


MEMORANDUM

TO: District of Columbia Zoning Commission

FROM: Matt Jesick, Development Review Specialist
 Joel Lawson, Associate Director Development Review

DATE: November 27, 2024

SUBJECT: ZC #08-30E – Extension Request for a Design Review Application at 25 M Street, SE

I. BACKGROUND

The Office of Planning (OP) recommends **approval** of a two year time extension to the time period in which to apply for a building permit for Phase 2 of the project.

Address	25 M Street, SE
Applicant	SCD 25 M, LLC
Legal Description	Square 700, Lot 879
Ward/ANC	Ward 8 / ANC 8F
Zoning	CG-4 (Capitol Gateway – High Density Mixed Use)
Comprehensive Plan Maps	Policy Map – Regional Center Future Land Use Map – High Density Comm. / High Density Res. Mixed Use
Project Approval History	<ul style="list-style-type: none"> • 08-30 – Order effective April 10, 2009 – Original approval; Phase 1 to the south (residential and retail) and Phase 2 to the north (office and retail); Condition that Phase 2 must obtain a building permit within 5 years of final C of O for Phase 1. • 08-30A – Order effective June 17, 2011 – Design refinements throughout entire project. • 08-30B – Order effective May 13, 2016 – Major redesign of residential portion; This design was built, and the final C of O granted on December 3, 2019. • 08-30C – Order effective July 1, 2016 – Design refinements to the office portion of the project. • 08-30D – Order effective March 3, 2020 – Design refinements to the office portion of the project.
Order Effective Date	April 10, 2009 (original Order)
C of O for Phase 1	December 3, 2019
Current deadline to file for building permit	5 years from Phase 1 C of O = December 3, 2024
Proposed deadline to file for building permit	2 year extension = December 3, 2026



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Site Photo – May 2022

II. EVALUATION OF THE EXTENSION REQUEST

Subtitle Z, § 705.2

The extension of a Zoning Commission approval is allowed for “good cause” shown upon the filing of a written request by the applicant before the expiration of the approval, provided that the Zoning Commission determines that the following requirements are met:

- (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 Zoning Commission is dated October 30, 2024 and has been in the public record since filing. The application contains a statement that it was served on the current ANC for the property, ANC 8F. The former ANC for this area, ANC 6D, was the only party to the prior applications.

- (b) **There is no substantial change in any of the material facts upon which the Zoning Commission based its original approval of the planned unit development that would undermine the Commission’s justification for approving the original PUD.**

Zoning Regulations

There have been no substantial changes to the Zoning Regulations that would materially impact the Commission’s original approval.

Comprehensive Plan

In 2021 the Council adopted updates to the Comprehensive Plan. While a number of policies were updated, the policies applicable to this site remain supportive of transit oriented, mixed use, walkable development. The project would also further many of the revised Plan's goals regarding equity through the following features:

- The project would provide job opportunities in a walkable, bikeable, transit-friendly location, which would allow access to those jobs even if a resident does not own a car.
- By providing more eyes on the street through additional daytime office use and retail uses, the project should increase the feeling of safety in the immediate vicinity.
- The project would upgrade in appearance one of the few remaining development sites near the ballpark. This would further the Plan's emphasis that all neighborhoods should enjoy a high quality of urban design and a high quality pedestrian environment.

Therefore, while the Comprehensive Plan has been updated, the changes do not alter OP's conclusion that the project is not inconsistent with the Plan, including when viewed through a racial equity lens.

Surrounding Development

Development in the neighborhood has continued since the approval of 08-30D. The present built environment is consistent with Commission approvals and consistent with Comprehensive Plan guidance for the neighborhood. Most nearby development, as anticipated at the time of the original approval, consists of high density mixed use buildings.

(c) The applicant demonstrates with substantial evidence one (1) or more of the following criteria:

(1) An inability to obtain sufficient project financing for the planned unit development, following an applicant's diligent good faith efforts to obtain such financing, because of changes in economic and market conditions beyond the applicant's reasonable control;

The applicant states that, in spite of diligent efforts, they have not been successful to date in acquiring project financing, with a number of factors combining to make financing this project more difficult, including:

- Construction cost increases
- High interest rates
- General low office demand as a lingering effect of Covid and telework

Despite these conditions, the application states that they continue efforts to move the project forward and have expended large sums toward that goal, including architectural, engineering and legal costs. Efforts also include substantive changes such as utility improvements, construction agreements with WMATA, and maintenance and improvements to Half Street.

- (2) **An inability to secure all required governmental agency approvals for a planned unit development by the expiration date of the planned unit development order because of delays in the governmental agency approval process that are beyond the applicant's reasonable control;**

N/A

- (3) **The existence of pending litigation or such other condition, circumstance or factor beyond the applicant's reasonable control which renders the applicant unable to comply with the time limits of the planned unit development order.**

N/A