



MEMORANDUM

TO: District of Columbia Board of Zoning Adjustment
FROM: Stephen Cochran, AICP, Case Manager
Joel Lawson, Associate Director, Development Review
DATE: February 4, 2014
SUBJECT: Extension Request – BZA Case 18289A, 455 I Street, NW

BOARD OF ZONING ADJUSTMENT
District of Columbia
CASE NO. 18289-A
EXHIBIT NO. 45

OP RECOMMENDATION:

The Office of Planning (OP) is **not opposed to the requested two-year extension of Order 18289** pursuant to § 3130, provided the applicant addresses the information requested in this report at or before the hearing.

SUMMARY OF APPROVED PROJECT AND PREVIOUS BZA ORDERS

Applicant: EQR-EYE Street, LLC	Property Address: 455 I Street, NW	Legal Address: Square 516, Lot 36	Ward 6; ANC 6E
Project Summary:	Preserve four contributing historic structures, converting them to retail and residential uses, and construct a 110- foot high L-shaped primarily residential addition to the west of and behind the historic structures. There will be 162,112 gross square feet of residential space; 2,800 square feet of retail space; one 55-foot loading berth; one 200 square foot loading platform; 78 parking spaces on four underground levels, and unenclosed community recreation areas on the roof.		
Date of Order Issuance:	January 20, 2012		
Date of Order Expiration:	January 20, 2014; Extension request filed January 8, 2014		
BZA Relief Granted	§§ 772.1(lot occ.) , 771.11 and 411.5(roof structure height), 776.4 (closed and open courts) , 1707.4 (FAR on lots with historic structures)		

455 I Street, NW



EVALUATION OF THE EXTENSION REQUEST

Section 3031.6 of the Zoning Regulations allows for one two-year extension of a BZA approval for “good cause” shown upon the filing of a written request by the applicant before the expiration of the approval; provided that the BZA determines that the following requirements are met:

- (a) **The extension request is served on all parties to the application by the applicant, and all parties are allowed thirty (30) days to respond.**

Evaluation: The application submitted to the BZA is dated January 8, 201 and has been in the public record since the filing. §3130.9 provides that a time extension filed at least 30 days prior to the expiration date shall toll the expiration date to allow the BZA to consider the request. The extension application was filed 12 days prior to the Order’s expiration. The Order is scheduled to expire 20 days before the Board considers the extension request.

The applicant has certified that the extension request was served on January 8, 2014 to the Office of Planning, the P.O. Box for ANC 6E and home of the ANC’s single member district representative.

Board of Zoning Adjustment
District of Columbia
CASE NO. 18289
EXHIBIT NO. 45

- (b) There is no substantial change in any of the material facts upon which the Board based its original approval of the application that would undermine the Board's justification for approving the original application.**
- The relief was originally granted because of the exception circumstances confronting the historic properties on the site which led to practical difficulties with respect to building configuration. These material facts affecting the granted relief have not changed. However, increasing competition in the nearby rental market may have impacted the ability to secure construction financing.
 - Two large apartment buildings are nearing completion in Square 516, across an alley from the applicant's property.
- (c) The applicant demonstrates that there is good cause for such extension, with substantial evidence of one or more of the following criteria.**
- (1) An inability to obtain sufficient project financing due to economic and market conditions beyond the applicant's reasonable control;**
 - (2) An inability to secure all required governmental agency approvals by the expiration date of the Board's order because of delays that are beyond the applicant's reasonable control; or**
 - (3) The existence of pending litigation or such other condition, circumstance, or factor beyond the applicant's reasonable control.**

The exhibits submitted by the applicant demonstrate the applicant's good intentions to construct the approved project. However, the information does not yet sufficiently meet § 3031.6's criteria for good cause.

The applicant's statement focuses its inability to obtain financing due to the following conditions:

- an oversupply of rental housing in the neighborhood,
- the self-funding of the project was complicated by the procedures involved with corporate expansion slowed down the applicant's ability to proceed with construction,
- market conditions have made it difficult to secure financing, and
- the applicant's preference to finalize its plans after the future has been determined for the adjacent District-owned property at 5th and I Streets, NW.

However, the applicant has not submitted sufficient evidence of having sought additional construction financing from outside sources, nor has the applicant fully explained why its project has not been able to proceed, particularly when a project across an alley from the applicant's project is nearing completion even though it completed its 11 DCMR § 1700.6 OP review ten months after the applicant's project had received BZA approval.

To fully address Section 3031's criteria, the applicant should submit the following information before the hearing:

- A list of attempts to secure financing for the project and documentation of lending being denied by financial institutions;
- A demonstration that the applicant is prepared to proceed with the approved project regardless of the outcome of the disposition of the District property at 5th and I Streets, N.W.

COMMUNITY COMMENTS

The extension application was filed January 8, 2014. There were no ANC or other comments on file at the time this report was written.