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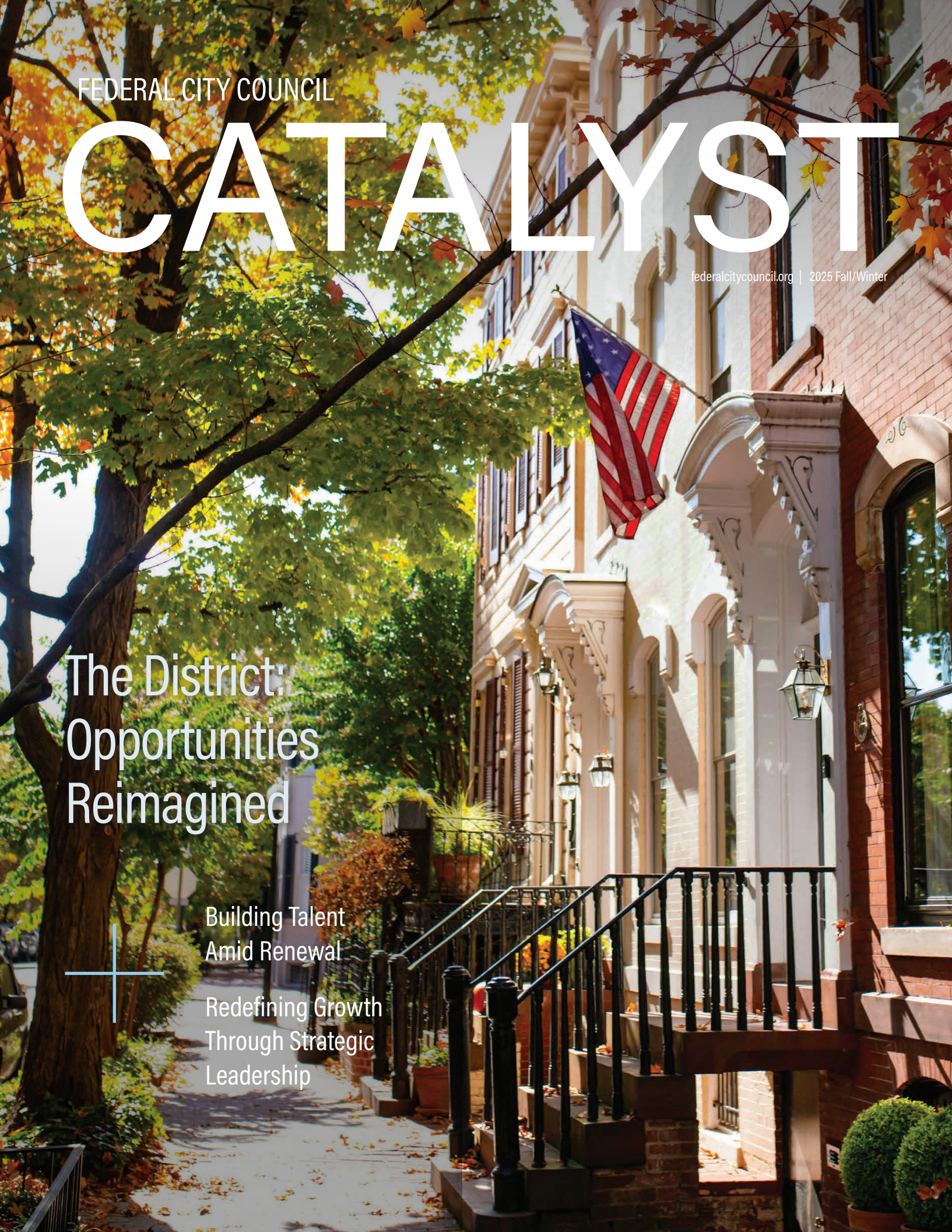

The District: Opportunities Reimagined

Building Talent Amid Renewal

Redefining Growth Through Strategic Leadership

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“I am bullish on the District because we have innate strengths.”

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Letter from the CEO and Executive Director

Dear Trustees,

We stand at a moment of inflection in the District and the region, one marked by uncertainty in the short term but bursting with potential in the years ahead. If we listen closely to the District's business, civic and policy leaders, a shared conviction emerges: the nation's capital isn't going anywhere.

In this *Catalyst* issue, we explore that belief—and the confidence that DC's inherent strengths, its talent base and its identity as a global hub will propel it toward renewed prosperity. The economy has and will continue to work if powered by innovation, human capital and an unmatched civic infrastructure. We only need fine-tuning, not reinvention.

The economy has and will continue to work if powered by innovation, human capital and an unmatched civic infrastructure.

Our *Catalyst* stories trace the contours of that optimism. You'll read about how the District's workforce—anchored by the federal government but increasingly diversified by private and emerging industries—remains one of our greatest assets.

We examine efforts to modernize housing policy, spur new investment and reimagine DC as a competitive metropolis in a new economic era, building on groundbreaking developments like the re-envisioning of RFK Stadium. There's an energy in the air, a recognition that if we "double down" on what already works, DC can become a magnet for in-house talent, remote workers and global capital.

Of course, this issue doesn't shy away from the complex policy challenges that call for bold, creative thinking from both local and federal leaders. We explore how the District's public spaces—many under federal ownership—can be transformed through innovative public-private partnerships into more vibrant, inclusive destinations for community and connection.

We also highlight the latest work from our partner, the D.C. Policy Center, which continues to measure and interpret the pulse of the regional business community. Its insights offer vital intelligence to help guide the decisions of policymakers, business leaders and civic institutions across the region.

Think of this issue as both a snapshot and a roadmap. We look at where the District stands today and how it can climb higher. Because when DC's economic engine engages fully again, the thrust will carry not just the city but the entire region forward. Welcome to an issue about momentum, talent and belief in what's possible when a city knows its own power, and uses it.

Sincerely,

Tony Williams

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DISTRICT OF OPPORTUNITY: DC'S RISE AS A CAPITAL FOR BUSINESS AND LIFE

As 2025 draws to a close, the Federal City Council (FC2) remains steadfast in its founding mission: advancing the promise and potential of the nation's capital.

When FC2 was established in 1954, Washington, DC was largely a government town with historic monuments and properties. Today, it stands transformed, with a dynamic nexus of commerce, innovation and culture.

While Washington is still the seat of the U.S. government, it has also become a premier destination for enterprise and talent. The District's unique blend of intellectual capital, cultural vitality and global connectivity has made it one of the most competitive urban economies in the country.

"The District is not just the capital of the country. It's a capital of opportunity," said Anthony Williams, FC2 CEO and Executive Director. "This is a city where tradition and innovation coexist seamlessly as we work to broaden our economic base and welcome the next generation of talent and industry."

A City Reimagined

The DC skyline tells the story of a city in constant renewal. From The Wharf and Navy Yard to The Parks at Walter Reed and the emerging Reservoir District, Washington's neighborhoods exemplify how investment and creative planning can reshape an economy. Transformative redevelopment projects at RFK Stadium and Union Station promise to extend that momentum, bridging the District's historic legacy with its contemporary ambitions.

Strategically positioned along the Eastern Seaboard, with three international airports and direct rail access to the East Coast, the District offers unparalleled connectivity for businesses and travelers alike. That accessibility, combined with the region's robust digital infrastructure, reinforces DC's standing as a hub for commerce, policy and innovation.

The Power of People

The District's greatest strength, now as ever, lies in its people. Home to residents from all 50 states and more than 170 countries, DC is a diverse city, a place where civic engagement and entrepreneurship thrive side by side. Nearly 60 percent of Washingtonians hold a bachelor's degree or higher, positioning the city among the nation's most educated and adaptable workforces.

This talent drives growth across key industries—technology, consulting, health care, finance and hospitality—fueling both startups and established enterprises. New FC2 workforce development initiatives are also opening doors for residents, including former federal employees, seeking to plot their own futures through partnerships between nonprofits, local businesses and global corporations.

A Cultural Capital

Beyond the boardroom, Washington's cultural offerings are as compelling as its economic promise. The Smithsonian Institution museums, Kennedy Center and monumental landmarks remain the cornerstones of its identity, while independent galleries, theaters and music venues bring fresh perspectives and energy to the city's creative scene.

DC's culinary landscape continues to flourish, reflecting the city's cosmopolitan spirit. From Michelin-starred dining rooms to buzzing food halls and neighborhood bistros, Washington's kitchens are alive with both international flavors and local ingenuity.

Neighborhoods of Distinction

Each of the District's neighborhoods tells a story. In NoMa, vibrant street art and sleek apartments attract a new generation of professionals. The Wharf has redefined the city's waterfront, seamlessly blending dining, entertainment and leisure along the Potomac. Meanwhile, historic enclaves such as Shaw, Capitol Hill and Navy Yard continue to balance their architectural charm with modern vitality.

Expansive green spaces—including Rock Creek Park, the National Arboretum and the National Mall—offer residents rare access to nature within a thriving metropolis. Housing choices are equally diverse, spanning classic rowhouses, modern condominiums and luxury high-rises. Recent downtown revitalization efforts are converting underused office buildings into residences, breathing new life into the city's urban core.

Sports and Shared Spirit

Washington is also a city that unites around sports. Nationals Park anchors the Navy Yard with Major League Baseball excitement; Audi Field has infused Buzzard Point with the energy of professional soccer; and Capital One Arena remains a bustling stage for NBA, NHL and WNBA games, alongside major concerts and cultural events.

Across the river, the Entertainment and Sports Arena in Anacostia—home to the WNBA's Washington Mystics—has become a community anchor and a catalyst for development east of the Anacostia River. The anticipated redevelopment of the RFK Stadium site is poised to further that sports-driven growth, promising to bring professional football back to the District while creating new opportunities for housing, retail and recreation.

Momentum and Promise

At this juncture, Washington, DC stands as more than a political capital. It is a city of momentum, where businesses prosper and neighborhoods thrive. For companies and professionals seeking a place to grow, to lead and to live, the District of Columbia continues to offer opportunity and growth for the future.

Even with its potential, the District and its supporters have much work to do to ensure it reaches its promise. When DC succeeded economically in the past, it was always because stakeholders were equally committed to the vision and the investments required to attain its goals.

"If we work in collaboration, the economic engine will work," said Williams. "If we double down on those efforts, and not get in our own way, we can enhance the flow of investment and increase our economic competitiveness."

Still, Williams is optimistic about DC's future. "I am bullish on the District because we have innate strengths," he said. ■

Photograph by Tim Brown @Flickr

WASHINGTON, DC:
A COMPETITIVE ECONOMIC FUTURE

The District of Columbia stands at a defining juncture in its economic evolution, as civic and business leaders pursue an ambitious agenda to bolster the city's long-term competitiveness. At the forefront of this movement is the Federal City Council (FC2), which has led a series of transformative initiatives designed to sharpen the District's economic priorities.

A new alignment of public and private initiatives is taking shape in DC, which includes: reclaiming the RFK Stadium site for catalytic redevelopment; modernizing housing policy through the reformed Tenant Opportunity to Purchase Act (TOPA); and reshaping the Washington DC Economic Partnership (WDCEP) under Mayor Muriel Bower's growth agenda.

"The Federal City Council has leveraged its convening power and the influence of its members to support initiatives that promise to transform our vision into policies and programs that turn opportunity into action and achievement," said Anthony Williams, FC2 CEO and Executive Director.

Reclaiming RFK: From Legacy to Leadership

FC2 has worked to win the approval of the RFK Stadium redevelopment deal, which is a landmark moment for a site that had long been marked by uncertainty. For decades, the future of RFK was mired in federal restrictions, community concerns and stalled negotiations. FC2 provided guidance in moving the project forward, advocating for a redevelopment framework that balanced economic vitality with equitable community benefits.

With the agreement secured, the District faces its most promising contemporary redevelopment opportunities. The $2.7 billion project will transform 174 acres of riverfront land into a mixed-use zone of housing, retail and public green space with a roofed stadium for the Washington Commanders football team as its anchor.

Supported by a $500 million public investment in infrastructure and site preparation, the project is expected to create more than 14,000 jobs and stimulate millions in sporting events and tourism.

"More than a real estate venture, the RFK redevelopment allows for the strategic use of public land to stimulate community growth and renewal," said Williams.

Housing Policy Reimagined

FC2 has also been instrumental in the drive to modernize housing policy through its involvement in reforms to the Tenant Opportunity to Purchase Act (TOPA), enacted through the Mayor's RENTAL (Rebalancing Expectations for Neighbors, Tenants and Landlords) Act. While TOPA has long served as a bulwark against tenant displacement, its complexity has often hampered development and deterred investment.

Working collaboratively with housing advocates, developers and city leaders, FC2 helped craft a reform package that preserves tenant protections where they are most impactful, particularly in smaller, rent-controlled properties, while also streamlining processes in newer and market-rate buildings. The changes include targeted exemptions and a 25-year exclusion for newly constructed housing, offering clarity and confidence to investors while maintaining DC's commitment to affordability.

The outcome exemplifies FC2's hallmark approach: advancing pragmatic solutions that reconcile growth with equity, and ensuring that economic progress strengthens, rather than strains, the city's social fabric.

Aligning for Growth

These efforts are closely intertwined with the Mayor's comprehensive growth agenda, which calls for an "all-tools" strategy to attract investment, residents and jobs in a challenging economic environment.

One of the major movers in the last year has been the mayor's pro-growth programs and tax incentives that are reshaping development efforts in the District, including encouraging developers to transform commercial real estate into residential spaces.

"The tax incentives available to convert obsolete office buildings into residential use are taking

Photograph by Joe Flood @Flickr

blighted buildings that aren't providing much tax revenue and replacing them with new, modern, best-in-class housing," said Oliver Carr, FC2 Trustee and CEO of Carr Properties. "Without the tax incentives, these projects wouldn't work."

"But the best thing the city can do now," Carr continued, "is have a multi-pronged effort: grow its residential base, bring in retail and restaurants, and build up a strong corporate attraction effort."

A More Personal Approach

FC2 members have raised their hands to participate in a more proactive and personalized strategy for corporate recruitment. Many FC2 trustees would be prime informal ambassadors for the District. By hosting lunches with visiting business leaders, welcoming foreign trade delegations and even leading outreach trips to companies considering relocation or expansion in DC, FC2 trustees could be catalysts for opportunity.

"We're hoping to roll out a larger initiative to go all-in on attracting companies to move to DC," said Carr. "Existing business leaders based here in DC are some of the best people to tell the DC story, including why they're here and how great the city and the region are."

The effort would be coordinated with government leaders, the Washington DC Economic Partnership and other local organizations. FC2's network of senior business leaders would provide credibility and a deep understanding of the challenges facing companies considering a change of location. ■

REINVENTING DC'S WORKFORCE AMID UNCERTAINTY

Even as Washington, DC grapples with the uncertainty prompted by waves of federal layoffs, local leaders are doubling down on a single goal: connecting DC residents to jobs and economic opportunity.

From federal workers displaced by budget cuts to retail employees navigating an economic slowdown in the wake of federal policy changes, workforce development initiatives supported by the Federal City Council (FC2) have become a test of both innovation and resilience.

At the heart of this effort is Talent Capital, a first-of-its-kind collaboration designed to help the region retain and redeploy its most skilled professionals. The initiative, launched through a partnership that includes FC2 and various regional education and government partners and housed at the Metropolitan Washington Council of Governments (COG), provides a "one door" platform where displaced workers can connect with jobs in the corporate, nonprofit and local government sectors.

"There has been a pretty big job loss after the federal layoffs," said Tanya Borachi, FC2 Director of Workforce and Education Initiatives. "The region didn't want to lose that talent. Talent Capital gives people an easy way to find great opportunities and to stay here."

The Talent Capital website (talentcapital.ai), powered by local tech company BuildWithin, offers free AI-enabled tools to help job seekers translate their skills and tailor resumes for new roles. In the first 20 days of the site's launch, 42,000 unique users have accessed the site. The top occupations that candidates are applying to in Washington, DC are network and systems engineering, registered/practical nursing, and project/program managers.

For now, the focus is on displaced federal workers and contractors in DC, Maryland and Virginia, many of whom have seen projects frozen or jobs eliminated as the federal government has looked to downsize its presence in the region. But organizers hope the platform will eventually open to broader segments of the local workforce.

"In Washington, DC, we know that talent is our greatest asset, and that every Washingtonian

deserves the opportunity to succeed," said Mayor Muriel Bowser in announcing the project in October. "Talent Capital ensures that our residents can stay in the region they call home, access high-quality jobs, grow their careers and drive innovation across key industries."

Amid the current turbulence, the region's workforce development strategy is evolving. Entrepreneurial incubators like Builders to Backers are looking to provide new development opportunities for former federal workers. The focus would be on providing the investment and guidance for federal entrepreneurs to turn novel ideas into startups.

Even as DC weathers an uncertain season, leaders are betting that innovation and collaboration can turn crisis into renewal. "We're meeting the moment," said Anthony Williams, FC2 CEO and Executive Director. "This is about helping people find their next opportunity and making sure the region doesn't lose its talent." ■

Building the Future:
From Classrooms to Construction Sites

The District's recent workforce strategy focuses on white-collar recovery to address federal layoffs, but a different kind of progress is taking shape on the ground.

The Construction Partnership DC Builds DC—a longstanding collaboration between 45+ of the DMVs top construction industry employers convened by the Federal City Council and CityWorks DC and supported by 25+ strategic partners and workforce development nonprofits—is seeing renewed momentum thanks to new development projects and growing demand for skilled workers. As new stadiums, hotels and public spaces rise across the District, the need for a skilled construction workforce continues to grow. With the RFK stadium deal moving forward, the sector is readying for a major influx of opportunity.

"We've engaged new employers and are excited to help build up that muscle with the city," said Tanya Borachi, FC2 Director of Workforce and Education Initiatives. "There's a lot of energy right now."

That energy extends into the classroom. Through the Partnership's K–12 Action Team, the initiative plans to reach more than 600 students and families in the current school year, introducing young people to construction careers through work-based learning and site visits.

One recent high school field trip to a Davis Construction job site left a lasting impression on both students and supervisors. "The superintendents haven't stopped talking about it," Borachi said. "It was a full-circle moment seeing students inspired by real-world work."

Next up, the program hopes to expand into middle and even elementary schools, creating early pathways into trades that support the city's growth. "We want kids to see that these are good jobs: creative, technical and vital to how their city is built," Borachi said. ■

TASK FORCE CHARTS A PATH FORWARD FOR **WASHINGTON'S PARKS**

Over the past year, a Federal City Council (FC2) task force has been contemplating the future of the District's parks and public spaces that primarily serve the local city. What began as a broad discussion about public needs and best practices has evolved into a set of recommendations aimed at balancing city priorities and community accessibility.

"The first step of our task force was to make the case for the need to address parks in the District, and give examples of successful models around the country," said Trustee Barbara Mullenex, who is helping with the task force. "In our report's recommendations, we paint a picture of how these models might be adopted here."

One of the task force's central findings is the inefficiency in how parks are currently managed in the District. Many small parcels of land, from triangles and medians to traffic islands and pocket parks, remain under the control of the National Park Service (NPS), which isn't designed to manage small urban parks.

"Even basic improvements like maintaining playgrounds or bike paths can become drawn-out negotiations," said FC2 Executive Fellow Joe Sternlieb, noting that if these spaces were under some form of local management, upkeep and community needs might be met more swiftly and easily.

Sternlieb explained that the task force concluded its series of meetings this fall with "a strong consensus that improvements are needed to make parks more accessible and community-friendly." The task force, which included representatives from DC's Advisory Neighborhood Commissions (ANCs), DC government agencies, nonprofits and business improvement districts, focused its efforts on how to deliver parks that serve residents while remaining financially sustainable.

To test one approach, the task force is proposing a pilot program that could be managed by a nonprofit such as Casey Trees. The pilot would focus on managing a handful of small neighborhood parks across the District, leaning heavily on volunteers and community management to complete its work.

Becky Strauss, FC2 Director of Economic Initiatives, said the pilot was inspired by Chicago's NeighborSpaces, a nonprofit urban land trust. If successfully deployed, it could lay the groundwork for a broader transition of neighborhood parks to local stewardship. "The Chicago model would require a very small amount of public funding and oversight, and most of the heavy lifting would be done by neighbors and community groups," said Strauss.

In the past, NPS has solved resource and prioritization issues at local parks by allowing the District, or partner groups, to raise and spend funds to improve their parks, and in some cases ceding to operate them through cooperative management agreements. At Lincoln Park on Capitol Hill, the nonprofit Friends of Lincoln Park has stepped in to fill funding gaps, most recently launching a $20,000 campaign to restore the park's fountains and irrigation system. And in Grant Circle, neighborhood groups like Petworth Blooms have gradually reshaped the grounds, clearing invasive shrubs and planting new flowers to bring vibrancy back to the space. The largest recent example is the renovation of downtown's Franklin Park, which saw a $21 million DC expenditure. It is being managed by the Downtown BID, but NPS continues to control it. Arrangements like this take years to negotiate and, given the need for greater local access and control across the city, may not be the most efficient model for the future.

The task force acknowledged that financing remains a key challenge. At present, DC recovers less than 5 percent of its park system's costs from user fees, sponsorships and events, which is far below the national average of 21 percent. Recommendations for financial offsets include charging more for rentals for adult sports leagues, rentals of recreation centers for private events and concessions in parks under local control. These strategies would be designed to raise revenue without limiting general public access or charging residents for basic services.

The task force is expected to issue its report in coming months and spend 2026 working to implement the first pilots for improvement. ■

Quarterly Business Survey Takes the Pulse of DC Economy

The D.C. Policy Center's Rivlin Initiative Quarterly Business Sentiments Survey has quickly become an indispensable barometer for local policymakers seeking to navigate the region's evolving economic landscape and to respond to the District's shifting fortunes.

"When we launched the Quarterly Business Sentiments Survey, it was the first of its kind in our region," said Yesim Sayin, Executive Director of the D.C. Policy Center. "It offers a real-time pulse on what businesses are experiencing. In periods of economic uncertainty like today, that immediacy is invaluable."

Reaching more than 40,000 businesses across the District, the initiative has provided a sobering portrait of the city's economy in its first three incarnations. The third installment, released in October 2025, showed a business community under sustained pressure, both deeply intertwined with the federal government and vulnerable to its policy shifts.

Federal downsizing has curtailed contracting opportunities and strained universities dependent on government funding. At the same time, tighter immigration policies are constraining the labor market. "Immigration has long been an invisible subsidy to middle- and high-income households," Sayin observed. "Workers in restaurants, childcare centers and other service sectors help keep costs manageable. When those supports erode, the impact ripples across the economy."

Participation in the survey has surged over the past year, reflecting growing recognition of its importance. "We've now received more than 400 responses," Sayin noted. "This is a big number, as far as surveys go, and shows how broadly representative our effort has become for the District's business community."

The third-quarter findings suggest stability on the surface but signal turbulence beneath. Most respondents reported "minimal or no change" in revenue, staffing or commercial space. Yet among those experiencing shifts, the trend line tilts negative. More businesses are cutting staff, losing revenue and downsizing their footprints than expanding.

The fourth-quarter survey, distributed in October, examined the effects of immigration policies on business operations, with results expected in January. While the data often underscore the city's economic headwinds, Sayin emphasized that transparency itself is a tool for resilience.

"It's powerful to the extent that the business community uses it," she said, encouraging members of the Federal City Council and other civic groups to participate. "The more the data inform discussions with elected officials, the more meaningful—and actionable—they become."

Already, the survey's findings have drawn national attention, with citations in *The New York Times* and The *Wall Street Journal*. Despite the challenging outlook, Sayin maintains that the long-term objective is clear: to foster accountability, sharpen public debate, and equip Washington's leaders with the insight needed to steer through an uncertain economic future. ■

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