

**THE DISTRICT OF COLUMBIA
ALCOHOLIC BEVERAGE AND CANNABIS BOARD**

IN THE MATTER OF

AN ENFORCEMENT ACTION REGARDING

**MK Lounge DC, LLC
t/a MK Lounge U Street**

Case No. 26-CMP-00038
ABCA License No. ABRA-131092
Retailer's Class CT License
Board Order No. 2026-680

BEFORE:

DONOVAN ANDERSON, *Chairperson*
SILAS GRANT, JR., *Board Member*
TERI JANINE QUINN, *Board Member*
RYAN JONES, *Board Member*
DAVID MEADOWS, *Board Member*
JAMES TURNER, *Board Member*

PARTIES:

MK Lounge DC, LLC, t/a MK Lounge U Street, at premises 913 U Street, NW, Washington, DC 20001, *Respondent*

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

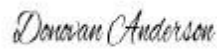
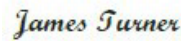
ORDER APPROVING THE OFFER-IN-COMPROMISE

The above-mentioned parties have petitioned the Alcoholic Beverage and Cannabis Board (Board) to approve an offer-in-compromise (OIC) to settle one or more violations of Title 25 of the D.C. Official Code (Title 25) and Title 23 of the D.C. Municipal Regulations (Title 23) in accordance with D.C. Official Code § 2-509(a).

The Board, on this 2nd day of September 2026, **APPROVES** the OIC attached to this Order. The terms of the OIC are as follows:

1. The Respondent admits to a violation of the statutes or regulations listed in the OIC attached to this Order. The Respondent further enters into this OIC knowingly, intelligently, and voluntarily, and understands the consequences of agreeing to one or more violations of law.
2. The Respondent shall follow and abide by the terms and conditions of the attached OIC in accordance with D.C. Official Code §§ 2-509(a), 25-447(f), and 25-823(a)(6).
3. The Respondent waives all rights to notice or appearance before the Board.
4. The Respondent waives the right to a hearing, the right to call witnesses, the right to present evidence, and otherwise contest the charges as provided in Title 25 and Title 23.
5. The Respondent waives the right to judicial review or appeal of this Order. The Respondent further agrees not to collaterally attack the disposition imposed by this Order.
6. The parties agree that the attached OIC constitutes the entire agreement of the parties.
7. The Show Cause Hearing in this matter is cancelled.

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

OFFICIAL VOTE ON THE ORDER OF THE DISTRICT OF COLUMBIA ALCOHOLIC BEVERAGE AND CANNABIS BOARD		
Board Members	Decision	Signature
DONOVAN ANDERSON, <i>Chairperson</i>	Approve	
SILAS GRANT, JR.	Approve	
TERI JANINE QUINNE	Approve	
RYAN JONES	Approve	
DAVID MEADOWS	Approve	
JAMES TURNER	Approve	
Concurrences or Dissents: N/A		

NOTICE

Any party adversely affected may file a Motion for Reconsideration of this decision or other motion permitted by law within 10 days of service of this Order. The opposing party may file a response within 7 days. If a response is filed, the movant may file a reply within 3 days. All filings should be served on all parties to the matter and delivered to the Alcoholic Beverage and Cannabis Administration, 899 North Capitol Street NE, Suite 4200-B, Washington, DC 20002, or by email to abca.legal@dc.gov. The failure to properly serve the other parties or to present all matters of record that have allegedly been erroneously decided in the initial motion for reconsideration may result in the waiver of those matters being considered. Further, multiple and repetitive motions may be summarily denied or not considered. In addition to filing a Motion for Reconsideration, pursuant to § 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, a party that is adversely affected may have the right to appeal this Order by filing a petition for review, within 30 days of the date of service of this Order, with the District of Columbia Court of Appeals, located at 430 E Street NW, Washington, DC 20001.

The timely filing of a Motion for Reconsideration 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). The Superior Court of the District of Columbia may have jurisdiction to hear appeals in non-contested cases or in matters where that court is specifically provided jurisdiction by law. Finally, advisory neighborhood commissions (ANCs) are advised that their right to appeal or challenge a decision of the Board may be limited by the laws governing ANCs. *See e.g.*, D.C. Code § 1-309.10(g).

**GOVERNMENT OF THE DISTRICT OF COLUMBIA
ALCOHOLIC BEVERAGE AND CANNABIS ADMINISTRATION
ALCOHOLIC BEVERAGE AND CANNABIS BOARD**



IN THE MATTER OF:

**MK Lounge DC, LLC t/a MK Lounge U Street,
Respondent.**

**Case No. 26-CMP-00038
License No. 131092
Retailer Class CT**

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 and Cannabis Board (the Board), as authorized by 23 DCMR § 1604.5, for approval by the Board.

The parties understand that if the Board approves the OIC, appeal and judicial review are waived under 23 DCMR § 1611.6, scheduled hearings will be vacated, and the case will conclude. Respondent will be obligated to abide by the fine, suspension, or other OIC terms shown below. If the Board does not approve the OIC, the matter will be continued to the scheduled Show Cause Hearing on a date to be determined.

Respondent has been advised that there is no obligation to accept an OIC. Respondent has been advised, through service of the Notice of Status Hearing and Show Cause Hearing, that at a Show Cause Hearing, Respondent may be represented by legal counsel, have subpoenas issued to require 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:

Charge I: Increased occupancy without Board approval—Second primary tier violation.

Statutory Authority: D.C. Code § 25–762(a), (b)(1)

Term:

Fine: \$2,000 to be paid within thirty (30) days or the ABC license will be suspended indefinitely until the fine is paid.

Dated: August 7, 2026.

Respectfully submitted,

BRIAN L. SCHWALB
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/ Kerslyn D. Featherstone
KERSLYN D. FEATHERSTONE [478758]
Assistant Chief, Civil Enforcement Section

/s/ Christopher N. Southcott
CHRISTOPHER N. SOUTHCOTT [1738132]
Assistant Attorney General
Civil Litigation Division
400 Sixth Street, NW, Suite 10100
Washington, DC 20001
Christopher.Southcott@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 a hearing to which I would have a right under D.C. Code § 25–826. 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.


Respondent


DATE

CERTIFICATE OF SERVICE

On August 7, 2026, the foregoing Offer in Compromise for Board Approval was served by electronic mail or by U.S. mail, first class postage pre-paid, to:

Derege Zewdie, Owner
MK Lounge DC, LLC t/a MK Lounge U
Street
913 U Street, NW
Washington, DC 20001
mkloungedc@gmail.com
Respondent

Jonathan Berman
General Counsel, ABCA
2000 14th Street, NW
Suite 400 South
Washington, DC 20009
Jonathan.Berman@dc.gov

/s/ Christopher N. Southcott
Christopher N. Southcott
Assistant Attorney General