

MEMORANDUM

TO: District of Columbia Board of Zoning Adjustment

FROM: Joel Lawson, Associate Director Development Review

DATE: December 27, 2024

SUBJECT: Extension Request – BZA Case 20819A (1133 19th Street NW).

I. BACKGROUND

In Case 20819, the Board of Zoning Adjustment (BZA) granted relief from the Rooftop Penthouse Provisions of Subtitle C § 1501.1(d) to permit a penthouse Eating and Drinking Establishment, which is permitted by special exception pursuant to Subtitle X § 901.2. The project includes a byright conversion of a 12 story office building to residential use with ground floor commercial space. As part of this conversion, BZA Order No. 20819 allows an eating and drinking establishment in a portion of the penthouse, subject to a condition that "the facility shall be limited to only building residents, their guests, and attendees of resident-sponsored events". According to filings, the original developer did not purchase this property, but a purchase agreement has been executed with a different developer in August 2024.

II. RECOMMENDATION

OP Recommends that the requested two-year time extension be approved.

III. LOCATION AND SUMMARY

Applicant	Goulston & Storrs for TDC Acquisitions, L.L.C.
Address	1133 19 th Street NW
Legal Description	Square 0140, Lot 907
Ward, ANC	Ward 2, ANC 2C
Zone	D-6, high-density mixed-use Downtown zone
Date of Order Issuance:	December 19, 2022
Date of Order Expiration:	December 19, 2024
Previous Extension:	None
Extension Request	December 19, 2026

IV. 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:

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(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 submitted to the BZA is dated November 18, 2024 and has been in the public record since filing.

(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:

Since the original approval in December, 2022, there have been no substantial change to the D-6 regulations or the penthouse provisions that would impact the material facts upon which the Board based its original approval.

Surrounding Development:

OP is not aware of other new development in the immediate area that would substantively impact the material facts upon which the BZA based its original approval.

Proposed Development:

The current time extension application does not note any changes to the approved relief or the project.

- (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 sites economic and market conditions beyond their reasonable control – namely difficulties inherent to the conversion of an office building to residential, and "the ongoing challenges and adverse market conditions facing the commercial real estate sector — namely, sustained and significantly elevated construction costs, fundamental shifts in the interest rate environment underpinning the financing market, and a reduced availability of financing within the commercial real estate sector ...". Additional time is also needed for the new contract purchaser of the property to finance, develop, and finalize the project.

V. OTHER DISTRICT AGENCIES

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

VI. ADVISORY NEIGHBORHOOD COMMMISSION

As of the date of this report, there are no comments from ANC 2A filed to the record.

VII. **COMMUNITY COMMENTS TO DATE**

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