



Jay Gibson, General Manager
Engineering and Environmental Services
Durham County
120 East Parrish Street, Law Building, First Floor
Durham, NC 27701

Dear Mr. Gibson,

Included and attached is Downtown Durham, Inc.'s (DDI) formal funding request for the fiscal year beginning July 1, 2018 and ending June 30, 2019. Additionally, information is included to document progress (to date) on activities and tasks contained in DDI's current contract with the County of Durham. Please note that this information is for the first six months of the twelve-month contract.

DDI has enjoyed a long and beneficial relationship with Durham County. As the primary entity that promotes and advocates for growth, development, and vibrancy and leads the economic development efforts for Downtown Durham, DDI has been instrumental in many of the development initiatives in Downtown and continues to identify future opportunities for the sustainability of Durham's downtown core. This would not have been possible without the County's unwavering and long-term support.

Since July 1, 2017, the start of the current contract with the County, DDI has accomplished several key tasks. First, and most importantly, after two years of staff transitions and vacancies, DDI is now fully staffed. In the last six months, DDI hired a new Director of Marketing and a new Special Projects Coordinator. These additions give DDI the resources to more robustly market, attract, and retain businesses to downtown. Related to tasks and activities completed by DDI over the last six months, attached is DDI's latest Quarterly Report. Highlights from this report include:

- Thirty-four property sales for a total of \$34,150,000.
- Five new retail businesses for a total of fifteen new retail establishments in downtown since the start of the fiscal year.
- A total of seventeen new businesses located in downtown.
- An overall total of 852 businesses (all businesses) in downtown.
- Daytime population of just under 30,000 people.
- In the first quarter of FY17/18, seventy new residential units have come online with a total of 1,716 units either planned or under construction.

- In the second quarter, there was \$27,318,315 in private investment and \$4,603,577 in public investment for a total of \$31,921,892 in investment in downtown.
- Current commercial occupancy (for all types of office space) in downtown is 94%. For Class A office space, the commercial occupancy is 96%.
- Over the last six months, DDI has met with and/or assisted 100 clients interested in expanding, relocating, or starting in downtown.
- DDI has presented to fifteen organizations, including presenting at a session at the International Downtown Association's Annual Conference, and reached over 300 individuals.
- Key initiatives started by DDI include:
 - An in-depth study of minority business development and participation in downtown, a collaboration with the Institute, to analyze challenges and opportunities that exist for minority businesses.
 - For the Holiday season, DDI spearheaded the lighting of CCB Plaza for the Holiday, a Shop Small Business Week, and a Holiday Window Display Competition.
 - Lighting of the Five Points Plaza (in collaboration with the City's OEWD)
 - Worked with NC Museum of Life and Science, Morehead Planetarium and Luna Rotisserie & Empanadas to host an Eclipse viewing party in Black Wall Street Garden.

Based on our proven success and engagement with Downtown and its stakeholders, DDI requests \$150,000 from the County of Durham to continue our economic development efforts in downtown. At this time, given the newness of staff, we do not anticipate significantly changing the tasks that will be performed (scope of services) to the County. We will continue to:

- Recruit investors, businesses and residents to downtown Durham to increase critical mass of people working, living and visiting downtown,
- Assist with the leasing and/or purchasing of space in downtown by providing information, tours, and available property information to interested clients, and
- Attend all relevant city and county meetings and, as required and appropriate, serve on committees and task forces related to the growth and development in downtown.

I look forward to working with you and the County through the budget process as well as into the upcoming year. Please contact me if you have any questions or would like to discuss this request in more detail. I am available to meet and discuss DDI's request as well as its success and accomplishments.

Sincerely,

Nicole J. Thompson
 President & CEO
 Downtown Durham, Inc.