

State of Downtown 2023



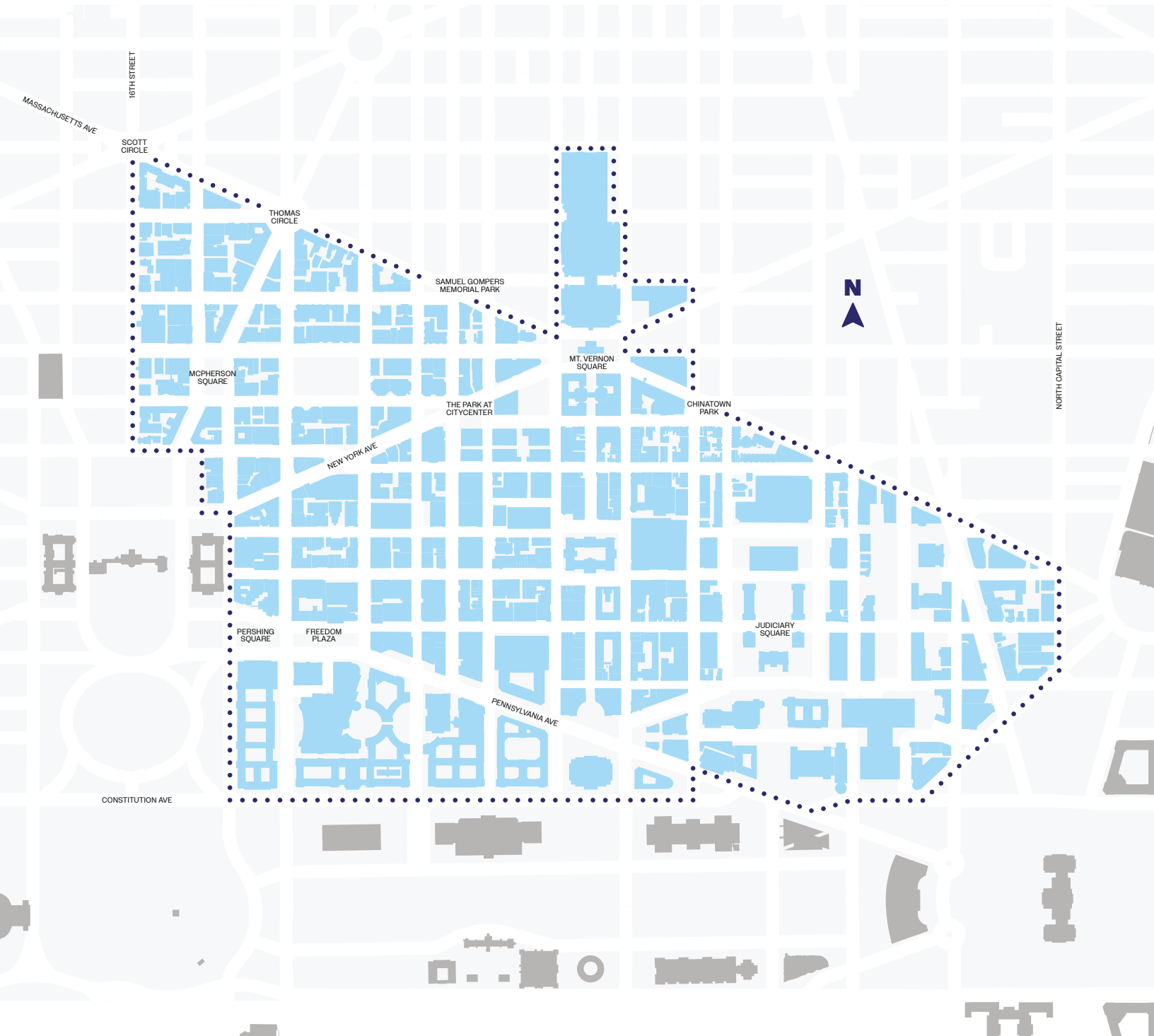
DowntownDC Business
Improvement District

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About DowntownDC BID

The DowntownDC Business Improvement District (BID) was founded in 1997 and is a private nonprofit organization. This special district, where property owners have agreed to tax themselves to fund services, encompasses a 140-block area of properties from Massachusetts Avenue on the north, including the Walter E. Washington Convention Center at Mount Vernon Square, to Constitution Avenue on the south, and from Louisiana Avenue on the east to 16th Street/Black Lives Matter Plaza on the west.



A nighttime photograph of a city street in downtown D.C. The scene is illuminated by streetlights and building lights, creating a vibrant atmosphere. A prominent modern building with a glass facade and brick accents is on the right, with several windows lit up. The street is filled with light trails from cars and a bus, indicating long-exposure photography. A crosswalk with white stripes and a brick-paved area is visible in the foreground. The sky is a deep blue, suggesting dusk or dawn.

**We have a
vision for
downtown D.C.**

**Let's take
action.**

The 2023 State of Downtown Report highlights Downtown D.C.'s strengths to celebrate, challenges to confront, and reinforces the need for investment in the city's economic core through action steps outlined in the Downtown Action Plan.

In 2023, the DowntownDC BID and its partners devoted significant time and energy to the creation of the Downtown Action Plan.

The Downtown Action Plan created a suite of recommendations for near- and long-term investments and policies that will reimagine and reinvigorate downtown D.C., achieving the plan's vision of a mixed-use district that restores tax revenues to the pre-2020 levels that were a leading economic engine for the District of Columbia's successful growth.

Among the things we're celebrating: The energy and economic impact of hockey and basketball at the Capital One Arena—which hosted 2 million visitors in 2023—will continue. Johns Hopkins University Bloomberg Center opened on Pennsylvania Avenue in the former Newseum building.

The renovation and expansion of the Washington Metropolitan Area Transit Authority's (WMATA) former headquarters is underway. The start of 2024 has seen a substantial drop in crime thanks to an array of actions by the District government. Tourism, hotels, luxury retail, and transit are all in positive growth mode.

These bright spots and strength in hotel, entertainment, and tourism contrast with underlying vulnerabilities related to the office and retail markets and perceptions of public safety, however.

The 2023 numbers show that DowntownDC's economic activity has plateaued at 68% of pre-pandemic levels.

While stasis might seem palatable in the midst of uncertain times, it is not a path for the kind of downtown D.C. growth that has been a driver for the city's success.

It's our responsibility as advocates for our stakeholders and key partners with the city to sound the alert and be clear about what these numbers could lead to if we take tentative steps—or worse, take no action. We have a well-formed, consensus-built plan to put to work to actively prevent a negative loop of economic instability and diminished public vitality that are the opposite of what our city and its people deserve.

The Downtown Action Plan is a vital catalyst for the future of downtown D.C. This year's State of Downtown report compels us to invest in its vision to create enhancements, new uses, and new promise for the heart of Washington, D.C.



Michael McCarthy
Chairman,
Board of Directors
DowntownDC BID



Gerren Price
President & CEO
DowntownDC BID

Downtown D.C. is a leading economic engine for the District.

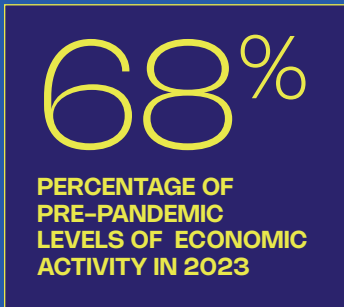
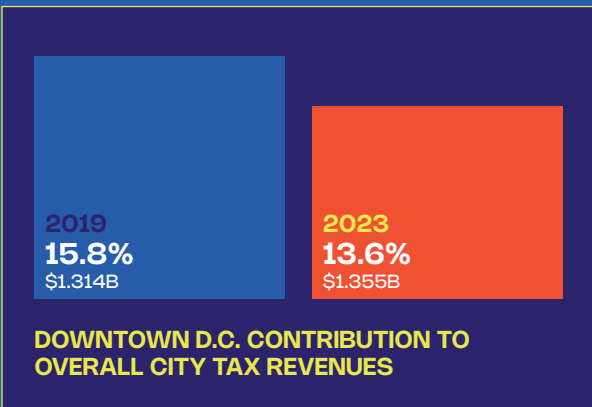




"Today, Downtown D.C. finds itself at a post-pandemic inflection point. Activity is ticking back, concentrated on a few days per week, but underlying vulnerabilities are a threat to the future economic stability and public vitality of Downtown D.C."

DOWNTOWN ACTION PLAN, FEBRUARY 2024





L to R: Strolling the promenades of CityCenter DC; fans rock the red at another Caps sellout game; cooking up something delicious in one of downtown D.C.'s highly-rated restaurants.



The engine is moving, but not quite enough

Downtown D.C. has been a leading economic engine for Washington, D.C. for many years, generating \$1.314B in FY 2019, or 15.8% of city revenues.

Despite the multiple challenges generated by the pandemic, recovery has rolled forward and tax revenue is projected at \$1.355B in FY 2023, 13.6% of city revenue. The level of economic activity downtown is stalled at 68% of prepandemic levels. Recovery has been highly variable, with bright spots like hotels undercut by the extremely challenged office market.

Our concern is that overall economic recovery is beginning to plateau. It's still growing, but at a much slower pace than in the past few years.

Without action by the city, investors, employers, and partners like the DowntownDC BID, the fiscal impact of downtown D.C. is likely to continue decreasing due to still-depressed office property tax revenues. If not addressed, decreased city tax revenues translate to more challenging future budget years and potentially lost services and amenities.

People want to be in downtown D.C.

Our visitation continues to grow, a positive note compounded by the March 2024 announcement that the Washington Wizards and Washington Capitals are committed to staying at the Capital One Arena through at least 2050. There's no question people want what downtown D.C. has to offer for fun, excitement, new flavors, learning, and appreciating the District's history and culture.

From top: Fans will continue to enjoy the game day experience at Capital One Arena through at least 2050; the National Building Museum; the interior courtyard at the National Portrait Gallery

Watching sports and shows

Capital One Arena staying downtown will be an important asset for the city and certainly for downtown D.C. The deal between Monumental Sports and the District includes 200,000 sq.ft. of vacant space at Gallery Place that will jumpstart the revitalization of Chinatown, and commitments for more police presence around events.



2 MILLION

VISITORS TO THE CAPITAL ONE
ARENA IN 2023

The highest single-year
attendance since the streets
filled for the Stanley Cup in 2018.



Appreciating culture and history

Visitation at DC's cultural sites has been steadily increasing since the pandemic. There's a promising opportunity for continued growth and attraction of U.S. and international tourism, and Destination DC (the District's tourism arm) is embarking on a significant campaign to keep the momentum going.

32.3 MILLION

ATTENDANCE TO
THE NATIONAL MALL
MEMORIALS IN 2023

2.5 million more attendance than
the annual average of 29.8 million
seen during 2010–2019.





The Moxy Hotel in nighttime bloom during cherry blossom season.

Getting away for a moment or more

Whether for leisure or business, people are spending money on hotels, dining, and high-end shopping in downtown. Hotel occupancy is solid and 2023 revenues rose above 2019 levels based on a higher average daily rate of \$274.

People indulging their taste for fine clothing and dining boosted luxury retail to impressive growth, with average CityCenterDC sales per square foot 21% higher than 2019. (This contrasts with the state of office-serving retail which has seen nearly the opposite performance.)

91%

**2023 HOTEL
OCCUPANCY
COMPARED TO 2019**

Occupancy in 2023 was 71.2% compared to 78.5% in 2019.

+21%

**LUXURY RETAIL SALES PER
SQUARE FOOT COMPARED
TO 2019 (ADJUSTED
FOR INFLATION)**

Luxury sales totaled \$1,537/sq.ft.

INCREASE IN METRO RIDERSHIP
SINCE 2022

+54% / +47%
WEEKDAYS WEEKENDS

PERCENTAGE OF PRE-PANDEMIC
METRO RIDERSHIP IN MARCH 2024

62% / 116%
WEEKDAYS WEEKENDS

Transit is strong—and key to recovery

With all of the sports fans, tourists, music lovers, and in-office employees moving around, transit, bikeshare, and micromobility are seeing great activity. Transit and mobility are crucial assets in downtown D.C., targeted to grow even stronger with \$401M proposed investments via the Downtown Action Plan.





54%

REDUCTION IN OFFICE
SALES VOLUME
SINCE 2019

22%

DOWNTOWN
COMMERCIAL OFFICE
VACANCY RATE

This was a historical high
reached in Q1 2024, representing
41% of all city vacant SF.

25%

DOWNTOWN RETAIL
VACANCY RATE

This is more than twice the
10% vacancy seen in 2019.

58%

PERCENTAGE OF
FEDERAL GOVT.
LEASES THAT WILL
EXPIRE BY 2028

This could be as much as
2.2M SF additional office
vacancy within the BID.

Alongside progress, there are challenges.

Office vacancy and leasing challenges are not unique to any city's downtown but have an outsized impact on the BID area that is 75% commercial office space. The numbers for vacancy, leasing, and occupancy underscore the futility of hoping that commercial office space and daytime workers will rebound.

People are still out of the office

2023 made it even more clear that the downtown D.C. and D.C. office markets are facing deep and permanent challenges. Sales are down, vacancy is at a record high 22%, office attendance is 48% on average, 55% on the best of days, leasing activity is low, and a number of office owners continue offering hefty rent concessions.

Almost 60% of federal leases are set to expire by 2028 and it's likely that the government will reduce space if and when it signs new leases.

Innovative solutions must be the path forward to reposition office with uses that generate economic and human activity across the neighborhood.

Office woes create retail woes

Destination restaurants and luxury shopping may be doing well but quick-service and casual food and service retail are struggling because we don't have enough office workers (or enough residents) creating consistent demand.

Putting public safety first

Every city wants to provide safe and comfortable places for residents and visitors. The last few years have tested D.C.'s public and private sector leaders and resources on this front. Crime increases across the city starting in 2020 diminished people's sense of safety and willingness to be downtown for events, let alone coming to the office.

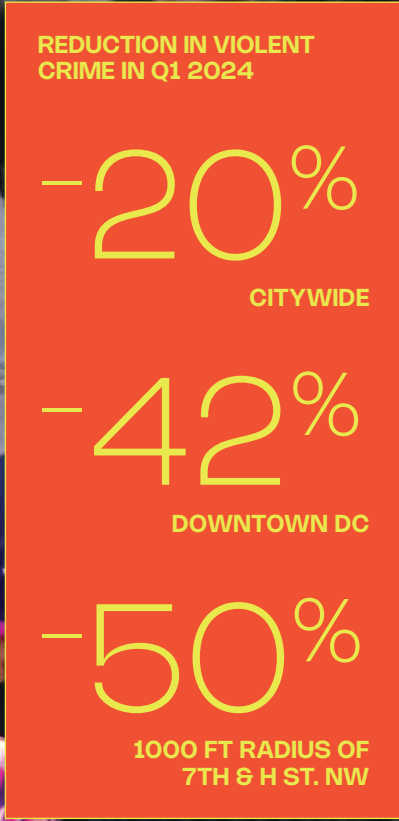
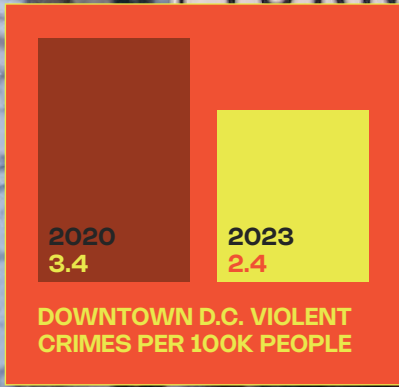
The District took action on crime

In 2023, the city took multiple actions to address crime which have had early encouraging outcomes. Violent crime is down in the first quarter of 2024: by 20% in the city, by 42% in downtown D.C., and by 50% in the 1,000 foot radius around 7th and H Streets NW.

The Downtown Action Plan proposes a range of tactics which build on the extensive efforts the District has already made, from improved lighting

and expanding the Safe Commercial Corridor Grant program, establishing a real-time crime center, and legislation targeting organized retail theft.

A multi-pronged approach to public safety in downtown D.C. is the secure foundation we must achieve to realize the full potential of our neighborhood for all.







"Safe Commercial Corridor hubs are one more way we can bring city services closer to the community... these people and teams are working together every day to keep our city safe and healthy, and we are grateful for their wide range of expertise, compassion, and commitment to our community."

MAYOR MURIEL BOWSER



Residential, education, and more fun: Creating a future beyond office

Downtown D.C. has so many assets at hand and yet the leveling off of economic indicators underscores the urgent need to spark this economic engine to full power. The Downtown Action Plan describes \$45M in incentives to attract and retain office users in the neighborhood, including expansion of the Vitality Fund, but the bigger future it imagines is far more mixed-use and less dependent on office buildings being full Monday through Friday.

The D.C. Vitality Fund has attracted or retained at least six firms who have created more than 500 jobs and leased 120,000 SF of office space, investing and generating millions in new tax revenue for the District.



3

RESIDENTIAL CONVERSIONS UNDER CONSTRUCTION IN DOWNTOWN D.C.

Several conversions are in the pipeline totaling 2,045+ units.

What if more people lived in downtown D.C.?

Downtown D.C. was built more for working than living, a situation that now puts the area at a competitive disadvantage. Converting office to residential has generated great interest as a solution to move office space off the market. While a positive direction, the 6,000 units completed or in the pipeline are only 58% of what's needed to grow downtown's residential population by 15,000 or more.

Key Downtown Action Plan recommendations to accelerate this pace include adjusting building codes and tax classifications and incentives for creating the retail, services, and social infrastructure needed to support multi-generational residential life.

There's tremendous opportunity for entrepreneurs and investors to join the momentum of the future Downtown D.C. entertainment district.

What if offices went back to school?

University development activity continued to grow in 2023 thanks to Johns Hopkins University's \$570 million investment in a downtown D.C. location, joining Georgetown University's "Capitol Campus" with ten buildings across three city locations.

Primary, secondary, and higher-ed or adult skills training are well-suited new uses for existing transit-adjacent office buildings. Top universities including New York University and Duke University have already landed satellite campuses in downtown D.C. creating a market for others as a magnet for others to expand to a market that values continued learning and additional degrees. A downtown D.C. that's a global hub for learning brings the next waves of new talent to businesses and federal jobs.



\$570M

JOHNS HOPKINS UNIVERSITY
INVESTMENT IN DOWNTOWN D.C.
LOCATION



What if downtown D.C. was even more fun?

With confidence around the future of Gallery Place and the Capital One Arena, there's even greater momentum behind the Downtown Action Plan vision of being Washington's top-of-mind destination for shopping, entertainment, and recreation.

Big events like Wizards and Caps games drive retail and restaurant patronage; proposed investments in new neighborhood uses and public safety through the Downtown Action Plan and Mayor Bowser's Gallery Place-Chinatown Task Force amplify the potential for substantially expanding the downtown D.C. entertainment ecosystem.

Investing in the next version of downtown D.C.

The Downtown Action Plan provides a consensus vision, goals, and recommendations for downtown D.C. to reinvent itself as a more vibrant, more mixed-use neighborhood that is welcoming to all. There is every possibility for this to be a neighborhood where people want to be, whether that's living, learning, having fun, working, or a blend of everything.

We've done this before—we can reinvent ourselves again

A renewed Gallery Place and the Capital One Arena, WMATA funding, Housing In Downtown tax abatements—these are necessary investments the District government has made. But they're not enough to move fully into a new future. The full funding and implementation of the Downtown Action Plan is needed to make it happen, including attracting the seven to ten billion dollars of private capital required for Downtown's full recovery and reimagination.

Downtown has done this before. Our 1995-2005 renaissance was based on \$520 million in District investments (more than \$1B in today's dollars) in the Capital One Arena, the Walter E. Washington Convention Center, a Downtown Retail TIF, and housing tax abatements.

"With [the] arena victory, downtown D.C. is ready for revival... [to] transform vacant offices and storefronts into the dynamic urban center downtown had been. If, that is, city officials seize the opportunity."

Highlights of the Downtown Action Plan

\$401M

OF INVESTMENT TO
REVITALIZE DOWNTOWN D.C.

Will also require many times
that in private investment

\$32M

FOR PUBLIC SAFETY INITIATIVES

\$40M

TO INCREASE
RESIDENTIAL POPULATION

Includes changes to the
Height Buildings Act to improve
housing affordability and availability

\$76M

TO ACCELERATE
RESIDENTIAL, EDUCATION,
INNOVATION USES, AND OTHER
ECONOMIC CATALYSTS

\$20M

TO SUPPORT POP-UP,
SHORT-TERM, AND LONG-
TERM RETAIL TENANTS

\$45M

TO ATTRACT AND RETAIN
OFFICE TENANTS

Includes expansion of the Vitality Fund

\$2.5M

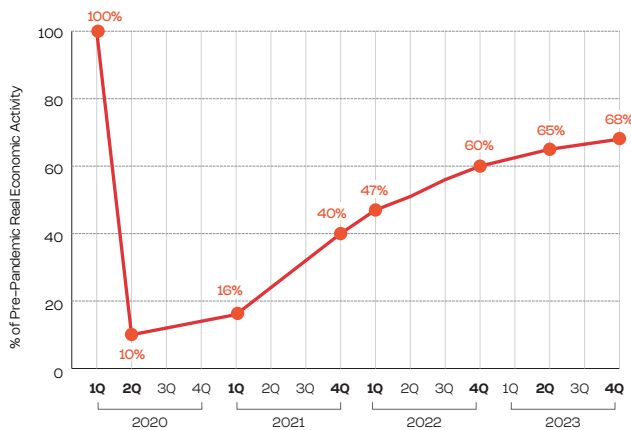
TO FACILITATE THE
TRANSFORMATION OF
DOWNTOWN D.C. INTO A
GLOBAL LEARNING HUB



Downtown Economic Activity and Impact

In 2023, the Downtown D.C. economy continued to strengthen, but at a slower pace than in 2022. As of Q4 2023, Downtown D.C.'s economic activity is at an estimated 68% of pre-pandemic levels, up from 60% a year earlier. The recovery has varied widely by economic sector:

DOWNTOWN D.C. REAL ECONOMIC ACTIVITY AS PERCENTAGE OF PRE-PANDEMIC REAL ECONOMIC ACTIVITY



Source: DowntownDC BID

RECOVERY HAS VARIED BY SECTOR

Sector	Current Activity as a % of pre-pandemic activity
Luxury shopping	110-130%
Destination restaurants	100-110%
Capital One Arena	100-115%
Apartments/condominiums	95-105%
Hotels	90-110%
Theaters/performance venues	80-90%
Museums	70-80%
WEW Convention Center	60-80%
Everyday shopping	60-70%
Office-dependent food/beverage	60-70%
Office workers in the office	40-60%

- Luxury shopping, destination restaurants, the Capital One Arena, housing, and hotels are generally performing at or above pre-pandemic levels, ranging from 110-130% of pre-pandemic activity.
- Theaters and performance venues, museums, and the convention center are performing at 60-90% of pre-pandemic levels.
- Activity from office workers, and their corresponding impacts on office-dependent food, beverage, and everyday shopping, continue to lag far behind pre-pandemic activity; these sectors are performing at 40-70% of pre-pandemic levels.

Key metrics for measuring Downtown D.C. activity in the post-pandemic era demonstrate that while conditions are improving, growth is slowing, and more actions are needed to realize the full potential of Downtown D.C.:

- The total number of people in Downtown D.C. was about 67% of pre-pandemic levels in March 2024, generally consistent with the same period in 2023.
- 48% of office workers are in the office on an average weekday compared with pre-pandemic, an uptick of about 4% since October 2023; the highest activity is on Tuesdays and Wednesdays, where activity is hovering around 55-58%.

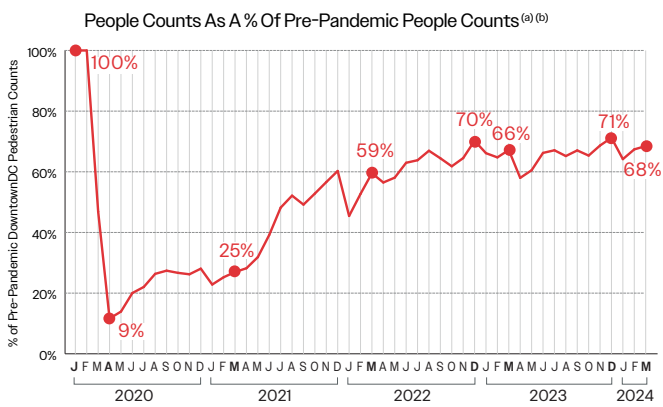
- Weekday Metrorail ridership improved to 50-62% of pre-pandemic levels over the past year, a sizable increase over 2022; Weekend ridership, which is driven largely by visitors and residents, has more than recovered – March 2024 was 116% of March 2019.

Downtown D.C.’s Net Fiscal Impact, Though Declining, Remains a Leading Driver of the City’s Fiscal Strength

Downtown D.C. remains a major contributor to the City’s tax base and budget, with an estimated FY 2023 Net Fiscal Impact of \$658 million from revenues of \$1.355 billion (13.6% of D.C.’s local fund revenues), less expenditures of \$697 million (6.3% of D.C.’s local fund expenditures). Downtown D.C.’s FY 2023 Net Fiscal Impact is down 16% from \$780 million in FY 2019 – a decline of \$122 million, and forecast to decline another \$37 million in FY 2024, but increase \$13 million in FY 2025 under current market conditions. In real terms, that would represent a 27% decline in Net Fiscal Impact between FY 2019 and FY 2023, with a projected 33% decline by FY 2025 under current market conditions. If office property assessments were to decline another 15% by FY 2025, the Net Fiscal Impact of Downtown D.C. would decline significantly, to \$562 million, down 28% from \$780 million in FY 2019 – a decline of \$218 million.

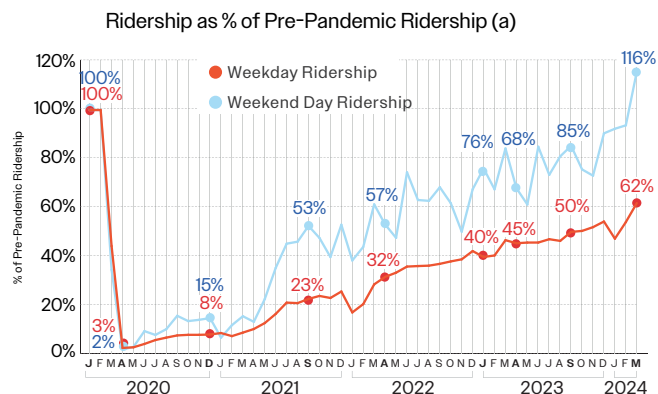
The major reason for the decline in downtown’s Net Fiscal Impact is the decline in the D.C. office market’s performance – declining effective rents due to record rent concessions, record vacancy rates, and negative absorption. Based on recent office property sales, there is likely to be continued downward pressure on assessed values of office properties to better align with new market realities. Recent office sale prices in Downtown D.C. and the Golden Triangle are about half of assessed value – 53%. The data on office sales emphasizes the importance of D.C. reinvesting in Downtown D.C. to stabilize the office market and support its economic health.

PEOPLE IN DOWNTOWNDC AS A % OF PRE-PANDEMIC



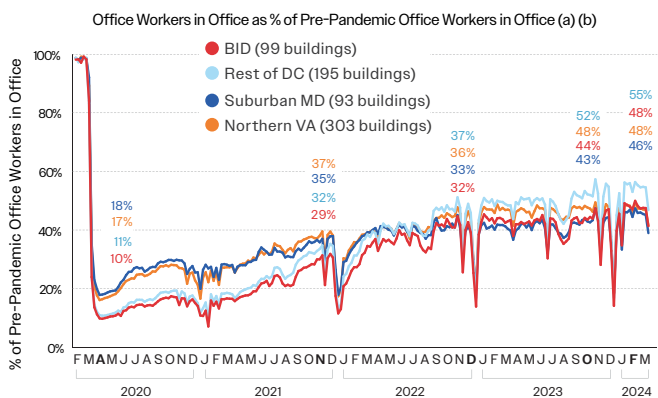
Source: Placer AI
 (a) Counts all people in the DowntownDC BID area for more than 8 minutes using cell phone data and Placer’s proprietary algorithm.
 (b) The pandemic months are compared to the most recent pre-pandemic same month. For example, all pandemic Januaries are compared to January 2020 and all pandemic Aprils are compared to April 2019.

METRO RAIL RIDERSHIP IN DOWNTOWN D.C. AS A % OF PRE-PANDEMIC



Source: Washington Area Metropolitan Transit Authority (WMATA)
 (a) The pandemic months are compared to the most recent pre-pandemic same month. For example, April 2020 and April 2021 are both compared to April 2019.

DC AND REGION OFFICE WORKERS IN OFFICE AS A % OF PRE-PANDEMIC



Source: Kastle
 (a) The pandemic months are compared to a pre-pandemic control period of February 3, 2020 to February 18, 2020.
 (b) As each month is compared to the first two weeks of February 2020, December in each year shows a significant drop due to holiday vacations.

NET FISCAL IMPACT OF DOWNTOWN D.C.

(all dollar numbers in millions)	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2025 Downside (a)
DOWNTOWNDC BID								
Local Fund Revenues	\$1,314	\$1,175	\$1,169	\$1,286	\$1,355	\$1,356	\$1,377	\$1,305
Local Fund Expenditures and Transfers	\$534	\$540	\$576	\$613	\$697	\$734	\$743	\$743
Net Fiscal Impact	\$780	\$636	\$594	\$674	\$658	\$621	\$634	\$562
Change from FY 2019	NA	(\$145)	(\$186)	(\$107)	(\$122)	(\$159)	(\$147)	(\$218)
AS A % OF D.C.								
Local Fund Revenues as % of D.C.	15.8%	14.4%	13.4%	13.0%	13.6%	13.6%	13.4%	12.7%
Local Fund Expenditures and Transfers as % of D.C.	6.7%	6.5%	6.7%	6.4%	6.3%	6.6%	6.5%	6.5%
DOWNTOWNDC BID (FY 2024 DOLLARS)								
Local Fund Revenues	\$1,555	\$1,380	\$1,338	\$1,379	\$1,396	\$1,356	\$1,343	\$1,273
Local Fund Expenditures and Transfers	\$632	634	658	657	718	732	725	725
Net Fiscal Impact	\$923	\$746	\$680	\$722	\$678	\$624	\$618	\$548
Change from FY 2019	NA	(\$177)	(\$243)	(\$201)	(\$245)	(\$299)	(\$305)	(\$375)

Source: RCLCO and the DowntownDC BID

(a) Assumes an additional 15% decline in office property assessments

RECENT OFFICE SALES PRICE COMPARISON

OFFICE SALES IN DOWNTOWN WASHINGTON DC, DECEMBER 2023 - MARCH 2024							
Property	Recent Sale Sale Price	Assessed Value Comparison		Prior Sale Comparison		Sale Date	Prior Sale Date
		Assessed Value at Time of Sale	Sale Price as Share of Assessed Value (%)	Prior Sale Price	Sale Price as Share of Prior Sale Price (%)		
1899 L Street	\$26,250,000	\$64,300,000	41%	\$43,700,000	60%	4/2/2024	1/1/2004
1101 Vermont Ave NW	\$15,822,125	\$48,714,520	32%	\$60,000,000	26%	3/27/2024	4/1/2006
1099 New York Ave NW	\$95,000,000	\$158,200,710	60%	\$90,500,000	105%	3/22/2024	1/1/2009
801-701 Pennsylvania Ave NW	\$323,000,000	\$566,253,510	57%	\$613,000,000	53%	3/20/2024	1/1/2011
919 18th Street NW	\$16,250,000	\$27,800,000	58%	\$52,700,000	31%	1/2/2024	12/18/2013
1250 Eye St NW	\$36,000,000	\$80,788,505	45%	\$100,000,000	36%	12/27/2023	5/1/2018
1101 14th St NW	\$18,200,000	\$49,196,150	37%	\$61,750,000	29%	12/19/2023	12/1/2017
Total / Weighted Average	\$530,522,125	\$995,253,395	53%	\$1,021,650,000	52%		

Note: Analysis includes properties with available data

*Assessed value shown is the assessed value at the time of most recent sale

**Sales prices are total price at time of sale and do not adjust for inflation

Development

DOWNTOWN D.C. DEVELOPMENT DELIVERIES AND STARTS PICKED BACK UP IN 2023, BUT MARKET CHALLENGES REMAIN FOR NEW DEVELOPMENT

Downtown D.C. had its strongest development year since 2019 in 2023, thanks in large part to the completion of the Johns Hopkins Bloomberg Center on Pennsylvania Avenue. Projects like the Bloomberg Center or new office-to-residential conversions represent a shift in the historical mix of development uses away from office development and signal future growth areas for Downtown D.C. Still, development challenges remain in Downtown D.C. thanks to both persistently lower post-pandemic office activity as well as broader market challenges such as increased interest rates and high construction costs that are slowing new investment in the region and nationally. In Downtown D.C., several announced office-to-residential conversions have yet to begin construction due to current financial market conditions.

Development Overview:

- Five completions in 2023.
- Two groundbreakings in 2023.
- 7 projects, totaling \$811 million, were under construction at the end of 2023.
- 16 projects are planned as of Spring 2024.

The Johns Hopkins Bloomberg Center is a **\$570M** investment in Downtown D.C.

5 Completions in 2023

1. Office Properties Income Trust: 20 Massachusetts Avenue NW renovation of 340,000 SF and new construction of 87,000 SF into a 271-room Royal Sonesta Hotel and 184,000 SF of office space

2. Johns Hopkins Bloomberg Center: 555 Pennsylvania Avenue NW renovation, 420,000 SF
3. Capital Jewish Museum: 575 3rd Street NW
4. National Museum of Women in the Arts: substantial renovation of 1250 New York Avenue NW
5. Westin Washington: 999 9th Street NW substantial renovation, 807 rooms

2 Groundbreakings in 2023

1. Foulger Pratt: 1425 New York Avenue NW office-to-residential conversion, 255 units
2. Stonebridge and Rockefeller Group: 600 5th Street NW office redevelopment, 400,000 SF of office and 22,000 SF of retail.

Only five ground-up development sites remain in Downtown D.C. In 1995 there were 125+.

7 Projects Under Construction as of Year-End 2023

1. Milken Institute's Center for the Advancing of the American Dream: 1503 Pennsylvania Avenue NW
2. Quadrum Global: Arlo Hotel, 333 G Street NW, 445 rooms and 7,000 SF of retail
3. Lincoln Properties and Cadillac Fairview: 1313 L Street NW office-to-residential conversion, 222 units
4. Foulger Pratt: 1425 New York Avenue NW office-to-residential conversion, 255 units

5. Stonebridge and Rockefeller Group: 600 5th Street NW office redevelopment, 400,000 SF of office and 22,000 SF of retail
6. Ford’s Theater renovation: 511 10th Street NW
7. Georgetown University McCourt School of Public Policy: 125 E Street NW

16 Planned Projects as of April 2024

The 16 planned projects in Downtown D.C. will fill all five of Downtown D.C.’s remaining surface lots. The projects are summarized below:

- The \$800 million renovation and expansion of Capital One Arena, to take place over three summers between 2025 and 2028
- Housing: Three ground-up projects and three conversion projects
- Office: Two ground-up projects and two renovation projects
- Two firehouse redevelopment projects by the D.C. government
- Redevelopment of the FBI headquarters into a mix of uses

In addition, there are several planned office-to-residential conversion projects that are currently paused pending improved market conditions including lower financing and construction costs, and/or further availability of conversion incentives from the District government.

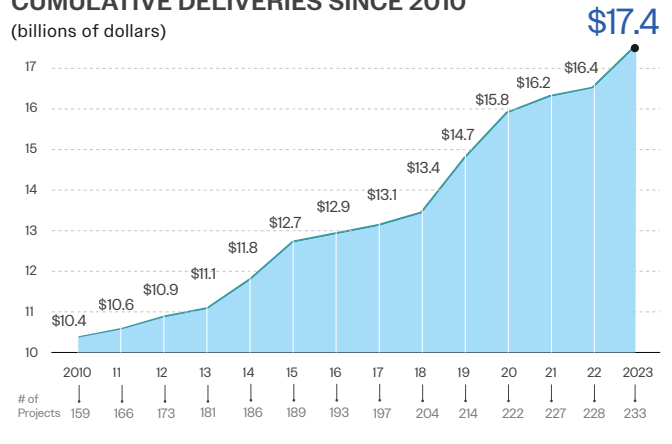
Office to Residential Conversions

There are more than 20 office-to-residential conversion projects in and near Downtown D.C. that have the potential to convert or repurpose 5.6 million SF of office and create more than 6,000 housing units. These conversions provide the dual benefit of both increasing the Downtown D.C. resident population while also removing vacant office space from the market. However, most of these announced or planned projects are paused.

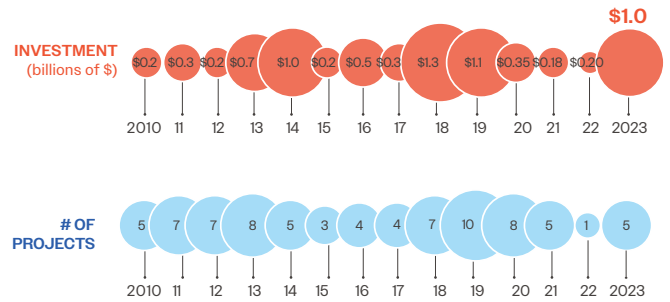
DOWNTOWN DEVELOPMENT HISTORY

CUMULATIVE DELIVERIES SINCE 2010

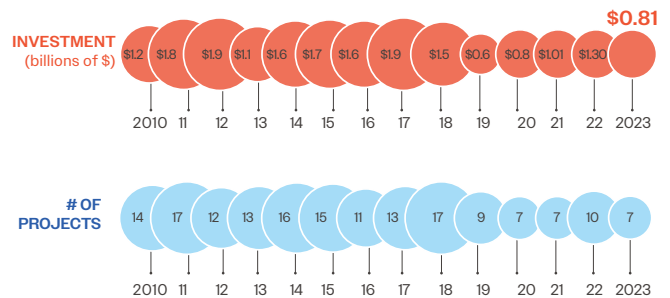
(billions of dollars)



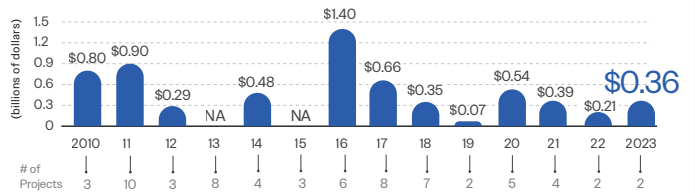
DELIVERIES BY YEAR



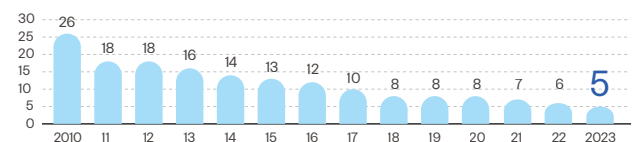
PROJECTS UNDER CONSTRUCTION AT YEAR-END



PROJECTS STARTS/GROUNDBREAKINGS



SURFACE PARKING LOTS/DEVELOPMENT SITES



Source: DowntownDC BID

Multifamily Housing Starts Came to a Halt in Mid-2023

From 2012 through June 2023, DC enjoyed multifamily ground breakings of 1,000 to 1,500 units, per quarter. Since then, ground breakings have grounded to a halt.

- 3Q 2023: 123 units started
- 4Q 2023: Zero units started
- 1Q 2024: Zero units started

What’s Needed to Move the Needle on Office to Residential Conversions

The D.C. Government began taking action in 2023 to address the current financial challenges of office-to-residential conversions, establishing a robust Housing in Downtown tax abatement program. This investment, as currently funded, may support up to 1,600 residential conversion units per year over next five years, potentially generating property tax revenues of as much as \$80 million per year.

Still, more funding and innovative strategies are needed to drive down office vacancy rates and stabilize office rents through office-to-residential conversions. For example, according to the D.C. Housing in Downtown program guide, \$55 million in tax abatements is needed to reach the City’s short-term goal of adding 15,000 residents to downtown by 2027, \$14 million per year more than what has been approved so far. The Downtown Action Plan, released in February 2024, identifies additional strategies for supporting conversions, including more flexibility in building codes, reforms to the Employer-Assisted Housing Program, modernization of the Tenant Opportunity to Purchase Act (TOPA), and modest increases to the Height Act. Near-term investment and policy action by the City in driving conversion activity is critical in quickly reactivating vacant spaces that will both drive new tax revenues to the District and help increase street-level activation in Downtown D.C.

DOWNTOWN OFFICE TO HOUSING CONVERSIONS/REPURPOSING PROJECTS

DowntownDC BID

	Address	Developer	SF of Office Converted	Housing Units	% of Units Affordable	Completion Date
Under Construction	> 1313 L Street NW	Lincoln Property	84,040	222	Zero	2024
	1425 New York Ave NW	Foulger Pratt	287,040	250	TBD	2025
	1010 Vermont Ave NW	Altus Realty/McLean Partners	63,290	85	TBD	2025
Announced	> 1125 15th Street NW	Lincoln Property	273,010	264	TBD	2025/26
	1201 L Street NW	Agorsor Equity	36,000	145	95%	2025/26
Planned, But Not Announced (a)	> Several Projects	Various	1,800,000	1,900	TBD	TBD
TOTAL >			2,543,380	2,866		

Rest of Downtown

	Address	Developer	SF of Office Converted	Housing Units	% of Units Affordable	Completion Date
Completed	> 1255 22nd Street NW	Tesea/Auger	116,140	198	8%	2018
	2501 M Street NW	PRP Real Estate	98,060	60	3%	2018
	515 22nd Street NW	Insight Property	108,230	158	Zero	2021
Under Construction	> 1111 20th Street NW	Wilco	145,890	161	Zero	2024
Announced	> 1725 K Street NW	Bernstein/Placemakr/Urban Atlantic	96,750	106	TBD	2025/26
	2626 Pennsylvania Ave NW	Velocity/New Legacy	34,000	49	TBD	2025/26
	1825 Connecticut Ave NW	Post Brothers	302,000	300	TBD	2025/26
	1875 Connecticut Ave NW	Post Brothers	383,000	350	TBD	2025/26
	1133 19th Street NW	N/A	275,585	185	TBD	2025/26
	2141 K Street NW	N/A	98,000	110	TBD	2025/26
	2100 M Street NW	Post Brothers	301,345	300	TBD	2025/26
	1625 Massachusetts Ave NW	National Real Estate Development	114,000	157	TBD	2025/26
Planned, But Not Announced (a)	> Several Projects	Various	500,000	650	TBD	TBD
TOTAL >			2,573,000	2,784		

Downtown Adjacent

	Address	Developer	SF of Office Converted	Housing Units	% of Units Affordable	Completion Date
Under Construction	> N/A	N/A	-	-	-	-
Announced	> N/A	N/A	-	-	-	-
	1250-1280 Maryland Ave SW	N/A	508,290	446	TBD	2025/26
Planned, But Not Announced (a)	> N/A	N/A				
TOTAL >			508,290	446		

Source: DowntownDC Business Improvement District, Department of Housing and Community Development Inclusionary Zoning Database
 (a) Represents projects where there have been discussions for conversion but no formally announced development plan.

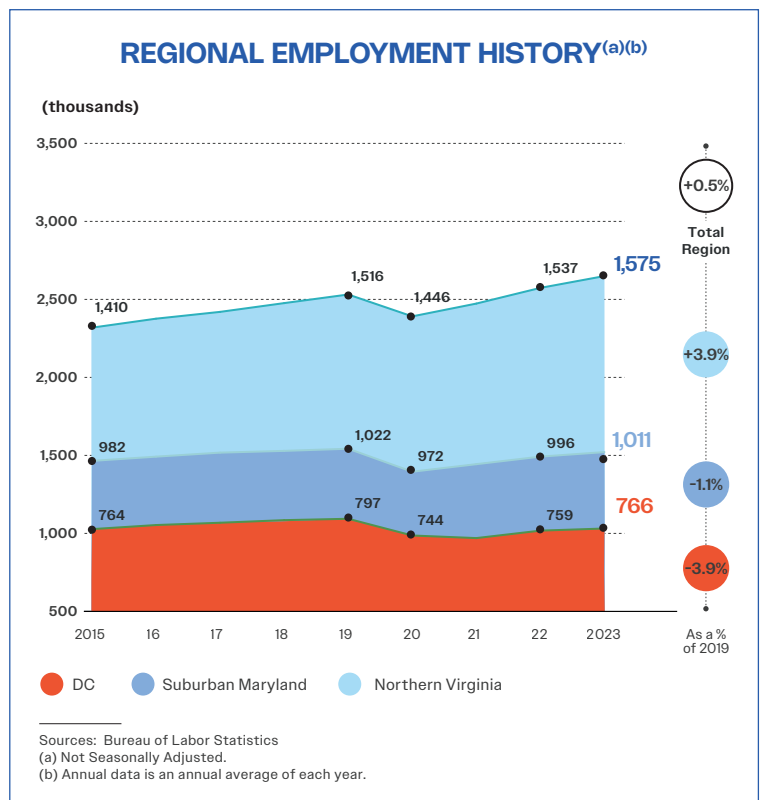
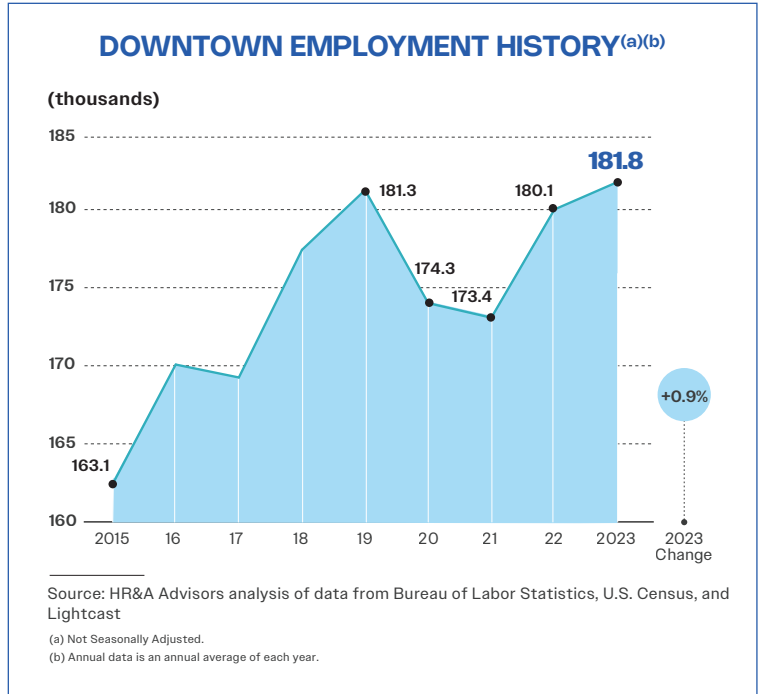
Employment

DOWNTOWN D.C. EMPLOYMENT HAS RECOVERED TO PRE-PANDEMIC LEVELS AFTER GROWING FOR THE THIRD STRAIGHT YEAR

Downtown D.C. was estimated to have a 181,800 monthly jobs in 2023, or 24% of all D.C. jobs. This is an increase of 1,700 jobs from 2022, or 1.4%, and surpasses pre-pandemic employment from 2019 by 500 jobs. However, while total employment has recovered, hybrid work schedules still mean that the number of employees present in Downtown D.C. on a given day is still much lower in the post-pandemic environment. Weekly in-person attendance for office workers is 48% of pre-pandemic activity in Downtown D.C. in 1Q 2024, per Kastle.

Additionally, while employment in Downtown D.C. has recovered, performance is mixed across industries, largely reflective of post-pandemic changes in activity in office-using and non-office using sectors:

- **Office using jobs:** There are 9,500 more office using Jobs than there were in 2019, an 18% increase.
- **Non-office using jobs:** Job growth in 2023 was strong for the food service and accommodations sectors, making up 46% of total job growth in Downtown D.C. Though, overall employment in these categories still lags pre-pandemic employment.
 - Food Service & Drinking Places: 6,100 fewer jobs than 2019, or decrease of 52%.
 - Retail Trade: 1,000 fewer jobs than 2019, or a decrease of 36%.
 - Accommodations: 3,500 fewer jobs than 2019, or a decrease of 47%.
 - Arts, Entertainment & Recreation: 1,200 fewer jobs than 2019, or a decrease of 36%.



DOWNTOWN D.C. EMPLOYMENT, INCLUDING KEY SECTORS

(numbers in thousands)

Employment Sectors	2023		2022	2021	2020	2019	Change		
	#	%					2022-2023		2019-2023
			#	%	#	%			
Total Downtown D.C. Employment	181,792	100%	180,063	173,426	174,261	181,310	1,729	483	0.3%
Federal Government	51,018	28%	50,855	49,847	48,434	46,632	163	4,386	9%
D.C. Government	8,093	4%	7,867	8,901	9,718	9,814	226	-1,722	-18%
Private Sector Total	122,681	67%	121,341	114,678	116,109	124,863	1,340	-2,182	-2%
Key Sectors for Downtown D.C.									
Office Using Jobs	61,238	34%	60,346	57,809	53,310	51,709	892	9,529	18%
Food Service & Drinking Places	5,663	3%	5,313	4,360	6,435	11,722	350	-6,059	-52%
Retail Trade	1,673	1%	1,687	1,639	2,061	2,631	-14	-958	-36%
Accommodations	3,858	2%	3,415	2,124	3,742	7,320	443	-3,462	-47%
Arts, Entertainment & Recreation	2,132	1%	1,969	1,501	2,493	3,352	163	-1,220	-36%

Source: HR&A Advisors analysis of Bureau of Labor Statistics, U.S. Census, and Lightcast data

D.C. Employment is Growing but Lags Northern Virginia and Suburban Maryland and Remains Below Pre-Pandemic Levels

Employment in D.C. also continues to grow, though total jobs have not yet returned to their pre-pandemic level. Total employment in DC in 2023 was 766,000, an increase of 7,000 over 2022, but still 31,000 below the end of 2019.

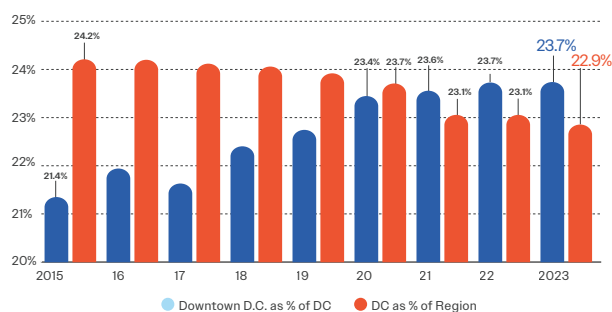
D.C. also still lags the region’s job growth. As of Year-End 2023, Northern Virginia’s employment is now 4% larger than it was at the end of 2019, and Suburban Maryland is only 1% smaller. By comparison, D.C. employment is 4% smaller. This post-pandemic divergence continues longer-term trends for D.C. employment that were at play prior the pandemic, with D.C.’s employment as a percentage of the region declining every year since at least 2015.

D.C.’s relatively weak recovery compared to the region is partially driven by steep drops in hospitality/ accommodations, food service, and arts jobs which make up a higher share of the employment base relative to Northern Virginia and Suburban Maryland. D.C. private-sector monthly employment averaged 530,500 in 2023, an increase of 27,000 over 2020, but still 29,000 below the end of 2019, or down 5.2%. D.C. federal government employment dropped by 2,200, or 1.1%, to 195,900 in 2023.

D.C. Continues to See Historically Low Unemployment

The D.C. unemployment rate reached a historic low in 2022 of 4.8%. While the unemployment rate increased slightly in 2023 to 4.9%, it is still significantly lower than its recent peak of 7.9% in 2020 or its pre-pandemic 2019 level of 5.5%. government employment dropped by 2,200, or 1.1%, to 195,900 in 2023.

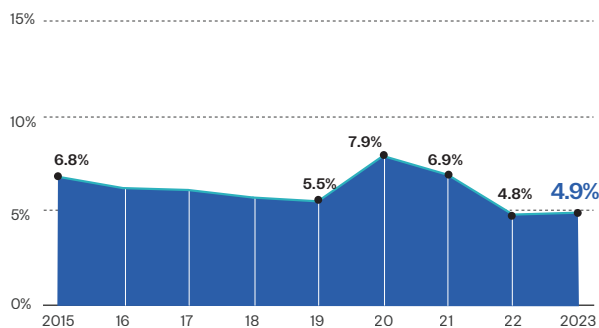
DOWNTOWN D.C. EMPLOYMENT AS % OF DC EMPLOYMENT AND DC EMPLOYMENT AS % OF REGIONAL EMPLOYMENT



Source: HR&A Advisors analysis of Bureau of Labor Statistics, U.S. Census, Lightcast data

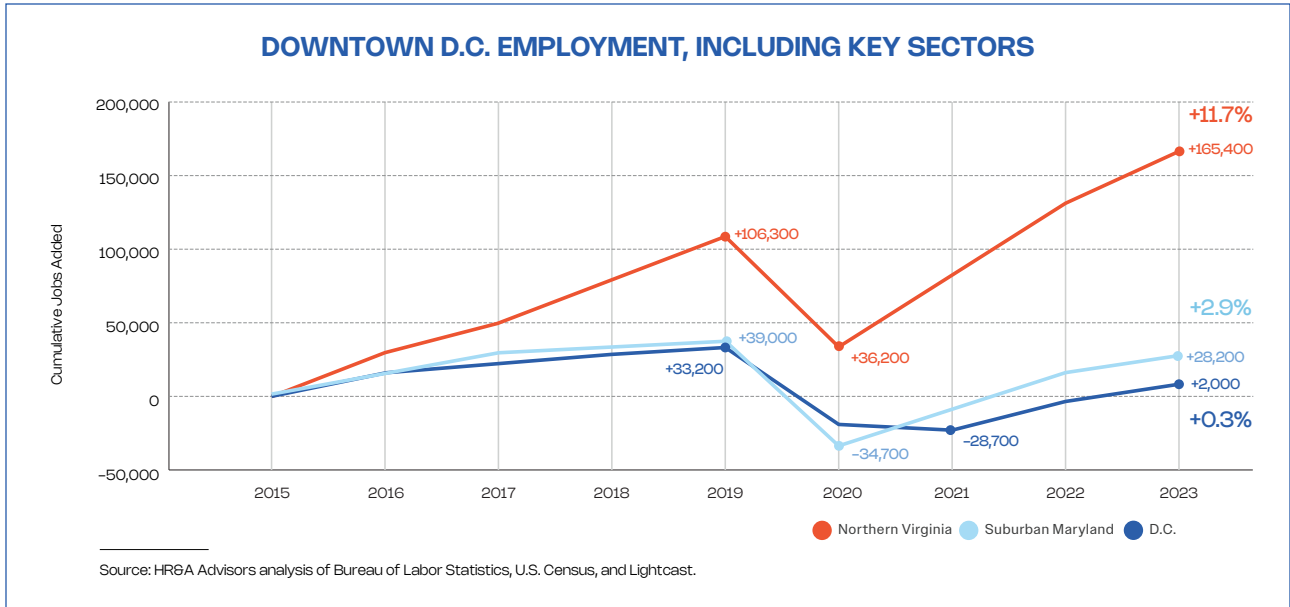
DOWNTOWN D.C. IS HOME TO 24% OF REGION’S JOBS.

D.C. UNEMPLOYMENT RATE HISTORY^(a)



Source: Bureau of Labor Statistics

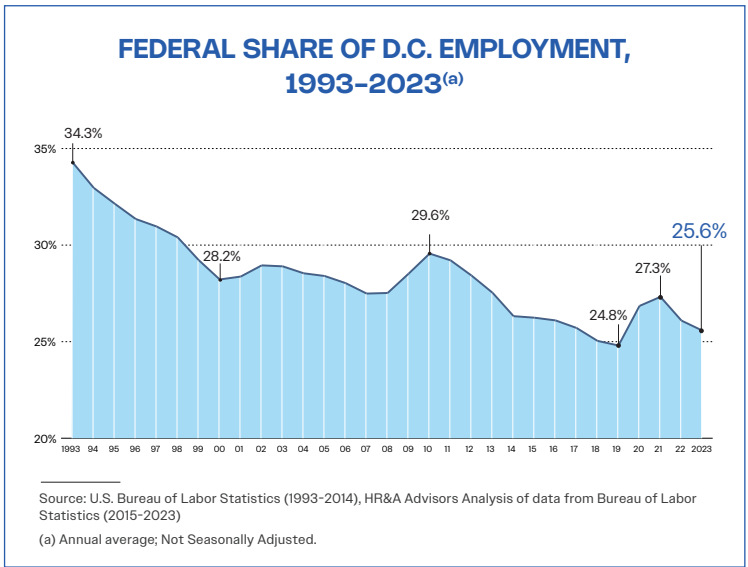
(a) Seasonally adjusted. Annual data is an annual average of each year.



FEDERAL CIVILIAN EMPLOYMENT IN THE REGION - 2023^(a)

	Federal Employment	% of DC Federal Employment	% of Regional Federal Employment
DowntownDC	51,100	26%	14%
Rest of DC	145,000	64%	39%
All of DC	196,000	100%	52%
Northern VA and Suburban Maryland	179,200	NA	48%
Region	375,200	NA	100%

Sources: HR&A Advisors analysis of Bureau of Labor Statistics, U.S. Census, and Lightcast data
 (a) Not Seasonally Adjusted. Annual data is an annual average of each year.



FEDERAL CIVILIAN EMPLOYMENT IN DOWNTOWN D.C. AND D.C. - 2023^(a)

(thousands)	Federal Civilian Employment	Total Area Employment	Federal Employment as % of Total Area Employment
DowntownDC	51,000	181,800	27.9%
Rest of DC	144,900	584,200	24.8%
DC	195,900	766,000	25.6%

Sources: HR&A Advisors analysis of Bureau of Labor Statistics, U.S. Census, and Lightcast data
 (a) Not Seasonally Adjusted. Annual data is an annual average of each year.

Office Market

IN 2023, THE DOWNTOWN D.C. AND DC OFFICE MARKETS CONTINUED TO STRUGGLE, REACHING NEW LOWS

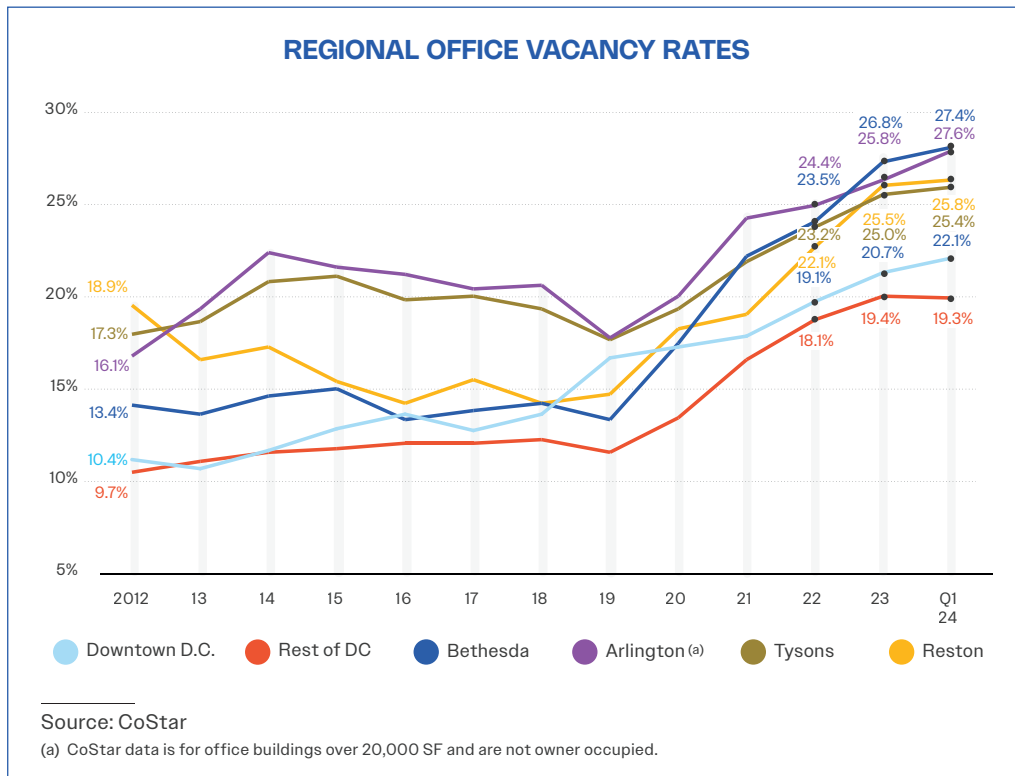
In 2023 and 1Q 2024, it became clearer that the Downtown D.C. and D.C. office markets are facing deep and permanent challenges.

- Downtown D.C.'s vacancy rates reached a new record of 22%
- Vacant D.C. office space now stands at 28 million SF (12 million SF in Downtown D.C.)
- Federal leasing continues to decline
- Office absorption in Downtown D.C. and D.C. continues to be negative
- The D.C. Chief Financial Officer forecasts a 25% commercial vacancy rate citywide by 2026

Additionally, the percentage of office workers that are coming to the office remained mostly the same through much of 2023 before trending up slightly in late 2023 and 1Q 2024. Wednesday, January 24 2024, set the post-pandemic record for office workers in the office, at 60.8% of pre-pandemic levels.

Recent available data shows that office sales prices in Downtown D.C. are about half of their assessed values (53%) and their prior sales (52%). There is increasing pressure for office property assessments to better align with new market realities, which will decrease D.C.'s tax revenue. This emphasizes the importance of D.C. reinvesting in Downtown D.C. to stabilize the office market and support its economic health.

With slowing growth in the number of workers returning to the office, it appears the office recovery has plateaued. Reducing the amount of vacant office SF is the best way to improve Downtown D.C. activity. Strategies laid out in the Downtown Action Plan released in early 2024 will address these challenges to help stabilize the office market and, in turn, strengthen the vitality of Downtown D.C.



Downtown D.C. is the largest office submarket in the region, with **73 million SF**.

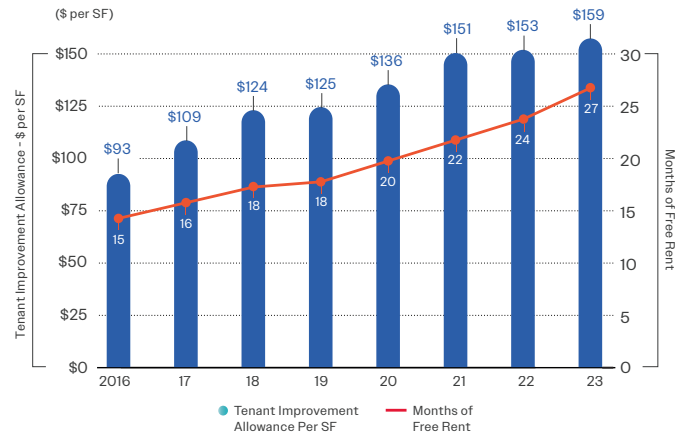
Downtown D.C. and the rest of D.C. both reported vacancy rates of 22% and 19% respectively in Q1 2024, and a **combined total vacant office space of 28M SF**.

In 1Q 2024, average weekday office usage was **48%** of pre-pandemic levels, compared with 55% of pre-pandemic levels in the rest of D.C.

Continued poor performance has led office property owners to offer **record-high rent concessions** for at least the eighth year in a row, and office sales remain at historically low levels.

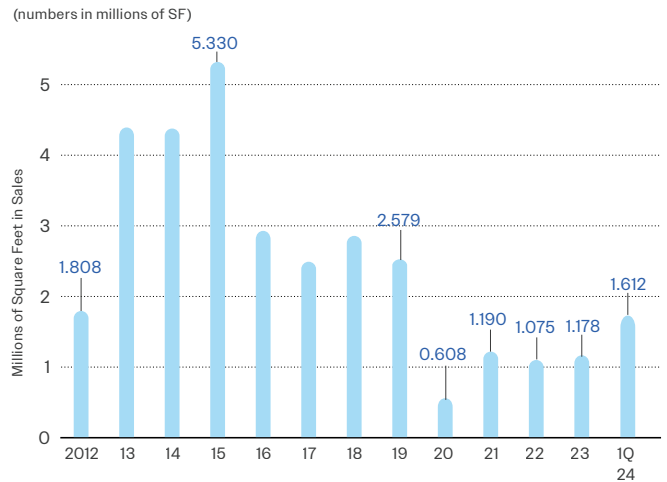
The significant increase in 1Q 2024 office sales is encouraging, and indicates that the market’s liquidity may be returning. However, the sales prices are at historic lows and approximately **50% of assessed values**.

D.C. OFFICE RENT CONCESSION COMPONENTS



Source: Avison Young

DOWNTOWN D.C. OFFICE SALES VOLUME IN SQUARE FEET (a)

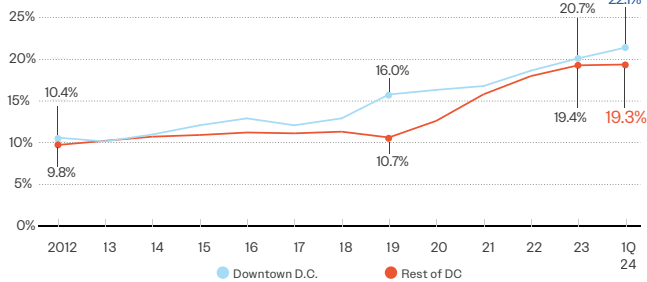


Source: CoStar

(a) Sales of buildings larger than 50,000 square feet.

The federal government occupies **32%** of D.C. office space, and **27%** of Downtown D.C. office space.

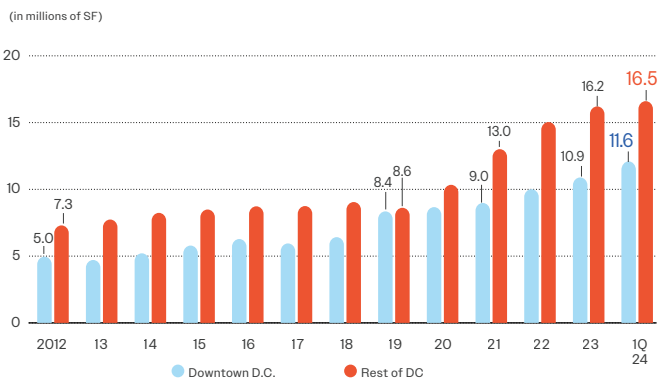
OFFICE SPACE VACANCY RATE (a)



Source: CoStar

(a) CoStar data is for office buildings over 20,000 SF and are not owner occupied.

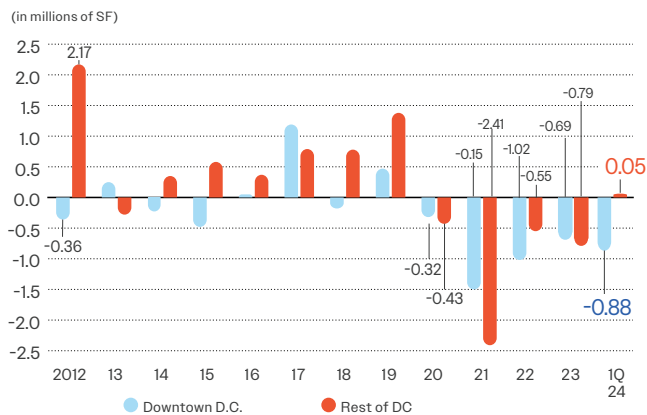
OFFICE VACANT SF (a)



Source: CoStar

(a) CoStar data is for office buildings over 20,000 SF and are not owner occupied.

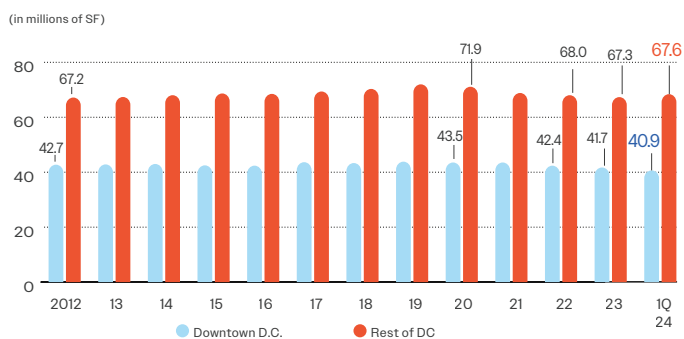
OFFICE NET ABSORPTION SF



Source: CoStar

(a) CoStar data is for office buildings over 20,000 SF and are not owner occupied.

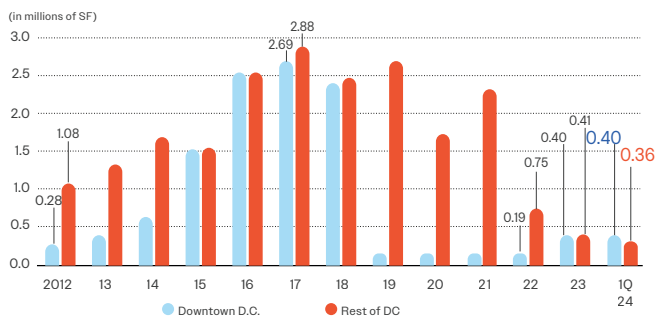
OFFICE OCCUPIED SF (a)



Source: CoStar

(a) CoStar data is for office buildings over 20,000 SF and are not owner occupied.

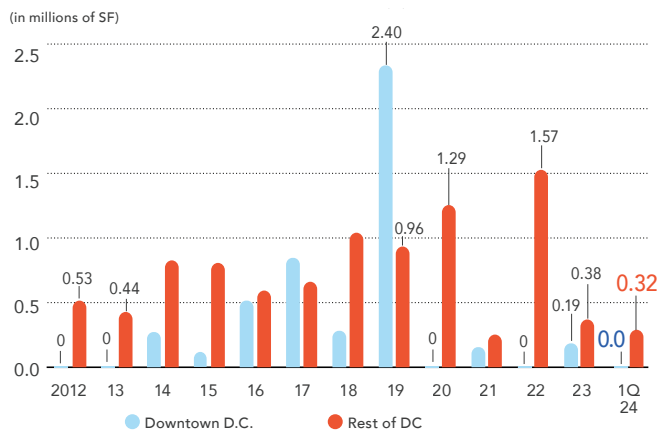
OFFICE SF UNDER CONSTRUCTION (a)



Source: CoStar

(a) CoStar data is for office buildings over 20,000 SF and are not owner occupied.

OFFICE SF OF BUILDING DELIVERIES (a)



Source: CoStar

(a) CoStar data is for office buildings over 20,000 SF and are not owner occupied.

FEDERAL AND PRIVATE OWNED AND LEASED OFFICE SPACE IN DOWNTOWN D.C. AND D.C.

(in millions of SF)

	DowntownDC BID		Rest of DC		All of DC	
	SF ▼	% ▼	SF ▼	% ▼	SF ▼	% ▼
Federal-Owned						
GSA (a)	15.3	21%	21.5	17%	36.9	18%
Congress	1.0	1%	6.0	5%	7.0	3%
Other (b)	0.0	0%	3.0	2%	3.0	1%
Total	16.3	22%	30.5	24%	46.9	23%

Privately-Owned (c)

Owner-Occupied	4.6	6%	9.2	7%	13.8	7%
Leased To 3rd Parties						
> 20K SF	52.5	71%	84.5	65%	137.0	67%
< 20K SF	0.4	1%	5.4	4%	5.8	3%
Total	57.5	78%	99.1	76%	156.6	77%
Total Office SF (d)	73.8	100%	129.7	100%	203.5	100%

Breakout of Federal Office Presence

Federal-Owned	16.3	22%	30.5	24%	46.9	23%
Federal-Leased						
By GSA	3.8	5%	13.5	10%	17.2	9%
By Other (d)	0.0	0%	1.0	1%	1.0	0%
Total	20.1	27%	45.0	35%	65.1	32%

Source: CoStar, General Service Administration and DowntownDC BID.

(a) GSA = General Service Administration.

(b) Other includes the Supreme Court, Federal Reserve and independent agencies.

(c) CoStar data.

(d) Does not include DC government-owned office space.

All Eyes are on the Federal Government and the Role it Will Play in the Future of the Downtown D.C. Office Market

While the federal government has always played an outsized role in the Downtown office market, there is an even greater spotlight on its forthcoming actions in shaping the market:

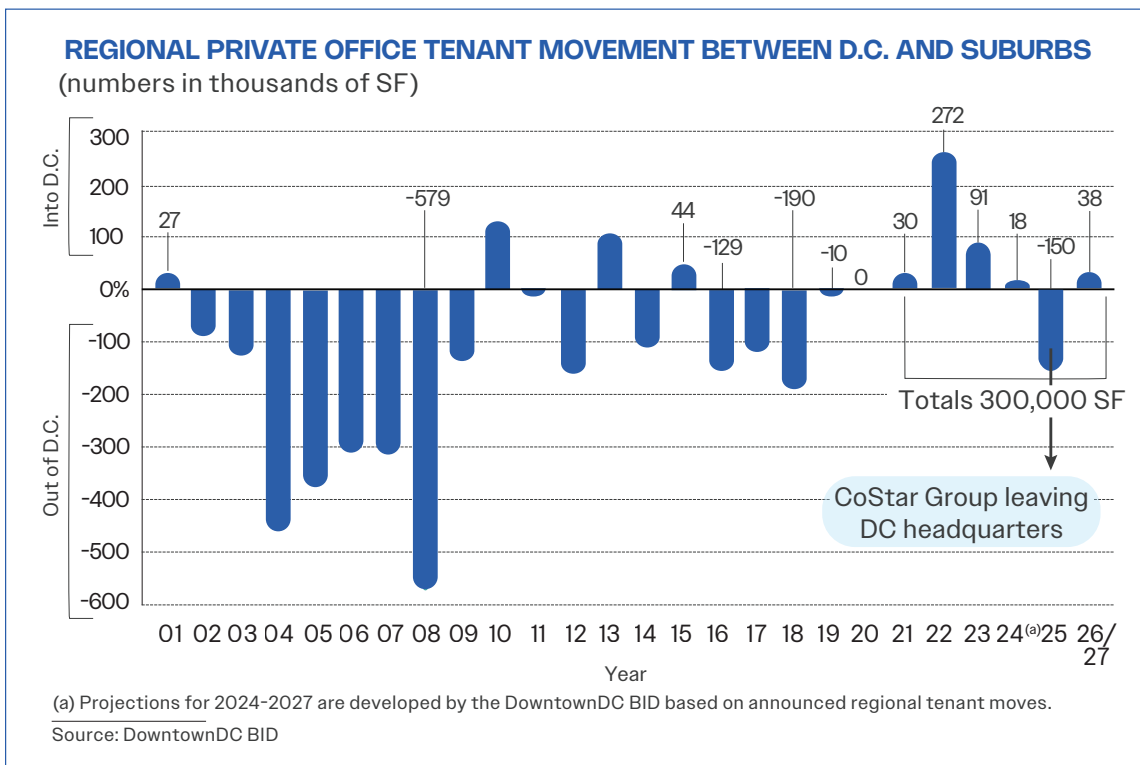
- There will be significant risk to the Downtown D.C. economy when the federal government likely reduces some share of the 3.8 million SF of leased space in privately-owned buildings in Downtown D.C. and the 13.5 million leased in the rest of D.C.
- There is significant opportunity for new productive uses as surplus federal sites are sold or leased long-term to the private sector that can better activate the surrounding area. In addition to the planned FBI headquarters redevelopment, the U.S. General Services Administration has identified the Webster School site in Downtown D.C. for disposition.

There is Good News to Share

- Downtown D.C.'s leased office space totals 40.9 million SF, down only 6% from its 2019 high of 43.8 million SF.
- The D.C. Vitality Fund has attracted at least

six firms who will collectively create more than 500 jobs and lease 120,000 SF.

- D.C. is not seeing its office tenants moving en masse to cheaper suburban office submarkets. Over 2021-2027 D.C. is projected to have a net gain in tenants from the suburbs of 300,000 SF over 2021-2027 despite CoStar Group's move to Rosslyn.
- Mayor Bowser's FY 2025 budget proposal includes several critical new investments in Downtown D.C. that will positively impact the office market:
 - A \$5 million increase in the Vitality Fund
 - Funding for office conversions that should support the conversion of 5 to 7 million SF of office to other uses.
 - \$26 million to streamline business licensing.
- The Downtown Action Plan recommends \$45 million in new investments to attract and retain office users, including an expansion of the Vitality Fund.
- Construction is underway on the redevelopment of Metro's old headquarters building at 600 5th Street NW, where Crowell & Moring, who is moving within downtown, has pre-leased 199,000 SF.



Hotels, Tourism, & Conventions

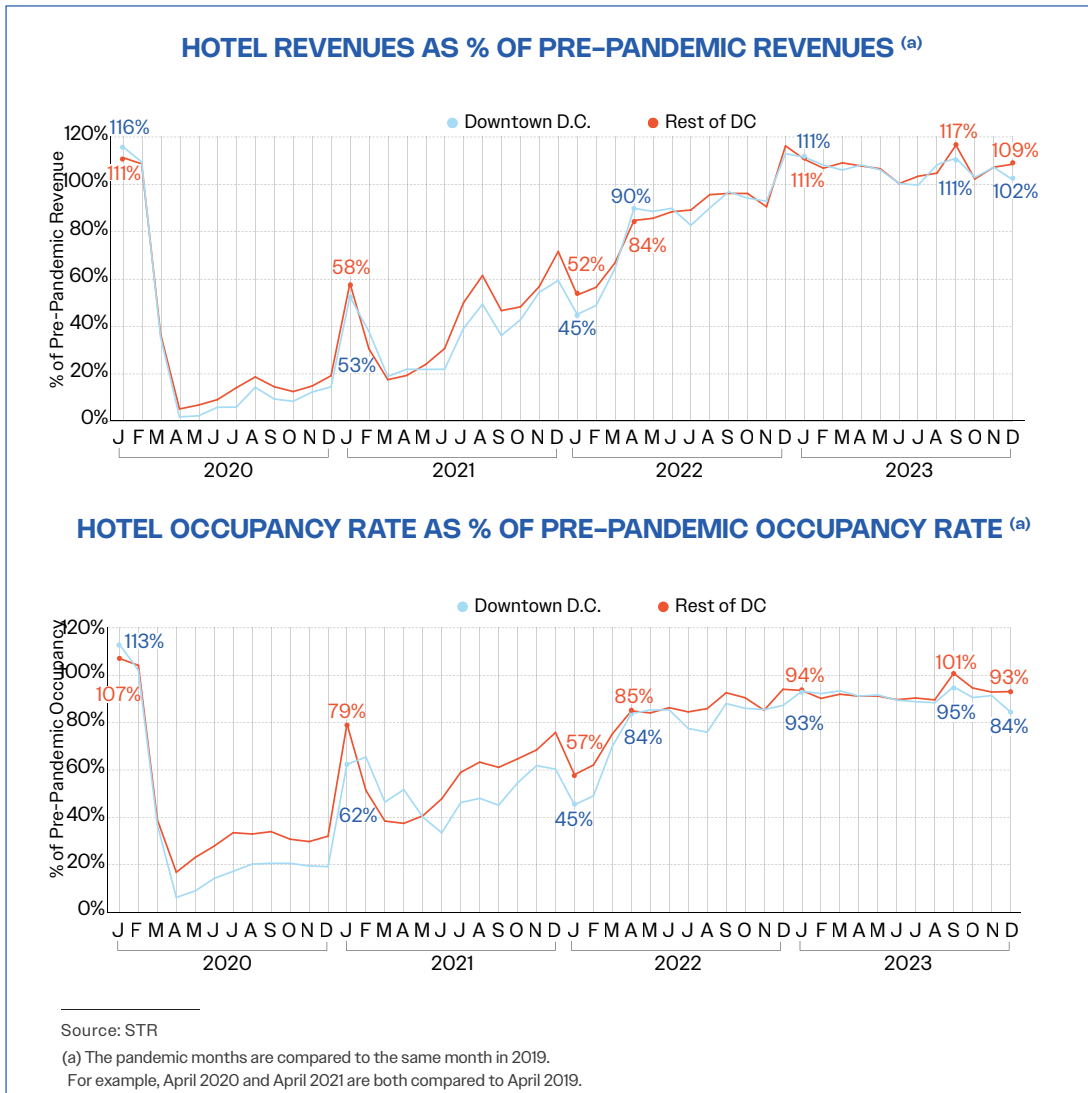
HOTEL, TOURISM, AND CONVENTION PERFORMANCE CONTINUED TO IMPROVE IN 2023. DOWNTOWN D.C. HOTEL REVENUES HAVE SURPASSED PRE-PANDEMIC LEVELS

Hotels Performing Well with Strong Demand, Occupancy, and Room Rates

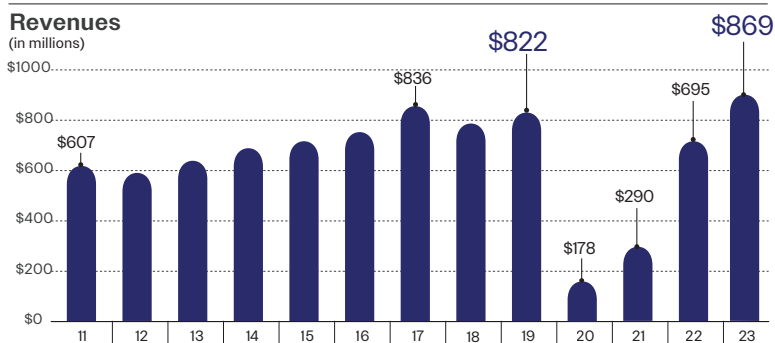
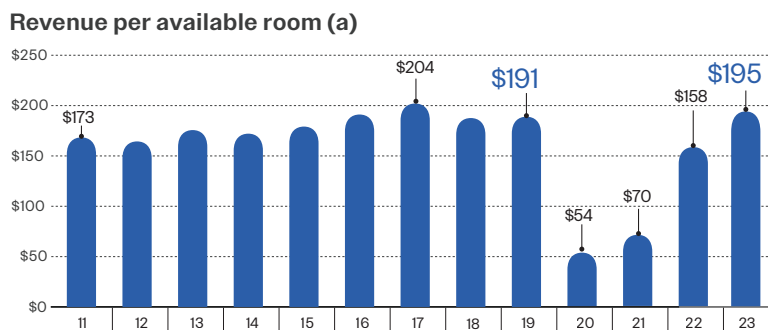
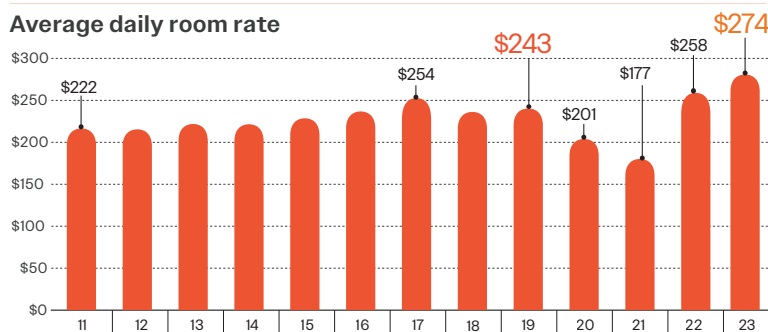
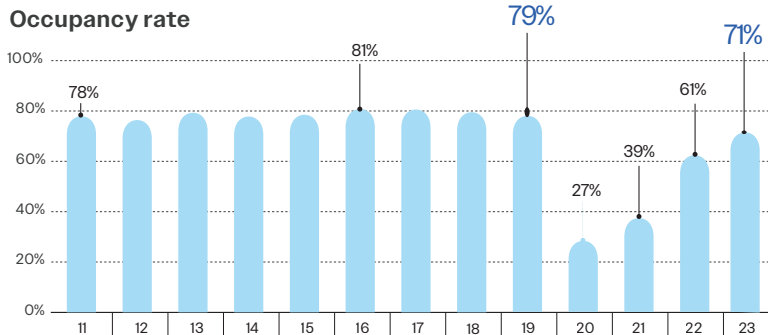
Although hotel occupancy in Downtown D.C. has not yet recovered to pre-pandemic levels – hotels had an occupancy rate of 71% in 2023 compared with 79% in 2019 – an increase in average daily rates has increased overall hotel revenues. Average daily

rates in 2023 were \$274 per room, leading to hotel revenues that were 106% of 2019 revenues.

Though hotel employment in Downtown D.C. grew for the second straight in 2023, it still lags pre-pandemic employment at only 3,900 employees – down 53% from 2019 levels.



DOWNTOWN D.C. HOTEL PERFORMANCE



(a) Revenue per available room (or RevPAR) = Occupancy Rate * Average Daily Room Rate.

Source: STR

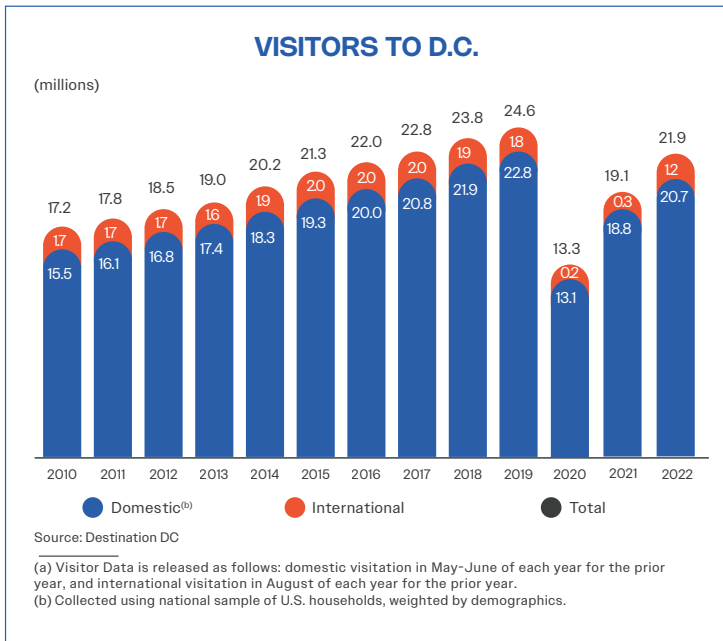
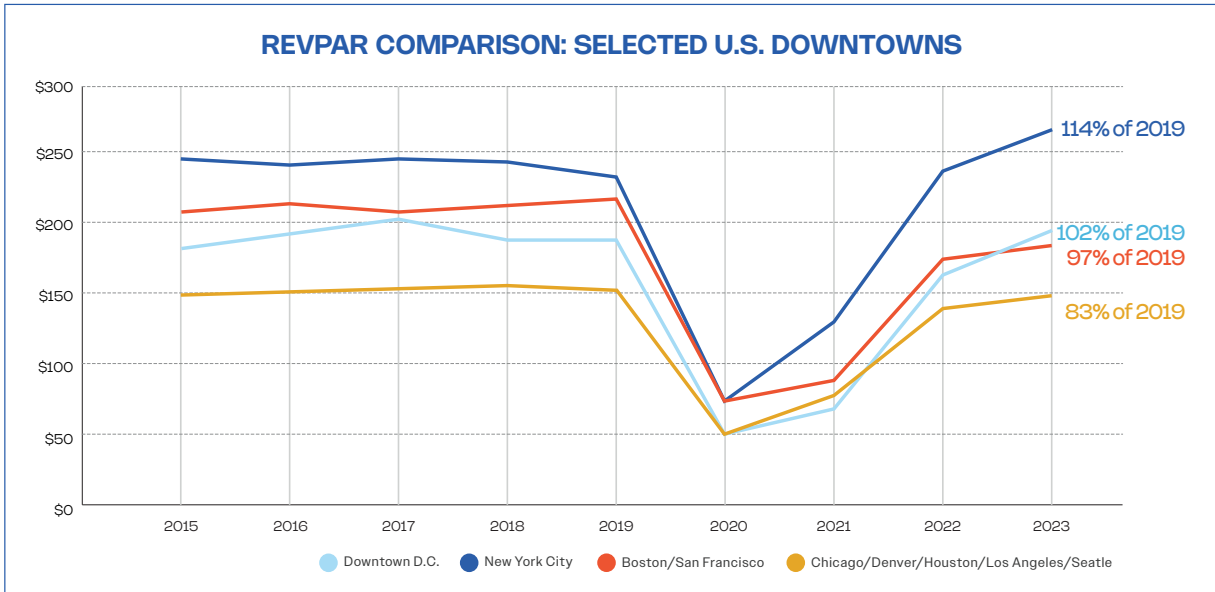
Downtown D.C. hotel revenues in 2023 were 106% of 2019 revenues.

DowntownDC has 36% of D.C.'s hotel rooms and generates 39% of D.C. hotel revenues

D.C. Visitor Travel Continued its Rebound in 2022, and Shows Strong Signs of Further Improvement in 2023

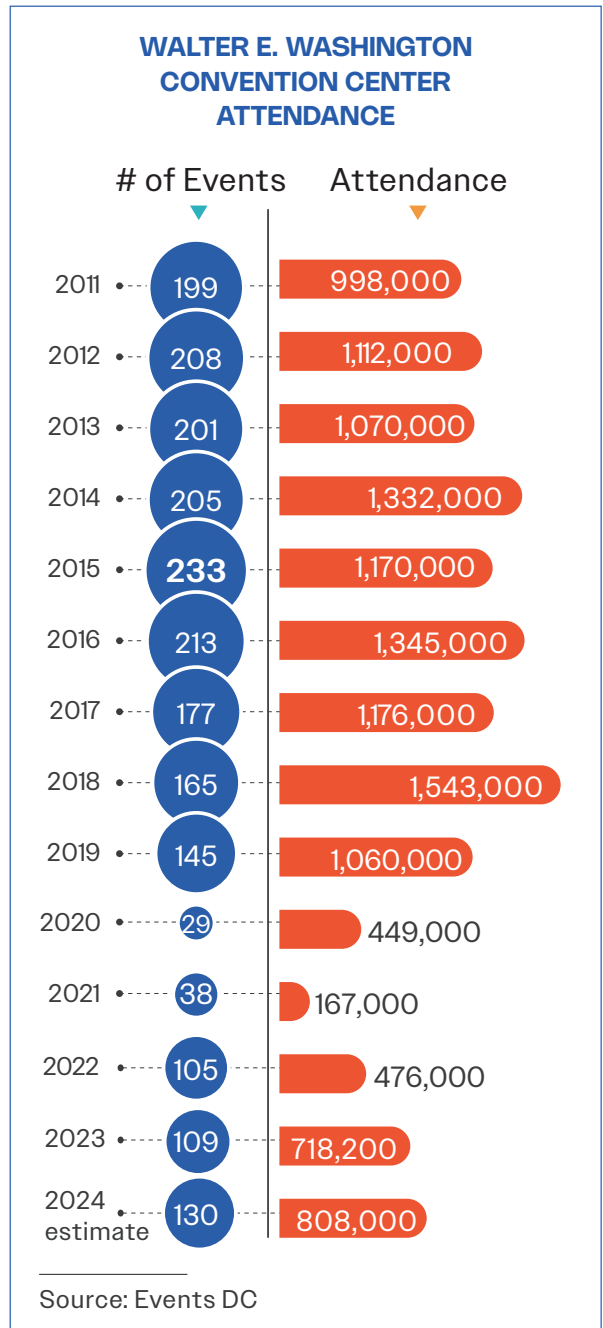
Destination DC, the city's tourism marketing arm, reported growing domestic visitor travel for 2022: 20.7 million domestic visitors, up 10.1% from 2021, and 91% of pre-pandemic levels. International visitors have been slower to come back, with 1.2 million international visitors in 2022, or 67% of pre-pandemic levels. In late 2023, Destination DC launched a \$14 million marketing campaign focused on boosting international travel to D.C in 2024 and beyond.

Although final 2023 numbers for total visitors to Washington, D.C. to are not yet available, signs point toward continued growth. In 2023, the museums and memorials on the National Mall experienced an increase in site visitors to 48.7 million from 44.7 million in 2022 – or 9%. While museum attendance continues to grow, attendance still lags average attendance between 2010 and 2019.

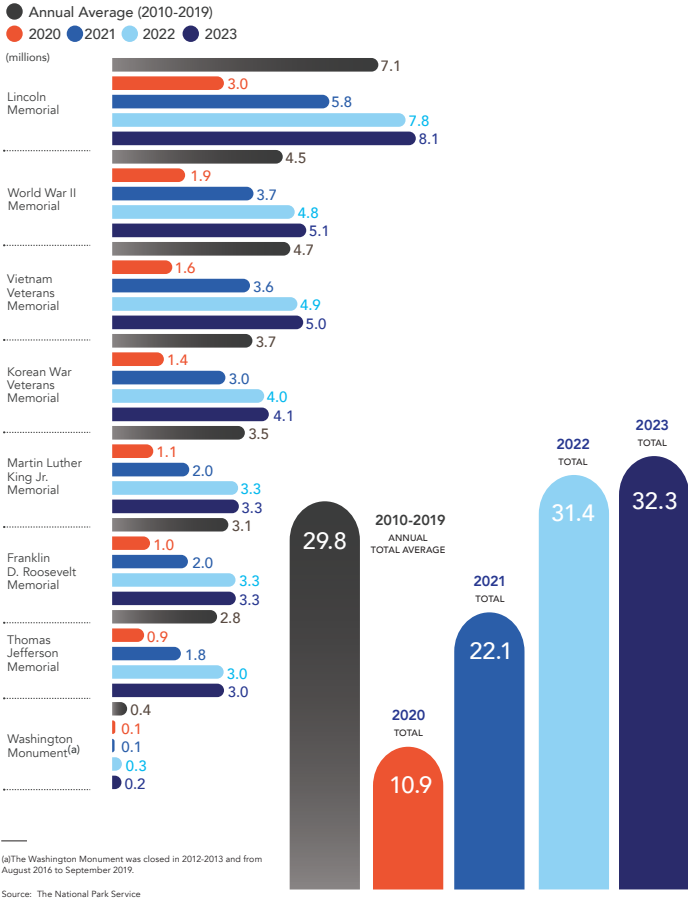


Convention Center Attendance Continued to Grow in 2023, but Has Not Yet Fully Recovered

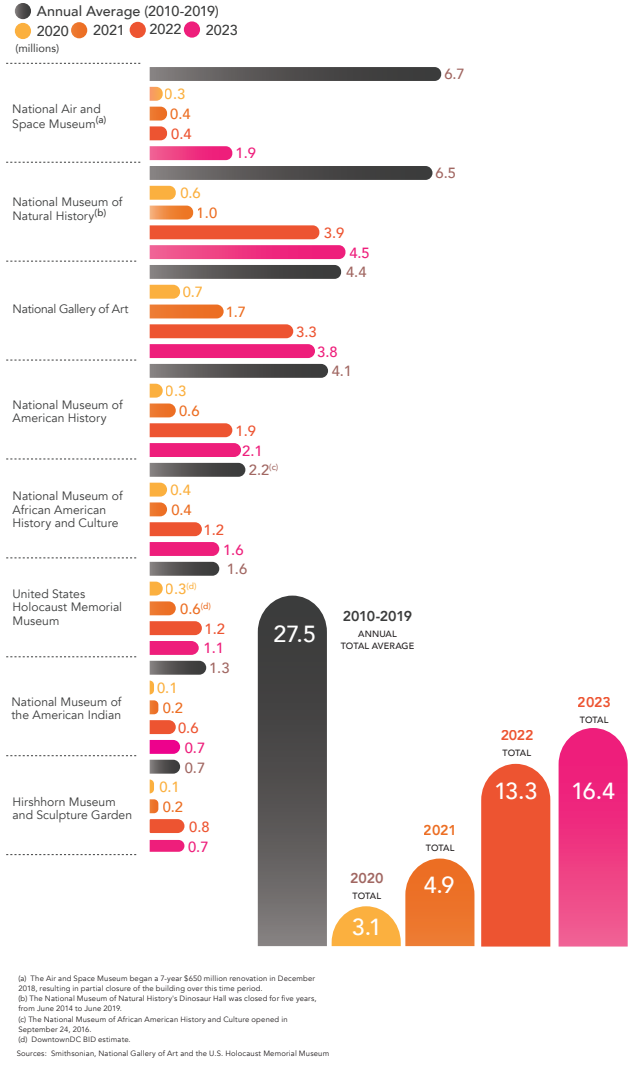
Attendance at the Walter E. Washington Convention Center increased to 718,200 attendees at 109 events in 2023, up from 476,000 attendees at 105 events in 2022. And while attendance for 2024 is projected by Events DC at 808,000, it is still well short of pre-pandemic levels.



ANNUAL VISITORS TO NATIONAL MALL MEMORIALS



ANNUAL VISITORS TO NATIONAL MALL MUSEUMS



Culture & Entertainment

RETAINING THE CAPITALS AND WIZARDS IS A HUGE WIN FOR DOWNTOWN AND D.C. – IT IS THE FOUNDATION FOR FURTHER GROWTH OF CULTURE & ENTERTAINMENT ACTIVITIES IN DOWNTOWN D.C.

In March 2024, Mayor Bowser, the D.C. Council, and Monumental Sports & Entertainment (MSE) announced a partnership deal to keep D.C.’s hockey and basketball franchises at Capital One Arena through 2050.

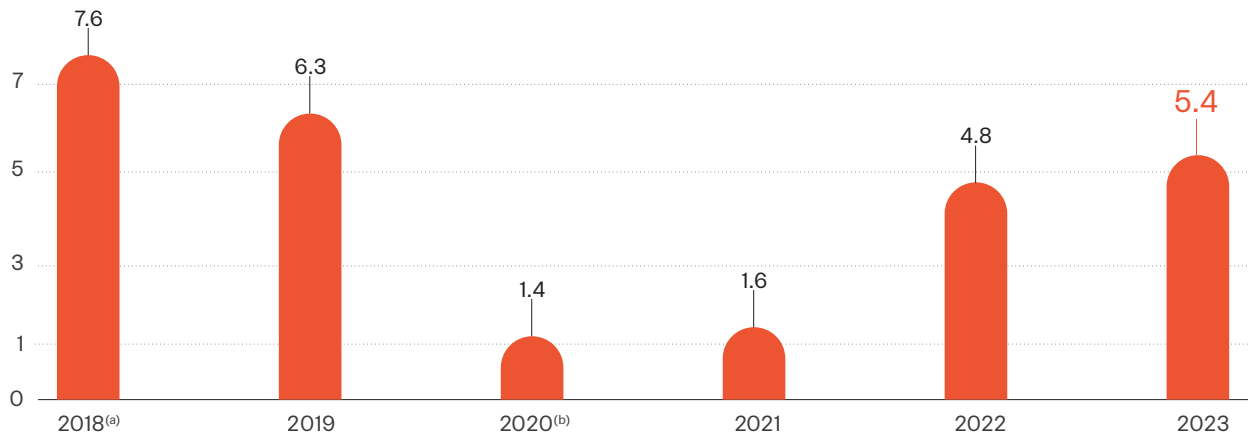
Losing the teams would have translated to Downtown D.C. losing Capital One Arena’s roughly 2 million visitors per year. Retaining the teams not only maintains a critical anchor of Downtown D.C.’s economy and activity but presents an opportunity to grow Gallery Place and Chinatown into a greater entertainment center. The newly-created Gallery Place/Chinatown Task Force will continue its work

to reimagine and reenergize the area surrounding the arena by adding to the Downtown Action Plan.

The announced partnership provides \$515 million in capital funding for the renovation of Capital One Arena and Monumental’s expansion into 200,000 SF of space in Gallery Place-Chinatown.

DOWNTOWN D.C. CULTURE AND ENTERTAINMENT ATTENDANCE

Museums, Capital One Arena and Performance Venues
(millions)



Sources: Museums, Performing Arts Venues and Monumental Sports & Entertainment

(a) Key date: 2/2/18 - Obama portraits unveiled at the National Portrait Gallery.

(b) 95% of 2020 attendance occurred in 1Q 2020.

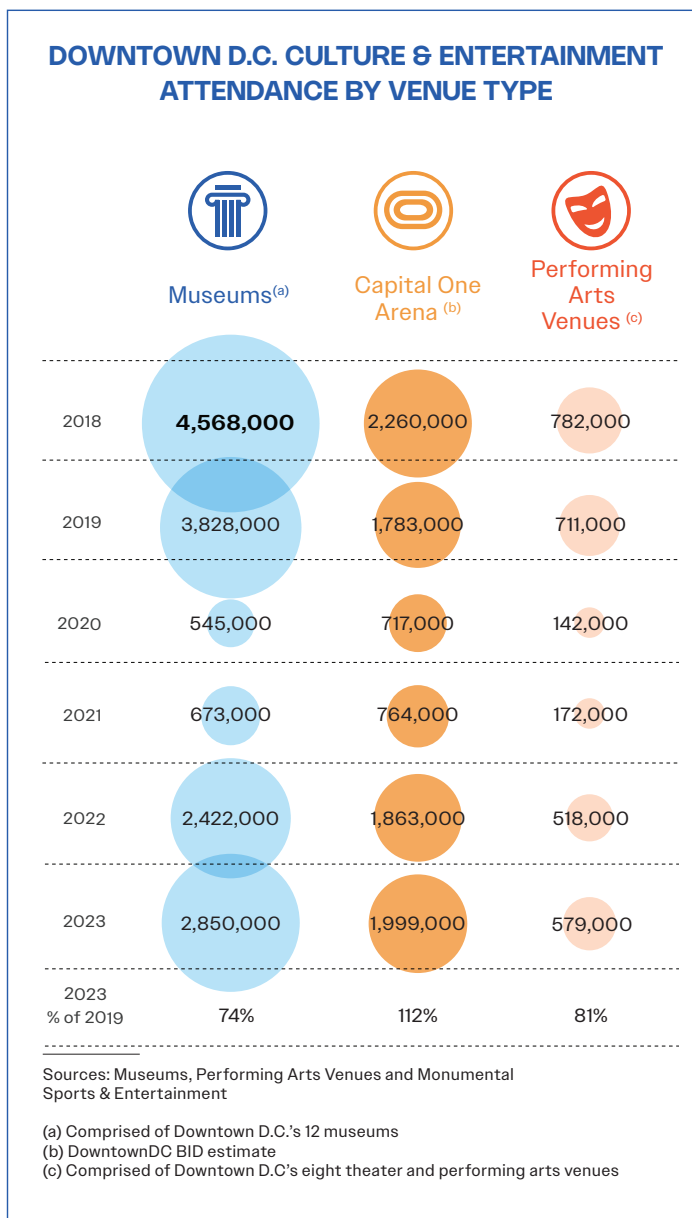
In 2023, Downtown D.C. Culture & Entertainment Venue Attendance Grew, But Remains Below Pre-Pandemic Levels

Attendance at Downtown D.C.'s 12 museums (including the new Capital Jewish Museum), eight theaters and performance venues, and Capital One Arena continued to strengthen in 2023, but the sector has not fully recovered to pre-pandemic levels. Culture and entertainment venues were the hardest-hit sector of the Downtown D.C. economy during the pandemic, with operations almost entirely closed for more than a year. Since then, some venues have surpassed their pre-pandemic attendance, while others are experiencing slower recoveries. 5.4 million culture and entertainment patrons visited Downtown D.C. venues in 2023, a 13% increase over 2022 and 86% of 2019 attendance.

- Capital One Arena:** The largest venue in Downtown D.C. – saw a 7% increase in attendance over the last year to nearly 2 million attendees, the largest yearly total since the Washington Capitals won the Stanley Cup in 2018.
- Museums:** The museums with reported attendance saw an 18% increase in attendance in 2023 over 2022, and now stand at 74% of pre-pandemic levels.
- Performing Arts:** The performing arts venues with reported attendance saw a 12% increase in attendance in 2023 over 2022, and now stand at 81% of pre-pandemic levels.

New and Renovated Museums in Downtown D.C.

In 2023, the Capital Jewish Museum opened and the newly-renovated National Museum of Women in the Arts reopened in Downtown D.C., together totaling more than \$100 million in new investment. The Milken Center for Advancing the American Dream is expected to open in 2024, adding another \$100 million in museum investment to Downtown D.C.




What Does a Return to Full Capacity Look Like?

Downtown D.C.'s 13% increase in total attendance to 5.4 million cultural visitors and event attendees in 2023 is an encouraging sign that arts and entertainment venues can reach and surpass pre-pandemic levels in the coming years. Pre-pandemic attendance numbers among all Downtown D.C. venues suggest what this might look like:

- Theaters/Venues: 0.7 – 0.8 million
- Museums 3.5 – 4.0 million
- Capital One Arena: 2.0 – 2.5 million
- Total: 6.2 – 7.3 million.


PRE-PANDEMIC DOWNTOWN D.C. THEATER AND PERFORMANCE VENUE ATTENDANCE



	Average for 2010 - 2019 ^(a)
Warner Theatre	▶ 158,415
National Theatre	▶ 113,185
Sidney Harman Hall ^(b)	▶ 124,035
Ford's Theatre	▶ 87,253
Sixth & I Synagogue	▶ 73,061
Hamilton Live	▶ 65,629
Michael Klein Theatre ^(b)	▶ 71,379
Woolly Mammoth Theatre	▶ 39,443
TOTAL	▶ 732,400

Sources: Theatres and Performance Venues
 (a) If open less than years for the average, average based on years open.
 (b) Shakespeare Theatre Company venues.

PRE-PANDEMIC DOWNTOWN D.C. MUSEUM ATTENDANCE



	Average for 2010 - 2019
National Portrait Gallery and Smithsonian American Art Museum	▶ 1,312,700
National Archives	▶ 1,085,704
Ford's Theatre Historical Site	▶ 553,900
National Building Museum	▶ 504,462
National Museum of Women In The Arts	▶ 107,630
Old Post Office Tower (a)	▶ 119,508
The Naval Heritage Center	▶ 134,222
DC History Center	▶ NA
National Law Enforcement Museum ^(b)	▶ NA
Children's Museum	▶ NA
Planet Word	▶ NA
Victims of Communism	▶ NA
Capital Jewish Museum	▶ NA
Center for the American Dream ^(c)	▶ NA
TOTAL	▶ 3,818,126

Sources: Museums and DowntownDC BID

(a) For 2017 -- 2019.
 (b) DowntownDC BID estimate.
 (c) Under construction

Shopping & Dining

DIVERGING RETAIL PERFORMANCE IN 2023

In 2023, destination restaurants and luxury retail continued to perform well, at or above pre-pandemic activity, while everyday shopping and quick service restaurants continue to struggle with the reduced number of office workers downtown.

Overall retail vacancy is well above pre-pandemic levels at a record 25% in April 2024. More than 600,000 SF of retail space would need to be filled to reduce vacancy rates back to 2019 levels of 10%.

The Downtown D.C. retail vacancy rate jumped to 25% in April 2024, up from 22.5% in March 2023.

Reinforcing the divergence in performance everyday shopping and destination and luxury shopping, CityCenterDC retail sales have seen strong growth in recent years. Average sales per square foot for luxury stores increased to \$1,537 in 2023, a 21% increase since 2019 after adjusting for inflation.

Luxury shopping saw three openings and two closings in 2023, with two planned openings in 2024, including BSH Experience and Design Center, which is a Bosch, Thermador, and Gaggenau appliance showroom that will open at CityCenterDC and another luxury store that will replace the current Tesla showroom. Everyday stores experienced one opening and zero closings in 2023 with one projected opening in 2024.

The destination restaurant sector in Downtown D.C. grew in 2023, with 10 openings compared to six closings. There also were seven under construction and six announced destination restaurants as of Year-End 2023. While there were more new or announced quick service restaurant openings (12) than closings (9) in 2023, there are still about 10%

fewer restaurants in the sector compared to pre-pandemic.

Downtown D.C. continues to be a destination for award-winning restaurants.

- Michelin 2023:
 - 2-Star
 - » Minibar
 - 1-Star
 - » Rania*
 - » Kinship
 - » Metier
 - » Sushi Nakazawa
 - 6 Bib Gourmand Restaurants
- Restaurant Association of Metropolitan Washington RAMMYS – 12 Nominees for 2023: Rania, Moon Rabbit, Silver Lyan, Urban Roast, Paleo, Joe's Seafood, Unconventional Diner, Dauphine's, L'Ardente, Bantam King, Tonari

*New recipient in 2023

Downtown D.C. Retail Overview as of December 2023

Downtown D.C. has a broad mix of retailers totaling 3.1 million SF of occupied retail space:

- 990,000 SF of high-end or casual dining at 142 destination restaurants
- 516,000 SF of other food service providers
- 640,000 SF of destination shopping including apparel, electronics, gifts, jewelry, and cosmetics at 68 destination stores
- 309,000 of other shopper's goods retail including furniture design showrooms, drugstores, and convenience retail
- 634,000 of other retail, with entertainment, banks, and fitness being the largest categories

Destination Restaurant Overview as of December 2023

- 142 total restaurants, 150 projected by Year-End 2024
- December 2023 revenues at 104% of pre-pandemic
- 2022: 19 openings, 12 closings
- 2023: Ten openings, four closings
- 2024: 13 openings projected, five closings projected
- Downtown D.C. restaurant employment as of December 2023 is 48% of December 2019.

Destination Restaurant Openings and Closings 2022

19 Opened: Philotimo, Piccolina, Shoto Zuma, Dos Toros Taqueria, Piccoletto, The Henri DC, Bulldog Pizza, Little Chicken, Rania, Lima Twist, Carlyle Room & Brennan’s Bar, Grazzie Nonna, Bar Spero, Taffer’s Tavern, Brickstone’s Kitchen & Bar, Guy Fieri’s DC Kitchen & Bar, Pow Pow, Howl at the Moon, Tom’s Watch

12 Closed: Fire & Sage, Café Mozart, Naan and Beyond, The Carving Room, The Occidental, Punjah Grill, DGBG, The Noble, BLT Prime by David Burke, Siroc, b DC Penn Quarter, Toro Toro

2023

10 Opened: The Bazaar, Parlour Victoria, Petite Cerise, Lucha Rosa, Mi Vida, Love, Makoto, Kitchen & Cocktails, Bistro Du Jour, G.O.A.T. Room, Seven Reasons

4 Closed: Red Apron/The Partisan, Tom’s Watch Bar, Pi Pizzeria, Flight Wine Bar

7 Under Construction: Akedo, Street Pizza by Gordon Ramsey, La Grande Boucherie, Washoku Room, Olio e Piu, Taco Bell Cantina

6 Announced: Tom Colicchio at Market Square, Arlo Hotel Restaurant, Dead Rabbit, Moon Rabbit, TBA Stephen Starr Restaurant in former Occidental space, TBA New Sushi Restaurant

Destination Shopping Overview as of December 2023

- 68 total stores, 70 projected by Year-End 2024
- Several luxury stores’ current sales are well above pre-pandemic levels
- 2022: One opening, four closings
- 2023: Five openings, four closings
- 2024: Three openings projected; three closings projected

Destination Shopping Openings and Closings 2022

1 Opened: Akris

4 Closed: J. Crew, Loft, Paper Source, Banana Republic

2023

5 Opened: Christian Louboutin, The Gentleman’s Closet, Scanlan Theodore, Gift Shop at the National Museum of Women in the Arts, H&M*

4 Closed: Marshall’s, Benson Jewelers, Christofle, H&M*

1 Under Construction: BSH Experience & Design Center

2 Announced: Luxury store to replace Tesla showroom at CityCenter DC and Mango

*H&M closed at 1025 F Street NW and opened a temporary new location at 664 11th Street NW. H&M plans to move back into 1025 F Street in late 2024/early 2025.

DOWNTOWN D.C. DESTINATION RESTAURANT HISTORY

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 Estimate
Number of Restaurants at End of Year	125	123	127	125	132	136	142	138	134	127	131	138	142	150
Net Change	5	(2)	4	(2)	7	4	6	(4)	(4)	(7)	4	7	4	8
Openings	10	3	10	3	10	9	11	6	10	3	9	19	10	13 ^(a)
Closings	(5)	(5)	(6)	(5)	(3)	(5)	(5)	(10)	(14)	(10)	(5)	(12)	(6)	(5)

Source: DowntownDC BID

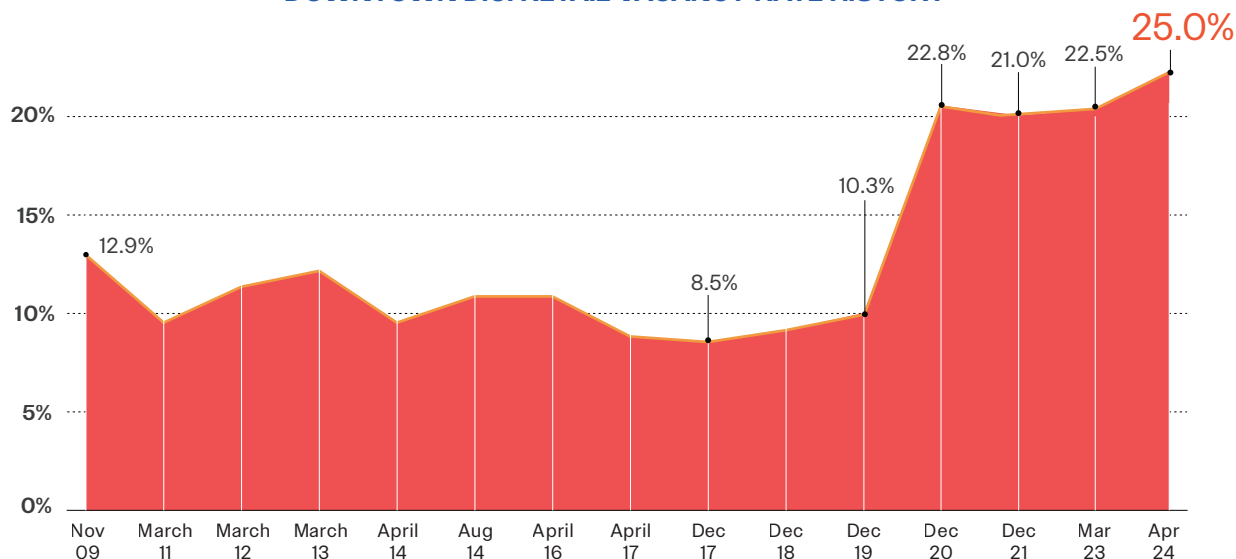
(a) Includes seven destination restaurants under construction and six announced as of December 2023.

DOWNTOWN D.C. DESTINATION SHOPPING HISTORY

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 Estimate
Number of Stores at End of Year	54	54	55	67	79	80	83	79	78	72	70	67	68	68
Net Change	0	0	1	12	12	1	3	(4)	(1)	(6)	(2)	(3)	1	0
Openings	2	2	1 ^(a)	12 ^(a)	12 ^(a)	2	3	0	3	1	5	1	5	3 ^(a)
Closings	(2)	(2)	0	0	0	(1)	0	(4)	(4)	(7)	(7)	(4)	(4)	(3)

Source: DowntownDC BID
 (a) Includes one destination store under construction and two announced as of December 2023.

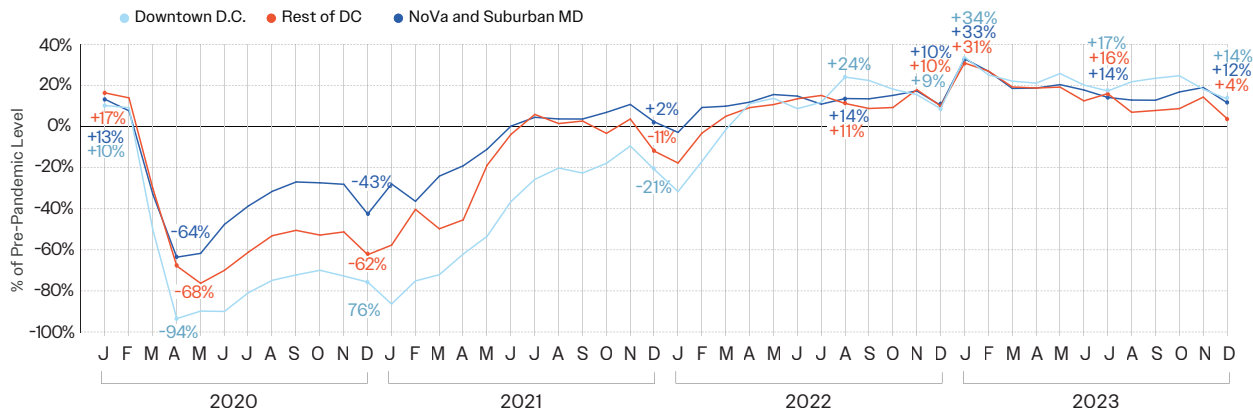
DOWNTOWN D.C. RETAIL VACANCY RATE HISTORY



Source: Dochter & Alexander Retail Advisors (2017 - 2024) and DowntownDC BID (2010 - 2016).

REGIONAL RESTAURANT SALES DURING PANDEMIC

Jan 2020 - December 2023 Sales Compared to Pre-pandemic Sales^(a)



Source: MarginEdge and DowntownDC BID

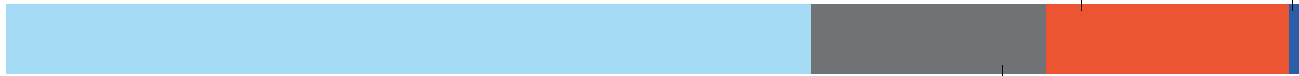
^(a) The pandemic months are compared to the most recent pre-pandemic same month. For example, April 2020 and April 2021 are both compared to April 2019.

DOWNTOWN DC RETAIL SPACE OVERVIEW APRIL 2024

Total Possible Retail Space
5,163,000 SF

Non-Retail First Floor
991,000 SF

Under Construction
52,000 SF

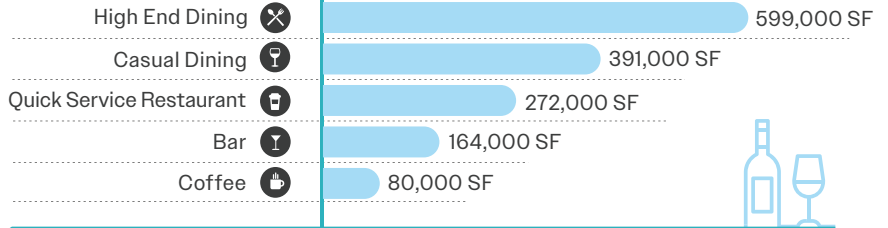


3,089,000 SF Occupied Space

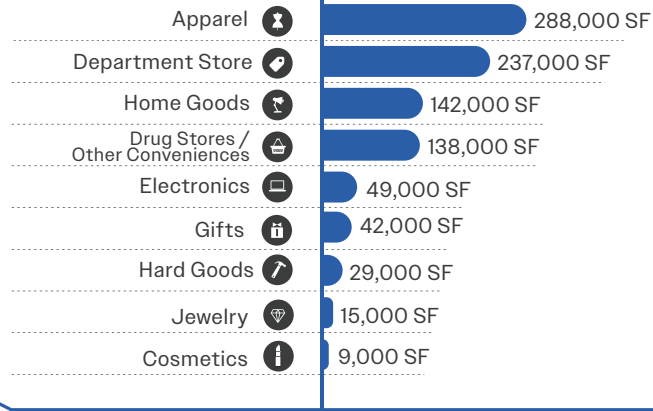
Vacant
1,031,000 SF



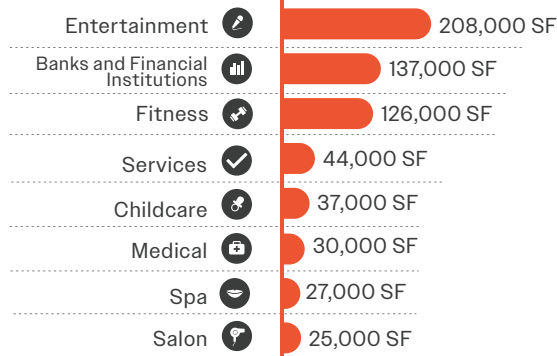
FOOD AND BEVERAGE



SHOPPERS' GOODS



OTHER RETAIL



Source: Dochter & Alexander Retail Advisors and DowntownDC BID

Housing

MODEST DIPS IN APARTMENT RENT AND CONDO SALE PRICES IN 2023

After increasing in 2022, Downtown D.C. apartment market rents dipped in 2023, while vacancy also increased. Class A rents were \$3.39 per SF per month at the end of 2023 – a \$0.10 decline over the past year. Rents in Downtown D.C. are now even with rents in D.C. as a whole. In contrast, rents in neighborhoods surrounding Downtown D.C. (referred to here as “Near DowntownDC”), rose as the vacancy rate declined, a reverse from 2022. The Downtown D.C. apartment vacancy rate stood at 6.1% at the end of 2023 and remains below the 6.5% vacancy in D.C. overall.

The condominium market also saw a pricing decline in 2023, with resale prices per SF in DowntownDC declining by five percent to \$637 in 2023 after reaching a record-high of \$674 in 2022. This is partially reflective of fewer transactions in a higher interest rate housing market, which is impacting the for-sale housing market more broadly. Condo sales volumes in Downtown D.C. declined by nearly a third, to the lowest volume since 2012. Pricing

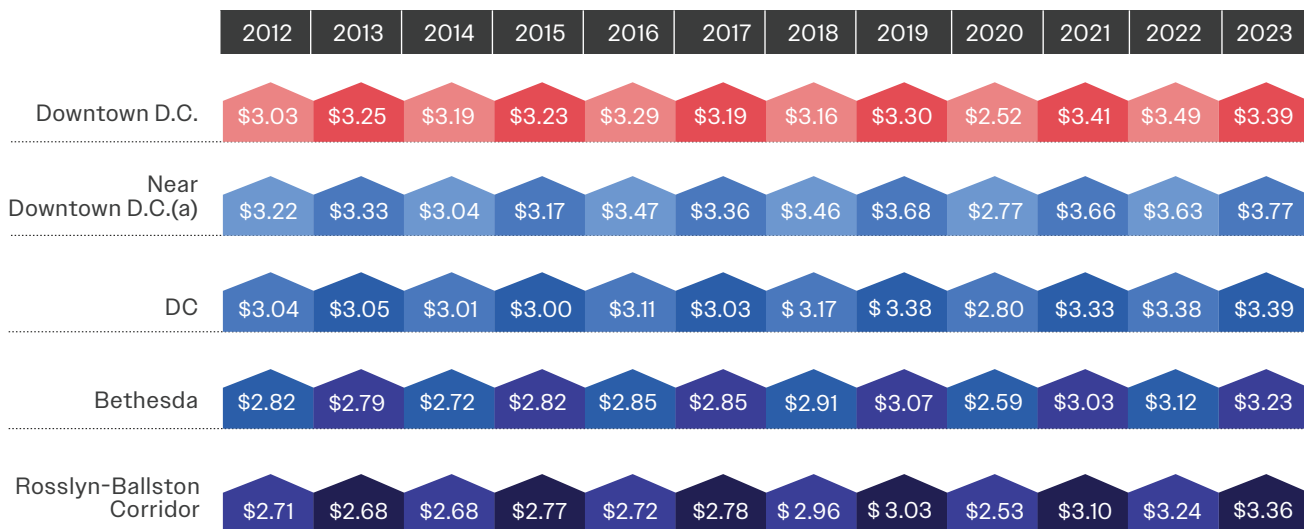
changes across regional submarkets were mixed, with a decrease in Georgetown, little change in Bethesda, and small increases in Rosslyn-Ballston Corridor and 14th&U/Shaw.

Downtown D.C. Class A rents declined slightly to \$3.39 per SF in 2023, down 2.9% – with an increase in vacancy

Downtown D.C. condo prices declined to \$637 per SF in 2023 – down 5% on lower sales volume

CLASS A APARTMENT EFFECTIVE RENTS

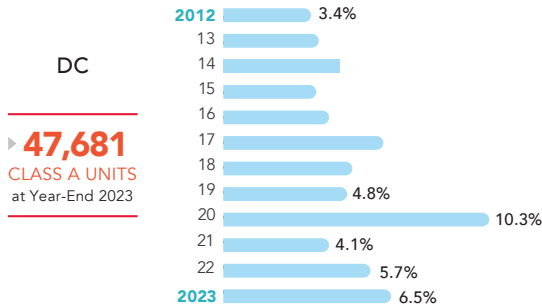
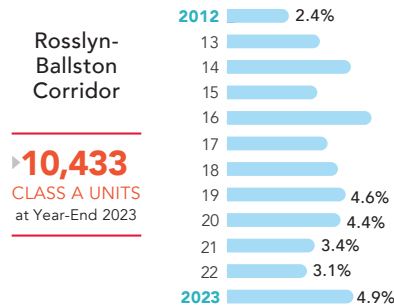
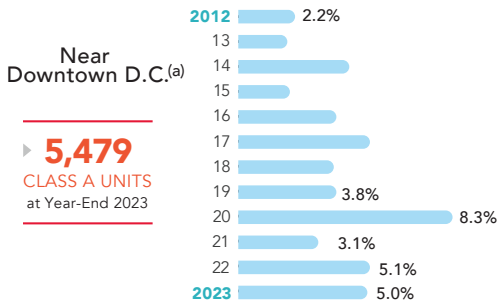
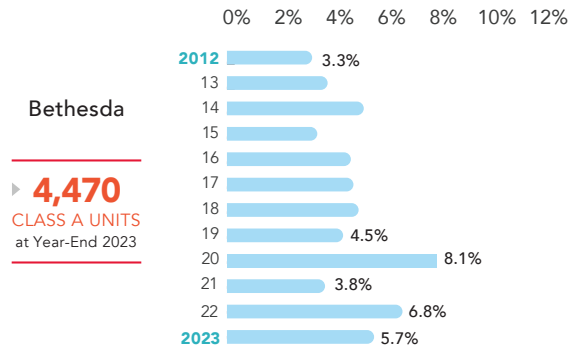
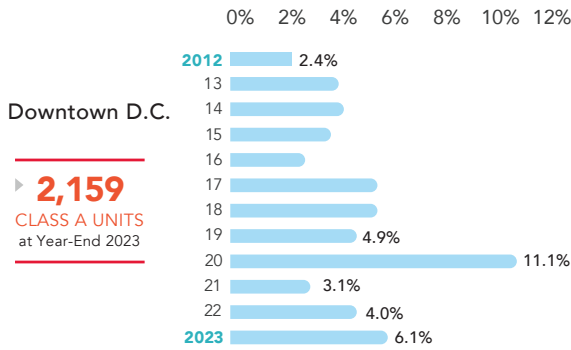
(\$ per SF per month)



Source: Delta Associates

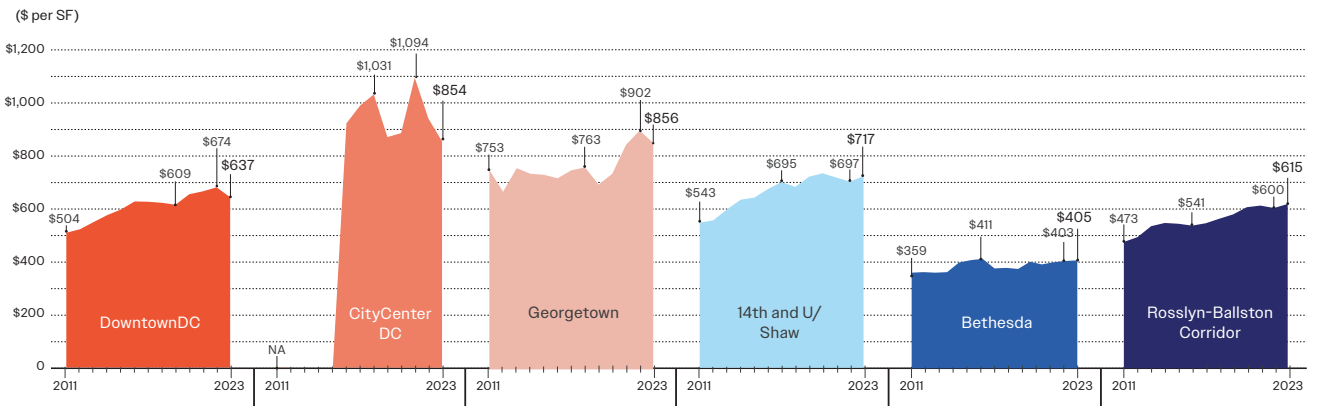
(a) Includes the area five blocks north and west of the DowntownDC BID boundary.

CLASS A APARTMENT VACANCY RATE



Source: Delta Associates
(a) Includes the area five blocks north and west of the DowntownDC BID boundary.

REGIONAL CONDO RESALE PRICES



Source: Delta Associates

Universities

Downtown D.C. is home to a growing number of university buildings, including Georgetown University’s “Capitol Campus”, Johns Hopkins University’s new Bloomberg Center, and fourteen university satellite programs. Together these educational uses total approximately 5.4 million square feet of building space. Recent and planned expansions of university facilities in and around Downtown D.C. have the potential to continue growing Downtown D.C. into a global learning/ university hub that unlocks new economic growth, foot traffic, and urban vitality.

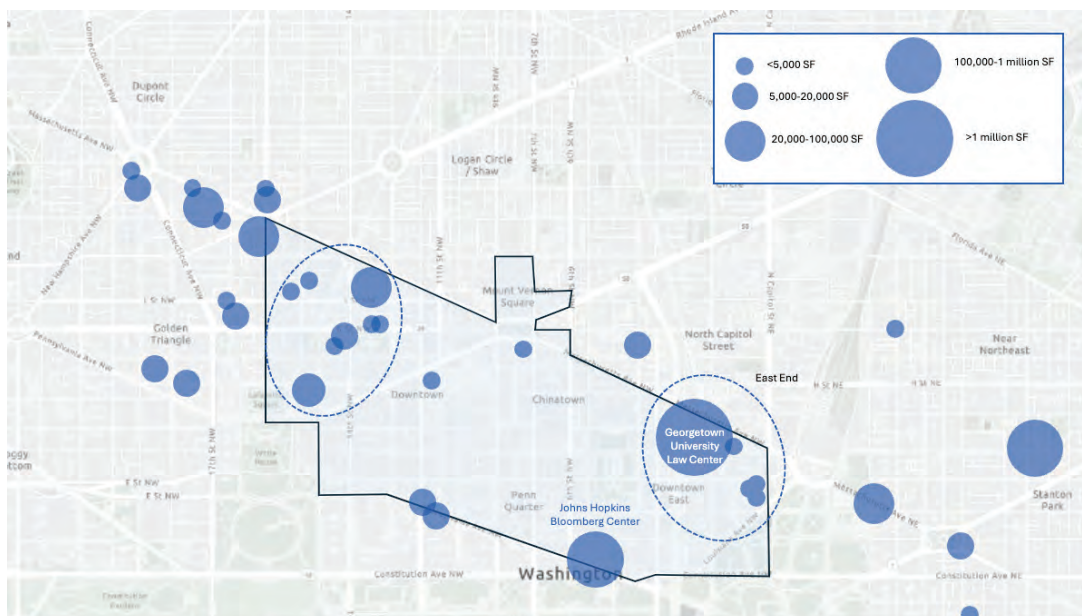
Georgetown University is poised to play a larger role in Downtown D.C. by significantly expanding its Capitol Campus to nearly 5 million square feet. Anchored by the Georgetown University Law Center, the nation’s largest law school (2,000 students), the Capitol Campus includes buildings both within Downtown D.C. and just north of its border on Massachusetts Avenue NW. Within Downtown D.C., the University recently completed the new home of the McCourt School of Public Policy (600 students) at 125 E Street NW and has purchased an office building next door at 500 1st Street NW with plans to convert it into a mix of classrooms and university offices. The university is also planning an

expansion of its existing Gewirtz Student Center into a 200,000 square-foot multipurpose law school building. Together, these three investments total 480,000 square feet of new or expanded educational space within Downtown D.C. North of Massachusetts Avenue, Georgetown recently built a 474-bed dormitory at 55 H Street, and is planning a conversion for 100 beds at 77 H Street, and is planning a conversion for 325,000 square feet of multipurpose space at 111 Massachusetts Avenue.

The Johns Hopkins University Bloomberg Center opened at 555 Pennsylvania Avenue NW in October 2023, consolidating the university’s D.C. presence in Downtown D.C. in 435,000 SF. The building is home to 12 university schools or programs, with 1,500 full-time students, 600 part-time students, 400 full-time employees and 700 part-time employees.

In addition to Georgetown and Johns Hopkins, 14 universities maintain smaller satellite campuses in Downtown D.C., typically for students studying government or public policy. Several of these satellites have opened in recent years, representative of continued opportunity to grow the presence of educational anchors in Downtown D.C. Satellite campuses range from New York University’s 75,000 square foot building to office suites occupied by diverse institutions ranging from private liberal arts colleges to flagship public research universities.

UNIVERSITY PRESENCE IN DOWNTOWN D.C. BY TOTAL SPACE



UNIVERSITIES IN DOWNTOWN D.C.

University	Location	Facility Size (SF)	Year Opened
Georgetown University Law Center	600 New Jersey Avenue NW	4,822,000	1870 (DC) 1890 (BID)
Johns Hopkins University Bloomberg Center	555 Pennsylvania Avenue NW	435,000	2023 (BID)
New York University	1307 L Street NW	75,000	2012 (DC/BID)
Bay Atlantic University	1510 H Street NW	29,000	2014 (DC/BID)
Duke University	1201 Pennsylvania Avenue NW	14,400	2017 (DC/BID)
Middlebury College	1400 K Street NW	6,500	2013 (DC/BID)
Purdue University	1301 K Street NW	<5,000	2023 (DC/BID)
University of Texas at Austin	1100 New York Avenue NW	<5,000	2016 (DC/BID)
The Chicago School	901 15th Street NW	<5,000	
Baylor University	700 K Street NW	<5,000	
Northwestern University	1301 K Street NW	<5,000	1966 (DC)
Colgate University	444 North Capitol Street NW	<5,000	1935 (DC)
Ohio State University	444 North Capitol Street	<5,000	
Florida International University	601 New Jersey Avenue NW	<5,000	2022 (BID/DC)
NewU	1100 15th Street NW	<5,000	
Carnegie Mellon University	444 North Capitol Street NW	1,000	2017
Total		5,400,000	

Transportation

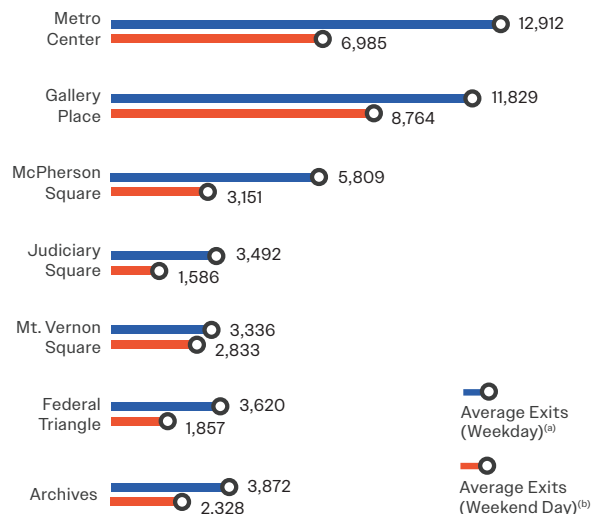
Metrorail

Metrorail returned to more normal operations in 2023 as the 7000-series railcars largely returned to service after safety issues were identified in 2021. Systemwide, Metrorail ridership saw a 58% increase in yearly ridership in 2023, reaching 64% of pre-pandemic levels by year-end 2023. Through the first two months of 2024, systemwide ridership remained the same, indicating a plateauing of ridership may be setting in across the region.

While weekend ridership in Downtown D.C., measured by exits, has recovered to 116% of pre-pandemic activity through 1Q 2024, weekday ridership has recovered to only 62% of pre-pandemic activity through the same time period, as workers continued to not fully return to the office.

Downtown D.C. Metrorail weekend ridership recovered to 116% in pre-pandemic levels in March 2024, compared to 62% for weekday ridership

2023 AVERAGE DAILY METRORAIL EXITS IN DOWNTOWNDC



Average Weekday Total 44,870

Average Weekend Day Total 27,504

Source: Washington Area Metropolitan Transit Authority (WMATA)
 (a) Excludes weekday holidays.
 (b) Includes weekend holidays.

DOWNTOWN D.C. METRORAIL RIDERSHIP HISTORY ^(a)

(in thousands)

● Average Weekday Exits^(b) ● Average Weekend Day Exits^(c)



Source: WMATA

(a) Exit numbers for Metro stations in DowntownDC BID Area (McPherson Square, Metro Center, Gallery Place-Chinatown, Archives-Navy Memorial-Penn Quarter, Federal Triangle, Mt. Vernon Square and Judiciary Square).

(b) Excludes weekday holidays.

(c) Includes weekend holidays.

Metrobus

Systemwide Metrobus ridership has recovered to 87% of pre-pandemic levels in 2023. Metrobus operations are continuing to improve in Downtown D.C., with service updates from the District Department of Transportation (DDOT) and Metro.

Infrastructure: In 2024, DDOT has plans to install new bus-only priority lanes for 11th Street between Pennsylvania and Massachusetts Avenues NW, building on the implementation of other bus-only priority lanes in key DowntownDC corridors in recent years.

Service: In December 2023, Metro began 24/7 service on 14 bus routes in December 2023, including six routes in Downtown D.C.

records, with 6.7 million trips in DC alone, an 18% increase from 2022. Regionally, Capital Bikeshare and private bike and scooters totaled more than 12 million trips in 2023.

Crash and Pedestrian Safety

In September 2023, the BID began piloting two pedestrian-safety projects at hot-spot locations identified in a pedestrian safety and experience study. The projects, on 7th Street between F and G streets and around Chinatown Park along Massachusetts Avenue, will remain in place for 18 months.

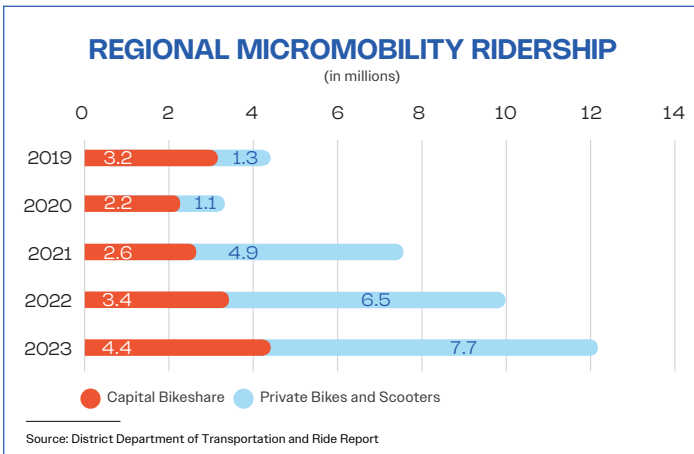
Within Downtown D.C.*, traffic crashes resulting in injuries increased in 2023 by 11%. However, injuries are still 19% fewer than in 2019.

*Defined by Advisory Neighborhood Commissions (ANCs) with boundaries in Downtown D.C.

Transit Infrastructure Projects in Downtown D.C.

DDOT continues to advance plans for several projects related to bus and bike travel in Downtown D.C. Below is a summary of projects completed in 2023 and planned for 2024.

- Completed
 - In 2023, DDOT installed the 9th Street NW protected bike lane, creating a new eastern downtown north-south connection between Florida and Pennsylvania Avenues.
- Ongoing
 - In 2024, DDOT plans to install the 11th Street NW Bus Priority project, introducing 24-hour bus lanes in one or both directions and protected bike lanes in both directions between Pennsylvania and Massachusetts avenues NW.
 - In 2024, DDOT plans to install protected bike lanes on New Jersey Avenue NW between H Street and the US Capitol Complex, creating a new diagonal connection between Florida Avenue and the National Mall.
 - Construction of the K Street Transitway was delayed indefinitely in 2023.

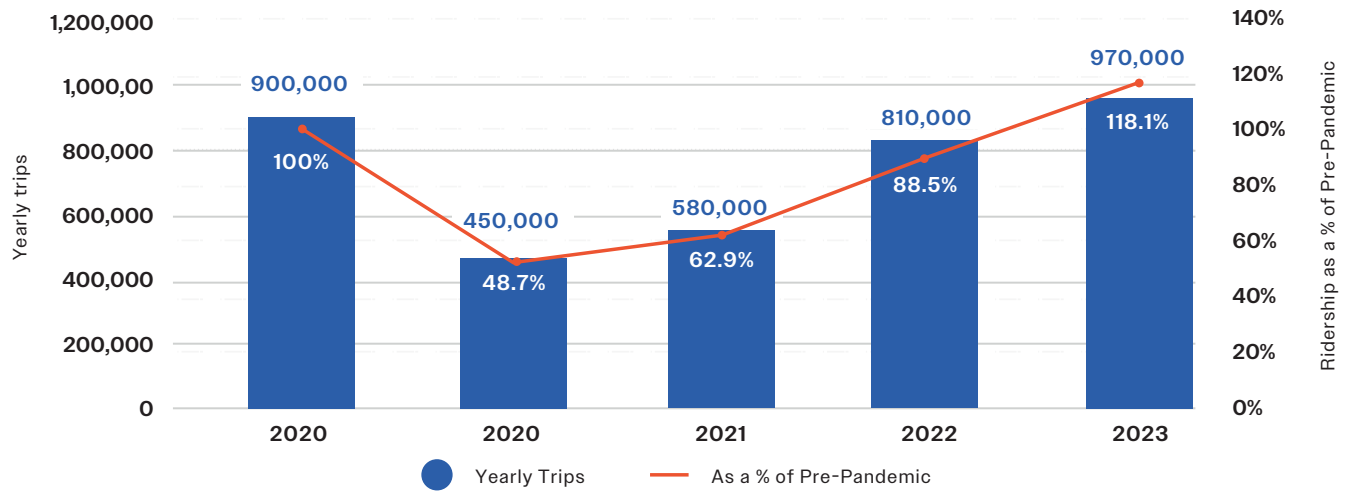


In 2023, systemwide Metrorail ridership recovered to 63% of pre-pandemic levels, and systemwide Metrobus ridership recovered to 87% of pre-pandemic levels.

Bikes and Scooters

Capital Bikeshare and private bikes and scooter ridership broke all-time records in 2023. In Downtown D.C., Capital Bikeshare reached nearly 970,000 trips in 2023, surpassing ridership of the previous record year in 2018. DowntownDC ridership made up just less than a quarter of Capital Bikeshare's total 4.4 million trips. Private bike and scooter trips grew and have also broken

CAPITAL BIKESHARE RIDERSHIP IN DOWNTOWN D.C.



Source: Capital Bikeshare

Public Realm

THE QUALITY OF THE PUBLIC REALM WAS REPEATEDLY CITED AS BOTH A MAJOR CONCERN AND OPPORTUNITY DURING ALL ENGAGEMENT EFFORTS OF THE DOWNTOWN ACTION PLAN – “IS DOWNTOWN SAFE?” AND “CAN DOWNTOWN BE MORE BEAUTIFUL?” WERE QUESTIONS THAT WERE REPEATEDLY ASKED.

Public Safety

The DowntownDC BID maintains a strong working relationship with public safety stakeholders, including the Deputy Mayor for Public Safety, the Metropolitan Police Department (MPD), and other public agencies and private property owners, to mitigate and reduce street disorder and crime. Violent crime increased significantly across D.C. in 2023, increasing 40 percent in the city while decreasing across the rest of the country. There are a number of potential reasons for the divergence of D.C. from broader national trends, but frequently cited drivers include a current shortage of police officers as well as D.C.’s uniquely complex criminal-legal system with split federal and local control over arrests, prosecution, and imprisonment.

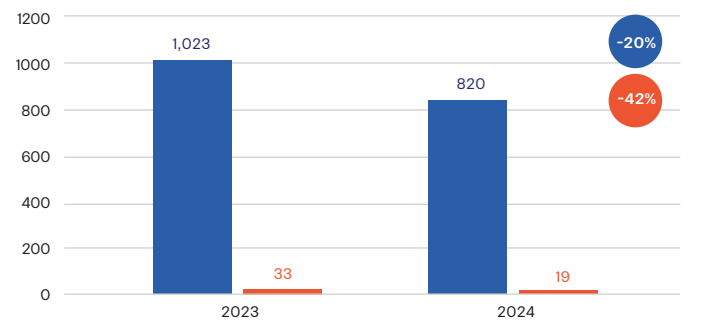
Overall, the number of crimes occurring in Downtown D.C. has decreased since 2019. However, given the variation in people downtown before, during, and after the pandemic, it is instructive to also look at crime data on a per capita basis. After spiking in 2020, crime per capita in Downtown D.C. has declined. However, crime per capita is still up 8% in Downtown D.C. since 2019 (2.22 to 2.40 incidents per 100,000 people). Specifically in the Chinatown area*, where there has been an increased focus on public safety, crime per capita is up 13% since 2019 (2.04 to 2.31 incidents per 100,000 people).

There are signs that crime may have peaked based on promising trends of a reduction in violent crime so far in 2024. Violent crime incidents in D.C. are down 20% through the first quarter of 2024.

*Refers to a 1,000 foot radius around the intersection of 7th and H streets NW.

Recent policy actions have also been passed by the City in a further effort to address crime, including the establishment of the City’s first Safe Commercial Corridor Hub in Chinatown and the passage of the Secure DC Omnibus Amendment Act of 2024. The Secure DC Act allows for implementation of Drug-Free Zones and in March 2024, an initial Drug-Free Zone was established in the Penn Quarter-Chinatown Corridor.

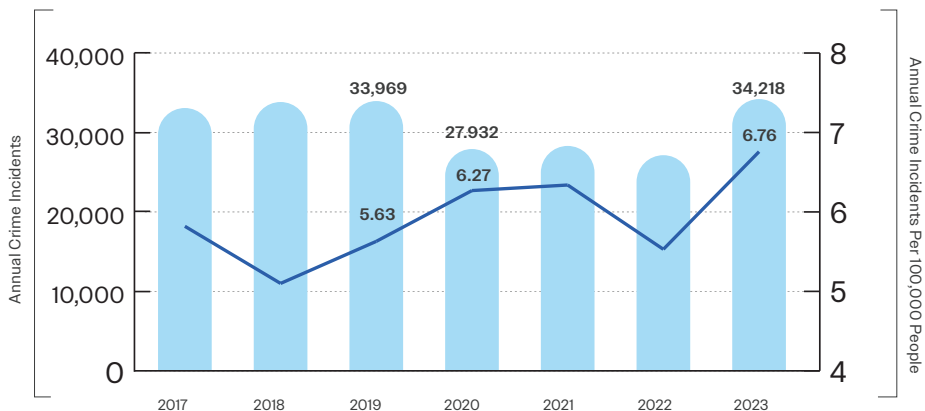
VIOLENT CRIME INCIDENTS DECREASE IN D.C. AND DOWNTOWN D.C.: 1Q23 AND 1Q24^(a)



(a) Total violent crime incidents for January through March of each year. Source: Metropolitan Police Department

In 2023, change in specific crimes in Downtown D.C. were mixed. While assaults with a dangerous weapon, burglary, and theft from autos decreased, robberies, motor vehicle thefts, and other kinds of thefts increased. The biggest decrease was a 46% reduction in burglaries. The biggest increase was a more than 100% jump in robberies. There were three homicides in the BID in 2023, down from four in 2022.

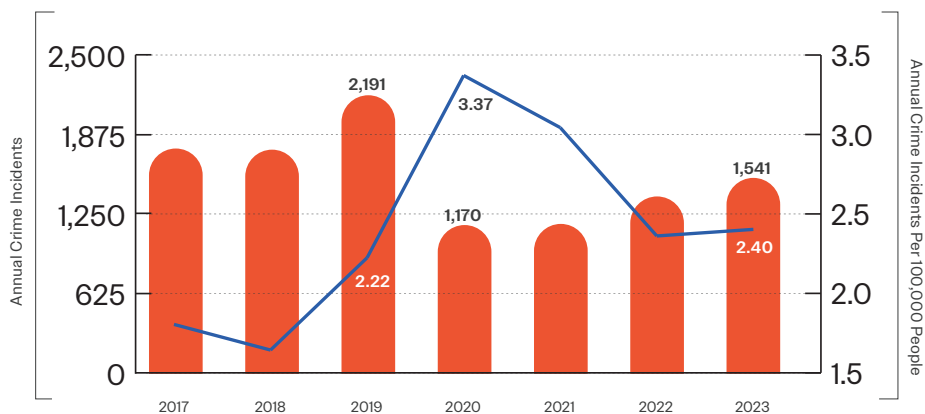
D.C. CRIME INCIDENTS AND PER 100,000 PEOPLE (a)



(a) Based on total number of people in D.C. per year, including all instances of resident, visitor, or employee visits.

Source: Metropolitan Police Department and DowntownDC BID

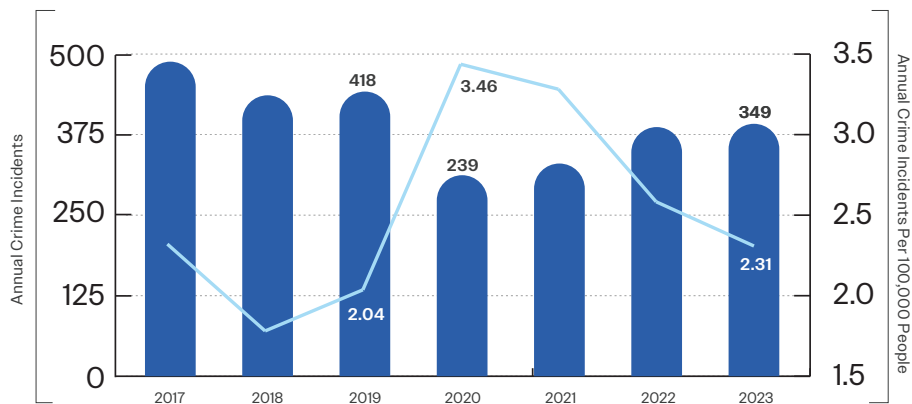
DOWNTOWN D.C. CRIME INCIDENTS AND PER 100,000 PEOPLE (a)



(a) Based on total number of people in DowntownDC per year, including all instances of resident, visitor, or employee visits.

Source: Metropolitan Police Department, Placer, and DowntownDC BID

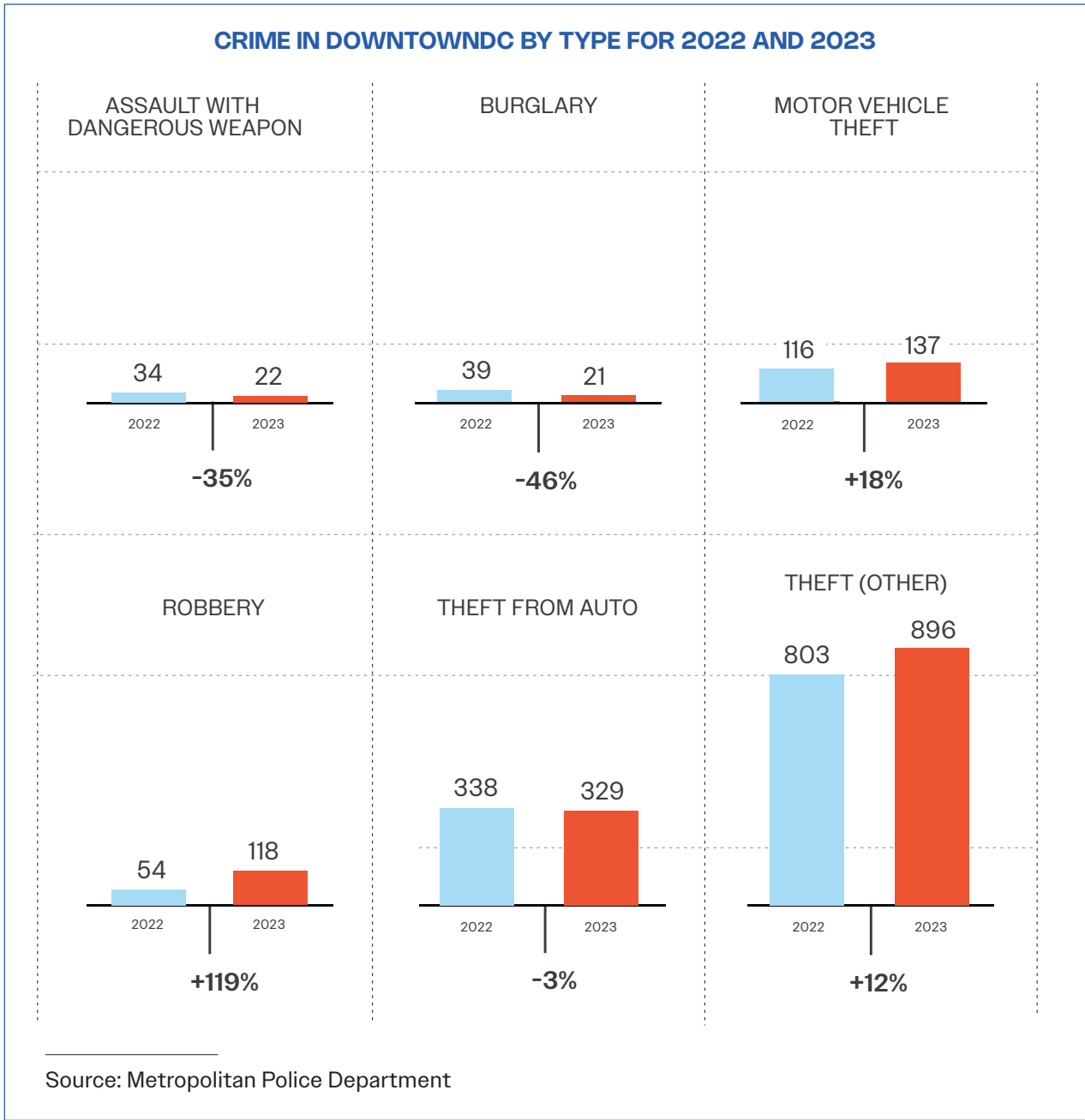
CHINATOWN (a) CRIME INCIDENTS AND PER 100,000 PEOPLE (b)



(a) Chinatown is defined as a 1000-foot radius from the intersection of 7th Street and H Street NW

(b) Based on total number of people in Chinatown per year, including all instances of resident, visitor, or employee visits.

Source: Metropolitan Police Department, Placer, and DowntownDC BID

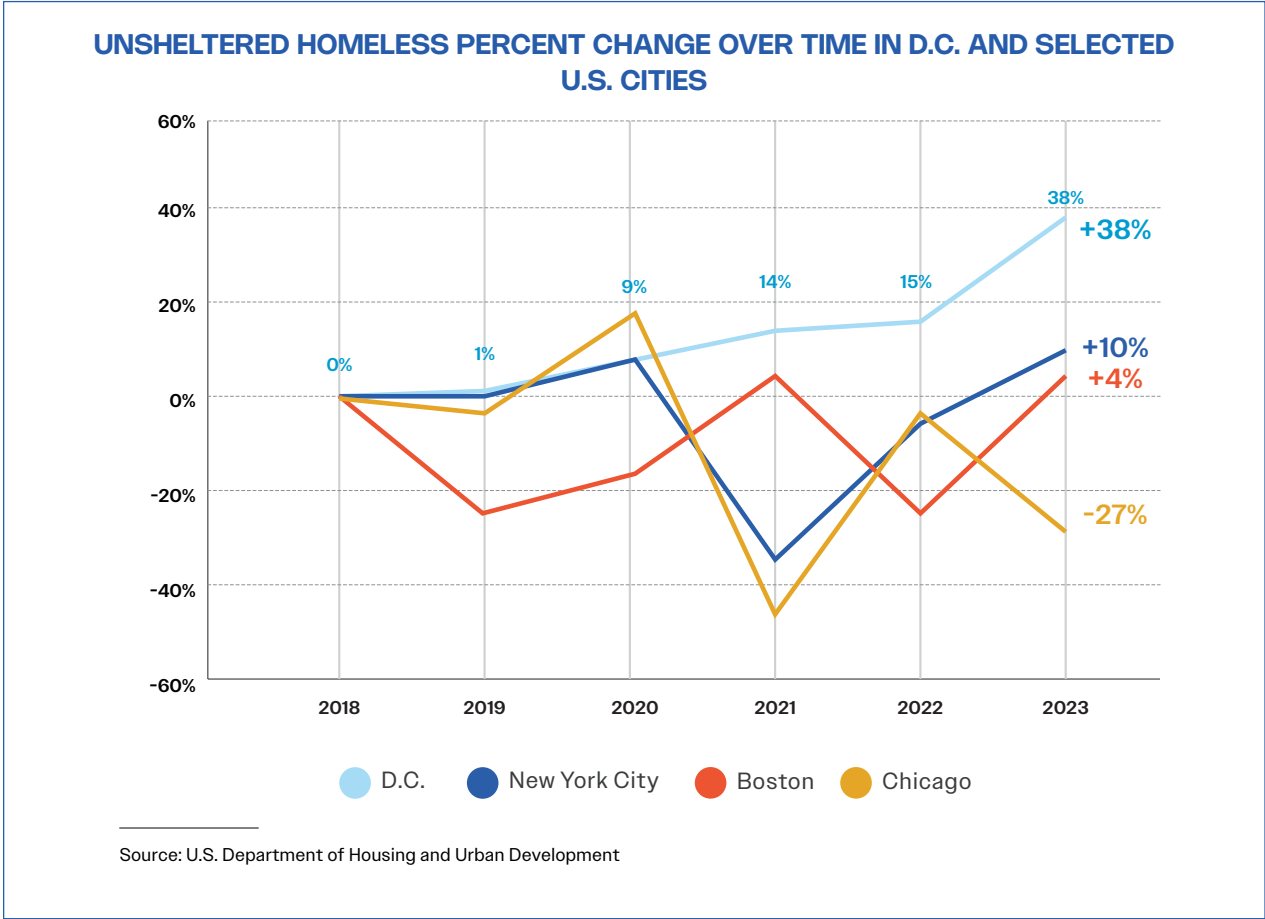
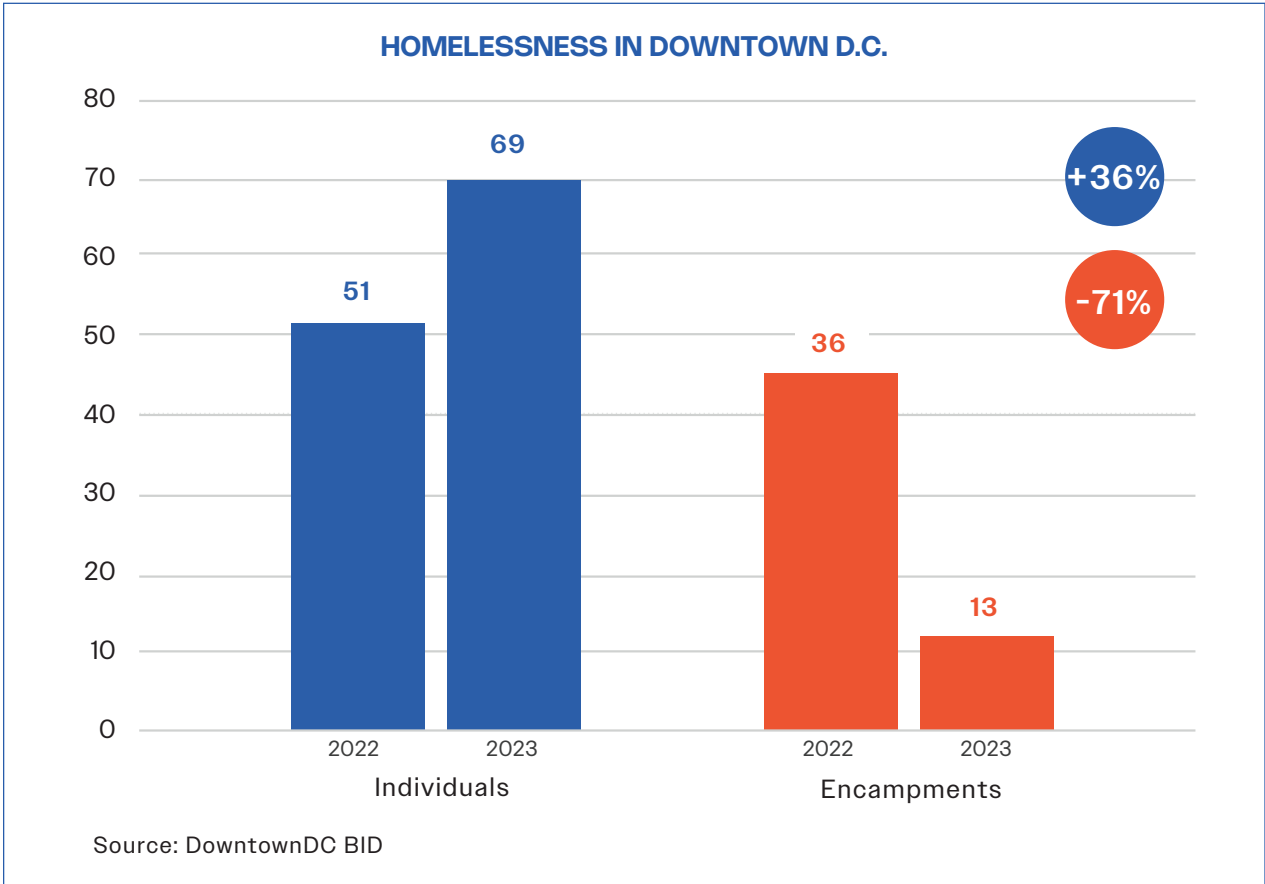


Homelessness

The DowntownDC BID records the number of unhoused individuals in Downtown D.C. each month, noting specific locations, follow-up resources that may be needed, and any visible signs of health issues. The team also records encampments by noting the number of tents or enclosures. In 2023, the average monthly number of unhoused individuals in Downtown D.C. increased from 51 to 69, or 36%, while the number of encampments decreased by 71%. The reduction in the number of encampments is at least partially attributable to the National Park Service closing McPherson

Square in early 2023. The data reflects an increase in the number of homeless individuals, which aligns with trends across D.C.

In D.C., since 2018, there has been a 38% increase in unsheltered homelessness, according to Point-in-Time counts collected by the U.S. Department of Housing and Urban Development (HUD). The January 2023 Point-In-Time count recorded, 819 unsheltered individuals citywide – an increase from 689 counted in January 2022 – an increase of 19%. The unsheltered individuals total in January 2019 was 607.



The DowntownDC BID thanks the following for their contributions to this report.

Avison Young	National Theater
Capital Jewish Museum	Naval Heritage Center
CityCenterDC	Placer
CoStar Group, Inc.	Planet Word
DC Office of the Chief Financial Officer	RCLCO
DC History Center	Shakespeare Theatre Company
Delta Associates	Sixth & I Historic Synagogue
Destination DC	Smithsonian Institution
District Department of Transportation	str
Dochter & Alexander Retail Associates	U.S. Bureau of Labor Statistics
ESRI	U.S. Census Bureau
Events DC	U.S. Department of Commerce, Office of Travel and Tourism Industries
Ford's Theater	U.S. Department of Housing and Urban Development
Hines	U.S. General Services Administration
Metropolitan Police Department	U.S. National Archives
Metropolitan Washington Council of Governments	U.S. National Park Service
Monumental Sports & Entertainment	U.S. Holocaust Memorial Museum
National Building Museum	Warner Theatre
National Children's Museum	Washington Metropolitan Area Transit Authority
National Gallery of Art	Washington DC Economic Partnership
National Law Enforcement Museum	Woolly Mammoth Theatre
National Museum of Women in the Arts	
National Portrait Gallery	

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