



WELCOME

**WMATA NORTHERN BUS GARAGE REDEVELOPMENT
COMMUNITY WORKSHOP #1**

WHILE YOU ARE WAITING...

PLEASE MARK YOUR CALENDARS FOR THE NEXT WORKSHOP ON 2/11

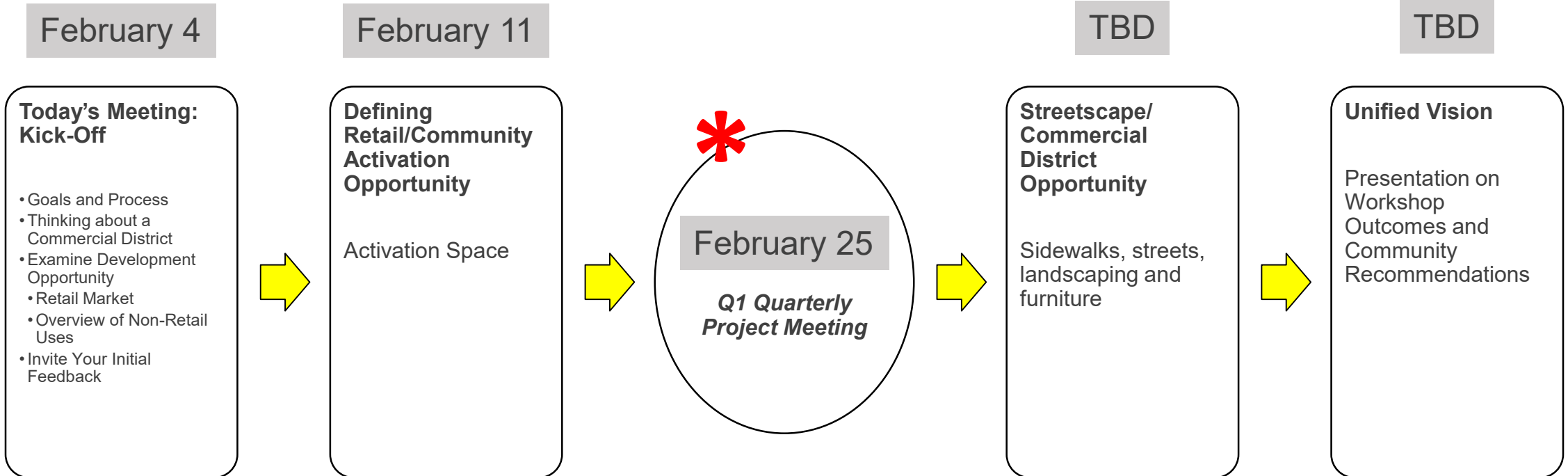
FOR 6 PM, HERE!

WELCOME + INTRODUCTIONS

Time	Item	Person In Charge
6:00 – 6:15	Sign In / Grab Seats / Snacks	Streetsense
6:15 – 6:25	Opening / Introduction	Councilmember Todd
6:25 – 7:30	Kickoff Meeting Presentation	Heather Arnold (Streetsense)
7:30 – 8:00	Voting and Comments Prior to Departure	Streetsense

WELCOME TO THE MEETING SERIES

BUILDING ON VARIOUS TOPICS



WHO ARE WE?



Streetsense



2010

DCOP Central 14th Street Vision Plan and Revitalization Strategy

2013

DCOP Central 14th Street selected as a Vibrant Streets neighborhood

2017

Central 14th Street Commercial District Retail Inventory Update

2020

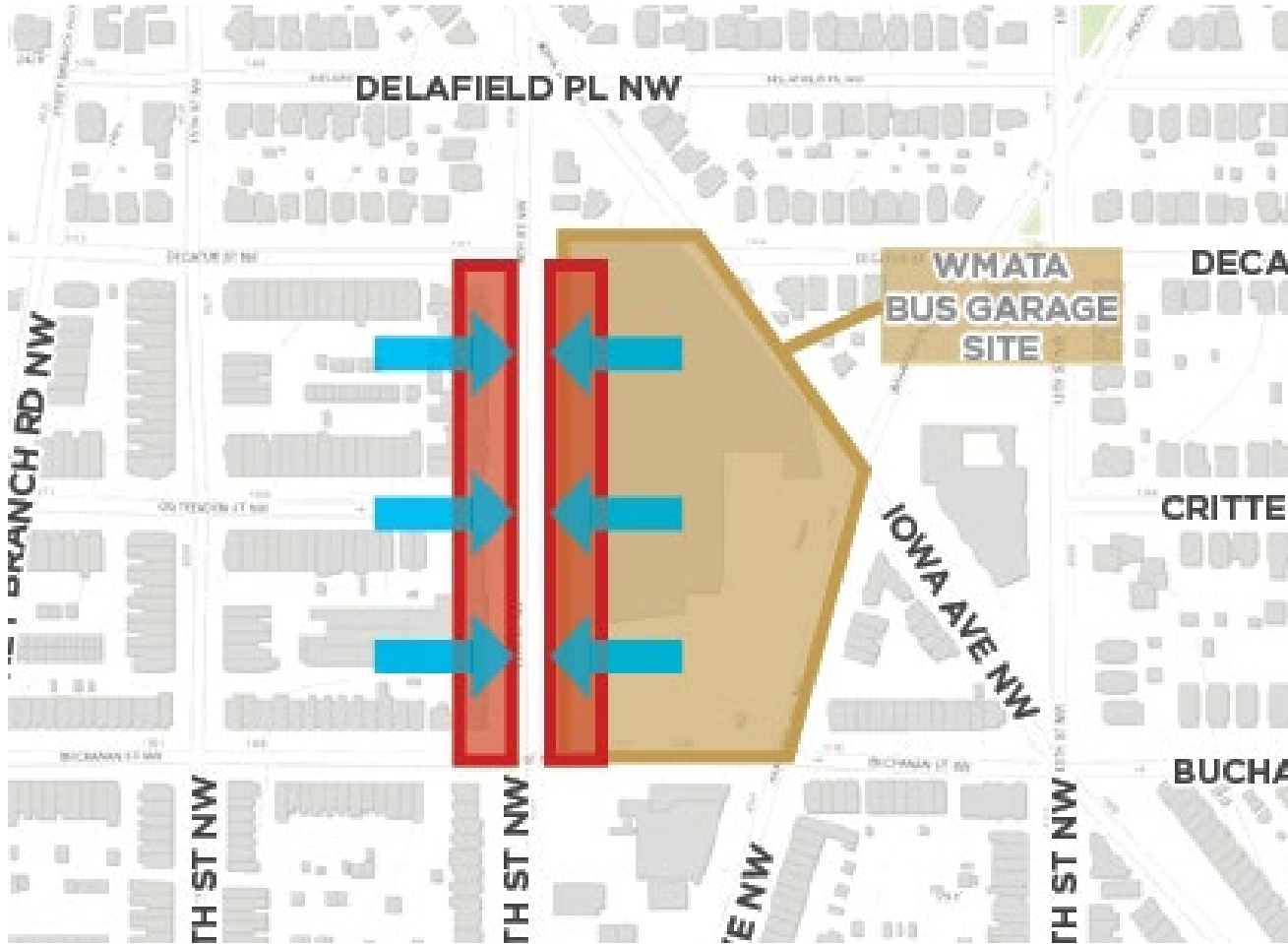
Northern Bus Garage Retail Study

WHAT ARE WE DOING?



- Understanding Market Potential
- Identifying the Root and Specifics of Community Vision
- Testing Retail and Non-Retail Opportunities
- Translating Ideas to the Streetscape

THINKING ABOUT THE 2-BLOCK DISTRICT



- Complementary, not competitive.
- Opportunity to get ideas started on both sides of the street.
- How does improved streetscape change how people look at this area?
- What resources can be used to bring the best opportunities to both sides of the street?

RULES OF ENGAGEMENT

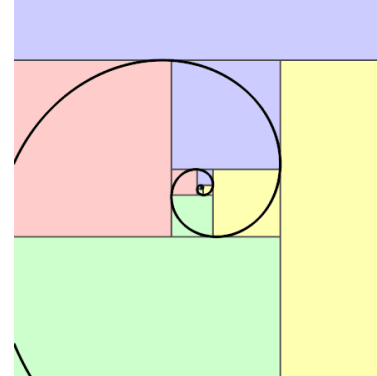


- Assume that everyone has the best intentions.
- Share all relevant information.
- Explain reasoning and intent.
- Come out of a position corner.
- Listen.
- Don't be afraid to ask questions, but please hold them until the end of each section.
- One question per person until everyone who wants a chance has one.

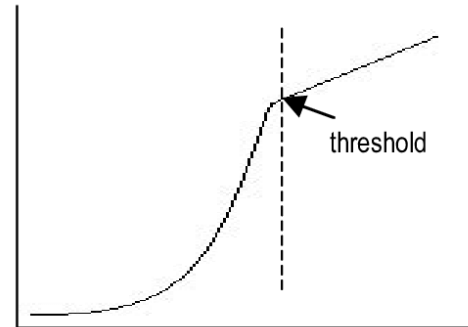
RETAIL ECONOMICS IN 10 MINUTES



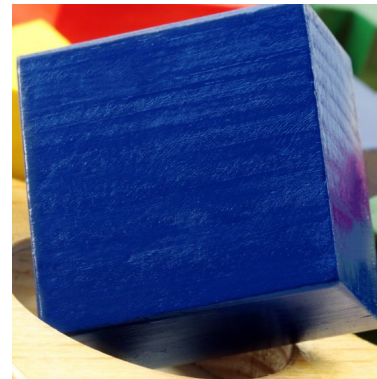
Retailer Site Selection



Corridor Composition



Sales Requirements



Right-Sized Retail

RETAIL 101

ECONOMICS OF RETAIL



Retail as Identity

Retail as Amenity

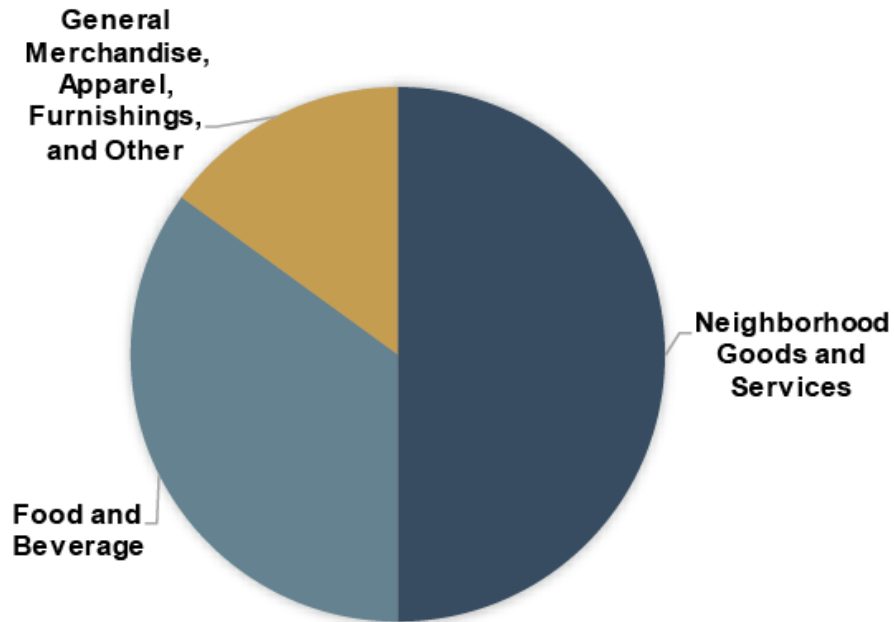
Retail as \$\$\$ Generator

Retail as Place-Creation

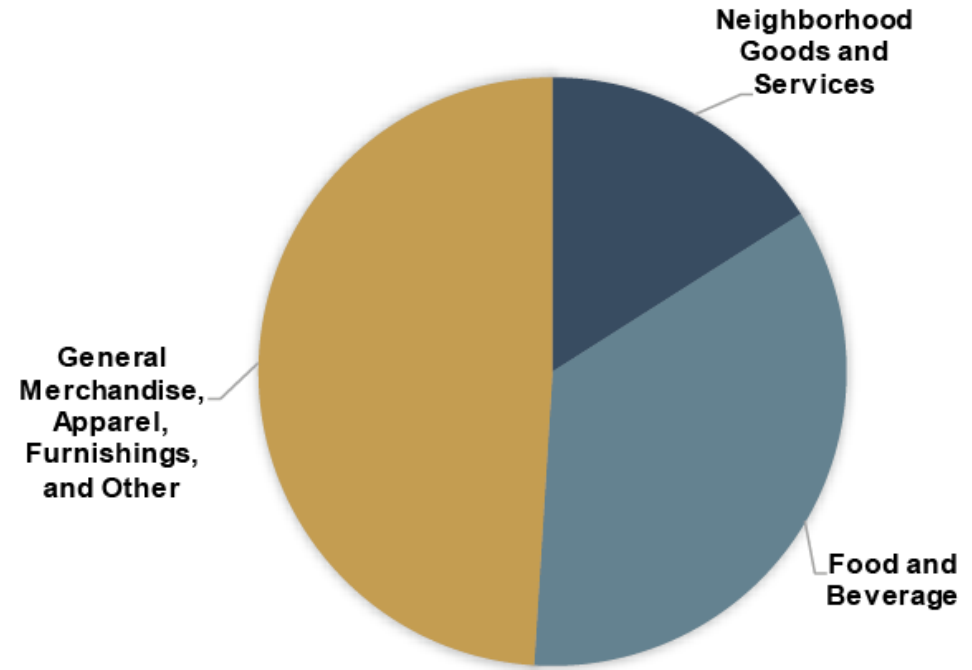
Retail as Commerce

NEIGHBORHOOD DISTRICT RETAIL

% SQUARE FEET BY RETAIL CATEGORY FOR TYPICAL CORRIDOR

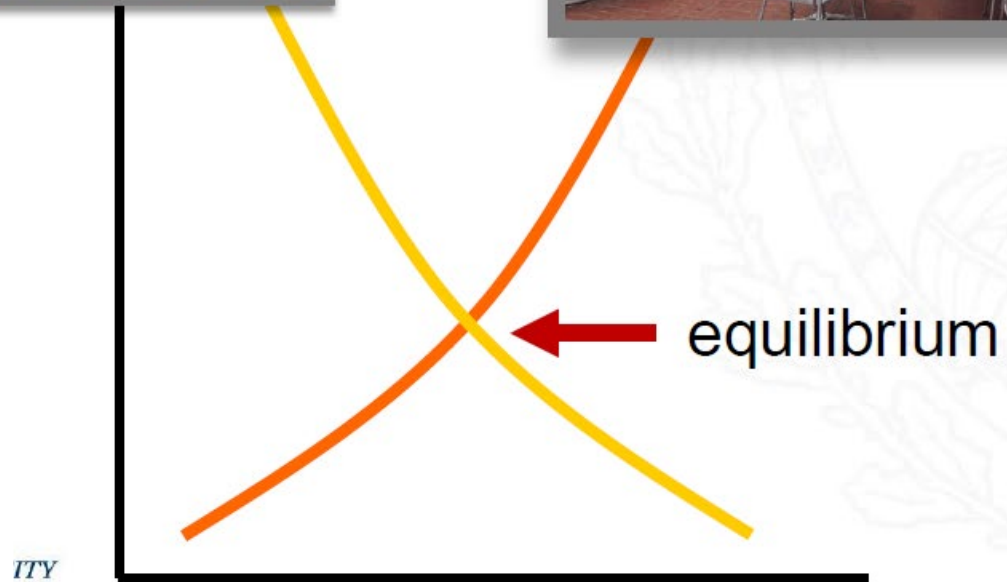
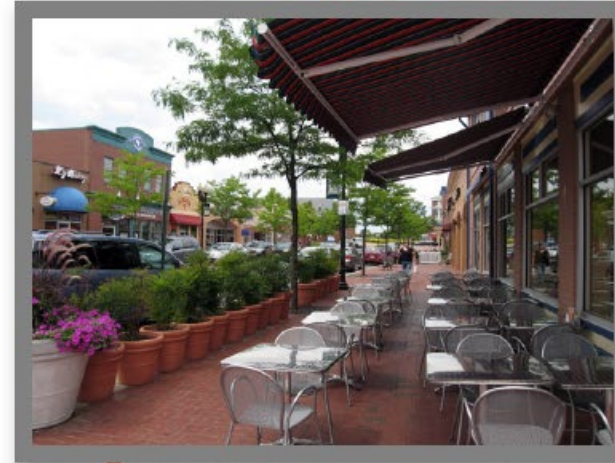


% SQUARE FEET BY RETAIL CATEGORY FOR 14TH STREET



RETAIL 101

ECONOMICS OF RETAIL



RETAIL 101

ECONOMICS OF RETAIL

Who wants a bakery in our neighborhood?



S.

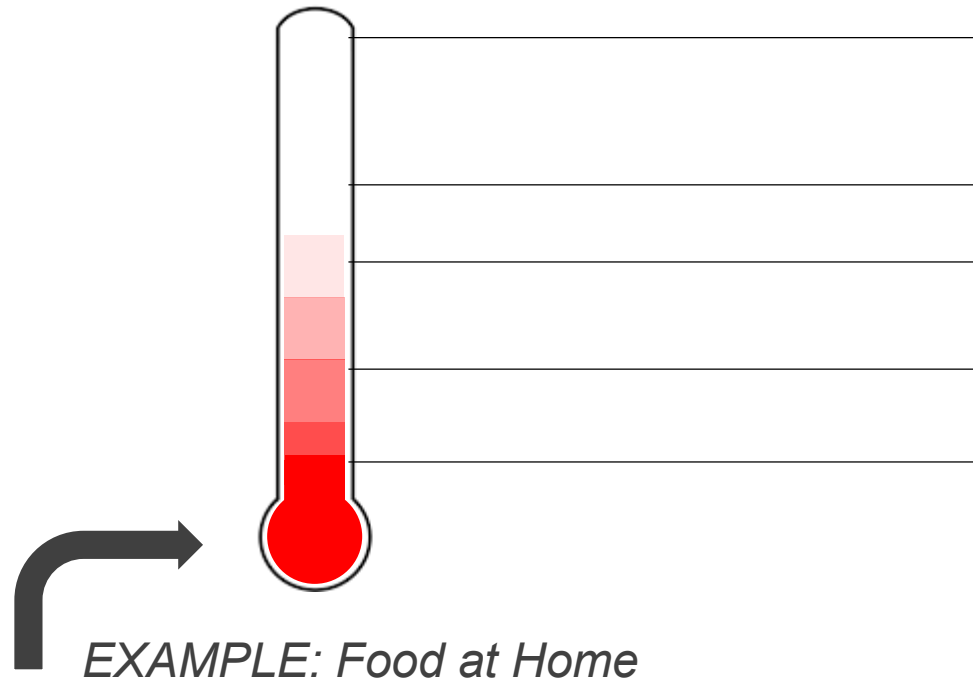
Central 14th Street Trade Area

Consumer Buying Power Household Expenditures Category Summary

Consumer Buying Power Household Expenditures Category Summary	PTA						
	2019 Aggregate Expenditure Estimate	%	2024 Aggregate Expenditure Estimate	%	2019 Annual Average per Consumer Unit	2024 Annual Average per Consumer Unit	Compound Annual Growth Rate (%)
TOTAL SPECIFIED CONSUMER EXPENDITURES (USA)	\$ 7,855,447,665,217		\$ 8,929,417,325,839		\$ 61,553	\$ 67,494	2.60%
Market Area Share of Total USA	0.00%		0.00%				
TOTAL SPECIFIED CONSUMER EXPENDITURES (AREA)	\$ 332,414,631		\$ 385,052,382		\$ 101,843	\$ 110,011	2.98%
FOOD	\$ 42,565,645	12.80%	\$ 49,417,065	12.83%	\$ 13,041	\$ 14,119	3.03%
ALCOHOLIC BEVERAGES	\$ 3,394,088	1.02%	\$ 3,940,743	1.02%	\$ 1,040	\$ 1,126	3.03%
HOUSING	\$ 122,942,553	36.98%	\$ 143,983,595	37.39%	\$ 37,666	\$ 41,137	3.21%
APPAREL AND SERVICES	\$ 11,401,110	3.43%	\$ 12,308,485	3.20%	\$ 3,493	\$ 3,517	1.54%
TRANSPORTATION	\$ 61,748,262	18.58%	\$ 72,040,677	18.71%	\$ 18,918	\$ 20,582	3.13%
HEALTHCARE	\$ 28,894,234	8.69%	\$ 33,542,647	8.71%	\$ 8,852	\$ 9,583	3.03%
ENTERTAINMENT	\$ 20,580,188	6.19%	\$ 23,902,457	6.21%	\$ 6,305	\$ 6,829	3.04%
PERSONAL CARE PRODUCTS AND SERVICES	\$ 4,730,651	1.42%	\$ 5,545,322	1.44%	\$ 1,449	\$ 1,584	3.23%
READING	\$ 622,259	0.19%	\$ 587,226	0.15%	\$ 191	\$ 168	-1.15%
EDUCATION	\$ 10,390,900	3.13%	\$ 11,824,412	3.07%	\$ 3,183	\$ 3,378	2.62%
TOBACCO PRODUCTS AND SMOKING SUPPLIES	\$ 1,395,100	0.42%	\$ 1,607,949	0.42%	\$ 427	\$ 459	2.88%
MISCELLANEOUS FEES AND EXPENSES	\$ 5,588,388	1.68%	\$ 5,948,172	1.54%	\$ 1,712	\$ 1,699	1.26%
CASH CONTRIBUTIONS	\$ 15,681,726	4.72%	\$ 17,949,055	4.66%	\$ 4,804	\$ 5,128	2.74%
LIFE AND OTHER PERSONAL INSURANCE	\$ 2,479,527	0.75%	\$ 2,454,579	0.64%	\$ 760	\$ 701	-0.20%

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HOW RETAILERS THINK ABOUT OPPORTUNITIES



Wegman's	\$86M	<i>Est. Annual Sales</i>
Whole Foods	\$36M	<i>Est. Annual Sales</i>
Trader Joe's	\$21M	<i>Est. Annual Sales</i>
Aldi	\$12M	<i>Est. Annual Sales</i>
Mom's Organic	\$8M	<i>Est. Annual Sales</i>

RETAILER SITE SELECTION: HOME DECOR

Example Neighborhoods	N1	N2	N3
Population: 35,000 + within 3 miles	39k	52k	16k
Avg HH Inc: \$50k+ within 3 miles	\$83k	\$63k	
Min. Education: College	Grad	College	
Competitive Environment: Low to Moderate	Low	High	
Appropriate Site Available	3,000 sf signed		

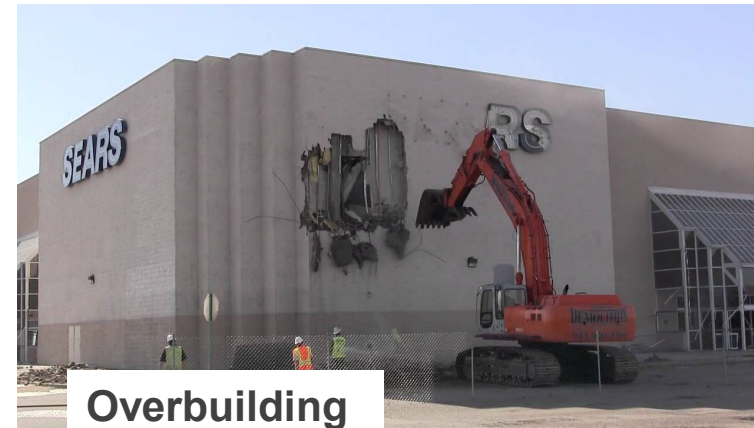
RETAILER SITE SELECTION: NAIL SALON

Example Neighborhoods	N1	N2	N3
Population: 5,000+ within 1 mile	32k	17k	8k
Avg Household Income: \$25,000+	\$38k	\$45k	\$82k
Daytime Population: 10,000+ within ¼ mile	9k	11k	18k
Competitive Environment: High	High	High	High
Appropriate Site Available	1,800 sf signed	1,200 sf signed	1,000 sf signed

RETAILER SITE SELECTION: ORGANIC GROCER

Example Neighborhoods	N1	N2	N3
Population: 10,000+ within 1.5 miles	30k	18k	27k
Avg Household Income: \$45,000+	\$62k	\$85k	\$44k
Traffic Count: 12,500 AADT+	14k	7k	22k
Applicable Incentives: Priority Development Area	No		Yes
Appropriate Site Available			6,500 sf signed

RETAIL IS CHANGING (AND IT'S NOT)



RETAIL MARKET EVOLUTION

What's Changing

Regional retailers (in particular) are venturing into areas where the typical numbers wouldn't have justified a new location in the past.

What's Not Changing

Retailers still need to be able to generate minimum sales.

RETAIL MARKET EVOLUTION

What's Changing

High-risk opportunities are having some success in low-density neighborhoods.

What's Not Changing

High risk opportunities are also failing.

RETAIL MARKET EVOLUTION

What's Changing

Retail is not the only answer to sidewalk activation.

What's Not Changing

Communities still view retail as validation.

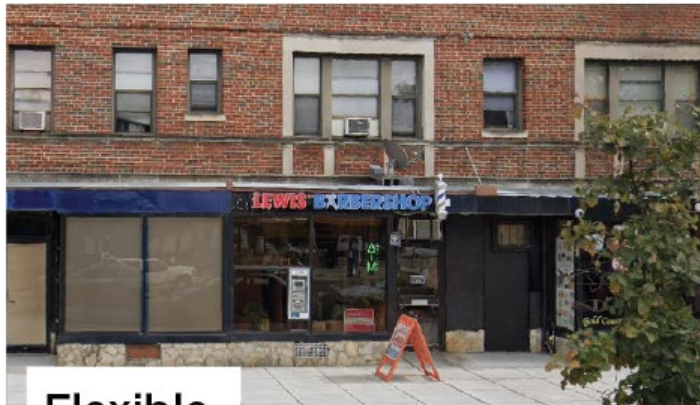
COMMERCIAL DISTRICTS IN 5 MINUTES



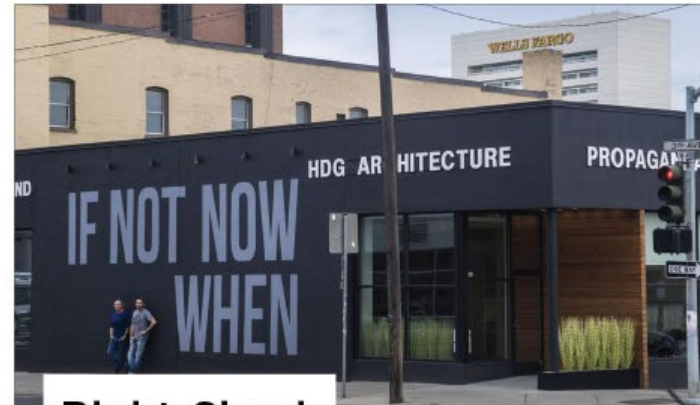
Two-Sided



Visible



Flexible



Right-Sized

WHAT DOES IT MEAN TO HAVE A HEALTHY RETAIL ENVIRONMENT?

- Low vacancy
- Competition for spaces
- High enough sales to warrant reinvestment

...sometimes, less is more!

CONTEXT: SURROUNDING RETAIL DEVELOPMENT

THE PARKS AT
WALTER REED



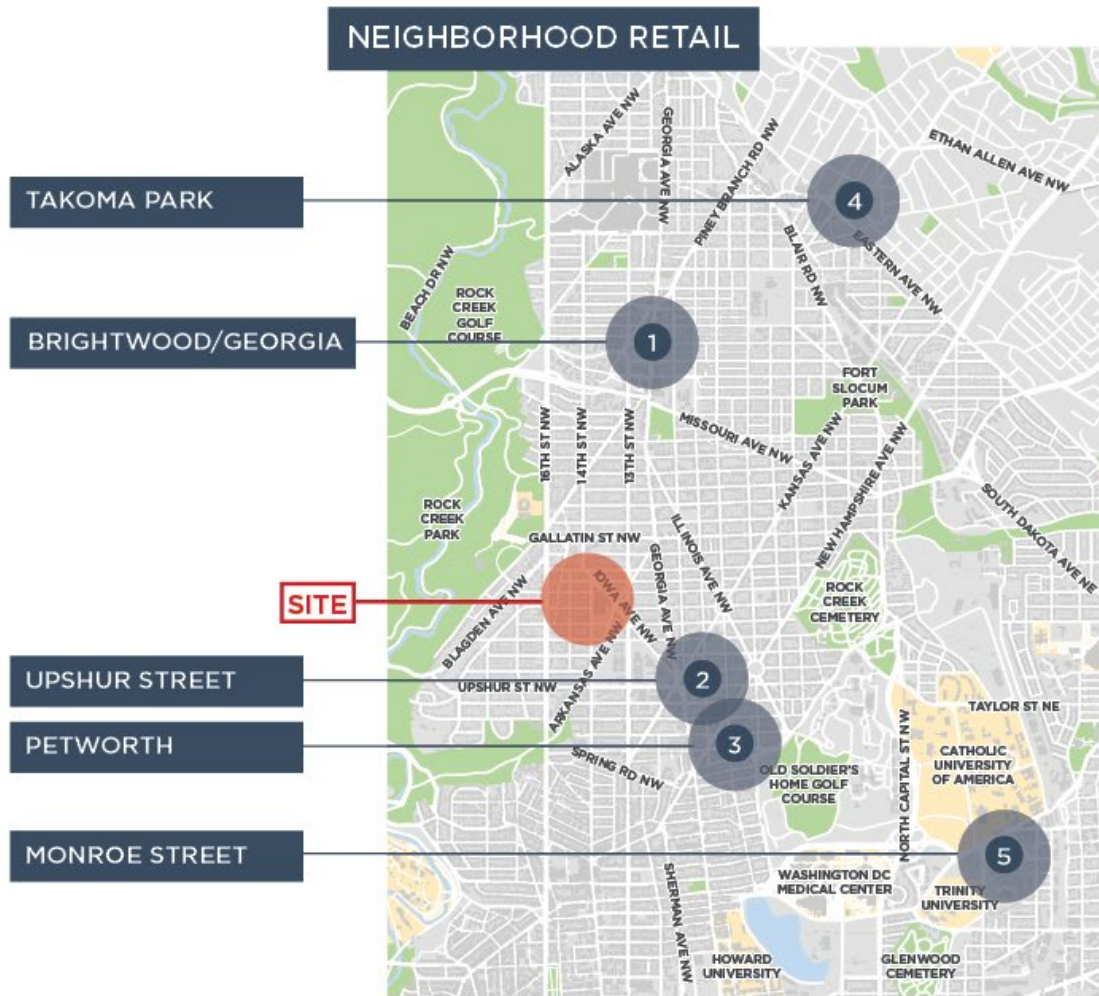
COLUMBIA
HEIGHTS



FANNIE
MAE



RETAIL OPPORTUNITY: COMPETITION



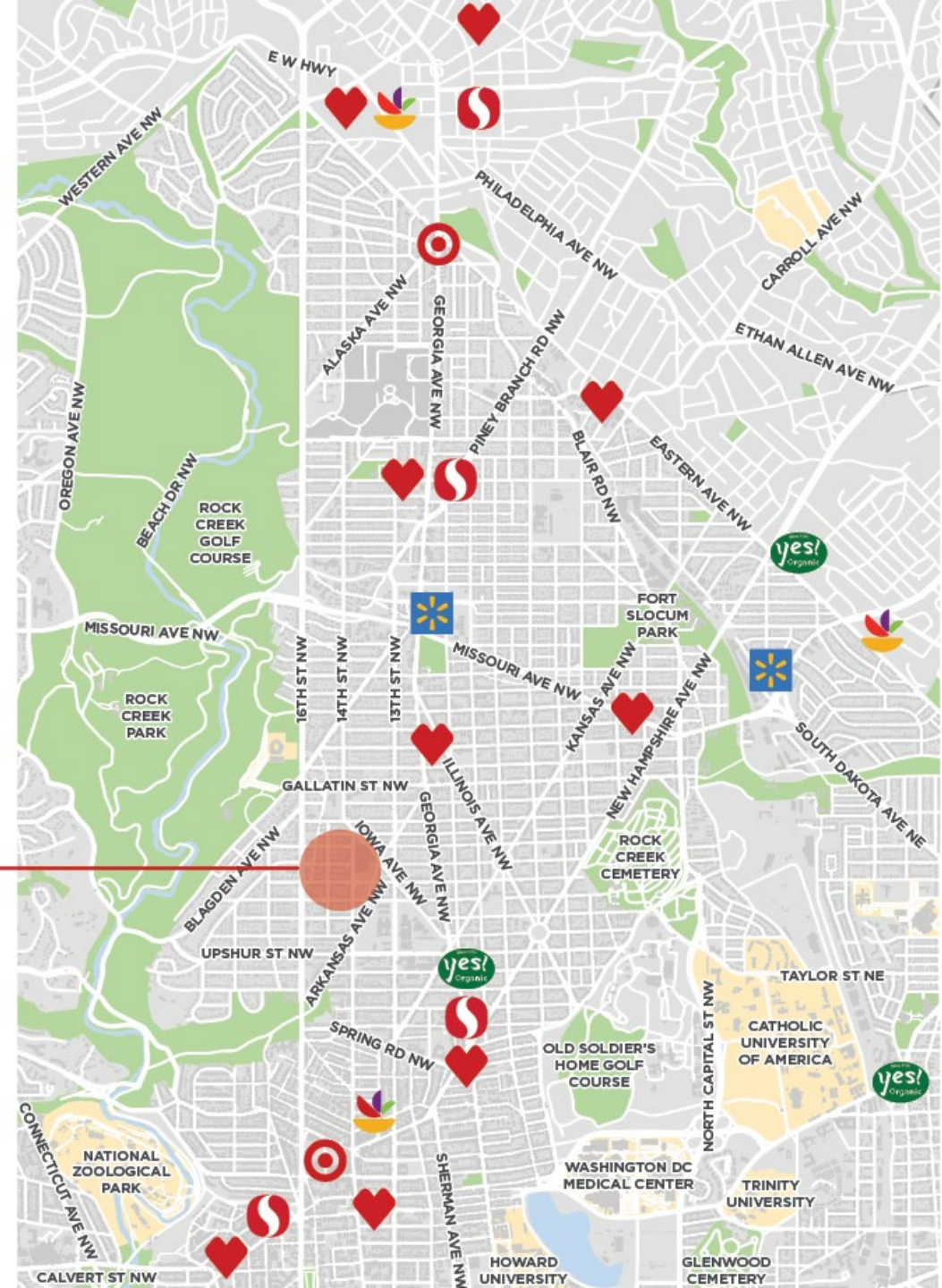
RETAIL OPPORTUNITY: COMPETITION

- Major grocers think they have you covered
- Some small grocers may be willing to depend on customers within walking distance

COMPETING GROCERY STORES
NEAR STUDY AREA SITE

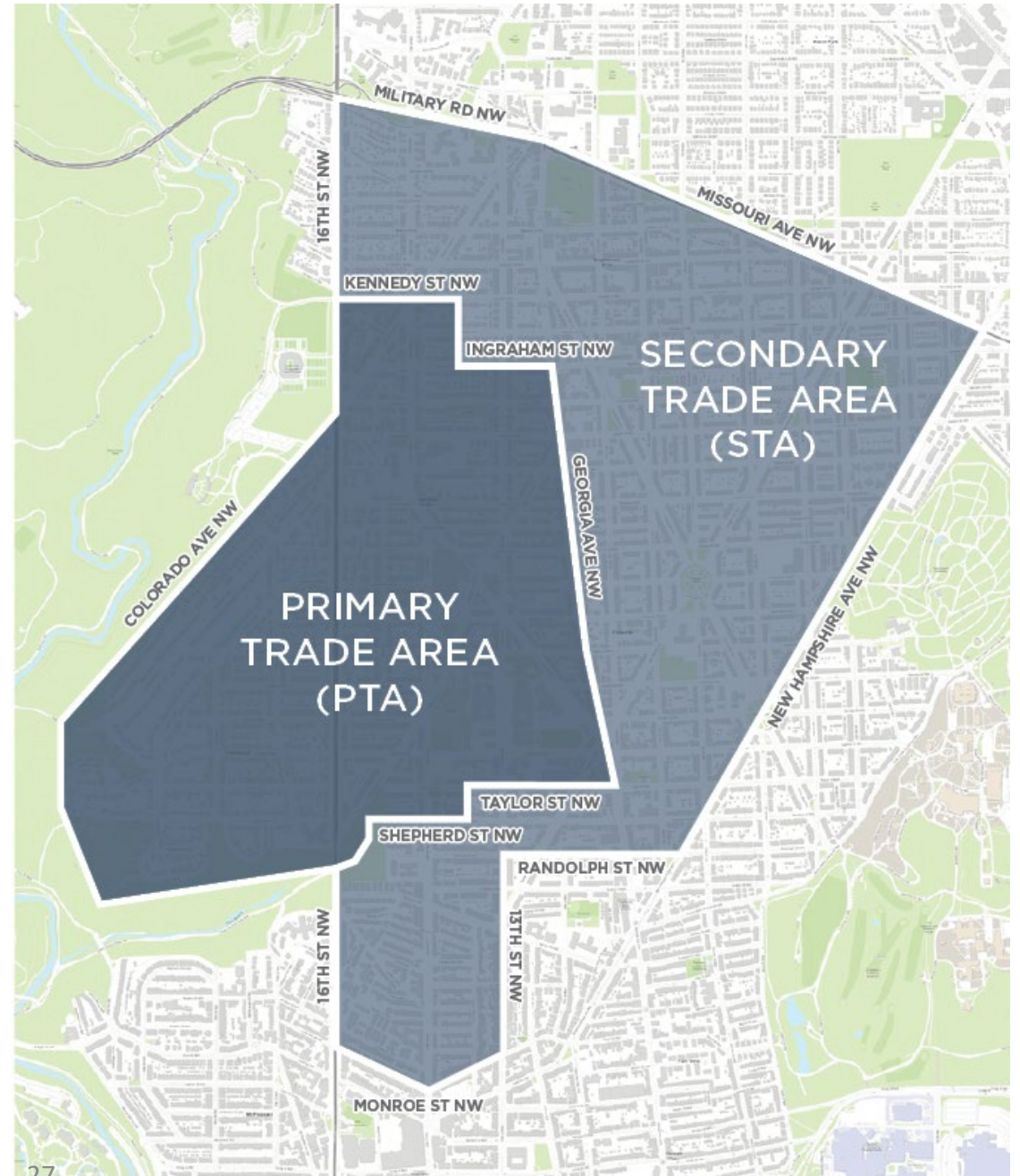


SITE



TRADE AREA

- Primary Trade Area
 - Approximately 3,400 households
 - Daytime population of approximately 2,300 people
 - Most likely to purchase NG&S on a regular basis
- Secondary Trade Area
 - Approximately 14,000 households
 - Daytime population not considered
 - Options closer to home, is unlikely to go out of their way for convenience based trips



RESIDENTIAL DEMOGRAPHICS

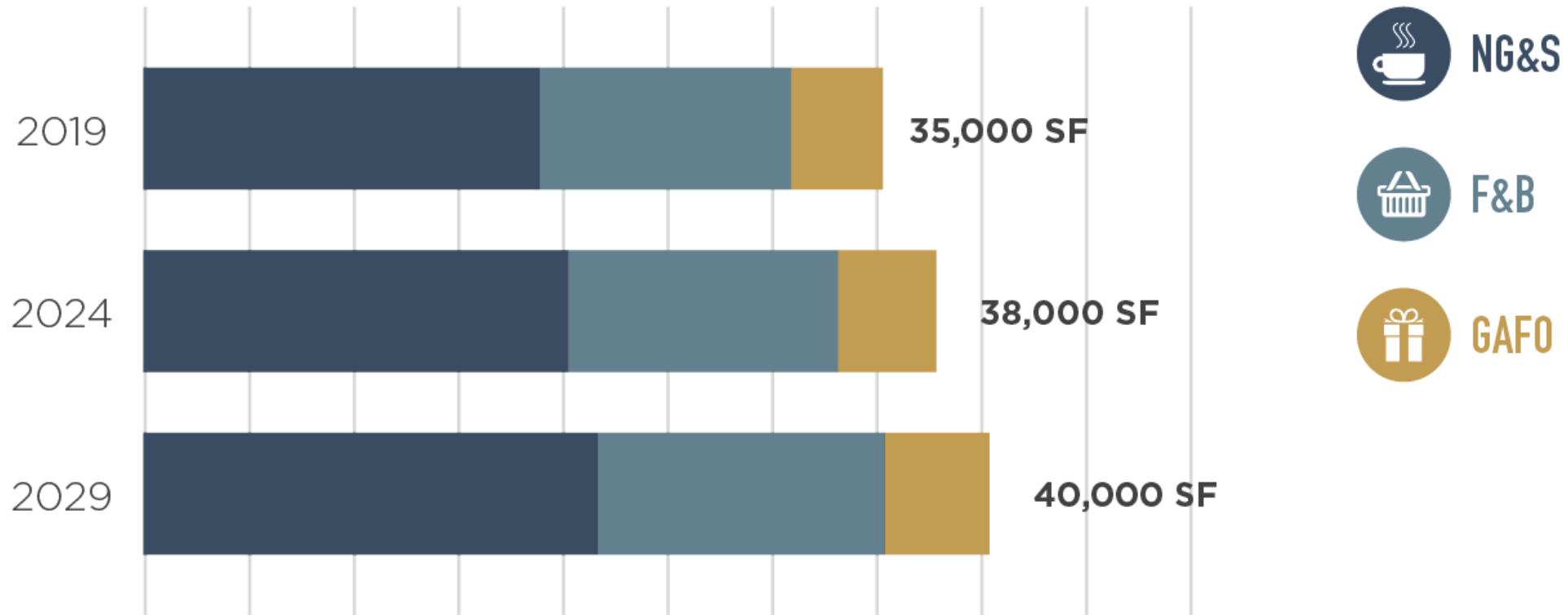
	PRIMARY TRADE AREA	SECONDARY TRADE AREA
MEDIAN ANNUAL HOUSEHOLD INCOME	\$105,000	\$70,000
AVERAGE AGE	41	35
PEOPLE PER HOUSEHOLD	2.6	2.6
FAMILY HOUSEHOLDS	55%	55%

DAYTIME POPULATION DEMOGRAPHICS

	EMPLOYEES (PTA)
EDUCATORS*	600+
WMATA EMPLOYEES/ BUS DRIVERS	400+
HEALTHCARE AND SOCIAL ASSISTANCE	300+

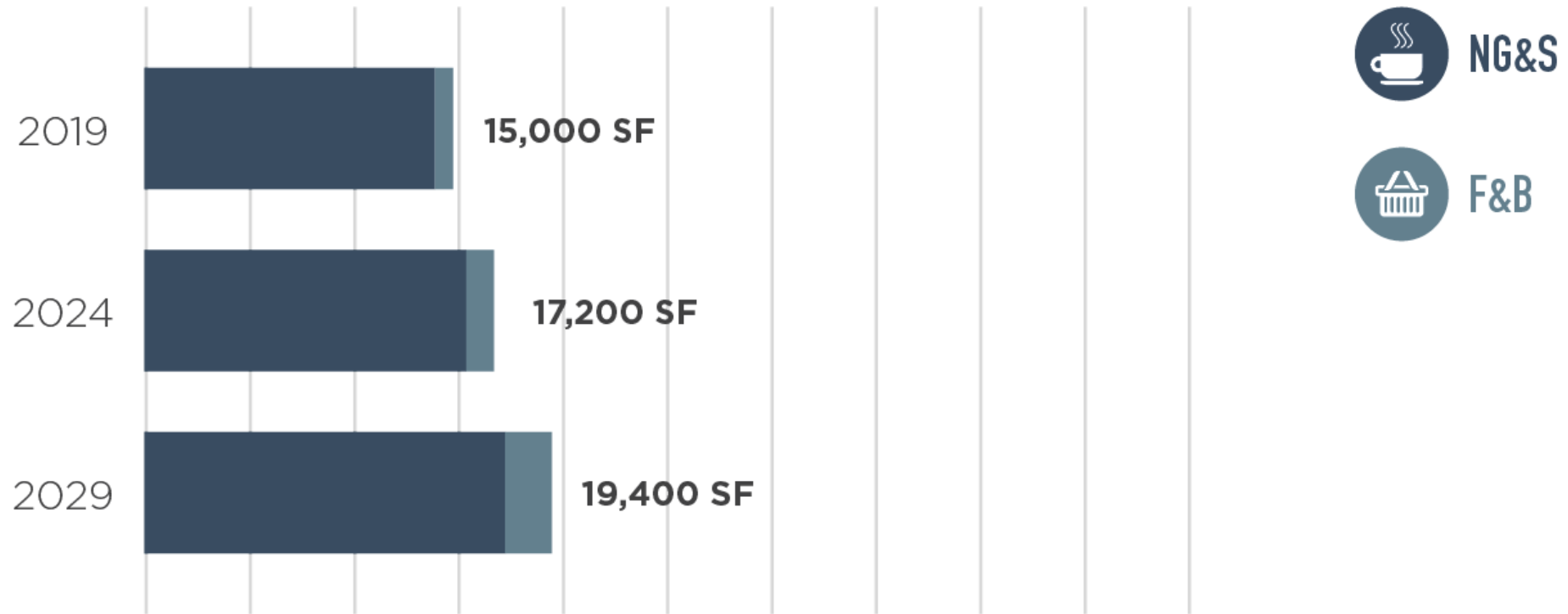
**Number likely to be reduced by 90 employees at closing of the Kingsbury Center.*

TOTAL RETAIL DEMAND FOR THE CORRIDOR

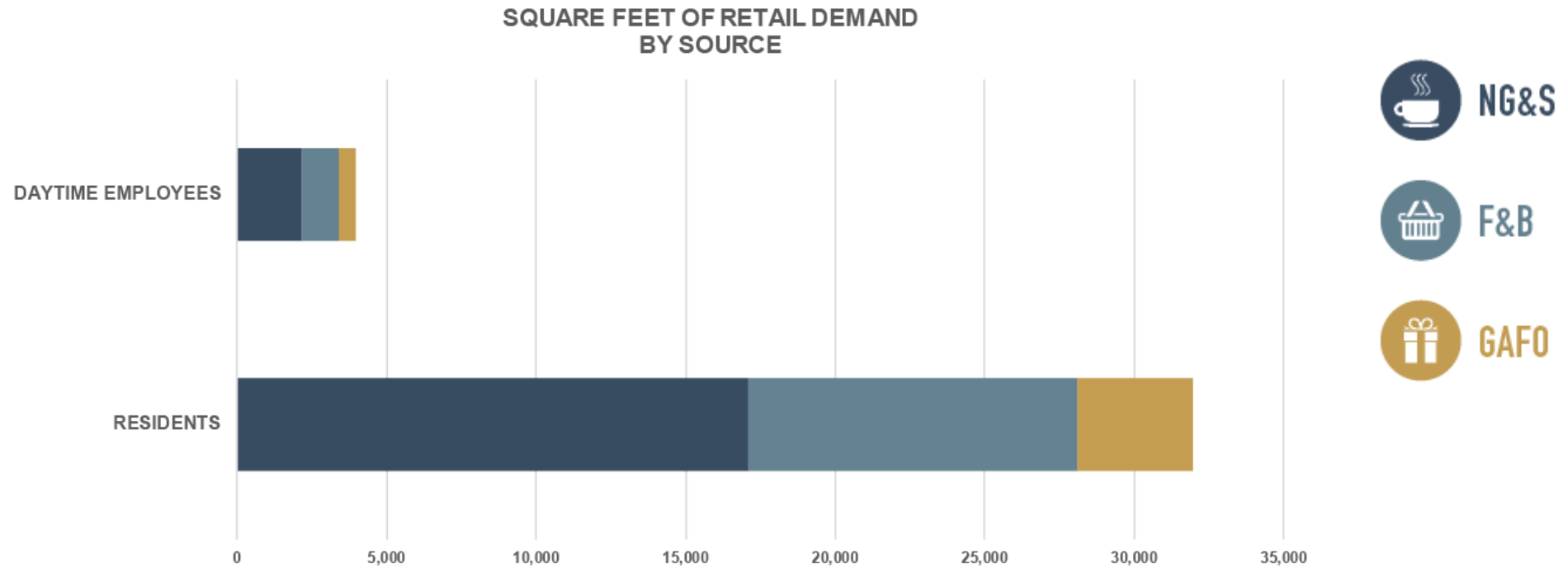


32,300 SF of existing space occupied by retail tenants

UNMET RETAIL DEMAND FOR THE CORRIDOR



SOURCES OF RETAIL MARKET DEMAND



WHAT DOES THAT MEAN?

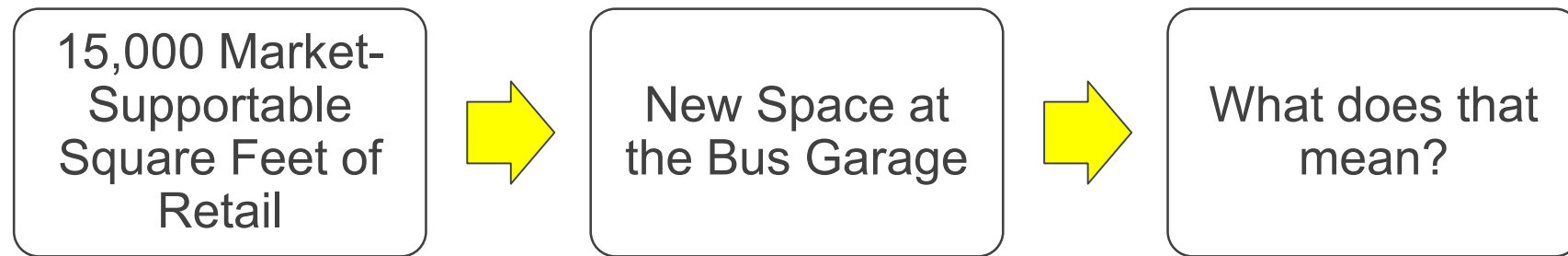
What retail we could have

- Small-format neighborhood goods
- Neighborhood services
- Small-format food & beverage
- National chains willing to operate in small spaces

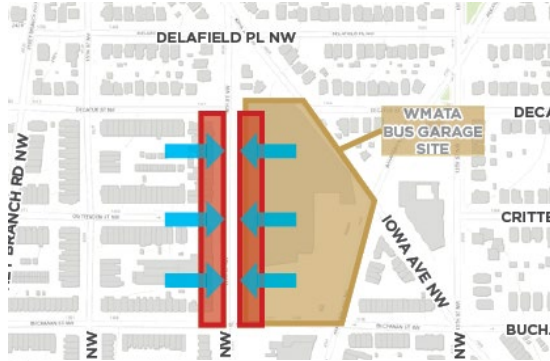
What we couldn't have today

- Big box retail
- Boutique general merchandise cluster
- Full-service grocery store
- Childcare facility (on Bus Garage site)

RETAIL MARKET DEMAND



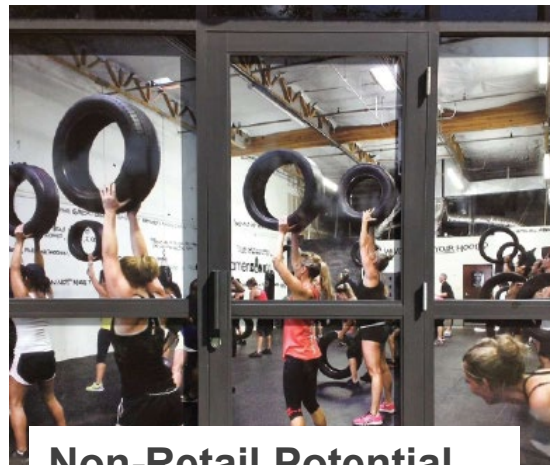
RETAIL APPROPRIATE/COMMERCIAL FLEX SPACE



Contribute to street



Retail Potential

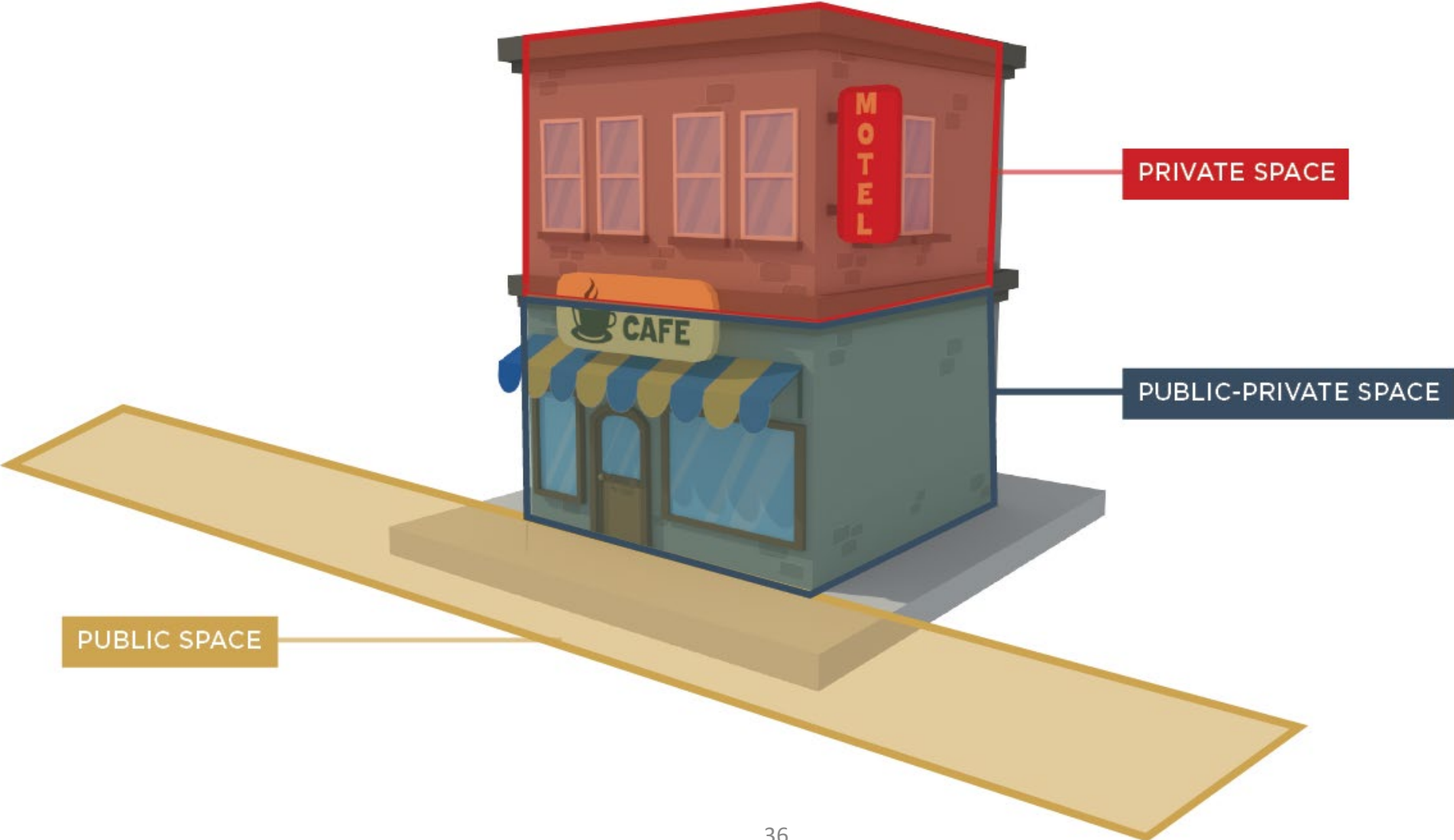


Non-Retail Potential



Public/Private Space

ACTIVATING SPACE



STRATEGY FOR ACTIVATING WITH COMMERCIAL SPACE

- Sidewalk activation
- Community building
- Residential amenity
- Place-making
- Gathering place
- Walkable environment



Retail Uses



**When Not
Market
Supportable**

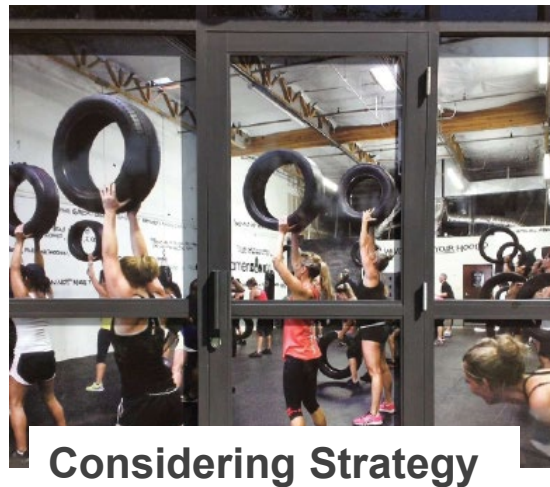
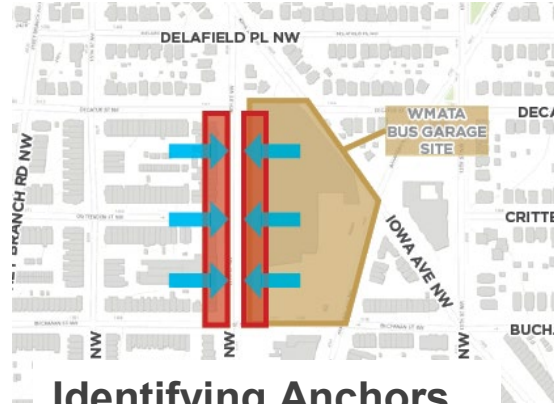
Non-Retail Uses



INITIAL IDEAS FOR NON-RETAIL USES

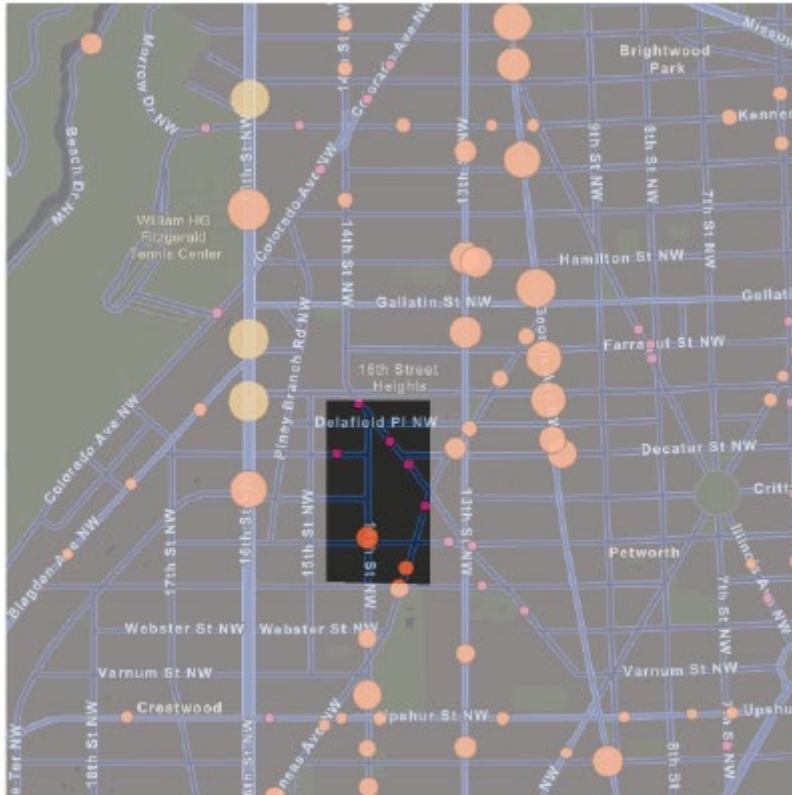


BUILDING A NEIGHBORHOOD COMMERCIAL DISTRICT HERE



RETAIL IMPEDIMENTS AND OPPORTUNITIES

Challenge



Limited Visibility

Opportunity



Devoted Customer Base

RETAIL IMPEDIMENTS AND OPPORTUNITIES

Challenge



Limited Parking

Opportunity



WMATA as Property Owner

RETAIL IMPEDIMENTS AND OPPORTUNITIES

Challenge



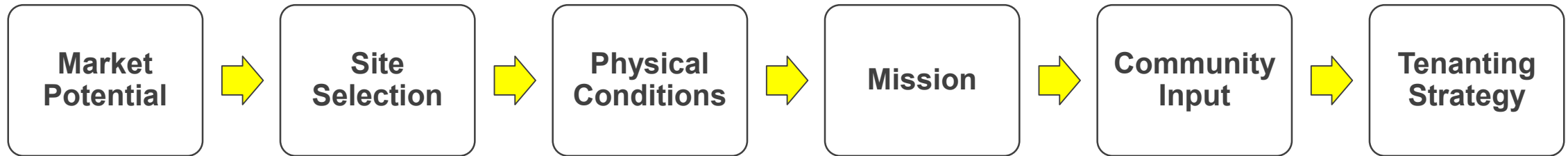
Difficult Physical Spaces

Opportunity



Distinctive Architecture

HOW ARE WE GOING TO DO THAT?



VOTE THE ROOM

VALIDATIONS EXERCISE

THANK YOU

NBGretail@streetsense.com

streetsense.

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