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The Washington LEGAL CLINIC for the Homeless

A Voice for Housing and Justice

Testimony of Will Merrifield, Staff Attorney- The Washington Legal Clinic for the Homeless DHCD Oversight March 3, 2017

My name is Will Merrifield and I am a Staff Attorney with the Affordable Housing Initiative at the Washington Legal Clinic for the Homeless. I am here today in my capacity as the Attorney representing the Alabama Ave/13th Street Tenant Coalition (the "Coalition"). All members of the Coalition are current tenants of Sanford Capital and live in buildings that Sanford seeks to demolish as part their planned redevelopment above the Congress Heights Metro. The developers proposing this redevelopment consists of their current owner, Sanford Capital, as well as City Partners LLC whose managing member is Geoff Griffis.

The Coalition has been involved in a struggle against Sanford Capital for over 3 years regarding this redevelopment. I was retained November 2013. Since I have been involved, I have personally witnessed instances of raw sewage back-ups in the basement of the properties, a lack of heat in the apartments during the winter months, no hot water for days at a time as well as rodent and bed bug infestation. Currently, there are two active lawsuits filed against Sanford Capital based on these conditions. One of those lawsuits was filed by The Washington Legal Clinic for the Homeless and the other was filed by the Attorney General's Office. The Attorney General's suit asks that the property be put into receivership due to Sanford's pattern of neglect at the properties and the health and safety issues the tenants face stemming from that neglect.

I want to make something very clear in this testimony. I firmly believe that Sanford's neglect of these properties is **absolutely intentional**. Over the course of my representation there has been a clear pattern engaged in by Sanford Capital whereby once pressure is applied to them they make very modest repairs in order to make it seem like issues have been addressed only to intentionally allow things to fall apart a few months later. It is clear that they are trying to wear the tenants down and constructively evict them from the buildings in order to pave the way for their proposed redevelopment project.

What has been equally disturbing and eye opening is the way in which Sanford has been aided in their efforts by the institutions and agencies in this town that are supposed to prevent this type of thing from happening. For example, documents I received via a FOIA request show that the Office of Planning was working with Sanford to design their PUD in a way to ensure approval by the Zoning Commission, then the Zoning Commission-despite expressing shock and outrage at the conditions at the property- nearly unanimously approved Sanford's Development plan.



What the Congress Heights case illustrates is how development is done in Washington DC. It is a rough and dirty process that benefits a lot of people at the top of the food chain and seeks to devour people below. Sanford Capital and their actions are not unique but instead is an illustration of one of many factors that make up the affordable housing crisis that the District finds itself in today.

Everything I have just described has been documented for years by the Washington Post, the Washington City Paper and numerous other news outlets. The culmination of all this coverage has been the admission by the Mayor and other District officials that they have been subsidizing slumlords- like Sanford Capital- via locally and federally funded programs to house families exiting the shelter system or otherwise in need of affordable housing.

Now that this pathetic reality has been exposed and the illusion that the District was ever taking appropriate measures to mitigate the City's affordable housing crisis has been broken, we can begin to have conversations about how to take steps to dig ourselves out the mess that has been created. But the point I want to make clear is that none of this would have been possible without the strength and resolve of the members of the Alabama Avenue/13th Street Tenants Coalition.

Fundamentally, the only reason that Sanford Capital's business practices have been exposed is because these tenants refused to be intimidated, refused to be marginalized and refused to leave. Instead they chose to endure and fight. And the reason they chose to fight was to have the opportunity to exercise their TOPA rights and take control of this redevelopment process themselves in order to ensure that what is standing over top of the Congress Heights Metro in the future is something that the existing community can benefit from.

With all this in mind, I want to put forward specific suggestions that elected officials and DHCD can take to stand in solidarity with Coalition- and in doing so- assist the Coalition in creating high quality affordable housing.

- 1) The District should finalize regulations for and enact DOPA. The District should then partner with the Coalition, and a developer of their choosing, to explore ways in which DOPA could be used to help the Coalition accomplish their goal to create 200 units of Affordable Housing on the proposed site. This would represent an increase of 150 units than what currently is on site;
- 2) DHCD should immediately take whatever steps necessary to take control of the vacant property at 3200 13th Street SE that sits on the site of the proposed redevelopment. There is currently a 920,100 dollar outstanding loan and a 40 year affordability covenant attached to that property. Previously, DHCD has testified that it is in the process of acquiring the property- and once acquired- they will put that property through an open RFP process. This is not acceptable. That property should be acquired by DHCD and held in order to leverage a better deal through either the DOPA or TOPA process to benefit the interest of the Coalition;
- 3) The District should explore whatever means it has at its disposal to get this property out of the hands of Sanford Capital and transfer it to the Coalition through a Non-Profit Developer of their choosing. This could be done through the DOPA process or by exploring mechanisms through liens and foreclosure.

Lastly, I would stress that any action taken with the respect to the Congress Heights property should only be taken after consultation and in partnership with the Coalition and their counsel. This will limit any unintended consequences of said action. We stand ready and willing to meet and create an equitable and inclusive redevelopment project at this site.