**ULI: Friendship Heights Redevelopment-Group 3 June 30, 2020**

**Issues**: The commercial node of Friendship Heights (“FH”) is in sharp decline. Long reliant on retail to drive demand, changes in how people shop and how they work led to lower retail and office demand. According to CoStar, the average retail vacancy in FH during 2Q2020 was 10.4% compared to the Washington Metro area average of 4.4%, and office vacancy in FH was 17.6% compared to the Metro average of 13.1%. Exacerbating these struggles, FH seems lost within Montgomery County’s planning initiatives, coupled with the lack of private capital investments that made downtown Bethesda the ideal live, work, play neighborhood. On average, the per-square-foot apartment asking rents were 17% higher in downtown Bethesda compared to FH during 4Q2019. Recent bankruptcies of “credit” retail tenants further cloud FH’s future viability and significance.

**Vision Statement**: Targeted, strategic, balanced policy and design interventions will transform FH by 2035, making it a prominent, energy-filled residential, retail, and office destination in the Washington Metro region. FH will successfully serve the needs and desires of families, employers, and neighbors in transit. FH can be an urban model for racial and economic equity—Access, Opportunity, Results.

**Objectives**: Four fundamental principles will guide the effective and successful redevelopment of the commercial node: **Equity, Education, Environment, and Energy**.

* **Equity:** Invest in affordable housing to increase the range of available dwelling types and sizes in the area, expanding racial and economic equity where single-family homes are the norm. The strong connectivity and access to mass transit, make this location prime for more density, and will meet a notable DC initiative to distribute housing affordability.
* **Education:** Increase density to include a proportional investment in school capacity. Underperforming commercial buildings can be adapted into educational and institutional programs.
* **Environment:** Enhance the public realm to improve the pedestrian and vehicular experiences. Through focused improvements in the transportation network—Metro, Metrobus, bicycle, and pedestrian circulation—the use of public transportation and emissions-free alternatives will be prioritized.
* **Energy:** Balance the increased density by creating and promoting well-curated recreational space.

**Recommendations**:

1. Up-zoning within one-quarter mile of the Metro entrance and along Wisconsin Ave. Massing will orient high-rise construction on Wisconsin and Western Avenues while providing a buffer to adjacent single-family neighborhoods.
2. Double residential unit supply (5,000+ units) by creating dense multifamily, mid-rise multifamily, and townhomes. A commitment that at least 50 percent of all units will be affordable to households between 30-80 percent of area median income.
3. Feature both interactive and passive pocket parks, as well as connections to bicycle trails.
4. Repurposed the underutilized Mazza, Saks, and Bloomingdales sites for residential and educational uses. Additional density increases long-term viability for the existing underutilized sites.
5. Improve vehicle and pedestrian experience by relocating the primary bus/Metro link from Wisconsin Circle to Jennifer @ Wisconsin. Add new Metro escalator entrance there as well.
6. Relocate the Metrobus Western garage to the Lord & Taylor site, and redevelop the bus garage site to mixed-use, mixed-income development to close the existing income gap, provide an urban street façade, and enhance the FH environment.
7. Create a neighborhood BID to oversee the future growth and success of FH.