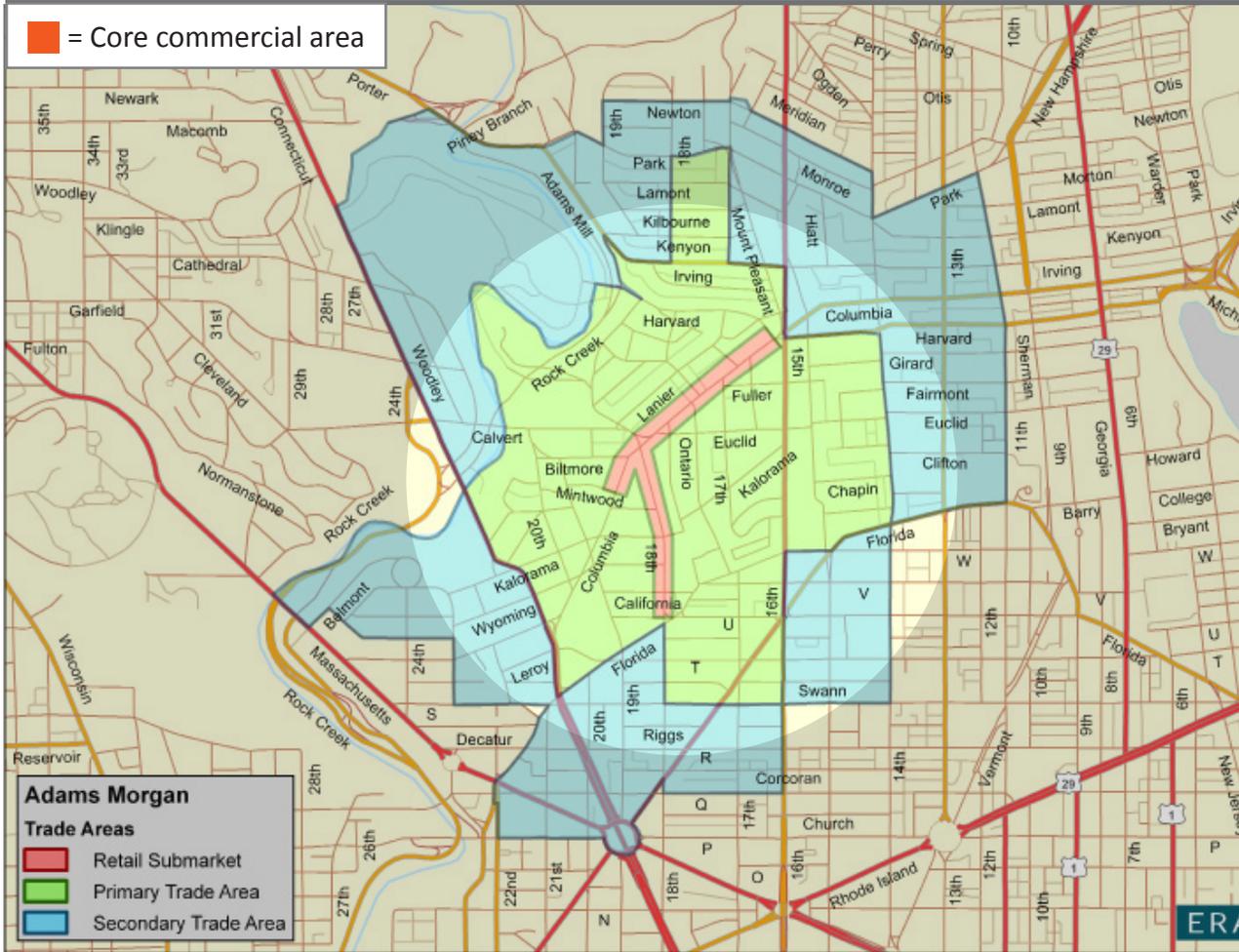


Adams Morgan



Adams Morgan, NW

■ = Core commercial area



Boundaries

18th Street at Florida Avenue, NW north to Calvert Street; Columbia Road, NW from Harvard Street west to Mintwood Place

Zoning

Adams Morgan is zoned almost entirely as commercial surrounded by residential. 18th Street is commercial south until Dupont Circle, except for two blocks of residential zoning, and a few blocks of special purpose zoning along New Hampshire Ave. Similarly, Columbia Road is entirely commercial from Mintwood Place (the western boundary), but turns residential one block before its big intersection with 16th Street. Major commercial areas nearby include the 14th Street and U Street corridors, as well as Dupont Circle along Connecticut Ave and P Street.

Overview

Adams Morgan is known as one of DC's most diverse and artistic neighborhoods. Its densely packed shops and restaurants are eclectic, with few chain stores. The submarket has a strong international influence, with many Ethiopian and Latino shops and restaurants. Adams Morgan is well-known for its nightlife, and on weekends it is packed with young revelers. While there is not a Metro station in the immediate vicinity, both the Woodley Park/Adams Morgan and Columbia Heights stations are approximately 1 mile away.

1 18th Street

The heart of Adam's Morgan, 18th Street is an established urban entertainment district with regional drawing power. It is lined almost exclusively with bars and restaurants, except for its southern end which has residences and neighborhood-serving shops. Colorful storefronts and murals (such as Madam's Organ) brand the district and enliven the otherwise neglected streetscape. There is no room for expansion along this densely packed street; nearby shops and residences limit depths and leave little room for service and loading.

2 Columbia Road

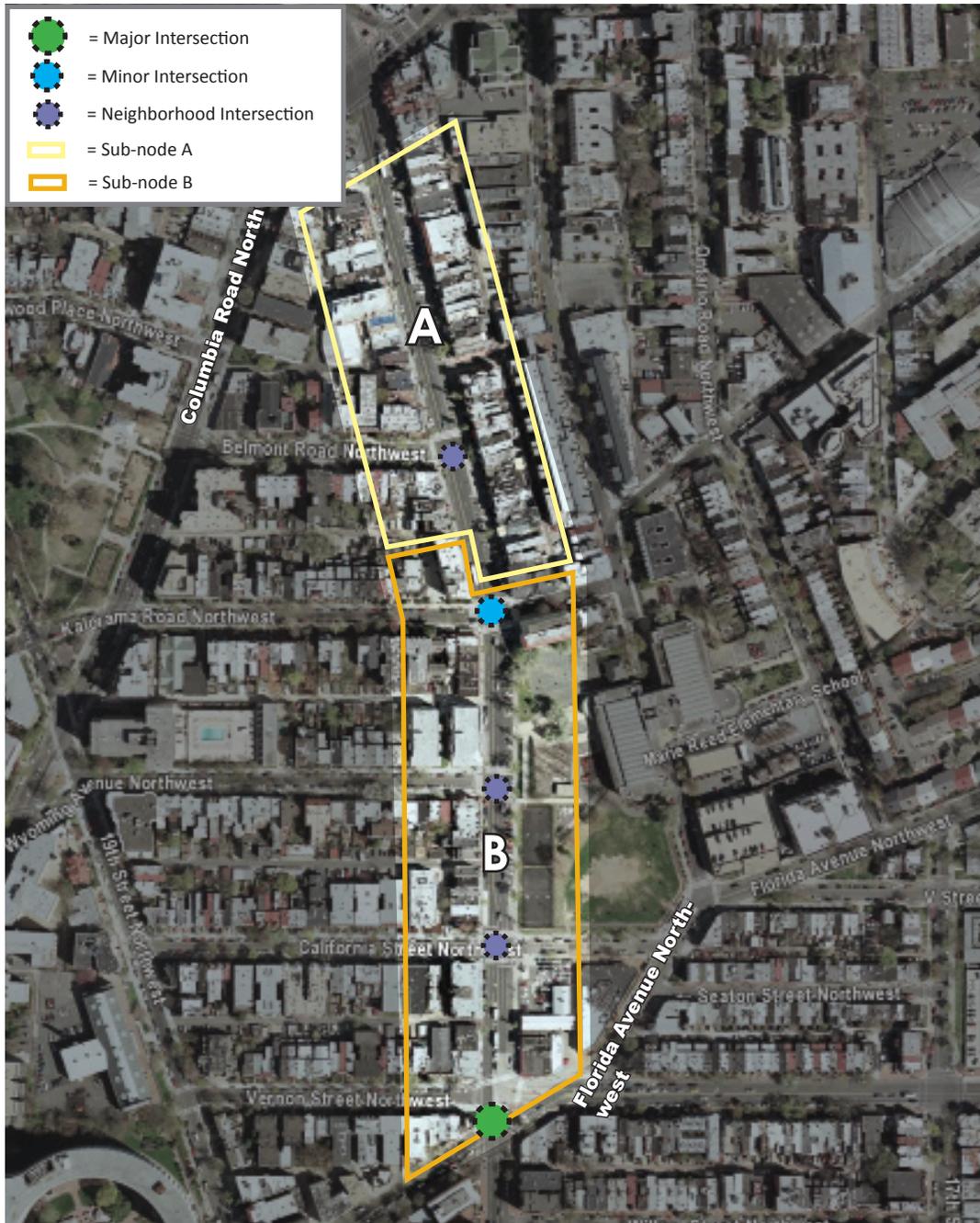
Unlike 18th Street, Columbia Road is almost entirely neighborhood-serving. Retail is a mix of small independent shops, as well as national chain anchors near the intersection with 18th Street. There is little room for expansion along Columbia Road because of adjacent residences; however, several larger apartment complexes give it a looser urban fabric than 18th Street.



Note: Tenant lists do not include all businesses located in the submarket.



Retail Node 1: 18th Street



18th Street can be divided into 2 sub-nodes that are separated near Kalorama Road: *Eclectic Retail* and *Residential Buildings*.



A - Eclectic Retail in colorful rowhouses defines the upper half of 18th Street as the heart of Adams Morgan, and lends the submarket its unique character. The trendy bars and clubs, independent arts and crafts shops, and ethnic restaurants make this area a well-defined regional entertainment district. This part of 18th Street is extremely dense; a small alley runs behind the rowhouse retail, but it is quite small for the number of tenants that utilize it. Because of this limited service area and adjacent buildings, this node has limited potential for expansion. However, it is already well-established and should retain its small-scale, independent-retailer format, which is a fundamental part of its appeal.



B - Residential Buildings predominate on 18th Street south of Kalorama Road. Compared to the northern node of 18th Street, this southern node's large apartments and the sprawling campus of the Marie Reed Learning Center give it a much more open quality. Retail picks up again by the intersection with Florida Avenue; however, stores here are mostly marginal inline retail that serves the local residences. These shops have potential for improvement, especially since they are so close to Dupont Circle; the Marie Reed Learning Center complex could also be adapted into a more appropriate community space.

Retail Node 2: Columbia Road



Columbia Road can be divided into 2 sub-nodes separated by a major intersection: West of 18th Street and East of 18th Street.



A - West of 18th Street, where national chains surround the submarket's main intersection, large anchors give way to a strip of small, independent shops and apartments. These neighborhood-serving stores have charming storefronts and outdoor seating, which adds to the residential quality of this quiet area. Like 18th Street, this area's dense fabric limits room for service and loading.

B - East of 18th Street, Columbia Road contains a mix of small shops, national chains, and apartments. This corridor has a distinct neighborhood-serving feel from 18th Street, but lacks a branded identity. Hispanic goods and services line the dense south side of the street; larger chains and apartments occupy more spacious lots on the north side, which has more clearly established rear service space.

Streets & Blocks

Inadequate parking and traffic lanes make Adams Morgan difficult to navigate by car. Parallel parking lines one side of 18th Street (which often blocks the one lane for passing cars), and angled parking lines the other side, which has two lanes for traffic. Sidewalks in Adams Morgan are very narrow for the heavy foot traffic and poorly maintained. They often have obstacles, such as broken pavers, sudden changes in paving elevation, and parked bicycles. The streetscape is not well-maintained, although the vibrancy of the buildings themselves helps overcome its starkness. There are also many gaps in the planted trees. The streetscape is much more inviting in the area's residential neighborhoods. This contrast is perceptible in the strip of Columbia Road retail west of 18th Street.



Intersections

The main intersection of Adams Morgan is at 18th Street and Columbia Road. Each corner of this major intersection is anchored by a national tenant: McDonald's, SunTrust Bank, Starbucks, and BB&T Bank. This vast intersection is out-of-scale with the dense, bustling feel of the rest of 18th Street. The sprawling concrete plaza in front of SunTrust bank, for example, is perpetually empty. The other major intersection, though much smaller, is 18th Street and Florida Avenue; retail at this intersection is not cohesive. In general, Adams Morgan has few crosswalks and even fewer traffic lights. Long stretches of 18th Street rely on cars to stop for pedestrians — which becomes especially hazardous at night when patrons spill out of the area's many bars and nightclubs.



Buildings

With the exception of major intersections, most of the buildings along 18th Street are a hodgepodge of small eclectic shops on the ground floor with apartments lofted above. Many buildings are 3- to 4-story Victorian rowhouses that are brightly painted, although there are also taller apartments. Expressive murals can be found all along 18th Street and Columbia Road -- the two most famous being the Madam's Organ mural and the nearby mural of Toulouse-Latrec. Closer to 18th Street's intersection with Kalorama, buildings become predominantly residential. The Marie Reed Community Learning Center stands out as a sprawling complex with a large grassy lot and tennis courts between Kalorama and California Streets.



Alleys & Service

The densely packed shops and restaurants of Adams Morgan are serviced by rear alleys. These alleys run parallel to cramped 18th Street, and allow loading and trash collection to occur behind the scenes. Considering the number of establishments that use them, the alleys are quite narrow.



Strengths

- Adams Morgan is a self-sustaining urban neighborhood with designated grocery stores and numerous goods and service tenants
- Distinctive storefronts with bright colors and murals add character to the streetscape
- Numerous ethnic restaurants and shops (especially Latino and Ethiopian venues) make it an eclectic destination
- Its location slightly off the beaten path has preserved its funky character
- The active young professional resident base supports local retailers throughout the submarket, especially bars and restaurants
- Adams Morgan is a regionally recognized entertainment and nightlife destination, drawing people from across the District as well as from Maryland and Virginia

Weaknesses

- Few traffic lights makes it hazardous for pedestrians to cross the street
- The streetscape is lacking, with poorly maintained sidewalks and gaps in planted trees
- The large intersection at 18th Street and Columbia Road is disorganized, out-of-scale, and underutilized; the national chains located here do not enliven this key intersection and are inconsistent with the eclectic character of the submarket
- There is little room for expansion because of adjacent uses; also, the existing building stock limits new business recruitment
- There are many issues associated with Adams Morgan's vibrant nightlife scene, including crowds, late-night noise, traffic, and large volumes of waste; combined, these cause tension between residents and commercial property owners
- Since Adams Morgan draws consumers from across the region, traffic is problematic for drivers; these issues are exacerbated by the lack of a Metro stop in the immediate area
- It is hard to retain viable independent and local businesses due to rapidly increasing rents in this retail/entertainment district
- Increases in violent crime are changing perceptions of this neighborhood

Opportunities

- Consider a program with incubation spaces to help independent shopowners survive and thrive
- Improve facades of businesses along Columbia Road and offer technical assistance for marketing and commercialization to meet market changes
- The Marie Reed Learning Center could be a major cultural asset
- The large underutilized plaza in front of SunTrust bank has potential to anchor the major intersection
- The retail corridor along Columbia Road could connect to 14th St/Columbia Heights

Threats

- Market conditions are pushing up rents, as well as pushing out unique tenants
- The U Street corridor will provide strong competition with its successful dining and entertainment venues; U Street is becoming an increasingly popular nightlife destination for Adams Morgan's core consumers
- The profitability of bars and restaurants, which currently dominate the submarket, will continue to make maintaining a broad tenant mix difficult
- DC USA will likely draw consumer expenditures away from the submarket; however, Adams Morgan can coexist because it is not in direct competition with the category-dominant tenants located in DC USA

Submarket Summary

Adams Morgan is centered on the intersection of 18th Street & Columbia Road. Currently the retail mix in Adams Morgan presents a multicultural nightclub and restaurant district, combined with limited neighborhood commercial offerings. The two main arteries of the area – 18th Street and Columbia Road have very different retail positions. 18th Street is associated with nightlife; Columbia Road is associated with local convenience and higher end dining.

The resident trade areas are shared with the Dupont Circle, Mount Pleasant, and 17th Street District Heights retail submarkets. It also enjoys a regional reputation as a nightclub and entertainment destination, drawing customers from across the District and from suburban areas.

The 18th street commercial area transitioned from a restaurant district in the 1980's to incorporate nightclubs beginning in the 1990s through the present. A number of new residential developments over the last decade have provided a larger customer base and brought in more young, single residents. 18th Street contained several fashion boutiques in the past, and while many apparel shops have disappeared, a few new clothing stores offer signs of renewed potential.

Various ethnic restaurants, night clubs, bars, and live music venues attract regional crowds after 10:00 PM, particularly on weekends; however the number of shoppers and pedestrian traffic is considerably reduced during the weekday daytime hours. Retailers report that, with the exception of weekend daytime shoppers along Columbia Road or residents at brunch or lunch, there are limited sales before dark. Restaurants have noted difficulty serving two meals per weekday, thus limiting profit opportunities.

Physically, the area faces challenges. Although the nighttime venues attract a regional crowd, the submarket is not immediately adjacent to the Metro. Parking is very limited and traffic congestion is common during the evening hours due to residential density. Sidewalks and plantings are inadequate for the sidewalk dining locations found in the area. Small parcels and limited service areas make redevelopment difficult.

Adams Morgan is in a state of transition. Residents want more goods and services and less traffic congestion. Visitors (regional and tourists) seek night clubs, bars, and restaurants. Retail struggles without daytime foot traffic and limited retail critical mass. Organizationally, the submarket is served by two organizations – a Main Street organization and a Business Improvement District (BID).

Approach and Typology

Approach

The DC Retail Action Strategy assessed five submarkets that are established commercial districts with recognized market positions, but which may be in transition. The assessment was intended to address key strategic issues such as underperformance and positioning, with a view to protecting, maintaining and/or enhancing market share.

Some of these submarkets have been the subject of past studies; demographic data on the primary and secondary markets has been provided, but in-depth demand analyses were not completed, as their greater markets are not primarily defined by geographic proximity, but by their destination-oriented offerings that appeal to a larger trade area .

The strategic area retail assessments include:

- A definition of boundaries for the commercial district (“submarket”)
- Demographic and economic information about the immediate residential markets (“trade areas”). Primary trade areas generally represent one quarter-mile from the submarket; secondary trade areas generally represent one half-mile from the submarket. Census block group baseline data were assigned to the primary and secondary areas
- Characterization of the type of district, how it functions and its positioning within the market
- An identification of strategic issues – strengths weaknesses, opportunities, and threats
- Recommendations for physical, policy and zoning, merchandising, organizational, and development strategies to support the submarket

Typology

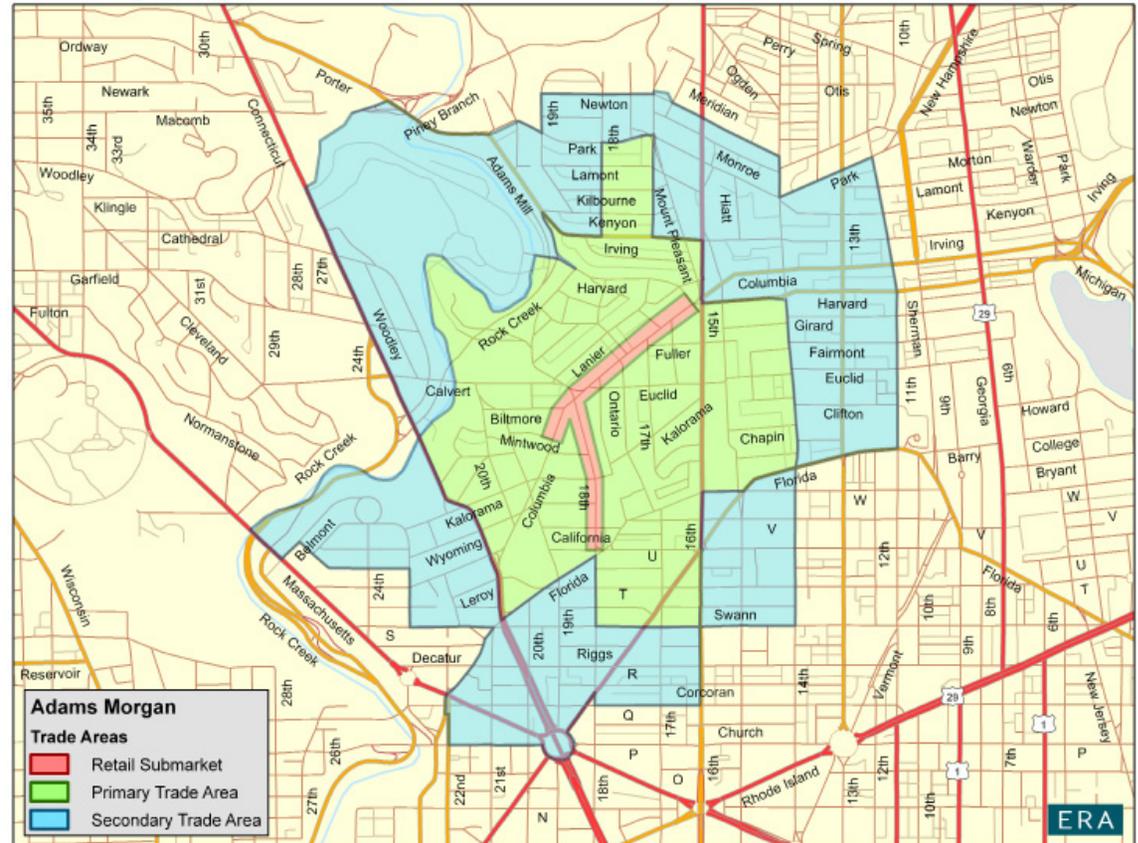
The Adams Morgan submarket maybe classified as two distinct nodes:

1. 18th Street NW from Florida Avenue to Calvert Street may be considered a “regional entertainment district”. Many of the businesses along the 18th Street corridor are food and beverage-serving operations: restaurants and nightclubs with a market draw well-beyond the immediate neighborhood. Customers for these businesses may come from DC, Maryland, and Virginia.
2. Columbia Road NW from Harvard Street west to Mintwood Place functions primarily as a neighborhood-serving retail district with groceries, drugs and sundries, small shops, and national chains. The primary market for these businesses is the adjacent residential areas of Adams Morgan, Mount Pleasant, Columbia Heights, and Kalorama. The area including Columbia Road NW and Mount Pleasant Street became a center of the Latino population in the 1980s and was known to be an initial point of entry for many new immigrant Latino households. Although the percentage of Latino households in the submarket is lower in Adams Morgan than for the District (11% of households in Adams Morgan are Latino; 21% of households in DC are self-identified as Latino), the commercial area still retains an identification as a location for Latino-oriented businesses.

The submarket is located in Ward 1 and extends from 18th Street NW at Florida Avenue NW, north to Calvert Street NW; Columbia Road NW from Harvard Street west to Mintwood Place.

Key Elements

- Trade areas assess residents and other potential customers that could be drawn to the site
- The primary trade area encompasses the block groups within a ¼ mile of the retail submarket; the secondary trade area includes the block groups within a ½ mile of the retail submarket (reasonable walking distances for pedestrian shopping)
- Primary trade area residents are expected to be frequent customers, with a focus on those living closest to the site; secondary trade area residents are expected to be consistent, but not frequent customers
- Potential customers who are not primary or secondary trade area residents are accounted for by an “inflow” factor; this is a percentage applied to potential expenditures at the site



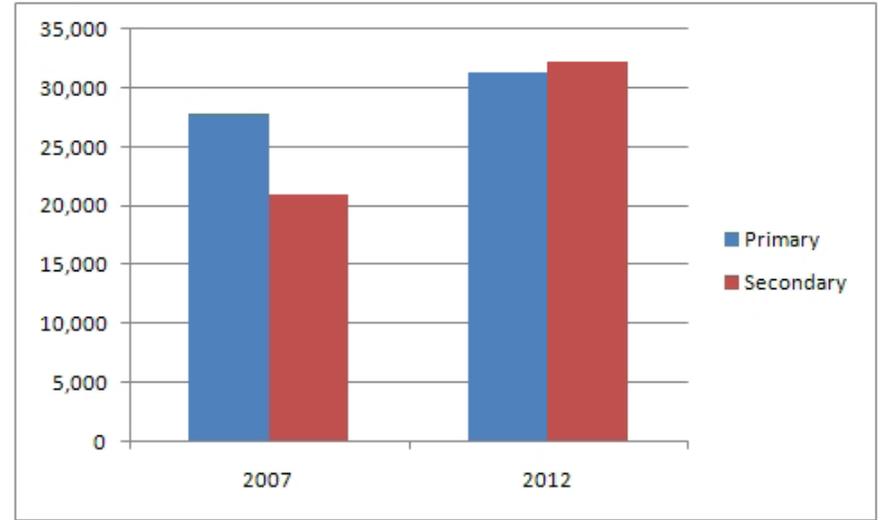
Adams Morgan Trade Area Household & Population Growth Trends

- The population in the primary residential market trade area is estimated to grow by 796 persons, from 27,804 to 28,600 by 2012. By 2012, population in the secondary residential market area is projected to grow from 31,296 to 32,276. Households are projected to increase by 490 over the next five years in the primary trade area; in the secondary trade area by 509 households.

- Adams Morgan is residential market trade areas are shared with commercial areas in Dupont Circle, Woodley Park, 17th Street, Mount Pleasant and 18th Street, south of Florida Avenue. Trade area opportunities may be limited due to competition from these other districts.

- Average household size is 1.77 and 1.98 respectively in the primary and secondary residential market areas, reflecting the large number of single-person households living in the area.

Trade Area Population Growth, 2007 and 2012



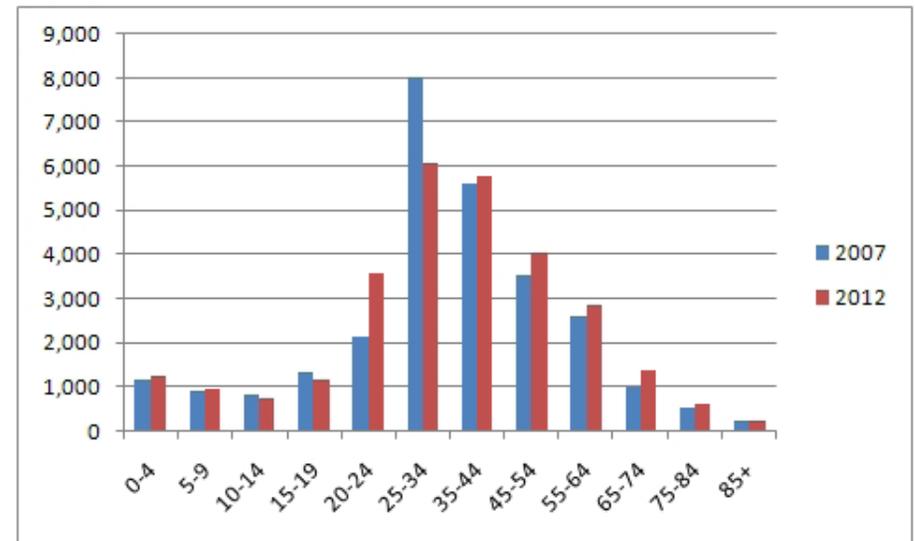
Trade Area Household Growth, 2007 and 2012

	2007	2012
Primary Area	15,266	15,756
Secondary Area	15,318	15,827
Totals	30,584	31,583

Adams Morgan Trade Area Population Age Cohorts, 2007 and 2012

- The trade area population is composed primarily of young adults, age cohorts 25 to 34. This group is projected to decline over the next five years. Although residents between the ages of 25-34 and 35-44 will predominate, some balancing of growth in the 20-24 and 45-54 groups will also occur. Growth in the 20-24 cohort will increase demand for goods and services associated with recent college graduates and young adults (restaurants, inexpensive furniture, etc.)
- Moderate growth among the 45 to 64 age group indicates continued demand for goods and services for established adult households (typically without children) such as restaurants, quality home accessories, and other discretionary goods and services.
- The median age in the primary area is 34.5; 35 in the secondary area.

Trade Area Population by Age, 2007 and 2012



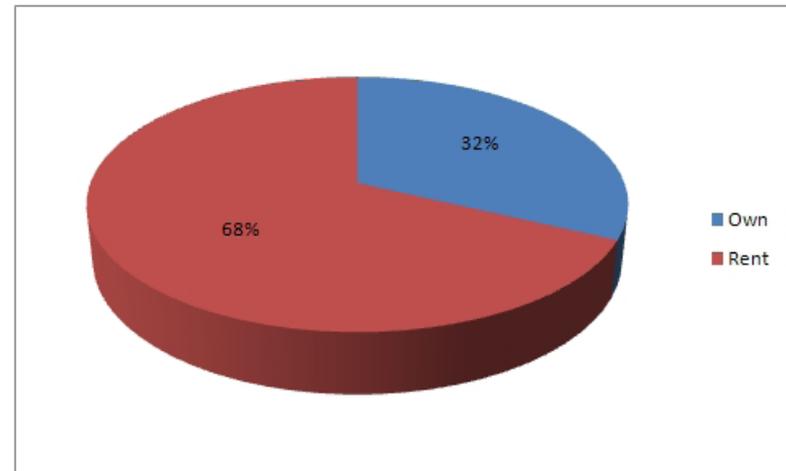
Adams Morgan Trade Area Key Demographics- Total Trade Area Household Profile

- Homeownership patterns in the total submarket indicate that the majority – 68% of households – rent, while 32% of household own their own homes. Viewed in the context of age patterns and other housing and employment data, the area residents may be characterized as young adults in 1-2 person households renting apartments. The ownership pattern suggests that residents are likely transient, moving in and out of the neighborhood as they enter the work force or form families. For retailers to serve such customers, on-going advertising to introduce businesses to the residents is necessary.

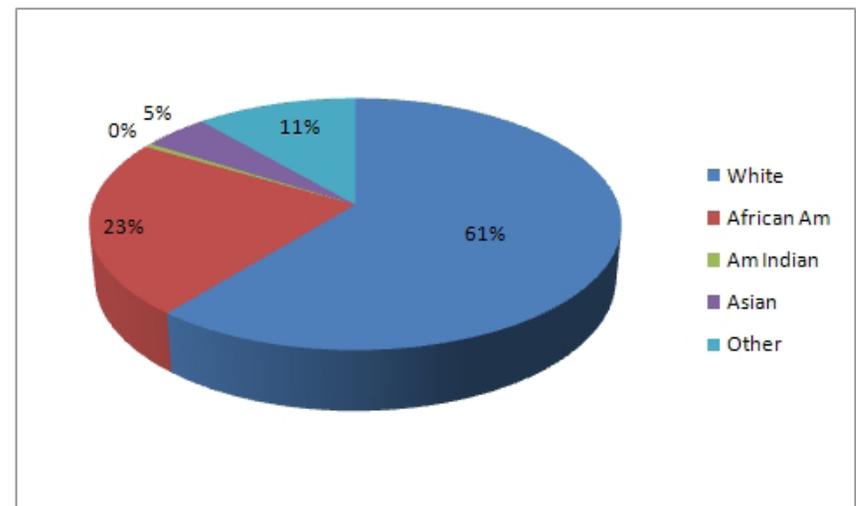
- The resident market is majority White (60%) with African-American residents making up 23% of the community.*

*Note that Latino or Hispanic residents may be self-identified as any of a number of racial groups. A significant population, 6,053 residents, is self-identified as of Hispanic-origin.

Home Ownership, 2007



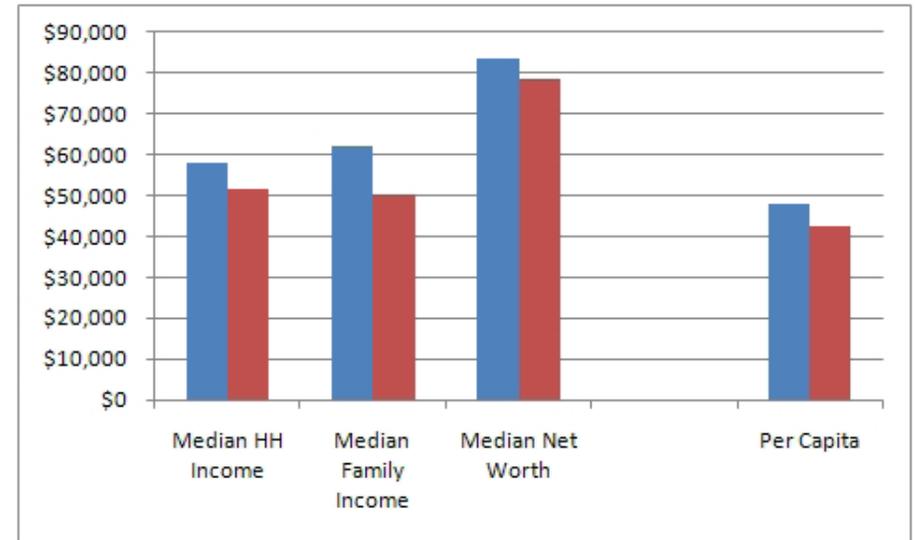
Racial and Ethnic Groups, 2007



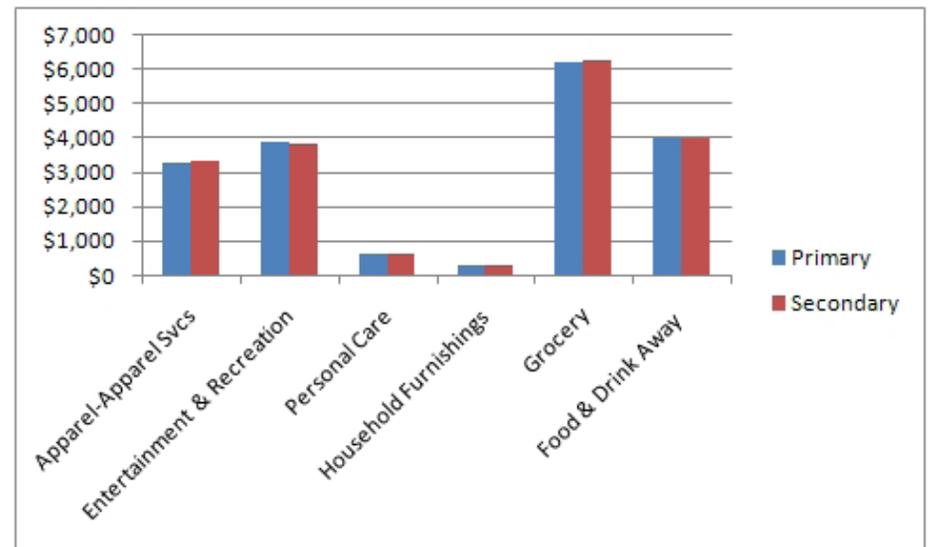
Adams Morgan Trade Area Key Demographics- Total Trade Area Household Income Profile

- The Adams Morgan trade area median household income is \$57,841 in the primary area. As many of the households are 1-person households, median family income is about the same as median household income, \$83,413 and \$78,721, respectively. Median net worth is relatively modest for NW DC, as the majority of residents rent their homes or own small studio and one bedroom condos.
- Household expenditures in the trade areas show lower amounts being spent for personal care and household furnishings. In such a submarket, household furnishings are likely to be less-expensive, starter home items.
- The stronger performing household expenditures categories are groceries, entertainment, apparel, and food & drink away from home. As residents are preparing meals for small households, grocery costs are higher due to purchases of pre-prepared items and specialty foods. Food and drink away from home represents a larger portion of household expenditures than might be found in an area with more families with children or working-class groups.

Trade Area Household Income Statistics, 2007



Estimated Annual Household Expenditures by Category, 2007



18th Street-Adams Morgan Transportation, Parking and Streetscape Plan

DDOT is preparing a transportation, parking, and streetscape plan for Adams Morgan's 18th Street from Florida Avenue to Columbia Road NW. The project is currently in the design phase and should be implemented in approximately a year-and-a-half, barring funding, and construction delays. The recommendations associated with the plan, as well as the potential for business disruption during construction, will likely have a significant impact on the future of the commercial area along 18th Street.

Key elements of the plan include:

- Pedestrian - Widening sidewalks for better pedestrian flow and safety, as well as enhanced sidewalk dining opportunities. Enhanced tree and landscape plan to reduce heat. Delineated cross walks
- Traffic - Traffic calming and bike lanes to reduce vehicle/pedestrian-bike conflicts. Taxi stands to reduce congestion. Strategically located turning lanes
- Parking - Reconfigured parking from diagonal along the eastern side of 18th to metered parallel parking on both sides of the street. Changes in restrictions to parking development and recommended development of parking structure in the redeveloped Marie Reed site. Better management of visitor and resident parking is recommended
- Transit – Improved signage to Metro stations and expanded/improved connector and bus routes are also recommended

Implications for Adams Morgan Retail

Initially, the impact of the streetscape is likely to be extensive disruption of business along 18th Street. A business disruption mitigation plan is required to coordinate between DDOT, the construction schedule, the Adams Morgan Main Street project's program, and the Adams Morgan Partnership. The DC Department of Small and Local Business Development could convene/such a coordination plan. The plan will likely require some dedicated business disruption funds to retain key businesses.

After the streetscape is complete, the Adams Morgan Partnership will need to review its current 'Clean and Safe' program and expand its programs and services.

Strategy Recommendation

Merchandising Concept

The recommended merchandising concept for Adams Morgan requires a careful balancing of the evening economy of restaurants and nightclubs with a “funky”, unique shopping area that can continue to serve area residents. Currently, bars and clubs dominate the area. In order to develop and foster unique small retail businesses, a package of technical and financial assistance programs will be needed.

Neighborhood grocery needs are being met with Safeway, Harris Teeter (on Kalorama), and Yes! Organic Market. Table service and quick service restaurants abound. Area residents say that they would like to have healthier choices for carry-out foods, such as a Smoothie King, a Robek’s or salad bar (now being partially met by Caliyogurt) . For personal services, although there are already unisex and women’s hair salons and a small spa service in the submarket, residents have stated a need for more of these types of services.

While there are home furnishing and accessories stores, the neighborhood lacks a hardware store similar to the scale of Logan Hardware (though the local hardware store serves the submarket with basic needs). Given the home rehabilitations and new residential developments, there should be neighborhood support for the business to expand or an additional store.

The area lacks soft goods – fashion apparel, shoes, and accessories. Although there are already some clothing retailers in the submarket such as Meeps vintage clothing and Shake Your Booty and Hoopla boutiques, more unique boutiques would work best with jeans, avant garde fashion-forward shops like the Velvet Lounge (a women’s boutique in Frederick, Maryland). An “upscale” vintage or “recycled new” shop such as Buffalo Exchange would fit the area and the young adult market. Fleet Feet, Foot Action and City Bikes already bring sports equipment to the area. A shop such as Pitt Crew in Frederick, Maryland could be a popular addition.

An issue of continuing concern is the increasing rent levels in the formerly affordable parts of the District, these increases force out independent, unique businesses in favor of nightclubs and higher-paying credit tenants. The Adams Morgan Partnership and the DC Department of Small Business should reach out to property owners to begin a dialogue about the need to maintain a mix of businesses that will keep the district viable. Financial assistance may be necessary to support non-entertainment, unique retailers and services while the market is being re-established.

Strategy Recommendations and Implementation

Urban Design

The potential for significant loss of business and businesses resulting from the streetscape construction on 18th Street is great. Even in the best situations under-capitalized and struggling small businesses need assistance. A coordinated mitigation plan involving businesses, the construction contractor, DDOT, the Department of Small and Local Business Development, the Adams Morgan Partnership, and Adams Morgan Main Street is needed. It is recommended that the Department of Small and Local Businesses should coordinate this strategy. A mitigation fund will be needed for loans and grants to support the businesses.

The plaza in front of the SunTrust Bank is underutilized. Should a redevelopment opportunity be presented, consider a major retail anchor in this location rather than a bank.

Entertainment Uses and Management

The growth of nightclubs and entertainment businesses puts rent levels pressure on other retail categories, creates potential conflict with residents and customers, and requires an enhanced district management program. The Responsible Hospitality Institute (RHI) has experience working with entertainment districts. RHI would be a good source of technical assistance. DC government has already been in discussions with RHI to establish a "Hospitality Resource Panel (HRP)" for the District. Adams Morgan is the type of district was designed to organize and manage.

Implementation: Key Actions

1. Develop a small business support program coordinated by the Adams Morgan Partnership in cooperation with the Department of Small and Local Business Development (DSLBD), reStore DC and DC Main Streets program, and the Latino Economic Development Corporation (LEDC). The support program should include:

- Technical Assistance (business planning, design assistance)
- Streetscape business loss/mitigation assistance (coordinated by DSLBD) working with DDOT and the Adams Morgan Partnership
- A targeted retail recruitment effort with a trained, part-time recruiter

2. Establish a Hospitality Resource Panel program with the Responsible Hospitality Institute (RHI) using funds already identified for this purpose. The RHI will need to assemble a coalition of representatives from the Adams Morgan Partnership, the Washington DC Economic Partnership and nighttime business owners, in order to facilitate the program .