

# Revitalizing, Retaining, Attracting, Empowering, and Developing Pennsylvania Avenue East

## FY 2022 Annual Report

(October 1, 2021–September 30, 2022)

March 2023



# Welcome

The Pennsylvania Avenue East corridor, from the Sousa Bridge to the Maryland line, is undergoing a transformation. Throughout FY 2022, Pennsylvania Avenue East Main Street (PAEMS), hand-in-hand with the corridor's supporters and champions, continued on a deliberate path to establish this section of Pennsylvania Avenue SE as a vibrant commercial corridor.

A combination of capacity building sessions for businesses and place-making activities and community events for all showcased the talent, energy, and possibility of this part of Ward 7.

This report is a snapshot of our work in FY 2022, our accomplishments, and challenges. We are well on our way to realizing the goal of being a robust, vibrant, and economically viable corridor and indispensable part of the greater Ward 7 community.

## **Babatunde Oloyde**

President and CEO, Marshall Heights Community Development Organization, Inc. (MHCDO)

## **Latisha Atkins**

Director, Pennsylvania Avenue East Main Street (PAEMS)

The Pennsylvania Avenue East Main Street Program is funded by the Department of Small and Local Business Development (DSLBD) and is an officially recognized DC Main Streets Program. PAEMS is a program within the Marshall Heights Community Development Organization.

## Advisory Board

- Dr. Marc Berg, Owner, Bluerock Care (FY 2020-FY 2023)
- Tiffany Brown, ANC 7B (FY 2020-present)
- Kendrick Curry, Pastor, Pennsylvania Avenue Baptist (FY 2020-present)
- Dr. Marla Dean, Dean's List Consulting (FY 2023)
- Kathleen Franks, Retired (FY 2022-present)
- Mark Hannan, Investment Manager, Jair Lynch Real Estate Partners (FY 2022-present)
- Oscar Macchio, Developer/Construction, Hamel Builders (FY 2020-FY 2022)
- Robert Summers, President and CEO, Pantera Management Group (FY 2023)
- Earl Williams, Hillcrest resident/Federation of Civic Associations (FY 2020-present)



# PAEMS mission

PAEMS enriches the Ward 7 community by

- Revitalizing **retail**
- Retaining and attracting a **diverse customer base**
- Empowering surrounding **communities**
- Developing and promoting **new businesses** along the corridor



## PAEMS goals

- Build a **diverse economic base** featuring a diverse ecosystem in the corridor
- Create an **inviting, inclusive atmosphere** along the corridor via beautification and community events
- Build **leadership** and strong organizational capacity
- **Promote, market, and brand** the corridor and businesses that exist along the corridor

## PAEMS history

Established in 2020, Pennsylvania Avenue East Main Street is sponsored by DSLBD and is a Main Street America™ affiliate. PAEMS is a member of DC Main Streets, which revitalizes communities by retaining and recruiting businesses, improving commercial properties and streetscapes, and attracting consumers.

PAEMS assists businesses and coordinates sustainable community-driven revitalization efforts along the Pennsylvania Avenue, SE corridor from the John P. Sousa Bridge to Southern Avenue, SE.



# Accomplishments

## Developed and updated a fundraising plan

The plan details the steps required to establish and maintain a development effort.

## Advocated with elected and appointed officials

Staff testified at oversight and budget hearings in support of the DC Main Streets Program overall and specifically related to PAEMS.

## Leveraged PAEMS' presence to expand partnerships and collaborations

Brought additional programs and activities to the corridor. Placemaking activities such as way finding signs and PARK(ing) Day were popular. Public policy input activities such as the Pennsylvania Avenue East Small Area Plan were highly valued.

## PAEMS businesses received \$140,000

Eight PAEMS businesses received \$140,000 in grant funding as a result of receiving grant writing technical assistance from PAEMS.

## Conducted highly effective outreach to businesses and the community

We continued to build broad-based community support by engaging with businesses and entrepreneurs, community stakeholders, residents, and partners. PAEMS maintained its focus on engaging through social media platforms and both traditional and non-traditional outreach/engagement techniques to increase outreach efforts. One result was to establish and increase the PAEMS email list to more than 500 businesses/entrepreneurs.

### What IS placemaking?

"As both an overarching idea and a hands-on approach for improving a neighborhood, city, or region, **placemaking** inspires people to collectively reimagine and reinvent public spaces as the heart of every community."

Project for Public Spaces 



Penn Ave East Storytelling 



# Challenges

The high-impact challenges experienced in FY 2022 were both internal and external to PAEMS.

## **Decades long under-investment**

The combination of under-investment in the corridor and the COVID-19 economic shutdown negatively affected businesses and community members throughout FY 2022. This presented a particularly difficult challenge to PAEMS, a young Main Street program.

## **Uneven Advisory Board engagement, slow committee growth, and a small board**

## **Lack of resources**

Funding constraints limited capacity to engage in

- Fundraising
- Expanding the number of staff members
- Enhancing services and supports to businesses in the corridor

## **Did not implement development plan**

Limited capacity prevented the implementation of the fundraising plan developed by a consultant.



# Businesses in the corridor

52

Businesses in the corridor

50

Minority-owned businesses

4

Legacy businesses

3

Shopping centers

## Variety

- Mix of national businesses, such as financial institutions
- Mix of franchises, such as Papa John's Pizza and Planet Fitness
- Rich mix of small, locally-owned businesses

"Pennsylvania Avenue East serves as the primary commercial corridor for the southern portion of Ward 7, running through multiple residential neighborhoods."

[Pennsylvania Avenue East Main Street Retail Market Analysis](#)





# Business Health Check Survey

PAEMS asked corridor businesses to take the Business Health Check Survey. The survey was designed to identify individual business strengths, weaknesses, and goals. **Twenty-eight** businesses responded. PAEMS developed one-on-one technical assistance and more broad-based support sessions to respond to the health check results.

**82%**

Business owners were DC residents

**25%**

Businesses had no full-time employees; the remainder had one or more FTEs

**25%**

Businesses had to fire/layoff employees as a result of related COVID-19 revenue loss

## Critical needs

1. Revenue and funding
2. Business development resources and support
3. Promotion and marketing
4. Rent (such as the need to renegotiate lease/rent and rental assistance)
5. Staffing

## Goals

- Increased revenue and financial stability
- Business growth and expansion
- Employee expansion
- Community outreach and engagement



# Work with businesses: TA

Technical assistance (TA) is a foundational element of a Main Street America™ program. PAEMS delivered one-on-one TA along with group workshops/information sessions.

- 788 hours of technical assistance to 61 businesses in 115 sessions
- Ten group events

All business in Ward 7 were invited to participate in technical assistance opportunities, not just businesses in the PAEMS corridor. The 61 includes PAEMS corridor businesses, non-corridor businesses, and PAEMS corridor businesses which participated in more than one TA opportunity in FY 2022.

One major success of the TA is that **eight PAEMS businesses received \$140,000 in grant funding** as a result of receiving grant writing technical assistance from PAEMS.

## Sixty-one Businesses Participated in One-on-One Technical Assistance in FY 2022, by Type

Type of Technical Assistance	Number
Grant Proposal and/or Loan Application Assistance	30
Branding/PR	16
Business Operations	18
Commercial Leasing	2
Business Need Assessments, Check-ins, or Health Checks	28
Accounting/Bookkeeping	2
New Business Consultations/Retail Attraction	4
Permitting	42



# Sub-grants

With funding from the Department of Small and Local Business Development (DSLBD), **six** small businesses in the PAEMS corridor received a total of \$25,000 in sub-grants, an integral feature of Main Street America™ programs.

The small businesses used the funding to improve their physical surroundings, address operational challenges, and purchase equipment.

## Outreach to benefit businesses

3

Community events

- 2021 Ward 7 Roving Holiday Market
- 2nd Annual Taste of Ward 7 with DC Open Streets
- Art All Night

46

Businesses participating in the three community events

\$24,000

Raised to support placemaking activities including Art All Night



2510 Pennsylvania Ave, SE turned into a vibrant public space on **PARK(ing) Day 2021**. People came together to talk about their dreams and visions for the Pennsylvania Avenue East Main Street corridor.

[Watch the video invitation.](#)



# The community

Neighborhoods surrounding the corridor—including Fairlawn, Dupont Park, and Hillcrest—are a mix of attached and detached single-family homes, small apartment complexes, and mature landscaping. Combined, these attributes create a small town feel. In addition, these neighborhoods have breathtaking city views.

A range of data is presented in [Pennsylvania Avenue East Main Street Retail Market Analysis](#);  several data points are below.

**\$54,272**

Median household income within a half-mile radius of the corridor. The citywide median is \$85,663.

**44**

Median age of residents within a half-mile radius of the corridor. The citywide median is 36.

## Households


- 41% are one-person households
- 59% are two- or more person households
- 26% of households have children compared to 21% citywide

**Resident and Daytime Population Distances from Corridor**

Radius	Residents	Daytime Population (Residents + Workers)
1/4-mile	9,687	8,404
1/2-mile	17,146	14,530
1-mile	47,377	39,612

### “Where Are PAEMS Customers Coming From?

Pennsylvania Avenue East businesses primarily draw customers who live east of the Anacostia River in DC and nearby areas of Prince George’s County. This customer base accounts for nearly 80% of all customer traffic.”

[Pennsylvania Avenue East Main Street Retail Market Analysis](#) 



# Special events

5

Small businesses which participated in A Taste of Ward 7

~2,500

People who attended A Taste of Ward 7

16

Small businesses which vended at the Holiday Market

23

Artists who performed at Art All Night and who were compensated by PAEMS

1,873

Number of people who attended Art All Night

9

Number of spaces activated at Art All Night

6

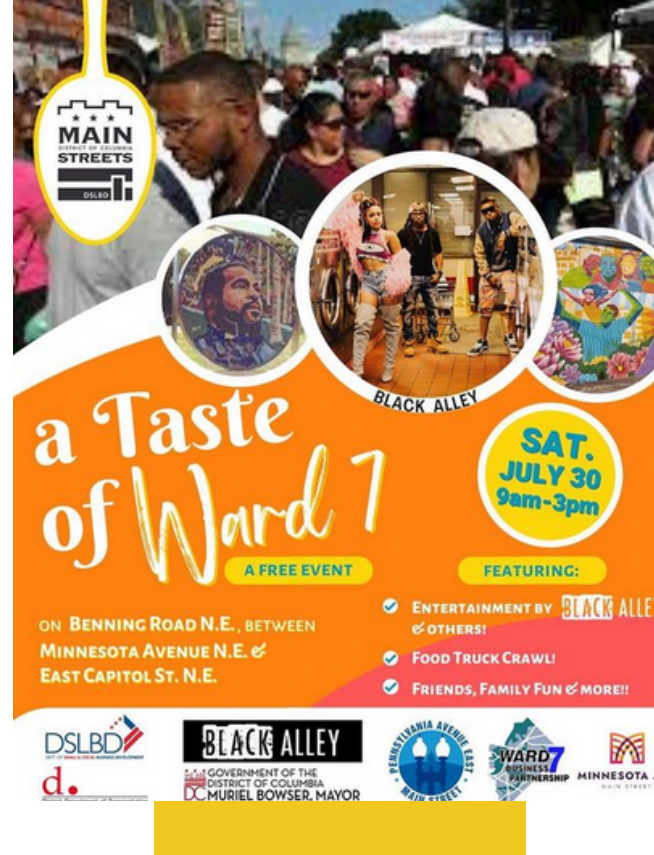
Number of venues at Art All Night

6,370

Impressions on Facebook about Art All Night

2,335


Impressions on Twitter about Art All Night



# Community engagement

DC Main Streets funding leveraged economic development, transportation and planning, and community engagement opportunities.

## Pennsylvania Avenue East Small Area Plan

The timing of the Office of Planning's Pennsylvania Avenue East Small Area Plan effort could not have been more fortuitous. As an active member of the Community Advisory Council (CAC), we brought our A-game and engaged community members in a visioning project to ensure small business and community Ward 7 voices and priorities were heard loud and clear. Read all the results in [PAEMS - Visioning Survey Results](#). 

PAEMS worked with the District government, community stakeholders, and residents on the CAC to co-develop recommendations for the plan.

## Key Takeaways

67

PAEMS Visioning Survey participants

221

[Comments in PAEMS Visioning Survey](#)



## [Public comments](#)

“It should be a destination and not just a place to pass through on the way to Maryland. The Penn Branch renovations are nice but I really wish the area around Pennsylvania and Minnesota had more shopping, dining and retail nearby, similar to the area near Potomac Ave Metro.”

“A vibrant retail and walkable space where residents of all ages can enjoy our resources. I don't want to have to keep going across the bridge to eat, grab coffee with friends, have an active lifestyle, and spend money.”

“Affordable Housing, Community input, reduction in displacement of DC residents from gentrification. beautiful shops and venues to conduct business, safety and affordable places to shop, eat, while not displacing long term residents. better parking. quality shops”



# Learning from businesses

**PAEMS regularly gathered feedback from businesses on the corridor and across Ward 7 in our everyday operations. Topics discussed ranged from internal to external to individual businesses, government systems, the local economy, and ways that PAEMS could help.**

The Business Health Check survey has provided a wealth of baseline information about corridor businesses and has served as the foundation for technical assistance and group learning events. (See Business Health Check Survey page for more information.)

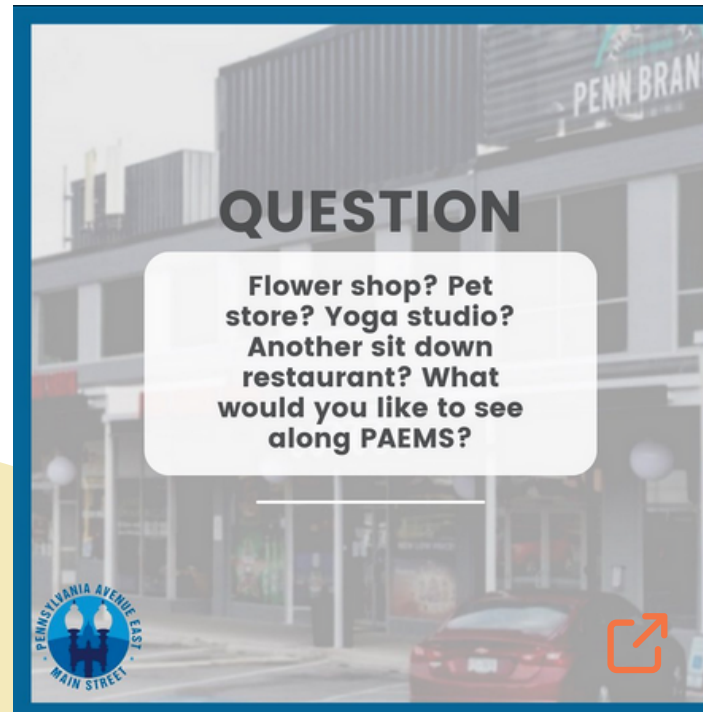
PAEMS also surveyed a small number of corridor businesses about their experiences with us during FY 2022. There are two main takeaways:

1. Of the four respondents, three received grant proposal and/or loan application assistance TA.
2. The most popular topics for TA in FY 2023 are about financial resources: proposal writing/loan application assistance, accessing capital, and getting grant ready.



I would like to see a place where creativity is embraced.

[@thebeautifulbrownrainbow](#)



# Learning from colleagues

**In addition to surveying businesses, we formally collected information from the Advisory Board and MHCDO staff.**

Overall, **Advisory Board** members rated PAEMS' efforts as above average on questions about community engagement, promoting businesses along the corridor, and supporting small businesses with technical assistance and information-sharing and skill-building workshops.

On the topic of internal operations, Advisory Board scores averaged average and below average. Of particular importance were the average/below average rankings related to creating a development plan and the fundraising committee. Interestingly, members rated actual fundraising average and above average.

When asked about internal and external challenges which are impacting or could impact success, Advisory Board members responded:

- Internal challenges: Small board, member turnover, and lack of resources
- External challenges: Fundraising, increasing organizational visibility, growing coalition/locating owners, resident displacement, and business/property owner engagement

**MHCDO** staff were asked about the value of PAEMS to Marshall Heights and the value of MHCDO to PAEMS.

- “PAEMS provided a presence on Penn Ave corridor for the organization. This is key because PAEMS has helped to expand the reach of the organization to a specific section of Ward 7. This is critical to the mission of MHCDO to provide economic resources to all neighborhoods throughout Ward 7. In addition, this presence will contribute to the legitimacy of MHCDO playing a lead role in the redevelopment of the corridor.”
- “PAEMS leveraged MHCDO staff and contacts to help serve other organizations and event planners in setting up/break down and providing volunteers during special events.”
- “Another example of the added value was PAEMS' role in the production of the Penn Ave Small Area Plan. PAEMS played an important in facilitating the creation of the SAP. This work reinforces MHCDO's role and expertise in community engagement and community building.”



# FY 2022 Profit or Loss

<b>INCOME</b>	
Cost reimbursement	142,560
Program	21,561
<b>TOTAL INCOME</b>	<b>164,121</b>
<b>EXPENSES</b>	
Salaries, other compensation, and employee benefits	69,078
Fees for services	61,009
Advertising and promotion	7,650
Conferences, conventions, and meetings	29,229
Charitable contributions and grants paid	31,500
Other	5,939
Travel	1,297
<b>TOTAL EXPENSES</b>	<b>205,792</b>
<b>NET PROFIT/LOSS</b>	<b>(41,671)</b>

*PAEMS shows a loss for FY 2022. However, it's important to note two things. First, DSLBD did not deliver our fourth quarter FY 2022 payment until two months after FY 2022 ended (September 30, 2022). Second, MHCDO, the DSLBD grantee for PAEMS, covered the fourth quarter expenses. This, then, was a matter of timing rather than poor performance or overspending.*

## Partners and supporters

- Ascender Communications, Inc.
- Black Alley
- Blink
- Bluerock Care
- Muriel Bowser, Mayor
- Chase
- DC Main Streets
- DC Office of Planning
- Department of Small and Local Business Development (DSLBD)
- District Department of Transportation
- Vincent C. Gray, Ward 7 Councilmember
- Great Streets Program, Deputy Mayor for Planning and Economic Development
- JairLynch Real Estate Partners
- Made in the DMV
- Main Street America™
- Market 7
- Minnesota Avenue Main Street
- Pennsylvania Avenue East Community Coalition
- Playful City Lab, American University
- PorchfestDC Southeast Edition
- Safeway
- SE White House/DC Dream Center
- Soufside Market
- SPIN
- Ward 7 Business Partnership
- Washington Gas



# Contact PAEMS

**Marshall Heights Community Development Organization (MHEDO)**

**3939 Benning Road NE, Washington, DC 20019**

**(202) 396-1200**

<http://pennaveeastdc.org/> 



<https://www.facebook.com/PAEMSDC> 



<https://www.instagram.com/paemsdc/> 



<https://twitter.com/PAEMSDC> 

Learn more about the **Imagination Bench**, shown at 28th St and Pennsylvania Ave, SE, on the Creative Junkfood website:

[https://creativejunkfood.com/portfolio\\_page/imagination-bench-paems/](https://creativejunkfood.com/portfolio_page/imagination-bench-paems/) 