

**D.C. SLUMLORD TO SELL; TENANTS GET PROCEEDS**

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The District has reached a plea agreement with another of the city's slumlords, Randy McRae, a tax lawyer who failed to comply with a less punitive deal and did not remedy hundreds of housing violations, city attorneys said.

The District has now reached plea agreements with four landlords in the two years since since Mayor Anthony A. Williams (D) vowed to crack down on slumlords. One of those agreements has resulted in jail time: six weekend days behind bars, which Rufus Stancil served in December before having to live at his dilapidated Sherman Avenue NW building for two months.

City attorneys said the McRae agreement exemplifies their strategy against slumlords, which is largely designed to force property owners to address the problems at the buildings or sell them. Jail sentences alone do little for the tenants, the lawyers said.

The agreement with McRae, signed Friday, stipulates that he must sell his apartment building at 1417 Newton St. NW within six months and donate the proceeds to the tenants association at one of his former properties, 1611 Park Rd. NW, "to compensate" the residents "for the years of substandard housing they endured."

The tenants purchased the Park Road property in October 2000 with a bank loan of \$625,000 after a lender foreclosed on the building. But city officials said McRae failed to deliver much of the \$175,000 he was required to pay the tenants under his first deal with the District, which also called for him to sell his residential rental properties in the city in exchange for having the charges dropped.

The new agreement requires McRae to pay \$25,000 to the Park Road tenants association by the close of business Friday. McRae also has agreed to sell three buildings he owns in the 4100 block of Ames Street NE to an organization that will provide affordable housing for tenants or to an entity that is committed to working with the District to rehabilitate distressed housing. The money from these sales is to go to the 5-513 fund administered by the D.C. Department of Consumer and Regulatory Affairs that provides capital to carry out emergency maintenance at troubled properties.

Additionally, the agreement stipulates that McRae will live at his 4110 Ames St. NE building for six months, during which he will be subject to electronic monitoring to make sure he adheres to the requirement. McRae has agreed to stay in an apartment at the building from 8 p.m. to 6 a.m. seven days a week. If the government determines after 90 days that McRae has fully complied with the confinement requirement, it will agree to lift the restriction early.

"We are pleased that Mr. McRae has joined in this agreement to assure that living conditions for tenants at his District properties will improve," said Peter Lavalley, spokesman for the office of the corporation counsel. The agreement stipulates that if McRae abides by all the conditions, the District will not oppose a motion by the defendant to withdraw the guilty pleas.

But Lavalley added, "We also reserve the right to ask the court for criminal sanctions if he fails to comply this time."

McRae's attorney, Billy L. Ponds, did not return numerous calls to his office. McRae, who lost a

1998 bid to unseat Wayne K. Curry as Prince George's county executive, could not be reached for comment.

Lavallee said McRae's case involves 2,836 counts of city housing code violations, which carry penalties that could add up to almost 700 years in prison and \$850,800 in fines. Under the agreement, McRae agreed to plead guilty to 10 counts of housing code violations while the remaining counts were dismissed.

As part of his agreement, McRae must divest himself of ownership, operation or management interest in all rental residential buildings in the city within a year, and he cannot have any ownership stakes in such properties in the District for the rest of his life.

"This sounds like a pretty aggressive agreement that has the potential to really benefit tenants in affordable housing in the District. This is progress, but it is also, in a sense, a drop in the bucket," said Reed N. Colfax, director of the fair housing project at the Washington Lawyers' Committee for Civil Rights and Urban Affairs.

Currently, the office of corporation counsel has a list of 11 landlords who own 22 properties that has been referred to it by the D.C. Department of Consumer and Regulatory Affairs for prosecution.

D.C. Council member Jim Graham (D), whose Ward 1 has a disproportionate number of "hot properties," said he is skeptical as to whether McRae will honor the agreement.

"We are used to nothing but broken promises from these slumlords. So, I hesitate to conclude that McRae will keep these promises. But I am encouraged that he risks going to jail if he doesn't, because the only thing that has worked with these individuals is the threat of jail time."

Graham also complained that the corporation counsel has not devoted enough resources to pursuing slumlords and that successful prosecutions of these property owners have been slow in coming. "We have to keep the corporation counsel's feet to the fire," he said.

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