

## Testimony of Mr. Scott Parker

### Treasurer and Board Member, Spring Valley West Homes Corporation

My name is Scott Parker. I'm a Board Member of the Spring Valley West Homes Corporation. We service the common needs of 157 homeowners. The nine Board members are resident homeowners, and we're elected by the homeowners. We hold open meetings, at least quarterly, to ensure we meet their needs, both in the neighborhood and in adjacent areas.

I will present a series of facts that will build further on the opposition testimony you've heard, and will support our belief that this project, as proposed, is detrimental to our surrounding neighborhoods. We want the site developed, but not like this.

- **Fact: Increased traffic density affects the residents of Spring Valley West:** Our neighborhood is bordered by 50th Street, Massachusetts Avenue, and Dalecarlia Parkway. We have no direct access to 49<sup>th</sup> Street, so nearly all residents enter and exit either through the signal light at 50<sup>th</sup> and Massachusetts or via Yuma Street which connects with Mass and then goes past the current Spring Valley Shopping Center. The intersection at 49<sup>th</sup> and Mass is complicated now by the triangle with Yuma, just below the proposed Ladybird development, and the current shopping center. These intersections with Mass are already quite busy, so the impact of Ladybird's dramatic increase in vehicular traffic, will not only result in the already cited effects around 48<sup>th</sup>, but, as neighbors try to avoid the impact of 219 additional dwelling units, those traffic congestion effects will cause problems at the 49<sup>th</sup> Street and 50<sup>th</sup> Street intersections. We in Spring Valley West will either suffer additional delays or have to resort to cutting through Spring Valley or risk the more dangerous exit onto high-speed Dalecarlia Parkway. Many homeowners simply avoid Dalecarlia.
- **Fact: Valor misled the community about providing a full service grocery store:** Balducci's was not disclosed until the ANC 3D meeting last month, and it was not what we were led to expect from meetings with Valor over the prior 18 months. From the perspective of Spring Valley West residents, a few key timeline events:
  - **9/26/16:** Mr. Lansing, presented the then-proposed development before an open meeting of Spring Valley West homeowners. The "destination" grocery

store referenced was large, ~ 55k square feet; the reaction was that it was too large and would further exacerbate traffic density.

- **1/4/17:** At a community meeting held at American University, Mr. Lansing presented a slightly altered design, including a poorly sketched, but clearly shown, grocery of approximately 24k square feet; the size of the prior Superfresh. That was the only element of the presentation that received a positive reaction from the ~ 50+ community members present.
- **10/29/17:** At yet another community meeting at the Tenley library, there was no further disclosure of the potential identity of the grocery store tenant, but the characterization was the same (i.e. “full service”). There was no mention of the diminution of the size from the January presentation.
- **12/6/17:** At this ANC 3D meeting, two new facts were revealed: (1) the floor space graphic showed 13.4K square feet for the grocery store; it was not easy to see, because it was partially hidden by a caption balloon labeled “grocery store”, which was so small that the “full service” descriptor couldn’t be added. (2) the tenant was to be Balducci’s, the same store that had already failed on New Mexico Avenue, and, as one of you pointed out two weeks ago, it was successfully replaced by a then-new branch of Wagshal’s.
- We were misled for nearly 12 months by Valor. Balducci’s is not in any reality a full service grocery store. Neighbors will still have to shop elsewhere for basic product needs; cleaning products, laundry detergent, paper towels, etc. And, Balducci’s overlaps with the product focus of Wagshal’s. And, it is a non-binding letter of intent. If Balducci’s even entered the space, would it fail again, and, if so, then what? This deception by Valor ultimately led to a no vote by Jon Bender, the Chairman of ANC 3E, and it severely eroded the trust of the community in the word of Valor.
- **Fact: Valor misled the community about unit sizes and the condo vs. rental mix:** Again following the same timeline of the Valor-involved meetings:

- **9/26/16:** Spring Valley West homeowners stated that they hoped (1) the number of larger units (e.g. 2 BR + den and 3 BR) would increase from a skew toward smaller units. That would also decrease the total number of units, (2) the 90% rental skew would move dramatically toward condos. Valor's reply was that the final mix of units and rental vs. condo was not determined.
- **1/4/17:** These same two questions arose at this community meeting, and were answered the same way; Valor would reassess the mix based on the then-market realities. They reiterated, however, that one of their objectives was to offer an attractive option for those current residents who want to down-size and age-in-place, with a full services type living option.
- Fast-forwarding to the last two months of 2017, two things were stated by Valor at the 12/6 ANC 3D meeting: (1) there wasn't going to be an increase in units larger than 2 BR; despite ANC 3E commissioner Tom Quinn's request for more 3 BR units to attract families; 90% of the units would be 2 BR or less, (2) there would be no increase in the percentage of condos. Then, two weeks ago, Mr. Lansing informed us that it is likely that all units would be rentals.
- We were misled by Valor about unit sizes and the condo vs. rental mix over a period of 14 months. Many of the current residents would prefer at least 2 BR + den or larger units, because it would mean acceptable, but not severe, downsizing. Furthermore, and from the early discussions with Valor in 2016, current residents were more interested in a higher % of condos, because they could use mortgage interest deductions as realize potential capital appreciation. The incremental after-tax monthly cost to the community resident purchasing a condo would be at least \$1,000 less, even under the new tax law. When I questioned Mr. Lansing about their lack of response to an often-expressed desire of the current residents, he said "it was just a business decision"; read "it's not personal, it's just business". To us, it's very personal. Valor waffled purposefully for over a year, so conclude that they don't really care about the need or desires of the current community

residents. They haven't even offered a rental-to-buy conversion option, which could help materially, if it were structured reasonably for both parties.

- **Fact: There has been no disclosure of the option-to-purchase agreement between Valor and the current site owners.** Other than greed, why is a five-to-seven story project with a value of ~ \$130 M so necessary vs. 3 stories and ~ \$75M? We suggest you review and assess that agreement to understand the underlying incentives.
- **Fact: Valor has repeatedly violated the trust of the existing community residents, and its proposal ignores their interests.** Despite many meetings, there is little to support Valor's contention that they listened to the community and acted in response. The buildings look better, but they're still huge vs. the surrounding community; it has no full service grocery store, and it will certainly add substantially to traffic congestion. **Fact: From Valor's website, it has never successfully completed a development of more than 84 units.** Why should we trust them to build something >2.5 times as large (or larger with their requested flexibility) with all the complications of this proposed development? There are other, better options.

Two weeks ago, Mr. Kravitz said the majority of the community supports the proposed development, but that assertion is unsupported. Our three Spring Valley Opposition organizations all have majority opposition to this proposal, and you can judge the views of the individual community members who felt strongly enough to show up.

We want this site developed, but preferably three floors above ground with a smaller number of total units and with at least 50% of the units available to purchase under reasonable circumstances; desires that have been repeatedly made clear to Valor. One **final fact is their characterization of an alternative, matter-of-right development.** At the 12/6/17 ANC 3D meeting, the not-so-veiled threat was that they would raise the ceiling heights of the then-smaller floor space building so the resulting structures would nearly as tall as the ones proposed. The current community residents conclude from the deceptions and from this matter-of-right threat that we shouldn't trust Valor.

Please help us protect our community.

Thank you for this opportunity to testify before you this evening.