



2023

# RETAIL IN REVIEW

GEORGETOWN ★ DC  
BUSINESS IMPROVEMENT DISTRICT





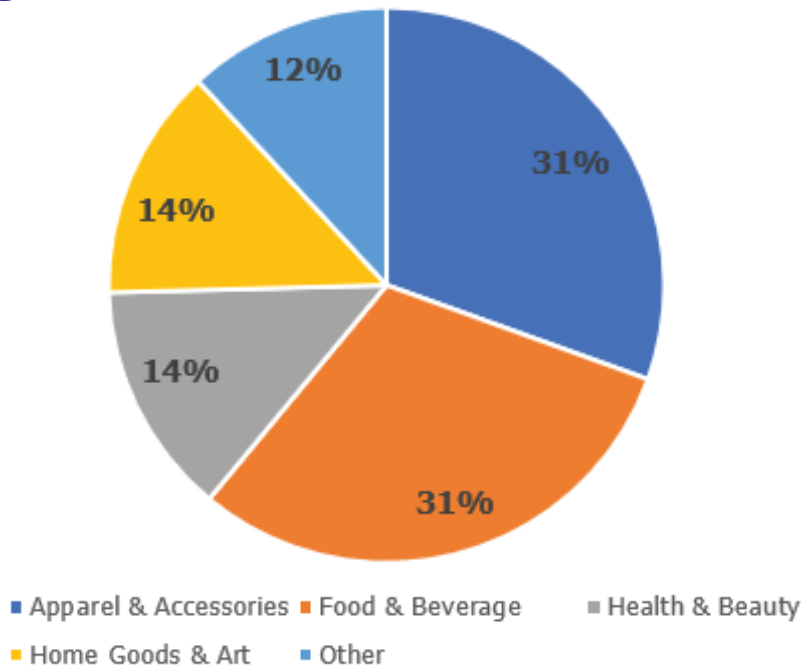
# GEORGETOWN BY THE NUMBERS



## BUSINESSES | RETAIL

**Figure 1: Business Openings by Sector**

Source: Georgetown BID



# RETAIL

Georgetown welcomed 60 new business openings in 2023 – 25 more than the previous year. Of Georgetown's new business openings, 31% were food and beverage and 69% were retail. While 28 businesses closed this year, Georgetown had 32 net-positive business openings. Since January 2021, the pace of retail and restaurant openings has far exceeded previous years with over 120 businesses opening in the neighborhood over three years.

In 2023, new retailers included Alo Yoga, AWAY Travel, Clare V., Dolce Vita, Frame, Studs, Todd Snyder, Vuori, Zadig & Voltaire, and more. For many national retailers and restaurants, Georgetown marked their entry into the region. Georgetown also welcomed many new locally-owned businesses such as Georgetown Garden Shop, Manse, Boat House Apparel, Hitched, and Home Court. 2023 also saw a growing interest from small businesses located outside of Georgetown looking to relocate or expand into the neighborhood.



Todd Snyder



Studs



Vuori

Argent, Barnes & Noble, Brompton Bikes, M.M.LaFleur, New Balance, Outerknown, Rails, and Skims are among the retailers expected to open in 2024. Notably, Barnes & Noble is returning to its original Georgetown location after leaving the neighborhood 13 years ago. The return of Barnes & Noble not only fuels Georgetown's momentum, but anchors the east side of the commercial district, and provides the neighborhood with a much-needed "third place."<sup>1</sup>

# RESTAURANTS

Outdoor dining and streateries have reshaped Georgetown with over 40 restaurants now offering both full-service, and café-style alfresco dining on M Street, Wisconsin Avenue, and several side streets.

18 new restaurants, including Baker's Daughter, DIG, Kyojin, Maman, Van Leeuwen, and Villa Yara brought fresh energy to Georgetown's dining scene in 2023. Georgetown's legacy restaurants, including Café Milano, Filomena, and Martin's Tavern, all celebrated milestone anniversaries, with Filomena expanding into a new street level space adjacent to their Wisconsin Avenue eatery. Newish Georgetown restaurants including Lutece, Yellow, and Reverie were all honored with awards and notoriety, further elevating Georgetown's dining scene.



Maman



Kyojin



Two Nine



DIG

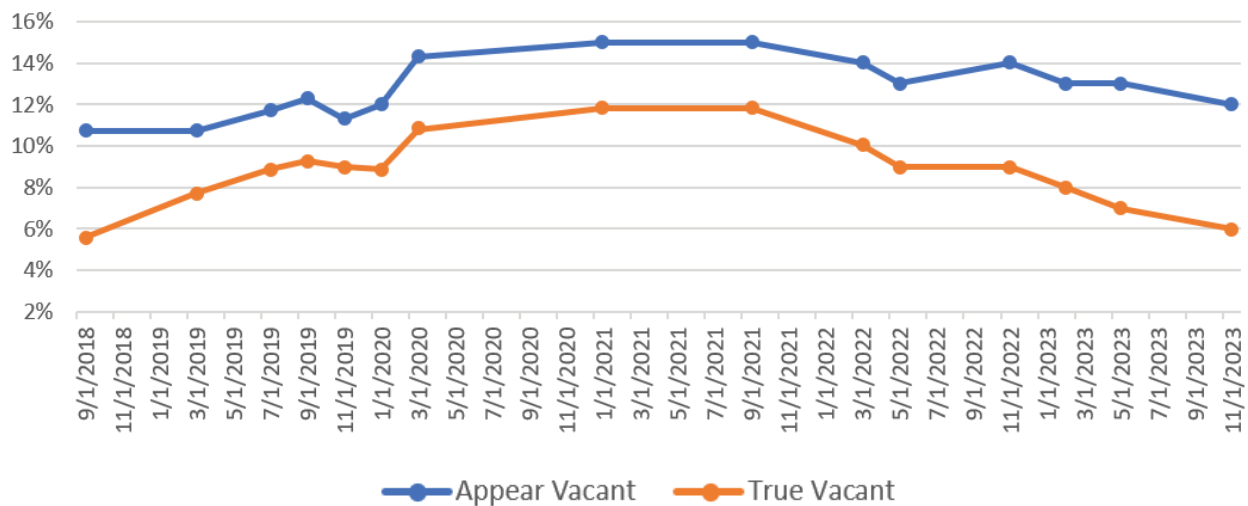
## RESTAURANTS

In 2024, the buzz-worthy Osteria Mozza by Nancy Silverton and Stephen Starr will open and bring new life to the former Dean & DeLuca market building. In addition, La Bonne Vache will open at the corner of Potomac and Prospect Street replacing Boeymonger. Alara and Jinya will add to the vibrant full-service options available along Wisconsin Avenue, while Tatte and Greco will add to the fast-casual and bakery options. More dining options are headed to the waterfront with Residents Café from Dupont Circle opening a second concept in Washington Harbour paired with new restaurants opening along K Street adding vibrancy to the corridor. In 2024, Georgetown dining favorites are doubling down on the neighborhood with Reverie reopening this February; Two Nine expanding and moving into their very own stand-alone restaurant at 1218 31st Street; Green Almond Pantry expanding and providing a full-service sit-down restaurant in addition to their counter service; and Filomena expanding to accommodate more pick-up and delivery.

These new and anticipated openings have driven vacancy rates back down to pre-pandemic levels, led to high levels of store openings in a single year, and revived local and national interest in locating in Georgetown.

**Figure 2: Retail Vacancy Rates Over Time**

Source: Georgetown BID



Georgetown's vacancy rates are now at pre-pandemic levels. True vacancy – commercial space that is unoccupied and does not have a lease signed – is at 6% - which we consider to be “structural vacancy.” The apparent vacancy rate– the true vacancies plus unoccupied spaces that are leased and awaiting permits for construction or still have lease-paying tenants that have not yet made the space available to the landlord to release is 12%. Most current vacancies can be found in a combination of larger-format spaces (those that exceed 5,000 SF) and retail bays undergoing redevelopment, including those along the 2900 block of M Street and the 1500 block of Wisconsin Avenue. Leasing activity for smaller-format commercial spaces (1,000-4,000 SF) remained strong in 2023 as new-to-market tenants were eager to enter the DMV through Georgetown.

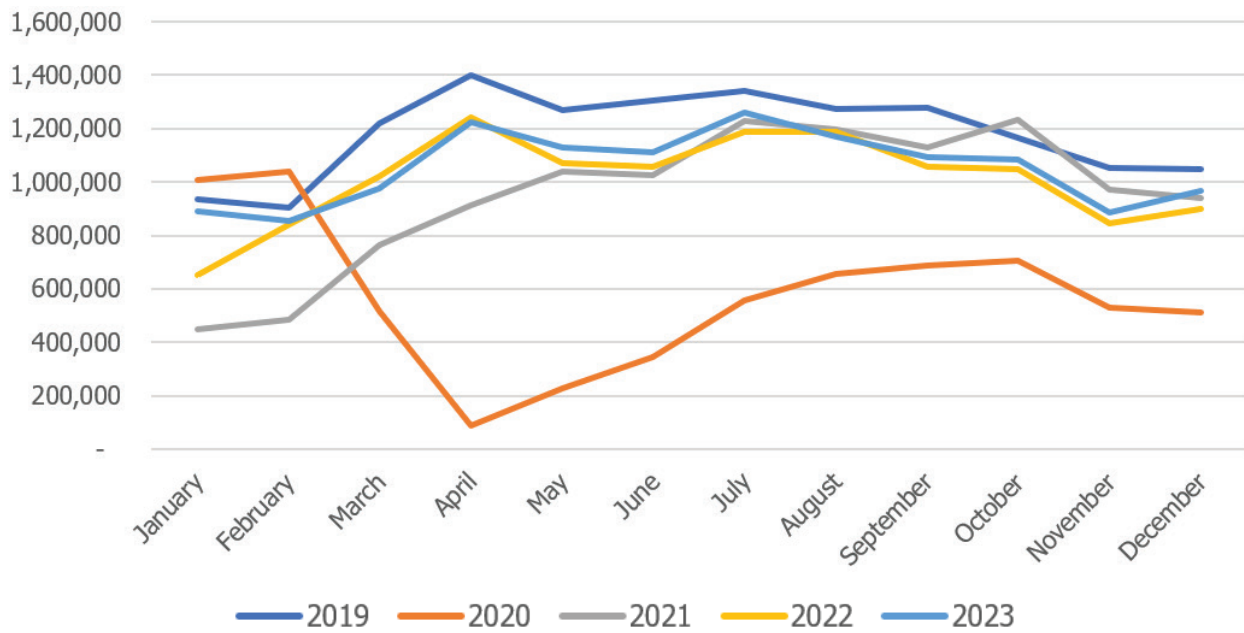
<sup>1</sup>A third place is a familiar public spot (like a bookstore) where you regularly connect with others known and unknown, over a shared interest or activity. The term was coined by Ray Oldenburg in the early 1990s, as increasing work hours and more heavily siloed communities became the norm.

# VISITORS

Newsworthy restaurant and retail openings contributed to Georgetown welcoming 12.7 million domestic visitors in 2023 – a 4.4% increase over 2022, and an 11.2% increase over 2021. However, while visitor counts have bounced back since the beginning of the pandemic, they were down 11% as compared to 2019. This is in line with other retail districts in the DMV with visitor counts at Tysons Corner Center down by 11%, Bethesda Row down by 13%, and Pentagon City Mall down by 30%. Georgetown drew from both local and national visitors, with 66% of visitors traveling to the neighborhood from within a 30-mile radius and 34% coming from more than 30+ miles away.

**Figure 3: Annual Georgetown Visitor Counts**

Source: Placer.ai



In addition to new restaurant and retail openings, the Georgetown Heritage C&O Canal boat returned to Georgetown for a second season of interpretive tours – and served over 15,500 passengers. While the 2024 and 2025 canal boat seasons will be paused to allow for reconstruction and maintenance to the canal, the 2026 season will welcome both tourists and water back to the canal.

## LOOKING AHEAD

While larger retail spaces continue to be slower to lease, there are multiple tenants in the market that will likely anchor Georgetown's bigger boxes over the next two years. Georgetown's office market will continue to face high vacancy rates (as will the rest of the DMV market) due to decreased office demand and older office stock. We anticipate that several office buildings will be converted to other uses in the coming years, which will reduce both the amount of office space available in Georgetown and hopefully increase the occupancy rate and daytime population. Given Georgetown's slow office recovery, emphasis on attracting visitors and neighbors will be necessary to keep Georgetown's economy moving in a positive direction.



## LOOKING AHEAD

## // HOTEL PIPELINE

There are currently two hotel projects (converting from other uses) under construction in Georgetown with a total of 336 rooms scheduled to deliver in 2025, and a third project with an additional 100 rooms in the pipeline. These projects represent a 59% room increase in the number of hotel rooms and will bring new activity and spending to the neighborhood.

HOTEL ADDRESS	NUMBER OF ROOMS	HOTEL FLAG
3401 Water Street NW	230	citizenM
3000 M Street NW	100	Unnamed
1023 31st Street NW	106	The Canal House of Georgetown (part of Marriott Tribute's portfolio)



## // TRANSPORTATION AND CONNECTIVITY

The ability for visitors, residents, and workers to easily and safely navigate the neighborhood remains both a challenge and opportunity for the coming years. In 2024, the District Department of Transportation will complete an Access and Circulation Study with a suite of recommendations to improve transportation in the short-, medium-, and long-term. The streateries and sidewalk extensions -- built during the height of the pandemic to accommodate outdoor dining and social distancing -- have also contributed to a precipitous drop in car crashes and crashes involving pedestrians and bicyclists. The program was granted a two-year extension through 2025 to give the BID, DDOT, and community time to redesign and replace the barriers and decking with more attractive materials that complement the commercial district's historic architecture while supporting the outdoor dining and high visitor counts that have fueled Georgetown's recovery.

**For More Information**

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While all data in this report was produced by the BID or gathered from outside sources, the BID does not guarantee the accuracy of the data presented in this publication. The staff welcomes opportunities and partnerships to refine existing data.

The Georgetown BID area comprises the commercial corridors along Wisconsin Avenue between M Street and R Street; M Street between 27th Street and 37th Street; the commercial areas of Prospect Street; and the commercial areas south of M Street to the Potomac River.

The BID publishes market reports on the Georgetown economy. This report, as well as all prior reports and research, are available on the BID website at [georgetowndc.com](http://georgetowndc.com).