


MEMORANDUM

TO: District of Columbia Board of Zoning Adjustment
FROM:  Joel Lawson, Associate Director Development Review
DATE: February 21, 2025
SUBJECT: Extension Request – BZA Case 18878F, 1017 12th Street, N.W.

The Office of Planning (OP) recommends the Board **approve** the requested time extension.

Address:	1017 12 th Street, N.W.
Applicant:	Cozen O'Connor for Alba 12 th Street LLC
Legal Description:	Square 0316, Lot 36
Ward / ANC	Ward 2; ANC 2C
Zone	DD/C-2-C / HPA (Now D-4-R)
Project Summary:	Construct a 9 story office building. The BZA Order provided area variances for FAR, rear yard and then-required parking requirements.
Date of Order Issuance:	18878 - 9/9/2015 18878B – 2/11/2019 (decision on remand).
Previous Extension:	18878C - extension to February 21, 2022 18878D - administrative Covid extension to February 21, 2023 18878E –Extension, two years to February 21, 2025.
Current Request	Extension, two years to February 21, 2027.

EVALUATION OF THE EXTENSION REQUEST

Subtitle Y Section 705 of the Zoning Regulations allows for the 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.**

The application is dated December 10, 2024 and has been in the public record since filing. Applicant filings indicate that the request was served on ANC 2C and 1101 K Street NW Acquisition LLC, party in opposition to the original case.

- (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.**

Zoning Regulations:

Although the original application was filed under the 1958 Zoning Regulations and the zone designation and zoning regulations have since transitioned to the 2016 Zoning Regulations since

then, there is no significant difference in the regulations for this site that would undermine the reasons for the Board's approval of the original application. Under the current regulations, there would be no need for parking relief.

Surrounding Development:

The surrounding area remains a high-density mixed-use area, with a mix of office, hotel, and some residential buildings. There does not appear to have been a change in the surrounding development that would significantly impact the material facts upon which the BZA based its original approval.

Proposed Development:

The application indicates that no changes to the approved development are proposed as part of this extension request.

(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;

The applicant cites difficulties in obtaining financing for office buildings. At Exhibits 9 and 10, the applicant submitted articles documenting current DC office market conditions. While some recent numbers indicate some improvement to the office vacancy rate, the external market conditions beyond the applicant's control have made securing financing difficult, so the applicant is requesting additional time to realize the development of this Project

...

(3) The existence of pending litigation or such other condition, circumstance, or factor beyond the applicant's reasonable control.

The applicant notes that the original Order was under appeal from 2015 to 2019, resulting in delays to obtaining financing. This was followed by Covid and the decline in the demand for new office space in the District and nationwide. Together these have impeded the applicant's ability to secure financing. The application also notes that the owner is marketing the property for sale, "*with a potential buyer who is interested in purchasing the site and developing the project pursuant to the BZA Order.*" The requested extension would be needed to facilitate this sale and property development.

OTHER DISTRICT AGENCIES

As of the date of this report, no other agency comments had been filed to the record.

ADVISORY NEIGHBORHOOD COMMISSION

As of the date of this report, comments from the ANC had not been filed to the record.

COMMUNITY COMMENTS TO DATE

As of the date of this report, no community comments had been filed to the record.