July 19, 2019

Via Regular Mail and IZIS

Anthony Hood, Chairperson District of Columbia Zoning Commission 441 4th Street, NW, Suite 210-S Washington, DC 20001

Re: Application of CityPartners 5914, LLC for the Extension of Time of the Approved Consolidated Planned Unit Development ("PUD") and Zoning Map Amendment Application Approved in ZC Order No. 13-08

Dear Chairman Hood:

On July 1, 2019, the Zoning Commission received a letter from Karl Racine, DC Attorney General (AG), and waived its rules to allow the letter to be entered as part of the record. CityPartners 5914, LLC (the Applicant in this case, and an LLC wholly owned and managed by CityPartners), appreciates the opportunity to respond and address Mr. Racine's concerns.

CityPartners 5914 has thoroughly reviewed the Office of the Attorney General's submission and believes that the information provided is not relevant to the Zoning Commission's determination of whether the Applicant has satisfied the relevant standards for approval of a PUD Time Extension request. We continue to rely on the information provided in our May 31, 2019 statement in support of the PUD Time Extension request as evidence of the satisfaction of the standards enumerated in Subtitle Z § 705.2(c).

Additionally, we believe that <u>the Zoning Commission is not the correct forum to litigate issues</u>. Indeed, we have requested this PUD time extension because of ongoing litigation and our sincere desire to reach an agreement and settlement with the AG and the tenants.

Though the AG is not a party in this case, and though the substance of his letter falls well outside the four corners of the law regarding granting a time extension for a PUD, I feel compelled to respond to some of the issues raised in his letter because there were unfair and inaccurate claims made about me and because if the PUD time extension is not approved, even if just for 12 months, the tenants and the Congress Heights community will suffer.

Approving the Extension of Time is in the Public Interest

- If the PUD expires, the development opportunity is lost for CityPartners 5914, and all the benefits and offers to the tenants will be lost. Beyond that, the tenants or any another developer will also lose the opportunity to purchase and build something meaningful. If the PUD expires, all parties lose. The area around the Metro plaza will stay vacant and unsafe for years, with boarded up, fire-damaged buildings. [Exhibit A Arrington Dixon Editorial in Support]
- We are confident and many in the community and the City agree, **[Exhibit B-Community Support]** that activating the Congress Heights Metro plaza, will enhance safety and bring

more than 200 mixed-income housing units, job opportunities, retail and medical or daycare services, office space, and restaurants. Obviously this is much more in the Public Interest than if this site remains with the existing old, low-rise buildings that have a modest 47 renovated (not new) units or worse, stays vacant with boarded up, fire damaged buildings.

• If the PUD is extended, and the planned development can move forward, the tenants will benefit too. CityPartners 5914 is guaranteeing that each member of the Tenant Association (TA) may move back to the brand new development and pay their current rental rates. Additionally, and including the offer of new apartments, we will pay each tenant \$100,000 and offset their taxes on that payment with an additional \$10,000. We are also offering each TA member the opportunity to partner in the development by investing some or all of that payment into the project with a guaranteed 7% return. Finally, we have offered to find and pay for a financial advisor to work with any of the tenants who seek counsel for how to manage these funds. **[Exhibit C – CityPartners 5914 Offer to Tenants]**

<u>Geoffrey Griffis and his CityPartners Companies Create Projects that Serve the</u> <u>Community and Strengthen the City</u>

- Every endeavor by Geoffrey Griffis and all CityPartners' projects evidence a strong commitment to DC, its communities and its current and future residents. [Exhibit D Geoffrey Griffis Projects and Profile]
- CityPartners has an impeccable reputation as a landlord and as a developer of both affordable and market rate housing.
- CityPartners has never done business like Sanford and would never condone or support or turn a blind eye to the kind of business practices exhibited by Sanford Capital.
- In 2013, when CityPartners first created a joint venture with Sanford Capital to appear before the Zoning Commission on this project, there was no evidence that Sanford was a bad actor. At the time, Sanford was being awarded housing contracts by the District, and even won accolades from Mayor Gray's administration for being a premier affordable housing provider.
- When it became clear (to Mr. Griffis and the City) that Sanford Capital was a bad actor, Geoffrey Griffis began process of removing Sanford Capital from all involvement in the project

<u>CityPartners 5914 legally removed Sanford Capital from All Involvement in the PUD</u> <u>Project and has provided TOPA to the Tenants.</u>

- In July 2017 CityPartners 5914 removed Sanford from all interest in the Metro parcels without payment of any kind.
- In December 2017, CityPartners removed Sanford Capital's ownership in the residential

parcels through a deed-in-lieu of foreclosure transaction. Sanford Capital was wiped out of all interest and received no payment or compensation. This was an adversarial transaction, and one that is completely within the legal rights of a note holder.

- This transaction was not done in violation of a Court order as it was a deed-in-lieu of foreclosure, not a sale, and the court order did not prevent a lender from enforcing its rights.
- In June 2018, when DC Superior Court Judge Mott ruled that CityPartners 5914 was in fact the owner of residential parcels, we immediately provided TOPA notice to tenants. The tenants responded by forming a Tenant Association and sending CityPartners 5914 a letter indicating that they were interested in preserving their rights under TOPA.

Conclusion

It is critical that the Commission continues to support this project by granting the requested extension because it is in the Public Interest and because there is no legal basis under Subtitle Z 705.2(c) for denying the extension.

If the PUD expires, the community, the tenants and the City will lose. Nothing will happen for years on the site, the tenants will have no financial gain, no new apartments, and Ward 8 will lose out on a world-class development.

From an economic, public safety, environmental, and a good urban planning perspective, it makes sense to grant the requested time extension for the PUD so that CityPartners 5914 or another developer can move forward to redevelop the Congress Heights Metro site.

Additionally, approving the time extension request will allow additional time for all parties to come to an agreement, something CityPartners 5914 has been working towards and is deeply committed to completing.

Even granting the PUD extension for one year, which the AG has suggested as a compromise, would preserve the opportunity for the community and the tenants to benefit from this development.

