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# Washington, DC

# DEVELOPMENT REPORT *2023/24 Edition*

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The Washington DC Economic Partnership would like to acknowledge our public and private sector board members whose continued financial support and guidance has made the Washington, DC Development Report 2023/2024 Edition possible.



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Washington, DC  
**DEVELOPMENT  
REPORT**

*2023/2024 Edition*

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# About the **PARTNERSHIP**

The Washington DC Economic Partnership (WDCEP) is a non-profit, public-private organization whose core purpose is to actively position, promote, and support economic development and business opportunities in Washington, DC.

Our mission is to promote DC's economic and business opportunities and support business retention and attraction activities. Through historical knowledge of the city's business and economic climate; accurate analytics, data, and research; and community partners and access, WDCEP is the central organization in Washington, DC that connects public and private sectors, neighborhoods, and communities to local, national, and international audiences.

WDCEP works with its partners in the city to facilitate dynamic relationships with

technology visionaries, artists, real estate entrepreneurs, non-profits, and global enterprise leaders based on independent thinking and objective insights. We stay one step ahead of the vibrant and evolving economic landscape by monitoring the pulse of DC's developers, startups, entrepreneurs, and large and small businesses.

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## **THE DC DEVELOPMENT REPORT**

The DC Development Report is a summary of the major development and construction projects in the District of Columbia. WDCEP tracks major developments throughout the year and performs an annual "development census" in the month of December. This involves soliciting contributions from more than 80 developers, architects, contractors, and economic development organizations to provide updates to more than 200 projects. While our database of projects is constantly

being updated, for the purposes of this publication all data reflect project status, design, and information as of December 2023.

Although every attempt was made to ensure the quality of the information contained in this document, WDCEP and Delta Associates make no warranty or guarantee as to its accuracy, completeness, or usefulness for any given purpose.



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*This Program is being funded, partially or fully, through the District of Columbia Executive Office of the Mayor - Office of the Deputy Mayor for Planning and Economic Development.*

# Development

## OVERVIEW





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- ◆ DEVELOPMENT OVERVIEW
- ◆ MOST ACTIVE



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# Economic Overview

**Job growth in the Washington, DC metro area *remained above average in 2023*, with 38,100 net additions over the 12 months ending December.**

By: Danny Calo, Senior Associate, Delta Associates

## U.S. ECONOMY

The strength of the U.S. economy, buoyed by consumer spending, was on full display in 2023. Total economic output grew at a real rate of 3.0% from Q3 2022 to Q3 2023. Meanwhile, consumer spending rose 3.1% over the year. U.S. consumers have continued spending robustly: real consumption spending grew almost two percentage points more than expected at this time last year (2.4% vs. 0.5%).

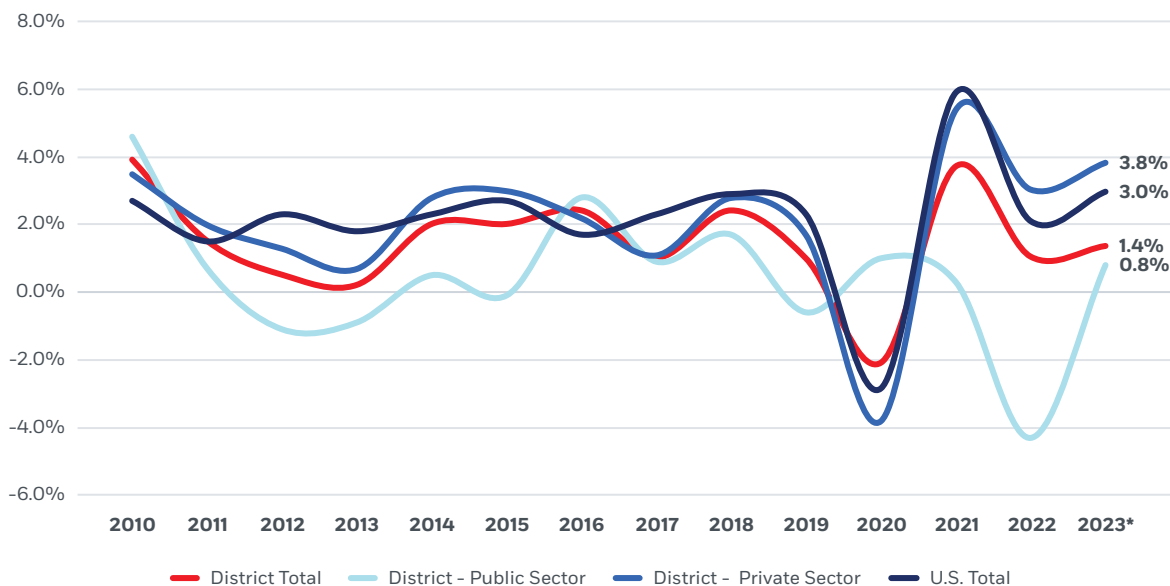
Every employment sector of the U.S. economy, apart from the Information sector, recorded positive growth in the 12 months ending December 2023. The Education/Health services sector continued to lead all others in job growth, adding over a million new jobs. The State/Local government sector followed with 635,000 additions. The Professional and Business Services sector managed an increase of 137,000 jobs, despite unstable economic projections. Meanwhile, the Federal Government recorded positive annual job growth for the first time in three years, with an 81,000 net change in total employment.

The labor market added 216,000 jobs in December, up from 173,000 the previous month. This number exceeded expectations made by economists surveyed by Bloomberg, who had expected 175,000 new jobs. Investors were closely watching the report for signs of whether the Federal Reserve can achieve a “soft landing,” where inflation retreats to the Fed’s 2% goal without a recession. The resilient job market could impact the Federal Open Market Committee’s (Fed’s) timeline for cutting rates in 2024.

Job gains continued at a solid pace in 2023, although down from the rates seen in 2021 and 2022 immediately following the pandemic-triggered recession. Monthly nonfarm payrolls grew by 225,000 per month on average in 2023, 48,000 more jobs per month than the average pace in 2018 and 2019. As a result, total job gains achieved under the Biden administration reached 14.1 million through December 2023. Meanwhile, the unemployment rate has, to date, stayed below 4% for 22 straight months, a run not seen in more than 50 years. This is especially remarkable given the rapid rise of interest rates.



**THE DISTRICT'S GDP YEAR-OVER-YEAR GROWTH RATE**



Source: Bureau of Economic Analysis, Delta Associates, January 2024. \*Q3 2022 - Q3 2023 growth for DC.

The biggest economic story of 2023 was the rapid increase in mortgage interest rates, which contributed to a slowdown in the housing market. Interest rates reached a plateau in July 2023, with the Federal Reserve halting further hikes after 11 consecutive increases since March 2022. These rate increases by the Fed have pushed mortgage rates to levels not seen in many decades. As of the end of

2023, mortgage rates have started to decrease, with 30-year rates falling below seven percent for the first time since the summer. The Fed is poised to begin lowering the federal funds rate sometime in 2024, which means mortgage rates should continue to decrease in the year ahead, resulting in a housing market rebound.

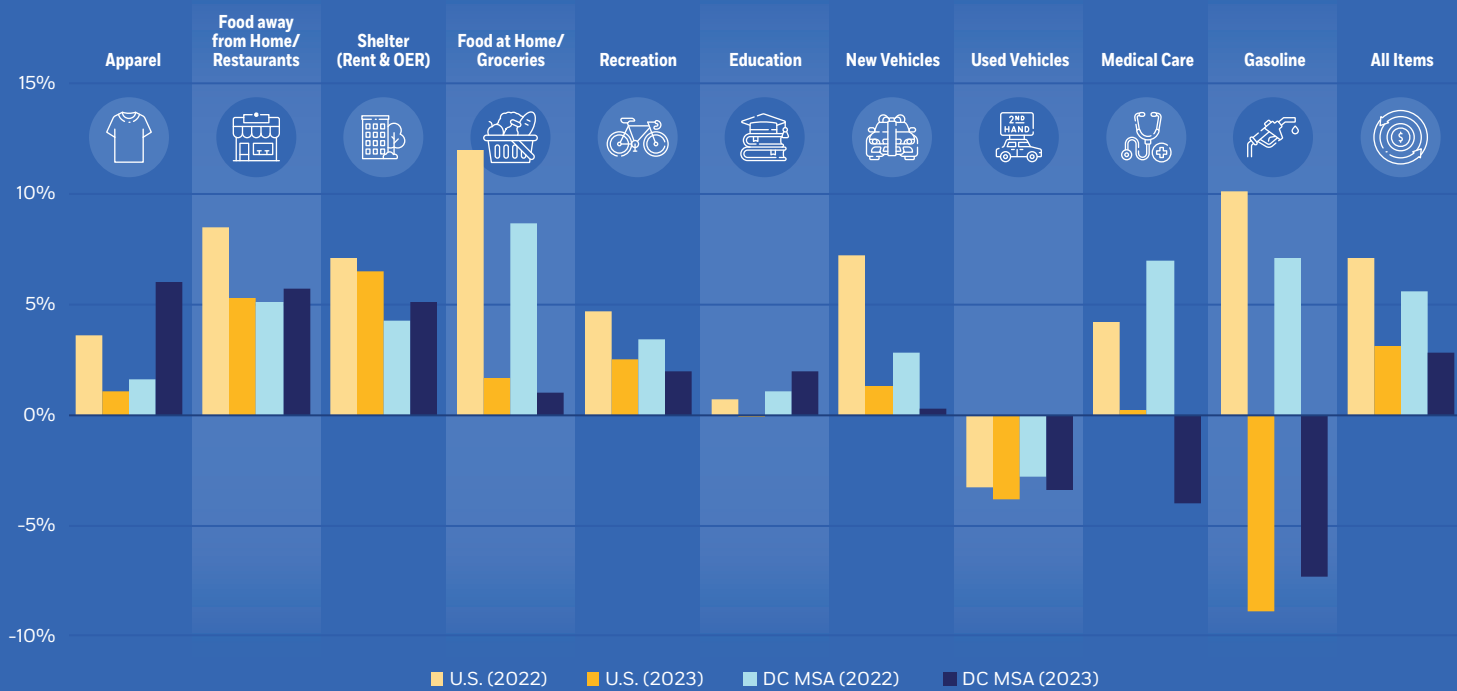


Recently, inflation has started to ease, and while the job market is slowing, it remains robust. The major stock indices have recovered from losses in the third quarter of 2023. Most economists now believe that the likelihood of a recession in 2024 is significantly lower than the predictions made for 2023 at the same time last year. The Federal Reserve has not yet fully claimed success, as inflation is still above its 2% long-term goal. However, the federal funds rate has been maintained at a steady range of 5.25% to 5.5% since July. The central focus has been whether the Fed can manage a balanced approach (“soft

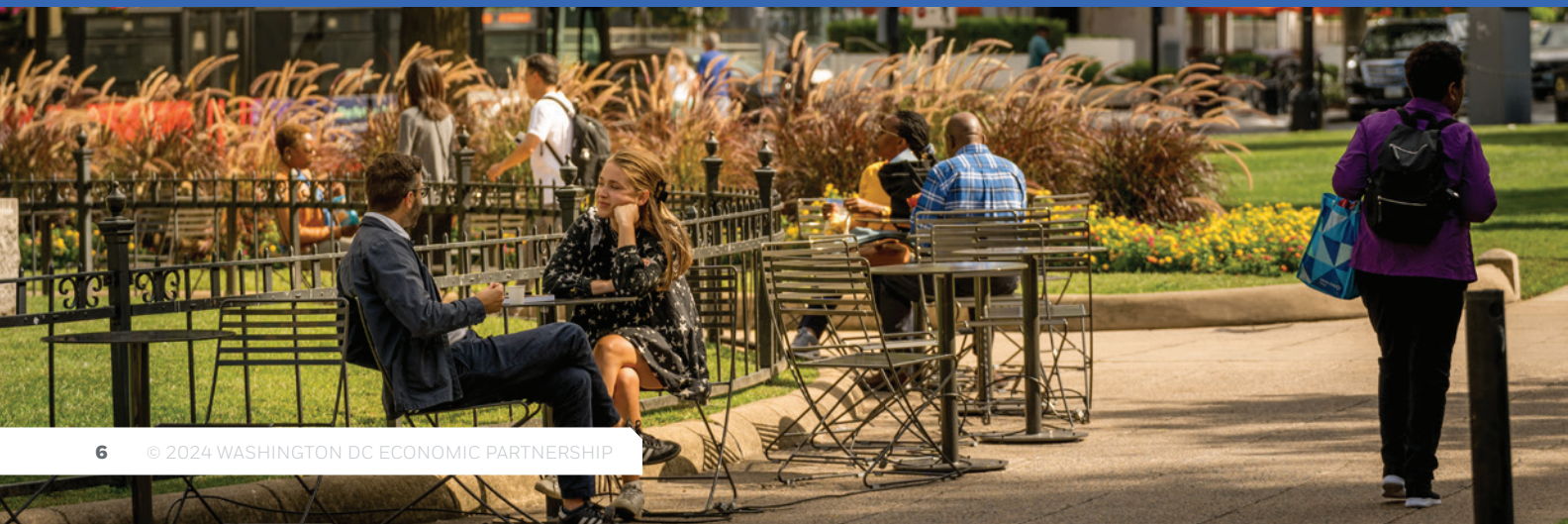
landing”) and sufficiently slow down the economy to curb inflation without triggering a recession.

Thus far, the U.S. economy’s and labor market’s unexpected robustness appears to be paying off. The unemployment rate increased to 3.7% in December from 3.5% in December 2022, yet remains historically low, with wage growth showing signs of moderation. Collectively, these factors suggest that concerns about inflation are significantly less pressing than they were six to twelve months earlier.

### ANNUAL CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS (CPI-U) GROWTH (INFLATION)



Source: Bureau of Labor Statistics, Delta Associates; January 2024. Washington MSA CPI is calculated bi-monthly, and is as of Nov. 2023.





## DISTRICT OF COLUMBIA ECONOMY

Job growth in the Washington, DC metro area remained above average in 2023, with 38,100 net additions over the 12 months ending December. Although the figure remains well above the metro’s long-term annual average of 24,700 new jobs since 2013, growth is decelerating faster than in many other metro areas. The region’s annual employment growth rate ranked near the bottom among similar metros across the nation, falling just under the Chicago MSA in 2023.

The unemployment rate in the Washington metro area (not seasonally adjusted) stood at 2.5% as of December 2023, the same as December 2022, and just below its pre-pandemic level of 2.6% from December 2019. The regional unemployment rate is also 120 basis points lower than the national unemployment rate (not seasonally adjusted) of 3.7% in December.

The continued contraction in the Federal sector held back overall job growth in the 12 months ending December 2023 with a -2,700 net change in federal

employment in the Washington metro area. The Financial Activities sector also experienced a decline in employment (-3,000 positions) thanks to the ever-shrinking physical footprint of retail banking, the industry adoption of AI, and a shift to online platforms. Notwithstanding muted employment growth, the region continues to boast one of the lowest unemployment rates of any metro area—2.5% (not seasonally adjusted) as of December 2023—and the health of the regional economy remains sound.

The District added 10,200 jobs on a net basis in the 12 months ending December 2023. Notably, the Leisure/Hospitality sector continued to dominate with the most significant growth of 4,100 jobs. Nevertheless, as of December 2023, only five of the thirteen major employment sectors have fully recovered to their pre-pandemic levels (or beyond): Construction/Mining, Local Government, Professional/Business Services, Wholesale Trade, and Information. A few local sectors, such as Manufacturing (76.9%) and Retail Trade (86.7%), have been in long-term decline since before the pandemic and are unlikely to exceed pre-pandemic employment totals for the foreseeable future. We

### ANNUAL JOB GROWTH (THOUSANDS)

	2023			2013 - 2022 AVERAGE		
	DISTRICT OF COLUMBIA	WASHINGTON MSA	UNITED STATES	DISTRICT OF COLUMBIA	WASHINGTON MSA	UNITED STATES
Construction/Mining	-0.3	0.2	278.0	0.2	1.7	186.0
Education/Health Services	3.5	16.4	1,054.0	0.9	5.6	358.0
Federal Government	-1.7	-2.7	81.0	-1.2	-0.3	5.0
Financial Activities	0.4	-3.0	92.0	0.0	0.8	126.0
Information	0.0	0.7	-82.0	0.3	0.3	40.0
Leisure/Hospitality	4.1	12.3	558.0	0.3	1.8	207.0
Manufacturing	0.0	-1.6	24.0	0.0	0.5	90.0
Other Services	3.6	6.0	101.0	-0.1	0.8	28.0
Professional/Business Services	-0.2	-3.1	137.0	2.0	9.5	454.0
Retail Trade	-0.2	1.4	151.7	0.2	-0.5	67.4
State/Local Government	1.1	11.9	635.0	0.7	3.0	21.0
Transportation/Utilities	-0.1	-1.2	172.0	0.0	1.4	329.0
Wholesale Trade	0.0	0.8	108.6	0.0	0.1	36.7
<b>Total</b>	<b>10.2</b>	<b>38.1</b>	<b>3,310.3</b>	<b>3.3</b>	<b>24.7</b>	<b>1,948.1</b>

Source: Bureau of Labor Statistics, Delta Associates; January 2024.



expect continued progress in Education/Health Services, Leisure/Hospitality and Other Services in 2024, especially as workers return to downtown offices.

Job growth in the Washington metro area ranked tenth amongst all metro areas in the year ending December 2023 with 38,100 new jobs. Among the largest 10 metro areas, Dallas-Fort Worth-Arlington had the largest increase (+134,200), followed by Los Angeles-Long Beach-Anaheim (+132,100), and New York-Newark-Jersey City (+93,000), whereas Chicago had the second lowest increase (+38,900), narrowly outpacing the Washington metro area's increase of 38,100.

According to the U.S. Census Bureau, the population of the District of Columbia increased 1.1% to 678,972 in 2023, the second consecutive year of growth following the drop experienced earlier in the pandemic period. The District also experienced a positive net inflow of residents domestically for the first time since prior to the pandemic. The 2023 population increase was driven by a 2,827 surplus of births over deaths, net migration of 2,387 residents domestically, and the migration of 6,969 residents to the District from other countries. We do not expect this pattern to change materially in 2024.



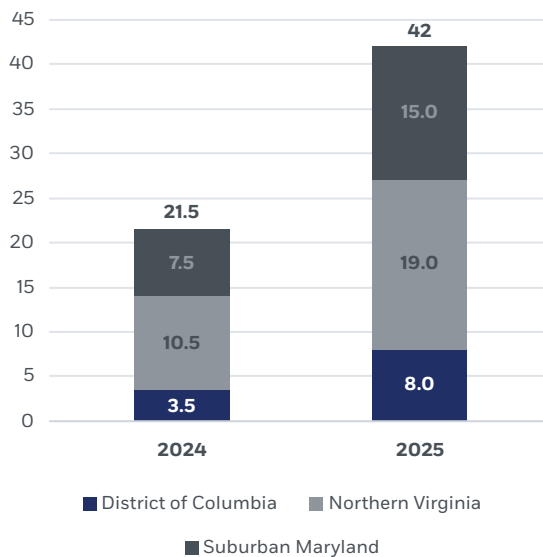
**DISTRICT JOB RECOVERY BY SECTOR**

(EMPLOYMENT IN THOUSANDS, DEC. 2023 AS A PERCENTAGE OF DEC 2019 EMPLOYMENT)

	2019	2023	RECOVERY %
Construction/Mining	14.4	14.9	103.5%
Wholesale Trade	5.3	5.5	103.8%
Information	20.5	21.1	102.9%
Professional/Business Services	174.5	175.2	100.4%
State/Local Government	42	42.5	101.2%
Federal Government	195.1	191.8	98.3%
Education/Health Services	131	128	97.7%
Leisure/Hospitality	81.2	77.5	95.4%
Financial Activities	29.9	28.3	94.6%
Transportation/Utilities	4.8	4.4	91.7%
Other Services	77.9	72	92.4%
Retail Trade	24.1	20.9	86.7%
Manufacturing	1.3	1	76.9%
<b>Total</b>	<b>802.0</b>	<b>783.1</b>	<b>97.6%</b>

Source: Bureau of Labor Statistics, Delta Associates; January 2024.

**PROJECTED JOB GROWTH (THOUSANDS)**



Source: GMU Center for Regional Analysis, Delta Associates; January 2024.

**SELECT METROS: ANNUAL JOB GROWTH (THOUSANDS)**



Source: Bureau of Labor Statistics, Delta Associates; January 2024

## THE DISTRICT'S DEVELOPMENT GROUNDBREAKINGS (DECEMBER 2023)



## SUMMARY OF PROJECTS (DECEMBER 2023)

	PROJECTS	SF	ESTIMATED VALUE (\$B)
<b>COMPLETED</b>	<b>1,769</b>	<b>246,284,121</b>	<b>\$84.8</b>
2001 - 2010	803	109,677,447	\$31.0
2011 - 2020	782	107,261,265	\$41.4
2021 - 2023	184	29,345,409	\$12.4
<b>PAST FIVE YEARS</b>			
2019	90	13,631,145	\$6.1
2020	84	13,518,587	\$4.7
2021	69	9,179,201	\$4.1
2022	67	12,008,365	\$5.3
2023	48	8,157,843	\$3.0
<b>UNDER CONSTRUCTION</b>	<b>128</b>	<b>21,939,373</b>	<b>\$10.2</b>
2024 DELIVERY	91	11,219,084	\$3.8
2025 DELIVERY	32	9,235,589	\$4.5
2026+ DELIVERY	5	1,484,700	\$1.9
<b>PIPELINE</b>	<b>468</b>	<b>119,676,745</b>	<b>\$40.6</b>
NEAR TERM	219	34,675,431	\$9.9
LONG TERM	249	85,001,314	\$30.7

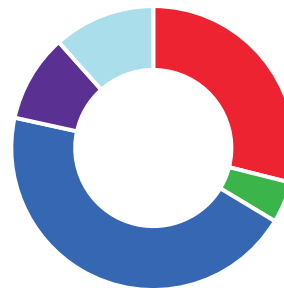
Source: Washington DC Economic Partnership Research



**PROJECTS COMPLETED** (2001–2023)

	# OF PROJECTS	SF	UNITS	ROOMS
Office	335	69,679,450	--	--
Retail	551	11,286,883	--	--
Residential	905	107,913,366	110,863	
Hospitality	164	24,027,879	--	24,523
Quality of Life	360	27,908,713	--	--

Total Estimated Value of Projects: \$84.8 billion

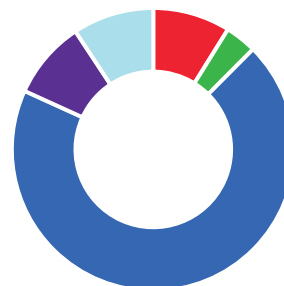


**246.3 MILLION**  
Square Feet Completed

**PROJECTS UNDER CONSTRUCTION** (DECEMBER 2023)

	# OF PROJECTS	SF	UNITS	ROOMS
Office	15	1,844,300	--	--
Retail	40	750,815	--	--
Residential	87	14,436,850	15,876	--
Hospitality	14	1,990,474	--	1,538
Quality of Life	16	1,931,783	--	--

Total Estimated Value of Projects: \$10.2 billion

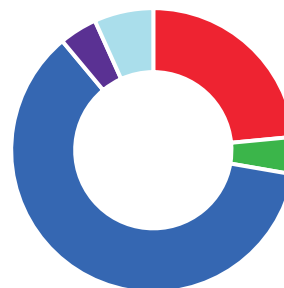


**21.9 MILLION**  
Square Feet Under Construction

**PIPELINE PROJECTS** (DECEMBER 2023)

	# OF PROJECTS	SF	UNITS	ROOMS
Office	80	23,301,718	--	--
Retail	200	4,211,199	--	--
Residential	326	60,745,828	68,034	--
Hospitality	54	4,154,714	--	5,437
Quality of Life	67	6,689,331	--	--

Total Estimated Value of Projects: \$40.6 billion

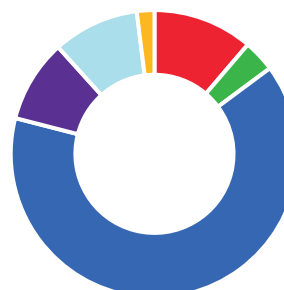


**119.7 MILLION**  
Square Feet in the Pipeline

**PROJECT STARTS PAST 5 YEARS** (2019 - 2023)

	# OF PROJECTS	SF	UNITS	ROOMS
Office	41	5,435,480	--	--
Retail	109	1,734,489	--	--
Residential	198	30,986,430	33,863	--
Hospitality	39	4,628,372	--	4,513
Quality of Life	54	4,691,198	--	--
Industrial/ Infrastructure	13	953,289	--	--

Total Estimated Value of Projects: \$19.4 billion

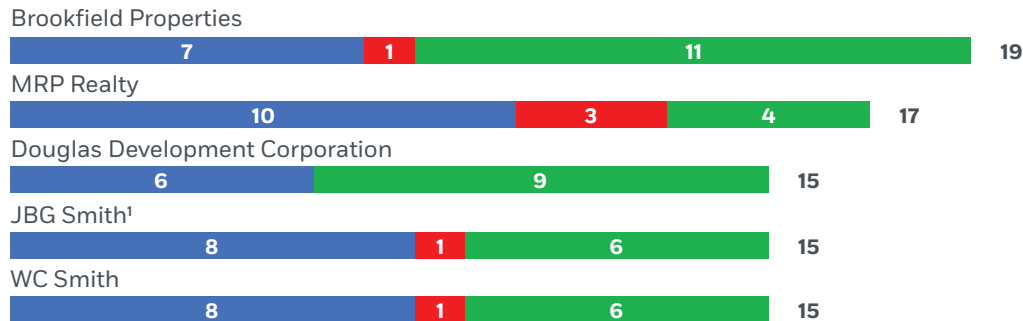


**49.2 MILLION**  
Square Feet of Groundbreakings

The figures below list the private sector developers, architects, and contractors that have been the most active in contributing to the District's development activity in the past five years (2019-2023).

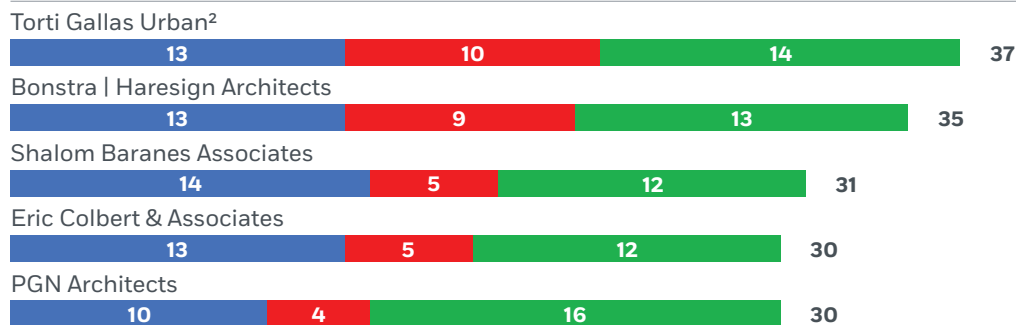
- Completed
- Under Construction
- Pipeline

**MOST ACTIVE PRIVATE SECTOR DEVELOPERS PAST FIVE YEARS (# OF PROJECTS)<sup>3</sup>**



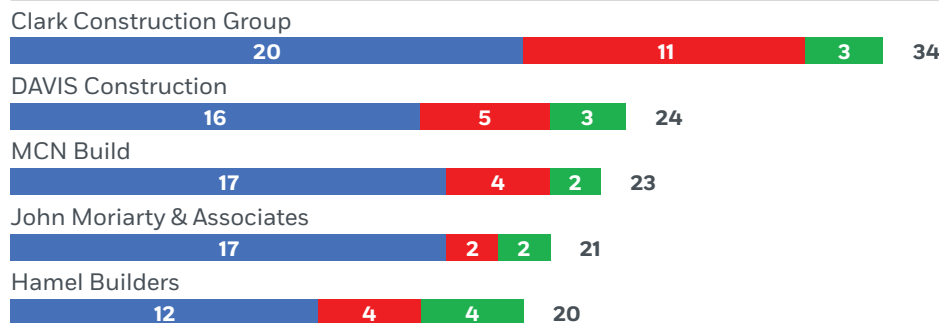
If measured by square feet the most active developers include Brookfield Properties (6.8M SF), Akridge (6.4M SF), MRP Realty (6.5M SF), JBG Smith (5.7m SF), and Douglas Development Corporation (5.2M SF).

**MOST ACTIVE ARCHITECTS PAST FIVE YEARS (# OF PROJECTS)<sup>3</sup>**



If measured by square feet the most active architects include Shalom Baranes Associates (14.7M SF), Perkins Eastman DC (9.5M SF), Beyer Blinder Belle Architects & Planners (8.5M SF), SK+I Architecture (8.3M SF), and Torti Gallas + Partners (7.4M SF).

**MOST ACTIVE GENERAL CONTRACTORS PAST FIVE YEARS (# OF PROJECTS)<sup>3</sup>**



If measured by square feet the most active architects include Clark Construction Group (12.1M SF), John Moriarty & Associates (5.9M SF), DAVIS Construction (4.9M SF), CBG Building Company (4.8 M SF), and HITT (4.4M SF).

1. Includes projects developed as The JBG Companies. 2. Includes Torti Gallas + Partners projects. 3. Projects completed since January 2019, under construction or in the pipeline as December 2023 (excludes government agencies and colleges/universities). Only companies with 10 or more projects since 2019 are included in SF calculations.





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**BY SECTOR**

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- ◆ RETAIL
- ◆ RESIDENTIAL
- ◆ HOSPITALITY
- ◆ QUALITY OF LIFE



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# Office

Currently, at least **13 active conversion projects** in the District are either planned or under construction.

By: Danny Calo, Senior Associate, Delta Associates

OFFICE INVENTORY<sup>1</sup>  
**169.2M**  
SF (Q4 2023)

NET ABSORPTION<sup>1</sup>  
**-1.4M**  
SF (2023)

DIRECT VACANCY RATE<sup>1</sup>  
**16.0%**  
(Q4 2023)

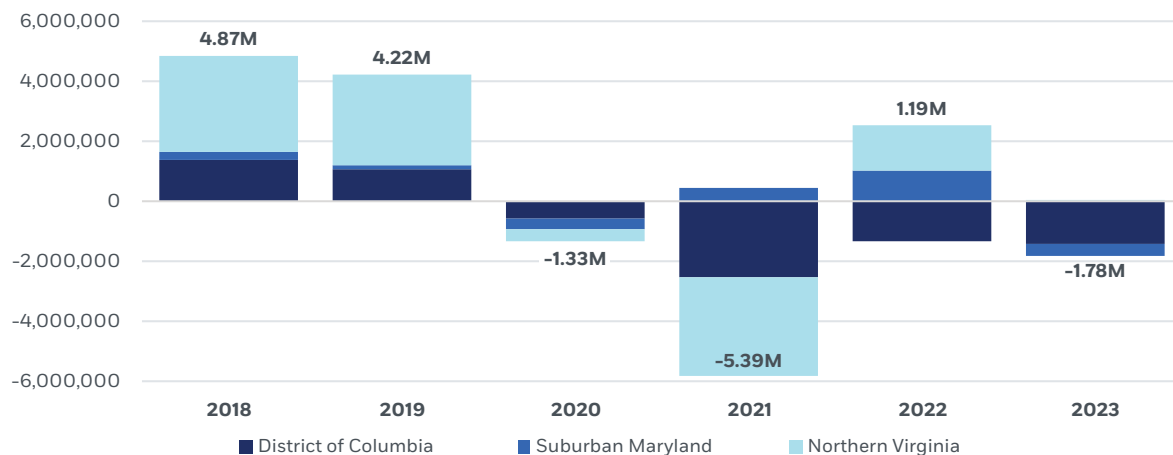
AVG. BASE RENT<sup>1</sup>  
**\$54.22**  
PSF (Q4 2023)

The District's office market continues to feel the pain from the Federal workforce's slow return to the office.

Net absorption in 2023 trended negative across the District for the fourth year in a row with a total of 1.4 million SF lost, more than the 1.3 million SF lost in

2022. The East End submarket had the lowest net absorption with -802,000 SF lost, followed by the Central Business District losing -627,200 SF. The three submarkets with positive absorption include Capitol Hill with 186,000 SF, Capitol Riverfront with 31,900 SF, and Uptown with 92,700 SF.

## ANNUAL NET OFFICE ABSORPTION: THE WASHINGTON, DC METRO AREA (SF)



Source: CoStar, January 2024.

1. CoStar (accessed on 1/23/24)



A continuing trend over the past couple of years is the lack of office groundbreakings in the District. This will likely continue for the foreseeable future as the District office market struggles with a lack of demand, particularly among the federal government and its sluggish return to the office. As of December 2023, there is less than 750,000 SF of office space under construction in the East End/CBD submarkets; split between Skanska's 17XM and Rockefeller Group's 600 Fifth. Skanska's downtown trophy building, at 1700 M Street NW, has already pre-leased over half of its available space to key tenants such as law firm Gibson, Dunn, and Crutcher and investment bank UBS. Rockefeller Group's 600 Fifth will bring just under 400,000 SF of trophy office space to the heart of DowntownDC's Penn Quarter neighborhood. The redevelopment of WMATA's former Jackson Graham headquarters building, slated for completion in 2025, inked a pre-lease with its anchor tenant, Crowell & Moring, in June 2023, and construction commenced shortly

afterward. The law firm will occupy just under 200,000 SF, a downsize from the 391,000 SF it currently leases at 1001 Pennsylvania Avenue NW.

The biggest challenge to the District's office market, as previously alluded to, is the federal government's lack of return to the office. The federal government has not yet returned to anything close to full office occupancy, in fact it has consistently downsized its total footprint across several agencies. This is all despite voiced commitments from the Biden administration to have the federal workforce return to the office over the past couple of years. However, added pressure on the Biden administration to return the federal workforce to the office (from District of Columbia officials, business leaders, and GOP members of Congress) seemed to be having an effect recently, with lawmakers ramping up their rhetoric and probes of federal workforce telework policies. Due to this push, starting in 2024, federal

### MAJOR NEW OFFICE LEASING ACTIVITY (2023)

TENANT	LOCATION	SUBMARKET	SF	INDUSTRY
Crowell & Moring LLP	600 5th St., NW	DowntownDC/East End	198,900	Legal Services
Strategic Marketing Innovations	200 Massachusetts Ave., NW	DowntownDC/East End	13,000	Public Affairs
American Enterprise Institute	11 Dupont Cir., NW	Golden Triangle/CBD	27,600	Public Policy
Arnall Golden Gregory LLP	2100 Pennsylvania Ave., NW	Golden Triangle/CBD	10,000	Legal Services
Center for a New American Security	1701 Pennsylvania Ave., NW	Golden Triangle/CBD	18,500	National Security Research
Davis Polk & Wardell	1050 17th St., NW	Golden Triangle/CBD	82,000	Legal Services
Healthcare Distribution Alliance	1275 Pennsylvania Ave., NW	DowntownDC/East End	13,000	Public Policy
Legal Services Corp.	1875 I St., NW	Golden Triangle/CBD	38,000	Legal Services
Supernal	1101 16th St., NW	DowntownDC/East End	28,000	Tech
UBS Financial Services	1700 M St., NW	Golden Triangle/CBD	23,600	Financial Services
White House Historical Association	1700 Pennsylvania Ave., NW	Golden Triangle/CBD	32,000	Historic Preservation
American Clean Power Association	1299 Pennsylvania Ave., NW	DowntownDC/East End	42,405	Public Policy
Disabled American Veterans	1300 I St., NW	DowntownDC/East End	19,500	Public Policy
Invariant	740 15th St., NW	DowntownDC/East End	17,000	Public Affairs
Locust Street Group	1307 New York Ave., NW	DowntownDC/East End	21,500	Public Affairs
The American Chemistry Council	655 New York Ave., NW	DowntownDC/East End	93,000	Public Policy
The Atlantic Council	1400 L St., NW	DowntownDC/East End	79,700	Public Policy
Kelley Drye & Warren LLP	670 Maine Ave., SW	Southwest Waterfront	65,000	Legal Services

Source: Delta Associates, January 2024.

workers will have to be in the office at least six days per pay period (depending on the agency).

The federal government is not the only lessee downsizing or vacating their space entirely. Many private sector tenants have also followed this trend as remote (and especially hybrid) work has remained prevalent since the COVID-19 pandemic. In tandem with downsizing, there remains the flight-to-quality trend as tenants who previously had more space in Class B and C spaces can afford less Class A space to accommodate their hybrid or remote workforce. As tenants continue downsizing, the flight-to-quality trend will remain a downward force on the office market, especially for Class B and C assets, many of which have been seeking a lifeline via potential conversions or teardowns to other highest and best uses.

This drastic shift in demand has led to an increase in office-to-residential conversion activity in the District. Prior to the pandemic, adaptive reuse was not as common in the District as in other large cities, due to the comparatively high value of office buildings in the city, the poor suitability, and high conversion costs for much of the city's inventory.

Free-standing pre-war office buildings with operable windows and smaller floorplates are generally the best candidates for converting to housing, unlike the majority of obsolete office product in the District, consisting of mid-block, 1980s-era buildings. Gutting, rebuilding, renovating, and upgrading older outdated office buildings to trophy class was more financially attractive than converting to multifamily. However, the continued lack of demand for office space has quickly shifted the economics in favor of residential conversions of existing office space. As office values continue to fall - a reflection of the lack of leasing demand - more owners are forced into exploring alternative highest and best uses for their properties or hand back the keys to their lender. Currently, at least 13 active conversion projects in the District are either planned or under construction. Most of the conversions are either in Downtown/ East End or the Golden Triangle/CBD, but neighborhoods such as Southwest Waterfront and Georgetown are also seeing interest in conversions. Very few existing office buildings are suitable for conversion to residential due to their floorplans, infrastructure, and tenants. Collectively, these projects represent nearly 3,500 units of housing and the removal of 3.3 million SF of office space.

**SELECT SUBMARKET DATA** (Q4 2023)

SUBMARKET	NET ABSORPTION 2023	DIRECT VACANCY	TOTAL VACANCY	DIRECT BASE RENT 2023
CBD	-627,200	15.0%	15.9%	\$53.79
Capitol Hill	186,000	15.1%	15.8%	\$53.50
Capitol Riverfront	31,900	15.0%	15.2%	\$58.97
NoMa	-411,800	9.7%	10.0%	\$50.83
East End	-802,000	15.0%	16.0%	\$55.60
Georgetown	-290,200	17.5%	17.8%	\$52.11
Southwest	-35,700	12.1%	12.3%	\$49.39
West End	-7,400	11.0%	15.1%	\$52.14
Uptown	92,700	7.3%	8.3%	\$41.89

Source: CoStar, January 2024

**GROWTH OF OFFICE-USING EMPLOYMENT SECTORS IN THE DISTRICT (2014–2023)**


Source: BLS, Delta Associates; January 2024.

The DC Council passed the Housing in Downtown (HID) program in 2023, which incentivizes residential development downtown through fiscal and regulatory relief, including a 20-year property tax abatement, exemption from TOPA requirements for up to 10 years or the first sale of the property,

as well as other exemptions. The HID is one of the primary mechanisms that will support Mayor Muriel Bowser’s goal to add 15,000 residents to the downtown by 2028.

**ADAPTIVE REUSE OFFICE CONVERSIONS (2023)**

PROJECT NAME	DEVELOPER	PROJECT TYPE	NEIGHBORHOOD	UNIT COUNT	PREVIOUS OFFICE SF	EST. COMPLETION	STATUS
Annex on 12th	Carmel Partners	Rental	Southwest Waterfront	615	118,000	2024	Under Construction
The Accolade	Foulger-Pratt	Rental	DowntownDC/East End	255	287,042	2024	Under Construction
Elle	Willco	Rental	Golden Triangle/CBD	162	185,000	2024	Under Construction
Broadcast	Urban Investment Partners LLC	Rental	Tenleytown/Uptown	144	175,000	2024	Under Construction
Mint House Downtown	Altus Realty Partners	Hosp./Rental	DowntownDC/East End	89	82,539	2025	Under Construction
The Geneva	Post Brothers	Rental	Dupont Circle	520	685,000	2025	Planned
The Portals	Lowe Enterprises	Rental	SW Waterfront	446	508,294	2026	Planned
1000-1050 Thomas Jefferson Street, NW	Potomac Investment Trust	Rental	Georgetown	335	343,000	N/A	Planned
2100 M Street	Post Brothers	Rental	Golden Triangle/CBD	300	300,000	2026	Planned
1125 15th Street	Willow Bridge Property Company	Rental	DowntownDC/East End	264	273,011	2025	Planned
1625 Massachusetts Avenue, NW	National Real Estate Development	Rental	Golden Triangle/Dupont Circle	157	114,000	N/A	Planned
1735 K Street	Urban-Atlantic	Hosp./Rental	Golden Triangle/CBD	106	105,540	2025	Planned
2141 K Street	The RMR Group	Rental	Golden Triangle/CBD	96	98,000	2025	Planned

Source: Delta Associates; January 2024 (projects may include additions/new construction).



Stakeholders will have to face the unfortunate truth that remote and hybrid work is here to stay and office occupancy will not return to pre-pandemic levels. Although both the District as a whole (50.2%) and the Downtown DC BID (45.2%) have hit their highest percentage of office occupancy since 2020 as of December 2023, they are still well behind where many thought the rate would be entering into 2024<sup>2</sup>. We still expect the occupancy rate to level off somewhere around 70%, fluctuating up and down depending on the days employees are required to be in the office; however, it will take much longer than previously anticipated to achieve this occupancy rate and will likely take until the second half of 2024 or early 2025. These gains in occupancy will primarily be driven by positive job growth in office-using employment sectors.

Office investment sales have continued to decline in the District. There were at least 13 sales in 2023, down from 22 in 2022. The total value of these transactions was \$634.2 million at \$358 per SF in 2023, down from \$2.07 billion at \$630 per square

foot (not counting partial interest, portfolio sales, or conversions/teardowns).<sup>3</sup> Average cap rates in the Washington region rose in 2023 to 7.3% compared to 6.9% in 2022. Meanwhile, the Washington region leads the U.S. with 72% of office loans classified as “criticized”, defined in a Trepp report as buildings with high vacancy, lease expirations, or other risk factors.<sup>4</sup>

There will likely be an increase in office sales transactions in 2024 as vacancies remain high and investors look for ways to convert existing office space into other uses, the most common being residential. In the Washington region, going back to 2020, there have been a total of 30 office investment sales with the goal of converting or demolishing the existing building for other uses; 22 of these office investment sales have occurred in the past two years. Eight of these sales have occurred in the District itself. This only covers investment sales with plans for conversion at the time of sale. There are more conversions occurring in the region by existing owners.

2. Kastle Back-to-Work Barometer, January 2024. 3. Real Capital Analytics, January 2024. 4. Trepp Q3 2023 Loan Distress Report, December 2023

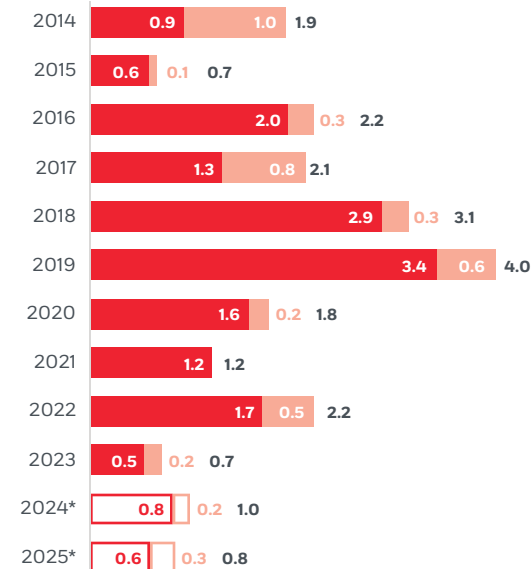




# OFFICE DEVELOPMENT

## OFFICE DEVELOPMENT

(DECEMBER 2023, OFFICE SF IN MILLIONS)



## COMPLETED

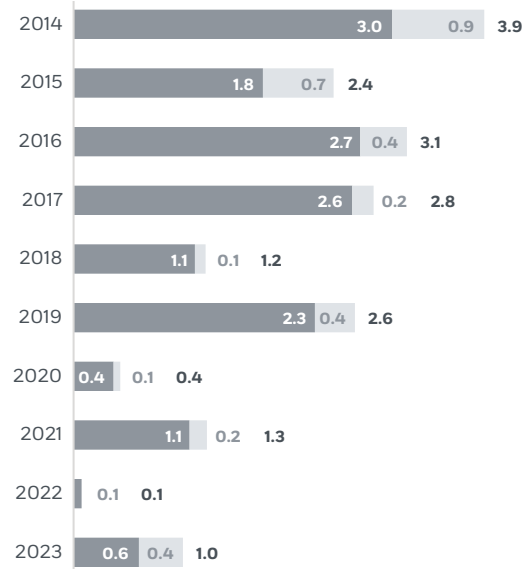
PRIVATE GOVT

## PROJECTED

PRIVATE GOVT

## GROUNDBREAKINGS

PRIVATE GOVT



\*Projections based on targeted delivery dates of projects under construction as of December 2023. Total values may not sum due to rounding.

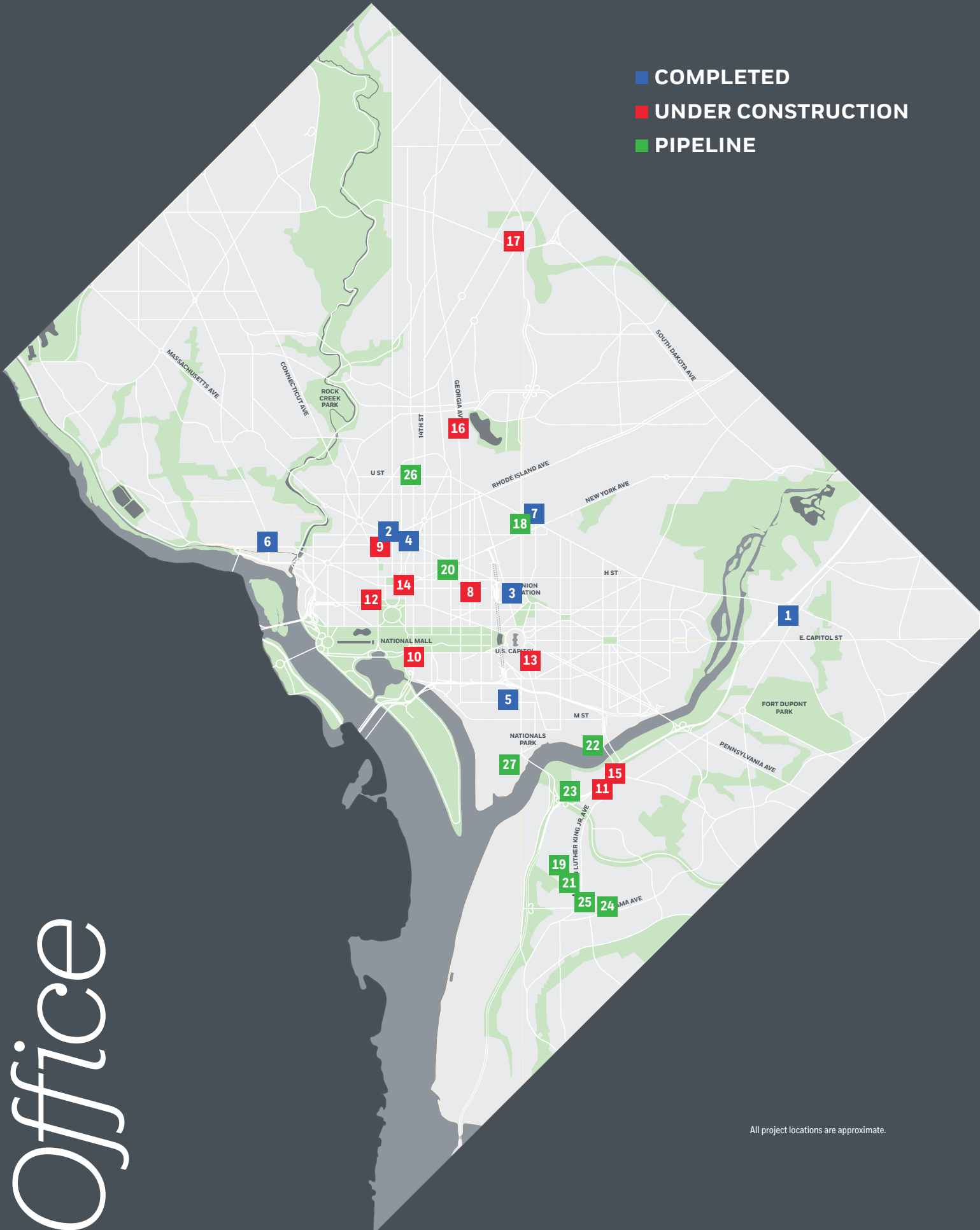
## OFFICE DEVELOPMENT (DECEMBER 2023)

	PROJECTS	OFFICE SF
<b>COMPLETED (SINCE 2001)</b>	<b>335</b>	<b>69,679,450</b>
2001 - 2010	183	41,814,671
2011 - 2020	123	23,750,890
2021 - 2023	29	4,113,889
<b>PAST FIVE YEARS</b>		
2019	19	3,997,360
2020	7	1,766,846
2021	13	1,194,417
2022	9	2,209,414
2023	7	710,058
<b>UNDER CONSTRUCTION</b>	<b>15</b>	<b>1,844,300</b>
2024 DELIVERY	10	989,558
2025 DELIVERY	3	844,742
2026 DELIVERY	2	10,000
<b>PIPELINE</b>	<b>80</b>	<b>23,301,718</b>
NEAR TERM	27	4,499,306
LONG TERM	53	18,802,412
<b>TOTAL</b>	<b>430</b>	<b>94,825,468</b>





- COMPLETED
- UNDER CONSTRUCTION
- PIPELINE



All project locations are approximate.



PROJECT	WARD	LOCATION	DEVELOPER(S)	OFFICE SF	EST. VALUE (\$M) <sup>1</sup>	DELIVERY <sup>2</sup>		
<b>TOP OFFICE PROJECTS COMPLETED (2023)</b>								
1		Northeast Heights (DGS HQ)	7	3924 Minnesota Ave., NE	Trammell Crow Company	260,000	\$150	Q2 23
2		Embassy of Australia	2	1601 Massachusetts Ave., NW	Commonwealth of Australia	167,400	\$237	Q3 23
3		20 Massachusetts Avenue	6	20 Massachusetts Ave, NW	Office Properties Income Trust / The RMR Group	183,500	\$200	Q3 23
4		1401 Massachusetts Avenue	2	1401 Massachusetts Ave., NW	Akelius	52,000		Q3 23
5		Gallery 64	6	65 I St., SW	Lowe	18,600	\$200	Q1 23
6		1238 Wisconsin Avenue	2	1238 Wisconsin Ave., NW	Eastbanc / ACADIA Realty Trust	15,000	\$11	Q3 23
7		101 Q Street	5	101 Q St., NE	Avison Young / Building Partnerships	13,558	\$25	Q4 23

### TOP OFFICE PROJECTS UNDER CONSTRUCTION

8		600 5th Street	2	600 5th St., NW	Stonebridge Associates / Rockefeller Group	414,742	\$370	Q4 25
9		17xM	2	1700 M St., NW	JBG Smith / Skanska	317,000	\$216	Q2 24
10		USDA South Building (Wing 7 Modernization)	6	1400 Independence Ave., SW	U.S. Department of Agriculture	250,000	\$114	Q2 25
11		Reunion Square (Building 4)	8	Shannon Place & W St., SE	Four Points / Curtis Development	224,610		Q1 24
12		AIA Headquarters Modernization	2	1735 New York Ave., NW	American Institute of Architects	180,000	\$60	Q3 25
13		Cannon House Office Building Renewal (Ph IV)	6	27 Independence Ave., SE	Architect of the Capitol	170,000	\$188	Q4 24
14		The Milken Center for Advancing the American Dream	2	1501 - 1505 Pennsylvania Ave., NW & 730 15th St., NW	Akridge / Milken Family Foundation	132,000		Q2 24
15		MLK Gateway II	8	1909 Martin L King Jr Ave., SE	Menkiti Group	60,000	\$71	Q1 24
16		The Oliver	1	2711 - 2719 Georgia Ave., NW	Rock Creek Property Group / Howard University	41,000	\$62	Q1 24
17		The Community Partnership for the Prevention of Homelessness	4	14 Kennedy St., NW	The Community Partnership for the Prevention of Homelessness	20,000	\$8	Q1 24

### TOP OFFICE PROJECTS IN THE PIPELINE

18		Financial Plaza	5	60 New York Ave., NE	Douglas Development Corporation	1,200,000	\$350	2028
19		Cybersecurity & Infrastructure Security Agency HQ	8	2701 Martin Luther King, Jr. Ave., SE	General Services Administration	630,000	\$400	
20		900 New York Avenue	2	900 New York Ave., NW	Gould Property Company / Oxford Properties Group	575,000		
21		Immigration & Customs Enforcement HQ	8	2701 Martin Luther King, Jr. Ave., SE	General Services Administration	570,000		
22		Navy Yard - Parcel O	6	1000 O St., SE	Redbrick LMD	400,000		2029+
23		The Bridge District (Phase V)	8	Howard Rd., SE	Redbrick LMD	250,000		
24		Saint Elizabeths East (Parcel 15)	8	Saint Elizabeths East Campus	Redbrick LMD / Gragg Cardona Partners / Emerson Collective	191,700		
25		Saint Elizabeths East (Parcel 7)	8	Saint Elizabeths East Campus	St. Elizabeths Legacy Partners / Menkiti Group / DMPED	124,300		2027
26		2000 14th Street	1	2000 14th St., NW	MRP Realty / CSG Urban Partners / Capri Investment Group	108,000		2029
27		Parcel B	6	1st, Half & R Sts., SW	Hoffman & Associates	39,805	\$257	2026+

1. May include non-office components & pipeline values may include additional phases (\$ in millions)  
 2. Delivery date may reflect phase I delivery or final phase delivery for pipeline projects.



WARD 2

**1401 MASSACHUSETTS AVENUE**

**LOCATION:** 1401 Massachusetts Avenue, NW  
**DEVELOPER(S):** Akelius  
**ARCHITECT(S):** Perkins&Will  
**CONTRACTOR(S):** Donohoe Construction  
**LEED:** Platinum  
**STATUS:** Completed  
**TARGETED DELIVERY:** Q3 2023

**SPECS:** The Campbell Building, located next to the National City Christian Church, underwent a complete restoration of its three above-ground stories and one below-ground floor, along with a one-story and penthouse addition offering a total of 52,000 SF of office.



WARD 2

**17xM**

**LOCATION:** 1700 M Street, NW  
**DEVELOPER(S):** Skanska USA Commercial Development / JBG Smith  
**ARCHITECT(S):** Kohn Pedersen Fox & Associates  
**CONTRACTOR(S):** Skanska USA Building  
**LEED:** Gold  
**EST. VALUE:** \$216 million  
**STATUS:** Under Construction  
**TARGETED DELIVERY:** Q2 2024

**SPECS:** 17xM will be a new 11-story, 334,000 SF office building with 13,000 SF of retail space and is North America's first office building to be SmartScore certified. The unique design offers more natural light than a rectangular box office building by offering 23% more window line. Gibson Dunn & Crutcher will be the anchor tenant, occupying about 164,000 SF.



NE Corner View  
Dusk

WARD 2

**600 5TH STREET**

**LOCATION:** 600 5th Street, NW  
**DEVELOPER(S):** Stonebridge Associates / Rockefeller Group  
**ARCHITECT(S):** Pickard Chilton  
**CONTRACTOR(S):** Clark Construction Group  
**LEED:** Gold  
**EST. VALUE:** \$370 million  
**STATUS:** Under Construction  
**TARGETED DELIVERY:** Q4 2025

**SPECS:** The redevelopment plan calls for the eight-story, 270,000 SF (381,000 SF gross) Jackson Graham Building, former home to the Washington Metropolitan Area Transit Authority (WMATA), to undergo a significant renovation of the existing structure with the addition of three floors (102,000 SF) along with 12,600 SF of retail space. Crowell & Moring (199,000 SF) is the anchor office tenant.



WARD 2

**AIA HEADQUARTERS MODERNIZATION**

**LOCATION:** 1735 New York Avenue, NW  
**DEVELOPER(S):** American Institute of Architects  
**ARCHITECT(S):** EHDD, Inc. / Hartman-Cox Architects  
**CONTRACTOR(S):** Turner Construction Company  
**LEED:** Platinum  
**EST. VALUE:** \$60 - \$80 million  
**STATUS:** Under Construction  
**TARGETED DELIVERY:** Q3 2025

**SPECS:** The American Institute of Architects plans to upgrade its 50-year-old, 180,000 SF headquarters building. A new lower level will house drop-in collaboration & coworking spaces, a fitness center, VR/media lounges, and archives. The second floor will host the AIA's advocacy center, office & meeting space for visiting members, including a mother's room and a library. The third- and fourth-floor workspaces will feature office space for staff.



# OFFICE DEVELOPMENT HIGHLIGHTS



## 20 MASSACHUSETTS AVENUE

**LOCATION:** 20 Massachusetts Avenue, NW  
**DEVELOPER(S):** The RMR Group Inc. / Office Properties Income Trust  
**ARCHITECT(S):** Leo A Daly  
**CONTRACTOR(S):** DPR Construction  
**LEED:** Gold  
**EST. VALUE:** \$200 million  
**STATUS:** Completed  
**TARGETED DELIVERY:** Q3 2023

**SPECS:** The eight-story, 324,000 SF office building underwent a renovation with two stories added above (94,400 SF) plus a penthouse to create a 427,000 SF mixed-use property. Floors 2 - 6 will be converted to a 271-room Royal Sonesta Hotel, floors 7 - 10 will provide 183,500 SF of office space, approximately 13,800 SF of retail space in the building, and a 50-seat conference center.



## 2000 14TH STREET

**LOCATION:** 2000 14th Street, NW  
**DEVELOPER(S):** MRP Realty / CSG Urban Partners / Capri Investment Group  
**ARCHITECT(S):** PGN Architects / Michael Marshall Design  
**CONTRACTOR(S):** Smoot Construction D.C.  
**STATUS:** Pipeline  
**TARGETED DELIVERY:** 2029

**SPECS:** Potential redevelopment plans for the Reeves Center (c. 1986) site envisions 322 residential units (rental & ownership), 22,500 SF of retail, 44,000 SF of arts/entertainment uses, and 108,000 SF of office space, including the new HQ for the NAACP. The development was awarded to Reeves CMC Venture through the DC government's EquityRFP process.

## UNDER CONSTRUCTION: 600 5TH STREET





Image courtesy of ZGF Architects



WARD 8

**CYBERSECURITY & INFRASTRUCTURE SECURITY AGENCY HQ**

**LOCATION:** 2701 Martin Luther King, Jr. Avenue, SE  
**DEVELOPER(S):** General Services Administration  
**ARCHITECT(S):** Olin / ZGF Architects  
**LEED:** Gold  
**EST. VALUE:** \$400 million  
**STATUS:** Pipeline

**SPECS:** The Cybersecurity & Infrastructure Security Agency will move its HQ to a new 630,000 SF office building as part of the Department of Homeland Security's consolidation on the St. Elizabeths West Campus. The building will comprise of four intersecting long bars that create a courtyard space in the middle. The site includes both a plateau and ravine with the three existing buildings on the site set to be demolished while the historic power plant near the site will be preserved.



WARD 2

**EMBASSY OF AUSTRALIA**

**LOCATION:** 1601 Massachusetts Avenue, NW  
**DEVELOPER(S):** Commonwealth of Australia  
**ARCHITECT(S):** Bates Smart / KCCT  
**CONTRACTOR(S):** Clark Construction Group  
**LEED:** Gold  
**EST. VALUE:** \$237 million  
**STATUS:** Completed  
**TARGETED DELIVERY:** Q3 2023

**SPECS:** The Australian Embassy built a new 167,400 SF chancery that provides chancery office space, conference and meeting rooms, consular services, and accessory space. The design includes an expansive glass atrium and a large open public space, with an exhibition gallery and function spaces. The former chancery building (c. 1969) on the site was demolished.

Image courtesy of Four Points



WARD 8

**REUNION SQUARE (BUILDING 4)**

**LOCATION:** Shannon Place & W Street, SE  
**DEVELOPER(S):** Four Points / Blue Sky Housing / Curtis Development  
**ARCHITECT(S):** Hickok Cole  
**CONTRACTOR(S):** DAVIS Construction  
**LEED:** Gold  
**STATUS:** Under Construction  
**TARGETED DELIVERY:** Q1 2024

**SPECS:** Building 4 is part of the 1.57 million SF Reunion Square development in Anacostia. The new headquarters for the DC Department of Health will consist of 225,000 SF of office space, 7,000 SF of retail space, and 228 parking spaces.

Image courtesy of Menkiti Group



WARD 8

**SAINT ELIZABETHS EAST (PARCEL 7)**

**LOCATION:** Saint Elizabeths East Campus  
**DEVELOPER(S):** St. Elizabeths Legacy Partners / Menkiti Group / DMPED  
**ARCHITECT(S):** Studios Architecture  
**STATUS:** Pipeline  
**TARGETED DELIVERY:** Q1 2027

**SPECS:** Initial plans for the 3.4-acre Parcel 7 call for the new HQ for the D.C. Department of Behavioral Health (124,300 SF) along with 29,300 SF retail space, 278 affordable multifamily units (30-80% of AMI), and 18 workforce townhomes.



## OFFICE DEVELOPMENT HIGHLIGHTS

Image courtesy of Menkiti Group



WARD 8

### MLK GATEWAY II

**LOCATION:** 1909 Martin L King Jr Avenue, SE  
**DEVELOPER(S):** Menkiti Group  
**ARCHITECT(S):** Studios Architecture  
**CONTRACTOR(S):** Consigli Construction / Keystone Plus Construction Corp.  
**LEED:** Gold  
**EST. VALUE:** \$71 million  
**STATUS:** Under Construction  
**TARGETED DELIVERY:** Q1 2024

**SPECS:** MLK Gateway II will include 60,000 SF of office space, anchored by the Department of Housing and Community Development (DHCD), and 8,000 SF of ground-floor retail. The development is in an Opportunity Zone and is designed to connect commerce and community to build an economically vibrant neighborhood-serving commercial corridor.



WARD 7

### NORTHEAST HEIGHTS (DGS HQ)

**LOCATION:** 3924 Minnesota Avenue, NE  
**DEVELOPER(S):** Trammell Crow Company  
**ARCHITECT(S):** Perkins Eastman DC / Moya Design Partners  
**CONTRACTOR(S):** Gilbane Building Company  
**LEED:** Gold  
**EST. VALUE:** \$150 million  
**STATUS:** Completed  
**TARGETED DELIVERY:** Q2 2023

**SPECS:** The new build-to-suit HQ for the Department of General Services (DGS) is part of the first phase of the 1.6 million SF Northeast Heights mixed-used development. Amenities include 18,000 SF of retail space, a fitness center, conference rooms, and bike storage. The 500-employee DGS signed a 20-year lease.

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# Retail

**Taxable retail and restaurant sales volume in the District increased significantly in fiscal year 2022, up 25.4% from the prior year to \$19.5 billion.**

By: Mitesh Patel, Senior Associate, Delta Associates

**\$19.5B**  
2022 TAXABLE RETAIL &  
RESTAURANT SALES<sup>1</sup>  
+25% FROM 2021

**285k**  
SF OF RETAIL  
DELIVERIES IN 2023<sup>2</sup>

**+8,000**  
POPULATION GROWTH  
2022-2023<sup>3</sup>  
+1.2% YEAR OVER YEAR

**85.0%**  
RETAIL CHAINS  
RECOVERY RATE<sup>4</sup>  
OF PRE-COVID FOOT TRAFFIC

The Washington metro area's retail industry continued to recover in 2023, although shifting work patterns have impacted office-centric submarkets, particularly in the District. However, the District benefited from increased tourism spending, resulting in robust retail and restaurant taxable sales growth. Also, easing inflation pressures helped consumers.

Taxable retail and restaurant sales volume in the District increased significantly in fiscal year 2022, up 25.4% from the prior year to \$19.5 billion.<sup>5</sup>

According to Affinity Solutions, consumer spending nationally has surpassed pre-pandemic levels, with monthly expenditures in 2023 exceeding the 2019 average by a margin of 22.0%.<sup>6</sup> The growth was most notable in the General Merchandise (+51.3%), Entertainment/Recreation (+39.7%), and Grocery (+16.7%) categories. Shopping patterns changed drastically during the pandemic and the shift is still evident three years later. Since 2019, remote services have been up by an average of 35.1% while in-person

services have been up by 21.3%. This widening gap has made it difficult for businesses to justify brick-and-mortar locations in areas with high rents, such as the District; however, the District continues to lure large national retailers as well as new expanding retailers.

In 2022, there was only one category nationally that faced a deficit in expenditures compared to the pre-pandemic period – transportation. The deficit was erased in 2023 as transportation spending exceeded the 2019 average by 13.7%. A significant factor in this rapid increase is due to inflation. Even though the bulk of the transportation increase is due to inflation, all expenditure categories are now above their pre-pandemic averages.

Meanwhile, retail foot traffic in the District continued to recover in 2023, albeit at a slower pace than in 2022. According to the Placer.ai Recovery Dashboard, retail foot traffic in the District was up 3.9% in 2023.<sup>7</sup> The highest levels of growth were in the Fitness (35.0%), Electronics (14.9%), and Hotel

1. Office of the Chief Financial Officer (FY 2024 Approved Budget & Financial Plan). Year denotes fiscal year (October–September). Taxable retail & restaurant sales include retail, liquor & restaurant sales (categories are based on tax rates and may include other expenditures). 2. Washington DC Economic Partnership (December 2023) 3. U.S. Census Bureau, Population Division 4. Placer.ai; Delta Associates; January 2024 5. Office of the Chief Financial Officer (FY 2024 Approved Budget & Financial Plan); accessed January 2024. Taxable retail & restaurant sales include retail, liquor & restaurant sales (categories are based on tax rates and may include other categories). 6. Affinity Solutions via Economic Tracker; Delta Associates; January 2024. Seasonally-adjusted credit/debit card spending data aggregated by Affinity Solutions. Indexed to 2019. 7. Placer.ai Retail Chains Foot Traffic Recovery data; Compares December 2023 to December 2019. Accessed January 2024.



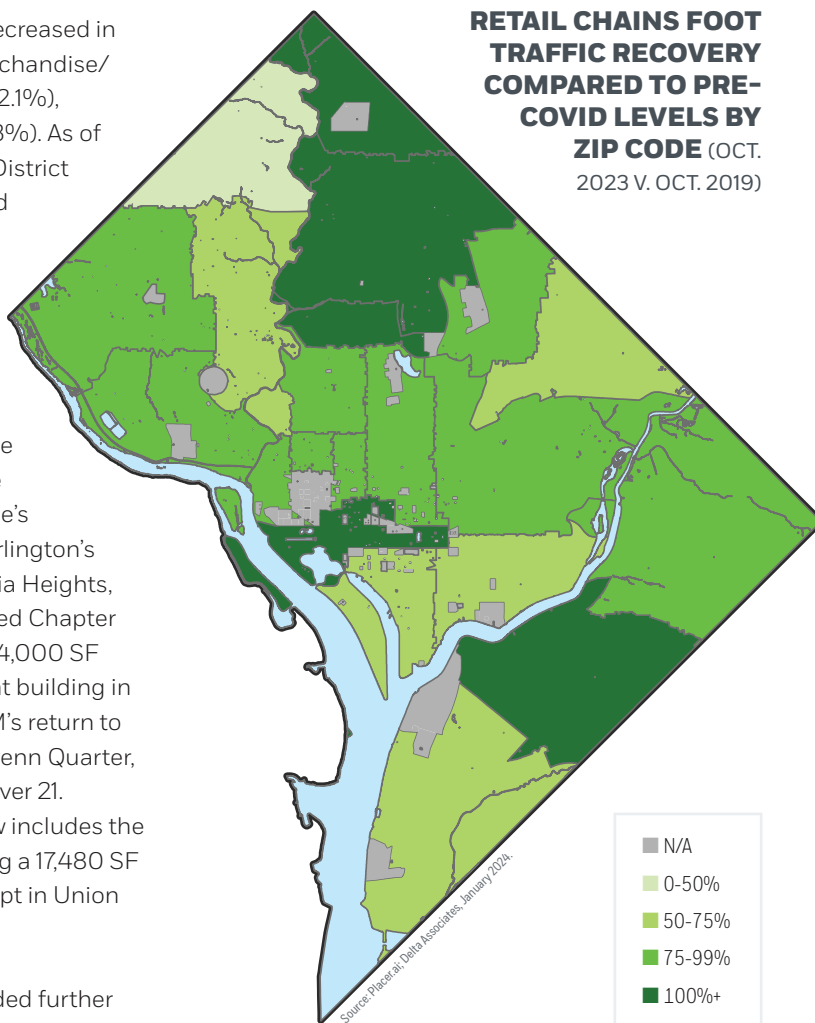
(12.7%) categories. Retail foot traffic decreased in four categories, including General Merchandise/Service (-6.1%), Home Improvement (-2.1%), Health Care (-0.8%), and Grocery (-0.3%). As of October 2023, retail foot traffic in the District is at 84% of its pre-pandemic recorded level.

The District experienced little change in retail leasing volume compared to the long-term average. According to CoStar data covering 2023, about 940,000 SF of retail space was leased.<sup>8</sup> Some of the more notable leases this year include: Barnes & Noble's return to Georgetown (34,000 SF); Burlington's 34,000 SF store at DC USA in Columbia Heights, replacing Bed Bath & Beyond which filed Chapter 11 bankruptcy; Atlas Brew Works' new 24,000 SF location at The Douglass, an apartment building in Anacostia delivering in 2025; and H&M's return to the Woodies Building (34,000 SF) in Penn Quarter, which is replacing the now closed Forever 21. Formula 1's expansion into the U.S. now includes the District, with the racing company inking a 17,480 SF lease for their F1 Arcade and Bar concept in Union Market.

The dining scene in the District expanded further in 2023 with a broad selection, including high-end restaurants, expanding kitchen concepts, as well as social media sensations and eccentric dining options. Notable openings include El Presidente by Steven Starr, Omakase DC, as well as Pacci's in Georgetown and Limani at the Wharf. Foxtrot Grocery, a store, café, and delivery service all-in-one, opened new locations in 14th & U Streets/Logan Circle and Capitol Riverfront. Social media sensation Van Leeuwen, an ice cream truck turned national chain opened two new locations in the District, in Georgetown and Union Market.

Even though there have been several new openings within the District, many have shut down in 2023 due to higher food and labor costs. The Metropolitan

**RETAIL CHAINS FOOT TRAFFIC RECOVERY COMPARED TO PRE-COVID LEVELS BY ZIP CODE (OCT. 2023 V. OCT. 2019)**



Washington Restaurant Association reported that 52 restaurants within the District had closed during 2023.<sup>9</sup> Some notable closures over the past year include Brine in Dupont, Estadio in Logan Circle, Hatoba in Navy Yard, and Bar Deco in Penn Quarter. The Capitol Riverfront location of Swingers Crazy Golf opened earlier in 2023 but closed just seven months later.

Looking forward to 2024, we expect a continued rebound in foot traffic in the District. We anticipate that there will be a moderate increase in retail spending as well, albeit primarily due to an increase in domestic and international tourism. The lack

8. CoStar 2024 9. Restaurant Association of Metropolitan Washington

## TOP NEW RETAIL LEASES (2023)

TENANT	LOCATION	NEIGHBORHOOD	SF
Atlas Brew Works	632 Howard Rd. SE	Anacostia	24,000
Barnes & Noble	3040 M St. NW	Georgetown	34,000
B&B Italia	3330 M St. NW	Georgetown	12,809
Burlington	3400 14th St. NW	Columbia Heights	34,000
Citibank	1258 Wisconsin Ave. NW	Georgetown	7,436
CVS	664 11th St. NW	DowntownDC / Penn Quarter	11,000
FI Arcade	440 Penn St. NE	Union Market	17,480
H&M	664 11th St. NW	DowntownDC / Penn Quarter	34,000
Mango	950 F St. NW	DowntownDC / Penn Quarter	9,000
Molteni&C	3306 M St. NW	Georgetown	7,149

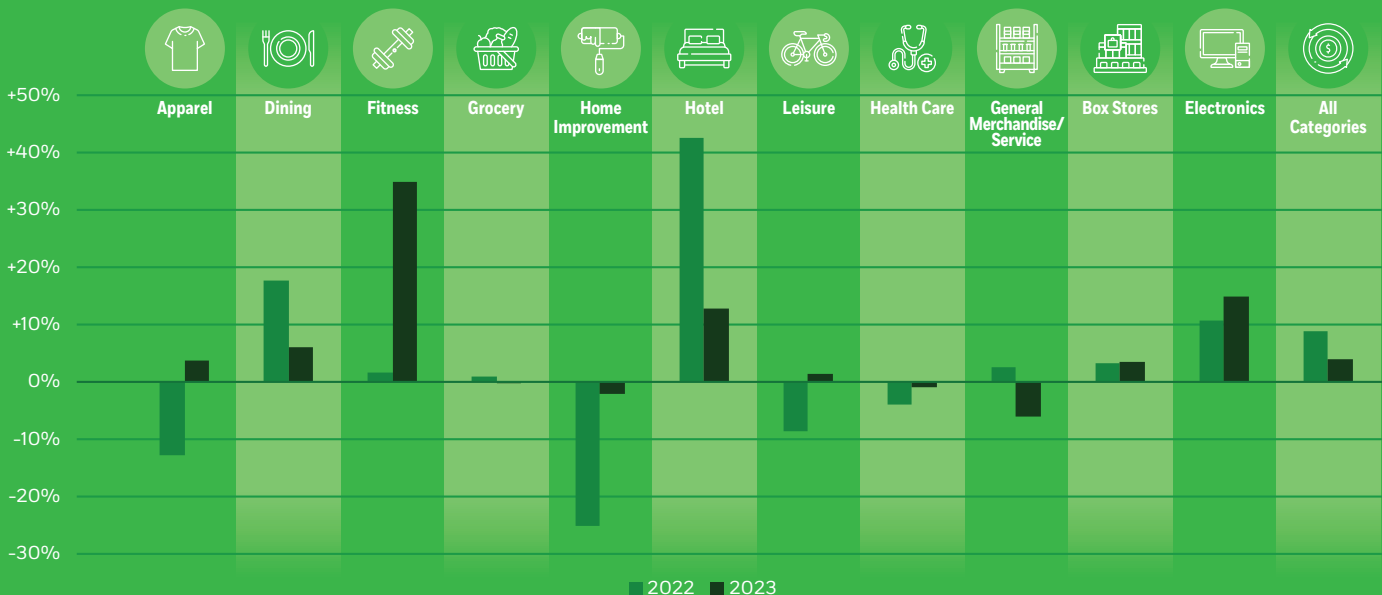
Source: Bisnow, Eater, Washington Business Journal, Delta Associates; January 2024.

of full recovery has made it difficult for big-box national retailers to justify operating with high lease costs, especially as they have a more cost-effective alternative in the online marketplace. In contrast, we expect smaller shops, restaurants, and service-based retail stores to continue to grow over the next year. Up-and-coming national restaurant chains and retailers are continuing to choose to expand into the District, a sign that the retail market still has life despite rising costs and online competition.

While inflation has cooled over the past year, it

is still high, and the effects are still being felt by consumers. As prices remain elevated and continue to rise, higher-end national retail chains may continue to downsize or shut down completely. Alternatively, this creates an opportunity for low-cost retailers or grocery stores such as Aldi and Lidl to expand their footprint in the District. However, what continues to be the single most important metric for the health of the District's retail market will be office occupancy. Should the return-to-work take hold in a meaningful way, we expect a great boost to the retail sector.

## RETAIL FOOT TRAFFIC COMPARED TO THE PREVIOUS YEAR



Source: Placer.ai, Delta Associates; January 2024 (Note: visits to retail chains compared to previous year).

**SELECT RETAIL AND RESTAURANT OPENINGS (2023)**

TENANT	LOCATION	NEIGHBORHOOD
Akeno Sushi Bar	524 8th St. SE	Barracks Row/Capitol Hill
Alley Cat	5247 Wisconsin Ave. NW	Friendship Heights
Amparo Fondita	2002 P St. NW	Dupont Circle
Bartaco	645 Wharf St. SW	Southwest Waterfront
Binge Bar	506 H St. NE	H Street, NE
Blank Street Coffee	3201 Prospect St. NW	Georgetown
Bryant Street Market	670 Rhode Island Ave. NE	Rhode Island Avenue, NE/Brentwood
Butter Chicken Company	1717 Pennsylvania Ave. NW	Golden Triangle
Burlington	3100 14th St. NW	Columbia Heights
Certo!	2121 P St. NW	Dupont Circle
Chopsmith	300 M St. NE	NoMa
Colada Shop	1900 N St. NW	Golden Triangle
DCity Smokehouse	1301 Good Hope Rd. SE	Anacostia
Dig	1301 Wisconsin Ave. NW	Georgetown
EI Presidente	1255 Union St. NE	Union Market
Flavorture	2609 24th St. NW	Woodley Park
Foxtrot Grocery	1341 14th St. NW	14th & U Streets/Logan Circle
Gordon Ramsay Hell's Kitchen	652 Wharf St. SW	Southwest Waterfront
JINYA Ramen Bar	1155 Dahlia St. NW	Georgia Avenue/Walter Reed
Kaimaki	1100 15th St. SW	DowntownDC
Kinfolk Southern Kitchen	685 Wharf St. SW	Southwest Waterfront
King Street Oyster Bar	7 Ridge Sq. NW	Tenleytown
Kitchen Savages	1211 Good Hope Rd. SE	Anacostia
Kraken Kourts & Skates	514 Rhode Island Ave. NE	Rhode Island Avenue, NE/Brentwood
Lidl	3100 14th St. NW	Columbia Heights
Maman	750 9th St. NW	DowntownDC/Penn Quarter
Milk & Honey	676 Maine Ave. SW	Southwest Waterfront
Nando's	836 F St. NW	DowntownDC/Penn Quarter
Omakase	522 8th St. SE	Barracks Row/Capitol Hill
Pacci's	106 13th St. SE	Capitol Hill
Phillippe Chow	635 Wharf St. SW	Southwest Waterfront
Pho House	634 Florida Ave. NW	Shaw
Rose Avenue Bakery	2633 Connecticut Ave. NW	Woodley Park
San Matteo	819 Upshur St. NW	Petworth
Scanlan Theodore	983 Palmer Aly. NW	DowntownDC/Penn Quarter
Shouk	1426 Wisconsin Ave. NW	Georgetown
Spicy Water African Grill	2019 11th St. NW	Shaw
Thaiverse	1610 20th St. NW	Dupont Circle
Van Leeuwen	418 Morse St. NE	Union Market
Whole Foods Market	7130 12th St. NW	Georgia Avenue/Walter Reed

Source: Delta Associates, Washingtonian, Eater Washington DC, January 2024.



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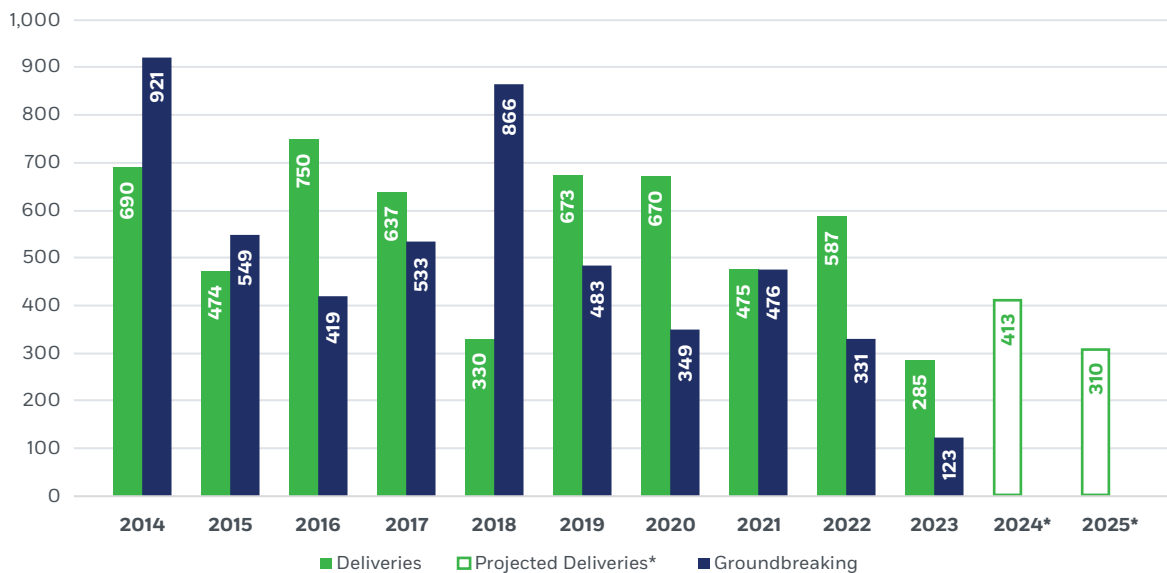
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RETAIL DEVELOPMENT (SF IN THOUSANDS, DECEMBER 2023)



\*Projections based on targeted delivery dates of projects under construction as of December 2023

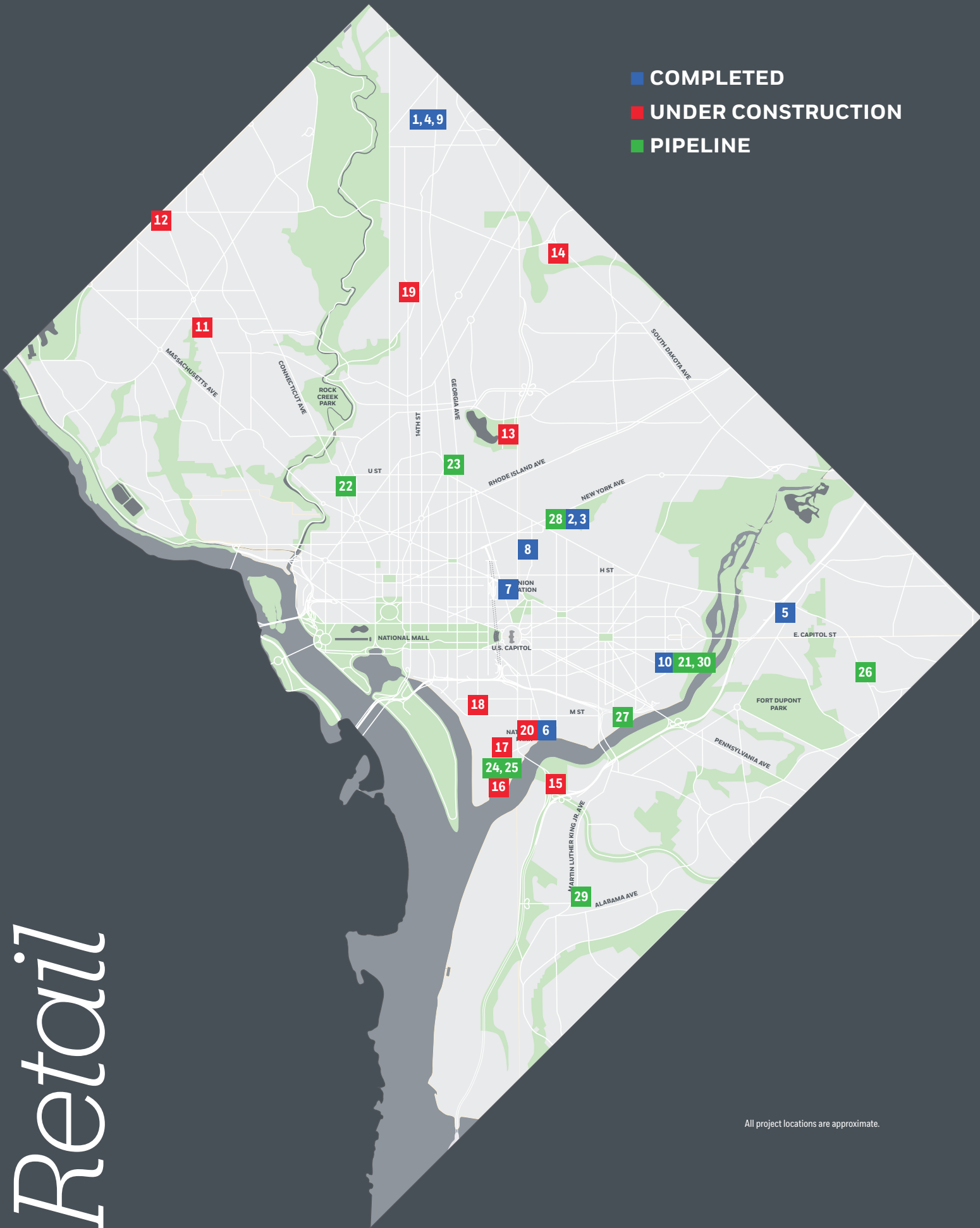


Burlington Grand Opening, December 2023

RETAIL DEVELOPMENT (DECEMBER 2023)

	PROJECTS	RETAIL SF
<b>COMPLETED (SINCE 2001)</b>	<b>551</b>	<b>11,286,883</b>
2001 - 2010	210	4,045,385
2011 - 2020	270	5,893,739
2021 - 2023	71	1,347,759
<b>PAST FIVE YEARS</b>		
2019	29	673,434
2020	41	670,230
2021	27	475,397
2022	24	587,431
2023	20	284,931
<b>UNDER CONSTRUCTION</b>	<b>40</b>	<b>750,815</b>
2024 DELIVERY	29	413,103
2025 DELIVERY	10	310,212
2026+ DELIVERY	1	27,500
<b>PIPELINE</b>	<b>200</b>	<b>4,211,199</b>
NEAR TERM	91	1,213,846
LONG TERM	109	2,997,353
<b>TOTAL</b>	<b>791</b>	<b>16,248,897</b>

# Retail



All project locations are approximate.





# RETAIL DEVELOPMENT PIPELINE

PROJECT	WARD	LOCATION	DEVELOPER(S)	RETAIL SF	EST. VALUE (\$M) <sup>1</sup>	DELIVERY <sup>2</sup>
<b>TOP RETAIL PROJECTS COMPLETED (2023)</b>						
1	The Hartley	4 7150 12th St., NW	Hines / Urban Atlantic / Triden Development Group / Bridge Investment Group	69,400	\$147	Q1 23
2	North Building	5 1325 5th St., NE	Gables Residential / EDENS	23,053		Q3 23
3	The Mo Apartments	5 440 Penn St., NE	EDENS / UDR	22,714		Q1 23
4	1155 Dahlia Street	4 1155 Dahlia St., NW	Hines / Urban Atlantic / Triden Development Group / Bridge Investment Group	21,700	\$62	Q2 23
5	Northeast Heights (DGS HQ)	7 3924 Minnesota Ave., NE	Trammell Crow Company	18,000	\$150	Q2 23
6	Vela (Yards Parcel I)	8 1300 Yards Pl., SE	Brookfield Properties	16,000		Q3 23
7	20 Massachusetts Avenue	6 20 Massachusetts Ave, NW	Office Properties Income Trust / The RMR Group	13,800	\$200	Q3 23
8	The Hale	6 1150 First St., NE	Carmel Partners	12,650		Q3 23
9	Kite House	4 7175 12th St. NW	Hines / Urban Atlantic / Triden Development Group	11,300	\$62	Q3 23
10	The Ethel	7 1900 C Street, SE	Donatelli Development / Blue Sky Development & Construction / DMPED	11,107	\$90	Q1 23

## TOP RETAIL PROJECTS UNDER CONSTRUCTION

11	Upton Place on Wisconsin	3 4000 Wisconsin Ave., NW & 3990 Upton St., NW	Donohoe Development / AIMCO	110,394	\$290	Q1 24
12	Mazza Gallerie	3 5300 Wisconsin Ave., NW	Tishman Speyer	90,000	\$150	Q4 25
13	Reservoir District	5 North Capitol St. & Michigan Ave., NW	Vision McMillan Partners (Trammell Crow Company / Jair Lynch Real Estate Partners / EYA) / DGS / DMPED	80,000	\$720	Q4 25
14	ART Place at Fort Totten (Phase II)	5 5300 South Dakota Ave., NE	Morris & Gwendolyn Cafritz Foundation	64,038		Q4 24
15	The Bridge District (Phase I - The Douglass)	8 632 Howard Rd., SE	Redbrick LMD	45,000	\$366	Q1 25
16	The Stacks (Phase I)	6 101 V St., SW	Akridge / National Real Estate Development	40,000	\$450	Q1 25
17	Vermeer	6 113 Potomac Ave., SW	Toll Brothers	37,000	\$259	Q3 24
18	The Westerly	6 350 Maple Drive, SW	Hoffman & Associates / Affordable Housing Developers / Paramount Development Corp. / CityPartners / DMPED	30,000	\$179	Q1 24
19	Northern Bus Garage Reconstruction Project	4 4615 14th St., NW	WMATA	27,500	\$500	Q2 27
20	The Yards DC Urby	8 110 N St., SE	Brookfield Properties / Urby	26,000		Q1 25

## TOP RETAIL PROJECTS IN THE PIPELINE

21	Reservation 13 (Bundle 2)	7 19th St., Massachusetts Ave., Independence Ave., SE	Frontier Development & Hospitality Group / A. Wash & Associates	60,000		
22	The Geneva	2 1825 & 1875 Connecticut Ave., NW	Post Brothers	56,538	\$700	
23	Bond Bread and Washington Railway & Electric Company (WRECO)	1 2112 & 2146 Georgia Ave., NW	Howard University / EDENS / The Menkiti Group / Fivesquares Development	50,000	\$339	2027
24	Parcel B	6 1st, Half & R Sts., SW	Hoffman & Associates	50,000	\$257	2026+
25	The Stacks (Phase II)	6 151 T St., SW	Akridge / National Real Estate Development	50,000		
26	Fletcher Johnson At The Park	7 4650 Benning Rd., SE	Gragg Cardona Partners / Marshall Heights CDO / Foundation Housing / H2 Design Build	45,000		
27	1333 M Street	6 1333 M St., SE	Felice Development Group	44,092		
28	1346 - 1348 4th Street	5 1346 - 1348 4th St., NE	EDENS	35,000		2026/27
29	Saint Elizabeths East (Parcel 7)	8 Saint Elizabeths East Campus	St. Elizabeths Legacy Partners / Menkiti Group / DMPED	29,300		2027
30	Reservation 13 (Bundle 1)	7 19th St., Massachusetts Ave., Independence Ave., SE	Donatelli Development / Blue Sky Development & Construction	25,000	\$700	2033

1. May include non-retail components & pipeline values may include additional phases (\$ in millions)  
 2. Delivery date may reflect phase I delivery or final phase delivery for pipeline projects



WARD 5

**ART PLACE AT FORT TOTTEN (PHASE II)**

**LOCATION:** 5300 South Dakota Avenue, NE  
**DEVELOPER(S):** Morris & Gwendolyn Cafritz Foundation  
**ARCHITECT(S):** Studio Shanghai / Perkins Eastman DC  
**CONTRACTOR(S):** L.F. Jennings  
**STATUS:** Under Construction  
**TARGETED DELIVERY:** Q4 2024

**SPECS:** The second phase of the 2 million SF ART Place at Fort Totten mixed-use development is located on the 5.1-acre Block B. There will be two buildings with up to 294 multifamily units, a children’s museum, a family entertainment zone, an Aldi grocery store (25,000 SF), 30 units of artist housing/workspace, additional retail, and 494 parking spaces. London-based tvq hospitality will also develop a 48,000 SF performing arts anchor with a capacity of 2,000 people.



WARD 8

**THE BRIDGE DISTRICT (PHASE I - THE DOUGLASS)**

**LOCATION:** 632 Howard Road, SE  
**DEVELOPER(S):** Redbrick LMD  
**ARCHITECT(S):** ZGF Architects  
**CONTRACTOR(S):** HITT  
**LEED:** Platinum  
**EST. COST:** \$366 million  
**STATUS:** Under Construction  
**TARGETED DELIVERY:** Q1 2025

**SPECS:** The first phase of the Bridge District project (known as the Douglass) will be a mixed-use residential building with 757 apartments over 45,000 SF of retail. Atlas Brewery (24,000 SF) will anchor the retail space along with anticipated tenants such as food & beverage or community retailers.

Image courtesy of Redbrick



WARD 4

**THE HARTLEY**

**LOCATION:** 7150 12th Street, NW  
**DEVELOPER(S):** Hines / Urban Atlantic / Triden Development Group / Bridge Investment Group  
**ARCHITECT(S):** Torti Gallas Urban, Inc.  
**CONTRACTOR(S):** CBG Building Company  
**LEED:** Silver  
**EST. COST:** \$147 million  
**STATUS:** Completed  
**TARGETED DELIVERY:** Q1 2023

**SPECS:** The Hartley is a mixed-use project located at the heart of the retail marketplace within the 66-acre former Walter Reed Army Medical Center. The building includes 323 rental apartments and 69,400 SF of retail space, anchored by a 47,000 SF Whole Foods grocery store. The Hartley was constructed on the site of the former 2.6 M SF hospital building.



WARD 3

**MAZZA GALLERIE**

**LOCATION:** 5300 Wisconsin Avenue, NW  
**DEVELOPER(S):** Tishman Speyer  
**ARCHITECT(S):** 3XN  
**CONTRACTOR(S):** DAVIS Construction / Smoot Construction D.C.  
**EST. COST:** \$150 million  
**STATUS:** Under Construction  
**TARGETED DELIVERY:** 2025

**SPECS:** The 294,000 SF retail center (c. 1977) will be redeveloped into a seven-story, 325-unit multifamily building with 90,000 SF of retail uses (20,000 SF on ground level, 70,000 SF on concourse). Unit sizes will range from studios to two-story townhouses to terrace penthouses. The retail pavilion and four levels of below-grade parking were retained, while the above-grade portion of the mall was demolished.

Image courtesy of Urbanair (via Tishman Speyer)





WARD 6

## THE CANTATA

**LOCATION:** 811 3rd Street, NW  
**DEVELOPER(S):** Quadrangle Development / The Wilkes Company / Mt. Carmel Baptist Church  
**ARCHITECT(S):** SmithGroup  
**CONTRACTOR(S):** Harvey Cleary Builders  
**LEED:** Silver  
**EST. COST:** \$145 million  
**STATUS:** Completed  
**TARGETED DELIVERY:** Q3 2023

**SPECS:** The Cantata is a 10-story, 275-unit residential building with amenities including roof deck pool, community room and exercise facility, and up to 9,500 SF of retail space. The project serves as a gateway from Massachusetts Avenue into the residential core of Mount Vernon Triangle and also offers parking for Mount Carmel Baptist Church.



WARD 7

## FLETCHER JOHNSON AT THE PARK

**LOCATION:** 4650 Benning Road, SE  
**DEVELOPER(S):** Gragg Cardona Partners / Marshall Heights CDO / Foundation Housing / H2 Design Build  
**ARCHITECT(S):** Cunningham Quill Architects  
**CONTRACTOR(S):** GCS-Sigal LLC  
**LEED:** Silver  
**STATUS:** Pipeline

**SPECS:** The potential redevelopment plans for the 15.3-acre site call for 879 residential units and 45,000 SF of retail space. The residential units (30% will be affordable) will be a mix of apartments, condominiums, townhomes, and assisted living units. The site is home to the former Fletcher-Johnson Middle School which closed in 2008.

Conceptual image courtesy of Gragg Cardona Partners



WARD 5

## THE MO APARTMENTS

**LOCATION:** 440 Penn Street, NE  
**DEVELOPER(S):** EDENS / UDR  
**ARCHITECT(S):** Eric Colbert & Associates  
**CONTRACTOR(S):** John Moriarty & Associates  
**LEED:** Gold  
**STATUS:** Completed  
**TARGETED DELIVERY:** Q1 2023

**SPECS:** The former home to the Maurice Electric Supply Co. was redeveloped into an 11-story, 300-unit residential apartment building with 22,700 SF of retail space, anchored by FI Arcade (17,500 SF). The project preserved and integrated the existing building's façade into the new development.



WARD 6

## PARCEL B

**LOCATION:** 1st, Half & R Streets, SW  
**DEVELOPER(S):** Hoffman & Associates  
**ARCHITECT(S):** StudioMB / Studios Architecture  
**LEED:** Gold  
**EST. COST:** \$257 million  
**STATUS:** Pipeline  
**TARGETED DELIVERY:** 2026+

**SPECS:** Located adjacent to Audi Field in Southwest DC, Parcel B development plans call for 455 residential units, including 100 affordable senior housing units, 50,000 SF of retail space, anchored by Brooklyn Bowl DC (38,000 SF on two levels), and 40,000 SF of office uses anchored by Volunteers of America (VOA).



# RETAIL DEVELOPMENT HIGHLIGHTS



WARD 3

## UPTON PLACE ON WISCONSIN

**LOCATION:** 4000 Wisconsin Avenue, NW & 3990 Upton Street, NW  
**DEVELOPER(S):** Donohoe Development / AIMCO  
**ARCHITECT(S):** SK+I Architecture  
**CONTRACTOR(S):** Donohoe Construction  
**LEED:** Silver  
**EST. COST:** \$290 million  
**STATUS:** Under Construction  
**TARGETED DELIVERY:** Q4 2023 - Q1 2024

**SPECS:** Upton Place on Wisconsin is a mixed-use, 689-unit residential building with 110,000 SF of retail space, anchored by a Lidl grocery store (29,000 SF) and Onelife Fitness (55,000 SF). The eight-story West Tower (The Parc Residences) started to deliver its 234 units in Q4 2023 and the six-story East Tower (400 Wisconsin) will begin to deliver its 455 units in Q1 2024. The project replaced a former 493,000 SF office building (c. 1987) on the 4.16-acre site but retained the existing underground parking garage and lower-level space.



WARD 6

## THE STACKS (PHASE I)

**LOCATION:** 101 V Street, SW  
**DEVELOPER(S):** Akridge / National Real Estate Development  
**ARCHITECT(S):** Morris Adjmi Architects / Handel Architects / FILLAT + Architecture / Gensler / Eric Colbert & Associates  
**CONTRACTOR(S):** Clark Construction Group  
**LEED:** Gold  
**EST. COST:** \$450 million  
**STATUS:** Under Construction  
**TARGETED DELIVERY:** Q1 2025

**SPECS:** Located on Buzzard Point, The Stacks is adjacent to Audi Field, the home of D.C. United. The 6.7-acre site will be redeveloped into 2.15 million SF of mixed-use development in two phases. Phase I (1.4 million SF), located on the southern half of the site, will have 1,100 residential units, 40,000 SF of retail space, a 180-room hotel, and 15,000 SF public park.



WARD 6

## VERMEER

**LOCATION:** 113 Potomac Avenue, SW  
**DEVELOPER(S):** Toll Brothers  
**ARCHITECT(S):** KTGy Group  
**CONTRACTOR(S):** CBG Building Company  
**LEED:** Silver  
**EST. COST:** \$259 million  
**STATUS:** Under Construction  
**TARGETED DELIVERY:** Q3 2024

**SPECS:** Vermeer is a 13-story residential building offering 501 rental units and up to 37,000 SF of retail space. Toll Brothers acquired 113 Potomac Avenue SW, a 1.4-acre site, in the fall of 2019.



WARD 6

## THE WESTERLY

**LOCATION:** 350 Maple Drive, SW  
**DEVELOPER(S):** Hoffman & Associates / CityPartners / Affordable Housing Developers / Paramount Development Corp.  
**ARCHITECT(S):** Torti Gallas Urban  
**CONTRACTOR(S):** Clark Construction Group  
**LEED:** Gold  
**EST. COST:** \$179 million  
**STATUS:** Under Construction  
**TARGETED DELIVERY:** Q1 2024

**SPECS:** The Westerly (formerly Waterfront Station II) is a 12-story mixed-use development in DC's Southwest neighborhood. The building offers a mix of 449 apartment units (136 affordable), retail, and performing arts/theater space. Retailers include DC-based early childhood education provider AppleTree School and a three-meal café by Good Company Doughnuts.





# THE STACKS

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# Residential

One of the Washington region's multifamily market's most prominent changes was absorption, **increasing from 7,924 units in 2022 to 10,138 units in 2023.**

By: Colin Chapman, Associate, Delta Associates

Photo by Sam Kittner for NoMa BID

**315,785**  
TOTAL DC HOUSEHOLDS<sup>1</sup>

**65,776**  
MARKET RATE RENTAL UNITS<sup>2</sup>  
Q4 2023 (CLASS A + B MARKET-RATE)

**6.5%**  
STABILIZED APARTMENT VACANCY<sup>2</sup>  
Q4 2023 (CLASS A + B MARKET-RATE)

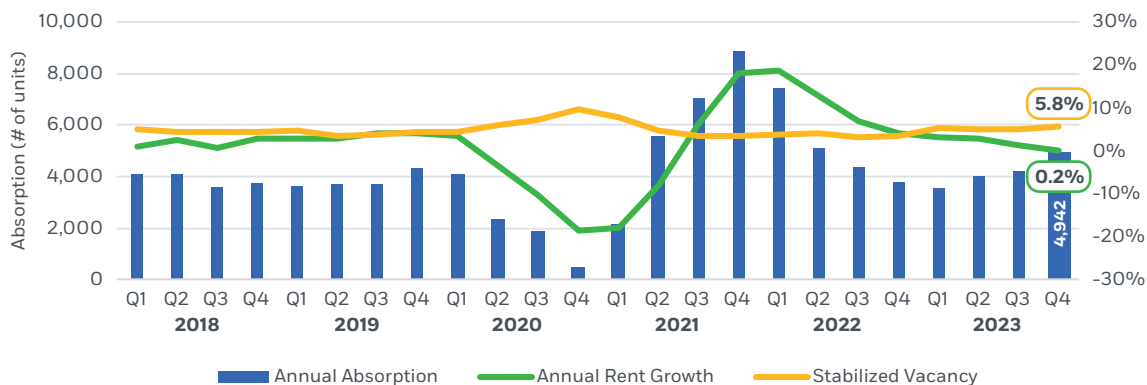
**15,876**  
RESIDENTIAL UNITS UNDER CONSTRUCTION<sup>3</sup>  
72% MARKET-RATE UNITS

2023 marked a shift in the market as construction starts slowed down due to high-interest rates and rising costs.

One of the Washington region's multifamily market's most prominent changes was absorption (of Class A and Class B), increasing from 7,924 units in 2022 to 10,138 units in 2023. The large number of deliveries

to the area not only had a significant impact on absorption, but it affected vacancy rates as well. While still relatively low, the average apartment vacancy rate increased 40 basis points from a year prior to 3.6% as of the end of 2023. Effective annual rent growth in the market remained above the long-term average in 2023 but moderated some from 2022 with an increase of 3.8%.

## THE DISTRICT'S CLASS A + B APARTMENT MARKET

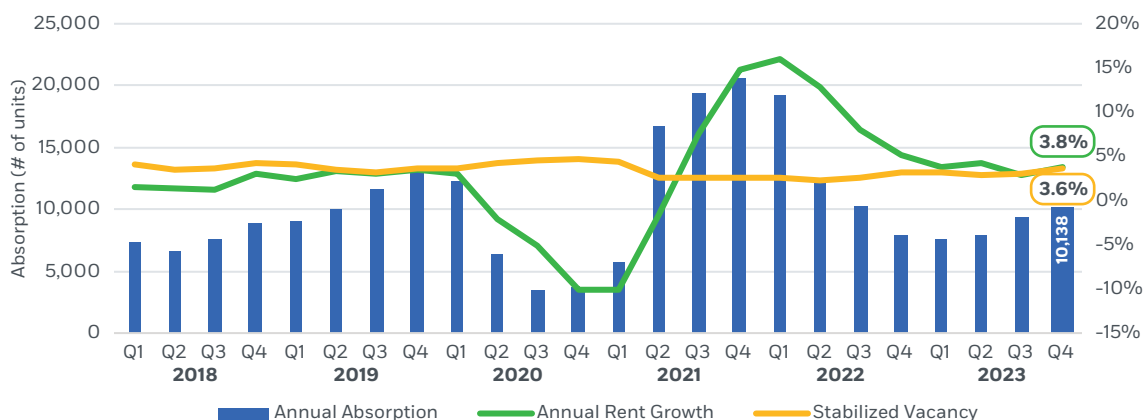


Source: Delta Associates; January 2024.

1. Esri forecasts for 2023 2. Delta Associates, January 2024. "Stabilized Vacancy" is the rate of "available units" in properties that have achieved 95% occupancy. The building stays in the pool of stabilized properties even if it falls below 95% occupancy at a subsequent date. 3. Washington DC Economic Partnership, December 2023. Includes rental & ownership units (market-rate & non-market rate) in new construction & major renovation projects.



## WASHINGTON METRO AREA'S CLASS A + B APARTMENT MARKET



Source: Delta Associates; January 2024.

The District's apartment market led the region in absorption but lagged the suburbs in rent growth. In 2023, total annual apartment absorption was 4,942 units, a 31% increase from the 3,768 units in 2022. Apartment rents in the District stabilized in 2023 with a 0.3% increase, compared to the 4.0% jump in 2022. The plateau in rents was due to a rise in concessions towards the end of 2023, reversing a slow but steady downward trend that had endured for the past couple of years.

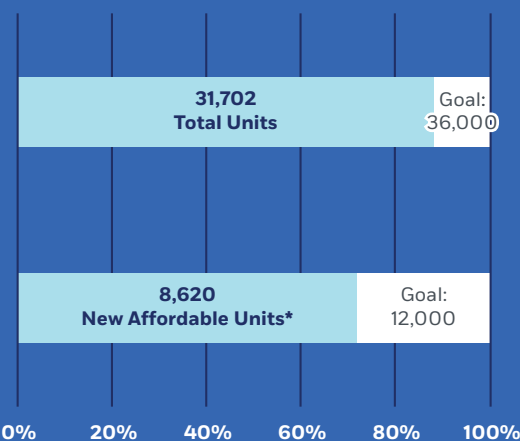
Stabilized vacancy for all apartment properties in the District increased 70 basis points to 5.8%. Throughout 2023, nearly 4,800 apartment units were brought online. Meanwhile, groundbreakings on new projects were delayed due to higher borrowing/construction costs and stricter lending standards, with new starts virtually coming to a halt in the year's second half. We expect new housing starts to remain limited through at least the first half of 2024 as higher borrowing and construction costs continue to make most projects unfeasible. Once market conditions become more favorable for development, the backlog of approved projects may result in a surge of new construction activity, but this is not expected until 2025 at the earliest.

The recent focus on more affordable housing is critical to the future growth and health of the city. The District recorded net declines in population in

both 2020 (-2.2%) and 2021 (-3.0%) for the first time in well over a decade, before rebounding slightly to 671,803 (+0.5%) and 678,972 (+1.2%) in 2022 and 2023, respectively. In 2019, Mayor Bowser set a goal to create 36,000 new housing units by 2025, 12,000 of which will be affordable to households earning below 80% of the median family income. As of the end of December 2023, the city had reached 88% of the new housing unit target and 72% of the affordable housing goal.

The pandemic brought a massive shift from in-person work to working from home. This initially was thought to be temporary, but it's been increasingly evident that at least some level of remote work

### THE DISTRICT'S HOUSING PRODUCTION GOALS & PROGRESS (JAN. 2019 - DEC. 2023)



\*New Affordable Production Units & Newly Covenanted Existing Units. Source: DMPED 36,000 by 2025 Dashboard (<https://open.dc.gov/36000by2025/>). January 2019 - December 2023. Accessed on 1/18/24.

is here to stay for the foreseeable future. This significant structural change in how we work has made less expensive areas (both regionally and nationally) more competitive.

In a ranking of 35 of the largest U.S. cities by apartment affordability (based on income and rent data from the U.S. Census Bureau and RentCafe, respectively), the District places 20th, which is more affordable than the national average and is between Las Vegas and Seattle. Generally, Midwestern cities that have historically struggled with population loss tend to be the most affordable, followed by rapidly growing cities in the Sunbelt/South, with major coastal cities ranking as the least affordable. Accordingly, New York is the nation's least affordable city for apartment renters, while St. Louis is the most affordable.

The cities that have been most competitive with the District, and other pricey Northeastern markets, for renter households (particularly young professionals) are Southeastern markets such as Atlanta, Charlotte, Raleigh, and Nashville. Other markets further west, including Denver and multiple cities in Texas, also compete with the District for renters but tend to draw more new residents from California than elsewhere.

Beyond the greater competition on the national stage, neighborhoods within the District also compete for renters, and there have been some sizable demographic shifts over the last decade or so. By far the largest demographic renting Class A apartment units in the city are professionals in their late 20's to early 30's, with households roughly evenly split between singles and couples and earning between \$80,000 and \$100,000 annually. This demographic makes up the vast majority of renters in NoMa, Southwest, and Capitol Riverfront. Neighborhoods that are trending upward and pulling empty-nesters and other residents to their respective areas are Capitol Riverfront and The Wharf. Neighborhoods closer to the city's core, such as Adams Morgan, Dupont Circle, and the West End (as well as Southwest to an extent) have attracted a

## MAJOR U.S. METRO AREAS MULTIFAMILY VACANCY (Q3 2023)

LOCATION	VACANCY
Atlanta	5.6%
Boston	6.2%
Chicago	5.0%
Dallas/Fort Worth	6.2%
Houston	6.6%
Los Angeles Basin	3.8%
New York	3.5%
San Francisco Bay	5.0%
South Florida	6.1%
<b>Washington</b>	<b>5.2%</b>

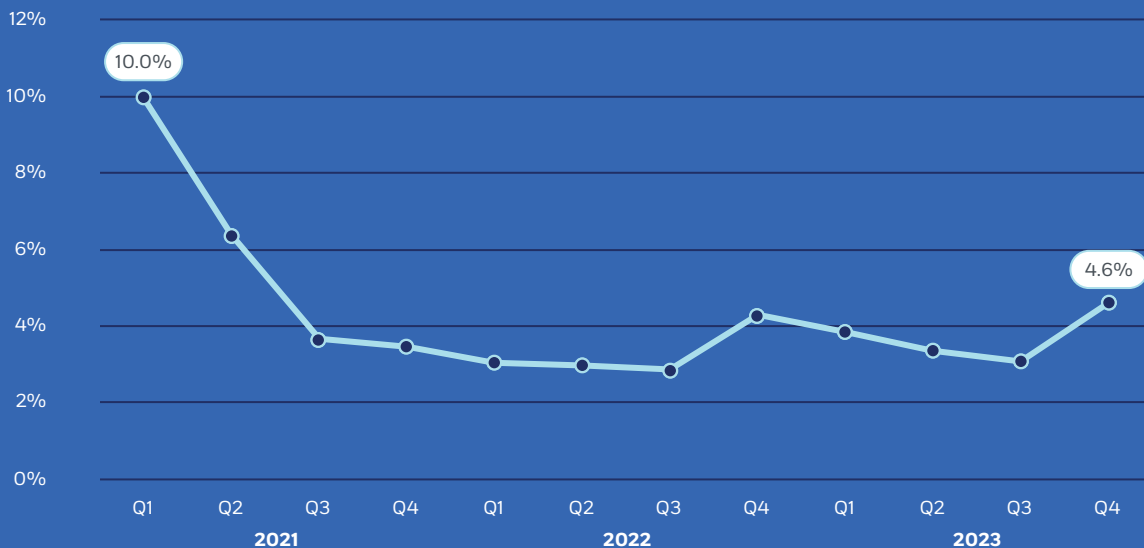
Note: Vacancy includes all classes of apartments. Source: REIS, Delta Associates; January 2024.

## CLASS A APARTMENT EFFECTIVE RENT AND ANNUAL RENT GROWTH (Q4 2023)

SUBMARKET	EFFECTIVE RENT	ANNUAL RENT CHANGE	VACANCY
Brookland/Fort Totten	\$2,138	3.2%	6.8%
Capitol Hill	\$2,978	1.4%	6.6%
Capitol Riverfront	\$2,611	1.9%	5.7%
Columbia Heights	\$2,583	2.3%	6.7%
Dupont/Logan Circle	\$3,281	1.7%	5.9%
East End	\$2,893	-3.9%	6.4%
H Street	\$2,487	-0.2%	6.5%
Mount Vernon Triangle	\$2,639	0.9%	4.8%
NoMa/Union Market	\$2,397	2.4%	6.9%
Shaw	\$2,613	4.2%	6.2%
Southwest	\$2,677	-4.5%	5.7%
U Street	\$2,834	-1.7%	6.7%
West End	\$3,681	-5.3%	6.5%
<b>District Average</b>	<b>\$2,641</b>	<b>0.5%</b>	<b>6.5%</b>

Source: Delta Associates; January 2024

**THE DISTRICT'S CONCESSIONS AS A PERCENTAGE OF FACE RENT (2021-2023)**



Source: Delta Associates; January 2024.

slightly older demographic of professionals in their late 30's with annual household incomes well over \$100,000. The youngest demographic of Class A renters has been most attracted to newer properties and developments in neighborhoods in Northeast DC and East of the Anacostia River.

We expect many of the current trends to persist in the near term. The rapidly growing Capitol Riverfront neighborhood will experience more muted growth over the next five years, but will continue to lead the city in population growth, along with the NoMa submarket.<sup>4</sup>

**SINGLE-FAMILY, CONDO, AND ROWHOME MARKET**

The District's for-sale market decelerated sharply in 2023 following a stagnant 2022 as mortgage rates increased, prices remained elevated, and economic uncertainty dampened sentiment for buyers. New condo sales in the District totaled 94 units in 2023, roughly 32% of which went under contract in the first quarter of the year. The second quarter followed with a decline where 15% of condos went under

contract, and the third quarter was the most active of the year, covering 39% of new condo sales. Sales activity reached near a long-term low in Q4. After new condo prices also fell for the first time in over a decade in 2022, they decreased again in 2023, shrinking by 0.2%. As of the end of 2023, average new condo concessions were 1.1% of the sales price.

The Mideast and Capitol East submarkets led the District in new condo sales, each accounting for over 30% of activity in the city. The Mideast submarket includes Columbia Heights, Shaw, Adams Morgan, Brookland, and Brentwood. The Capitol East submarket includes Capitol Riverfront, Southwest, Capitol Hill, NoMa, and all neighborhoods east of the Anacostia River. Mideast was the only submarket that experienced a decline in pricing of -4.2%.

The market for existing attached/rowhome properties remained slow in 2023 after a cooldown in 2022 with sales volume falling 27% compared to 2022. The median sales price had an 8.0% contraction over the year. The existing condo market was also hit hard with sales falling 51% over the year and prices decreasing by 3.0%.

4. ESRI projections, retrieved January 2024.



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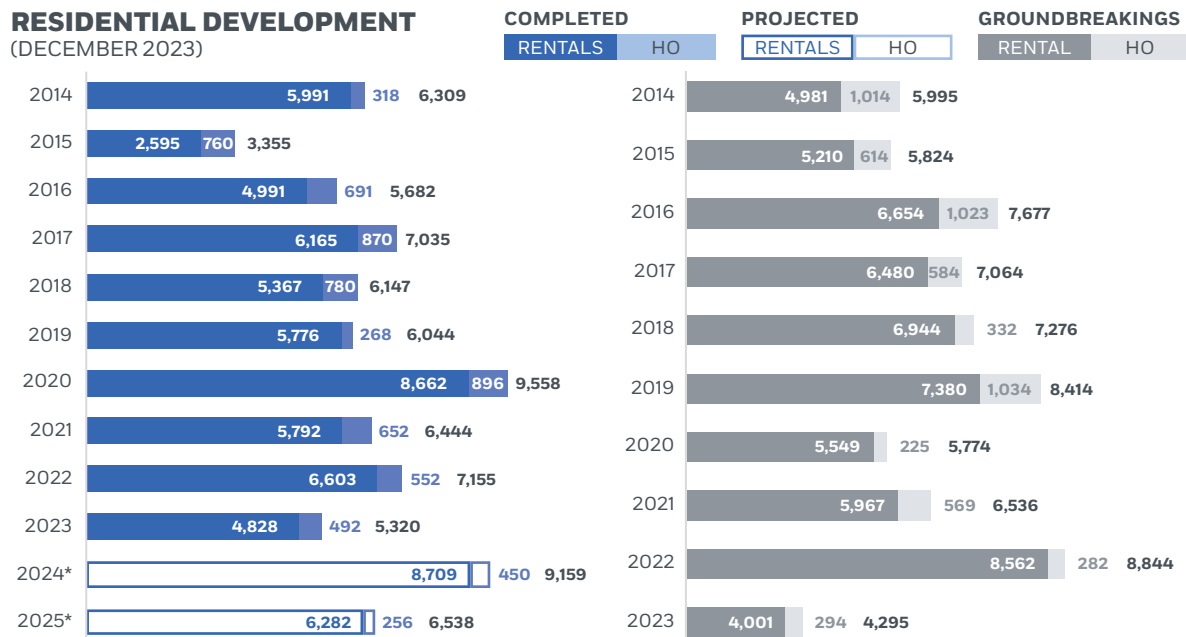


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## RESIDENTIAL DEVELOPMENT (DECEMBER 2023)



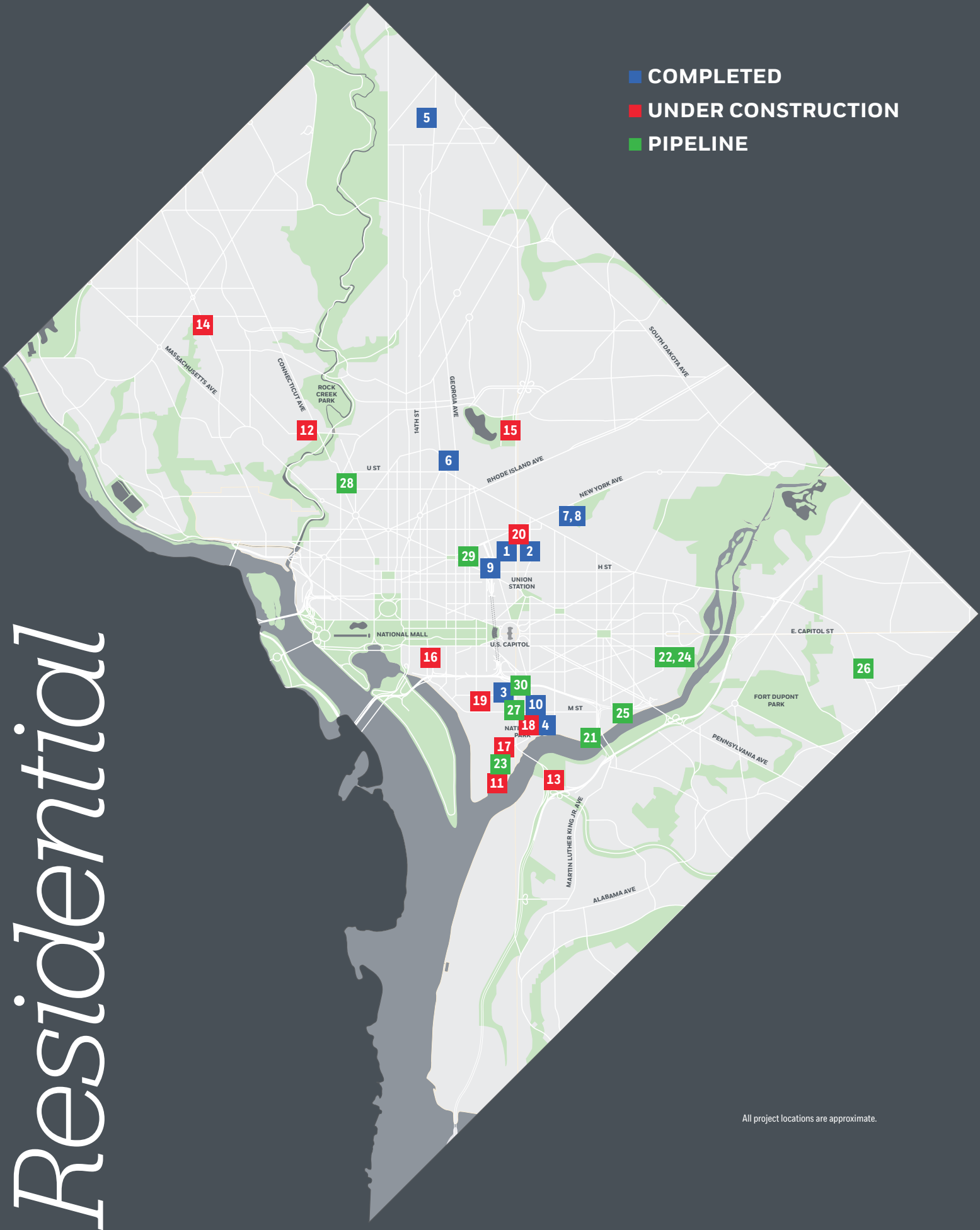
\*Projections based on targeted delivery dates of projects under construction as of December 2023

## RESIDENTIAL DEVELOPMENT (DECEMBER 2023)

	PROJECTS	SF	UNITS	RENTAL	HO	CONDOS
<b>COMPLETED (SINCE 2001)</b>	<b>905</b>	<b>107,913,366</b>	<b>110,863</b>	<b>89,242</b>	<b>21,621</b>	<b>17,012</b>
2001 - 2010	385	39,127,932	37,401	23,523	13,878	11,203
2011 - 2020	407	51,177,130	54,543	48,496	6,047	4,410
2021 - 2023	113	17,608,304	18,919	17,223	1,696	1,399
<b>PAST FIVE YEARS</b>						
2019	42	5,821,828	6,044	5,776	268	150
2020	54	8,833,251	9,558	8,662	896	834
2021	38	5,819,361	6,444	5,792	652	602
2022	39	6,656,062	7,155	6,603	552	464
2023	36	5,132,881	5,320	4,828	492	333
<b>UNDER CONSTRUCTION</b>	<b>87</b>	<b>14,436,850</b>	<b>15,876</b>	<b>15,170</b>	<b>706</b>	<b>490</b>
2024 DELIVERY	67	8,272,509	9,159	8,709	450	380
2025 DELIVERY	19	5,966,341	6,538	6,282	256	110
2026 DELIVERY	1	198,000	179	179	0	0
<b>PIPELINE</b>	<b>326</b>	<b>60,745,828</b>	<b>68,034</b>	<b>43,683</b>	<b>3,591</b>	<b>2,618</b>
NEAR TERM	160	23,233,534	25,550	23,442	1,471	974
LONG TERM	166	37,512,294	42,484	20,241	2,120	1,644
<b>TOTAL</b>	<b>1,318</b>	<b>183,096,044</b>	<b>194,773</b>	<b>148,095</b>	<b>25,918</b>	<b>20,120</b>

Note: HO = Homeownership

# Residential



All project locations are approximate.





# RESIDENTIAL DEVELOPMENT PIPELINE

PROJECT	WARD	LOCATION	DEVELOPER(S)	UNITS	TYPE <sup>1</sup>	EST. VALUE (\$M) <sup>2</sup>	DELIVERY <sup>3</sup>
<b>TOP RESIDENTIAL PROJECTS COMPLETED (2023)</b>							
1	Banner Lane (Phase I)	6 44 Banner Ln., NW	Toll Brothers / L & M Development Partners	561	R	\$226	Q1 23
2	The Hale	6 1150 First St., NE	Carmel Partners	500	R		Q3 23
3	Gallery 64	6 65 I St., SW	Lowe	492	R	\$200	Q1 23
4	Vela (Yards Parcel I)	8 1300 Yards Place, SE	Brookfield Properties	379	R		Q3 23
5	The Hartley	4 7150 12th St., NW	Hines / Urban Atlantic / Triden Development Group / Bridge Investment Group	323	R	\$147	Q1 23
6	Reverb	1 2131 9th St., NW	MRP Realty / Equity Residential / Howard University	312	R		Q2 23
7	North Building	5 1325 5th St., NE	Gables Residential / EDENS	300	R		Q3 23
8	The Mo Apartments	5 440 Penn St., NE	EDENS / UDR	300	R		Q1 23
9	The Cantata	6 811 3rd St., NW	The Wilkes Company / Quadrangle Development / Mt. Carmel Baptist Church	275	R	\$145	Q3 23
10	Meridian on First (Phase II)	6 1001 New Jersey Ave., SE	Paradigm Development Co.	272	R		Q2 23

## TOP RESIDENTIAL PROJECTS UNDER CONSTRUCTION

11	The Stacks (Phase I)	6 101 V St., SW	Akridge / National Real Estate Development	1,100	R	\$450	Q1 25
12	Wardman Park Redevelopment	3 2650 Woodley Rd., NW	Carmel Partners	900	R	\$500	Q4 25
13	The Bridge District (Phase I - The Douglass)	8 632 Howard Rd., SE	Redbrick LMD	757	R	\$366	Q1 25
14	Upton Place on Wisconsin	3 4000 Wisconsin Ave., NW & 3990 Upton St., NW	Donohoe Development / AIMCO	689	R	\$290	Q1 24
15	Reservoir District	5 North Capitol St. & Michigan Ave., NW	Vision McMillan Partners (Trammell Crow Company / Jair Lynch Real Estate Partners / EYA) / DGS / DMPED	660	R/O	\$720	2025+
16	Annex on 12th	6 300 12th St., SW	Carmel Partners	562	R		Q4 24
17	Vermeer	6 113 Potomac Ave., SW	Toll Brothers	501	R	\$259	Q3 24
18	The Yards DC Urby	8 110 N St., SE	Brookfield Properties / Urby	466	R		Q1 25
19	The Westerly	6 350 Maple Drive, SW	Hoffman & Associates / Affordable Housing Developers / Paramount Development Corp. / CityPartners / DMPED	449	R	\$179	Q1 24
20	The Iris	6 1133 North Capitol St., NE	MRP Realty / Ares Capital Corp. / CSG Urban Partners / Taylor Adams Associates	430	R	\$130	Q4 24

## TOP RESIDENTIAL PROJECTS IN THE PIPELINE

21	Navy Yard - Parcel O	6 1000 O St., SE	Redbrick LMD	1,700	R		2029
22	Reservation 13 (Bundle 2)	7 19th St., Massachusetts Ave., Independence Ave., SE	Frontier Development & Hospitality Group / A. Wash & Associates	1,246	R		
23	The Stacks (Phase II)	6 151 T St., SW	Akridge / National Real Estate Development	1,000	R		
24	Reservation 13 (Bundle 1)	7 19th St., Massachusetts Ave., Independence Ave., SE	Donatelli Development / Blue Skye Development & Construction	951	R/O	\$700	2033
25	1333 M Street	6 1333 M St., SE	Felice Development Group	900	R/O		
26	Fletcher Johnson At The Park	7 4650 Benning Rd., SE	Gragg Cardona Partners / Marshall Heights CDO / Foundation Housing / H2 Design Build	879	R/O		
27	5 M Street	6 5 M St., SW	WC Smith	651	R	\$343	2027
28	The Geneva	2 1825 & 1875 Connecticut Ave., NW	Post Brothers	600	R	\$700	
29	1001 6th Street	6 1001 6th St. NW / 501 K St. NW	Steuart Investment Company / Boston Properties	550	R		2026+
30	850 South Capitol Street	6 850 South Capitol St., SE	WC Smith	520	R	\$260	2029

1. R = rental; O = ownership

2. May include non-residential components

3. Delivery date may reflect phase I delivery or final phase delivery for pipeline projects



WARD 5

**THE 202**

**LOCATION:** 202 Florida Avenue, NE  
**DEVELOPER(S):** MRP Realty / Barrington Real Estate Advisors  
**ARCHITECT(S):** SK+I Architecture  
**CONTRACTOR(S):** John Moriarty & Associates  
**LEED:** Gold  
**EST. COST:** \$85 million  
**STATUS:** Under Construction  
**TARGETED DELIVERY:** Q1 2024

**SPECS:** The 202 is a 13-story (plus penthouse), 254-unit residential multifamily building with 3,700 SF of retail space. Amenities include a rooftop club room, pet facilities, a fitness center, shared workspaces, and a connection to the Metropolitan Bike Trail. The building is the last phase of the three-acre, 970,000 SF Washington Gateway redevelopment.



WARD 8

**1605 - 1607 GOOD HOPE ROAD**

**LOCATION:** 1605 - 1607 Good Hope Road SE  
**DEVELOPER(S):** Dilan Investments  
**ARCHITECT(S):** Teass | Warren Architects  
**LEED:** Silver  
**STATUS:** Pipeline

**SPECS:** Plans call for a four-story (plus cellar), 87-unit multifamily building with 1,200 SF of retail space on the ground level. Units will range in size from 1 BR to 3 BR.



WARD 4

**THE ARBOR AT TAKOMA**

**LOCATION:** 218 Cedar Street, NW  
**DEVELOPER(S):** Neighborhood Development Company  
**ARCHITECT(S):** Square 134 Architects  
**EST. COST:** \$20 million  
**STATUS:** Under Construction  
**TARGETED DELIVERY:** Q1 2024

**SPECS:** The Arbor at Takoma is a four-story with penthouse ground-up development comprised of approximately 8,400 SF of office/retail space and 36 residential condominiums (four will be affordable units). Neighborhood Development Company plans to relocate its headquarters to the development once completed.



WARD 8

**BARNABY & 7TH (PHASE I)**

**LOCATION:** 7th Street & Barnaby Road, SE  
**DEVELOPER(S):** Gilbane Development Company / MED Developers  
**ARCHITECT(S):** PGN Architects  
**CONTRACTOR(S):** Hamel Builders  
**STATUS:** Under Construction  
**TARGETED DELIVERY:** Q2 2025

**SPECS:** Barnaby&7th is a 6.3-acre, three-phase development totaling 470 affordable residential units. Phase I will include a four-story, 169-unit multifamily building with a mix of 1BR, 2BR, 3BR and 4BR units, including 10 - 12 Permanent Supportive Housing (PSH), and 58 below-grade parking spaces.

Image courtesy of Gilbane

# RESIDENTIAL DEVELOPMENT HIGHLIGHTS

Image courtesy of Bonstra | Haresign Architects



WARD 2

## 1735 K STREET

**LOCATION:** 1735 K Street, NW  
**DEVELOPER(S):** Urban Atlantic / Placemakr / Bernstein Management Corporation  
**ARCHITECT(S):** Bonstra | Haresign Architects  
**STATUS:** Pipeline  
**TARGETED DELIVERY:** 2026

**SPECS:** The 12-story, 97,000 SF office building (c. 1960s) will be converted into 106 units of “flex housing hospitality” use and 4,000 SF of retail space. Rooms will be available by the night or on an extended stay basis.

Image courtesy of WDGArchitecture



WARD 2

## THE ACCOLADE

**LOCATION:** 1425 New York Avenue, NW  
**DEVELOPER(S):** Foulger-Pratt  
**ARCHITECT(S):** WDG Architecture  
**CONTRACTOR(S):** Foulger-Pratt Contracting / Clark Construction Group  
**LEED:** Silver  
**STATUS:** Under Construction  
**TARGETED DELIVERY:** Q2 2025

**SPECS:** The 287,000 SF Class B office building (c. 1992) will be redeveloped into a 255-unit apartment building with extensive residential amenities and an outdoor courtyard. The office building was anchored for many years by the Department of Justice, which vacated the property in 2019.

Image courtesy of Coakley Williams



WARD 1

## CARL F. WEST ESTATES

**LOCATION:** 1370 Harvard Street, NW  
**DEVELOPER(S):** National Caucus & Center on Black Aging / DMA Companies  
**ARCHITECT(S):** Wienczek + Associates  
**CONTRACTOR(S):** Coakley & Williams Construction  
**EST. COST:** \$134 million  
**STATUS:** Under Construction  
**TARGETED DELIVERY:** Q1 2026

**SPECS:** This independent senior living community will feature 179 affordable units, ranging from 1BR to 3BR, including 36 uniquely designed “grand-family” units for grandparents raising grandchildren. Onsite amenities include a concierge, salon, lounge, wellness center, computer & business center, library, fitness & exercise spaces, game & activity rooms, and an outdoor patio and playground.

Image courtesy of Banneker Ventures, LLC



WARD 8

## THE CLARA ON MARTIN LUTHER KING, JR. AVE

**LOCATION:** 2323 Martin Luther King Jr. Avenue, SE  
**DEVELOPER(S):** Banneker Ventures / Masjid Muhammad  
**ARCHITECT(S):** dp+partners  
**CONTRACTOR(S):** Hamel Builders / Banneker Ventures  
**EST. COST:** \$43 million  
**STATUS:** Under Construction  
**TARGETED DELIVERY:** Q1 2024

**SPECS:** The Clara on Martin Luther King Jr. Avenue will be a six-story building, occupying over half of a city block and comprised of 81 units of affordable rental housing with 14,000 SF of neighborhood-serving retail space, community space, and underground & surface parking.





**CLARET**

**LOCATION:** 950 3rd Street, NW  
**DEVELOPER(S):** Community Three  
**ARCHITECT(S):** DCS Design  
**CONTRACTOR(S):** DAVIS Construction  
**LEED:** Certified  
**EST. COST:** \$80 million  
**STATUS:** Under Construction  
**TARGETED DELIVERY:** Q4 2024

**SPECS:** Claret is a 12-story, 127-unit residential condominium development. The building was designed to respect and include a nearly 100-year-old grand tree and capture views of the District's skyline.



**DIX STREET RESIDENCES**

**LOCATION:** 5717 58th Street, NE  
**DEVELOPER(S):** Nix Development Company / Atlantic Pacific Communities  
**ARCHITECT(S):** Torti Gallas Urban  
**CONTRACTOR(S):** MCN Build  
**EST. COST:** \$31 million  
**STATUS:** Under Construction  
**TARGETED DELIVERY:** Q4 2024

**SPECS:** Dix Street Residences will be a new construction, mid-rise, 47-unit affordable housing development for independent seniors 55+.



**THE GENEVA**

**LOCATION:** 1825 & 1875 Connecticut Avenue, NW  
**DEVELOPER(S):** Post Brothers  
**ARCHITECT(S):** Handel Architects  
**CONTRACTOR(S):** Post Brothers  
**LEED:** Gold  
**EST. COST:** \$700 million  
**STATUS:** Pipeline

**SPECS:** Redevelopment plans for the 2.5-acre office complex call for converting Universal North & South office buildings into approximately 600 residential units and 56,500 SF of retail uses. The density on the site will be increased by adding two floors and a penthouse. Post Brothers purchased the 460,000 SF Universal North (c. 1963) and 302,000 SF Universal South (c. 1956) from JBG Smith in the summer of 2022.



**HOPE VIEW APARTMENTS**

**LOCATION:** 1337 Marion Barry Avenue, SE  
**DEVELOPER(S):** Anacostia Economic Development Corporation / Recovery Cafe DC  
**ARCHITECT(S):** Cunningham + Quill Architects  
**CONTRACTOR(S):** T&H Investments  
**EST. COST:** \$30 million  
**STATUS:** Pipeline  
**TARGETED DELIVERY:** Q3 2025

**SPECS:** The 0.36-acre site of a former one-story retail building will be redeveloped into a four-story, 42-unit residential building with 8,000 SF for a community service facility that will offer tenant-supportive services programs and community engagement. All units will be affordable and range from studios to two-bedroom units.

# RESIDENTIAL DEVELOPMENT HIGHLIGHTS



**THE ETHEL**

**LOCATION:** 1900 C Street, SE  
**DEVELOPER(S):** Donatelli Development / Blue Skye Development & Construction / DMPED  
**ARCHITECT(S):** GTM Architects  
**CONTRACTOR(S):** McCullough Construction / Blue Skye Development & Construction  
**LEED:** Silver  
**EST. COST:** \$90 million  
**STATUS:** Completed  
**TARGETED DELIVERY:** Q1 2023

**SPECS:** The Ethel Building (Parcel F-1), located on the western portion of the Hill East site, formerly known as Reservation 13, offers 100 permanent supportive housing units and 11,100 SF of retail space.



**EUCKAL - 1724 KALORAMA ROAD**

**LOCATION:** 1724 Kalorama Road, NW  
**DEVELOPER(S):** Jubilee Housing  
**ARCHITECT(S):** Bonstra | Haresign Architects / PGN Architects  
**CONTRACTOR(S):** Whiting-Turner Contracting Co.  
**EST. COST:** \$15 million  
**STATUS:** Under Construction  
**TARGETED DELIVERY:** Q2 2024

**SPECS:** The Transcency Building (c. 1923) will be renovated and transformed from a 13,280 SF office building into 25 residential units with 1BR, 2BR and 3BRs. The Sitar Arts Center will occupy the ground floor.

Image courtesy of City Interests



**JAYDE PARKSIDE**

**LOCATION:** Kenilworth Terrace NE and Parkside Place NE  
**DEVELOPER(S):** CityInterests Development Partners  
**ARCHITECT(S):** BKV Group  
**CONTRACTOR(S):** Carlson Construction  
**LEED:** Gold  
**EST. COST:** \$43 million  
**STATUS:** Under Construction  
**TARGETED DELIVERY:** Q1 2024

**SPECS:** The multifamily building on Parcel 8 contains 112 units with a mix of studios, 1BR, 1BR + dens, and 2BR units, with 20% of the units dedicated for workforce housing. Amenities include 7,400 SF of retail space, 50 below-grade parking spaces, a business center, a fitness center, a community room, an activated courtyard, and rooftop space.

Image courtesy of The Warrenton Group



**KENILWORTH 166**

**LOCATION:** 4501 Quarles Street, NE  
**DEVELOPER(S):** The Warrenton Group / The Michaels Organization / DC Housing Authority  
**ARCHITECT(S):** Torti Gallas + Partners  
**CONTRACTOR(S):** The Michaels Organization  
**EST. COST:** \$83 million  
**STATUS:** Under Construction  
**TARGETED DELIVERY:** Q1 2024

**SPECS:** The first phase of the Kenilworth Courts redevelopment will be built upon 4.4 acres of the 14-acre Kenilworth Courts site. Kenilworth 166 includes a total of 166 units in a senior building (42 units), a multi-family building (65 units), stacked flats (15 units), townhouse rentals (44 units), and 4,500 SF of non-residential uses.





WARD 5

**LINK APARTMENTS H STREET**

**LOCATION:** 1701 H Street, NE  
**DEVELOPER(S):** Grubb Properties  
**ARCHITECT(S):** WDG Architecture  
**CONTRACTOR(S):** DAVIS Construction  
**LEED:** Silver  
**EST. COST:** \$50 million  
**STATUS:** Completed  
**TARGETED DELIVERY:** Q3 2023

**SPECS:** Link Apartments H Street is a 10-story, mixed-use building with 191 residential units and up to 7,900 SF of retail space. The site is located across 17th Street from Hechinger Mall. Unit sizes will average approximately 660 SF.



WARD 6

**MERIDIAN ON FIRST (PHASE II)**

**LOCATION:** 1001 New Jersey Avenue, SE  
**DEVELOPER(S):** Paradigm Development Co.  
**ARCHITECT(S):** Architects Collaborative  
**CONTRACTOR(S):** Paradigm Contractors  
**LEED:** Certified  
**STATUS:** Completed  
**TARGETED DELIVERY:** Q2 2023

**SPECS:** The second phase of the Meridian on First development is a 15-story, 272-unit apartment building. Unit sizes range from studios to 1BR and 2BR floorplans. Building amenities include underground parking, a two-story lobby, and a rooftop offering a swimming pool, club room, and a sky bridge connecting to Phase I at the penthouse level.

Image courtesy of Soto (Helix/Scape Visualization)



WARD 1

**PARK MORTON (PHASE I)**

**LOCATION:** 610 Park Road, NW  
**DEVELOPER(S):** Park View Community Partners / The Community Builders / Dantes Partners  
**ARCHITECT(S):** Torti Gallas Urban / Soto  
**CONTRACTOR(S):** Hamel Builders  
**LEED:** Gold  
**EST. COST:** \$105 million  
**STATUS:** Under Construction  
**TARGETED DELIVERY:** 2024

**SPECS:** Phase I will deliver a five-story, 142-unit multifamily apartment building. Unit sizes will range from efficiencies to 4BR units, and all units will be affordable, with 40 units of replacement housing for the Park Morton community. Park Morton is part of the DC government's New Communities Initiative.

Image courtesy of Foulger-Pratt



WARD 7

**PAXTON**

**LOCATION:** 1603 - 1625 Benning Road, NE  
**DEVELOPER(S):** Foulger-Pratt  
**ARCHITECT(S):** Hickok Cole  
**CONTRACTOR(S):** Foulger-Pratt Contracting  
**EST. COST:** \$101 million  
**STATUS:** Under Construction  
**TARGETED DELIVERY:** Q2 2024

**SPECS:** The Paxton is an all-affordable housing development with eight studios, 87 1BR, 16 2BR, and 37 3BR rental units. The site was the former home of the Trinidad Baptist Church.



# RESIDENTIAL DEVELOPMENT HIGHLIGHTS

Image courtesy of Coakley & Williams



WARD 1

## THE OLIVER

**LOCATION:** 2711 - 2719 Georgia Avenue, NW  
**DEVELOPER(S):** Rock Creek Property Group / Howard University  
**ARCHITECT(S):** GTM Architects  
**CONTRACTOR(S):** Coakley & Williams Construction  
**LEED:** Certified  
**EST. COST:** \$62 million  
**STATUS:** Under Construction  
**TARGETED DELIVERY:** Q1 2024

**SPECS:** The former Effingham Apartments (c. 1927), owned by Howard University, were demolished in 2021 to make way for a five-story (plus penthouse), 93-unit apartment building along with 41,000 SF of commercial space which will be occupied by Howard University's Office of Development and Alumni Relations and Office of University Communications.

Image courtesy of WDGArchitecture



WARD 6

## ONE K STREET SW

**LOCATION:** 1 K Street, SW  
**DEVELOPER(S):** WC Smith  
**ARCHITECT(S):** WDG Architecture  
**CONTRACTOR(S):** WCS Construction  
**LEED:** Gold  
**EST. COST:** \$190 million  
**STATUS:** Pipeline  
**TARGETED DELIVERY:** 2026

**SPECS:** Plans call for a 13-story, 352-unit multifamily building with units ranging from Studios to three-bedrooms. There will also be three below-grade floors of parking.



WARD 7

## SKYLAND TOWN CENTER (BLOCK 4)

**LOCATION:** Alabama Avenue & Naylor Road, SE  
**DEVELOPER(S):** WC Smith / Rappaport  
**ARCHITECT(S):** Torti Gallas + Partners  
**CONTRACTOR(S):** NVR, Inc.  
**LEED:** Gold  
**EST. COST:** \$52 million  
**STATUS:** Pipeline  
**TARGETED DELIVERY:** 2025

**SPECS:** The six-acre Block 4 (Phase 3) will comprise of approximately 126 for-sale townhomes. The first homes are expected to deliver in Q2 2025. Skyland Town Center is an 18.5-acre mixed-use project at the intersection of Alabama Avenue, Naylor Road, and Good Hope Road in Southeast Washington, DC.



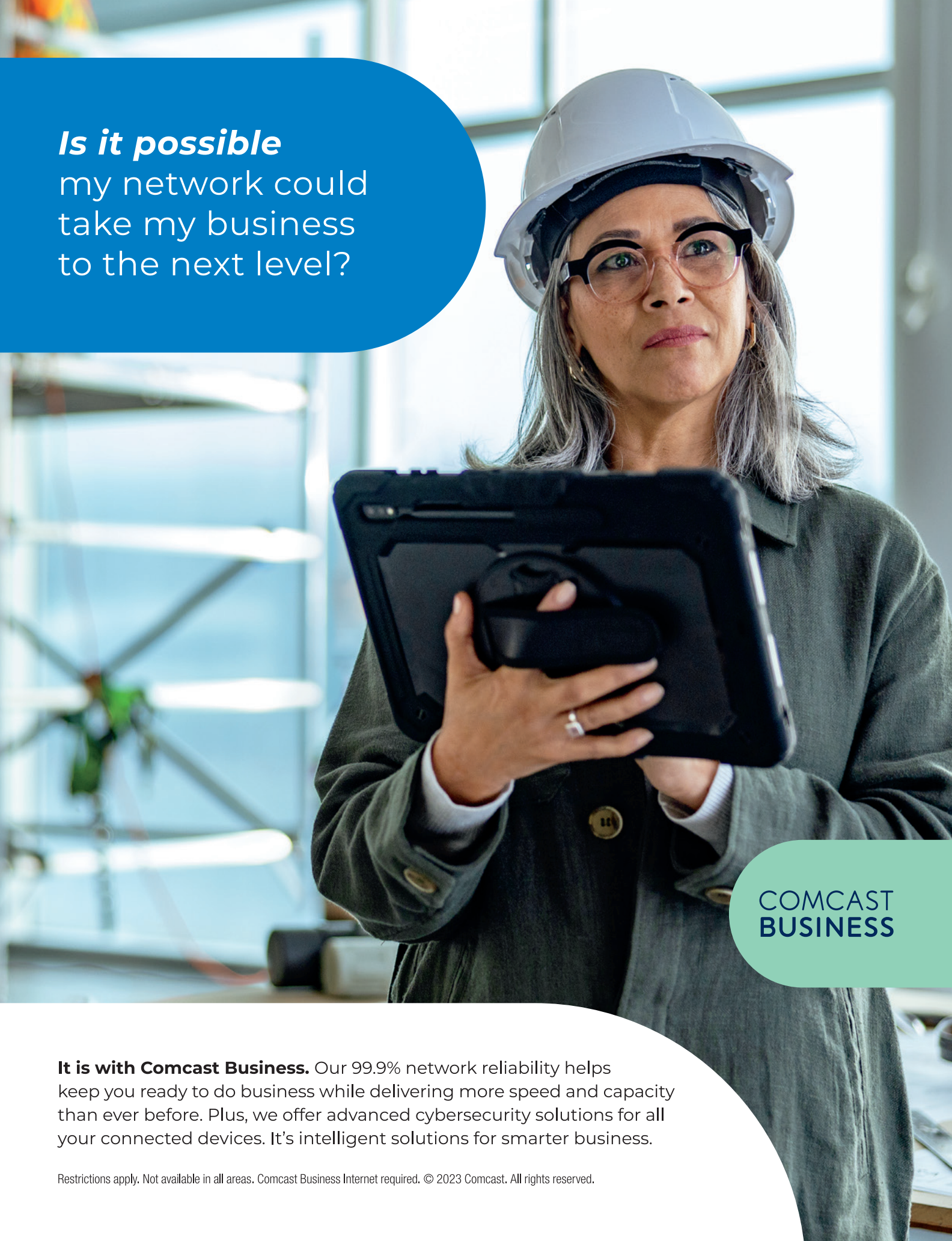
WARD 3

## WARDMAN PARK REDEVELOPMENT

**LOCATION:** 2650 Woodley Road, NW  
**DEVELOPER(S):** Carmel Partners  
**ARCHITECT(S):** Shalom Baranes Associates  
**LEED:** Silver  
**EST. COST:** \$500 million  
**STATUS:** Under Construction  
**TARGETED DELIVERY:** 2025

**SPECS:** Redevelopment plans for the central 9.5-acre parcel on the Wardman Park Hotel site call for approximately 2.34 acres of open space and 900 residential units in two new buildings. The vacant 1,153-room Wardman Park Hotel (c. 1970s) closed in March 2020 and demolition started in 2023.





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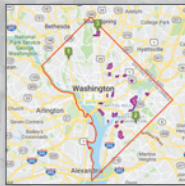


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# Hospitality

“...business travel is rebounding, resulting in the Washington metro area’s hotel revenue growth being the *strongest across the top 25 markets tracked by STR.*”

By: Mitesh Patel, Senior Associate, Delta Associates

**21.9M**  
2022 VISITORS<sup>1</sup>  
88% OF 2019 LEVELS

**15%**  
VISITOR GROWTH<sup>1</sup>  
2022 VS. 2021

**271**  
NEW HOTEL ROOMS  
DELIVERED IN 2023<sup>2</sup>

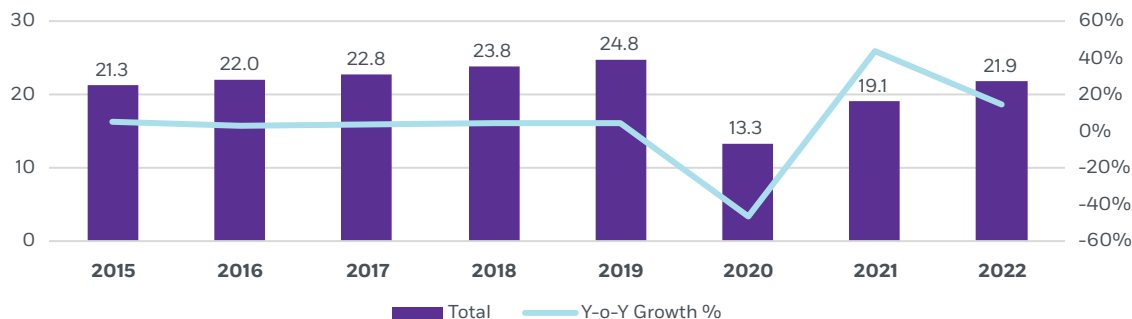
**1,538**  
HOTEL ROOMS  
UNDER CONSTRUCTION<sup>2</sup>

After a strong recovery in the two years following the pandemic’s start, the hospitality sector has continued the trajectory with rapid growth across the board in 2023, although at a more moderate pace. The primary driver of this recovery continues to be tourism, although business travel is rebounding, resulting in the Washington metro area’s hotel revenue growth being the strongest across the top 25 markets tracked by STR.<sup>3</sup> In addition, annual Revenue per Available Room (RevPar) growth in the District increased 20.8% over 2023. While 2023

figures are not yet available, we expect that the total number of visitors to the District will be just under the 24.8 million the city welcomed in 2019, with growth primarily driven by international visitors as pandemic-related overseas travel restrictions have been removed.

In 2022, the total number of visitors to the District increased by 2.8 million from 2021 to 21.9 million. Both domestic and international travelers drove the growth in visitors to the District. According to

## TOTAL VISITATION TO WASHINGTON, DC (IN MILLIONS)



Source: Destination DC; January 2024.

1. Destination DC; January 2024. 2. Washington, DC Economic Partnership (December 2023) 3. STR/CoStar; January 2024

data from Placer.ai, domestic tourism in the District recovered in April 2022 and is now 13% higher than in December 2019.<sup>4</sup> While the total number of visitors had not yet reached pre-pandemic levels as of 2022, international travel rebounded significantly to 1.2 million, compared to the 300,000 that visited in 2020 and 2021.<sup>5</sup> The District was the 7th most visited U.S. city by overseas travelers in 2022 (between Las Vegas and Chicago).<sup>6</sup> We expect continued growth in 2024, with international visitors reaching the pre-pandemic average of two million annually.

Just under 50 million international visitors traveled to the U.S. in 2023 through September. This marks a 36% increase over the same period in 2022 but is still down 18% from the total amount of visitors in the same period in 2019, pre-pandemic. While there has been solid year-over-year growth nationally, there is still room to improve. Most notably, international travel from Asia was down 41% from what it was in 2019; however, from 2022 to 2023, travel from Asia increased by 95%, an encouraging trend, as China relaxed its zero-COVID policy. The only region where tourism has fully rebounded from 2019 levels is from Central America, while Canada is just under what it was in 2019. We expect international travel to return to pre-pandemic levels by the end of 2024 to early 2025. As international tourism rebounded in the District, coupled with the growth in domestic tourism, total visitor expenditures in 2022 increased by a staggering 50% to \$8.1 billion, supporting a record 84,111 jobs. This influx of foreign spending helped bolster the District’s hospitality sector and we expect it will continue to do so in 2024.

The rapid increase in international tourism as well as the sustained growth of domestic tourism has continued to elevate the District’s hospitality market. According to STR, occupancy among the District’s hotels was 69.9% in 2023, up over 13% from the previous year. We expect occupancy levels to continue to rise in 2024 and then moderate near the five-year pre-pandemic average of 77.4% by 2025. RevPAR grew 20.8% over 2023, still well above average, but not as robust as in the earlier part of the market recovery.

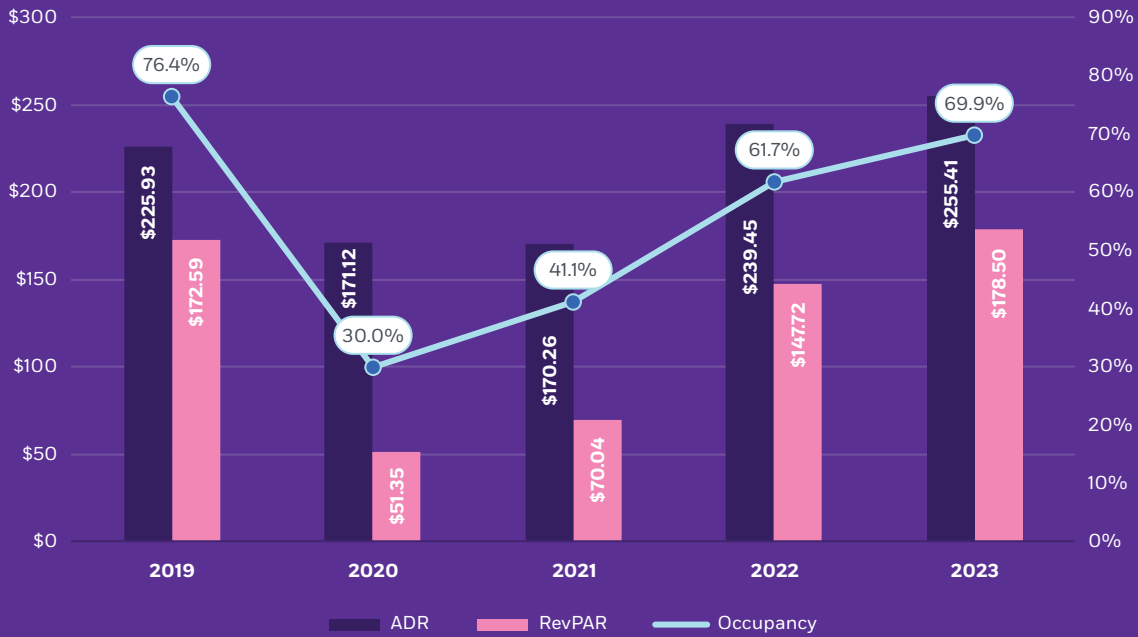
After posting a 40.6% year-over-year increase in the average daily rate (ADR) for hotels in the District from 2021 to 2022, growth slowed in 2023 to 6.7%, averaging \$255.41. Notably, a decent portion of the increase in 2022 was attributed to inflation, and the current growth



11th Street Bridge Park

4. Placer.ai, January 2024. 5. Destination DC, January 2024. 6. U.S. International Trade Association, January 2024.

## DISTRICT HOTEL OCCUPANCY, ADR, AND REVPAR



Source: STR/CoStar, January 2024

rate is still well above the long-term average. ADR will continue to rise in 2024 due to the lack of new supply, however the growth rate will moderate significantly compared to recent years as CoStar estimates a 2% increase. Major hotels under construction within the District, include the 421-room Arlo DC in Judiciary Square, the 230-room CitizenM in Georgetown, the 152-unit Hotel AKA Washington Circle in Foggy Bottom, the 80-unit Penelope Hotel in Dupont Circle, and the 105-room Maison Kesh in Bloomingdale.

New hotel room deliveries within the District have only amounted to 271 rooms in 2023, down nearly 80% compared to 2022, which was the most active year for new hotel development since 2017. The 271-room Royal Sonesta Washington, DC Capitol Hill was the only new hotel project to deliver in 2023. However, 2024 could see more than 1,000 new hotel rooms come online, including two hotel-style apartment concepts.

The short-term rental (STR) market nationally and specifically within the District became oversaturated as investors began buying properties in the middle part of the last decade. The hotel industry has been actively trying to recoup demand from online short-term rental platforms such as Airbnb and Vrbo, and they have succeeded. Active STR listings are up only 3% from 2022. More importantly, STR listings are down over 33% from 2019.<sup>7</sup> This primarily has been caused by regulations passed by the DC Council on STRs, which went into effect in 2019. Since then, active listings have steadily declined each year. We expect STR listings to marginally decline over 2024 as tourism demand is driven more towards conventional hotels.

Air travel within the United States has had a remarkable recovery post-pandemic, and this trend has persisted throughout 2023. This effect was felt by the three major airports near the District. At Ronald Reagan Washington National Airport

7. AirDNA, January 2024



(DCA), the closest to the District, total passenger enplanements and deplanements are up by 10% in the year ending September 2023.<sup>8</sup> Dulles International's (IAD) total enplanements and deplanements are up by 16% in the same period. Dulles' higher growth is supported by international travel, as it is the largest international airport in the Mid-Atlantic.

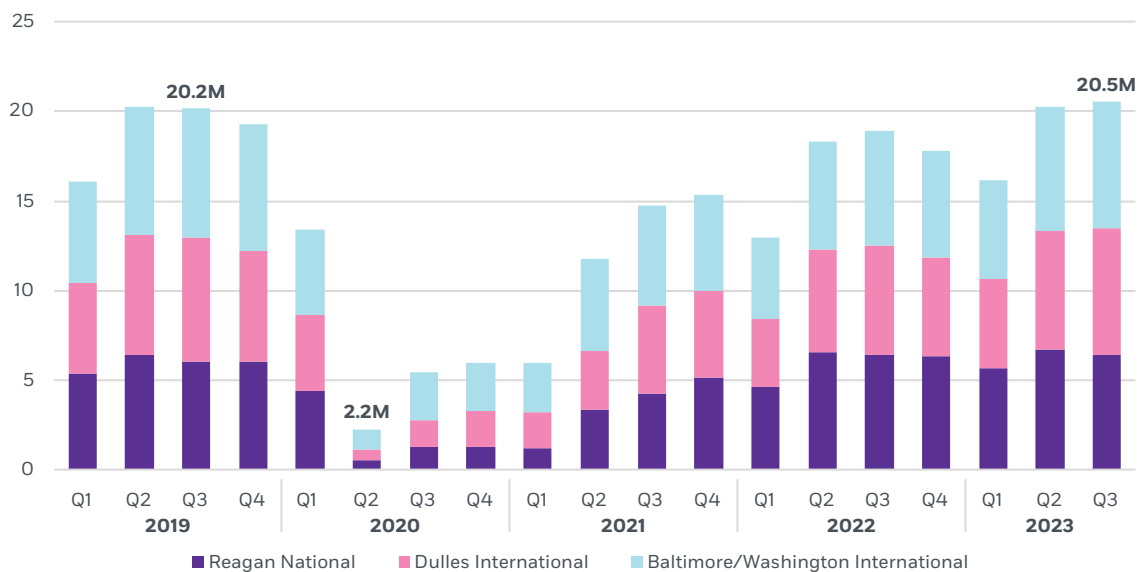
Baltimore/Washington International Thurgood Marshall Airport (BWI) also had its total passengers increase by 10% in the year ending September 2023.<sup>9</sup> This spike in travel among the region's three major airports can be attributed to lower ticket prices and decreased travel restrictions. According to the Bureau of Labor Statistics, airfares are down 12.1% over the year ending November 2023 and down 4.4% from November 2019.<sup>10</sup> We expect air traffic in the Washington metro area to continue to grow into 2024, which will help bolster the recovering hospitality market.

In 2023, investors remained wary of the fundamentals of the hospitality market. After a 60

basis-point increase to 8.2% in 2022, cap rates for hotels in the District increased on average by another 110 basis points to 9.3% in 2023, according to CoStar. In comparison, the struggling office market averaged a cap rate of 6.6% in 2023. This skepticism also poured into the transaction market, with only four hotels being traded in the past year. They include two properties that were part of a portfolio: the 156-room St. Gregory Hotel and the 86-room Ritz-Carlton Georgetown. In addition, the two individual sales recorded were the 44-room Windsor Park Hotel in Dupont Circle and the 33-room Motel 6 in Union Market, the latter will be demolished and replaced by a multifamily development.

As the District enters 2024, the hospitality sector is on track for another year of growth. Travel to the District is continuing to rise, resulting in more tourist spending. According to Destination DC, total tourism spending in the District in 2022 attributed to over \$1.6 billion in additional tax revenue. We expect to also see the continued growth of hybrid hospitality/apartment concepts in the District, such as Sonder, Placemakr, and Mint, among others.

## REGIONAL AIRPORT PASSENGER TRAFFIC (MILLIONS)



Source: Metro Washington Metropolitan Airports Authority, Maryland Aviation Admin.; January 2024. Total passenger enplanements and deplanements.

8. Metro Washington Metropolitan Airports Authority, January 2024. 9. Maryland Aviation Administration, January 2024. 10. Bureau of Labor Statistics - Consumer Price Index November 2023, January 2024.





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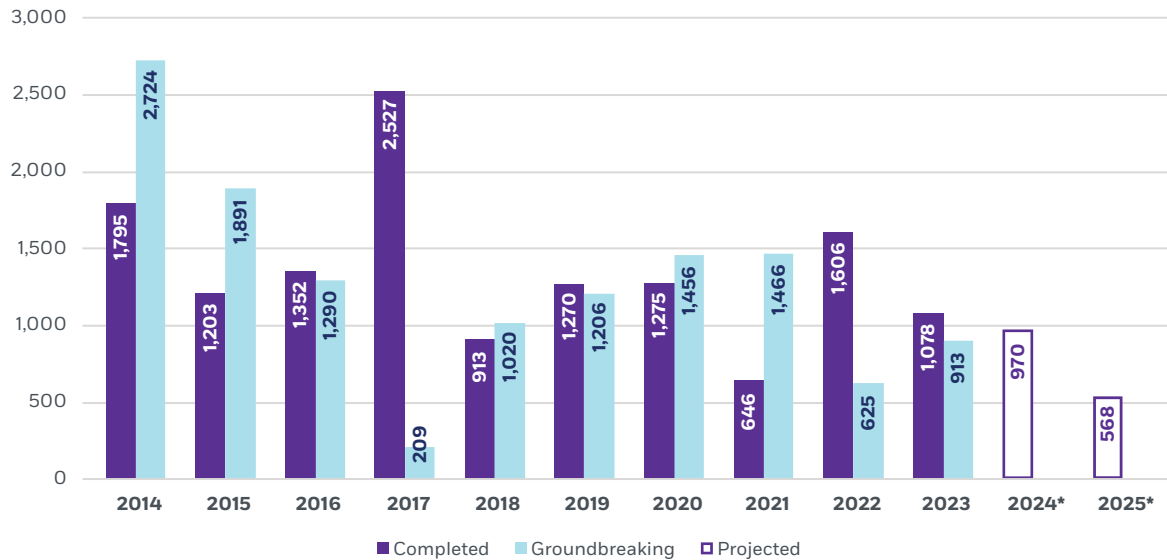
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**HOTEL ROOM DEVELOPMENT (DECEMBER 2023)**


\*Projections based on targeted delivery dates of projects under construction as of December 2023

**HOSPITALITY DEVELOPMENT (DECEMBER 2023)**

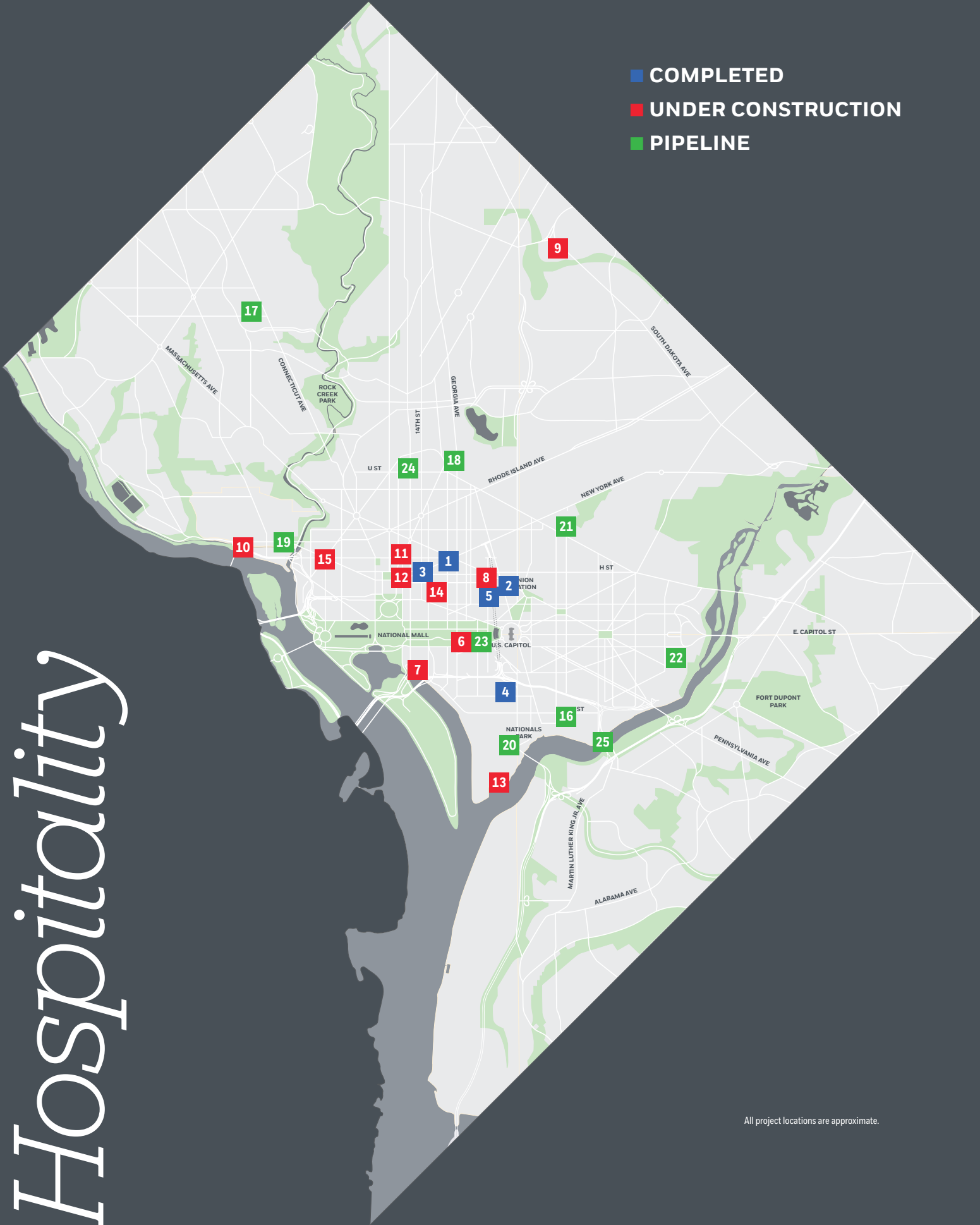
	PROJECTS	HOSPITALITY SF	ROOMS	NET NEW ROOMS*
<b>COMPLETED (SINCE 2001)</b>	<b>164</b>	<b>24,027,879</b>	<b>24,523</b>	<b>11,610</b>
2001 - 2010	75	13,177,699	9,872	2,527
2011 - 2020	67	8,450,837	11,321	7,184
2021 - 2023	22	2,399,343	3,330	1,899
<b>PAST FIVE YEARS</b>				
2019	7	882,650	1,270	585
2020	7	610,125	1,275	739
2021	9	407,899	646	410
2022	8	1,046,071	1,606	1,218
2023	5	945,373	1,078	271
<b>UNDER CONSTRUCTION</b>	<b>14</b>	<b>1,990,474</b>	<b>1,538</b>	<b>(140)</b>
2024 DELIVERY	7	1,002,975	970	445
2025 DELIVERY	5	300,499	568	(585)
2026 DELIVERY	2	687,000	0	0
<b>PIPELINE</b>	<b>54</b>	<b>4,154,714</b>	<b>5,437</b>	<b>4,934</b>
NEAR TERM	25	1,297,203	1,542	1,409
LONG TERM	29	2,857,511	3,895	3,525
<b>TOTAL</b>	<b>232</b>	<b>30,173,067</b>	<b>31,498</b>	<b>16,404</b>

\*Net new rooms only reflect rooms in hotel projects or rooms added/removed in redevelopment projects. Rooms are removed from inventory based on project's status (e.g. Redevelopment of Marriott Wardman Park is reflected in 2025).



# Hospitality

- COMPLETED
- UNDER CONSTRUCTION
- PIPELINE



All project locations are approximate.



## HOSPITALITY DEVELOPMENT PIPELINE

PROJECT	WARD	LOCATION	DEVELOPER(S)	HOSPITALITY SF	HOTEL ROOMS	EST. VALUE (\$M) <sup>1</sup>	DELIVERY <sup>2</sup>	
<b>TOP HOSPITALITY PROJECTS COMPLETED (2023)</b>								
1	Westin Washington D.C.	2	999 9th St., NW	Sunstone Hotel Investors	586,000	807	\$80	Q4 23
2	20 Massachusetts Avenue (Royal Sonesta Hotel)	6	20 Massachusetts Ave., NW	Office Properties Income Trust / The RMR Group	221,000	271	\$200	Q3 23
3	National Museum of Women in the Arts	2	1250 New York Ave., NW	National Museum of Women in the Arts	78,810		\$68	Q4 23
4	Gallery 64 (Rubell Museum DC)	6	65 I St., SW	Lowe / Rubell Family	31,839		\$200	Q1 23
5	Capital Jewish Museum	6	575 3rd St., NW	Jewish Historical Society of Greater Washington	27,724		\$18	Q2 23

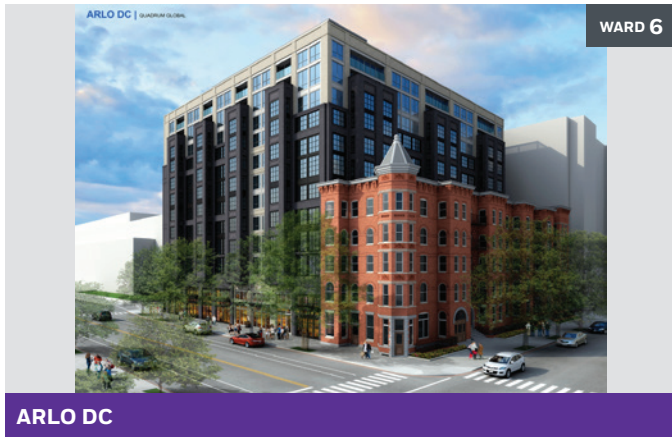
### TOP HOSPITALITY PROJECTS UNDER CONSTRUCTION

6	Smithsonian National Air and Space Museum	2	The National Mall	Smithsonian	687,000		\$900	Q4 26
7	Salamander Washington D.C.	6	1330 Maryland Ave., SW	Salamander Resort & Hotel	424,000	373		Q2 24
8	Arlo DC	6	333 G St. & 704 3rd St., NW	Quadrum Global	235,600	445		Q3 24
9	ART Place at Fort Totten (Phase II)	5	5300 South Dakota Ave., NE	Morris & Gwendolyn Cafritz Foundation	172,092			Q4 24
10	citizenM - Georgetown	2	3401 K St., NW	citizenM	80,000	230		Q2 25
11	1010 Vermont Avenue (Mint House)	2	1010 Vermont Ave., NW	Altus Realty Partners / McLean Partners	66,000	85	\$50	Q2 25
12	The Milken Center for Advancing the American Dream	2	1501 - 1505 Pennsylvania Ave., NW & 730 15th St., NW	Akridge / Milken Family Foundation	70,000			Q2 24
13	The Stacks (Phase I)	6	101 V St., SW	Akridge / National Real Estate Development	66,055	180	\$450	Q1 25
14	Ford's Theatre Expansion	2	512 - 514 10th St., NW	Ford's Theatre	38,444		\$50	2025
15	Hotel AKA Washington Circle	2	1 Washington Cir., NW	Electra America Hospitality Group	80,000	152	\$30	Q2 24

### TOP HOSPITALITY PROJECTS IN THE PIPELINE

16	National Museum of the U.S. Navy	8	Washington Navy Yard	Navy History and Heritage Command	240,000		\$475	2027
17	DC Archives & Records Center	3	4200 Connecticut Ave., NW	Department of General Services	127,000		\$72	2026
18	Bond Bread and Washington Railway & Electric Company (WRECO)	1	2112 & 2146 Georgia Ave., NW	Menkiti Group / EDENS / Fivesquares Development / Howard University	124,600	180	\$339	2027
19	3000 M Street	2	3000 M St., NW	Thor Equities	72,500	91		2025/26
20	45 Q Street	6	45 Q St., SW	D.B. Lee Development & Construction	65,000	190	\$80	
21	1271 5th Street	5	1271 5th St., NE	EDENS	53,173	80		
22	Reservation 13 (Bundle 2)	7	19th St., Massachusetts Ave., Independence Ave., SE	Frontier Development & Hospitality Group / A. Wash & Associates	50,000	150		
23	Bezos Learning Center at the National Air and Space Museum	2	600 Independence Ave., SW	Smithsonian	50,000		\$130	2027
24	2000 14th Street	1	2000 14th St., NW	MRP Realty / CSG Urban Partners / Capri Investment Group	44,000	116		2029
25	11th Street Bridge Park	8	11th Street Bridge	Building Bridges Across the River / DDOT			\$92	2026

1. May include non-hospitality components & pipeline values may include additional phases (\$ in millions)  
 2. Delivery date may reflect phase I delivery or final phase delivery for pipeline projects.



**ARLO DC**

**LOCATION:** 333 G Street & 704 3rd Street, NW  
**DEVELOPER(S):** Quadrum Global  
**ARCHITECT(S):** Architecture Inc.  
**CONTRACTOR(S):** Plaza Construction Corp  
**STATUS:** Under Construction  
**TARGETED DELIVERY:** Q3 2024

**SPECS:** Redevelopment plans for 333 G Street and 704 3rd Street call for a 445-room Arlo Hotel. A new 12-story tower would be built behind the historic Harrison apartment building. The Harrison structure (c. 1888-1890) will be rehabilitated and incorporated into the development.



**BEZOS LEARNING CENTER AT THE NATIONAL AIR & SPACE MUSEUM**

**LOCATION:** 600 Independence Avenue, SW  
**DEVELOPER(S):** Smithsonian  
**ARCHITECT(S):** Perkins&Will  
**EST. COST:** \$130 million  
**STATUS:** Pipeline  
**TARGETED DELIVERY:** Q4 2027

**SPECS:** The Bezos Learning Center (BLC) will be a three-story, 50,000 SF addition to the National Air and Space Museum (NASM). Two primary program initiatives are the Bezos Empowering Educators Program and the Bezos Science and Technology Innovation Challenges.



**DANCE LOFT AT 14TH**

**LOCATION:** 4618 14th Street, NW  
**DEVELOPER(S):** Heleos  
**ARCHITECT(S):** PGN Architects  
**LEED:** Gold  
**STATUS:** Pipeline  
**TARGETED DELIVERY:** Q4 2024

**SPECS:** Plans call for a new five-story (plus penthouse), mixed-use building consisting of 101 multi-family units over a commercial podium space fronting 14th Street. The residential component will include three-bedroom units and 66 - 75 affordable units. The commercial space will consist of a restaurant (1,900 SF) and 11,000 SF for performing arts, including two theatres, a dance lobby, and four studios for Dance Loft on 14th.



**DC ARCHIVES & RECORDS CENTER**

**LOCATION:** 4200 Connecticut Avenue, NW  
**DEVELOPER(S):** Department of General Services  
**ARCHITECT(S):** Hartman-Cox Architects  
**LEED:** Gold  
**EST. COST:** \$72 million  
**STATUS:** Pipeline  
**TARGETED DELIVERY:** Q1 2026

**SPECS:** The new four-story, plus penthouse, 127,000 SF DC Archives & Records Center will replace the six-story, 127,000 GSF Building 41 on the University of the District of Columbia's Van Ness campus. The new center will replace the existing 25,000 SF archives at 1300 Naylor Court, NW.



# HOSPITALITY DEVELOPMENT HIGHLIGHTS



WARD 6

## CAPITAL JEWISH MUSEUM

**LOCATION:** 575 3rd Street, NW  
**DEVELOPER(S):** Jewish Historical Society of Greater Washington  
**ARCHITECT(S):** SmithGroup  
**CONTRACTOR(S):** Consigli Construction  
**LEED:** Silver  
**EST. COST:** \$18 million  
**STATUS:** Completed  
**TARGETED DELIVERY:** Q2 2023

**SPECS:** As part of the Capitol Crossing development, the historic Adas Israel Synagogue was restored and moved from 3rd & G Streets, NW to 575 3rd Street, NW. Along with a four-story, 27,700 SF addition, the new museum includes a lobby, gallery and exhibit space, a multipurpose space, offices, and support spaces.



WARD 2

## CITIZENM - GEORGETOWN

**LOCATION:** 3401 K Street, NW  
**DEVELOPER(S):** citizenM  
**ARCHITECT(S):** Baskervill  
**STATUS:** Under Construction  
**TARGETED DELIVERY:** Q2 2025

**SPECS:** Redevelopment plans for the existing two-story warehouse call for a five-story addition and penthouse. A 230-room citizenM hotel will occupy the entire building.



WARD 6

## FOLGER SHAKESPEARE LIBRARY NORTH HALL

**LOCATION:** 201 East Capitol Street, SE  
**DEVELOPER(S):** Folger Shakespeare Library / JFW, Inc.  
**ARCHITECT(S):** KieranTimberlake Associates  
**CONTRACTOR(S):** Gilbane Building Company  
**EST. COST:** \$81 million  
**STATUS:** Under Construction  
**TARGETED DELIVERY:** Q2 2024

**SPECS:** This 40,000 SF research and performing arts venue (c. 1932), houses the most extensive Shakespeare collection in the world. To accommodate a significant addition to the collection, the Library built a below-grade one-story, 12,000 SF addition, and made alterations to the existing structure and landscaping.



WARD 2

## THE MILKEN CENTER FOR ADVANCING THE AMERICAN DREAM

**LOCATION:** 1501 - 1505 Pennsylvania Ave., NW & 730 15th St., NW  
**DEVELOPER(S):** Akridge / Milken Family Foundation  
**ARCHITECT(S):** Studios Architecture / Shalom Baranes Associates / OTJ Architects  
**CONTRACTOR(S):** Grunley Construction  
**LEED:** Silver  
**STATUS:** Under Construction  
**TARGETED DELIVERY:** Q2 2024

**SPECS:** The former Riggs Bank Corcoran headquarters will be transformed into the Milken Museum & Conference Center and the home for the Milken Institute as well as the Center for the American Dream. The mixed-use development will offer a combination of traditional office space and a conference center and museum, located within the main halls of the historic bank buildings.



WARD 2

**NATIONAL MUSEUM OF WOMEN IN THE ARTS**

**LOCATION:** 1250 New York Avenue, NW  
**DEVELOPER(S):** National Museum of Women in the Arts  
**ARCHITECT(S):** Marshall Craft Associates / Sandra Vicchio & Associates  
**CONTRACTOR(S):** Grunley Construction  
**EST. COST:** \$68 million  
**STATUS:** Completed  
**TARGETED DELIVERY:** Q4 2023

**SPECS:** The NMWA's restoration project enlarged its gallery space by 20%, provided a new destination for researchers and education programs, enhanced amenities and accessibility for visitors, and infrastructure and storage upgrades to improve the long-term conservation and security of the museum's collection of more than 5,500 works. It was the building's first full renovation since 1987.



WARD 7

**RESERVATION 13 (BUNDLE 2)**

**LOCATION:** 19th St., Massachusetts Ave., Independence Ave., SE  
**DEVELOPER(S):** Frontier Development & Hospitality Group / A. Wash & Associates  
**STATUS:** Pipeline

**SPECS:** Redevelopment plans call for 1,246 residential units (407 deeply affordable units, 334 middle-income units, and 500 market-rate units), a 150-key hotel, and 60,000 SF of retail space. The residential component includes 1,116 rental units and 125 for-sale units. A triangle park will be created to honor Robert F. Kennedy, and a History & Cultural Walk is also planned to recognize the history of Reservation 13.

Image courtesy of The Smithsonian



WARD 2

**SMITHSONIAN NATIONAL AIR AND SPACE MUSEUM**

**LOCATION:** The National Mall  
**DEVELOPER(S):** Smithsonian  
**ARCHITECT(S):** Quinn Evans Architects  
**CONTRACTOR(S):** Clark Construction Group / Smoot Construction D.C./ Consigli Construction  
**LEED:** Gold  
**EST. COST:** \$900 million  
**STATUS:** Under Construction  
**TARGETED DELIVERY:** Q4 2026

**SPECS:** The 687,000 SF museum is undergoing a seven-year renovation that will replace the glass curtain wall glazing, remove and replace the Tennessee marble façade, and upgrade all 22 galleries. A new vestibule and canopy will also be constructed at the north/main public entrance. Phase I was completed in October 2022, resulting in eight new and renovated exhibitions and a planetarium in the building's western halls.



WARD 3

**WASHINGTON BALLET EXPANSION**

**LOCATION:** 3515 Wisconsin Avenue, NW  
**DEVELOPER(S):** The Washington Ballet  
**ARCHITECT(S):** SmithGroup  
**LEED:** Silver  
**EST. COST:** \$15 million  
**STATUS:** Pipeline

**SPECS:** The Washington Ballet plans to update its Wisconsin Avenue campus by razing an existing building wing (23,700 SF) and constructing a new three-story addition (25,600 SF) to provide more efficient operations and studio space.





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# Quality of Life

By: Netanel Hutman, Research Analyst,  
Washington DC Economic Partnership

Photo by Dave Battle, Image courtesy of MedStar Georgetown University Hospital

**#1**  
BEST U.S.  
PARK SYSTEM<sup>1</sup>

**11**  
COLLEGES &  
UNIVERSITIES<sup>2</sup>

**14**  
HOSPITALS<sup>3</sup>

**6.57M**  
SQUARE FEET OF GREEN  
ROOFS INSTALLED IN THE  
DISTRICT (2004-2023)<sup>4</sup>

Washington, DC is home to dynamic, diverse, mixed-use neighborhoods that provide residents, visitors, and employers with a wealth of education, healthcare, and recreational opportunities.

The District's colleges and universities have a combined enrollment of nearly 90,000,<sup>5</sup> providing a substantial workforce pipeline. Children's National Hospital was once again recognized as a top provider, ranked in the top five by U.S. News & World Report.<sup>6</sup> Washington, DC's airports, Metrorail and bus systems, and local bikeshare network have expanded service, maintaining the region as a top multimodal city and international destination. The District is also expanding its community centers and parks system, ranked the best in the country, allowing for more third places. All this is taking place in one of the nation's greenest cities<sup>7</sup>, leading to more sustainable buildings and energy.

## EDUCATION

The Washington, DC metro area offers one of the most educated workforces in the country. The presence of five U.S. News & World Report ranked top-100 universities, Georgetown University, George Washington University, University of Maryland, John Hopkins University, and the College of William & Mary, enhances the region's educational landscape.<sup>8</sup>

The District's colleges & universities continue to attract prestigious institutions, partnerships, and professors. George Washington University was invited to join the distinguished Association of American Universities.<sup>9</sup> Dr. Anthony Fauci, the face of the U.S. COVID response, joined Georgetown University's Division on Infectious Disease,<sup>10</sup> and Howard University established The Warner Music/Blavatnik Center for Music Business in 2021.<sup>11</sup>

1. "Washington, DC, Park System Ranked Nation's Best in Trust for Public Land's Annual ParkScore Index." Trust for Public Land, 2023, [www.tpl.org/media-room/washington-dc-park-system-ranked-nations-best-in-trust-for-public-lands-annual-parkscore-index-saint-paul-places-second-minneapolis-third-irvine-surges-to-fourth](https://www.tpl.org/media-room/washington-dc-park-system-ranked-nations-best-in-trust-for-public-lands-annual-parkscore-index-saint-paul-places-second-minneapolis-third-irvine-surges-to-fourth). Accessed 20 Feb. 2024. 2. Consortium of Universities of the Washington Metropolitan Area; WDCEP research. 3. DC Health (1/9/24). <https://dchealth.dc.gov/service/hospitals>. Accessed 20 Feb. 2024. 4. DC Department of Energy & Environment (as of Dec. 2023). 5. Source: JobsEQ (2021-2022 academic year), National Defense University website (2020-2021). 6. "Children's National Hospital Ranked #5 in the Nation on U.S. News & World Report's Best Children's Hospitals Honor Roll." Children's National Hospital, 2023, [www.childrensnational.org/about-us/newsroom/2023/usn2023](https://www.childrensnational.org/about-us/newsroom/2023/usn2023). Accessed 20 Feb. 2024. 7. McCann, Adam. "Greenest Cities in America." WalletHub, 4 Oct. 2023. [www.wallethub.com/edu/most-green-cities/16246](https://www.wallethub.com/edu/most-green-cities/16246). Accessed 20 Feb. 2024. 8. "The Best National Universities in America." US News & World Report, 2024, [www.usnews.com/best-colleges/rankings/national-universities](https://www.usnews.com/best-colleges/rankings/national-universities). Accessed 20 Feb. 2024. 9. Hansen, Drew. "George Washington University Receives Invite to the Prestigious Association of American Universities." Washington Business Journal, Washington Business Journal, 2 June 2023, [www.bizjournals.com/washington/news/2023/06/02/george-washington-university-aau-invite-research.html](https://www.bizjournals.com/washington/news/2023/06/02/george-washington-university-aau-invite-research.html). Accessed 20 Feb. 2024. 10. Lane, Rosemary. "Dr. Anthony Fauci to Join Georgetown Faculty as Distinguished University Professor - Georgetown University." Georgetown University, 26 June 2023, [www.georgetown.edu/news/dr-anthony-fauci-to-join-georgetown-faculty-as-distinguished-university-professor/](https://www.georgetown.edu/news/dr-anthony-fauci-to-join-georgetown-faculty-as-distinguished-university-professor/). Accessed 21 Feb. 2024. 11. Coleman, Autumn. "Blavatnik Beyond Books: Howard Enters a New Chapter of Music Education." Howard Magazine, Fall 2023, <https://magazine.howard.edu/stories/blavatnik-beyond-books-howard-enters-a-new-chapter-of-music-education>. Accessed 20 Feb. 2024.



## QUALITY OF LIFE DEVELOPMENT

In 2023, five satellite campuses from renowned universities around the country opened and expanded in the District. The 50+ universities from around the world with a presence in the District diversify the city's academic and cultural fabric, offering residents access to a broader range of educational and research opportunities. The District is also home to three of the top 10 public high schools in the region<sup>12</sup> and ranked as having the best after-school programs among U.S. states.<sup>13</sup> These investments in education, in turn, contribute to a more vibrant and intellectually stimulating environment.

### HEALTHCARE

Medical facilities in the District continue to expand their services and secure investments to support future expansion and research initiatives.

The \$750 million Medstar Georgetown University Hospital Verstandig Pavilion opened in late 2023 and focuses on research, clinical care, and medical education. Supported by a \$50 million gift from the Verstandig Family Foundation, the new pavilion features an emergency department, a rooftop helipad, and state-of-the-art operating rooms offering the region's only moveable intraoperative MRI, providing real-time imaging during surgery.<sup>14</sup>

Children's National Hospital, in partnership with MedTech Color, is addressing the disparities in pediatric medical device innovation. This initiative hopes to advance the representation of people of color in the medical device industry.<sup>15</sup> Furthermore, the hospital's recent \$96 million philanthropic investment towards brain tumor research will improve treatment options and post-diagnosis programs for kids and families. Children's is also advancing the second phase of its National Research

& Innovation Campus on the former Walter Reed campus with plans to upgrade Building 54 for office and lab space.<sup>16</sup>

Whitman-Walker received \$22.5 million from the U.S. Department of Treasury's American Rescue Plan's Capital Projects Fund to support the construction of a new research facility at the Max Robinson Center in Ward 8 on the historic St. Elizabeths East campus.<sup>17</sup> The center opened in 2023 and will be joined by the new 136-bed Cedar Hill Regional Medical Center in early 2025.

### PARKS & COMMUNITY SPACE

The District continues to invest in its parks and community spaces, ensuring its public spaces are more inviting and inclusive. In 2023, the city celebrated three significant groundbreakings. The new Anacostia Recreation Center at Ketcham Elementary School is the first recreation center built in Ward 8 in 20 years. The Fort Dupont Ice Arena was razed and is being rebuilt. It will provide a single NHL-size ice sheet, expanded locker facilities, support facilities, and a community meeting room when it reopens in 2025. The DC Center for the LGBT Community and the Capital Pride Alliance plan to open a new 6,700 SF community center in the Shaw neighborhood. A \$1 million grant from the DC government supported the project.<sup>18</sup> In addition, the Department of Parks and Recreation announced expanded hours at 45 recreation centers, citing increased demand among teenagers.

### TRANSPORTATION

Strategic investments in the city's infrastructure make access and daily commutes to and within the city easier. In 2022, Metro's Silver Line connected Dulles International Airport (IAD) to the nation's

12. Hansen, Drew. "The D.C. Region's Top-Ranked Public High Schools for 2023." Washington Business Journal, Washington Business Journal, 30 Oct. 2023, [www.bizjournals.com/washington/news/2023/10/30/high-school-rankings-dc-maryland-virginia.html](https://www.bizjournals.com/washington/news/2023/10/30/high-school-rankings-dc-maryland-virginia.html). Accessed 20 Feb. 2024. 13. "2020 America after 3PM Data." Afterschoolalliance.org, 2020, <https://afterschoolalliance.org/A43PM/data/geo/District%20of%20Columbia/overview>. Accessed 20 Feb. 2024. 14. "MedStar Georgetown University Hospital Opens Verstandig Pavilion on Hilltop Campus." Georgetown University, 19 December 2023, [www.georgetown.edu/news/medstar-georgetown-university-hospital-opens-verstandig-pavilion-on-hilltop-campus](https://www.georgetown.edu/news/medstar-georgetown-university-hospital-opens-verstandig-pavilion-on-hilltop-campus). Accessed 21 Feb. 2024. 15. Gilgore, Sara. "Children's National Hospital Receives \$96M Philanthropic Investment for Brain Tumor Research." Washington Business Journal, Washington Business Journal, 21 June 2023, [www.bizjournals.com/washington/news/2023/06/21/childrens-national-hospital-donation.html](https://www.bizjournals.com/washington/news/2023/06/21/childrens-national-hospital-donation.html). Accessed 20 Feb. 2024. 16. Gilgore, Sara. "Children's National Hospital Is Advancing Phase 2 of Its Walter Reed Campus Overhaul." Washington Business Journal, Washington Business Journal, 25 May 2023, [www.bizjournals.com/washington/news/2023/05/25/childrens-national-walter-reed-phase-2.html](https://www.bizjournals.com/washington/news/2023/05/25/childrens-national-walter-reed-phase-2.html). Accessed 21 Feb. 2024. 17. "Mayor Bowser Announces Approval of \$22.5 Million in U.S. Treasury Funding for Whitman-Walker Max Robinson Center at St. Elizabeths East Campus." Executive Office of the Mayor, 11 December 2023, <https://mayor.dc.gov/release/mayor-bowser-announces-approval-225-million-us-treasury-funding-whitman-walker-max-robinson>. Accessed 21 Feb. 2024. 18. Chibbaro, Lou. "Officials Hold Groundbreaking for New D.C. LGBT Community Center." Washington Blade, 29 June 2023, [www.washingtonblade.com/2023/06/29/dc-center-lgbtq-community-groundbreaking/](https://www.washingtonblade.com/2023/06/29/dc-center-lgbtq-community-groundbreaking/). Accessed 20 Feb. 2024.



capital, and in less than one year, more than one million customers had used the Metrorail station.<sup>19</sup> Furthermore, IAD is planning to build a new \$560 million, 14-gate Tier 2 Concourse East to replace the existing Concourse A. American, United, Delta, and JetBlue all announced expanded service to and from IAD and Reagan National (DCA), and Southwest and Frontier have both expanded service from BWI this year. DCA set a new record with 25.5 million passengers in 2023, a 6.2% increase from 2022,<sup>20</sup> making the airport the busiest tarmac in the country.<sup>21</sup>

Several new initiatives were announced in 2023 to help reduce congestion and allow for easy and efficient connections between the District's neighborhoods. WMATA announced expanded rail service for the Blue, Green, Red, Silver, and Yellow lines, making this the 11th expansion of services since summer 2022 due to increased ridership.<sup>22</sup> The introduction of overnight bus services and increased Metrorail services is the beginning of DC's move to a 24/7 public transport system.<sup>23</sup> Additionally, the Southwest Mobility Innovation District (MID), supported by a \$3 million grant from the DC government, launched its Circuit Rideshare public transit program for Southwest DC and parts of the Capitol Riverfront neighborhood with free rides.<sup>24</sup>

Rising two spots, the District is now the 5th most bike-friendly city in the country.<sup>25</sup> Supporting this transportation option is a new DC government program offering rebates to incentivize using and maintaining e-bikes.<sup>26</sup> In May 2023, Capital Bikeshare introduced 850 new e-bikes, coinciding with its highest monthly use ever.<sup>27</sup>

## SUSTAINABILITY

The District remains on track to meet the 2032 goal of 100% renewable energy and 2050 goal of carbon neutrality. Between 2006-2021, the city has cut emissions by 36%<sup>28</sup> and aims to reach 15% of renewable energy sources generated within the District by 2041.<sup>29</sup>

The District's Solar for All, a program designed to reduce electricity bills for households in the city through single-family and community solar projects, won a grand prize at the Department of Energy's 2022 Sunny Awards for Equitable Community Solar.<sup>30</sup> The DC Green Bank has also financed 24 new solar projects throughout the District. These projects are projected to provide 3.5 million kilowatts of renewable energy over the next two decades and contribute to decreasing greenhouse gas emissions.<sup>31</sup>

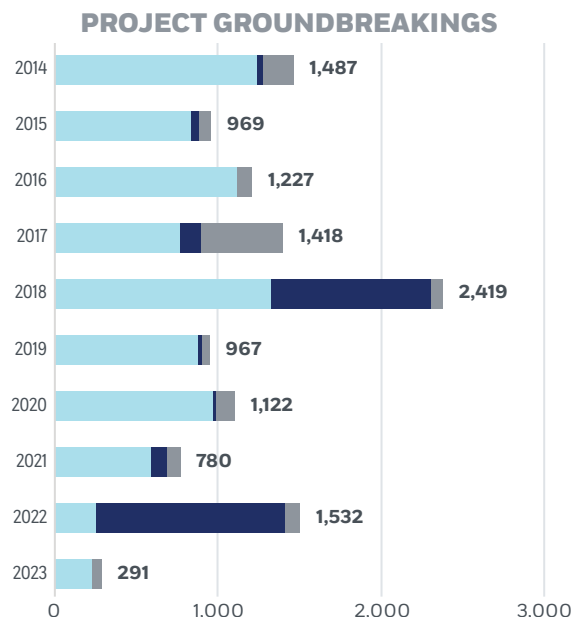
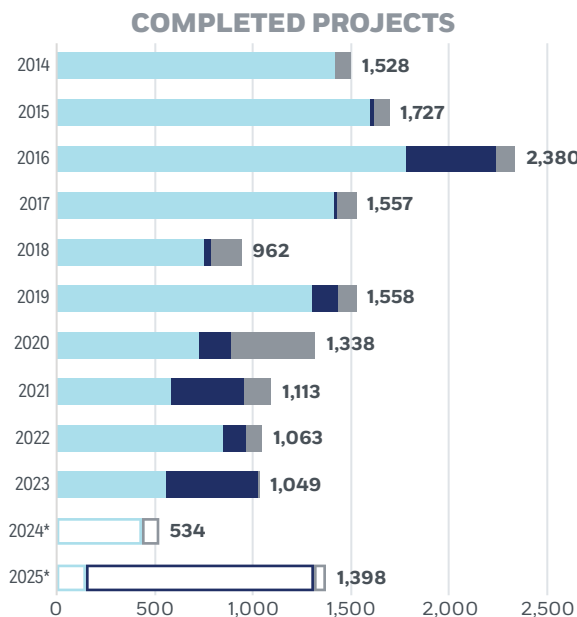
19. <https://www.wmata.com/about/news/Dulles-one-million-customers.cfm>. 20. "Washington's Airports Set New Passenger Record." Metropolitan Washington Airports Authority, 21 Feb 2024. [www.mwaa.com/news/reagan-nationals-runway-busiest-america](http://www.mwaa.com/news/reagan-nationals-runway-busiest-america). Accessed 20 Feb. 2024. 21. "Reagan National's Runway Is Busiest in America." Metropolitan Washington Airports Authority, 30 May 2023. [www.mwaa.com/news/reagan-nationals-runway-busiest-america](http://www.mwaa.com/news/reagan-nationals-runway-busiest-america). Accessed 20 Feb. 2024. 22. Abedje, Tadiwos. "Metro to Add More Rail Service amid Ridership Increase." WTOP News, 8 Sept. 2023. [www.wtop.com/tracking-metro-24-7/2023/09/metro-to-add-more-rail-service-amid-ridership-increase/](http://www.wtop.com/tracking-metro-24-7/2023/09/metro-to-add-more-rail-service-amid-ridership-increase/). Accessed 20 Feb. 2024. 23. Kim, Sarah Y. "Metro Will Offer Overnight Bus Service on Thirteen Routes." DCist, 11 Oct. 2023. [www.dcist.com/story/23/10/11/metro-will-be-offering-overnight-service-on-13-bus-routes/](http://www.dcist.com/story/23/10/11/metro-will-be-offering-overnight-service-on-13-bus-routes/). Accessed 20 Feb. 2024. 24. O'Gorek, Elizabeth. "Ride Southwest's New EV Transit Vehicles." Hillrag.com, 26 June 2023. [www.hillrag.com/2023/06/26/ride-southwests-new-ev-transit-vehicles/](http://www.hillrag.com/2023/06/26/ride-southwests-new-ev-transit-vehicles/). Accessed 20 Feb. 2024. 25. Viamontes, Robert Loayza. "Rising Two Spots, DC Is Now the 5th Most Bike-Friendly City in the Country, Study Reveals." WSUA9, 19 July 2023. [www.wusa9.com/article/traffic/dc-ranks-fifth-bike-friendly-city-in-the-us/65-1c1732e5-6324-4300-bde8-8a6e2d4d5f2](http://www.wusa9.com/article/traffic/dc-ranks-fifth-bike-friendly-city-in-the-us/65-1c1732e5-6324-4300-bde8-8a6e2d4d5f2). Accessed 20 Feb. 2024. 26. Weller, Theo. "New Act Incentivizes E-Bikes to Increase Sustainability." Hillrag.com, 20 Sept. 2023. [www.hillrag.com/2023/09/20/new-act-incentivizes-e-bikes-to-increase-sustainability/](http://www.hillrag.com/2023/09/20/new-act-incentivizes-e-bikes-to-increase-sustainability/). Accessed 20 Feb. 2024. 27. Lazo, Luz. "Meet Capital Bikeshare's New E-Bike. 850 Will Hit the Streets This Spring." Washington Post, The Washington Post, 20 Mar. 2023. [www.washingtonpost.com/transportation/2023/03/20/capital-bikeshare-e-bike-expansion/](https://www.washingtonpost.com/transportation/2023/03/20/capital-bikeshare-e-bike-expansion/). Accessed 20 Feb. 2024. 28. DC Department of Energy & Environment. <https://doee.dc.gov/service/climate-change>. Accessed on 2/21/24. 29. DC Department of Energy & Environment. <https://doee.dc.gov/service/clean-energy-dc-omnibus-amendment-act>. Accessed on 2/21/24. 30. "District of Columbia Solar for All: Sunny Awards Winner." Energy.gov, 2022. [www.energy.gov/communitysolar/district-columbia-solar-all-sunny-awards-winner](http://www.energy.gov/communitysolar/district-columbia-solar-all-sunny-awards-winner). Accessed 20 Feb. 2024. 31. Loria, Keith. "DC Green Bank Provides Financing for 24 Solar Projects in DC." Commercial Observer, 17 July 2023. [www.commercialobserver.com/2023/07/dc-green-bank-provides-financing-for-24-solar-projects-in-dc/](http://www.commercialobserver.com/2023/07/dc-green-bank-provides-financing-for-24-solar-projects-in-dc/). Accessed 20 Feb. 2024.





**QUALITY OF LIFE [QoL] DEVELOPMENT**  
(DECEMBER 2023, SF IN THOUSANDS)

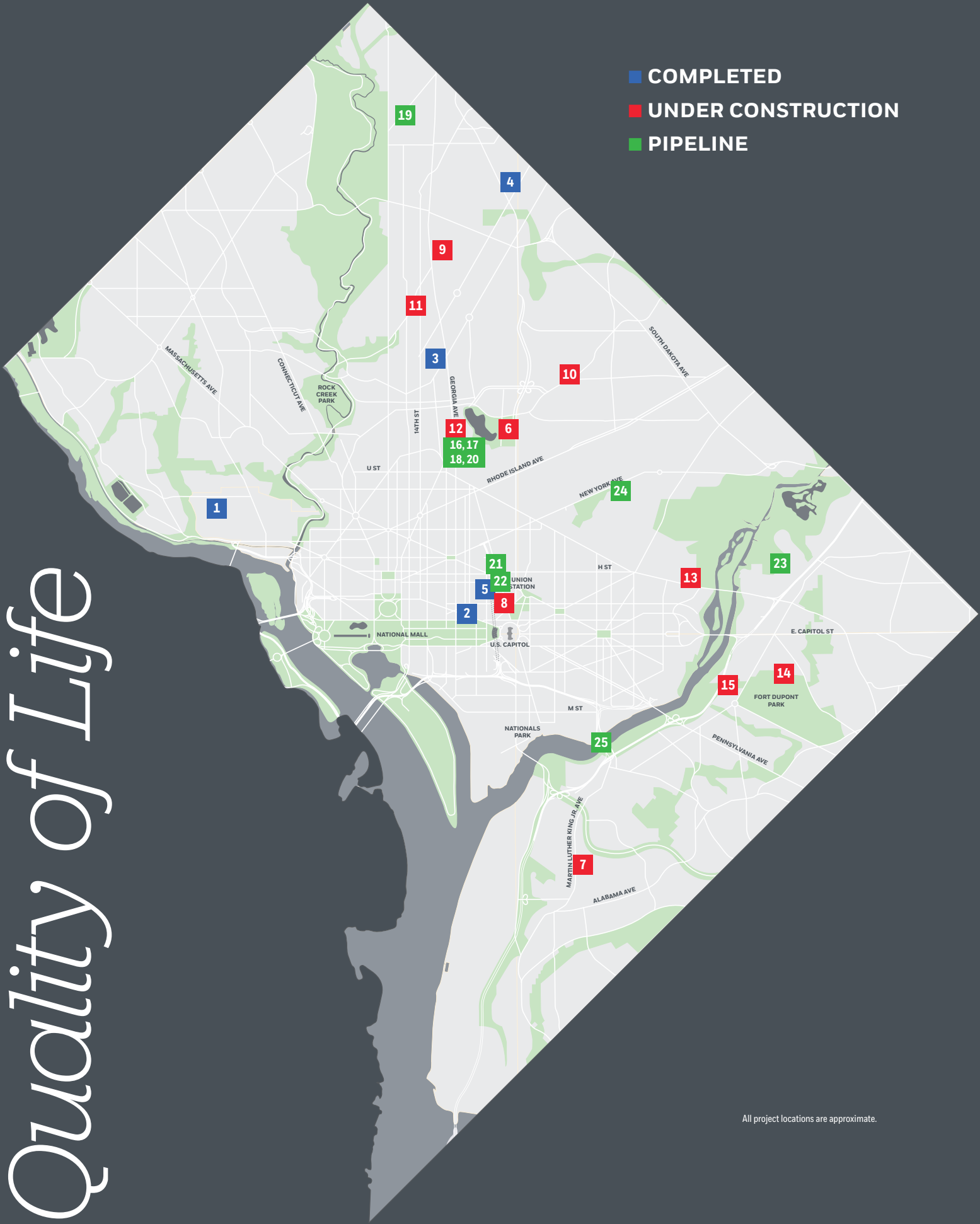
EDUCATION PROJECTED MEDICAL PROJECTED COMMUNITY PROJECTED



**QoL DEVELOPMENT (DECEMBER 2023)**

	PROJECTS	SF
<b>COMPLETED (SINCE 2001)</b>	<b>360</b>	<b>27,908,713</b>
2001 - 2010	153	9,880,553
2010 - 2020	172	14,803,008
2021 - 2023	35	3,225,152
<b>PAST FIVE YEARS</b>		
2019	14	1,557,702
2020	14	1,338,174
2021	15	1,112,700
2022	14	1,063,087
2023	6	1,049,365
<b>UNDER CONSTRUCTION</b>	<b>16</b>	<b>1,931,783</b>
2024 DELIVERY	11	533,683
2025 DELIVERY	5	1,398,100
<b>PIPELINE</b>	<b>67</b>	<b>6,689,331</b>
NEAR TERM	27	3,114,669
LONG TERM	40	3,574,662
<b>TOTAL</b>	<b>443</b>	<b>36,529,827</b>

# Quality of Life



All project locations are approximate.



# QUALITY OF LIFE DEVELOPMENT PIPELINE

PROJECT	WARD	LOCATION	DEVELOPER(S)	QUALITY OF LIFE SF	EST. VALUE (\$M) <sup>1</sup>	DELIVERY <sup>2</sup>	
<b>TOP QUALITY OF LIFE PROJECTS COMPLETED (2023)</b>							
1	Medstar Georgetown University Hospital Verstandig Pavilion	2	3800 Reservoir Rd., NW	Trammell Crow Company / MedStar Georgetown University Hospital	476,000	\$750	Q4 23
2	555 Pennsylvania Avenue	6	555 Pennsylvania Ave., NW	John Hopkins University	420,000	\$270	Q3 23
3	Raymond Elementary School Modernization	4	915 Spring Rd., NW	Department of General Services / DC Public Schools	93,000	\$62	Q3 23
4	Friendship Public Charter School Middle School	4	6130 North Capitol St., NW	Friendship Public Charter Schools	56,200		Q3 23
5	Capital Jewish Museum	6	575 3rd St., NW	Jewish Historical Society of Greater Washington	4,165	\$18	Q2 23
<b>TOP QUALITY OF LIFE PROJECTS UNDER CONSTRUCTION</b>							
6	Reservoir District	5	North Capitol St. & Michigan Ave., NW	Vision McMillan Partners (Trammell Crow Company / Jair Lynch Real Estate Partners / EYA) / DGS / DMPED	877,500	\$720	Q2 25
7	Cedar Hill Regional Medical Center	8	1200 Pecan St., SE	Government of the District of Columbia	322,000	\$434	Q1 25
8	McCourt School of Public Policy	6	125 E St., NW	Georgetown University	130,000		Q2 24
9	Truesdell Elementary School	4	800 Ingraham St., NW	Department of General Services / DC Public Schools	105,000	\$72	Q3 25
10	Conway School of Nursing	5	7th St. & Michigan Ave., NE	Catholic University	102,000	\$85	Q2 24
11	Dorothy Height Elementary School Modernization	4	1300 Allison St., NW	Department of General Services / DC Public Schools	93,000	\$52	Q3 24
12	Myrtilla Miner Building	1	2545 Georgia Ave., NW	Howard University	80,000	\$50	Q3 24
13	Spingarn High School (DCIA)	5	2500 Benning Rd., NE	Department of General Services / Department of Employment Services	50,000	\$64	Q4 25
14	New Fort Dupont Ice Arena	7	3779 Ely Place, SE	Department of General Services	43,600	\$39	Q1 25
15	Joy Evans Therapeutic Recreation Center	7	3030 G St., SE	Department of General Services / Department of Parks & Recreation	37,000	\$40	Q2 24
<b>TOP QUALITY OF LIFE PROJECTS IN THE PIPELINE</b>							
16	Howard University Hospital	1	501 Bryant St., NW	Howard University	600,000	\$650	2026+
17	Health Sciences Complex	1	6th & Bryant Sts., NW	Howard University	454,000		
18	STEM Center	1	4th & Bryant Sts., NW	Howard University	370,000		2027
19	Children's National Research & Innovation Campus (Phase II)	4	7144 13th Place, NW	Children's National Medical Center	338,300	\$180	
20	National Research Center for Health Disparities	1	Georgia Ave., 8th & W Sts., NW	Quadrangle Development / Capstone Development / EDENS / Howard University	260,000	\$215	2026+
21	111 Massachusetts Avenue	6	111 Massachusetts Ave., NW	Georgetown University	219,480	\$150	2025+
22	Georgetown University New Law Building	6	120 F St., NW	Georgetown University	165,000		
23	Neval Thomas Elementary School	7	650 Anacostia Ave., NE	Department of General Services / DC Public Schools	80,030	\$72	2026
24	Alexander Crummell School	5	1900 Gallaudet St., NE	Department of General Services	50,000		
25	11th Street Bridge Park	8	11th Street Bridge	Building Bridges Across the River / DDOT		\$92	2026

1. May include non-education/community components & pipeline values may include additional phases (\$ in millions)  
 2. Delivery date may reflect phase I delivery or final phase delivery for pipeline projects.





WARD 8

**11TH STREET BRIDGE PARK**

**LOCATION:** 11th Street Bridge  
**DEVELOPER(S):** Building Bridges Across the River / DC Department of Transportation  
**ARCHITECT(S):** Olin / OMA / WRA  
**LEED:** Gold  
**EST. COST:** \$92 million  
**STATUS:** Pipeline  
**TARGETED DELIVERY:** Q4 2026

**SPECS:** The 11th Street Bridge Park, a public/private partnership, will be the District's first elevated public park. It will be built on the existing foundations that held up the old 11th Street Bridge. The 7.3-acre park will be the length of three football fields and include programming such as a 250-seat River Amphitheater, urban agriculture, café, and a hammock grove. An Environmental Education Center will teach people about the local environment and feature green infrastructure and solar panels.



WARD 6

**555 PENNSYLVANIA AVENUE**

**LOCATION:** 555 Pennsylvania Avenue, NW  
**DEVELOPER(S):** Johns Hopkins University  
**ARCHITECT(S):** Ennead Architects LLP / Rockwell Group / SmithGroup  
**CONTRACTOR(S):** Clark Construction Group  
**LEED:** Silver  
**EST. COST:** \$270 million  
**STATUS:** Completed  
**TARGETED DELIVERY:** Q3 2023

**SPECS:** The former Newseum was sold to Johns Hopkins University (JHU) and was transformed into 420,000 SF of educational uses, including a 370-seat theater with pre-function space. JHU consolidated several graduate-level programs in the building, including the School of Advanced International Studies (SAIS) and Carey Business School. The renovations required significant reconfiguration of the building's floor slabs and facade changes to allow more natural light into the space.



WARD 4

**FRIENDSHIP PUBLIC CHARTER SCHOOL MIDDLE SCHOOL**

**LOCATION:** 6130 North Capitol Street, NW  
**DEVELOPER(S):** Friendship Public Charter Schools  
**ARCHITECT(S):** Michael Marshall Design  
**CONTRACTOR(S):** MCN Build  
**STATUS:** Completed  
**TARGETED DELIVERY:** Q3 2023

**SPECS:** A new four-story, 56,200 SF middle school (grades 4 - 8) was built next to an existing elementary school. The 21,500 SF warehouse building previously on the site was razed.



WARD 7

**JOY EVANS THERAPEUTIC RECREATION CENTER**

**LOCATION:** 3030 G Street, SE  
**DEVELOPER(S):** Department of General Services / Department of Parks and Recreation  
**ARCHITECT(S):** DLR Group  
**CONTRACTOR(S):** Smoot Construction D.C.  
**LEED:** Silver  
**EST. COST:** \$40 million  
**STATUS:** Under Construction  
**TARGETED DELIVERY:** Q2 2024

**SPECS:** The new 37,000 SF Joy Evans Therapeutic Recreation Center will replace the original facility (c. 1977). The new facility, located on 7.5 acres of land, will include a senior center, therapeutic pool, spa, a splash pad, walking pathways, a basketball court, playgrounds, and indoor & outdoor athletic facilities.

# QUALITY OF LIFE DEVELOPMENT HIGHLIGHTS

Images courtesy of DPR & DLR Group



WARD 8

## ANACOSTIA RECREATION CENTER

**LOCATION:** 1929 15th Street, SE  
**DEVELOPER(S):** Department of General Services / Department of Parks and Recreation  
**ARCHITECT(S):** DLR Group  
**CONTRACTOR(S):** Chiaromonte Construction Company  
**LEED:** Silver  
**EST. COST:** \$16 million  
**STATUS:** Under Construction  
**TARGETED DELIVERY:** Q4 2024

**SPECS:** The new 12,100 SF Anacostia Recreation Center at Ketcham Elementary School will be the first new recreation center built in Ward 8 in 20 years. Amenities will include a full-size gymnasium, demonstration kitchen, classrooms & multipurpose rooms, a fitness center, a new basketball court, playgrounds, a multi-use field, walking paths, and a promenade connecting 14th and 15th Streets.



WARD 8

## CEDAR HILL REGIONAL MEDICAL CENTER

**LOCATION:** 1200 Pecan Street, SE  
**DEVELOPER(S):** Government of the District of Columbia  
**ARCHITECT(S):** HOK / McKissack & McKissack  
**CONTRACTOR(S):** MCN Build / Turner Construction Company  
**EST. COST:** \$434 million  
**STATUS:** Under Construction  
**TARGETED DELIVERY:** Q1 2025

**SPECS:** The northern portion of the St. Elizabeths East Campus (Parcel 2) will be redeveloped into a six-story community hospital, a 24-hour urgent care center, and an ambulatory care clinic. Universal Health Services (UHS) will operate the new hospital in conjunction with George Washington University and George Washington Medical Faculty Associates (GWMFA). Children's National Hospital will operate the hospital's pediatric emergency department, neonatal intensive care unit, and nursery. The 136-bed hospital will be a Level 3-plus trauma center and offer a Level 2 neonatal intensive care unit. This hospital will replace United Medical Center (UMC) on Southern Avenue.

Photo by Dave Battle. Image courtesy of MedStar Georgetown University Hospital



WARD 2

## MEDSTAR GEORGETOWN UNIVERSITY HOSPITAL VERSTANDIG PAVILION

**LOCATION:** 3800 Reservoir Road, NW  
**DEVELOPER(S):** Trammell Crow Company / MedStar Georgetown University Hospital  
**ARCHITECT(S):** HKS / Shalom Baranes Associates  
**CONTRACTOR(S):** Clark Construction Group  
**LEED:** Silver  
**EST. COST:** \$750 million  
**STATUS:** Completed  
**TARGETED DELIVERY:** Q4 2023

**SPECS:** The new Verstandig Pavilion is a six-story, 476,000 SF hospital building built on an existing parking lot. Programmatic highlights of the new pavilion include 31 operating rooms, a 32-room treatment bay emergency department, 156 private patient rooms, and a new rooftop helipad. The project also included renovations to the existing hospital.



WARD 1

## NATIONAL RESEARCH CENTER FOR HEALTH DISPARITIES

**LOCATION:** Georgia Avenue, 8th & W Streets, NW  
**DEVELOPER(S):** Quadrangle Development / Capstone Development / EDENS / Howard University  
**ARCHITECT(S):** Cooper Carry / Michael Marshall Design  
**CONTRACTOR(S):** HITT  
**EST. COST:** \$215 million  
**STATUS:** Pipeline  
**TARGETED DELIVERY:** Q3 2026

**SPECS:** Howard University's National Research Center for Health Disparities will provide a home to pharmaceutical companies and biomedical research organizations that specialize in chronic illnesses with an emphasis on solutions for communities of color. The 270,000 SF center is part of the larger Lot 3 mixed-use project that will include 450 residential units and 25,000 SF of retail space.





WARD 4

**RAYMOND ELEMENTARY SCHOOL MODERNIZATION**

**LOCATION:** 915 Spring Road, NW  
**DEVELOPER(S):** DC Public Schools / Department of General Services  
**ARCHITECT(S):** Studios Architecture  
**CONTRACTOR(S):** MCN Build  
**LEED:** Platinum  
**EST. COST:** \$62 million  
**STATUS:** Completed  
**TARGETED DELIVERY:** Q3 2023

**SPECS:** The project includes the demolition of the 1960s wing on the west side of the property, and the construction of a new wing in the same location. The existing historic buildings that were constructed in the 1920s will also be renovated to bring the entire campus up to DCPS standards. The building is targeting NetZero and WELL certifications.



WARD 5

**RESERVOIR DISTRICT**

**LOCATION:** North Capitol Street & Michigan Avenue, NW  
**DEVELOPER(S):** Jair Lynch Real Estate Partners / Trammell Crow Company / EYA / Department of General Services/ Vision McMillan Partners  
**ARCHITECT(S):** MV+A Architects / Perkins Eastman DC / Shalom Baranes Associates / Quinn Evans Architects  
**CONTRACTOR(S):** Gilbane Building Company / Clark Construction Group  
**LEED:** Gold  
**EST. COST:** \$720 million  
**STATUS:** Under Construction  
**TARGETED DELIVERY:** 2024+

**SPECS:** Redevelopment plans call for up to 2.0 million SF of mixed-use development on the 24-acre McMillan Sand Filtration site. Uses include 860,000 SF of healthcare space, up to 660 residential units (for-sale and rental), 80,000 SF of retail space (anchored by a grocery store), and 12 acres of public spaces, including a 6.2-acre central park with a 17,500 SF community center (Q2 2024 opening).

**McCOURT SCHOOL OF PUBLIC POLICY**

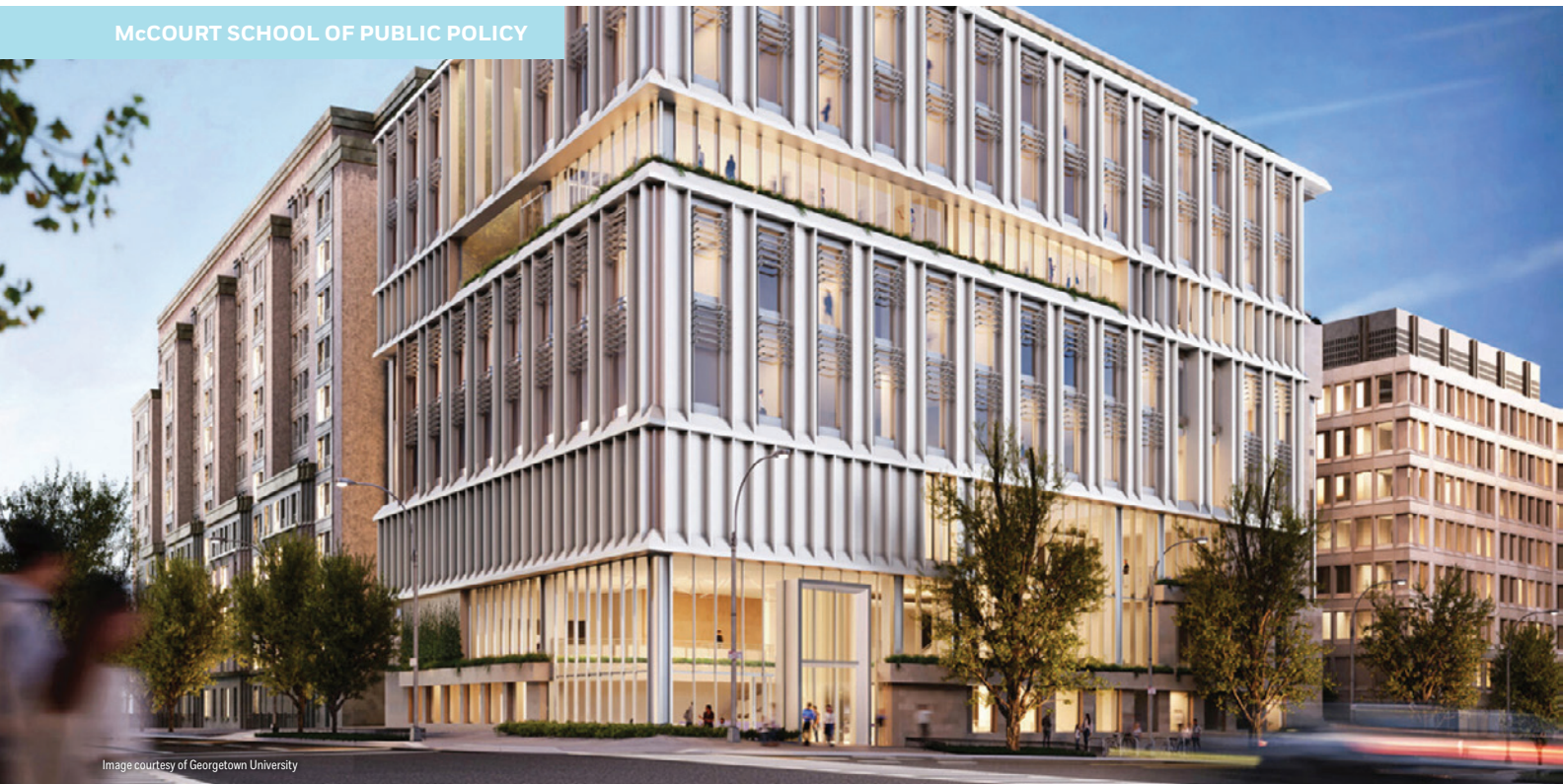


Image courtesy of Georgetown University



Image courtesy of DC Department of Parks and Recreation



WARD 2

## STEAD PARK RECREATION CENTER

**LOCATION:** 1625 P Street, NW  
**DEVELOPER(S):** Department of Parks and Recreation / Department of General Services  
**ARCHITECT(S):** VMDO Architects  
**CONTRACTOR(S):** GCS-Sigal LLC  
**EST. COST:** \$15 million  
**STATUS:** Under Construction  
**TARGETED DELIVERY:** Q1 2024

**SPECS:** Stead Park Recreation Center will undergo a \$15 million modernization and expansion. The ~1,700 SF existing historic carriage house will be renovated and an 11,000 SF addition will be constructed to the north, facing the 28,000 SF field. This will be DPR's first net-zero project and includes a solar canopy along with geothermal wells.

Image courtesy of Costar



WARD 6

## VENTURE ON I

**LOCATION:** 60 I Street, SW  
**DEVELOPER(S):** Foulger-Pratt / Cornerstone Development Group  
**ARCHITECT(S):** Form Design / Torti Gallas Urban, Inc.  
**CONTRACTOR(S):** Foulger-Pratt Contracting  
**LEED:** Gold  
**EST. COST:** \$70 million  
**STATUS:** Under Construction  
**TARGETED DELIVERY:** Q1 2024

**SPECS:** The Bethel Pentecostal Tabernacle Assembly of God entered into a ground lease with Foulger-Pratt to redevelop their site into a seven-story, 197-unit rental apartment building and 17,000 SF of sanctuary space for the church. The ground-floor space will consist of the two-story sanctuary as well as a chapel, daycare and areas for classes and prayer groups.

## ALEXANDER CRUMMELL SCHOOL



# Appendix





- ◆ METHODOLOGY
- ◆ ACKNOWLEDGMENTS





**THE GOAL OF THE WASHINGTON DC ECONOMIC PARTNERSHIP** was to create a comprehensive database of development activity that would help us find answers to the following questions:

- What is the make-up of development activity?
- Where is the development activity occurring?
- What are the trends?
- How much is being invested in our community?

However, before we could begin to collect development information, we had to create a methodology to give us guidance on what data to assemble on each project and which projects to include in our database. For a detailed explanation of our methodology please visit [wdcep.co/dcdr-method](http://wdcep.co/dcdr-method).

While our database of projects is constantly being updated, for the purposes of this publication, all data reflect project status, design and information as of December 2023.

## INFORMATION SOURCES

To capture the most comprehensive inventory, we use a variety of sources to gather information about development activity, and whenever possible, we contact the developers directly to get the most up-to-date and accurate information available and conduct site location visits to verify the project's

status. Often our research uncovers discrepancies in available data on project information such as square footage, cost, number of units, etc. When this occurs, we try to reconcile the differences by speaking directly with parties involved in the development. Some of our sources include:

### PRIMARY SOURCES

- Architects for Planning
- Building Permits & Economic
- Certificates of Development
- DC Office of Planning
- DC Office of the Chief Financial Officer
- DC Office of the Deputy Mayor
- DC Office of Zoning
- Developers
- General Contractors
- Project Managers

### SECONDARY SOURCES

- Brokers
- Business Improvement Districts
- Media & Newspapers
- Neighborhood Newsletters & Blogs

### ADDING OR UPDATING INFORMATION

If you are looking for information about a specific project and you do not see it on our list, it may have been omitted for one of the following reasons.

- It did not meet the \$5 million threshold or 10 residential unit minimum
- We are missing a key piece of information
- We have questions about the validity of the data
- We may not know about it

#### TO ADD OR UPDATE A RECORD IN OUR DATABASE, PLEASE CONTACT:

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*The Washington DC Economic Partnership would like to thank the following organizations for their contributions to this year's DC Development Report.*

AIA	DC Department of Transportation	Prince of Petworth
Akridge	Donatelli Development	Redbrick LMD
Anacostia Economic Development Corporation (AEDC)	Donohoe Development	Shalom Baranes Associates
Armed Forces Retirement Home	EDENS	SmithGroup
Bisnow	Fort Lincoln New Town Corporation	Smithsonian, National Air & Space Museum
Bonstra   Haresign Architects	Foulger-Pratt Companies	Steuart Investment Company
Building Bridges Across the River	Four Points	Stonebridge Associates
Carmel Partners	GlobeSt.com	Teass   Warren Architects
CityInterests Development Partners LLC	Gragg Cardona Partners	Toll Brothers
Coakley Williams Construction Company	Menkiti Group	Urban Atlantic
Community Three Development	National Real Estate Development	Urban Turf
Davis, Carter, Scott	Nix Development Company, LLC	Washington Business Journal
DC Department of General Services	Office of the Deputy Mayor for Planning & Economic Development	Washington Post
DC Department of Parks & Recreation	Paradigm Companies	WC Smith
	Perkins&Will	WDG Architecture
		Willow Bridge

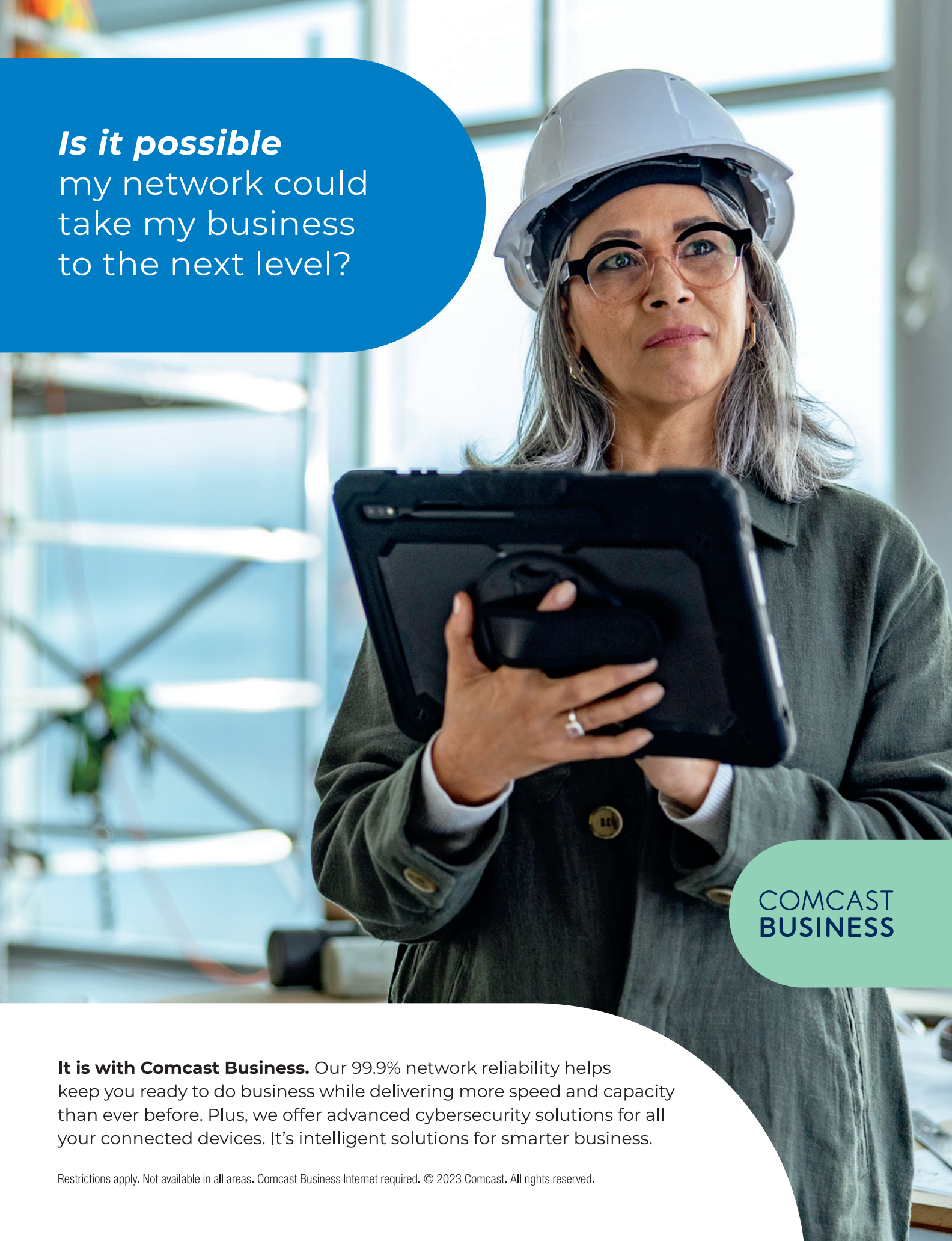




It is the mission of the Washington DC Economic Partnership, a 501(c)3 organization, to promote business opportunities throughout the District of Columbia and to contribute to business retention and attraction activities.

The Washington DC Economic Partnership supports businesses and entrepreneurs looking to open, expand, or invest in DC through our programs and services focusing on business development, education of the real estate market, and business opportunities. To learn more about the Washington DC Economic Partnership please visit [wdcep.com](http://wdcep.com).

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