inside before the investigative team was

permitted entry. Supra, at ¶¶ 3-5. It is not believable that all persons present after 2:00 a.m. were employees when the investigative team observed people entering the premises, music playing, and the presence of hookah. Id. As a result, the Board sustains Charge I for operating after hours.

- 10. It is also a violation for the licensee or her agents to "interfere[] or fail[] to cooperate with an ABRA or Metropolitan Police Department investigation by: (A) Refusing to allow an ABRA investigator, a designated agent of ABRA, or a member of the Metropolitan Police Department to enter or inspect without delay the licensed premises; . . . or (C) Providing false or misleading statements with the intention of influencing, impeding, or obstructing the investigation D.C. Code § 25-823(b)(5)(A), (C).
- 11. The Board credits the testimony of Investigator Ruiz that the establishment blocked the entry of the investigative team into the establishment. *Supra*, at ¶ 3. As noted by Investigator Ruiz, people inside were aware of their presence, the music was cut off in response to their presence, persons were slipping out the back, evidence of activity inside was being hid, and the investigators were announcing themselves loudly. *Supra*, at ¶¶ 3-4. Based on this intentional furtive activity to hide the establishment's operations from the investigative team, the Board sustains Charge II for failing to permit entry.
- 12. The Board further credits the testimony of Investigator Ruiz that the owner lied about the presence of management to another investigator. Under the law, the owner or licensed manager must be present at the establishment; as a result, in the absence of a licensed manager, the owner serves as the supervisor or manager of the establishment. D.C. Code § 25-701(a-1). As the presence of management is required under the law, this lie was material to the investigation and may be inferred as an additional attempt to evade a lawful investigation. Moreover, it can be inferred as intentional, as the owner was aware of the question being asked and chose to provide incorrect information. Finally, the investigative team only kept questioning the owner on this topic because one of the investigators had prior knowledge of the ownership. *Supra*, at ¶ 4. Therefore, the Board sustains Charge III based on the intentional lie to the investigator.

III. Penalty

13. The Board fines the Respondent \$1,000 for each offense.

ORDER

Therefore, the Board, on this 28th day of February 2024, finds Kezira Lounge liable for all charges. The Board imposes the following penalty:

- (1) For the violation described in Charge I, Kezira Lounge shall pay a \$1,000 fine (D.C. Official Code § 25-762(b)(13) (Primary);
- (2) For the violation described in Charge II, Kezira Lounge shall pay a \$1,000 fine (D.C. Official Code § 25-823(b)(5)(A) (Primary); and

(3) For the violation described in Charge III, Kezira Lounge shall pay a \$1,000 fine (D.C. Official Code § 25-823(b)(5)(C) (Primary).

IT IS FURTHER ORDERED that all fines shall be paid within 30 days of receipt of this Order or the license shall be immediately suspended until all fines are paid.

IT IS FURTHER ORDERED, in accordance with 23 DCMR § 800 (West Supp. 2024), the violations found by the Board in this Order shall be deemed three primary tier violations.

IT IS FURTHER ORDERED that the Board's findings of fact and conclusions of law contained in this Order shall be deemed severable. If any part of this determination is deemed invalid, the Board intends that its ruling remain in effect so long as sufficient facts and authority support the decision. The omission of any testimony or evidence in the Board's Order indicates that such testimony or evidence was contravened by the evidence or testimony credited by the Board, had no or minimal weight on the Board's findings and conclusions, was irrelevant, was not credible, was not truthful, was repetitious, was too speculative, or was otherwise inappropriate for consideration.

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

District of Columbia Alcoholic Beverage and Cannabis Board

Donovan Anderson

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Donovan Anderson, Chairperson

eSigned via SeamlessDoos.cdm

James Short, Member

Silas Grant, Jr., Member

Pursuant to D.C. Official Code § 25-433(d)(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 and Cannabis Administration, Reeves Center, 2000 14th Street, NW, 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, 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, 430 E Street, N.W., Washington, D.C. 20001; (202-879-1010). 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) (2004).