

917-921 6th Street, NW (Square 484, Lot 30)

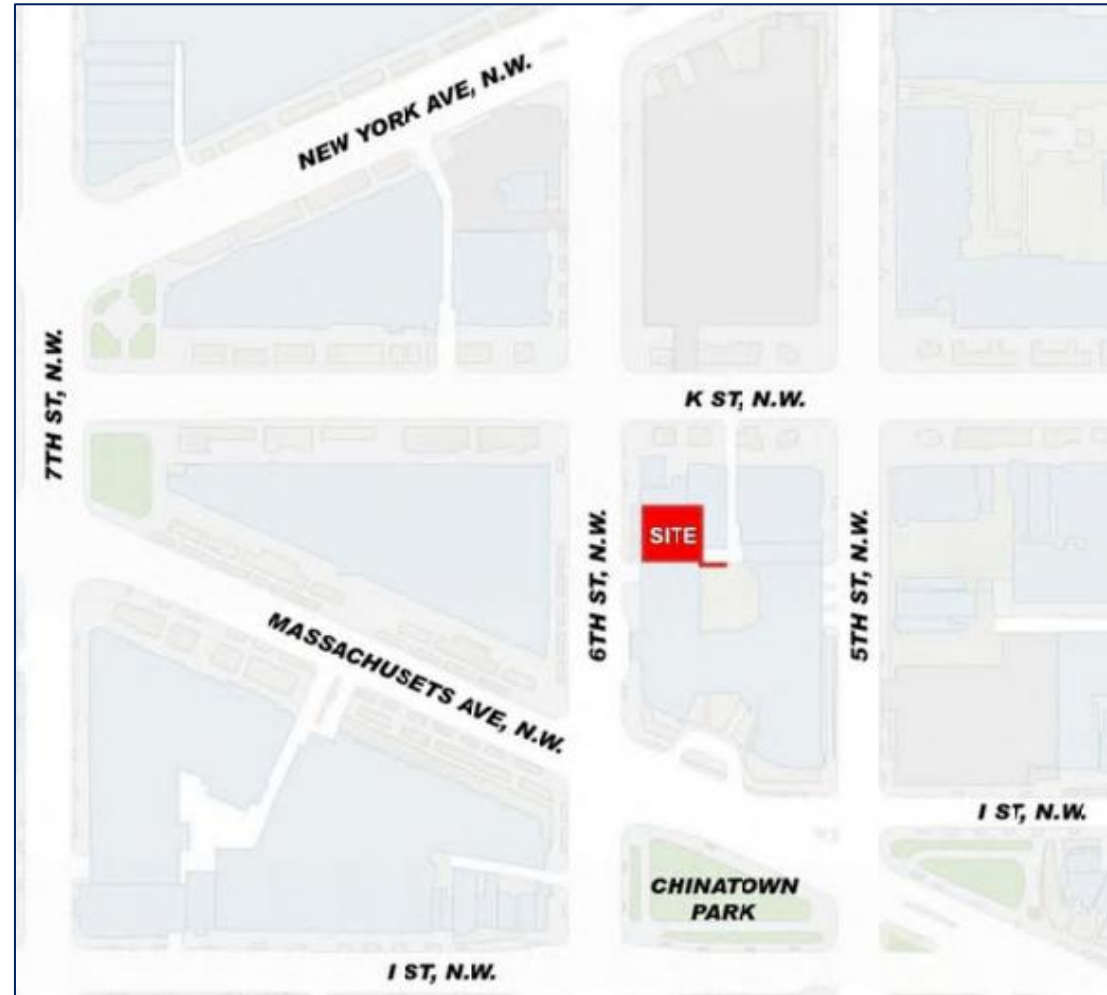
BZA Extension Application No. 21001A

921 6TH Street LLC

*ANC 6E Public Meeting
October 30, 2025*

Holland & Knight

The Property – 917-921 6th Street, NW (Square 484, Lot 30)



Prior BZA Approval – BZA Case No. 21001 (2023)

- BZA Case No. 21001
 - Project – A new 13-story hotel with a restaurant in the habitable penthouse space
 - Approval – BZA Order No. 21001
 - September 5, 2023 – ANC 6E voted unanimously to support the application (see ANC 6E Report at Exhibit 22)
 - Board granted the following relief:
 1. Special Exception relief from the loading requirements of Subtitle C § 901.1, pursuant to Subtitle C § 909.2 and Subtitle X § 901.2
 2. Special Exception relief under Subtitle C § 1501.1(d), to allow an eating and drinking establishment located within a penthouse habitable space, pursuant to Subtitle X § 901.2.
 - Building Permit application must be filed no later than **December 18, 2025**

BZA Extension Request – Subtitle Y § 705.2

Subtitle Y § 705.2: The Board may extend the time periods in Subtitle Y § 702.1 for **good cause** shown upon the filing of a written request by the applicant before the expiration of the approval; provided, that the Board determines that the following requirements are met:

- (a) The extension request is **served on all parties** to the application . . .
- (b) There is **no substantial change** in any of the material facts upon which the Board based its original approval of the application . . .; and
- (c) The applicant demonstrates with substantial evidence . . . (i) an **inability to obtain sufficient project financing** due to **economic and market conditions** beyond the applicant's reasonable control.

“Good Cause” – Subtitle Y § 705.2(c)

- Applicant undertook extensive efforts to move forward with development
 - Tracked sales comparables;
 - Refined underwriting assumptions;
 - Updated project cost estimates; and
 - Negotiated and entered into franchise license agreement with a hotel brand.

“Good Cause” – Subtitle Y § 705.2(c)

- REVPAR Internal Inc. (hospitality advisory and asset management company) assessment of exceptionally challenging market conditions (see REVPAR Letter at Exhibit 2D).
 - Elevated construction costs due to material inflation;
 - Labor shortages;
 - Persistent supply chain disruptions;
 - Increased borrowing costs;
 - Weakened lending environment due to tightened credit availability, particularly for hotels;
 - Reduced asset valuations due to higher capitalization rates; and
 - Recent reductions in short-term interest rates are not causing a shift in the market.

“Good Cause” – Subtitle Y § 705.2(c)

- Impact on hotel industry (see REVPAR Letter at Exhibit 2D).
 - Reduced discretionary spending on travel due to competitions from short-term rental platforms and ongoing economic uncertainty
 - Flat to declining demand growth for hospitality sector (occupancies and room rates expected to decline nationally and in DC, specifically)
- Total cost of developing project at this time would exceed the stabilized value of the completed project.
- REVPAR recommended the Applicant pause development of the project until economic conditions improve.

Two-Year Time Extension Request

- Applicant has invested substantial resources into the redevelopment of the property and is committed to moving forward with the project.
- Applicant requests a two-year time extension of BZA Order No. 21001 under Subtitle Y § 705.2.
- If approved, a building permit application must be filed within two years of the final date of the BZA order (December 2027).

Questions?

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