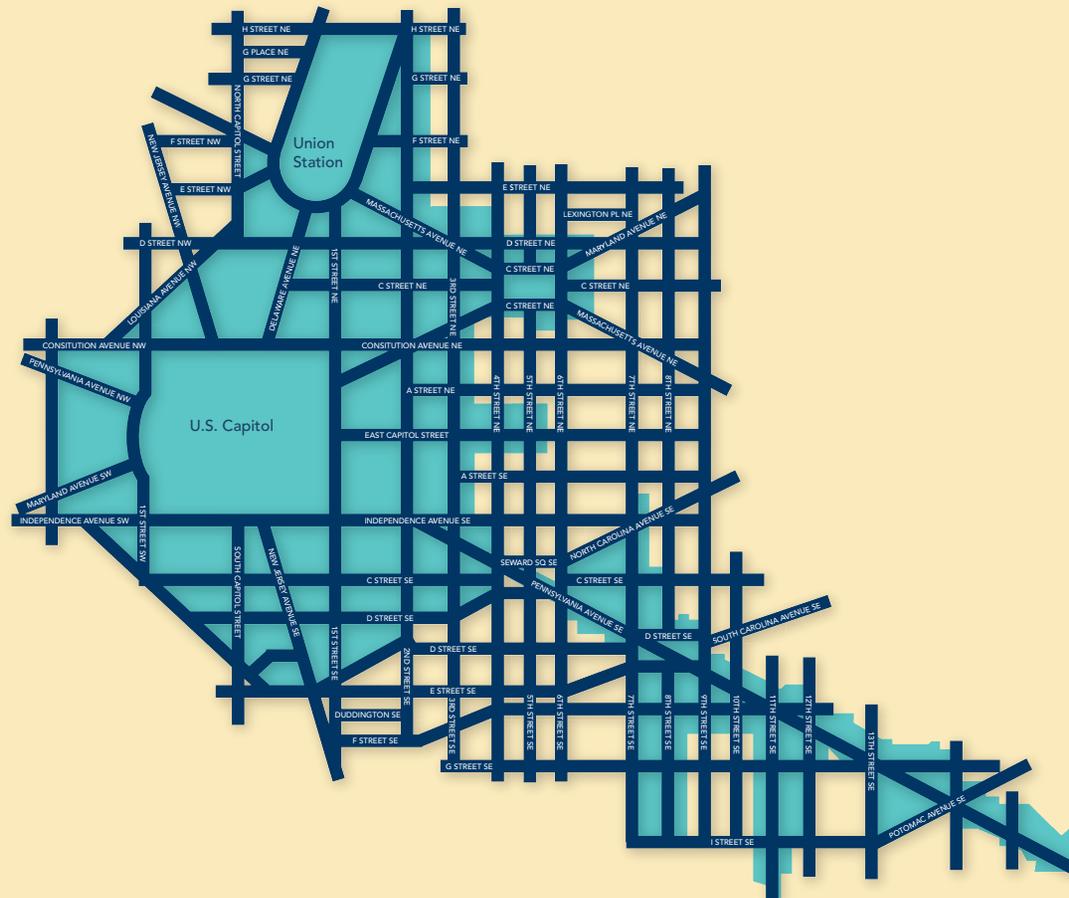


Capitol Hill Business Improvement District Annual Report 2021



CAPITOL HILL BID AREA



OVERVIEW

The Capitol Hill Business Improvement District (BID) is a 501(c)(6) nonprofit organization focused on maintaining and beautifying Capitol Hill's commercial streets and sidewalks and supporting local businesses by creating a clean and vibrant public environment. From marketing and community events, to streetscape improvements and economic development, the Capitol Hill BID has contributed to the vitality and quality of life on the Hill since its inception in 2003. There are currently a total of eleven BIDs throughout the District of Columbia that have had an important impact on the renaissance of our Nation's Capital. Although the Capitol Hill BID is not the largest BID by the numbers, it has established a leadership position in the community and was the first to pilot important initiatives such as public space recycling and work-rehabilitation programs.

The Capitol Hill BID's signature program is Ready, Willing and Working (RWW), which provides supportive services to more than 55 BID employees who were once homeless or formerly incarcerated. The program, founded in 2008, provides top-quality street cleaning services not only in Capitol Hill but, through contracts, a range of Main Street Programs and BIDs throughout the city.

The BID is led by a dynamic board of directors representing a cross section of Capitol Hill stakeholders, including merchants, tenants, property owners, cultural and nonprofit organizations and ex-officio representatives. The purpose of this report is to summarize the operations of the BID, provide transparency regarding the programs and spending priorities of the BID and highlight specific safety, beautification, and marketing contributions the BID has brought to Capitol Hill.



BOARD AND STAFF LISTING

Chairman of the Board

Don Denton, Coldwell Banker Real Estate

Vice Chairman

Michael Phillips, The UPS Store

Treasurer

John B. Gordon, National Capital Bank

Secretary

Eric Korsvall, The Heritage Foundation

Board Members

Hamood Abutaa, MetroMotor

Gwendolyn Blade, Bernstein Management Corporation

John Boyle, Property Owner

Ken Golding, Stanton Development Corporation

Nathaniel Goodman-Johnson, Johnson Law Group

Jesse Heier, Jade Fitness

Risa Hirao, Pascal, Weiss & Hirao

Mark Holler, Gingko Gardens

Gary Jankowski, Coldwell Banker Real Estate

Brad Johnson, Johnson Law Group

Susan Perry, Consultant

Mary Quillian Helms, Property Owner

Phillip S. Smith, CAPTEL

Beverley Swaim-Staley, Union Station Redevelopment Corporation

Michael Warner, DCanter

Robert A. Weinstein, architrave p.c. architects

Ex-Officio

Ken Jarboe, Community Representative

Charles McCaffrey, Eastern Market Main Street

Martin Smith, Barracks Row Main Street

Tony Tomelden, CHAMPS

Staff

Patty Brosmer, President

Andrew Lee, Vice President of Operations

Arnold Lee, Director of Field Operations

McKenna Pugh, Associate Director of Marketing



LETTER FROM THE PRESIDENT



Dear Members and Friends of the Capitol Hill BID:

I am pleased to present the 2021 Annual Report of the Capitol Hill Business Improvement District (BID) where we will take a look back at the highlights and accomplishments of our nineteenth year of service to Capitol Hill and a look forward to our twentieth year where we will continue to make the Hill cleaner, safer, and more beautiful than ever.

The evolution of Capitol Hill since the BID began services in 2003 has been amazing and we feel truly privileged to be a part of the transformation. Areas that were considered dirty and dangerous are now bustling with brand new mixed-use developments and activated public spaces.

A major event this year was the completion of the renovations and redesign of Eastern Market Metro Park. Years in the making, the beautiful park is now a place for visitors to “walk TO, not through”. Our clean team has been dedicated to maintaining and sanitizing the area for everyone to enjoy. Last fall we participated in activating the space with Friday night Jazz Concerts and Saturday Morning Kid’s Programs. More community-focused events are being planned to make this a fun gathering place for Capitol Hill.

Throughout the evolution of the neighborhood, Capitol Hill BID’s mission has remained as “Clean & Safe” because of the noticeable difference it makes in the community. In this report you will see that the perception of cleanliness on the Hill is 100% and our Ambassadors are seen as valuable assets.

After a forgoing many in-person events due to the Covid Pandemic in 2020, we were able to bring back the 4th of July Parade, and the Annual Community Tree and Menorah Lighting events with record-breaking attendance. [See photos on page 11.]

As you will see in the financial section of this report, the BID is financially sound and has received its nineteenth straight “clean” audit. By careful planning, utilizing creative ways to provide clean and safe services and with a talented staff, we have increased our retained earnings to a half million dollars so we are prepared for future unknowns, and reduced our administrative costs to 12.4% enabling your tax dollars to have the greatest impact on the streets.

I’d like to acknowledge the role our wonderful Board of Directors and our Executive Committee — led by Don Denton as Chairman — have in guiding and overseeing the BID’s operations. Their encouragement and support are invaluable to our ability to accomplish our overall mission.

As we look toward our 20th anniversary, we will continue the positive momentum created by the BID’s services which help make Capitol Hill a world-class destination while being a wonderful place to live, shop, dine, and work.

A handwritten signature in black ink, appearing to read 'Patty Brosmer', written over a faint background illustration of a city street scene with buildings and bicycles.

Patty Brosmer, President

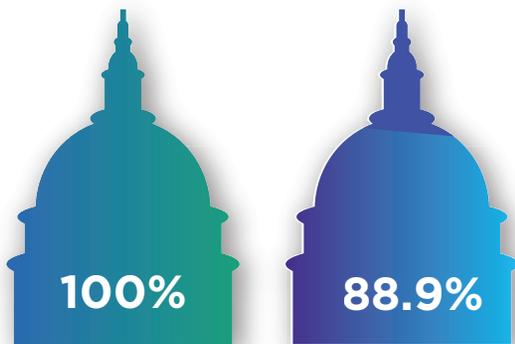
CLEAN, SAFE AND BEAUTIFUL



The past nineteen years of service have contributed a lot to the evolution of Capitol Hill BID and the community. Throughout this time, the BID has continued to be dedicated to our core mission of creating and sustaining a beautiful, clean and safe place to live, work and conduct business. In 2021, our Clean Team collected 2,027 tons of trash, over 246 tons of recyclables and removed 560 graffiti tags from public space areas on the Hill.

Highlights

- The BID's landscaping team planted and replaced liriopse as needed in the BID's 400 tree beds.
- Throughout the year, the BID helps to maintain the Eastern Market Metro Park (EMMP) by mowing the grass as needed and making sure the plaza is clean and trash-free, as well as maintaining "Sonny", the Capitol Hill Holiday Tree.
- Eastern Market Metro Park went under renovations and unveiled a complete redesign in June 2021. Thanks to receiving grant funds, the BID was able to provide evening services to the area including cleaning the park and resetting & sanitizing public space furniture.
- Through our partnership with Barracks Row Main Street, we maintained 53 public space planters and light pole baskets along 8th Street, SE.
- Partnered with the District Department of Transportation (DDOT), the BID handled supplementary brick work and the repair and installation of bike racks.



100% view the Hill as clean or relatively clean

88.9% view the Hill as safe or relatively safe



Recycling Initiatives

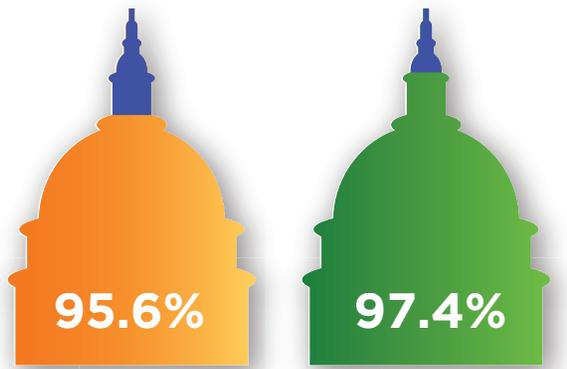
In 2021, the BID collected over 246 tons of recyclables from the blue receptacles stationed within the BID's boundaries. By continuing to increase the presence of recycling on Capitol Hill, the BID expects to see an increase in recycling and a steady decline in the amount of rubbish collected by our teams.

Safety and Hospitality Ambassadors

The Safety and Hospitality Ambassadors patrol the BID's 81 blocks by foot and bicycle every day. They provide pedestrian and visitor information, merchant visits, vehicular assistance, homeless outreach and act as extra eyes and ears for the police department. In 2021, the Ambassadors assisted 35,259 visitors and community members throughout the BID.

Homeless Outreach and Assistance

All of our safety and hospitality ambassadors are trained to assist the homeless and direct them to services where they can find food, shelter or employment in DC. In the cold winter months our ambassadors keep their eyes open for cases of possible hypothermia among the homeless population and during the hot summer months they provide bottled water and directions to nearby cooling centers. In FY 2021, BID safety and hospitality ambassadors performed 218 homeless assists.



95.6% view the Safety and Hospitality Ambassadors as improving the quality of life on the Hill.

97.4% view the Safety and Hospitality Ambassadors as knowledgeable, courteous and professional.



MARKETING CAPITOL HILL



In addition to creating a clean and safe business district, the BID also promotes Capitol Hill as a premier shopping and dining destination. In 2021, the BID continued its efforts of producing a weekly e-newsletter along with building a strong presence on social media to connect with residents and visitors. The BID continues to collaborate with fellow business organizations such as CHAMPS, Barracks Row Main Street and Eastern Market Main Street to further market Capitol Hill as a world-class destination.

Highlights

Bike to Work Day — The Capitol Hill BID hosted a Pit Stop at the Eastern Market Metro Plaza on Friday, May 21. Registration was limited to keep everyone safe but almost 200 participants stopped by to pick up their official BTWD t-shirt and enjoy prizes & refreshments from local sponsors including Harris Teeter, The DC Dentist, DC Circulator and Peregrine Espresso.

Fourth of July Community Parade — After missing the parade in 2020, the BID team marched down Barracks Row on 8th St, SE with the theme of “Capitol Hill is Stronger Together” including streamers and colorful banners decorating the BID pickup trucks. The “Men in Blue” tossed candy, multicolor beads and handed out custom Capitol Hill Neighborhood foil balloons.

Trash Receptacle Plate Update — Each of the 160 trashcans in the BID was adorned with a brand new branding plate! Featuring the Capitol Hill Neighborhood logo, the updated trashcan plates clearly mark the receptacles and enhance public spaces.

New Wraps on BID Trucks — The two BID pickup trucks received a much needed makeover with updated wraps including the new branding illustration reflecting all of the areas of Capitol Hill Neighborhood and the safety message on the back reading “Vehicle Makes Frequent Stops.”

Eastern Market Metro Plaza September Concert Series — In partnership with Barracks Row Main Street, Eastern Market Main Street and Councilmember Charles Allen office, Parcel 4 of EMMP was activated with concerts on Friday evenings and children’s programming Saturday morning throughout the month of September.



THE HILL IS ALIVE FOR THE HOLIDAYS!



In 2021, the Capitol Hill Business Improvement District continued to provide an even more memorable holiday program experience with enhanced sound, stage and lighting for our holiday tree and menorah lighting as the events returned to being in-person. A record number of attendees participated in what has come to be a true holiday tradition on the Hill.

15th Annual Capitol Hill Holiday Tree Lighting — Hundreds of Hill residents and visitors gathered at the Southwest Quadrant of Eastern Market Metro Plaza to celebrate the start of the holiday season at the 15th Annual Capitol Hill Holiday Tree Lighting. This year the new name of the community tree was announced as “Sonny”, to continue to honor the BID’s founding chairman George Didden III for his many contributions to the Capitol Hill community. Throughout the evening, the BID’s “Men in Blue” served hot chocolate, coffee and doughnuts while local musical groups Joyous Voices, Capitol Hill Arts Workshop’s Suzuki Strings and Adalia Jimenez performed holiday favorites.

8th Annual Capitol Hill Menorah Lighting — Members of the Capitol Hill community and Hill Havurah congregation gathered around the front steps of the Church of Reformation on East Capitol Street to celebrate the second night of Hanukkah at the 8th Annual Capitol Hill Menorah Lighting. The BID’s “Men in Blue” served traditional Hanukkah treats including jelly doughnuts and potato latkes prepared by Ted’s Bulletin, as well as hot chocolate, coffee and chocolate gelt. The 9-foot public space menorah was purchased in 2013 and is dedicated to BID Past Chairman Paul Pascal. Mr. Pascal passed away in April 2018, and his son, Bruce Pascal, carried on his legacy by flipping the switch to light the menorah.



TRANSPORTATION



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1400



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32 SOUTHERN AVENUE STATION

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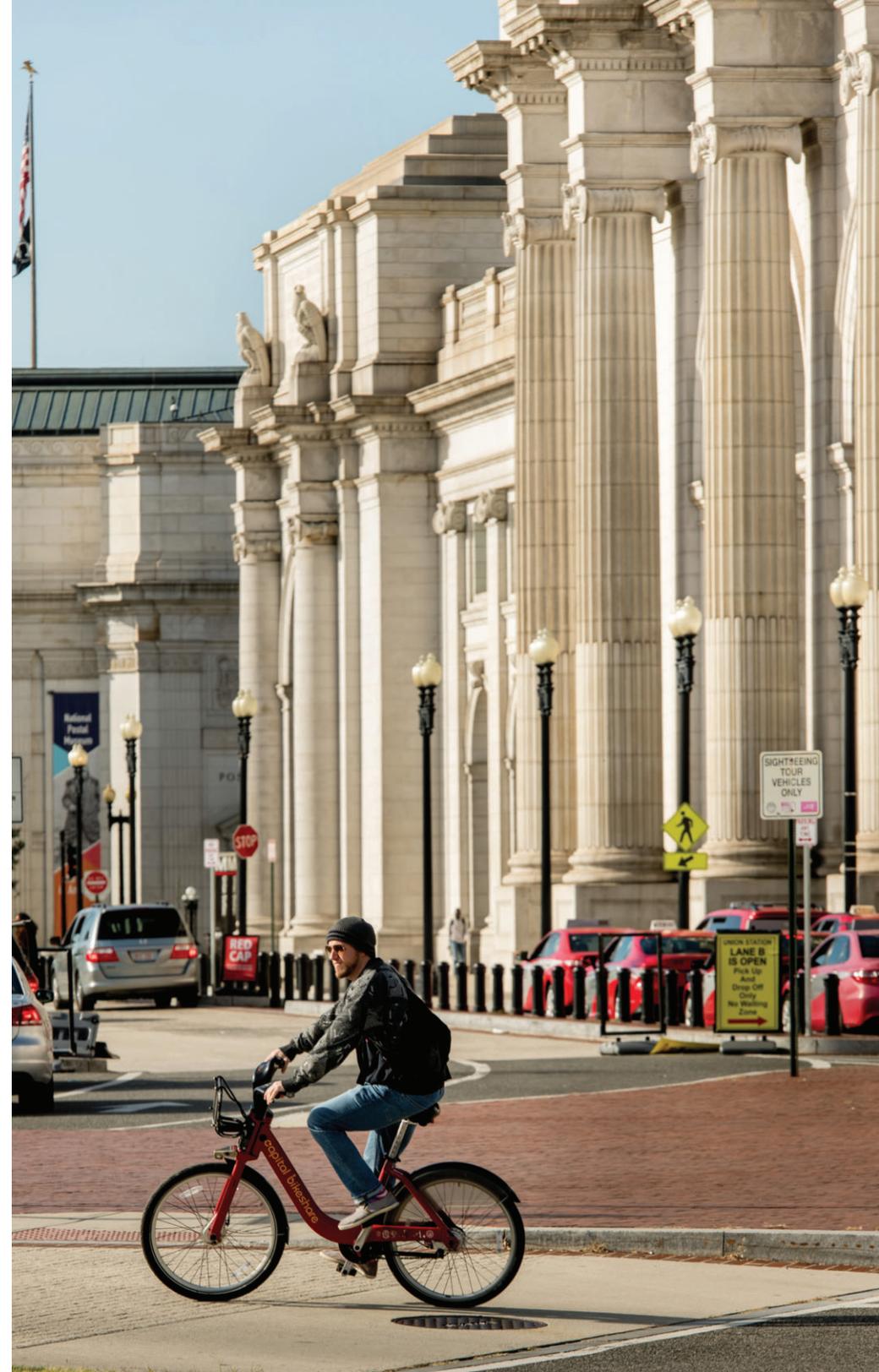
metrobus

Straighter teeth for thousands less than braces

crd.com

Public transportation improvements are an important part of Capitol Hill's economic prosperity and sustainability. The BID continues to support and promote District transportation amenities, including Capital Bikeshare and the DC Circulator bus service. The BID also holds a seat on the DC Sustainable Transit (DCST) board.

Capital Bikeshare began its presence with a just a few small stations on the Hill in 2010 and since has seen a significant impact in the way people travel around Washington. Today, Capital Bikeshare offers sixteen stations within the BID's boundaries, which at maximum capacity can dock over 300 bikes, providing an innovative and environmentally-friendly way to get around and explore Capitol Hill.



READY, WILLING & WORKING



The BID continues its commitment to be socially responsible through the management of Ready, Willing & Working (RWW); a solution to homelessness and criminal recidivism in Washington. Since 2008, maintenance service areas have expanded beyond Capitol Hill to Adams Morgan, Barracks Row, Capitol Riverfront, Mid-City, Mount Vernon Triangle and Pennsylvania Avenue West. In FY 2021 RWW provided supportive services to over 60 formerly homeless and incarcerated individuals who work for the BID.



2021 Highlights

- Renewed contracts with Adams Morgan Partnership BID; Barracks Row Main Street, and DSLBD (Department of Small & Local Business Development).
- New contract with Mount Vernon Triangle Community Improvement District (CID) in April with 6 new RWW participants.
- The 12th Annual Magic & Miracles gala was held virtually on October 25th through October 28th featuring a video including an interview with Harriet McDonald & Isabel McDevitt from the Doe Fund and an online silent auction. The virtual gala raised over \$13,000 to continue to provide support services to the “Men and Women in Blue” through the auction and generous sponsorship from National Capital Bank of Washington.
- Celebrated the formation of Work Works America with RWW as a founding member. The Work Works (WW) Affiliate Network includes established programs from NY, NJ, Atlanta, Colorado, and Washington DC with a plan to assist in the development of like programs across the country. To learn more, visit <https://doe.org/work-works/>
- Released a video titled “Much More than a Job: Wendy’s Story”, following the story of new team member Wendy when she joined RWW and saw her own furnished apartment for the first time. To view the video, visit <https://bit.ly/WendysStoryRWW>.
- In the Fall, RWW was awarded the \$10,000 Bill Phillips Award from the Capitol Hill Community Foundation (CHCF).







INDEPENDENT AUDITOR'S REPORT

Board of Directors
The Capitol Hill Business Improvement District, Inc.

We have audited the accompanying financial statements of The Capitol Hill Business Improvement District, Inc., which comprise the statements of financial position as of September 30, 2021 and 2020, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organization's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Capitol Hill Business Improvement District, Inc. as of September 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the accompanying financial statements have been prepared assuming that the Organization will be able, through management efforts, available legal options, property sales, and the passage of time, to collect all assessments receivable recorded as of September 30, 2021 and 2020. The Organization believes that all assessments receivable will either be received as due or will be collected via future property sales, tax sales, and liens. As such, it is likely that not all assessments receivable recorded as of September 30, 2021 and 2020 will be received in the near future, but it is unknown as to the length of time each assessment receivable may require before it is paid by the property owner. The accompanying financial statements do not include any adjustments to record an allowance for uncollectible assessments receivable or to allocate any portion of the assessments receivable to long term assets. Our opinion is not modified with respect to this matter.

Katz, Abosch, Windesheim, Gershman & Freedman, P.A.

Timonium, Maryland
February 16, 2022

**The Capitol Hill Business Improvement District, Inc.
Statements of Financial Position
September 30, 2021 and 2020**

ASSETS

CURRENT ASSETS

	2021	2020
Cash	\$ 673,522	\$ 376,526
Assessments and contracts receivable	469,022	487,704
Prepaid expenses	<u>61,465</u>	<u>13,581</u>
TOTAL CURRENT ASSETS	<u>1,204,009</u>	<u>877,811</u>

FIXED ASSETS—NET

	<u>142,067</u>	<u>166,260</u>
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OTHER ASSETS

Deposits	<u>3,500</u>	<u>3,500</u>
TOTAL ASSETS	<u><u>\$ 1,349,576</u></u>	<u><u>\$ 1,047,571</u></u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable	\$ 25,734	\$ 25,682
Accrued expenses	93,065	53,476
Current portion of long term debt	23,586	31,388
Unearned assessment revenue	<u>495,863</u>	<u>458,271</u>
TOTAL CURRENT LIABILITIES	<u>638,248</u>	<u>568,817</u>

LONG TERM LIABILITIES

Long term debt	34,326	45,168
Paycheck Protection Program loan	<u>176,146</u>	<u>0</u>
TOTAL LIABILITIES	<u>848,720</u>	<u>613,985</u>

NET ASSETS

Without donor restrictions	<u>500,856</u>	<u>433,586</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 1,349,576</u></u>	<u><u>\$ 1,047,571</u></u>

The Capitol Hill Business Improvement District, Inc.
Statements of Activities
For the Years Ended September 30, 2021 and 2020

REVENUE AND OTHER SUPPORT	2021	2020
Assessment revenue	\$ 1,726,810	\$ 1,580,266
Contracts income	2,265,330	2,125,115
Contributions and grants	0	40,132
Penalties and interest	<u>57,476</u>	<u>40,662</u>
TOTAL REVENUE AND OTHER SUPPORT	<u>4,049,616</u>	<u>3,786,175</u>
EXPENSES		
Functional expenses:		
Program services	3,484,713	3,257,348
Management and general	<u>497,633</u>	<u>491,202</u>
TOTAL EXPENSES	<u>3,982,346</u>	<u>3,748,550</u>
Change in Net Assets	67,270	37,625
Net Assets Beginning of the Year	<u>433,586</u>	<u>395,961</u>
Net Assets—End of the Year	<u>\$ 500,856</u>	<u>\$ 433,586</u>





COMMENTS FROM COMMUNITY MEMBERS

“The C&S Ambassadors are always friendly, courteous and helpful. They are an integral part of our community and we appreciate having them here.”

“Very grateful for the Capitol Hill BID team! Each of you make our neighborhood great!”

“These folks really do add to the quality of life on Capitol Hill. Thanks for all you do!”



IN LOVING MEMORY OF JUDY WOOD, CPA

In 2021 we sadly lost our CPA of more than 20 years, Judy Wood. As our trusted accountant she saw us through our start-up years and helped us grow with fiscal responsibility. She also helped launch Ready, Willing & Working thereby providing work opportunities and supportive services to homeless and formerly incarcerated participants.

After her passing, her partner requested donations be made to Ready, Willing & Working in Judy's honor. More than 20 people donated generously. A real tribute to her from so many who will miss her special light.



CAPITOL HILL
BUSINESS IMPROVEMENT DISTRICT

1451 Pennsylvania Avenue, SE
Washington, DC 20003
202.842.3333
www.capitolhillbid.org
[@capitolhillBID](https://twitter.com/capitolhillBID)