


MEMORANDUM

TO: District of Columbia Zoning Commission
FROM:  Joel Lawson, Associate Director Development Review
DATE: October 8, 2024
SUBJECT: ZC #22-04A – First Extension Request for PUD 22-04

I. OP RECOMMENDATION

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

Address	Reed Street NE
Applicant	Captain Reed 2640, LLC, Trolley Lot LLC, FR 828 Evarts NE LLC, Eagle 901 LLC, and Franklin & Rocky Properties LLC (“Applicant”)
Legal Description	Squares 3846 and 3841
Ward/ANC	Ward 5; ANC 5B
Zoning	PUD MU-4 and MU-6A (PDR-2 base zone)
Project Description	New mixed-use development along a realigned Reed Street NE, to be constructed in phases. Altogether, the development would include approximately 683 residential units and about 22,000 sq.ft. of maker and commercial space. As part of the original approval, the Commission also approved lot occupancy, side yard, and rear yard relief for portions of the development.
Order Expiration Date	Deadline to file a building permit: February 24, 2025 Deadline to begin construction: February 24, 2026 Expiration if no CofO issued: February 24, 2030
First Extension Request	Deadline to file a building permit: February 24, 2027 Deadline to begin construction: February 24, 2028 Expiration if no CofO issued: February 24, 2032

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 is dated September 16, 2024 and has been in the public record since filing. The application contains a statement that it was served on ANC 5B within which the site is located.

- (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.**

Comprehensive Plan

This PUD was reviewed under the current Comprehensive Plan, last updated in 2021 before this proposal was reviewed by the Zoning Commission. As such, there have been no changes to the Comp Plan maps or policy statements since this project was reviewed and approved by the Commission.

Zoning Regulations

There have been no changes of substance to the Zoning Regulations that would materially impact the Commission’s original approval. Neither the recent re-organization of the zoning regulations nor the renaming of various zones impact the substance of zoning or the PUD for this property.

Surrounding Development

OP is not aware of new development in direct proximity to the site that would materially impact the review or approval of this application.

- (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;*
- (2) *An inability to secure all required governmental agency approvals for a development by the expiration date of the order because of delays in the governmental agency approval process 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 that renders the applicant unable to comply with the time limits of the order.*

The applicant cites the ongoing effects of the Covid-19 pandemic, higher construction costs, and higher interest rates impacting the ability of the applicant to initiate the production of construction drawings and resulting in market uncertainty. This resulted in the departure of the original development Partner, Hanover, and the Applicant is currently searching for a new development partner.

Despite this, the application notes efforts by the Applicant to move this project forward, including a Horizontal Public Use Agreement with DDOT; approval of necessary alley closing and street dedication; and the filing of raze permits and subdivision applications.

As such, the Applicant has demonstrated a need for the requested extension to pursue financing to proceed and prepare the site for redevelopment.

III. DISTRICT AGENCY COMMENTS

As of the date of this report, the record does not contain comments from other District agencies.

IV. ANC COMMENTS

As of the date of this report, there is no filing from ANC 5B.

V. COMMUNITY COMMENTS

As of the date of this report, the record does not contain comments members of the community.

Approximate Site Location

