

Dupont Circle

Business Improvement District

Business Plan
2019-2023



Executive Summary

The Dupont Circle area, radiating up Connecticut Avenue and across P Street, has long enjoyed a reputation as a distinctive, upscale, yet edgy, neighborhood that is home to galleries, boutiques, non-profits, and progressive causes. Surrounded by Adams Morgan to the north, K Street to the south, Rock Creek Park to the west, and Logan Circle to the east, Dupont Circle has long been one of the most distinguished neighborhoods in Washington DC. While it still holds much of this recognition, the city has undergone a dramatic transformation over the past 15 years, (Downtown, H Street, NE, 14th Street, Shaw, Capitol Hill, and now both the Capitol Riverfront, the Southwest Waterfront) Dupont Circle no longer enjoys its position of prominence as a premier destination.

While Dupont Circle has remained steadfast in its identity, it has not benefited from significant development or redevelopment during this time of transformation. However, two significant new projects: (1) the completion of two new residential buildings, The Hepburn and Ampeer, and (2) plans to build a new park over the down ramp on Connecticut Avenue, set the stage for a new effort to build on these investments and create momentum. The new projects and the creation of a BID are significant steps toward Dupont Circle regaining its position of prominence.

Notably, the residential areas surrounding Dupont Circle are now home to entrepreneurial millennials who are providing sparks of innovation for the DC economy. In many respects, the primary needs of the area are clear: to reinvest in its physical environment, manage the public space, expand marketing, and brand a high-quality area.

The model for the Dupont Circle renewal already exists in other areas of the city. Both Capitol Riverfront and, most recently, Georgetown, established comprehensive programs to meet similar needs that have, in one case, ignited the market and, in the other, reignited the market. They have combined this effort with a focus on physical improvements such as hanging flower baskets, revitalizing existing parks, and creating new public space. Once significant projects are completed, they are marketed to both consumers and investors, consistent with a clear sense of brand.

The property owners in the Dupont Circle area are now pursuing a similar set of strategies to reassert a vision of the commercial area as among the most distinctive places in the city. The proposed initiative consists of a three-part program: placemaking; place management; and place branding.

Most obviously, the city's commitment to provide \$10 million of funding to build a new park over the Connecticut Avenue underpass, anticipated completion in 2020, will be an enormous catalyst for placemaking. Other significant steps to improve the quality of the place include developing a plan for improving the streetscape on both Massachusetts and Connecticut Avenue, as well as the median on Connecticut Avenue. Significantly, a plan could be developed, in cooperation with the National Park Service, to improve the quality of the Dupont Circle park.



The cornerstones of an inviting place are security and maintenance. Although several property owners in the area do an outstanding job addressing these matters at their buildings, the present level of service is inconsistent in public space, partly due to the large number of food establishments that generate trash that continuously needs to be cleaned up. Beyond these basic needs, there is a desire to make the area attractive: continually upgrading and maintaining signs, banners, lampposts, and benches. The issue of landscaping will become particularly critical as the BID takes steps to expand its commitment to park management in addition to overall management.

Furthermore, it is necessary to provide a variety of programming options, including events and activities, to signal the spirit of the Dupont Circle area to both users of the area and passers by. One particular need to enhance the sense of place is to ensure the quality of retail is at the highest level. In this regard, the area could undertake a comprehensive assessment of its retail needs and develop a coordinated recruitment program working in conjunction with retail brokers to attract a higher standard.

The many assets of the Dupont Circle area need to be marketed, promoted, and communicated – not only through traditional media – but also social media. This will be particularly important as the area begins to renew itself and develop new ways to communicate, not only the new vision, but also the specific experiences and activities that will make this a unique and distinctive destination once again.

Other BIDs or areas that have made similar investments, particularly in park renewal, have seen an appreciation of property values between 10%-20% as a premium over and above what could normally be expected. Additionally, in studying the recent increases in the state of downtown, it is clear that other indicators, such as rents, retail sales, and attendance, also grow at increased rates.



Mission of the BID

The mission of the Dupont Circle Business Improvement District is to provide a range of management services that will assist in creating a vibrant and dynamic place intended to help stimulate visitation and grow businesses. The BID will focus most immediately on ensuring that the area is clean, safe, and friendly, but also that there is attractive, well-maintained and inviting public space, including parks and streetscapes. The BID will also be the keeper of the Dupont Circle brand and will ensure communication about the amenities and benefits of shopping, working, or investing in the area – communicated through a variety of media channels. The ultimate goal of the BID, working in partnership with property owners, stakeholders, National Park Services, and the DC government is to increase economic development and well-being in the area.

Goals

- To increase sales and occupancy.
- To increase property values.
- To improve the perception of the area both for consumers and investors.
- To increase visitation to area attractions and businesses.
- To improve the retail mix and quality of retail.
- To raise the stature of the area with public sector leaders and agency directors.
- To improve the public space, including parks and streetscapes.

Boundaries

The Dupont Circle BID covers an area of approximately 11 linear blocks in the Dupont Circle commercial district. It encompasses an area including and radiating in Dupont Circle going north along Connecticut Avenue from the 1400 block to the 1900 block, west along P Street to 22nd Street, and from the Circle along Massachusetts Avenue until Florida Avenue. A map is included.

Legal Description

The Dupont Circle Business Improvement District will be a publicly chartered, private non-profit organization. It will seek registration by a Mayoral Order as a business improvement district under the District of Columbia Business Improvement District Act. It will also register as a 501(c)(6) organization under the IRS code. As such, it will be exempt from federal income taxes under the code and will also be exempt from local sales tax under DC law.

Governance

The organization will be governed by a Board of Directors who will set its broad policies and goals, an executive committee of officers and appointed board members, and a chief executive officer who will manage the day-to-day affairs of the organization.

Board of Directors

The Board of Directors will consist of between nine and nineteen voting members, including property owner members, and possibly tenant members; there may be board seats reserved for community organizations as ex-officio non-voting members. Voting members will be elected to three-year terms with an election held each year at the annual meeting. Approximately one-third of the Board will be elected each year.

The list of proposed Board members is as follows:

Pierre Abushacra: Owner of Firehook Bakery
Dan Rigaux: Saul Urban
Michael Kain: Kain & Associates
Kathy Guy: JBG Smith
Lou Courembis: 1700 Connecticut Avenue, NW

Executive Committee

The Executive Committee will serve as the primary governance contact with the CEO and includes officers and additional members appointed by the chair and confirmed by the Board. It will guide the day-to-day operations and practices of the BID. There are two committees that will be organized annually to fulfill specific tasks: (1) the nominating committee and (2) the audit committee. Additionally, ad-hoc committees may be regularly formed to work on specific programs and the organizational needs of the BID. The Executive Committee has all the powers of the Board within the limits set by the policies and procedures as described in its bylaws, which will be formulated and approved by the Board. It is expected that the Executive Committee will meet monthly while the full board will meet quarterly. An annual meeting will be conducted each year to highlight the accomplishments of the current administration and conduct organizational and member business as necessary. The following is a list of proposed members of the Executive Committee, including the officers. The officers will be appointed each year after the election of the Executive Committee.

The list of proposed Executive Committee members is as follows:

Pierre Abushacra: Owner of Firehook Bakery
– Treasurer

Dan Rigaux: Saul Urban – Secretary

Michael Kain: Kain & Associates – Chair

Kathy Guy: JBG Smith – At-Large

Lou Courembis: 1700 Connecticut Avenue,
NW – At-Large



Voting Procedures

Board of Directors

Dupont Circle BID, a registered 501(c)(6) organization, will be governed by a Board of Directors of up to nineteen members. The Business and Community Improvement Districts Act of 1996 (the "Act"), as amended, requires that a majority of BID board members be property owners. The Act also stipulates that the board of an organization such as Dupont Circle BID must include commercial tenants of non-exempt property. The Dupont Circle BID Board may also include representatives of community, civic, cultural, religious, and social service organizations.

Members

The Dupont Circle Business Improvement District Amendment Act of 2004 makes every non-exempt property owner, commercial tenant of non-exempt property, and residential tenant of non-exempt property, a member of Dupont Circle BID. Dupont Circle BID will hold annual meetings among members to (1 elect the board of directors and (2 adopt the annual budget and business plan.

Member Voting

As stated in D.C. Code Section 2-1215.11(a): "The articles of incorporation and the bylaws may allocate to each BID member a number of votes. The number of votes allocated to each member may be based on any fair and equitable formula that ensures not less than one vote per member (except in the case of (1) a residential tenant, where such residential tenant may receive a fractional vote based on the total votes for a building divided by the number of units, and (2) a commercial tenant, where such commercial tenant may receive a fractional vote based on the tenant's rentable square footage as a percentage of the total rentable square footage multiplied by the number of votes for a building) and may take into account certain variables, including, but not limited to, assessed value of property owned or occupied, square footage owned or occupied, street frontage owned or occupied, location of property owned or occupied within the BID, obligations to pay BID taxes in the case of property owners, voluntary contributions to the BID in the case of exempt property owners, and payment for services under contract in the case of the federal government's General Services Administration."

Dupont Circle BID votes will be allocated by dollar. Every dollar paid in BID tax will represent one vote. For example, if a commercial building pays \$40,000.38 in BID tax, it will have 40,000 votes. Owners and occupants of exempt property that make voluntary contributions will be allocated votes in proportion to the voluntary contribution to the BID tax assessed were the property non-exempt.

District of Columbia's Role

A BID corporation is an independent, nonprofit entity. The BID Act gives the District and its representatives no formal role in day-to-day governance. However, in addition to annual receipt by the Mayor, the CFO, and the Council, of the BID's financial statements, the Mayor reviews any proposed changes to the BID plan or tax rate approved by the Board and members. The Mayor must register a BID every five years, and can dissolve it with good cause. The Mayor has expressed approval towards Dupont Circle's application to become a BID. Dupont Circle BID will work closely with District agencies to ensure that District services are efficiently and effectively delivered to the Dupont Circle area. To this end, Dupont Circle BID is permitted to elect to create an advisory committee of District agency representatives and other interested parties.

Management Team

Chief Executive Officer

The BID will employ an executive director who will have the overall responsibility for the management, direction of the day to day programs, financial and operating performance, and providing the strategic direction for the organization. The executive director will ensure that the organization follows the policies and procedures as promulgated by the Board of Directors and faithfully represents the organization to its members, the community, the media, and the government.

Director of Marketing

The BID will employ a Director of Marketing who will have the responsibility for marketing, communications, public relations, and events planning for the organization. Additionally, the Director of Marketing will help develop retail and other business promotions, as well as serve as the organizations brand manager.

Operations Manager

The BID will employ an Operations Manager who will oversee all the various programs intended to create a sense of place and manage the place. This will include such programs as cleaning, park maintenance, security, landscaping, streetscape enhancements, as well as anything else that will ensure the area is vibrant and exciting.

Office Coordinator

The BID will employ an Office Coordinator who will provide administrative assistance to the executive staff as well as help maintain the organizations database, manage its billing, and provide research assistance when appropriate.



Operating Plan

Placemaking

Working in conjunction with individual property owners, the Dupont Circle BID will be committed to enhancing the experience of a sense of a welcoming and inviting place through a variety of activities and projects. These will begin by paying initial attention to establishing a program that encourages beautification by providing planters and flower baskets that may augment and create uniformity among those provided by individual property owners. It will also offer, on a limited basis, flower planting and landscaping assistance to help set the standard for a comprehensive program throughout the area. Banners will be hung as a means of providing identity as well as communicating the brand of the area. The BID staff will help create a unified high-quality set of streetscape standards that may be used by all property owners as construction moves forward in the future. Additionally, the staff will work in partnership with the Urban Forestry Administration to perform tree maintenance and replacement programs for the entire area. For the holiday season, the BID will develop a high-quality set of streetscape enhancements to create a decorative atmosphere and promote retail shopping.

Place Management

The BID's Place Management programs will be directed towards ensuring the area is clean, safe, and friendly. The staff will engage in a variety of activities including:

- Sidewalk cleaning
- Trash collection
- Sidewalk power washing
- Graffiti removal
- Snow/ice removal and the maintenance of any element of the public streetscape needing repair.

The BID Staff will be trained in hospitality services so that they can provide direction and information about the area to visitors.

Additionally, as part of the Place Management program, the Dupont Circle BID will engage in a public safety program that will be in constant communication with the Metropolitan Police Department and Park Police to keep the neighborhood safe. It will meet with the MPD service officers, the Commander of the area, and security guards of individual property owners on a regular basis. The BID Staff will be trained to investigate and report any matters of disorder. The security efforts will be aided by the use of security cameras that may be installed throughout the area and will simultaneously provide information to the property owners and security managers.

Place Branding

Marketing and communications will be a key function of the Dupont Circle BID. The Place Branding program will work to promote Dupont Circle as a unique destination for local, national, and international visitors and is intended to create buzz and drive foot traffic. In addition to providing consumer marketing and communications activities, it will also focus on investor needs, serving to communicate the benefits of opening a business, or living in the area. It will employ an integrated marketing strategy to include cultivating relationships with the media and PR outlets, build community partnerships and collaboration, and differentiate the Dupont Circle brand among others.

To carry out the overall program, it will focus on specific areas of attention including digital marketing and social media, public relations and communications, as well as developing a program of signature brand events.

Cap Park

The proposed park to be built over the Connecticut Avenue underpass on the north side of Dupont Circle is projected to be completed in 2020. The Dupont Circle BID will assume the maintenance and management of the park and will provide appropriate resources to ensure its stewardship.



Measuring Success

The Dupont Circle BID will be measuring its impacts in the following ways:

- Attendance at events and activities
- Pedestrian counts
- Attitudinal surveys
- Website hits
- Social media followers
- Amount of trash collected
- Crime statistics
- Number and quality of publications
- Quality of reports and research output
- Number of media citations using BID information
- Policy and procedures that ensure sound fiscal management

BID Tax Rate

The Dupont Circle Area BID is proposing the following tax rates:

- Commercial buildings at .09 cents per \$100 of assessed value
- Hotel at \$120 per room
- Residential units at \$120 per unit

It is the intention of the initial Board of Directors to keep the tax rates fixed for the initial five years that the BID is in existence. In particular, the assessment for commercial properties, which is based on the assessed value of the property as ascribed by the Office of Tax and Revenue, will be set as of the first year that the BID is operational and will remain the same through the fifth year. If there are additional needs to meet the cost of inflation or special projects, the Board may adjust the assessment rate up by up to five percent per year as permitted by legislation. The BID tax will be paid bi-annually in two payments submitted to the DC Office of Tax and Revenue similarly to property tax bills. The Office Tax and Revenue will account for the payments and transfer the funds to the Dupont Circle BID.

Budget

Dupont BID Budget

.09 or \$100; \$120 per hotel and apt.

		FY18
Revenue	\$	
BID Taxes		1,100,000.00
Reserve		0.00
Total Revenue	\$	1,100,000.00

Expenses

Place Making

Banners		20,000.00
Trashcan Logos		6,000.00
Special Events		100,000.00
Photographer		10,000.00
Print Advertising		60,000.00
Executive Director	\$	35,000.00
Subtotal		231,000.00

Place Management

Landscaping Team		80,000.00
Clean Team		240,000.00
Landscaping Supplies		100,000.00
Truck		25,000.00
Executive Director	\$	35,000.00
Director of Operations		70,000.00
Retail Attraction		<u>40,000.00</u>
Subtotal		590,000.00

Place Branding

Website		10,000.00
Director of Marketing		70,000.00
Newsletter		20,000.00
Executive Director	\$	<u>35,000.00</u>
Subtotal		135,000.00

Administration

Accounting		40,000.00
Equipment		7,600.00
Rent		42,000.00
Office Supplies		<u>17,860.00</u>
Subtotal		<u>107,460.00</u>

Total	\$	<u>1,063,460.00</u>
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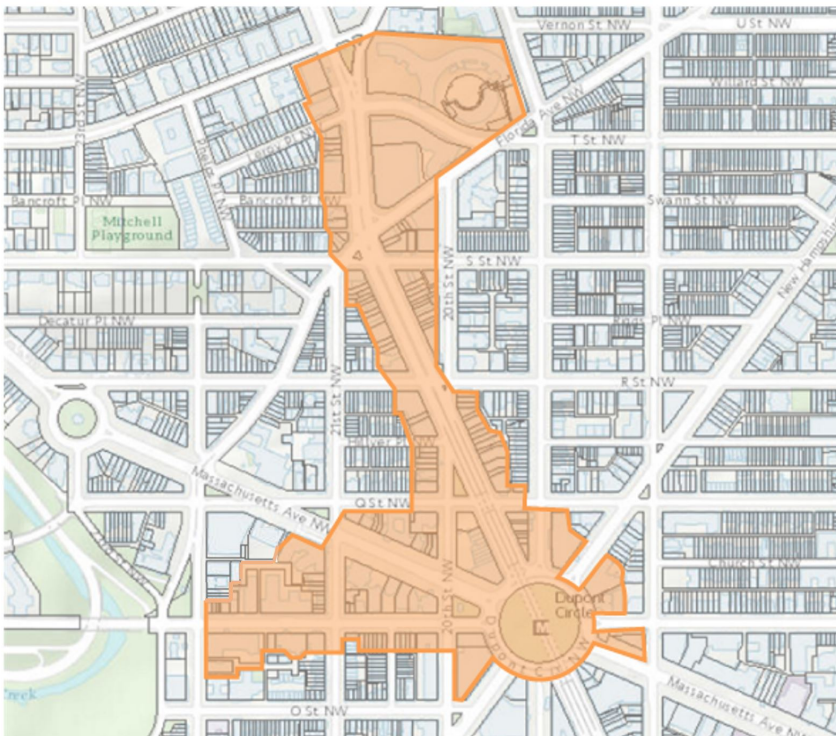
Income over expenses		36,540.00
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Five-Year Spending Plan

Dupont BID Budget
 .09 per \$100;
 \$120 per hotel and apt.

		FY19	FY20	FY21	FY22	FY23
Revenue	\$					
BID Taxes		1,100,000.00	1,200,000.00	1,236,000.00	1,273,080.00	1,311,272.00
Reserve		0.00	36,540.00	16,080.00	6,620.00	9,240.00
Total Revenue	\$	1,100,000.00	1,236,540.00	1,252,080.00	1,279,700.00	1,320,512.00
Expenses						
Place Making						
Subtotal		231,000.00	253,000.00	263,000.00	273,000.00	283,000.00
Place Management						
Subtotal		590,000.00	720,000.00	730,000.00	740,000.00	750,000.00
Place Branding						
Subtotal		135,000.00	140,000.00	145,000.00	150,000.00	155,000.00
Administration						
Subtotal		107,460.00	107,460.00	107,460.00	107,460.00	107,460.00
Total Expenses	\$	1,063,460.00	1,220,460.00	1,245,460.00	1,270,460.00	1,295,460.00
Income over Expenses		36,540.00	16,080.00	6,620.00	9,240.00	25,052.00

BID Boundaries



The Dupont Circle BID boundary includes P Street, Dupont Circle, Massachusetts Avenue, and Connecticut Avenue, NW.