

Notice of these meetings was: 1) given at the public meeting of ANC2F on 6/3/09 and 2) distributed to the ANC2F listserv on 6/3/09, 6/10/09, 6/17/09 and 6/23/09

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Present

Absent

Andrea Doughty
Mary Brown
Ben Harris
Giorgio Furioso
Joe Kerger
Linda Welch
Jim Kane
Khalid Pitts

None

Some additional neighbor and business community Attendees were:

Scott Pomeroy, Downtown Business Improvement District
Candida Manozzi, former owner Candida's World of Books, 14th Street
Ramon Estrada, ANC2B Commissioner for parts of 14th & U Streets
Phyllis Klein, Chair, Zoning Committee, Dupont Circle Citizens Association,
Phil Piga, Resident, 15th and P Streets, NW
Lori Parkerson, Owner, Redeem Boutique, 14th Street
Martin Chin, Owner, Bang & Olufson, 14th Street
Natalie Avery, Executive Director, MidCity Business Association
Jyh-Mei Lee, Abdo Development
David Schaefer, Owner, Urban Essentials, U Street

Brief overview by Andrea Doughty:

ANC2F's special ARTS Overlay Review Committee is reviewing the provisions of the ARTS Overlay Zoning District, including the 25% limitation related to restaurants/bars on 14th Street, NW, in order to examine what more the zoning regulations can do to encourage vibrant development of daytime retail and other uses on 14th Street. The committee is interested in hearing from any person or organization that has views on these issues.

Meeting of the ARTS Overlay Review Committee are public and will take place on Tuesday evenings in June and July. Following this period of public consultation and outreach,

recommendations will be formulated in August. The ARTS Overlay Review Committee will report its recommendations to ANC2F and the DC Office of Planning by early September 2009.

First Speaker – Martin Chin, owner of the Bang & Olufson Store

1. The store opened in October and enjoys some foot traffic but most customers make the store a destination.
2. Challenges are security, trash on 14th Street, the bus stop, parking and the homeless.
3. We need a mix of retailers and restaurants to attract traffic and customers to 14th Street.
4. 14th Street offers interesting design and more should be done to encourage design retailers to move to the area.

Questions to Chin:

Q: Does the client base you are looking for like the design elements of the neighborhood?

A: Yes, very much so and they have purchased the lofts and vintage buildings with more modern design elements. There's a synergy between the buildings and the aesthetic my customers seek.

Q: Compare the advantages of Georgetown and 14th Streets.

A: Georgetown offers much more retail and customers. But prices of retail space are on average 30% to 40% more. Parking is an issue in both neighborhoods. The "triple net" and property taxes, both city taxes that is passed along to tenants, is causing real stress for many retailers.

Q: Would a reduction in property taxes for small business be helpful?

A: Yes, but it depends upon how it is implemented.

- Another attendee pointed out that the city had passed legislation that sought to reduce the property taxes on small businesses but that it was not well thought out and did not have the intended result.

Second Speaker – Candida Manozzi, former owner Candida's World of Books, 14th Street

- Suggested a type of "homestead" exemption, similar to that enjoyed by homeowners in DC, for retail landlords. Also, she suggested that there be tax relief for retailers near construction sites because this negatively impacts their business. She also mentioned that her shop had been burgled twice.
1. Distinct pattern in the summer and winter holidays of more crime.
 2. Increased MPD foot patrols really decreased the crime markedly.
 3. Most of the retail on 14th Street was symbiotic and complementary with the book store.
 4. The construction on 14th really hurt business.

Questions to Manozzi:

Q: How is the Office of Planning implementing the arts overlay district?

A: (by Andrea Doughty) Not currently administering the Arts Overlay District (AOD). They are

working on new base zoning and developing a menu of zoning options will be community driven and input from this group will be considered.

A member of the committee pointed out that none of the incentives from the AOD have been used.

Scott Pomeroy said that OP now has a “Creative DC” agenda consisting of a 37-page report, that no where mentions the 14th St. AOD. This suggests a serious issue with respect to city government awareness and support for the AOD.

A member of the audience commented that she had done research into arts districts and that in other areas, they have worked well. However, in the 14th Street District, it has not done much. She offered to share the information with the committee chair.

Third Speaker – Lori Parkerson, Owner, Redeem Boutique, 14th Street
Wants 14th Street to “stay weird” and not become a locus for national chains.

1. Retail is very sparsely distributed along 14th Street
2. Businesses must be viewed as an extension of the entire creative culture of the neighborhood
3. There is very little daytime foot traffic on 14th Street
4. Property taxes are very difficult in DC for small retailers – passed along from property owners.

A member of the audience agreed that the businesses should be an extension of the cultural heritage of the neighborhood and that should be protected by DCRA, HPRB and OP. However, it appears to her that only HPRB is doing their job. Another audience member agreed saying historic preservation is the most powerful tool the city has to help 14th Street.

The committee chair pointed out that the charter of the committee is to suggest some very practical ways to enhance zoning regulations and policies to improve 14th Street.

Fourth Speaker - David Schaefer, Owner, Urban Essentials, U Street

1. Been on U Street for 10 years.
2. Some concern about letting big retailers move into the area without ample parking (Room and Board sited as an example).
3. The Lincoln Theater has been good for the businesses located along U Street.
4. Twenty percent of Urban Essential’s night business is restaurant and bar patrons.
5. We need to be more particular about which businesses are allowed to operate in the neighborhood.
6. Crime continues to be a major problem.

A previous speaker mentioned that patrons attending performances at the Studio Theater were good for her business.

A member of the audience mentioned the success of the Penn Quarter and 7th Street. Another member of the audience pointed out that Penn Quarter is very different and not comparable. He

commented that the mix of residential and commercial is our greatest asset. He also commented that increasing foot traffic during the day is a good goal and this could be accomplished by adding more office space and creating a market for lunch sales at restaurants. He commented that a lot of leakage (residents leaving our area to shop, eat or work in other areas) happens during the day. And that closing of the Whitman Walker Clinic was a huge loss to 14th Street with respect to daytime foot traffic and hurt businesses located here.

The committee chair pointed out that the base zoning requirements were heavily weighted towards residential and that perhaps leveling the playing field for office use would help retail businesses during the day.

An audience member commented that there was no market for office space on 14th Street because of lack of parking and public transportation, as well as demand. However, a committee member commented that this view was very short sighted and that markets for all types of uses are cyclical. Another committee member said that we should be doing everything we can to encourage offices in the neighborhood. While large enterprises (e.g., national law firms) would not be attracted to the small-scale buildings, smaller enterprises and non-profits could be attracted, given location and Metro access. A member of the audience said that there are businesses actively looking for office space in the neighborhood right now. There was general agreement among all those speaking that increasing office space would increase daytime foot traffic and therefore help the retail businesses along 14th Street.

Several members of the committee and the audience commented on the positive impact Whole Foods has had on attracting retail to the neighborhood.

An audience member reported that she has head the Office of Econ Dev is informally asking developers for thoughts about what the City could do with the Reeves Center. She mentioned community interest in a Motor Vehicles Office there. There was also some discussion among the group about Apple's decision to buy a property in G'town for a store instead of locating along 14th or U, and whether that was a positive or negative for the neighborhood and for retailers here, since the store is known to drive enormous traffic.

The committee chair asked the speakers to comment on the "gaps" that must be addressed to improve retail in the neighborhood. All mentioned crime or the perception of crime. Other comments included adding to the mix of existing retail with a hotel or movie theater. Also, building out empty lots so that 14th Street feels "complete" was mentioned.

Tourism, more events such as "Dog Days", farmer's market, and the circulator bus were discussed as opportunities to increase customers visiting the neighborhood.

The committee chair asked about ideas for encouraging more development of small businesses. Most agreed that a mix of both small and large retailers is best. And there seemed little support for set asides for small businesses per se. One of the committee members commented that generally, older buildings were better for small business and newer buildings better serve larger retailers.

A discussion on tax breaks or “TIFs” for 14th Street followed. One of the developers represented at the meeting commented that while more office space would be desirable, there are more strict parking requirements associated with this use.

One committee member who said that the single most important thing 14th Street could do is to fill in the gaps and complete the street.