## **Executive Office of the** Mayor



## Connect With Us

John A. Wilson Building 1350 Pennsylvania Avenue, NW, Washington, DC 20004 Phone: (202) 727-

2643 TTY: 711

Email: eom@dc.gov





Ask the Mayor



Muriel Bowser Mayor

## Mayor Bowser Announces First Commercial-to-Residential Conversion Projects to Receive Support from DC's Housing in Downtown Program

Thursday, September 5, 2024

Mayor Bowser Also Announces First Conditional Awardees of New Downtown Retail Grant Program

(Washington, DC) – Today, Mayor Muriel Bowser announced three commercial-to-residential conversion projects that have been conditionally awarded tax abatements through the District's Housing in Downtown program: 1625 Massachusetts Avenue NW, a 114,0000-square-foot building and the former home of the Air Line Pilots Association International, will deliver 157 units, of which at least 15 units will be affordable; 1825 and 1875 Connecticut Avenue NW, two buildings totaling approximately 1.08 million square feet, are expected to deliver 525 units, of which at least 69 units will be affordable; and 615 H Street NW, a commercial rowhome and surface parking lot, will be redeveloped into 72 residential units, of which at least 8 units will be affordable.

"Through these innovative conversion projects, we are transforming old spaces into new uses – in this case, housing – that will bring more people and new vibrancy to our Downtown," said Mayor Bowser. "We have a beautiful Downtown, it is a place that people like to visit, it is walkable and accessible by public transportation, and we're excited about what it will mean for our entire city when we have more housing and more people living Downtown."

Housing in Downtown is an innovative program designed to catalyze new residential development and add thousands of new residents downtown through a 20-year tax abatement for commercial-to-residential conversions. The Housing in Downtown program was included in Mayor Bowser's Fiscal Year 2023 Budget. In total, the program is capped at \$41 million. The District estimates that the Mayor's \$41 million investment can help deliver 6.7 million square feet of new residential use, or 8,400 new housing units, which will support the DC Comeback Plan's overall goal of adding 15,000 new residents Downtown. Projects participating in the Housing in Downtown

Board of Zoning Adjustment
District of Columbia
CASE NO.20879A
EXHIBIT NO.4A

Mayor Bowser Announces First Commercial-to-Residential Conversion Projects to Receive Support from DC's Housing in Downtown Program | mayormb

program will be required to make at least 10% of units affordable at 60% of the Median Family Income (MFI), or 18% of units affordable at 80% MFI.

At the event, Mayor Bowser also announced five businesses that are receiving conditional awards through the District's new \$3 million Downtown Retail Recovery Grant program, which is supporting businesses opening or expanding into a retail or commercial space Downtown that has been vacant for at least six months:

- H&M is an international fashion brand opening its Downtown flagship store at 1025 F Street, NW.
- Sandlot LLC is a DC-based events and hospitality business that will utilize grant funding to support the build out of their newest site at 975 F Street NW, just a block away from Capital One Arena.
- Mikey & Mel's Deli is a traditional Jewish Deli which will be opening a new location at 1828 L Street NW at the former Corner Deli location.
- Union Kitchen is a food and beverage business accelerator that will be opening a new location at 1301 K Street NW with expanded offerings.
- 1337 Manager LLC is working with a boutique hotel coming to 1337 Connecticut Avenue NW to expand upon the hotel's offerings by creating three distinct restaurant and venue spaces.

"These projects represent a significant milestone in the District's effort to create more housing and to make Downtown a neighborhood where people not only work, but live," said Deputy Mayor for Planning and Economic Development Nina Albert. "While these important conversions get underway, we are also making investments now to help new retailers and restaurants open in longtime vacant retail spaces Downtown."

In Downtown DC, there are 10 commercial-to-residential projects announced or in progress, with two projects actively leasing, for a total of 12 in the development pipeline. The Downtown Action Plan, released earlier this year by the Golden Triangle and DowntownDC BIDs, recommends many innovative solutions for reimagining the future of Downtown, including commercial-to-residential conversions.

"As we embark on this transformative project, we are proud to convert underutilized commercial space into much-needed housing in the District," said Katie Hartley, Director, National Real Estate Development. "Our team specializes in reimagining assets to meet the demands of the community, market, and our investors. This initiative not only addresses the demand for high-quality residential options but also contributes to sustainable development and the revitalization of downtown. We'd like to thank the city for its support and the tax abatement program that makes this project possible."

The Housing in Downtown program is competitive due to program caps. From FY24-FY26, \$2.5 million will be available to projects, increasing to a total of \$6.8 million in FY27, and then to \$41 million in FY28. Applications are open on a rolling basis. More information on the program can be found at <a href="mailto:dmped.dc.gov/page/housing-downtown-hid-program">dmped.dc.gov/page/housing-downtown-hid-program</a>.

Mayor Bowser X: <u>@MayorBowser</u>

Mayor Bowser Instagram: @Mayor\_Bowser

Mayor Bowser Facebook: <u>facebook.com/MayorMurielBowser</u>

Mayor Bowser YouTube: <a href="https://www.bit.ly/eomvideos">https://www.bit.ly/eomvideos</a>

ACCESSIBILITY PRIVACY AND SECURITY ABOUT DC.GOV TERMS AND CONDITIONS