

**BEFORE THE BOARD OF ZONING ADJUSTMENT  
OF THE DISTRICT OF COLUMBIA**

Application of National Geographic Society  
Case No. 20968A

ANC 2C02

**Applicant's Request for Time Extension of Order**

This is the application of the National Geographic Society (the “**Applicant**” or “**NGS**”) for a time extension of Order No. 20968 (“**Order**”), attached as Exhibit A, which allows the construction of a restaurant and bar on the roof of the existing building at 1145 17<sup>th</sup> Street NW (Square 183, Lot 885) (“**Property**”). The Order expires on November 18, 2025.

**I. Nature of Request**

The Applicant requests that the Board of Zoning Adjustment (“**BZA**”) approve, pursuant to Subtitle Y § 705 of the Zoning Regulations, a two-year time extension of the validity of the Order.

**II. Background**

Pursuant to the Order, on November 1, 2023, the BZA approved a special exception to allow the construction of a restaurant and bar on the roof of an existing 11-story commercial building (“**Building**”). The planned rooftop bar and restaurant is part of a larger contemplated renovation and conversion of part of the Building into a hotel with an expanded penthouse, part of which will contain the subject rooftop restaurant and bar. The planned rooftop restaurant and bar will include approximately 1,700 square feet of enclosed space in the penthouse and approximately 2,000 square feet on an adjacent outdoor terrace. The planned

rooftop bar and restaurant will be available to both hotel guests and outside patrons.

Currently, NGS's transformative Museum of Exploration (formerly "Base Camp") project – which will include a new entry pavilion, new event spaces, a new museum, and other attractions on NGS's adjacent properties and on the subject Property – is under construction and is expected to be completed in 2026. The lower floors of the Building are being renovated as part of the Museum of Exploration project, but the rooftop bar and restaurant in the upper floors of the Building are intended to be part of a separate but companion hotel project.

### **III. Standard of Review for a Time Extension**

The standards for a time extension are stated in Subtitle Y § 705.2 of the Zoning Regulations. The BZA is authorized to extend the time period for an order provided 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 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; and
- C. "The applicant demonstrates that there is good cause for such extension, with substantial evidence of one (1) 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."

#### **IV. Satisfaction of the Standards for Granting Time Extension**

With this application, the Applicant requests a two-year extension of the Order so that it will have until November 18, 2027 to file a building permit application. This application satisfies the standards for granting such a time extension as described below.

##### **A. Service on Parties**

A. This request is being served on Advisory Neighborhood Commission (“ANC”) 2C, the only other party to the original application.

##### **B. No Substantial Change of Material Facts**

There has been no substantial change in any material facts that would undermine the basis upon which the BZA granted its original approval. The planned rooftop restaurant and bar remains as reviewed and approved by the BZA.

##### **C. Good Cause Shown**

The Applicant has been unable to proceed with filing a building permit application before the Order expires due to a combination of economic and market conditions beyond the Applicant’s reasonable control, including a historic peak of interest rates and a decline in the hotel market and real estate values. These developments required an economic reevaluation of the Applicant’s plans for a hotel. The Applicant therefore requests more time for the approval to be able to proceed with the hotel project at a later date.

Shortly after BZA approved this application in November 2023, interest rates peaked at a rate considerably higher than when NGS initially planned the hotel project. NGS had originally evaluated the economics of a hotel in late 2021 and early-to-mid 2022. In mid-2022, the federal funds rate was approximately 1.25%.<sup>1</sup> By December 2023, many months after the Applicant had filed its application and shortly after the BZA approved it, the federal funds rate had increased by a factor of four (4x) to approximately 5.25%.<sup>2</sup> Since that time, interest rates have gradually decreased, though to date they still remain significantly higher than when the project's economics were first evaluated.<sup>3</sup>

Meanwhile, the hotel and real estate market in the District has recovered from the disruptions caused by COVID-19 more slowly than anticipated. Based on data compiled by NGS's real estate advisors, the D.C. Average Daily Rate for hotels in the District has only increased approximately 19% between 2019 and 2025; this is below inflation during the same period, and by way of comparison, the Consumer Price Index has risen 29%.<sup>4</sup> Similarly, NGS's real estate advisors calculate that hotel occupancy rates in the District have recovered slowly and remain slightly below the 2019 level. And, from mid-2022 until December 2023, commercial real

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<sup>1</sup> See [www.nerdwallet.com/article/banking/what-is-the-fed-rate](http://www.nerdwallet.com/article/banking/what-is-the-fed-rate)

<sup>2</sup> *Id.*

<sup>3</sup> The federal funds rate in September 2025 was approximately 4.25%. See [www.nerdwallet.com/article/banking/what-is-the-fed-rate](http://www.nerdwallet.com/article/banking/what-is-the-fed-rate)

<sup>4</sup> [https://www.bls.gov/data/inflation\\_calculator.htm](https://www.bls.gov/data/inflation_calculator.htm).

estate prices experienced the largest decrease since the end of 2009 (also due in part to a rapid increase in interest rates imposed by the Federal Reserve).<sup>5</sup>

In December 2023, NGS determined it was necessary to pause the hotel project and adjust plans to reflect the changed economic conditions. Once NGS made that decision, they had greater clarity on where it was necessary to concentrate their resources: completing the reimagination of its campus into the Museum of Exploration attraction capable of drawing visitors to the downtown area. This was particularly true because the success of the Museum is expected to be essential to the success of the hotel, of which the rooftop restaurant and bar is a part. Quickly pivoting away from that focus to proceed with the hotel project before the Order expires would be administratively and financially taxing for this nonprofit organization.

Accordingly, due to the combination of economic factors, NGS has been unable to proceed with the rooftop restaurant and bar prior to the expiration of the Order for reasons outside of NGS' control.

## **V. Conclusion**

The requested time extension satisfies the applicable criteria set forth in Subtitle Y § 705.2. The Applicant intends to proceed with the hotel project that includes the rooftop restaurant and bar, but due to the factors described above it has been financially and practically infeasible. The Applicant therefore requests

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<sup>5</sup> Government Accountability Report, September 2024. *See* [www.gao.gov/assets/gao-24-107282.pdf](http://www.gao.gov/assets/gao-24-107282.pdf)

that the Board approve a two-year extension of time to file a building permit application.

Respectfully submitted,  
GOULSTON & STORRS PC

/s/ \_\_\_\_\_  
Cary R. Kadlecek

**Certificate of Service**

I hereby certify that a copy of the foregoing document and attachments were sent to the following by email no later than November 12, 2025:

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/s/ \_\_\_\_\_

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