



MEMORANDUM

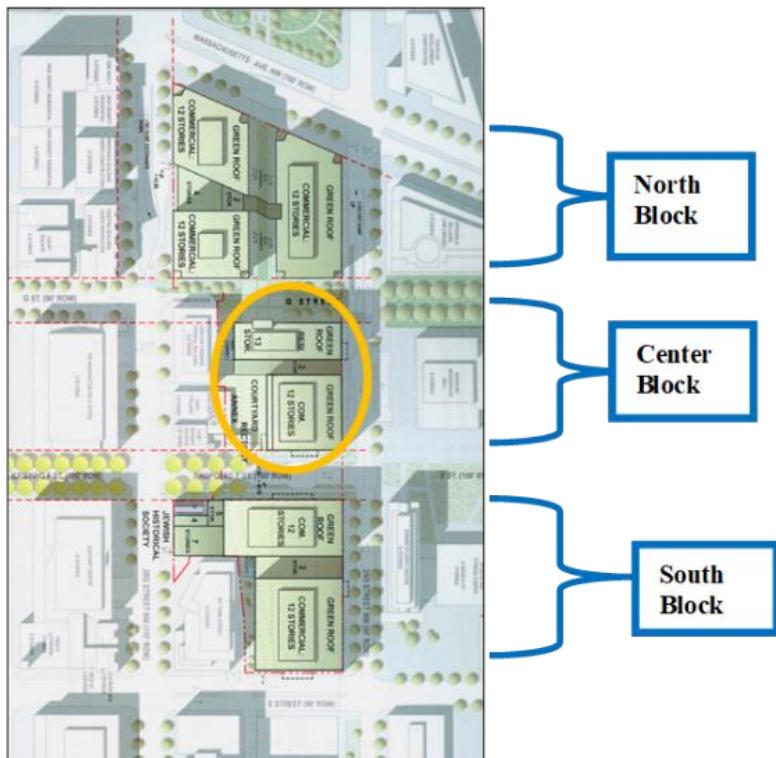
TO: The Zoning Commission for the District of Columbia
FROM: Philip Isaiah, Development Review Specialist
JL Joel Lawson, Associate Director Development Review
DATE: December 22, 2025
SUBJECT: ZC #08-34O – Second Extension Request for Second Stage PUD Approvals 08-34L and 08-34M, Capitol Crossing

I. BACKGROUND

The Office of Planning (OP) recommends **approval** of the requested two year time extension.

Address	Capitol Crossing “Center Block”, between 2 nd and 3 rd Streets NW, and F and G Streets NW
Applicant	Capitol Crossing III, LLC and Capitol Crossing IV, LLC
Legal Description	Square 566, Lots 862 and 864
Ward/ANC	Ward 6 / ANC 6E.
Zoning	D-4, high density mixed use
Existing ZC Order	<p>ZC 08-34, Stage One approval, effective July 1, 2011 for a mixed use development on this approximately three block site south of Massachusetts Avenue NW, over top of a portion of the sunken I-395 freeway.</p> <p>ZC 08-34K, Stage One Modification of Significance for the Center Block, effective October 30, 2020.</p> <p>ZC 08-34L, Stage Two approval for subject site, effective March 25, 2022, for development of a residential building, a hotel building, and a shared connecting two-story podium.</p> <p>ZC 08-34M, first two-year time extension for Stage Two Approval for the subject site, effective December 29, 2023.</p>
Order Expiration Date	<p>March 25, 2026 for filing of building permit for the residential building and podium.</p> <p>March 25, 2027 to begin construction of the Residential building and podium.</p> <p>Building permit application for the hotel to be filed within two years, and construction to begin within three years, of the issuance of the first C of O for the residential building or podium.</p>

Extension Request	<p>Second extension, and wave Zoning Regulation Subtitle Z § 705.5 to permit a second extension for two years.</p> <p>Thus:</p> <p>March 25, 2028 for filing of building permit for the residential building and podium</p> <p>March 25, 2029 to begin construction of the residential building and podium</p> <p>March 25, 2032 for issuance of Certificate of Occupancy.</p>
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II. EVALUATION OF THE EXTENSION REQUEST

Subtitle Z, § 705.2

The extension of a PUD 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 November 18, 2025 and has been in the public record since filing. The application contains a statement that it was served on ANC 6E, within which the site is located, as well as ANCs 2C and 6C which were parties to the original case.

(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

Since the time of the previous Stage 2 time extension approval, the subject property has remained zoned D-4. While the Zoning Commission approved several text amendments to the regulations, none of them affected Subtitle I (Downtown Zones) outside of clerical modifications.

Comprehensive Plan

Since the time of the approval of the original Stage 2 PUD, Council adopted the 2021 Comprehensive Plan, which included significant changes to the maps and policy statements. In this case, neither the Future Land Use Map designation of High Density Commercial, nor the Generalized Policy Map designation of “Central Washington” changed, and the site was not located within a Future Planning Analysis Area or Resilience Focus Area. As of the last extension approval in 2023 and continuing through today, the site remains subject to the 2021 Comprehensive Plan, and there have been no subsequent changes that would materially affect the PUD approval or its consistency with the Comprehensive Plan.

The [OP report](#) for that case included a full review of the proposal against the Comprehensive Plan, noting that the proposed development would further many Comp Plan policies, including providing new housing and employment opportunities where none currently exist. As part of the original 08-34 PUD, the residential building is required to include 50 units minimum of affordable housing (approximately 30% of the total), for households earning up to 80%, exceeding IZ requirements.

Surrounding Development

Some development in the general neighborhood has been approved (notably on the adjacent GW Law campus) since the approval of the original case. However, there has been no new development which would significantly impact the Zoning Commission’s original approval.

(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 application notes that the applicant has continued to construct improvements within the broader PUD boundaries, including completion of the street network, and has continued to work on obtaining necessary approvals for the subject portion of the site. Despite this, the applicant states that they have not been able to move forward with this highly complex development due to financial constraints resulting from changes in economic and market conditions beyond their control, including factors such as costs of construction materials, current financing reluctance for multi-family buildings, and changes in interest rates, even though much of the necessary infrastructure, including construction of the podium itself, is complete.

(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

III. ANC COMMENTS

At Exhibit 4 of the record is a resolution from ANC 6E indicating support for the requested extension: