

Date: May 30th, 2026

BEFORE THE DISTRICT OF COLUMBIA BOARD OF ZONING ADJUSTMENT

In the Matter of: Appeal of Notice to Revoke Certificate of Occupancy CO2401265 14 P Street NW, Washington, DC 20001 SSL 0616 - - 0122

Appellant: SQL 1430NC LLC

STATEMENT OF APPEAL

Appellant respectfully appeals the May 29, 2026 Notice to Revoke Certificate of Occupancy CO2401265 ("Notice") issued by the DC Department of Buildings ("DOB"), Office of Zoning Administration, and requests a hearing before the Board of Zoning Adjustment ("Board"). This appeal is timely filed within the 60-day period prescribed under 12-A DCMR § 112.3 and D.C. Code § 6-641.07.

I. GROUNDS FOR APPEAL

Appellant contends that the Zoning Administrator incorrectly interpreted and applied the applicable Zoning Regulations in issuing the Notice, and that revocation of the Certificate of Occupancy ("C of O") is unwarranted, improper, and unjust for the following reasons:

A. All Required Criteria Were Met at the Time of Issuance

The C of O for 14 P Street NW was lawfully issued on February 14, 2024 following the Developer's satisfaction of all applicable requirements at the time of issuance. DOB reviewed and approved the application, inspected the property, and issued the C of O in the ordinary course of its administrative process. The Developer relied in good faith on DOB's own determination that all conditions had been satisfied. To now revoke the C of O more than two years after issuance — based on DOB's own alleged administrative or clerical error — is fundamentally unfair and contrary to established legal principles.

Under the doctrine of **equitable estoppel**, a government agency may not take action that prejudices a party who reasonably relied on the agency's prior conduct. *Sigmon v. Dist. of Columbia Bd. of Zoning Adjustment*, 520 A.2d 1151 (D.C. 1987). Here, the Developer, unit owners, and purchasers all relied on the validly-issued C of O. Revoking it now would cause severe and disproportionate harm to innocent parties who had no role in any alleged administrative oversight.

Furthermore, under **12-A DCMR § 111.2(5)**, DOB's authority to revoke a certificate of occupancy on the basis of administrative or clerical error must be exercised reasonably and proportionately. The regulation does not contemplate revocation where doing so causes greater harm than the alleged deficiency it seeks to correct.

B. DOB's Own Administrative Failure Should Not Be Imposed on the Developer and Unit Owners

DOB acknowledges in the Notice itself that the C of O "was issued...as a result of an administrative or clerical error." It is well established under DC administrative law that a government agency cannot shift the consequences of its own error onto a private party who acted in good faith. *District of Columbia v. Greene*, 806 A.2d 216 (D.C. 2002). The Developer should not bear the burden of DOB's failure to identify the alleged outstanding balance prior to issuing the C of O.

Additionally, revoking the C of O of an occupied, 16-unit condominium building — affecting numerous individual unit owners who purchased their homes in good faith after the C of O was issued — is a grossly disproportionate remedy for an alleged outstanding balance of \$35,682.30. The Board should weigh the significant harm to innocent residents against the relatively modest sum at issue.

C. Developer Made a Good-Faith Effort to Resolve the Outstanding Balance

Rather than simply disputing the alleged outstanding balance, the Developer actively sought a reasonable and practical resolution. Specifically, the Developer identified a prior payment of **\$29,729** made to the DC Housing Production Trust Fund under **permit B2009077**, for a separate project located just a few blocks from 14 P Street NW. That project was never constructed, the permit is no longer active, and the funds have sat unused and without purpose.

The Developer made a formal request to DOB to either:

1. **Refund** the \$29,729 payment made under permit B2009077, given that the associated project was never built and the permit is no longer active; or alternatively,
2. **Transfer or apply** that payment as a credit toward the alleged outstanding balance of \$35,682.30 at 14 P Street NW.

Either approach would have substantially reduced — or nearly eliminated — the outstanding balance at issue, representing a practical, good-faith resolution that served the public interest without the need for revocation proceedings. However, DOB repeatedly declined or failed to respond to this request, refusing to facilitate what would have been a straightforward administrative remedy.

DOB's failure to engage with this reasonable request reflects an arbitrary and inflexible application of its administrative authority, inconsistent with its obligations under DC administrative law. Under **D.C. Code § 2-509** and the **DC Administrative Procedure Act**, agencies are required to act reasonably and consider all relevant factors when making administrative decisions. DOB's refusal to consider the credit or refund option — without explanation — constitutes an abuse of discretion.

D. Applicable Legal Authority Supporting This Appeal

Appellant relies on the following legal authorities in support of this appeal:

- **12-A DCMR § 111.2(5)** — Limits DOB's authority to revoke a C of O and requires that such revocation be exercised reasonably
 - **12-A DCMR § 112.3** — Establishes the right to appeal to the Board of Zoning Adjustment
 - **11-C DCMR § 1507.2, § 1507.5, § 1507.9** — Governs Inclusionary Zoning financial contribution requirements
 - **D.C. Code § 6-641.07** — Grants the Board of Zoning Adjustment authority to hear appeals of Zoning Administrator decisions
 - **D.C. Code § 2-509 (DC Administrative Procedure Act)** — Requires agency decisions to be reasonable, non-arbitrary, and based on consideration of all relevant factors
 - **Equitable Estoppel Doctrine** — Prevents a government agency from revoking a benefit previously granted where a party has reasonably relied on that grant to their detriment. *Sigmon v. Dist. of Columbia Bd. of Zoning Adjustment*, 520 A.2d 1151 (D.C. 1987)
 - **Proportionality Principle** — Administrative remedies must be proportionate to the violation alleged. Revoking occupancy for an entire 16-unit building over \$35,682.30 — particularly where a good-faith credit resolution was proposed — is disproportionate and punitive
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II. RELIEF REQUESTED

Appellant respectfully requests that the Board of Zoning Adjustment:

1. **Stay** the proposed revocation of C of O CO2401265 pending resolution of this appeal;
 2. **Reverse** the Zoning Administrator's Notice to Revoke as arbitrary, disproportionate, and contrary to applicable law;
 3. **Direct** DOB to facilitate the refund or transfer of the \$29,729 payment made under permit B2009077 as a credit toward the alleged outstanding balance; and
 4. **Grant** such other relief as the Board deems just and appropriate.
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Respectfully submitted,

SQL 1430NC LLC

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