

MEMORANDUM

TO: District of Columbia Board of Zoning Adjustment

FROM: Crystal Myers, AICP, Case Manager
MBR
 Maxine-Brown Roberts, Associate Director Development Review

DATE: August 28, 2026

SUBJECT: BZA Cases 21485 — Use Variance and special exception to permit a Lodging Use in two existing detached buildings.

I. OFFICE OF PLANNING RECOMMENDATION

The Office of Planning (OP) recommends **approval** of the following use variance pursuant to Subtitle X § 1002:

- Subtitle U § 301.1-Matter of Right Uses for RF-1

The Office of Planning (OP) recommends **approval** of the following special exception relief pursuant to Subtitle X § 901 and Subtitle C § 909.2:

- Subtitle C § 901 Loading Requirements (2 loading berths required; 0 existing; 0 proposed)

II. LOCATION AND SITE DESCRIPTION

Address	200 C Street, SE
Applicant	Capitol Hill Hotel Owner 1, LLC
Legal Description	Square 762, Lot 841
Ward, ANC	Ward 6, ANC 6B
Zone	RF-1/CAP
Historic District	Capitol Hill Historic District
Lot Characteristics	Irregularly shaped tax lot bisected by an ingress easement and a 20-foot public alley.
Existing Development	Two apartment buildings that functions as a hotel
Adjacent Properties	The adjacent development to the west, across 2 nd Street, is the US Library of Congress, to the north are row dwellings and alley lots developed with garages, to the east and south are row dwellings some of which have been converted to apartments and purpose built apartments.
Surrounding Neighborhood Character	The neighborhood is a mix of rowhouses, institutional, and government office buildings.
Proposed Development	The proposal is to acknowledge the buildings as a legal lodging use.

III. LOCATION MAP



IV. OFFICE OF PLANNING ANALYSIS

Use Variance Relief from Subtitle X § 1002

Extraordinary or Exceptional Situation

The Capitol Hill Hotel consists of two buildings originally constructed in the 1950s as apartment houses when the site was zoned R-4. In the early 1980s, the buildings began operating as a hotel by providing transient accommodations. During these years, the Capitol Hill Hotel had a certificate of occupancy authorizing its use as an apartment house use ([Exhibit 2B](#), pg. 19). At the time, there was no minimum stay period for apartment house tenants and the buildings continued to operate in this manner.

The Regulations were amended in 1989 and imposed a one-month minimum stay for apartment houses. The use of the buildings then became nonconforming in the zone, ([Exhibit 2C](#)). In 1993, the Zoning Administrator issued a [determination letter](#) affirming that the buildings did not need to meet the new minimum-stay requirement and the buildings continued to operate as a hotel with a Certificate of Occupancy (C of O) for apartment house. This position was reaffirmed again by another Zoning Administrator in 2021.

Despite these confirmations, the underlying mismatch between the building's permitted use and its actual operational characteristics persists. This conflict has given rise to an extraordinary situation which is now creating problems for the applicant.

Resulting Undue Hardship to the Property Owner

The applicant presents that mismatch between the building's permitted use and its actual operational characteristics is causing the owner significant investment, operational, and regulatory uncertainty. Compliance challenges arise because it is difficult to determine which laws and requirements apply to the property. For example, some employment laws apply to hotel staff but not to apartment employees, this creates confusion as to which standards are applicable.

The discrepancy between the existing Certificate of Occupancy and the actual use of the buildings also creates complications with insurance providers. Hotel operators have a higher duty of care for guest safety than apartment landlords, which results in a higher risk profile and different insurance

evaluation criteria. The inconsistency between the documented use and the actual use contributes to uncertainty for insurers, potentially reducing the number of willing carriers, increasing premiums, limiting coverage, or creating other challenges.

These uncertainties have made it challenging to attract investment or secure financing, as lenders and investors are reluctant to support a use that lacks proper regulatory recognition. Continuing to operate under a basic “rental housing” business license compounds these issues because, although technically permissible, it does not reflect the ongoing hotel use and limits the ability to obtain appropriate licenses and comply with applicable regulations.

Additionally, none of the 153 units contain a kitchen or cooktop appliances, meaning they do not meet the definition of legal dwelling units. This makes multifamily operation impractical and further underscores the need for the hotel use to be formally recognized through the requested variance relief.

No Substantial Detriment to the Public Good

Granting the requested use variance should not create a substantial detriment to the public good as the variance would simply clarify the property's existing use, with no physical changes proposed. No alterations are planned for the buildings' exterior, and the number of units will remain the same. As a result, approving this relief would not negatively impact any neighboring properties.

No Substantial Impairment to the Intent, Purpose, and Integrity of the Zoning Regulations

Granting this variance relief should not impair the Zoning Regulations and Maps. The Regulations allow for nonconforming uses to legally continue. Approving this relief would allow the continuation of the lodging use without impacting the integrity of the regulations,

V. Special Exception for Loading Relief pursuant to X § 901 and C §909.2

Requirement - C § 901.5

When a property changes or adds a use category, the following shall apply:

901.5 Additional loading berths, loading platforms and service/delivery spaces shall be required only when the minimum number of loading spaces required for the new use category exceeds the number of spaces required for the prior use category that occupied the same floor area;

There is currently no loading berth on the property but today apartment buildings of this size are required to provide one loading berth. Since the proposal is for lodging use and lodging uses have a minimum of two loading berths, the property would need to meet this higher requirement. Therefore, the applicant is requesting special exception relief to continue having no loading berths on the property.

(a) *When determining the amount of additional required loading, it shall be assumed that the previous use provided the minimum number of spaces required; and*
There is no loading berth on the property.

(b) *Historic resources shall not be required to provide additional loading for a change in use without expansion.*
Not Applicable. The property is not a historic resource.

General Special Exception- X § 900

The Relief is Harmonious with the General Purpose and Intent of the Zoning Regulations and Maps

Relief from the loading requirements would be harmonious with the general purpose and intent of the zoning regulations. Although a lodging use requires a loading berth, the property has operated without one for more than forty years. The use of the property would not intensify and loading activities would continue in the private alley between the two buildings. Therefore, granting this relief would be consistent with long-standing operations at the site.

The Relief Will Not Tend to Adversely Affect the Use of Neighboring Property

The loading relief would not adversely impact the neighboring properties. All loading activities would continue to occur within the property's private alley, a longstanding practice on the property. The buildings have limited common area spaces so only small gatherings are sometimes held on the property. Loading on the alley has been sufficient because loading for the building is typically just for small gatherings, trash laundry services, and deliveries.

Special Exception from Loading Requirements Subtitle C § 909.2

909.2 *The Board of Zoning Adjustment may grant full or partial relief from the number of loading berths or service/delivery spaces required by Subtitle C § 901.1, or from the size and layout requirements of Subtitle C § 905, as a special exception under Subtitle X, Chapter 9, and under the applicant's demonstrations to the Board's satisfaction that:*

- (a) *The use or structure will generate a lower loading demand than the minimum loading standards of Subtitle C §§ 901 and 905 require, as a result of:*
 - (1) *The nature of the use or structure; or*
 - (2) *A loading demand management plan filed in the case record in accordance with Subtitle Y § 300.14 and approved by District Department of Transportation, the implementation of which shall be a condition of the Board of Zoning Adjustment's approval, that will result in a lower loading demand than the minimum loading standards of Subtitle C §§ 901 and 905 require; or*

The Applicant is requesting loading relief because the buildings generate a lower loading demand than the minimum loading standards for similar sized hotels. Unlike many hotels of comparable size, these buildings do not contain large event spaces and therefore do not require

larger loading facilities. The proposal would not significantly alter the layout of the existing buildings or increase the intensity of use on the property and the use would largely continue operating as it does today, with loading activities remaining in the private alley. OP defers to DDOT on determining whether a loading demand management plan is needed.

VI. OTHER DISTRICT AGENCIES

As of the writing of this report, no District agency has provided comments on this application.

VII. ADVISORY NEIGHBORHOOD COMMISSION

The property is within ANC 6B which has submitted a report at Exhibit 17 in support of the proposal.

VIII. COMMUNITY COMMENTS TO DATE

At the time of submission of this report there are no comments from the community in the record.