

DISTRICT OF COLUMBIA

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ALCOHOLIC BEVERAGE CONTROL BOARD

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FACT FINDING HEARING

IN THE MATTER OF:

DTRS Washington, LLC,
formerly The Williamsburg
3400 K Street NW
License No. 79139
Retailer CR
ANC 2E
License in Extended Safekeeping

THURSDAY, MAY 15, 2014

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, Ruthanne Miller, Chairperson, presiding.

PRESENT:

RUTHANNE MILLER, CHAIRPERSON
NICK ALBERTI, MEMBER
DONALD BROOKS, MEMBER
HERMAN JONES, MEMBER
MIKE SILVERSTEIN, MEMBER
HECTOR RODRIGUEZ, MEMBER
JAMES SHORT, MEMBER

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P R O C E E D I N G S

11:34 A.M.

CHAIRPERSON MILLER: This is The Williamsburg case, is that correct?

MR. O'BRIEN: It is.

CHAIRPERSON MILLER: Now I have an address here, 3400 K Street. Is that right? Not really.

MR. O'BRIEN: That was the last address for the license.

CHAIRPERSON MILLER: Let's do introductions and then we'll get into the history, how is that?

MR. O'BRIEN: Yes. I'm Stephen O'Brien for the license. And I'm accompanied by Jayasurya Nelliot, N-E-L-L-I-O-T. He's the Director of Finance at the Four Seasons Hotel.

CHAIRPERSON MILLER: Director of what?

MR. O'BRIEN: Finance.

CHAIRPERSON MILLER: Finance.

MR. O'BRIEN: At the Four Seasons

1 Hotel. The address of the Four Seasons Hotel
2 is 2800 Pennsylvania, NW.

3 CHAIRPERSON MILLER: Okay.

4 MR. O'BRIEN: As Mr. Alberti noted
5 at the conclusion of the last hearing, every
6 one of these situations is different.

7 This license was granted back in
8 the -- either the late '70s or the early '80s
9 and it was for a floating restaurant at the
10 front of K Street. The restaurant was going
11 to be on the former presidential yacht, The
12 Williamsburg.

13 MR. BROOKS: Oh, yeah.

14 MR. O'BRIEN: The parties behind
15 that project were The Clyde's Restaurant
16 Group. And the license remained that project
17 for whatever reasons, never got off the
18 ground. I recall the Corps of Engineers
19 didn't want the obstruction on the waterway.
20 And it was in safekeeping under The
21 Williamsburg Corporation for I think something
22 like 20 years, dutifully renewed during all

1 that period of time.

2 Finally, in the mid-2000s, The
3 Clyde's Group decided the project would never
4 go forward. Meanwhile, in 2006, the present
5 owners of the Four Seasons Hotel acquired the
6 property, the Four Seasons. And I don't know
7 if everyone is familiar with the property,
8 looking at it. The property includes the
9 hotel building which is sort of set back from
10 a driveway, but it extends over to 29th Street
11 and up 29th Street to the corner of M and then
12 east on M heading back towards the hotel
13 driveway. All of that is part of the Four
14 Seasons Hotel.

15 CHAIRPERSON MILLER: Okay.

16 MR. O'BRIEN: On the corner of
17 29th and M right now is a clothing store
18 called Suit Supply. I tell you that for a
19 reason.

20 MR. SILVERSTEIN: Called what?

21 MR. O'BRIEN: Suit Supply, as in
22 clothing. And that is a tenant of the entity

1 that owns the Four Seasons Hotel. Now from
2 the Red Brick Hotel that curls around onto M
3 Street from 29th, there have been a succession
4 of townhouses ending at the driveway entrance
5 to the hotel property.

6 The first townhouse is owned by
7 the hotel also and houses now very recently
8 ENO, E-N-O Wine Bar which is a function of the
9 hotel. It is covered by the hotel license.
10 Now going back in 2006 or 2007, the hotel
11 acquired The Williamsburg license because it
12 then intended to rent the corner space where
13 Suit Supply is to an independent third party
14 restaurant and they had to make a license
15 available to attract that tenant. That deal
16 was not consummated. And the hotel -- and
17 that was the purpose of acquiring The
18 Williamsburg license. The hotel has held the
19 license for a number of years.

20 Now I'm sorry if this is not
21 exactly chronological. Back in 2008, I
22 believe, the Board approved an application to

1 expand the hotel premises to include what is
2 now ENO Wine Bar in that first townhouse which
3 is part of the hotel campus. That project
4 finally came to pass just this last year after
5 about five years, but it is now up and
6 operating as ENO Wine Bar. The hotel has
7 decided and has charged me with separating ENO
8 from the hotel proper as far as operations go
9 and we are in the process of preparing an
10 application to transfer The Williamsburg
11 license which is owned by the hotel, DTRS
12 Washington, to itself at the ENO location
13 which is 2810 M Street.

14 So the answer is that -- the
15 answer to the question I know the Board has
16 convened this session to ask is what are your
17 plans for the license? There are very
18 definite plans to transfer that license to
19 separate ENO from the operation of the hotel
20 proper, although it will still be under common
21 ownership and in fact, in our office now we
22 have been assigned the task of working on that

1 application and that has nothing to do with
2 the Board having convened this hearing.

3 MR. ALBERTI: May I ask a quick
4 question?

5 CHAIRPERSON MILLER: Sure.

6 MR. ALBERTI: I think I missed
7 something here. ENO Wine Bar is a licensed
8 establishment currently?

9 MR. O'BRIEN: It is part of the
10 hotel.

11 MR. ALBERTI: Oh, so it is under
12 the umbrella of the license that the hotel is
13 currently operating?

14 MR. O'BRIEN: Yes. That was
15 approved by the Board I think -- I'm sorry.

16 MR. ALBERTI: It is separated --
17 I'm sorry to interrupt, if it is separated,
18 there still will be a license operated at the
19 hotel? Let's say you separated and something
20 happens and you never transfer this license
21 there to the ENO Wine Bar location. There
22 would still be a license operating at the

1 hotel?

2 MR. O'BRIEN: Yes, the hotel
3 license presently encompasses the ENO Wine
4 Bar.

5 MR. ALBERTI: That's what wasn't
6 clear to me. I was envisioning ENO Wino Bar
7 being a separate license, but it isn't.

8 MR. O'BRIEN: No, the plan is to
9 make it a separate license at which time --

10 MR. ALBERTI: That's what I was
11 missing.

12 MR. O'BRIEN: -- at which time the
13 present hotel license scope would be
14 contracted so as to remove the ENO from its
15 scope.

16 MR. ALBERTI: Thank you. Sorry to
17 interrupt. I just needed to understand that.

18 CHAIRPERSON MILLER: The ownership
19 is going to be the same, the hotel will still
20 own both places, but they'll be separated?

21 MR. O'BRIEN: Yes. You will have
22 -- when the dust settles, you'll have -- right

1 now you have a license, it's DTRS Washington,
2 LLC trading as Four Seasons Hotel and ENO Wine
3 Bar. When the dust settles, there will be two
4 separate licenses, one for DTRS trading as the
5 Four Seasons Hotels, the other for DTRS
6 trading as ENO Wine Bar.

7 MR. SHORT: What are the addresses
8 for each one of those?

9 MR. O'BRIEN: 2800 is the address
10 for the hotel.

11 MR. SHORT: Okay.

12 MR. O'BRIEN: 2810 is the address
13 for ENO. The present license reads 2800-2810.

14 MR. SHORT: Two separate addresses
15 for one license right now. Four Seasons has
16 both addresses which abut one another?

17 MR. O'BRIEN: Yes.

18 MR. SHORT: Your plan in the
19 future is to do what?

20 MR. O'BRIEN: Is to separate ENO
21 from the hotel and operate it independently.

22 MR. SHORT: 2810 and 2800 will

1 operate --

2 MR. O'BRIEN: Would be separated.
3 The present license says 2800-2810.

4 MR. SHORT: Where are you now in
5 the process?

6 MR. O'BRIEN: We're preparing an
7 application within our office.

8 MR. SHORT: How does that affect
9 the safekeeping hearing today, the fact
10 finding hearing today?

11 MR. O'BRIEN: Well, I would have
12 to observe at this point that this is a
13 Georgetown moratorium location. And this is
14 a safekeeping, not a 405.1.

15 CHAIRPERSON MILLER: Without
16 invading the privacy too much of Four Seasons,
17 can you explain a little bit why they're doing
18 that?

19 MR. O'BRIEN: Why they're going to
20 separate them?

21 CHAIRPERSON MILLER: Why they're
22 using two licenses instead of one? Yes.

1 MR. O'BRIEN: Primipally for
2 liability purposes. I have had to tell the
3 client that if something at ENO Wine Bar that
4 caused, for instance, a suspension of the
5 license, it would be a suspension of the
6 entire license including the hotel's license.

7 CHAIRPERSON MILLER: Okay.

8 MR. O'BRIEN: And that's why they
9 decided to separate the license function.
10 Would the hotel go out and look for a license
11 in order to accomplish this? I don't know,
12 but we've had this one in safekeeping all
13 along, so that's why the decision was made to
14 go ahead and use it.

15 CHAIRPERSON MILLER: So your
16 timetable is what?

17 MR. O'BRIEN: I think you can
18 expect to see an application to transfer the
19 location of this license to 2810 in a period
20 of months, a few months.

21 CHAIRPERSON MILLER: Okay.

22 MR. SHORT: Less than six?

1 MR. O'BRIEN: Yes, less than six.

2 MR. SHORT: Mr. O'Brien, please,
3 just spell this out again because the -- I
4 love Washington, D.C. history and with
5 businesses. I know the Four Seasons has a
6 good history and it is a good business. You
7 mentioned the ship that the president wants to
8 use, the yacht, so you're saying this is
9 transferring the license for the ship, is that
10 --

11 MR. O'BRIEN: The license was
12 originally acquired for the ship. And it was
13 in safekeeping for something like 20 years
14 until the mid-2000s, at which time the ship
15 project was once and for all finally abandoned
16 and the owner of the ship license which was
17 The Clyde's Group sold the rights to that
18 license to the Four Seasons Hotel ownership.

19 MR. SHORT: The ship itself, the
20 boat has no license any more?

21 MR. O'BRIEN: Correct.

22 MR. ALBERTI: I don't think it

1 exists.

2 MR. SHORT: The yacht is still
3 there.

4 MR. O'BRIEN: That's not to be
5 confused with the Sequoia which is another
6 one. I thought The Williamsburg sunk at the
7 pier some time in the '80s.

8 MR. SHORT: Did it?

9 MR. O'BRIEN: I thought so. I
10 think it went to the bottom.

11 MR. SHORT: The Sequoyia is the
12 one that's still afloat?

13 MR. O'BRIEN: The Sequoyia is the
14 one that's still afloat.

15 MR. SHORT: The Williamsburg is
16 gone.

17 MR. O'BRIEN: I don't know where
18 it went to. I believe it sunk and then they
19 raised it and towed it down the river and who
20 knows where it went from there.

21 MR. SHORT: I know the Park
22 Service had a little something to do with that

1 too, but I won't go any further. I'm fine.

2 Thank you.

3 CHAIRPERSON MILLER: Okay, so this
4 a moratorium zone and we have a representation
5 that there's going to be a transfer to a new
6 location and it will be put into use within a
7 few months, depending on how quickly we
8 approve or whatever.

9 MR. O'BRIEN: May I simply suggest
10 that the Board put this down for six months
11 and I think it's going to be mooted out by the
12 earlier filing of the transfer application.

13 CHAIRPERSON MILLER: That's
14 exactly what I was going to say. We'll take
15 it off the calendar when all that happens.
16 Okay. Is the Board agreeable to that?

17 MR. ALBERTI: Yes, that's
18 agreeable.

19 CHAIRPERSON MILLER: All right,
20 done.

21 MR. O'BRIEN: Thank you.

22 CHAIRPERSON MILLER: Thank you.

1 Oh, you're not staying, Mr. O'Brien?

2 MR. O'BRIEN: Yes, I am.

3 MR. RODRIGUEZ: Mr. O'Brien, what
4 an interesting bit of history here.

5 MR. O'BRIEN: I debated how much
6 to go into, but the question is where did this
7 license come from?

8 MR. ALBERTI: It's interesting.

9 (Whereupon, at 11:47 a.m., the
10 fact finding hearing was concluded.)
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<p style="text-align: center;">A</p> <p>a.m 2:2 15:9 abandoned 12:15 abut 9:16 accompanied 2:15 accomplish 11:11 acquired 4:5 5:11 12:12 acquiring 5:17 address 2:7,10 3:1 9:9,12 addresses 9:7,14,16 affect 10:8 afloat 13:12,14 agreeable 14:16,18 ahead 11:14 Alberti 1:19 3:4 7:3 7:6,11,16 8:5,10 8:16 12:22 14:17 15:8 Alcoholic 1:3,14,15 ANC 1:10 answer 6:14,15 application 5:22 6:10 7:1 10:7 11:18 14:12 approve 14:8 approved 5:22 7:15 assigned 6:22 attract 5:15 available 5:15</p>	<p>BROOKS 1:20 3:13 building 1:15 4:9 business 12:6 businesses 12:5</p> <hr/> <p style="text-align: center;">C</p> <p>C 2:1 calendar 14:15 called 4:18,20 campus 6:3 case 2:4 caused 11:4 Chairperson 1:16 1:19 2:3,6,11,18 2:21 3:3 4:15 7:5 8:18 10:15,21 11:7,15,21 14:3 14:13,19,22 charged 6:7 chronological 5:21 clear 8:6 client 11:3 clothing 4:17,22 Clyde's 3:15 4:3 12:17 COLUMBIA 1:1 come 15:7 common 6:20 concluded 15:10 conclusion 3:5 confused 13:5 consummated 5:16 contracted 8:14 Control 1:3,14,15 convened 6:16 7:2 corner 4:11,16 5:12 Corporation 3:21 Corps 3:18 correct 2:4 12:21 covered 5:9 CR 1:10 curls 5:2 currently 7:8,13</p>	<p>D.C 1:16 12:4 deal 5:15 debated 15:5 decided 4:3 6:7 11:9 decision 11:13 definite 6:18 depending 14:7 different 3:6 Director 2:17,18 DISTRICT 1:1 doing 10:17 DONALD 1:20 driveway 4:10,13 5:4 DTRS 1:8 6:11 9:1 9:4,5 dust 8:22 9:3 dutifully 3:22</p>	<p>fact 1:5 6:21 10:9 15:10 familiar 4:7 far 6:8 filing 14:12 finally 4:2 6:4 12:15 Finance 2:17,20,21 finding 1:5 10:10 15:10 fine 14:1 first 5:6 6:2 five 6:5 floating 3:9 former 3:11 formerly 1:8 forward 4:4 Four 2:17,22 3:1 4:5,6,13 5:1 9:2,5 9:15 10:16 12:5 12:18 front 3:10 function 5:8 11:9 further 14:1 future 9:19</p>	<p>HERMAN 1:20 history 2:13 12:4,6 15:4 hotel 2:17 3:1,1 4:5 4:9,12,14 5:1,2,5 5:7,9,9,10,16,18 6:1,3,6,8,11,19 7:10,12,19 8:1,2 8:13,19 9:2,10,21 11:10 12:18 hotel's 11:6 Hotels 9:5 houses 5:7</p>
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