
LETTER

FROM THE PRESIDENT & CEO AND THE CHAIRMAN OF THE BOARD

Neil Albert

President & CEO
DowntownDC BID



Randall Boe

Chairman
Board of Directors
DowntownDC BID



Dear DowntownDC Stakeholder,

We are pleased to present the 2017 State of Downtown report, produced by the DowntownDC Business Improvement District (BID). This report presents data and analysis highlighting the performance of the BID's economic and other sectors that contribute to the vibrancy of DowntownDC and the District.

The year 2017 was a very good year for DowntownDC with many economic sectors setting performance records. Even the DowntownDC office market, which like the rest of the District and the region had mixed results in 2017, set one record: 900 G Street set a regional sales record with a sales price of \$1,273 per square foot.

The continued DowntownDC partnership with the private sector, the District and federal government remained strong. Together with the BID, all three are making significant investments in DowntownDC to continue "Fueling the Engine," which is the theme of this year's State of Downtown report. DowntownDC contributes 17% of DC's local revenues and receives only 6% of DC's expenditures, providing a projected

**THE BID DEVELOPED
AND RELEASED ITS
10-YEAR STRATEGIC
VISION, *DOWNTOWN
2027: VISION FOR THE
FUTURE***





\$797 million positive net fiscal impact for the District's fiscal year 2018 general fund budget of \$8.8 billion.

But more than any single economic sector, the economic development highlight of the last 15 months was the regional agreement to create a dedicated funding source of \$500 million per year for Metrorail. This is a huge win for DC, the region and DowntownDC. DowntownDC's substantial property tax revenues are significant funders of DC's contribution to Metrorail's operating subsidy and capital funding needs.

The information in this report, and the continued monitoring of this information, will be used to judge the progress of the BID's Downtown 2027: Vision for the Future plan's four economic development goals: (1) pilot an office to residential conversion program, (2) support major redevelopment projects, (3) create a regional shopping destination and (4) support culture and entertainment.

This year's report begins with a summary in the "Year In Review" section followed by breakdowns of each economic sector to tell the story of the DowntownDC economy, transportation access and quality of life.

DowntownDC has come a long way from when it began operations in November 1997, one month before the opening of the Capital One Arena (then named the MCI Center). Back then, DowntownDC had 111 development sites, mostly surface parking lots, accounting for almost 20% of DowntownDC's land. By the end of 2018, only five sites will remain, accounting for 0.20% of DowntownDC's land.

Thank you for your contributions in 2017 and your continued support in the future.
