

Terrace Manor Organized for Change Tenants Association, Inc.

March 26, 2018

Mr. Fred Hill
Chairman
D.C. Board of Zoning Adjustment
441 4th Street NW, Suite 200S
Washington, DC 20001

RE: BZA Application No. 19733 – 2200 Block of Savannah Street, SE

Dear Chairman Hill and Members of the Board,

Through this letter and a vote of our membership, the Terrace Manor Organized for Change Tenants Association, Inc. expresses its full support for WC Smith's plan for the redevelopment of our community. Our Association represents 11 of the 13 households who were still living at Terrace Manor when WC Smith purchased the property through bankruptcy in late 2017. We thought it would be helpful to provide you with some context regarding this property, which many of us called home for over twenty years.

Terrace Manor used to be a wonderful and safe place to live and raise a family, but things fell apart when notorious slumlord, Sanford Capital ("Sanford"), bought our property in 2012. Although we negotiated an extensive repair agreement with Sanford with the help of our attorneys, the property continued to fall into extreme disrepair. Conditions even reached the point that the Office of Attorney General (OAG) decided to intervene and sue Sanford, among others, in October 2016 to place the property in receivership.

After months of litigation, Sanford and its affiliates agreed as part of a court-approved Abatement Plan to make repairs and to address the numerous, longstanding health and safety conditions that seriously affected our lives. The conditions at the property were unimaginable and included toxic mold, rodent and insect infestations, and lack of heat and hot water just to name a few. In short, those repairs were never made. Instead, in an attempt to avoid compliance with the Abatement Plan and to circumvent our right as an Association to purchase the property through TOPA, Terrace Manor LLC (the "Debtor"), a wholly-owned subsidiary of Sanford, filed for bankruptcy on March 30, 2017. By that time, only 13 families were still living in the 61-unit property.

Throughout the proceedings, the Debtor tried to speed up the process in order to sell the property to one of its two preferred buyers. However, neither of those buyers made any guarantees to the tenants about the scope of renovations or the future affordability of the property. Our attorneys from Bread for the City and Arnold & Porter LLC spent the next 6 months litigating the bankruptcy case in conjunction with the Office of the Attorney General. They also simultaneously reached out to a third buyer, WC Smith, who had expressed interest in actually working with the tenants and ensuring we were protected. WC Smith was more than willing to

put those promises into a written agreement and entered into a Memorandum of Understanding (MOU) with our Association in fall 2017. That MOU guarantees our families certain protections including but not limited to ongoing rent protections, immediate relocation to other WC Smith properties, and the right to return to a redeveloped Terrace Manor that will remain affordable for not just our families, but future tenants as well. Days before the final bankruptcy hearing that would determine the buyer for the property, our team's efforts paid off, and we were able to finalize a settlement with the Debtor where they agreed to select WC Smith as the buyer. The Court subsequently approved that settlement and WC Smith took ownership shortly thereafter.

We were and continue to be so excited to finally have a responsible owner for our property. Within a few weeks of the bankruptcy sale, WC Smith paid for and moved our families to other WC Smith properties and, as per the MOU, the company is paying any portion of our rent that is higher than what we had to pay at Terrace Manor. Although we are all happy to be living in newer and safer housing, we cannot wait to get back to our community once construction is complete at the new Terrace Manor. We hope you will approve WC Smith's plan to build a new multifamily building so that we can finally come home to the new building we deserve.

Sincerely,

A handwritten signature in cursive script that reads "Monica Jackson".

President, Terrace Manor Organized for Change Tenants Association, Inc.

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