

June 29, 2026

VIA IZIS ONLY

Anthony J. Hood, Chairman
Zoning Commission for the District of Columbia
441 Fourth Street, N.W., Suite 200-S
Washington, D.C. 20001

Re: Z.C. Case No. 22-35A – Application of UM 500 Penn Street NE, LLC (“Applicant”) for a Modification without Hearing for the Consolidated Planned Unit Development, Related Zoning Map Amendment, and Airspace Development (collectively, the “Approved PUD”) for 1345 4th Street, N.E. (Square 3592, Lots 19-23 and 802 and Parcel 129/45) (collectively, the “Property”)

Dear Chairman Hood and Members of the Commission:

The Applicant submits this application pursuant to Subtitle Z § 703 of the District of Columbia Zoning Regulations requesting approval of a modification without hearing to permit interim improvements to portions of the Property.

The requested modification is necessary to allow the Applicant to make interim improvements to the existing buildings on the Property, primarily the existing motel building (the “**Existing Motel**”). The modification will allow the Applicant to modernize and enhance the Existing Motel for lodging uses and to renovate and re-lease existing street-level commercial and retail spaces on the west side of the Property (“**Pascal Structures**”) – all to keep such buildings active and in productive use before the construction of the Approved PUD moves forward in the future. Lodging and commercial/retail uses are permitted both in the existing underlying PDR-1 zone and under the MU-9A zoning approved as part of the Approved PUD.

No modifications are proposed to the Property other than the modernization and improvements to the Existing Motel and the Pascal Structures, and no modifications are proposed to the future buildings approved as part of the Approved PUD.

In a companion application filed simultaneously with this application, the Applicant also requests a time extension of ten (10) years to provide certainty to the Applicant and its partners to allow for the degree of investment necessary in the Property to bring it into productive use during the interim period and so that the interim improvements and uses have sufficient time to succeed. The Applicant recognizes that ten years is longer than many other validity terms for PUD approvals, but a ten-year term is necessary to provide a sufficient duration for the Applicant and its partners to commit the significant capital investment required to fully restore the Existing Motel to a usable condition and to complete the needed updates to the Pascal Structures, while also preserving the future benefits of the Approved PUD. If the extension were shorter, the proposed improvements to the Existing Motel might not proceed as designed, which would further jeopardize the Approved PUD and would keep dormant several significant buildings located at and near an important corner location in the Union Market District. The justification for the time extension and the modification application are largely interrelated.

The requested modification is limited in scope, does not alter the ultimate design intent, density, use mix, or public benefits of the Approved PUD, and may be understood and granted without the need for a public hearing or witness testimony. Accordingly, the Applicant respectfully requests that the Commission consider this application as a modification without a hearing and act on the request at a single public meeting.

I. BACKGROUND REGARDING THE APPROVED PUD AND THE APPROVED PROJECT

The Property consists of multiple lots containing several existing buildings and a surface parking lot at the corner of 4th Street, N.E. and Penn Street, N.E. at the northern entrance to the Union Market District in Ward 5.

The lots that make up the Property were together approved for the construction of two new buildings as part of the Approved PUD. In the Approved PUD, the Commission approved a consolidated Planned Unit Development, a PUD-related Zoning Map amendment from the PDR-1 zone to the MU-9A zone, and airspace development for the Property.

The Approved PUD consists of two mixed-use buildings separated by a public alley at grade, with a shared below-grade parking garage and related public realm improvements (the “**Approved Project**”). The Approved Project includes up to approximately 415,242 square feet of gross floor area, including retail/commercial/PDR-maker space, lodging use convertible to residential use, and residential use, together with approximately 162 parking spaces and other amenities. The Approved Project also includes substantial public benefits, including a 15% affordable housing proffer, family-sized units, PDR-maker commitments, LEED Gold design, solar panels, streetscape improvements, and transportation demand management measures.

The Commission’s approval carefully balanced the requested development flexibility against the Approved Project’s public benefits and any potential adverse effects and concluded that the Approved PUD is not inconsistent with the Comprehensive Plan, does not result in unacceptable project impacts, and includes specific public benefits and amenities that justify approval. The Approved PUD enjoyed support from the Office of Planning, the District Department of Transportation, ANC 5D, and the then-existing retail tenants on the Property. The requested modification does not disturb those conclusions.

II. RATIONALE FOR AND DESCRIPTION OF THE PROPOSED MODIFICATION

The Applicant seeks approval to modify the Approved PUD only to permit interim improvements on the portion of the Property at the corner of 4th Street, N.E. and Penn Street, N.E. where the Existing Motel and Pascal Structures are located.¹ This modification does not seek to modify the other existing buildings or improvements on the Property or the Approved Project in any way.

A. Rationale for the Proposed Modification

1. Market Conditions Necessitate Interim Use of the Property. As the Commission is aware, very few projects in the District are moving forward at this time. A combination of factors, including high interest rates, high construction costs, meaningful regulatory headwinds and risks, general market dynamics, and other adverse conditions, are stalling the construction of previously-approved PUDs across the District. The Approved PUD is subject to those same adverse factors. As the Commission is likely also

¹ The Applicant does not propose any interim changes to the surface parking lot that is located on the portion of the Property bounded by Penn Street, NE and 5th Street, NE, other than typical modernization, repair and restoration work.

aware, the Applicant's parent company, EDENS Development, has a long history of enlivening the Union Market District with locally-owned shops, restaurants, and other uses. EDENS has been a catalyst for transforming the Union Market District into the economic engine long envisioned by the Ward 5 leaders, ANC 5D, and the Office of Planning in the Florida Avenue Market Small Area Plan ("**Small Area Plan**"). In fact, EDENS moved its company headquarters to the Union Market District. Rather than allowing the Property to lie vacant while market conditions improve, the Applicant seeks to construct interim improvements to the Existing Motel and the Pascal Structures. This interim development strategy will deliver near term activation of the portion of the Property where these structures are located. Other portions of the Property will continue to be used for retail/commercial and restaurant operations, with related parking uses.

2. The Existing Motel Building and Pascal Structures Require Repairs and Investment. When the Approved Project is ultimately constructed, the Existing Motel will be demolished. However, without substantial repairs, the Existing Motel has exceeded its lifespan. Since the Applicant is not able to commence construction of the Approved Project, the Applicant instead plans to make interim improvements to the Existing Motel to activate the Property and the Union Market District as a whole. Similarly, the Applicant wishes to refurbish the Pascal Structures during this interim period. Those interim improvements give rise to this application. The degree of the investment required into the Existing Motel, along with the Pascal Structures, is significant due to the significantly aged and challenged conditions of the buildings today and the certainty of the ten year extension timeframe is required in order to obtain commitments for such funds and related efforts (including by the prospective tenants).

B. Description of the Proposed Modification

1. Interim Improvements. The Applicant proposes to repair and rehabilitate the Existing Motel and to make improvements to surface parking lot surrounding the Existing Motel ("**Interim Motel Improvements**"). The Interim Motel Improvements will create human-friendly spaces that harmonize more seamlessly with the adjacent sidewalks than the motel's current parking lot. The Interim Motel Improvements will also activate the now-dormant ground level, focusing on retail/commercial and restaurant spaces within the motel space and elsewhere on the Property, and public realm along 4th Street, N.E. and Penn Street, N.E. in the northern portion of the Union Market District. Proposed plans for the Interim Motel Improvements are included as Exhibit A. The change of the area in front of the Existing Motel from parking to amenity space does not create any new impacts. The Applicant controls the existing surface parking lot across the alley to the rear of the Existing Motel, so the future uses in the Existing Motel will continue to have ample parking access. In addition, the Existing Motel was substantially overparked, especially given how visitors travel to hotels in the District today (i.e., relying on ride share and public transportation) relative to how visitors arrived when the Existing Motel was constructed in the 1960s. Instead of unused surface parking spaces, the Existing Motel site will include outdoor seating, hardscape, and other amenities that beautify the adjacent public space and soften the overall environment, while providing an outdoor amenity area in an area largely devoid of such spaces.

Similarly, the Applicant will modernize and restore the Pascal Structures to allow for use during the interim period, prior to the performance under the Approved PUD, and thereby deliver more active uses to the Union Market District. The result will allow the Property to shift from its current underutilized condition to becoming a source of renewed activity and investment in the Union Market District.

2. Time Extension Request. The Applicant requests that the Commission allow ten (10) years for the Approved Project to obtain financing, seek a building permit and begin construction within a year thereafter. Although this timeline is longer than ordinary for a PUD, the Applicant requests the elongated

timeline to provide certainty relating to the return of the significant investment that the Applicant and its partners and tenants intend to make on the site, particularly relating to the Interim Motel Improvements.

3. No Changes to the Approved Project. Importantly, the requested modification does not alter the approved maximum building height, overall density, use mix, affordable housing commitment, PDR-maker obligations, transportation demand management commitments, or other public benefits and conditions set forth in the Approved PUD. The Applicant does not propose any changes to the Approved Project that the Commission previously approved.

4. Updated Conditions: A.1 and D.2. The Applicant proposes changes only to two conditions of the Approved PUD order. The Applicant proposes to revise Condition A.1 it as shown in underline below to account for the Interim Motel Improvements:

The Project shall be constructed in accordance with the plans submitted December 18, 2023, as Ex. 40A1-40A6 and the guidelines, conditions, and standards herein (collectively, the “Approved Plans”); provided, however, that prior to commencement of construction of the Project on Lot 802 in Square 3592 (the “Motel Lot”) and/or on Lots 19-23 in Square 3592 (the “Pascal Lots”), the Applicant may modify the Motel Lot and Pascal Lots in accordance with the plans for interim improvements submitted June 24, 2026 as Ex. [2] of Z.C. Case No. 22-35A and the flexibility contained herein, and such interim improvements shall not constitute a Building or the Project.

The Applicant also proposes to revise Condition D.2 as shown in underline and strikethrough below to account for the time extension:

The PUD shall be valid for a period of ~~two~~ ten years from the effective date of this Order, as modified. Within such time an application shall be filed for a building permit, with construction to commence within ~~three~~ eleven years of the effective date of this Order.

III. THE COMMISSION SHOULD APPROVE THIS REQUEST WITHOUT A HEARING

The Commission should approve the Interim Motel Improvements, time extension, and content of this application without a hearing.

Subtitle Z § 703 distinguishes between modifications to an approved PUD that require a hearing and those that can be approved without a hearing. A modification without a hearing is appropriate where the proposed change is limited in scope and its impacts may be understood without witness testimony. See 11-Z DCMR § 703.6. More particularly, the type of change that may be understood without witness testimony includes “a redesign or relocation of architectural elements and open spaces from the final design approved by the Commission.” *Id.*

The Interim Motel Improvements are akin to a redesign of architectural elements and open spaces and may be understood by the Commission’s review of the attached proposed plans. The Applicant does not propose any significant modifications to existing buildings, curb cuts, or open spaces. Rather, the Interim Motel Improvements are in the vein of extending the life of the Existing Motel, which was initially approved for construction in the early 1960s. The Existing Motel also has an anachronistic site plan with surface parking spaces between the Existing Motel building and the surrounding streets that are otherwise

not consistent with the pedestrian-oriented environment of the buildings immediately adjacent to the Existing Motel. As a result, the Applicant believes that the Interim Motel Improvements should include changes to the Existing Motel lot that improve the pedestrian experience around that lot and the approachability and the usability of the Property itself. The update will allow the site to pivot from one that served a primarily auto-dependent user base to one that caters to visitors more integrated into the urban fabric from multi-modal sources. Similarly, the repair and modernization of the Pascal Structures will not significantly alter the site improvements but rather will enhance in order to contribute to activity in, and the public space throughout, the Union Market District. Together these improvements would allow for the optimal interim use approach for the Property, while the Applicant works towards implementing the Project vision.

Moreover, the improvements contemplated by this application, particularly the Interim Motel Improvements, would facilitate lodging and retail uses, both of which are currently permitted as a matter of right in the underlying PDR-1 zone and were among the uses approved as part of the Approved PUD.

The relevant standard is satisfied here. The requested modification is narrow and may be readily evaluated based on only the attached plans and written materials. The modification does not introduce a new building or any new or increased impacts, does not reopen the Commission's core planning analysis, does not change the proffered public benefits, and does not require further evidentiary support to be understood.

IV. THE REQUESTED MODIFICATION DOES NOT ALTER THE COMMISSION'S BASIS OF APPROVAL

The Commission approved the Approved PUD because it found the project to be not inconsistent with the Comprehensive Plan and other adopted public policies including the Small Area Plan, to have acceptable and mitigable impacts, and to provide substantial public benefits and project amenities. None of those conclusions change as a result of the requested modification.

The requested action does not expand the scope of the Approved Project or diminish any vested public benefit secured through the Approved PUD. Specifically, the requested modification does not change the approved density or height; does not alter the overall residential, lodging, retail, and PDR-maker program in any material way; does not reduce the project's affordable housing commitments, family-sized unit commitments, sustainability commitments, or public realm improvements; and does not create any new or materially different adverse transportation, land use, environmental, or urban design impacts. The approved findings of fact and conclusions of law in the Approved PUD therefore remain fully applicable.

Likewise, there has been no material change in the facts underlying the Commission's original approval that would undermine the basis for the Approved PUD. Neither the Comprehensive Plan nor Small Area Plan have changed relative to the Property since the Commission issued the order for the Approved PUD in 2023. Overall, the Property remains appropriate for the mixed-use Approved Project, which will advance the same planning, housing, urban design, economic development, and other planning objectives identified by the Commission in the Approved PUD. If anything, the Interim Motel Improvements, along with the improvements to the Pascal Structures, only expedite the delivery of those planning objectives, albeit on an interim basis, while market conditions improve for the future construction of the Approved Project.

V. THE REQUESTED MODIFICATION DOES NOT PREJUDICE ANY PARTY

Granting the requested modification will not prejudice the rights of ANC 5D, which was the only party to the Approved PUD (other than the Applicant). The Applicant has already spoken with representatives from ANC 5D, the ANC will receive a copy of this filing, and may respond in the ordinary course.

VI. CONSISTENCY WITH THE APPROVED PUD

This application should be granted in a manner that preserves the remainder of the Approved PUD in full force and effect. Except as expressly modified by the Commission's action on this application, all plans, proffers, conditions, and flexibility approved in the Approved PUD remain unchanged. The Applicant therefore requests approval of a targeted modification only, without disturbing any other aspect of the Approved PUD.

VII. EXHIBITS

Exhibit A – Plans showing the Interim Motel Improvements and the Pascal Improvements

Exhibit B – Z.C. Order No. 22-35

Exhibit C – Authorization Letters from the Applicant and Property Owners and Signature Page

VIII. CONCLUSION

For the foregoing reasons, the Applicant respectfully requests that the Zoning Commission approve this application as a modification without a public hearing and authorize the limited flexibility and time extension requested herein.

Thank you for your consideration of this request.

Respectfully submitted,

Jeff C. Utz

David A. Lewis

Counsel for the Applicant

Certificate of Service

The undersigned hereby certifies that a copy of the foregoing document was sent by first-class mail or email by no later than July 6, 2026 to the following:

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