

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



IN THE MATTER OF:

SUPREME TERPENE

Respondent.

Case No. 24-ULC-000025

NOTICE OF SUMMARY ACTION

To: Perry Young, Business Owner
Supreme Terpene
1344 U Street, NW
Washington, DC 20009

U1344 LP, Property Owner
c/o Alyson Meyers, Registered Agent
3029 Woodland Drive, NW
Washington, DC 20008-3544

The District of Columbia Alcoholic Beverage and Cannabis Board (the Board), under D.C. Code § 7-1671.08(g)(1), (2)(C), (3), **summarily closes** the above-captioned unlicensed cannabis establishment effective **immediately** upon your receipt of this notice.

You have the right to request a hearing before the Board, and such request shall be filed with Martha Jenkins, General Counsel, Alcoholic Beverage and Cannabis Administration (ABCA), by email to Martha.Jenkins@dc.gov. The request must be filed within five business days after receipt of this notice. Should a request for hearing be filed in a timely manner, a summary closure hearing will be held within five business days of receipt of a timely request, and a decision will be rendered by the Board within five business days after the close of the hearing.

The District of Columbia is represented by the Office of the Attorney General in these proceedings. A copy of any pleading or any other written communication addressed to the Board should also be delivered to Assistant Attorney General Anthony P. Celo, Office of the Attorney General for the District of Columbia, Civil Enforcement Section, 400 Sixth Street, NW, Suite 10100, Washington, DC 20001 by email to Anthony.Celo@dc.gov. **You, or your legal counsel if represented, should contact Anthony P. Celo at (202) 735-7559 upon receipt of this notice to discuss any potential Offer in Compromise to be considered by the Board at the Summary Closure Hearing.**

You may personally appear at the summary closure hearing, and you, as well as the unlicensed establishment, may be represented by legal counsel. You have the right to produce witnesses and evidence and to cross-examine witnesses. You may examine evidence produced and have subpoenas issued to require the production of witnesses and evidence.

The hearing before the Board will be conducted in the English language. If you, any corporate officer, or any witnesses to be called are deaf, have a hearing impediment, or cannot readily understand or communicate the spoken English language, an application may be made to the Board for the appointment of a qualified interpreter.

The basis of the contemplated action is certain information received by the Board which, if proven to be true, would justify the Board summarily closing your establishment under D.C. Code § 7-1671.08(g)(1), (2)(C), (h)(1) and to retain any cannabis seized from the establishment.

The grounds for the summary closure are outlined below.

The Board has determined that the operations of Supreme Terpene (the Establishment), at 1344 U Street, NW, Washington, DC 20009 (the Premises), present an imminent danger to the health and safety of the public, mandating summary closure of the Establishment and Premises. Supreme Terpene operated as an unlicensed cannabis retailer selling cannabis and cannabis products, and continued to do so after it and the Premises received an ABCA Cease-and-Desist Order, for which the Board could take action against the Establishment and Premises under D.C. Code § 7-1671.08(g)(2)(C). Additionally, the Establishment displayed on their website, signage and imagery advertising related to cannabis, offered for sale psychedelic products containing psilocybin and dimethyltryptamine (DMT), which are schedule one substances, for which the Board can take action under D.C. Code §§ 7-1671.06b(e), 7-1671.08(a), (f), (g)(2)(E), (h)(1), 7-1671.12e(a).

On Thursday, April 25, 2024, ABCA Supervisory Investigator (SI) Jason Peru conducted an inspection of Supreme Terpene, located at 1344 U Street, NW, Washington, DC 20009 as part of a Multi-Agency Cannabis Enforcement Team (MCET). During the inspection, the Establishment was observed selling cannabis and a variety of cannabis products, including edibles and flower containing THC. The Establishment is not licensed.¹ Upon conclusion of the inspection, SI Peru issued a warning letter to the Establishment under D.C. Code § 7-1671.08(f)(1) and § 7-1671.06(b)(e). Other MCET agencies identified additional violations including the Establishment's lack of a Basic Business License or Certificate of Occupancy and violating the embargo of edibles and unapproved food items.

On Tuesday, July 23, 2024, SI Peru returned to the Establishment to conduct a follow-up inspection with MCET. The inspection revealed that the Establishment appeared to have stopped selling cannabis, but continued to sell a variety of mushrooms and edibles containing psilocybin

¹ Perry Young, the Establishment's owner, has a Social Equity Conditional Medical Cannabis Retailers License (MCP-128108), but such license does not authorize the sale of cannabis and is not linked to the Establishment.

after the warning letter was issued. At the conclusion of the inspection, SI Peru advised the owner Perry Young and an unidentified female employee that the Establishment continued to violate District law. Other MCET agencies concluded that the Establishment still lacked a Basic Business License or Certificate of Occupancy and continued violating the embargo of edibles and unapproved food items.

On Wednesday, July 31, 2024, the ABC Board issued a Cease-and-Desist Order to Supreme Terpene and Mr. Young (Board Order 2024-546). On August 1, 2024, SI Peru and Metropolitan Police Department (MPD) Officers returned to the Establishment to issue the order. SI Peru presented the order to the same female employee and contacted Mr. Young by phone. Mr. Young stated that he no longer sold cannabis products, but instead sold mushrooms. SI Peru told Mr. Young that the sale of mushrooms was also prohibited by law. On August 8, 2024, ABCA served the Cease-and-Desist Order on Mr. Young and U1344 LP by certified mail, return receipt requested.

On Tuesday, August 27, 2024, SI Peru observed an individual enter the Establishment. A search of the Establishments websites confirmed that it was still offering mushrooms containing psilocybin and DMT. SI Peru coordinated with the MCET to conduct an undercover operation. Later that day, an undercover Department of Licensing and Consumer Protection (DLCP) Investigator entered the Establishment to make a purchase. He approached the same female employee and stated that he wanted to purchase “marijuana” (cannabis), and the employee said the Establishment only sells mushrooms. The investigator said that he had previously purchased marijuana from the establishment. The employee then instructed him to go to a separate “secret” website, which contained a menu of cannabis products. The investigator asked the employee for “triple cherry flower” and one pre-roll. The employee said it would be \$40. Then, she went to a back room and returned with a Supreme Terpene marked black bag, which contained a 3.5 g. bag of “triple cherry flower” and a white tube containing a pre-rolled marijuana cigarette. The investigator took the bag, handed the employee \$40 in cash and exited the establishment. The investigator met with SI Peru, MPD Lieutenant Flemmings, and several MPD Officers. MPD Officer Kurkland took possession of the items and logged them into evidence. At the MPD station, Officer Kurkland conducted a field drug test on the purchased flower which tested positive for THC and amphetamines.

The Board has determined that further operations at the above-captioned premises present an imminent danger to the health and safety of the public, mandating summary closure of the premises.

All hearings in this matter shall be governed by 22–C DCMR § 9700 *et. seq.* Your failure to appear at the time and place set for the hearing, either in person or through counsel, or both, will not preclude the Board’s proceeding in this matter. Should you have any questions, contact ABCA Adjudication Specialist Danette Walker at (202) 442-4418.

9/4/24

DATE

Donovan Anderson

Donovan Anderson
Chairperson
Alcoholic Beverage and Cannabis Board