



FY2018 Third Quarter Report

January through March 2018

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ECONOMIC DEVELOPMENT HIGHLIGHTS

Downtown is experiencing growth in all property types. We have 400,000 SF of office space under construction right now with an additional 420,000 SF planned. Downtown residential units will almost double with the new projects planned and under construction. Our current daytime population of almost 30,000 people per day is driving traffic to our retail and restaurants. While there was some change in the downtown Durham's street-level businesses, this sector remains strong with pending announcements of new restaurants and retail space planned for the near future.

Residential

Construction began on Broadstone, a 340-unit apartment building. Construction continues on Van Alen, a 412-unit development near 147. Anticipated completion date is March 2018. Current multifamily occupancy for Downtown Durham is near 95%.

Office

Development continues on One City Center, the 27-story mixed-use tower under construction in City Center. Construction on Phase I of the Durham.ID also continues. Both have anticipated completion dates in 2018.

LRC Properties continues to work on its \$20 million renovation of Mill One and its \$3 million upfit of Golden Belt. It has hired NAI Carolantic to assist in leasing the office and retail space at this site.

Office vacancy rates have slightly ticked up to 6% overall. This rate drops to 2% for class A office space. Downtown Durham is well below a healthy vacancy rate, which tends to be near 10%. There continues to be a strong need for more commercial office space so that Durham is better prepared to meet the potential demand from both business prospects outside of the area as well as entrepreneurs and founders outgrowing space at local co-working space.

Retail

Seven street-level businesses (bars, restaurants, retail) opened in downtown Durham during third quarter of FY2018. Unfortunately, six street-level businesses closed. Reasons for the closings included consolidation, family/personal, and construction impacts.

Minority Business Development

DDI has identified 147 minority-owned businesses in Downtown Durham. 81 of these businesses have a location within American Underground.

DDI continued to work with the Institute on identifying challenges to minority businesses locating in downtown. As of March 2018, a first draft of findings and themes had been completed and DDI and the Institute began working on potential recommendations.

Clean & Safe

During Q3 FY2018 the ambassadors collected 12,500 bags of trash, a 64% increase from Q3 FY2017,

There was an increase in illegal dumping of bulky items and construction debris at shared solid waste sites. DDI worked with Solid Waste Department and Neighborhood Improvement Services to remove these items quickly

DDI helped facilitate communication between Solid Waste Department and users of shared site at Ramseur St regarding installation of the new compactor.

Ambassadors cleared snow from handicap ramps as required. Operations Manager stayed in contact with General Services during winter weather events and offered additional assistance with snow removal at CCB Plaza & Five Points and removal of all remaining salt on sidewalks & in street-tree boxes.

QUICK FACTS

Office Space

Commercial Office	3,200,000 SF
Under Construction	400,688 SF
Planned	421,764 SF
Combined Existing, Under Construction, and Planned	4,322,452 SF

Hotel

Downtown Hotel Rooms	716
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Downtown Residential

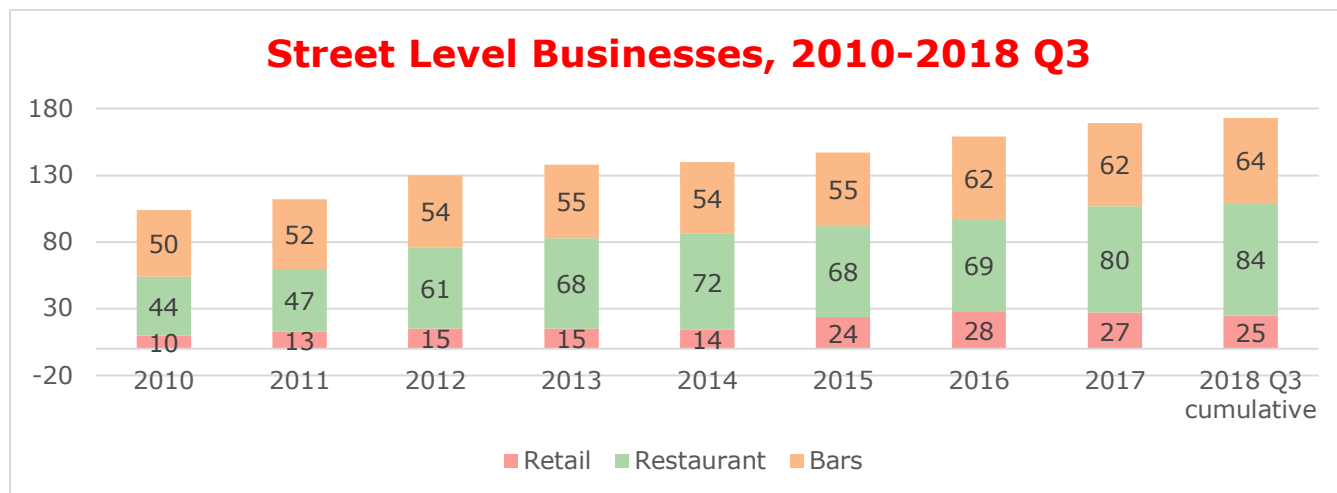
Market-Rate Rental Units	1,575
Market-Rate Condos	151
Low-Income Units	795
Planned and Under Construction (P&UC)	2,061
Combined Existing, P&UC Units	4,582

Population

Daytime Population	29,294
Employees	18,500
Residents within 1-mile radius Downtown*	1,4605
Housing units within 1-mile radius of Downtown*	7,426
Avg. Household Size within 1-mile radius of Downtown*	2.14
% of Residents with bachelor's Degree or Higher	41.8
Median Age for Residents within 1-mile radius	34.4
Median Age for Residents within 2-mile radius	31

*Center point of downtown is 300 W. Main St.

STREET LEVEL BUSINESSES



New Businesses

	Type
Mansion	Retail
Taberna (Expansion)	Restaurant
Copa	Restaurant
Maze (pop-up)	Restaurant
The Wine Feed	Bar/Retail
Hayes Photography	Service
Sacredx Mandala	Service

Closings

	Type	Reason
Scratch Bakery	Restaurant	Consolidating in Lakewood
Barberalla	Service	Construction impacts
Magpie	Retail	Family
School Kids Records	Retail	Consolidation
Smitten Boutique	Retail	Construction/Relocation
Liberation Threads	Retail	Closed

DEVELOPMENT

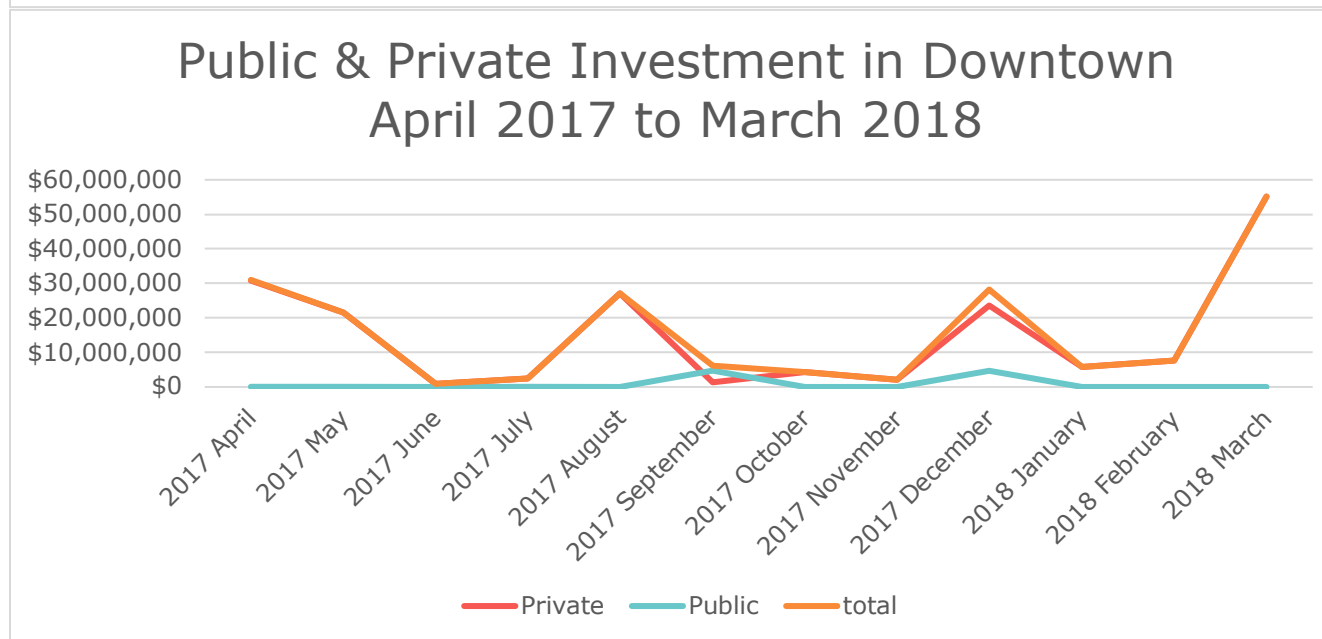
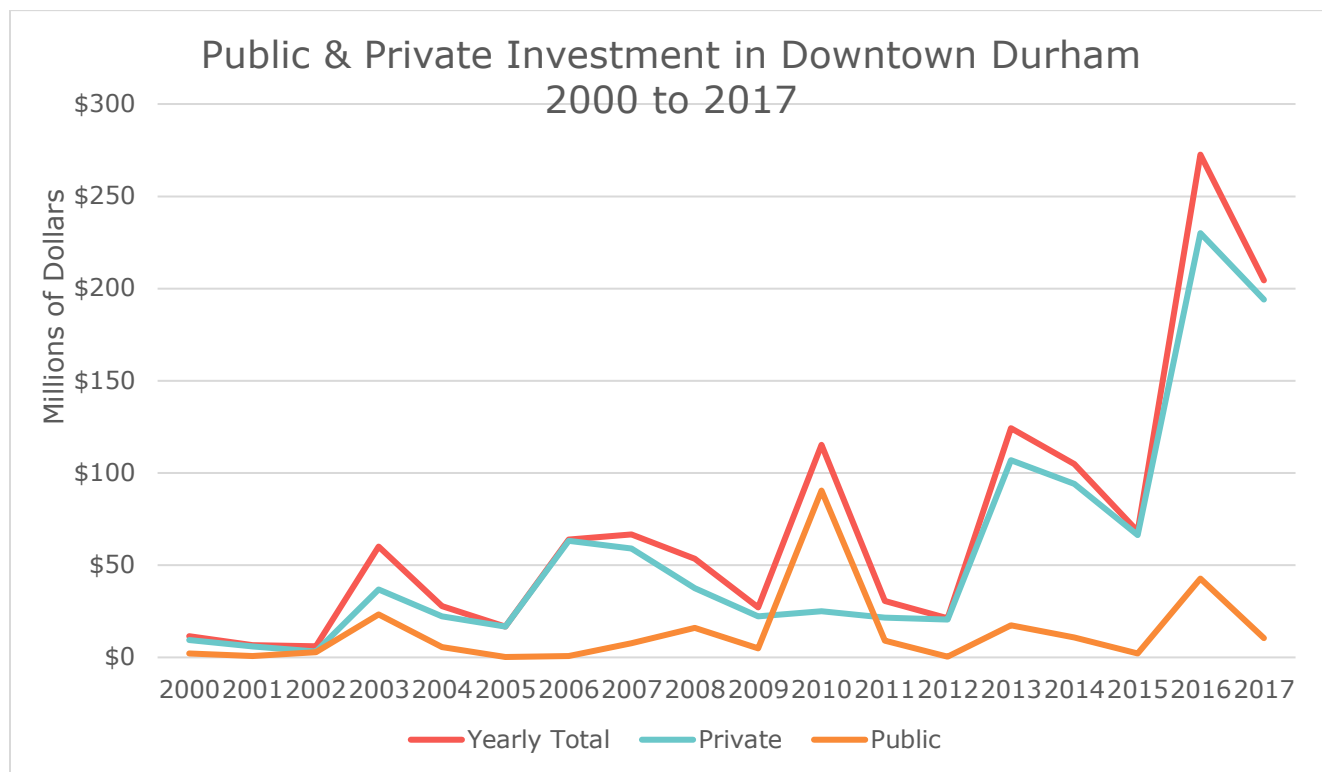
Downtown Office Occupancy Q3 Year Over Year

	FY12 Q3	FY13 Q3	FY14 Q3	FY15 Q3	FY16 Q3	FY17 Q3	FY18 Q3
Class A	93%	92%	93%	95%	97%	97%	98%
Class B	83%	88%	89%	89%	87%	93%	86%
Class C	92%	83%	83%	80%	91%	88%	88%
Total	91%	91%	91%	92%	94%	96%	94%

Building Sales

	Buyer	Address	Sale Price
The Trust Building	212 W. Main St. Investors	212 W. Main St.	\$10,685,000
614 Rigsbee Ave	Rigsbee Central Park, LLC	614 Rigsbee Ave.	\$2,5000,000
113 W. Main St.	Karitsa Properties	113 W. Main St.	\$725,000
Durham CoHousing, Unit 406	<i>Residential Condo</i>	130 Hunt St.	\$500,000
The Brannan, Unit 204	<i>Residential Condo</i>	400 Hunt St.	\$460,000
Durham CoHousing, Unit 403	<i>Residential Condo</i>	130 Hunt St.	\$445,000
The Kress Building, Unit 305	<i>Residential Condo</i>	103 W. Main St.	\$435,000
319 W. Main St., Unit R03	<i>Residential Condo</i>	319 W. Main St.	\$310,000

Permits¹



¹ Investment measured in submitted permits to City of Durham Inspections office

Development: Under Construction

	Project Type	Retail (SF)	Office (SF)	Residential Units
Broadstone	Multifamily			340
Van Alen	Multifamily			412
The Mark	Multifamily	7,000		305
Solis Brightleaf	Multifamily			194
One City Center	Mixed Use	25,000	130,000	117
County Judicial Building	Mixed Use		108,521	
Morgan St. Deck	Mixed Use	15,000	5,000	
Police Station	Office		125,000	
Durham.ID South Building	Mixed Use	6,253	145,417	
Durham.ID North Building	Mixed Use	14,705	125,271	
Mangum Flats	Condo			22
Hutchins Automotive	Retail/Restaurant	20,000		
113 W. Main St.	Restaurant	8,300		

Development: Planned

	Project Type	Retail (SF)	Office (SF)	Residential Units
Foster on the Park	Multifamily	2,260		160
Jackson St. Affordable Housing	Low-Income			80
555 Mangum	Mixed Use	15,125	189,594	
Gateway	Mixed Use	7,000	150,000	366
Venable Center Addition	Office		82,170	
The Bartlett	Condo	6,000		35

Development: Completed 2015 to 2017

	Property Type	Retail (SF)	Office (SF)	Residential Units	Hotel Rooms
The Brannan	Condo			35	
Liberty Warehouse	Multifamily	24,000		246	
Unscripted	Hotel	12,098			74
300 E. Main St.	Mixed Use		29,000		
The Chesterfield	Office		272,200		
Whetstone	Multifamily			204	
West Village (III)	Multifamily			156	
Southside Phase 1	Mixed Income			132	
Central Park CoHousing	Condo			24	
Church + Main	Condo	2,700		8	
Durham Hotel	Hotel				54
21c	Hotel				124
Marriott Residence Inn	Hotel				143
Holland Brothers Building	Office		23,000		
Aloft	Hotel				134
Trust Building	Office		57,798		

CLEAN & SAFE HIGHLIGHTS

	January	February	March	Q3 Total
Brick Work Laying (Square Feet)	0	9	16	25
Trash Bags Collected	3900	4200	4400	12500
Graffiti Removed Paint	0	2	14	16
Graffiti Removed Stickers	40	30	40	110
Customer Service	208	159	402	769
Panhandlers / Outreach / Social Service Referral	18	34	27	79

- **Trash:** During Q3 FY2018 the ambassadors collected 12,500 bags of trash, a 64% increase from Q3 FY2017, saw increase in illegal dumping of bulky items and construction debris at shared solid waste sites and worked with SW Dept and Neighborhood Improvement Services to remove these items quickly & helped facilitate communication between Solid Waste Dept and users of shared site at Ramseur St regarding installation of the new compactor.
- **Winter Weather / Snow Removal:** Ambassadors cleared snow from handicap ramps as required. Operations Manager stayed in contact with General Services during winter weather events and offered additional assistance with snow removal at CCB Plaza & Five Points and removal of remaining salt on sidewalks & in street-tree boxes after application by City in preparation for winter storm.
- **Spring landscaping:** Worked in partnership with City Arborist/General Service to prune sapling growth on street trees, report trees that needed to be reset after planting, clean up mulch displaced from tree boxes during heavy rain & resumed spring weed abatement efforts in March.
- **Graffiti:** Graffiti trended lower during the first two months of Q3. Frequency of graffiti tags has been historically lower in winter and this winter was much colder than normal. However, there was a modest uptick of activity in late March.
- **Panhandling/Social Service Referrals** Panhandling activity was overall lower than Q2. There were two incidents when the police were called for vandalism and disruption from panhandler/homeless person. The extreme cold weather presented challenges to homeless population so ambassadors conducted several welfare checks on individuals.
- **Special Projects & Assistance:** At the request of City's General Services Dept, ambassadors identified the location of and mapped all the bollards located on the sidewalks within the BID.
- **Note:** Customer Service includes Maps/Visitor Assistance, jump starts and flat tire assistance.

CLEAN & SAFE TASKS

	January	February	March	Q3 Total
Power Washing LABOR Hours	0	16	64	80
Brick Work Laying (Square Feet)	0	9	16	25
Water Flower Pots (Frequency)	0	0	0	0
Trash Bags Collected	3,900	4,200	4,400	12,500
Graffiti: Removed Paint	0	2	14	16
Graffiti: Removed Stickers	40	30	40	110
Grass Cutting Hours	0	0	8	8
Weed Abatement (hours)	0	0	36	36
Sweep & Pan (Blockfaces)	14,346	14,346	14,346	43,038
Dumpster Checks	892	892	892	2,676
Maps Dispersed	200	150	400	750
Police Calls (NON-EMERGENCY)	3	4	2	9
Jump Starts	8	9	1	18
Flat Tire Assistance	0	0	1	1
INCOMING Service/Work Requests	5	11	8	24
ONE CALL Outgoing Work Orders	3	12	11	26
911 POLICE CALLS	2	0	3	5
911 FIRE & EMS CALLS	2	1	1	4
Panhandlers / Outreach / Social Service Referral	18	34	27	79

CLEAN & SAFE HIGHLIGHT REPORT – Q2 FY18

LANDSCAPING

- *Overall quarterly activity was much lower over previous quarter due to winter season.*
- *Touch-up leaf cleanup was conducted in early February to clean and remove any leftover leaves from late fall.*
- *Initial and aggressive weed abatement spraying activity resumed in March.*
- *Worked in partnership with Alex Johnson from the City in helping to prune trees of initial sapling growth, report trees that needed to be reset after planting, tidy up mulch that was displaced from heavy rain.*

WINTER WEATHER / SNOW REMOVAL

- *Ambassador Team worked directly with Kevin Lilley at General Services before, during and after winter storm that dumped 9” of snow in the BID. Completed snow removal from all walking surfaces at CCB Plaza and at 5 points. Maintained direct communication with Kevin during the event to ensure all work was completed and offered additional assistance if needed. This was in addition to our normal clearing of handicap ramps during snow events.*
- *Ambassador Team took the lead in removing salt that remained on the sidewalks & in the tree boxes after application of salt in public ROW by City in preparation for winter storm.*

DUMPSTER SITES AND TRASH

- *Helped to facilitate communication between Solid Waste Management and users of the shared site at Ramseur St regarding the new compactor. Project took longer than expected creating frustrations for users. Was able to help expedite process to get unit online and operational.*
- *Continued to see an increase in illegal / negligent dumping of furniture, appliances and construction debris at shared sites. A lot of the trash found were items associated with moving. Worked directly with Carlos Lyons at Solid Waste and Darryl Hedgepeth at Neighborhood Improvement Services to coordinate rapid responses to remove these items quickly. Proactively engaged stakeholder who uses this shared site by sending emails advising him what we found and what steps we were taking to address the issue before he reached out to us.*
- *Volume of trash at shared sites was much lower compared to Q2. The conclusion of the holiday season and unusually prolonged extreme cold temps are the reason for decrease.*

GRAFFITI / VANDALISM/ PANHANDLING

- *Graffiti paint vandalism trended lower during the first two months of Q3.*
- *Frequency of graffiti tags has been historically lower in winter and this winter was much colder than normal. However, there was a modest uptick of activity in late March.*
- *The extreme cold presented challenges to homeless population and we conducted several welfare checks on individuals during the cold snap.*
- *Panhandling activity was overall lower than Q2. In February there was an increase in activity and several “new” panhandlers were noted.*
- *There were two incidents when the police were called for vandalism and disruption from panhandler/homeless person: one incident involved damage to property at Vert Vogue and the other was an aggressive/trespasser at Cupcake Bar.*

OUTGOING CALLS TO DURHAM ONE CALL / CITY

- *To report possible ordinance violation at demolition site at 600 Willard (2 times.)*
- *To report out / damaged street lighting to Duke Energy (4 times.)*
- *To report dumpsters in need of emptying / problems with new compactor (7 times.)*
- *To report and arrange pickup of large / bulky items from business inside loop (2 times.)*
- *To report abandoned bicycle in Five Points area.*
- *To report open storm drain / hazardous condition on 300 W Main.*
- *To report newly planted trees crooked in wells (2 times.)*
- *To report malfunctioning traffic lights on Foster St after construction crews left (2 times.)*
- *To report parking spaces illegally blocked off with orange cones on W Main St near Five Points (3 times.)*
- *To report water main break of sprinkler pipe in City Center parking deck.*
- *To report large tree limb down on E Chapel Hill St near bus station.*

INCOMING SERVICE REQUESTS

- *Request for service for flat tire assistance (1 time.)*
- *Request for service for dead battery / jump start assistance (18 times.)*
- *Request for service to remove bulky trash items (2 times)*
- *Request for assistance with abandoned bicycles (non-bike share- 3 times)*
- *Request for assistance with salt cleanup and removal from City Arborist (2 times.)*

- *Request for assistance / addressing complaints on bike share bikes blocking ROW, unsightly or knocked over or too many bikes (12 times.)*
- *Request for service to remove discarded medical device at City Hall.*
- *Request for removal of small graffiti tag at 208 Rigsbee St.*
- *Request for assistance in homeless trespassing issue on East Chapel Hill St*
- *Request for lighting check on Corporation St near Liberty Warehouse Apartments*
- *Request for assistance resolving illegal parking issues on Fernway Ave related to nearby construction site by MI private security team. Coordinated a meeting with Durham PD & construction on-site manager to notify them of complaints and find a solution on the same day.*
- *Request for cleaning of human waste in front of 208 Rigsbee St.*

POLICE, FIRE & EMS CALLS FOR SERVICE

- *Water main break inside 300 W Morgan parking deck (FIRE DEPT.)*
- *Motor vehicle accident – Washington St (FIRE DEPT.)*
- *Check on welfare of homeless person – 2 times (FIRE DEPT)*
- *Vandalism in progress – Vert Vogue*
- *Trespassing at Cupcake Bar*
- *Subjects loitering at shared site behind 300 W Main*
- *Illegal drug activity at Central Park*
- *Report large caliber ammunition found on E Parrish St.*
- *Report / turn in found property – NON-EMERGENCY POLICE CALL (7 times.)*
- *Request for officer to meet with self and business owner to discuss solutions of problem panhandler (NON-EMERGENCY POLICE CALL.)*
- *Request for special attention and assistance with pedestrian crosswalk violation prevention during Full Frame (NON-EMERGENCY POLICE CALL.)*

GENERALIZED OBSERVATIONS SUMMARY (Y.O.Y.) SAME PERIOD

- *Notable increase in trash volume and amount of trash in bags each morning.*
- *Large increase in illegally dumped construction materials at shared solid waste sites.*
- *Significant decrease in broadleaf weed growth due to extreme cold.*
- *Requests for assistance from City in snow removal increased over last year.*
- *Marked decrease in litter in areas where new trash cans were installed.*
- *Much cleaner and safer conditions at shared sites since the removal of used cooking grease storage bins.*

SPECIAL PROJECTS AND ASSISTANCE

- *Assisted City with snow removal on CCB Plaza after major winter weather event on 1/18/18.*
- *At the request of City Arborist/General Services, ambassadors assisted with removal of salt that had accumulated in tree wells to protect the health of street trees inside the loop after application of salt in public ROW by City in preparation for winter storm (2 times)*
- *At the request of City's General Services Dept, ambassadors identified the location of and mapped all the bollards located on the sidewalks within the BID.*

MINORITY BUSINESSES: DOWNTOWN DURHAM

DDI continues to track minority businesses located within the Business Improvement District. For the third quarter of fiscal year 2017/18, DDI identified two additional minority businesses located in downtown. One was a new concept by an existing business owner (Copa) and the second was a new business to Durham (Mansion). Unfortunately, two minority owned businesses either closed (Liberation Threads) or relocated out of downtown (Art of Cool). We have now identified 147 (81 at American Underground) minority businesses located in the Business Improvement District of Durham. DDI will continue to work with its partners to identify and update its table of minority businesses located in Downtown.

Minority Business Study

In the third quarter FY 2017/18, DDI continued to work with the Institute and UNC-DCRP to assess the status of minority business activity in Downtown Durham. During this three-month time frame the following activities were completed:

- Compiled a first draft of the Minority Business Study
- Heavy review and editing of the first draft by DDI and the Institute to include a more robust implementation section.
- Compiled a second draft for review

OEWD MINORITY OWNED BUSINESS LIST - DOWNTOWN

Minority-owned Businesses in Downtown Durham <small>(Compiled by Office of Economic & Workforce Development w/assistance from DDI* at the request of City Council)</small>						
Name	Owner	Address	Business Type	Ethnic Group**	Year Started	Quarter First Reported
Bevu Café	Dorian Bolden	341 W. Main St.	Restaurant	Black/African American	2009	FY 2017 Q1
Dames Chicken and Waffles	Darrian Moore and Randy Wadsworth	530 Foster St. (New Location)	Restaurant	Black/African American	2010	FY 2017 Q1
Kompleks Creative	Tobias Rose	106 W. Parrish St. #2	Graphic Design	Black/African American	2006	FY 2017 Q1
M&F Bank	James H. Sills, III President	116 W. Parrish St.	Bank	Black/African American	1907	FY 2017 Q1
NC Mutual	Michael L. Lawrence, President	116 W. Parrish St.	Insurance Co	Black/African American	1898	FY 2017 Q1
Fraser & Griffin	John Griffin and Ralph Fraser Jr	100 E. Parrish St., Suite 350	Law Office	Black/African American	2002	FY 2017 Q1
Art of Cool	Cecily Mitchell	201 W. Main St.	Art Festival	Black/African American	2013	FY 2017 Q2
Law Office of John C. Fitzpatrick	John C. Fitzpatrick	116 W. Main St.	Law Office	Black/African American		
Bull City Dental	Desiree Palmer/Audrey Kemp	106 W. Parrish St.	Dental Practice	Black/African American	2015	FY 2017 Q1
Choice Cuts	Abdullahaleem Ibbottd	208 Foster St.	Barber Shop	Black/African American	2006	FY 2017 Q1
Hair Estate	Tianita Parrish Davis	105 W. Parrish Street	Beauty Salon	Black/African American		
Empress Development	Elaine Curry and Dawn Paige	112 W. Main St.	Commercial Real Estate and Development Firm	Black/African American	2012	FY 2017 Q1
Exotique	Lola and Yemi Olufolabi	319 W. Main St.	Clothing and Gift Shop	Black/African American	2006	FY 2017 Q1
Blackspace	Pierce Freelon	212 W. Main St.	Pan-African-centered social entrepreneurship and digital media hub	Black/African American	2016	FY 2017 Q1
Cathedral Leasing	Doug Speight	212 W. Main St.	B2B Equipment Lease Finance	Black/African American	2015	FY 2017 Q1
JC Kitchen	Phyllis Terry	706 E. Main St.	Restaurant	Black/African American	1997	FY 2017 Q1
The 360 degrees Approach	Chao Little	404 Hunt St. # 135	Fitness Studio	Black/African American	2013	FY 2017 Q1
Invested	Isa Watson	201 W. Main St.	Internet Services	Black/African American	2016	FY 2017 Q1
The Danielle Company	Gloria Shealey	123 W. Main St. St. 200	General Contractor	Black/African American	(?)1992	FY 2017 Q1
North Carolina Institute of Minority Economic Development	Farad Ali (President)/Andrea Harris (Senior Fellow)	114 W. Parrish St.	Non-Profit Corporation Construction and Development Services	Black/African American	1986	FY 2017 Q1
D Washington Group LLC	Dwayne Washington	411 W. Chapel Hill St.	Construction and Development Services	Black/African American		
Creative Management Staffing Services	Craig Gortman	331 West Main St. St. 404	Staffing Services	Black/African American		
Brandon S. Atwater Law	Brandon Atwater	400 W. Main St. St. 612	Law Office	Black/African American	2010	FY 2017 Q1
Law Office of India Dennis	India Dennis	331 W. Main St. St. 408	Law Office	Black/African American		
The Simmons Law Firm	Jerome (Jerry) Simmons	331 W. Main St. St. 501	Law Office	Black/African American		
Bohndorff Construction Control Services	Rebekah Bohndorff	116 E. Main St.	Construction and Development Services	Black/African American	1976	FY 2017 Q1
Larry Hall Attorney at Law	Larry Hall	114 West Parrish St.	Law Office	Black/African American		
Rainbow Me	Talib Graves	American Underground	Tech Startup	Black/African American	2015	FY 2017 Q2
Devereux Residential	Jennifer Williams	115 Market St. Suite 202	Housing Counseling	Black/African American	before 2008	FY 2017 Q2
Carolina Justice Policy Center	Dawn Blagrove	115 Market St. Suite 204 E-H	Non-Profit Advocacy Organization	Black/African American	before 2003	FY 2017 Q2
Tenika Hall, Attorney	Tenika Hall	115 Market St. Suite 204 F	Law Office	Black/African American		
Aspire Supportive Counseling	A.L. Williams Insurance Agency	115 Market St. Suite 204 D	Insurance Co.	Black/African American		
Alexandria Westfall	Alexandria Westfall	115 Market St. Suite 306 F	Children's Counseling	Black/African American		
Triangle Tribune (Charlotte Post Publishing Co.)	Gerald Johnson	115 Market St. Suite 360 G	Media/Publishing	Black/African American	before 2008	FY 2017 Q2
Sheila Thompson	Sheila Thompson	123 West Main St. Suite M13	Accountant	Black/African American		
Alicia Elder	Alicia Elder	123 West Main St. Suite 317	Counselor	Black/African American		
Soil & Associates	Adesoji Olegbala	123 West Main, Suite 314	accountant	Black/African American		
Janet Lemmon, Attorney at Law	Janet Lemmon	123 West Main St. Suite 310	Law Office	Black/African American		

Please note:
 *Additions to OEWD's list of minority-owned businesses were compiled to the best of our knowledge and from conversations with our broad-based contacts. We did not confirm the race/ethnicity of business owners directly. This list is not exhaustive due to limitations in available data sources.
 **The City's Office of Economic & Workforce Development instructed DDI to use the Ethnic Groups list the City's uses on their Small Business Request for Assistance Form.

Name	Owner	Address	Business Type	Ethnic Group**	Year Started	Quarter First Reported	Notes
Herbert Eugene Tatum II, Attorney at Law	Eugene Tatum	116 East Main St. (Towns building)	Law Office	Black/African American		FY 2017 Q2	
Barry's Ball Bonds	Bail Bondsman	118 East Main St	Bail Bondsman	Black/African American		FY 2017 Q2	
Empower Dance Studio	Nicole Oxendine	109 West Parish St	Dance Studio	Black/African American		FY 2017 Q2	
Liberation Threads	Rebecca Kuhns	405A East Chapel Hill St	Retail Clothing Boutique	Black/African American		2016	
Flowers For You RTP	Megan George	506 North Mangum #102	Florist	Black/African American		FY 2017 Q2	closed FY 2018 Q3
Zen Succulent	Leon & Andrea Carter	125 East Parrish St	Plant & Gift Shop	Black/African American		FY 2017 Q2	
Ngozi Design Collective	Otto Cedeno	321 West Main St	Clothing Boutique & Gallery	Black/African American		2015	
Movill Realty	Gonzalez Salamanca & Carlos Rodriguez	123 West Main St, Suite 316	Real Estate Broker	Hispanic		FY 2017 Q2	
Gonzalez Salamanca & Carlos Rodriguez	604 Fernway Ave	Restaurant	Hispanic		2015	FY 2017 Q2	
Torero's Mexican Restaurant	800 West Main St	Restaurant	Hispanic			FY 2017 Q2	
El Rodeo Mexican Restaurant	905 West Main St, Suite #1	Restaurant	Hispanic			FY 2017 Q2	
Old Havana	Roberto Copa Matos	310 East Main St	Restaurant	Hispanic		2011	closed FY 2018 Q3 (reopened as Copa)
M Sushi	Mike Lee	311 Holland Street	Restaurant	Asian		2016	
M Kokko	Mike Lee	311 Holland Street	Restaurant	Asian		FY 2017 Q2	
Mt. Fuji Bistro & Sushi Bar	John Tang	905 West Main St, Brightleaf	Restaurant	Asian		2005	
CleanNow, Inc.	Don Shin	115 Market St, Suite 360 A & B	Mobile & Web development	Asian		FY 2017 Q2	
CrossComm	Don Shin	201 West Main St	Mobile & Web development	Asian		FY 2017 Q2	
Evolve Studio	Teri Canada	401 Foster St	Architecture	Black/African American		FY 2017 Q3	
Fresh 24 hour Dry Cleaning Kiosk	Dawn Paige	115 Market St (Lobby)	Service	Black/African American		FY 2017 Q4	
Goorsha	Fasil Tesfaye & Zewditu Zewdie	910 West Main St	Ethiopian Restaurant	Black/African American		FY 2018 Q1	
Jackie Moore Salon	Jackie Moore	905 West Main St #24D Brightleaf Salon	Civil Engineering/Construction Services	Black/African American		FY 2018 Q1	
BBFoster Consulting, PC	Belandra Foster	114 West Parrish St	Civil Engineering/Construction Services	Black/African American		FY 2018 Q1	
Creative Management Services	Craig Gorham	331 West Main St, Suite 404	Staffing Solutions	Black/African American		FY 2018 Q1	
Integrity Construction & Renovation, Inc	Mike Spears	400 West Main St, Suite 401	Residential Construction	Black/African American		FY 2018 Q1	
Justotech Corporation	Bianca Jones	331 West Main St, Suite 511	Commercial Construction & Development Services	Hispanic		FY 2018 Q1	
DWG Property Services	Lisa Simms	411 West Chapel Hill St, Suite 504	Commercial Construction & Development Services	Black/African American		FY 2018 Q1	
Sajina Cooper	Sajina Cooper	115 Market St	Payroll Processing	Black/African American		FY 2018 Q2	
MDC	David Dodson	307 West Main St	Non-Profit Anti-Poverty Agency	Black/African American		FY 2018 Q2	
American Underground (81 non-white led businesses)	Doug Speight	3 campuses in downtown Durham	Start-up Hub	81 Non-white Led Start-up Businesses		FY 2018 Q3	
Mansion	Jorge Zagulan & Maria Cromartie	130 East Main St	Clothing Boutique	Hispanic & Black/African American		2018	
Copa	Roberto Copa Matos	107 West Main St	Restaurant	Hispanic		FY 2018 Q3	

Please note:
*Additions to CEDW's list of minority-owned businesses were compiled to the best of our knowledge and from conversations with our broad-based contacts. We did not confirm the race/ethnicity of business owners directly. This list is not exhaustive due to limitations in available data sources.
**The City's Office of Economic & Workforce Development instructed BDI to use the Ethnic Groups list the City's uses on their Small Business Request for Assistance Form.

FINANCIAL REPORT—THIRD QUARTER FY 2018

Revenue Received—Third Quarter FY 2018

Through the Third Quarter of FY 2017/18, DDI had total revenue of \$759,542.22 with \$535,598.00 received from the City through the BID Contract, \$74,024.00 received from the City through the City's Economic Development Contract, and \$122,727.28 received from Durham County through the County's Economic Development Contract. An additional \$27,175 was received through the City's Downtown Lighting Contract and Partners in Progress.

Expenses—Third Quarter FY 2018

Through the Third Quarter of FY 2018, DDI had expenses totaling \$831,824.54.

BID Share of DDI Expenses (through Municipal Services District Contract)

DDI received \$535,598.00 from the city in BID Contract funds. Applying the pro rata share of DDI's income provided by the City to DDI's expenses means that the City's expenditures towards DDI's entire program of work through the third quarter of FY17/18 is 64% (\$535,598.00 divided by \$831,824.54). The City's financial support (BID Contract) with DDI is a proportional part of DDI's entire income, which pays in part for all DDI activities. This is consistent with the public/private partnership philosophy dating back to the 1993 founding of DDI by the private sector and the City.

City Share of DDI Expenses (through City of Durham Economic Development Contract)

DDI received \$74,024.00 from the city in Economic Development Contract funds. Applying the pro rata share of DDI's income provided by the City to DDI's expenses means that the City's expenditures towards DDI's entire program of work through the third quarter of FY17/18 is 9% (\$74,024.00 divided by \$831,824.54). The City's financial support (BID Contract) with DDI is a proportional part of DDI's entire income, which pays in part for all DDI activities. This is consistent with the public/private partnership philosophy dating back to the 1993 founding of DDI by the private sector and the City.

County Share of DDI Expenses (through County Economic Development Contract)

DDI received \$122,727.28 from the County in Economic Development Contract funds. Applying the pro rata share of DDI's income provided by the County to DDI's expenses means that the County's expenditures towards DDI's entire program of work through the third quarter of FY17/18 is 15% (\$122,727.28 divided by \$831,824.54). The County's financial support (Economic Development Contract) with DDI is a proportional part of DDI's entire income, which pays in part for all DDI activities. This is consistent with the public/private partnership philosophy dating back to the 1993 founding of DDI by the private sector and the City and County.

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04/03/18

Accrual Basis

Downtown Durham, Inc.

Balance Sheet

As of March 31, 2018

	Mar 31, 18
ASSETS	
Current Assets	
Checking/Savings	
Cash - BB&T	128,589.76
CD - Pinnacle (Bank of NC)	25,215.24
PNC Money Market Fund	3,493.02
Total Checking/Savings	157,298.02
Total Current Assets	157,298.02
Fixed Assets	
Leasehold Improvements	13,645.00
Furniture & Equipment	22,474.88
Office Equipment	16,970.36
Accumulated Depreciation	-37,352.07
Total Fixed Assets	15,738.17
TOTAL ASSETS	173,036.19
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Downtown Lighting Maint Fund	12,588.93
Total Other Current Liabilities	12,588.93
Total Current Liabilities	12,588.93
Total Liabilities	12,588.93
Equity	
Temporarily Restricted NA	8,270.00
Unrestricted Fund Balance	110,980.76
Unrestricted Net Assets	113,478.82
Net Income	-72,282.32
Total Equity	160,447.26
TOTAL LIABILITIES & EQUITY	173,036.19

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04/03/18

Downtown Durham, Inc.
Profit & Loss Budget vs. Actual By Class YTD

July 2017 through March 2018

	BID		City		Other		TOTAL	
	Jul '17 - Mar 18	Budget	Jul '17 - Mar 18	Budget	Jul '17 - Mar 18	Budget	Jul '17 - Mar 18	Budget
Income								
Annual Meeting Income	0.00		0.00	0.00	0.00	21,000.00	0.00	21,000.00
BID - City of Durham	535,598.00	602,547.75	0.00		0.00		535,598.00	602,547.75
City Economic Dev Contract	0.00		74,024.00	111,036.99	0.00		74,024.00	111,036.99
County - Durham	0.00		0.00		122,727.28	122,727.24	122,727.28	122,727.24
Downtown Lighting Income	0.00	0.00	10,035.00	49,500.00	0.00		10,035.00	49,500.00
Events- City	0.00		0.00	12,000.00	0.00		0.00	12,000.00
Interest Income	0.00		6.79		11.15		17.94	0.00
Partners in Progress	0.00		0.00	0.00	17,140.00	0.00	17,140.00	0.00
Total Income	535,598.00	602,547.75	84,065.79	172,536.99	139,878.43	143,727.24	759,542.22	918,811.98
Expense								
Accounting Fees	4,825.00	4,500.00	2,412.50	2,250.00	2,412.50	2,250.00	9,650.00	9,000.00
Annual Meeting Expenses	0.00		250.00	7,500.00	250.00	7,500.00	500.00	15,000.00
Bank Charges	26.07	37.53	13.03	18.72	13.03	18.72	52.13	74.97
Book Keeping	4,546.87	1,874.97	2,273.45	937.53	2,273.43	937.53	9,093.75	3,750.03
City Events	0.00		11,500.00	12,000.00	0.00		11,500.00	12,000.00
Contingency	0.00	9,150.03	0.00	4,574.97	0.00	4,574.97	0.00	18,299.97
Copier Lease	1,496.33	1,312.47	748.17	656.28	748.14	656.28	2,992.64	2,625.03
Downtown Lighting Expense	0.00	0.00	10,113.00	44,550.00	0.00		10,113.00	44,550.00
Economic Development	5,001.86	11,812.50	2,500.91	5,906.25	2,500.92	5,906.25	10,003.69	23,625.00
Education & Training	901.06	3,750.03	450.53	1,874.97	450.53	1,874.97	1,802.12	7,499.97
Employee Benefits	2,687.56	4,500.00	1,321.05	2,250.00	1,321.04	2,250.00	5,329.65	9,000.00
Executive Search	0.00	0.00	0.00	0.00	0.00		0.00	0.00
Insurance - Business	1,727.00	2,500.00	863.50	1,250.00	863.50	1,250.00	3,454.00	5,000.00
Legal Fees	2,463.00	0.00	1,231.50	0.00	1,231.50	0.00	4,926.00	0.00
Marketing	13,137.38	7,499.97	6,568.70	3,750.03	6,568.69	3,750.03	26,274.77	15,000.03
Memberships	0.00	0.00	187.50	0.00	187.50	0.00	375.00	0.00
Office Rent	10,940.00	11,250.00	5,470.00	5,625.00	5,470.00	5,625.00	21,880.00	22,500.00
Office Supplies	1,657.24	937.53	828.63	468.72	828.59	468.72	3,314.46	1,874.97
Parking	730.00	900.00	365.00	450.00	365.00	450.00	1,460.00	1,800.00
Payroll Tax Expense	8,545.65	11,250.00	4,272.84	5,625.00	4,272.83	5,625.00	17,091.32	22,500.00
Telephone	1,857.29	2,437.47	928.64	1,218.78	928.60	1,218.78	3,714.53	4,875.03
Postage	0.00	0.00	27.39	375.03	27.39	375.03	54.78	750.06
Salaries	111,168.10	138,375.00	55,584.09	69,187.50	55,584.07	69,187.50	222,336.26	276,750.00
Clean & Safe	399,804.38	391,500.00	0.00		0.00		399,804.38	391,500.00
Office & Storage Space	5,355.00	11,250.00	0.00		0.00		5,355.00	11,250.00
Software Support Fees	1,659.80	749.97	829.87	375.03	829.83	375.03	3,319.50	1,500.03
Special Events	40,122.34	26,250.03	0.00		0.00		40,122.34	26,250.03
Streetscape Supplies	8,940.00	6,000.03	0.00		0.00		8,940.00	6,000.03
Subscriptions & Dues	0.00	0.00	180.00	375.03	180.00	0.00	360.00	375.03
Travel/Misc.	0.00	0.00	3,072.32	2,625.03	3,072.30	2,625.03	6,144.62	5,250.06
Water Meter Fee & Water Supplie	1,860.60	2,625.03	0.00		0.00		1,860.60	2,625.03
Total Expense	629,452.53	650,462.56	111,992.62	173,843.87	90,379.39	116,918.84	831,824.54	941,225.27
Net Income	-93,854.53	-47,914.81	-27,926.83	-1,306.88	49,499.04	26,808.40	-72,282.32	-22,413.29

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Accrual Basis

Downtown Durham, Inc.**Profit & Loss**

January through March 2018

Jan - Mar 18

Income	
BID - City of Durham	133,899.50
City Economic Dev Contract	37,012.00
County - Durham	40,909.08
Interest Income	4.35
Partners in Progress	2,640.00
Total Income	214,464.93
Expense	
Annual Meeting Expenses	500.00
Book Keeping	3,150.00
Copier Lease	988.64
Downtown Lighting Expense	4,797.50
Economic Development	7,270.83
Education & Training	969.62
Employee Benefits	1,790.25
Marketing	5,941.89
Memberships	375.00
Office Rent	7,320.00
Office Supplies	3,027.98
Parking	480.00
Payroll Tax Expense	6,723.06
Telephone	1,778.24
Postage	50.00
Salaries	87,523.12
Clean & Safe	133,107.60
Office & Storage Space	1,785.00
Software Support Fees	1,589.27
Special Events	19,420.15
Streetscape Supplies	2,250.00
Travel/Misc.	1,765.10
Water Meter Fee & Water Supplie	919.00
Total Expense	293,522.25
Net Income	-79,057.32

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04/03/18

Accrual Basis

Downtown Durham, Inc.
Profit & Loss Budget vs. Actual Combined
July 2017 through March 2018

	Jul '17 - Mar 18	Budget	\$ Over Budget
Income			
Annual Meeting Income	0.00	21,000.00	-21,000.00
BID - City of Durham	535,598.00	602,547.75	-66,949.75
City Economic Dev Contract	74,024.00	111,036.99	-37,012.99
County - Durham	122,727.28	122,727.24	0.04
Downtown Lighting Income	10,035.00	49,500.00	-39,465.00
Events- City	0.00	12,000.00	-12,000.00
Interest Income	17.94		
Partners in Progress	17,140.00	0.00	17,140.00
Total Income	759,542.22	918,811.98	-159,269.76
Expense			
Accounting Fees	9,650.00	9,000.00	650.00
Annual Meeting Expenses	500.00	15,000.00	-14,500.00
Bank Charges	52.13	74.97	-22.84
Book Keeping	9,093.75	3,750.03	5,343.72
City Events	11,500.00	12,000.00	-500.00
Contingency	0.00	18,299.97	-18,299.97
Copier Lease	2,992.64	2,625.03	367.61
Downtown Lighting Expense	10,113.00	44,550.00	-34,437.00
Economic Development	10,003.69	23,625.00	-13,621.31
Education & Training	1,802.12	7,499.97	-5,697.85
Employee Benefits	5,329.65	9,000.00	-3,670.35
Executive Search	0.00	0.00	0.00
Insurance - Business	3,454.00	5,000.00	-1,546.00
Legal Fees	4,926.00	0.00	4,926.00
Marketing	26,274.77	15,000.03	11,274.74
Memberships	375.00	0.00	375.00
Office Rent	21,880.00	22,500.00	-620.00
Office Supplies	3,314.46	1,874.97	1,439.49
Parking	1,460.00	1,800.00	-340.00
Payroll Tax Expense	17,091.32	22,500.00	-5,408.68
Telephone	3,714.53	4,875.03	-1,160.50
Postage	54.78	750.06	-695.28
Salaries	222,336.26	276,750.00	-54,413.74
Clean & Safe	399,804.38	391,500.00	8,304.38
Office & Storage Space	5,355.00	11,250.00	-5,895.00
Software Support Fees	3,319.50	1,500.03	1,819.47
Special Events	40,122.34	26,250.03	13,872.31
Streetscape Supplies	8,940.00	6,000.03	2,939.97
Subscriptions & Dues	360.00	375.03	-15.03
Travel/Misc.	6,144.62	5,250.06	894.56
Water Meter Fee & Water Supplie	1,860.60	2,625.03	-764.43
Total Expense	831,824.54	941,225.27	-109,400.73
Net Income	-72,282.32	-22,413.29	-49,869.03

DDI QUARTERLY DELIVERABLES REPORT FORM

DDI Quarterly Deliverables Report Form FY 2018: Economic Development and Marketing Services “Downtown” shall be the area defined as such in the Downtown Business Improvement District est. 2012

	FY 2018 – Q1	FY 2018 – Q2	FY 2018 – Q3	FY 2018 – Q4	FY 2018 Total Year to Date	GOAL
Number of property sales in Downtown	8	34	8		50	N/A
Number of new retail businesses	10	5	7		22	N/A
Number of Downtown businesses leaving	6	1	6		13	N/A
Number of new Downtown businesses	12	5	5		22	N/A
Total Number of Downtown businesses (842 businesses EOY FY 2017)	848	852	858		858	increase
Change in assessed valuation in Downtown (\$1,754,916,277 value EOY FY2017)	ANNUAL	ANNUAL	ANNUAL	ANNUAL		2% increase
Change in number of employees in Downtown (17,468 employees EOY FY 2017)	ANNUAL	ANNUAL	ANNUAL	ANNUAL		increase
Change in number of residential units	70	0	0		70	increase
Change in number of residents living in Downtown	300	ANNUAL	ANNUAL	ANNUAL		increase
Number of building permits (public and private construction) issued in FY 2018 for Downtown.	27	17	20		TOTAL: 44	50
Amount of building permits (public and private construction) issued in FY 2018 for Downtown.	Private: \$31,048,101.31 Public: \$4,759,727.00 TOTAL: \$35,807,828.31	Private: \$27,318,315 Public: \$4,603,577 TOTAL: \$31,921,892	Private: \$68,570,613 Public: 0 TOTAL: \$68,570,613	Private: Public: TOTAL:	Private: Public: TOTAL:	Positive investment growth in Downtown
Property Sales	\$21,394,000	\$34,150,000	\$16,060,000			
Multi-Tenant Office Space square footage (2,470,641 SF EOY FY 2017)	2,939,252 SF ¹	2,939,252 SF	2,939,252 SF	SF	SF	Positive growth in leasable space
Commercial occupancy in Downtown (96% EOY FY 2017)	94% ²	94%	94%			Target Occupancy Rates of 85% +
Number of clients served by DDI	40	63	58			100
Social Media followers on Facebook, Twitter, Instagram and Tumblr (39,766 Total EOY FY2017)	TOTAL: 40,684 Increase: 918	TOTAL: 41,594 Increase: 910	TOTAL: 42,906 Increase: 1,312	TOTAL: increase	TOTAL: 40,684 annual increase: 918	increase

¹ The large increase in Square Footage of office due to more detailed count of buildings and square footage through DDI internal tracking and information provided by the City of Durham GIS department
² Source: Triangle Business Journal

2018 FIRST QUARTER CRIME STATISTICS

(Calendar Year, January to March)

Downtown Improvement District 2017-2018 Crime Stats				
	Q2-2017	Q3-2017	Q4-2017	Q1-2018
Aggravated Assault	7	5	3	1
Aggravated Assault - domestic	0	2	2	1
Burglary Business	10	6	11	7
Burglary Residence	3	2	5	2
Homicide	1	0	0	0
Larceny Auto	38	63	67	37
Larceny Other	41	42	32	23
Larceny Shoplifting	2	3	3	4
Motor Vehicle Theft	6	9	7	2
Robbery - Individual	10	7	13	4
Robbery - Bank	0	0	0	0
Robbery - Commercial	1	0	1	0
Rape	0	2	0	0
Total Incidents	119	141	144	81

Downtown Durham BID, Crime Stats								
Year Over Year Comparison								
	2011 Q1	2012 Q1	2013 Q1	2014 Q1	2015 Q1	2016 Q1	2017 Q1	2018 Q1
Crime Type	#	#	#	#	#	#	#	#
Aggravated Assault	2	3	3	1	2	4	2	1
Aggravated Assault - Domestic	0	1	0	1	3	2	0	1
Burglary - Business	8	4	7	2	8	7	6	7
Burglary - Residence	7	1	1	0	0	2	1	2
Homicide	1	0	0	0	1	0	0	0
Larceny - Auto	39	61	36	41	53	32	32	37
Larceny - Other	33	28	31	30	47	40	33	23
Larceny - Shoplifting	2	0	0	3	0	3	1	4
Motor Vehicle Theft	9	2	6	3	4	2	5	2
Robbery - Individual	5	3	5	1	5	8	4	4
Robbery - Bank	n/a	n/a	n/a	n/a	2	0	0	0
Robbery - Commercial	3	0	0	0	1	0	0	0
Rape	1	3*	1	1	0	0	0	0
Total	109	103	90	82	126	100	84	81