

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Attorney General

ATTORNEY GENERAL
KARL A. RACINE



PUBLIC ADVOCACY DIVISION
SOCIAL JUSTICE SECTION

ASSURANCE OF VOLUNTARY COMPLIANCE

This Assurance of Voluntary Compliance (Assurance) is entered into between the Office of the Attorney General for the District of Columbia (the District) and MHP Worthington Woods LLC (Respondent). The District investigated housing conditions issues at Worthington Woods (the Property). This Assurance resolves Respondent's liability related to the Property under the Consumer Protection Procedures Act (D.C. Code § 28-3901, *et seq.*) (CPPA), and the Lead Hazard Prevention and Elimination Act (D.C. Code § 8-231.15, *et seq.*) (LHPEA) for the period between January 1, 2017 and the effective date of this agreement. The Parties enter into this Assurance voluntarily and agree as follows:

I. THE PARTIES

1. Plaintiff District of Columbia is a municipal corporation empowered to sue and be sued and is the local government for the territory constituting the seat of the government of the United States. Pursuant to D.C. Code §§ 28-3814 and 28-3909(a)-(b), the Attorney General is authorized to bring legal actions seeking injunctive relief, consumer restitution, civil penalties, costs, and attorneys' fees for violations of the District of Columbia Consumer Protection Procedures Act, D.C. Code § 28-3901, *et seq.* and is also authorized to bring legal actions seeking penalties and other relief under the Lead-Hazard Prevention and Elimination Act , D.C. Code § 8-231, *et seq.*

2. Respondent MHP Worthington Woods LLC is a limited liability company organized under the laws of Maryland with its principal place of business at 12200 Tech Road Suite #250, Silver Spring, MD 20904.

II. DEFINITIONS

3. “Consumer” shall include the definition contained in D.C. Code § 28-3901(a)(2) and for purposes of this Assurance shall refer to any resident of the District of Columbia to whom the Respondent offers or sells rental housing accommodations.

4. "Covered Entities” means Respondent, its principals, its officers, its directors, and all persons or entities that it controls or has the ability to control, including without limitation its employees, and agents, successors, and assigns, , and all other persons acting in concert with Respondent now and in the future.

5. "Effective date” is the date this Assurance is fully executed by the parties.

6. “Habitable housing” for purposes of this Assurance shall mean housing in compliance with the D.C. Housing Code (Sections 1 through 16 of Title 14 of the District of Columbia Municipal Regulations and Titles 12A-12L of the District of Columbia Municipal Regulations), and the D.C. indoor mold law (D.C. Code §§ 8-241.01-241.09) and regulations (20 DCMR §§ 3200-3299).

7. “Property” or “Worthington Woods” refers to the apartment buildings located at 4401-4419 3rd Street SE, Washington DC 20032.

III. FACTUAL BACKGROUND

8. On September 26, 2022, the District served a pre-suit investigative subpoena on MHP Worthington Woods LLC related to reports that it was not maintaining the Property in habitable condition. The District’s investigation revealed evidence of housing code violations at the

Property at the time of their investigation, all of which Respondent asserts that to the best of its knowledge are cured, .

9. On November 8, 2022 and December 22, 2022 the Parties met to discuss the subpoena and a meaningful, early resolution to the repair issues at the Property.

II. APPLICATION

10. Respondent shall ensure that all Covered Entities are notified of the terms of this Assurance and directed to comply with its terms.

11. This Assurance shall remain in effect through December 31, 2026. If the redevelopment of the Property is not completed by January 1, 2027, this agreement shall remain in effect until the Property's redevelopment is complete. Nothing in this Assurance prevents the District from filing a lawsuit regarding conduct occurring after the effective date of this Assurance.

A. REPRESENTATIONS OF RESPONDENT

12. Respondent represents that it has provided the District with materially full and complete responses to the Administrative subpoenas November 4, 2022. The District's agreement to enter into this Assurance on the terms stated herein is based on these representations.

GENERAL PROHIBITIONS

13. Respondent shall not engage in any act or practice in violation of the CPPA in connection with the offer or sale of any consumer good or service.

14. Respondent shall not make any representation that its goods or services have a certification or characteristic that they do not have.

15. Respondent shall not make any representation that its goods or services are of a particular standard or quality if in fact they are of another.

16. Respondent shall not make any oral or written statement that has the capacity, tendency, or effect of deceiving or misleading a consumer.

17. Respondent shall not make any misrepresentation concerning a material fact that has the tendency to mislead a consumer.

18. Respondent shall not fail to state a material fact, the omission of which deceives or tends to deceive a consumer.

19. Respondent shall not make any statement that misleads a consumer concerning its willingness and ability to supply them with habitable housing.

20. Respondent shall not offer any residential housing to a prospective tenant for rental in the District of Columbia unless the housing which is offered to said prospective tenant is habitable housing.

21. Respondent shall not violate the LHPEA.

B. CPPA AND LHPEA LAWSUIT

22. The District of Columbia hereby agrees to forego and not institute a lawsuit against Respondent under the CPPA or LHPEA with respect to habitability issues at the Property for the period of January 1, 2017 through the effective date, except that the District may seek legal recourse should Respondent fail to meet any obligations under this Assurance.

D. RENOVATIONS AND SECURITY PLAN.

23. During a renovation period currently projected to be from April 2023, provided that financing closes in March 2023 as planned, to June 2025, Owner will substantially renovate Worthington Woods in accordance with the Plans and Specifications, as have been approved by the Department of Buildings (“DOB”), and as may be modified with approval from the DOB over the course of the renovations, which include renovations described at Exhibit A.

24. As part of the renovation of Worthington Woods, Owner will cause all existing lead issues at the Property to be addressed in accordance with the requirements of applicable law with respect to properties with a limited lead-free certificate, as is the case with the Property.

25. As part of the renovation of Worthington Woods, Owner will cause any known or reported mold issues at the Property arising in the future to be abated in accordance with the requirements of applicable law by workers with the appropriate qualifications for such abatement work.

26. Respondent is not aware of any outstanding housing code violations or currently existing unaddressed lead paint hazards at the Property. Within the time frame typically allocated in Department of Buildings inspections reports for such violations, Respondent shall provide the District with documents demonstrating that all housing code violations and lead-based paint hazards, if any, of which Respondent is aware or has been notified at the Properties have been abated. To the extent that any housing code violation or lead-based paint hazard could not be abated because a tenant refused to permit access to their unit to conduct repairs, Respondent shall produce to the District as to each such tenant their name, address, contact telephone number(s), and dates on which access to their unit was refused.

27. Respondent shall produce to the District a quarterly report of any housing conditions at the Property about which they are aware, or tenants have submitted a work order request or email to Respondent, accompanied by updated property maintenance logs that comprehensively document the date and substance of all tenant complaints about conditions at the Property, all repairs made in response to those tenant complaints, and the dates by which the repairs were made. The report shall also include copies of all Notices of Infraction served by the Department of Buildings, all reports of inspections performed by any federal or District government agency, a

log recording of sightings of all pests by tenants and Respondent's employees and agents at the Property, [and] a full accounting of expenditures on labor and materials used to abate housing code violations. To the extent that any housing code violation or lead-based paint hazard could not be abated because a tenant refused to permit access to their unit to conduct repairs, Respondent shall produce to the District as to each such tenant their name, address, contact telephone number(s), and dates on which access to the unit was refused. Respondent shall produce these documents by the 10th day of each quarter to Cullen Hamilton at Cullen.Hamilton@dc.gov with the subject heading, "Worthington Woods AVC Compliance Documents c/o Jennifer Berger."

28. Respondent shall facilitate one inspection of each unit and each common area at the Property by the District each calendar year. The District shall provide Respondent with 96 hours' notice of its intent to inspect the Property. Provided that Respondent does not dispute the specific violation, and subject to the renovation schedule described in Exhibit A, Respondent shall abate all housing code violations identified by the inspection within thirty (30) days of completing the inspection.

29. Within thirty (30) days of the effective date, Respondent shall endeavor to abate pest and rodent related housing code violations at the Property by having an exterminator inspect all units and common areas at the Property for points where rodents and pests may enter the Properties and during renovation, or upon receipt of a tenant complaint, installing metal covers, drywall, wood, or other impervious materials over each identified point of entry. During the renovation, Respondent shall inspect the Property for points where rodents and pests may enter the Property and install metal covers, drywall, wood, or other impervious materials over each identified point of entry. Any time a complaint is received from a tenant about rodents or pests, Respondent shall inspect the tenant's unit and the building in which the unit is located for points where rodents and

pests may enter and install metal covers, drywall, wood, or other impervious materials over each identified point of entry in the unit or the respective building. As necessary, Respondent will provide legally required notice and gain access to units and conduct extermination in all units contributing to any pest or rodent infestation. Respondent shall ensure that all trash facilities at the Property are serviced and cleared weekly.

30. Within fifteen (15) days of entry of this Assurance, Respondent shall ensure that all exterior doors are equipped with functioning and durable locks. Respondent shall repair or replace any exterior lock or door within 24 hours' notice that any exterior lock or door is malfunctioning, or otherwise learning of the issue, provided, however, if a lock or door is so severely damaged that new exterior door is required to replace the existing exterior door, Respondent shall endeavor to replace the door within 48 hours of identifying or being notified of the issue, provided that the time to replace a door shall be extended in the event that custom manufacture is required and the door is unavailable.

31. Respondent shall ensure that the Property's exterior common areas, including building entrances, remain lit by replacing light bulbs. within one (1) business day of identifying or being notified of the issue, provided, however, that replacement of courtyard or pole lighting will be within three (3) business days. Respondent shall have the common areas of the property inspected once per week.

32. Respondent shall maintain existing security cameras in good working order at the Property, or if one ceases to function, promptly have it repaired within five (5) business days if in stock or ten (10) business days if not in stock. and maintain in good working order, or if one ceases to function, promptly have it repaired, any security cameras installed as a consequence of the renovation plan.

E. PERMITS.

33. The Plans and Specifications for renovation of Worthington Woods in accordance therewith have been approved pursuant to building permits (the “Building Permits”) that will be issued by The Department of Licensing and Consumer Protection of Washington, D.C. (“DLCP”).

F. OPERATION. Respondent hereby agrees to each of the following (the “Respondent Obligations”), for the benefit of the District:

34. Subject to receiving the financing for which Respondent is applying, Respondent will perform the renovations to the Property described in Exhibit A.

35. To operate Worthington Woods in accordance with (a) Respondent’s obligations to DLCP in connection with DLCP’s issuance of the Building Permits and (ii) Respondent’s obligations to DHCD in connection with their issuance of Housing Production Trust Fund funds to Respondent for the renovations, including any obligations under the Low-Income Housing Tax Credit program.

G. REPORTING.

36. Respondent agrees to submit to the District a written report (“Status Report”) once every four (4) months describing the progress made in renovations according to the Plan described above. Each Status Report will include details of the work already completed, the work to be undergone in the next three months, and the relevant projected timelines. Respondent agrees upon reasonable notice, to (i) meet (which may be by telephone) with the District to provide additional updates on Owner’s performance of the Owner Obligations and (ii) subject to requirements of applicable law and safety requirements of the General Contractor, allow representatives of the District and MPD to visit Worthington Woods to inspect the progress of renovations and the operations of Worthington Woods. If a concern is expressed on behalf of the District, Respondent

agrees to respond to that concern within a 14-day period in writing.

H. CERTAIN NOTICES.

37. Respondent agrees that if Respondent is obligated to notify DLCP, DOB or DCHFA of an act or occurrence generally in the nature of a default by Respondent or relating to a problematic event or occurrence at Worthington Woods, that Respondent will provide a copy of the same to the District.

I. TERM.

38. The obligations contained in this Agreement shall be in force from the date of this Assurance through ending December 31, 2026.

J. ENTIRE AGREEMENT.

39. This Agreement represents and contains the entire agreement and understanding among the parties hereto with respect to the subject matter of this Agreement and supersedes any and all prior oral and written agreements and understandings. No representation, warranty, condition, understanding or agreement of any kind with respect to the subject matter shall be relied upon by the parties except those contained herein. This Agreement may not be amended or modified except by an agreement signed by the party against whom enforcement of any modification or amendment is sought.

K. COUNTERPARTS.

40. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and all of which together shall be deemed one and the same instrument. Executed counterparts of this Amendment may be delivered by facsimile or other electronic means (including “.pdf” format), and delivery thereof in such a manner will have the same effect as delivery of ink signed originals hereof.

L. HEIRS, SUCCESSORS AND ASSIGNS.

41. This Agreement shall be binding upon and inure to the benefit of the parties' respective legal heirs, successors, and assigns.

M. ADDITIONAL TERMS

42. Nothing in this Assurance may be construed to alter or amend the District's right to institute action, after providing advance written notice to Respondents, should the District become aware of any violations of this Assurance by Respondents.

43. The parties voluntarily agree to this Assurance without trial or adjudication of any issue of fact or law as a compromise of all claims that the District could have brought, pursuant to D.C. Code § 28-3901, *et seq.* and D.C. Code § 8-231.15, *et seq.*, against Respondent related to the factual allegations set out in paragraphs four (4) through eleven (11) above. The parties agree that execution of this Assurance shall not be construed as an admission of liability, nor shall it be considered an adjudication on the merits of the violations alleged by the District.

44. Respondent shall not cause or encourage third parties, or knowingly permit third parties acting on its behalf, to engage in practices from which Respondent is prohibited by this Assurance.

45. Respondent shall deliver a copy of this Assurance to any corporate officers of all Covered Entities within thirty (30) days of the date of this Assurance.

46. If any clause, provision, or section of this Assurance shall, for any reason, be held illegal, invalid, or unenforceable, such illegality, invalidity or unenforceability shall not affect any other clause, provision or section of this Assurance and this Assurance shall be construed and enforced as if such illegal, invalid, or unenforceable clause, section or other provision had not been contained herein.

47. Nothing in this Assurance shall be construed as relieving Respondent of the obligation to

comply with all state and federal laws, regulations, or rules, nor shall any of the provisions of this Assurance be deemed to be permission to engage in any acts or practices prohibited by such laws, regulations, or rules.

48. Respondent shall not participate, directly or indirectly, in any activity or form a separate entity or corporation for the purpose of engaging in acts or practices in whole or in part that are prohibited in this Assurance or for any other purpose that would otherwise circumvent any part of this Assurance or the spirit or purposes of this Assurance.

49. If the District believes that Respondent has violated any terms of this Assurance, the District shall provide notice by email and first-class mail to Respondent. Respondent shall have ten (10) business days from receipt of that notice to explain and correct any violation before the District shall take any legal action based on that violation.

50. This Assurance shall be considered effective and fully executed on the last date which any party executes the Assurance. This Assurance may be executed in counterparts, and copies of signature pages transmitted electronically shall have the same effect as originals of those signature pages.

51. All notices under this Assurance shall be provided to the following address via first class and electronic mail, unless a different address is specified in writing by the party changing such address:

For the District:

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For the Respondent:

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Dated: 12/29/2022

FOR RESPONDENT



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Attorney for Respondent, MHP Worthington Woods LLC

Dated: 12/29/2022