

Request for Proposals: Innovation District Action Plan

Project Total: \$150,000

Proposals Due: Wednesday, May 12, 2021 by 5:00 pm

Overview

The Golden Triangle Business Improvement District (BID), in partnership with the Washington DC Economic Partnership (WDCEP), is seeking proposals for the development of an action plan to fully establish the Innovation District envisioned by the BID, George Washington University (GW), DC government, property owners, and other important partners in the neighborhood. This action plan should build upon preliminary strategic planning, research, and network-building conducted by the BID and GW, including the Briefing Book and Strategic Action Items developed during the fall of 2020. (See attachment(s) included with this RFP.)

Innovation districts are concentrated urban clusters of entrepreneurs, startups, incubators, and related businesses in STEM-related industries, usually located near anchor academic institutions in walkable, transit-accessible neighborhoods offering room for growth. Two important examples are Kendall Square with MIT in Cambridge, Massachusetts, and University City with UPenn and Drexel in Philadelphia. The District of Columbia is primed for an innovation district of its own, given the assets and infrastructure available to support innovation, including the presence of GW as an urban-campus research university. The timing is particularly critical because of the economic effects of COVID-19 and the need to diversify the city's economy.

The area surrounding Pennsylvania Avenue NW west of the White House, including GW campus and the Golden Triangle neighborhood, presents the best site for creating an innovation district in DC, thanks to the concentration of companies and institutions, walkable urban location, access to transit from across DC, northern Virginia, and Maryland, community assets, and real estate context. The proposed boundaries for this Innovation District are flexible and may shift as needs become clear, but it is currently envisioned from 17th Street NW to 24th Street/Washington Circle and from G to L Street. Its core, Pennsylvania Avenue, is undergoing a transformation of its own into a global, multimodal corridor, led by the BID with involvement by GW, embassies, artists, and other stakeholders. This major streetscape project, which is being funded and constructed by the DC government, aims to create a strong sense of place through public space activation and new green infrastructure, as well as to improve pedestrian and bike safety.

This is the moment of opportunity for establishing an Innovation District and building on existing momentum. For the past two years, key figures from the Golden Triangle BID and the George Washington University have been leading efforts to build consensus and develop a shared vision for the Innovation District. The pandemic has had a disproportionate impact on commercial and retail businesses concentrated in this area, highlighting the need for fresh approaches to economic development, real estate, and placemaking. As a result, the core goals for this Innovation District—to grow, keep, and attract tech startups in the area and sustain a more resilient and diversified local economy—are more important than ever.

About the Golden Triangle Business Improvement District

Formed in 1998, the Golden Triangle BID enhances Washington, DC's central business district, the 44-square-block neighborhood stretching from the White House to Dupont Circle. Home to almost 6,000 businesses, the BID provides a clean, safe, and vibrant environment for hundreds of thousands of workers, residents, and visitors through its place management programs. The BID also encourages economic development through capital projects, public art, sustainability initiatives, and events, often through bringing together public and private partners and leading long-term efforts like the Innovation District. The Golden Triangle is also the first BID in the world to be certified through the U.S. Green Building Council's LEED for Communities program, achieving LEED Platinum certification.

The BID, as the Innovation District place management organization, is expected to lead implementation of the Action Plan in conjunction with the city and GW.

About the Washington DC Economic Partnership

WDCEP is a non-profit, public-private organization that drives inclusive economic growth and job creations, supports business, and promotes Washington, DC as a leading global city. Its mission is to promote DC's economic opportunities, and its programs focus on business attraction and retention, business assistance, and research and data that informs business decision makers.

Scope of Work

In your proposal, outline your team's ideal approach to each task in this scope of work; also, list the cost for each task separately in your proposed budget. The BID anticipates that many of the objectives will be refined and, over the course of the project, the consultant might recommend other strategies for better achieving them. Some background research and previous stakeholder input will be provided; additional research or small (virtual) meetings with key stakeholders may be needed.

Task 1: Identify and prioritize specific needs for the Innovation District to address in the action plan, including solidifying 2–3 tech subsectors to develop.

Define what makes a successful innovation district, with reference to case studies of similar districts in other cities. Build off existing research (see attachment(s) included with this RFP) and stakeholder input to analyze the strengths and weaknesses of the Penn Ave market and GW programs, and compare the area to other cities and parts of the region. Based on these strengths and weaknesses, recommend a few tech/innovation subsectors with a stronger likelihood of success to focus on and suggest ways to further strengthen them. For each subsector, identify several catalyst companies to prioritize for attraction as Innovation District anchors and recommend attraction strategies and incentives (see Task 2). In addition to catalyst companies, analyze the needs of startups and mid-size companies, particularly those founded by entrepreneurs of color and women and identify venture capital gaps.

Task 2: Develop whether specific economic development incentives could support the development of the Innovation District and inclusive innovation within it and provide recommendations. (These should address needs identified in Task 1 and support companies of all sizes in the recommended subsectors.)

With reference to incentives offered by other cities and states to anchor companies and to startups and mid-size companies, lay out detailed incentives that the District of Columbia could realistically implement to build out the tech ecosystem in the Innovation District. Specifically, recommend incentives for catalyst companies identified in Task 1, separate from those for smaller companies. Provide cost-benefit analysis of different tax policy recommendations, such as tax abatements, TIFs, and set-asides for revolving loan funds; calculate estimated ROI over 10 years. Analyze the possibilities for structuring a self-sustained revolving loan fund to support continued growth and recommend ways to set it up. Develop strategies to bolster tech commercialization, venture capital formation, and strategic market development, with an emphasis on supporting entrepreneurs of color and women. Provide recommendations for real estate strategies to attract and retain tech tenants in the Innovation District. All of these recommendations should take into account any existing resources and incentives in the city and neighborhood and should be specific to the Innovation District.

Task 2a: Develop strategies to support workforce development and entrepreneurship mentoring, with an emphasis on inclusive innovation.

Provide recommendations for tech workforce development strategies, with reference to successful strategies employed in other cities and states. Build off existing programs and job training initiatives in the District of Columbia to increase tech entrepreneurship among people of color and women.

Task 2b: Measure the intended impact of the Innovation District on the neighborhood and the city.

Articulate key indicators that should be tracked as benchmarks for impact: number of companies added, as well as their industries, number of employees, and square footage leased; use of incentives and number of jobs created, number of DC residents employed; office vacancy rate. The Action Plan should identify data sources and recommended targets for these performance measures as well.

Task 3: Articulate a formal structure for establishing and managing the Innovation District

Develop a detailed structure for the management and administration of the Innovation District, within the Golden Triangle BID or another organization. This place management organization will be responsible for visioning, coordination across sectors, communications, placemaking and activation, marketing, and more. Include recommendations for ongoing reliable and sustainable funding, which acknowledges that the interests, impacts, and needs of the Innovation District may span beyond the Golden Triangle BID; consider a broad range of funding mechanisms, including TIFs. Refer to best practices from other innovation districts or similar place-based organizations in other cities.

In addition, outline recommendations to solidify or formalize partnerships between the BID, GW, city, and other stakeholders. Explore feasibility of promoting a more global orientation for the Innovation District in conjunction with the World Bank/IMF, State Department, and/or other agencies.

Task 4: Develop branding and marketing strategy for the Innovation District

Based on findings from Task 1, develop a unique brand for this Innovation District, including selecting a formal name. Create messaging strategies, logo, and initial marketing materials. Create website reflecting this brand (cost should be specified separately in budget).

Deliverables

- A final action plan in PDF format, provided with original design document; should include a timeline that outlines the short-term (next 6 months) action items, medium-term (1 year), and long-term
- Executive summary two-pager in Microsoft Word format
- Executive summary slides in PowerPoint format with overview of key findings
- Memo presenting economic development incentives accompanied by cost-benefit analysis
- Branding materials (including logo) in PDF format, provided with original design document

Timeline

April 12: RFP issued

April 20: Questions due by 5:00 pm to Lee Dwyer, Ldwyer@goldentriangledc.com

April 22: Pre-bid conference call (time TBD)

May 12, 2021: Proposals (including draft contract) due by 5:00 pm

May 17-28, 2021: Proposal review and interviews

June 1-June 11: Consultant selection and contract finalization

June 21, 2021: Project start date (approx. 12 weeks)

This action plan must be fully completed, and all deliverables sent to the BID by **September 15, 2021.**

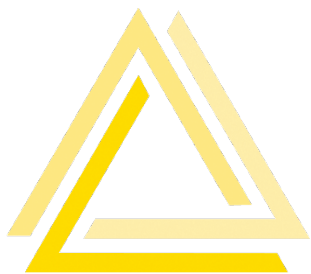
Submission Requirements

- Cover letter highlighting your team's relevant past experience and approach with place-based strategic planning, highlighting any work with Innovation Districts
- Scope of Work
- Total proposed cost
- Itemized budget, listing subtotals separately for each task from scope
- Draft standard contract
- Expected project schedule
- Your team & their bios, with any DBE/WBE/MBE status for consultant or subconsultant
- Team lead contact information
- 2-3 references and their contact information

This RFP particularly encourages the participation of interdisciplinary consulting teams led by people of color, women, and other socially and economically disadvantaged individuals, as well as consultants located in the Golden Triangle BID. Proposals and questions may be submitted by email to Lee Dwyer, Planning Manager, at Ldwyer@goldentriangledc.com.

GW-Golden Triangle Innovation District

Briefing Book



GOLDEN TRIANGLE®

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UNIVERSITY**

WASHINGTON, DC

Executive Summary

Innovation districts are **concentrated urban clusters** of entrepreneurs, startups, incubators, and related businesses in STEM-related industries, usually located near **anchor academic institutions** in walkable, transit-accessible neighborhoods offering room to grow. Two important examples are Kendall Square with MIT in Cambridge, Massachusetts, and University City with UPenn and Drexel in Philadelphia. The District of Columbia is **primed for an innovation district of its own**, particularly given the economic effects of COVID-19 and the need to diversify the city's economy. The area surrounding Pennsylvania Avenue NW west of the White House, including **George Washington University (GW) and the Golden Triangle Business Improvement District**, presents the best opportunity for creating an innovation district in DC, thanks to the concentration of companies and institutions, walkable urban location, community assets, and real estate context.

This is a moment of opportunity. Innovation has been growing slowly but surely in DC in recent years, with emerging specializations such as **medtech and civic/social innovation**. GW's leadership has publicly announced a focus on growing STEM within the university. A renewed, more inclusive focus on innovation could not only offset office vacancies caused by COVID, but also create more jobs for DC residents when they are much needed. Establishing an Innovation District now would also **build on the timely momentum** of existing initiatives at the level of the neighborhood, university, and city.

Location is highly important to the success of an Innovation District. In addition to GW, a highly regarded research university, the area also includes numerous cultural institutions, green spaces, retail and dining options, and other assets, including the **Golden Triangle Business Improvement District** itself as a placemaking and place-managing organization. These are all key components for attracting entrepreneurs and investors, along with its accessibility via transit, biking, and walking. The proposed Innovation District would also be within a short ride or drive of **other regional innovation clusters** such as Amazon HQ2, the Virginia Tech innovation campus, and the GMU Rosslyn-Ballston Innovation Corridor.

This briefing book provides the background information needed to develop an Innovation District, building on strong public-private partnerships, that could become a regional and national hub for investment, entrepreneurship, and an inclusive recovery.

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1. What is an Innovation District?

An innovation district is a **concentrated urban cluster** of startups, entrepreneurs, accelerators, and related businesses **usually in STEM industries** or related fields. They often develop from growth opportunities for a specific industry in that geographic cluster, such as biotech, and are almost always connected to anchor academic institutions. The Brookings Institution, in an influential 2014 research brief by Bruce Katz and Julie Wagner, [defined innovation districts as](#):

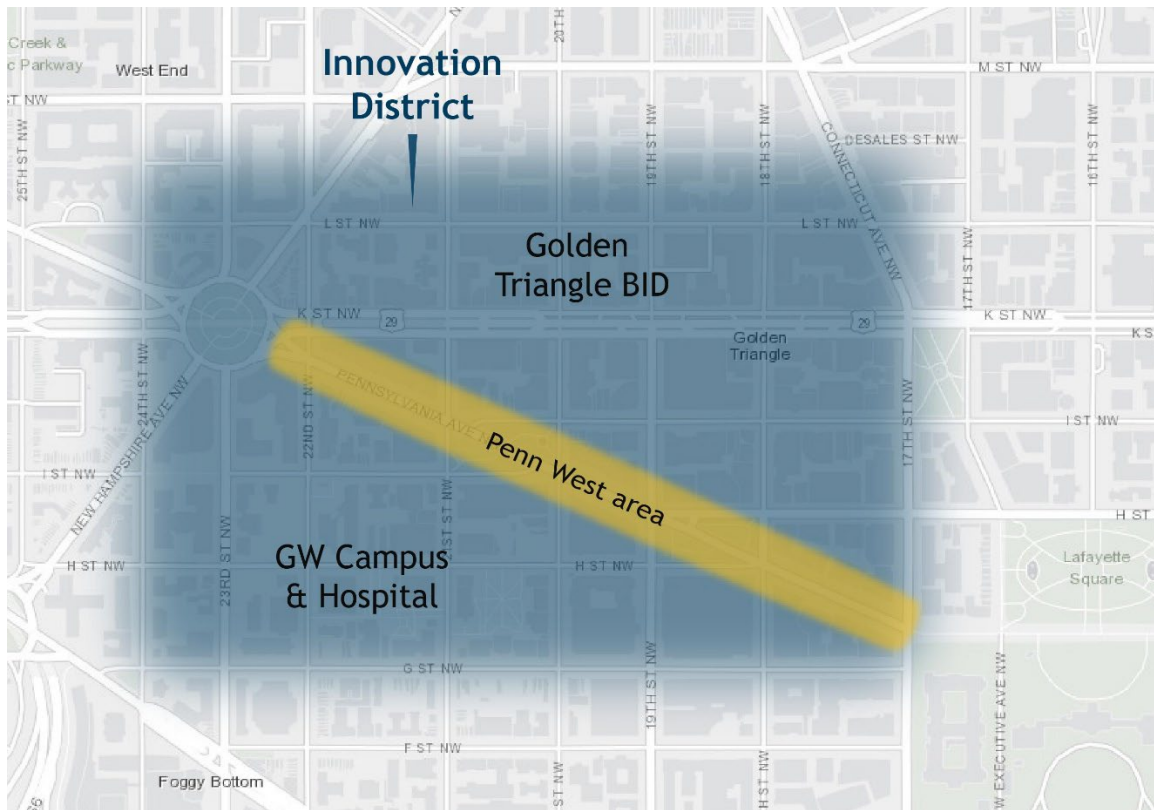
“geographic areas where leading-edge anchor institutions and companies cluster and connect with start-ups, business incubators, and accelerators. They are also physically compact, transit-accessible, and technically-wired and offer mixed-use housing, office, and retail.”

The best models for this kind of district are **located near an urban research university often with a hospital**, with strong transit access, and offer room for companies and incubators to grow. These universities serve as anchor institutions, usually in conjunction with nonprofit organizations, developers, and city agencies. Three significant examples of innovation districts and their anchor institutions are Kendall Square with MIT in Cambridge, Mass., University Science City with University of Pennsylvania and Drexel University, and Cortex in St. Louis with Washington University (see next page).

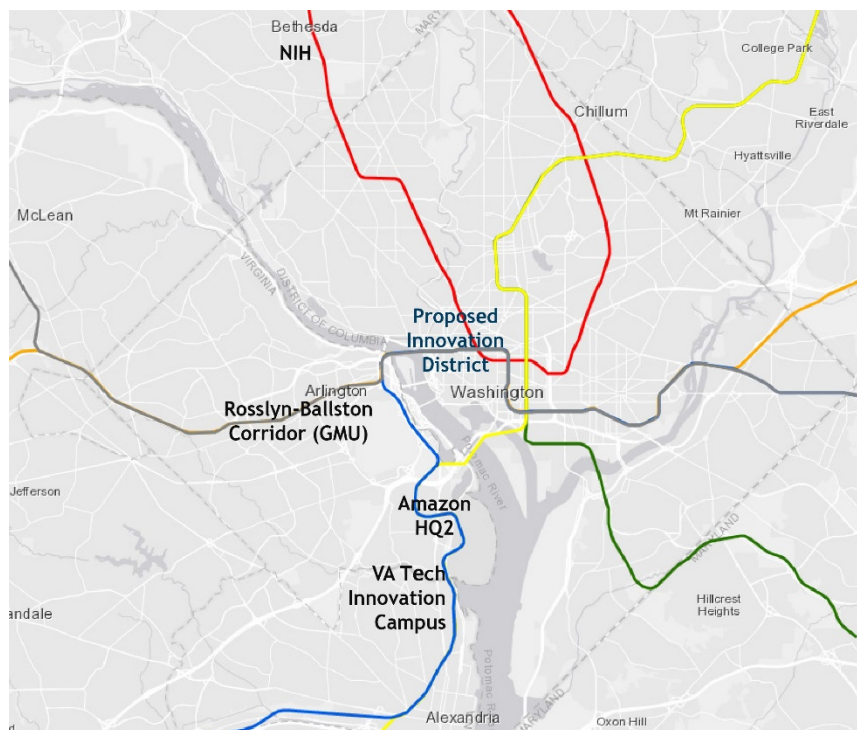
DC’S Innovation District

The District of Columbia is **primed for an innovation district** of its own. The city’s economy has been based on the federal government for over 200 years, with essentially flat growth for the past 10 years. The economic expansion into healthcare/biotech in suburban Maryland due to NIH, as well as northern Virginia’s growth in cyber security and cloud computing, have not yet been echoed within DC itself. Now the **need to diversify the economy and foster new technology-driven businesses** is even more important, given the disastrous economic effects of COVID-19 on the region. The area between George Washington University (GW) and the Golden Triangle Business Improvement District, west of the White House (see map on next page), presents *the* best opportunity for creating an innovation district in DC, due to the concentration of businesses, walkable urban location, and proximity to a major research university, as well as hotels, retail, restaurants, and residential areas. This briefing book will outline these key elements, among others, and provide the **larger economic, political, and spatial background** necessary to develop a strategic plan for the Innovation District.

Defining “innovation”: Though this term is often defined loosely, for our purposes we are using a definition similar to [that of the DC Office of the Deputy Mayor for Planning and Economic Development \(DMPED\)](#) for STEM occupations: primarily **computer and mathematical occupations (including software design and cyber security), engineering, physical and social sciences, and medical research**, but also adjacent fields such as **architecture, UX design, data analysis, social innovation, and healthcare**. This definition is continually evolving, especially as data and technology become more important in a wider range of fields.



This map shows the proposed location of the Innovation District, encompassing parts of the Golden Triangle neighborhood and George Washington University campus. It includes significant portions of the city's central business district, and its core would be Pennsylvania Avenue NW stretching west of the White House.



The Innovation District would be an integral part of the greater regional innovation ecosystem, well-placed to take advantage of nearby growth clusters. George Mason University, for example, is developing the Rosslyn-Ballston Innovation Corridor along the Metro's Orange Line in northern Virginia, while Amazon is building its 2nd headquarters in Arlington. The Foggy Bottom-GWU Metro station is just one stop east of Rosslyn on the Orange and Silver Lines and a few more from Crystal City/Amazon HQ2 on the Blue Line, enabling easy access and integration between these innovation hot spots.

Examples from Other Cities

Kendall Square (Cambridge, Massachusetts)

Now called “the most innovative square mile on the planet”, this neighborhood adjacent to the Massachusetts Institute of Technology was transformed by tech and pharmaceutical companies in the 1990s and early 2000s. Though anchored by MIT, this innovation district developed rather organically and without an initial, comprehensive plan. It is highly urban, with strong transit access, and benefits from proximity to other research institutions and clusters of innovation in the greater Boston area.



Twenty-five years ago, MIT was surrounded by obsolete and empty industrial buildings. Now well-established as an innovation district, Kendall Square is home to thousands of start-ups and major international tech and pharmaceutical companies.

University City (Philadelphia, Pennsylvania)

This 1.5-square mile innovation district, developed by the University of Pennsylvania, Drexel University, the Children’s Hospital of Philadelphia (CHOP), and other institutions, has attracted major companies like Comcast, Independence Blue Cross, and Aramark and countless tech start-ups. Its specialty is in medical and biotech innovation, and it’s located in walkable, urban, transit-served West Philadelphia (home to the Amtrak station and commuter rail hub for the region).

Cortex (St. Louis, Missouri)

Since 2002, a non-profit founded by Washington University in St. Louis, Saint Louis University, University of Missouri-St. Louis, BJC HealthCare and the Missouri Botanical Garden has transformed 200 acres into an innovation hub. It is now home to more than 425 startups and other companies, generating jobs and attracting investment to St. Louis.

(See Appendix for a table summarizing these districts along with several others.)

2. Why Now?

TAKING ADVANTAGE OF MARKET CHANGES & CHALLENGES

Even prior to the COVID-19 pandemic, major shifts in the regional office market were already underway, due to transformations in demand and an increase in recently delivered commercial space. The Golden Triangle had seen office vacancies increase from 11% to 14.5% since 2015, as the area competed with new deliveries in NoMa, the Wharf, and other parts of the region. A trend towards smaller office footprints and coworking-style open offices, as well as changes in government and legal leasing patterns, also led to decreases in the total amount of square footage in demand. Commercial real estate owners in the Golden Triangle were rethinking how to renovate, market, and lease their spaces, including as spec suites and co-working spaces targeted towards startups.

And then everything changed. As the threat of COVID-19 rose in spring 2020, 95% or more of office tenants in the Golden Triangle, accounting for more than 80,000 employees, shifted to telework. Many office tenants do not plan to return to full in-person work patterns until January 2021 or later. In addition, some may not renew leases or may seek cheaper spaces when their leases expire, since economic impacts from the pandemic (from retail shutdowns to travel restrictions to spending freezes) have forced many businesses and organizations across many industries to cut budgets. Others may reduce their office footprint, shifting more workers to part-time telework and using hoteling or hot-desking to manage space.

These changes will have long-lasting effects. Already, the office vacancy rate for class A buildings in the Golden Triangle has increased from 12% at the end of 2019 to 18% as of October 1st. Yet these office market shifts also offer opportunities for strategic choices (some by property owners) that could spur innovation and promote economic recovery and resilience in the neighborhood, with benefits for the District of Columbia as a whole.

COVID-19 has also had a significant impact on activity at George Washington University, which shifted to online classes in March. The 2020 fall term continues online, as will the spring 2021 term. The university implemented a 10% tuition discount which, along with other reductions in revenues (such as dorm housing fees), has forced a dramatic 20% budget cut. At the same time, GW has been a leader in the response to COVID-19 in patient care, research, public health, clinical studies, and other critical areas. As of October 2020, there are 189 COVID-related projects underway across multiple schools and departments, as well as at GW Hospital. Among others, these include design faculty and students [3-D printing PPE](#) in collaboration with the School of Engineering and the hospital; the School of Public Health [hosting a startup to conduct COVID-19 testing](#); and clinical trials evaluating new therapeutics and potential vaccines for coronavirus (updates available [here](#) and [here](#)).

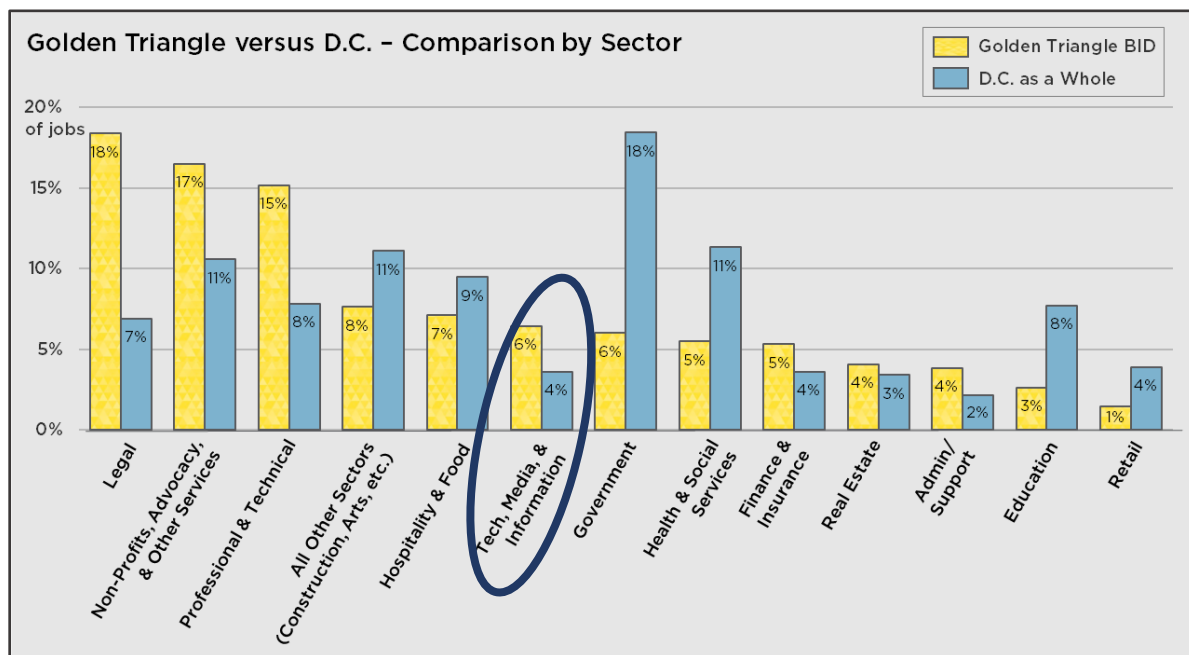
At the city level, CFO Jeffrey DeWitt forecast a [\\$782 million budget shortfall](#) to contend with over the next four years due to COVID-19 impacts. Sales tax estimates are expected to decline by \$296M in 2021, a result of the slower reopening of businesses, continued travel bans, and cancelled conventions and events. [Decreases in commercial property tax revenue](#) are projected as well, though on a slightly slower timeline, as reduced rent collections and increased vacancies may lead to lower property assessments.

So far, the city has largely covered this shortfall with reserves and freezes on pay and hiring. Now more than ever, the city needs more economic activity, especially in industries that aren't reliant on tourists visiting or restaurants being open.

GROWTH IN INNOVATION INDUSTRIES

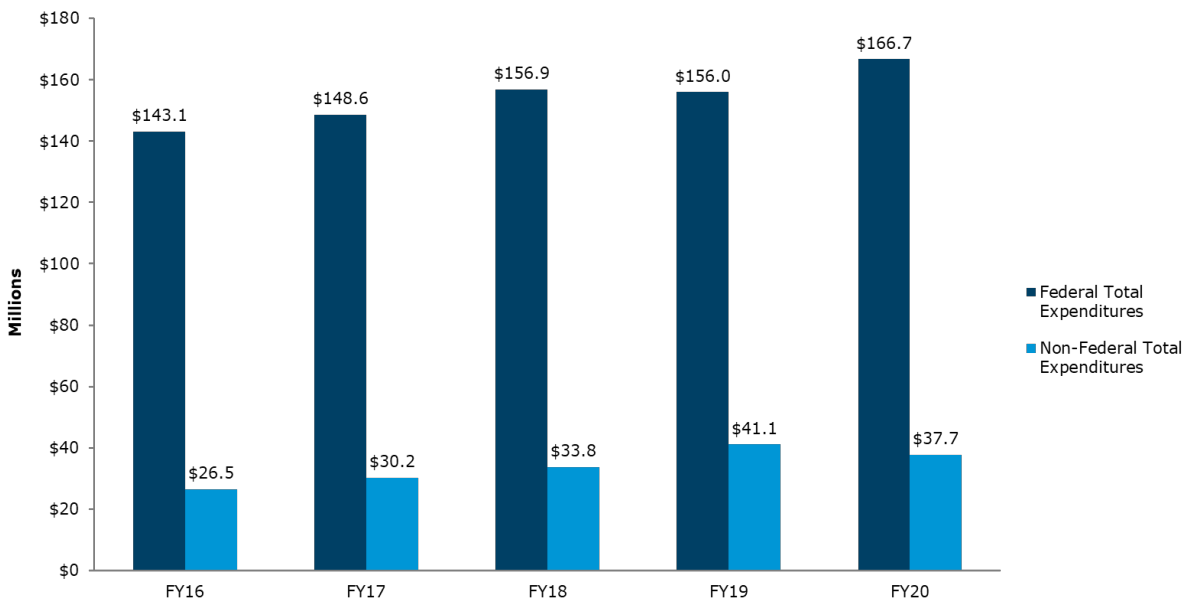
While Washington DC has long been considered a “government town”, the economy has diversified in recent years beyond federal employment and contracting. Though it is not as high-profile as Silicon Valley, the city's innovation community has been growing steadily over the last ten years. This growth has indeed been boosted by the presence of the federal government, but also by investment from the city and private sources, incubators like 1776 and GW's I+E Lab (see page 14), and by native Washingtonians themselves seeking to start their own tech-based businesses. Certain fields are particularly well-represented in DC compared to other cities, such as medtech, cyber security, and civic/social innovation, and reflect emerging regional specializations. In addition, major companies like Facebook and Google have opened offices in DC, valuing proximity to policymakers.

Within the Golden Triangle, tech-related industries employed about 5,400 employees or roughly 6% of the total jobs in 2019, compared to 4% citywide. (See chart below.) This may seem small, but it does not account for many jobs primarily classified in other industries—e.g. digital marketing or financial app content development—that require tech skills. Some of the fastest-growing businesses that have made the Golden Triangle their home in recent years, are large national firms in innovation-related fields; others, such as Quorum and TransitScreen, are local-grown startups. Many of the latter started out in co-working spaces or incubators like 1776 before expanding to their own offices as they have hired more staff.

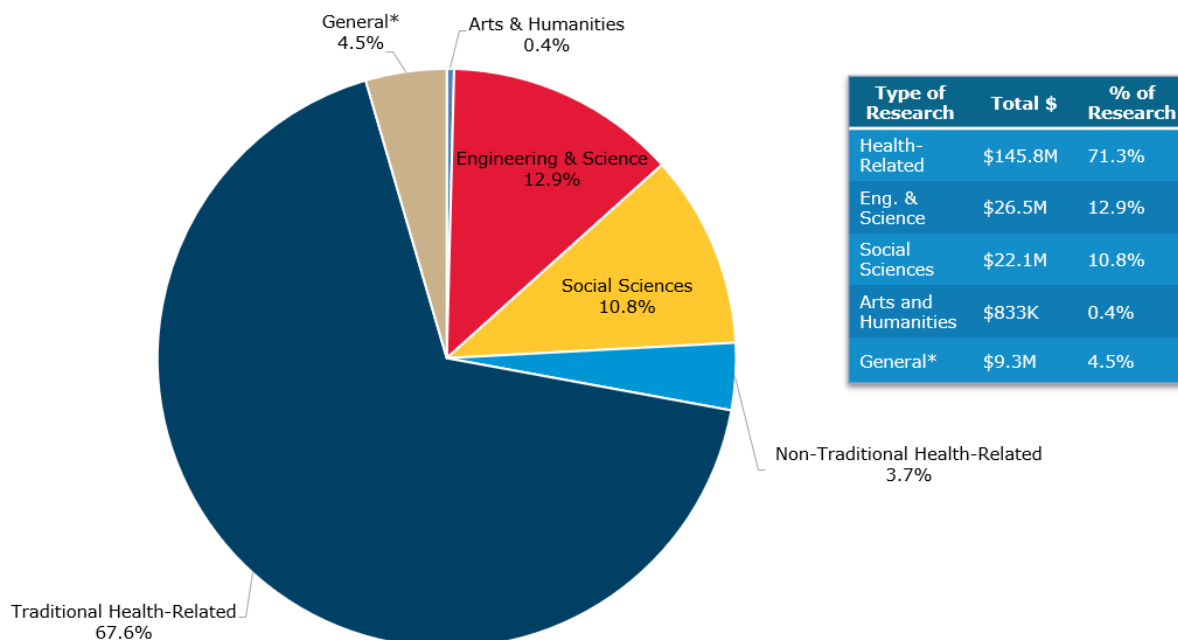


This uses a very narrow definition for “tech” and “information” jobs. More broadly, the knowledge economy includes many jobs classified as legal or technical services, advocacy, or education, including architecture, patent law, engineering, marketing/PR, and scientific research. No matter what definition is used, there is potential for growth in the innovation industry here. Source: 2019 Esri Business Analyst.

A significant number of DC startups also have their roots in George Washington University and GW Hospital. At GW, total research grant expenditures increased by almost \$35M in the past five years (see chart below), spurring more of the kinds of projects that turn into spin-off companies. While COVID-19's economic impact will have a chilling effect on some kinds of investment and grant funding, other industries that have gained more importance during the pandemic—such as medtech, communications and cyber tech, and civic/social innovation—may continue to grow even more. This is a critical time for investment in these fields.



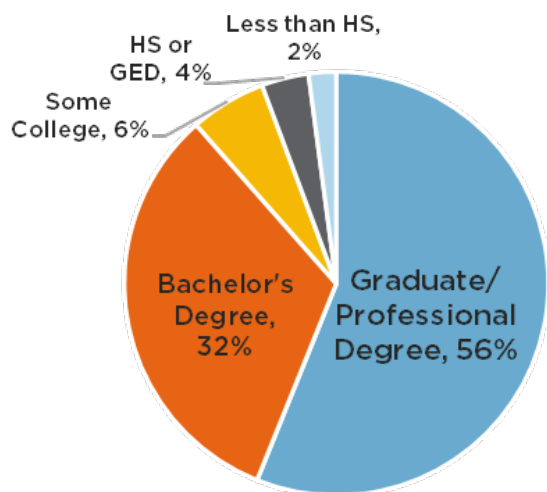
Expenditures by Research Type (FY20)



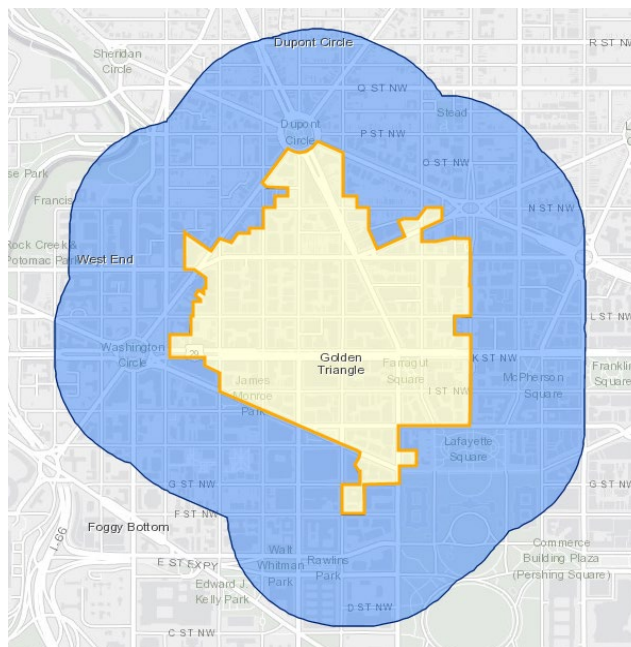
*General includes CARES ACT funding.

WORKFORCE OPPORTUNITIES

This is also an important time for creating new jobs and career pathways—and for ensuring that those jobs are both well-paid and that career pathways are open to all DC residents. Metro DC currently has the most educated workforce in the country, measured as the percent of the workforce between 25-64 years old with college degrees: 53% for the region, compared to 37% for the thirty largest US metros and 33% for the country as a whole. This is important because there is a causal connection between education and the GDP per capita of urban areas, and because education is important in the knowledge economy. The DC area has an average GDP per capita of \$75,536 per year, compared to \$63,728 for the largest 30 metros, an 18% premium.



Combined, 89% of all residents aged 25+ within a quarter mile of the Golden Triangle (in blue, at right) have a bachelor's degree or higher.



However, the annual GDP per capita of the San Francisco Bay area, the heart of the knowledge economy, is a stunning \$103,116, 17% greater than metro DC, according to GW's [Foot Traffic Ahead 2019](#) research. In other words, while metro DC has the most educated workforce *in the nation*, our economic base continues to be dominated by more moderately-paying federal agencies and contractors. There is room for growth, building on the advantage of this highly educated population and further diversifying the economy. (It is important to note that in its RFP for its second headquarters, Amazon specified [“a highly educated labor pool”](#) as a decision driver.)

There is also room for growth in access and inclusion, particularly within the District of Columbia itself. Importantly, the percentage of Black and Latino adults with college degrees living in DC is significantly lower than White residents, and they are less likely to have a STEM-related diploma. According to the city's 2016 [Pathways to Inclusion Report](#), “forty-one percent of Black degree holders have an undergraduate degree in a STEM field, compared with 49% of White neighbors”. This report assessed the level of inclusion in DC's tech economy and laid out a roadmap for increasing diversity, access, and investment. This, along with recently renewed commitments to bridge the digital divide in DC and a [Brookings report](#) on racial equity and tech in COVID-19 recovery, provides solid blueprints that the Innovation District can build upon to ensure new opportunities are accessible to all.

BUILDING ON LARGER MOMENTUM

Transforming Penn West

This also builds on the momentum of efforts by the Golden Triangle Business Improvement District to reimagine Pennsylvania Avenue west of the White House. While this avenue east of the White House embodies the national role of the District of Columbia, Penn West has the potential to become the city's hub of global activity and international cultural celebration, and the model for urban sustainability and innovation. To develop this vision, the BID previously brought together a collaborative group including federal, local, and private sector officials representing 17 organizations. The District Department of Transportation began developing the construction plans in late 2018 for the total redesign of Pennsylvania Avenue NW from 17th Street to Washington Circle, set to start at the end of 2021. In the meantime, the BID is also actively involved in placemaking along this corridor, working to create a unique visual identity and enliven its open spaces through public art installations, green infrastructure, and outdoor programming.



While Pennsylvania Avenue east of the White House embodies the national role of Washington DC, the corridor west of 17th Street has the potential to be a model of urban sustainability and innovation.

City-Led Efforts

In addition to the Penn West project, several long-term efforts by DC government have set the stage for change in and around the Innovation District. The K Street Transitway, which will pass through this area, will transform one of the city's busiest east-west corridors with improvements to benefit pedestrians, cyclists, bus riders, and drivers. This will make the Innovation District not only more walkable, but also more easily accessible to DC residents living east of downtown. A number of smaller projects are also underway to add protected bike lanes to G Street NW, Virginia Avenue, and 20th Street, facilitating cross-city bike movement and increasing bike commuter safety.

Beyond infrastructure improvements, the multi-year amendment of the city's Comprehensive Plan offers a critical opportunity to ensure that the guiding vision for the District will foster innovation. And recently, Mayor Bowser also launched the new Tech Together initiative, a collaboration between public, private, and nonprofit partners to [bridge the digital inclusion gap](#) in the city. The Golden Triangle BID has pledged its support for this initiative, led by the Office of the Chief Technology Officer, and there are significant opportunities for local companies and organizations to take part, including in the future Innovation District.

New Visions for the GW Campus

Last year GW President Thomas LeBlanc proposed strategic moves to reduce the undergraduate enrollment of the university while [focusing on STEM subjects](#) and continuing its growth as a major research university. This would have major implications for the university and would create mutual benefits between the proposed Innovation District and the university's new strategy. Currently there are 11,000 undergraduates and over 15,000 graduate students at GW. The schools with scientific and technical research and professional programs may have the deepest connections to an Innovation District, including the schools of medicine, public health, engineering, law, business, and arts & sciences, which are highly ranked and would largely benefit from the president's proposed changes. An increase in institutional support for STEM would also benefit innovation-focused programs like the GW I+E Lab (see next page).

Before the pandemic, GW had been in the process of developing its five-year strategic plan, including a major focus on promoting high impact research; this was put on hold by President LeBlanc in April 2020. Regardless of when work on the strategic plan restarts, however, GW will also need to file a 20-year comprehensive plan for the growth of the campus with the DC Office of Planning, which is currently scheduled for 2025. The last time the university submitted this comprehensive plan in 2005, it was highly contentious, with the surrounding community sensitive to the impact of growth and seeking greater benefits as a counterbalance. However, the COVID-19 recession and a new need for a diversified economy may change the landscape for the 2025 plan, and a focus on driving more knowledge-based employment growth would likely be perceived as far more beneficial for the university, community, and city as a whole.

Model for Collaboration

The GW I+E Lab at 2000 Pennsylvania Ave NW (see picture below) is an example of the type of mutually beneficial collaborations that can result from a focus on innovation and a creative approach to commercial space. It is located within the MakeOffices co-working space on the 7th floor of the building, which is owned by GW but under a long-term ground lease to MRP Realty and Westbrook Partners. It is a state-of-the-art facility with 40,000 square feet of private offices, meeting rooms, kitchen, event space, and podcasting studio. MakeOffices provides several free offices and community spaces for GW Office of Innovation & Entrepreneurship (OIE) staff and student startups and organizations. In return, non-GW tenants can access OIE programming/events and interact with innovative students, faculty, and staff. MakeOffices additionally benefits from the exposure to the greater GW community in the recruitment of new tenants, including startups spun off from university ventures or projects.

This collaboration can serve as a model for similar partnerships between GW, the real estate community, and local entrepreneurs. It is even more important now, with office vacancy rates rising due to COVID-19's impact; property owners in this dense urban core will increasingly find themselves with large amounts of empty office space and fewer tenants willing or financially able to sign a new lease or expand. Co-working spaces on their own may struggle in the wake of the pandemic, as shared offices may seem risky, but if they are able to offer additional advantages such as connections to GW contacts, resources, and programming, as well as potential tenants, they may be a boon to property owners.



3. Why Here?

HISTORY AND LAND OWNERSHIP

The Golden Triangle neighborhood, which includes the northern part of the proposed Innovation District, was part of Pierre Charles L'Enfant's original plan and reflects its orderly layout. Through much of the 1800s it was an upscale residential neighborhood, with residents like Theodore Roosevelt and local brewing magnate Christian Heurich. The area became an important center of commerce and employment during the 1940s and 1950s, which was solidified in the 1970s with the construction of the first segments of the Red, Blue, and Orange Lines.

The Golden Triangle remains the heart of DC's central business district, with over 34 million square feet of office space within a third of a square mile between Dupont Circle and the White House (see Appendix for a full map of the BID). Unlike Federal Triangle, nearly all of the land in the Golden Triangle is privately-owned, apart from its seven parks. It lies adjacent to Foggy Bottom and the GW campus, with Pennsylvania Avenue as the main border between these areas.

George Washington University, initially named Columbian College, was founded in 1821 by an act of Congress. It was first located on what became Meridian Hill in the neighborhood that took its name, Columbia Heights. In 1912 it relocated to Foggy Bottom, then an industrial concentration along the river surrounded by predominately moderate- and low-income housing. Since this part of the city was less expensive then, GW was able to acquire extensive real estate holdings.

Today about 70% of the GW endowment is in real estate assets, much of it being commercial buildings surrounding the campus. Some of these assets take the form of land leases (e.g. the land under the World Bank headquarters is owned by GW), outright ownership of office buildings (2000 Pennsylvania Avenue NW is long-term leased to MRP) or joint ventures (Boston Properties has two long-term leases of land at 2100 and 2200 Pennsylvania Avenue, which results in annual lease payments with reversion of the land and improvements to GW in 40 years). In addition, the campus is a sizable inventory of "owner-user" real estate. Put together, the endowment and campus make George Washington University the largest private sector owner of real estate in the city.

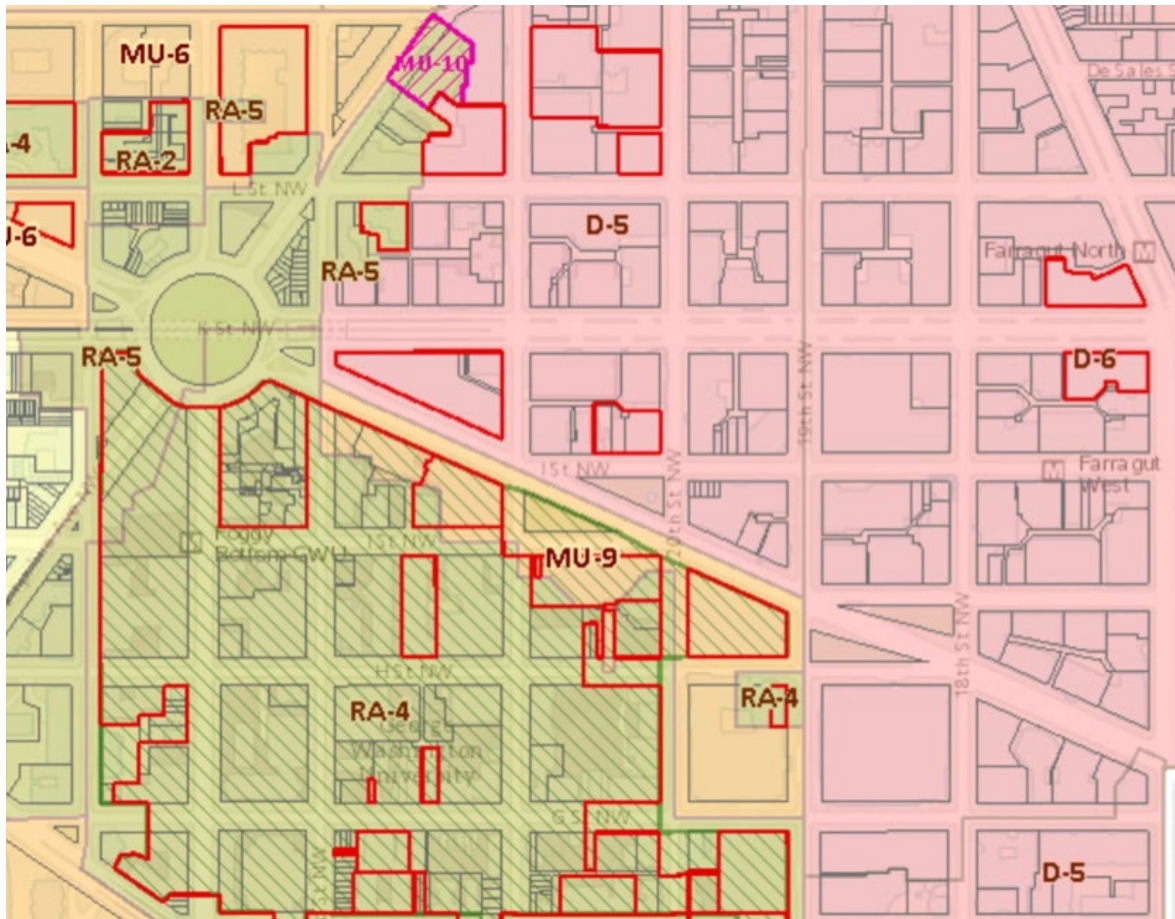
LAND USE AND ZONING

Reflecting the area's evolving history, its current land uses vary, ranging from university dorms and hospital buildings to tall commercial office buildings and low-rise retail storefronts. Nearby land uses also include housing and governmental buildings. Apart from the few National Park Service-owned urban parks and University Yard, virtually all of the land parcels in the Innovation District contain built structures. Most of the area falls under one of four zoning designations (see next page for map):

- **RA-4** (Residential Apartment zone) – predominantly medium- to high-density residential, with some institutional and commercial uses compatible with residential permitted
- **D-5** and **D-6** (Downtown zones) – high-density mix of office, retail, service, entertainment, lodging, institutional, and other uses

- **MU-9** (Mixed-Use zone) – high-density mixed-use development including office, retail, and housing, with a focus on employment

For the Downtown and Mixed-Use zones, most uses associated with tech industries, such as offices, startup incubators, and certain non-experimental laboratories, would be permitted by right. Experimental research labs, testing facilities, or certain medical uses may require a special exception from the Board of Zoning Adjustment.

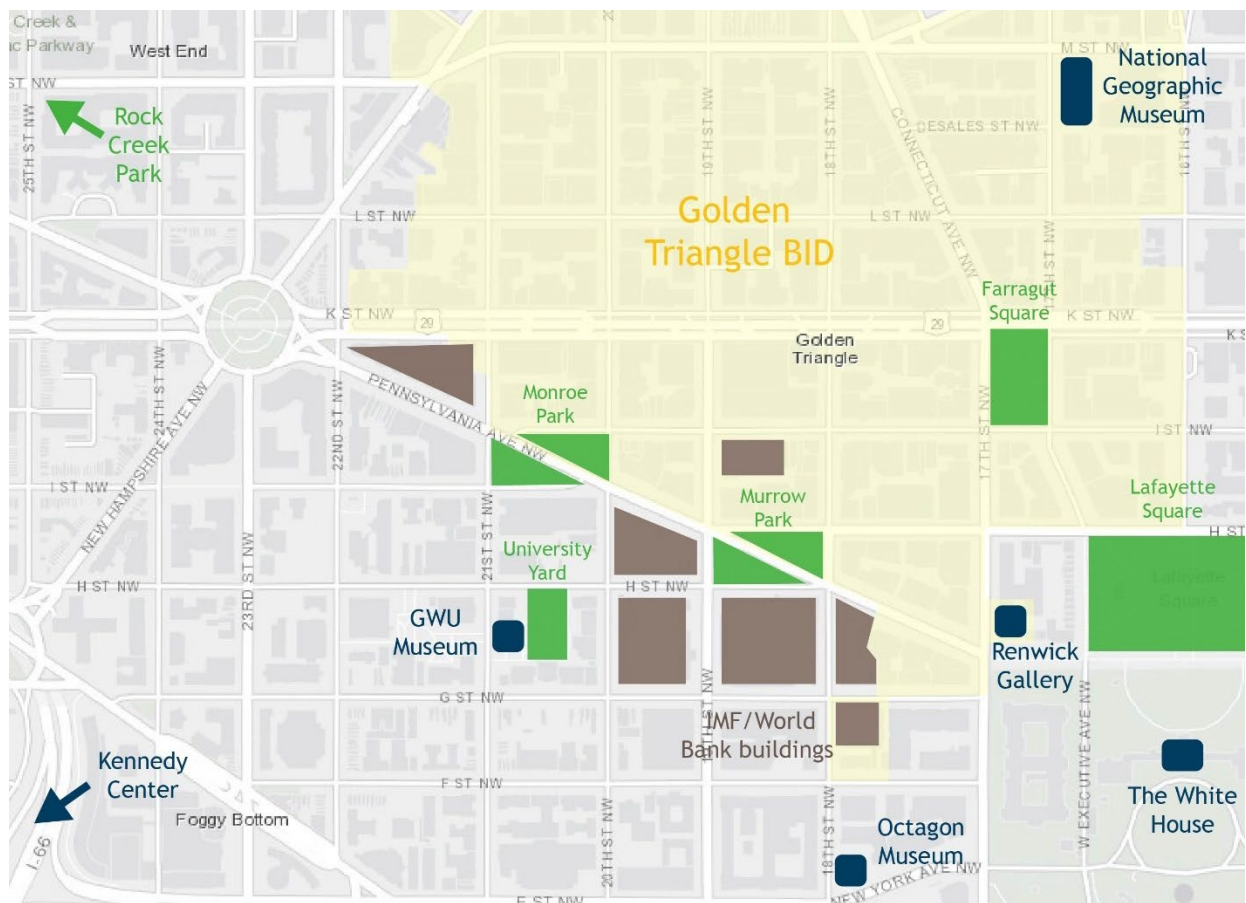


ASSET MAPPING

The Innovation District encompasses numerous cultural institutions, green spaces, retail and dining options, and other assets, with even more a short walk beyond. These are all key components for attracting entrepreneurs and investors; Brookings reports on successful innovation districts have highlighted the need for “mixed uses and activities”. Within or adjacent to the proposed Innovation District, you can find:

- Cultural institutions like the Renwick Gallery, the GW Museum, the Octagon Museum, and a little farther away, the Kennedy Center and National Geographic Museum (see map below)
- Farragut Square, Edward Murrow Park, James Monroe Park, and University Yard, with Rock Creek Park a little farther west
- Hundreds of restaurants, stores, and service businesses, plus daycares, coffeeshops, hotels, and two grocery stores

(Though COVID-19 obviously caused many of these places to temporarily close or reduce their operations, most have started to carefully reopen. Even if many downtown workers continue to telework to some extent, in the long run these assets will keep their value and attraction as they have over the years. The fundamental social, physical, and psychological needs of people, after all, have not changed.)



The Innovation District's location also offers crucial access to other businesses and incubators, including fellow tech companies large and small within and near Golden Triangle. In addition to the MakeOffices home of GW's Innovation + Entrepreneurship Lab, the area boasts more than a dozen co-working spaces that often serve as startup incubators, including The Alley by Verizon at 2055 L Street. Financial institutions ranging in size from the World Bank and IMF (see map on previous page) to major VC funders like Revolution Ventures, down to local bank branches, are all located nearby. Well-established companies and institutions have offices in DC to benefit from proximity to federal policymakers and agencies. And complementary non-tech businesses—advocacy organizations, patent law offices, and design firms—proliferate in the Golden Triangle portion of the Innovation District. These all provide critical elements for a robust innovation ecosystem.

Last but perhaps most importantly, the Golden Triangle BID itself is an important asset in the Innovation District. In addition to keeping public spaces clean and safe, the BID activates them with free programming, placemaking, and art. Each year (2020 notwithstanding), the BID hosts free outdoor events such as the popular TriFit exercise classes, outdoor movies and Friday lunchtime activities in Farragut Park, and free concerts in spaces like Murrow Park. To include the greater DC community in these events, the BID partners with local organizations, federal agencies, and global institutions, including Wolf Trap, National Geographic, the World Bank, and the US State Department.

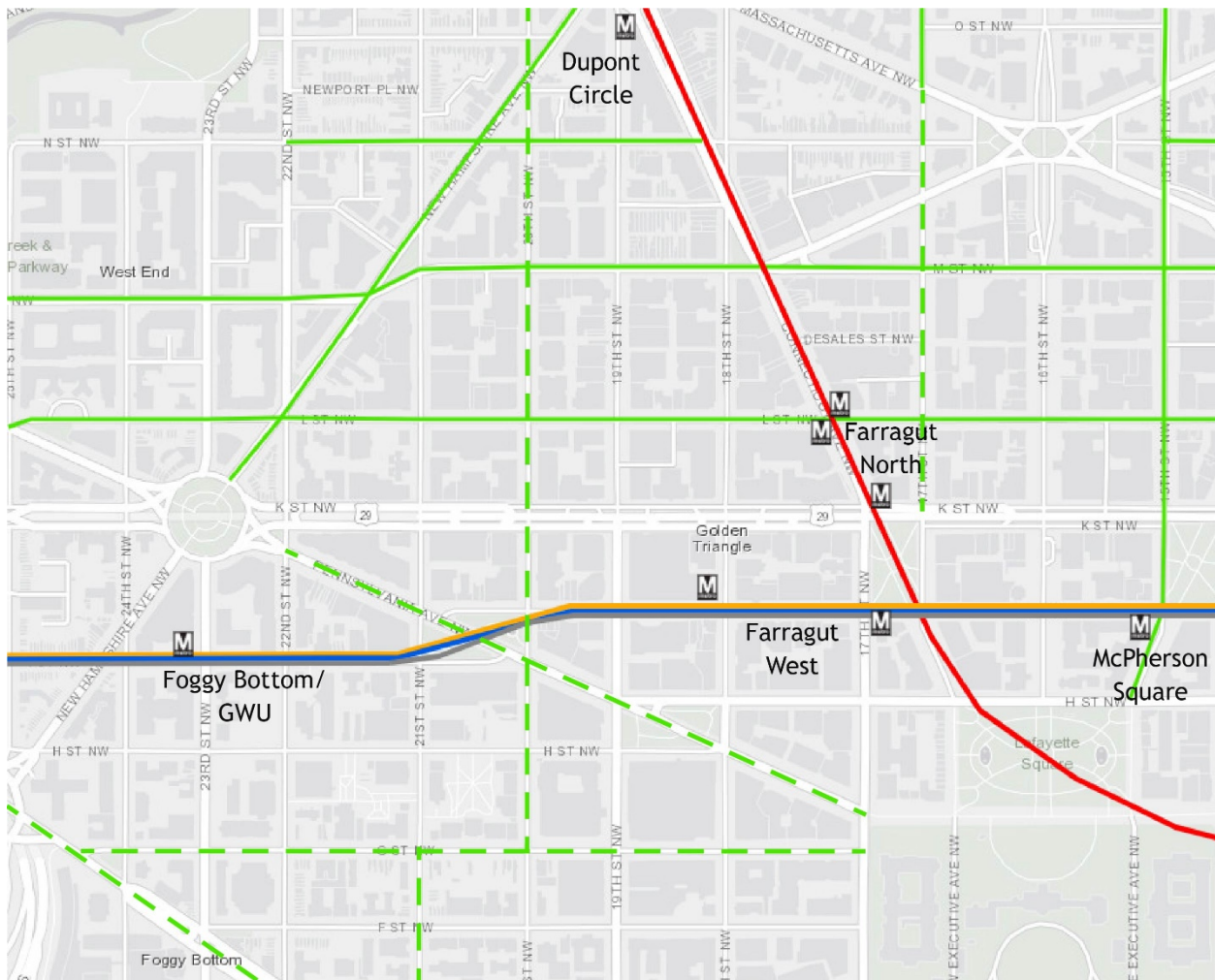
The BID has also partnered with foreign embassies, nationally renowned artists, and the Smithsonian to bring temporary and permanent award-winning public art installations to the neighborhood. Working closely with the commercial real estate community, the Golden Triangle BID has led public-private partnerships on capital projects in the area, including beautification of Murrow and Monroe Parks, streetscape improvement projects, and sidewalk rain gardens. All in all, the high concentration and frequency of activations spearheaded by the BID make the Innovation District more attractive to employers and employees alike.

AN URBAN HUB

A key similarity among successful innovation districts like Kendall Square and University City is their dense, walkable, urban location. Research has shown that younger generations, particularly the well-educated Millennials now forming the bulk of the tech workforce, are particularly interested in living in cities, close to dining, entertainment, and other attractions. Accessibility to work via public transit, bike, and walking is also valued by many younger employees (and the pandemic has only increased rates of walking and biking). The proposed Innovation District is well-positioned to meet these desires.

The area is a short walk from residential neighborhoods like the West End and Dupont Circle, and nearby bike lanes—plus more currently under construction or in design—connect to the city's growing cyclist network. The area is also accessible to four Metro lines via Foggy Bottom-GWU, Farragut West, and Farragut North stations (see map below), in addition to numerous local and regional bus lines. In particular, the former two stations offer access to the Silver, Blue, and Orange lines, which connect the area to tech-trained employees living in Fairfax County and Arlington and to future innovation clusters at Amazon HQ2, the Virginia Tech innovation campus, and the Rosslyn-Ballston GMU innovation

corridor. And it is a short Metro ride to Reagan National Airport or to Union Station, enabling easy access for out-of-town investors.



Six Metro station entrances are within or adjacent to the proposed Innovation District, serving four train lines. In addition, protected bike lanes (in solid green above) on L, M, and N Streets NW as well as New Hampshire Avenue and 15th St connect to residential neighborhoods north and east of the area. Two more bike lanes are currently under construction on 20th/21st St and G St (in dashed green); DDOT plans future additions to this bike network on 17th St, Virginia Ave, and ultimately Pennsylvania Ave.

4. Conclusion

There are few places in the country that currently surpass the District of Columbia—and specifically, this neighborhood—as a potential Innovation District, thanks to the:

- highly educated workforce
- presence of major research university
- outstanding walkable (and bikeable) urbanism
- proximity to the federal government, Amazon HQ2, and institutions like the World Bank/IMF
- presence of supportive property owners and a business improvement district
- need for a more diversified economy

The challenges that lie ahead in establishing an Innovation District also contain the seeds of opportunities:

- Competing innovation clusters have sprung up in Virginia with significant resources from the Commonwealth (Virginia Tech in National Landing and George Mason University in the Rosslyn-Ballston Corridor); however, partnerships across locations could leverage these resources to generate fruitful collaboration and establish the region's tech scene on a national scale.
- While Virginia Tech and George Mason University pursue their own ambitious innovation developments, this Innovation District presents an opportunity for GW to participate in the momentum toward becoming a regional innovation hub. The emergence of an innovation district will tell the story of GW's existing robust research programs and its forward-looking emphasis on STEM. It will also connect academic programming to business sectors that have a competitive advantage in the area, including public policy and international finance.
- The Golden Triangle has had some of the highest office rents in the region, in contrast to most Innovation Districts, which are located in obsolete and under-valued industrial locations; yet office vacancies have been on the rise and are now at all-time highs due to COVID-19.
- It will further focus Washington DC's efforts on diversifying the economy beyond federal government and the legal sector.

If there is a place and a time for an Innovation District in the city, it is here and now. There is tremendous opportunity to combine the university's academic strengths with market opportunities and leverage the unique qualities of the location close to the White House and to numerous international institutions like the World Bank, the IMF, and the US Department of State. Through ambitious, strategic implementation and strong public-private partnerships, DC's own Innovation District could become a regional and national hub for investment, entrepreneurship, and an inclusive recovery.

Appendix

Innovation District Case Studies

Location	Size*	Key Industries	Partners	Major Non-University Tenants	Impetus for Creation
Kendall Square, Cambridge	640 acres (1 sq. mi)	Pharma & biotech, cloud computing & software, aero & military, VC	MIT , Cambridge Innovation Center, City of Cambridge	Biogen, Novartis, Sanofi Genzyme, Broad Institute (pharma & biotech); Google, Akamai, Pivotal, Facebook (cloud computing/software) USDOT; Draper Lab, Boeing (aero & military); Cambridge Innovation Center (incubator)	MIT redeveloped former industrial land originally earmarked for NASA; Cambridge allowed biotech labs in late 70s
University City, Philadelphia	1,500 acres	Medical & biotech	UPenn, Drexel University , University City District, University City Science Center, Brandywine Realty	Children's Hospital of Philadelphia, Wistar Institute, Spark Therapeutics (medical & biotech), Comcast; 1776/Benjamin's Desk, Cambridge Innovation Center (incubators)	University City District org founded in 1997; Drexel strategic plan; 2017 Brookings report & Schuylkill Yards project
Cortex Innovation District, St. Louis	200 acres	Biotech, finance tech	Cortex Innovation Community , Washington University, St. Louis Univ., UMissouri – St. Louis	BJC Healthcare, BioSTL, BioGenerator (biotech); AON, Square (finance tech); Missouri Botanical Garden; CET, COLLAB, Cambridge Innovation Center (incubators)	Former WashU Chancellor started what became 501(c)3 org.; eminent domain & tax rights
Boston Innovation District	1,000 acres	Pharma & biotech, green tech	City of Boston , MassChallenge, Fallon Co. (development company)	Vertex Pharmaceuticals, Bayer (biotech); General Electric; Next Step Living, Fraunhofer Center for Sustainable Energy, Zipcar (green tech); MassChallenge (incubator)	Mayor Menino founded district in 2010 to develop former industrial space, compete w/ Kendall Sq
Chattanooga's Innovation District	140 acres	Telecom, freight/ logistics tech	Enterprise Center , City of Chattanooga, EPB (city-owned utility)	Coyote Logistics (now UPS), FreightWaves, Bellhops (logistics tech); Lamp Post Group (VC); Oak Ridge Lab; CO.LAB, Edney Innovation Center (incubators)	High-speed fiber internet; Mayor formed task force in 2013; RFP for inno district strategic plan issued 2019
Charity Hospital Innovation District, New Orleans	116 acres	Medical & biotech, cloud computing	Greater New Orleans Foundation , LSU's Real Estate and Facilities Foundation (REFF)	Tulane Hospital; DXC Technology (cloud computing); AECOM (engineering); City Hall; New Orleans BioInnovation Center (incubator)	Charity Hospital closed; LSU Foundation (REFF) hired ULI to study alternatives for site; GNOF developed strategic plan for district

Appendix

Golden Triangle BID Boundaries, 2020

