

DISTRICT OF COLUMBIA RENTAL HOUSING COMMISSION

RH-SC-06-002

In re: 1433 T. St., N.W., 201-210 16th St., N.E., and 1840 & 1846 Vernon St., N.W.

Wards Two (2), Six (6), and One (1)

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT –
RENTAL ACCOMMODATIONS DIVISION,**
Petitioner/Appellant,

v.

**1433 T STREET ASSOCIATES, LLC;
210 16TH STREET ASSOCIATES, LLC; and
1840 VERNON STREET ASSOCIATES, LLC,**
Housing Providers/Appellees

ORDER ON MOTION TO WITHDRAW AS COUNSEL

July 14, 2014

SZEGEDY-MASZAK, CHAIRMAN. On June 16, 2014, the Commission issued an Order on Rehearing in this matter because the Commission does not possess an audio recording of its July 14, 2009, hearing, as required by the rules at 14 DCMR § 3820 (2004). Dep't of Hous. & Cmty. Dev. v. 1433 T St. Assocs., LLC, RH-SC-06-002 (RHC June 16, 2014). The Commission informed the parties that the matter would be scheduled for rehearing unless, by consent motion, the parties waived the right to a recorded hearing within ten (10) days, computed in accordance with 14 DCMR § 3816 (2004). *See id.* In response, the law firm of Greenstein, DeLorme, & Luchs, P.C. (Firm), counsel for 1433 T Street Associates, LLC (T Street, LLC), 210 16th Street Associates, LLC, and 1840 Vernon Street Associates, LLC (collectively, Housing Providers), filed a motion to withdraw as counsel (Motion), pursuant to 14 DCMR § 3813 (2004) on June 20, 2014. T Street, LLC was comprised of two members: Perseus Realty, LLC (Perseus)

and HEBDC, LLC, but is silent regarding the membership or management of the other two Housing Providers. Motion at 1.

According to the Motion, the Firm sought to withdraw from all representation of the Housing Providers in late 2009, but inadvertently failed to withdraw in this matter. *Id.* The Firm states that their withdrawal is based on “irreconcilable differences” between the Firm and the Housing Providers, as well as a conflict of interest related to a dispute between the principals of T Street, LLC. *Id.* Solely with respect to T Street, LLC, the Firm maintains that one of the principals, Perseus, consented to the withdrawal, while the other principal, HEBDC, LLC, did not consent. *Id.* at 1-2, 3.

The Firm certifies that it has served the Housing Providers with notice of the Motion at the last known addresses of the agents (for purposes of, at least, service) of Perseus and HEBDC, LLC, and that it is not aware if the Housing Providers have secured other representation. *Id.* at 2, 3. The Firm asserts that the Housing Providers will not be prejudiced by this withdrawal because re-hearing has not yet been scheduled and the Housing Providers will thus have ample time to secure new counsel. *Id.* at 2. As of the date of this Order, the Commission has not received any opposition to the Motion from the Housing Providers or any notice that they have secured new counsel.

The Commission’s rules on withdrawals of appearances are found at 14 DCMR § 3813 (2004) and provide as follows:

- 3813.1 If an attorney or other person representing a party wishes to withdraw from a case pending before the Commission, a written motion for application to withdraw shall be filed.
- 3813.2 The motion shall state whether the party consents to or opposes the motion and whether the party will be unrepresented or will have substitute representation. A copy of the motion shall be served on

the party and the party advised that he or she has the right to oppose the motion.

3813.3 The motion shall state the specific reasons for withdrawal and shall state whether the absence of representation will prejudice the rights of the party.

3813.4 Motions for application to withdraw shall be promptly decided.

The Commission determines that the Firm has complied with the requirements of 14 DCMR § 3813.1-4 as follows: (1) the Firm has filed the appropriate Motion; (2) in the absence of any opposition by the Housing Providers filed with the Commission, the Commission has no reason to question the Firm's representation that "irreconcilable differences" exist between the Firm and the Housing Providers, and a conflict of interest exists between the Firm and T Street, LLC or its members; (3) the Firm received consent to withdraw from at least one of the principals of T Street, LLC, Perseus (although referred to as a "former" member);¹ and (4) because this appeal has not yet been scheduled for Commission proceedings, there is no prejudice to the Housing Providers since they have adequate time to secure new counsel for this appeal. *See* Motion at 1-3.

In sum, the Commission is satisfied that the Firm's request for withdrawal is warranted by the Firm's uncontested claim of an apparent breakdown of its attorney-client relationship with the Housing Providers that occurred in 2009 due to "irreconcilable differences" as well as the conflict of interest with T Street, LLC. The Commission also is unable to determine prejudice to the Housing Providers from the Firm's withdrawal, significantly based upon the undisputed

¹ With regard to the consent of the represented parties, *see* 14 DCMR § 3813.2, the Firm makes no specific representation that Perseus has or had authority to consent to withdrawal by the Housing Providers collectively. *See* Motion at 1. The Firm represents that the two individuals served with the Motion are the "Housing Providers' members." Motion at 3.

assertion by the Firm that the Housing Providers have sufficient time to engage new counsel for further proceedings in this appeal.

Accordingly, the Firm's Motion is granted.

SO ORDERED.

FURTHER ORDERED: The Commission's enforcement of the June 16, 2014, Order on Rehearing (Order on Rehearing) (according to which the parties may waive, by consent motion, the right to a recorded hearing before the Commission within ten (10) days of their receipt of the Order on Rehearing), is hereby suspended for a period of time not to exceed forty-five (45) days² from the date of receipt of this Order by the Housing Providers, during which time period (of not more than 45 days) the following shall occur: (1) the Housing Providers shall secure new counsel for this appeal, (2) such new counsel is/are directed to file a motion to appear in this appeal with the Commission in compliance with 14 DCMR § 3812.6 (2004), and (3) such new counsel shall notify the Appellant of the Motion to Appear in writing of its/their appearance at the same time of the filing of the Motion to Appear with the Commission.

FURTHER ORDERED: The Commission's shall re-issue the Order on Rehearing to the parties within ten (10) days of its receipt of the Motion to Appear.



PETER B. SZEGEDY-MASZAK, CHAIRMAN

² The counting of the forty-five (45) days shall comply with 14 DCMR § 3816 (2004).

CERTIFICATE OF SERVICE


I certify that a copy of the foregoing **DECISION AND ORDER** in RH-SC-06-002 was mailed, postage prepaid, by first class U.S. mail on this **14th day of July, 2014** to:

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