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August 25, 2026

VIA IZIS

Zoning Commission
for the District of Columbia
441 4th Street, NW, Ste. 210-S
Washington, DC 20001

**Re: Z.C. Order No. 22-04 and 22-04A
Request for Two-Year Time Extension with Waiver Request
Approved Consolidated Planned Unit Development and Related Zoning Map
Amendment @ Square 3846 and 3841 (Reed Street, NE)**

Dear Members of the Zoning Commission:

On behalf of Captain Reed 2640, LLC, Trolley Lot LLC, FR 828 Evarts NE LLC, Eagle 901 LLC, and Franklin & Rocky Properties LLC (collectively, the “**Applicant**”), owners of the property known as Lot 88 in Square 3846 and Lot 79 in Square 3841 (together, the “**PUD Site**”), we hereby request a two-year extension of the validity periods established under Z.C. Order No. 22-04 (the “**Original Order**”), as extended by Z.C. Order No. 22-04A (the “**Extension Order**”). The Applicant respectfully requests that the Commission consider this matter as part of its October 8, 2026, public meeting agenda.

I. Application Overview

Under the Original Order, the Commission approved a consolidated Planned Unit Development (“**PUD**”) and related Zoning Map amendment for the PUD Site, which is to be developed in phases. Pursuant to the Extension Order, the Commission extended the deadline to file a building permit application for Phase I to February 24, 2027, and the deadline to commence construction of Phase I to February 24, 2028. Deadlines for the subsequent phases are tied to issuance of the first certificate of occupancy for Phase I, and the PUD approval remains valid through February 24, 2032. **For the good cause described herein, the Applicant requests a further two-year extension of these deadlines, as follows:**

- **Deadline to file a building permit application for Phase I:** Feb. 24, 2027 → **Feb. 24, 2029**
- **Deadline to commence construction of Phase I:** Feb. 24, 2028 → **Feb. 24, 2030**
- **PUD expiration deadline (Phase I CofO):** Feb. 24, 2032 → **Feb. 24, 2034**

ZONING COMMISSION
District of Columbia
CASE NO. 22-04B
EXHIBIT NO. 2

Under Subtitle Z § 705.5 of the District of Columbia Zoning Regulations (the “Zoning Regulations”), an applicant with an approved PUD may request no more than two (2) extensions, not including any extensions granted due to the COVID-19 pandemic. If requested, the second extension may be approved for a period of no more than one (1) year. Therefore, for good cause shown, the Applicant also requests that the Commission waive that limitation pursuant to Subtitle Z § 101.9 of the Zoning Regulations.

II. Filing Requirements and Supporting Documentation

This application is filed pursuant to Subtitle Z § 705 of the Zoning Regulations. The Form 100 (Application Signature Page) and Form 106 (Application for a Time Extension to a PUD or Design Review Order) are being submitted concurrently through IZIS. A check made payable to the D.C. Treasurer in the amount of \$5,000.00 for the requisite filing fee will be provided to the Office of Zoning upon filing.¹

The following materials are also provided in support of this request: (i) letters from the Applicant/PUD Site owners authorizing Holland & Knight LLP to file this application; (ii) copies of Z.C. Orders No. 22-04 and 22-04A; and (iii) the affidavit of Jack Sarf, the manager of each of the LLC entities comprising the Applicant, attached hereto as **Exhibit A** (the “**Sarf Affidavit**”).

III. Description of the PUD Site

The PUD Site is located in Ward 5, within ANC 5B04, in the southeastern portion of the Brookland neighborhood. The site contains approximately 156,742 square feet of land area and is generally bounded by Franklin Street, NE to the north, WMATA tracks to the west, and a north-south public alley to the east, west of 10th Street, NE. Portions of Reed Street (Alley), NE and other public alleys that previously traversed the PUD Site were closed pursuant to the Reed Street Realignment Act of 2023 (D.C. Law 25-15, effective June 14, 2023).²

The PUD Site is generally surrounded by a mix of residential and non-residential uses. Properties to the east are predominantly residential in character, with row homes located along Evarts Street, NE and 10th Street, NE. The Noyes Education Campus is further to the east of the PUD Site. Higher-density residential uses are located to the south, including several apartment buildings and the Rhode Island Row mixed-use development. The PUD Site is also well served by transit and is located near the Metropolitan Branch Trail, offering another link between the PUD Site and many of the city’s northeast neighborhoods.

Shortly after filing the first time extension request on September 16, 2024, the Applicant recorded subdivision plats creating two record lots within the PUD Site: Lot 88 in Square 3846 (“**Lot 88**”) and Lot 79 in Square 3841 (“**Lot 79**”). See **Exhibit B**. The portions of the PUD west of realigned Reed Street, NE (Phases I and II-B), will be developed on Lot 88 (the “**West**

¹ Pursuant to Subtitle Z § 1600.10(c), the applicable filing fee is \$5,000 because 10% of the original hearing fee in Z.C. Case No. 22-04 (\$54,969.00) exceeds the regulation's maximum fee. See Ex. [18L](#) and [18M](#).

² The realigned Reed Street (Alley), N.E. has been and will continue to be a public alley, although it will be improved to street standards, with the exception of its width, as finally approved by DDOT. It is referred to herein as “Reed Street” despite its legal classification as an Alley.

Building”), while the portion east of realigned Reed Street, NE (Phase II-A), will be developed on Lot 79 (the “**East Building**”). Additional details regarding project phasing are provided below.

IV. Approved Project, Public Benefits, and Phasing

Pursuant to the Order, the Commission approved a consolidated PUD and related map amendment from the PDR-2 Zone to the MU-6A and MU-4 zones. The approval authorizes the construction of a new mixed-use development consisting of two buildings (with three massings) and approximately 683 residential units (the “Project”). The Project will devote approximately 22,159 square feet to PDR/makerspace uses, including non-residential space and three affordable artist live-work units reserved for local artists earning no more than 60% of the Median Family Income (“MFI”). The Project will also provide a variety of outdoor amenities, including courtyards, swimming pools, outdoor dining areas, fire features, and private patios.

The Project's public benefits and amenities are substantial. *See* Order, Finding of Fact No. 71; see also Z.C. Case No. 22-04, Ex. [62A](#) (titled, “Applicant's Revised List of Proffers and Conditions”). The Project will transform an underutilized industrial area into an attractive mixed-use community with residential and PDR/makerspace uses. The realignment of Reed Street will improve connectivity, enhance walkability, and accommodate a seasonal farmers market. At least 15% of the residential GFA will be devoted to affordable housing across a range of income levels (30%, 50%, 60%, and 80% MFI). The Applicant will make contributions to support important community groups and neighborhood services, including a total of \$100,000 to Noyes Elementary School to fund facility upgrades.

As noted above, the Project will be delivered in two phases. Phase I, which comprises the southern portion of the West Building and represents the initial phase of the overall PUD, is expected to deliver approximately 428,922 square feet of GFA and approximately 395 residential units. Of those units, 59 will be designated as Inclusionary Zoning (“IZ”) rental units for households at various income levels, with two three-bedroom units reserved at 60% MFI. Phase I will also include three artist live-work units to be delivered in coordination with the Cultural Development Corporation (CuDC) or a similar organization. The first phase will also provide 153 vehicle parking spaces and 124 long-term and 20 short-term bicycle parking spaces.



V. Updates Since Approval of First Time Extension

In support of the first time extension, the Applicant noted several efforts undertaken to advance redevelopment of the PUD Site. Those efforts included obtaining raze permits, progressing demolition activities, finalizing an agreement with DDOT to govern the Reed Street realignment, and processing the above-described subdivisions. *See* Public Record for Z.C. Case No. 22-04A, [Ex. 2 at 4](#). The Applicant also explained that its original development partner had to withdraw from the deal due to unfavorable market conditions, but the search for a suitable replacement was underway.

Since the Extension Order was issued in December 2024, the Applicant has continued to advance redevelopment of the PUD Site. In early 2025, the Applicant completed the permitted demolition work, leaving only a small office building on Lot 88. A portion of Lot 88—the site for the West Building—is currently being leased to the District for towing operations, keeping the site active in the interim. The Applicant has also continued to secure and maintain the PUD Site in response to community feedback, such as addressing landscaping concerns and maintaining perimeter fencing.

The Applicant's search for a viable development partner remains ongoing. The Applicant has been working with Northmarq, a national, full-service real estate brokerage firm, to identify additional development partners. A letter from Northmarq describing its marketing efforts and the challenges of marketing the PUD Site in the current market environment is attached as Exhibit 1 to the Sarf Affidavit (Ex. A) (the “**Northmarq Letter**”). In anticipation of securing a development partner, and reflecting the Applicant’s diligence in advancing the Project, the Applicant has continued to advance design drawings for the Project, which are now approximately 50% complete. In doing so, a new partnership will be well-positioned to finalize a building permit application for Phase I.

VI. Request for Second Time Extension and Justification

An applicant may request an extension of the time periods established by a PUD order “for good cause upon the filing of a written request, before the expiration of the approval.” 11-Z DCMR § 705.2. Subject to the limitations of Subtitle Z § 705.5, the Commission may grant an extension of up to two years upon finding that the applicant “has sufficiently evidenced compliance” with the criteria set forth in Subtitle Z § 705.2. 11-Z DCMR § 705.3(a).

Decision L.2-L.4 of the Order establishes validity periods for each phase of the Project. As noted above, the Order became effective on February 24, 2023, and provides separate two-year validity periods for Phase I, Phase II-A, and Phase II-B. While the deadlines for Phase I are fixed, the validity periods for Phase II-A and Phase II-B are tied to issuance of the first certificate of occupancy for Phase I.³ The Order also includes a sunset provision for the Project. Accordingly, the Applicant seeks to extend the applicable validity periods as follows:

³ Pursuant to Decision L.3, approval of Phase II-A and Phase II-B remains valid for two years following issuance of the first certificate of occupancy for Phase I, during which time building permit applications for both phases must be filed. Construction of Phase II-A and Phase II-B must commence within three years of issuance of the first certificate of occupancy for Phase I.

- **Deadline to file a building permit application for Phase I:** Feb. 24, 2027 → **Feb. 24, 2029**
- **Deadline to commence construction of Phase I:** Feb. 24, 2028 → **Feb. 24, 2030**
- **PUD expiration deadline (Phase I CofO):** Feb. 24, 2032 → **Feb. 24, 2034**

As discussed below, the Applicant satisfies the criteria under Subtitle Z § 705.2.

- **Subtitle Z § 705.2(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;*

Other than the Applicant, the only other party to the original proceeding was ANC 5B. *See* Order, Findings of Fact No. 3-4. As indicated in the Certificate of Service submitted herewith, the Applicant served this application on ANC 5B at the time of filing, which must be allowed thirty (30) days to respond before the Commission considers the application.

- **Subtitle Z § 705.2(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*

There has been no substantial change in any of the material facts upon which the Commission based its original approval of the PUD. While the Applicant continues to seek a development partner to assist with financing and delivering the approved Project, it has also taken active steps to prepare the PUD Site for redevelopment. Beyond those efforts, there have been no changes that would affect the Commission's original findings under Subtitle X §§ 304.3 and 304.4.

The PUD was reviewed under the current Comprehensive Plan ("Comp Plan"), which was last updated in 2021 before the Commission considered and approved the Project. The Commission specifically found that the Project, including the related Zoning Map amendment, was not inconsistent with the Comp Plan and other public policies and active programs affecting the PUD Site. *See* Order, Conclusions of Law Nos. 10-19 at 35-37. There have been no changes to the Comp Plan's maps or policy guidance that would alter that conclusion.

Likewise, the Applicant is not aware of any surrounding development or changed conditions in the area that would affect the Commission's original impacts analysis or justification for approving the PUD. *See* Order, Conclusions of Law Nos. 20-33 at 37-39.

Finally, there have been no substantive changes to the Zoning Regulations that would materially affect the Commission's original approval. The recent omnibus text amendment approved in Z.C. Case No. [25-12](#), which was generally intended to improve clarity, consistency, administrative efficiency, and housing opportunities, does not undermine the basis for the Commission's prior findings.

- **Subtitle Z § 705.2(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.*

There is good cause for the Commission to grant the requested extension under Subtitle Z § 705.2(c)(1). Despite diligent, good-faith efforts, the Applicant has been unable to obtain financing sufficient to advance the Project. A confluence of economic headwinds continues to impede real estate development nationwide and in Washington, D.C.

Nationally, development projects continue to face significant financing challenges driven by elevated interest rates, persistent inflationary pressures, and rising construction costs. As reported by *Bisnow*, construction input costs increased 6.2% through April 2026, further straining project budgets and development feasibility.⁴ At the same time, observers have noted that the District's housing market is experiencing a broader slowdown in investment due to higher borrowing costs, rising development expenses, and reduced investor demand for new multifamily projects. These factors have made it increasingly difficult to finance and move forward with residential development projects.⁵

These challenges are reflected in the District's development activity. Only 3.6 million square feet of new construction broke ground in the District during 2025, the lowest level since at least 2010. Residential construction has been particularly affected, with only 1,933 housing units breaking ground in 2025, less than half the level achieved in each year preceding 2024 over the prior decade. *Bisnow* further reported that many planned development sites throughout the District remain stalled, with projects that have long been positioned for development facing continued delays and, in some cases, being remarketed to new developers with revised plans.⁶

The same challenges are reflected in the circumstances underlying this extension request. As discussed above in Section V and the Northmarq Letter, the Applicant has diligently pursued a replacement development partner, but current market conditions continue to make it difficult to finance and advance large-scale multifamily projects. At the same time, the Applicant has taken tangible steps toward initiating Phase I of the Project, including advancing design drawings to approximately 50% completion and working with Northmarq to identify prospective development partners. Accordingly, the delay in filing the Phase I building permit application reflects ongoing market and financing challenges, rather than any lack of diligence by the Applicant.

⁴ See [Construction Costs Rise 6.2% Through April](#), *Bisnow* (May 13, 2026).

⁵ See [The District's Twin Housing Investment Crises](#), *Greater Greater Washington* (June 4, 2026).

⁶ See [Construction In D.C. Plummets To 15-Year Low Point](#), *Bisnow* (Apr. 7, 2026).

VII. Justification for Waiver Request

As part of this application, the Applicant requests a waiver from the one-year limitation on subsequent PUD extensions set forth in Subtitle Z § 705.5. Good cause exists for the Commission to grant the requested waiver pursuant to Subtitle Z § 101.9.

The approved Project is a transformative, multi-phase redevelopment of the PUD Site that will deliver nearly 700 new residential units, including a substantial affordable housing component, along with a broad package of public benefits and amenities. Given the size and complexity of the approved development, implementation necessarily requires significant planning, coordination, and investment. As the Commission previously found, the Project will provide important housing, economic development, and community benefits that further District planning objectives. *See* Order, Conclusions of Law Nos. 34-39 at 39-40.

As discussed above, extraordinary market conditions and the loss of the Applicant's prior development partner have delayed implementation of the Project. The Applicant is actively working to secure a new development partner and prepare the site. As reflected in the Northmarq Letter, meaningful interest in the Project exists, but financing and capitalization challenges continue to limit the pool of developers able to undertake a project of this scale. Under these circumstances, a one-year extension would provide limited practical relief and would not afford sufficient time to secure a development partner, complete financing arrangements, and advance the Project toward construction. A two-year extension, together with the corresponding adjustment of related deadlines, would provide a realistic path forward for implementation of the approved PUD.

Moreover, granting the requested waiver would not prejudice any party. ANC 5B, the only party to the original proceeding, has been kept apprised of developments affecting the PUD Site and the need for additional time. The Applicant therefore respectfully requests that the Commission grant the requested waiver and two-year extension.

VIII. Community Outreach

The PUD Site is located within ANC 5B and Single-Member District (“SMD”) 5B04. Before filing this application, the Applicant informed Commissioner Ra Amin, the representative for SMD 5B04, of the request and the need for additional time to prepare and finalize a building permit application for Phase I. The Applicant explained the market challenges described above, the need for an additional two-year extension, and its ongoing efforts to secure a development partner and prepare the PUD Site for redevelopment.

The Applicant anticipates having an opportunity to present updates regarding the Project at an upcoming ANC meeting this fall. The Applicant will continue coordinating with Commissioner Amin and ANC 5B throughout the processing of this application and, if necessary, will provide the Commission with an update before the request is considered at a public meeting.

IX. No Public Hearing Necessary

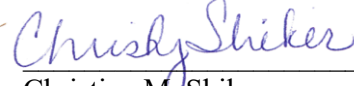
Pursuant to Subtitle Z § 705.7, the Commission is required to hold a public hearing on a request for an extension only where it determines that a material factual conflict exists regarding one or more of the criteria set forth in Subtitle Z § 705.2. The Applicant is not aware of any such conflict at this time. Accordingly, the Applicant respectfully requests that the Commission consider this application at the public meeting on October 8.

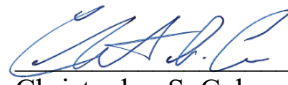
X. Conclusion

In light of the foregoing, we submit that this time extension request satisfies all of the applicable criteria set forth in Subtitle Z § 705.2, and respectfully request a two-year extension of all the validity periods established under the Order, as modified by the Extension Order.

Respectfully submitted,

HOLLAND & KNIGHT LLP

By: 
Christine M. Shiker

By: 
Christopher S. Cohen

Exhibits & Enclosures

cc: Certificate of Service

Certificate of Service

I hereby certify that on August 25, 2026, a copy of the foregoing time extension application was served by electronic mail on the following at the addresses stated below.

District of Columbia Office of Planning

Radhika Mohan: radhika.mohan@dc.gov
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