

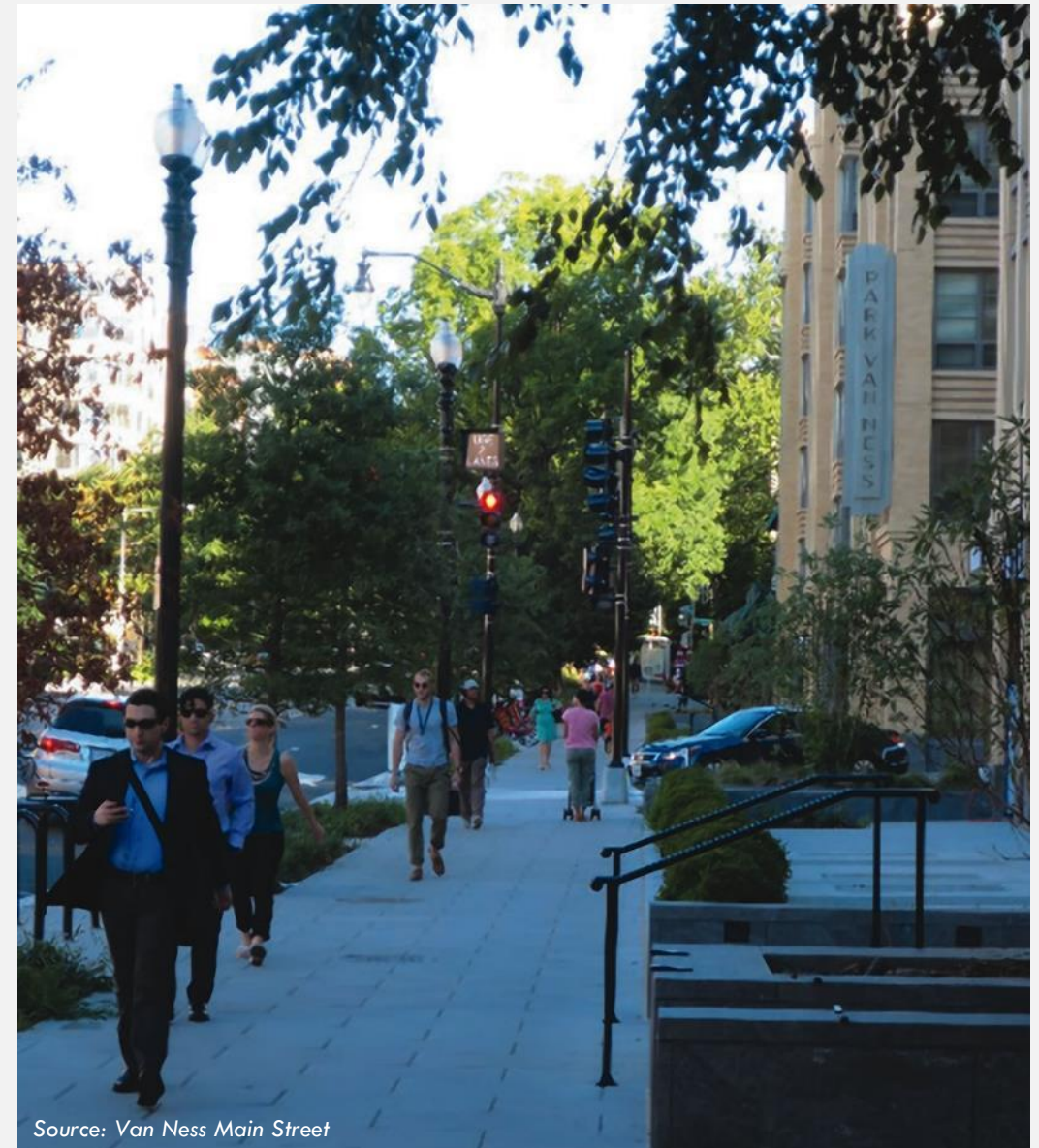


# Van Ness Retail Strategy

February 2018

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Source: Van Ness Main Street

**PROJECT OVERVIEW**  
NEIGHBORHOOD OVERVIEW  
VAN NESS RETAIL  
PROPERTY TENANTING STRATEGY  
PLACEMAKING/BRANDING STRATEGY

# Goal

Create a distinctive neighborhood retail experience in Van Ness that contributes to a sense of place and serves the needs of residents, students, and workers.



Source: DC Office of Planning

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# Opportunity

Strengthening retail can shape the future of Van Ness by creating a place that:

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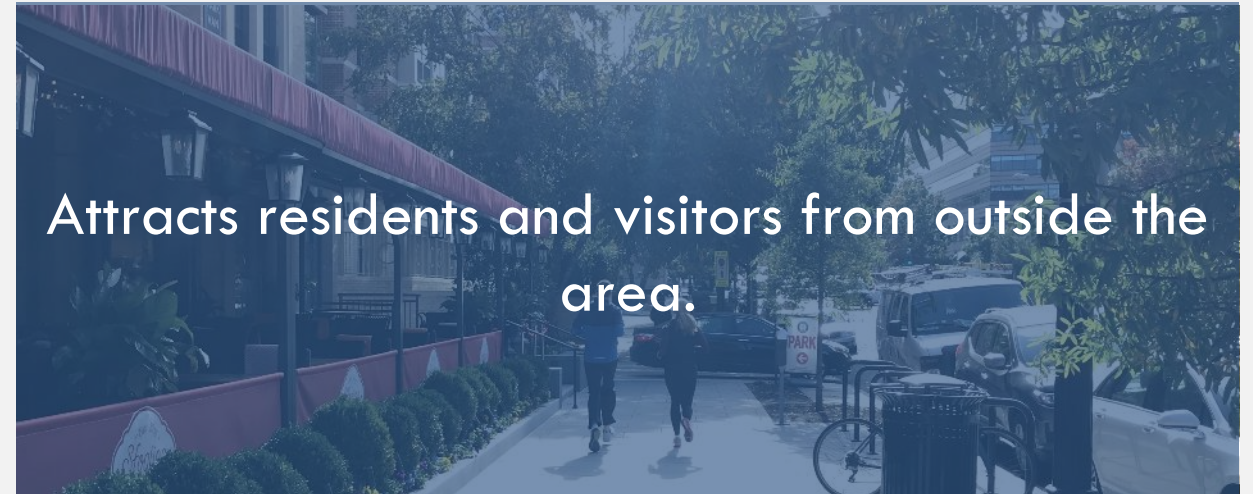
Provides amenities and enhances quality of life for those living, working and going to school in Van Ness.



Reinvigorates Connecticut Avenue as an active community gathering space.



Brings new investment to Van Ness.



Attracts residents and visitors from outside the area.

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# Project Methodology

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**1. Evaluate current market conditions and existing supply of retail in Van Ness.**



**2. Identify key drivers of demand to determine missing uses or opportunities in the market.**



**3. Set a strategic direction to reinforce Van Ness as a desirable, walkable, commercial area.**

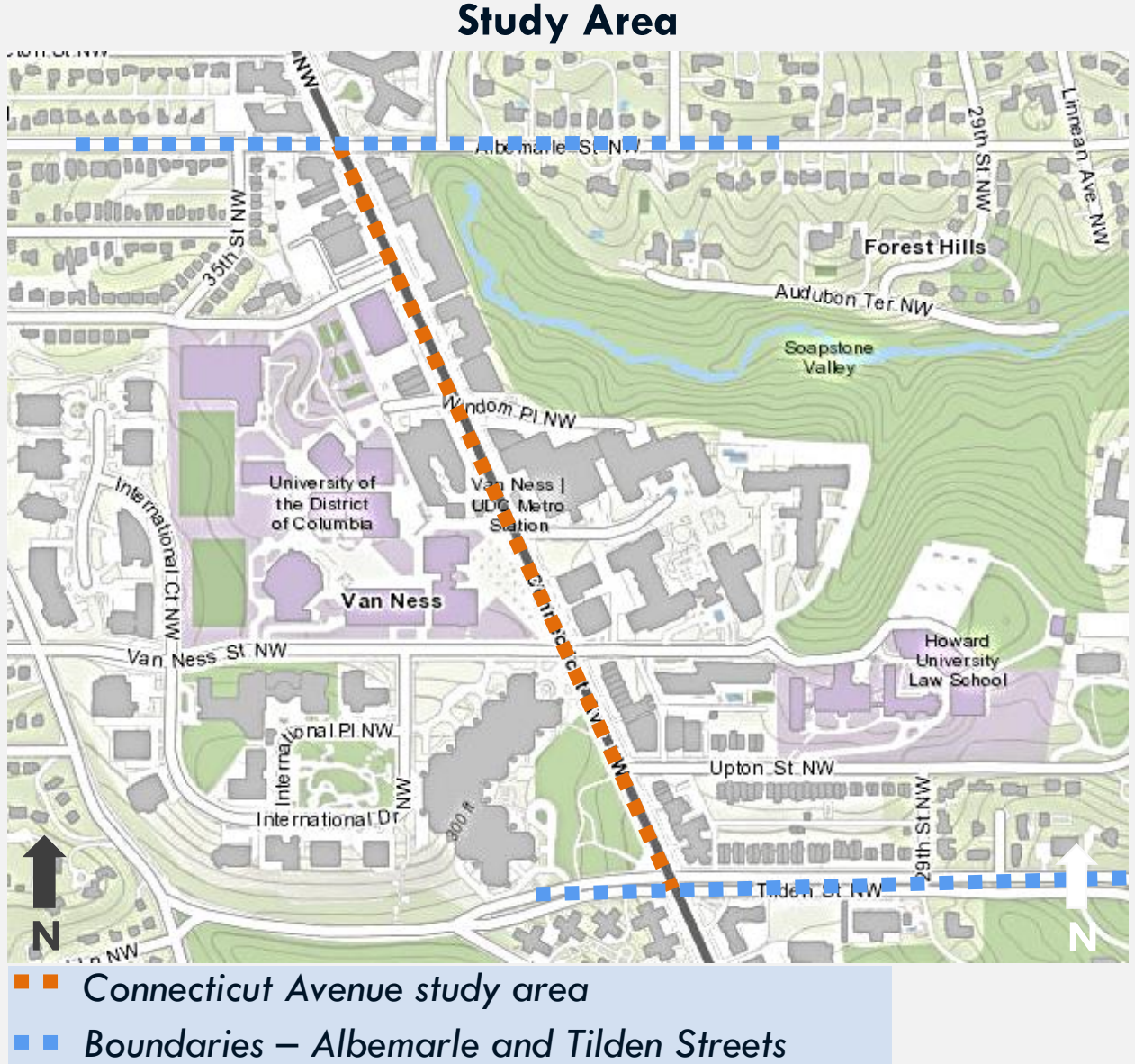


**4. Develop a tenanting plan to reposition vacant and underutilized properties in Van Ness.**

PROJECT OVERVIEW  
**NEIGHBORHOOD OVERVIEW**  
VAN NESS RETAIL  
PROPERTY TENANTING STRATEGY  
PLACEMAKING/BRANDING STRATEGY

# Neighborhood Overview: Study Area

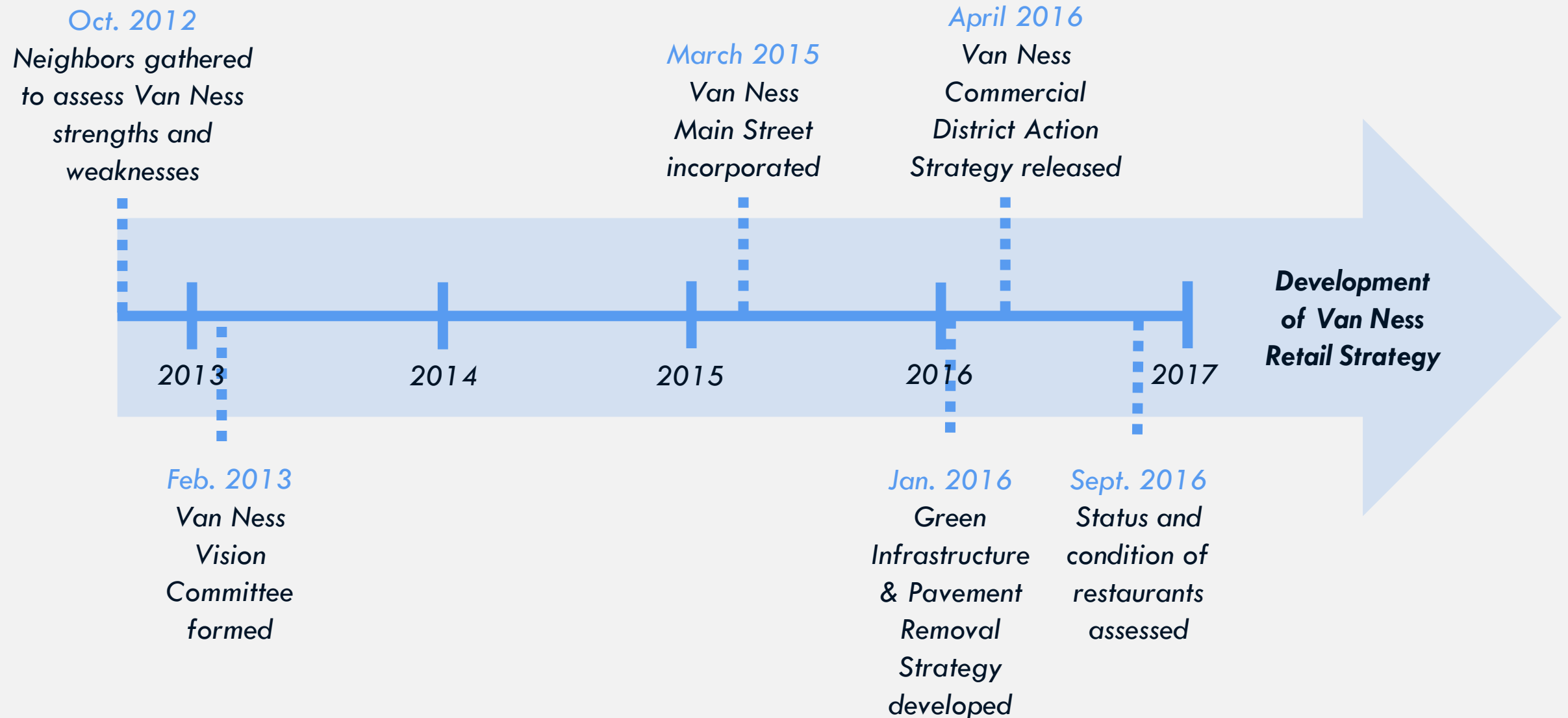
The heart of the Van Ness Retail Corridor is between Tilden Street and Albemarle Street.





# Neighborhood Overview: History

HR&A's retail strategy builds on initial actions taken recently to improve the retail and commercial district along Connecticut Avenue in Van Ness.

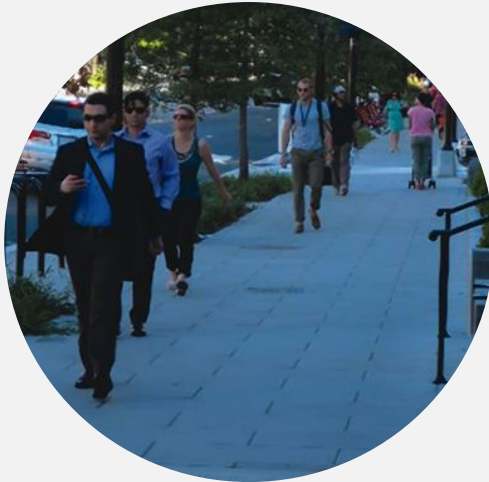


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# Neighborhood Overview: Assets

The neighborhood brings together a diverse set of consumers and stakeholders, which benefit retail in the area.

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## Affluent residential base

The median household income of residents is \$114,000, 33% higher than in Washington, DC. More than a quarter of the 9,000 households earn **at least \$200,000** per year.



## Students and faculty

**UDC and Howard enroll more than 5,200 students** and bring an additional 1,300 faculty and staff to the neighborhood.



## Embassy presence

The more than 20 diplomatic embassies in Van Ness **enhance the international character of the neighborhood** and bring a large number of visitors annually.



## Proactive stakeholder groups

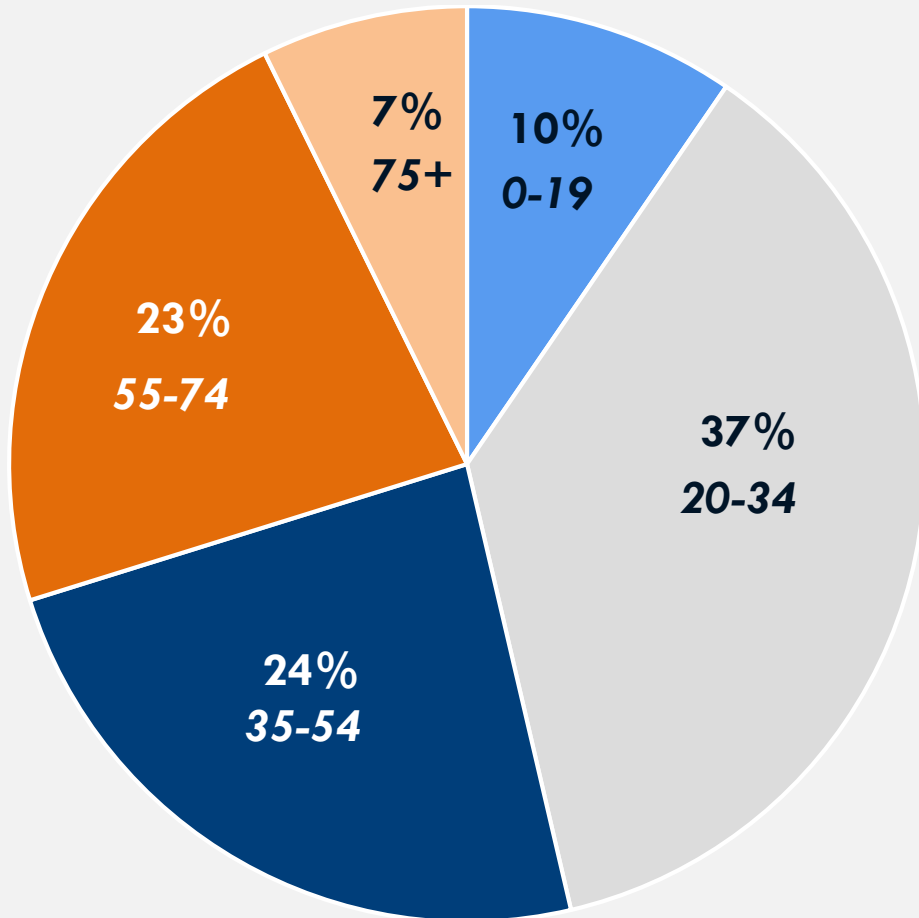
Van Ness benefits from a dedicated group of stakeholders who are **actively working to improve the neighborhood**. UDC is actively **working to promote an on-campus environment** through increased investment.

*Note: Median household income is based on households within HR&A's defined primary trade area, roughly defined as a boundary of the Van Ness neighborhood.  
Source: ESRI, University of the District of Columbia, Howard University, HR&A*

# Neighborhood Overview: Assets

Residential demographics in the Van Ness neighborhood provide a strong customer base for higher-quality shops and services.

**VAN NESS RESIDENT  
POPULATION BY AGE  
2017**



Resident population	14,600
Number of households	8,700
Families	2,400
Median household income	\$114,000
Median age	37
Share of renter-occupied households	64%

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# Neighborhood Overview: Assets

Van Ness has a number of assets that support an enhanced retail experience.

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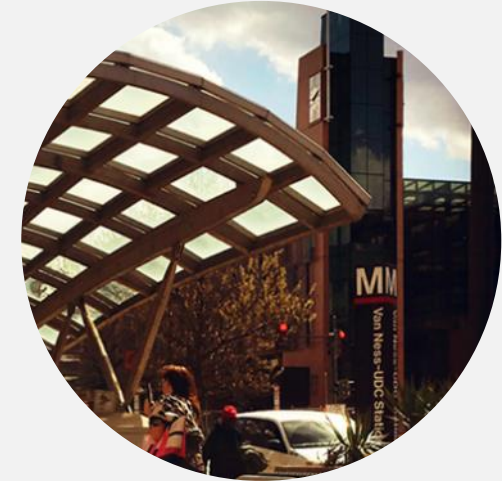
## New restaurant and commercial activity

A number of **new and noteworthy specialty food stores and restaurants** have recently opened along Connecticut Avenue and attracted interest from local residents as well as those outside the neighborhood.



## High visibility

As a **major, high-visibility vehicular connection between Maryland and Downtown DC**, Connecticut Avenue carries 38,000 vehicles through the neighborhood daily.



## Good transit connectivity and walkability

A **centrally-located Metro stop draws 5,300 riders each weekday**, similar to ridership at stations such as Tenleytown, Shaw, and Mt. Vernon Square. The neighborhood also has a walk score of 85, indicating it is walkable and most errands can be accomplished on foot.

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# Neighborhood Overview: Challenges

There are a number of challenges impacting the retail environment and the overall sense of place.

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## Lack of continuous storefronts

Gaps in storefronts created by building setbacks, auto drive-throughs, and non-commercial first floor uses **dilute the sense of retail concentration.**



## Underutilized public spaces

Public spaces are not designed for gathering, creating an environment that is **neither engaging nor vibrant.**



## Diverse property ownership

A diverse set of property owners and interests **limits the ability to reposition retail** in the corridor in the near-term.

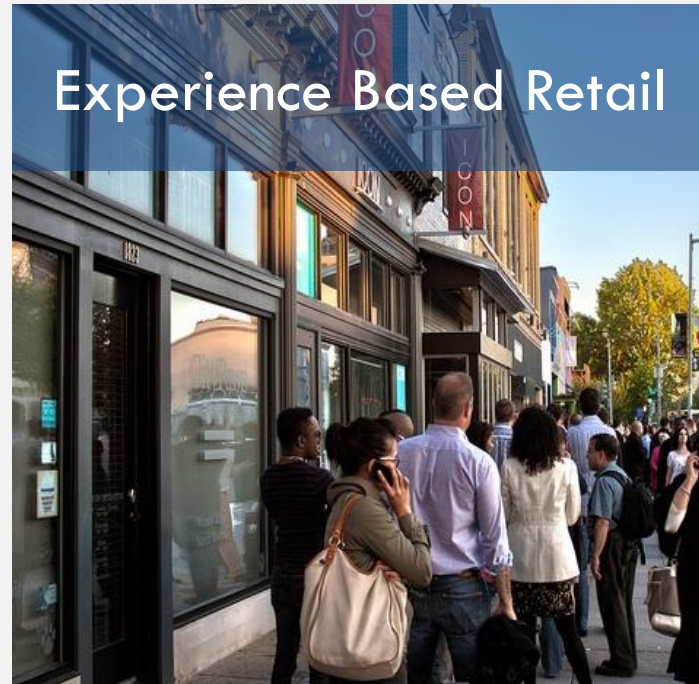


## Decreasing office employment

Recent and pending large office tenant departures **decrease employee population,** negatively impacting retail sales potential.

# Neighborhood Overview: Challenges

Citywide development and the evolving nature of retail will impact how retail in Van Ness will compete moving forward.



The development of areas such as 14<sup>th</sup> Street and the newly constructed Wharf represent a **broader trend toward experience-based retail** that draws people from across the region.



**Planned retail openings throughout northwest DC** will draw potential spending from Van Ness. New retailers opening in nearby neighborhoods include national brands such as Target, Trader Joe's and Wegmans.



Neighborhood retail is evolving at a worldwide scale due to the **influence of e-commerce**. Brick and mortar shops face increasing pressure to better compete and offer something that cannot be purchased online.

PROJECT OVERVIEW

NEIGHBORHOOD OVERVIEW

**VAN NESS RETAIL**

**RETAIL SUPPLY**

RETAIL DEMAND

PROPERTY TENANTING STRATEGY

PLACEMAKING/BRANDING STRATEGY

# Van Ness Retail

The current retail mix in Van Ness is made up largely of convenience, service, and dining options that serve neighborhood residents, students, and workers.

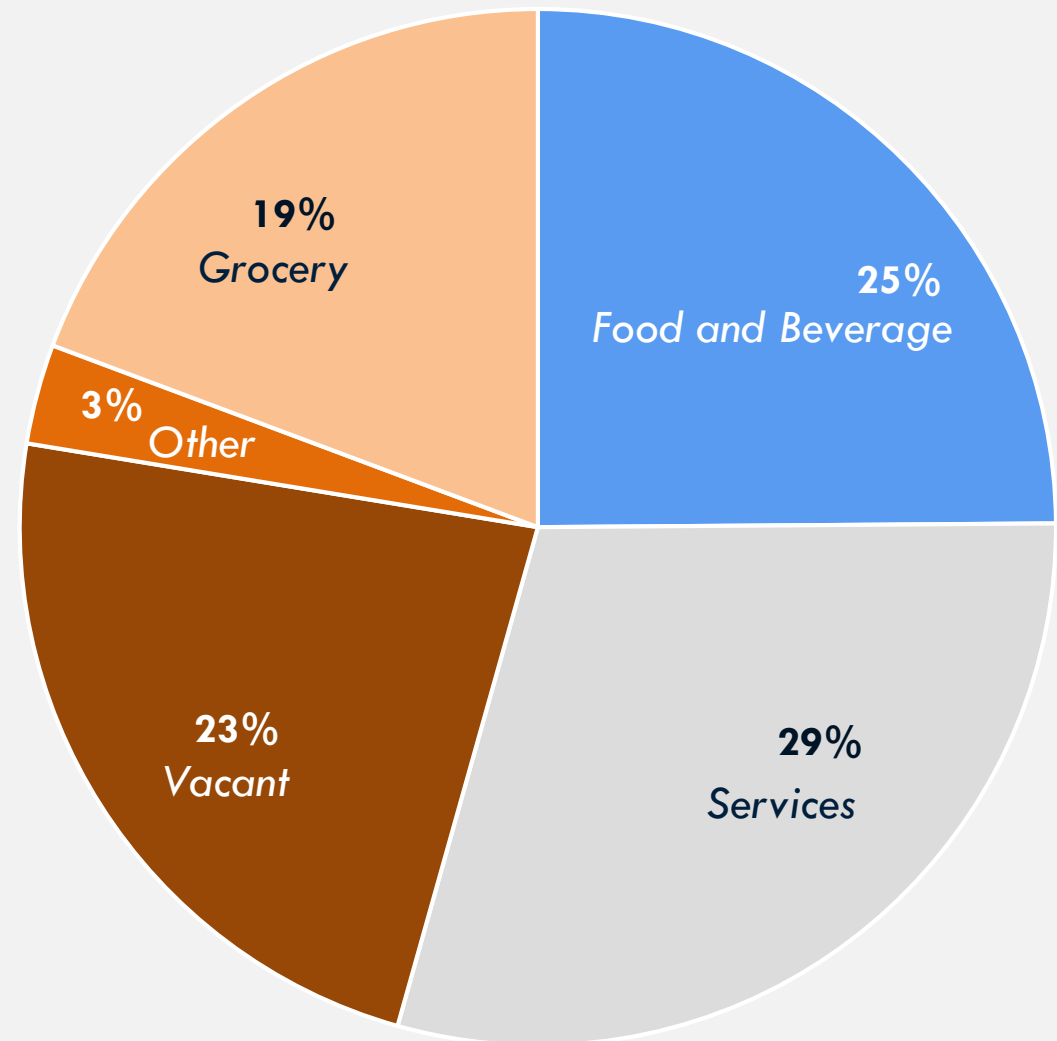
**130,000 SF**

**Total retail space\***

**30,000 SF**

**Vacant retail space**

**RETAIL SQUARE FOOTAGE BY USE**



\*See Appendix A for full retail inventory

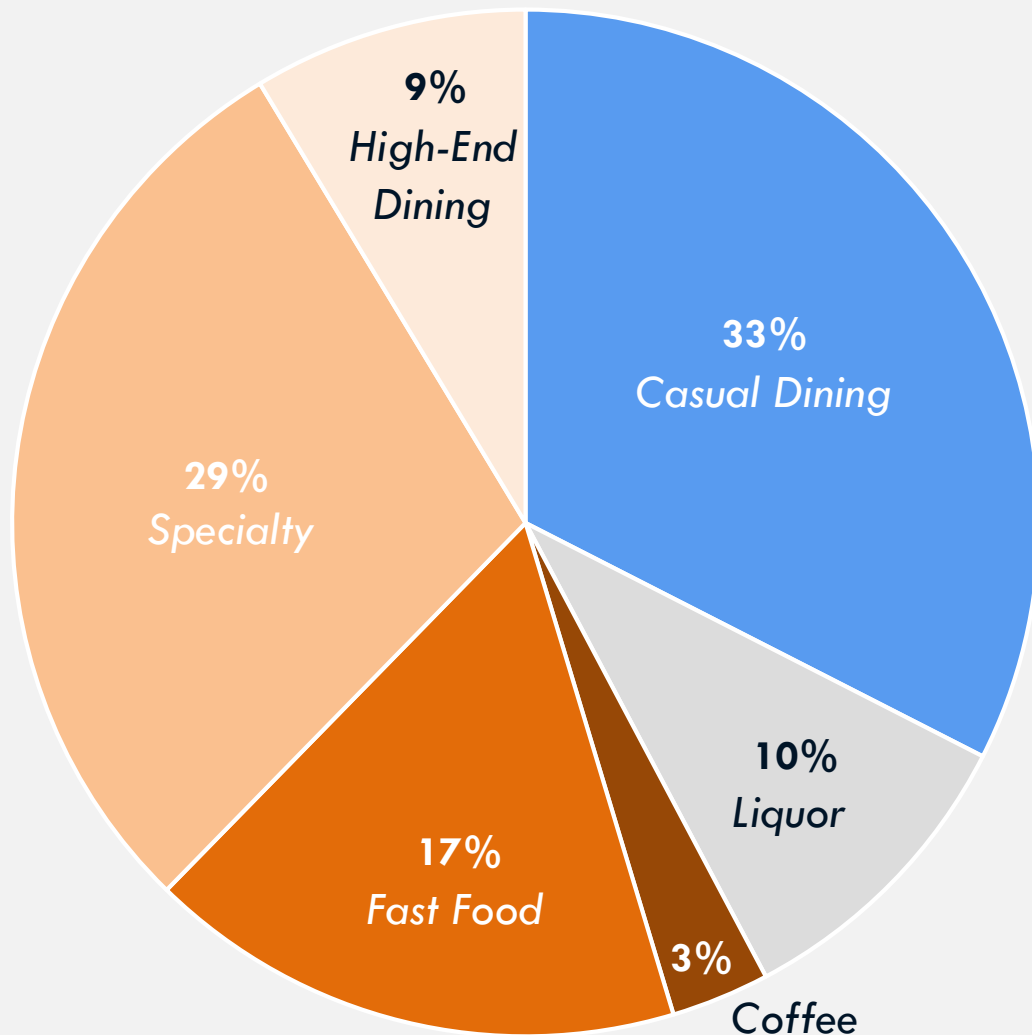
Source: CoStar, Retail broker interviews, HR&A



# Van Ness Retail

Casual dining makes up the largest share of food and beverage space in the neighborhood.

**FOOD AND BEVERAGE SQUARE FOOTAGE BY TYPE**



**32,200 SF**

**Total food and beverage retail space**

**16**

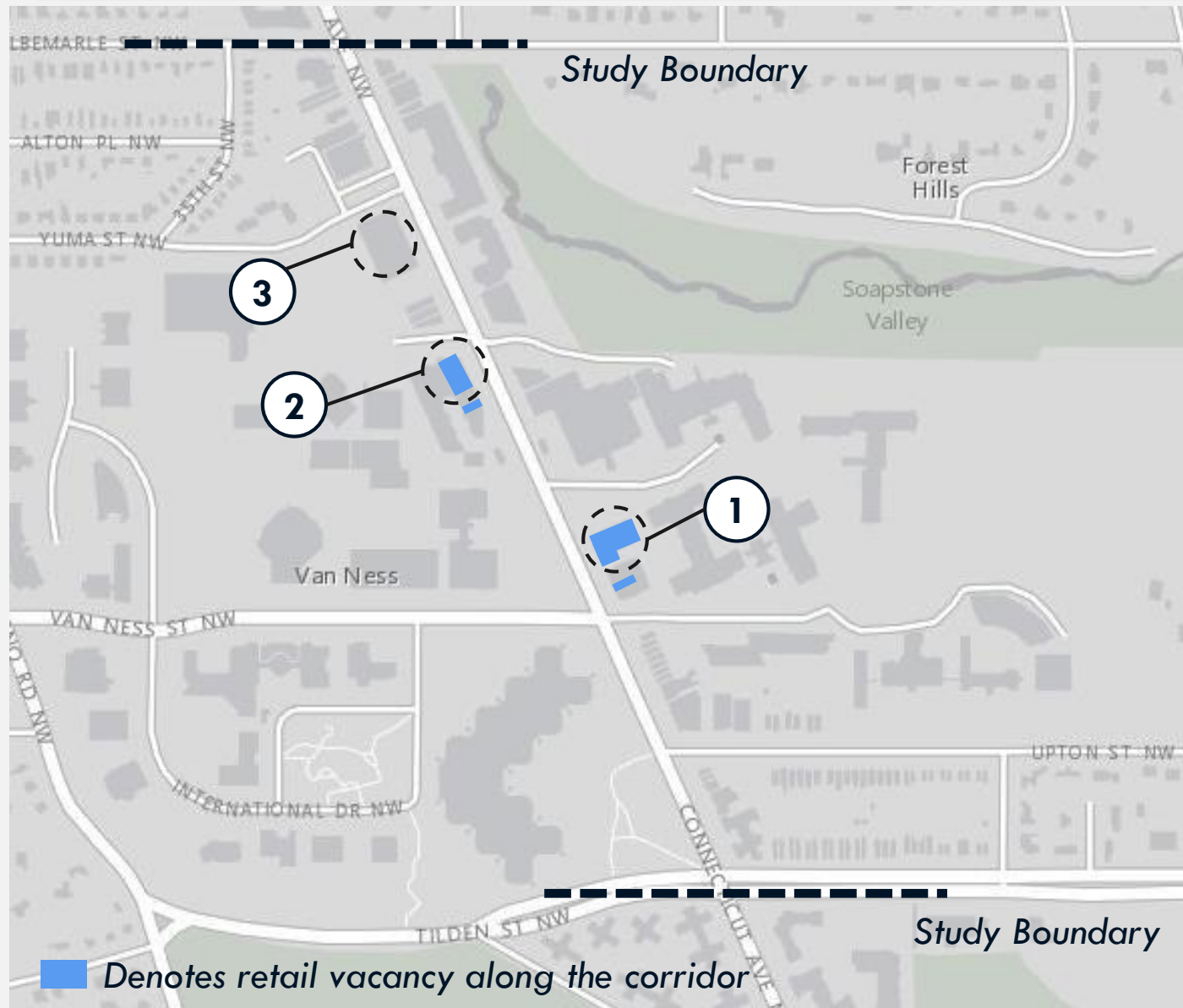
**Total number of food and beverage retailers**

**10,500 SF**

**Casual dining space**

# Van Ness Retail

Though almost a quarter of total square footage in Van Ness is vacant, it is concentrated in properties that provide an opportunity for repositioning retail.



Note: Vacancy within the three identified properties makes up 90% of vacant retail space in the study area.

## 1 4225 Connecticut Ave. | 14,470 RSF



This two-story space formerly occupied by Walgreens may be leased to an institutional entity, but would likely still offer space for retail use. The building includes a garage with approximately 30 spaces and a loading dock.

## 2 4250 Connecticut Ave. | 16,520 RSF



Retail space here will be available to be repositioned when Fannie Mae moves out in 2019. Up to 40 parking spaces may be available to retail customers and a loading dock is built to the side of the building.

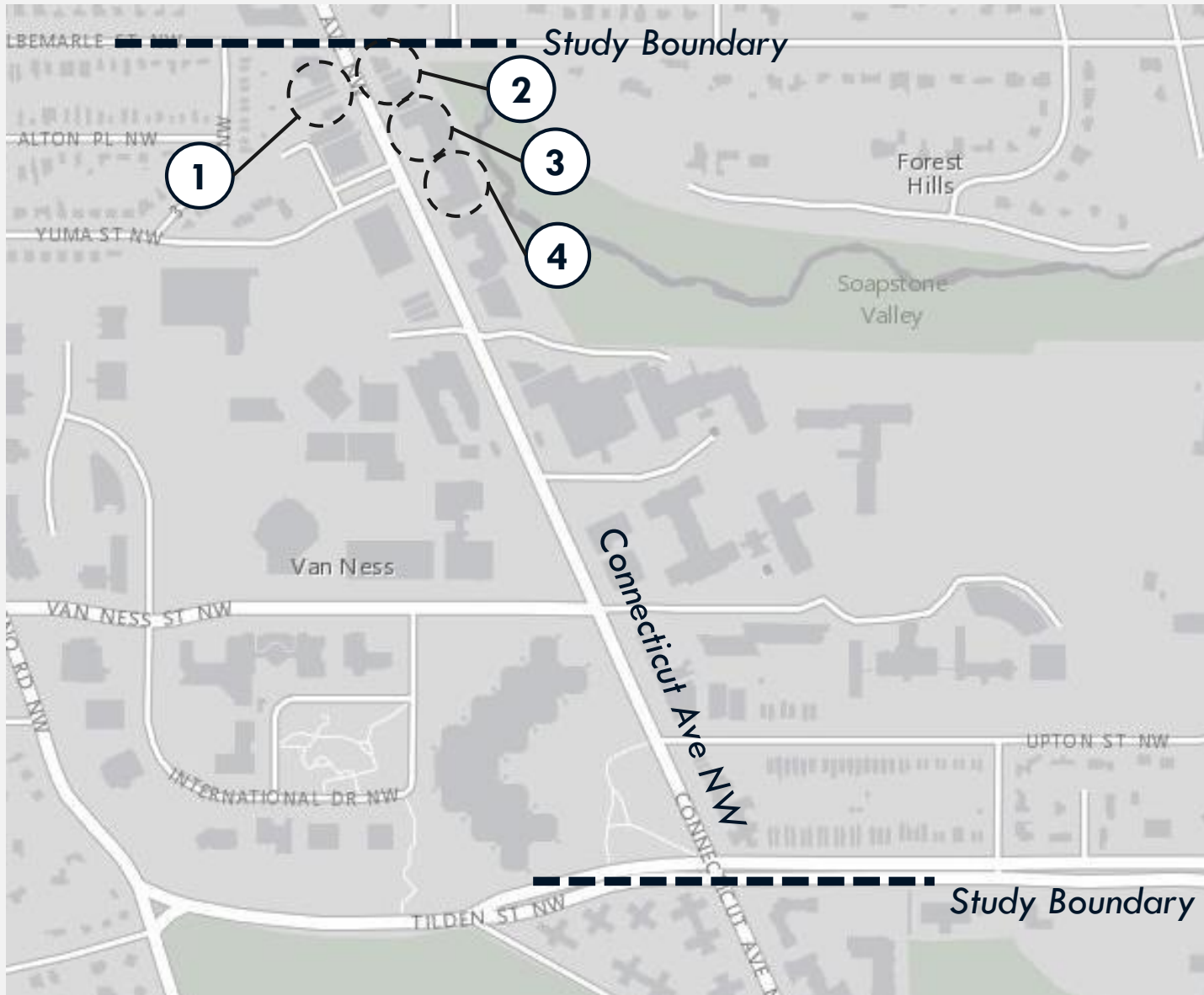
## 3 4340 Connecticut Ave. | 10,320 RSF



Though currently occupied, ground floor tenants in the UDC law school include a number of temporary uses that leave most space available for repositioning.

# Van Ness Retail

Recent openings at the northern end of the study area represent a shift toward higher quality food and beverage offerings.



## 1 Bread Furst | Opened 2014



Established a precedent for high-quality offerings, drawing both locals and visitors.

## 2 Thai Pad | Opened 2015



A casual lunch and dinner option serving neighborhood residents and office workers.

## 3 Soapstone Market | Opened 2016



A neighborhood market, deli, and bar serving as a community gathering spot.

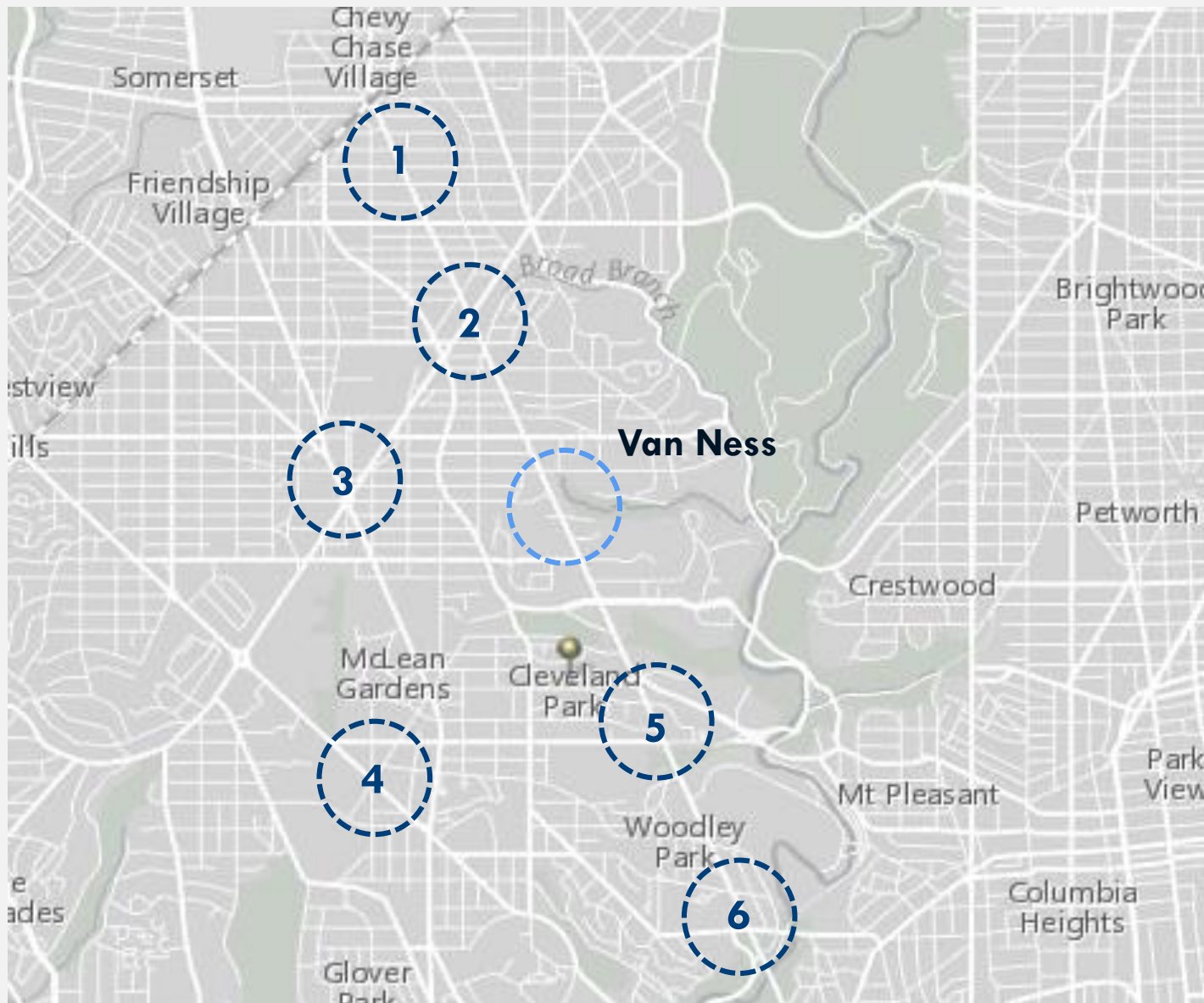
## 4 Sfoglina | Opened 2016



An upscale-Italian eatery that has generated buzz as a 2018 Michelin Bib Gourmand restaurant.

# Competitive Landscape

A number of neighborhoods have retail nodes that cater to the local population, as well as attract nearby residents, including those from Van Ness.



- 1 Chevy Chase**  
*Notable tenants:* Blue 44 Restaurant and Bar, The Avalon Theatre, Barston's Child's Play
- 2 Nebraska/Connecticut Ave**  
*Notable tenants:* Politics and Prose, Little Red Fox, Comet Ping Pong
- 3 Tenleytown**  
*Notable tenants:* Best Buy, Whole Foods, The Container Store, CAVA, Panera Bread
- 4 Cathedral Heights**  
*Notable tenants:* Bluemercury, Core72, Chef Geoff's, Wagshal's
- 5 Cleveland Park**  
*Notable tenants:* Uptown Theater, Firehouse Bakery & Coffeehouse, Fat Pete's BBQ, All Fired Up
- 6 Woodley Park**  
*Notable tenants:* Open City, Nandos, District Kitchen

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## Competitive Landscape

Most competitive neighborhood retail nodes benefit from building design and physical configurations that create a sense of place and enhance the environment for everyday shopping.

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Most competitive retail nodes have **continuous storefronts that “guide” pedestrians along the corridor.** In contrast, Connecticut Avenue in Van Ness is punctuated by gaps in buildings, driveways, and drive-throughs.



Architectural similarity benefits competitive nodes, as similarly-styled buildings create a **“personality” and sense of place for the street.** The building stock of Van Ness, however, includes a variety of building designs and typologies.

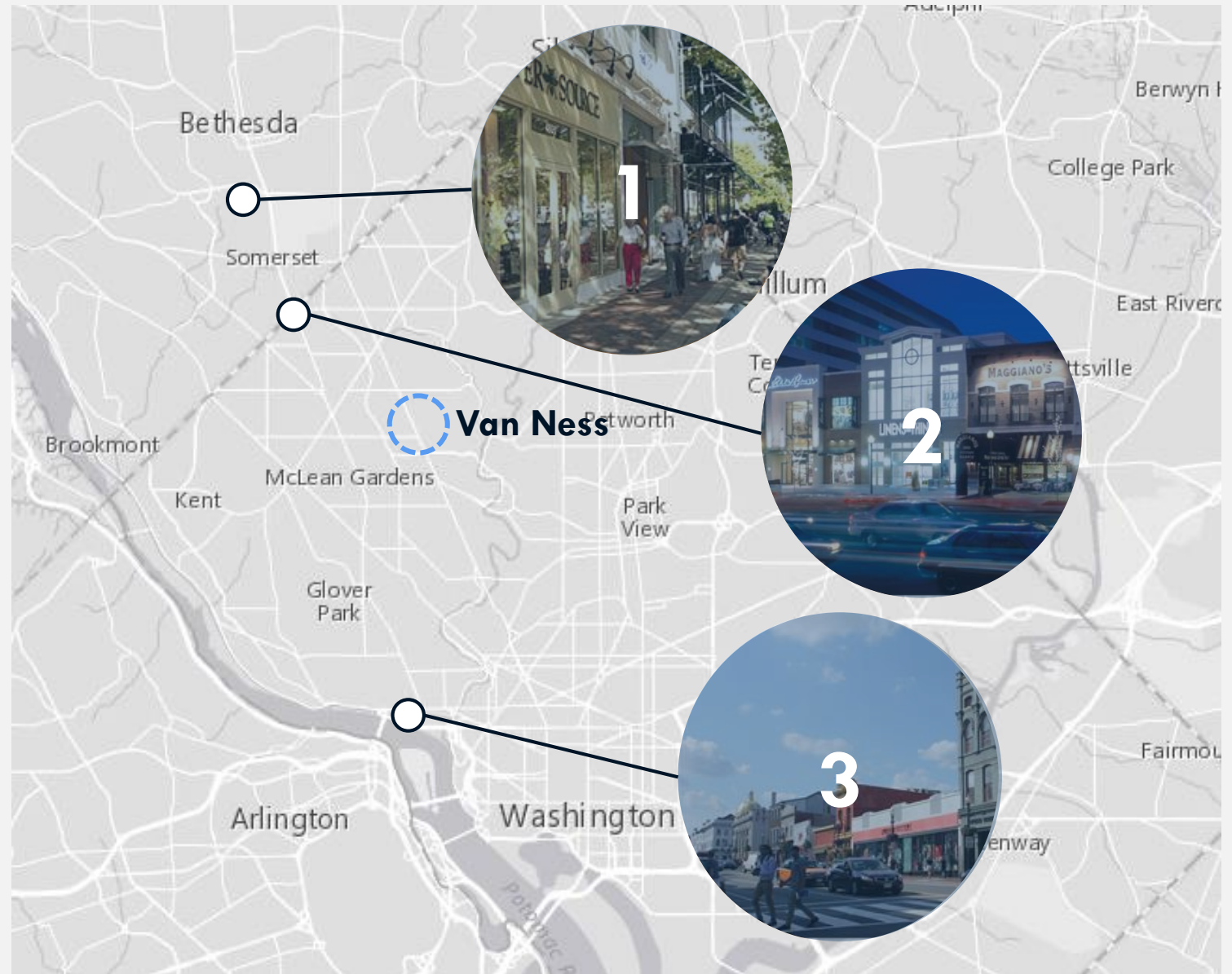


Competitive retail nodes offer a **larger variety of neighborhood-serving retail options** than Van Ness, including hardware stores, florists, and children’s stores, as well as varied food and beverage options.

# Competitive Landscape

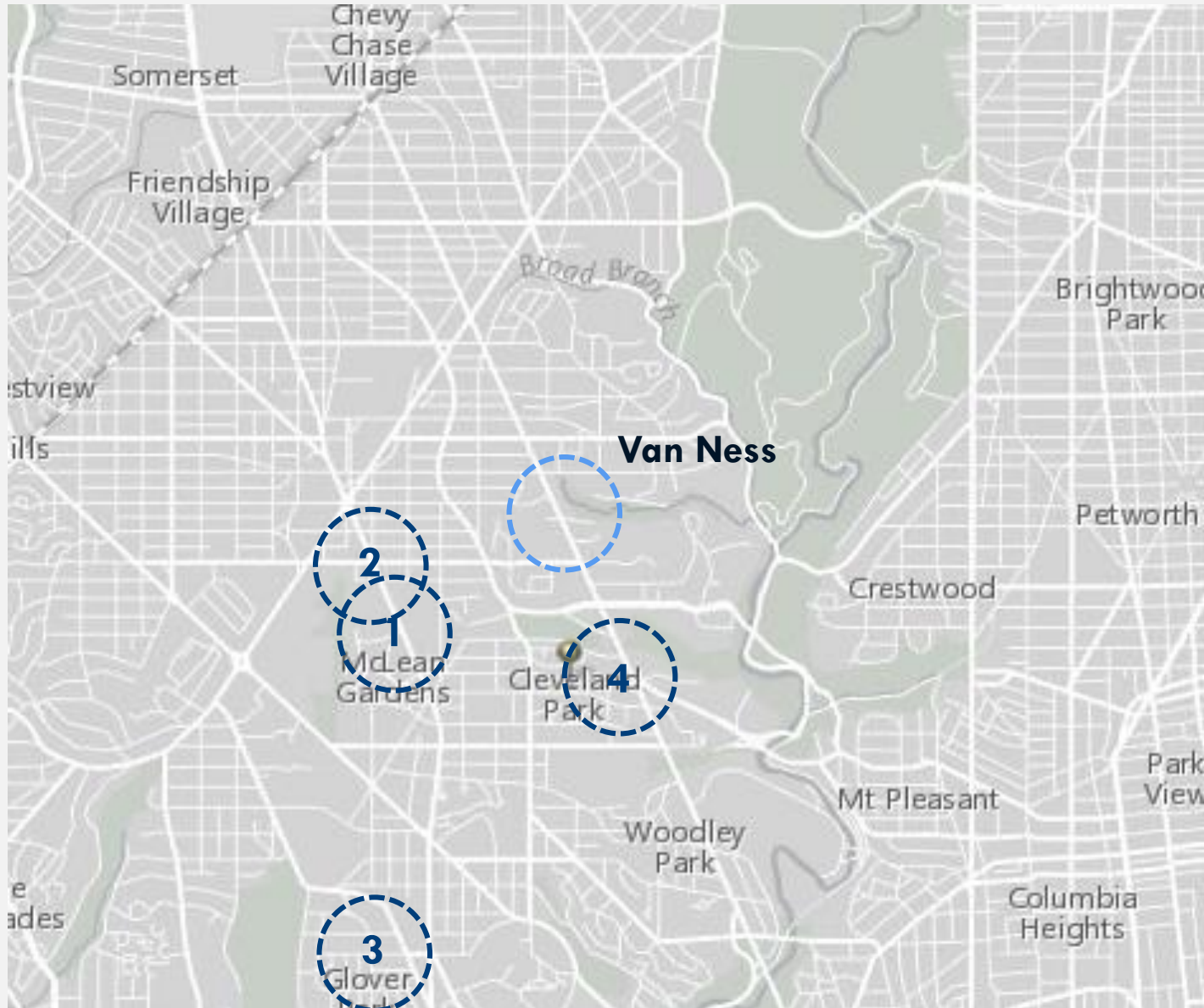
Other areas, such as Bethesda, Friendship Heights, and Georgetown have a concentration of destination retailers which draw shoppers from a number of other neighborhoods.

- 1 Bethesda Row**  
*Notable tenants:* Apple, Pottery Barn, Williams-Sonoma, The North Face, Lululemon, Bluemercury
- 2 Friendship Heights**  
*Notable tenants:* Bloomingdales, Neiman Marcus, Saks Fifth Avenue, Ralph Lauren, Tiffany & Co., Whole Foods, Nordstrom Rack
- 3 Georgetown**  
*Notable tenants:* Apple, Ralph Lauren, CB2, Brooks Brothers, Anthropologie, Kate Spade, TJ Maxx, H&M, Madewell, Zara, Bonobos, Warby Parker



# Competitive Landscape

In addition to existing retail, there is a notable pipeline of new retail planned in areas surrounding Van Ness that will increase retail competition.



- 1 Redevelopment of Fannie Mae Headquarters**  
*Anchor Tenant:* Wegmans  
*Location:* 3900 Wisconsin Avenue  
*Size:* 80,000+ SF  
*Proposed Delivery:* 2022
- 2 Redevelopment of 4000 Wisconsin Avenue**  
*Anchor Tenant:* Total Wine  
*Location:* 4000 Wisconsin Avenue  
*Size:* 26,000 SF  
*Proposed Delivery:* 2024
- 3 The Glover House**  
*Anchor Tenant:* Trader Joe's  
*Location:* 2121 Wisconsin Avenue  
*Size:* 20,000 SF  
*Proposed Delivery:* TBD
- 4 Opening of Target at Sam's Park & Shop**  
*Tenant:* Target  
*Location:* 3529 Connecticut Avenue  
*Size:* 17,820 SF  
*Proposed Delivery:* TBD

PROJECT OVERVIEW

NEIGHBORHOOD OVERVIEW

**VAN NESS RETAIL**

RETAIL SUPPLY

**RETAIL DEMAND**

PROPERTY TENANTING STRATEGY

PLACEMAKING/BRANDING STRATEGY



# Retail Demand Analysis

HR&A estimated spending potential for retail, based on current consumer populations of residents, students, workers, and hotel guests. Customers from different trade areas generate demand for different retail categories.

Retail Type	Primary Trade Area	Secondary Trade Area
<p><b>Convenience Goods</b>  <i>Health and Personal Care, General Merchandise, Grocery, Specialty Food, Liquor Stores, Limited-Service Restaurants, Bars</i></p>	<p><b>X</b></p>	
<p><b>Comparison Goods</b>  <i>Furniture, Electronics and Appliances, Clothing, Sporting and Hobby Goods, Books and Music, Building Materials</i></p>	<p><b>X</b></p>	
<p><b>Full-Service Food and Beverage</b>  <i>Full-Service Restaurants, Specialty Food</i></p>	<p><b>X</b></p>	<p><b>X</b></p>

# Retail Demand Analysis

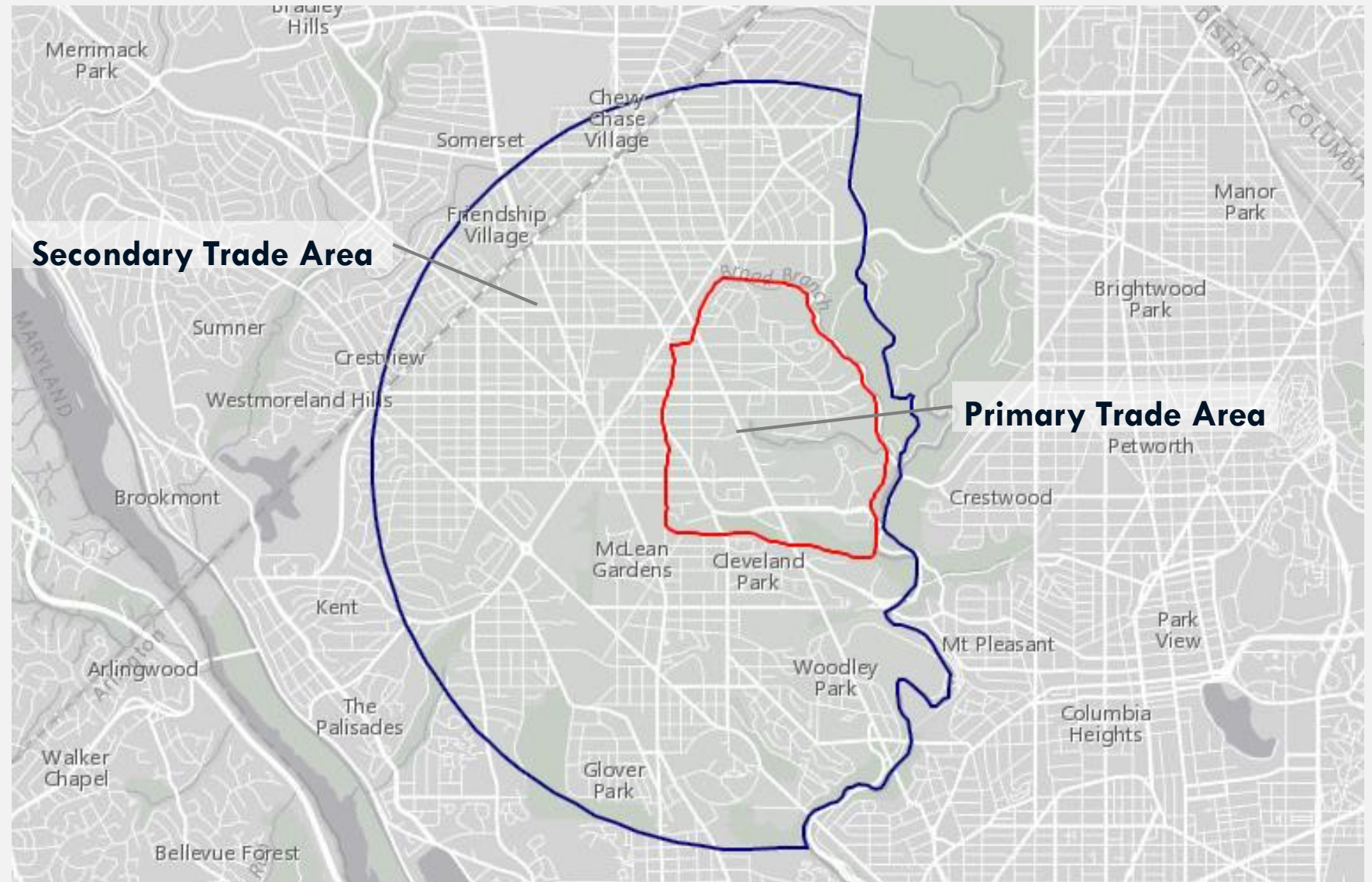
HR&A identified the trade areas for Van Ness retail shops and services.

## Primary Trade Area

Roughly bounded by Broad Branch Road NW to the North, 37<sup>th</sup> Street NW to the West, Rodman Street NW to the South, and Rock Creek Park to the East.

## Secondary Trade Area

Defined as a two-mile radius for land west of Rock Creek Park.



# Retail Demand Analysis

HR&A looked at spending potential of Primary Trade Area residents, students, office workers, and hotel guests to estimate the total retail spending potential in Van Ness.



**RESIDENTS**

*Residents in the Primary Trade Area*

**14,600  
Residents**

**\$114,000**  
*median household income*



**STUDENTS**

*Students within the Primary Trade Area*

**5,200  
Students**

**\$2,900**  
*annual student spending*



**WORKERS**

*Office & non-office workers in the Primary Trade Area*

**3,500  
Workers**

**\$71,000**  
*average salary*



**HOTEL GUESTS**

*Overnight guests in the neighborhood*

**36,000  
Hotel Guests**

**\$135**  
*average food/retail spending per trip*

*Note: Estimated student spending is based on HR&A student spending data and accounts for full-time and part-time status of students.*

*Source: ESRI, U.S. Census Bureau, EMSI, University of the District of Columbia, Howard University, Destination DC, HR&A*

# Retail Demand Analysis

Together, consumers in the Primary Trade Area represent significant spending potential.



**\$421.9M**

*Spending Potential*



**\$14.2M**

*Spending Potential*



**\$16.9M**

*Spending Potential*



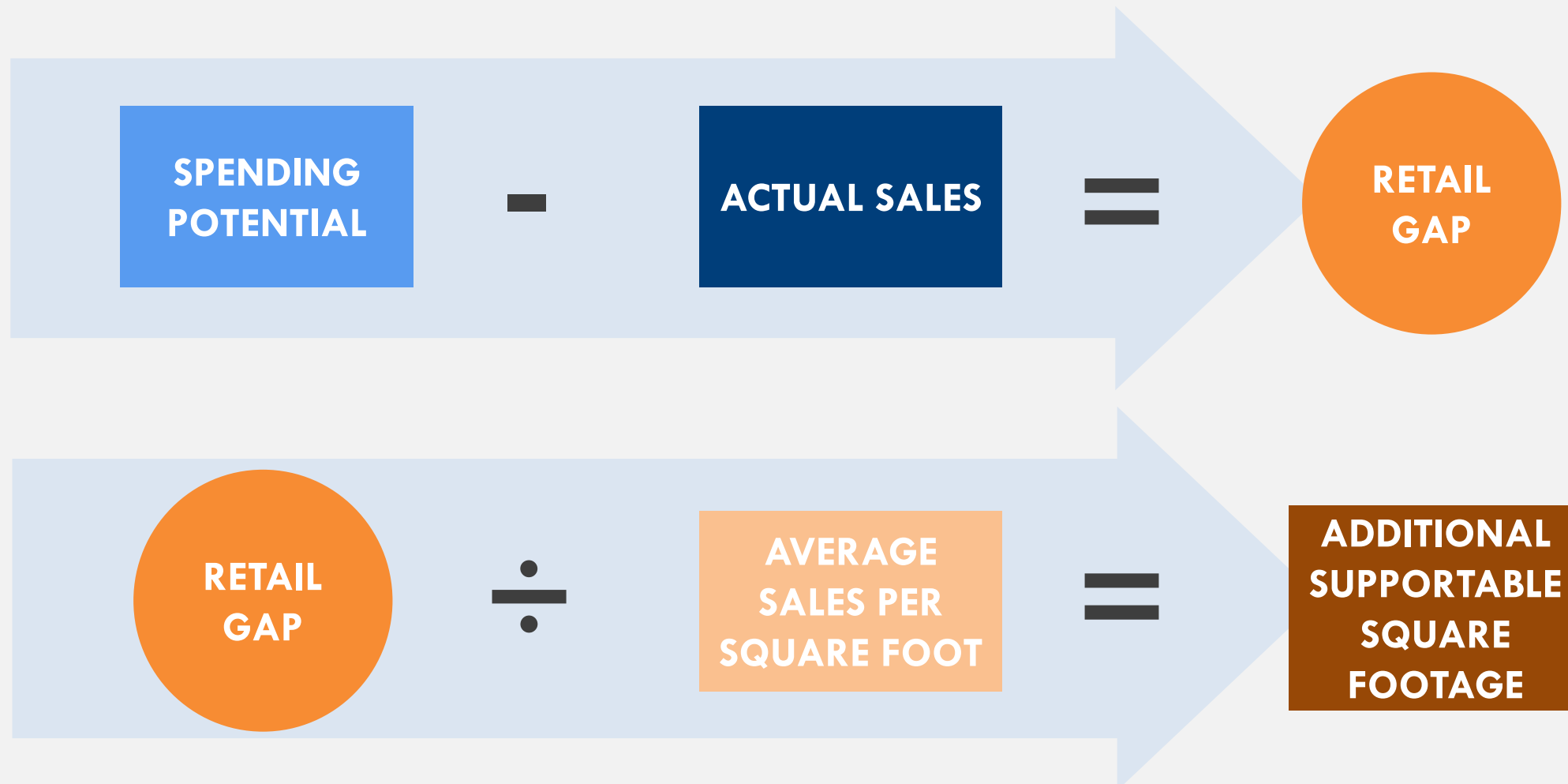
**\$4.8M**

*Spending Potential*

**\$457.8M** *Total spending potential*

# Retail Demand Analysis

The retail gap is the difference between the spending potential and actual sales, and can be used to determine the additional supportable square footage in a trade area.



Supportable square footage does not represent what should be built, but rather is representative of additional space that can be supported when considering the retail gap in the trade area. The share of total supportable square footage that can be captured by Van Ness is dependent on the tenant mix and quality of retail offerings in the neighborhood and retail competition in nearby areas.

# Retail Demand Analysis

There is a significant retail gap in Primary Trade Area spending, indicating that customers are leaving the area for a large share of their retail needs.

<b>Convenience Goods</b>	Spending Potential (\$M)	Existing Sales (\$M)	Retail Gap (\$M)	Supportable SF	<b>Destination Goods</b>	Spending Potential (\$M)	Existing Sales (\$M)	Retail Gap (\$M)	Supportable SF
Grocery	\$90	\$29	\$61	88,000	Full-Service Restaurants	\$37	\$6	\$31	57,000
Specialty Food	\$6	\$0	\$6	7,000	Clothing	\$48	\$0	\$48	65,000
Beer, Wine & Liquor	\$11	\$1	\$10	26,000	Sporting, Hobby, Book & Music	\$17	\$13	\$4	11,000
General Merchandise	\$69	\$0	\$69	233,000	Building Supplies	\$23	\$0	\$23	74,000
Limited-Service Restaurants	\$39	\$6	\$33	68,000	Electronics & Appliance	\$22	\$1	\$21	23,000
Bars	\$6	\$0	\$6	13,000	Furniture & Home Furnishings	\$22	\$1	\$21	46,000
Health & Personal Care	\$46	\$6	\$40	57,000	Special Food Services	\$1	\$0	\$1	2,000
Misc. Store Retailers	\$21	\$3	\$18	60,000					
<b>TOTAL</b>	<b>\$288</b>	<b>\$44</b>	<b>\$243</b>	<b>552,000</b>	<b>TOTAL</b>	<b>\$170</b>	<b>\$21</b>	<b>\$149</b>	<b>278,000</b>

Note: A discount for internet spending was applied to the categories of General Merchandise, Health & Personal Care, and Miscellaneous Store Retailers, Furniture & Home Furnishing Goods, Building Materials, Garden Equipment and Supply, Clothing & Clothing Accessories, Electronics & Appliance, and Sporting Goods, Hobby, Book & Music.

# Retail Demand Analysis

With a retail gap of almost \$400 million in the Primary Trade Area and an additional \$148 million in spending potential from other sources, there is sufficient support for retail space in Van Ness.



+



+



**\$392M**

*Total retail gap*

**\$148M**

*Additional spending potential*

PROJECT OVERVIEW

NEIGHBORHOOD OVERVIEW

VAN NESS RETAIL

**PROPERTY TENANTING STRATEGY**

PLACEMAKING/BRANDING STRATEGY



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## Tenancing Strategy: Overview

Based on the results of HR&A's retail gap analysis, as well as overall trends in retailing, the following are guidelines for near- and long-term tenancing.

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- 1** The significant retail gap in the Primary Trade Area indicates that there is sufficient **demand to support an active retail environment** in Van Ness.
- 2** The existence of a **gap for all retail types** suggests that there is a wide variety of new retailers that could enter the market and **better position retail in Van Ness**.
- 3** Given strong competition from regional malls and neighborhoods with national tenants, retail in Van Ness needs to focus on **distinctive local shops and services**.
- 4** Tenants that are **less impacted by e-commerce**, such as dining services and experiential retail, are more likely to succeed than those facing significant online competition.
- 5** Capturing spending from outside the Primary Trade Area could further strengthen retail in Van Ness, but requires tenants that **are seen as destinations in their own right**.

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# Tenancing Strategy: Overview

Five factors informed HR&A's recommendations for retail types and tenants to reposition vacant and underutilized spaces.

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- 1 Customers** – The diverse customer base in Van Ness requires tenants with **broad appeal at varying price points**.
- 2 Clustering** – Clustering retail to make Van Ness feel like a **continuous retail strip** requires a number of small- to medium-sized stores, rather than a few large tenants that diminish the pedestrian experience.
- 3 Synergies Among Tenants** – Retailers and restaurants like to be **positioned near other tenants** that sell goods of a similar or complimentary nature.
- 4 Economic Viability** – Tenants must be **positioned for financial success**, based on consumer demand, fit within the existing mix of tenants in Van Ness, and the ability to compete with nearby stores and online options.
- 5 Seasonality** – Tenancing must take into account seasonal **changes in customers**, such as when UDC and Howard break for summer and holidays.

# Tenanting Strategy: Clustering

Three properties with current or future vacancies present an opportunity for repositioning to create unique retail clusters along Connecticut Avenue.



PROJECT OVERVIEW  
NEIGHBORHOOD OVERVIEW  
VAN NESS RETAIL  
**PROPERTY TENANTING STRATEGY**

**4250 CONNECTICUT**

4340 CONNECTICUT

4225 CONNECTICUT

PLACEMAKING/BRANDING STRATEGY

# Property Overview: 4250 Connecticut

**Total retail rentable square feet: 16,520 RSF**

**Additional space:**

- Core area: 4,810 NSF
- Loading area: 2,370 NSF
- Office space: 2,020 NSF

**Ceiling height: 12'3" to 16'3"**

**Retail depth: 90'10" to 110'10"**

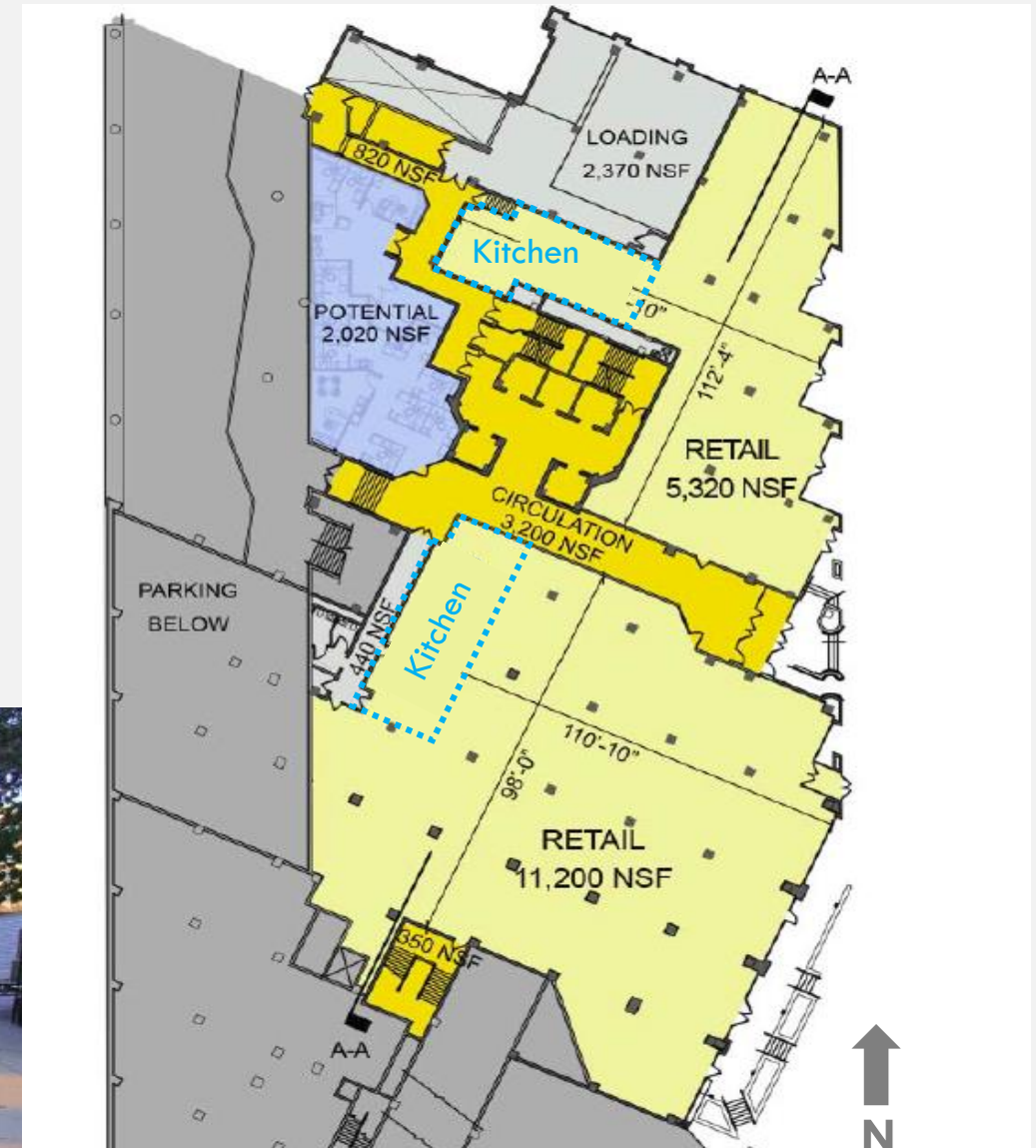
**Other: Kitchen, 40 parking spots**

**Current tenants: Starbucks, Eva Realty, LLC**

**Background:** Fannie Mae currently occupies the offices in this building, and has control over ground-level leasing. The company will move from the building when its lease expires in 2019, at which point vacant or underutilized spaces can be repositioned.



## EXISTING CONDITIONS



# Potential Tenanting: 4250 Connecticut

Retail should take advantage of proximity to Metro and the existing convenience cluster of CVS, Giant, and Calvert Woodley by featuring multiple venues that have broad appeal, including both food and non-food uses.



## Family-Friendly Restaurant

Avg. Size: 2,500-5,000 SF

*Dining options should attract all consumers, including families seeking a comfortable dining environment.*



## Fast-Casual / Healthy Eating

Avg. Size: 1,000-2,200 SF

*Fast-casual food options have broad appeal and would serve residents, students, and workers.*



## Fitness Retail

Avg. Size: 1,000-2,500 SF

*Adjacency to Rock Creek Park and the popularity of biking and running will attract a wide variety of customers.*



## Optical Store

Avg. Size: 1,000-1,500 SF

*Metro commuters would benefit from a convenient location to purchase glasses and contact lenses.*



## Beauty/Cosmetics

Avg. Size: 1,000-1,500 SF

*A beauty and cosmetics retailer would attract residents and metro commuters looking for a local alternative to national chains.*



## Specialized Office

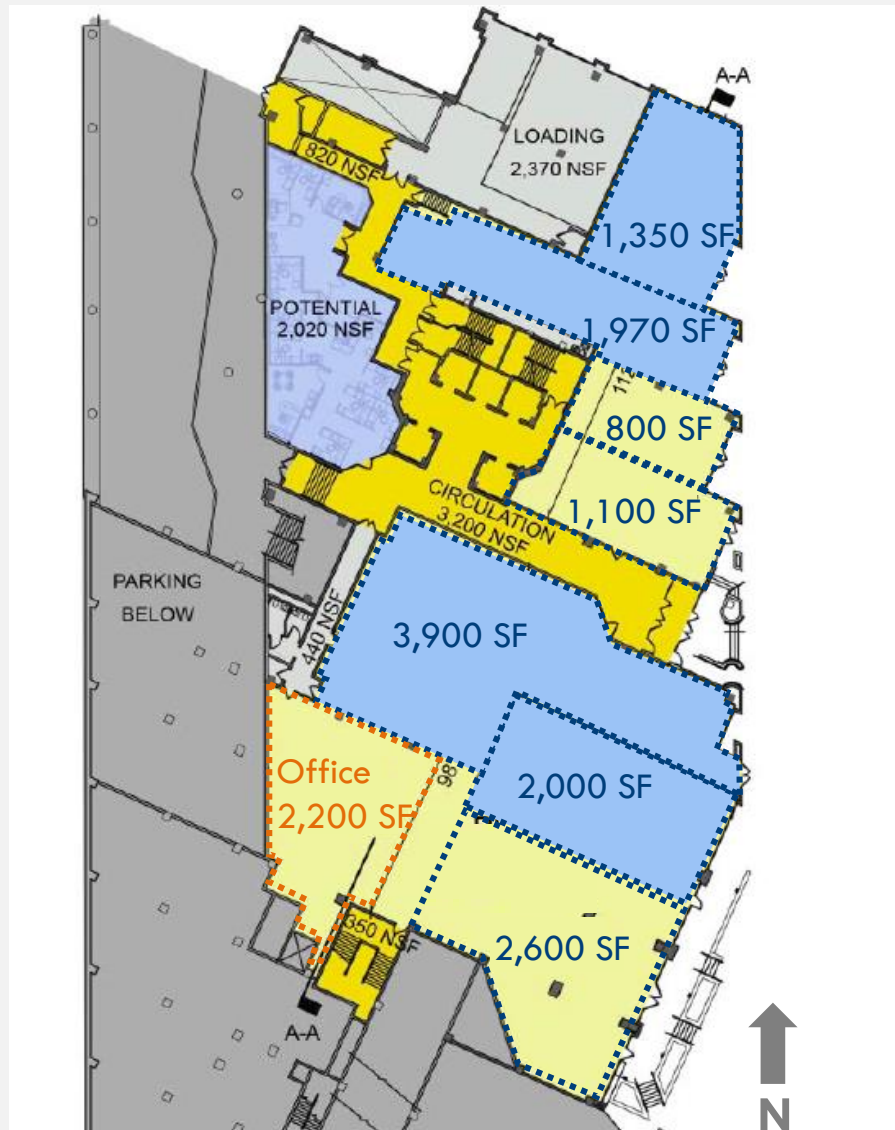
Avg. Size: 1,000-2,500 SF

*Spaces without street frontage are well suited for specialized office use, as they do not require high visibility.*

# Potential Tenanting: 4250 Connecticut

Food uses should be prioritized for spaces where existing kitchen infrastructure exists, using the deep floorplates of the building to accommodate back of house needs.

## RECOMMENDED TENANTING OF SPACES AND EXAMPLE TENANTS



**Family-Friendly Restaurant**  
\$\$  
*Busboys & Poets*  
*Ted's Bulletin*  
*Matchbox*  
*Half-Smoke*

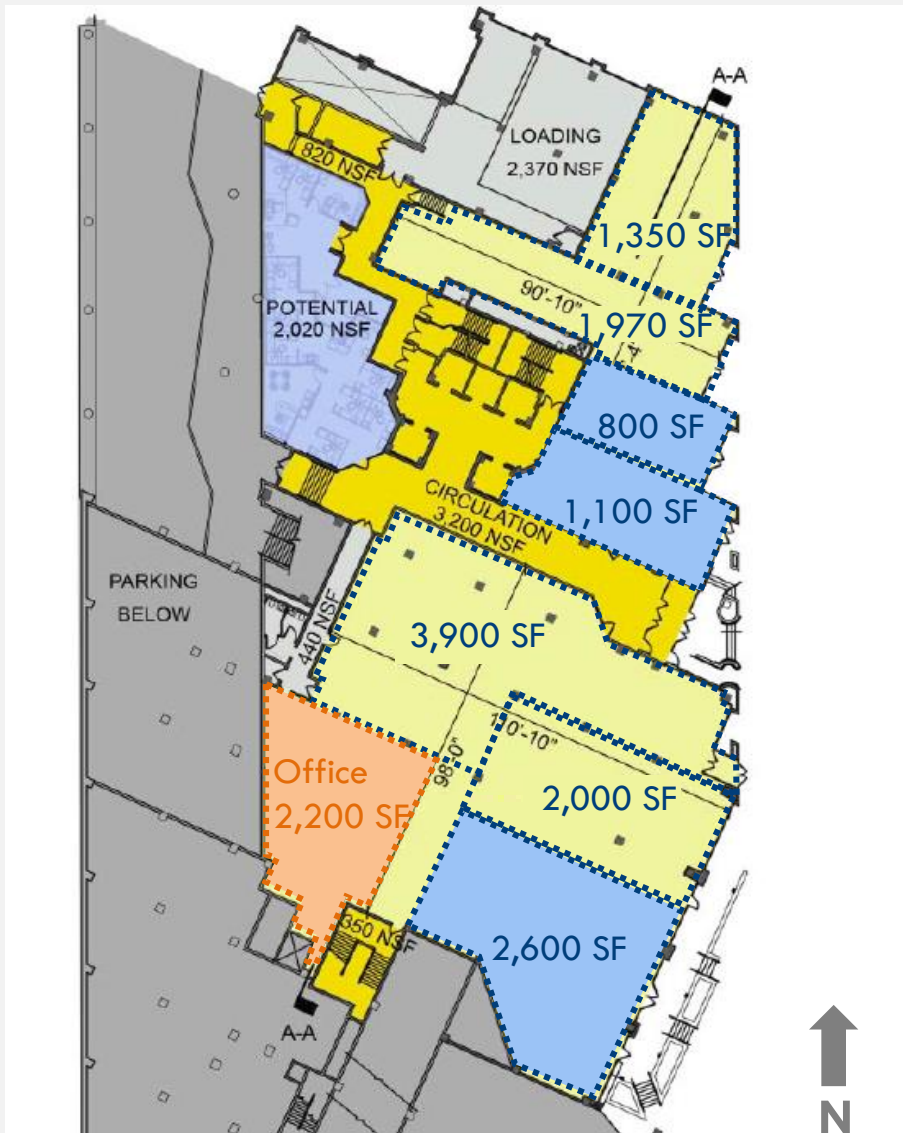
**Fast-Casual / Healthy Eating**  
\$-\$\$  
*Sweetgreen*  
*Chop't*  
*Cava*  
*& pizza*

Note: Concepts and ideas shown are representative of HR&A's recommended tenanting strategy. Actual tenanting is dependent on future retail market conditions and the actions of property owners. A pricing scale of one to four dollar signs is used to indicate anticipated price point of each recommended retail type.

# Potential Tenanting: 4250 Connecticut

Non-food retail uses should be targeted for small and shallow spaces, while specialized office uses, which do not rely on high visibility, should be located in the rear of the building.

## RECOMMENDED TENANTING OF SPACES AND EXAMPLE TENANTS



**Fitness Retail**  
 \$\$  
 Bicycle Space  
 City Bikes  
 Pacers Running

**Specialized Office**  
 Medical office  
 Dental office  
 Legal office

**Optical Store**  
 \$\$-\$\$\$  
 Blink Optical  
 SEE

**Beauty/Cosmetics**  
 \$\$-\$\$\$  
 Follain  
 Be Clean  
 Lather

Note: Concepts and ideas shown are representative of HR&A's recommended tenanting strategy. Actual tenanting is dependent on future retail market conditions and the actions of property owners. A pricing scale of one to four dollar signs is used to indicate anticipated price point of each recommended retail type.



# Physical Changes: 4250 Connecticut

Repositioning retail may require adjusting space sizes to accommodate tenant requirements.

## Potential alterations to existing tenant spaces

HR&A recommends **reconfiguring the existing space to meet typical retail configurations**. The depth of retail spaces should be reduced to approximately 60-75 feet from storefront for non-food tenants. Rear building space can be converted to office and medical uses.

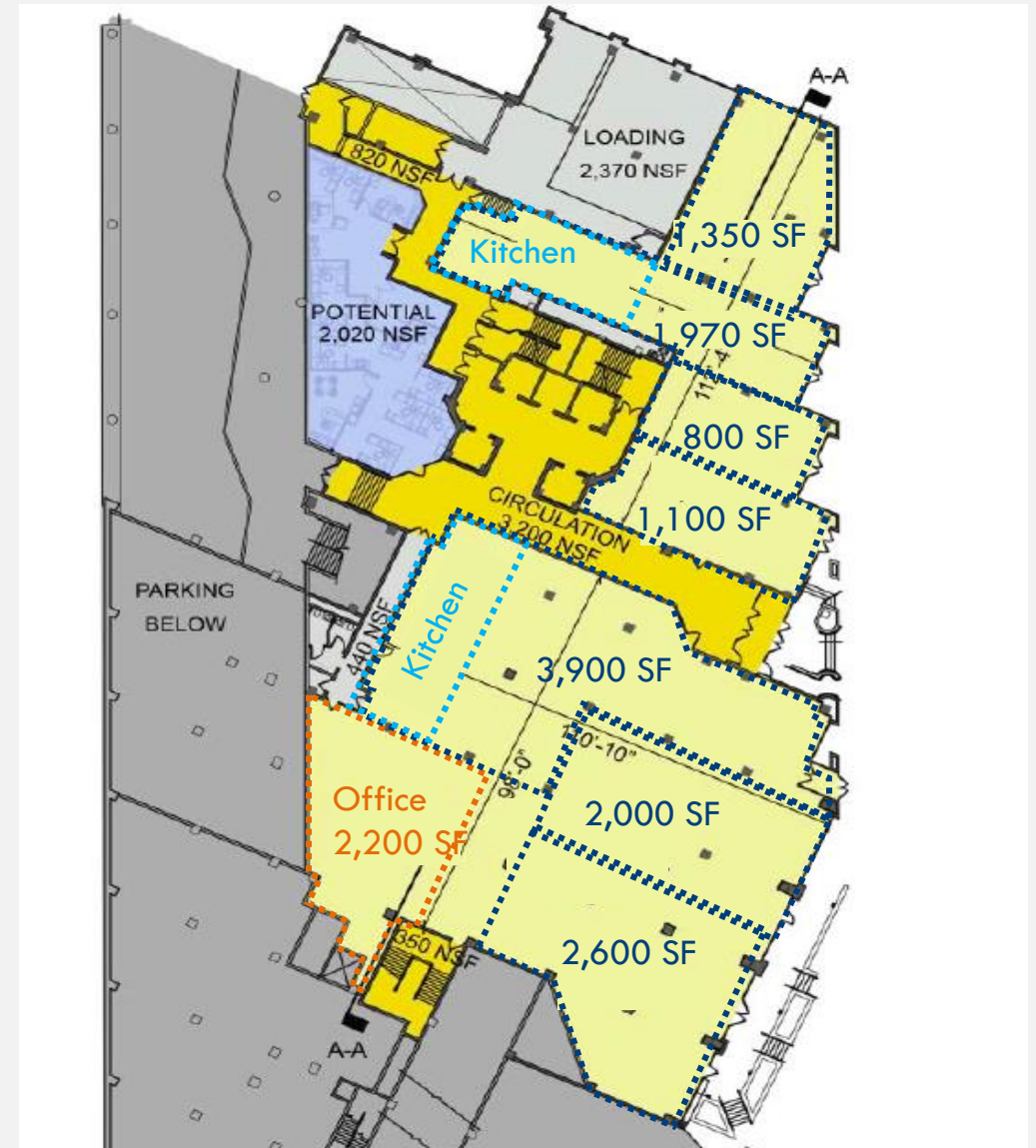
## Accommodating food and beverage tenants

**Existing kitchen and venting systems are located in the rear of both the south and north sides of the building**, reducing the cost of fitting out a space for food and beverage tenants. Provision should be made for **outdoor restaurant seating** where possible.

## Additional considerations

Proper **secondary egress** must be considered if depth of retail space is adjusted. Providing **access to the office space** as well as some signage along Connecticut Avenue will make spaces easier to lease.

## RECOMMENDED SPACE LAYOUT



PROJECT OVERVIEW  
NEIGHBORHOOD OVERVIEW  
VAN NESS RETAIL

**PROPERTY TENANTING STRATEGY**

4250 CONNECTICUT

**4340 CONNECTICUT**

4225 CONNECTICUT

PLACEMAKING/BRANDING STRATEGY

# Property Overview: 4340 Connecticut

**Total rentable square feet:** 10,320 RSF

**Additional space:**

- Core area: 4,530 NSF
- Office area: 2,300 NSF

**Ceiling height:** 21'0"

**Retail depth:** 81' to 92'5"

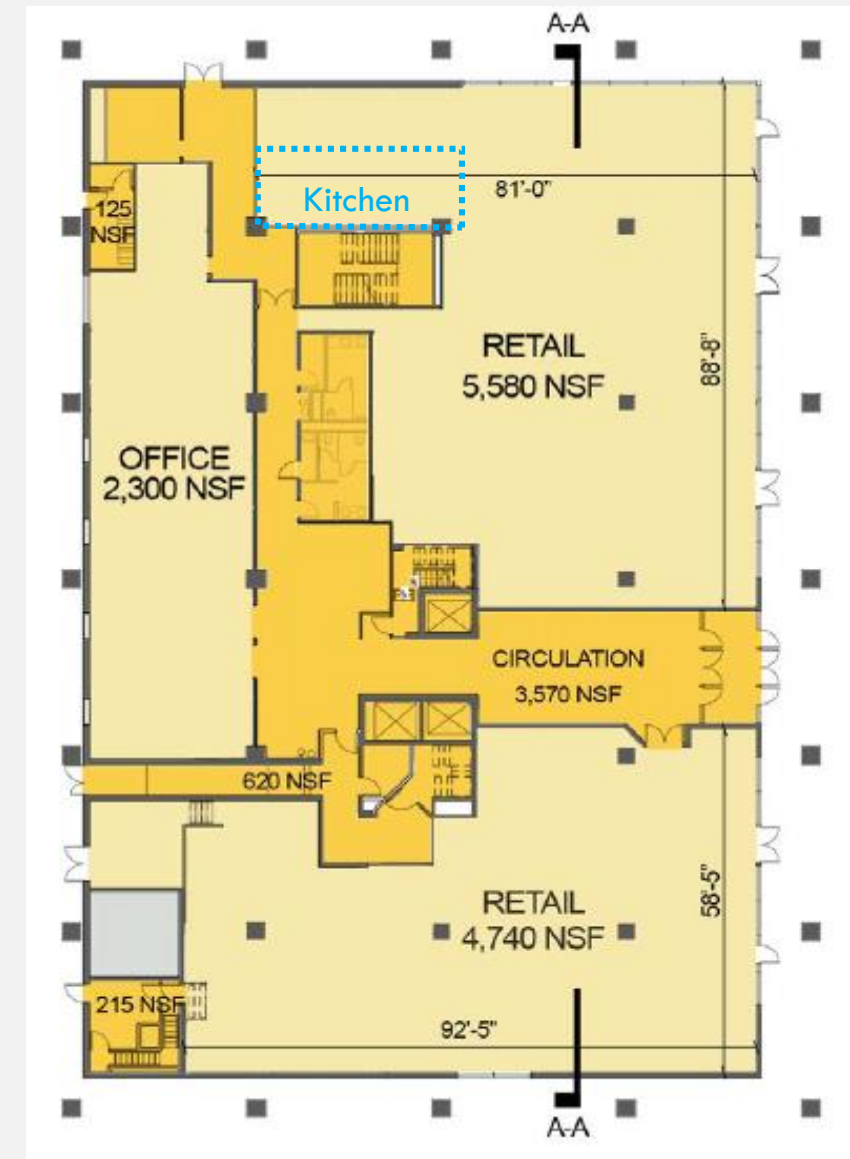
**Other:** Kitchen

**Current tenants:** Acacia Bistro, Cleveland Park Library, UDC National Alumni Office, Van Ness Main Street Office

**Background:** Aside from Acacia Bistro, current tenants of the ground floor space in 4340 Connecticut are temporary uses that can be considered for repositioning into new retail opportunities.



## EXISTING CONDITIONS



# Potential Tenanting: 4340 Connecticut

Retail in 4340 Connecticut should appeal to the high-income residents, building on the success of Sfoglina and Bread Furst to create a dining destination and complementary specialty retail cluster.



## High-End Restaurant

Avg. Size:  
2,500-4,000 SF

*High-end dining would attract customers from both within and outside of the neighborhood for a night out.*



## Café

Avg. Size: 1,000-3,000 SF

*Van Ness residents, students, and workers would use a café as a community gathering point.*



## Children's Boutique

Avg. Size: 1,000-2,000 SF

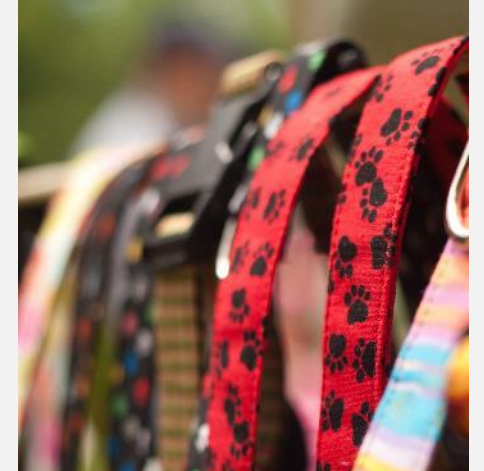
*A children's clothing and toy store would serve neighborhood households with young children.*



## Artisan Jeweler/ Curated Gifts

Avg. Size: 500-1,500 SF

*Small goods shops can draw consumers for browsing before or after eating in the neighborhood.*



## Pet Store & Services

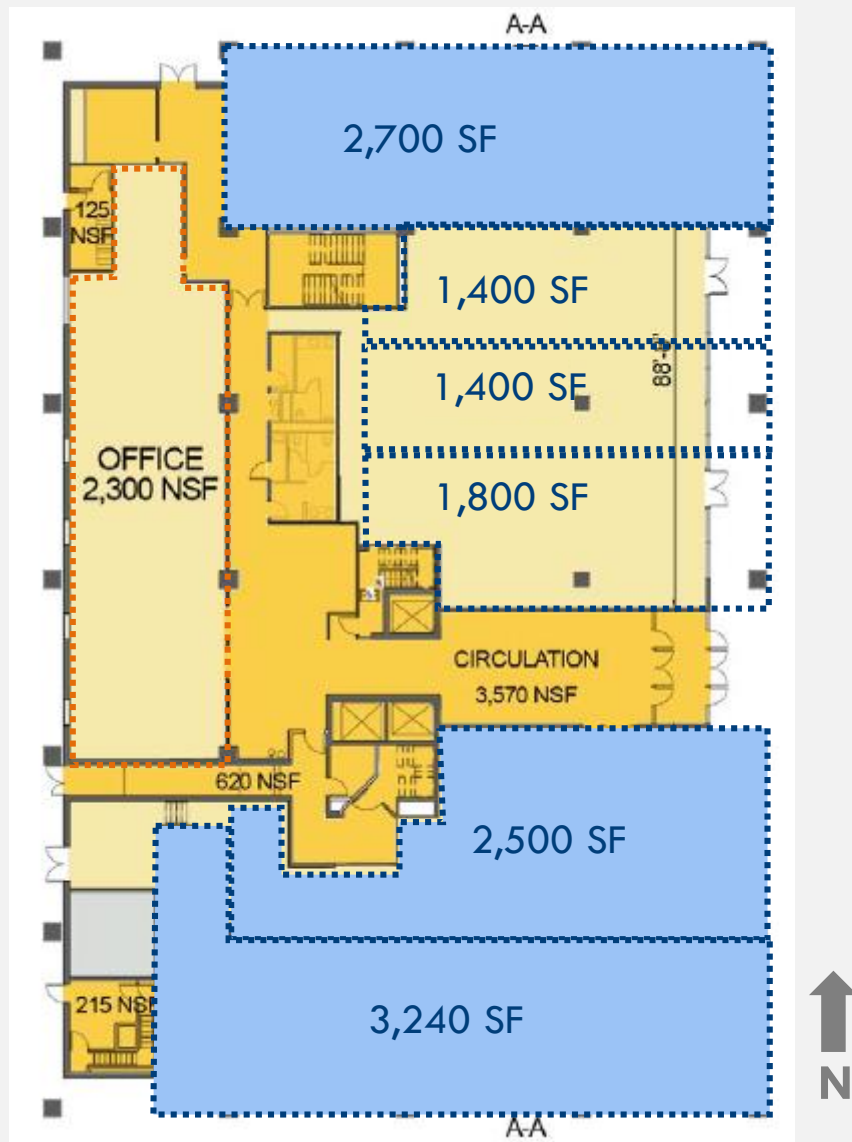
Avg. Size: 1,500-2,500 SF

*A pet store, offering services such as grooming or pet day care, would serve residents and avoid online competition.*

# Potential Tenanting: 4340 Connecticut

Food uses should anchor the corner spaces in 4340 Connecticut in order to draw foot traffic to the building.

## RECOMMENDED TENANTING OF SPACES AND EXAMPLE TENANTS



**High-End  
Sit-Down Restaurant/  
Cocktail Lounge**  
\$\$\$  
*Bidwell  
Rasika*

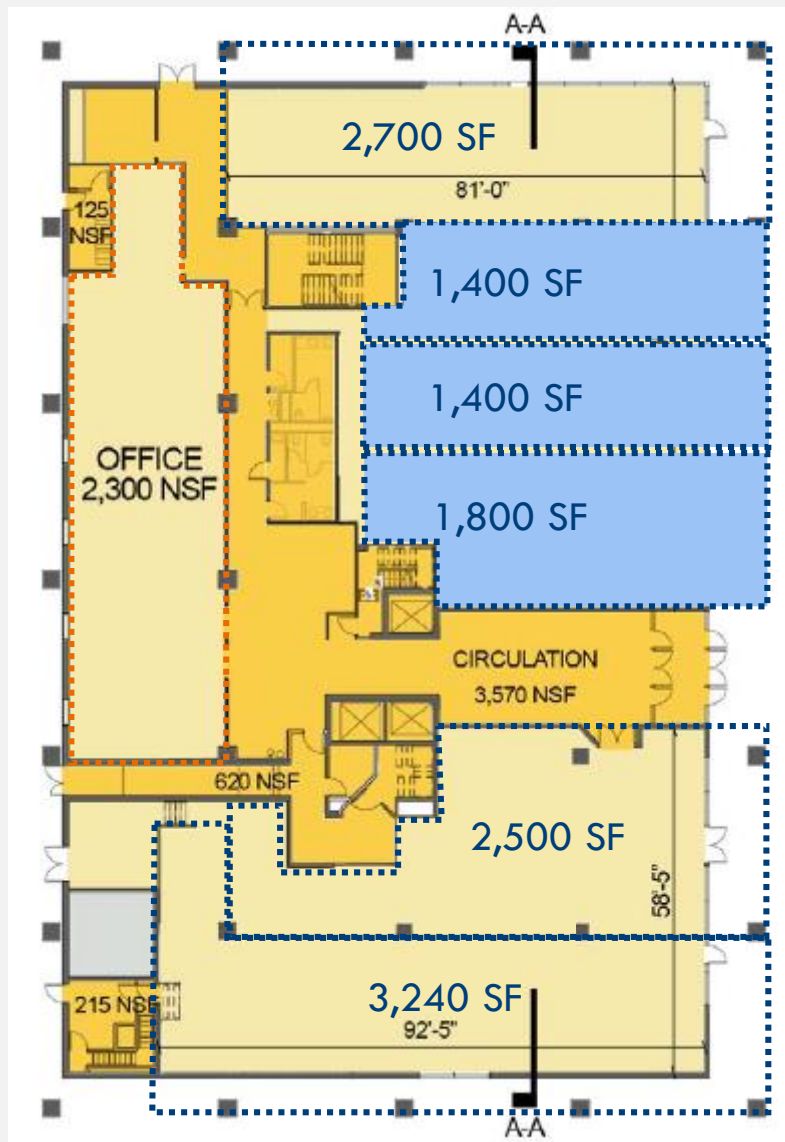
**Café**  
\$-\$\$  
*Northside Social  
Emissary  
Slipstream DC*

Note: Concepts and ideas shown are representative of HR&A's recommended tenanting strategy. Actual tenanting is dependent on future retail market conditions and the actions of property owners. A pricing scale of one to four dollar signs is used to indicate anticipated price point of each recommended retail type.

# Potential Tenanting: 4340 Connecticut

Non-food uses should occupy in-line spaces in 4340 Connecticut.

## RECOMMENDED TENANTING OF SPACES AND EXAMPLE TENANTS



**Pet Store & Services**  
\$-\$\$  
*Unleashed by Petco*  
*Metro Mutts*

**Children's Clothing**  
\$\$-\$\$\$  
*Dawn Price Baby*  
*Full of Beans*

**Artisan Jeweler and  
Curated Accessories / Gift**  
\$\$-\$\$\$  
*Mia Gemma*  
*Salt & Sundry*

Note: Concepts and ideas shown are representative of HR&A's recommended tenanting strategy. Actual tenanting is dependent on future retail market conditions and the actions of property owners. A pricing scale of one to four dollar signs is used to indicate anticipated price point of each recommended retail type.

# Physical Changes: 4340 Connecticut

Extending storefronts to the building line will increase the leasing potential of retail spaces.

## Potential alterations to existing tenant spaces

While the ground floor of 4340 Connecticut is currently divided into four spaces, consideration should be given to further divisions. The **layout of spaces will likely require some adjustments** dependent on final tenanting, but existing layouts could remain in place if needed.

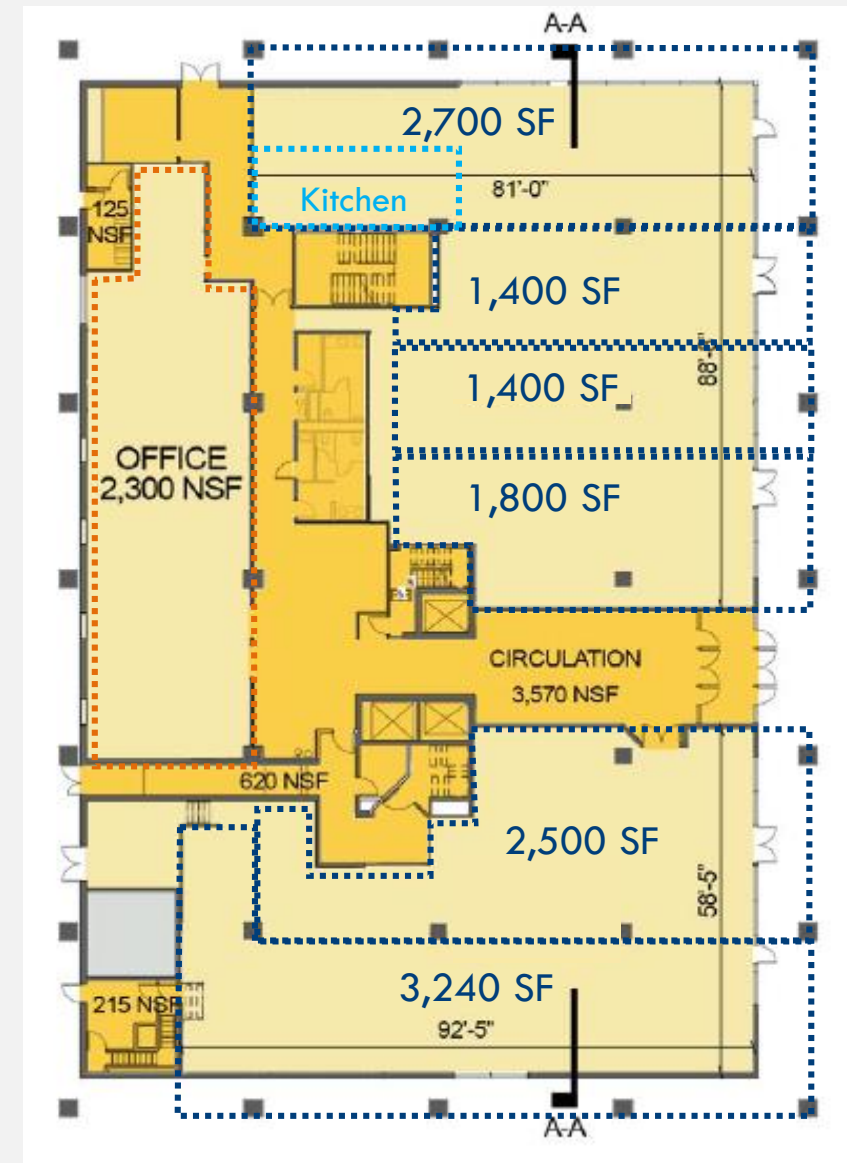
## Accommodating food and beverage tenants

A **kitchen and venting system exists in north end of building**, which will reduce costs if a food and beverage retailer occupies the space. Equipment would need to be installed if a food and beverage tenant were to occupy other spaces within the building. Provision should be made for outdoor café seating where possible.

## Realigning storefronts

HR&A recommends **bringing storefronts to the building line**, which will create a more inviting building façade, enhanced visibility, and be more attractive to prospective tenants.

## RECOMMENDED SPACE LAYOUT



PROJECT OVERVIEW  
NEIGHBORHOOD OVERVIEW  
VAN NESS RETAIL

**PROPERTY TENANTING STRATEGY**

4250 CONNECTICUT

4340 CONNECTICUT

**4225 CONNECTICUT**

PLACEMAKING/BRANDING STRATEGY



# Property Overview: 4225 Connecticut

**Total rentable square feet:** 14,470 RSF, two floors

**Additional space:**

- Core area: 1,170 NSF
- Loading area: 640 NSF

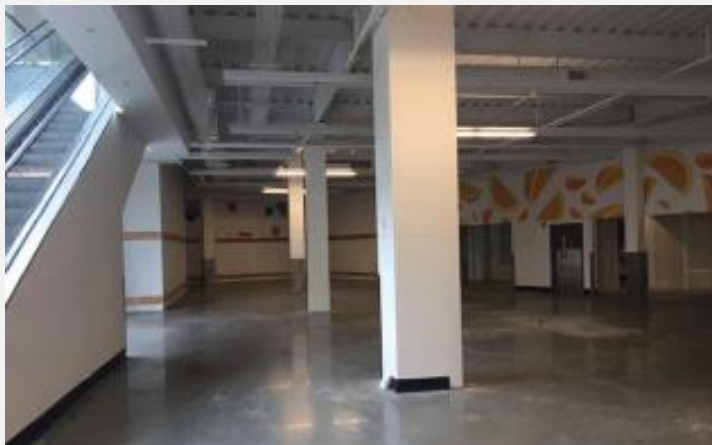
**Ceiling height:** 16'0" to 17'0"

**Retail depth:** 92'6"

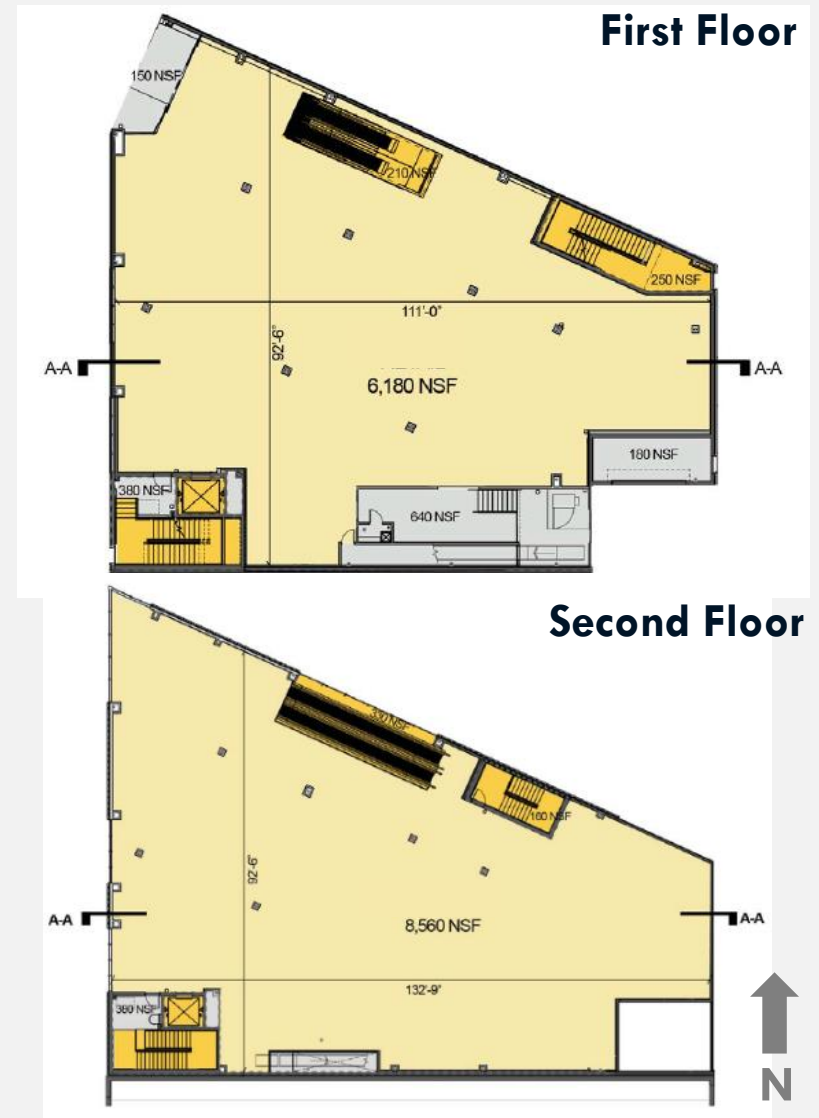
**Other:** 30 parking spots

**Current tenants:** N/A

**Background:** Should an institutional user lease the building, it is likely that they would provide some ground level space for retail use. This study considers two repositioning scenarios, one in which a smaller portion of the ground floor is leased for retail use and one in which the entire building is leased for retail use.



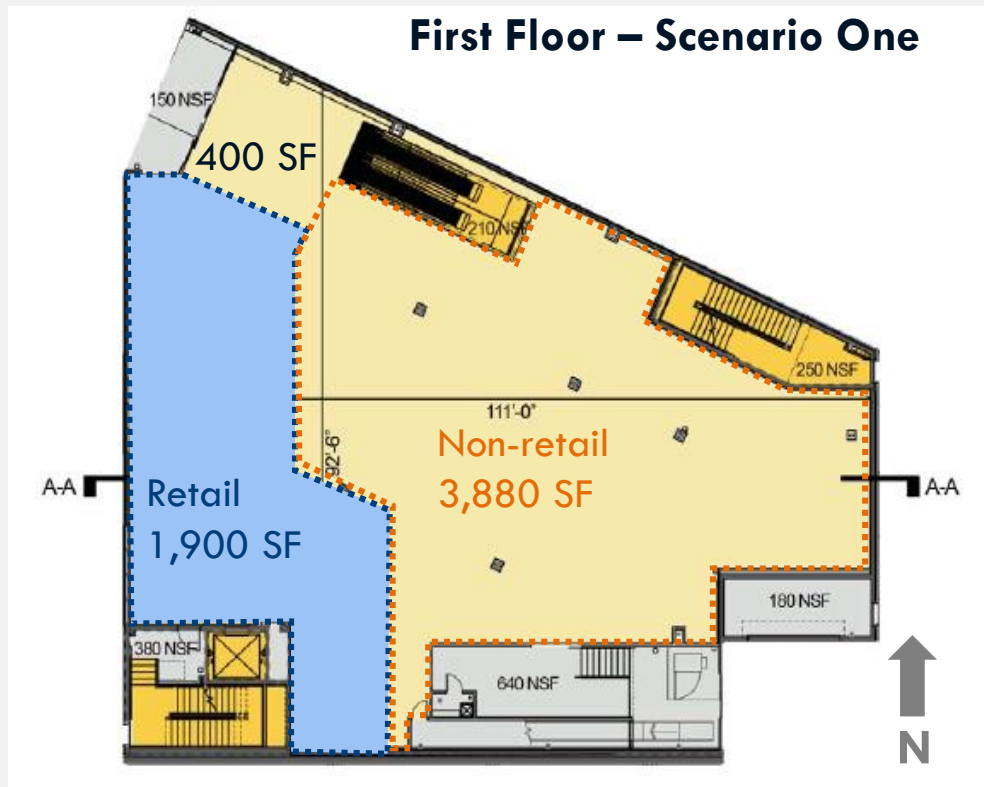
## EXISTING CONDITIONS



# Potential Tenanting: 4225 Connecticut

Across from UDC's campus, and near the CVS/Giant center, retail should be repositioned to appeal to university students and employees, as well as the broader community that might be arriving by car.

## RECOMMENDED TENANTING OF SPACES AND RETAILER TYPES




**Café / Coffee**  
Avg. Size: 700-2,500 SF

*A neighborhood café would be geared toward students, but attract residents and workers as well.*



**Art Gallery**  
Avg. Size: 1,200-4,000 SF

*An art gallery would benefit local artists, and holds potential for partnership with UDC.*



**Performance Space**  
Avg. Size: 2,000-5,000 SF

*A space attracting local groups would be an amenity for students and residents, and would attract consumers from outside the neighborhood.*



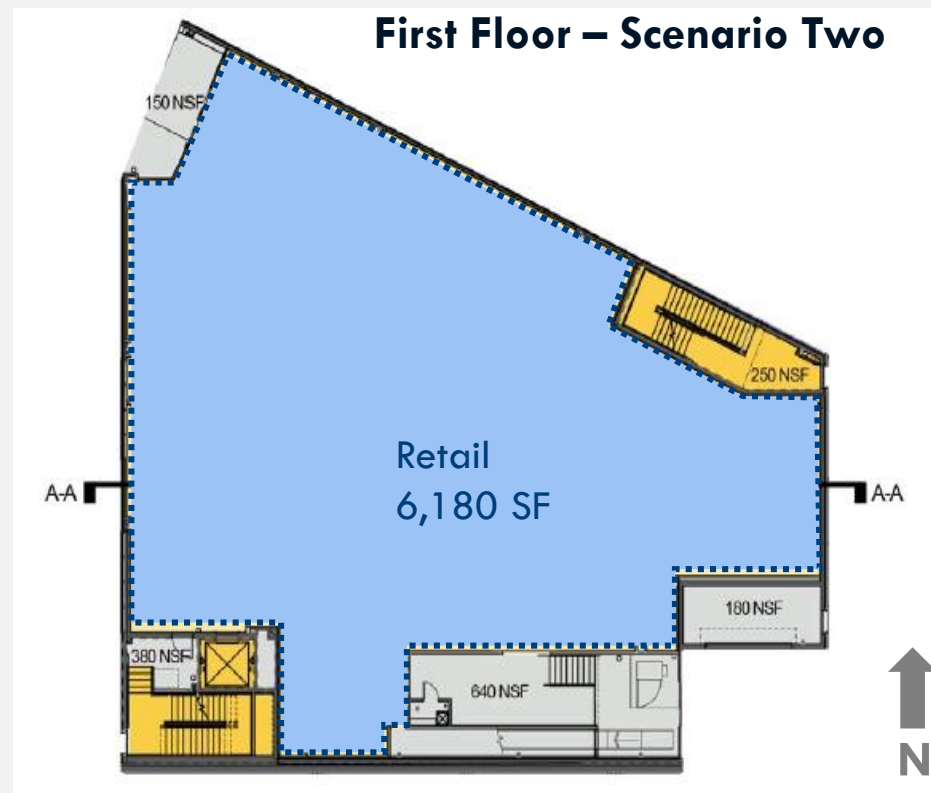
**Wawa**  
Avg. Size: 2,000-4,000 SF

*Students, office workers and residents would enjoy a neighborhood Wawa store for convenient lunch and snack options.*

# Potential Tenanting: 4225 Connecticut

A large format tenant that could take advantage of the multi-level space would benefit from the availability of parking and loading at the building.

## RECOMMENDED TENANTING OF SPACES AND RETAILER TYPES



**Hardware Store**  
Avg. Size: 8,000-12,000 SF

*A hardware store, also featuring a stationery / office supply section, would meet basic resident and student needs.*

**Fitness**  
Avg. Size: 12,000-20,000 SF

*Although there are existing fitness options, there is opportunity to serve a different demographic interested in health.*

**Multi-Concept Pop-Up**  
Avg. Size: 8,000-12,000 SF

*A permanent collection of shops offering a variety of destination goods serves residents, and would attract visitors from outside the neighborhood.*

**International Food Market**  
Avg. Size: 8,000-15,000 SF

*An international food market would serve the diverse population of local embassies while also providing unique offerings to residents.*

## Physical Changes: 4225 Connecticut

Structural changes required for 4225 Connecticut are highly dependent on whether this space remains dedicated to retail use or incorporates other uses.

### Potential alterations to existing tenant spaces

4225 Connecticut is currently built for use by a single tenant. Should some portion of the building ultimately be used for non-retail purposes, any space allocated to retail would require appropriate division from other uses. This study **considers both a subdivided space for retail, scenario one, and single retail tenant use, scenario two.**

### Accommodating food and beverage tenants

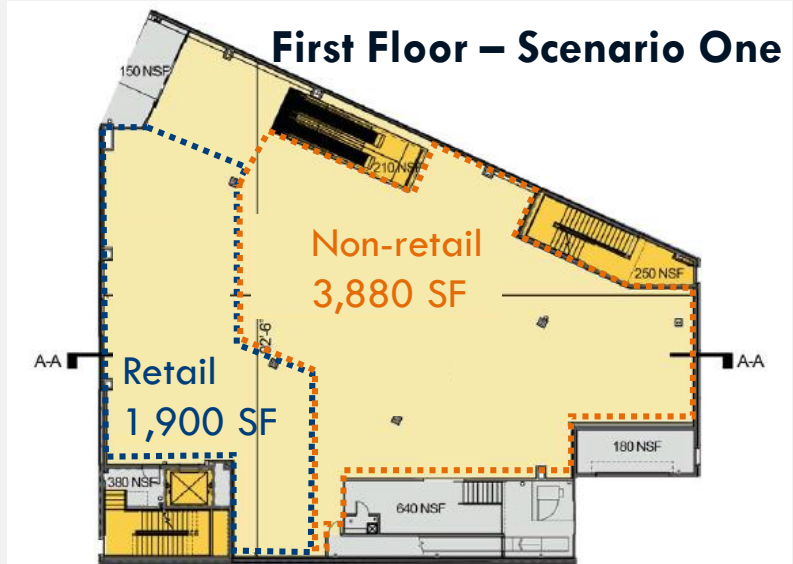
There is **not currently any kitchen or venting system for food uses.** As a result, a kitchen or venting system would need to be installed to accommodate any food tenant in this space, which could add significant cost to attract a tenant.

### Additional structural considerations

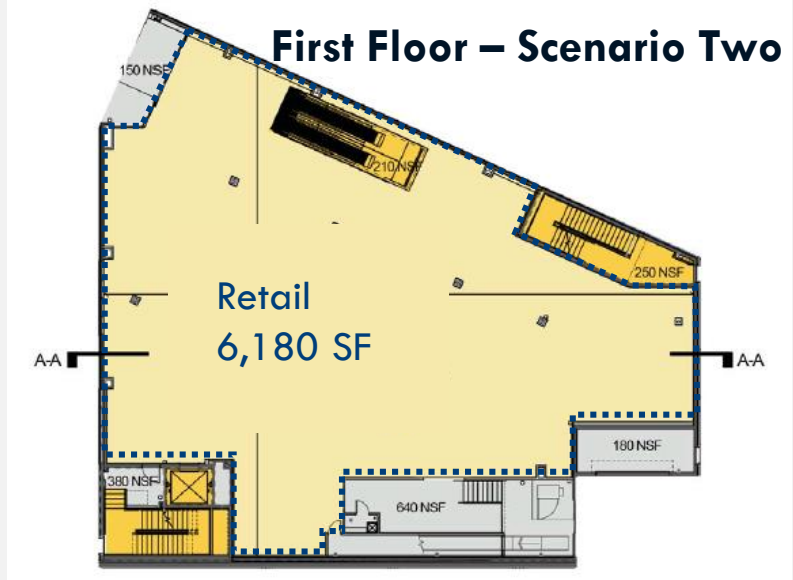
A **second entrance could be added** to the front of the building facing Connecticut Avenue, contingent upon future building use and the need for two entrances. Provision should be made for **outdoor restaurant seating**, where possible, if a food and beverage tenant is secured.

## RECOMMENDED SPACE LAYOUT

### First Floor – Scenario One



### First Floor – Scenario Two



PROJECT OVERVIEW  
NEIGHBORHOOD OVERVIEW  
VAN NESS RETAIL  
PROPERTY TENANTING STRATEGY  
**PLACEMAKING/BRANDING STRATEGY**

# Placemaking/Branding Strategy

Placemaking strategies will support the repositioning of key properties, and will enhance the overall retail environment in Van Ness.

1. **Use pop-ups to activate vacant spaces** in the interim while a long-term tenant is secured.
2. **Build on success of new food options** that have opened in recent years.
3. **Develop retail clusters** to create density in retail offerings.
4. **Continue programming and events** along Connecticut Avenue.
5. **Enhance the street experience of Van Ness** through unified streetscaping, distinctive signage, and outdoor dining.
6. **Use street furniture and art to enhance identity** and differentiate among competitive retail nodes.
7. **Increase the visibility of Van Ness Main Street.**



Source: DC Office of Planning

# Placemaking/Branding Strategy: Use Pop-ups to Activate Vacant Space

Pop-ups activate and show the potential for vacant retail spaces.

- For retailers, pop-ups provide an **opportunity to test the market before committing to a long-term lease.**
- Van Ness Main Street should continue its efforts to put in place pop-up stores to **activate vacant spaces along the corridor and draw new types of retail to the neighborhood.**



## Placemaking/Branding Strategy: Build on Success of New Food Options

Leveraging the success of recent openings will strengthen retail attraction efforts for quality food and beverage operators that can establish an identity for food in the neighborhood.

- By building on the success of recently opened high-quality food and beverage tenants at the northern end of the corridor, such as Sfoglina, Bread Furst, Soapstone Market, and Thai Pad, Van Ness retail can **begin to cultivate a distinct identity**.
- Though these new establishments are geared toward the residential population, they also **appeal to other consumer groups** in the neighborhood.
- New food and beverage tenants with a higher-end brand may **draw consumers from outside the neighborhood** to Van Ness.





# Placemaking/Branding Strategy: Develop Retail Clusters

Retail clusters create a density of storefronts that will foster an engaging pedestrian experience along Connecticut Avenue.

- Developing clusters of retail storefronts along Connecticut Avenue by repositioning vacancies into multiple spaces will **create a stronger sense of retail continuity and a true corridor experience.**
- Current physical design and building uses in some locations along Connecticut Avenue **segment the corridor and create discontinuity of retail or active uses.**
- Having a number of retailers in proximity to one another will **mitigate impacts of seasonality** and decreased student presence.



Source: DC Office of Planning

Source: HR&A

# Placemaking/Branding Strategy: Continue Programming and Events

Successful programming and events build identity and activate streets.

- Van Ness Main Street oversees **programming and events along Connecticut Avenue**, including the Van Ness Farmer's Market and Social Club, which activate the corridor.
- Van Ness Main Street should continue programming and events in the neighborhood, with potential future events including **international-themed events coordinated with local embassies, outdoor movie nights, and art exhibits.**



# Placemaking/Branding Strategy: Enhance the Street Experience of Van Ness

Retail tenancing will directly benefit from an enhanced street experience.

- In combination with strategic tenancing, creating an appealing street experience will **foster an inviting place for consumers to gather and spend time.**
- Increasing the “dwell time” of consumers in commercial areas directly translates to **increased spending.**
- Improving the street experience will require enhancements including **physical building design improvements, streetscaping, landscaping, public art, and outdoor seating.**
- Van Ness Main Street should also explore the potential of **providing free public wi-fi** as an amenity that encourages people to spend time in Van Ness.



Source: DC Office of Planning

# Placemaking/Branding Strategy: Use Signage and Art to Enhance Identity

Signage is a quick and cost efficient way to build identity and promote the neighborhood.

- Adding signage and/or art between Albermarle and Tilden Streets is a notable way to **differentiate the corridor from other neighborhood retail nodes** along Connecticut Avenue.
- Art should be iconic and **tailored to social media to increase visibility** of the neighborhood and generate interest.
- Branding, through varied but controlled store signage, can help **build a stronger identity to resonate with existing or potential consumers.**

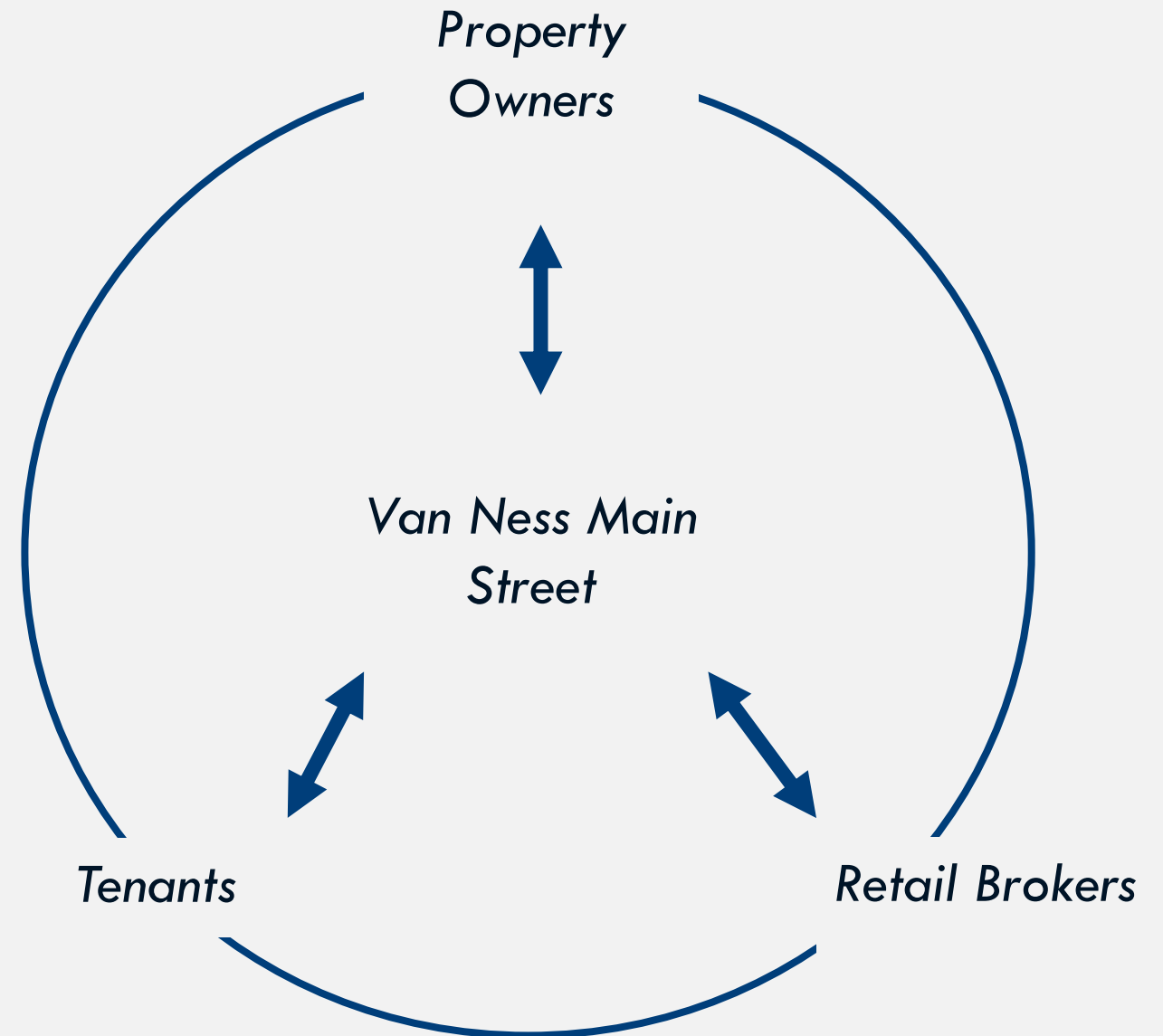


# Placemaking/Branding Strategy: Increase Visibility of Van Ness Main Street

By positioning itself to be a resource for property owners, retailer brokers, and tenants, Van Ness Main Street will enhance retail attraction efforts.

As a **neighborhood-wide organization focused on enhancing Connecticut Avenue**, Van Ness Main Street should continually and regularly:

- **Communicate with retail brokers** through coordinated listings and regular meetings such as retail broker breakfasts.
- **Work with property owners** to support their needs.
- **Check-in with retailers** to get an on-the-ground perspective of retail conditions.



# Action Items

Short- and long-term action items should be employed to realize placemaking strategies and improve tenant attraction.

PLACEMAKING/BRANDING STRATEGY	SHORT-TERM ACTION ITEM	LONG-TERM ACTION ITEM
1. Use pop-ups to activate vacant spaces	<p><b>Identify retailers interested in opening pop-ups or testing Van Ness' market</b>, particularly for retail types recommended.</p> <p><b>Coordinate with property owners of vacant spaces</b> to allow activation through pop-ups or other interim uses, potentially through third party operators such as appear[here] or Storefront.</p>	Continue to use pop-ups to <b>activate vacant retail storefronts</b> .
2. Build on the success of new food options	In marketing materials for the neighborhood, <b>highlight successes of new retail</b> , such as Sfoglina's rating as a Michelin Bib Gourmand restaurant, and include quotes from each of them.	<b>Position tenanting of future vacancies</b> in 4340 Connecticut to capitalize on the success of recent openings and develop a critical mass of high-quality offerings.

# Action Items

Short- and long-term action items should be employed to realize placemaking strategies and improve tenant attraction.

PLACEMAKING/BRANDING STRATEGY	SHORT-TERM ACTION ITEM	LONG-TERM ACTION ITEM
3. Develop retail clusters	Talk to area landlords about their retail strategy so <b>targeted tenants can fill</b> any upcoming vacancies.	Reposition 4250 Connecticut and 4340 Connecticut with <b>multiple storefronts that establish variety and reinforce a human-scale pedestrian experience.</b>
4. Continue programming and events	Develop <b>programming unique to Van Ness</b> by building relationships with local stakeholders such as embassies in the neighborhood, or WAMU, whose offices are in Van Ness.  Explore opportunities for street closures to <b>host a major neighborhood street fair.</b>  Through outreach with residents, workers, and students, <b>determine the types of events or programs in which they are interested and create an implementation plan.</b>	Continue programming and events so that Van Ness is always <b>“top of mind” with consumers.</b>

# Action Items

Short- and long-term action items should be employed to realize placemaking strategies and improve tenant attraction.

PLACEMAKING/BRANDING STRATEGY	SHORT-TERM ACTION ITEM	LONG-TERM ACTION ITEM
5. Enhance the street experience of Van Ness	Develop a near-term action plan to move initiatives forward such as <b>outdoor public seating, café seating at restaurants, landscaping, and public art.</b>	Work with the City and coordinate with property owners to <b>implement physical design enhancements</b> as laid out in the Office of Planning’s Commercial District Action Strategy.
6. Use signage and art to enhance identity	<b>Create signs or markers to place along Connecticut Avenue</b> on street lights or in a similarly visible location.  Consider store signage and graphic identity <b>programs.</b>  Explore the potential to apply for <b>funding from the DC Commission on the Arts and Humanities</b> for art installations or programming.	Assess the potential to paint a mural or add other <b>public art to become an identifying neighborhood marker.</b> <b>Sponsor a contest to select the artist,</b> which will increase public awareness.



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## Action Items

Short- and long-term action items should be employed to realize placemaking strategies and improve tenant attraction.

PLACEMAKING/BRANDING STRATEGY	SHORT-TERM ACTION ITEM	LONG-TERM ACTION ITEM
7. Increase visibility of Van Ness Main Street	<p>Conduct <b>regular outreach, both formal and informal, with property owners, tenants, and retail brokers</b> to understand concerns and challenges, and serve as a central source of retail knowledge for the neighborhood.</p> <p><b>Property owners should engage retail brokers to fill vacant space as it becomes available,</b> as they have relationships and market knowledge to improve attraction of quality tenants.</p>	<p>Continue <b>outreach to owners, tenants and brokers.</b></p> <p>Consider presentations for CREW DC, coordination with WDCEP's retail attraction efforts, involvement in local ICSC events, and participation in other <b>real estate groups.</b></p>

# APPENDIX

# Appendix A: Retail Inventory

Retail Tenant Name	Address	Category	Store Type	Size
Bank of America	4201 Connecticut	Services	Bank	2,000
Pho 14	4201 Connecticut	Food & Beverage	Casual Dining	1,000
Van Ness Wines and Liquors	4201 Connecticut	Food & Beverage	Liquor Store	1,000
Embassy Cleaners	4215 Connecticut	Services	Misc.	1,471
Revo Nails	4215 Connecticut	Services	Salon / Spa	1,471
Sushi Para	4221 Connecticut	Food & Beverage	Casual Dining	2,638
(Vacant)	4221 Connecticut	Vacant	Vacant	1,500
Laliguras	4221 Connecticut	Food & Beverage	Casual Dining	2,613
(Vacant)	4225 Connecticut	Vacant	Vacant	15,000
Starbucks	4250 Connecticut	Food & Beverage	Coffee / Drinks	1,000
Eva Realty, LLC	4250 Connecticut	Services	Misc.	3,863
(Vacant)	4250 Connecticut	Vacant	Vacant	11,589
Potbelly Sandwich Shop	4300 Connecticut	Food & Beverage	Fast Food	2,500
Wells Fargo	4302 Connecticut	Services	Bank	2,000
Giant	4303 Connecticut	Grocery	Grocery / Food	25,000
Ernesto's Hair Styling	4301 Connecticut	Services	Salon / Spa	300
CVS	4309 Connecticut	Services	Health & Personal	9,200
(Vacant)	4304 Connecticut	Vacant	Vacant	2,000
Gold's Gym	4310 Connecticut	Services	Fitness	5,000
Calvert Woodley Fine Wines and Spirits	4339 Connecticut	Food & Beverage	Liquor Store	2,138
Acacia Bistro & Wine Bar	4340 Connecticut	Food & Beverage	Casual Dining	2,018
Cleveland Park Library (Temp)	4340 Connecticut	Services	Misc.	2,018
UDC National Alumni Office	4340 Connecticut	Other	Misc.	2,018
Van Ness Main Street Office	4340 Connecticut	Other	Misc.	2,018
Tesoro	4400 Connecticut	Food & Beverage	Casual Dining	500
Avis Car Rental	4400 Connecticut	Services	Misc.	1,233
Subway	4401 Connecticut	Food & Beverage	Fast Food	1,100
The UPS Store	4401 Connecticut	Services	Misc.	1,200
ZIPS Dry Cleaners	4418 Connecticut	Services	Misc.	3,996
Burger King	4422 Connecticut	Food & Beverage	Fast Food	1,873
Flagship Car Wash Center	4432 Connecticut	Services	Misc.	2,940
Bread Furst	4434 Connecticut	Food & Beverage	Specialty Food	3,300
Sfoglina	4445 Connecticut	Food & Beverage	High-End Dining	2,790
Soapstone Market	4465 Connecticut	Food & Beverage	Specialty Food	6,057
Thai Pad	4481 Connecticut	Food & Beverage	Casual Dining	1,213
Cut N Edge Family Barbershop	4481 Connecticut	Services	Misc.	500
Diplomat Cleaners	4483 Connecticut	Services	Misc.	500
Italian Pizza Kitchen	4483 Connecticut	Food & Beverage	Casual Dining	500
Nail Avenue	4483 Connecticut	Services	Misc.	500
<b>TOTAL</b>				<b>129,553</b>

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## Appendix B: Retail Demand Analysis Information

Secondary trade area spending potential by retail category.

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<b>Retail Category</b>	<b>Existing Spending Potential</b>
<i>Full-Service Restaurants</i>	<b>\$32M</b>
<i>Clothing Stores</i>	<b>\$201M</b>
<i>Sporting, Hobby, Book &amp; Music Stores</i>	<b>\$15M</b>
<i>Building Materials Stores</i>	<b>\$124M</b>
<i>Electronics &amp; Appliance Stores</i>	<b>\$24M</b>
<i>Furniture &amp; Home Furnishings Stores</i>	<b>\$104M</b>
<i>Special Food Services</i>	<b>\$1M</b>
<b>TOTAL</b>	<b>\$501M</b>

## Appendix C: Retail Demand Analysis Information

Alternative scenario: Retail spending potential generated from full occupancy of office building at 4000 Connecticut Avenue.

<b>Convenience Goods</b>	Increase in Spending Potential	<b>Comparison Goods</b>	Increase in Spending Potential
<i>Grocery Stores</i>	<b>+\$3M</b>	<i>Full-Service Restaurants</i>	<b>+\$2M</b>
<i>Specialty Food Stores</i>	<b>+\$0M</b>	<i>Clothing Stores</i>	<b>+\$2M</b>
<i>Beer, Wine &amp; Liquor Stores</i>	<b>+\$0M</b>	<i>Sporting, Hobby, Book &amp; Music Stores</i>	<b>+\$1M</b>
<i>General Merchandise Stores</i>	<b>+\$0M</b>	<i>Building Materials Stores</i>	<b>+\$0M</b>
<i>Limited-Service Restaurants</i>	<b>+\$2M</b>	<i>Electronics &amp; Appliance Stores</i>	<b>+\$0M</b>
<i>Drinking Places—Alcoholic Beverages</i>	<b>+\$1M</b>	<i>Furniture &amp; Home Furnishings Stores</i>	<b>+\$0M</b>
<i>Health &amp; Personal Care Stores</i>	<b>+\$3M</b>	<i>Special Food Services</i>	<b>+\$0M</b>
<i>Miscellaneous Store Retailers</i>	<b>+\$1M</b>	<b>SUBTOTAL</b>	<b>+\$5M</b>
<b>SUBTOTAL</b>	<b>+\$10M</b>	<b>TOTAL INCREASE IN SPENDING POTENTIAL:</b>	<b>+\$15M</b>

## Appendix C: Retail Demand Analysis Information

Alternative scenario: Retail spending potential generated from full occupancy of office space at 4250 Connecticut Avenue.

<b>Convenience Goods</b>	Retail Spending Potential
<i>Grocery Stores</i>	<b>\$1,026,000</b>
<i>Electronics &amp; Appliance Stores</i>	<b>\$97,000</b>
<i>Clothing &amp; Clothing Accessories Stores</i>	<b>\$523,000</b>
<i>Sporting Goods, Hobby, Book &amp; Music Stores</i>	<b>\$405,000</b>
<i>Full-Service Restaurants</i>	<b>\$788,000</b>
<i>Limited-Service Restaurants</i>	<b>\$671,000</b>
<i>Drinking Places—Alcoholic Beverages</i>	<b>\$270,000</b>
<i>Health &amp; Personal Care Stores</i>	<b>\$915,000</b>
<i>Miscellaneous Store Retailers</i>	<b>\$227,000</b>
<b>TOTAL SPENDING POTENTIAL</b>	<b>\$4.9M</b>

Note: While 4250 Connecticut is currently occupied and HR&A's retail gap analysis includes the retail spending potential of existing employees, this table is intended to isolate the retail spending potential generated by office workers in this property. Total retail spending potential is based on an estimated 740 office workers in the building, which assumes 250 square feet per employee for the approximately 185,000 square feet of office space. Total spending potential is presented without capture rates. Capturable spending potential by full occupancy at 4250 Connecticut is dependent on the tenant mix and quality of retail offerings in the neighborhood and retail competition in nearby areas.