



**RHODE ISLAND AVENUE GREAT STREETS
STRATEGIC DEVELOPMENT PLAN
Commercial Property Owner and
Developer Meeting
February 24, 2009**



Government of the District of Columbia



AGENDA

- Welcome
- Update
- Presentations
 - Consumer Survey Overview
 - Land Use and Urban Design Scenarios
 - Tax Increment Financing
 - Summary Potential Redevelopment Value
- Roundtable Discussions
- Next Steps & Wrap-up



KEY MILESTONES

ACTIVITY	STAKEHOLDER INPUT	TIMELINE
<ul style="list-style-type: none">• Identify Real Estate Development Opportunities & Urban Design Scenarios	Commercial Property Owner and Developer Meeting	February 2009
<ul style="list-style-type: none">• Determine Projected Property and Sales Tax Receipts (TIF Analysis)	Advisory Neighborhood Commission Briefings	February – March 2009
<ul style="list-style-type: none">• Prepare Implementation Strategy	<ul style="list-style-type: none">• Advisory Neighborhood Commission Briefings• Community Meeting	March 2009
<ul style="list-style-type: none">• Prepare and Review of the Draft Strategic Development Plan• Review Implementation Strategy	Mayoral Hearing (following a 30-day comment period)	April 2009
<ul style="list-style-type: none">• Submit the Final Strategic Development Plan & Implementation Strategy	City Council Consideration	June 2009
<ul style="list-style-type: none">• Implementation Period		September 2009 => 2029



PROPERTY OWNER AND DEVELOPER MEETING

CONSUMER SURVEY OVERVIEW



NOVEMBER 6, 2008 COMMUNITY MEETING

RHODE ISLAND AVENUE NE STRATEGIC DEVELOPMENT PLAN NOVEMBER 6, 2008 COMMUNITY MEETING SUMMARY

OUTREACH

Postcards	3,700
E-notice	
Neighborhood List Serves	
Print Ads	
DC Calendar	
Great Streets Web site	
ANC Comissioners	
Councilmember Thomas	

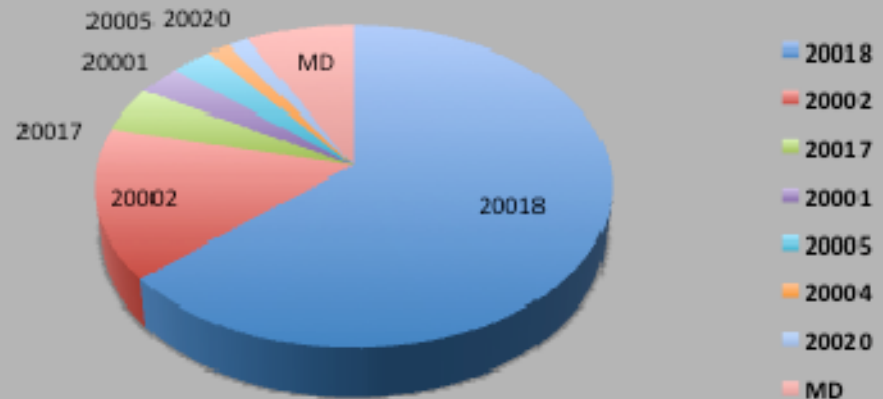
FEEDBACK

Registrants	93
Comments	40

FOLLOW-UP

Consumer Survey	248
ANC Briefings	2
Web site Update	
E-newsletter	
DC Cable TV	

20004 NOV. 6 MEETING PARTICIPANT ZIPCODES



CONSUMER SURVEY

RHODE ISLAND AVENUE NE STRATEGIC DEVELOPMENT PLAN CONSUMER SURVEY PARTICIPANT SUMMARY

DEMOGRAPHICS

Respondents	248
Age	39
Female	55%
Male	45%
Household Size	2.1

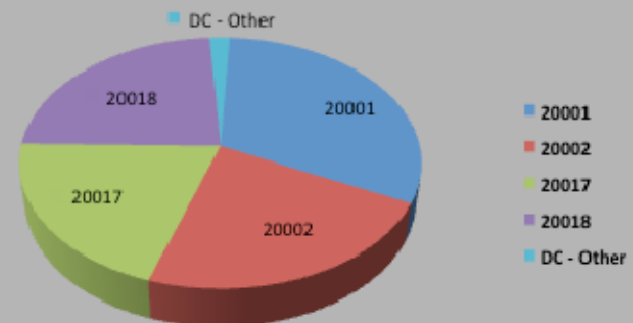
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Live there

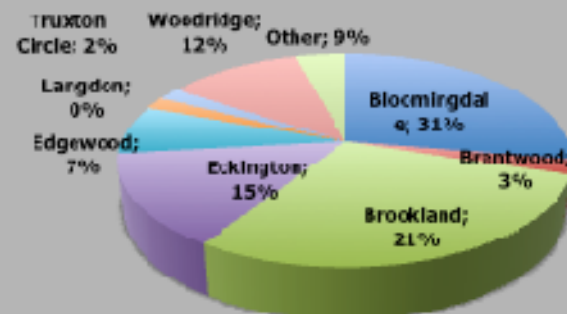
30 yrs <=	4%
20 yrs <=	20%
5 yrs =>	65%
1 yr =>	19%
7.3 yrs Avg.	

Work there	16%
Attend School there	5%

SURVEY PARTICIPANT HOME ZIPCODES



SURVEY PARTICIPANT NEIGHBORHOOD





CONSUMER SURVEY

How often do you make stops along Rhode Island Avenue NE?

ANSWER OPTIONS		Response Frequency
Daily	Daily	19.7%
Weekly	Weekly	42.3%
1-2 Times	1-2 Times	17.4%
Monthly	Monthly	
Rarely	Rarely	17.4%
Never	Never	3.3%

If you do make stops along Rhode Island Avenue NE, when do you usually do so?

ANSWER OPTIONS	Response Frequency
Weekdays	53.4%
Weekends	46.6%

If you DO make stops along Rhode Island Avenue NE, what time of day do you usually do so?

ANSWER OPTIONS		Response Frequency
6:00 - 11:00	6:00 - 11:00	8.3%
11:00 a.m. -	11:00 a.m. -	15.9%
2:00 - 6:00	2:00 - 6:00	35.0%
6:00 - 10:00	6:00 - 10:00	31.8%
6:00 a.m.	6:00 a.m.	0.4%

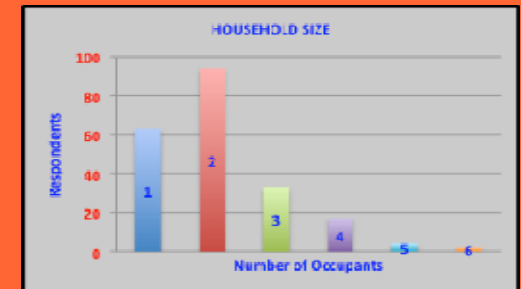


**RHODE ISLAND AVENUE NE GREAT STREETS
STRATEGIC DEVELOPMENT PLAN**



CONSUMER SURVEY

Where do you typically purchase food and beverages?					
ANSWER OPTIONS	Rhode Island Ave. NE	Elsewhere in DC	DC	VA	Other
Groceries	106	90	18	14	1
Convenience	65	129	14	6	9
Food for carry-out or delivery	24	183	10	4	5
Eat-in or sit-down restaurants	7	140	20	13	1
Alcohol beverages	56	128	16	13	9
Specialty foods (nutritional)	9	171	26	9	9



Where do you typically purchase the following services?					
ANSWER OPTIONS	Rhode Island Ave. NE	Elsewhere in DC	MD	VA	Other
Personal Care (barber, salon,	16	162	20	22	18
Financial (banking,	41	141	14	15	17
Professional (medical, dental,	3	184	18	19	4
Automotive (parts, detailing,	50	78	43	44	9
Entertainment (movies,	1	180	16	23	6
Home Improvement	149	50	19	4	7

REPORTED ANNUAL INCOME	RESPONSE FREQUENCY
Less than \$10,000	1%
\$10,000 - \$25,000	2%
\$25,000 - \$50,000	6%
\$50,000 - \$100,000	37%
More than \$100,000	55%



PROPERTY OWNER AND DEVELOPER MEETING

URBAN DESIGN AND LAND-USE ZONING

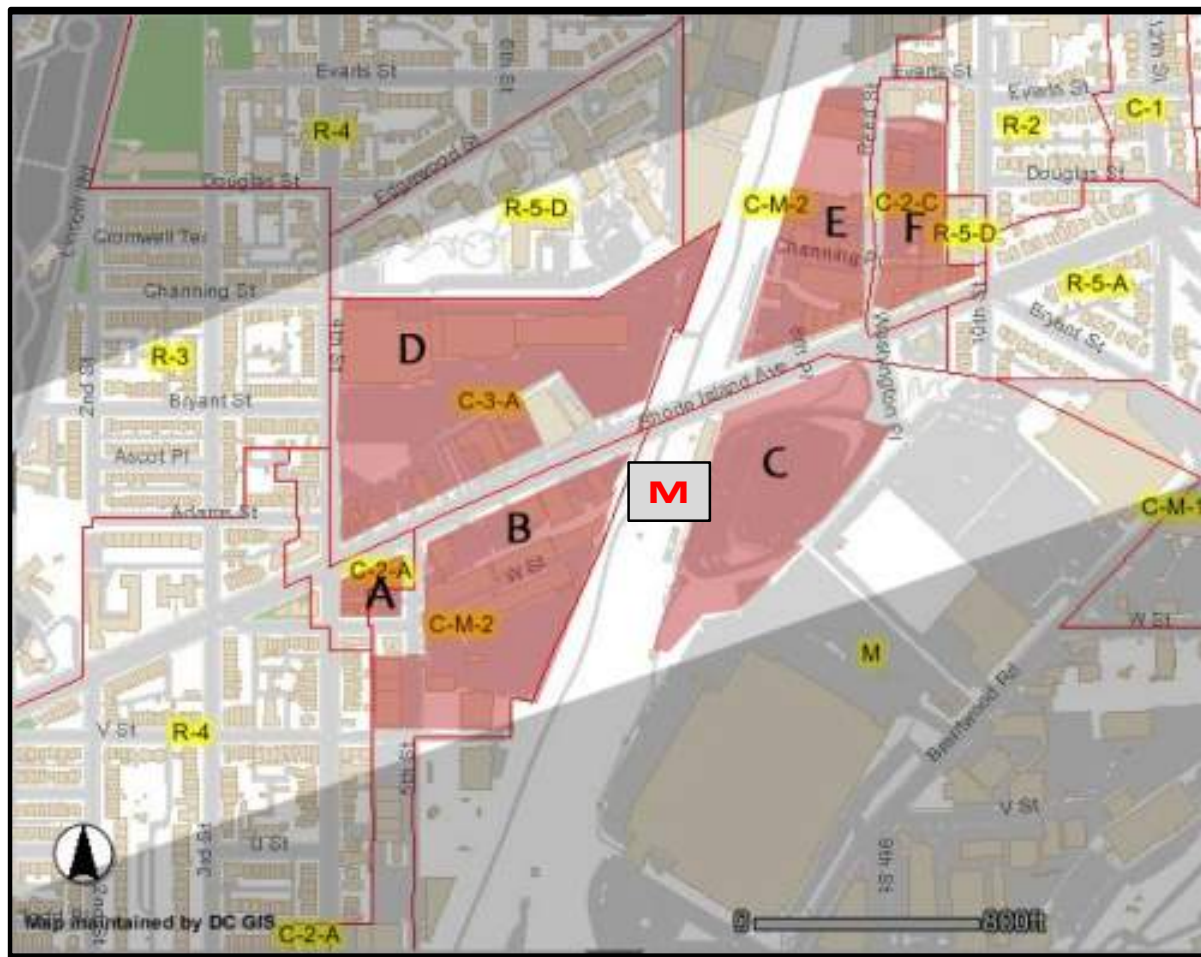
RHODE ISLAND AVENUE NE GREAT STREETS
STRATEGIC DEVELOPMENT PLAN





Sub Area 1: 4-12th Sts. NE “DOWNTOWN WARD 5”

Sub-area names are for discussion purposes only and are subject to change.



To take advantage of proximity to Rhode Island Avenue Metro Station & multiple bus lines and develop a transit oriented regional center like Columbia Heights.

Site	Current Bldg Area
A	32,854
B	263,393
C	0
D	328,418
E	223,096
F	135,425



Sub Area 1: 4-12th Sts. NE

“DOWNTOWN WARD 5”

Sub-area names are for discussion purposes only and are subject to change.



- *Support redevelopment of Rhode Island Place to maximum allowed density*
- *Rezone and redevelop C-M-2 properties*
- *Allow up to 8 stories through PUD*

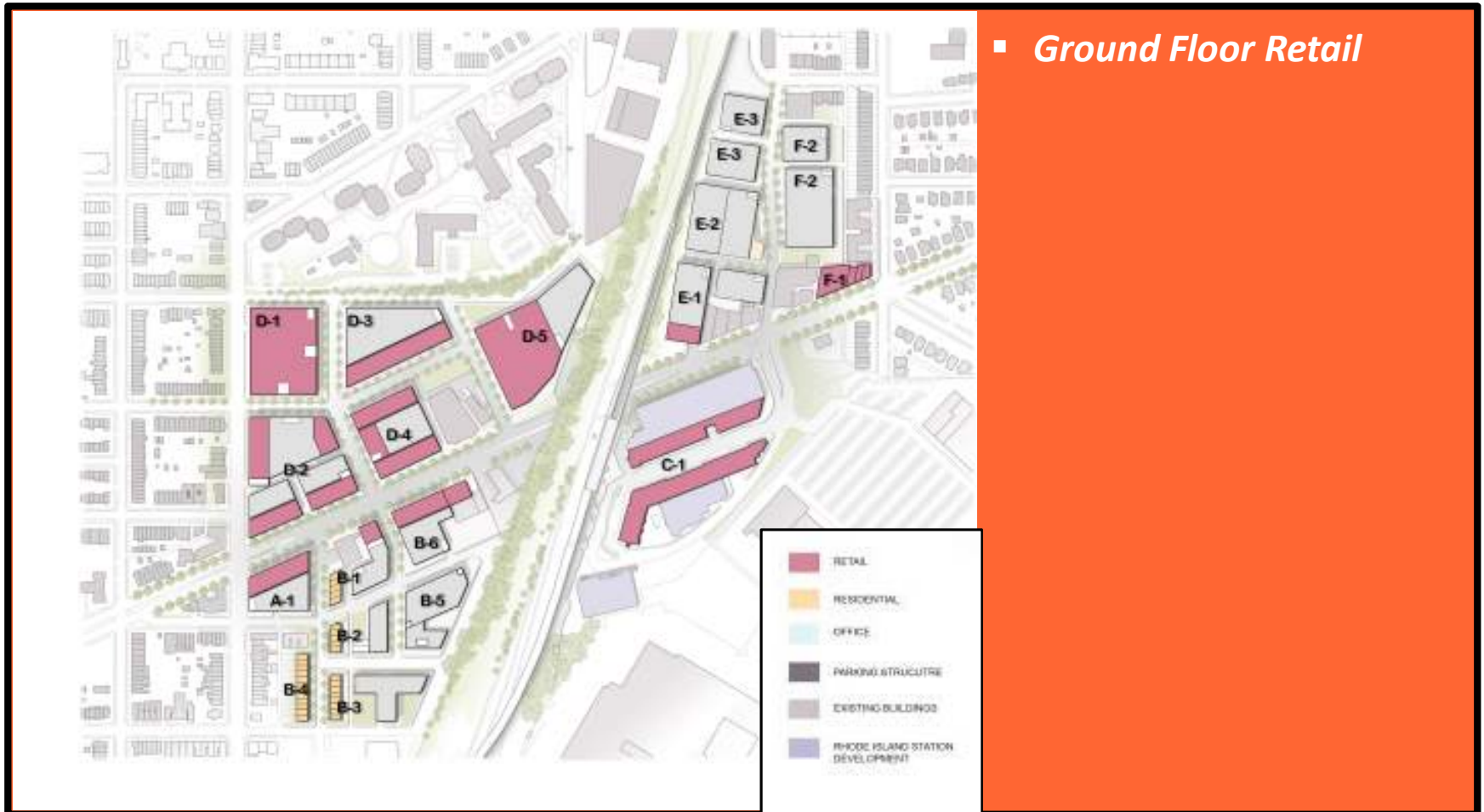
Site	Potential Bldg Area	Units	Retail	Office
A	86,000	65	15,000	0
B	576,990	316	16,225	138,800
C	320,000	274	70,000	0
D	1,048,000	653	250,500	174,540
E	771,600	461	7,200	168,000
F	319,400	250	0	106,000

The numbers represented are based on current zoning capacity not necessarily what the market can bear. Parking is inclusive in the square footages.



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**RHODE ISLAND AVENUE NE GREAT STREETS
STRATEGIC DEVELOPMENT PLAN**



Sub Area 1: 4-12th Sts. NE “DOWNTOWN WARD 5”

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View looking North-East from Intersection
of Rhode Island Ave. & 4th St. NE



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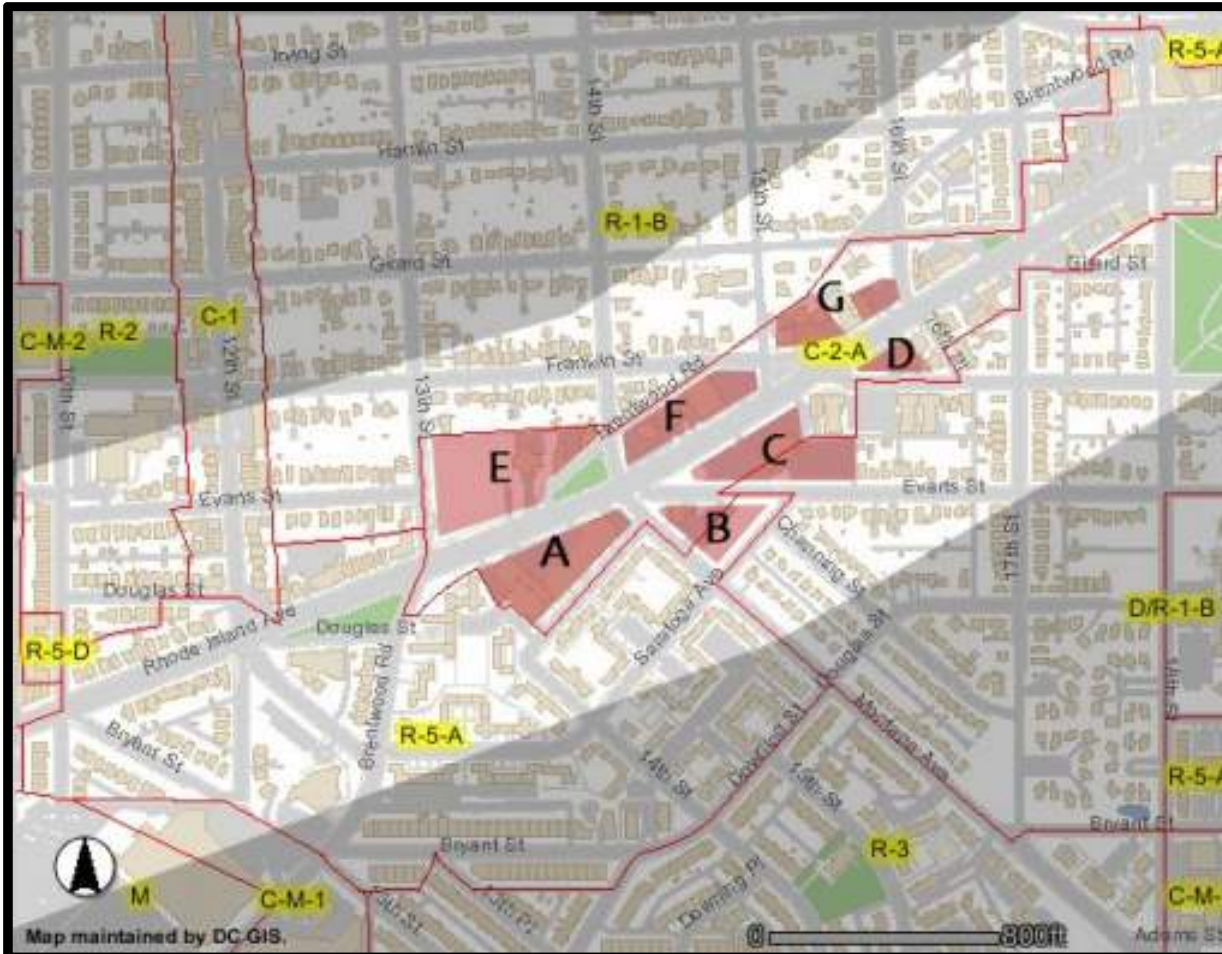
**RHODE ISLAND AVENUE NE GREAT STREETS
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Sub Area 2: 12-18th Sts. NE

“MONTANA – FRANKLIN NEIGHBORHOOD CENTER”

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To create a mixed use neighborhood center with housing and a mix of competitive local retailers with some regional and national chains.

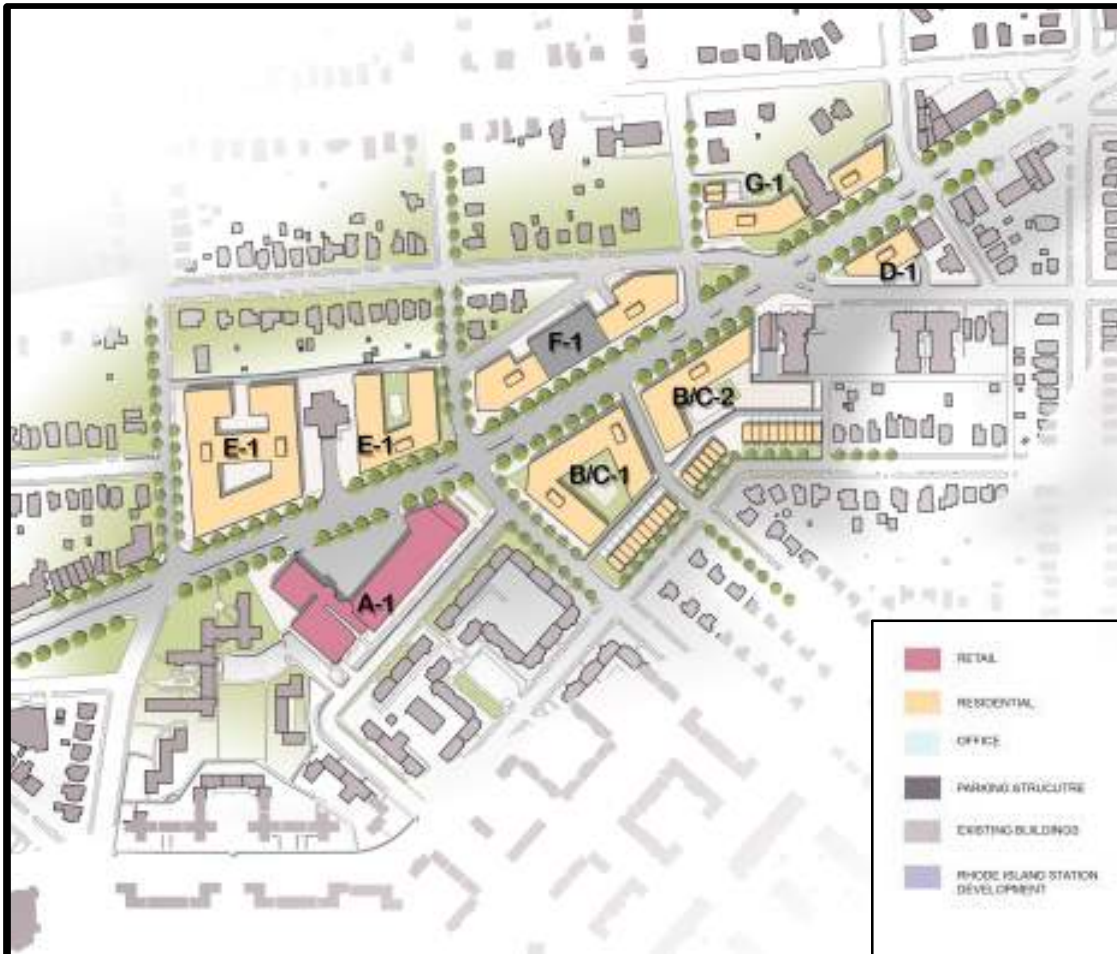
Site	Current Bldg Area
A	51,046
B	2,312
C	127,446
D	4,548
E	15,190
F	22,029
G	21,672



Sub Area 2: 12-18th Sts. NE

“MONTANA–FRANKLIN NEIGHBORHOOD CENTER”

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- *Reconfiguration of the intersection to increase pedestrian safety while creating new pad sites for redevelopment.*
- *Allow up to 7 stories through PUD*

Site	Potential Bldg Area	Units	Retail
A	51,046	0	51,046
B			
C	262,000	169	35,600
D	38,000	28	0
E	416,900	407	11,900
F	99,700	60	36,400
G	87,300	67	0

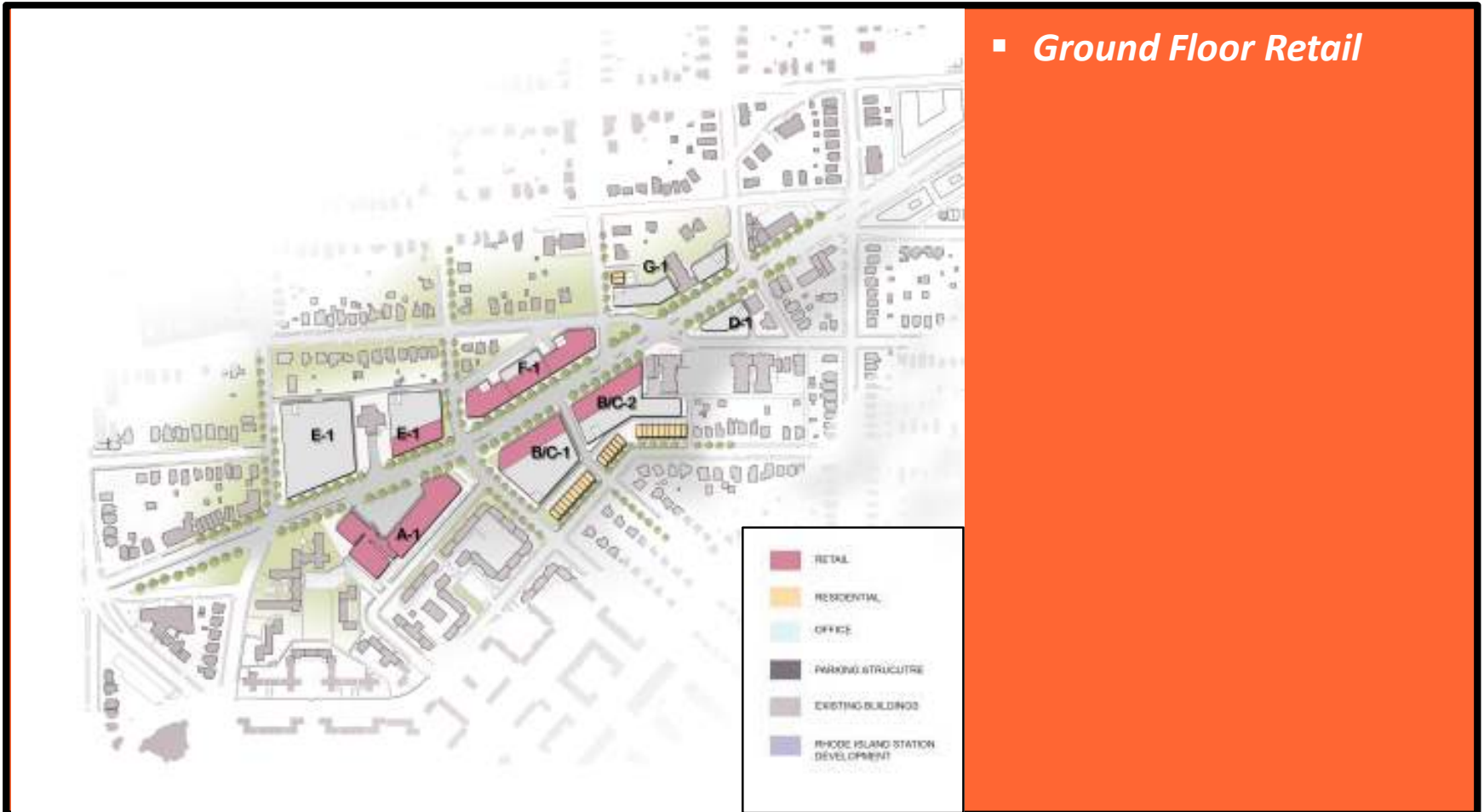
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View looking North-East/Intersection of Rhode Island Ave. & 14th St.



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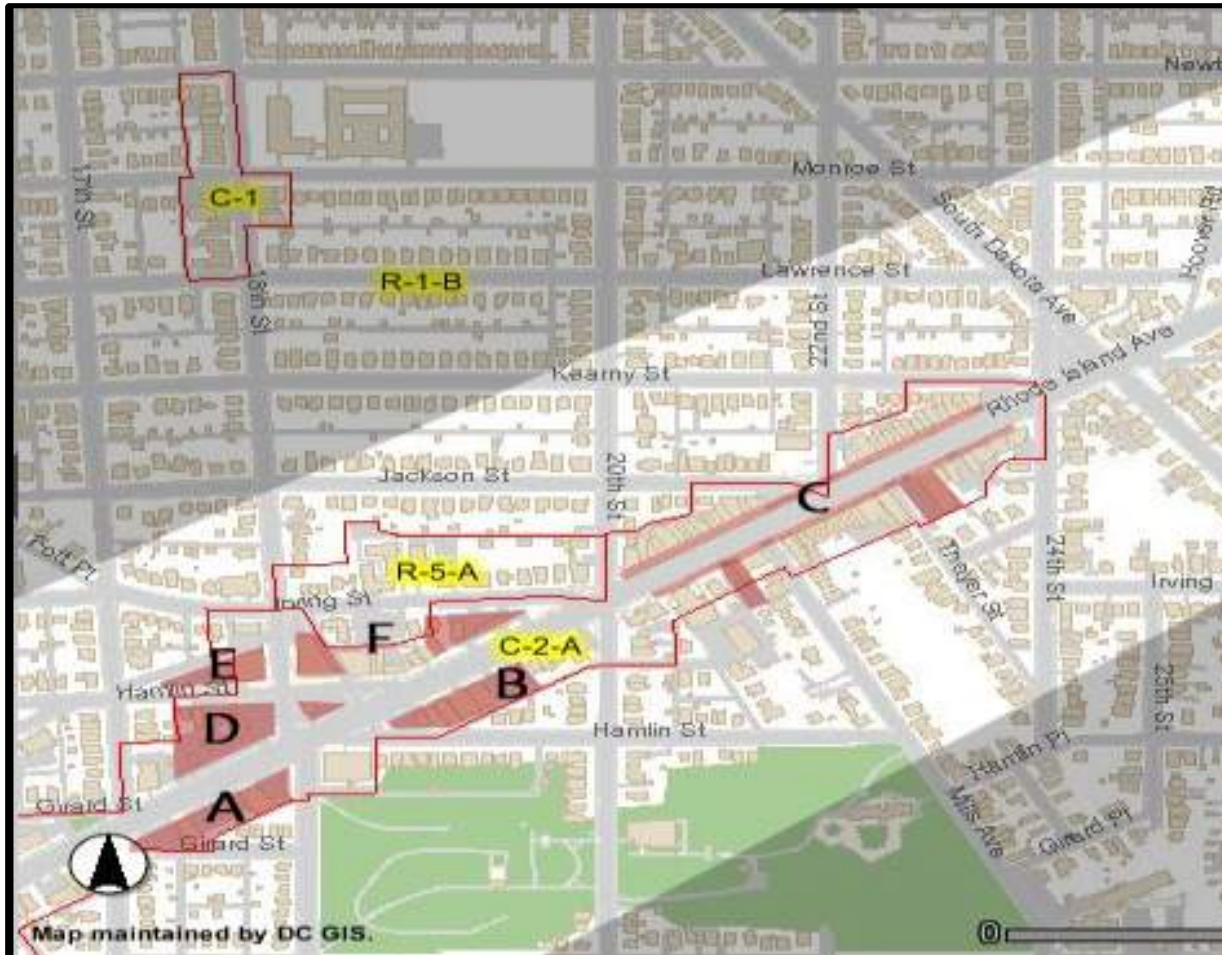


**RHODE ISLAND AVENUE NE GREAT STREETS
STRATEGIC DEVELOPMENT PLAN**



Sub Area 3: 18th St.-S. Dakota Ave. NE “LANGDON PARK”

Sub-area names are for discussion purposes only and are subject to change.



To leverage proximity to sizeable Langdon Park into a sought after residential address.

Site	Current Bldg Area
A	23,373
B	18,031
C	214,194
D	15,858
E	7,640
F	51,868



Sub Area 3: 18th St.-S. Dakota Ave. NE

“LANGDON PARK”

Sub-area names are for discussion purposes only and are subject to change.



- *Strongly encourage residential from 18th to 20th. Possibly rezone.*
- *Allow up to 6 stories through PUD.*
- *Rehabilitate existing storefronts for arts uses, coffeehouses, etc.*

Site	Potential Bldg Area	Units	Retail
A	91,000	68	0
B	85,900	64	0
C	9,680	0	9,680
D	126,900	88	0
E	34,280	20	0
F	128,500	95	0

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Sub Area 3: 18th St.-S. Dakota Ave. NE “LANGDON PARK”

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▪ *Ground Floor Retail*

**RHODE ISLAND AVENUE NE GREAT STREETS
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View looking North-East/Intersection of Rhode Island Ave. & 18th St.



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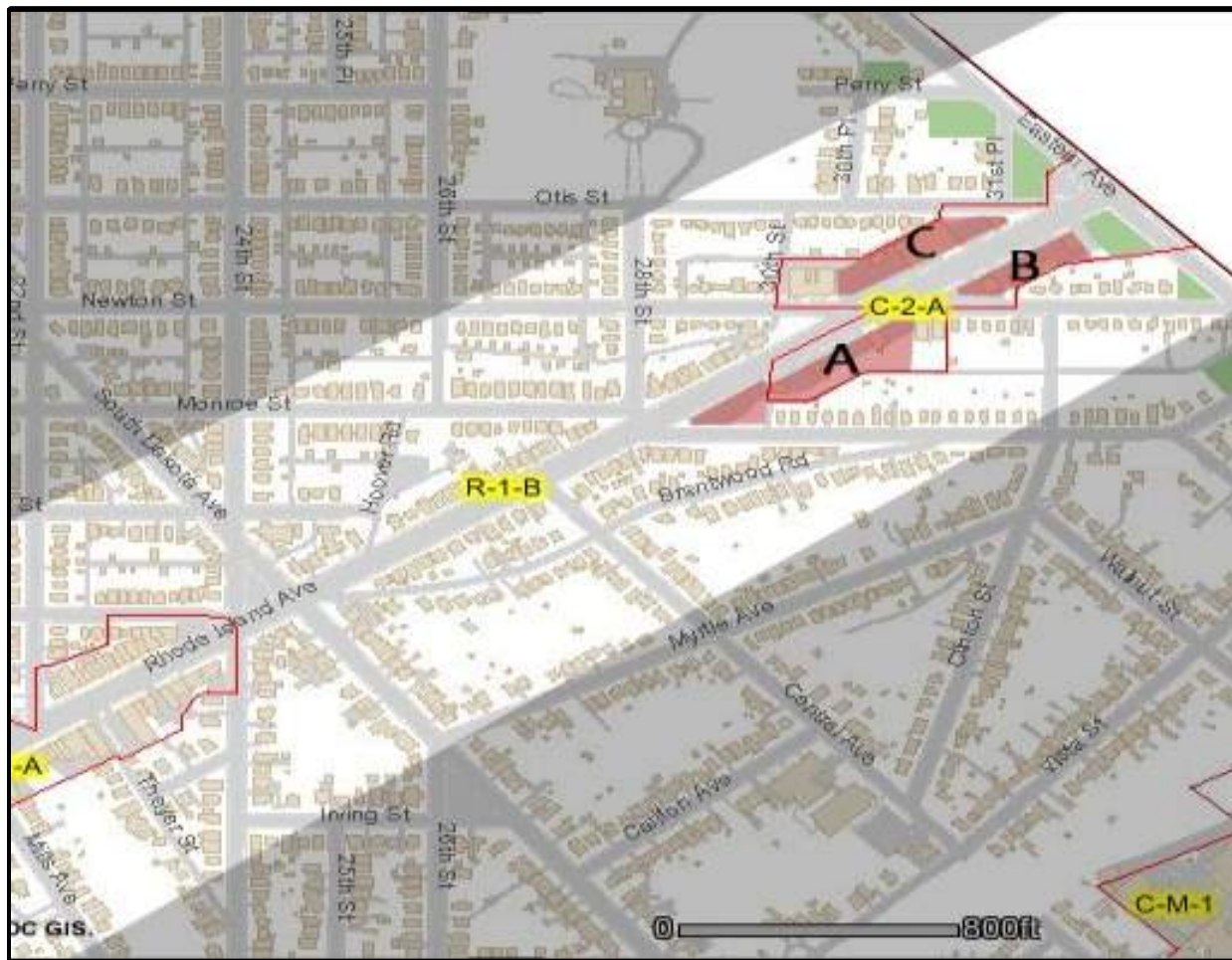


**RHODE ISLAND AVENUE NE GREAT STREETS
STRATEGIC DEVELOPMENT PLAN**



Sub Area 4: S. Dakota-Eastern Aves. NE “WOODRIDGE PORTAL”

Sub-area names are for discussion purposes only and are subject to change.



To develop a significant eastern gateway into the District.

Site	Current Bldg Area
A	25,230
B	3,723
C	53,731



Sub Area 4: S. Dakota-Eastern Aves. NE “WOODRIDGE PORTAL”

Sub-area names are for discussion purposes only and are subject to change.



- *Encourage residential development with some retail and possibly some arts related uses.*
- *Allow up to 6 stories through PUD.*
- *Preserve and rehabilitate existing structure where garage is currently.*

Site	Potential Bldg Area	Units	Retail	Office
A	65,800	68	0	0
B	72,900	73	6,390	0
C	112,400	60	18,300	0

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Sub Area 4: S. Dakota-Eastern Aves. NE “WOODRIDGE PORTAL”

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■ *Ground Floor Retail*



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View looking North-East/Intersection of Rhode Island Ave. &
Newton St. NE





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**RHODE ISLAND AVENUE NE GREAT STREETS
STRATEGIC DEVELOPMENT PLAN**



PROPERTY OWNERS AND DEVELOPER MEETING

TAX INCREMENT FINANCING



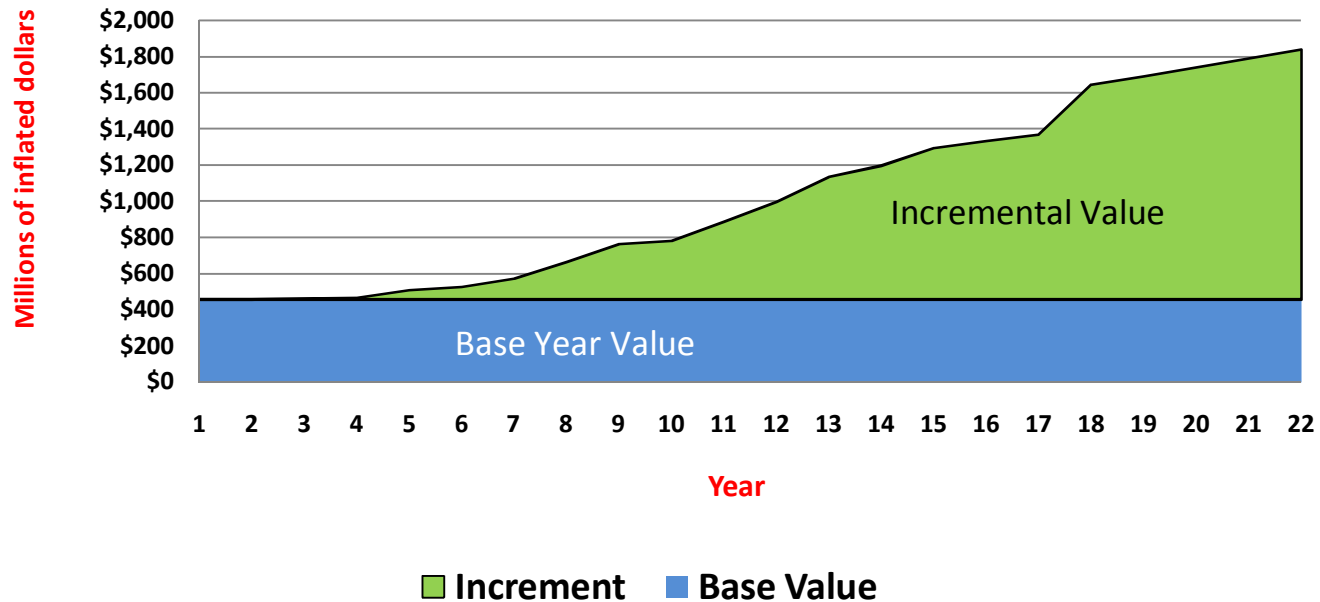
TAX INCREMENT FINANCING (TIF)

- **Leverages the value of private development**
- **Not a new tax**
- **District continues to receive current taxes**
- **Dedicates growth in real property and sales taxes**
- **Future growth in assessed values from new development, property appreciation and improved sales**
- **Earmarks “incremental taxes” as a funding source for public, infrastructure and targeted improvements**
- **Examples: Gallery Place; DC USA in Columbia Heights**



PROPERTY VALUES

Incremental Property Values Rhode Island Avenue TIF District



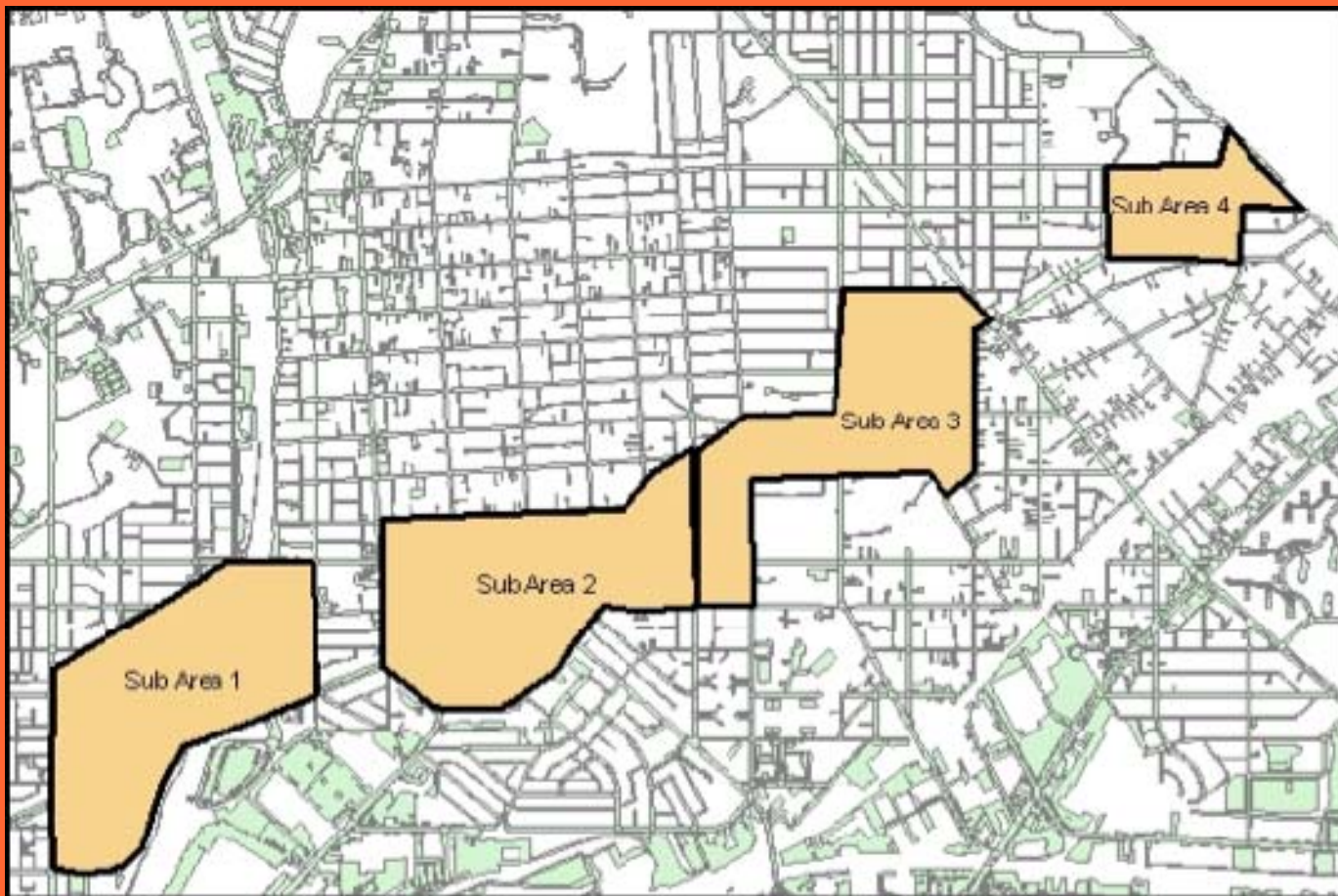
RHODE ISLAND AVENUE NE GREAT STREETS
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TIF ANALYSIS

- DC Council establishes TIF district boundaries
 - Area from which taxes are generated
 - Area within which TIF funds can be invested
- Establish the base of current property values and retail sales from assessments and estimates of sales per square foot
- Project future property values and retail sales
 - Phase new development
 - Property value appreciation
 - Sales growth from new and existing retailers
- Future tax revenues are available to support bonds for public improvements

RHODE ISLAND AVENUE TIF DISTRICTS



**RHODE ISLAND AVENUE NE GREAT STREETS
STRATEGIC DEVELOPMENT PLAN**



PRELIMINARY TIF CONCLUSIONS

- Supportable bonds depend on future bond market conditions:
 - New development and retail growth
 - Interest rates
 - Reserve requirements
 - Investor confidence
 - Guarantees or back-up revenues
- Supportable bonds
 - 3 million by 2014
 - \$20 million by 2019
 - \$22 million by 2024
 - \$67 million by 2029



KEY CATALYST OPPORTUNITIES

- **Sub Area 1:**
 - **Rhode Island Station**
 - **Read Street redevelopment**
- **Sub Area 2:**
 - **Brentwood Village Shopping Center renovation**
 - **Brookland Square**
- **Sub Area 3:**
 - **North side of Rhode Island at 18th Street**
 - **Renovation of existing storefronts**
- **Sub Area 4:**
 - **South side of Rhode Island from 28th to 30th Street**



PROPERTY OWNER AND DEVELOPER MEETING

SUMMARY POTENTIAL REDEVELOPMENT VALUE

RHODE ISLAND AVENUE NE GREAT STREETS
STRATEGIC DEVELOPMENT PLAN



POTENTIAL REDEVELOPMENT VALUE

- Identified potential major redevelopment opportunities along the corridor
- For select properties determined achievable development program based upon market demand and land use
- Generated preliminary project financial analysis to measure scale of redevelopment opportunity along the corridor
- Process is *illustrative only* and *makes a number of assumptions* regarding property assemblage, land value, required project returns and delivery schedule.



SUB AREA - KEY DEVELOPMENT SITES

	CORRIDOR TOTAL	Sub Area 1	Sub Area 2	Sub Area 3	Sub Area 4
Phasing	2010 – 2025	2010 – 2025	2012 – 2023	2014 - 2023	2010 - 2017
<i>New</i> Residential Units and Townhomes (TH)	1,517 Units 202 TH	1034 Units	263 Units 50 TH	220 Units 20 TH	132 TH
<i>New</i> Retail SF	373,687 SF	276,836 SF	84,059 SF	0 SF	24,779 SF
<i>New</i> Office Development	313,352 SF	313,352 SF	0 SF	0 SF	0 SF
<i>New</i> Parking	896,523 SF	634,713 SF	101,052 SF	82,926 SF	77,832 SF



MAJOR REDEVELOPMENT POTENTIAL VALUE

AREA	KEY SITES POTENTIAL REDEVELOPMENT VALUE (TOTAL DEVELOPMENT COSTS/TDC)
SUB AREA 1	\$495 Million
SUB AREA 2	\$126 Million
SUB AREA 3	\$80 Million
SUB AREA 4	\$57 Million
CORRIDOR TOTAL	<i>\$758 Million</i>



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