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March 21, 2025

## Via IZIS

Anthony Hood, Chairperson District of Columbia Zoning Commission 441 4th Street, NW, Suite 200-S Washington, DC 20001

Re: Z.C. Case No. 05-28AI: Application for One-Year Time Extension for the Approved Second-Stage Planned Unit Development for Parkside Parcel 9B (the "Parcel 9B PUD") (Square 5056, Lots 868-869) Approved in Z.C. Order No. 05-28Q

Dear Chairperson Hood:

Parkside Residential LLC ("**Applicant**") hereby requests a one-year extension to begin construction on the Parcel 9B PUD. The existing Parcel 9B PUD approval, as previously extended, expires on March 23, 2025. Since the Applicant filed a building permit in May 2022, the Applicant requests an extension through March 23, 2026, to begin construction. This extension request is made pursuant to Subtitle Z, Sections 705.2 and 101.9 of the 2016 Zoning Regulations.

The first-stage PUD for Parkside was initially approved by Z.C. Order No. 05-28 in April 2007 (the "**First-Stage PUD**"), and the second-stage PUD for Parcel 9 was approved by Z.C. Order No. 05-28Q on March 23, 2018. Following that approval, the Applicant was to begin construction of the Parcel 9B PUD by March 23, 2021. Since then, the Parcel 9B PUD has been extended three times: initially for two years by Z.C. Order No. 05-28W, then administratively for an additional year in Z.C. Order No. 05-28W(1), and, most recently, for an additional year in Z.C. Order No. 05-28AG.

The Applicant recognizes that this time extension request exceeds the number of time extensions contemplated under the Zoning Regulations and, as a result, also respectfully requests a waiver from that limitation.

### **Background on the Second-Stage PUD**

The First-Stage PUD approved approximately 3 million square feet of mixed-use development on approximately 15 acres of vacant property east of the Anacostia River in Ward 7. Specifically, it approved a mix of residential, retail, and other non-residential uses with maximum heights of 90-110 feet. Additionally, the First-Stage PUD includes a robust package of public

**EXHIBIT NO.2** 

benefits, including 20% of the units affordable at 60% MFI, a public park, and a \$3 million contribution to the now-complete pedestrian bridge over 295 to the Minnesota Avenue Metrorail station, among many other benefits created in close coordination with the residents of nearby neighborhoods and through a strong relationship with ANC 7D.

The Commission most recently considered the development of Parkside in November 2024 when it approved a time extension for the First-Stage PUD in Z.C. 05-28AH. This request builds upon that extension by requesting additional time for the Applicant to begin construction on the Parcel 9B PUD. The Parcel 9B PUD will provide approximately 82 residential units.

# **The Commission Should Grant the Requested Time Extension**

#### A. Standards of Review of Time Extension Request

The standards for a time extension are enumerated in Subtitle Z Section 705.2 of the Zoning Regulations. The Commission is authorized to extend a PUD 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 Commission based its original approval of the application that would undermine the Commission's justification for approving the original application; and
- (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 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.

### Subtitle Z, Section 705.2.

In addition to the foregoing standard, Subtitle Z, Section 705.5 limits the number of time extensions to no more than two extensions and provides that the second extension may be approved for no more than one (1) year. Pursuant to Section 101.9, the Applicant requests that the Zoning Commission waive the requirements of Section 705.5 and approve this further time extension request. Section 101.9 allows the Commission to waive its rules if doing so will not prejudice the rights of any party and is not otherwise prohibited by law.

The Parcel 9B PUD will contribute to the ongoing development of Parkside by activating Block F and bringing additional residences to the neighborhood. By not granting this extension request, the development of the Parcel 9B PUD is threatened and may negatively impact the future of the remaining blocks. Notably, these remaining blocks are located in the most prominent position in the development, fronting on Kenilworth Avenue, NE.

The First-Stage PUD was approved as a cohesive plan, with public benefits that are impressive even by today's standards and allowing the Parcel 9B PUD to lapse would significantly impact that vision. Conversely, granting this extension request will enable the Applicant to move forward with the construction of the Parcel 9B PUD and remaining Parkside development.

## B. The Application Satisfies the Standards for Granting Time Extension and Waiver

In this time extension application, the Applicant requests that it be allowed until March 23, 2026, to begin construction of the Parcel 9B PUD. In Z.C. Order No. 05-28AH, the Commission granted a one-year time extension through March 23, 2025.

# 1. The Applicant Will Serve the Parties to the Parcel 9B PUD

This request is being served on the ANC, the only party to the Parcel 9B PUD, on the same day as it is filed with the Zoning Commission. The Applicant asks that the Commission not place this request on its meeting agenda until the thirty-day period has lapsed.

#### 2. No Material Facts Have Substantially Changed

There has been no substantial change in any material facts that would undermine the basis for the Commission's original approval of the Parcel 9B PUD. Since the Applicant has already filed for a building permit, this request is only necessary to give the Applicant additional time to begin construction.

Despite the present economic environment and unprecedented uncertainty, the Applicant is confident that construction of the Parcel 9B PUD will begin prior to March 23, 2026. The Applicant is actively negotiating with several funding sources to finance construction and remains confident that there is demand for residential units at Parkside. The applicant was issued an invitation letter by HUD to submit a loan application for a 221(d)(4) new construction loan and is actively pursuing this loan. Since 2020, the Applicant has added approximately 446 residential units, including both market-rate and workforce housing, highlighting its commitment to growing the Parkside community. While the Applicant looks forward to providing additional residential units, it recognizes that this process will take a considerable amount of dedication, perseverance, and financial backing. Still, the material facts underlying the development remain the same: a need for diverse and comprehensive development in Ward 7 that will bring retail, job opportunities, and residents to an otherwise underserved area of the District. The construction of the Parcel 9B PUD underscores the Applicant's commitment to bringing the original vision of Parkside to fruition.

#### 3. Good Cause Exists to Grant the Further Time Extension

Since Z.C. 05-28AG, the Applicant has taken substantial steps towards commencing construction. Notably, the Applicant has completed construction on adjacent Parcels 8 and 10, allowing for the removal of materials that previously occupied Parcel 9B. The Applicant has applicable permits and approvals to commence construction of the Parcel 9B PUD and continues to actively look for financing to begin construction.

# 4. The Time Extension Does Not Prejudice Any Party and Is Not Prohibited

The Commission's waiver on its limit on the number of times it may extend a PUD will not prejudice the rights of any party. Moreover, such a waiver is not otherwise prohibited by law. Accordingly, the Commission may grant such a waiver in this instance and such waiver will enable the Parcel 9B PUD to proceed with construction.

## **Exhibits**

Attached are the following Exhibits:

Exhibit A – Summary of Zoning Commission Actions

Exhibit B – Affidavit from Applicant

Exhibit C – Letter of Authorization from the Applicant

# **Conclusion**

For the foregoing reasons, the Applicant requests that the Commission grant the requested time extension and waiver of its rules with respect to the number of extensions that may be granted. Please feel free to contact the undersigned if you have any questions or comments regarding this application.

Respectfully Submitted,
/s/
Christine A. Roddy
/s/ Derick O. Wallace

# **Certificate of Service**

I hereby certify that a copy of the foregoing document was sent to the following by first-class mail or email by no later than March 21, 2025.

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/s/	
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