

GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE OF THE ATTORNEY GENERAL

ATTORNEY GENERAL
KARL A. RACINE



VIA EMAIL

July 1, 2019

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

**Re: The Office of the Attorney General's Opposition To Applicant CityPartners
5914, LLC's Request For the Extension of Time of the PUD Approved by ZC Order
No. 13-08**

Dear Members of the Zoning Commission:

As Attorney General for the District of Columbia, I request a waiver to submit this letter detailing my opposition to CityPartners 5914, LLC's (CityPartners) Request for the Extension of Time of the PUD approved by ZC Order No. 13-08 (PUD). For the reasons set out below, an extension of the PUD is not in the public interest.

* * * * *

CityPartners' PUD concerns three parcels of property that comprise the Congress Heights Apartments (Congress Heights). That property is the subject of litigation filed by the Office of the Attorney General (OAG) under the Tenant Receivership Act. Through the litigation, OAG has uncovered a number of facts that show that it is not in the public interest for the Zoning Commission to extend the PUD. In its request for an extension, CityPartners argues that it should not be held responsible for either the conditions at Congress Heights or any delay caused by OAG's and the tenants' pending lawsuits because CityPartners is allegedly distinct from Sanford Capital and only "inherited the litigation." Those arguments are unsupported by the facts.

First, CityPartners, and its principal Geoff Griffis, had full knowledge of their partner Sanford Capital's neglect of Congress Heights and willfully turned a blind eye to that neglect. The purpose of that neglect was to constructively evict the vast majority of the Congress Heights tenants in an effort to facilitate the implementation of the PUD. Second, in allegedly acquiring Congress Heights from Sanford Capital in December 2017, CityPartners violated both the remaining tenants' TOPA

rights and a November 2017 Court Order that provided the tenants the exclusive right to negotiate a purchase of the property.

The Commission's regulations authorize it to approve an extension of a PUD only where the applicant shows "good cause." The Commission can also consider the public interest when weighing a request for an extension of a PUD. *See, e.g.*, 11-Z DCMR 705.3(b) (referencing the public interest). Here, CityPartners' inability to move forward with the PUD is a direct result of its *own* decisions to (i) ignore (and benefit from) the actions of its slumlord partner, and (ii) violate Court Orders and the District's tenant protection laws. Under these facts, there is neither good cause nor is it in the public interest to support an extension of the PUD.

I. CityPartners' current owner, Mr. Griffis, was Sanford Capital's longtime partner in the PUD and has knowingly benefited from Sanford Capital's constructive eviction of Congress Heights' tenants.

In its application for an extension of the PUD, CityPartners attempts to separate itself and Sanford Capital. In fact, Sanford Capital's principal (Carter Nowell) and CityPartners' current owner (Geoff Griffis) were longtime partners in trying to redevelop Congress Heights, going back to 2013, before the original PUD application was filed.

In 2013, Mr. Nowell and Mr. Griffis, through their respective companies, became joint venture partners in a planned redevelopment of Congress Heights and the surrounding property. At that time, Congress Heights was owned by corporations under the control of Mr. Nowell and Sanford Capital. The original business deal between Mr. Nowell and Mr. Griffis was simple – they would combine the three Congress Heights parcels with several adjacent parcels and redevelop through CityPartners.¹ Once assembled, Mr. Nowell and Mr. Griffis would raze the Congress Heights Apartments and erect in its place a mixed-use high-end development, which they would jointly own. This was the purpose of the PUD.

When Mr. Nowell purchased the Congress Heights Apartments in 2010, it was a thriving majority African-American community. Nearly all of the 47 units were habitable and filled with tenants and their families. By the time the PUD was submitted on May 2, 2013, that community was in the process of being moved out. To facilitate the PUD, Sanford Capital deliberately neglected its buildings so that tenants would leave. Sanford Capital ceased overall maintenance and refused to re-let vacant units.

While CityPartners argues that Mr. Griffis was unaware of Sanford Capital's neglect, this is unsupported by the facts. Mr. Griffis had long known about the declining conditions at Congress Heights, and the attached documents show that he turned a blind eye to the constructive eviction

¹ The original PUD application was in the name of an entity (SQ 9514) jointly controlled by Mr. Griffis and Mr. Nowell. Only in late 2017 was that entity's interest in the PUD rolled over into CityPartners, an entity under the sole control of Mr. Griffis.

of the tenants by his development partner. The evidence of Mr. Griffis’s long knowledge about the conditions at Congress Heights includes:

1. At the hearing on the PUD application in January 2015, the remaining tenants testified to the Commission about their squalid living conditions. Mr. Griffis also testified at that hearing on behalf of himself and his development partner Mr. Nowell, and as such was made aware that the slum conditions at Congress Heights threatened his business deal.
2. One day after OAG filed its Tenant Receivership Act case on January 6, 2016, Mr. Griffis’s own emails confirm he was aware of the situation at the property and primarily concerned that OAG’s case would jeopardize his business deal – this PUD. *See* Ex. 1. In one email exchange, Mr. Griffis writes that “the city can make *this* impossible,” and by “this” Mr. Griffis meant the PUD. *See* Ex. 1 (Email at GG 000001) (emphasis added).
3. And later in the summer of 2016, when the tenants and their advocates held public events to shed light on the inhumane conditions at the property (including an event near Mr. Griffis’s residence), Mr. Griffis sent an email to Mr. Nowell referring to the tenants as an expletive. *See* Ex. 2 (July 2016 email exchange); *see also* Ex.6 (Email suggesting publicity budget of “\$75 to \$100K”). In that same series of emails, Mr. Griffis goes on to suggest that he and Mr. Nowell fund “a healthy budget” to take back the press narrative – not fund “a healthy budget” to repair the property. *See* Ex. 2 (July 2016 Email at GG 69). Even at that time, Mr. Griffis was more concerned about the negative press surrounding the property than he was about the tenants or their living conditions.²

In short, CityPartners and its owner Mr. Griffis were long aware that their business partners allowed Congress Heights to decline into disrepair and become uninhabitable. Rather than address those conditions, Mr. Griffis’s primary concern was that negative press might endanger the properties’ redevelopment. And while he was prepared to urge his business partner to fund a press campaign, he was unwilling to fund (or force his business partner to fund) repairs to the property.

II. CityPartners and Mr. Griffis violated the tenants’ TOPA rights and a Court Order in acquiring Congress Heights.

In January 2016, OAG filed its Tenant Receivership Act case against Sanford Capital – the then owner of Congress Heights – to secure safe and habitable housing for the remaining tenants. After a year and a half of litigation, Sanford Capital consented to the appointment of a Receiver in September 2017. Mr. Griffis, recognizing the appointment of a Receiver as an obstacle to any redevelopment, urged Mr. Nowell to avoid the appointment of a Receiver. *See* Ex. 3 (September 2017 Email). After the Court appointed the Receiver, Mr. Nowell asked the Court to delay ordering

² Even without this evidence, Mr. Griffis can be presumed to have knowledge about the conditions at the key properties in his proposed development project. *E.g. Jarvis v. Technical Land (In re Technical Land)*, 172 B.R. 429, 433 (Bankr. D.D.C. 1994) (“the common law doctrine of *lis pendens*, applicable in the District of Columbia, is that subsequent purchasers of property are on constructive notice of matters contained in pending litigation concerning that property”).

him to fund the Receiver's plan on the pretext that he would negotiate a sale of the property to the twelve remaining tenants. Based on Mr. Nowell's request, in early November 2017, the Superior Court issued an Order staying implementation of the Receiver's Plan and ordering Mr. Nowell and Sanford Capital to negotiate exclusively with the tenants for a 60-day period. *See Ex.4* (November 2017 Order).

Despite both men being fully aware of the Court's Order, Mr. Nowell and Mr. Griffis continued through November and December 2017 to actively negotiate the sale of Congress Heights between themselves in violation of the Court's Order. On December 27, 2017, without informing the Court or the District, the negotiations between Mr. Nowell and Mr. Griffis culminated in a sale of the property disguised as a deed in lieu of foreclosure. But this was in truth a sale. It included the execution of a secret side agreement between Mr. Griffis and Mr. Nowell granting Sanford Capital's investors an on-going interest in CityPartners' implementation of the PUD. *See Ex. 5* (December 21, 2017 Side Agreement). This side agreement only came to light after OAG was granted permission by the Superior Court to take discovery into the transaction. Because this transaction was a sale, Mr. Griffis and CityPartners violated both the Court's Order in negotiating the sale, as well as the tenants' TOPA rights.

III. Denying the PUD would be in the public interest because it could hasten the ultimate development of Congress Heights.

Notwithstanding CityPartners' wrongdoing, the Zoning Commission should also refuse to extend the PUD because doing so may actually facilitate any eventual redevelopment at Congress Heights. In the event that the current litigations by OAG and the tenants conclude and a new owner or developer enters the picture, it could foster faster development if the property were not encumbered by the current PUD. By denying the extension of the current PUD, the Zoning Commission would be giving the Congress Heights properties a clean slate that would be good for the tenants (who will be key participants in any future development), good for the neighboring community, and good for the District. This is also in the public interest.

* * * * *

It is incumbent on government bodies, such as this Commission, to not reward bad actors. Here, it is clear that CityPartners and its current owner, Geoff Griffis, purposefully ignored his business partners' decision to constructively evict the Congress Heights tenants from their homes. And when he could no longer move forward with the PUD with that partner, Mr. Griffis caused CityPartners to violate a Court Order and the tenants' TOPA rights by acquiring Congress Heights

through a disguised sale. Given these facts, it is not in the public interest for the Commission to extend the PUD. I urge the Commission to deny the requested extension.³

Sincerely,

A handwritten signature in black ink, appearing to read 'KARL A. RACINE', written over a horizontal line.

KARL A. RACINE
Attorney General for the District of Columbia⁴

³ In the event the Commission does not deny the current PUD extension, OAG asks that the extension be limited to one year instead of the two years requested. One year would allow the parties time to negotiate a settlement, as CityPartners states is its intention.

⁴ OAG has screened OAG Land Use Section attorneys who will advise the Commission. The Land Use Section attorneys are authorized to exercise independent professional judgement in advising the Commission with the advice of the General Counsel of the Office of Zoning, who has also been screened off from the preparation of this letter. One non-screened OAG Land Use Section attorney has assisted in the preparation of this letter.

EXHIBIT 1

Tina L. Long

From: Carter Nowell <cnowell@sanfordcapital.com>
Sent: Thursday, January 7, 2016 8:41 PM
To: Geoffrey Griffis
Subject: Re: AG suit against Sanford Capital

I'm on a plane at 7:00 AM tomorrow. I can talk tonight if you want to. Hadn't heard anything about this until I got this email.

On Jan 7, 2016, at 8:37 PM, Geoffrey Griffis <ggriffis@citypartnersdc.com> wrote:

Did you know about this? What are you thinking to do? This is nuts- as I said-the city can make this impossible - call me in AM

Geoffrey H Griffis
CityPartners DC

Sent from my Verizon Wireless 4G LTE smartphone

----- Original message -----

From: Carter Nowell <cnowell@sanfordcapital.com>
Date: 01/07/2016 8:14 PM (GMT-05:00)
To: Geoffrey Griffis <ggriffis@citypartnersdc.com>
Subject: Fwd: AG suit against Sanford Capital

FYI

Begin forwarded message:

From: "O'Connell, Jonathan" <Jonathan.OConnell@washpost.com>
Date: January 7, 2016 at 6:31:32 PM EST
To: Carter Nowell <cnowell@sanfordcapital.com>
Cc: "Hauslohner, Abigail" <Abigail.Hauslohner@washpost.com>
Subject: AG suit against Sanford Capital

Hi Carter,

I've just received a lawsuit brought by the D.C. attorney general against Sanford Capital. The suit asks the D.C. Superior Court to put Sanford's Congress Heights properties into receivership due to mismanagement. The AG's office is additionally asking for declaratory and injunctive relief against Sanford for its management of the properties.

The complaint claims that the properties have "suffered from repeated housing code violations that pose a serious threat to the health, safety, or security of the tenants" and that each of the properties "suffers from a demonstrated history of

neglect and indifference resulting from the actions or omissions of" Sanford, its subsidiaries and Oakmont Management Group.

We will be writing about this Friday and want to include any comment or response that Sanford may have. Please contact me as soon as you are available.

We are also looking to get in touch with Oakmont Management Group (Todd Fulmer) and if you have a way of doing that I would appreciate it.

Jonathan

office: (202) 334-9472

cell: (202) 360-3567

EXHIBIT 2

Tina L. Long

From: Geoffrey Griffis
Sent: Thursday, July 28, 2016 1:11 PM
To: Carter Nowell
Cc: Pat Strauss; Gregory Faron
Subject: RE: Urgent: Tell WMATA: "Don't Sell Congress Heights building to Sanford Capital!"

Not true- in fact we have had great success- all established and know stakeholder are in support

Geoffrey H Griffis
CityPartners DC

Sent from my Verizon Wireless 4G LTE smartphone

----- Original message -----

From: Carter Nowell
Date: 7/28/16 12:45 PM (GMT-05:00)
To: Geoffrey Griffis
Cc: Pat Strauss , Gregory Faron
Subject: Re: Urgent: Tell WMATA: "Don't Sell Congress Heights building to Sanford Capital!"

I'm all for doing whatever we can but we have had no success at all engaging with any community folks so I have no idea what to do there.

On Jul 28, 2016, at 12:36 PM, Geoffrey Griffis <ggriffis@citypartnersdc.com> wrote:

Litigation is a part- but this will not play out in court, it is in the public forum, so with threats has to come a message- and meetings, coordination with wmata and community folks - needs to be a coordinated full effort, hitting media etc. we have till sept meeting,

Geoffrey H. Griffis
CityPartners DC

From: Carter Nowell [<mailto:cnowell@sanfordcapital.com>]
Sent: Thursday, July 28, 2016 12:16 PM
To: Geoffrey Griffis <ggriffis@citypartnersdc.com>
Cc: Pat Strauss <pstrauss@sanfordcapital.com>; Gregory Faron <gfaron@citypartnersdc.com>
Subject: Re: Urgent: Tell WMATA: "Don't Sell Congress Heights building to Sanford Capital!"
I'm happy to discuss options. How exactly do you think we can quickly take this back? I think it's time to threaten litigation.

On Jul 28, 2016, at 12:04 PM, Geoffrey Griffis <ggriffis@citypartnersdc.com> wrote:

Carter

I think this has gotten to a critical point. These fuckers are controlling the message and situation and I do see this changing until we directly combat.

We have to start to control message.

I think we should discuss and I think a healthy budget needs to be funded to quickly take this back.

GhG

Geoffrey H Griffis
CityPartners DC
Sent from my Verizon Wireless 4G LTE smartphone

----- Original message -----

From: Terry Lynch <clusterdc@juno.com>

Date: 7/27/16 6:42 PM (GMT-05:00)

To: Geoffrey Griffis <ggriffis@citypartnersdc.com>

Subject: Fwd: Urgent: Tell WMATA: "Don't Sell Congress Heights building to Sanford Capital!"

Sent from my iPhone

Begin forwarded message:

From: Claire Cook <ccook@onedconline.org>

Date: July 27, 2016 at 5:17:10 PM EDT

To: Terry Lynch <clusterdc@juno.com>

Subject: Urgent: Tell WMATA: "Don't Sell Congress Heights building to Sanford Capital!"

Terry --

This past Saturday, Congress Heights tenants, **Justice First**, ONE DC members and other supporters **took action by taking to the streets in Cleveland Park!** Today, **are issuing a call to action** against the Congress Heights slumlord. Can you stand for equitable development without displacement?

This Thursday, July 28, the Washington Metropolitan Area Transit Authority (WMATA) is scheduled to make an important decision related to the **struggle in Congress Heights**: The Board of Directors will vote on whether or not they will sell key parcel of land to Sanford Capital and Geoff Griffis' company City Partners. The slumlords can't move forward with their plans to displace tenants and build a luxury development without this parcel of land.

We are asking all the supporters of the Congress Heights tenants to contact WMATA and its officials, and ask that the Congress Heights contract agenda be tabled.

Tenants fought month after month—from the streets to the chambers of every relevant government-body for the right to have a chance to purchase their buildings. If this parcel of land is sold by WMATA, it will undermine these hard-fought gains. It will allow Sanford Capital and City Partners to retain influence on the future of the site. Given the pattern of **neglect and displacement** exhibited by these two companies, they don't deserve to either profit from, or have input into, what an equitable developme

process would look like.

If you believe that the tenants in the buildings around the Congress Heights m deserve to shape their own destiny and not be displaced by slumlords, please d following (sample tweets below):

1. Write Metro Board Chair Jack Evans at jevans@dccouncil.us. Tell him to t action and table the Congress Heights contract.
2. Call WMATA at 202-962-1234 and tell them you are calling to urge the Bo of Directors to table the Congress Heights contract.
3. Tweet @wmata & @JackEvansWard2 with the message to stop the contrac from going through.

Sample tweets:

- @WMATA board: Don't Aid Congress Heights Slumlords! #noMetro4Geo #SaveCongressHeights
- @WMATA, @jackevansward2: Don't reward slumlords! #noMetro4Geoff #SaveCongressHeights
- @JackEvansWard2 Don't Reward Geoff Griffis with \$3 million worth of la #nometro4geoff
- @WMATA: Don't give away valuable land to displace Congress Heights tenants! #noMetro4Geoff #SaveCongressHeights

Now more than ever, we have to keep the pressure up to force an equitable solution the tenants at Congress Heights and change laws to protect tenants from behavior li this in the future.

In Solidarity,

Claire Cook

<http://www.onedonline.org/>

ONE DC · 614 S Street Northwest, Carriage House in Rear, Washington, DC 2000 United States

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EXHIBIT 3

Tina L. Long

From: Geoffrey Griffis
Sent: Monday, September 11, 2017 7:23 PM
To: Carter Nowell; Geoffrey Griffis
Cc: Greg Faron
Subject: Re: Sanford to City Partners PSA

Best if you keep us informed.

We will need you to start bankruptcy after 15 Oct potentially so staying out of receivership is critical.

Let me know what happens.

I'm 6 hrs ahead and done for today.
Connect with you tomorrow

Geoffrey H. Griffis
CityPartners
202.265.CITY

----- Original message -----

From: Carter Nowell
Date: 9/12/17 1:12 AM (GMT+01:00)
To: Geoffrey Griffis
Cc: Greg Faron
Subject: Re: Sanford to City Partners PSA

That's correct. The District filed a motion for the appointment of a receiver late Friday. Bankruptcy should shut that down so we need to get this moving asap.

On Sep 11, 2017, at 7:07 PM, Geoffrey Griffis <ggriffis@citypartnersdc.com> wrote:

Will do. Also, I've been told that hearing tomorrow there is a motion to appoint a receiver on Congress Hgts properties. Is that right?

Geoffrey H. Griffis
CityPartners
202.265.CITY

----- Original message -----

From: Carter Nowell <cnowell@sanfordcapital.com>
Date: 9/11/17 5:31 PM (GMT+01:00)
To: Geoffrey Griffis <ggriffis@citypartnersdc.com>
Cc: Greg Faron <gfaron@citypartnersdc.com>

Subject: Re: Sanford to City Partners PSA

I got Greg's voicemail and am happy to apply for a demo permit after we get the PSA finalized. Please send me your comments as soon as possible.

On Sep 11, 2017, at 11:24 AM, Geoffrey Griffis <ggriffis@citypartnersdc.com> wrote:

Carter

Apologize, we are out of town for meetings and back in another week. We left our comments and direction with attorneys and they are getting you the turn today I think

Also, Greg left you a VM I think. Is there any follow up on that.

GhG

Geoffrey H. Griffis
CityPartners
202.265.CITY

----- Original message -----

From: Carter Nowell <cnowell@sanfordcapital.com>
Date: 9/11/17 5:15 PM (GMT+01:00)
To: Greg Faron <gfaron@citypartnersdc.com>
Cc: Geoffrey Griffis <ggriffis@citypartnersdc.com>
Subject: Re: Sanford to City Partners PSA

Just following up on this again. Any update on timing?

Thanks

On Sep 8, 2017, at 6:57 PM, Greg Faron <gfaron@citypartnersdc.com> wrote:

Guys-

Can you let me know the status of getting the psa back to Sanford? The sooner the better at this point. Are you waiting on us for anything?

On Sep 8, 2017, at 6:20 PM, Carter Nowell <cnowell@sanfordcapital.com> wrote:

What's the status?

On Sep 7, 2017, at 8:44 AM, Geoffrey Griffis <ggriffis@citypartnersdc.com> wrote:

We're waiting on edits from legal team.
I'll connect with you this evening or
friday

Geoffrey H. Griffis
CityPartners
202.265.CITY

----- Original message -----

From: Carter Nowell
<cnowell@sanfordcapital.com>
Date: 9/7/17 11:13 AM (GMT-05:00)
To: Geoffrey Griffis
<ggriffis@citypartnersdc.com>
Cc: Greg Faron
<gfaron@citypartnersdc.com>
Subject: Re: Sanford to City Partners
PSA

Any update? Are we signing something
today or tomorrow?

On Sep 5, 2017, at 5:57 PM, Geoffrey
Griffis <ggriffis@citypartnersdc.com>
wrote:

I think so, this week

Geoffrey H. Griffis
CITYPARTNERS dc

From: Carter Nowell
[<mailto:cnowell@sanfordcapital.com>]

Sent: Tuesday,
September 05, 2017
10:00 AM

To: Greg Faron
<gfaron@citypartnersdc.com>; Geoffrey Griffis
<ggriffis@citypartnersdc.com>

Subject: Fwd: Sanford
to City Partners PSA
What's the status of the
Metro contract? Are we
going to be able to
finalize something this
week?
Thanks

Begin forwarded
message:

EXHIBIT 4

**SUPERIOR COURT OF THE DISTRICT OF COLUMBIA
CIVIL DIVISION—CIVIL ACTIONS BRANCH**

DISTRICT OF COLUMBIA)	
)	
Petitioner/Plaintiff,)	Civil Case No. 2016 CA 000162 B
)	Civil I, Calendar IV
v.)	Judge John M. Mott
)	
1309 ALABAMA AVE SE, LLC, et al.)	
)	
Respondents/Defendants.)	
)	

ORDER

This matter came before the court on November 2, 2017, for a status hearing on the court’s previous Order Appointing a Receiver (“Appointment Order”), in which the court, with the consent of all parties, appointed a Receiver over Congress Heights (the “Property”), a four building apartment complex located in the southeast quadrant of the District of Columbia that is owned and operated by the Respondents.¹

Prior to the status hearing, the District of Columbia and the Respondents (the “Parties”) conferred with Receiver David Gilmore on the progress of the Receiver’s report. Mr. Gilmore informed the Parties that remediation of the Property pursuant to the court’s order could cost up to \$2 million. \$1.2 million of the estimated remediation cost would come from mold remediation, which would require the Receiver to open up the walls to inspect the plumbing, and to replace any plumbing leaks discovered.

By November 10, 2017, the Receiver is expected to provide the court and the parties an Initial Assessment and Plan for fully addressing code violations and health and safety issues at

¹ These four buildings are located at: 1309 Alabama Avenue, SE; 1331 Alabama Avenue, SE; 1333 Alabama Avenue, SE; and 3210 13th Street, SE.

the Property, along with an estimate of the funds necessary to continue making emergency repairs and maintaining the Property for a period of sixty calendar days.

Whereas the parties represented in open court at the November 2, 2017 status hearing that they had reached agreement and stated the terms of that agreement, and whereas the parties agreed during the status hearing that the District of Columbia would submit a proposed order containing the terms of that agreement, which the District of Columbia submitted to the court on November 8, 2017, it is this **9th** day of **November, 2017**, hereby **ORDERED** that:

1. The Receiver's submission of the Initial Assessment and Plan shall not trigger the Respondents' deadlines to object as described in Paragraphs 12 and 13 of the Appointment Order.
2. Respondents shall have sixty calendar days from the date of this Order to negotiate exclusively with the tenants, or the tenants' representatives, regarding the terms of a sale of the Property.
3. During the sixty day period for sale negotiations described in Paragraph 2 of this Order, the Receiver is fully authorized to make any emergency repairs at the Property, to conduct any maintenance that is typically carried out on a regular basis, such as cleaning and trash removal, as well as to perform patching repairs on the roof and other similar maintenance issues required to stabilize the property.
4. Within three business days of the Receiver's submission of his sixty-day cost estimate, Respondents, jointly and severally, shall provide the Receiver with the amount of funds in the estimate. If Respondents object to the sixty-day cost estimate or any portion thereof, Respondents shall contact the District of Columbia and the Receiver within the three business days provided to resolve any disputes. If the dispute is not resolved within

the three-day period, Respondents shall file written objections with the court *in lieu* of submitting funds to the Receiver.

5. If, on the sixtieth calendar day following the date of this Order, there is no written agreement between Respondents and the tenants regarding the terms of sale, and the Parties have not filed a joint request to extend the sixty-day deadline, the sixty-first day from the date of this Order shall be considered day one of the five-day objection period for Respondents to file objections to the Receiver's Initial Assessment and Plan, as described in Paragraphs 12 and 13 of the Appointment Order.

SO ORDERED



The Honorable John M. Mott
Associate Judge
(Signed in Chambers)

COPIES TO:
Argatonia Weatherington
Stephen Hessler
Benjamin Gilmore
Via CaseFileXpress

EXHIBIT 5

December 21, 2017

1309 Alabama Avenue, LLC
3210 13th Street, LLC
Alabama Ave, LLC
c/o Carter Nowell
Sanford Capital LLC

Re: Agreement to Assume Debt and Admit Members

Dear Carter:

This Letter Agreement (“Agreement”), countersigned by you will, constitute an agreement by CityPartners 5914, LLC (“CityPartners”) and/or a creditworthy affiliate of CityPartners to do the following as a condition of and in exchange for the execution by 1309 Alabama Avenue, LLC, 3210 13th Street, LLC, and Alabama Ave LLC, to execute the Deed in Lieu of Foreclosure Agreements related to the original Eagle Bank loan and the original Revere Bank loan (collectively, the “Deed in Lieu of Foreclosure Agreements”), a copies of which are attached hereto as Exhibit A:

(a) The Debt of approximately two-million four-hundred thousand and xx/100 dollars (\$2,400,000.00) described in the Deed in Lieu of Foreclosure Agreements secured against the Properties shall be assumed by CityPartners simultaneously with execution of the Deed in Lieu of Foreclosure Agreements;

(b) CityPartners shall provide to the persons identified in Exhibit B, an additional two-million and xx/100 dollars (\$2,000,000.00) which shall be in the form of fully subordinated debt which shall receive a preferred return of two-percent (2%) per annum, and shall be repaid to the persons identified on Exhibit B hereto after the repayment of all other debt on the Property, but prior to the repayment of additional equity which shall be required to bring the Property to a recapitalization or liquidity event;

(c) In addition to the amounts set forth in paragraphs (a) and (b) above, CityPartners shall provide two-million and xx/100 dollars (\$2,000,000.00) in the form of common equity behind the fully subordinated debt described in (b) above, which shall be made available to the persons identified in Exhibit B at an interest rate of two-percent (2%) per annum.

December 21, 2017
Page 2

The terms for this \$2,000,000.00 would be finalized when other equity capital needed for the project is raised.

This Agreement is for the benefit of the parties hereto and the persons identified on Exhibit B hereto, in proportion to their interests as they appear on Exhibit B.

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns, and affiliated entities. The parties hereto agree to execute such additional documents are reasonably required to effectuate the terms of this Agreement.

Sincerely,

CITY PARTNERS 5914, LLC
a District of Columbia limited liability company,
its Co-Managing Member

By: CityPartners, LLC
a District of Columbia Limited liability
company, its Managing Member

By: 
Name: Geoffrey H. Griffis
Title: Managing Member

UNDERSTOOD AND AGREED:

1309 Alabama Avenue, LLC
3210 13th Street, LLC
Alabama Ave, LLC


By: 
Name: A. Carter Naveth
Title: Manager

Exhibit B

Investor	Address	Address 2	Original Investment Amount	CityPartners Debt per (b) of Letter Agreement	CityPartners Equity per (c) of Letter Agreement
1309 Alabama Ave, LLC					
Trevino, Thomas, Family Trust	1346 Mallard Court	Carlsbad, CA 92011	\$200,000	\$100,000	\$100,000
Daniel, James	2728 Trevor Drive	Huntsville, AL 35802-1222	\$100,000	\$50,000	\$50,000
Larson, Sharon	122 Horizon View Ct	Madison, AL 35758-8004	\$50,000	\$25,000	\$25,000
Martin, Perry	19285 Richter Rd	Rogersville, AL 35652-8520	\$50,000	\$25,000	\$25,000
Knowlton Atterbeary	7266 Meadow Wood Way	Clarksville, MD 21029	\$200,000	\$100,000	\$100,000
1331-1333 Alabama Ave, LLC					
Ayers, Robert S.	700 Front Street, Residence 1906	San Diego, CA 92101	\$220,000	\$110,000	\$110,000
Dahlberg, Edward	7008 Dalemar Dr	Clifton, VA 20124	\$200,000	\$100,000	\$100,000
Kurtz, Kevin	5558 Dalen Avenue	San Diego, CA 92122	\$150,000	\$75,000	\$75,000
Marshall, Paul	645 Front Street, #1303	San Diego, CA 92101-7085	\$50,000	\$25,000	\$25,000
Nozynski, Raymond	2 Waters Edge	Paquoson, VA 23662-1264	\$50,000	\$25,000	\$25,000
Smith, Alan	4502 32nd Rd	N Arlington, VA 22207-4419	\$110,000	\$55,000	\$55,000
Trevino, Thomas, Family Trust	1346 Mallard Court	Carlsbad, CA 92011	\$50,000	\$25,000	\$25,000
Trammell, Larry Michael II	P.O. Box 123345	Fort Worth TX 76121	\$160,000	\$80,000	\$80,000
Baum, Robert, Trust	8052 Central Avenue	Charlevoix, MI 49720-9307	\$55,000	\$27,500	\$27,500
Wallstrom, Camilla, Trust	Parkgatan 5, #143	941 37 Plteå, Sweden	\$55,000	\$27,500	\$27,500
1309 Alabama Ave, LLC					
Mark Proulx	20 Brandy Ridge Road	Sparta, NJ 07871	\$300,000	\$150,000	\$150,000
Satinder Gill	1250 Reston Avenue	Herndon, VA 20170	\$1,630,000	\$815,000	\$815,000
Frances Keating	12172 Chancery Station Circle	Reston, VA 20190	\$150,000	\$75,000	\$75,000
Baum, Robert, Trust	8052 Central Avenue	Charlevoix, MI 49720-9307	\$75,000	\$37,500	\$37,500
Wallstrom, Camilla, Trust	Parkgatan 5, #143	941 37 Plteå, Sweden	\$75,000	\$37,500	\$37,500
Total			\$3,930,000	\$1,965,000	\$1,965,000



EXHIBIT 6

Tina L. Long

From: Carter Nowell <cnowell@sanfordcapital.com>
Sent: Monday, August 1, 2016 3:00 PM
To: Geoffrey Griffis
Cc: Gregory Faron; Pat Strauss
Subject: Re: Metro Approval

I'm open to discussing options on a plan to move this forward. Before I can commit to spending significant money, I'd like to know more specifically how it will be spent. Should we setup a call this week to discuss, or do you want to put a plan in writing and circulate?

Thanks

On Aug 1, 2016, at 2:56 PM, Geoffrey Griffis <ggriffis@citypartnersdc.com> wrote:

Carter-

As we briefly discussed, it is critical that we get proactive this month to get WMATA ready to approve the sale of their parcel. I think September Board meeting will be the last time we have to get this past in the state that it is now. If WMATA had approved the fair market price last week I think we would have been in a strong position and muted the protestors. However, based on the fact that WMATA is being influenced by the group protesting the conditions of the residential buildings, we have to also act. What is required is to get another, and more truthful, message out. This is simple in statement but complex and time consuming in performance.

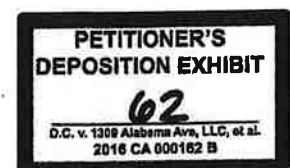
It will take legal action, creation and dissemination of message, meetings with and persuading decision makers and influencers, and coordinating with key community leaders and organizations.

I can get this organized and directed, but I anticipate that the funding requirement for this will be \$75 to \$100K.

Let me know what you think- This needs to get started right away.

GHG

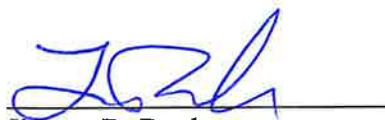
Geoffrey H. Griffis
CITYPARTNERS dc
1817 Adams Mill Rd NW
Suite 200
Washington, DC 20009
o 202.265.CITY
c 202.669.2546
ggriffis@CityPartnersdc.com



Certificate of Service

I hereby certify that I caused the foregoing document to be sent to the addresses below on July 1, 2019 by first class mail.

Date:



Jimmy R. Rock
Assistant Deputy Attorney General
Public Advocacy Division
Office of the Attorney General

Jennifer Steingasser/Joel Lawson
Office of Planning 1100 4th Street, SW
Suite E650
Washington, DC 20024

Advisory Neighborhood Commission 8E
1310 Southern Avenue, SE (Room G047)
Washington, DC 20032

ANC 8E04
Commissioner Kendall Simmons
1313 Congress Street SE
Washington, DC 20032

Alabama Avenue/13th Street Tenants Coalition
c/o William R. Merrifield, Jr.
Washington Legal Clinic for the Homeless
1200 U Street, NW, Third Floor
Washington, DC 20009

CityPartners 5914, LLC
c/o Goulston & Storrs, Counsellors at Law
1999 K Street NW, Suite 500
Washington, DC 20006-1101