May 15, 2017

VIA IZIS

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

RE: <u>ZC Case No. 14-18A- Brookland Manor/Brentwood Village Resident Association's (the "Association") response to Supplemental Post-Hearing Submission of Mid-City Financial Corporation (the "Applicant").</u>

Dear Chairman Hood and Members of the Commission:

This letter comprises the Association's response to the Applicant's supplemental post hearing submissions that were filed on May 8, 2017.

Affordable Housing Commitment:

Prerequisite to the Commission's approval of Applicant's First Stage PUD was the Applicant's stated affordable housing commitment. The Applicant clearly articulated that 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)

At the public meeting on April 24, 2017 there were several questions raised by the Commission regarding whether the Applicant's current proposal, when taken in the light of the broader redevelopment of the entire property, can meet above affordable housing commitment. The Applicant was then ordered by the Commission to provide answers to the questions raised by the Commission. The Applicant's post hearing submissions filed on May 8, 2017 failed to answer the questions posed by the Commission in several important ways.

Options for Households with Seniors and Multiple Generations

At the April 24th public meeting, Chairman Hood asked the Applicant a direct question regarding current Brookland Manor households that contain multigenerational families headed by senior citizens. Specifically, Chairman Hood asked the Applicant to clarify how they planned to ensure that the existing family members of households that are currently headed by a senior citizen would remain housed if the senior citizen chooses to live in the senior building. *April 24 Tr. Paragraph 6-16*. In other words, the Commission sought assurance from the Applicant that these remaining family members would not be displaced but instead would be able to stay on another part of the property which is separate from the senior building. Id. Chairman Hood explained that it was essential for this question to be answered because throughout this process people have been told that no-one has to leave the property. *Id at pg. 20; paragraphs 8-12*.

Unfortunately, the Applicant's post hearing submission failed to answer Chairman Hood's question directly. Instead, the Applicant sidestepped the direct question and answered a different issue entirely (that seniors who live in multigenerational families will be given the option between the senior building and staying in their current units).

Thus, the Commission still has no assurance that this Applicant is committed and has a plan in place to house the non-senior members of multigenerational households, through and following the redevelopment process, if the senior member of these households chooses to live in the senior building.

The Applicant's refusal to directly answer this question is highly problematic for several reasons. First, it prevents current residents from making informed choices. For instance, if the Applicant's sole commitment to seniors living in multigenerational households is to give seniors the choice to stay with their families or move into the senior building, then the Applicant needs to explain clearly to seniors that if they choose to move into the senior building, their remaining family members are not guaranteed a slot in the redeveloped property.

Secondly, many seniors will choose **not** to live in the senior building if these seniors are made aware that their choosing the senior building will jeopardize their family member's ability to live at the property post redevelopment. This means that additional large bedrooms will be needed to accommodate these multi-generational families. With respect to the large bedrooms, the Applicant continues to have a "wait and see" attitude regarding the need for these units. This is despite claiming during the first stage PUD process that by the time they submitted their second stage PUD, the Applicant would know how many 4 bedroom units needed to be replaced. *Case 14-18: May 7th transcript- pg. 110 para. 1-2.*

Thirdly, the Applicant has made clear that their section 8 project based contract has 373 units attached to it. Their second stage PUD states that 200 of those 373 units will be located in the senior building. Thus, eventually the Applicant is going to run out of units that can be kept deeply affordable as part of the project based contract. Already there is a 91-unit discrepancy between occupied households at Brookland Manor and available affordable units per the project based contract. See attached exhibit A. Further, that 91unit discrepancy assumes all eligible seniors will choose to live in the senior building. Therefore, the numbers of potentially displaced

residents will continue to grow as seniors choose to stay with their family members and the senior building is correspondingly filled with seniors who do not currently live at Brookland Manor.

The above facts show there is no plan in place to permanently house the remaining family members of households headed by senior citizens, should those seniors choose to live in the senior building. If said plan was in place, the Applicant could have answered Chairman Hood's question by saying "All remaining family members living in multigenerational households will unequivocally be provided a unit of their own, through and following the redevelopment process, should a senior citizen in that household choose to live in the senior building". Without this firm commitment, it is clear that this redevelopment plan will cause displacement of current residents.

Discussions with the District regarding Vouchers

Next, the Applicant concedes in their May 8th filing that that there has not yet been a resolution with DCHA regarding the status of the housing choice voucher payment standard. Specifically, the Applicant does not know if the payment standard will be high enough to allow current voucher holders to live in the redeveloped property. To address this issue, the Applicant states that they are in contact with DCHA and are engaged in discussions to attempt to raise the payment standard.

It is important to note that the Association, as well as the Commission, have been hearing about these negotiations between the Applicant and DCHA since the first stage PUD was submitted. However, no concrete action has taken place to date. It is also important to remember that Mr. Meers stated at the first stage PUD that he believed the rents asked for at the redeveloped property would exceed the housing choice voucher payment standard. Case 14-18; May 7th transcript- pg. 100 para. 9-12.

To resolve the uncertainty surrounding the voucher payment standard, the Applicant should commit to keep units currently occupied by voucher holders at whatever cap DCHA sets for the neighborhood after the full redevelopment has taken place. This type of commitment would eliminate any uncertainty with respect to the ability of tenants to stay at the redeveloped property if they currently live at Brookland Manor with a voucher. Also, it would not prevent the Applicant from continuing to work with DCHA to make the payment standard fit what the Applicant believes is the appropriate rent level.

The importance of the Applicant's commitment voucher holders cannot be understated. Again, the Applicant could remove all doubt concerning this issue by making it clear that "the Applicant commits to unconditionally house all current voucher holders through and following the redevelopment process regardless of the DCHA payment standard set for the neighborhood". Without this firm commitment, the Commission cannot be assured that the plan as currently presented will not result in mass displacement of current voucher holders at the property.

Homebuyer Assistance for Future Townhouse Units

At the April 24th, public hearing, Commissioner Turnbull asked the Applicant to provide specifics regarding the feasibility of residents being able to purchase townhomes at the redeveloped property. Further, Commissioner Turnbull asked the Applicant to detail their efforts to identify resources for existing residents interested in purchasing townhomes. Lastly, the Commissioner asked the Applicant to provide information regarding the number of current tenants who both have a need for large bedrooms AND have expressed interest in ownership of a townhome.

The Applicant's supplemental submission completely failed to address, let alone answer, the Commissioner's question of whether existing residents in need of large bedrooms had been approached and asked if they were interested in purchasing a townhome. The Applicant was also non-responsive with respect to the number of townhomes that would be available to this population.

The Applicant did provide information that described an available program through DCHA that allows federal voucher holders to explore homeownership opportunities by converting their rent payments to mortgage payments. However, that program is not available to voucher holders who received their voucher via the Local Rent Supplement Program. The Applicant provided no information regarding how many residents at Brookland Manor hold local vouchers verses federal vouchers. Thus, we have no idea how many current Brookland Manor residents this program could potentially serve.

Further, Exhibit B attached to the Applicant's May 8th submissions makes clear that legislation would have to be passed by DC Council and signed into law to remove local restrictions in order to allow local voucher holders to access the program. Additionally, DCHA (an independent federal agency) would then have to internally allocate money to increase the number of caseworkers they currently have set aside to administer the program. Thus, we have no idea whether this program will ever be a viable option for those local voucher holders at the property.

Good Standing/Security

The record in this case is clear that the private security company the Applicant had hired previously (Code 3 Security) behaved in an unprofessional and generally deplorable manner while on the property. The Applicant allowed this behavior to go on for years despite numerous complaints to the Applicant and their agents from both individual tenants and the Association. Further, during this same timeframe, the Applicant empowered Code 3 to give tenants "Notices of Infractions" and "barring notices" which laid the foundation for a devastating displacement campaign ahead of this redevelopment. See Exhibit No. 166 Case 14-18A.

It was only after this behavior was publically brought to light during these proceedings that the Applicant took any measures to correct this behavior. The Applicant now is attempting to sweep this behavior under the rug by firing Code 3 and holding a few community meetings. This is an insufficient response. Unfortunately, the damage done through this displacement campaign

cannot be reversed. However, moving forward, the Applicant should issue a clear statement that "Any infraction notices issued by Code 3 Security shall be immediately removed from tenant files and considered null and void. Further, all tenants who reside on the property during the commencement of redevelopment shall be considered in good standing. The only way a tenant cannot be considered in good standing is if the tenant has an active writ pending that was issued through the District of Columbia Courts."

Conclusion

The Applicant's May 8th 2017 responses fail to address several direct questions posed to them by the Commission. Moreover, the information that the Applicant did provide raises significant concerns regarding the potential for displacement of current tenants should the Applicant's plan be allowed to move forward. Specifically, the Applicant's responses show that there is no current plan in place to house the non-senior members of multigenerational households in the redeveloped property should the senior members of those households choose to live in the senior building. Further, the Applicant's responses show no firm commitment to house voucher holders in the redeveloped property should DCHA not raise its payment standard to meet the Applicant's market rate rent post redevelopment. The responses also show that the Applicant has not identified any current tenants who would qualify to purchase townhomes. Moreover, with respect to the homeownership program, it is clear that even if interested tenants are identified, those with non-federal locally issued vouchers will not qualify for the program. Lastly, there remains serious concerns with how the Applicant is defining "good standing" and how security will be used to enforce lease violations at the property. For these reasons, the Commission should deny second stage PUD approval until these issues are addressed in a more thoughtful and concrete manner.

Sincerely,

William Merrifield

CERTIFICATE OF SERVICE

I William Merrifield, hereby certify that on the 15th day of May, 2017, a copy of the foregoing was sent to the following parties:

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:

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Signed,

William Merrifield

Counsel for the Brookland Manor Residents Association c/o The Washington Legal Clinic for the Homeless 1200 U Street NW, Third Floor

Washington, DC 20009

Exhibits:

EXHIBIT A

Brookland Manor Replacement Unit Breakdown

Current	RIA/Mid-City Redevelopment
431 occupied units	373 units in Section 8 project-
-167 eligible for senior units	based contract
=	-200 senior units
264 remaining current	THE STATE OF THE S
tenants	173 available to remaining
	current tenants

264-173 = 91 current households with no place to go

This is the most forgiving scenario to the proposed redevelopment. The actual unit discrepancy will undoubtedly be larger than 91:

- Some of the 167 seniors who live in intergenerational families will choose not to live in the senior building.
- If seniors who live in intergenerational families choose to live in the senior building, their households will be split, increasing the number of replacement units needed beyond the current 431 occupied units.
- Applicant's post-submission filings reveal no plan in place between Applicant and DCHA ensuring that rent caps are lifted so that housing remains accessible to voucher holders throughout the overall redevelopment process.

EXHIBIT B

Neighborhood Legal Services Program ("NLSP") Testimony for Brookland Manor Redevelopment Zoning Commission Hearing February 23, 2017

Case Number: 14-18A

Members of the Zoning Commission, my name is Shaina Lamchick Hagen. I am a staff attorney at Neighborhood Legal Services Program ("NLSP") and I am here on behalf of NLSP's current and former clients at Brookland Manor. NLSP has represented over a dozen tenants and former tenants of Brookland Manor in a variety of matters. I personally have represented tenants in seven eviction cases, three barring notice cases, and a number of other cases where tenants receive infractions or notices to quit for alleged lease violations. I, along with my colleagues at NLSP, have heard so many stories of abusive practices at Brookland Manor over the last year. NLSP supports its clients and the Brookland Manor/Brentwood Village Resident Association in their request that you oppose Mid-City Financial's 2nd Stage PUD application and we support publicly the hundreds of low-income tenants who face potential displacement through Mid-City Financial's intended redevelopment of the Brookland Manor site. You have already heard—and will hear more of—the oppressive environment that Brookland Manor residents must live in. I will speak now about what we have learned from our clients through our representation.

NLSP significantly increased our representation of Brookland Manor tenants beginning in the fall of 2015 as part of our engagement with DC's Right to Housing Initiative. It quickly became clear that the practices at Brookland Manor were sweeping in scope and far more draconian than just about any other group of eviction cases that we had previously defended.

Perhaps no case exemplifies Mid-City Financial's unscrupulous and persistent drive to remove its tenants more than the case of Karen Reel, as reported in the August 9, 2016 Washington Post article, "Facing eviction over as little as \$25." Ms. Reel's case was one of the first that I took on as an attorney at NLSP and I was horrified to learn about her ordeal. Soon after she laid to rest her son who had committed suicide in her home, Mid-City Financial sued Ms. Reel on the grounds that her son had killed himself with, and thus left behind in her apartment, an unregistered firearm, constituting "criminal activity that threatens the health, safety, or peaceful enjoyment of the premises by other residents." They declined to use the discretion that the law allows them despite the compelling circumstances of this case.

While personal tragedies like that of Ms. Reel are mercifully not more widespread at Brookland Manor, NLSP has observed that the cruelty displayed in her case is fully consistent with how Edgewood Management Corp and Code 3 Security manage and administer the property. Mid-City Financial's agents often began eviction cases against tenants in situations when less severe actions could resolve the alleged problems.

Our clients at Brookland Manor have received frequent notices of lease violations and tenant infractions even for minor or unsubstantiated issues, such as for "making noise" during daytime and infrequent singing rehearsals and for "loitering" while interacting with neighbors in common areas. Security guards have written notices of infraction for leaving wet clothes in the hallway and standing for too long outside of building entrances. Many tenants report that they have received weekly notices related to the same alleged violation when there is little or no evidence that a violation occurred. Other tenants report that security guards follow emergency responders into apartments and search for lease violations. While infraction notices often receive no follow-up action, they may form the basis of a later eviction suit. Tenants who receive them fear that they may lose their

housing as a result. Although notices of lease violations are used by law-abiding landlords in the District of Columbia, the volume and content of the notices used at Brookland Manor set them apart and make them a part of a larger pattern of abusive practices.

One of the most commonly-used tactics to disrupt the daily lives of Brookland Manor tenants is the use of barring notices. NLSP has heard dozens of Brookland Manor tenants complain that management personnel barred their guests and family members from the property for frivolous or illegitimate reasons. I have represented tenants whose family members have been barred for calling the police when faced with danger and for getting into verbal arguments with tenants. In these situations, the barred individuals posed no threat to residents and were barred without the consent of the tenants they were visiting. Perhaps more concerning is Brookland Manor's regular practice of completely barring all evicted individuals from returning to the property including individuals who were evicted for nonpayment of rent. This is a particularly insidious practice because property management then sues for eviction residents who host barred family members and friends in their units.

Brookland Manor has been home to many low-income families for generations. Consequently, the barring practice at Brookland Manor knowingly prevents many residents from spending time with family members. One elderly Brookland Manor resident received a notice to quit and was subsequently evicted for having her barred son in her apartment. The elderly resident's daughter then received a notice to quit for having her now-barred mother come to visit her. Although NLSP has been successful in getting barring notices dropped in many of these cases, many other tenants are not represented and have had less success in petitioning Mid-City Financial's agents to allow their loved-ones back on the property.

Amidst the evictions, constant infraction notices, and barring notices, tenants consistently report to NLSP that they feel like they are living in prison at Brookland Manor. The fear that tenants feel is intense and real. Armed security guards reportedly have performed searches of tenant units without consent or cause. Just today I spoke to a client who watched a security guard hit her son in the face as he was arresting him last night. When my client said that she was going to call the police another security guard shoved her. Mid-City Financial has restricted the tenants' use of the property in extreme ways, such as erecting fences to common areas, refusing the use of community grills, and denying children access to playground equipment. The tenants are not free to use, or even stand near, the open areas on the premises, lest they be cited for loitering. Tenants report constant surveillance by security guards ready to harass them or bring them one step closer to losing their homes.

The tenants of Brookland Manor have banded together to preserve their homes, their community, and their dignity in the face of Mid-City Financial's persistent and insidious behavior. Unfortunately, many of NLSP's clients have already left Brookland Manor because they felt as though they did not have better options and just wanted to feel safe again. Our remaining clients do not support Mid-City Financial's PUD application. Their message is clear: they are fighting to save their homes and protect their families, because calculated displacement is not tolerable. It is an affront to our values as Washingtonians, as residents of an inclusive and diverse city.

Mid-City Financial and its agents Edgewood Management Corp and Code 3 Security are engaging in systematic and devastating tactics to displace tenants from the Brookland Manor housing complex, and these tenants need your support. NLSP stands with our clients and we urge you to do the same by rejecting the 2nd phase PUD application.