

Holland & Knight

800 17th Street, NW, Suite 1100 | Washington, DC 20006 | T 202.955.3000 | F 202.955.5564
Holland & Knight LLP | www.hklaw.com

Dennis R. Hughes
202.419.2448
dennis.hughes@hklaw.com

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VIA IZIS

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

Re: Request for Modification Without Hearing to Approved PUD
Zoning Commission Order No. 00-33C (Order No. 940)/Order No. 00-33A
1025 F Street, NW (Square 346, Lot 805)

Dear Members of the Zoning Commission:

On behalf of Jemal's Cayre Woodies L.L.C. (the “**Applicant**”), owner of Lot 805 in Square 346 (the “**Property**”), we submit this request for a limited modification to a planned unit development that was approved by the Zoning Commission in 2001 pursuant to ZC Order No. 940, Case No. 00-33C (the “**PUD**”). The PUD facilitated the complete rehabilitation of the historic Woodward & Lothrop headquarters building in Downtown Washington (the “**Building**”) into a mixed-use redevelopment consisting of office, retail, and service uses. The PUD also established controls on two additional properties elsewhere in the Downtown area, providing for the construction of two multifamily residential buildings near the Property, in Squares 377 and 517. Both buildings were timely constructed and have been consistently occupied for residential use.

The nature of the requested modification is to provide flexibility for the Applicant to expand the permissible uses of a portion of the ground floor of the Building to include office use by an arts and entertainment-oriented organization in addition to the arts, retail and service uses identified in the PUD approval.

This modification request is made pursuant to 11-Z DCMR § 703 as a modification without hearing¹. Subtitle Z § 703.1 authorizes the Zoning Commission, in the interest of efficiency, to make certain modifications to approved contested case final orders, and plans approved by such orders, without a public hearing. As set forth herein, given the history of the PUD and the limited scope and relative time-sensitivity of the proposed change, the Applicant requests the Commission to review and approve this application as a modification without a

¹ References to 11 DCMR herein are made to the 2016 Zoning Regulations unless noted otherwise.

public hearing. The contents of this submission can be assessed, and this submission has been drafted to allow for assessment of this request, without the need to receive witness testimony.

A. History of the PUD

The Property is bounded to the south by F Street, NW, to the north by G Street, NW, to the east by 10th Street, NW, and to the west by 11th Street, NW. It is improved with the Building, premises address of 1025 F Street, NW, which long served as the headquarters and flagship for the Woodward & Lothrop chain of department stores.

The Building, listed as an individual landmark on the District of Columbia Register of Historic Sites, remained vacant for a number of years following the Woodward & Lothrop closure in the mid-1990s. The Washington Opera purchased the Property in 1996 and unsuccessfully sought to extensively remodel the Building for its use, which would have necessitated demolition of much of the landmark's historic fabric.

The Applicant subsequently acquired the Property in 1999 and undertook a comprehensive historic rehabilitation project pursuant to the mixed-use office and retail/service PUD approval of the Zoning Commission, and in the process “return[ed] a historic landmark building to productive use in a high-density commercial location that is readily accessible by public transportation” and thereby furthered objectives and policies of the Comprehensive Plan (Order No. 940, Pages 5-6, at Exhibit B). At the time of the PUD approval in 2001, the Zoning Commission recognized that “the amenities offered in conjunction with the PUD request, especially the two proposed residential developments, would also further the policies and objectives of the Comprehensive Plan through historic preservation and by increasing opportunities for downtown housing.” (Order No. 940, Page 6).

The Building’s rehabilitation was a tremendous success, and it has become one of the most treasured properties in the Applicant’s portfolio. It led the way in enhancing Downtown’s retail offerings at the turn of the 21st Century and in particular the rejuvenation of F Street, NW, as a spine of walkable retail Downtown. The Applicant has been fortunate to have worked with a number of prominent national retailers and entertainment users to occupy the public-facing spaces within the Building since its rehabilitation and reopening more than 20 years ago. These tenants have included West Elm, Forever 21, Zara, H&M, and Madame Tussauds. As detailed below, ever-changing market dynamics occurring over more than a generation since the Building reopened have created significant stresses for the Applicant at the same time they have yielded new opportunities. The Applicant’s current modification request seeks to take advantage of one such opportunity, which it believes will provide a new and unanticipated type of amenity to the District’s newly-expanding entertainment focus.

B. Leasing History and Vacancies

Under the PUD, uses in the cellar, first and second floors of the Building were limited to preferred retail/service and arts/arts-related uses pursuant to Sections 1710 and 1711 of the 1958 Zoning Regulations, and were further subjected to certain size requirements at initial build-out. At

initial lease-up of the Building, West Elm occupied three levels of space comprising roughly the north half of the floorplate, fronting G Street, NW. This furniture and home furnishings tenant later relocated from the Building and, following an extensive and lengthy effort by the Applicant, the roughly 50,000 square foot space was taken over by Forever 21, a fashion clothing retailer.

The two smaller retail spaces comprising the southern half of the Building were initially occupied on the first and second floors by H&M and Zara, also fashion clothing retailers. Madame Tussauds Wax Museum, whose entrance was at the neighboring property at 1001 F Street, NW, occupied the cellar level space beneath these retailers in the Building.

As a result of bankruptcy proceedings in 2019, Forever 21 closed its location in the Building. This closure and resulting vacancy followed a paradigm shift then underway for retail – away from urban "bricks and mortar" retail uses, especially larger, multi-story format retail in the Downtown submarket – as market share was being lost to online retail operations.

The COVID health emergency further eroded the appeal of the in-person retail experience, as evidenced by the unprecedented number of retail and entertainment bankruptcies and other closures occurring during the early years of the 2020s. Madame Tussauds ceased operations in 2020, leaving thousands of square feet of space in the cellar level of the Building vacant.

Given the significant vacancies in the Building and the Applicant's inability to identify any realistic interest from retailers in the multi-floor spaces, the Applicant returned to the Zoning Commission in 2021 with a request for a "modification of consequence" to the PUD to allow flexibility with regard to permitted uses on the second floor and to provide building amenity space in a portion of the cellar level. The Office of Planning supported the modification request, and the Zoning Commission's approval noted that a portion of the Building was the subject of a Transferable Development Rights (TDR) Covenant that would need to be terminated in order to allow office use of the second floor.

The Zoning Commission granted the modification in Zoning Commission Order No. 00-33A, copy attached at Exhibit C. Subsequent to the PUD modification, the Building lost the remainder of its original tenants, as H&M and Zara both vacated their long-held spaces along F Street, NW.

Despite these setbacks, the Applicant is pleased to report that it has succeeded in returning H&M to the Building and increasing its overall footprint. H&M now occupies much of the ground floor and a portion of the cellar space along the northern half / G Street frontage that earlier had been occupied by West Elm and Forever 21. In addition, the Applicant is excited to note that it has leased the former Zara space on the first and second floors along F Street, NW, to Barnes & Noble, and in the process will soon be returning another important retail amenity to the downtown neighborhood. As a result of these recent positive developments, the only remaining public-facing vacancy is the two-story retail space at the southwest corner of the Building that served as H&M's original location, totaling approximately 28,000 square feet.

The Applicant has not had success locating a retail, service, or arts user for this large space despite its dedicated efforts dating back prior to the PUD modification approval in 2021. Nor is the Applicant optimistic of finding such a user in the near-term given the Applicant's first-hand experience and unique insight into the overall retail environment as well as knowledge of the Downtown sub-market.

C. Proposed Use

While prospects remain poor for retail and service usage of the vacant space, the Applicant has identified an exceptional arts and entertainment-oriented tenant for the space – one that will bring an excitement to the neighborhood as well as one that is in keeping with the preferred use priorities applicable to the Property even if it does not fall within one of the enumerated examples provided in the Zoning Regulations.

The Applicant proposes to lease the first and second level space at the southwest corner of the Building to Netflix, to serve as the company's offices in the District of Columbia, which will include areas for limited screenings, receptions, premieres and other hosted events. As shown on Exhibit D, Netflix will occupy the portion of the Building at the corner of 11th and F Streets, NW, with elements of traditional office use integrated with unique use, programming, and design elements only available due to this particular tenant's business and operations. Although the premises will be required to be designed to account for site security considerations and the events will not typically be open to the public, the design intent is to enhance visual interactivity and interest along both street frontages. Netflix's current designs have conceptualized a potential recessed entry sequence to allow for more extensive interaction with the public realm, particularly during screenings or other similar events. While the entrance and other exterior components of the premises will also be subject to historic preservation review and changes that might result therefrom, Netflix will maintain and design its space around open windows along both frontages and integrate displays and other opportunities for engagement where possible. The result will be that a long-vacant retail space will be brought to life by a robust office user that will energize the streetscape, and the entire Downtown, in a unique way at this important intersection.

The PUD provides that “the permitted uses on the cellar level, vaults, and first floor of the PUD building shall be limited to those preferred uses listed in §§ 1710 and 1711 of the [1958] Zoning Regulations”. While the proposed arts and entertainment-affiliated office use technically does not fall within any of the uses enumerated in Sections 1710 or 1711 of the 1958 Zoning Regulations², it nonetheless is in keeping with the policies underlying the preferred use requirements, including:

- To create a balanced mixture of uses by means of incentives and requirements for critically important land uses identified in the Comprehensive Plan, including retail, hotel, residential, entertainment, arts, and cultural uses;

² References are made herein to use requirements of the 1958 Zoning Regulations rather than to the 2016 Zoning Regulations given the specific language provided in the PUD approval and also given that the threshold requirement of Subtitle I Section 102.3 of the 2016 Zoning Regulations is not met by the proposed modification.

- To protect historic buildings and places while permitting sensitive and compatible new development subject to the historic preservation review process of the Historic Landmark and Historic District Protection Act of 1978;
- To substantially achieve the specific land use and development policies for the following Downtown subareas: Retail Core, Gallery Place, Convention Center, Chinatown, Pennsylvania Avenue West, Pennsylvania Quarter, Mount Vernon Square, and Judiciary Square; and
- To guide the design of buildings to be generally consistent with the urban design, street orientation and design, and historic preservation policies of the Downtown Plan Element of the Comprehensive Plan. *Section 1700.3.*

Of the uses listed in Section 1711, the Applicant's proposal most closely approximates Section 1711.1(h) *Administrative Offices of Arts Organization*. It also contains elements that could be found in a *Television and Radio Broadcast Studio*, as permitted in Section 1711.1(z).

The rationale behind the preferred use requirements described in Sections 1710 and 1711 was to generate and maintain an interactive environment along the Downtown streetscape. The thought was that certain uses, such as banks or traditional office users, would have a deleterious effect on the vitality of public sidewalks Downtown. However, as the D.C. hub of one of the world's most significant entertainment companies, the proposed use would have the opposite effect.

The location of Netflix on the Property, as proposed, both immediately eliminates a vacant space along these key building frontages and creates a positive effect on Downtown, signaling a new, significant investment and presence in this area and in the District as a whole. This investment is an affirmation that the District's efforts in Downtown are working and more could follow.

As can be seen on Page 2 of Exhibit D, the Property is located in close proximity to the Capital One Arena and Gallery Place. The proposed use dovetails with the significant investments in, and focus on, those areas. Further, this user is an ideal fit with Mayor's goal to make the District a "sports and entertainment capital." Similarly, the Property is close to the District's theater district, which allows for a unique symbiotic interplay between Netflix and a thriving theater ecosystem. Similarly, allowing for the proposed location of Netflix at this location introduces a key player to boost the District's technology sector and its related industries, along with its focus on innovation at a prominent Downtown property. This use will have spillover effects in a variety of industries and categories that even a retail anchor would not be able to deliver.

The Netflix premises will occupy approximately 14,000 rentable square feet of the first floor (34% of the first floor retail area) and approximately 98 linear feet and 74 linear feet of the street frontages along 11th Street and F Street, NW, respectively. The remainder of the first floor

will be retail, in accordance with preferred use requirements of the PUD and Zoning Regulations. While the areas designated for more traditional office spaces are interspersed throughout the first and second floor Netflix premises, they are primarily focused on the 2nd floor, with the more unique accessory components such as the screening room located on the first floor.

The District could not ask for a better user of this space, in this moment, than Netflix. Holding the space vacant in hopes that an anchor retail tenant will become interested in the space would likely result in a deadened first floor space indefinitely – possibly for several more years – and a lost opportunity.

D. Modification Without Hearing

Pursuant to 11-Z DCMR § 703.6, a “modification without hearing is a modification that may be understood without witness testimony, including, but not limited to a proposed change to a condition in the final order, a change in position on an issue discussed by the Commission that affected its decision, or a redesign or relocation of architectural elements and open spaces from the final design approved by the Commission.”

The Applicant requests the following limited change to Condition No. 3 of Order No. 00-33A (edits highlighted by **bold**):

3. The permitted uses on the cellar level, vaults, and first floor of the PUD building shall be limited to those preferred uses listed in §§ 1710 and 1711 of the Zoning Regulations as more specifically referenced in Condition No. 5, below. The remainder of the building may be used for any use permitted in the DD/C-4 district. Notwithstanding the above requirement, approximately 10,000 square feet of building amenity space shall be permitted to be provided in the cellar level, **and permitted uses in the approximately 28,000 square feet space on the first and second floors at the southwest corner of the PUD Building, as identified in the drawings attached as Exhibit D of Case No. 00-33B and subject to the flexibility therein, may also include office uses associated with an arts and entertainment-affiliated organization, as generally described therein.**

The Applicant’s modification request is a direct result of the continuing significant challenges it faces in the current difficult retail environment, especially in the downtown market, as it continues its stewardship for this historic landmark building. At the same time, the request reflects a unique opportunity the Applicant has identified to bring a vibrant new use to the Building that could not have been contemplated at the time of the original PUD approval.

The modification requests a simple change to a single condition in the PUD order and continues to require the Applicant to limit uses in the cellar level and first floor of the Building to preferred retail, service, arts and arts-related uses outside of the arts and entertainment-affiliated office use described herein and shown generally on the attached drawings.

The Applicant has initiated discussions with Advisory Neighborhood Commission 2C and has confirmed that it will make a presentation at the ANC's November 4 public meeting.

Enclosed with this letter in support is a completed Application Form 105. A letter authorizing Holland & Knight LLP to file and process this request is enclosed as Exhibit A. A copy of Zoning Commission Order No. 940 approving the PUD is attached hereto as Exhibit B. A copy of Zoning Commission Order No. 00-33A approving a "modification of consequence" to the PUD is attached at Exhibit C. Conceptual drawings showing the contemplated floor plans and exterior and interior renderings of the portion of the Building subject to the requested modification are attached at Exhibit D. The Applicant also will provide the filing fee (\$520.00) upon the Office of Zoning's acceptance of this application.

E. Conclusion

In light of the foregoing, the Applicant respectfully requests approval of the limited modification to Z.C. Orders Nos. 940 and 00-33A as discussed above, which would allow the Applicant flexibility to provide arts and entertainment-related office uses in a portion of the Building. The subject request is consistent with the purpose of a modification without hearing under Subtitle Z §§ 703.1 and 703.6, and therefore can be granted without a public hearing.

We appreciate your favorable consideration of this request.

Respectfully submitted,

HOLLAND & KNIGHT, LLP



Dennis R. Hughes, Esq.

Enclosure

cc: Certificate of Service

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on October 16, 2025, electronic copies of the Applicant's request for a Modification of Consequence of Zoning Commissioner Order No. 940 (Case No. 00-33C), to allow flexibility to provide office uses as a permissible use of the second floor of the approved and constructed PUD, were served upon the following persons at the addresses listed below:

D.C. Office of Planning

Ms. Jennifer Steingasser
Mr. Joel Lawson
jennifer.steingasser@dc.gov
joel.lawson@dc.gov

VIA E-MAIL

Advisory Neighborhood Commission 2C

Commissioner Michael Shankle, Chairperson
2C01@anc.dc.gov

VIA E-MAIL



Dennis R. Hughes
Holland & Knight LLP