LETTER FROM THE BIZ DIRECTOR

The Downtown Business Improvement Zone (BIZ) has created substantial improvements in the ever changing environment of the Downtown, since the inception in 2014. With the critical responsibility to create a vibrant Downtown, the BIZ oversees multiple supplemental services and resources for over 140 blocks and 550 properties, guided by the leadership of the volunteer BIZ board of directors that cover all corners and sectors of Downtown.

The BIZ team consists of dedicated individuals, who day in and day out, care for our community. Key to our efforts, the Ambassadors are the feet on the street providing hospitality and cleaning services to those who work, live and invest in the Downtown. Composed of more than 80 percent Detroiters, the Ambassadors have changed the perception of Downtown with their welcoming and hardworking attitudes, which can be seen any day of the week. Over three years, we have been measuring regional perceptions of Downtown through the annual Downtown Perceptions Survey and Report. Not only have we seen a positive and encouraging trend towards our city's core, but we are also able to create direct dialogue with the community on actionable improvements.

During the BIZ fiscal year beginning on July 1, 2016 and ending June 30, 2017, the BIZ recorded a year of tremendous success. From quarterly Downtown BIZ Connect meetings attracting 200 businesses in total to nearly tripling pedestrian assists by Ambassadors, the BIZ continues to expand its efforts to support property and business owners, creating positive interactions with residents and visitors.

On behalf of the BIZ and DDP boards of directors, thank you for your continued collaboration and partnership in creating and sustaining a dynamic Downtown.

Sincerely,

Gina Cavaliere
Chief Community Impact Officer & BIZ Director
Downtown Detroit Partnership

LETTER FROM THE BOARD CHAIR

As the Downtown Detroit Business Improvement Zone celebrates its third anniversary, Downtown’s popularity continues to rise and public perceptions about the quality of the services provided by the BIZ are positive.

The Business Improvement Zone is led by a board of directors comprised of a diverse group of community leaders representing property owners. They volunteer their time and expertise to assure contributors that resources are deployed transparently and with fiscal responsibility. The board contracts with the Downtown Detroit Partnership to manage daily operations. The BIZ is audited annually, and each audit to date has been entirely positive. In support of our commitment to transparency, all official records may be viewed at www.downtowndetroit.org/BIZ.

While this report summarizes our accomplishments in FY 2016-2017, please take notice of ongoing work and constant refinement of the BIZ throughout the Downtown. Attend a BIZ Connect event to network with our small business proprietors. And sample some tastes of Downtown on a Detroit Experience Factory Small BIZ Tour.

Enjoy new public spaces at Gratiot and Randolph and the Woodward Esplanade, maintained by the BIZ. Know that the BIZ is supporting public safety efforts by increasing security in public spaces, including a new night patrol vehicle equipped with a Lighthouse radio to communicate directly with the Detroit Police Department. The work of the BIZ helps foster an increasingly clean, safe and welcoming Downtown Detroit.

Thank you to all who contribute to funding the Downtown Detroit Business Improvement Zone and ensuring its success, including: property and business owners, BIZ and DDP Board members and other community leaders, the City of Detroit, numerous community partners, and our DDP/BIZ staff.

The BIZ serves as an example of a highly effective partnership, and together we are playing a vital role in the sustainment of Detroit’s exciting positive momentum.

Sincerely,

Tricia Keith
Chair, Board of Directors
Downtown Detroit Business Improvement Zone
The Downtown Detroit Business Improvement Zone (BIZ) encompasses over 550 properties spanning 140 blocks, creating a vibrant Downtown through services including cleaning, hospitality, safety, supplemental lighting, landscaping, and community and business outreach for Downtown Detroit.

Downtown business and property owners fund these vital resources through a self imposed assessment delivered by the BIZ to our Downtown. This commitment from the community enables the Downtown Detroit Partnership on behalf of the BIZ to keep Downtown clean, safe and welcoming.

The BIZ Board of Directors is comprised of Downtown property owners that oversee the BIZ efforts and programs. This dedicated group of volunteers sets the priorities of the BIZ and is actively engaged in the process of ensuring that quality services are delivered with responsibility and transparency. Quarterly BIZ Board meetings are open to the public; all are welcome to attend.
AMBASSADOR PROGRAM

Downtown’s clean and hospitality teams, comprised of more than 80 percent Detroit residents, take care of our Downtown nearly seven days a week and 24 hours a day to create a welcoming Downtown environment. Strategically staffing major Downtown events, Downtown Ambassadors worked over 40,000 hours at events in 2016 to ensure a memorable experience for visitors. Supported events included the North American International Auto Show, Chevrolet Detroit Belle Isle Grand Prix, Greektown at Sundown and the over 900 events that take place in the Downtown Detroit parks and public spaces managed by the DDP, as well as numerous events on the Detroit RiverWalk and at Rivard Plaza led by the Detroit Riverfront Conservancy.

Downtown Detroit’s Hospitality Ambassadors provide a welcoming smile, assisting pedestrians and motorists with a host of issues ranging from recommending a place to eat to locating a lost vehicle. Ambassadors are generally available 18 hours a day on foot and Segway to lend a helping hand.

The Ambassadors work tirelessly to keep over 140 blocks and the 39 miles of sidewalks and public spaces within the BIZ swept, scrubbed and pressure washed year round, removing thousands of pounds of trash and graffiti over the course of the year.

The infrastructure of the BIZ is leveraged to deliver similar services along the Riverfront and Jefferson all the way to Alter and in high traffic areas throughout Midtown in partnership with Midtown Detroit Inc., Jefferson East Inc. and the Detroit Riverfront Conservancy.

New this year, the BIZ partnered with the Grow Detroit’s Young Talent program to employ young adults to enhance their educational, work readiness and leadership skills. The Ambassadors supported Detroit’s youth and expanded their own reach by adding nine Teen Ambassadors for a six-week internship.

The Teen Ambassadors focused primarily on hospitality services by providing assistance with directions, restaurant locations and tourist attractions in Campus Martius Park and Rivard Plaza. They also experienced the first-hand connection between Downtown and Detroit’s neighborhoods through community service. They worked in the Denby neighborhood on Detroit’s upper east side on blight removal and beautification.
DOWNTOWN LIGHTING
The BIZ, with support from Detroit’s Downtown Development Authority, illuminates the Downtown each winter season. The lighting included about 250 snowflake-themed light pole ornaments and over 100,000 tree lights from November through February. These lighting elements enhance the physical characteristics of the Downtown parks and streets by brightening the streetscape, complementing the overall atmosphere of Downtown Detroit.

The BIZ has worked closely over the last year with the Public Lighting Authority (PLA), who led the effort to restore the lighting Downtown. The PLA finalized the installation of LED street lights and new circuits throughout 2016 and early 2017, ensuring the presence and availability of street lighting and power for supplemental lighting in Downtown.

Also in 2016, the BIZ partnered with the Detroit People Mover to include winter lighting elements at some of the stations. This came as a precursor to an expanded Downtown Lighting program to introduce supplemental lighting to the Downtown.

INFRASTRUCTURE PLANNING
The BIZ works with DDP to improve Downtown mobility. New bike lanes will accompany the redesign of Capitol Park, and a proposed bike lane network will provide connectivity between the Downtown core and adjacent neighborhoods, including Midtown, Corktown and Eastern Market.

PARK AND STREET LANDSCAPING
The BIZ Park and Street Landscaping team worked over 5,500 hours maintaining our Downtown in 2016.

Also in 2016, the BIZ maintained the landscaping in the Downtown Detroit Parks, including Cadillac Square, Capitol Park, Grand Circus Park and Paradise Valley Beatrice Buck Park. The BIZ employs environmentally responsible practices, such as watering the grounds at night.

During the winter months, the crews keep park paths clear of snow, making our Downtown more accessible and walkable.

SAFETY AND SECURITY
Over the last year, the BIZ team has worked to align its activities with DDP’s safety and security efforts to help reinforce many of the top priorities voiced by Downtown stakeholders. The BIZ was directly responsible for the utilization of secondary police officers to support the proactive patrol of crime hot-spots in Downtown, engaging uniformed Detroit Police Officers through the Detroit Police Department’s Secondary Employment Program.

Stats provided by the Wayne State University Center for Urban Studies.
PERCEPTION SURVEY RESULTS

The DDP’s third annual Downtown Detroit Perceptions Survey was distributed to Detroit communities and across the metro area, resulting in nearly 4,000 responses. The survey results showed a continued positive perception about Downtown Detroit among general audiences. The age segment of 35- to 44-year-olds had the highest overall positive impression of Downtown Detroit with a 94 percent rating. The survey also identified the top three destinations in Downtown: Campus Martius Park, Detroit RiverWalk and Renaissance Center.

Each year, the survey provides impactful data and feedback gathered from the community to help us better understand the services and programs needed.

COMMUNITY AND BUSINESS OUTREACH

The BIZ team, through the Downtown BIZ Connect network, focuses on personally getting to know our Downtown small business owners and managers as an effective way to strengthen a sense of community while continuing to grow our network.

One of the primary ways our team interacts with members of the network is through frequent one-on-one meetings, where we gain knowledge of their background as business leaders and a deeper understanding of their current needs and challenges. Listening to what each business has to say, one visit at a time, is key to building strong relationships.

These efforts have helped Downtown business owners, as well as residential and commercial property owners and their representatives, to access available resources, information and important updates through BIZ Connect events held throughout the year. These events provided a major avenue for communication among businesses and were held quarterly in 2016, attracting nearly 200 attendees in total, which is a 50 percent increase over 2015.

As a result of the BIZ Connect events and one-on-one efforts, community participants have continued to provide positive feedback and reach out to the BIZ team as the primary point of contact for assistance and information.
2016-2017 Fiscal Year Expenses
Beginning July 1, 2016 and Ending June 30, 2017

<table>
<thead>
<tr>
<th>Expense Type</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ambassadors</td>
<td>52.65%</td>
</tr>
<tr>
<td>Project Expenses</td>
<td>81%</td>
</tr>
<tr>
<td>Administrative Expenses</td>
<td>19%</td>
</tr>
<tr>
<td>Communications, Marketing, Outreach and Data</td>
<td>2.69%</td>
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<tr>
<td>Street Landscaping</td>
<td>10.78%</td>
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<tr>
<td>Safety and Security</td>
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<tr>
<td>Winter Season Lighting/ Light the D</td>
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<tr>
<td>Parks and Common Areas</td>
<td>17.98%</td>
</tr>
<tr>
<td>Ambassadors</td>
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</tbody>
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DDP EXECUTIVE TEAM
Eric Larson
Chief Executive Officer
Kelly Kozlowski
Chief Operating Officer
Paul Trulik
Chief Financial Officer
Gina Cavaliere
Chief Community Impact Officer and BIZ Director
Robert Gregory
Chief Public Space & Planning Officer

BIZ TEAM
Racheal Allen
Operations Manager, Downtown Detroit Ambassador Program
Ryan Epstein
Program Manager, Ambassador Landscape and Supplemental Lighting Program
Julie Galvan
Program Manager, Small Business Outreach
Joshua Long
Data Program Manager
Alana Tucker
Project Manager

ADDITIONAL SUPPORT PROVIDED BY:
Jennifer Bright
Finance Director (DDP)
Krissy Johnson
Accountant (DDP)
Maryann Listman
Community Engagement Director (DDP)
Tarsha Nickerson
Executive Assistant
Kailey Poort
Corporate Communications Director (DDP)
and the entire DDP team
2016 DOWNTOWN DATA SNAPSHOT

ASSESSLED VALUE OF TAXABLE PARCELS, DOWNTOWN DETROIT BIZ

$945,889,203

Source: City of Detroit Assessor. Downtown Detroit Business Improvement Zone Analysis. 2016 Tax Assessment. Note: Assessed value total does not include residential condominiums.

DEVELOPMENTS UNDER CONSTRUCTION

<table>
<thead>
<tr>
<th>Development</th>
<th>Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>28 Grand</td>
<td>28 Grand River Ave</td>
</tr>
<tr>
<td>Capitol Park Lofts</td>
<td>1145 Griswold St</td>
</tr>
<tr>
<td>DTE Energy Park</td>
<td>Grand River and First St</td>
</tr>
<tr>
<td>Element Detroit at the Metropolitan Building</td>
<td>33 John R St</td>
</tr>
<tr>
<td>Farwell Building</td>
<td>1249 Griswold St</td>
</tr>
<tr>
<td>Foundation Hotel at the Detroit Fire Department Headquarters</td>
<td>230-250 W Lamed St</td>
</tr>
<tr>
<td>Little Caesars Headquarters</td>
<td>2125 Woodward Ave</td>
</tr>
<tr>
<td>Philip Houze</td>
<td>415 Clifford St</td>
</tr>
<tr>
<td>The District Detroit</td>
<td>Multiple</td>
</tr>
<tr>
<td>The Gabriel Houze</td>
<td>1055 Washington Blvd</td>
</tr>
<tr>
<td>The Griswold at Capital Park</td>
<td>1117 Griswold St</td>
</tr>
<tr>
<td>Vinton Building</td>
<td>600 Woodward Ave</td>
</tr>
<tr>
<td>Wurlitzer Building Hotel</td>
<td>1509 Broadway St</td>
</tr>
</tbody>
</table>

3 HOTELS UNDER CONSTRUCTION

- Wurlitzer Building Hotel
- Element Detroit at the Metropolitan Building Foundation Hotel at the Detroit Fire Department Headquarters
- Foundation Hotel at the Detroit Fire Department Headquarters

DOWNTOWN HOTEL ROOMS

- 4,482 Existing Rooms
- 306 Under Construction Rooms
- 643 Proposed Rooms

GROSS RENT PER SQ FT IN DOWNTOWN BIZ BY TYPE OF USE

<table>
<thead>
<tr>
<th>Service</th>
<th>Office</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>2016</td>
</tr>
<tr>
<td>2015</td>
<td>2016</td>
</tr>
</tbody>
</table>

EMPLOYMENT IN DOWNTOWN DETROIT BIZ

14,237 Rock Ventures
70,356 Total Downtown Detroit BIZ employment across all employers

Source: CoStar. March, 2017. Note: A small number of condominiums exist in the BIZ but are not included.

Source: City of Detroit Assessor. Downtown Detroit Business Improvement Zone Analysis. 2016 Tax Assessment. Note: Assessed value total does not include residential condominiums.


Source: CoStar. 2016 Annual Average Rates. Note: Service includes restaurants, retail and similar uses.

Source: Crain’s Detroit Business, 2016 List of Detroit Employers and SEMCOG/MDOT Employment Data. 2015 Estimate. Notes: (1) This estimate is not comparable to previous estimates of Downtown Detroit’s employment, as the data sources and methodologies are different. (2) Numbers are subject to change, as SEMCOG and MDOT continue to improve the database.