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COMMERCIAL REAL ESTATE

DEAL OF THE YEAR

Crowell & Moring's lease at 600 Fifth St. NW

By Tristan Navera

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Crowell & Moring LLP's 200,000-square-foot pre-lease at 600 Fifth St. NW – the former WMATA headquarters at Judiciary Square – was the biggest private-sector deal in D.C. since 2019, kick-starting the building's \$375 million renovation and expansion.

The co-developers, New York-based Rockefeller Group and Bethesda-based Stonebridge, wrangled an inner circle of 71 people across 21 organizations to make the deal happen. How did they stay on task?

Rockefeller's Hilary Allard Goldfarb: "Trust."

Stonebridge's Doug Firstenberg: "Hilary."

"I do have a reputation," Goldfarb said. "I don't take no for an answer."



Here are a few of 71 people across 21 organizations who worked on the project.

ABDULLAH KONTE / WBJ

The team finalized the 15-year law firm lease, 99-year ground lease and financing in May, three years after the Washington Metropolitan Area Transit Authority

picked the developers to redevelop the Jackson Graham Building, its home since 1974. The agency that operates Metro relocated to 300 Seventh St. SW.

Goldfarb tried ticking off all the partners involved on one hand but ran out of fingers. "What I mean by trust is you have design considerations, and everybody's gunning for something, and at that time, it's really easy to say no."

"Especially for the principals at Crowell and Metro and Stonebridge and us, there was the sense that if anyone had a problem, it's all of our problem," Goldfarb said. "It was about taking off that hat and seeing that we really are a team and partners that trust one another, that's the secret."

The developers have been talking through renovating the building for years, which carries a hundred complexities of its own, given it's atop Metro tracks and represents a gut-rehab of the existing structure.

The law firm, with 300 metro-area lawyers, is relocating from about 390,000 square feet, some of which it has subleased, at 1001 Pennsylvania Ave. NW.

"The location of our new offices is ideal," said Philip T. Ingle, chair of Crowell's Management Board, in an email. "It is close to the courts, federal agencies, historical landmarks, and some of the city's best entertainment venues. This is a dynamic part of D.C. that is experiencing significant growth and investment, and we are excited to be part of that evolution."



Crowell & Moring partners Phil Inglima, left, Ellen Dwyer and David Schnorrenberg at the groundbreaking for 600 Fifth St. NW.

JEN HARKLEROAD PHOTOGRAPHY

Architects Pickard Chilton and Kendall Heaton Associates have designed a modern building that shakes the site from its Brutalist doldrums. The building will get three new floors, bringing it to 11 stories and 399,617 square feet, and will feature a roof deck and terraces every other floor. Clark Construction is the general contractor. The new building is slated to open by June 2026.

There are a precious few office deals even penciling out in Washington's real estate circles, let alone ones of this magnitude. Firstenberg said leadership at the development team had to set the tone from day one – there couldn't be silos or bunkers in the team, and everyone had to operate with a common goal.

That's not to say there weren't plenty of bumps. "There were moments when I'd say, 'Hilary, you're crazy, why are you looking at this.' And she'd say, 'Because we're going to do this, you're misunderstanding, and failure is not the option,'" Firstenberg said.

"I was a little more nuanced than that," Goldfarb said.

"You absolutely were not," Firstenberg said.



BEFORE: The WMATA headquarters building opened in 1974.

WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY



AFTER: 600 Fifth St. NW as it will look when the project is completed in 2026.

STEELBLUE | STONEBRIDGE / ROCKEFELLER GROUP

Crowell & Moring lease

- **Address:** 600 Fifth St. NW
- **Size:** 198,877 square feet
- **Term:** 15 years
- **Signed:** May 2023
- **Developers:** Stonebridge and Rockefeller Group, via 99-year ground lease with Washington Metropolitan Area Transit Authority
- **Landlord reps:** Scott Frankel, Carroll Cavanagh, Dimitri Hajimihalis, Emily Eppolito and DJ Callahan of CBRE
- **Tenant reps:** Tom Doughty, Elizabeth Cooper and Greg McCavera of JLL
- **Legal:** Debbie Spartin of Spartin Planning and Jennifer Perkins of Arnold & Porter
- **Ground lease reps:** Randy Clarke and Liz Price of WMATA; Bill Prutting and Martine Combal of JLL; Amy Rifkind, Arnold & Porter; Lee Berner, Hogan & Lovell; Kimberly Schlanger, Gibson & Dunn
- **Equity financing:** Taisei USA LLC and Mitsubishi Estate New York, a U.S. affiliate of Tokyo-based Mitsubishi Estate Co. Ltd.