## THE DISTRICT OF COLUMBIA ALCOHOLIC BEVERAGE AND CANNABIS BOARD



## Procedural Background

This case arises from the Notice of Status Hearing and Show Cause Hearing (Notice), which the Board executed on December 5, 2023. ABCA Show Cause File No. 23-CMP-00057. Notice of Status Hearing and Show Cause Hearing, 2 (Dec. 5, 2023). The Notice charges the Respondent with one violation, 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 violation:
Charge I: [On July 13, 2023,] you substantially changed the nature of the operation of the licensed establishment by expanding to permit the use of a sidewalk café without Board approval and without obtaining a sidewalk café endorsement, in violation of D.C. Official Code § 25762(a), (b)(2) and § 25-113.01(c) and 23 DCMR § 1004.1, for which the Board may take the proposed action under D.C. Code § 25-823(a)(1).

## Notice of Status Hearing and Show Cause Hearing, at 2.

The Government and the Respondent appeared at the Show Cause Status Hearing on January 31, 2024. The Parties were subsequently scheduled for a Show Cause Hearing on March 6, 2024. Prior to the Show Cause Hearing, the Respondent requested a continuance of the hearing and the Government consented. Despite accommodating the Respondent's request for a continuance, the Respondent failed to appear at the rescheduled Show Cause Hearing held April 3, 2024. The Alcoholic Beverage and Cannabis Administration's (ABCA) records show personal service of the hearing notice on March 8, 2024; therefore, the Board proceeded to hear the case ex parte in accordance with D.C. Official Code § 25-447(e).

## 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.

## I. Background

1. The Respondent holds a Retailer's Class CR License at 1625 1st Street, N.W., Washington, D.C. 20001. ABCA License No. 117346. The Respondent is not approved for a sidewalk café nor does the CR license have a sidewalk café endorsement. ABCA License No. 117346.
2. On Thursday, July 13, 2023, ABCA Investigator Mark Ruiz visited the Respondent's establishment to serve a Warning citation for the Respondent's failure to file a quarterly statement. Transcript (Tr.), April 3, 2024, at 6. Upon arriving at the establishment, Inv. Ruiz observed a sidewalk café in front of the building where patrons were seated and drinking alcoholic beverages. Id at 7 .
3. Investigator Ruiz met with the owner and reviewed the license with her. Id. Investigator Ruiz noted that there was no Board approved sidewalk café endorsement attached to the license. $I d$. The owner indicated that she was waiting for a public space permit from the District Department of Transportation. Id.

## CONCLUSIONS OF LAW

4. 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. Official 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. Official Code § 25-447(f).

## I. Standard of Proof

5. 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 Charge I.

6. Under § 25-113.01(c),

The licensee under a [retailer's] license class . . C/R, D/R, C/H, D/H, C/T, D/T, CN, DN, CX, DX, C/B, and D/B shall obtain a sidewalk cafe endorsement or summer garden endorsement from the Board to be eligible to conduct business operations on a sidewalk cafe or summer garden, which may include the sale, service, and consumption of alcoholic beverages on outdoor public or private space.
D.C. Official Code § § 25-113.01(c). Under § 1004.1, No holder of . . . an on-premises retailer’s license shall be permitted to sell, serve, or permit the consumption of alcoholic beverages on either outdoor public or private space without obtaining a sidewalk café endorsement. 23 DCMR § 1004.1 (West Supp. 2021). The Board credits the undisputed testimony of Investigator Ruiz who observed patrons consuming alcoholic beverages on a sidewalk cafe where no sidewalk cafe endorsement had been approved by the Board for that establishment. Supra, at $\mathbb{1} 2,3$. Therefore, the Board sustains Charge I.

## III. Penalty

7. Based on the violation identified above, the Respondent shall pay a fine of $\$ 1,000$ for Charge I, which constitutes a first primary tier violation based on the Respondent's history of prior violations. 23 DCMR § 800 (West Supp. 2021).

## ORDER

Therefore, the Board, on this $24^{\text {th }}$ day of April 2024, finds Mood Swings Food Hall (formerly Glassey), liable for violating D.C. Official Code § 25-762(a), (b)(2) and § 25-113.01(c) and 23 DCMR § 1004.1. The Board imposes the following penalty:
(1) For the violation described in Charge I, Mood Swings shall pay a $\$ 1,000$ fine.

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 violation found by the Board in this Order shall be deemed one primary tier violation.

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


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. 90614, 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).

