May 3, 2107

#### VIA IZIS

Mr. Anthony Hood Chairperson District of Columbia Zoning Commission 441 4<sup>th</sup> Street, NW Suite 200-S Washington DC 2001

# RE: Z.C. Case No. 14-18A-Brookland Manor/Brentwood Village Residents Association ("Party Opponent") Response to Application of Mid-City Financial Corporation (the "Applicant")- Applicant's Draft Conditions

Dear Chairperson Hood and Members of the Commission:

Set forth below is the Party Opponent's response to the Applicants Proffer and Conditions with respect to the affordable housing component of the Applicant's proposed redevelopment plan.

### Housing and Affordable Housing:

## <u>Proffer</u>

Prerequisite to the Commission's approval of the First Stage order was the Applicant's stated affordable housing commitment submitted on June 8, 2015 as part of the Applicant's post hearing submission. The Applicant clearly articulated its affordable housing commitment as follows:

- a. The Applicant will retain the project based Section 8 Assistance Payment contracts on the property, which provide deep rental assistance to 373 extremely low income families (incomes below 30% of AMI); and
- b. All households in good standing that reside at Brookland Manor at the commencement of the redeveloped property in early 2018 will be provided the opportunity to remain at the property **through and following the redevelopment** process. (See ZC Case No. 14-18, Exhibit 104, p.6)

The Applicant's current proposal is limited to Block 7 of the property at Brookland Manor. The property is located in Ward 5 in the Northeast quadrant of DC, and consists of an elongated block located along the southern border of the Brookland Manor site. The property is bounded by Saratoga Avenue NE to the north, 14<sup>th</sup> Street, NE to the east, Brentwood Road, NE to the west and a public alley to the south. Exh. 1G.

The Applicant's proposed PUD seeks to demolish the three existing buildings and replace them with 2 buildings (Building A and Building B). Id.

Building B would contain 130 units. The breakdown on those units would be as follows:

- c. 3 studios
- d. 58 one bedrooms
- e. 50 two bedrooms
- f. 19 three bedrooms

The Applicant states that initially Building B would have up to 65 affordable units on a temporary basis until their overall proposed redevelopment is completed. Once the overall redevelopment is complete, the Applicant expects that 25 units would be permanently affordable in Building B. Id.

The Applicant is proposing that Building A would have 200 units and would be used exclusively as a senior citizen building. The bedroom breakdown for Building A would be 192 one bedroom units and 8 two bedroom units. Id.

Assuming that the Section 8 project based contract will be renewed, the 200 units that would make up Building A would account for a substantial portion of 373 total affordable units associated with that contract. Thus, after the 200 units of housing at the senior building is accounted for, there would be 173 remaining units of deeply affordable housing to house the rest of the Brookland Manor residents as part of the Section 8 project based contract. Id.

Moreover, in the Applicant's Post Hearing Submission, they state that only 167 seniors at Brookland Manor will be eligible to access the senior building at the time that the building will be ready for occupancy. *See Applicant's Post hearing submission at attachment A.* Id. These numbers make clear that there will only be 340 deeply affordable units associated with the project-based contract available to current Brookland Manor residents. 340 available units is the correct number because even if all 167 current residents who will be eligible for the senior building choose to live in that building upon the redevelopment's completion, 33 of the building's 200 units will house seniors that do not currently live at Brookland Manor. This means that 33 of those units would not serve as replacement units for current residents.

There are 431 occupied units at Brookland Manor as of April 10, 2017. Id at 2. If current residents occupy units in the redevelopment in a way that maximizes the number of households that remain on the property (i.e. all eligible seniors occupy a unit in the senior building and all other current households occupy the remaining 173), 340 units will serve as replacements. Thus, there is a 91unit discrepancy between the number of units needed to bring back all current Brookland Manor households, and the number that would be made available through the renewal of the project based contract.

However, in reality this Commission finds that the unit discrepancy is undoubtedly larger than 91 households. The Commission comes to this conclusion for several reasons:

- A. The Commission heard evidence and the Applicant has previously acknowledged that many current Brookland Manor seniors live with extended families. Many of these seniors will choose to stay in their existing household configurations and will opt not to live in the senior building Tr. 2 at 138, 142-144.
- b. If seniors who currently live in intergenerational families choose to live in the senior building, it would mean that their remaining family members would have to be housed in another unit at Brookland Manor. The splitting of these households would increase the replacement units needed beyond the current 431 occupied units. If the Applicant does not commit to housing these remaining family members in another unit on the property, their commitment to house all residents in good standing at the commencement of the redevelopment will not be realized.

Further, the Applicant has not provided any substantive update on the status of Section 8 voucher holders on site. In fact, in their post-hearing submission, the Applicant states that their only current commitment to voucher holders is to retain the residents on site through the build out. See Applicants Post Hearing Submission at 5.

The Applicant goes on to assert that the units occupied by voucher holders are in essence market rate units. Thus, according to the Applicant, if the units were counted as "affordable", the Applicant's affordable commitment would be far greater than the 22% (373 units) of the total number of units that was identified in the Zoning Commission Order No. 14-18. Id at 5 (footnote 1). This Commission finds the Applicant's refusal to commit to housing voucher holders inconsistent and irreconcilable with their first stage PUD commitment to house all residents "in good standing" at the commencement of the redevelopment through and **following** the redevelopment process. This inconsistency must be addressed.

## **Proposed Condition:**

#### **B.1.** Affordable Housing

Applicant shall be required to replace all the affordable housing units for all the households on site at Brookland Manor as of April 10, 2017. The units shall be delivered at the appropriate bedrooms sizes and subsidy levels to accommodate the above referenced households as determined by HUD guidelines. Further, these units at the above specified subsidy levels and bedroom sizes will remain **permanently** affordable at the redeveloped site. In order to discourage displacement by the Applicant, should any of the above referenced households be lost to attrition before the commencement of the redevelopment, the Applicant shall nevertheless replace the unit at the redeveloped site pursuant to the bedroom size and subsidy level of the vacated household.

Further, every household that is occupied at the commencement of redevelopment will be considered "in good standing." The only possible way a household cannot be considered "in

good standing" is if the household members have been legally evicted through the judicial process.

With respect to the affordable units that are occupied or will be occupied by Section 8 voucher holders at the redeveloped property (those units that will be kept affordable but fall outside the Section 8 project based contract), the Applicant shall accept the payment standard set by DCHA to allow voucher holders to remain on the property through and following the entire redevelopment process.

Further, the Applicant shall provide housing on site for current seniors who choose to live in the senior building **as well** as their remaining family members. In other words, if a senior chooses to live in the senior building, their family member(s) must still be housed on site and their rent subsidized at its current level.

These housing requirements are in addition to the affordable homeownership commitments the Applicant has made to date. The Commission expressly intends that these conditions shall be a covenant that survives the sale of the property. Any and all future landlords and/or owners of the property shall be subject to the terms of these conditions.

Please feel free to contact the undersigned with any questions.

Sincerely,

William Merrifield

**CERTIFICATE OF SERVICE** 

I certify that on May 2, 2017 a copy of the forgoing document was delivered to the addresses listed below either by first class mail or e-mail.

Affected Advisory Neighborhood Commissions:

ANC 5C (via first-class mail) PO Box 91902 Washington, DC 20090

**ANC 5B** (via first class mail) 1920 Irving Street NE Washington, DC 20018

Counsel for the Applicant:

Paul Tummonds, Esq. (via electronic mail) Ghoulston & Storrs

## ptummonds@goulstonstorrs.com

David Lewis, Esq (via electronic mail) Ghoulston & Storrs david.lewis@goulstonstorrs.com

Signed,

William Merrifield, Esquire Counsel for the Brookland Manor Residents Association c/o Washington Legal Clinic for the Homeless 1200 U Street NW, Third Floor Washington, DC 20009