



GPSA

Gangplank Slipholders Association

November 30, 2017

VIA IZIS

Zoning Commission of the District of Columbia
441 4th Street, NW
Suite 210
Washington, DC 20001

Re: Z.C. Case No. 11-03J
GPSA Statement on Status of Negotiations

Dear Members of the Commission:

As requested at the last public hearing held on November 9th for the above referenced case, the following constitutes GPSA's statement on the status of negotiations with the Applicant through this date.

OVERVIEW

Per previous testimony by the GPSA at the Zoning Commission hearings on November 2nd and November 9th (exhibits 39 and 75, respectively), fundamental differences between the Applicant and the Gangplank Marina Liveaboard Community have been evident throughout the negotiations process. Marina liveaboard communities across the United States are not equivalent to land-based properties in terms of their needs for services and facilities. In several respects, there is a basic lack of recognition of precedents by the Applicant about the critical services, facilities and appropriate fees that have formed the basis of the GPSA community over the last 80 years, and their need to be maintained into the future. The Applicant, as the successor to the District of Columbia in managing the facility, retains the obligation to address the same considerations as the city previously addressed including the many elements established by the Office of Planning's Comprehensive Plan. The Zoning Commission along with Commissioner Litsky clearly stated during the hearings on ZC 11-03J the importance of retaining the community.

Successfully living on a boat or floating home bears a number of distinct differences from those that are land-based. Boats must be maintained to standards applied by federal authorities (USCG), the District government (MPD), as well as marina management (Slipholder License Agreement and Marina rules). Failure to correctly maintain a boat poses a significant human safety risk to both the owner, marina and neighboring boat owners as well as potential environmental harm. It should be noted that all risks are the liability of the boat owner. Because of these critical maintenance requirements, most of the vessels

require at least annual maintenance done at qualified marinas. Due to the lack of marine maintenance facilities within Washington, DC, residents are required to have this maintenance completed outside of the metro area. While this necessary maintenance is being completed, many owners have no other option but to stay on their boats in far off repair facilities and commute to DC via car. If the resident has other lodging options during the maintenance period, it still requires frequent trips to the maintenance facility to check on the status of work, as well as to Gangplank where mail and other deliveries continue to be made.

There are also compliance requirements in preparing a floating home for severe weather that are very different from land-based properties. Boats are small, moveable vessels with significant exposure to risk during weather events that include: snow that can flip a boat because of excess weight, rains that can overwhelm bilge pumps and sink a boat, plus the high winds associated with severe storms and hurricanes that can rip floating homes from their moorings. These risks require direct means for secure and nearby reliable transportation. For these reasons it is unsurprising that parking for personal vehicles is the primary transportation feature at marinas across the U.S. Severe storms, as evidenced most recently with hurricanes in Florida and elsewhere remove all likely access to shared transportation services and rental vehicles. Boaters are reliant on their preparation and assessment of risk with an acute awareness of what their escape means and route will be in event of an emergency. The retention of a car and parking is a critical element of the community's safety and viability.

TIMELINE OF NEGOTIATIONS SINCE THE LAST HEARING

Per its commitment to the Zoning Commission on November 10th, the GPSA Board issued the Notice for Special Meeting and Vote to the community membership for November 17th. At the time of the Notice to membership, a single compromise agreement was available for consideration as now identified as "Option A" and uploaded to the Zoning Commission case files as Exhibit 82B1 and 82B2.

On November 10th, members of the GPSA Board received a request from the Applicant to meet to discuss a new proposal. Due to schedule conflicts, the requested meeting was not held until November 15th between members of GPSA, the Applicant and Chairman Litsky. At this meeting, a new draft proposal as now identified as "Option B" and uploaded to the Zoning Commission case files as Exhibit 82A1 and 82A2 was presented by the Applicant for review and discussion with GPSA and Chairman Litsky. The Option B proposal was developed by the Applicant ostensibly to respond to the direction provided by the Zoning Commission to find an affordable solution that did not displace long-term community members most at risk due to increasing costs.

The fundamental differences between the original Option A and new Option B plans is that the latter proposal provides an affordable housing discount based on HUD's median family income criteria (MFI), and would hold Sliholders with incomes above the MFI formula to Consumer Price Index (CPI) fee increases during the construction and transition period. However, a key item removed from Option B was the long-planned, immediate construction of Water Building 3 (WB3), identified in the PUD as the primary amenities facility for GPSA members and non-profit organizations and the resulting permanent transfer of replacement services (absent the community spaces) to the lower level of Water Building 2 (WB2). In addition, the removal of WB3 from the project means that temporary landside accommodations for bathrooms, showers, laundry, security, mail / package delivery will be required to be delivered by the Applicant for the duration of the transition period outside of

the Marina and generally adjacent to the active construction zone in Parcel 10 and more specifically in the area known as The Terrace, further reducing the opportunities for improved accessibility for additional loading/unloading and short-term parking described in both plans.

On November 10th, both Option A and Option B were transmitted by the Applicant to GPSA with the clear direction by the Applicant that GPSA's membership could only choose between Option A or Option B and not some hybrid version of the two plans.

On November 16th, the GPSA Board distributed the new Option B documents to the community membership for review.

On November 17th, the GPSA membership met per the Special Meeting notice to review, discuss and vote on the mutually exclusive options presented by the Applicant. Nearly all of the community members were physically present or represented through a formal proxy submission. The membership unambiguously voted to not accept either one of the Applicant's proposed agreements.

For further discussion, review and evaluation of the strengths and weaknesses of each option, the residents of Gangplank Marina met again on November 20th. Additionally, on November 20th, the GPSA Board informed the Applicant that Option B had been rejected.

On November 26th, after several GPSA Board meetings over the Thanksgiving holiday weekend, GPSA submitted to the Applicant ten (10) key points as defined by the extensive review and discussions with the GPSA community membership that required additional discussion with, or clarification by the Applicant in order to move forward with reaching an agreement.

On November 28th, the Applicant delivered a response to the GPSA Board on each of the 10 key points and a follow-up meeting was held in person between the Applicant and GPSA Board. At this meeting, the GPSA Board strongly asserted that limiting the choice between two mutually exclusive options was actually a roadblock to final consensus and asked for specific compromise elements of the Option B plan related to affordability be adapted to the Option A plan in the hope of arriving at a whole and mutually acceptable agreement that retained the construction of WB3. Immediately following the meeting between the Applicant and GPSA board, the Gangplank Marina residents met again to receive and review the point-by-point responses provided by the Applicant. Several specific questions on details of some of the key elements were presented by the GPSA community and it was agreed to send these questions to the Applicant for further response.

On November 29th, GPSA submitted to the Applicant a summary of the membership meeting held the night before, as well as, the short list of detailed questions that had been produced. Finally, GPSA committed again to the Applicant to continue to work together to find the best mutually agreeable solution to provide the required level of services while still meeting the directives and requests for diversity, sustainability and affordability.

On November 30th, the Applicant delivered responses to the aforementioned questions and committed to transmitting "whatever additional documents are appropriate" by the end of the day.

SUMMARY AND PATH FORWARD

Currently, GPSA and the Applicant have not reached final consensus on a mutually agreeable plan to move forward. However, it should be noted that as soon as the GPSA Board receives a mutually acceptable and updated set of documents from the Applicant as described in the previous section of this letter, the agreement(s) will immediately be put forth to the membership for consideration and voting. In hopes of arriving at a mutually acceptable agreement prior to December 7th, GPSA has proactively scheduled a series of informal "town hall" sessions for community members to review documents and ask questions as well as put into place the necessary arrangements to provide a quick turnaround on a formal vote.

As suggested at the November 9th hearing, the Thanksgiving holiday week certainly provided some challenges to both parties given previous family commitments for this important holiday weekend. However, as evidenced by the above timeline, we suggest that both parties in this discussion have adhered to the direction provided and commitments made to the Zoning Commission as well as to each other to continue to work in the most expedient manner possible to reach final consensus on a mutual agreement.

While GPSA remains positive that a consensus agreement is possible, it is not unprecedented in challenging negotiation processes with long-term consequences and high levels of unknowns such as this, for unusual and/or unexpected circumstances to intervene and slow progress. Should such an event arise that prevents final agreement to be reached ahead of the scheduled Zoning Commission hearing on December 7th, GPSA is prepared to request that additional time be allowed for deliberating and reaching a decision for the work related to Gangplank Marina and the liveboards, so as to not hold up the other two actions. Additionally, GPSA is prepared to request that an immediate formal and independent mediation process be activated between GPSA and the Applicant to find a final path forward to full agreement on these important issues.

The issues and challenges that our combined negotiation teams have discussed at length over the past many months with respect to the continued accessibility, affordability and sustainability of the Gangplank Marina are complex and have long-term consequences affecting all members of this community – our members, our landside neighbors, the Marina operations team and the developer. We suggest the final incremental steps to consensus be afforded ALL of the time necessary to achieve success and respect the shared commitment we have all made to building and preserving the Gangplank Marina as a world-class and diverse community, both now and well into the future.

Respectfully submitted,



Gary Blumenthal
President - GPSA

**Certificate of Service
Z.C. Case No. 11-03J**

I certify that on November 30, 2017 a copy of this communication was delivered to the Applicant and parties of record noted below:

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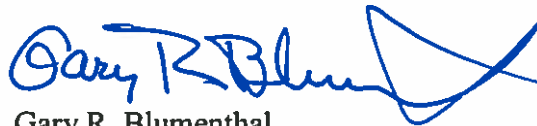
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