



Jeff C. Utz  
jutz@goulstonstorrs.com  
202-721-1132

Lee S. Templin  
ltemplin@goulstonstorrs.com  
202-721-1153

September 2, 2025

**Via IZIS**

Frederick L. Hill, Chairperson  
D.C. Board of Zoning Adjustment  
441 4th Street, N.W., Second Floor  
Washington, D.C. 20001

**Re: BZA Order No. 20943 (“Order”) for 1207 H Street, N.E. (Square 1004, Lot 342) (“Property”) – Request for Two-Year Time Extension**

Dear Chairman Hill and Members of the Board:

On behalf of WCP 1207 H Street LLC (the “**Applicant**”), the owner of the Property that is the subject of BZA Case No. 20943, we hereby submit this request for a two (2)-year time extension of the Order. The Order granted a special exception for new construction in the H Street Northeast Neighborhood Mixed-Use zone, as required by Subtitle H § 907.1, as part of the Applicant’s development of a new six (6)-story mixed-use building with approximately 184-210 units, ground floor retail, and below-grade parking on the Property (the “**Project**”). The Applicant requests a two (2)-year time extension pursuant to Subtitle Y § 705.2 for the good cause shown herein.

Attached as Exhibit A is the authorization letter for the application. A copy of the Order is attached hereto as Exhibit B. Submitted concurrently with this letter is a check for the applicable filing fee of \$405.60, which represents 26% of the original filing fee. The Applicant requests that the application be placed on the Board’s public meeting calendar and reviewed in accordance with Subtitle Y § 705.2.

**I. BACKGROUND**

The Property is located on the H Street Corridor and constitutes the majority of the south side of the block between 12<sup>th</sup> and 13<sup>th</sup> Streets, NE. The Property is a rectangular lot and consists of approximately 33,435 square feet of land area. The Property is zoned NMU-7B/H-A and is currently improved with a one (1)-story building, formerly occupied by AutoZone, and a surface parking lot.

Board of Zoning Adjustment  
District of Columbia  
CASE NO. 20943A  
EXHIBIT NO. 5

Pursuant to the Order, the Board approved a special exception pursuant to Subtitle H § 907.1 to permit the raze of the existing building and new construction of a mixed-use building with approximately 184-210 units, including IZ Plus units, and ground-floor retail. The Order was conditioned on a prohibition of amplified sound from the roof deck after 11:00 p.m., designation of a community liaison to work with the ANC regarding the Project, design flexibility, and implementation of the Transportation Demand Management plan included in the record.

The Property is also subject to a Zoning Map Amendment approved in 2022 in Z.C. Case No. 22-03, by which the Zoning Commission approved a rezoning of the Property from the NC-14 Zone to the NC-15 Zone,<sup>1</sup> which authorized a height increase from 50 feet to 70 feet,<sup>2</sup> and an increase in the floor area ratio (“FAR”) from 3.0 to 4.8. Due to this Map Amendment, the Property is subject to IZ Plus and the Project includes an enhanced affordable set-aside as a result.

## **II. THE APPLICANT MEETS THE REQUIREMENTS FOR APPROVAL OF AN EXTENSION REQUEST PURSUANT TO SUBTITLE Y § 705.2.**

The Board’s approval will expire on October 3, 2025. With this letter, we request, pursuant to Subtitle Y § 705.2, that the Board extend the approval by a period of two (2) years until October 3, 2027.

Following approval of the Order, the Applicant continued to invest resources in pursuit of developing the Project. However, increasingly adverse market conditions for commercial real estate development and economics beyond the Applicant’s reasonable control, including volatile interest rates and escalating construction costs, have impeded the Applicant’s ability to secure the necessary financing to fund the Project. Therefore, the Applicant requests this additional time to arrange financing for the Project and file for a building permit.

Subtitle Y § 705.2 sets forth clear standards by which the Board must evaluate extension requests. Upon receipt of this written request, the Board may extend the validity period of the Order “for good cause shown.” The Board must determine that:

- (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;*
- (b) *There is no substantial change of any of the material facts upon which the Board based its original approval that would undermine the Board’s justification for approving the original application; and*

---

<sup>1</sup> The NC-15 Zone subsequently became the NMU-7B/H-A Zone per Z.C. Order No. 18-16, which became effective August 25, 2023.

<sup>2</sup> Buildings in the NMU-7B/H-A Zone typically have a maximum height of 65 feet; however, buildings subject to Subtitle H § 906.1 that front on H Street, NE are permitted an additional five (5) feet of height to reach a maximum permitted height 70 feet. *See* 11-H DCMR § 906.1(i).

- (c) *The applicant demonstrates that there is good cause for the requested extension, with substantial evidence for any 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.*

For reasons set forth more fully below, the Applicant meets all of the requirements for the granting of an extension under Subtitle Y § 705.2. Specifically, the Board should find that good cause exists to grant this extension request due to economic and market conditions and circumstances beyond the Applicant's reasonable control.

A. *The Extension Request Is Served on All Parties to the Application.*

The extension request is being served simultaneously on Advisory Neighborhood Commission (“ANC”) 6A; the ANC was the only party to the original application. The ANC will be allowed at least 30 days to respond to this request.

B. *There is no Substantial Change to any of the Material Facts Underlying the Board's Approval of the Requested Relief*

The factors satisfying the special exception relief for the Property remain as they were for the Board's approval of the requested relief. There has been no substantial change in any of the material facts relating to the case. There are no changes to the Zoning Regulations or the Comprehensive Plan that would adversely impact the materials facts upon which the Zoning Commission based its original approval.

C. *There is Good Cause for the Extension*

The Applicant has good cause to request an extension due to economic and market conditions beyond the Applicant's reasonable control. The Applicant remains committed to developing the mixed-use project, but has been unable to secure the necessary financing to proceed. The uncertainty in the financial markets, especially with respect to commercial real estate in the District, has led to significant hesitation from investors.

The Applicant has diligently pursued financing needed to construct the Project, engaging equity and debt partners to find a pathway for financial viability of the Project. Specifically, the Applicant engaged CBRE to raise equity and debt for the ground-up development project or, as an

alternative, to sell the property. The six (6)-month process resulted in the Applicant going under contract with a top 10 national residential development company to partner with the Applicant to develop the project. Unfortunately, after completing due diligence, the developer dropped the contract due to the economic issues described above and environmental issues, which were only resolved subsequently, in late 2024 with the Project’s successful acceptance into the Voluntary Cleanup Action Plan (“VCAP”) Program. However, negotiations with the necessary investors are still in progress.

Additionally, construction costs have continued to rise since the issuance of the Order. The high costs of construction, labor, and materials have made the current economics of the Project infeasible. Such construction cost issues existed prior to the pandemic and were only made worse by the pandemic and the associated supply chain and stressing of the construction industry. Then they took another leg higher recently due to the imposition or potential imposition of tariffs.

Despite these headwinds, since the issuance of the Order, the Applicant has devoted substantial resources towards moving the development forward. To date, the Applicant has expended approximately \$325,000 towards the development of the Project. The following chart summarizes the approximate sums expended by the Applicant in furtherance of this effort:

<b>Cost Category</b>	<b>Amount</b>
Architectural (including Interior Design, MEP, and Structural)	\$115,000
Landscape	\$15,000
Existing Building Diligence	\$20,000
Legal: Transactional and Zoning	\$103,000
Civil Engineering/Dry Utility	\$5,000
Environmental Consulting	\$41,500
Other Consultants	\$25,500
<b>Total Expenditures to Date</b>	<b>\$325,000</b>

Alongside the funds expended and summarized above, the Applicant and its development team have devoted extensive efforts to moving the approved Project forward, including:

- Contracting design services with the project architect to prepare the construction documents necessary to obtain building permit approval from the Department of Buildings and commence construction of the Project;
- Conducting multiple site surveys to evaluate existing site conditions, including hazardous materials, and to identify site encumbrances, utilities, and other obstacles to development;
- Applying for and successfully receiving a VCAP approval from the Department of Energy and the Environment (“DOEE”);
- Conducting preliminary pricing studies with local general contractors and subcontractors to verify and refine the Project construction budget and ensure feasibility; and

- Engaging Dochter and Alexander Retail Advisors to take the Project to market to secure a ground floor retail anchor. The Applicant had discussions with numerous retailers and developed a ground floor configuration to accommodate a major grocery store chain. The Applicant was subsequently notified that the grocery store chain had ceased putting new retail stores into their pipeline.

Together, these significant investments and efforts evidence the Applicant’s commitment to moving forward to complete the Project and realize the revitalization of this block of the H Street Corridor through the new development of retail and residential uses on an underutilized lot, as approved by the Board. Based on the well-documented challenges in external market conditions for commercial real estate development in the District and the efforts pursued by the Applicant, the Applicant requests additional time to continue its efforts to progress the Project’s final design and pursue necessary financing and permitting to allow construction to commence.

### **III. CONCLUSION**

For all of the above reasons, the Applicant respectfully requests a two (2)-year extension of BZA Order No. 20943 and requests that consideration of the requested extension be scheduled for the Board’s public meeting calendar and reviewed pursuant to Subtitle Y § 705.2.

We would be happy to produce any other information or evidence in support of the above letter and greatly appreciate your consideration of this matter.

Respectfully submitted,

/s/ Jeff C. Utz

Jeff C. Utz

/s/ Lee S. Templin

Lee S. Templin

## Certificate of Service

I certify that on September 2, 2025, I delivered a copy of the foregoing document and enclosures via email to the addresses listed below.

Jennifer Steingasser  
Joel Lawson  
Crystal Myers  
Office of Planning  
[jennifer.steingasser@dc.gov](mailto:jennifer.steingasser@dc.gov)  
[joel.lawson@dc.gov](mailto:joel.lawson@dc.gov)  
[crystal.myers@dc.gov](mailto:crystal.myers@dc.gov)

Erkin Ozberk  
District Department of Transportation  
[erkin.ozberk1@dc.gov](mailto:erkin.ozberk1@dc.gov)

ANC 6A  
[6A@anc.dc.gov](mailto:6A@anc.dc.gov)

Mike Velasquez, SMD 6A02  
[6A02@anc.dc.gov](mailto:6A02@anc.dc.gov)

/s/ Lee S. Templin

\_\_\_\_\_  
Lee S. Templin