



STATE OF THE DOWNTOWN REPORT

ANN ARBOR, MICHIGAN

2016



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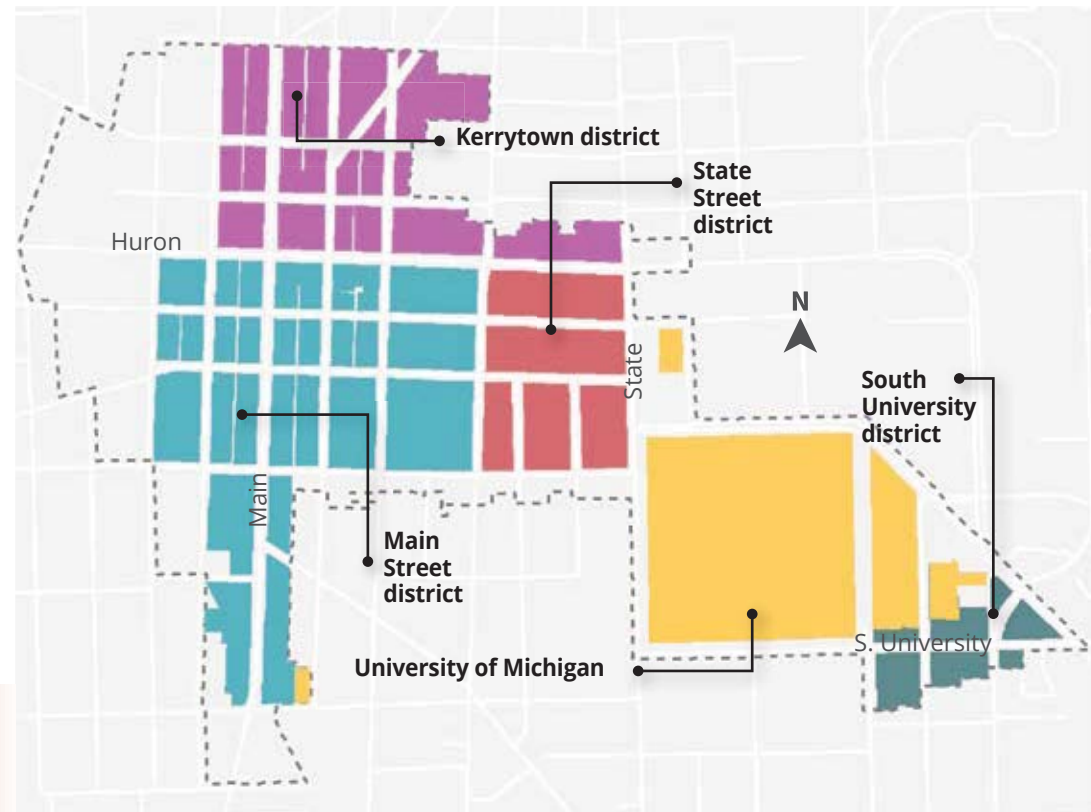


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2016 A2 DDA District

67 blocks = **.42** square miles

9 historic districts and **4** distinct commercial districts

6,500+ downtown residents

University of Michigan central campus: **22%** of the District

370 restaurants and retail shops

1,318 total downtown employers employing **28,270** people

64 outdoor permitted events with an estimated attendance of over **658K**

Welcome to the 6th Edition of the State of the Downtown Report

Every year the Ann Arbor DDA assembles data in an effort to describe things that contribute to downtown's vibrant character, and to explain trends impacting its continuing evolution. As in previous reports, the project would not be possible without the help of partners who generously shared information as well as the talents of our skillful interns and staff.

Downtown Ann Arbor is the much-loved heart of our city and the center of activity for people throughout Washtenaw County. Despite its changes, downtown has retained **its complex diversity, including churches, shoe repair, grocers, and post offices.** It remains the public commons where we come together as a community. And it is still the best place we can think of for people watching on a beautiful Michigan afternoon or evening.

We are very proud of the contributions made by the Ann Arbor DDA to strengthen downtown, including strategic investments in sidewalks, lighting, trees, transportation, planning, parking, and more. We are passionate about our role advocating on behalf of downtown, and taking on projects that keep it attractive, walkable, and special.

This report evaluates information tracked on a fiscal basis—from July 1st to June 30th—unless otherwise noted. Thank you for feedback and let us know if there is data we can add to a future edition. Meanwhile, we'll see you downtown!



Susan Pollay, Executive Director



Roger Hewitt, Board Chair

The DDA District since 1983:

Private Investment: **>\$400 M**

New Private Development: **3.4 M SF**

Tax Capture by the City, County, WCC, Library Increased from **\$120 K** to **\$7.8 M** per year

Total DDA Projects FY16:

>\$5.1 M

The mission of the Ann Arbor Downtown Development Authority (DDA) is to undertake public improvements that have the greatest impact in strengthening the downtown area and attracting new private investments.

DDA Projects

DEVELOPMENT & INVESTMENT

ACTIVE DDA PROJECTS FY 2016

	INVESTMENT
getDowntown: support for programs, and outreach to encourage awareness and use of alternative commute options	\$35K
Go!Pass: unlimited use transit pass for downtown employees	\$610K
Supplemental Downtown Transit Funding: a grant toward services with high downtown employee ridership - NightRide, Route 4 and Route 5	\$103K
Downtown Tree Replacement: tree planting and watering	\$23K
4th/William Elevator & Stair Replacement	\$3.7M
Art Installations ("Power Art", Phase II): original artwork installed on signal boxes	\$50K
South University Design: design for sidewalk improvements in spring 2017	\$230K
5th & Detroit Design: design for sidewalk and street reconstruction in spring 2018	\$318K

COMPLETED PROJECTS 2016

	INVESTMENT
TDM Study: Examine downtown parking demands and suggest management strategies	\$100K
Parking Garage Repairs	\$473K
Sidewalk, Brick, and Tree Grate Repairs	\$141K

ANNOUNCED PROJECTS 2016

	INVESTMENT
Farmer's Market Structure Grant: grant to support a new winter enclosure	\$175K
State Theater Renovations Grant: grant to support historic marquee restoration as part of larger renovation project	\$200K



The DDA and Republic Parking collaborate in creating small urban gardens throughout downtown



The DDA works in partnership with the Main Street BIZ to ensure the maintenance of downtown trees and planters

A Snapshot of DDA Projects

FIFTH AND DETROIT

Kingsley to Catherine

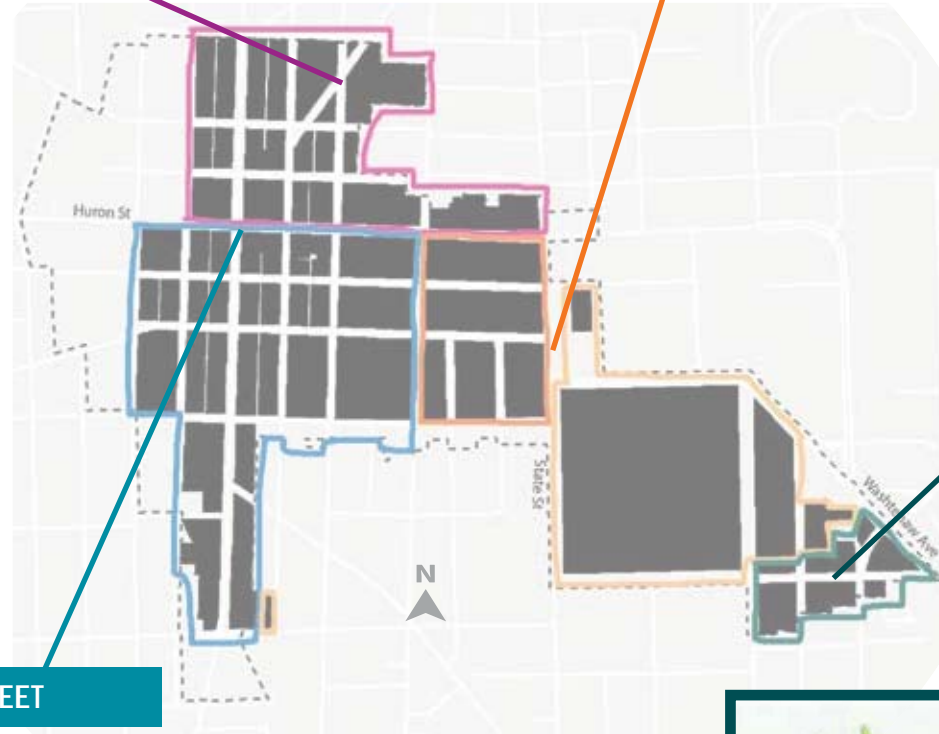
The roadways will be reconstructed after the underground utility mains are repaired, after which the historic brick will be reinstalled and the sidewalks redone to improve pedestrian and bicyclist safety and comfort.



STATE STREET

Liberty to William (West Side)

The sidewalk will be widened and repaired to support an increasing number of pedestrians and café tables. Will take place in conjunction with State St resurfacing slated for 2020.



S. UNIVERSITY STREET

East University to Washtenaw

The sidewalks will be widened and repaired, with many new street trees and better lighting, to support the increased number of residents and activity. Construction begins late Spring 2017.



HURON STREET

Ashley to Division

Make the street more pedestrian-friendly, attractive, and iconic by improving the sidewalks and street crossings. Site investigation will begin Fall 2016.



COMMERCE



Downtown remains an important commercial center, including a burgeoning tech sector, outstanding array of great restaurants, and a diversity of business types. The demand for downtown commercial space is at an all-time high.

1,318
DOWNTOWN EMPLOYERS




28,270
DOWNTOWN EMPLOYEES

25%
OF TOTAL ANN ARBOR
JOBS IN DOWNTOWN



300,000 SQ.FT.
DEMAND FOR NEW
OFFICE SPACE



Commerce

JOB DENSITY PER SQUARE MILE



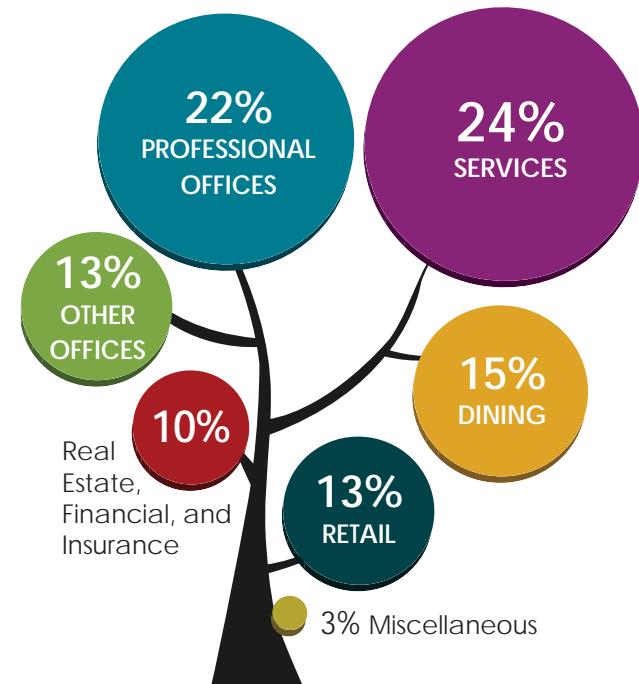
LARGEST DOWNTOWN EMPLOYERS IN 2015

EMPLOYER	FULL-TIME EMPLOYEES IN DDA DISTRICT
University of Michigan	14,714
Washtenaw County	1,332
City of Ann Arbor	850
DTE	500
Google Ann Arbor	400
Barracuda Networks	267
Llamasoft	200
Duo Security	154
Bank of Ann Arbor	140
Prime Research	110

CURRENT MAKE UP OF DOWNTOWN'S COMMERCIAL SECTOR

19 new businesses opened in downtown Ann Arbor in 2016.

	NEW BUSINESS	ADDRESS	OPENED
1	KouZina Greek Street Food	332 S. Main St.	05/2016
2	Bon Bon Bon	307 S. Fifth Ave.	07/2015
3	Which Wich	301 E. Liberty St.	07/2015
4	Dick Tyler's Tavern	1300 S. University St.	07/2015
5	Back2Roots Bistro	108 S. Main St.	08/2015
6	eve the restaurant	300 S. Thayer St.	12/2015
7	Nagomi Nigou-ten	241 E. Liberty St.	12/2015
8	Piada Italian Street Food	311 S. State St.	04/2016
9	Fjallraven	213 S. Main St.	11/2015
10	Spun	407 N. Fifth Ave.	12/2015
11	Pretzel Bell	226 S. Main St.	04/2016
12	Danlaw Inc	213 S. Main St.	04/2016
13	Pure Barre	539 E. Liberty St.	06/2016
14	RoosRoast	117 E. Liberty St.	04/2016
15	Fred's	1113 S. University Ave.	03/2016



Commerce

Home grown, unique businesses define the downtown. Strong residential and employment growth increased retail demand in recent years.



RoosRoast, located at 117 E. Liberty St

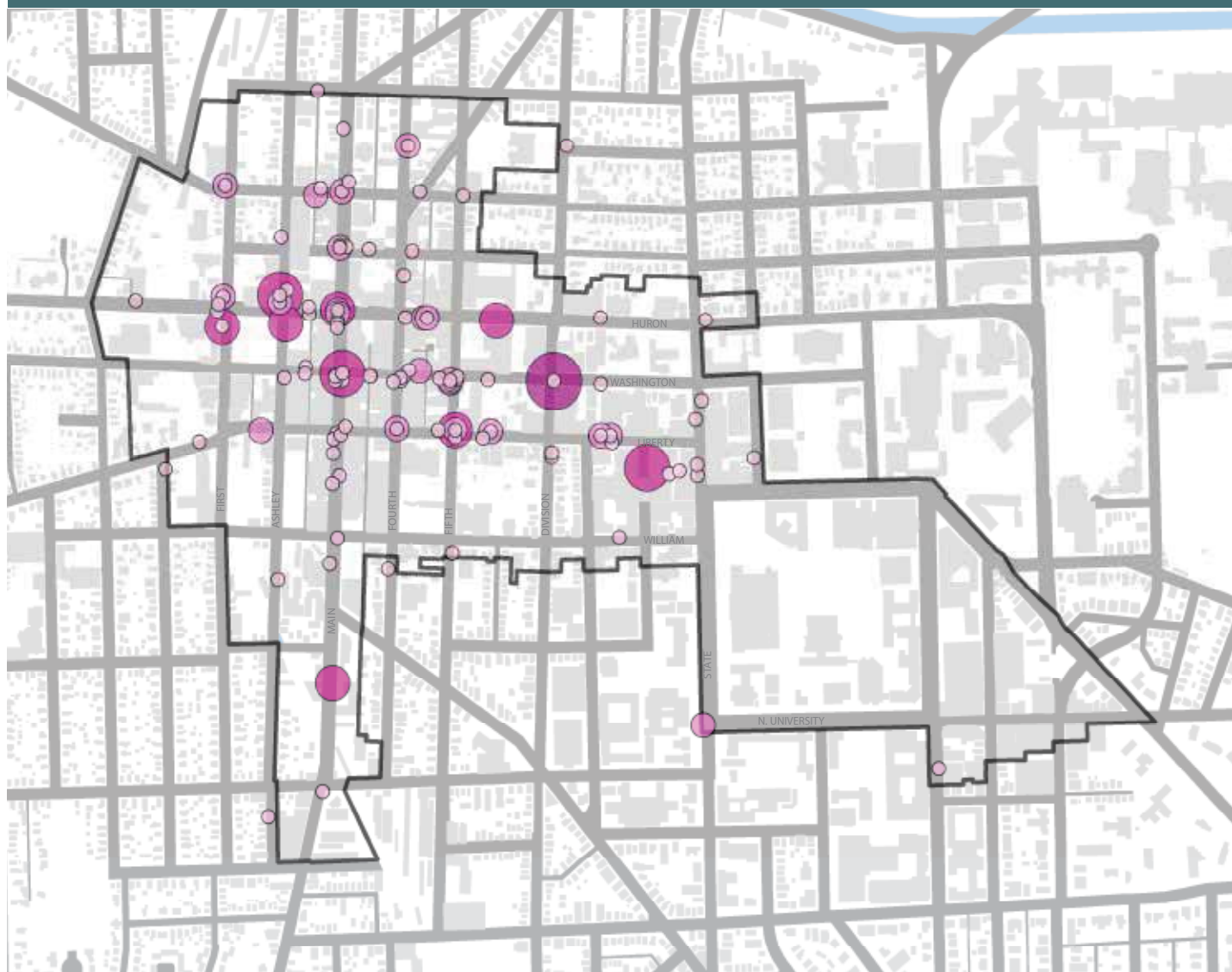


Flipside Art, located at 225 E. Liberty St



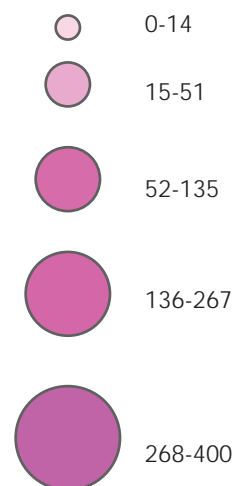
Name Brand Tattoo, located at 514 E. Washington St

IT FIRMS AND VENTURE CAPITAL BUSINESSES DOWNTOWN (2016)



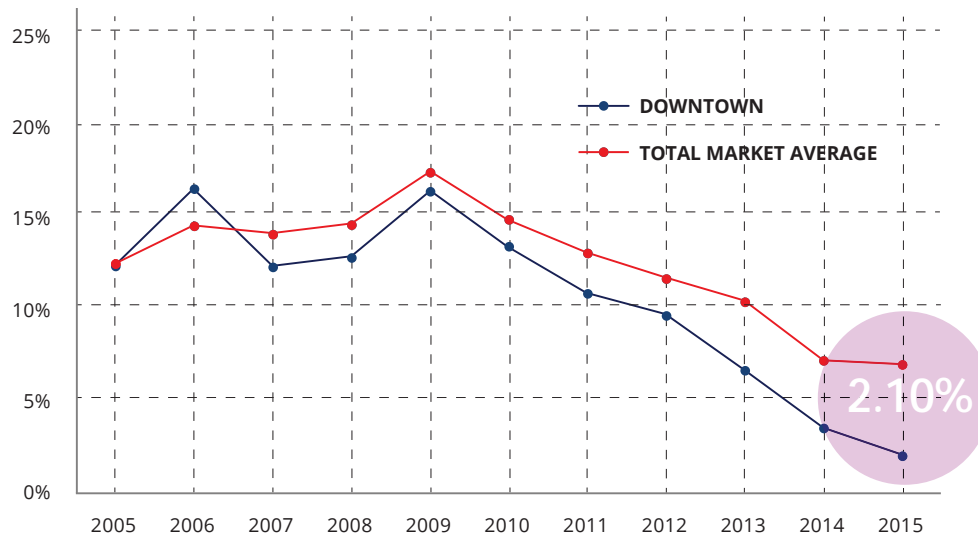
221 IT and venture capital companies downtown employing 2,866 employees

Number of Employees



Commerce

OFFICE VACANCY



ASKING OFFICE RENT FISCAL YEAR 2016

LOCATION	ASKING OFFICE RENT
Main Street district	\$25 per sq.ft.
State Street district	\$28 per sq.ft.
Kerrytown district	\$26 per sq.ft.
South University district	NA
DDA district average	\$26 per sq.ft.
COMPARATIVE CITIES	
Downtown Berkeley	\$35 per sq.ft.
Downtown Boulder	\$36 per sq.ft.
Downtown Chapel Hill	\$29 per sq.ft.

ASKING RETAIL RENT FISCAL YEAR 2016

LOCATION	ASKING RETAIL RENT
Main Street district	\$30 per sq.ft.
State Street district	\$37 per sq.ft.
Kerrytown district	\$32 per sq.ft.
South University district	\$40 per sq.ft.
DDA district average	\$35 per sq.ft.
COMPARATIVE CITIES	
Downtown Berkeley	\$46 per sq.ft.
Downtown Boulder	\$27 per sq.ft.
Downtown Chapel Hill	\$27 per sq.ft.

Downtown office vacancy dropped to 2.10%, fueled by continued growth of high tech firms and their desire to locate downtown

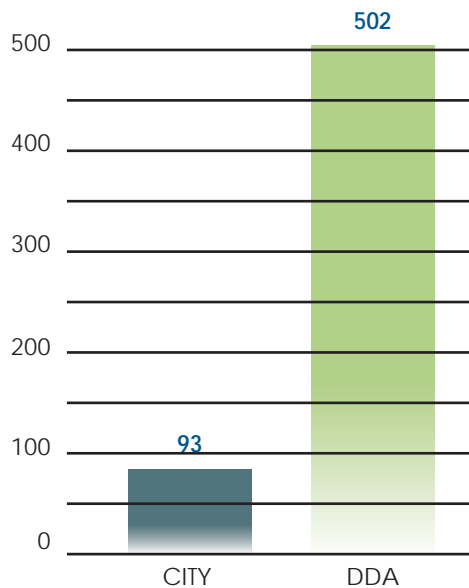
Commerce

>\$19M in commercial construction in 2016
and demand for 300,000 square feet of
office space by 2021

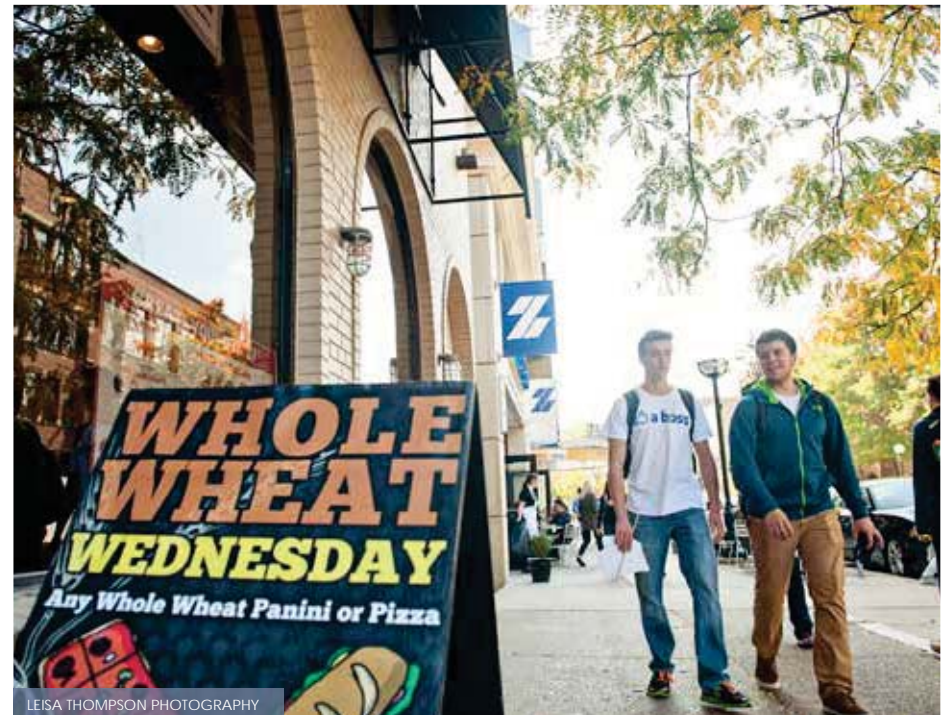
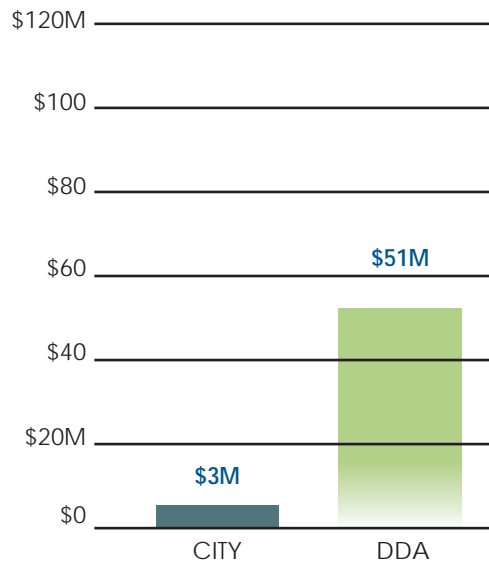
DEVELOPMENT PROJECTS WITHIN THE DDA DISTRICT SINCE 1982 BY SQ. FT.



BUILDING PERMITS PER SQ. MILE



BUILDING PERMIT VALUE PER SQ. MILE



QUALITY OF LIFE



Downtown's vibrancy, arts & culture offerings and its walkability makes it a top visitor destination, and a reason why people want to live and work in Ann Arbor.

#1 City for Millenials

American Institute of Economic Research

#5 The 15 U.S. Towns Most Worthy of a Day Trip

Esquire.com

Best College Towns to Live In

smartasset

#5 10 Best College Towns for 2016

Livability.com

#4 Best Cities to Live

Niche.com

#20 Top 20 Happiest Cities to Work in Right Now

Forbes.com

#7 Best Cities for Women in the Workforce

Nerdwallet.com

#1 Most Educated City

WalletHub

#3 City for IT Talent

CareerBuilder

#6 10 Cities That Are Secretly Great for Tech Grads

DataFox.com

Quality of Life



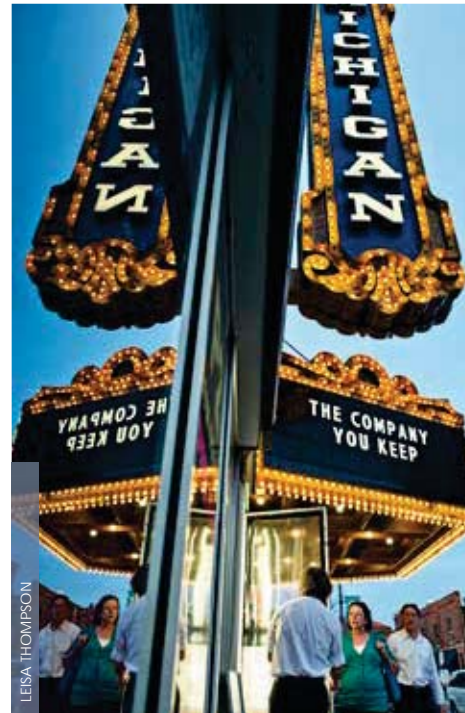
In 2016, the Downtown Library received **536K** visitors



The Michigan Theater attracted **282K** people



The Hands on Museum welcomed **297K** visitors, **>7.8K** more than 2015



LEISA THOMPSON

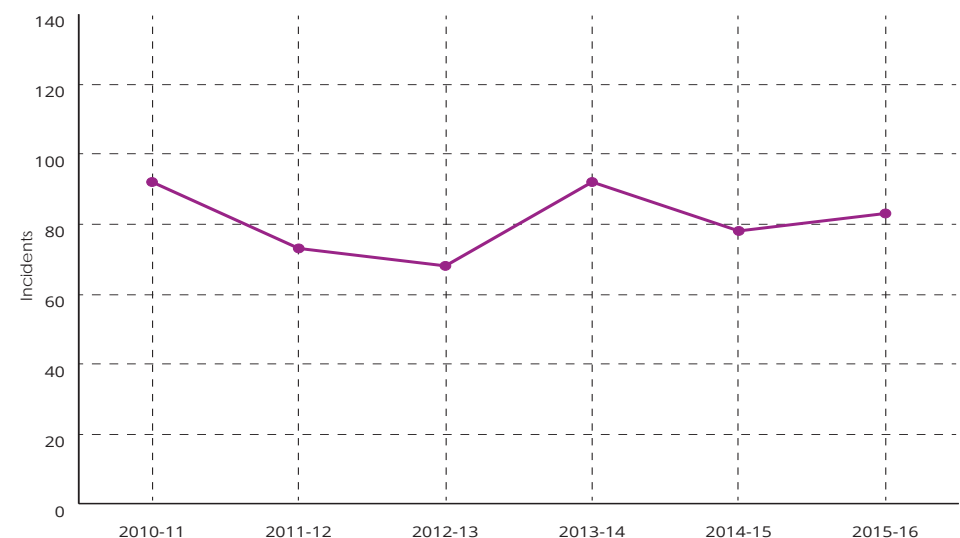


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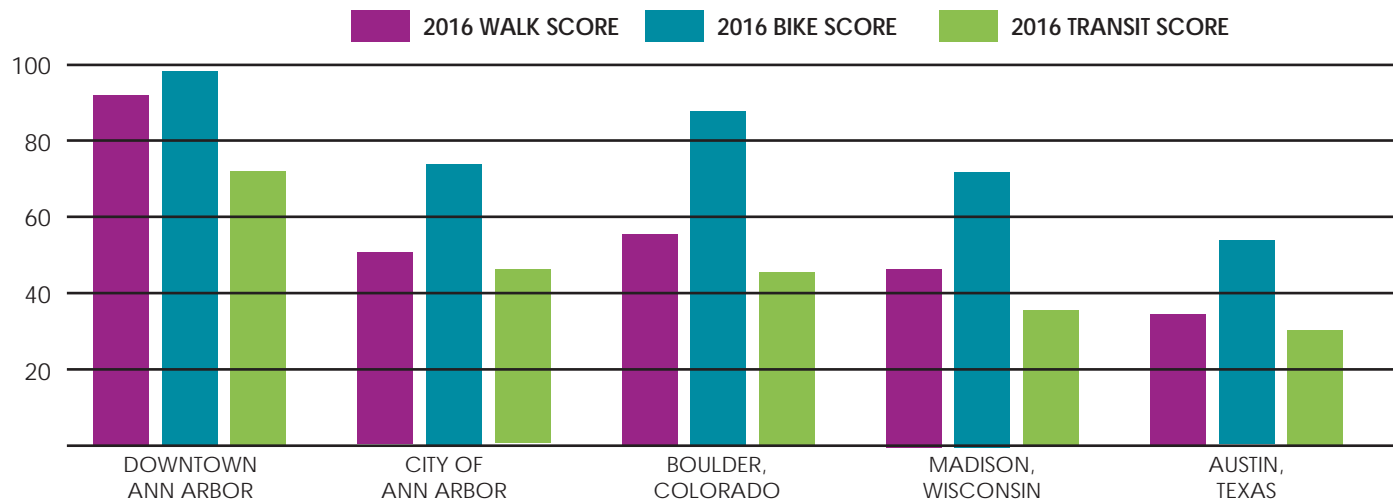
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MAJOR CRIME 2010-2016



Quality of Life

ALTERNATIVE TRANSIT DOWNTOWN ANN ARBOR COMPARISON



Title: People in the City
Artist: Xiang Li



In 2016, downtown Ann Arbor became host to 143 PokeStops, 5 Pokemon Gyms, and countless ranks of Pokemon Trainers

DOWNTOWN AMENITIES

AMENITY	# OF ESTABLISHMENTS
Grocer	6
Pharmacy and Optical Locations	8
Dry Cleaners	6
Libraries	4
Pre-Schools & Daycares	6
Fitness Facilities	17
Specialty Education & Test Prep	13
PokeStops	143
Pokemon Gyms	5

RESIDENTIAL



Downtown's aesthetics, and ready access to day care centers, grocers, dry cleaners, and work out facilities contribute to making it a sought-after place to live. The demand for residential space continues unabated even as new units come on line.

6,541

DOWNTOWN RESIDENTS



≥3,100
HOUSING UNITS
DOWNTOWN



1,168
UNITS ADDED
SINCE 2010

DEMAND FOR
1,525
NEW HOUSING UNITS



Residential

POPULATION DENSITY PER SQUARE MILE

LOCATION	POPULATION DENSITY
Downtown Ann Arbor	15,430
Ann Arbor City	4,170
Ann Arbor MSA	500

COMPARATIVE CITIES

Downtown Berkeley	21,470
Downtown Boulder	2,870
Downtown Chapel Hill	10,900



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Since 2010:

Downtown experienced more population growth (8% per year) than the City or Washtenaw County (0.8% per year)

1,168 units built and 470 under construction

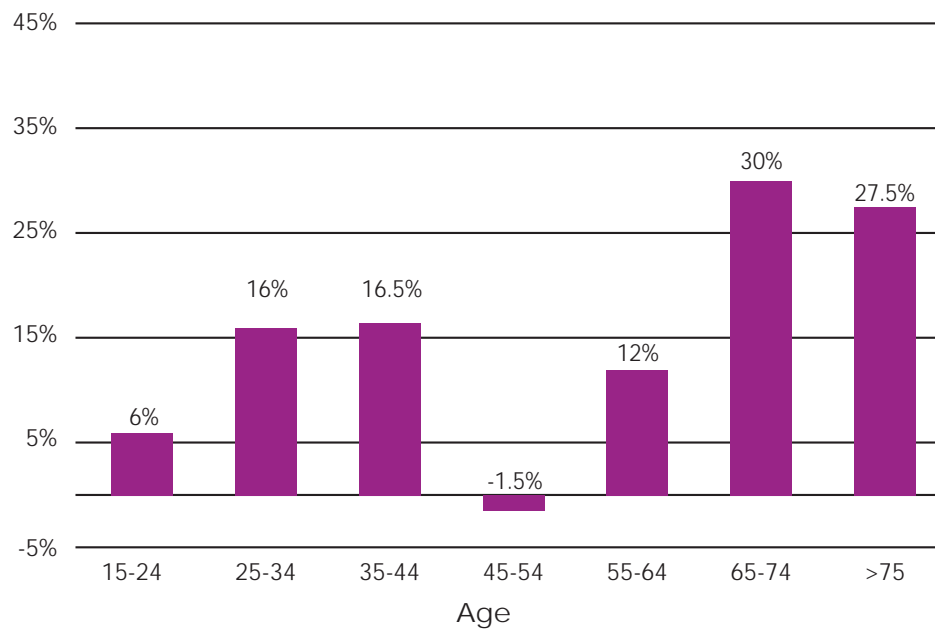
New residents increased retail potential by 45%

DOWNTOWN ANN ARBOR RESIDENTIAL POPULATION PROJECTED THROUGH 2021



Residential

DEMOGRAPHIC PERCENT CHANGE (2016-2021)



By 2021:

The 65-74 age demographic is expected to experience the greatest growth

Demand for >1,300 new units: 65% of demand will be for rental units



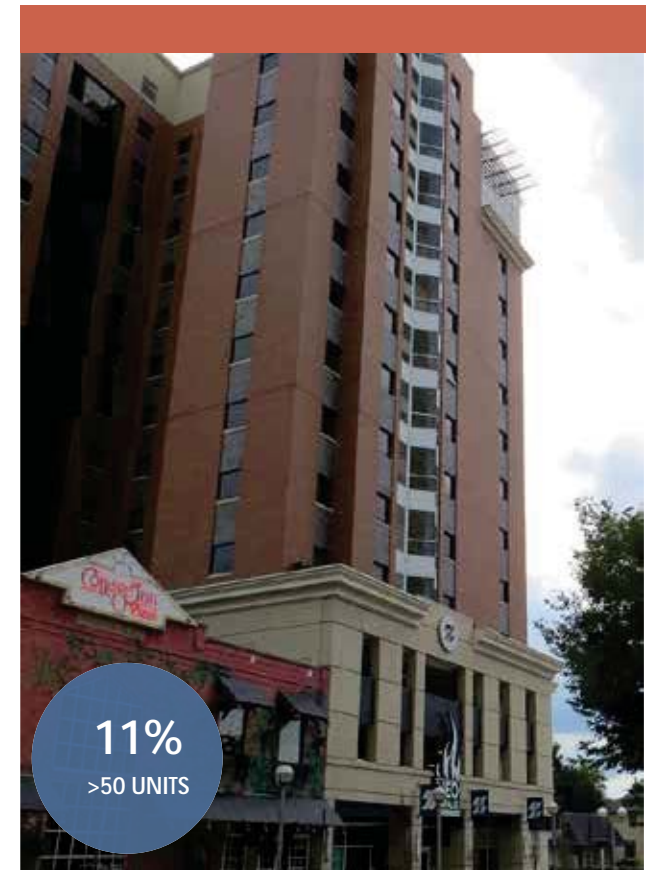
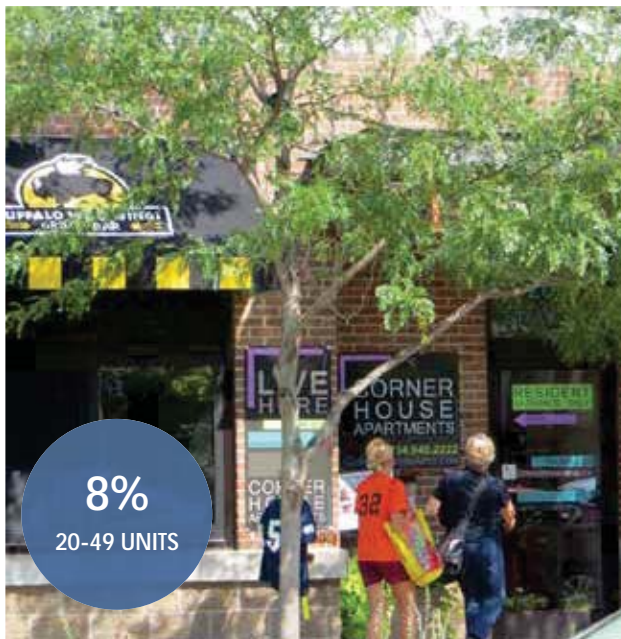
SUSAN CAMPBELL PHOTOGRAPHY

AGE & HOUSEHOLD SIZE (2016)

LOCATION	MEDIAN AGE	AVG HOUSEHOLD SIZE
Downtown Ann Arbor	23.9	2.4
Ann Arbor City	28.5	2.2
Ann Arbor MSA	34.3	1.9
COMPARATIVE CITIES		
Downtown Berkeley	24.5	2.0
Downtown Boulder	31.3	1.5
Downtown Chapel Hill	22.2	3.6

Residential

PERCENTAGE OF HOUSING TYPES DOWNTOWN BY NUMBER OF UNITS



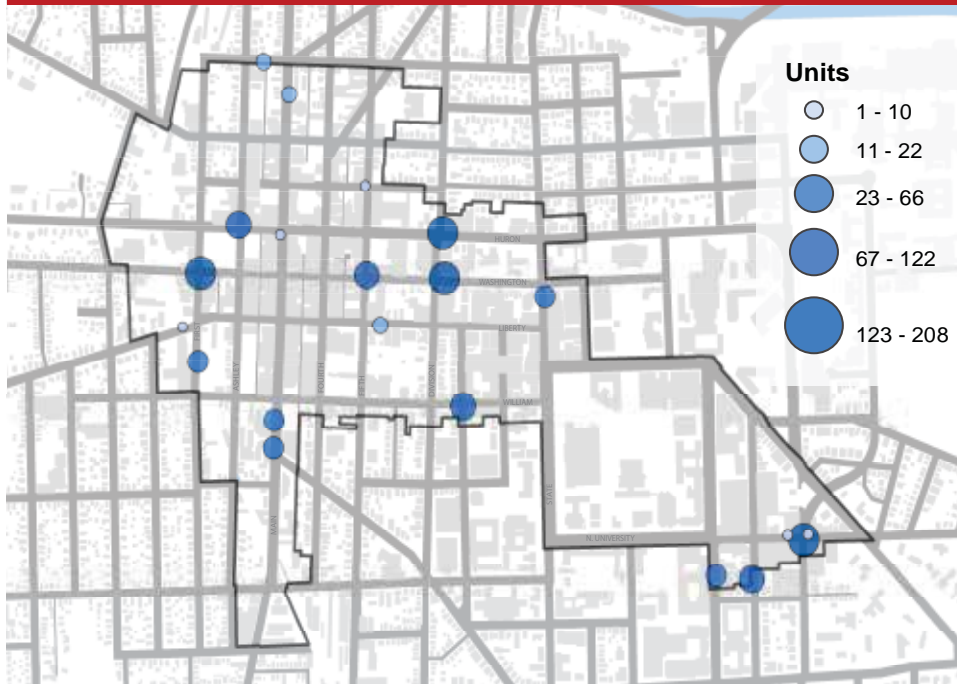
DDA has allocated
>\$3.3 M to affordable
housing since 1999

Residential

DOWNTOWN RESIDENTIAL DEVELOPMENT SINCE 2011

PROJECT	TYPE	# OF UNITS	YEAR COMPLETED
215 N. Fifth	Single-Family	1	2011
Zaragon West	Apartments	99	2012
The Landmark	Apartments	175	2012
University Towers	Apartments	-	2012
The Varsity	Apartments	181	2013
Ann Arbor City Apartments	Apartments	155	2013
ArborBLU	Apartments	123	2015
414 Main	Condos	18	2015
618 S. Main	Apartments	190	2015
Foundry Lofts	Apartments	209	2016
The Mark	Condos	7	2016

DOWNTOWN RESIDENTIAL DEVELOPMENT SINCE 2000



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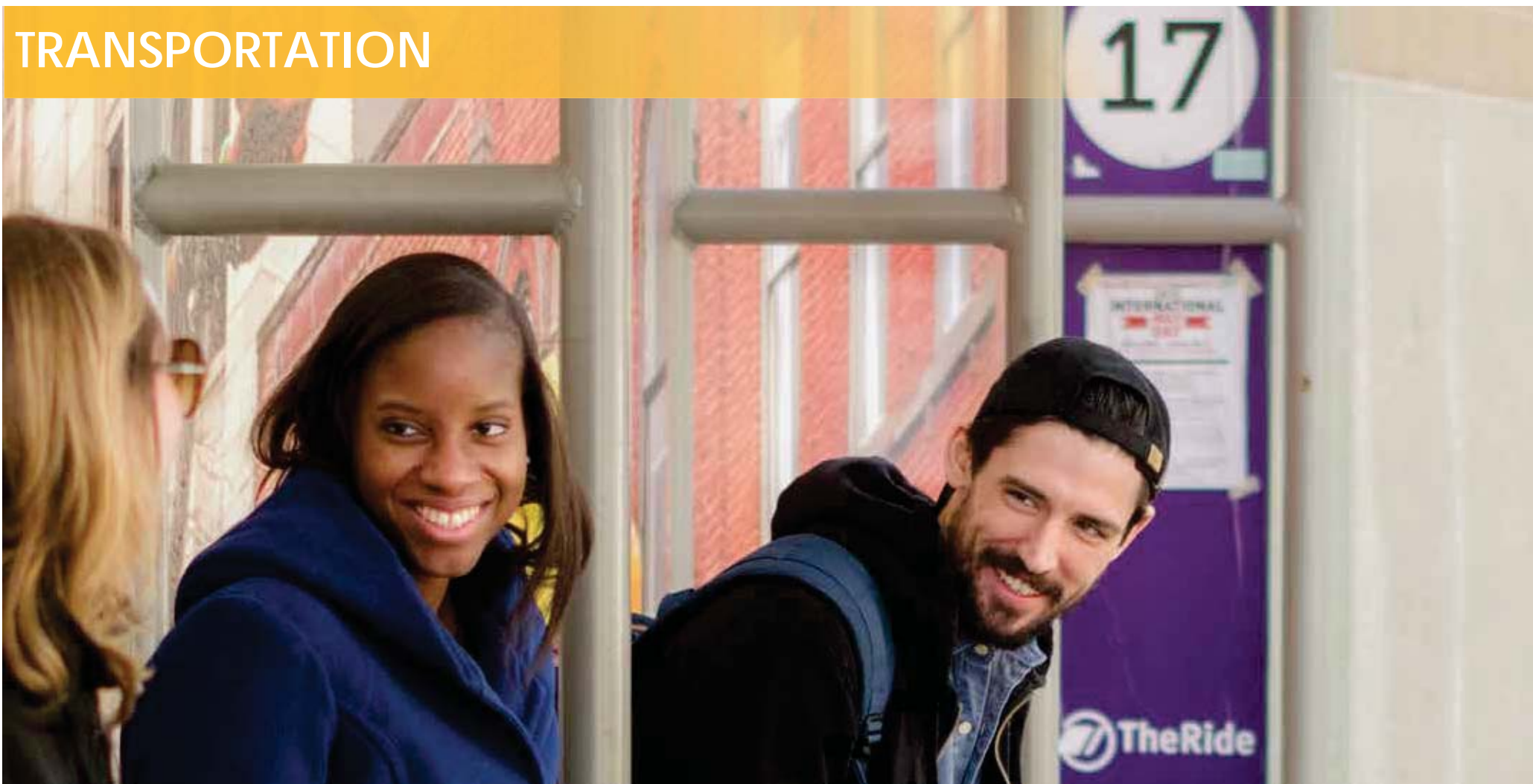
DOWNTOWN APARTMENT ASKING RENTS

	2014	2016	% Change
Studio	\$1,090	\$1,300	19%
1 Bedroom	\$1,520	\$1,480	-3%
2 Bedroom	\$1,900	\$2,240	18%
3 Bedroom	\$2,380	\$1,890	-21%
DDA District Average	\$1,520	\$1,720	12%

DOWNTOWN CONDO PRICES PER SQ FT

	2014	2016	% Change
State Street	\$315	\$311	-1%
Main Street	\$323	\$387	20%
Kerrytown	\$354	\$448	26%
South University	NA	NA	NA
DDA District Average	\$335	\$382	14%

TRANSPORTATION



Downtown provides an array of mobility options, including dozens of public transit routes cross town and out of town, car share and bike share, electric vehicle charging stations, pedicabs, and an array of bike amenities.



611,353
go!pass RIDES

79
BIKE LANE MILES



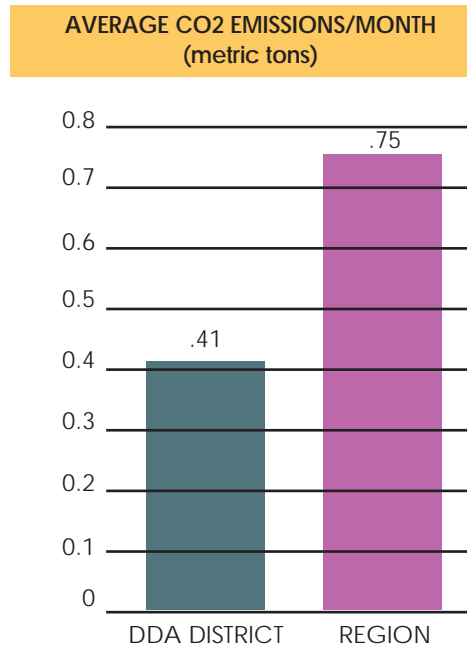
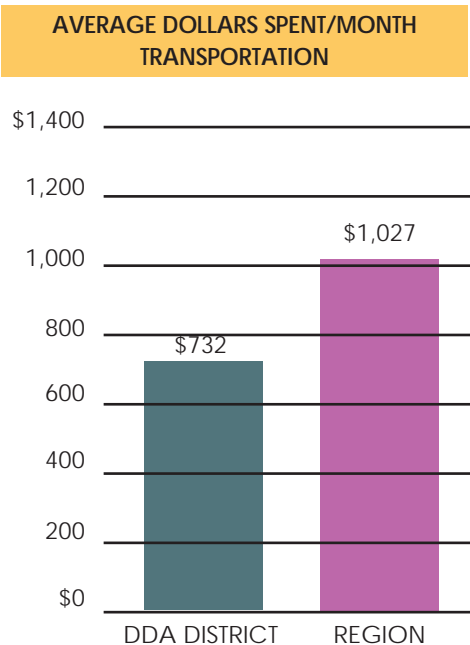
5,048
NIGHT RIDES

2.2M
HOURLY PARKING



Transportation

TRANSPORTATION OVERVIEW 2016	COUNT
AAATA bus routes	23
UM "Blue" routes	7
Go!Pass rides	611,353
Late night shared ride taxi use (NightRide)	5,048
Bike lanes and sharrows	8.43 lane miles
Bike parking spaces	1035
Electric vehicle charging station	23
Public parking spaces in or near downtown	8,249



246 daily AirRide users making one-way trips
between Ann Arbor and Detroit Metropolitan
Airport= nearly 90,000 rides a year

EVENTS



Open an events calendar and any week of the year you'll see dozens of interesting and fun things you could do downtown, including gallery openings, music festivals, international film series, or author reading.

64

TOTAL DOWNTOWN EVENT



51%
OF CITY EVENTS OCCUR
DOWNTOWN

658K

VISITORS TO DOWNTOWN EVENTS



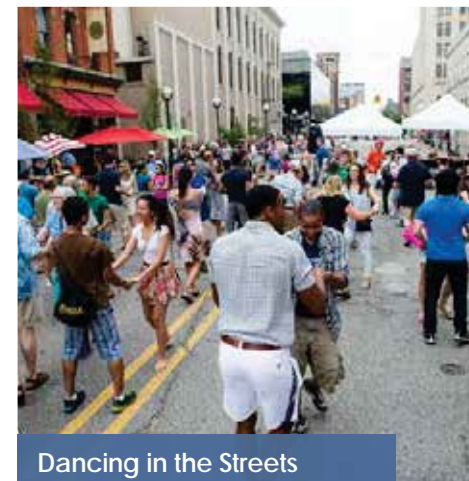
Events

EVENTS WITH A 10+ YEAR HISTORY

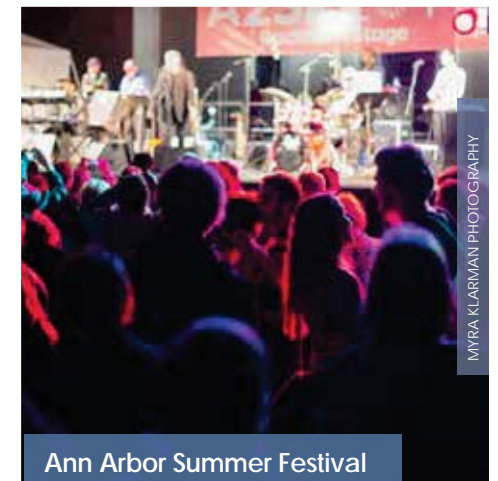
EVENT	ESTABLISHED	EST. ATTENDANCE
African American Festival	1996	>5,000
Ann Arbor Art Fairs	1960	>500,000
Ann Arbor Film Festival	1963	11,000
Ann Arbor Summer Festival	1984	>1,800 nightly
Dancing in the Streets	1998	1000
Dexter-Ann Arbor Run	1974	>6,000
Jaycee's 4th of July Parade	1991	5,000
Kerrytown Book Fest	2003	>3,000
Mayor's Green Fair	2001	>3,000
Rolling Sculpture Car Show	1995	>3,000
Taste of Ann Arbor	2005	>5,000
Townie Street Party	2005	>3,000



FoolMoon



Dancing in the Streets



Ann Arbor Summer Festival

MYRA KLARMAN PHOTOGRAPHY

Events



OTHER DOWNTOWN EVENTS:

- Ann Arbor Book Festival
- Ann Arbor Goddess 5K
- Ann Arbor Marathon
- Ann Arbor Mile
- Arts in Motion
- Bacon Street Fair
- Big House 5K
- Cinco de Mayo
- Cinetopia
- Cleats & Beats
- CROP Hunger Walk
- Chanuka
- Earth Day Weekend
- Electric Bolt 8K/5K
- FestiFools
- Firecracker 5K
- Folk Fest
- FoolMoon
- Homecoming Block Party
- HomeGrown Festival
- International Freedom Fest
- Kerrytown Kindle Fest
- Light the Night Walk
- Live on Washington
- March Against Monsanto
- Mayor's Green Fair
- NashBash
- NJATC NTI Block Party
- NJATC NTI Open Ceremony Dinner
- Oktoberfest East
- Oktoberfest West
- POP-X
- Recovery Happens
- Rock the District
- Shamrocks & Shenanigans 5K
- Sonic Lunch
- SpringFest
- Take Back the Night Ann Arbor
- Taste of Ann Arbor Beer Garden
- The Event on Main
- Turkey Trot
- UA Block Party
- UA Plumber & Pipefitters 5K
- UM Big House 5K
- Victors 5K Run/Walk
- Walk a Mile in Her Shoes
- World Peace Day
- Worst Day of the Year

A2 Tech Trek



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 PARTNERS

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

Ann Arbor / Ypsilanti Regional Chamber • a2ychamber.org

Ann Arbor Area Convention & Visitors Bureau • 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 • aastreet.aadl.org

Washtenaw Area Transportation Study • miwats.org

Washtenaw County • ewashtenaw.org

Main Street Business Improvement Zone • annarbormainstreetbiz.com

References and Credits

CHARTS, TABLES, AND STATISTICS

- Pg i** (2016 A2 DDA District): City of Ann Arbor GIS data & Tax Assessor's Report; U.S. 2010 Census & City of Ann Arbor Building Permit Data; ESRI (July 2016). Downtown Ann Arbor Business Summary; City of Ann Arbor (2015-2016) Special Event Permit Records
- Pg 1** (The DDA District Since 1983): City of Ann Arbor Assessor's Office and City of Ann Arbor Building Permit Data; Totals do not include University of Michigan development projects within the DDA area.
- Pg 5** (Job Density Per Square Mile): 4ward Planning (July 2016). "Ann Arbor Downtown Market Scan."
(Largest Employers): Ann Arbor SPARK and getDowntown Program. University of Michigan employment are self-reported.
- Pg 6** (Current Commercial Make Up of Downtown's Commercial Sector): The sector categories do not include public facilities (local, state, federal government facilities of the University of Michigan) or places of worship. Data obtained from ESRI (2016).
- Pg 8** (IT Businesses and Venture Capital Businesses Downtown): Ann Arbor SPARK
- Pg 9** (Office Vacancy 2004-2015): Swisher Commercial (2014). Swisher Commercial December 2014 office/flex Vacancy Report. Ann Arbor, Michigan.
(Asking Rental Rate): 4ward Planning (July 2014). "Ann Arbor Downtown Market Scan."
(Asking Office Rent Fiscal Year 2016): 4ward Planning (July 2016). "Ann Arbor Downtown Market Scan."
(Asking Retail Rent Fiscal Year 2016): 4ward Planning (July 2016). "Ann Arbor Downtown Market Scan."
- Pg 10** (Building Permits and Building Permit Values): City of Ann Arbor Monthly Building Permit Reports
(Development Projects Within the DDA District Since 1982): City of Ann Arbor Building Permit Data
(Office Space Demand Statistic): 4ward Planning (July 2016). "Ann Arbor Downtown Market Scan."
- Pg 12** (Reported Major Crime 2010-2016): 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.
(Downtown Library, Michigan Theater, and Hands on Museum Statistics): Reported by respective institutions.
- Pg 13** (Alternative Transit Downtown): Walk, Bike, and Transit Score at [www.walkscore.com]
(Downtown Amenities): Self-reporting.
- Pg 15** (Downtown Ann Arbor Residential Population Projected Through 2021): 4ward Planning (July 2014).
"Ann Arbor Downtown Market Scan."
(Population Density Per Square Mile): 4ward Planning (July 2016). "Ann Arbor Downtown Market Scan."
(Downtown Since 2010): 4ward Planning (July 2016). "Ann Arbor Downtown Market Scan."
- Pg 16** (Demographic Percent Change 2016-2021): 4ward Planning (July 2016). "Ann Arbor Downtown Market Scan."
(Age & Household Size 2016): 4ward Planning (July 2016). "Ann Arbor Downtown Market Scan."
(Downtown By 2021): 4ward Planning (July 2016). "Ann Arbor Downtown Market Scan."
- Pg 17** (Percentage of Housing Types Downtown by Number of Units): US Census Bureau
- Pg 18** (Downtown Residential Development Since 2011): City of Ann Arbor Building Permit Data
(Downtown Residential Development Since 2000): City of Ann Arbor Building Permit Data.
(Downtown Apartment Asking Rents): 4ward Planning (July 2016). "Ann Arbor Downtown Market Scan."
(Downtown Condo Prices): 4ward Planning (July 2016). "Ann Arbor Downtown Market Scan."
- Pg 20** (Transportation Cost Comparison): Center for Neighborhood Technology at [<http://abogo.cnt.org/>]
- Pg 22** (Event History and Attendance): City Special Event Permit Records

