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April 4, 2005

D.C. Zoning Commission
Suite 210
441 4th Street, N.W.
Washington D.C. 20001

RECEIVED
D.C. OFFICE OF ZONING
2005 APR 11 PM 2:27

Re: Zoning Commission Case No. 04-27
H Street Overlay District

Dear Members of the Commission:

Harris Teeter, Inc. is a grocery store chain that operates in a six-state area including North Carolina, South Carolina, Virginia, Georgia, Tennessee, and Florida. The predecessors of the current company began grocery store operations in the 1930s and merged to create Harris Teeter in 1960. The company is headquartered in Matthews, N.C., and currently employs over 15,000 associates. In addition to 138 retail stores, Harris Teeter also operates grocery, frozen food, and perishable distribution centers in Greensboro and Indian Trail, N.C., as well as the Hunter Farms milk and ice cream facility in High Point, N.C.

Harris Teeter is expanding its operations in the Washington, D.C., metropolitan area. Currently we operate six grocery stores in the Northern Virginia suburbs. We have two grocery stores planned for the District of Columbia, one to serve the Capitol Hill Southeast neighborhood in a new project at Pennsylvania and Potomac Avenues, S.E., for which approval was given by the Board of Zoning Adjustment, and one to serve the Adams Morgan/Reed-Cooke neighborhoods in the redeveloped Citadel building at 17th Street and Kalorama Road, N.W., which is pending approval by the Zoning Commission as a planned unit development.

Harris Teeter is actively looking for opportunities to expand into other communities within the District. We have been looking at the H Street corridor as a location for a store to serve the Capitol Hill Northeast neighborhood and the potential customer base on both sides of H Street. We have had discussions with brokers and looked at various sites along the corridor, but have not yet selected a specific property.

Our investigation of the possible locations for a grocery store have led us to conclude that the best locations are at the western end of the H Street corridor. There appear to be sites at that end which would be large enough and deep enough to accommodate our store. The market at the west end also appears to be stronger in the short term, allowing us to move forward more rapidly. The studies for H Street are aimed at reinvigorating the corridor and recreating a strong retail base. The dynamics of the retail market suggest that sizable anchors are needed to create the synergy necessary for other retailers to succeed. We believe that a grocery store could be one of those anchors, attracting shoppers from a relatively broad area of the city back to H Street.

ZONING COMMISSION
District of Columbia

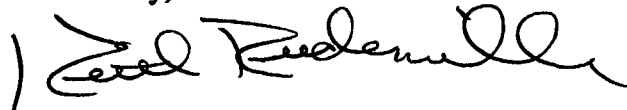
CASE NO. 04-27
EXHIBIT NO. 25

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The Office of Planning has proposed that the area between 2nd and 6th Streets be designated as a housing sub-district. Our review of the advertised H Street Overlay indicates that commercial density in that area would be limited to only 0.5 FAR. On any of the sites which would be candidates for a grocery store, that limitation on density would make construction of a Harris Teeter store unlikely. It appears to us that it would not be possible for any chain to construct a suitable, modern store given those constraints. Given that the properties east of 6th Street generally are not large enough, deep enough or capable of assembly, there would be almost no opportunity for the construction of a new grocery store to serve that area.

We recommend that the Zoning Commission revise the proposed zoning to allow sufficient density for a grocery store anchor to be located in the area between 2nd and 6th Streets, N.E. We thank you for your consideration of our views.

Sincerely,

A handwritten signature in black ink, appearing to read "Keith W. Rudemiller". The signature is written in a cursive style with a large initial "K" and a long, sweeping underline.

Keith W. Rudemiller
Vice President of Real Estate