

May 8, 2017

VIA IZIS

Chairman Anthony Hood
District of Columbia Zoning Commission
441 4th Street NW, Suite 200
Washington, DC 20001

Re: ZC Case No. 14-18A – Supplemental Post-Hearing Submission of Mid-City
Financial Corporation (the “Applicant”)

Dear Chairman Hood and Members of the Commission:

This letter and the attachments hereto comprise the Applicant’s supplemental post-hearing statement, which updates information previously provided to the Zoning Commission and fully addresses the Commission’s requests for additional information raised in deliberations on the above-referenced case at the Zoning Commission’s April 24, 2017 public meeting.

Status of Block 7

Block 7 is now entirely vacant. In its April 10, 2017 post-hearing statement (“**April Statement**”), the Applicant noted that one household remained in Block 7. The last resident voluntarily relocated to another unit in Brookland Manor at the Applicant’s expense on May 5, 2017. Thus, the proposed project replaces three entirely-vacant apartment buildings with 331 units in two new, high-quality buildings with modern amenities.

Meetings with Residents Association

At the public meeting, the Zoning Commission requested additional information on the status of meetings between the Applicant and the Brookland Manor/Brentwood Village Residents Association (“**Association**”), which is the party opponent in this case. As noted in the April Statement, the Applicant and the Association met on Wednesday, March 29, 2017 for a “Trust Meeting” hosted at Brookland Manor. Following up on that meeting, the Applicant provided a supplemental letter to the Association addressing in writing questions raised by the Association at the meeting. A copy of that letter, dated April 10, 2017, is attached as Exhibit A. The Association has not responded to the Applicant’s letter as of the date hereof.

The April Statement also noted a planned meeting with Brookland Manor residents to be held on April 19, 2017. At that meeting, the Applicant, representatives of the new security company hired for Brookland Manor, and officers from MPD's 5th District met with residents and discussed community policing and ways to improve public safety for the benefit of all. Residents were able to voice concerns including those related to individuals congregating on Saratoga Avenue and drug activity on site. The Applicant is committed to engaging in an ongoing dialogue with residents, and has already scheduled the next meeting to be held on May 17, 2017.

This month the Applicant will be hosting a building tour for seniors as a response to a request from residents. The event will include discussions with the development team and residents at the building regarding the transition and benefits of new apartment facilities for seniors. The Applicant will also be hosting its regularly scheduled development update meeting on-site for all residents at the end of the month as well as an all resident Pool Opening Party complete with meals, prizes and family activities.

Options for Households with Seniors and Multiple Generations

The Zoning Commission requested information on the options that exist for those senior residents of Brookland Manor who live with and care for grandchildren and/or adult children with special needs. In sum, Brookland Manor's senior residents with extended families will have the opportunity to choose the option that best suits their needs. As noted in the April Statement, all residents in the senior building must be 62 and older, except for qualified live-in aides who may be younger. Current Brookland Manor residents who qualify for the senior building will have the opportunity to make their own election about which building they will reside in upon completion of the senior building. The Applicant will not require any multi-generational households to change household formation. For example, those existing households with seniors and grandchildren, or with seniors and adult children who have special needs will have the opportunity to choose which housing option best suits their circumstances. Seniors in those households may elect to remain with their extended families in on-site buildings that are not age-restricted or may elect to live in the senior building without their extended families if they so choose.

Existing Brookland Manor residents will have the first opportunity to occupy the new senior building. To the extent the new senior building is not fully occupied by current residents, it will be opened to income-qualified senior residents from throughout the District.¹

¹ Further information related to this point was also provided on pages 4-5 of the April Statement, which is located at Exhibit 179 in the record of the instant proceeding.

Homebuyer Assistance for Future Townhouse Units

In its April Statement, the Applicant noted that the townhouse component of the overall RIA project will contain only three- and four-bedroom townhouse style housing and will be subject to the District's Inclusionary Zoning requirements and that the Applicant has begun to identify resources to support first-time homeownership opportunities for current residents. The Zoning Commission requested additional information on these homeownership opportunities.

The Applicant will work with DC Housing Authority ("DCHA") to identify existing Brookland Manor residents who would be eligible to qualify to purchase a townhouse under the Housing Choice Voucher ("HCV")/Home Ownership Assistance Program. Additional information on this program is attached as Exhibit B. The Applicant is currently engaged with DCHA and Councilmember McDuffie's office to remove existing restrictions that prohibit the use of DCHA vouchers for home purchasing. To the extent the HCV program is amended to allow voucher use for home purchasing, the Applicant will work with DCHA to identify existing Brookland Manor residents who are interested and eligible to participate in the program.

The Applicant notes that the townhouse component of the overall RIA redevelopment is still several years in the future. As that phase of development nears, the Applicant will work to survey residents to better understand resident preferences to participate in such programs and the total demand for such units just as the Applicant surveyed existing senior residents about amenity and housing preferences for the senior building, as noted in the April Statement.

Security

The Zoning Commission requested an update on the new security service installed on-site. The Applicant has not received any complaints to date related to the new security company. The Applicant strongly believes that resident engagement in the new community security meetings will resolve previous issues and looks forward to the continued success of this initiative.

Questions Raised by the Association

The Zoning Commission requested that the Applicant respond to questions raised by the Association in its April 17, 2017 filing. Although the Association's filing does not contain any direct questions to the Applicant, the Applicant has identified the following three areas where the Association appears to seek additional information regarding: (i) the status of discussions with the District regarding Section 8 vouchers, Exh. 183 at 2; (ii) clarification of the Applicant's commitment to retain all tenants who are in good standing at the commencement of the redevelopment, *id.* at 3; and (iii) the expected mechanism for having only 415 occupied units by commencement of construction on Block 7, *id.* at 4.

Discussions with the District regarding Vouchers

The Applicant's commitment from the first-stage proceedings with respect to vouchers has not changed. As the Applicant has stated many times, including most recently in its April Statement, the Applicant will provide the opportunity for voucher-holding residents to remain on site and remains committed to work with the Association, DCHA and other DC public officials to ensure that the future HCV payment standard for the Brentwood neighborhood is sufficient to cover the future market rate rent levels for these residents. DCHA is broadly aware that its HCV rent payment standard does not allow its clients to live in most of the District's submarkets and there are active efforts at DCHA and elsewhere in the DC government to provide more options for voucher holders.

As an outside date, the issue of HCV increases need not be fully resolved until the existing Brookland Manor buildings are no longer available, which will likely be a decade or more into the future. In addition, resolution depends largely on DCHA financing plans in years beyond DCHA's current planning horizon. DCHA's market rents for 2019-2020 are not yet available and market rents for the buildings in Block 7 have not been set, therefore it is impossible to predict if any action will even be necessary to adjust the relevant payment standard to meet building rents. The Applicant is willing to continue to work with the Association to meet with DCHA to pursue this issue. The Applicant's position with respect to such vouchers as initially set forth in the first-stage process and reiterated in the April Statement has not changed.

The Applicant appreciates that the Zoning Commission will recognize that lack of full resolution on this important issue is no barrier to commencing the first phase of Block 7 (which is a necessary predicate to future phases) and that the Applicant has not retreated from its prior commitments regarding voucher-holding residents.

Retention of Residents in Good Standing

As noted in the April Statement and in the first-stage proceedings: "All households in good standing that reside at Brookland Manor at the commencement of the redevelopment in early 2018 will be provided the opportunity to remain at the property through and following the redevelopment process." The Applicant's April Statement provided a full definition of the tenant qualification or "good standing" criteria. See Exhibit 179 at 6. The Applicant has clarified to the Association that it has modified language in the tenant infraction letter to note that the mere issuance of a tenant infraction does not disqualify a resident from good standing status.

Number of Occupied Units

The April Statement included a discussion on the turnover in units at Brookland Manor. In sum, like every other apartment community, Brookland Manor's residents continually come and go for a variety of reasons. Such turnover is an intrinsic element of rental housing. The number of Brookland Manor occupied units has declined since the commencement of the first-

stage proceedings through such turnover, or “attrition,” and as a result of the Applicant’s allowing a set number of vacated units to remain unleased. The Applicant had ceased leasing and had correspondingly foregone the income from such units to provide the opportunity for resident relocations to take place on-site. As previously noted in the April Statement, the Applicant continues to object to the Association’s implication that the Applicant has undertaken a concerted campaign to remove or displace its current residents. The central element of the Applicant’s redevelopment plan has been to retain the affordable housing at the new RIA development, and the Applicant’s commitment is intact.

Exhibits

The following exhibits are attached to this supplemental statement:

Exhibit A – Letter from the Applicant to the Association, dated April 10, 2017

Exhibit B – DCHA Housing Choice Voucher/Homeownership Program Summary

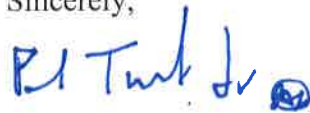
Conclusion

The materials included in this supplemental post-hearing submission address the Zoning Commission’s comments and requests for additional information made during the public meeting on April 24, 2017.

The instant application is straightforward: the Applicant proposes to construct 200 affordable senior housing units and 131 multi-family residential units on a lot that is entirely vacant. The affordable senior housing is a priority of the existing Brookland Manor residents and the District more generally, and the multi-family residential units allow the Applicant to undertake future phases of redevelopment while allowing existing residents to remain on-site during such construction. The Applicant has proposed two buildings with exemplary architecture, has addressed all impacts, and has strong community support.

The Applicant looks forward to the Zoning Commission taking final action on this second-stage PUD application on May 22, 2017.

Sincerely,



Paul A. Tummonds, Jr.



David A. Lewis

Enclosures

Certificate of Service

The undersigned hereby certifies that copies of the foregoing document will be delivered by e-mail or first-class mail to the following addresses on May 8, 2017.

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