

TRANSCRIPT
Community Meeting No. 2
October 24, 2005
7:00-9 P.M.

INTRODUCTION:

The meeting began at approximately 7:00 p.m. in the St. Gabriel's Church main hall on Webster Street and was recorded to make a transcript of the proceedings.

REGISTERED ATTENDANCE: 51

PRESENTERS:

Tim Cox, COO, Armed Forces Retirement Home
Nancy Czapek, Director, Real Property Division, GSA
Desa Sealy Ruffin, President, Gotham Enterprises

[NOTE: Some of the speakers are not speaking directly into the microphone and could not be heard, others can but some of their words could not be heard clearly and distinctly, hence the [indiscernible] notations.

There was a CD glitch during the last 10 minutes; added measures are being taken to restore this section in a future update.]

Tim Cox: I'd ask if persons would take their seats. I appreciate all of you coming out on this rainy night. We'll get started. Most of you found the food and beverages. Feel free to get up during the meeting and partake. That's fine.

Welcome. My name is Tim Cox, and I'm the chief operating officer of the Armed Forces Retirement Home. I'll go through our agenda tonight and tell you what we're going to do, how our process will go, introduce the other persons that are here with me. And I really thank you for taking your time to come out.

Just to let you know a little about myself. I am the chief operating officer of the agency. We have two homes, one here in D.C. and one in Gulfport, Mississippi. I'm in my 21st year of retirement housing, so I've worked in retirement housing most of my adult life, all but two years that I did admissions work for a college. So I'm

very familiar with what the needs are of a community, such as what we have just up the street a little bit, what we do in independent living, assisted living, and long-term care. So I'm happy to answer any of your questions about our community. We have a lot of representatives here from our home, residents, a couple of colleagues, too. So feel free to ask the people who live at AFRH directly, too, your questions.

Tonight what we're going to do, briefly I'll tell you who we are, why we're here, go over the master planning process and how it's developed. Nancy Czapek (phonetic sp.), my partner from GSA, will be doing that. And then we'll talk about our master planning process, why we're here, the future, where you are able to find more information, other meetings, how you get in touch with us. I think that will help. And Des Ruffan (phonetic sp.), our communications person, will help us with that.

And then comments and questions at the end. So we'd like to go through why we're here, what we're doing, the master plan, and then be able to take your comments and questions at that time. That sound all right? Yeah? Everyone can hear me? Yes. Okay, good.

Who we are. We're located, as you can see on this site there, here, bigger, 272 acres. We were much larger at one time. We actually crossed Irving and crossed Michigan, went down to close to the reservoir. Some of the VA is developed on property that used to be ours. We used to go across North Capitol Street to Catholic University. We sold property that we had been in litigation with them for about 10 years two years ago to them, 46 acres. So the site that's intact now is about 272 acres.

The biggest thing about us is we have been a retirement home since our start. We haven't been a farmer. We haven't been a field. We've been a retirement home. And we started originally by General Winfield Scott, who, instead of burning Mexico City, brought back booty because he knew he needed a place to be able to care for the soldiers that were wounded in the war. Many of the soldiers at that time were immigrants, first generation, so they didn't have family to be able to go back to. We didn't have retirement homes like we know now, so they probably would have died on the street.

So [it was] really a forerunner of thinking what, at that time they called it an asylum. It really was a retirement home. It was a place where soldiers worked for their food. They did farm. They had a dairy all of those things now either by Senate decree. I know back in the 50s when we were still a dairy farm, a lot of the neighboring dairies in Maryland complained. Actually had Congress enact a law that forbid us to continue having our own dairy so we could purchase it from outside.

The important thing is to remember is we've always been a retirement home, so we serve close to 1,400 veterans now, as I say, are our heroes who helped make us the country and the world that we are today. We also want to be here for the next generation of heroes.

On our site, we do have a national historic landmark that is President Lincoln's summer white house. We partnered with the National Trust in 2000. President Clinton declared it a national monument. The Trust has fundraised so far to do the exterior renovations. They hope to have it opened in 2007 or 2008 for

interior tours. It's a great partnership for us. We have a school in our community right now. Smithsonian rents space from us.

You probably say, why is he telling us all this? The important part is we don't take your taxpayer dollars. Our booty that was originally our trust fund started in the 1850s. There are about two times, and both were for storm damage that the homes asked for appropriations. You'll see our budget gets approved through the appropriations and authorization way, just like every federal agency does. And the President signs my budget, says that I have \$57 million this year on operating expenses to spend. But that \$57 million comes out of our trust fund, all right?

So that's very important to know. It's not government money. DoD doesn't give us as a line item on their page. And I was hired in '02 because the trust fund went from \$156 million in '95 down to \$93 million. Buildings age. They took out a lot of principle out of the trust fund during those 10 years and spent it on some improvements, which was good. But, of course, when you take principle out of the trust fund you get less interest. Obviously with less interest, you spend more principle, so it starts that negative spiral.

In three years, we've changed our operating structure so we don't spend more money than we take in. Our sources of revenue, which is interesting, our sources of revenue go into fines and forfeitures from all the branches of service. And that's about 45 percent of our budget. So when I came, fines and forfeitures because we weren't in war yet, it was only 37 percent of our budget. Now it's risen to 45 percent. So it looks like, wow, you have more revenue. Peace times, that

revenue source has dropped to 22 percent. So that being a majority of our income, when that fluctuates so much, we end up spending principle, interest and principle.

Other fees that come into our revenue source are 50 cents from all the enlisted personnel, so they pay 50 cents a month because this is a benefit that we inure to them should they qualify to come our home.

The third category is interest from the trust, and the fourth category then is the residents' fees that they pay. And our fees are based on an affordability scale. It's a sliding scale, so it's based on our residents' ability to pay. And we don't really want to change that because we know the gift they gave. A lot of people that we can't serve gave their life, which is that ultimate gift. We want to make sure that we take care of ourselves, and by doing that, we look at the property that we have, the property that we have that can really, it's our largest asset, much more than what we have in the trust fund. That asset needs to become our independent revenue source. So for the next generation of heroes, when buildings can be rebuilt, that lease hold opportunity continues to bring in income from now for hopefully the next 100 or so years. And that's what we're looking at. So it's not a one time deal. It really is looking at, okay, rather than having to knock on Congress's door in five years, I don't know about all of you, but I don't want to pay more taxes. I really don't want to leave the deficit that we have to my children to figure out. I don't think that's fair. So as a small agency of the federal government, I found a way to be able to take care of the people we serve, and by looking at our asset, which Congress asked us to look at, we're able to then generate an income that is independent from

the others so when we need to do renovations, when we need to have new facilities built, and we need to do other programs, we have that opportunity at our home.

Just a little point. You've seen a lot of newspaper information, and there have been some websites about things, that we had to close our Gulfport facility. Our Gulfport facility was hit by Katrina. We have close to 400, right? Close to 400 residents, 394, out of the 563 that have relocated here. We have much damage down there, so for all purposes the residents will stay up here for at least a year and a half, two years.

So we have space at our site because we had a vacant building that we had gotten out of. And you can see it from North Capitol Street, a large, tall concrete building called Pipes. We had gotten out of that because the building really needed to be substantially rehabbed. We didn't want to take money out of the trust fund to do it. So we have the residents temporarily housed there. But the master plan with having them up here doesn't solve the master plan's problems, but somebody had e-mailed me saying, oh, well, with the influx of new residents, you'll just stop the master planning process. I said, no, it's really independent of each other. So the residents will be here a while, but it doesn't take away the need to find that independent revenue source.

And with that, I'll turn it over to Nancy.

Nancy Czapek: Okay. I gather you can all hear me. My name is Nancy Czapek. I'm with General Services Administration, and I am working with Tim to help him through the real estate process.

In order to solve the problem that Tim was talking about, Congress stepped in and gave the home the ability to redevelop the site, which Tim just talked about.

Now the master plan is the vehicle that will help make sure that the redevelopment of the site respects the local community. That is the mechanism that we're going to use and that controls the development of the site. It has to take care of the context and scale that is appropriate for the home and for the neighborhood. We need a solution that ensures that this development will fit within the community, that respects the heritage of the home itself, because this is a very special place, but also provides the revenue so that the home can remain viable. Their income, I think he was mentioning earlier, or their trust fund diminished from, what was it 104?

Tim Cox: One hundred fifty-six to 93.

Nancy Czapek: Yeah, 156 to 93 million, so we need to help make sure that it doesn't continue on that decline. I think GAO did a report that said you had a limited timeframe at one point.

Tim Cox: At one point they did, yes.

Nancy Czapek: So the question is, how do we get to this master plan and how do we tee up the master plan?

The first thing we did was we did an environmental impact statement. We started the environmental impact statement. It's not finished yet. The environmental impact statement goes to the community at large to help figure out what is important in the development, what do we need to consider -- traffic, historic issues, environmental issues. And we've done a draft, which has been circulated, and we've gotten comments in.

One thing we are going to do, based on what we heard at the meeting on Saturday is get the comments up on the web because we have read all the comments and we have taken them to heart, and we're using that as a basis from where to start thinking about. And there are competing comments, by the way. Some people want one thing, and another person wants another. But we're using some of that as a starting place for the master plan.

At the same time, we have to go through our historic consultation, which is the Section 106, the National Historic Preservation Act. And we're going through this process, and having the consultation, and showing them the exact same information here, but making sure that the historic resources on the site are being addressed. So that's a concurrent process.

But the master plan itself, the only formal required part of the master plan process is the draft in the final hearing we have at the National Capital Planning Commission. Because this site is federal and we anticipate that it will remain federal, that we will not be selling the site, it comes under National Capital Planning Commission, NCPC's jurisdiction. We will have a draft hearing of the master plan in January. So what we're doing is we are having these three public meetings to make sure between the EIS and what we hear here that we are thinking about the issues that need to be addressed. So this is still a farming of information.

In December, we are going to have the draft master plan, and we will have an open house and present the master plan. At that point in time, you will be able to comment on the specific master plan itself because until then it will not be formed.

And you will be able to do written comments at that point. And then at the hearing, at NCPC's hearing in January, you will have the opportunity to give oral comments.

At the same time we're doing this, you have the ability to comment on the website. And we have, as I said, the historic preservation consultation, and we have a master plan committee that we've tried to pick some representatives from different parts of the community to give us some additional thoughts or comments in this process. Again, what they're doing is only giving suggestions. It is not anything more than what you have the opportunity here and what you'll have the opportunity to do in December.

With that, I'm going to turn it over to Desa.

Desa Ruffin: I want to focus a little bit more on the types of things that the planning committee will be looking, and that in these community meetings we'll be asking you to think about as the master plan is being developed. We will be looking at the many variables that are possible and possible development plans. And again, the master plan is really the framework and the guidelines and the rules by which developers that come in to develop the site need to work within.

We'll be looking at the various property types and uses that can occur on the site and their locations. We'll be looking at the issue of open space. That's something that we've heard a good deal about. We'll be looking at streetscapes, meaning the roads, the sidewalks, the tree plantings, the lighting. We'll be looking at building heights, and setbacks, and entrance locations. We'll be dealing with issues relating to parking and where these buildings are being serviced. And we'll be looking again at historic features and views.

This is happening in more detail under Section 106 process, but because the historic features of this campus are so significant, we'll be looking at historic buildings, features, and then the views. And we'll be dealing with issues of security as well.

This is a map that shows where different types of development, what occurs and what may occur in these development zones. It's a product of an examination of many different alternatives for the use of the site. And in this map, great care has been taken to reflect the densities of the surrounding neighborhoods and to leave historic areas and open space intact and, for the most part, undeveloped.

In zones 1 and 2, is an area for the use of the Armed Forces Retirement Home itself. We want to make sure that this plan allows for future growth and allows for consolidation of uses. Right now there are some Armed Forces Retirement Home uses towards the southern end of the site that really aren't conducive to seniors getting around, and so we're looking at the ability to move buildings used by AFRH up to the core area of the campus. And also looking at opportunities to create residential in zones 1 and 2 for the armed forces use.

In zones 3 and 4, and I should note that there is currently a request for expressions of interest from developers for zones 3 and 4. So the zones 3 and 4 in the southeastern portion of the site is the first area of this site that will be kicked off for development. We'll be looking at higher density to match what's going on to the south. And we'll be looking at institutional uses, potentially hospital uses comparable to what's going on across the site, potentially research and development, potentially hotel.

Female Voice: Retail.

Desa Ruffin: Potentially retail. So there's a broad range of uses that could occur on this portion of the site, and this will probably be the most dense portion of the site.

In terms of thinking about areas of comparable density, it could be comparable to what's going on. The density of the Washington Hospital Center at the high end of the scale or the density of a college campus on the lower ends of the scale. And again, this is the area that's currently out for expressions of interest from the development community.

Zones 5 and 6 are slated for future development. The zone 5 near the ponds could entail developments of about six to eight stories and might have density similar to that of Catholic University. Zones 6 adjacent to Petworth and Parkview would be comparable in scale to the residential, to the housing across the street. We would envision that most buildings would be four stories, and that having been said, the site at that point is actually lower than the site across the street.

So four stories in that location would actually line up with three stories across the street. There's a potential that there would be one six story building at Illinois Avenue, more of a signature building coming down from Grant Circle. But in general, this would be a four-story environment. The ponds and the golf course would remain as they are. And the central core area of approximately 112 acres is not anticipated to see any development.

One of the issues that came up, and I think there may have been some confusion about, is access to the site. We are anticipating that in the zones that are

put out for bid, there would be access to the public, and that in the zones that remain within the purview of the home, there would remain restricted access. But one of the things that we are optimistic about is being to able to increase access to the site as we're putting these pieces out for development.

And Nancy went over this somewhat, but we wanted to go over it again. Right now there are a couple of different vehicles for community input. This is the second of three community meetings in which we want to hear from you and your comments about the issues that are of concern to you and the issues that you would like us to focus on as we develop the master plan, and then we will be bringing that back to you in December. There's a third meeting on November 3rd in the Parkview community at the Suite Mango Café on New Hampshire Avenue, so we're doing each of these meetings in each of the communities that surround the home.

The other mechanisms Nancy spoke about, one of which is the Section 106 consultation process, which is ongoing right now. And then there are planning committee meetings in which members of the planning committee are delving into a little bit more detail into some of the issues that I've talked about. And so that is another vehicle in which we're getting feedback.

We do have the website which is afrhdevelopment.com, to which people can write comments and/or questions. And then we will be coming back in December in an open house where there will be a draft master plan available for comment and written feedback. And in early January there'll be a NCPC meeting where people can make formal verbal commentary.

Tim Cox: There was a question from the last meeting of our names and addresses. So just to make sure you know who we are -- Tim Cox, COX. And my e-mail is timothy.cox@afrh.gov. And our website is afrhdevelopment.com. So through there you can leave a message for my public affairs person, Sheila Abar (phonetic sp.), or you can call my office directly, which is (202) 730-3077.

Nancy Czapek: My name is Nancy Czapek. That last name is spelled Czapek. I can be reached at nancy.czapek@gsa.gov. Do I need to repeat that for anyone? Okay. It's nancy.czapek@gsa.gov. And my telephone number is (202) 205-2127.

Desa Ruffin: And I am Desa Sealy Ruffin with Gotham Enterprises. And the e-mail address, which is usually the best way to reach me, is desa@gothamdev.com. Phone number is (202) 237-6756.

Female Voice: [Off audio.] Is there any way you can give us information (indiscernible)?

Nancy Czapek: We'll put them on the website, too.

Tim Cox: Yeah, we'll put them on the website.

Male Voice: [Off audio.] Also we'll be able to mail it to everybody who left a mailing address.

Tim Cox: That's good.

Nancy Czapek: Now for questions, we would really like people to come to the microphones so we can get them recorded.

Male Voice: [Off audio.] I was going to ask you if we can get the presentation, too.

Nancy Czapek: Sure. And we'll put it on the website, too.

Tim Cox: All right. With that, if you'll just step to, there are one, two, three, four, five microphones here, and it really is for recording purposes so we have an accurate record, so when we need to refer back to meetings we have those comments. So if you just step up to the mic, give us your name, and ask your question, and we'll do our best to provide you some feedback.

Jason Shedlock: My name is Jason Shedlock. I'm with Council Member Adrian Fenty's office. The council member is going to try to make it today, but if he cannot make it, rest assured that I'm taking very good notes.

One of the questions I wanted to ask, and I think was brought up at the last meeting on Saturday, and it might be good to touch base on it here, was the members of the planning committee that you have here just wanted to find out how those members were chosen and what criteria was used, or if there's an ability to add to that planning committee list or adjust things. Thank you.

Desa Ruffan: Sure. The members of the planning committee, the community representatives is, I presume, well, I'll cover it all. We wanted to get a cross-section of business interests, institutional interests, and community interests. We have members representing the Board of Trade, the Business Industry Association, and other business interests. We have representatives from Catholic University, from the Washington Hospital Center, from Howard University Community Association representing the institutional interests. For community members, we looked to both the political ANCs as well as civic associations. So we extended invitations to

members of ANC-1A, each of the jurisdictions in which the home is located or on borders.

So ANC-5C, a member from ANC-5C, James Berry, a member from ANC-1A, Lenwood Johnson, a member from ANC-4C, Timothy Jones. From the Pleasant Plains Civic Association we have a member, Tony Norman, and from the Pleasant Hill Community and Civic Association, we have Gloria Norris. We extended an invitation to a member from the United Neighborhood Coalition. That person did not join.

Male Voice: [Off audio.]

Desa Sealy Rufin: They actually do have representation on the programmatic agreement, which deals with the historic resources, but it's actually the exact same material. So they were in two meetings that are exactly the same, and they do have representation on that. We are about, we have four meetings scheduled with the planning committee. We have had the first two of the meetings. There's a lot of information that gets covered at each meeting, so we don't think it would be beneficial at this point to add anyone new, but we do feel that we've got good participation at the community level.

James Carstensen: It's James Carstensen. Is there a list of the actual full membership of the planning committee, the names and their affiliations? Is that a public list?

Tim Cox: Yes. If you just turn your sheet over, it's right on the back of the sheet.

James Carstensen: Also the minutes from those meetings, are those public?
Are those made available to us?

Tim Cox: The meetings are a culmination of all of the information we're getting, so I don't want you to think something's going on behind the scene there. It's not. It's a smaller group to be able to take all this feedback that we get from all of our meetings venues and be able to put that information together to be able to respond back to the comments on the EIS, and to get a draft master plan out there so you all can comment on that.

James Carstensen: Sure. Are the meetings from those minutes made public?

Tim Cox: At this point, no, they're not. But they will be --

James Carstensen: Is that something you would consider?

Tim Cox: Yes, they will be because what we publish at the end is a culmination of all of that. So what we want to do is make sure we're doing it in an orderly, timely, and give you information that's as complete as possible. Taking little snippets out sometimes doesn't make the best sense.

James Carstensen: Are the members of this commission paid a stipend, an honorarium, or a salary?

Female Voice: No.

Tim Cox: Totally honorarium.

James Carstensen: I'm sorry?

Tim Cox: Totally honorarium.

James Carstensen: How much is that?

Tim Cox: No. I mean, they're doing it free of charge.

James Carstensen: Okay. I think that's it. But you're going to make the minutes available after the final plan.

Tim Cox: Well, we're going to make minutes available, and we haven't talked about it, and we haven't talked about if it's easier just to mail them. But we have more questions at these meetings about what we want to do, and that's why we're in communities like this with you all to be able to get some more feedback. So, yes, we'll publish some things, but they really don't make much sense if we don't have a framework for it.

So that's what we're dealing with. If you just post minutes, I guarantee you like the EIS, not many of you probably read through the whole EIS. We don't want to give you a lot of paperwork. We want to be able to give you the things we've had questions on and how we're able to respond to them so you see a final product.

James Carstensen: For those of us that are policy wonks, if we want to read through all the minutes, is that --

Tim Cox: Certainly.

James Carstensen: Okay. So we can just e-mail you for those?

Tim Cox: Yes.

James Carstensen: Okay. Thanks.

Tim Cox: You're welcome.

Male Voice: Three and four, I noticed that this is where you're starting out with development.

Tim Cox: That's correct.

Male Voice: At the same time, you said you said you're not going to take away the golf course.

Tim Cox: That's correct.

Male Voice: What part of three and four, especially area four, is hole number 5?

Tim Cox: Right. Part of the golf course development, the whole site here, for instance, when the Home built about 12 years ago, 13 years ago, King House Center. This is a 200-bed long-term care facility. This is where a majority of the residents live. Eight hundred of the residents live here. This is where dining is. So all of a sudden we built down here. We had to duplicate dining. We have a bus service that runs throughout the site. Just for that bus to go from here to take people around here every hour is about \$200,000 of our budget.

So it really was not resident friendly to do that. So when we look at realigning, why that is included in there, we like to build a smaller skilled facility closer up here so residents can go over for five minutes and visit with the residents there. Now the bus goes one time here. So holes, some of the holes will be realigned because we'd love tee off to be right behind Scott because this is a large building where a lot of socialization goes, so people who can no longer golf could see the tee off. And then we'd also like to have the nine green here because this is close to dining, other facilities, too, that they could use, so we don't have to duplicate that in the starter's box. So some realignment, but it'll be nine holes.

Male Voice: Okay. Then the next question is, is that right now you're talking about leasing the land.

Tim Cox: That's correct.

Male Voice: That also takes it away from city building, zone, and coordination, that area, because it's still federal land?

Tim Cox: Yes. It takes away from planning and zoning, but as you see if you go to our website, and I'm happy to describe to you for those of you who don't use the computer. We're involved with planning and zoning, just like we have meetings with you. We're updating them as part of this process because we want them to feel that communication has gone to them, so it's not something that's being done that they don't know about.

We have to fit into the National Capital Planning agenda that's going on for our whole region, and obviously D.C. is part of that. So we're not excluding them. We've chosen to include them even though formally, because it's a lease, we don't have to go through them for their approvals.

Male Voice: Okay. And then as far as funding goes, your Gulfport, Mississippi area, is that part of the funding for this? As you realign, or sell, or redevelop that facility, that falls under the same funding as this one.

Tim Cox: It does. Although we've asked Congress for appropriations to rebuild that facility, it's about \$267 million we need is our estimate. So we've actually asked a separate appropriation, but the trust funds takes care of both homes, that's correct. But we're not looking at developing this to pay for those renovations. We're looking at the federal government to help us out since it was a national disaster.

Male Voice: And you've been developing some of the area down there also, haven't you?

Tim Cox: We actually sold some of the property down there next to the home that we didn't need beachfront. And then we also have a master plan there. It's a smaller site, only 49 acres. And most of it we use for development for us. But we're looking at other apartments that we could put it on it, et cetera.

Male Voice: And then the next thing is, of course, a lot of what is now Catholic University used to be part of the home.

Tim Cox: Some of it, that's correct. Forty-six acres.

Male Voice: No. That's only in the last two years. Let's go back to the Truman Administration.

Tim Cox: Yes, that's right.

Male Voice: Okay.

Tim Cox: That's right.

Male Voice: And then all that farmland that now is not available, is it practical at this point to worry about a master plan on specific development when development here is going so rapidly and prices are going so fast to write something in concrete at this point and get it developed when in the future it's going to be worth more money, and in the future there's very likely to be, now that we have a massive war going on, more retirees that will want to use this facility.

Tim Cox: That's a good question. Part of the solution is to start that master planning process. It's one of the things I omitted, and I should have told you. The development process is 15 to 20 years. So it's the master plan which is to give

guidelines to say, okay, what will the market bear in three and four? What will the market bear in five and six? What will be the highest and best use to give us a return on that property to be able to give us that independent stream of revenue. If we put it off for too long, we then need to look for our hand out to the federal government just to help us in operations because we have buildings that we need to look at in the three year and the five year mark to substantially renovate. To renovate one of our residences, we spent close to \$20 million, and that's because it was 35 years old. It needed new plumbing. It needed new electrical wiring. It needed new boilers. So we don't want to put those things off so far that we're ending up depleting that trust fund before we go for that. So that's why we're starting a development plan now.

Male Voice: As we listen to some of the plans, it seemed more set in stone than open ended.

Tim Cox: No.

Male Voice: For instance, the four story housing on area 6.

Tim Cox: It's a good --

Male Voice: Keystone.

Tim Cox: Yeah. What we did is we've looked at what the possibilities are in the sense of residential. We've looked at, in our master planning process. That's why the Home hired GSA because they're experts in real estate transactions for the federal government. We've looked at, okay, what would make economic sense? We've had some developers 10 years ago say, oh geez, we could put 3,000 housing units on your property. It doesn't really make sense for us to not have a diversified

investment strategy, so we have some retail, some commercial, some institutional, some residential because, as you know, markets go up and down. Markets waiver depending on what market is. Office could be high. Real estate, rental or own, could be low.

So we want to make sure we safeguard on that. So those are just the options we've talked about, but we don't have a master plan designed, defined for it. What we've tried to do is look at the minimums and the maximums, look at the heights, look at the depths, look at the open space so we bring to the committee and then back to you something that reflects some of your concerns, addresses some of those concerns so it's not throwing something that would be very unpalatable to all of us.

Nancy Czapek: I forgot. We are looking to make a coherent master plan so that you look at the whole site, not just an individual piece of the site. And we know that there is the potential of development of different parts. Like for instance, Tim might want to develop a portion of what's one and two for other additional residential care. So we need to articulate what that development can look, just like we want to articulate what the development can look like in three and four or six, if in the next 20 years we ever get to the point where we want to get to develop it.

Male Voice: Okay then, the 46 acres that was just sold two years ago to the Catholics, what's to prevent a senator or somebody else from coming in and putting a contingency on that like they did on that 46 acres.

Tim Cox: Well, just like we're talking with you, I spend probably 50 to 67 percent of my time in Congress educating them on who we are. And I'm ashamed of

it, but I've known this area for 15 years, and I didn't know what the Soldier's Home was all about. I didn't know what their funding source was. I'd go to meetings. I mean, Senator Craig, the chairman of the Veterans Affairs Committee came up to see us two weeks ago about these issues. He didn't know we were here until he received my letter explaining what we were doing.

So people in Congress don't really know who we are, and we weren't good advocates in the past about the Home as administration. We didn't really go out and tell people who we were, why we are, how we care for ourselves. And people, they see you put your budget in the president's budget. It looks like it's an appropriated money. Oh, it's going from tax money; that's good enough for us. They wouldn't question then putting a rider in and saying, you need to give your property to Catholic University.

We stopped that, thank goodness. I mean, originally it was going to be a taking, and it wasn't. It was really fair market value. So I can't ever say never, especially living here in D.C. But we're doing our best to make sure all of Congress is informed of who we are, what we do, how we do it, and why we do it.

Male Voice: Did you get the money from that sale of land or did GSA appropriate it?

Tim Cox: I'm sorry.

Male Voice: The sale of that 46 acres --

Tim Cox: Oh no. That came from the trust fund.

Male Voice: Okay. Thank you.

Tim Cox: You're welcome. Yes?

Mike Carson: Two questions.

Tim Cox: Could you state your name?

Mike Carson: Mike Carson.

Tim Cox: Thanks, Mike.

Mike Carson: And I'm paraphrasing here, but it sounded like in response to James' question about the minutes, you made a comment that this is a very open process. You're trying to get all the information. And one of the reasons you're having these meetings is you need some more information during the planning committee process. Your presentation was just (indiscernible), but the same that you presented to us in September or August, whenever it was, July, about the master plan.

So I don't see any direct questions you're asking us to gather that information that you need. If you would make those minutes available, those of us who do actually read the information, that do want to be involved in the process, that will help us be able to respond to give you that additional information. So not really a question, just a comment. I don't really feel like this has been an open process.

I will state for the record I support some development on your land. But we as neighbors want to be involved in it. I find it very disheartening that there is not a Petworth resident listed on your list of planning committee members, and there are plenty of Petworth --

Male Voice: (Indiscernible).

Mike Carson: Other than Timothy, but he's representing the ANC.

Nancy Czapek: No.

Mike Carson: Yeah. My other question is, you say that you're going to lease this land, you're not going to sell it. You also say that the land that is in this development area is going to be open to the public. My question is the residential land on six and then five, is that going to be residential that's sold, or is it going to be residential that is going to be for retired veterans, because if it's land that's going to be sold, how is that going to work if you have a long-term lease? Are people going to be able to buy that, or are you going to actually sell that land to developers so that they can sell it to individuals?

Tim Cox: There are vehicles, and right now I can just tell you it's premature; we haven't decided that because we're going out on three and four first. But there are vehicles where you have a long-term lease that people can finance that.

Mike Carson: Does that hurt our property values?

Tim Cox: Pardon?

Mike Carson: Have you researched?

Tim Cox: No.

Mike Carson: Does that impact? You have researched.

Tim Cox: I don't think it would hurt property values at all --

Mike Carson: But that's your opinion.

Tim Cox: It's the equivalent -- if I could just finish, I would appreciate it.

Thanks. It would be the equivalent of ownership because it's so long term. It's just a financing vehicle that's different. So what we're looking at is at this point we haven't spent a lot of our time, energy, and the Home's money in evaluating that because we

really felt we wanted to look at the larger portion, which was three or four, because the whole reason is to develop that income stream.

Mike Carson: So when will you be looking at six, five and six, in detail like you're looking at three and four?

Tim Cox: In detail?

Nancy Czapek: Yes. The same amount of detail. We want the same amount of detail in five and six and three and four.

Mike Carson: So when are you going to be looking at that?

Nancy Czapek: At the same time. It's the same time, what we're doing now.

And I'd like to --

Mike Carson: He just said you weren't. He said just said --

Tim Cox: Well, we're not because we took the RFQ out first.

Nancy Czapek: Oh.

Tim Cox: I think it's two different --

Nancy Czapek: Oh, two different things. We're not developing --

Tim Cox: -- the processes. Right. We're not developing, so some of those questions aren't how the property is financed. A developer would have to answer that question to us -- what type of housing would it be, rental, vice ownership. We're not sure, and those will be in some of the guidelines that we're all working on developing that we'll present to you so you can give us feedback, too.

But as far as knowing what type of housing and financing vehicle, we won't get to that yet because we're not even asking for RFQs, request for qualifications or

requests for proposals. That might be three years, it might be five years to answer those questions.

Nancy Czapek: And I guess I'd like to make one, I just want to follow up on his comment before we go to our next speaker. What we really do want comments on or make sure that we know the direction we're going in. Specifically, their building height issues you have in zone 6 or in zone 3 or 4.

Male Voice: [Off audio. Wasn't that covered in the Environmental Impact Statement?]

Tim Cox: No. There might have been one comment on building height. There might have been 30 on open space, ballpark. But what we're saying is looking at all of these things, these are really the things that we want to integrate in a full master plan, so how do those pieces fit together? How does park space fit in with a building height to protect density. We like to go up because the height is like (indiscernible) is about 170 feet.

So you could put a seven, eight story building tucked in down here, and from up here you won't even see it. From right up here, it'll look three story. From down here on Irving Street, it'll look seven story. So those are some of the things that, yes, we've heard those comments, but they're not in total of how the property should be developed. It's individual comments, so that's really what we want you to go back to is say, okay, how do your feelings or comments fit in to that total scheme? And really it came from looking at the total development, not just necessarily a particular interest.

Nancy Czapek: And if you have no additional comments at this time, we will have the draft master plan available for comment in December. But if you thought you had additional specific descriptions of what it might look like, this is what we want. What the EIS addresses sometimes is a little different, just generic. The master plan will be the guidelines to what we found were issues in the EIS.

Rich Simmons: Hi. My name is Rich Simmons. I'm a neighbor here. I live in Petworth. I recently moved here. The primary purpose for this development is basically to find a way to fund the trust, correct? That's really the main goal here?

Tim Cox: To find an independent source of revenue, that's right.

Rich Simmons: An independent source of revenue to fund that trust. One of the things that hit my mind as you were talking and I'm just seeing this, is that there are several different plans that have been thrown out there, and there's kind of this feeling that you want input from the community. But you really need to have certain type of development to happen, or a certain mixture of development to happen, in order to get your main goal done, which is to fund the trust.

So how much input will come from the community that will not be pushed back because you have a set goal? Is there an independent audit or something that we could have to say, okay, this is exactly the mix that you need of residential versus commercial property in order to do and meet the needs of your projected future project so we know exactly what's off the table because I think that's the general feeling that I get that's going on that if you have to meet your main purpose of funding, you're going to say no to some of our requests. And we want to know exactly how far are you going to let us go in terms of asking.

Tim Cox: I think that in December for the draft master plan probably is the best opportunity to engage in that dialogue because you're right. There is certain, as you see in the EIS, we didn't say two million square feet as the lowest because two million square feet probably isn't appropriate for us to get there.

Rich Simmons: Well, I guess following up, if that's the case then, I guess the query for me as a resident in this area knowing that, I mean, traffic and other things will be affected and impacted, what is the absolute minimum that you need for us to figure out what we need in terms of the community and what will impact our community? Can someone actually do the figures?

I don't know if GAO or anyone else could be able to give us, give you the basis of this is what we need to actually keep the funds sustained, the trust sustained, for the next 10, 20, 30, 50 years. This is what we need. And in order to have that, we have to have this mix based on the basic figures of progressions of what we know this market, the commercial development will do. It seems like it's kind of futile to say that we're going to get input, genuine input, unless your needs are met first, which is funding that trust.

Tim Cox: Right. But if you look at the EIS, we had development from like five million square feet to almost 1098 or something like that. There's the range. I mean, we wouldn't give you something that would be, okay, we're only going to do 100,000 square feet and then come in --

Rich Simmons: That's not the proximity and the size is not just, it's the make up. Like you may want to, I mean, an embassy was mentioned in one of the areas;

the State Department covers that. They'll cover it. But I'm talking about the composition actually in terms of what you need.

Tim Cox: Right. We're really not there at that point. That's why we've done the RFQ. Part of the process of doing the RFQ now before you do an RFP is to test the market. We want to see, gosh, do we have, and I don't know what the percentages are, but X percentage of commercial, X percentage of, we've gone and done our due diligence.

We've looked at other developments, whether it's universities who used land as their asset for revenue trust. We've looked at how they did it, and they really tested the market to see what the market would bear first. We could have a great idea, but if no one from the market wants to participate in that with us, it doesn't bring us money. So by looking at that RFQ and getting people to give us feedback, we're able to better define that for that plan in December.

Rich Simmons: So you can tell us now if the 50 percent has developed that you say that's pretty much locked up, the development plan, how much of that is going to give you what you need?

Tim Cox: No. We don't even have the RFQs back. They're not --

Desa Ruffin: The RFQ will give us a sense of the type of development that people are interested in doing here. It was until we do the RFP process that we'll really find out whether we're going to get the value we hope to get. So there is a balancing, and that's one of the reasons why we pushed out, why the draft is in January because we want to be able to direct to the developers as much as we can to give them a sense of what we're expecting.

We expect this amount of open space. We want these views preserved. We don't want building heights more than this. And we're going to test the market and make sure that we can get something that we feel is compatible for the Home and compatible for the neighborhood. And if we get the good responses back, then we can finalize the master plan and the EIS and move forward.

Rich Simmons: Thank you. Thanks.

Tim Cox: You're welcome. Questions? Yes.

Reyn Anderson: Hi. My name is Reyn Anderson, and for the record that's spelled REYN. I have a few questions, but I think they're pretty quick, pretty specific. On one of the slides it listed the National Defense Authorizing Act of 2002, which is what you, I guess, are using to, which is what has permitted you to start this planning and building process. Is it possible to get a copy of that?

Tim Cox: Actually you can go through thomas.gov and look that up. It's a large document, but we're actually Public Law 107. So if you go to the NDAA, National Defense Authorization Act, of '02, Public Law 107, or you can put in Armed Forces Retirement Home. That actually changed. That gave the Secretary of Defense, to whom I report, the authority to sell or lease the property, to put that money back in the trust fund to preserve the facilities to take care of our veterans.

Reyn Anderson: Are they any other --

Desa Ruffan: You know what? We will put that up on the web. We will get a copy of that and get that up on the afrh.gov.com. I mean, don't look tomorrow.

Tim Cox: But you can find it tomorrow through thomas.gov. It's real easy.

Reyn Anderson: Are there any other laws or documents that govern the government of and the development, not just development, but just generally how the Soldier's Home is run, but also development?

Tim Cox: Development, we're defined by federal law, so like NCPC, depending if we sell or lease, we have to go through NCPC. So all the federal laws that pertain to any federal agency, OMB, Office of Management and Budget, how we do our budget, how we put our budget in, how it approves. That pertains to us.

Nancy Czapek: Well, the two key ones are the National Environmental Policy Act and the EIS, and the National Historic Preservation Act, the Section 106 consultation.

Tim Cox: As to what defines the development.

Nancy Czapek: As to what defines the development.

Reyn Anderson: Okay. And you say you're a government agency?

Tim Cox: We're a government agency. We're an independent federal government agency.

Reyn Anderson: Okay.

Tim Cox: So we're not part of the Department of Defense. I report to the Secretary, but we're a free standing agency. Does that help?

Reyn Anderson: Right. And that agency is called the Armed Forces Retirement.

Tim Cox: That's exactly right.

Reyn Anderson: Are there any federal oversight committees?

Tim Cox: Several. The House Armed Services Committee, the Senate Armed Services Committee. We report to the new committee that Congress formed last year for our budget requests, which is the military quality of life, Veterans Affairs Committee. And then Office of Management and Budget reviews every capital and operational expense that we have, looks at revenue.

Reyn Anderson: Are all these committees being, are they participating in somehow --

Tim Cox: Yes.

Reyn Anderson: -- in the whole development process as well?

Tim Cox: Yes, they are.

Reyn Anderson: Is there any way to find out who your contacts are with all those committees, who you're speaking with? You say you talk to everybody on the Hill.

Tim Cox: Sure.

Reyn Anderson: Literally everybody on the Hill?

Tim Cox: Sure.

Reyn Anderson: Are there any particular individuals that are --

Tim Cox: Today Senator Craig. Friday Senator McCain, Senator Clinton. If you go on the Senate Armed Services Committee and the House Armed Services Committee, all of them have been briefed on what we're doing. Bill McQuaid is our OMB coordinator at Office of Management and Budget. He's fully apprised of what we do.

Reyn Anderson: Okay. I'm sorry, did I hear you correctly? You said that the names of all these people are on your website?

Tim Cox: If you go to the Senate Armed Services Committee and the House Armed Services Committee, those are all the senators and congressmen that know what we're doing here.

Reyn Anderson: Okay. And then a final question. I'm also a Petworth resident, if I didn't mention that. But there's this meeting today, and there was one earlier in the week, and then there was one back in June. I notice as I was coming in people are signing in and giving contact information. Is there any way to get copies of that, those pages, to find out who was here and how to contact them, who are in the community?

Nancy Czapek: Yeah, I guess.

Reyn Anderson: My interest being, frankly that's a way for me to find out and for everybody who's in the community to find out how to contact each other.

Tim Cox: You can just go through your ANCs. You might be able to do that. I could talk to our team to see how we'd do that, but people signed up to let us know so we can communicate with them. I don't want to invade anyone's privacy by all of a sudden giving out lists that also somebody could sell to somebody to somebody to put them on a magazine list.

Reyn Anderson: All right. Would you object if I came to the next meeting and handed out my card at the beginning of the meeting to try and gather people's name as much as possible?

Female Voice: (Indiscernible).

Tim Cox: Yeah. I mean, it's up to you to talk to each individual personally if they wouldn't mind you corresponding directly with them. It doesn't affect us.

Male Voice: [Off audio.]

Tim Cox: Not at all, as long as everyone knows what the intent is.

Reyn Anderson: My intent entirely just being to be able to gather as many names in the community as possible to know who's interested and engaged.

Tim Cox: Good.

Reyn Anderson: I have no intentions of selling this to anybody.

Tim Cox: All right. Thank you. In the back.

Male Voice: I think he was up first.

Tim Cox: Thank you.

Timothy Jones: [Off audio.] My name is Timothy Jones (indiscernible) planning committee. And I did not know until I toured the Soldiers Home that (indiscernible) land itself, one being a historical station of the capital as a whole, which can be leveraged through the economic incentives that are available to that, and as well as it being a campus within the, a world's capital, not in the nation's capital, but a world's capital. So I think it would be best to leverage those in addition to the land, and leave as much of the land alone as possible.

Tim Cox: Thank you. I appreciate your comments. We are looking at the historical part, but as you know, our primary purpose is not to preserve history but to be an active retirement community for our heroes and veterans.

Timothy Jones: [Off audio.] My comment was leverage.

Tim Cox: Right. But leveraging some of that means that our community may be destroyed because one of the ways historical sites make money is they have a lot of visitors to them. That's about the only way they make money. So we don't want to destroy the integrity and the right you have as a Petworth neighbor. My residents live there, and this is their home. So to have people walking down their hallway, to have people walking with a car, traffic coming in there, that is a main concern of mine, and I am their strongest advocate.

So we want to make sure we just balance those because it is their home, it is their residence. You all say you're being affected. I have 1,300 residents that are being affected because it's right down below where they live, too. So you have to understand that balance, too. But we are looking at that, and certainly being able to reinvigorate some of those historic buildings, like Grant that you see right on Harewood.

Yeah, and that's a big albatross for us. It looks beautiful, but it literally is crumbling every day because we have money to put into that building. We've looked for federal tenants, we've looked for private tenants, we've looked at offices. It just takes so much money to put back in there, so that's one of the buildings we're looking for a tenant to help us with, and that would certainly be restoring certainly a national historically eligible property for sure. Thank you.

Timothy Jones: [Off audio.] grant money which is used to rehab (indiscernible). Howard University has used it (indiscernible).

Tim Cox: Right, but that's for use for them. Some of the historic properties that we have we no longer have a use for, like the Grant Building. It's large, almost

200,000 square feet. It used to be a dormitory. We don't need another dormitory for us, so some of that money was used to renovate it for themselves.

Desa Ruffin: But to follow up on that comment, we are looking at historic tax credits to help a private developer come in and redevelop that and make it financially work.

[GLITCHES IN CD AUDIO RECORDING - APPROXIMATELY FIVE TO 10 MINUTES.]

Desa Ruffin: The new market tax credits are another one that we haven't been, and affordable housing tax credits, we have to investigate (indiscernible) and hopefully make sure that people aware of them.

Tim Cox: Sir?

Chris Toussaint: Hi. My name is Chris Toussaint, and I'm a Petworth resident. In the master plan that you're going to put out in December, is there a plan to do some scaled modeling as far as showing some (indiscernible) views as to what kind (indiscernible) because unless (indiscernible) scale as to what it will look like (indiscernible).

[REMAINDER OF AUDIO UNTRANSCRIBABLE.]