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March 23, 2015

Mr Anthony J. Hood
Chairmen
DC Zoning Commission
441 4th Street NW
Suite 210S
Washington DC 2001

**RE: Zoning Commission Case No. 13-08- Consolidated PUD Zoning Map Amendment
Application- Party Opponent Response to Post Hearing Statement of the Applicant.**

Relocation Agreement

The Coalition has engaged- and continues to engage in relocation negotiations with the Applicant. Moreover, the Coalition has been informed of and considered all offers made by the Applicant. However, to date, the Coalition has not entered into a relocation agreement.

As shown in the Applicant's post hearing statement, an offer was made from the Applicant to the Coalition on February 17, 2015. That offer came on a Tuesday afternoon and initially gave the Coalition an arbitrary and unrealistic deadline of three business days to alert the tenant board members of the new offer, schedule a Coalition meeting at the building, flyer the buildings to alert all tenants of said meeting, and give the Coalition members a chance to consider and vote on the proposal.

Counsel for the Coalition immediately reached out to counsel for Applicant and explained that in order for tenants to properly consider the offer- more time was needed. This was the basis for the Joint Motion filed on February 18, 2015. After the Motion was filed, the Coalition held a Tenants meeting at the property on February 24, 2015. At that meeting, the offer was considered and ultimately rejected by the Coalition. On March 10, 2015 Counsel for the Coalition sent an e-mail to Ms. Elia explaining that the proposal was rejected, explained the reasons why it was rejected, and offered a counter proposal. To date, the Coalition has not heard back with respect to their counterproposal. However, there is a phone call scheduled between the parties on March 23, 2015 to consider these issues.

The reason the Coalition has not been able to come to an agreement with the Applicant is due to a number of factors. First, the Coalition does not feel that the Applicant's proffered affordability to either the tenants or the Congress Heights Community at large is adequate. With respect to the current tenants, the information contained in the Applicant's Post hearing statement makes clear that the tenants will pay annual rent increases in both the proposed temporary relocation units and once they are relocated to the redeveloped property. This means members of the Coalition that do not have

subsidies face the likelihood of being displaced from the property in the future because their incomes will not be able to meet the annual rent increases. For some members this could happen before the redeveloped property is completed. Moreover, members of the Coalition have made clear from the beginning of this process their desire to have broad affordability at the redeveloped property so that members of the Congress Heights Community at large can afford to live in the redevelopment. This request has fallen on deaf ears for over a year. While it is certainly the right of the Applicant to not consider this request, it is also the right of the tenants to continue to demand that it be complied with.

Secondly, as made clear at the public hearing, the tenants do not trust Sanford Capital and ultimately feel that any agreement they enter into would not be honored by Sanford. This distrust is both predictable and rational based on the way Sanford Capital has treated the Coalition members over the course of their tenancies. The record in this case is undisputed that the members of the Coalition have had to live in unsafe and unhealthy conditions while renting at the properties in question. See Exhibits 1 and 2. Despite numerous requests to have these health and safety issues addressed, the tenants had to ultimately file lawsuits in Superior Court to force Sanford to make repairs. See Exhibit 3.

In fact, the log attached as Exhibit C to Applicant's Post Hearing Statement shows multiple instances of serious housing code violations reoccurring in the same apartments over several months at a time. To illustrate this point, the log shows that the tenant at 1331 Alabama Ave had to call three times over the course of four months because his heat was not working. During that same timeframe, the log shows his hot water also went out and that in May his air conditioner was not working. Additionally, the log shows that his refrigerator stopped working while dealing with these other issues. Moreover, the assertion from the Applicant that Sanford Capital- through their Management Company(s)- have been timely to address these issues is in direct contradiction to the Coalition Member's testimony and the Student Attorney's public testimony. Furthermore, since the public hearing, the tenants have had issues with hot water being out at the property and continue to deal with squatters inhabiting vacant units in the buildings due to the building not being secure.

Based on the above, at this time, the Coalition does not consider it to be in their best interest to enter into the relocation agreement currently on the table. This is especially the case since they feel they will have to ultimately enforce any agreement they do enter into by filing a lawsuit at some distant point in the future. This is exactly what the tenants of Terrance Manor (another Sanford owned building) are facing after entering into an agreement with Sanford Capital concerning their property. See Exhibit 4. It is unfortunate that the parties find themselves in this situation but the Coalition will not be pressured to enter into a deal for the sole purpose of allowing this redevelopment to move forward. Ultimately this admittedly frustrating and arduous process is a direct result of the Applicant's past and current behavior.

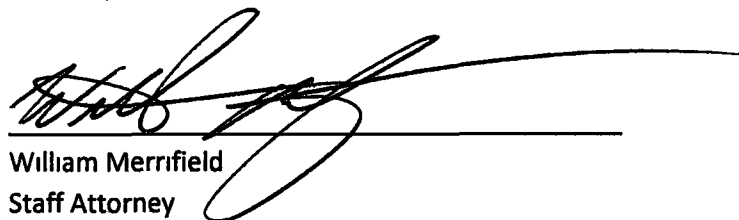
Community Benefits

The Community Benefits Agreement attached as Exhibit F to the Applicant's Post Hearing Statement does not contain the same terms as the Agreement attached in the Zoning record as Exhibit 11. As such, it is unclear when this Agreement was approved or whether it was discussed publically at an ANC meeting. To this point, the serious concerns raised by Commissioner Armstead in her written and oral testimony at the public hearing remain outstanding. See Exhibit 5. Moreover, while the Agreement states that that Developer will endeavor to initially lease two street level retail spaces for small and/or local business enterprises at 75% of the market lease value, the Applicant does not state nor give any indication of any rent ranges that the space will be offered at. Without this information, the Commission cannot determine whether or not this commitment is realistic or will be able to be realized by any local stakeholders.

Conclusion

For the reasons stated above, The Coalition does not feel that the Applicant's Post Hearing submissions sufficiently address the concerns of the Commission.

Sincerely,

A handwritten signature in black ink, appearing to read 'William Merrifield', is written over a horizontal line. The signature is fluid and cursive, extending to the right of the line.

William Merrifield

Staff Attorney

The Washington Legal Clinic for the Homeless

Authorized Representative of the Party Opponent

1200 U Street NW, Third Floor

Washington DC, 20009

Phone: 202-328-5502

Fax: 202-328-5515

Certificate of Service

I hereby certify that a copy of the forgoing was mailed by first class mail to the following on March 23, 2015:

Maxine Brown- Roberts
Office of Planning
1100 4th Street, SW
Suite E 650
Washington DC, 20024

Paul Tummonds
Goulston & Storrs (via e-mail)

ANC 8E
c/o Anthony Muhammad
PO Box 73878
Washington DC 20056

Shekita McBroom
ANC 8E04
1329 Savannah Street SE #7
Washington DC 20032

ANC 8C
3125 Martin Luther King Jr. Ave SE
Washington DC 20032


William Merrifield

EXHIBIT 1

January 22, 2015

District of Columbia Zoning Commission
Case ZC 13-08
Testimony by Michelle Mitchell
Alabama Ave/13th Street Tenants Coalition

Honorable Members of the Zoning Commission,

My name is Michelle Mitchell. I live at 3210 13th Street Apt #8 and have lived there for 15 years. I am testifying in opposition to the proposed PUD that seeks to tear down my building due to Sanford Capital's continued lack of consideration for the buildings they own and tenants as a property owner and landlord. Sanford Capital maintains their properties in bad condition, does not respond quickly or often at all to maintenance requests, and does not provide security for the tenants living in their buildings. For these reasons I do not believe that they are a trustworthy company and should not be granted permission to construct a Planned Unit Development where our homes currently stand.

My neighbors and I have had many problems with the condition of the buildings and the apartments where we live, and have made Sanford Capital aware of these many times since they have owned the buildings. Some of these include the following the doors to my closet and bedroom are broken, my carpet is old and in bad condition and they have refused to replace it, there is water damage throughout my apartment causing chipping paint and my kitchen sink to sink into the floor, the refrigerator Sanford provided for me leaks and is constantly filled with water, and there is regularly trash built up outside the dumpster. I've asked them repeatedly to address these issues and they have not.

Sometimes they will look at the problem, say they will come back to fix it but never do. Certain problems that cost them money (such as water leaks since they pay the water bills) they are quick to fix, but not most things we need. A few of us tenants in here never had a heating system. Personally I've never used my heating system. I've told them that it's broken and they don't want to pay to fix it. My neighbor uses his oven.

To get repairs, Sanford has a system where you call a number and then you wait on maintenance to get back with you. I try to be understanding when they a long time, but most of the time they never address my problems. I do not feel that they care about their tenants. They have a slumlord attitude: we ask them over and over again to do certain things in the building or in our apartments and they either get to it on their own time, or they don't at all. I used to call them a lot, and when I would call they wouldn't do anything for me, so it doesn't seem worth it to call any more.

To resolve some of the problems in our living situation me and my neighbors have had to come together and come up with other solutions such as meeting with the police and housing conditions court. We still have problems with security though- the police haven't helped much at all because they say they can't do anything without the owner's permission Sanford capital doesn't care who comes in and out of the building, and the front door hasn't been secured since Sanford has owned the building. Truthfully I've never seen anything like it. I've been complaining to them about the security problems in my building for three years Sanford Capital will not come and listen to our security concerns- they told me that they had the police on it, but in reality since Sanford has owned the building there has never been enough security. I believe this is mostly due to Sanford's negligence, as well as them aggressively getting people out of the building. There are more vacant units than there were before, which makes the security problem in the building much worse. We never had problems with security under previous ownership. The last owners were very fast to fix anything we called about.

I have never seen any landlord as inconsiderate as Sanford Capital. They have so many properties already that they just don't want to invest in, and I don't think that they deserve to tear these building down and build something new because of their poor treatment of their tenants. I really don't think they deserve to have this property, and I don't think other tenants do either.

Thank you,


Michelle Mitchell

Tenant of 3210 13th Street SE

January 22, 2015

District of Columbia Zoning Commission
Case ZC 13-08
Testimony by Clarence Taylor
Alabama Ave/13th Street Tenants Coalition

Honorable Members of the Zoning Commission,

My name is Clarence Taylor and I have been a tenant at 1331 Alabama Ave SE for 8 years. I would like to testify in detail to the deplorable way that Sanford Capital manages the buildings that they are requesting be demolished, and state my opposition for the PUD that they are requesting before the Zoning Commission.

Throughout the time that I have lived on this property I have experienced many different housing problems. I have had continual mice and pest infestations. Recently I had to have repaired due to damage caused by a large pothole in the parking lot that me and other tenants had continuously notified Sanford Capital about. It took years of having a refrigerator that didn't work before Sanford provided me with a new one- I don't even know how much food I had to throw away over the years that I was waiting for the new refrigerator, but it was a lot- and they always said "we're going to bring you one" but never did. The stoves also don't work half of the time. Sanford still has not finished fixing my air conditioning, and it has been years also since it stopped working properly. There are many issues with the unsafe and unsanitary conditions of the basement under 1331 and 1333 Alabama, which is often so bad that tenants can smell it from their units. When it's warm out we have to fight bugs whenever we go downstairs to the basement, and sometimes just to get to our apartments because there is often standing water in the basement. There were also problems with exposed electrical wires, leaky pipes, broken washers and dryers down there for years, and it wasn't until we took Sanford Capital to Housing Conditions court that these things were partially addressed. There are also bigger problems in the buildings that have to do with security. There are often people in the buildings who are not residents. They are attracted to the vacant units that Sanford has intentionally keeps empty. Every morning I open up my door and I always find somebody laying in the halls. Sanford hasn't dealt with the security issues in the building, and this is just one of many of the problems we tenants are experiencing in these buildings.

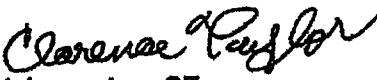
When you call Sanford to request a repair, they say they're going to take care of it but they never fully do. Often they start doing maintenance work but they never finish the job, and sometimes they don't show up at all. When I call the office they tell me to call maintenance. Maintenance will usually tell me that they have received my work order number and request, but then they never show up. I have to call them 3 or 4 times to get anything fixed, and that's if they ever come at all I have a light socket now that they never even came out to look at, and I had

been calling them consistently for three months. I got tired of calling and finally just ran an extension cord myself. We've also started using our own bulbs just to have light in the hallways. It's not right in a building where there are elderly people for tenants to have to walk three or four days in the dark. The hot water goes out often in our buildings, and it takes just about everyone in the building calling them to get them to come and fix it. We usually all sit outside and call together so we know for a fact that many of the tenants have called, and Sanford used to tell each tenant that calls that they were the first person to complain about the problem. They treat us as if they don't want to talk to us, and we're really not even asking for a lot.

Ever since Sanford Capital took over ownership of the building where I live the housing conditions have gotten worse. When the last owners had the buildings the basement was in good condition, and we could use it to do laundry and for storage. This was the perfect place to live. Now it's like hell. They treat us like they don't want us here. The maintenance man told me that our housing problems could easily have been fixed a long time ago, but that Sanford didn't want to spend any money on the buildings because they want to tear them down. I don't feel safe in my home anymore, which is why I asked Sanford many times for better security. But since they don't address the problems, it seems that we're all on our own. Many tenants who are home in the daytime have been threatened by management, and many of my neighbors are scared of retaliation such as the hundred dollar late fees that they charge us. Many tenants don't know any better. They think they don't have any rights and Sanford takes advantage of that and keeps it so that they are scared to speak out.

Sanford Capital doesn't take care of their tenants or their properties, and they don't deserve this new building. They gave us their word that they would deal with the violations but they didn't do anything until we took them to court almost 9 months later. If it takes me as a tenant years to get problems addressed in my apartment, then something isn't working right with this company. Maybe once they have higher rent-paying tenants they'll straighten up, but why haven't we deserved decent treatment from Sanford as the tenants they are already responsible for? Our buildings now are a little place. I don't see any evidence to make me, the zoning commission, or anyone else think that they could run a big new complex. There aren't many of us tenants here now, and they can't even handle our problems adequately.

In conclusion, Sanford Capital does not deserve to be approved for a new property for the sake of the tenants who will be displaced, the neighborhood as a whole, and future tenants, based on a long record of irresponsible property ownership and management. Thank you, and I hope you will consider my and other residents' testimony and disapprove this PUD.

Clarence Taylor 
Tenant of 1331 Alabama Ave. SE

January 22, 2015

District of Columbia Zoning Commission

Case ZC 13-08

Testimony by Lonise Meachum

Alabama Ave/13th Street Tenants Coalition

Honorable Members of the Zoning Commission,

My name is Lonise Meachum and I live at 1331 Alabama Ave. SE Apt. 203, one of the many apartments that Sanford Capital is seeking to tear down through the approval of this PUD I would like to testify today in opposition to the PUD I have lived on the property for 10 years, and since Sanford Capital has taken over I have had many issues in my building and unit.

Some of the main problems are that the front door to the building is rarely secured and the building laundry room has and has a strong smell starting about a year ago. There are also not any security lights around the back of the building, which is part of a larger security problem we are having. Since Sanford constantly and aggressively trying to get people out, many units in the buildings are vacant which poses a huge security problems and allows for squatters and other people to use our building as they please, and this makes it a less safe place for us to live Also there are large pot-holes in the driveway and parking lot, and the fence surrounding the building is broken and needs to be fixed. All of these have become problems for the property since Sanford Capital has taken ownership of the building a few years ago. The smell coming from the basement and laundry room is the worst ongoing problem in my building, and Sanford has continually refused to fix it. Since the basement floods when it rains and does not drain properly, there is standing water often for months that then becomes moldy and allows insects to breed, causing infestations at times in peoples' apartments. Sanford has never truly remedied this problem The conditions of our buildings have gone downhill since they took over.

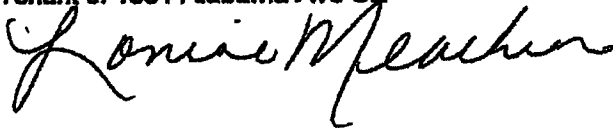
To get repairs done we're supposed to call the office for anything we need Some things are done within a week or two, but the smell and other issues have been going on for a long time. I called internally first to Sanford and tried to get them to come and look at the problems, but since they were unresponsive to my needs, I had to take other steps. I called an inspector at the Department of Consumer and Regulatory Affairs, and went to housing conditions court to try to get the basement repaired. Even with all of the conditions problems in the building, and with Sanford being as unresponsive to our needs as they are, they still charge us \$100 late fees when we are just a few days late paying our rent. This has caused many of my neighbors to be continually and unfairly behind each month.

In addition, I oppose this PUD because I don't believe that it is fair to long-term tenants of the building and the area like me. I have lived at 1331 Alabama for 10 years, and I'd like to stay in this area because it's very convenient to me here to get around to the things that I do. When you've been in a place for 10 years, and then someone wants to come in and make it better for other people to reap the benefits that is unfair. Why can't tenants like us be the ones to get the benefits? Why do we have to be relocated and possibly never get a chance to enjoy the benefits and enjoy that new environment? The relocation plan that Sanford proposes gives us NO guarantee that they will actually build the new development and bring us back in a timely manner with no questions asked like they say they will.

Also, all of the apartments where they have managed to get people out over the past couple years will never again be affordable to tenants like me. Sanford Capital actively and intentionally tried to push people out of the building so that there would be fewer residents left to oppose this development. As a result of their aggressive actions a lot of people in the buildings have moved out and will not get any benefit at all from this development. This is completely unfair and I believe they should have kept people in the building. Now the apartments where they got people out are boarded up, and Sanford is not allowing anyone else to move in, so those units are lost.

Thank you for your consideration of my testimony.

Lonise Meachum
Tenant of 1331 Alabama Ave SE

A handwritten signature in black ink that reads "Lonise Meachum". The signature is written in a cursive, flowing style with a large initial "L".

January 22, 2015

District of Columbia Zoning Commission
Case ZC 13-08
Testimony by Robert Green
Alabama Ave/13th Street Tenants Coalition

Honorable Members of the Zoning Commission,

My name is Robert Green. I reside at 1331 Alabama Ave SE apartment 304, Washington DC 20032 and have lived there for two years. I would like to testify in opposition to the PUD today for two main reasons

The first reason that I oppose the PUD is because of the hardship that being displaced from my home would cause me personally. I would like to remain in my apartment because of the closeness of public transportation- the metrobus and subway which are next door to my apartment. The accessibility of the bus and subway helps me by getting me to my medical appointments and physical therapy sessions. There are grocery stores, a library, food establishments close by when I'm too sick to cook, my pharmacy, and a laundromat are also near by. Because of the number of churches in this area I can attend religious and civic meetings. I have neighbors that check on me because of my various medical problems, which I'll not have in another neighborhood. Also Malcolm X school is right next door to my apartment building, where I go to use their field for my physical therapy exercises for the rehabilitation of my left knee. I have had to be rushed to United Medical Center on numerous occasions because of my heart conditions, diabetes, asthma, A-fib, and bleeding problems. I believe I and other tenants in my buildings should have the right to enjoy these benefits.

The second reason I oppose the PUD is that I do not believe that Sanford Capital is worthy of having this project approved based on their deplorable track record with the properties they already own. I do not trust Sanford Capital, do not appreciate their treatment of tenants and property, and do not want to give up my TOPA rights.

Since I've lived on the property, I have experienced housing condition problems such as cracks in the walls, problems with hot water, with heat and air conditioning, issues with rodent infestations, and many other issues. When the cracks in my walls are fixed they reappear soon after, and the hallways and common areas are not cleaned enough and are left filthy. The laundry facilities in my building are a mess, there are leaking pipes in the basement, and the basement floods every time it rains. The smell is terrible, and there have been fly infestations because of the standing water. There is raw sewage often times in the basement when it floods. Lastly, the glass to the front door is constantly broken and not repaired. I had to fix the cracks myself so that they are no longer a problem, and bought curtains to insulate the windows. Roaches came up from the apartment below me, and when I called Sanford about it they told me that they were sending someone out but no one ever came. Finally I sprayed it myself with RAID. The worst thing about the conditions is the mice

that were everywhere I was throwing away food like mad; bread, cereal, and as a matter of fact I had to throw away a mattress I jumped in bed once without turning on the lights and didn't realize I was in bed with about ten baby mice. I had to kill them and throw away the mattress and box springs since they were such a mess.

To get a repair done, you are supposed to call the maintenance number. When you do that they give you a confirmation number and then turn it over to site maintenance. They come knock on your door and asks what the problem. It takes months to get repairs completed. The maintenance people might come and start the work, but they always say they have to get parts and never come back to finish the job.

Just to try and get them to do the basic repairs that they are supposed to, I've had to do a lot of things. I've written to the deputy mayor of public safety, I have called all the district agencies, called my ANCs, I've called Todd Fulmer, Dominic, Pat Strauss, from Sanford. Me and my neighbors had to take them to Housing Conditions Court just to get these basic things taken care of in our building

I don't think Sanford is a responsible property owner, and they don't keep up their buildings or take care of their tenants. If they treat me this way and other tenants, it's not fair for them to get a new building and treat the new tenants with respect and consideration, and take care of their needs after they treated me so poorly It shows that they are treating me as a non-person. And that shows that they do not care about black people. We have been trying to negotiate with them, but we do not trust their word on anything, and we should not have to give up our legal TOPA rights as a requirement to come to an agreement with them

In conclusion, Sanford Capital doesn't care about their tenants or meaningful affordable housing. If you the members of this commission have done a check on Sanford's tenants' living conditions and the way they treat people and the conditions of their buildings you would see that they are the largest slumlords in their city and surely don't deserve to build this project. Several of Sanford's people have advised and pressured me and my neighbors to move, and have told me that this project has already been approved from the beginning I certainly hope this is not the case

Thank you for your consideration of my testimony in opposition to the PUD


Robert Green 1/22/15
Tenant of 1331 Alabama Ave SE

EXHIBIT 2

HOUSINGCOMPLEX

Gridlock in Congress Heights: A Promised Neighborhood Transformation Gets Messy

Posted by **Aaron Wiener** on Jan. 22, 2015 at 8:24 am

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Two months before he died, **Marion Barry** sent a letter to the Zoning Commission urging approval of a transformative project at the Congress Heights Metro station.

“This project is vital to the evolution of Congress Heights and Ward 8 as an attractive, vibrant neighborhood for District residents for years to come,” wrote the D.C. Councilmember and former mayor in September. “I am confident this project can serve as a catalyst for future development in Congress Heights and beyond in Ward 8.”

Barry wasn’t referring to the redevelopment of the former mental hospital at St. Elizabeths, where the city was in the process of selecting a development team for the first phase, adjacent to the Congress Heights Metro. Instead, this letter concerned a project by the station’s other entrance, across Alabama Avenue—an endeavor that’s received far less attention despite its ample scale and faster timeline.

The plans call for more than 200 apartments, 230,000 square feet of office space, and 26,000 square feet of retail in one of D.C.’s poorest neighborhoods. Renderings show gleaming buildings that would fit right into the city’s most thriving corridors, with fashion boutiques, a cafe, and a bookstore surrounding the Metro station. The multi-tiered offices feature multiple roof decks, while balconies at the residences overlook a revitalized Congress Heights.

In its submission to the Zoning Commission, which will hold a hearing on the proposed zoning change for the project on Thursday, the developer, Sanford Capital, promises “a vibrant transit-oriented development” with improved pedestrian safety nearby, higher Metro ridership, and substantial community benefits.

The reality is more complicated. Where the new development is slated to rise, four decrepit apartment buildings now stand. Residents there say that Sanford has allowed the properties to deteriorate and has passively and actively sought to drive the tenants away in order to clear the buildings. Sanford’s control of the site is complicated by a fifth, vacant building that’s the subject of a lawsuit. And some residents and neighbors say an agreement between Sanford and local organizations intended to benefit the community instead gives hundreds of thousands of dollars to politically connected Ward 8 groups while doing little for residents of the properties.

In other words, like most beacons of revitalization in D.C.’s low-income neighborhoods, this project is much messier than it might have seemed.

When **Robert Green** moved into his apartment at 1331 Alabama Ave. SE three years ago, he was promised a “deluxe apartment.” On first visit, everything looked orderly enough. “They told me how nice the building is,” he says. “Shoot, next

week, it wasn't the same."

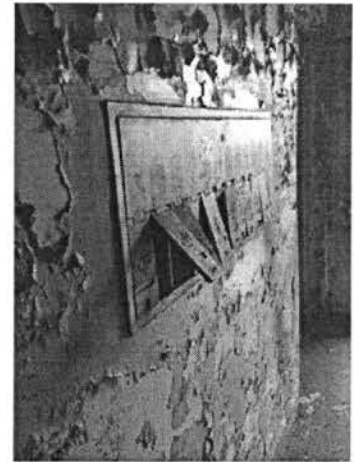
Green is sitting on his couch with his infant grandson in his lap. The apartment is in reasonable condition, although Green has his complaints. But the rest of the building is less than optimal. Worst is the basement, which is badly flooded. A sign on the ajar laundry-room door states that it's open each day from 7 a.m., but it's hard to imagine anyone's used it in years. Pieces of rusted washing machines and dryers are ripped out and sitting on top of the defunct appliances, some of which are missing their front covers. Piping for the machines lies crumpled in a corner. There's grime everywhere.

Upstairs, several vacant apartments are boarded up with plywood. Vacancy is worse in neighboring 1309 Alabama, a near-identical building where **Ruth Barnwell** has lived for 32 years. Barnwell says hers is one of only three households remaining in the 12-unit building.

"I'll probably be the only one left," Barnwell says with a laugh.

Barnwell is the president of the coalition of tenant associations that the four buildings formed in early fall 2013 to speak with a single voice before the Zoning Commission. In addition to the complaints they have about the conditions at their homes—the rodents, the doors that don't lock, the squatters in the vacant units, the South Carolina call center they have to contact with maintenance requests—they say Sanford has worked aggressively to get them to leave.

Partly, Sanford offers enticements to leave in the form of buyouts or other Sanford properties to which tenants can relocate. "We have many apartments, Mr. Green," Sanford's **Todd Fulmer** told Green before Thanksgiving, according to Green. "Whichever you want, it's yours." Then his tone changed: "Guess what: If you don't take it, in two months you'll be on the street." (Fulmer declined to comment for this story, explaining, "I wouldn't say I'm at liberty to discuss it with you because of all the complication we're going through with the efforts to develop it.")



A vacant building on the site remains the subject of a lawsuit.

Sanford principal and founder **A. Carter Nowell** wouldn't disclose the terms of the buyouts offered to tenants in exchange for moving out, but residents said they were as high as \$10,000. Still, they said Sanford sometimes doesn't follow through on its promises. This is apparently commonplace enough that Green and Barnwell laugh as they discuss various instances in which Sanford offered residents buyouts or relocation and then simply put them out.

Buyouts play a complicated role when it comes to affordability of housing in D.C. On the one hand, they can offer low-income residents a cash windfall to pay off debt or assemble a down payment for a home. But especially in rent-controlled buildings, when tenants paying low rents are displaced, their apartments often become permanently more expensive and unaffordable to working-class Washingtonians who face a shortage of housing within their budgets. At the Congress Heights property, Nowell says he won't pursue low-income housing tax credits or other means that would guarantee affordability at the site, instead just providing a yet-to-be-determined number of affordable units in compliance with the city's inclusionary zoning law. The rest of the new apartments will be market rate. In Congress Heights, that won't be as expensive as in Dupont Circle, but will almost certainly be much more than the \$898 a month that Barnwell pays for her two-bedroom.

And a \$10,000 buyout doesn't get you far in D.C. **Eric Rome**, a prominent tenant lawyer who's negotiated many buyouts, calls buyouts of \$15,000 to \$20,000 "fool's gold" and usually advises his clients not to take them, given how quickly the payment vanishes between taxes, higher rent, and relocation costs.

Barnwell had the same reaction when she was offered a \$10,000 buyout. "I said, do you see F-O-O-L written on my forehead?"

For a cautionary tale on Sanford's trackrecord, some Congress Heights residents point to a location one mile east. Sanford bought the Terrace Manor housing complex in January 2013 for \$3.2 million. **Patricia Gibbs**, the president of Terrace Manor's tenant association, says things have not gone well since.

"I can sum it up in one word: abandonment," she says.

There are the usual maintenance issues, but at the heart of the complaints is a memorandum of understanding that Sanford agreed to as part of its acquisition of the property, which received a half-million-dollar loan from the city. In the memorandum, Sanford promised a slew of repairs to individual units and common spaces. Two years later, in November 2014, the Department of Housing and Community Development issued Sanford a notice of default, stating that Sanford had violated the memorandum by not completing the repairs or paying tenants the required amount for each month of delay.

“They promised to have a new parking lot, brand-new washing machines and dryers, new cabinets, new windows,” says Gibbs “They didn’t fulfill none of that The only thing that came through was the mailboxes ”

Gibbs calls Sanford “slumlords,” and adds, “They gave us a promise And they failed us tremendously ”

Nowell declined to comment on the record about Terrace Manor, saying only, “The explanation of what happened there is more lengthy than would be appropriate to include in your article ”

There very well could be mitigating factors in Sanford’s violation of the Terrace Manor memorandum, and there’s no reason to think it would translate into broken promises at the Congress Heights Metro property But for some of the residents there, it’s enough of a red flag for them to fight Sanford’s plans

“They’re not worthy of getting permission to tear these buildings down,” says Green

The residents are mounting a two-pronged attack on Sanford’s plans First, they’re opposing the zoning change at Thursday’s hearing, hoping they can block the project altogether But if that fails, they’ll exercise their rights under the Tenant Opportunity to Purchase Act and try to buy the property **Will Merrifield**, an attorney with the Washington Legal Clinic for the Homeless who’s representing them, says he hopes DHCD will provide a loan to facilitate the purchase

This strategy frustrates Nowell, who says he’s “actively trying to make sure that the current residents are taken care of ” He’s sought to meet with the tenants to work out a deal but says Merrifield has rebuffed all efforts to schedule a meeting Merrifield counters that he’s just following the tenants’ “marching orders ” Given their lack of trust in Sanford, the tenants are reluctant to agree to a buyout-and-relocation plan that they fear might not be fulfilled.

“Any relocation plan would involve the tenants giving up their TOPA rights,” says Merrifield “Right now the tenants feel their TOPA rights are more valuable than a relocation plan ”

Sanford and a collection of neighborhood groups, however, have struck a different type of deal The parties have settled on a community benefits agreement, a standard arrangement providing for neighborhood enhancements when a developer seeks city permission on a project. But this benefits agreement is notable for its substantial payments to politically connected Ward 8 organizations

Initially, the groups involved in the negotiations sought \$2 million for themselves from Sanford That got negotiated down, although the final benefits agreement is more generous than an earlier version The agreement signed in December and submitted to the Zoning Commission earlier this month gives \$75,000 over 15 years to the Ward 8 Council Against Domestic Violence, founded by **Sandra Seegars**, a candidate for the Ward 8 Council seat vacated when Barry died

Another \$75,000 goes to the Congress Heights Community Training and Development Center, the landlord for a number of dubious city contractors, founded by **Phinis Jones**, the powerful Ward 8 political operator at the center of the Park Southern scandal that dominated the debate during part of last year’s mayoral race (In another twist, the vacant building on the site Sanford hopes to develop is the subject of a lawsuit by Jones, who previously reached an agreement to buy it himself. Jones did not respond to a request for comment. Sanford has not yet secured control of the building, which comes with nearly \$200,000 in debt to the city for an earlier \$920,100 loan that was never repaid)

And Advisory Neighborhood Commission 8E, chaired by Ward 8 Council candidate **Anthony Muhammad**, would get office space from Sanford for up to 20 years at a rent of \$1 a month. The ANC, Seegars, and Jones were all part of the small team that negotiated the deal

Karlene Armstead, a dissenter on the ANC, says the money is going to “nonprofits that are not legit ” Her commission, she feels, is engaged in “cloak-and-dagger” behavior “The only person that seems to know what is transpiring with this community benefits package is the chair, Anthony Muhammad, and the developer,” she says “We all are sitting there kind of dumbfounded about what’s going on ”

Muhammad did not respond to a request for comment Seegars says that while the initial \$2 million request was “ridiculously high,” she supports the final deal and notes that it would allow the current tenants to return post-construction with limited rent increases. “The developers and we are on the same page,” she says “It wasn’t easy to get to an end result, but we worked with them, they worked with us.”

Barnwell, for one, is outraged when she learns of the deal’s details “What are they getting money for?” she asks “I thought this stuff was supposed to be about the community ”

The residents of the Congress Heights buildings say they’re not just worried about themselves If the property is converted to

fancier market-rate apartments, Green fears the effect it will have on the city's overall housing equation.

"The District is not building more affordable housing recently, so it's only increasing the homeless situation," says Green, his grandson squirming in his lap. "You just put 100 more people out in the parks."

Rendering courtesy of City Partners; photo by Aaron Wiener

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TWEET

6 Comments Housing Complex

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Typical DC BS · 2 months ago

And these tenants have what kind of equity position in the building that allows them to be bought out? Rent control is a scam perpetrated against the building owners. In EVERY other jurisdiction in this area, when your lease runs out, there is NO obligation to continue to rent to someone. Time for rent control to be phased out.

4 · Reply · Share



carlos the dwarf · Typical DC BS · 2 months ago

What kind of scam guarantees its victims a 12% return? Rent control is the best thing that ever happened to DC landlords.

2 · Reply · Share



WB formerly known as Stank_0 · 2 months ago

As a nearby resident, the buildings are an eyesore for sure, but I don't want development like this. The unseemly "deals" being struck between the "community organizations" and the developer are also why residents have little to no faith in most community organizations. It's all a money grab.

I'm not fan of the overly renter friendly laws in DC, but they exist for a reason.

4 · Reply · Share



Seemz to me · 2 months ago

Seems to me that alot of regulatory and investigative agencies need to get involved.

A soup of alphabets, starting with DC and US.

This is a chance to get ward 8 moving in a new direction, getting long-term benefit over there, as opposed to still waters.

2 · Reply · Share



Seemz to me · Seemz to me · 2 months ago

Not the development, the clean up.....

· Reply · Share



HappyBoss · 2 months ago

Only in DC, home of the Sick, Lame, and Lazy. Rent control is BS

· Reply · Share

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Avatar Wiltonguy45 — The government needs to get the hell out of the housing industry. The ...

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Streetcar May Be Flawed and Ill-Fated, But It's Not "Fatally Flawed"

19 comments · 3 days ago

Avatar patb2009 — One could say the same thing about the first 5 metro stations.

H Street NE May Not Need the Streetcar. Benning Road Does.

44 comments · 5 days ago

EXHIBIT 3

HOWARD UNIVERSITY

School of Law
Clinical Law Center

January 22, 2015
Case Number Z.C. 13-08
Congress Heights Development

My name is Briana Tyson and I am a student attorney in the Howard University School of Law Fair Housing Clinic. Through the Fair Housing Clinic, I have worked with a number of tenants at Sanford Capital LLC's buildings on Alabama Avenue. My testimony relates to the frequently-occurring and severe Housing Code violations at Sanford Capital's properties, and Sanford Capital's inaction in response to tenant requests to correct such violations, even when they relate to the health and safety of their tenants.

For months, the tenants in the Alabama Avenue buildings made Sanford Capital aware of housing code violations in their units and in the common areas of the buildings. These violations included, but were not limited to

- Severe flooding in the basement,
- Infestations of flies and gnats throughout the common areas and in the units,
- Mold, resulting from the prolonged and severe flooding,
- Frequent failures of the heating system, related to the flooding in the broiler room,
- Rodent and roach infestations,
- Missing fire extinguishers,
- Exposed and unsafe lighting fixtures, and
- Severe security issues, including a lack of exterior lighting and broken locks on doors

While Sanford Capital occasionally fixed minor violations, the company refused to remedy the most severe violations, including all that are listed above, and which are depicted, in part, in the attached photographs.

Because Sanford Capital was not responsive to the tenants' requests to remedy the severe housing code violations, the tenants eventually engaged two law school clinics. The Columbus School of Law at Catholic University and Howard University School of Law. On behalf of the represented tenants, the law clinics sent Sanford Capital a letter on October 17, 2014, which listed the numerous housing code violations. Sanford Capital did not respond to the letter, and did not fix the housing code violations listed. The owners simply let the conditions deteriorate, perhaps with the hope that the tenants would be forced to leave.

2900 Van Ness Street, NW
Washington, DC 20008



(202) 806 8082
Fax 202 806 8436
www.howard.edu
ZONING COMMISSION
District of Columbia
CASE NO 13-08
EXHIBIT NO 41

HOWARD UNIVERSITY

School of Law
Clinical Law Center

Because Sanford Capital was nonresponsive to our letter, the legal clinic filed numerous law suits on behalf of tenants in November of 2014. The court ordered a DCRA housing inspector to visit the premises, and the housing inspector found 44 violations in the three buildings she inspected.

Sanford Capital did not remedy the severe housing code violations when the tenants made requests. Sanford Capital did not remedy the severe housing code violations when student attorneys reiterated the requests made by the tenants via a formal letter. Instead, Sanford Capital only addressed the severe housing code violations when required to do so by a court.

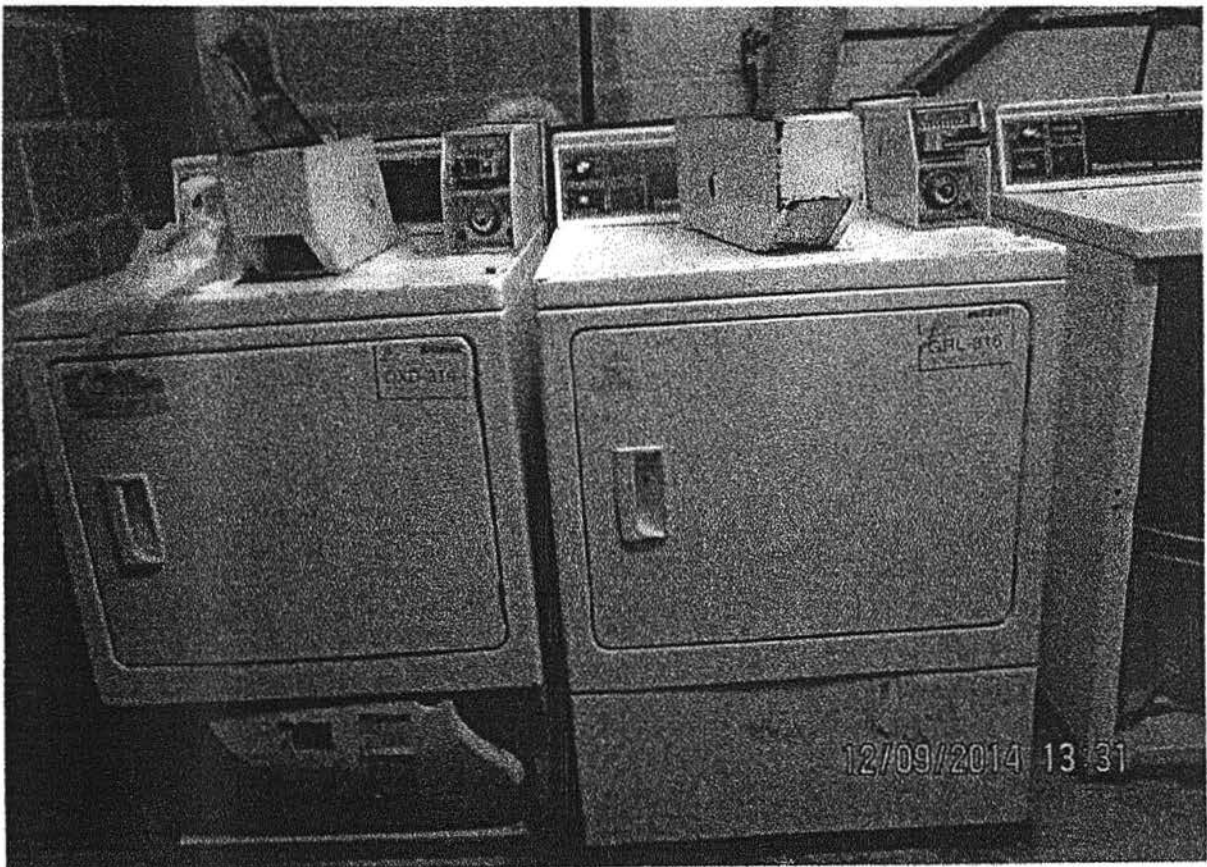
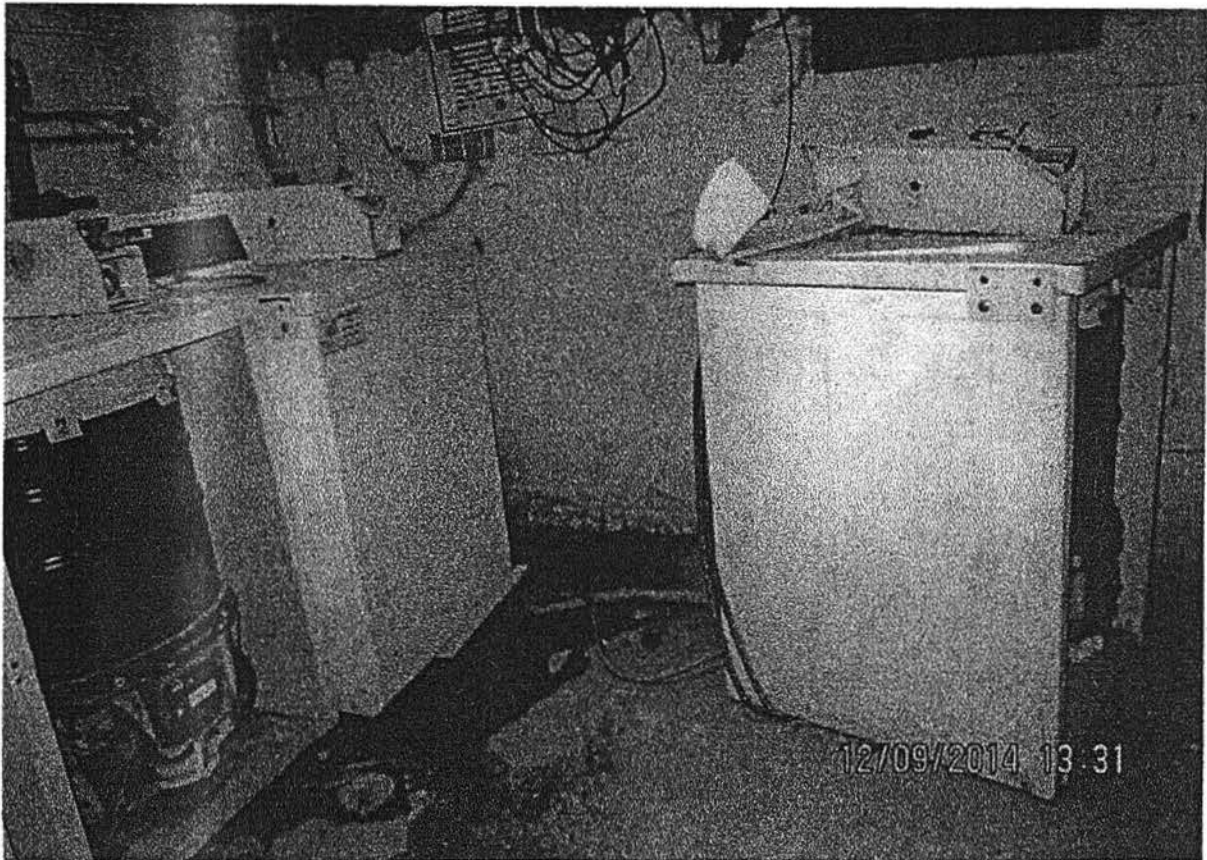
We are glad that Sanford Capital has now – after being required by a court – remedied the many housing code violations. That said, even though I am a law student, I do not think that it should take a law suit to get a landowner to abide by the clear requirements of the D C Housing Code.



2900 Van Ness Street, NW
Washington, DC 20008



(202) 806 8082
Fax 202 806 8436
www.howard.edu



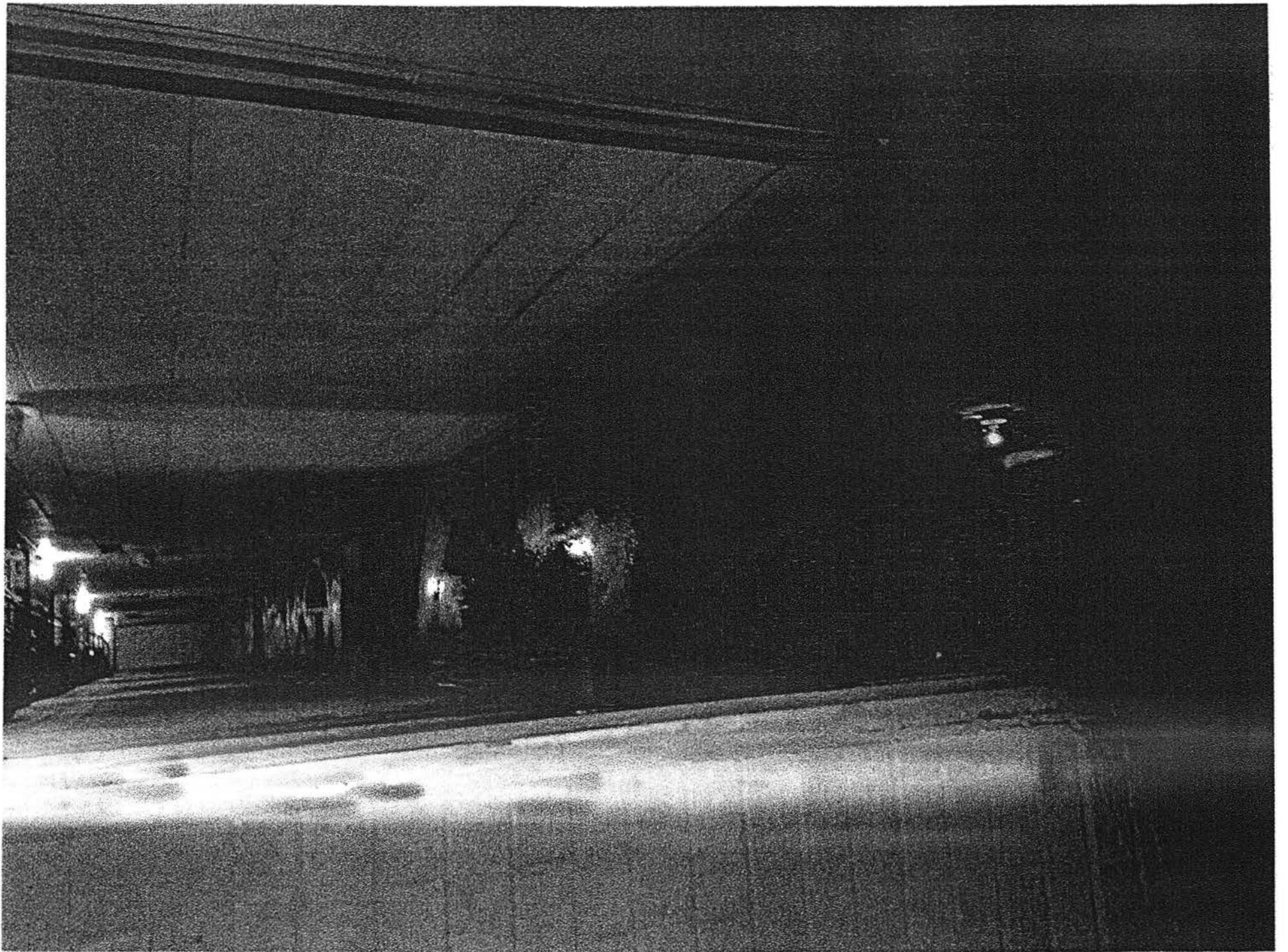






EXHIBIT 4

Patricia Gibbs

Tenant Association President

Terrace Manor -Building 3345, Unit 101

mospgibbs@comcast.net

My name is Patricia Gibbs and I have resided at Terrace Manor since 1999. I am currently the president for the tenant association at Terrace Manor. I know through first-hand experience that Sanford Capital cannot be trusted with the Congress Heights project because I am tenant of Terrace Manor and Sanford Capital made an agreement with the tenant association when they took over ownership and have not lived up to that agreement and the property is in poor condition. The residents would like to file a lawsuit against Sanford Capital for their failure to comply with the terms of a Memorandum of Understanding (MOU) agreement that was entered into.

For example, there are many repairs that were supposed to be done and money that was supposed to be paid to tenants. Sanford Capital failed to comply with the MOU in many ways. They failed to repair the parking lot and exterminate mice and pest from the property. They were supposed to give \$25,000 to the tenant association to put towards the property and it was never paid. They have also been negligent with complying with their agreement to pay tenants \$200 for every month Sanford Capital failed to make repairs.

Everything in the MOU was to be completed in the first 6 months of owning the property, but it has now been a year and a half and they still have not complied with many things. The property is 60 percent vacant and has been so for many months, which is their excuse for not making any repairs. In essence, there were multiple repairs that Sanford Capital promised to

complete that have not finished. The city needs to know that an agreement with Sanford Capital will not be fulfilled.

In my own unit, since Sanford Capital took over Terrace Manor, I've experienced mice, no heat or hot water. They are slumlords and they don't take into consideration the people that live on the property. We currently don't have a responsive maintenance staff. This past November my hot water boiler was broken and the issue was not fixed until February. My family spent most of the winter with no hot water. The maintenance staff has also failed to patch up the holes in the kitchen and I fear that mice will return as a result of their negligence.

I am constantly called upon to assist with contacting other tenants for repairs by the maintenance and management team. The maintenance procedures in place are inadequate. Even if you call the emergency maintenance contact number someone eventually comes, but generally they are unresponsive. Sanford Capital needs to rehabilitate Terrace Manor and stop putting people on the back burner. We pay rent and we don't deserve to be treated this way. I ask that the zoning commission deny Sanford Capital's PUD because they are slumlords and they can't be trusted.

Sincerely,

Patricia Gibbs

Tenant Association President

EXHIBIT 5



RECEIVED
D C OFFICE OF ZONING

ADVISORY NEIGHBORHOOD COMMISSION 8E 2015 FEB -9 PM 1:58

RE: Zoning Case 13-08

February 09, 2015

Dear Chairman Hood and Respected Commissioners:

I first want to thank you for the opportunity to hear the voices of our Community, also for allowing you to see the improprieties that plague our 8e Commission with the operation of the ACCORD and their attempts to undermine the authority of the Commission.

I hope with this hearing and in the hearings to come you will continue to oversee and hold accountable the manner for which our Commission operates and the lack of due diligence in informing the Community

As we move forward with these proceedings, although the project might seem as a community benefit on the surface, I do have some reservations for concern with the approval of this project.

EXISTING TENANTS

- The removal and return plan for the existing tenants by the developer does not fully address their future.
- Nothing is shown on the plans for the one to one set aside for the existing / returning tenants.
- The plan does not address that currently, all existing tenants have parking included with their leases, in a fenced parking lot.
- The plans show include a Z1 set aside for affordability but does not reflect the additional 38 reserved units for existing tenants return.
- The affordability ratio / breakdown seem very limited and would bring cause for gentrification and / or homelessness
- There is no mention for how long the rent for the existing tenants will remain at current levels upon the return?
- What is the plan to prove that the returning tenants will be provided equal accommodations to the other building tenants? How is the Laundry room going to be handled – will tenants be provided a Washer / Dryers in the unit?
- With the developer relocation plan – how does this allow for the existing relocated tenants to have direct access to transportation – ie their current residences are within feet of the Congress Height Metro Station
- The current CBA as signed by Anthony Muhammad and the ACCORD excludes the SMD Community and the residents who will be greatly impacted by this project and the rest of the

surrounding community The benefits agreement seem arbitrary and quite similar to other projects, and appear to have the same shakedown clause / extortion feel about the document.

ZONING

- We still have reservations for the height of the building and the fact that two large buildings are going to occupy one lot
- We are concerned with the eventual poor air quality, the increase in the amount of noise and traffic associated with the large office building, but also the lack of adequate parking and public safety
- This project also lacks public space, calling the area in front of the entrance to metro public space is a farse, because this is where the massive amount of future commuters will be accessing the Congress Heights Metro Does this project take into account the massive influx of commuters from St Elizabeth Hospital, St Elizabeth Redevelopment projects?
- The Community also has concern that the proposed design does not fit in with the existing fabric of the community – in height, size, scale, and materials. The existing community is going to dwarf in comparison to this scale and design of this project.

Again I thank you for your concern in assuring the Community will be heard and given their 'Great Weight' on how this project will really impact their lives. I again implore you and the Commission to continue having open public hearings on this project – we still have way too many people in the community that have been left out of the process at this point Unfortunately, it is due to the failure of our Commission to notify and inform the Community properly.

I kindly thank you for your time and attention!

Sincerely yours,



Commissioner Karlene Armstead
ANC 8e – 06