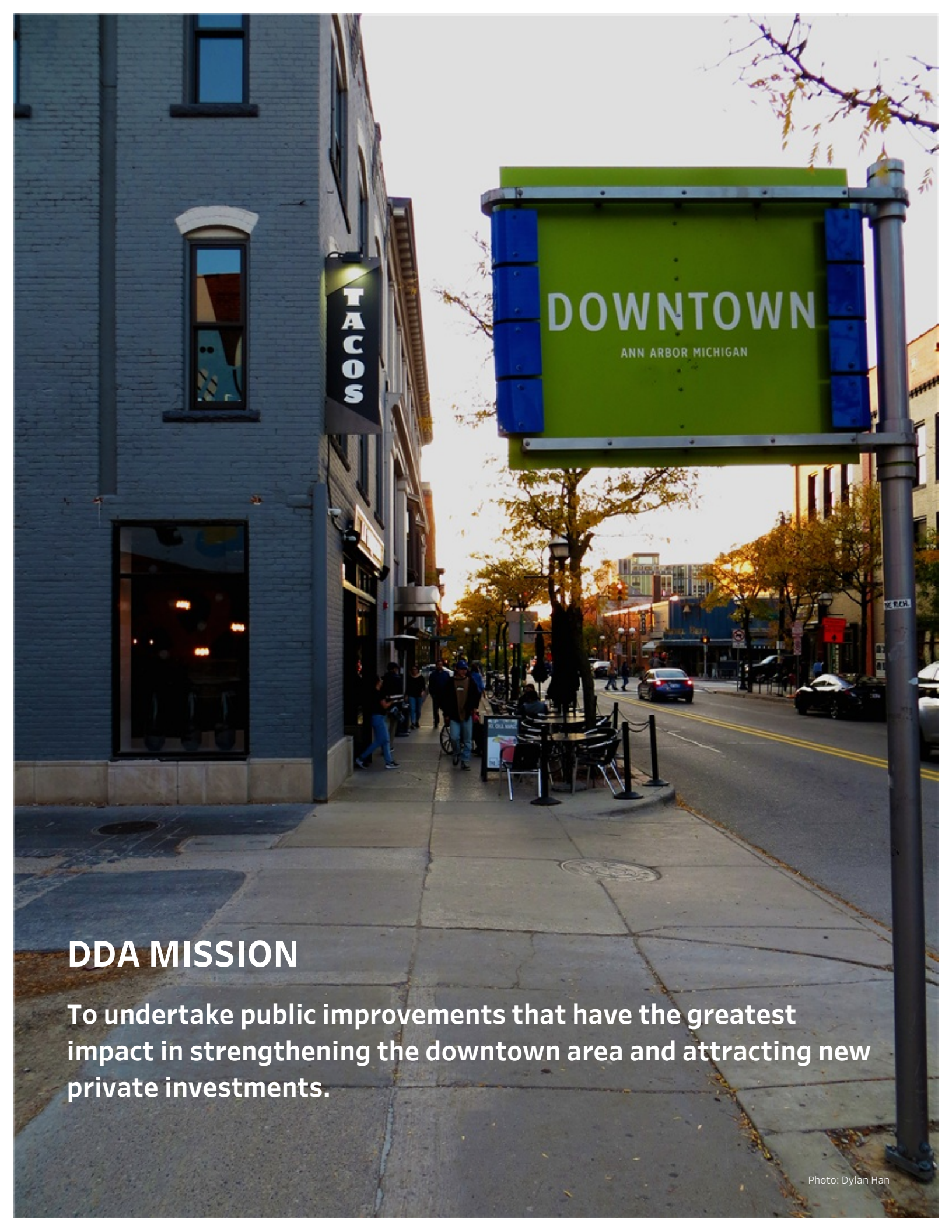


STATE OF THE DOWNTOWN REPORT

ANN ARBOR, MICHIGAN

2019





DDA MISSION

To undertake public improvements that have the greatest impact in strengthening the downtown area and attracting new private investments.



CONTENT

ABOUT THE DDA	4
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ABOUT THE DDA

DDAs were created by the State of Michigan as a tool to counteract central city decline and ensure that the heart of our cities and regions receive careful stewardship and long-term consideration. Since the Ann Arbor Downtown Development Authority's (DDA's) inception in 1982, it has worked continuously to meet its mission: **to undertake public improvements that have the greatest impact in strengthening the downtown area and attracting new private investments.**

The work of the DDA is done by a small staff and a Board of twelve citizens appointed by the Mayor and City Council. DDA members volunteer their time, talent, and expertise to the DDA for the benefit of the downtown. They serve four-year terms and work through committees to accomplish the goals of the DDA.

COMMUNITY PARTNERSHIP

The DDA is proud to work with numerous community partners, including:

Ann Arbor / Ypsilanti Regional Chamber • a2ychamber.org
Destination Ann Arbor • visitannarbor.org
Ann Arbor District Library • aadl.org
Ann Arbor SPARK • annarborusa.org
Ann Arbor Area Transportation Authority (AAATA) • theride.org
City of Ann Arbor • a2gov.org
Downtown Citizens' Advisory Council (CAC)
getDowntown Program • getdowntown.org
Kerrytown District Association • kerrytown.org
Main Street Area Association • mainstreetannarbor.org
South University Area Association • a2southu.com
State Street District • statestreetdistrict.org
Republic Parking • rpsa2.com
Downtown A2 Historical Street Exhibit Program • aastreets.aadl.org
Washtenaw Area Transportation Study • miwats.org
Washtenaw County • ewashtenaw.org
Main Street Business Improvement Zone • annarbormainstreetbiz.com

LETTER

Downtown Ann Arbor is the beloved heart of our city, with a gravitational force drawing people from throughout the region, and indeed the world. Its evolution is inexorable. Yet for all its transformations, downtown Ann Arbor has retained its remarkable blending of university and community, where the rhythms of the school year shape its calendar and a complex weaving of historic and contemporary remains its strength.

The Ann Arbor DDA has produced a State of the Downtown report for several years in an attempt to convey information about downtown's changing mix and remarkable attractions. These reports are important snapshots of the trends shaping our downtown, including increasing residential and employment density, an expanded menu and use of transportation options, and homegrown entrepreneurialism in the 21st Century.

This report is also an opportunity to provide details about the efforts of the DDA to support downtown's vibrancy and growth, through its thoughtful leadership, passionate advocacy, key collaborative partnerships, and in-depth public engagement. We are very proud of the Ann Arbor DDA's contributions to strengthen downtown, including strategic investments in infrastructure, mobility and parking, and we look forward to the work ahead of us in support of our mission.

Please note that this report presents information tracked on a fiscal basis—from July 1, 2018 to June 30, 2019 — unless otherwise noted. Thank you for any feedback about this report, and especially for letting us know if there is data we can add to a future edition.

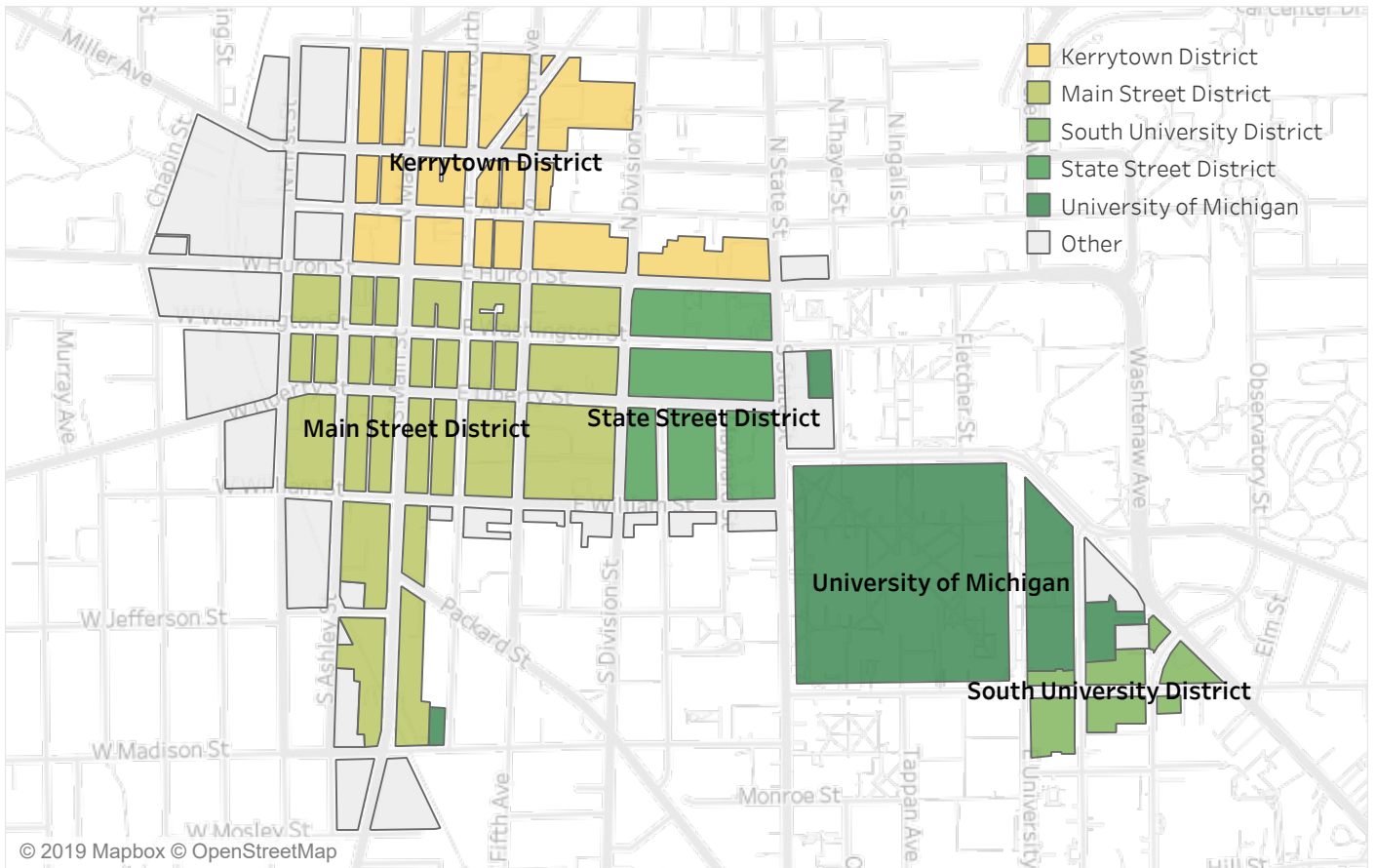
See you downtown!



Susan Polly, Executive Director



Marie Klopff, Board Chair



TOTAL AREA: 271 Acres

Public right of way (streets & alleys)	80 Acres
Blocks	67
Commercial Districts	4
Historic Districts	9
Land area with development restrictions	116 Acres (60.7%)

University of Michigan*	42 Acres (22%)
Open Space & parkland*	31.4 Acres (16.4%)
Historic Districts*	43 Acres (23%)
Floodplain / Floodway*	26 Acres (13.6%)

Land area without development restrictions 75 Acres (39.2%)

* Not mutually exclusive

Ann Arbor Downtown Development Authority District

FY2019 | July 1, 2018 - June 30, 2019

INVESTMENT & GROWTH

BUILDING PERMITS
Per Sq. Mi

445



BUILDING PERMITS VALUE
Per Sq. Mi

\$ 37 Million



DOWNTOWN TAXABLE VALUE

\$ 631 Million



ASKING RENTS
Per Sq. ft

\$30.8

\$35.9



EMPLOYMENT

TOTAL JOBS
by July 2018

29,530



JOB DENSITY
Per Sq. Mi, by July 2018

70,310



NEW BUSINESSES

16



DOWNTOWN EMPLOYERS

1,318



DOWNTOWN LIVING

RESIDENTS
by July 2018

7,670



APARTMENT RENT
Per Unit

\$ 1,985



CONDO SALE PRICES
Per Sq. Ft

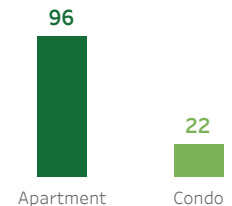
\$ 353



NEW ADDED

96

22



CULTURE & EVENTS



480,960+ VISITORS TO
DOWNTOWN EVENTS



88 PERMITTED
DOWNTOWN EVENTS

MOBILITY

GO!PASS RIDERSHIP

587,104



NIGHTRIDE GO!PASS

5,441



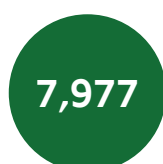
HOURLY PARKING PATRONS

1.7M+



PARKING SPACES

7,977



DDA EFFORTS IN FY2019



FY19 was a busy year for the Ann Arbor DDA, chock full of public engagement meetings and projects being completed left and right. We began two major streetscape projects including the installation of Ann Arbor's first two-way protected bike lanes. We're passionate about shaping downtown Ann Arbor into the best possible place to live, work, play, and visit - and that passion is the driving force behind every project we implement.

People Friendly Streets Projects FY 2019

5th Ave & Detroit Street: in partnership with the City of Ann Arbor, crosswalk safety improvements, historic brick restoration, street light replacement, sidewalk replacement, roadway construction, underground utility upgrades, and the addition of other pedestrian amenities including a plaza at the Farmers Market and Community High School.

Huron Street: enhanced streetscape and safety improvements. Under construction.

First & Ashley Streets: restore two-way traffic on First & Ashley, add a two-way protected bike lane on the east side of First Street, upsize watermains, improve streetscape and future connection to the Treeline. Design complete.

William Street Bikeway: a two-way protected bike lane on the north side of William Street and lane configurations to improve traffic flow. Under construction.

Other Projects FY 2019

Ann / Ashley Parking Structure Expansion: addition of 400 parking spaces to the existing parking structure, additional electric vehicle charging capacity, infrastructure future solar electric, LED lighting, and stormwater improvements. Seeking City Council approval fall 2019.

Parking Equipment and Maintenance: new E-park stations, parking lot repairs/paving, and other general repairs.

Sidewalk Repairs and Maintenance: New on-street bike racks, bike hoops, brick and sidewalk repairs, tree plantings, removal of a deteriorated concrete overhang on 4th Avenue, annual twinkle lights, new trash cans, Kerrytown Streetlight replacement with City of Ann Arbor, and other general repairs.

Grants FY19

Transportation Grants: funding for the getDowntown program, go!Pass, supplemental service on AAATA Routes 4 & 5, and bike share support.

Grants & Studies: City Municipal Center, Avalon and Baker Commons Affordable Housing Grants, Meter Bag Waivers for 32 community events, Art Fair Map and Trolley, A2Blooms, Mural of Huron Street, and Power Art.

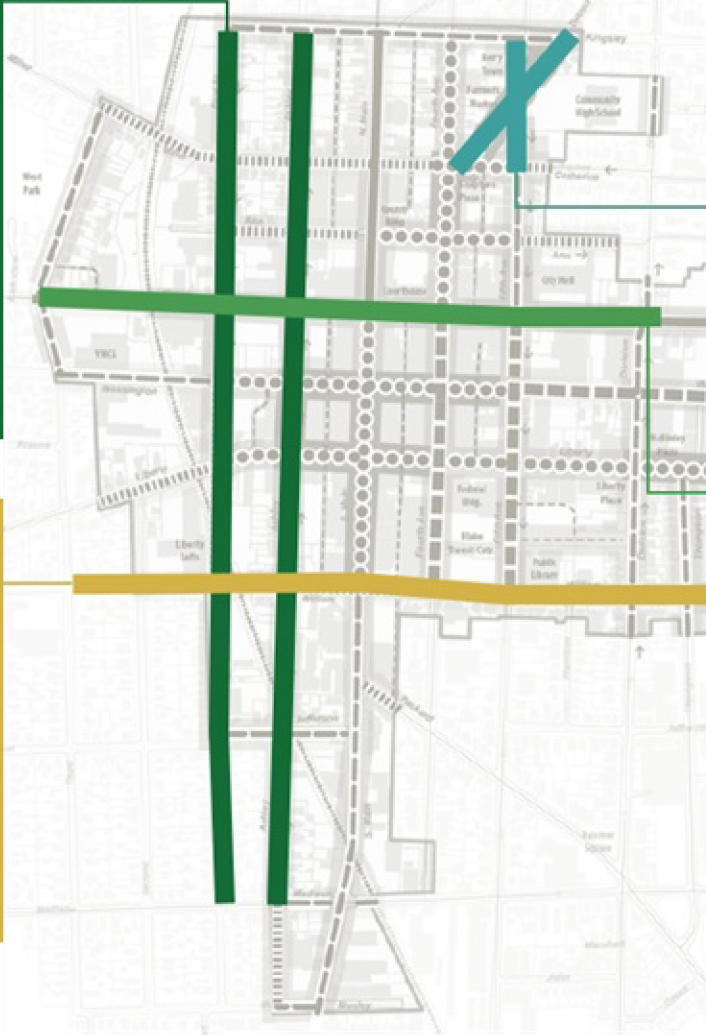
PEOPLE-FRIENDLY STREETS



First & Ashley
 Design & Feasibility Phase: 2018
 Engineering: 2019
 Construction Start: 2020

- Two-Way Restoration
- Two-Way Protected Bikeway
- Safety Improvements
- Streetscape & Resurfacing
- Watermain Upsizing

\$10M

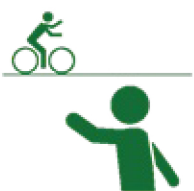


William Street Bikeway
 Design & Feasibility Phase: 2018
 Engineering: 2019
 Construction Start: 2019

- Two-Way Protected Bikeway
- Traffic Improvements
- Safety Improvements
- Street Resurfacing
- Watermain Work

\$2.0M

PEOPLE FRIENDLY STREETS WILL...



IMPROVE SAFETY AND COMFORT



PROMOTE GREEN DESIGN



STRENGTHEN BUSINESSES



INCREASE ACCESS & CONNECTIVITY



DESIGN RESPONSIBLY



CELEBRATE CIVIC LIFE & ACTIVITY

A series of projects designed to create streets that attract more people and allow people of all abilities, from a resident in a wheelchair to a teen on her bike, to feel comfortable and safe on these streets.



Fifth & Detroit
Construction Complete

- Historic Brick Restoration
- Streetscape & Resurfacing
- Crosswalk Improvements
- Utility Upgrades
- Streetlight Replacements
- Two Pedestrian Plazas

\$3.4M



Huron Street (3rd to Division)
Design Phase: 2018
Construction Start: 2019

- Safety Improvements
- Streetlight Replacements
- Sidewalk Improvements
- Landscape Improvements
- Off-peak On-street Parking

\$5.6M



INVESTMENT & GROWTH



Photo from website

DEVELOPMENT

MIXED-USE DEVELOPMENT
2010 - 2018

1.02 Million sq.ft



RESIDENTIAL DEVELOPMENT
2010 - 2018

1.34 Million sq.ft



TAXABLE PROPERTY VALUE
FY2019

\$631 Million



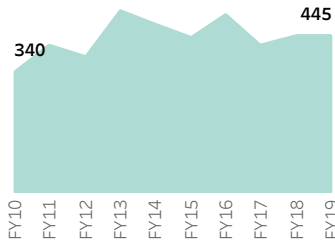
BUILDING PERMITS

PRIVATE INVESTMENT
since FY10

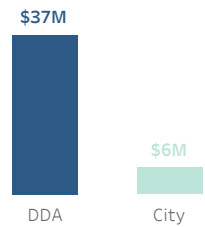
\$303 Million



PERMITS PER SQ. MI
since FY10



VALUE PER SQ. MI
FY2019



OFFICE & MARKET

OFFICE VACANCY
Downtown

6.8%

OFFICE VACANCY
City

6.6%

LEASABLE OFFICE SPACE
in 2018

1.62M Sq.ft

DEMAND FOR OFFICE SPACE
by 2023

> 0.20M Sq.ft

OFFICE ASKING RENTS
in 2018

\$30.8 Per Sq.ft

RETAIL ASKING RENTS
in 2018

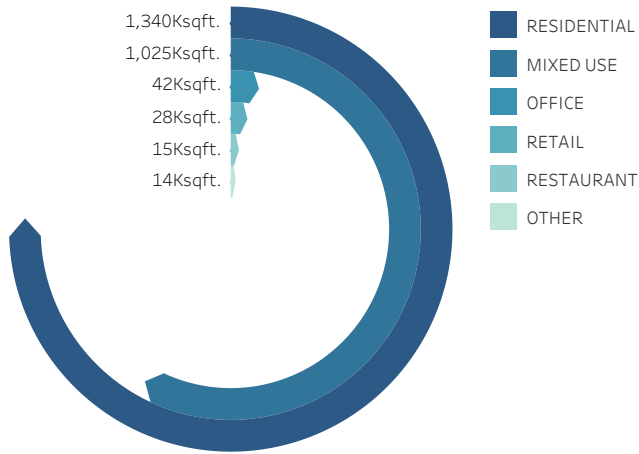
\$35.9 Per Sq.ft

COMPARATIVE ASKING RENTS
in 2018



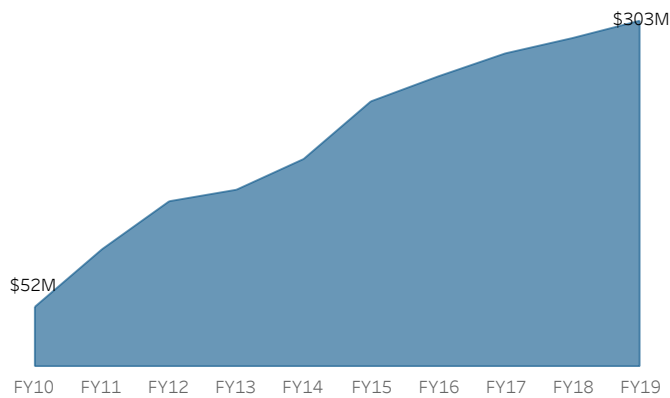
DEVELOPMENT

DEVELOPMENT SINCE 2010
by July 2018

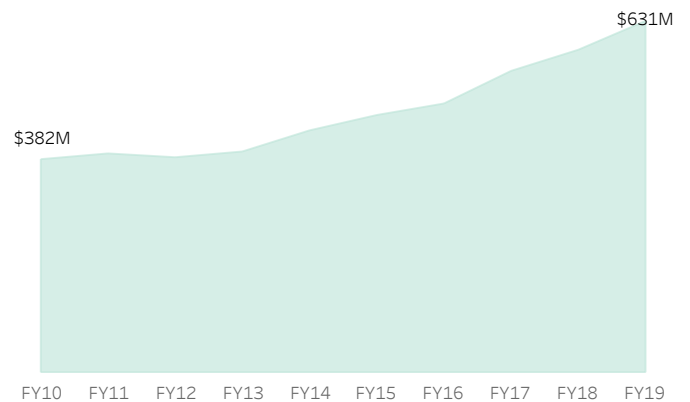


SINCE 2010, OVER **2.4 MILLION SQ.FT** OF RESIDENTIAL AND NON-RESIDENTIAL SPACE WAS DEVELOPED WITHIN DOWNTOWN.

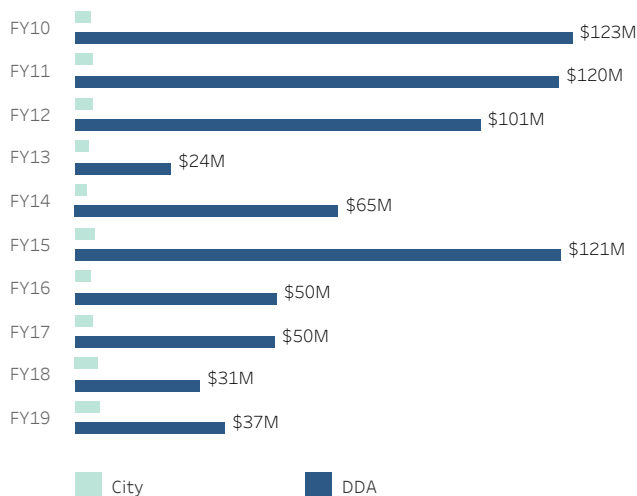
CUMULATIVE PRIVATE INVESTMENT IN DOWNTOWN



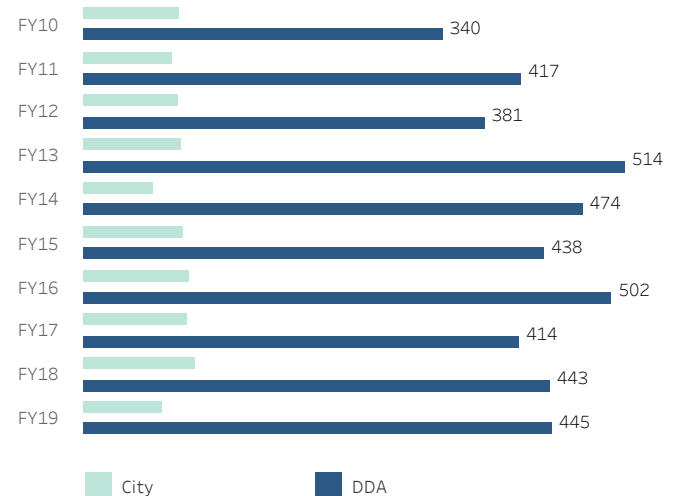
DOWNTOWN TAXABLE VALUE



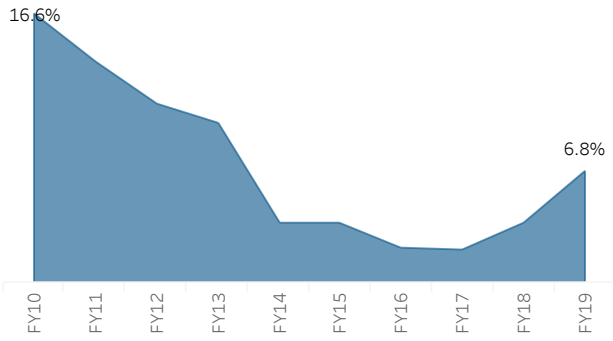
BUILDING PERMIT VALUE PER SQ.MILE



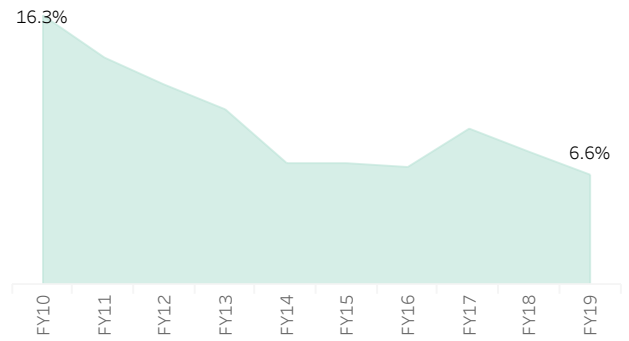
BUILDING PERMITS PER SQ.MILE



DOWNTOWN OFFICE VACANCY TREND SINCE 2010

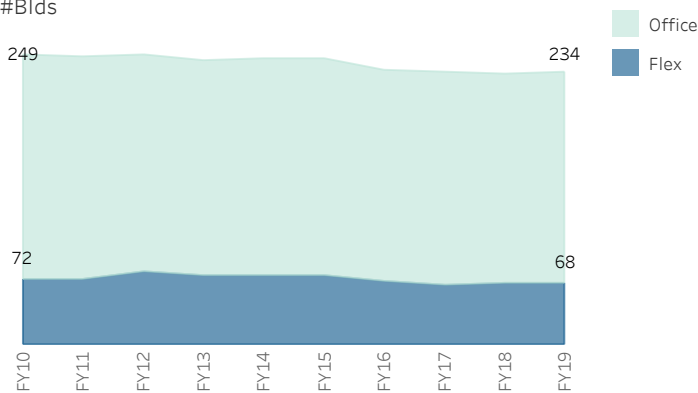


CITY OFFICE VACANCY TREND

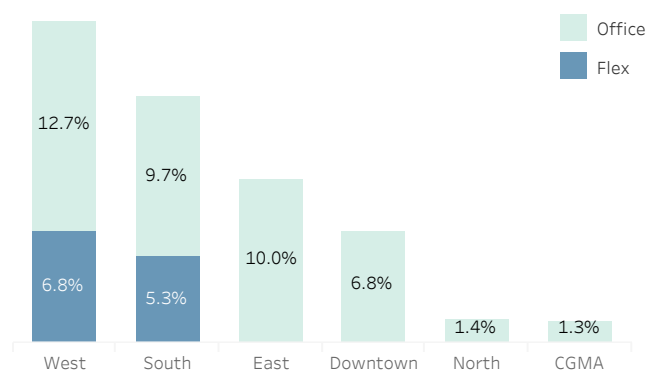


CITY OFFICE & FLEX*

#Blds



CITY OFFICE & FLEX VACANCY BY REGIONS



* Flex is defined as high-bay type buildings, often combining office, high-tech, research, warehouse & similar.

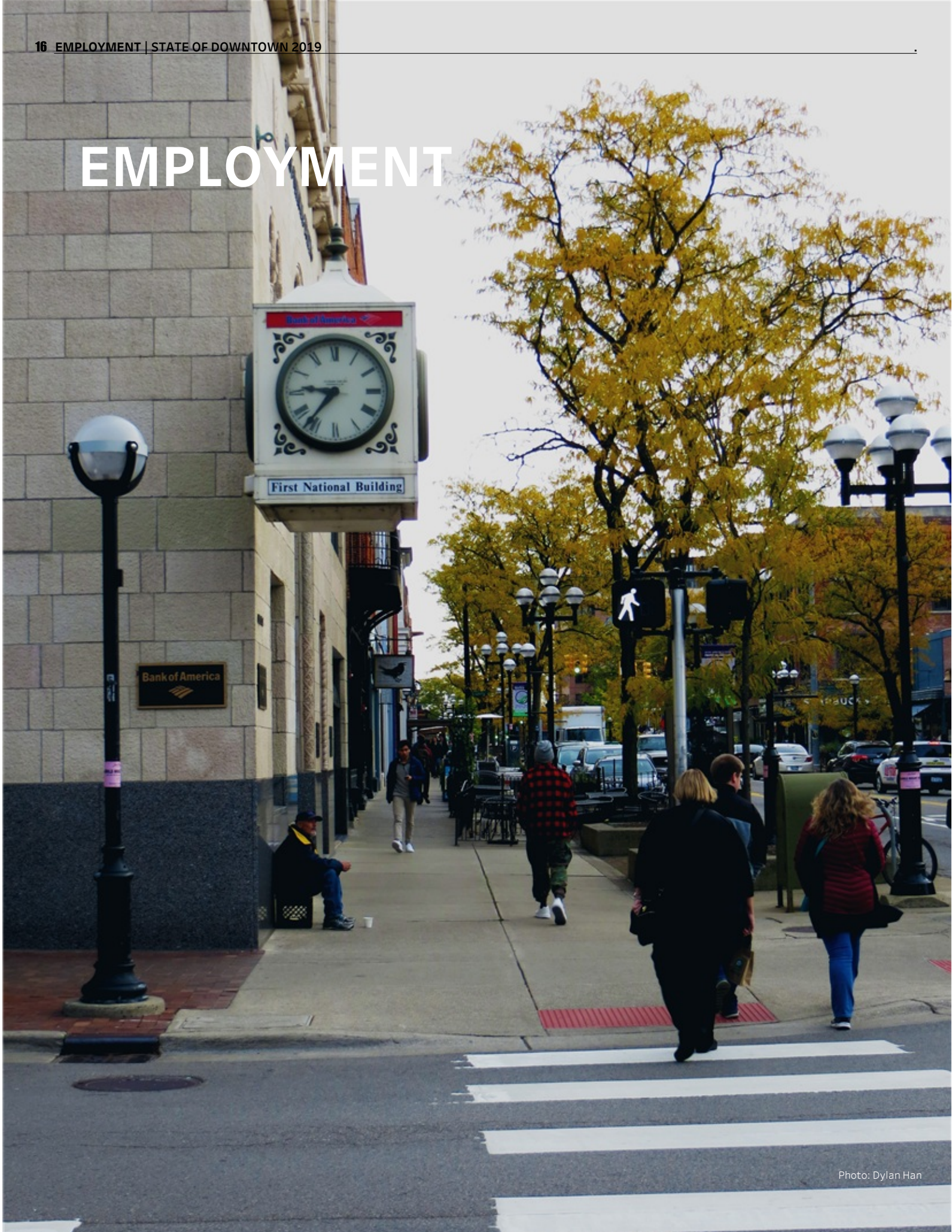
ASKING RENTS PER SQ.FT.

Area	Year	Office (\$/sq.ft)	Retail (\$/sq.ft)
Kerrytown	2014		\$25.0
	2016	\$26.0	\$31.8
	2018	\$32.4	\$32.6
Main Street	2014		\$28.0
	2016	\$24.9	\$29.8
	2018	\$27.8	\$34.6
S. University	2014		\$37.5
	2016		\$40.0
	2018		\$45.0
State Street	2014		\$42.5
	2016	\$28.2	\$36.5
	2018	\$45.0	\$32.0
Downtown Ann Arbor	2014	\$22.0	\$30.0
	2016	\$25.5	\$34.7
	2018	\$30.8	\$35.9
Downtown Berkeley	2014	\$29.5	\$31.0
	2016	\$34.6	\$45.8
	2018	\$39.3	\$39.0
Downtown Boulder	2014	\$25.5	\$33.5
	2016	\$36.2	\$27.0
	2018	\$31.0	\$33.5
Downtown Chapel Hill	2014	\$20.0	\$26.5
	2016	\$29.2	\$27.0
	2018	\$26.7	\$29.6

THERE IS APPROXIMATELY **1,621,912** GROSS SQ.FT OFFICE SPACE WITHIN DOWNTOWN.

THE DEMAND FOR DOWNTOWN OFFICE SPACE WAS **LESS INTENSE** THAN IN RECENT YEARS.

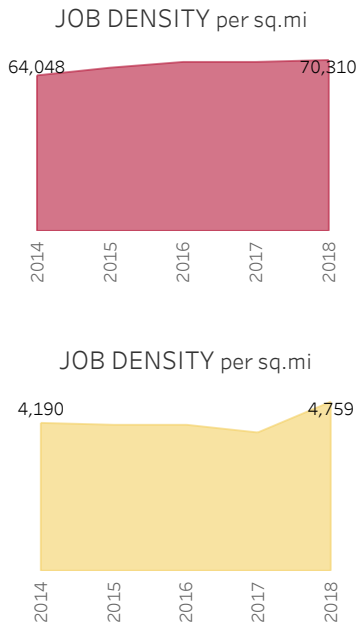
EMPLOYMENT



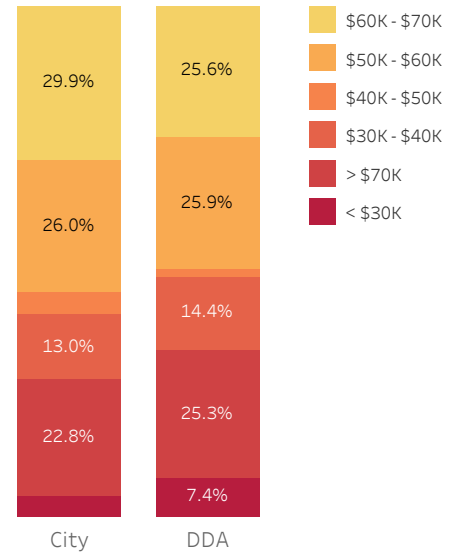
EMPLOYMENT by July 2018

DOWNTOWN:

29,530 Jobs
70,310 Jobs Per Sq.Mi
12.0 Jobs / Housing

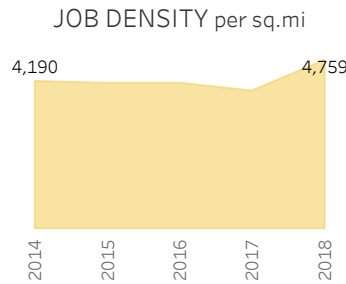


ANNUAL EARNINGS



CITY:

131,830 Jobs
4,759 Jobs Per Sq.Mi
2.5 Jobs / Housing



NEW BUSINESSES FY2019



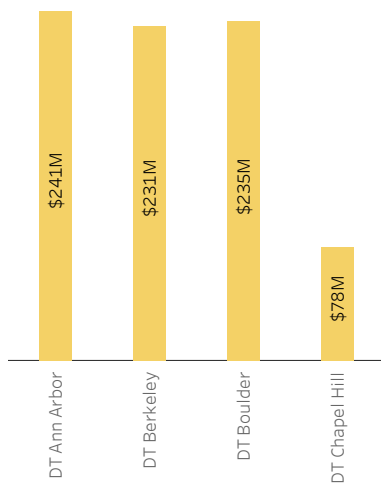
10 RESTAURANT/ BAR/ CAFE



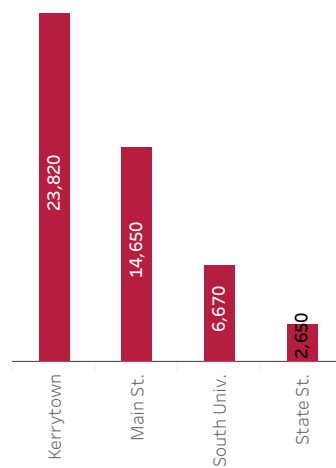
6 RETAIL

RETAIL by July 2018

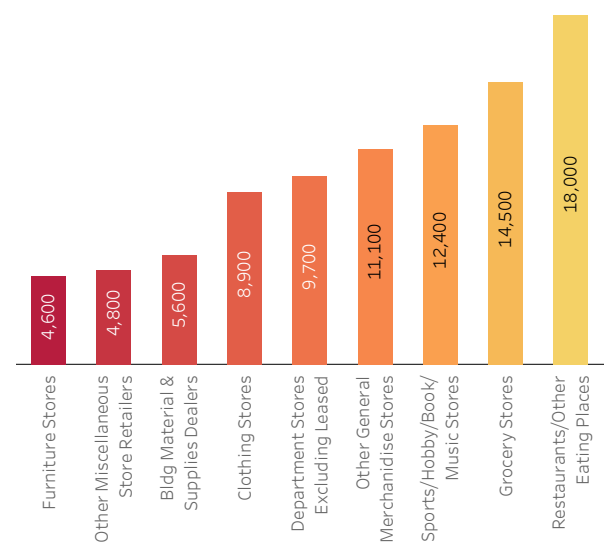
RETAIL SURPLUS*
\$ Millions



RETAIL SPACE AVAILABLE
Sq.ft



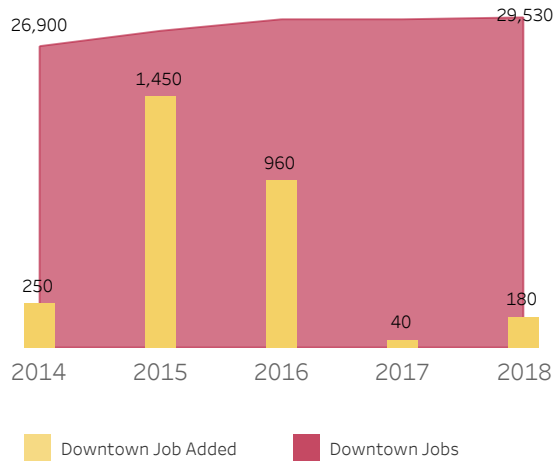
SUPPORTABLE RETAIL SPACE
Sq.ft



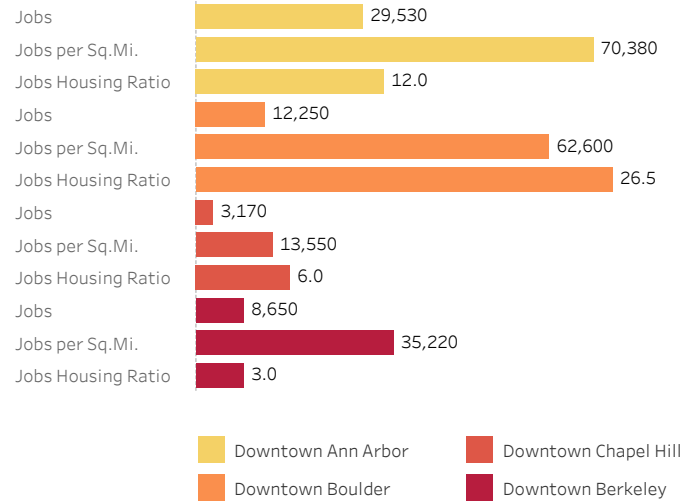
* Retail surplus is defined as retail sales supported by those who do not live in downtown.

DOWNTOWN JOBS AND GROWTH

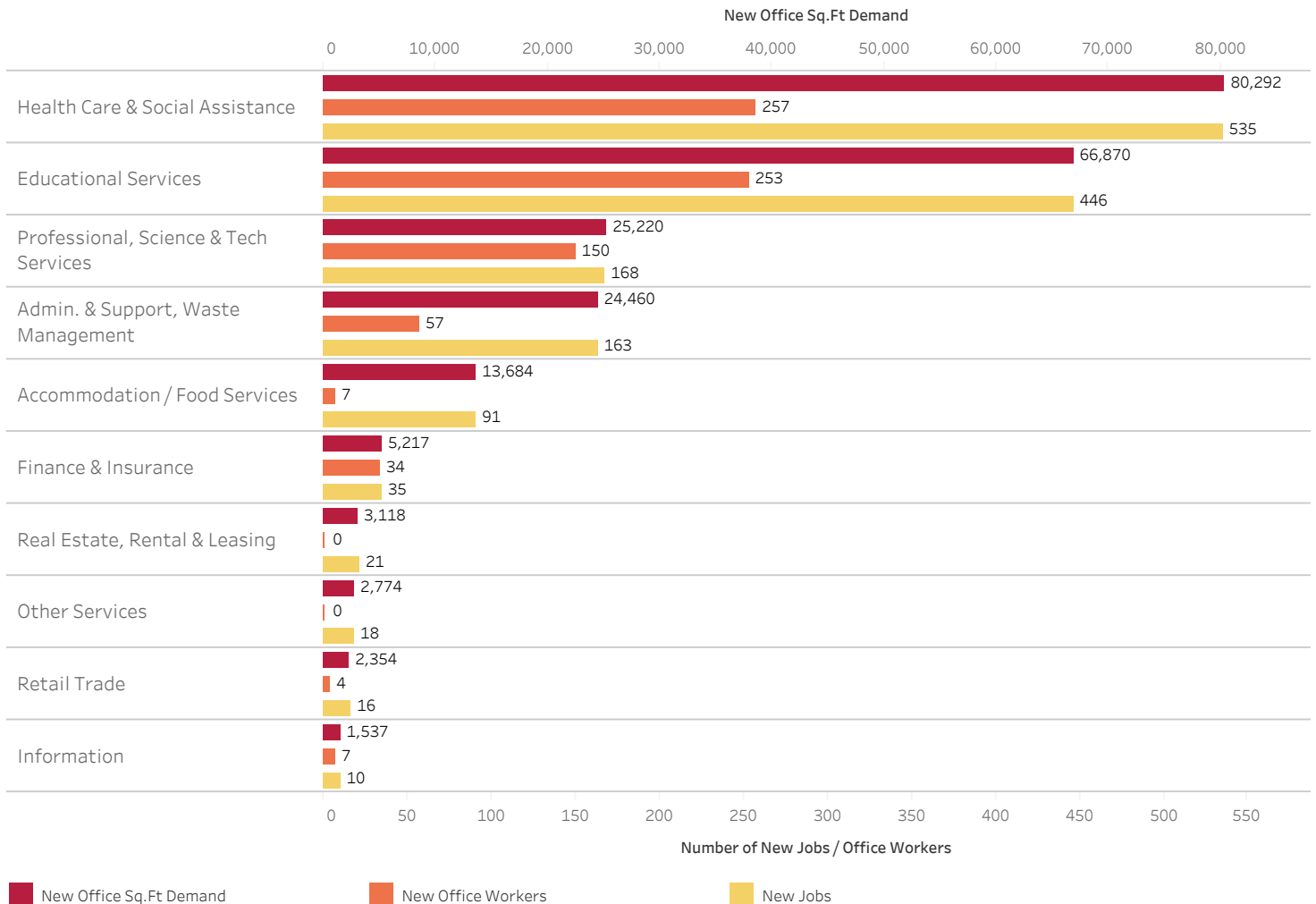
TOTAL JOBS & NEW JOBS ADDED



COMPARISON CITIES (2018)

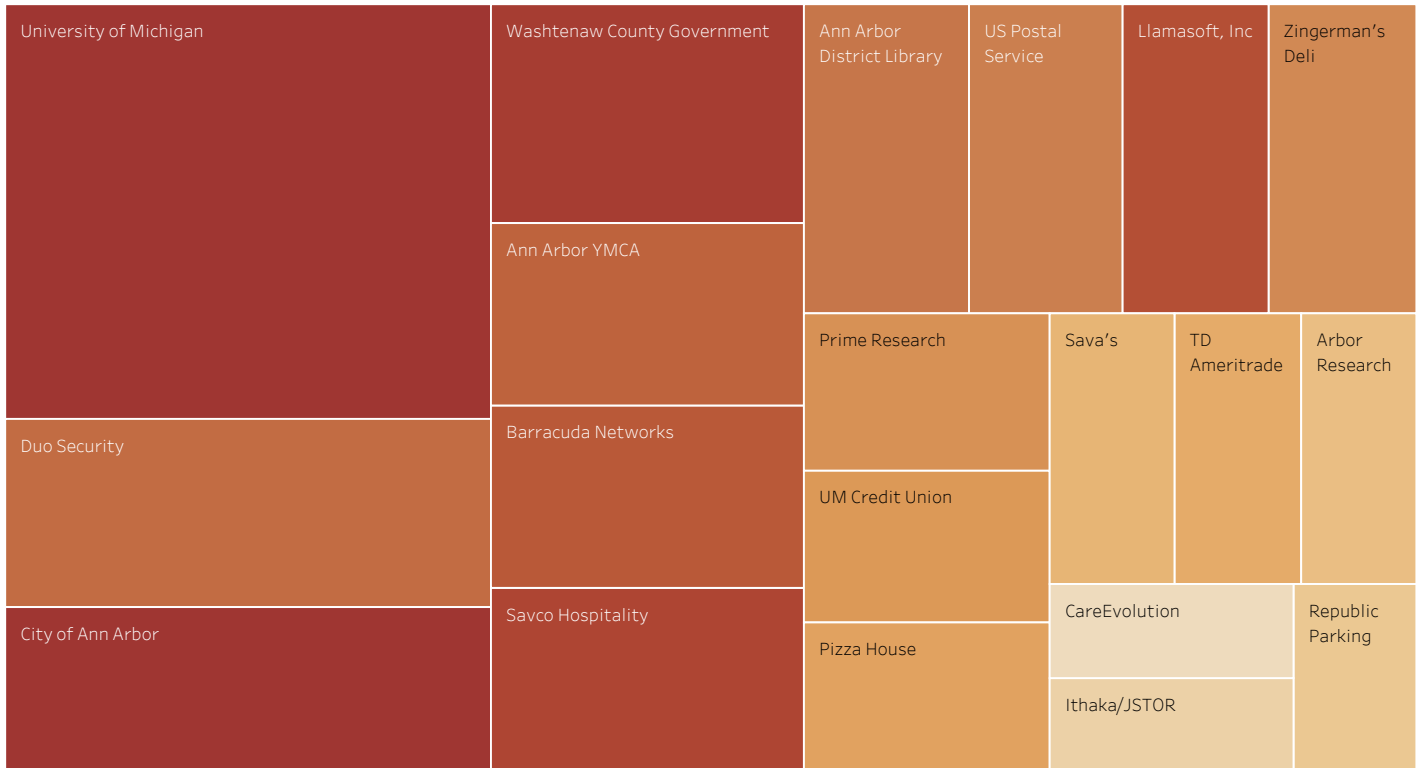


DOWNTOWN PROJECTED GROWTH TOP 10 INDUSTRIES (2018-2023)

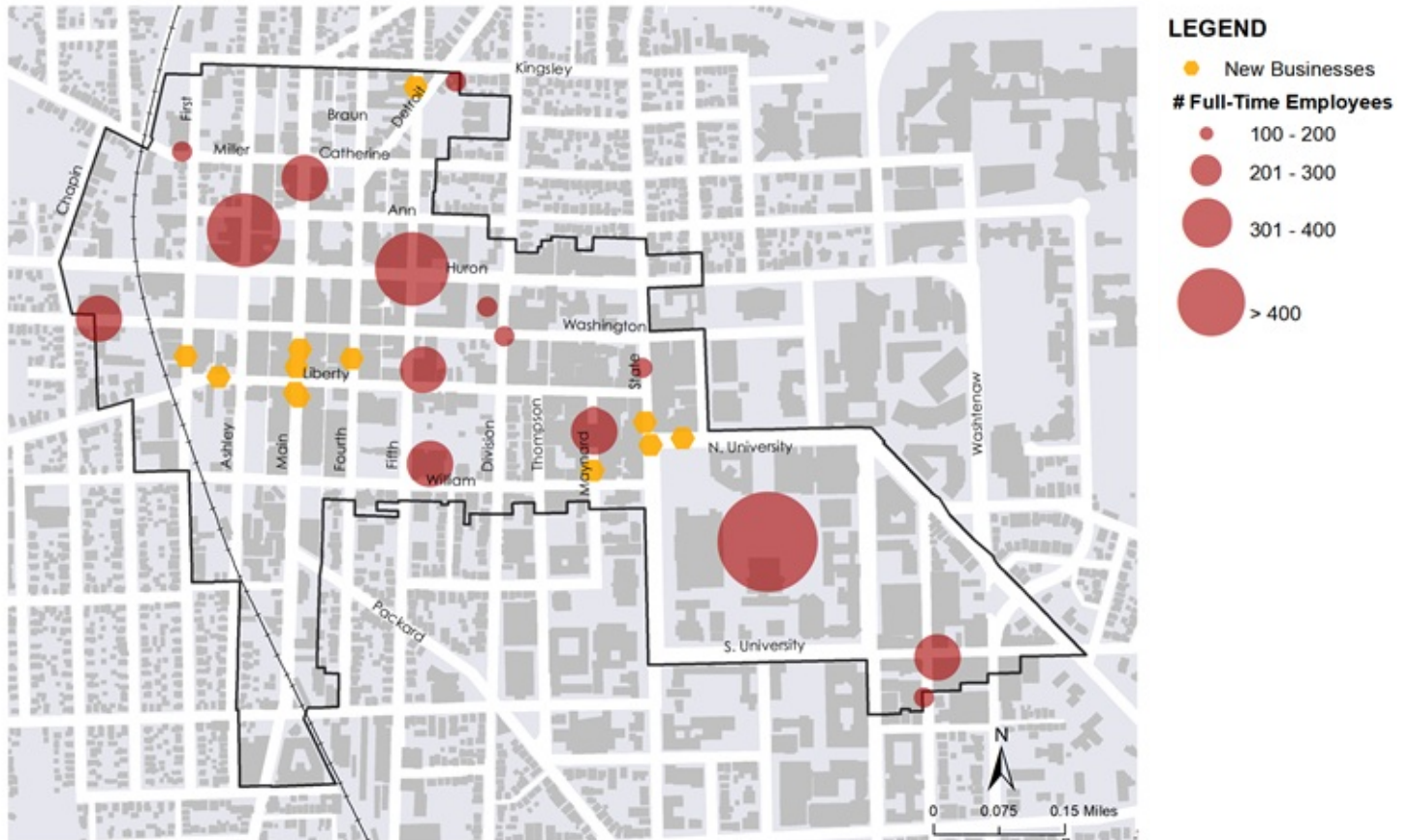


DOWNTOWN EMPLOYER AND NEW BUSINESSES

LARGEST EMPLOYERS FY2019



DOWNTOWN LARGEST EMPLOYER AND NEW BUSINESSES MAP



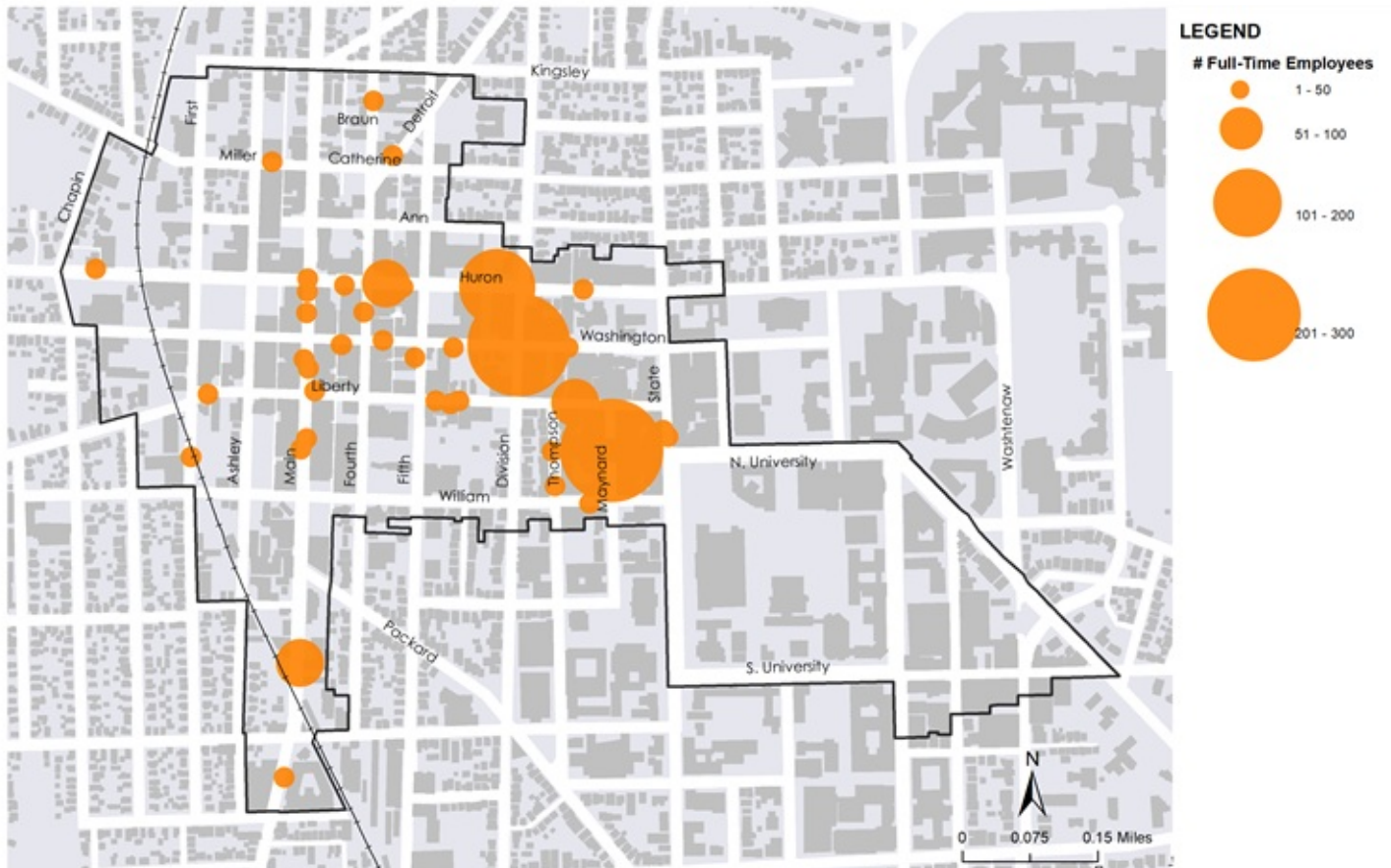
DOWNTOWN TECHNOLOGY FIRMS

“In downtown Ann Arbor alone, the number of tech companies and their employees have tripled in the past decade.”

- Ann Arbor SPARK



DOWNTOWN TECHNOLOGY FIRMS MAP



DOWNTOWN LIVING



Photo: Maura Thomson

DEMOGRAPHICS by July 2018

CITY DOWNTOWN

POPULATION

7,670
123,300



POP ANNUAL GROWTH

11%
1%



POP DENSITY

18.2K/sq mi
4.5K/sq mi



MEDIAN AGE

24.2
28.2



AVG HOUSEHOLD SIZE

1.9
2.2



MEDIAN HOUSEHOLD INCOME

\$ 19.6K
\$ 57.1K



FAMILY HOUSEHOLD GROWTH 2018-2013

2.8%
0.3%

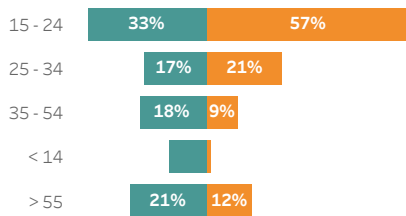


NON-FAMILY HOUSEHOLD GROWTH 2018-2023

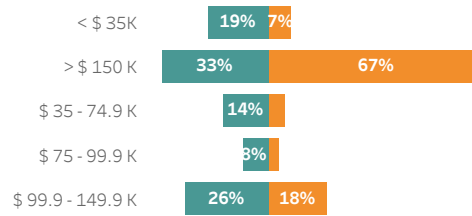
3.5%
1.4%



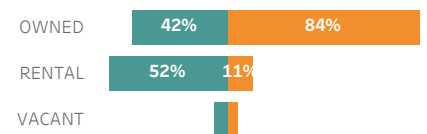
AGE COHORT PERCENTAGE



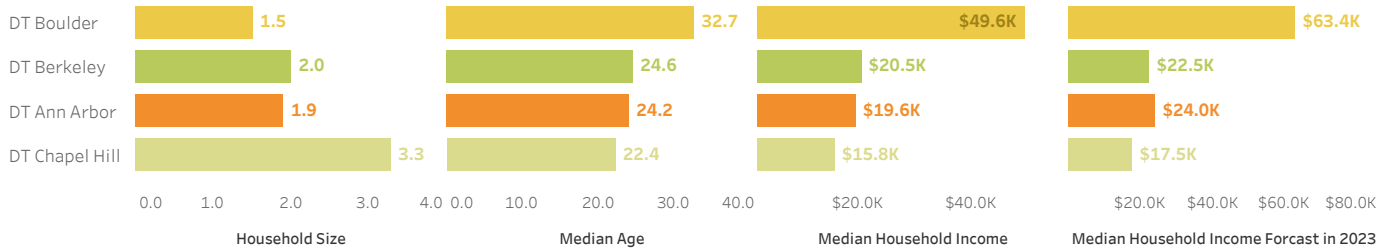
HOUSEHOLD MEDIAN INCOME RANGE



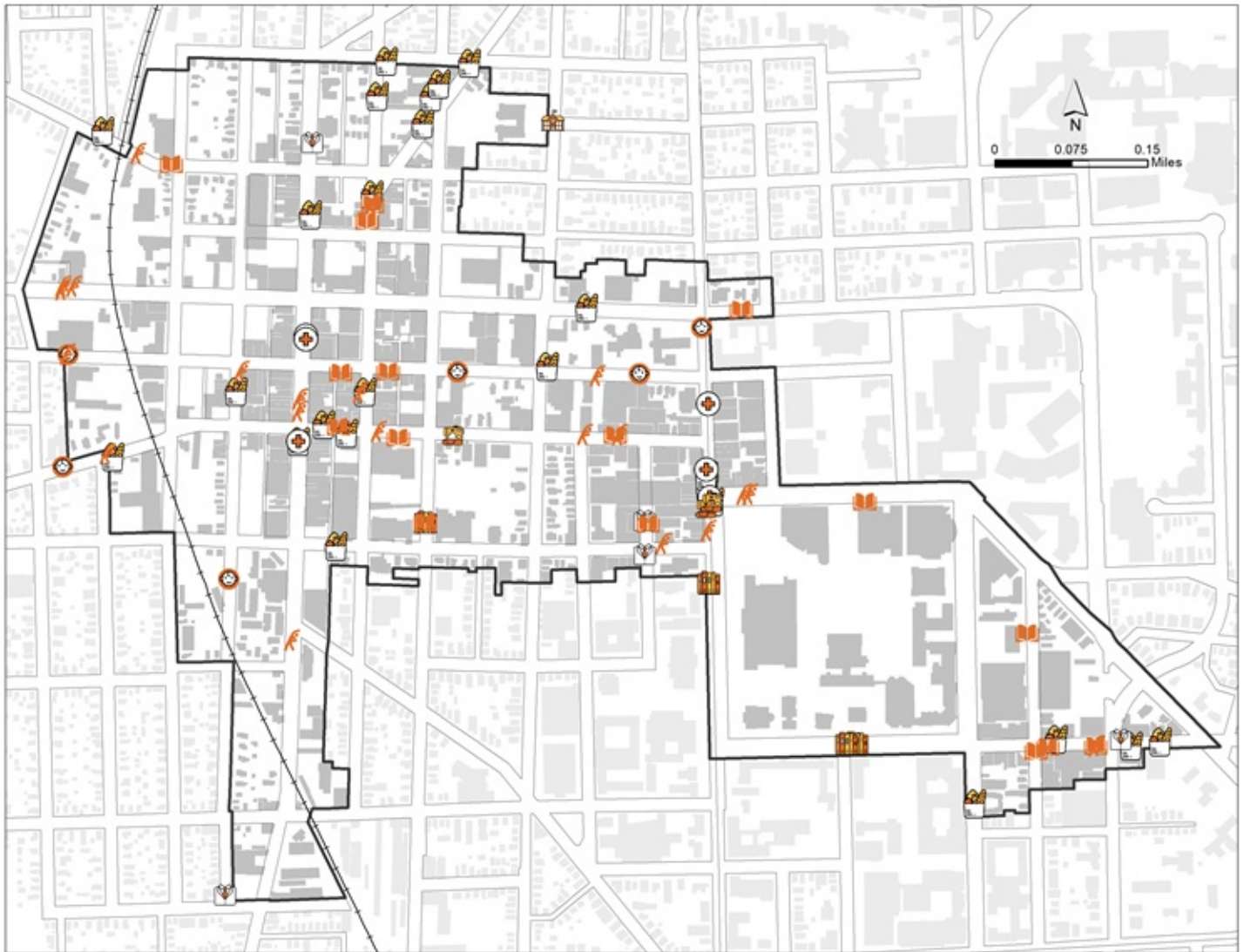
HOUSING TENURE



CITY COMPARISON by July 2018



AMENITIES



28 Grocers & Specialty Markets



7 Pharmacy & Optical



17 Specialty Education & Test Prep



5 Dry Cleaners



3 Tailors



6 Libraries



1 High School



6 Preschool & Daycare



24 Exercise



170+ Bars & Restaurants

RESIDENTIAL DEVELOPMENT SINCE 2010



1,714
UNITS
CONSTRUCTED

63
UNITS UNDER
CONSTRUCTION

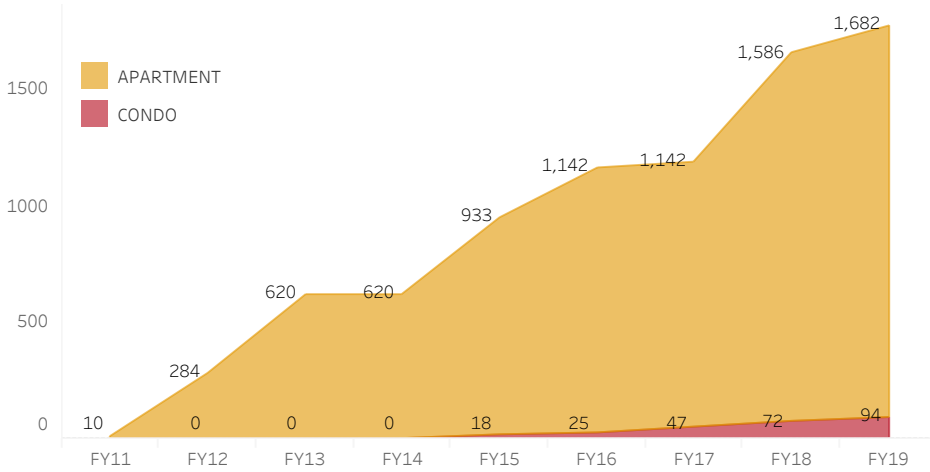
94
CONDOMINIUM
UNITS

1,682
APARTMENTS
UNITS



HOUSING MARKET

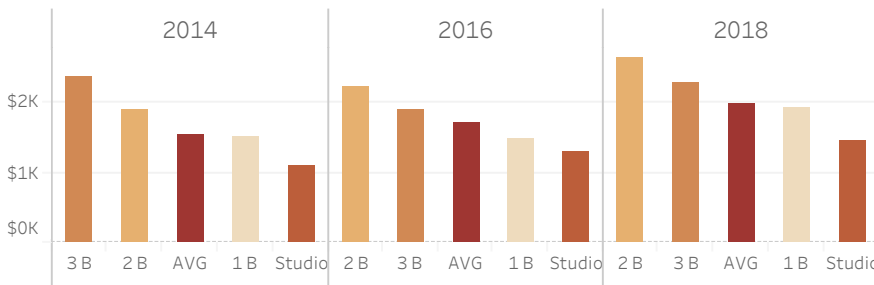
NUMBER OF APARTMENT & CONDO UNITS



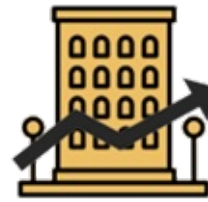
236 AFFORDABLE HOUSING UNITS IN FY2019.

96 APARTMENTS & 22 CONDOS ADDED IN FY2019.

APARTMENT ASKING RENT

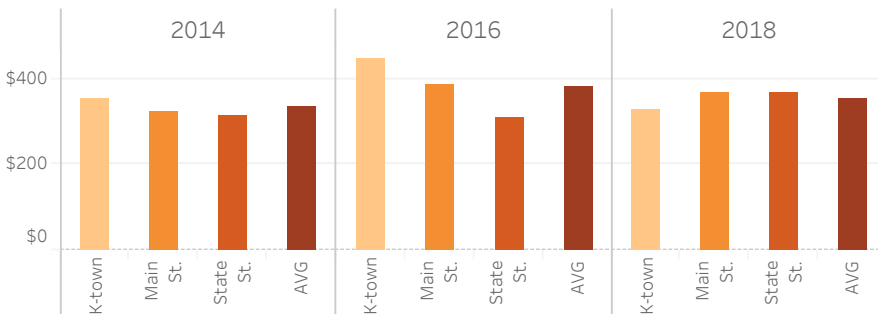


\$1,985 Per Unit



29%
Over the Past 5 Years

CONDO SALES PRICE

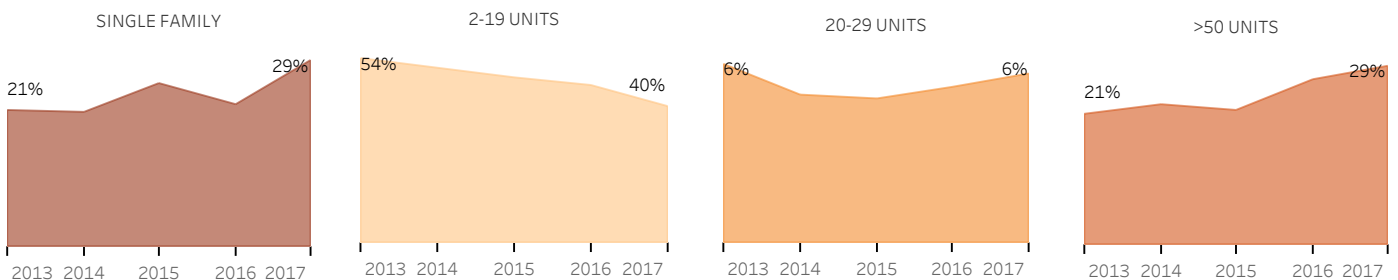


\$353 Per Sqft



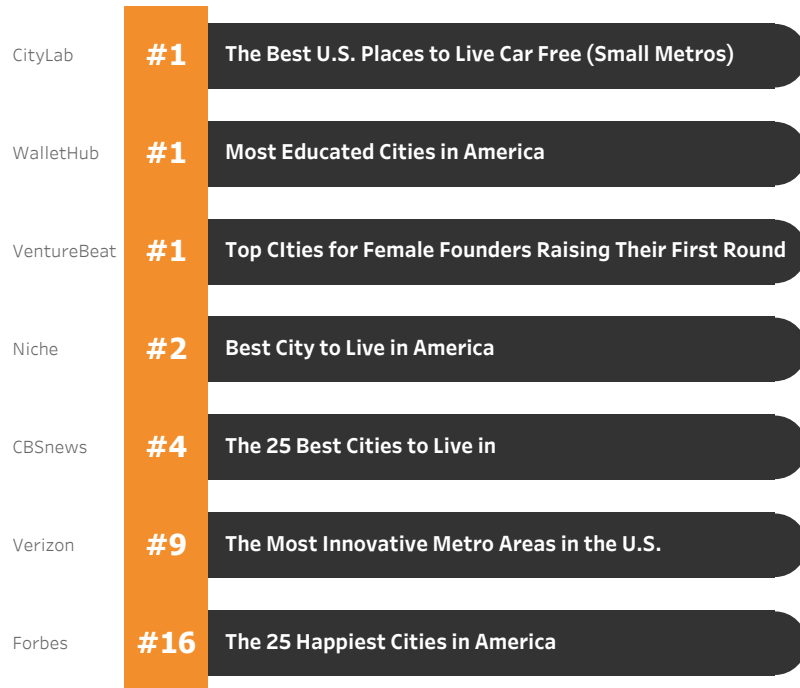
5%
Over the Past 5 Years

HOUSEING TYPE

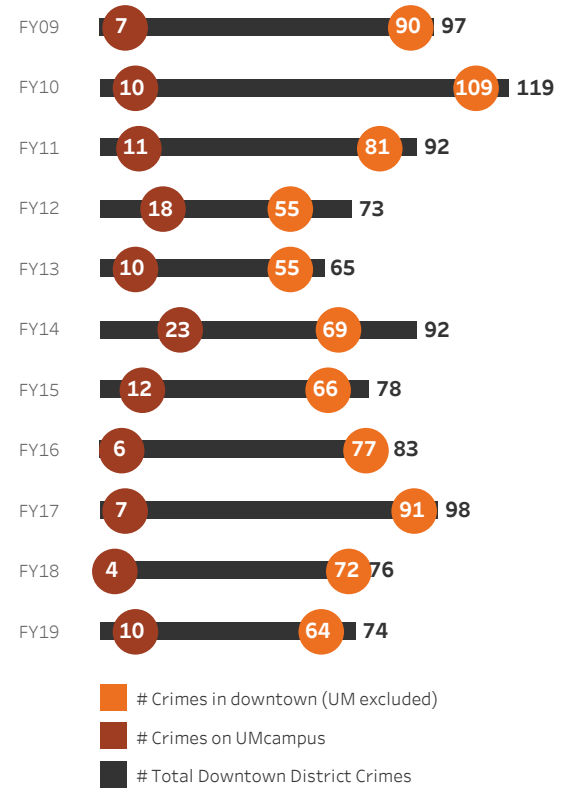


DOWNTOWN LIVING

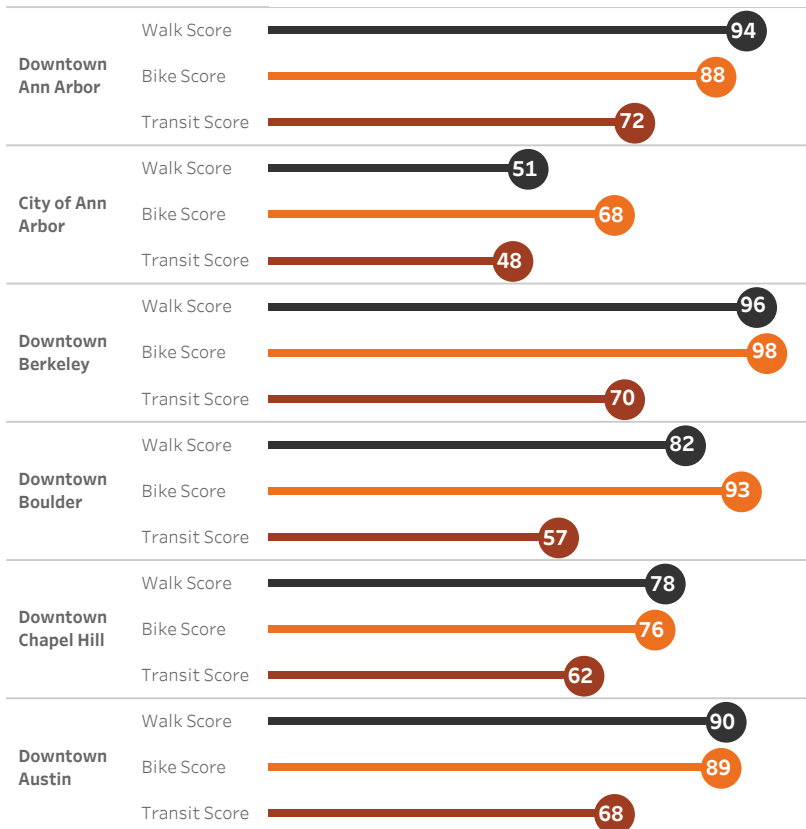
DOWNTOWN ANN ARBOR RANKING



MAJOR CRIME FY09-FY19



TRANSPORTATION ALTERNATIVE



MAJOR CRIMES IN
DOWNTOWN REACHED
THE **LOWEST** TOTAL
SINCE 2014.

CULTURE & EVENTS



Photo: Hannah Harshe

MAJOR DESTINATIONS

From Taste of Ann Arbor to Top of the Park to Knidlefest, no matter when you visit Ann Arbor, there's always an exciting event just around the corner. The reason is simple: here in Ann Arbor, simply being downtown is reason enough to celebrate.

EVENTS & VISITORS



480,960+ VISITORS
TO DOWNTOWN EVENTS



88 PERMITTED
DOWNTOWN EVENTS



AVERAGE
LENGTH OF STAY
3.1 Days



AVERAGE SPENDING
per visitor
\$ 506

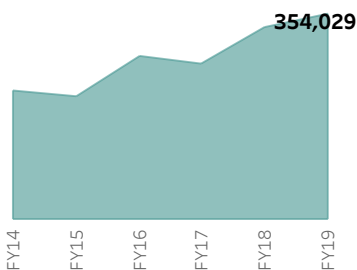


DOWNTOWN HOTEL
4 Hotels
400+ Rooms

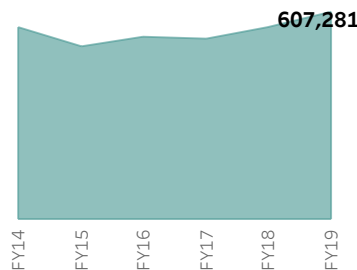
MAJOR DESTINATIONS

PATRONS:

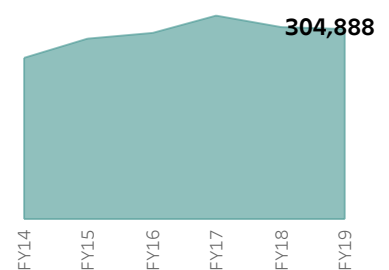
Michigan & State Theater



Ann Arbor District Library



Hands On Museum



FARMERS MARKET:

AVERAGE DAILY CUSTOMER COUNT



Summer: **13,000**



Winter: **3,000**

MARKET DAY



52 Saturdays

34 Wednesdays

AVERAGE SPENDING
per customer

\$ 20 ~ \$50

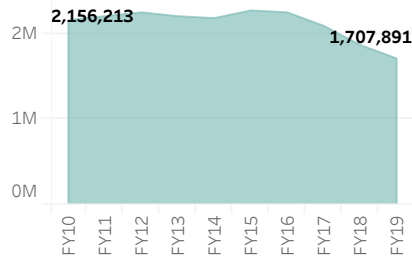
MOBILITY



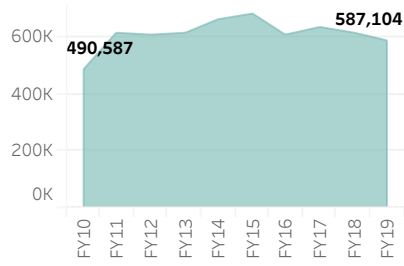
Photo: Dylan Han

MOBILITY STATISTICS

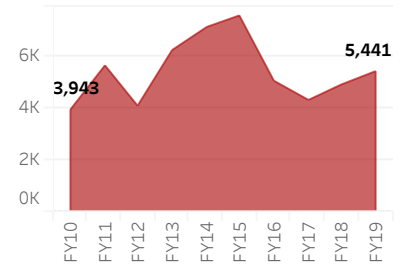
HOURLY PARKING PATRONS



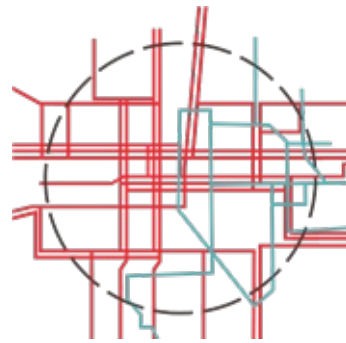
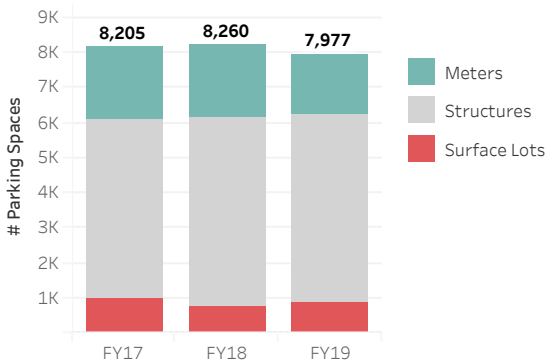
GO!PASS



NIGHTRIDE GO!PASS



PARKING OPTIONS



24 AAATA ROUTES
3.8M+ RIDERSHIPS;
7 UM ROUTES
2.5M+ RIDERSHIPS

NEW MOBILITY



31 EV Charging Station



2 Car Rental Agencies

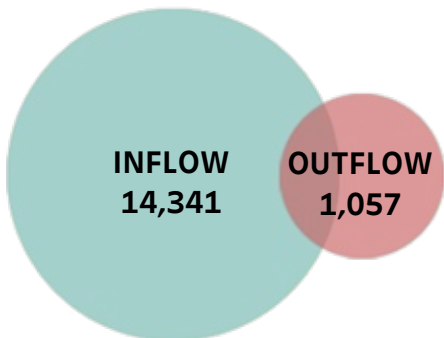


16 Car-Sharing Service Vehicles

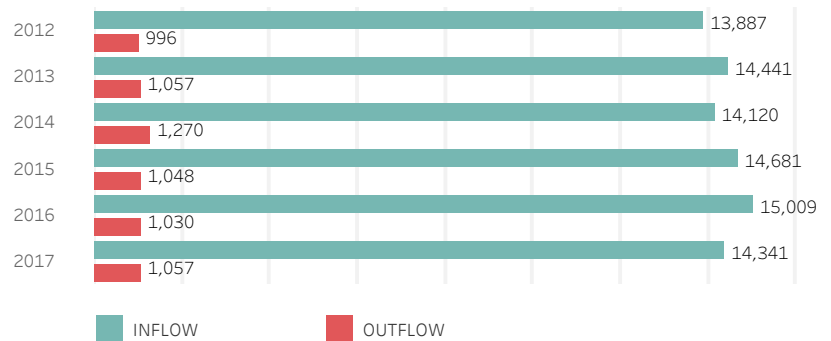


50+ Shared Electric Scooters

COMMUTE



DDA District Commute



REFERENCE AND CREDITS

CHARTS, TABLES, AND STATISTICS

- P6** 2019 Ann Arbor DDA District Map: City of Ann Arbor Data Catalog, OpenStreetMap
Area Data: U.S 2010 Census, City of Ann Arbor.
- P7** Investment & Growth: City of Ann Arbor Building Permit Data, Ann Arbor Downtown Authority Property Tax Levy, 4ward Planning (July 2018), Ann Arbor Downtown Market Scan 2018
Employment: 4ward Planning (July 2018), Ann Arbor Downtown Market Scan 2018, Self-reported, Get Downtown Program
Downtown Living: 4ward Planning (July 2018), Ann Arbor Downtown Market Scan 2018, City of Ann Arbor Building Permit Data
Culture & Events: City of Ann Arbor Special Events Permit Data
Mobility: Self-reported from GetDowntown, AAATA, and Republic Parking.
- P13** Development: City of Ann Arbor Building Permit Data, Ann Arbor Downtown Development Authority Property Tax Levy
Building Permits: City of Ann Arbor Building Permit Data
Office & Market: Swisher 2018 Year-End Vacancy Report, 4ward Planning (July 2018), Ann Arbor Downtown Market Scan 2018.
- P14** Development Project by type Since 2010: City of Ann Arbor Building Permit Data
Taxable Value: Ann Arbor Downtown Authority Property Tax Levy
Cumulative Private Investment, Building Permit and Value: City of Ann Arbor Building Permit Data.
- P15** Office Vacancy Downtown and City Ann Arbor: Swisher 2018 Year-End Vacancy Report
Office & Retail Asking Rents: 4ward Planning (July 2018), Ann Arbor Downtown Market Scan 2018.
- P17** Employment Overview, Retail: 4ward Planning (July 2018), Ann Arbor Downtown Market Scan 2018
New Businesses: Self-reported from district associations.
- P18** Jobs, Comparison Cities, TOP 10 Industries: 4ward Planning (July 2018), Ann Arbor Downtown Market Scan 2018
- P19** Largest Employer FY2019: Get Downtown Program, Map: ESRI 2016
New Businesses: Self-reported from district associations.
- P20** Technology Firms: SparkIT, Map: ESRI 2016.
- P22** Demographics, City Comparison: 4ward Planning (July 2018), Ann Arbor Downtown Market Scan 2018
- P23** Amenities: Self-reported, Map: ESRI 2016.
- P24** Residential Development Since 2010: City of Ann Arbor Building Permit Data, Map: ESRI 2016.
- P25** Number of Apartment and Condo: City of Ann Arbor Building Permit Data
Apartment Asking Rent and Condo Sales Price: 4ward Planning (July 2018), Ann Arbor Downtown Market Scan 2018
Housing Type: U.S.Census Bureau, ACS 5-Year Estimates 2013-2017.
- P26** Major Crime FY09-FY19: This is a monthly summary of major crimes (murder, manslaughter, negligent homicide, robberies and attempted robberies, criminal sexual conduct 1-4 and attempts, burglary and attempts, motor vehicle thefts and attempts). Data obtained from www.crimemapping.com and from the University of Michigan's Department of Public Safety.
Transportation Alternative: www.walkscore.com.
- P28** Events & Visitors: City of Ann Arbor Special Event Permit Data
Average Visitors Length of Stay, Average Visitor Spending, Number of Downtown Hotel Rooms: Destination Ann Arbor
Major Destinations Attract Record Numbers: Reported by respective institutions
Farmers Market Statistics: City of Ann Arbor, Ann Arbor Farmers Market 2017 Annual Report.
- P30** Hourly Parking Patrons, Downtown Public Parking Spaces: Republic Parking
GO!PASS rides, Night GO!PASS rides: Self-reported from GetDowntown and AAATA
New Mobility Statistics: Self-reported
Labor Flow: On The Map, U.S.Census, 2017.



ANN ARBOR DOWNTOWN DEVELOPMENT AUTHORITY

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