

# SILVER SPRING BID

*A new vision  
for a vibrant,  
inclusive and  
resilient  
downtown  
Silver Spring*



# Table of Contents

- I. State of Downtown Silver Spring
  - A. Office
  - B. Retail
- II. The BID Model
  - A. Examples of BID Success Stories
  - B. Economic Development
  - C. Placemaking
- III. About the Silver Spring BID Business Plan
- IV. Shifting from Urban District to BID Model

# A Vision for Downtown Silver Spring

Downtown Silver Spring will be Greater Washington's most dynamic, diverse and livable urban center, competitively positioned to attract new investment in and recognition for its vibrant shopping, dining, entertainment, and living opportunities.



# I. State of Downtown Silver Spring


Stiff Economic Headwinds / Unique Assets / New Opportunities

**SILVER  
SPRING**  
BID



## **A. Downtown Silver Spring's Office Market**

Negative job growth / No development on the horizon  
/ High vacancy rates / Diminishing lunch crowd



## OFFICE MARKET

# Anemic office market jolted by Discovery's departure

- Downtown Silver Spring has only added 221,000 SF office space since 2008 — almost exclusively for United Therapeutics headquarters and research facilities
- The CBD has seen 20 straight years of negative employment growth



## Vacancy rates

- Overall vacancy rates in Downtown Silver Spring have climbed to 18% (up from 8% in 2017).
- Vacancy rates in the West of Railroad subarea is 11.4%. Excluding the NOAA and Kennett Street buildings, that rate stood at 18%.
- Metro Center, the development at the heart of Downtown Silver Spring, has a vacancy rate of 28.1%.



# 53 years

= time to achieve vacancy rates that would make new office construction feasible IF the current rate of office market absorption continues at present levels

# 5 years

= the timeframe to which this could be reduced IF stakeholders work together to retain and attract office tenants and drive Silver Spring's absorption pace to even half the rate it was in 2018



“

The reduced number of office workers in downtown [Silver Spring] each workday will affect restaurants and retailers, limiting daytime sales, though downtown residents working from home may take up some of the slack. **Downtown will need to attract new businesses** to replace those unable to survive the pandemic, and existing retailers and restaurants will need to evolve in order to stay competitive as consumer tastes change.”

”

*Downtown Silver Spring Retail and Office Market Conditions, prepared by Partners for Economic Solutions for Montgomery County Planning Department February 2021*

## **B. Downtown Silver Spring's Retail Market**

Uncertainty in the wake of COVID-19 / Rising vacancy rates /  
Businesses that serve diverse communities at particular risk

## Struggle & uncertainty for local, small businesses

- In the wake of Covid 19, at least 12 restaurants and retailers have closed and more are in limbo
- Restaurants and nightlife businesses have seen sales drop by 40-80 percent and many may fail without more support
- Downtown Silver Spring vacancy rates top 11 percent, significantly higher than the 3-5% vacancy typical in well-functioning retail markets
- **Looking ahead, Downtown Silver Spring retail market will face stiff competition from the soon-to-be-opened The Parks at Historic Walter Reed development just 2 miles to the south**



## Downtown Silver Spring's minority-owned and serving businesses are particularly vulnerable

- Their contributions extend beyond economic aspects
- They enliven the business district
- They bring authenticity and unique offerings
- They serve as hubs of social support
- They provide jobs and wealth-building opportunities

“

**Now is the time to support  
minority-owned businesses in Silver  
Spring.**

”

*First line of  
“Retail in Diverse Communities Study”,  
Prepared for Montgomery County Planning  
Department, April 2021*

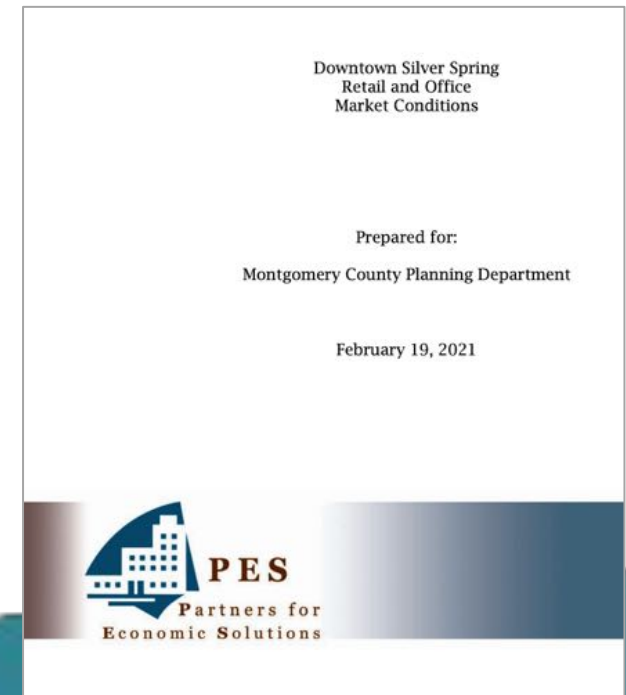
# Recommendations “Retail in Diverse Communities” Study

- Use placemaking to support and celebrate small businesses
- Support diverse retailers with direct staff support, specialty designations and education
- Celebrate and protect diverse retailers through programming and policies
- Regularly convene retailers



# Recommendations from “Downtown Silver Spring Retail and Office Market Conditions” Study

- Develop and implement a robust strategy to retain and attract office and retail tenants
- Research and market existing business clusters (such as media) in marketing efforts
- Help businesses adapt to changing market conditions



## II. The BID Model

What makes the Business Improvement District model stand out in the urban place management industry? This industry includes **4,000 organizations** worldwide that target resources where they are needed most. Learn more at [downtown.org](https://www.downtown.org).



# Success Stories from Across the Region

DC and Arlington BIDs take on complex challenges and work across systems to create stronger, more resilient places and communities.

# Campaigns and promotions that drive foot traffic and increase sales at local businesses



NoMa BID Movie Nights ties into local restaurant promotions

Adams Morgan BID created Date Nights – A fun campaign that increased customers and sales for local restaurants during slower winter months

MVT Community Improvement District (CID) created Loyalty Cards to promote local businesses

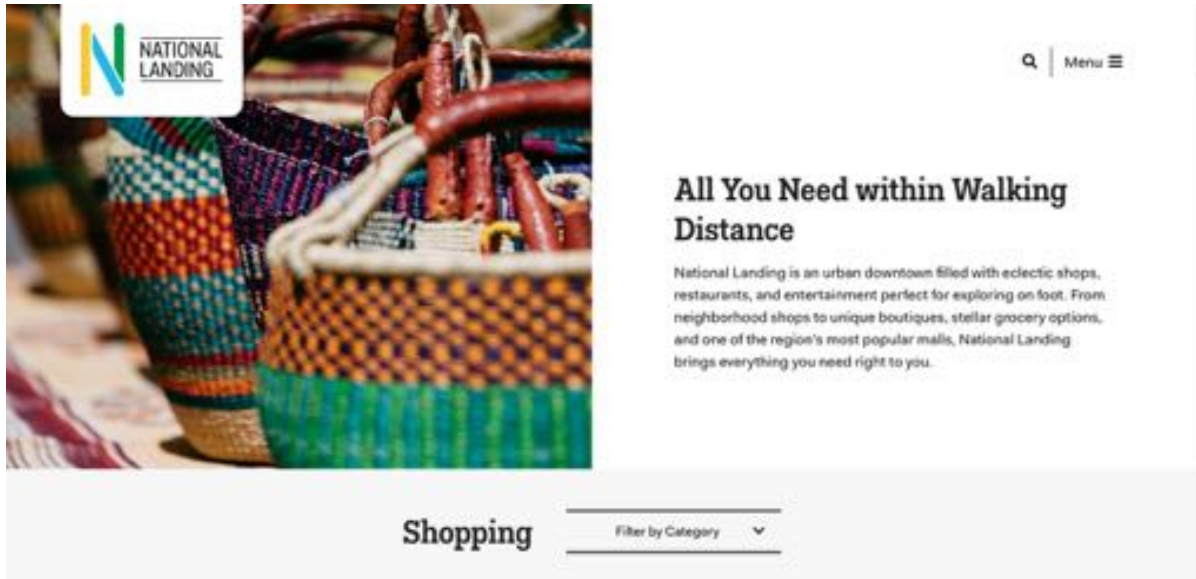
“

Our BID pushes out our specials and comes up with fun and creative campaigns that help all the businesses. It feels like they are looking out for us. As a busy small business owner, it's like having an extra set of hands and a strategic partner. I've found being part of a BID invaluable.

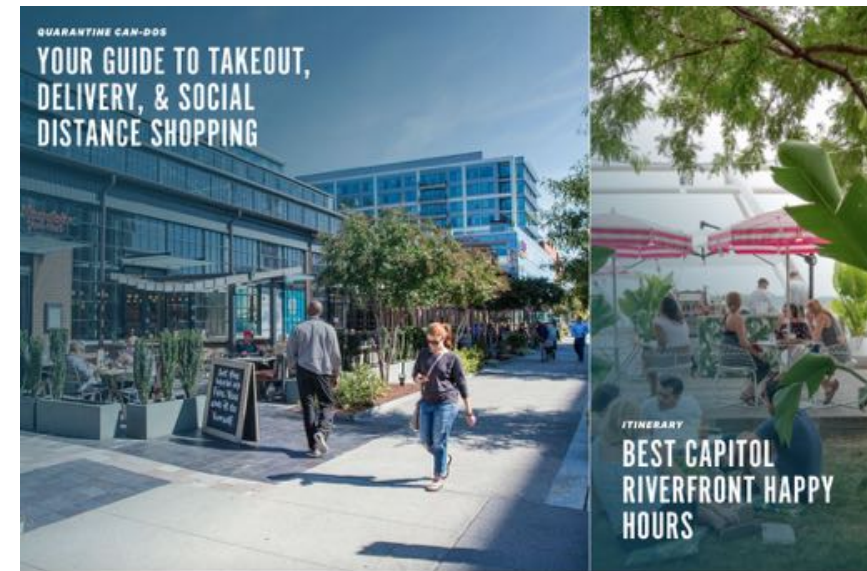
”

**Michael Waters, Across the Pond**  
(small business owner/entrepreneur  
in Dupont Circle BID)

# Robust, consistent digital and social media marketing for local businesses



National Landing BID created a mobile-friendly online resource highlighting every local business



Capitol Riverfront captured takeout and delivery changes on their site during the pandemic, a one-stop-info spot for consumers

# Retailer and restaurant support during the pandemic



Golden Triangle BID provided signage and “shop local” promotions to support struggling retailers during the pandemic



Adams Morgan BID created a “Buy Restaurant Bonds” campaign, helping to raise funds through gift card sales



National Landing BID’s “Love Local” program distributes financial support to eligible open small businesses or restaurants

“

I own businesses in an area with a BID and in one that doesn't have one. I can feel the difference. The Adams Morgan Partnership is constantly looking out for us. We know we have a champion that will help make our voices heard and resolve problems. They also do fantastic marketing. Their events and promotions not only bring our community together, but they also drive foot traffic and customers to our businesses.

”

**Saied Azali**

Owner of Perry's Restaurant,  
Convivial and Mintwood Place

## **BID SUCCESS STORIES: SMALL BUSINESS SPOTLIGHT**

### **Anacostia BID: *providing small business supports that go beyond marketing***

- Hosts a weekly call with retailers to share information and field concerns
- Identifies grants and loan programs and helps businesses apply for them
- Assists businesses with emergency preparedness and resilience efforts



## ***BID SUCCESS STORIES: SMALL BUSINESS SPOTLIGHT***

### **Adams Morgan BID: *champion for small businesses, helping to navigate regulatory and permitting processes***

- Hosts a weekly call with retailers to share information and field concerns
- Facilitated the closure and management of parts of the main corridor to traffic to facilitate a large Streatery that helped businesses stay afloat during the pandemic
- Hired a business liaison to assist businesses during streetscape renovation and construction, providing information and marketing support
- Regularly helps businesses resolve municipal service issues





“

BIDs can adapt to changing realities and pivot quickly. They have the flexibility to be creative when new issues arise. The BID creates the context to hash things out together. I appreciate being able to be on a board with real decision-making authority — it's the difference between being in the driver's seat steering the car versus sitting in the backseat suggesting directions.

”

**Constantine Stavropolous**

The Tryst Trading Company, Chair of  
Adams Morgan BID board of directors

“

I'm one of the owners of a family-owned small business that opened over 65 years ago. I was one of the early founders of the Georgetown BID and now serve on its executive committee. One of the things I find most valuable about being in a BID is being at the table with a range of stakeholders who all want the same thing: a thriving economy and a great place. The marketing a BID provides drives foot traffic and helps our businesses' bottom line. But just as importantly, being part of a BID provides insights and support that help you plan for the future. When we all work together, we all prosper.

”

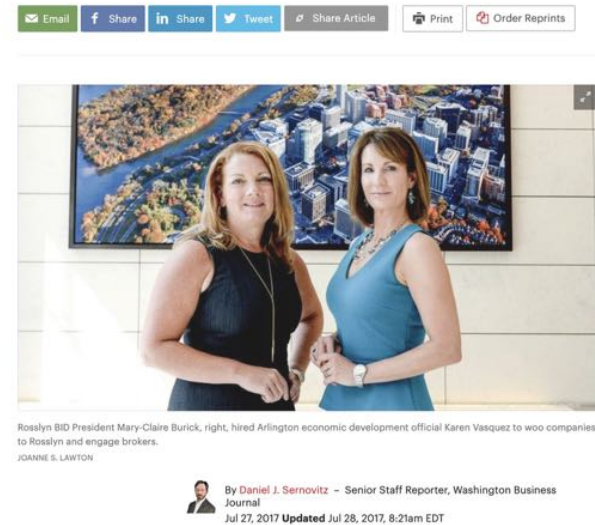
**John Hays, The Phoenix**  
(small business owner/entrepreneur  
in Georgetown BID)

# Playing a robust role in office retention and attraction efforts

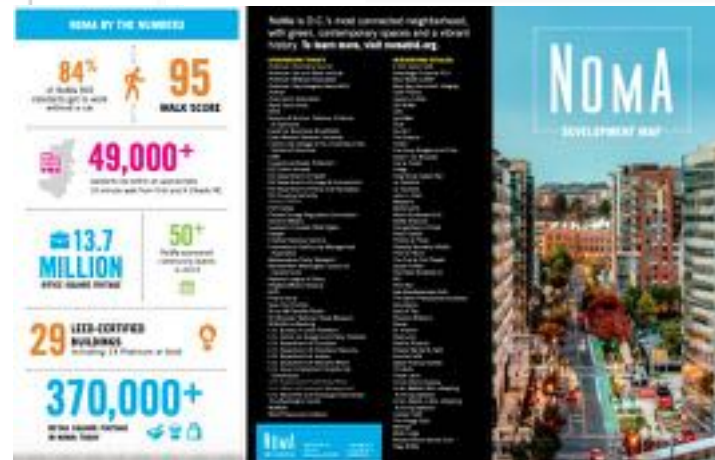


Rosslyn: Proximity to Power, Commerce and Prestige

## How the Rosslyn BID helped land Nestle



Rosslyn highlights transit, location strengths, real estate statistics and more to attract investors



Both National Landing and NoMa BIDs created a regularly updated development map for potential investors and businesses, who often come to the BID for information first

## BID SUCCESS STORIES: PLACEMAKING

DC and Arlington  
BIDs use  
placemaking to  
strengthen  
connections, build  
community, and  
activate outdoor  
spaces



# Pop-up retail: enlivening commercial areas and incubating entrepreneurs



The Alcove – Rosslyn BID pop-up

A two-month pop-up in an unused storefront that supports local artisans, musicians, and fitness instructors



Shop Made in DC - Golden Triangle BID

BIDs help Shop Made in DC find space, and promote their events and offerings



DowntownDC – Holiday Market

Years-long activation that supports hundreds of local makers each holiday season

# III. The Silver Spring BID Business Plan

- ❖ Place management
- ❖ Place enhancement

- ❖ Place branding
- ❖ Economic development,  
research and planning

# A Vision for the Silver Spring BID

The Silver Spring BID will be a strong, transparent, and effective organization that engages **diverse stakeholders** to work **collaboratively** across systems, cultivating an **inclusive**, connected and livable downtown where people and places thrive.



**Placemaking =  
*creating a more  
dynamic and vibrant  
public realm***

- Oversee high-impact landscaping
- Install public art/banners/place branding to improve pedestrian experience
- Improve public spaces with County coordination
- Activate public spaces with events and activities





# Economic Development = *promoting what makes Silver Spring special to attract more visitors, business and investment*

- Communicate the benefits of opening businesses, developing property, and living in the area
- Conduct research to serve as a clearinghouse of information for potential entrepreneurs and investors
- Attract new investment, residents, businesses, tenants



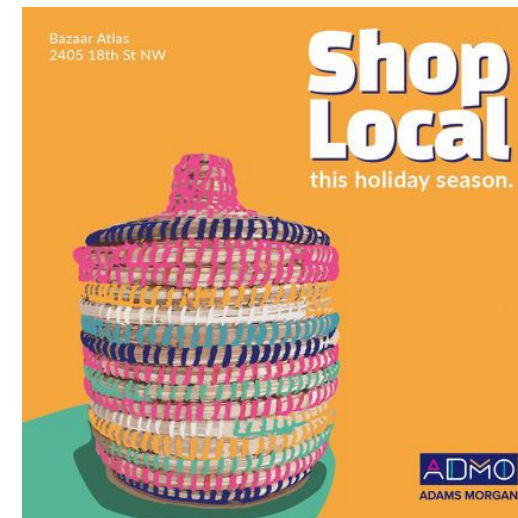
**NOMA BY THE NUMBERS**

- 84% of Noma has been built or is under construction
- 95 WALK SCORE
- 49,000+ RESIDENTS TO BE ADDED (2020-2030)
- 13.7 MILLION OFFICE SQUARE FEET
- 50+ PUBLIC RECREATION SPACES
- 29 LEED-CERTIFIED BUILDINGS (including 14 Platinum or Gold)
- 370,000+ OFFICE SQUARE FEET IN NOMA

**NOMA**  
DEVELOPMENT MAP

# Place Branding & Marketing = *promoting the area with a vibrant brand and innovative strategies*

- Identify Silver Spring's core assets and strengths, and create a striking visual identity that members and stakeholders embrace
- Develop cohesive marketing strategies to promote Silver Spring as the region's most dynamic, diverse and livable urban center
- Use digital and print marketing, social media, public relations, and community partnerships to increase reach



**Place Management =  
*cleaner, safer,  
well-managed public  
spaces***

- Coordination with County agencies around:
  - Cleaning
  - Trash collection, snow/graffiti removal
  - Maintenance of elements in the public space
  - Keeping the downtown safe



# IV. Shifting from the Urban District to a BID Model

- ❖ What changes?
- ❖ What stays the same?

## **From Urban District → BID: What stays the same?**

- **BOUNDARIES**

- The BID will serve the same boundaries as the current Urban District, including Fenton Village

- **TAX RATES**

- The special assessment property owners pay to support the BID will replace the Urban District Tax. The rate will be the same as the current Urban District Tax rate.

- **REVENUE STREAMS**


- Its revenue streams will include Assessment, Parking Lot District funds and general County Operating Funds if needed

## County-employed “Red Shirts” remain

- The BID will pay the County for the delivery of clean and safe services by County employees.
- The same level of services will be delivered to the BID by County employees reflecting the scope and personnel service standards.
- The BID will work closely with the clean and safe team to ensure a high level of service and coordination around key priorities.



## **Maintaining a strong partnership with the County**

- The County will have annual oversight over the BID's budget and spending
  - Every three years the BID will have to go through a renewal process before the County Council
  - As the examples from around the region show, partnership and collaboration with County agencies will be a critical component of the BID's success
- 

# From the Urban District to a BID Model: What Changes?

- **PROGRAMMING:** The BID will engage its stakeholders in a strategic planning effort to develop programs and services to support a thriving economy and dynamic, connected place.
- **MANAGEMENT:** All BID positions will report to an Executive Director chosen by the board. There will be fewer management positions under the BID compared to the UD, thus freeing up resources for promotions and marketing.
- **PRIVATE SECTOR RESOURCES:** As a nonprofit, the BID will be able to grow its resource base through fundraising and sponsorships.



# Silver Spring BID Governance

3 small businesses  
with under 25  
employees

1 business with over  
75 employees

2 small property  
owners

3 large property  
owners

- Significant small business board representation
- Additional non-voting advisory board members seats will be allocated similarly to the current Urban District Advisory Committee
- The board will be elected by the property owners in the district due to Maryland Law

# Targeted support and new energy for Silver Spring's small business community

- Small business owners will have seats on the BID board and play decision-making roles in shaping priorities and overseeing staff.
- The BID will develop marketing and event strategies targeted to where they are needed most to help drive foot traffic and customers to Silver Spring shops, service providers and restaurants.
- The BID will work to strengthen office and residential markets and help Downtown Silver Spring compete for office tenants and residents. This is critical to bringing daytime vibrancy to local small businesses.

“

I have owned my business in Silver Spring for nearly 10 years. And I own a second location in Northern Virginia. I can see the difference in support. I know how important marketing is in a place as diverse as Silver Spring. We need to be ahead or at least equal to other parts of the DMV. We are currently falling behind. It is time to step up our efforts so that we can all be successful for years to come.

”

**Tsega Haile, Kaldi's Social house**  
Silver Spring Business Owner

“

As a business owner, marketing is something I can only do at a small scale. The Silver Spring BID will bring us larger opportunities so we can bring more people into our shops and restaurants.

”

**Greg Whelan, McGinty's**  
Silver Spring Business Owner

“

I have been watching as other areas of the DMV keep growing. Somehow, Silver Spring has hit a wall. The Silver Spring BID can jump start marketing, create a sense of place and really bring us forward.

”

**Jackie Greenbaum, Quarry House**  
Silver Spring Business Owner

“

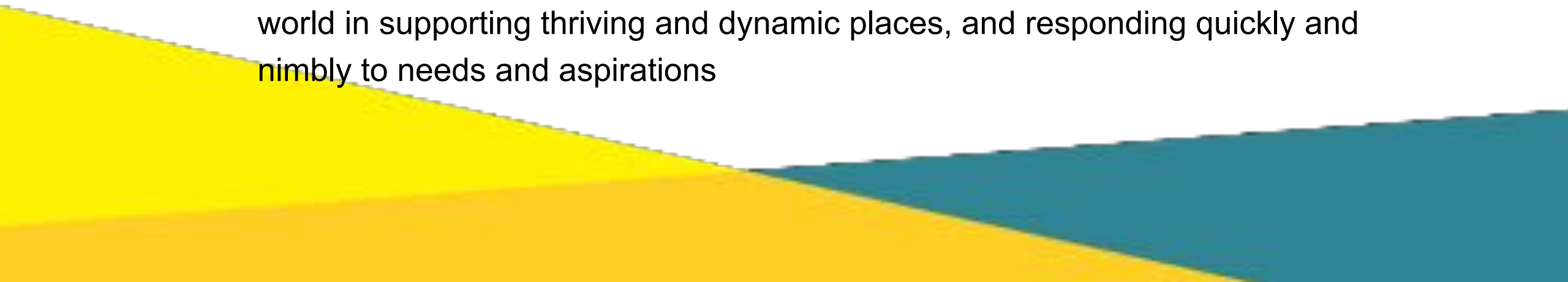
**We enthusiastically support the BID because we have seen the need for a coordinated marketing plan and approach for the entire central business district. As a small business in south Silver Spring, we would benefit from the participation in a more collective effort to promote business in this vibrant community where we love to live and work.**

”

**Emily Bruno, Denizens Brewing Co.**  
Silver Spring Business Owner

# In Conclusion

The Silver Spring BID will build on the foundation laid by the Urban District to bring new energy and a deeper level of private-sector support to the complex challenges facing the downtown to:

- Help small businesses grow and thrive
  - Attract new businesses to the downtown to grow the economy and create jobs
  - Provide varied opportunities for a variety of Downtown Silver Spring stakeholders to participate in shaping its priorities and defining its programs
  - Draw from the track record of place management organizations around the world in supporting thriving and dynamic places, and responding quickly and nimbly to needs and aspirations
- 

# SILVER SPRING BID

Questions?

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