



Advisory Neighborhood Commission 2A

“Serving the Foggy Bottom and West End communities of Washington, D.C.”

SETTLEMENT AGREEMENT

This Settlement Agreement (the “Agreement”) is entered into on this 16th day of July, 2025 by and between **DMV Investments Group LLC t/a Velvet’s** (the “Applicant”) and **Advisory Neighborhood Commission 2A** (“ANC 2A”), collectively the “Parties”, pursuant to D.C. Code § 25-446.

At its regular meeting on July 16, 2025, Advisory Neighborhood Commission 2A (“ANC 2A or “Commission”) considered the above-referenced matter. With five of five commissioners present, a quorum at a duly-noticed public meeting, the Commission, after a motion made by Commissioner Patel and seconded by Commissioner DiCapo, adopted the following resolution by (3-2-0):

RECITALS

WHEREAS, the Applicant applied for a medical cannabis retailer license (ABCA–13078) with a delivery endorsement and safe use treatment facility endorsement at 2517 Pennsylvania Avenue, NW, Washington, D.C. 20037 (the “Premises”). The Premises was placarded on April 4, 2025.

WHEREAS, the Applicant and ANC 2A desire to enter into a voluntary Settlement Agreement which memorializes the terms and conditions under which ANC 2A has agreed to support Applicant’s licensure as a medical cannabis retailer at the Premises.

WHEREAS, the terms and conditions contained herein, are intended to ensure that the Applicant operates in a manner that promotes neighborhood peace, order and quiet; preserves safety, security and sanitation around the Premises; and protects residential parking.

WHEREAS, all terms of this Agreement are in compliance with relevant sections of the District of Columbia Official Code (“D.C. Code”) and the District of Columbia Municipal Regulations (“D.C.M.R.”).

NOW, THEREFORE, in consideration of the recitals set forth above and the mutual covenants set forth below, the Parties agree as follows:

AGREEMENT



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1. Nature of Business. The Applicant has applied for a medical cannabis retailer license and will provide medical cannabis products to qualifying patients and caregivers. Applicant has also applied for the following license endorsements:

a. Safe Use Treatment Facility: The Applicant has applied for a license endorsement to permit qualifying patients to consume medical cannabis products, at the time of purchase, in a designated consumption area within the Premises.

b. Delivery: The Applicant has applied for a license endorsement to make deliveries to qualifying patients and caregivers within the District of Columbia.

c. Educational Tasting: The Applicant has applied for a license endorsement to offer cooking classes, how-to classes, demonstrations and tastings for educational purposes to qualifying patients and caregivers at the Premises. All activities which include smoking or vaping medical cannabis shall be limited to the designated safe use treatment facility area.

The Applicant will operate subject to the terms and conditions of any license, permits and endorsements issued by the ABC Board.

2. Withdrawal of Summer Garden Endorsement. The Applicant agrees not to pursue a summer garden endorsement. Applicant will provide notice to ABCA to withdraw its application for a summer garden endorsement at the Premises. The Applicant agrees that under no circumstances will it pursue a summer garden license endorsement in the future.

3. Hours of Operation. Under no circumstances shall the Applicant's hours of operation exceed the hours of operation permitted by ABCA. The Applicant will maintain visible signage at the entrance to the Premises that clearly identifies the hours of operation for the safe use treatment facility and medical cannabis retail sales. The Applicants hours are as follows:

a. Hours of Operation: 8 a.m. to 11 p.m. daily

b. Medical Cannabis Sales: 10 a.m. to 10:30 p.m. daily.

c. Safe Use Treatment Facility: 10 a.m. to 11 p.m. daily

d. Delivery: 10 a.m. to 4 p.m.; 6 p.m. to 11 p.m. daily

4. Noise. The Applicant will take reasonable steps to ensure that there are no sounds, music, noises, bass or vibrations emanating from the interior Premises that will be audible from the exterior of



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the Premises. The Applicant will not attach speakers to the exterior of the Premises. Live music and other live entertainment is prohibited in the safe use treatment facility.

5. Ventilation and Odor Suppression. The Applicant shall install and maintain a separate HVAC system and charcoal air filtration system in the safe use treatment facility to eliminate odor associated with the consumption of medical cannabis. Notwithstanding, Paragraph 24 below, if at any time the Applicant becomes aware that the residents or commercial tenants in any neighboring buildings have detected any cannabis odor emanating from the safe use treatment facility, the Applicant will take commercially reasonable action to remediate the odor within 3 business days.

6. Prohibition on Sale of Flavored Tobacco Products. Pursuant to D.C. Code § 7-1721.08(a)(1) the sale of flavored tobacco products is prohibited in the District of Columbia. Applicant shall not sell, distribute or offer for sale, flavored tobacco products at the Premises. The term “flavored tobacco product” as used herein shall mean, any tobacco product or synthetic tobacco product that imparts a characterizing flavor that has a distinguishable taste or aroma other than tobacco. As permitted by D.C. Code § 7-1671.01(14), Applicant shall be permitted to sell medical cannabis paraphernalia.

7. Notice and Enforcement of Ban on Outdoor Consumption of Cannabis. The Applicant will post signage with a minimum of one inch tall lettering at the front entrance in the interior of the Premises, which states: “Smoking, ingesting, or consuming medical cannabis in public is strictly prohibited.” The Applicant will further advise qualifying patients and caregivers, either verbally or by written notice at the time of purchase, that medical cannabis can only be consumed in a residence or in a safe use treatment facility and cannot be consumed on a street, sidewalk, alley or other public space. If the Applicant, its employees, or agents know that a person has consumed cannabis, medical cannabis or illegal narcotics within 100 feet of the Premises on public space, the Applicant shall report the incident to the MPD.

8. Outdoor Signage. The Applicant agrees to abstain from the use of neon, LED or novelty signage, blinking lights, or any other electric light-up signage on the licensed premises in any form as part of its exterior signage or internal design. The Applicant will not use exterior signage on the Premises, unless that signage complies with all laws and regulations concerning review by the U.S. Commission of Fine Arts (see e.g., Appendix N of the District of Columbia Building Code, 12-A DCMR § N101). The Applicant will not use signage such as sandwich boards or other sidewalk displays in front of the Premises and will not place such signage in public space anywhere in ANC 2A. The Applicant will remove all signage on the exterior of the Premises that includes the terms “CBD”, “Kratom”, “Tobacco”, “Vapes”, “Marijuana”, “Cigars” and “Cigarettes”. The Applicant will not post any signage on the exterior of its establishment that advertises, markets or displays medical cannabis products.



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9. Exterior of Premises. The Applicant will remove the security bars from the exterior of the Premises, prior to becoming operational. Further the Applicant will ensure that no medical cannabis will be visible from the exterior of the Premises.

10. Vendor Deliveries. The Applicant will require all its vendors, including other medical cannabis licensees, to make all deliveries no earlier than 10 a.m. and no later than 8 p.m. daily.

The Applicant will strongly encourage all contracted vendors and contractors to park in a legally designated parking or delivery space.

11. Prevention of Illegal Cannabis Sales.

- a. The Applicant or its agents must request that all qualifying patients seeking to purchase medical cannabis show valid government-issued identification before distributing medical cannabis to qualified patients or caregivers. If a qualifying patient or caregiver fails to show valid government-issued identification, the Applicant will be prohibited from distributing medical cannabis to the qualifying patient or caregiver.
- b. When the Applicant permits or allows caregivers or qualifying patients under the age of 21 into the Premises, at least one identification check shall occur at the time the qualifying patient or caregiver attempts to purchase or obtain medical cannabis. Once the Applicant or its agents confirm that the qualifying patient or caregiver is eligible to obtain medical cannabis, no additional identification checks are required under this subsection.
- c. The Applicant will report all attempts by unqualified persons to purchase medical cannabis illegally to ABCA and MPD.

12. Deliveries to Qualifying Patients. For deliveries to qualifying patients, the Applicant will institute and maintain a process, other than self-affirmation, to verify:

- a. The qualifying patient that receives the medical cannabis delivery is physically present at the residence or commercial building and is the same person who placed the order.
- b. Pursuant to ABCA regulations, the Applicant shall maintain a delivery manifest to track delivery of cannabis to and document receipt of each delivery.

13. Maintenance of Public Space. The Parties acknowledge that various commercial businesses and residents are in close proximity to the Premises. The Applicant will ensure that the public



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sidewalk (up to and including the curb) in front of the entrance to the Premises are free of litter, bottles, cans, cigarette butts, trash and other debris in compliance with relevant D.C. Code and D.C.M.R. provisions at least twice daily during the hours of operation. To curtail nuisances related to cigarette smoke the Applicant agrees to post signage at the front entrance to the Premises, which states, “No Smoking within 25 feet of the Entrance”; and “In the District of Columbia it is illegal to consume medical cannabis on a street, sidewalk or in a public space.”

14. Managing Trash and Recycling. The Applicant will contract with a trash and recycling contractor to provide appropriate containers for trash and recycling designed to prevent rodent intrusion. The Applicant will require its trash and recycling contractors to pick up trash and recycling no earlier than 7 a.m. and no later than 7 p.m. daily. The Applicant will comply with all ABCA regulations regarding the disposal of medical cannabis waste.

15. Rodent and Vermin Control. The Applicant will contract with a professional, licensed rodent, pest and vermin control company to provide control, as necessary, for the interior and exterior of the Premises.

16. Cooperation in Stemming Illegal Activity in the Vicinity of the Premises. To the full extent permitted by law, the Applicant will discourage illegal activities, including the consumption of cannabis and alcohol, in the vicinity of the Premises. The Applicant will use its best efforts to prohibit illegal or disruptive activities in the vicinity of the Premises and will maintain contact with the MPD and ABCA as appropriate.

17. Responding to Incidents in the Vicinity of the Premises. The Applicant shall comply with all existing laws and regulations related to documenting and reporting violent/threatening incidents, medical emergencies, and fire safety emergencies which occur inside the Premises to ABCA, the MPD and other government agencies in accordance with any time period mandated by law if known. The Applicant will report criminal conduct committed by persons within 100 feet of the establishment to MPD and will refuse to sell medical cannabis to any person engaging in criminal conduct while inside the establishment. The reporting requirements contained in this Section shall be satisfied by using 311 or 911 to report the incident.

18. Behavior of Qualifying Patients and Caregivers. During the hours of operation and while the safe use treatment facility is open, the Applicant will make commercially reasonable efforts to prevent qualifying patients and caregivers from causing noise or disturbances, in front of, or immediately adjacent to the Premises as they enter and exit the Premises. The Applicant will take reasonable measures to prevent a qualifying patient or caregiver that is behaving in an unruly or disruptive manner from entering the Premises; and will refuse to sell medical cannabis to any qualifying patient or caregiver that exhibits unruly or disruptive behavior while inside the Premises.



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19. Parking and Traffic Mitigation.

- a. The Applicant will discourage its employees, vendors and qualifying patients from parking their vehicles illegally in areas with time limited or resident-only parking. The Applicant will encourage its employees to use public transportation, walk, electronic-cycle or bicycle to the Premises.
- b. The Applicant shall strongly encourage vendors and contractors to park legally and, as reasonably necessary, work with DDOT, DPW or the appropriate District agency to resolve issues related to illegal parking by its vendors and contractors.
- c. The Applicant will notify qualifying patients, on its website or through other advertising or marketing, that parking in the vicinity of the Premises is extremely limited and will encourage qualifying patients to utilize public transportation, bicycle, electronic-cycle or walk to the Premises.
- d. The Applicant will mark and maintain two parking spaces at the rear of the Premises for use by employees and vendors.

20. Availability of Settlement Agreement. The Applicant agrees to make copies of this Agreement available at the Premises at all times and will ensure that its employees are familiar with the terms of this Agreement.

21. Employee Training and Background Checks. The Applicant will establish a comprehensive employee training program. All employees and managers must be registered with ABCA, and will be required to complete this training program prior to handling medical cannabis. The Applicant will require all employees to submit to a criminal background check at the time of hiring. The Applicant will permit all employees that have registered with ABCA and completed the training program to begin working at the Premises while the results of their criminal background check are pending.

22. Security Plan. The Applicant shall comply with the terms of its Security Plan on file with the ABCA and approved by the ABC Board. The Security Plan shall include, but not be limited to the following security measures:

- a. The Applicant will install and maintain security cameras on the exterior front and rear of the Premises. Applicant will retain all video footage from the security cameras for at least 30 days.



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- b. The Applicant will utilize panic buttons and install an alarm system which will connect to the MPD when activated; and
- c. The Applicant will hire registered security personnel as needed during peak business hours.

23. Compliance with Laws and Regulations. The Applicant will abide by all laws and regulations related to the ownership and operation of a medical cannabis retailer license.

24. Website Compliance. The Applicant will include an age-verification feature on its website to ensure all visitors to the Applicant’s website are 21 years of age or older.

25. Binding Effect. This Agreement will be binding upon and enforceable against the successors or assigns of the Applicant.

26. Notice and Opportunity to Cure. If ANC 2A considers the Applicant to be in breach of this Agreement, and before ANC 2A seeks intervention by another D.C. government entity, ANC 2A agrees to give the Applicant 30 calendar days’ notice and opportunity to cure. If the Applicant fails to begin to cure the breach during those 30 calendar days, such failure will constitute cause for ANC 2A to file a complaint with the Alcoholic Beverage and Cannabis Administration. Any notices required to be made under this Agreement will be made in writing and sent via email to the Parties’ or their designated representatives at the addresses below:

If to the Applicant:

Ahmed Musa

dmvigllc@gmail.com

Carbon Copy: Kinner & McGowan PLLC

jmcgowan@kinnermcgowan.com

If to ANC 2A:

Advisory Neighborhood Commission 2A

2A@anc.dc.gov

Any Party may change its notice address by written notice to the other. Failure to give notice shall not constitute a waiver of or acquiescence to the violation, but notice will be a prerequisite to the



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filing of a complaint with the ABC Board or any other enforcement action related to this Agreement.

27. Entire Agreement. This Agreement replaces, in full, any previous agreements between the Applicant and ANC 2A.

28. Counterpart; Facsimile Signature. This Agreement may be executed in two or more counterparts which together shall constitute a single agreement. Execution of this Agreement may be made by any electronically transmitted signature, which shall constitute an original signature.

29. Modifications. This Agreement constitutes the only agreement between the Parties and may be modified only by the written agreement of the Parties.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

ADVISORY NEIGHBORHOOD COMMISSION ANC 2A

By: Trupti Patel

Title: ANC 2A Chairperson

THE APPLICANT

Ahmed Musa (Jul 18, 2025 13:26 EDT)

By: Ahmed Musa

Title: Owner, DMV Investments Group LLC t/a Velvet's






Velvets Settlement Agreement

Final Audit Report

2025-07-18

Created:	2025-07-18
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