A PEDESTRIAN SURVEY

conducted for

WASHINGTON D.C.
BUSINESS IMPROVEMENT DISTRICT

May, 2008

gentleman associates

8141 Sycamore Road
Indianapolis, IN 46240
(317) 251-3453

TABLE OF CONTENTS

The following are highlights from the 2008 Washington D.C. Pedestrian Study, conducted May 5-20, 2008.

What is Downtown DC's geographic draw?

- Half of the pedestrians in Downtown DC are residents of the District, which is statistically unchanged from 2006. More Maryland residents (39%) now come to Downtown for reasons other than working, a positive trend. The remaining 11% of pedestrians are Virginia residents.

- Although they were not surveyed, 18% of the pedestrians encountered in Downtown DC in May, 2008 were out-of-town visitors, a percentage which has fluctuated over the years, probably depending on what conventions are in town.

What are the demographic characteristics of Downtown pedestrians?

- Downtown pedestrians are an average of 44.3 years, and in this year's survey a larger percentage of them had children at home (47%).

- Average household incomes of pedestrians surveyed this year was nearly $80,000, which is statistically unchanged from 2006 but is higher than in past years. About half have a four-year college degree, more than the metropolitan area statistic of 35%.

- An equal split of males and females were surveyed this year. A greater percentage of the pedestrians surveyed this year were African-American (52%) than Caucasian (43%), although that varied greatly by survey location.

How is Downtown DC currently positioned, including on the new branding vision of "vibrant", "inviting" and "smart"?

- Nearly all of the attitudes that pedestrians hold about Downtown DC are positive, with an impressive 71% or more or more saying it is safe, has a variety of things to do, has great people-watching and is clean and attractive.

- There is also strong agreement that Downtown DC is "vibrant" (77%) and "a leading urban environment" (67%), in keeping with the new branding vision. The other aspects of "inviting" besides people-watching and clean/attractive include the perception that Downtown is welcoming (68%), Downtown people are friendly (66%, a significant increase) and Downtown is an attractive place to live (64%, another significant increase).

- The only negative trend in these attitude statements is that fewer people now believe that "It is easy to get Downtown from your home", a decline from 85% in 2006 to 68% in this year's survey. This will need to be explored in future surveys.

- As in the past, the lowest agreement to any of the attitude statements was for how easy it is to find a parking space, but this year's question wording specifying just metered parking on the streets caused that positive response to rise from just 9% in 2006 to 23% currently. Another 36% believe it is easy to find a place to park a bike downtown, although 24% did not know how to respond to that question because they may not be familiar with the bike parking program.

- One-third of Downtown pedestrians say they would be somewhat or very likely to consider living Downtown. The fact that an increased percentage of 64% say that Downtown is an attractive place to live would indicate this is moving in the right direction.

- More have heard positive things about Downtown (76%, up from 55% previously). More are also aware of the Safety & Maintenance personnel, with awareness of them rising from 80% to 91% of pedestrians and those having seen a SAM in the past year rising from 65% to 85%.

- The percentage who had seen a homeless person that day rose from 79% in 2006 to 94% in this year's survey. Fortunately, a consistently small percentage of 9% said that they felt threatened by this.

What do Downtown DC pedestrians do while they are there?

- Those who come Downtown to work increased to 75% of all surveyed, the highest percentage ever. While this is a significant market estimated to be 185,700 people, they are limited in terms of time and do not spend much on retail goods, bringing the overall expenditure in this year's survey down to $21.50 (from $26.90 in 2006.

- The average frequency of visits was again high this year, so that even non-workers are Downtown every 2-3 days. They spend an average of 2½ hours per trip (excluding workers) and come in parties averaging 1.3 persons.

- More than half rode Metro to get Downtown (54%), which is comparable to past surveys. Fewer are driving their own cars (19% now, down from 32% in 2004), and more are taking the bus/Circulator or going in car pools. These shifting habits may be behind the improved attitudes about finding a place to park.

- An average of $21.50 was spent Downtown, including an above-average $8.20 on food/drink (unchanged from 2006) and a below-average $13.30 on retail (slightly less).

What programs or attractions should be Downtown DC's first priority?

- The two top requests that Downtown pedestrians have are again for more stores and more entertainment venues to be added to the area. They would also like to see more cultural facilities.

- There was a significantly larger percentage of 30% who did not see the need for any additions to the downtown (up from 7% in 2006), which may indicate a greater satisfaction with the current offering.

- Two requests were made by a much-smaller percentage of Downtown pedestrians this year, which is positive. Only 12% selected "more parking garages" as a need and only 6% said more visible security was needed, the lowest-ever responses to these questions.

Trends from 2006-2008 are shown below, showing both positive and negative changes.

Positive	Same	Negative
Geographic: More MD residents come for reasons other than working	**Geographic:** Draw 50% from District, 50% suburbs	**Geographic:** None
Demographic: More parents	**Demographic:** Ethnicity varies by location	**Demographic:** None
Positioning: Agreement with branding of “vibrant”, “inviting” and “smart”. Increase in “attractive place to live”, “people are friendly” and “easy to find metered parking”. SAM awareness/visibility up.	**Positioning:** Safety and variety are top attributes.	**Positioning:** “Easy to get Downtown from where I live” decreased
Usage: Shift toward less driving, more bus/carpool	**Usage:** A majority ride Metro	**Usage:** Workers a larger percentage, and they spend less on retail
Attractions: More say nothing is needed. Fewer requests for parking garages and security	**Attractions:** Stores, entertainment and cultural are most-requested	**Attractions:** None
Marketing: More have heard positive things about Downtown	**Marketing:** None	**Marketing:** None

These recommendations are made for Downtown DC to consider, as it prepares the leasing, management and marketing strategies for the upcoming year.

-

The Washington D.C. Business Improvement District wishes to better understand its market, in anticipation of future marketing and leasing efforts that will be undertaken on behalf of Downtown DC. Pedestrians who are residents of the Greater Washington Metropolitan Area have been surveyed at key locations throughout the District every other year since 1998, so the last data that was collected was from May, 2006.

A total of 401 surveys was conducted with local pedestrians in the Washington D.C. Business Improvement District from May 5 through May 20, 2008. Pedestrians under 18 years of age were not surveyed, and those who live outside the Greater Washington Metropolitan area were also excluded from this survey. The questionnaire which was used has been appended to this report.

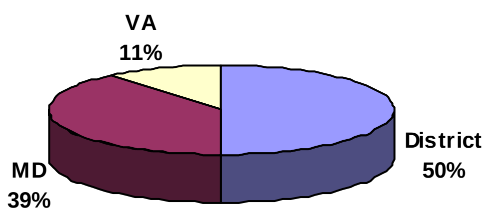
The locations at which surveys were conducted were identical to the locations used in 2006. It should be noted that the weather during the period from May 5 through May 20 was somewhat inclement, and respondent refusal rates also appeared to have increased significantly from the 2006 survey. The survey locations are shown below.

Location	2008	2006
NW corner of Penn & 12th	20%	17%
NW corner of 14th & K	19%	14%
NW corner of 4th & D	17%	12%
SW corner of New York & 14th	16%	7%
NE corner of "F" & 11th	11%	11%
SE corner of 7th & "H"	9%	11%
SE corner of "F" and 7th	4%	6%
SW corner of 13th & "G"	3%	21%

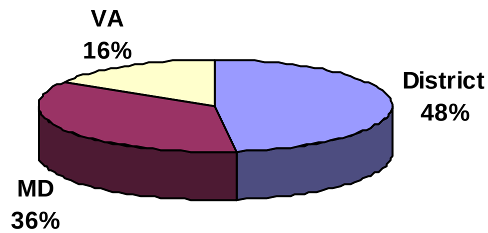
Olchak Market Research, based in Greenbelt, Maryland, was responsible for conducting these surveys, under the supervision of Gentleman Associates. The questionnaires were then computer processed and the data statistically tested by Marketing Research Technologies of Indianapolis, Indiana. Copies of the cross-tabulations are available upon request from Gentleman Associates or the Washington D.C. Business Improvement District. The sample size of 401 shoppers has a margin or error of $\pm$5% at a 95% level of confidence. Gentleman Associates was responsible for preparing this summary report.

Half of the persons surveyed this year in Downtown DC are residents of the District, which is statistically unchanged from 2006. Those pedestrians who were there for the purpose of working (a larger percentage than in the past, at 75%) were more likely to be residents of the District, whereas in the past work was the primary reason bringing suburban Maryland and Virginia residents to Downtown. In 2008, a significant segment of Maryland residents said they had come to Downtown DC for reasons other than work, a positive sign.

Origin of Pedestrians: 2008



Origin of Pedestrians: 2006



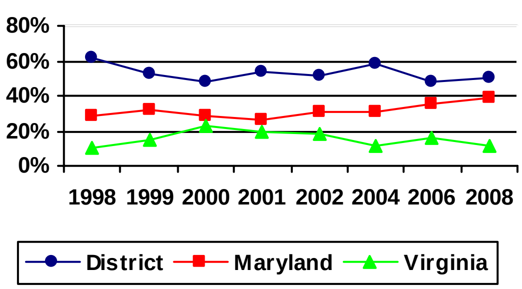
- As noted in previous surveys, only a relatively small percentage of the Greater Washington Metropolitan area residents live in the District (13%), so there is tremendous potential in the Maryland and Virginia suburbs for Downtown to continue to attract visitors. The historical trend for where Downtown pedestrians live is shown in the bottom chart, and the trend has been a positive one with suburban residents rising from just 38% of pedestrians in 1998 up to 50% today.

- Out-of-town visitors were not surveyed, but they were 18% of the pedestrians encountered in May, 2008. This percentage has fluctuated each year that surveys have been conducted, as shown below, probably as a result of convention traffic.

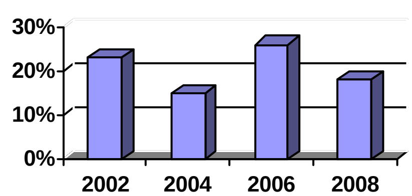
AREA	ALL VISITORS (including workers) 2008	ALL VISITORS (including workers) 2006	VISITORS EXCLUDING WORKERS 2008	VISITORS EXCLUDING WORKERS 2006	BY DAY OF WEEK WEEK-DAY	BY DAY OF WEEK WEEK END	BY TIME OF DAY LUNCH	BY TIME OF DAY AFTER 2
District	50%	48%	43%	66%	53%	35%	62%	42%
Maryland	39%	36%	43%	25%	37%	47%	28%	48%
Virginia	11%	16%	14%	9%	10%	18%	10%	10%

2008 Washington D.C. Business Improvement District Pedestrian Survey
% Indicates data which is statistically greater than the value in the corresponding column.

Residence of Downtown Pedestrians



Out-of-Town Visitors



Pedestrians surveyed in Downtown DC are middle-aged and in this year's survey were more likely to be parents with children at home, a high-spending segment. Household incomes average almost $80,000, which is close to the 2006 average income but higher than the historical trend for these pedestrian surveys. In this year's survey, a majority of 52% of those surveyed were African-American.

Age

- The average age of pedestrians surveyed in Downtown DC was 44.3 years, which is just slightly older than in the 2006 survey (43.9 years). Given the fact that only adults 18 years of age and older were surveyed, this is a relatively young age profile. Half of all pedestrians are in the age segments between 35 and 54 years of age.

Household Composition

- In this year's survey, nearly half of pedestrians had children at home (47%), a very strong segment that is higher than in previous studies (30% in 2006). These parents were also significantly more affluent than non-parents, with average household incomes of nearly $92,000. They were just as likely as other pedestrians to be in Downtown to work, a larger segment than in past surveys of 75% of all those surveyed (and 74% of parents).

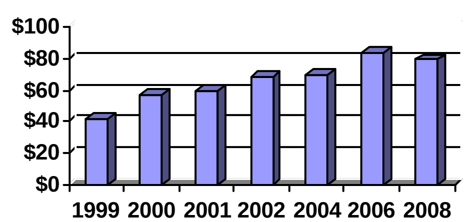
Education & Income

- Almost half of all pedestrians surveyed have a four-year college degree or more education (47%). Although this is less than the 69% recorded in the 2006 survey, it is still a significantly greater educational level than that reported by the Greater Washington Board of Trade. That statistic is that 35% of all metropolitan area residents have completed a four-year degree.

- The average household income reported by pedestrians surveyed this year was almost $80,000. In this year's survey, those who came downtown for reasons other than work were slightly more affluent ($80,800 average incomes) than workers ($78,400), whereas in 2006 the workers surveyed were far more affluent.

- The historical trend in pedestrian incomes is shown below, showing that Downtown has been more successful in recent years in drawing better-income residents downtown.

Average Household Income of Downtown Pedestrians



Gender

- Since these pedestrian surveys were first conducted in 1998, Downtown DC pedestrians have always been almost equally split between males and females, and in this year's survey there was an exactly equal split. Men were most likely to be in the area to work (79%), while women come Downtown not only to work but for a variety of other reasons.

Ethnicity

- In this year's survey, 52% of pedestrians surveyed were African-American. This percentage has fluctuated over the years; in 2006 it was 43% but the percentage has ranged from 37% to 53%. Part of the reason for this is related to survey locations, with some of the corners where interviews were conducted having predominantly African-American traffic (7th & "H") and others being predominantly Caucasian ("F" and 7th).

PERCENT AFRICAN-AMERICAN PEDESTRIANS

Location	2008	2006
SE corner of 7th & "H"	63%	61%
NW corner of 4th & D	60%	67%
NW corner of 14th & K	53%	56%
NE corner of "F" & 11th	51%	54%
SW corner of 13th & "G"	50%	47%
SW corner of New York & 14th	48%	31%
NW corner of Penn & 12th	46%	33%
SE corner of "F" and 7th	31%	33%
OVERALL	**52%**	**43%**

Government Workers

- 44% of the Downtown pedestrians surveyed are employed by the United States or District governments, which is comparable to the 43% response in the 2006 survey. These government workers are in all age and ethnic segments, and include both males and females. They were more likely to have moderate incomes of less than $150,000 per household.

Length of Time Lived in Area

- Pedestrians surveyed this year in Downtown DC have lived in the area an average of 21.7 years, which is slightly less than the 23.7 years recorded in the 2006 survey. The oldest and most affluent pedestrians have lived in the area the longest, with 55+ year old residents being residents for 33.5 years and $150,000+ households being residents for 35.9 years.

The demographic characteristics for the 2008 and 2006 pedestrian surveys are shown below.

	2008	2006	REASON FOR VISIT:	
DEMOGRAPHIC TRAIT:	TOTAL	TOTAL	WORK	OTHER
AGE:				
18-24	7%	7%	6%	11%
25-34	17%	20%	18%	13%
35-44	24%	24%	23%	25%
45-54	31%	25%	33%	26%
55-64	16%	18%	16%	16%
65+ years	5%	5%	4%	9%
Average Age	**44.3**	**43.9**	**44.2**	**45.0**
HOUSEHOLD COMPOSITION:				
Have children in household	47%	30%	46%	49%
No children	53%	70%	54%	51%
EDUCATION:				
Some college or less	53%	31%	52%	54%
College degree or more	47%	69%	48%	46%
HOUSEHOLD INCOME:				
Under $25,000	8%	6%	8%	8%
$25,000 - $34,999	19%	7%	19%	17%
$35,000 - $49,999	21%	18%	21%	22%
$50,000 - $74,999	18%	24%	18%	18%
$75,000 - $99,999	12%	15%	12%	12%
$100,000 - $149,999	12%	16%	12%	10%
$150,000 or more	10%	15%	10%	12%
Average Income ($000)	**$78.9**	**$83.4**	**$78.4**	**$80.8**
GENDER:				
Female	50%	44%	53%	41%
Male	50%	56%	47%	59%
RACE				
Caucasian	40%	51%	40%	41%
African-American	52%	43%	53%	49%
Other	8%	6%	7%	10%

2008 Washington D.C. Business Improvement District Pedestrian Survey

% Indicates data which is statistically greater than the value in the corresponding column.

The attitudes held by pedestrians surveyed in this study about Downtown DC were almost unanimously positive, which has been true in past surveys. They also have positive attitudes about some of the statements which will form the basis of the Business Improvement District's branding of the Downtown as a "vibrant", "inviting" and "smart" place to be.

- As in many of the past surveys, the most positive attitude was "You feel safe in Downtown DC", which 86% agreed was the case. This is statistically unchanged from 2006 and previous years. Residents of the District feel the safest (91%), but suburban Maryland and Virginia residents also feel safe Downtown (83% and 80%, respectively).

- Most pedestrians also agree that "There are lots of things to do Downtown" (79%). Agreement was strong with this statement in previous surveys, as well. Those who agree most with this statement are better-income households earning $75,000 or more (87%).

- A new attitude statement was added to this year's survey to record how Downtown pedestrians feel about the "vibrant" part of the new branding vision, and 77% agree with the statement, "Downtown DC is a vibrant place to explore". This is even more true for better-income pedestrians (87%). "Smart" is a second part of the new branding vision, and 67% of the pedestrians surveyed this year believe that "Downtown DC is a leading urban environment", a response that was consistent across all demographic segments.

- "Inviting" is the third part of the new branding vision, and there are many components to that about which Downtown pedestrians feel positive. 75% agree that "Downtown DC has great people-watching" and 71% say "Downtown DC is clean and attractive." Those surveyed at 7th & "H" were significantly more likely to say that Downtown is clean and attractive (89%). Overall, 68% say that "The look and feel of Downtown is welcoming" and two-thirds say that "people who work Downtown are very friendly." The last statement has seen a significant increase in agreement, from 51% in 2006 to 66% currently.

- There was also a significant increase in the percentage of pedestrians who believe that "Downtown is an attractive place to live," from just 52% in 2006 to 64% currently. Those who are most likely to believe that Downtown is an attractive place to live have more moderate incomes, between $50,000 and $75,000 (79%). As will be noted later in this section, their agreement with this statement does not necessarily mean that pedestrians are likely themselves to live Downtown, which is a lower percentage of 33%.

- The only attitude which received less agreement this year than in 2006 was "It is easy to get Downtown from your home", which only 68% said this year was the case versus 85% in 2006 and in prior year studies. It is not immediately apparent why this lower response occurred this year. People younger than 35 years thought it was easier to get downtown (80%), as did households earning $75,000+ (76%). But Metro riders did not say it was any easier than non-Metro riders, and there was no difference in this response by survey location. This will be explored further in future surveys.

- Two other questions were asked that are related to transportation. Significantly more people said in this year's survey that "It is easy to find a metered parking space on the street Downtown" (23% versus 9% previously), although the question was also asked more generally in 2006 ("easy to find a parking space"). The 2 survey locations at which more people found it easy to find a metered space were Pennsylvania and 12th and 7th & "H".

- In a new question asked this year, 36% agreed that "It's easy to find a place to park a bike Downtown". District residents and those whose incomes are less than $75,000 were the most likely to agree with this statement. Penn & 12th is the location where more say they can find a place to park a bicycle (50%). Almost one-fourth did not know how to respond to this question, so the new bicycle parking program is off to a good start and has future potential as it makes more pedestrians aware of the program.

ATTITUDES:	2008 TOTAL	2006 TOTAL	BY HOUSEHOLD INCOME: <$75,000	$75,000+
You feel safe in Downtown DC.	86%	84%	84%	91%
There are lots of things to do in Downtown DC.	79%	81%	76%	87%
Downtown DC is a vibrant place to explore.	77%	NA	74%	87%
Downtown DC has great people-watching.	75%	73%	70%	85%
Downtown DC is clean and attractive.	71%	69%	68%	74%
It is easy to get Downtown from your home.	68%	85%	66%	76%
The look and feel of Downtown is welcoming.	68%	76%	65%	77%
Downtown DC is a leading urban environment.	67%	NA	66%	74%
People who work Downtown are very friendly.	66%	51%	64%	69%
Downtown is an attractive place to live.	64%	52%	65%	62%
It's easy to find a place to park a bike Downtown.	36%	NA	39%	24%
It's easy to find a metered parking space on the street Downtown. (1	23%	9%	27%	10%

2008 Washington D.C. Business Improvement District Pedestrian Survey

% Indicates data which is statistically greater than the value in the corresponding column.

1) Question wording was changed from "easy to find a place to park" in 2006 to "easy to find a metered parking space on the street" in 2008.

As noted earlier, the percentage of Downtown pedestrians who themselves would be likely to live downtown is smaller (33%) than the percentage who say that Downtown is an attractive place to live. However, with the significant increase in the percentage who believe Downtown to be an attractive place to live (from 52% in 2006 to 64% in 2008), this may be changing.

- Current residents of the District are the most likely to say that they would be likely to live Downtown (43%), which has also been true in the past.

- Households earning less than $50,000 are the most likely to say they would be likely to live Downtown (64%), so more affordable housing would need to be provided in order for this to happen.

- Those who work Downtown are another enthusiastic target for living Downtown, with 55% of them saying they would be likely to live there. Employees are therefore a market that Downtown residential developers should target.

LIKELIHOOD TO LIVE DOWNTOWN:	2008 TOTAL	2006 TOTAL	BY HOUSEHOLD INCOME: DISTRICT	MARYLAND	VIRGINIA
Very likely	15%	22%	21%	10%	6%
Somewhat likely	18%	21%	22%	12%	19%
Somewhat unlikely	17%	15%	17%	17%	19%
Very unlikely	48%	40%	41%	57%	55%

2008 Washington D.C. Business Improvement District Pedestrian Survey

% Indicates data which is statistically greater than the value in the corresponding column.

The increase in evening and weekend usage of Downtown has been on the increase since 2004, when pedestrians were first asked whether they were becoming more likely to stay Downtown for dinner or a movie/play, or to return on weekends for special events. Significantly more pedestrians are hearing positive things in the media about Downtown than previously (76% now, compared to just 55% in 2006). And the awareness of and likelihood of seeing the Safety & Maintenance personnel employed by the Business Improvement District has jumped significantly, from 65% in 2006 to 85% currently.

- 41% of Downtown pedestrians say that they are now more likely to return Downtown on the weekends for special events, the highest percentage of evening/weekend use. This is a smaller percentage than in 2006 (52%), but it is still headed in a positive direction, particularly for households earning less than $75,000 who may particularly appreciate free events.

- The percentage who stay Downtown in the evenings to dine or attend a movie/play are 19% and 20%, respectively, which are also less than in the 2006 survey. Younger people who are less than 35 years of age are the most likely to engage in these evening activities.

- The 76% who say they have read or heard positive things in the media about Downtown in the prior 6 months is truly impressive, and is one of the most positive trends found in this report. Those who came with dining as their primary purpose for being Downtown were the most positive about what they had read or heard (94%), which may be because they are keeping an eye out for media notices about new restaurants.

- A new question was asked this year about the time that it takes to find a parking space. Only 27% have this problem to face, because the others either do not drive (including the 54% who take Metro) or have a reserved parking space (10%). This leaves a relatively small percentage of 18% who say that it takes them 10 minutes or more to find a parking space. Interestingly, those who take the longest time to find a parking space are weekend visitors, and were more likely to be found at the survey location of "F" and 11th.

- Another new question was asked this year about whether walking Downtown or taking mass transit there had become easier or more difficult. Most don't know, or say that there has been no change (63%). Unfortunately, a greater percentage say that getting around is more difficult (28%) than easier (9%), which could be a reason for their lower agreement with the attitude statement, "It is easy to get Downtown from where you live". The most negative are younger, African-American males.

- A picture of a Safety & Maintenance personnel has been shown to Downtown pedestrians in each of the last surveys, to see how aware they are of this service provided by the Business Improvement District and also to determine whether they have seen a SAM. The news is good on both fronts this year, with awareness of the SAMs rising from 80% to 91% of pedestrians and those having seen a SAM in the past year rising from 65% to 85%. This is another very positive finding of this study.

TRENDS IN AWARENESS & USAGE:	2008 TOTAL	2006 TOTAL	2004 TOTAL	BY HOUSEHOLD INCOME: <$75,000	$75,000+
NOW MORE LIKELY TO:					
Come Downtown weekends	41%	52%	54%	45%	27%
Attend movie/play	20%	33%	26%	18%	21%
Stay down for dinner	19%	42%	46%	17%	19%
HEARD POSITIVE THINGS IN MEDIA ABOUT DOWNTOWN:					
Yes	76%	55%	46%	77%	78%
No	24%	45%	54%	23%	22%
TIME TO FIND PARKING:					
0 minutes/have a space	10%	NA	NA	7%	17%
Less than 10 minutes	9%	NA	NA	9%	7%
10 minutes or more	18%	NA	NA	15%	22%
Don't know/don't park	62%	NA	NA	68%	53%
WALKING IN DOWNTOWN OR TAKING MASS TRANSIT:					
Easier than a year ago	9%	NA	NA	8%	3%
More difficult than a year ago	28%	NA	NA	38%	14%
The same	51%	NA	NA	47%	57%
Don't know	12%	NA	NA	6%	26%
FAMILIAR WITH SAM: (1					
Unfamiliar	9%	20%	34%	7%	10%
Familiar, have seen	85%	65%	62%	88%	82%
Familiar, not seen	6%	15%	4%	5%	8%

2008 Washington D.C. Business Improvement District Pedestrian Survey

% Indicates data which is statistically greater than the value in the corresponding column.

The reality of being an urban setting is that nearly all Downtown pedestrians have seen homeless people (94%), which has risen significantly from 79% in 2006 and in other previous studies. The good news is that only 9% of pedestrians feel threatened by the homeless people they see, a percentage which has been consistently low over the years.

- The two survey locations where pedestrians were most likely to see homeless people were at 14th & "K" and at New York and 14th.

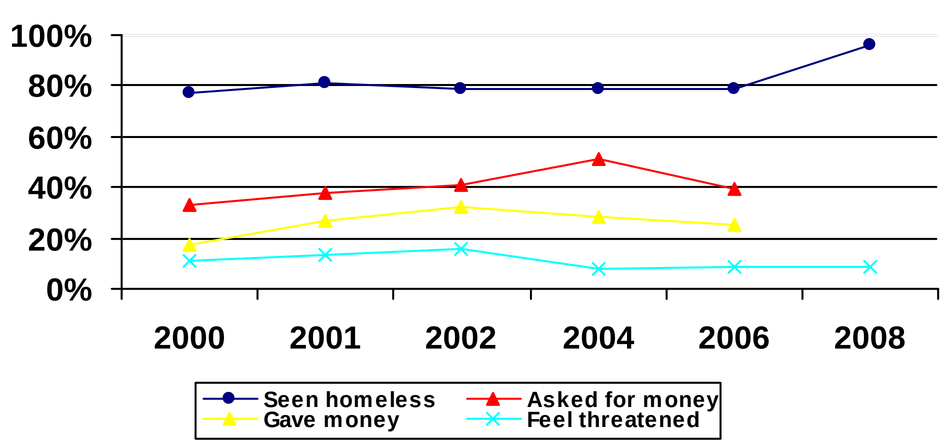
- The only demographic segment which was likely to saw that they were threatened by homeless people were females (13%) versus males (6%). That is still a fairly minimal percentage.

- The chart below shows the trend in responses about the homeless since the 2000 study for 4 questions (only 2 of which were asked this year).

TRENDS IN ATTITUDES-ABOUT HOMELESS:	2008 TOTAL	2006 TOTAL	2004 TOTAL	BY HOUSEHOLD INCOME: <$75,000	$75,000+
SEEN HOMELESS:					
Yes	94%	79%	79%	95%	95%
No	6%	21%	21%	5%	5%
THREATENED BY HOMELESS:					
Yes	9%	9%	8%	8%	10%
No	91%	91%	92%	92%	90%

2008 Washington D.C. Business Improvement District Pedestrian Survey

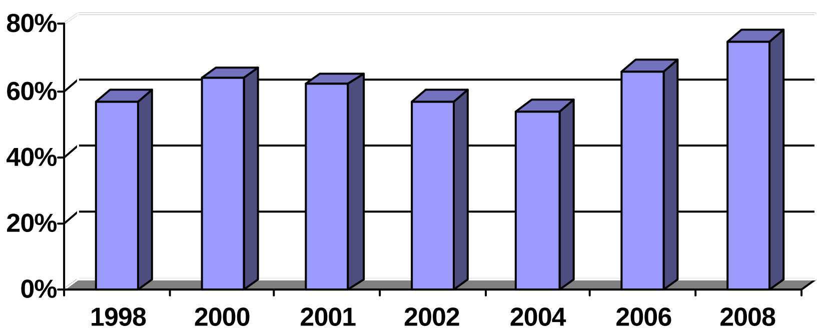
Responses to Homeless Persons



Three-fourths of the pedestrians surveyed in Downtown DC this year were there for the purpose of working, the highest percentage yet. Part of the reason for this is that a few more of the surveys were conducted at intersections where there are large concentrations of office space, such as 14th & “K” and 4th & “D”.

- The growing Downtown workforce is a great market to be tapped, now up to an estimated 185,700 employees (compared to 177,300 employees in 2006). But the Business Improvement District wants to continue to target residents of the Greater Washington Metropolitan Area to come Downtown for reasons other than employment, so it is hoped that the 75% was a high point that will decrease in future surveys.

Work is Main Reason to be Downtown



- Men were more likely than women to be in Downtown DC for the purpose of working. In past years, Downtown workers have had higher incomes, but in this year’s survey they were exactly the same income profile as those who came Downtown for other reasons.

- Other reasons to come downtown include shopping (5%) and dining at a restaurant (4%). Dining at a restaurant was a relatively small response in all income categories up to $150,000, but those who earn more than that were the most likely to mention dining (12%).

REASONS CAME TO DOWNTOWN DC:	2008 TOTAL	2006 TOTAL	BY H'HLD INCOME: <$75	$75+	BY GENDER: FEMALE	MALE
Work	75%	66%	76%	76%	71%	79%
Visit office	8%	9%	8%	6%	9%	6%
Shopping	5%	8%	4%	4%	5%	4%
Just hanging out	3%	4%	3%	3%	3%	3%
Dining at a restaurant	4%	3%	3%	5%	6%	2%
Entertainment/event	2%	2%	2%	3%	2%	1%
Other	3%	8%	3%	3%	3%	2%

2008 Washington D.C. Business Improvement District Pedestrian Survey

% Indicates data which is statistically greater than the value in the corresponding column.

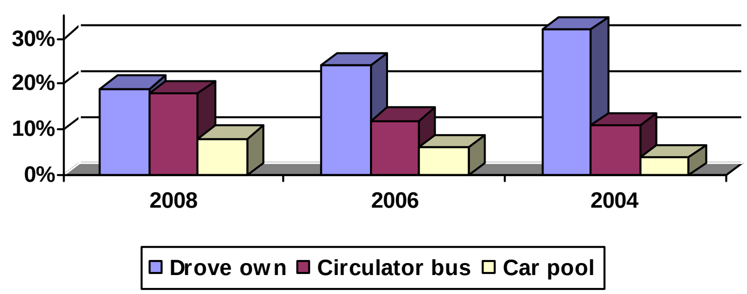
As in the past, pedestrians surveyed in Downtown DC were asked for their habits on the day they were surveyed. Most of these habits are in line with past survey results: pedestrians are in Downtown very frequently, a majority of them take Metro there, they spend a significant amount of time per trip and their food/drink expenditures are above-average. Retail expenditures still fall below-average, however, because so many of those surveyed are workers who may not have the time to shop.

- The average frequency of visits over the prior 90 days was 54.7, which of course is boosted by those who work Downtown every day. But even when workers are taken out, the frequency of visits is about once every 3 days, which is quite impressive and has increased significantly since 2004.

- A majority of Downtown pedestrians take Metro (54%), which has been the case in every survey conducted since 1998. Metro riders have lower household incomes ($64,400) than non-Metro riders ($96,300).

- A shift is taking place in the other types of transportation used to get to Downtown, particularly as a result of the Circulator buses that began operation more than 2 years ago. As shown ion the chart below, now Downtown pedestrians are much less likely to drive their own car and instead take the Circulator Bus or ride in a car pool. This positive trend may, in turn, be affecting the more positive attitudes that pedestrians have about parking which are discussed elsewhere in this report.

How Got Downtown



- An average of 1.3 persons were together in Downtown DC, a small party size because 83% of those surveyed were by themselves. This is consistent with past years' surveys. Those most likely to be in parties of 2 or more were diners.

- An average of 256 minutes (4.3 hours) were spent in Downtown DC by pedestrians, obviously boosted by workers. But even when workers are taken out of the calculation, the length of stay in Downtown is an impressive 146 minutes (almost 2½ hours), with middle-aged diners staying the longest.

- An average of $21.50 was spent by each pedestrian surveyed this year, including above-average expenditures of $8.20 on food and drink and below-average expenditures on retail goods of $13.30. This retail expenditure is lower than in the past two years' surveys, and has returned to the lower level seen in surveys conducted in 2000-2002. The lower expenditure this year is directly related to the larger number of workers surveyed (75%), because only 27% take the time to stop and make a purchase and therefore the average retail expenditure of workers is only $4.20. It was recommended in the 2006 survey that Downtown retail establishments find ways to encourage greater retail spending by Downtown workers, including services such as call-in or faxed purchases and free merchandise delivery.

- Those who came to Downtown DC to shop had average expenditures of almost $60, which comes closer to the ICSC average for regional mall expenditures.

SHOPPING HABITS:	2008 TOTAL	2006 TOTAL	2004 TOTAL	ICSC AVERAGE (1
3-MONTH FREQUENCY OF VISITS:				
All surveyed	54.7	53.2	41.4	9.3
Non-workers	33.9	35.4	20.1	NA
MODE OF TRANSPORTATION:				
Metro	54%	55%	55%	NA
Drove own car	19%	24%	32%	NA
Bus	18%	12%	11%	NA
Car pool	8%	6%	4%	NA
Walked	1%	7%	5%	NA
Other	1%	3%	2%	NA
Rode bicycle	1%	1%	1%	NA
PARTY SIZE (# persons):	**1.3**	**1.5**	**1.4**	**NA**
LENGTH OF STAY (minutes):				
All surveyed	256	276	235	81
Non-workers	146	135	148	NA
EXPENDITURES:				
Total on food/drink	$8.20	$8.40	$12.50	$5.40
% spent nothing	24%	38%	34%	58%
Transaction (those who spent)	$10.80	$13.50	$19.00	$9.30
Total on retail	$13.30	$18.50	$22.70	$82.60
% spent nothing	67%	63%	65%	20%
Transaction (those who spent)	$40.20	$66.00	$66.00	$103.25
TOTAL EXPENDITURES	$21.50	$26.90	$35.20	$86.30
% spent nothing	18%	23%	26%	15%
Transaction (those who spent)	$26.20	$47.50	$47.50	$97.50

2008 Washington D.C. Business Improvement District Pedestrian Survey

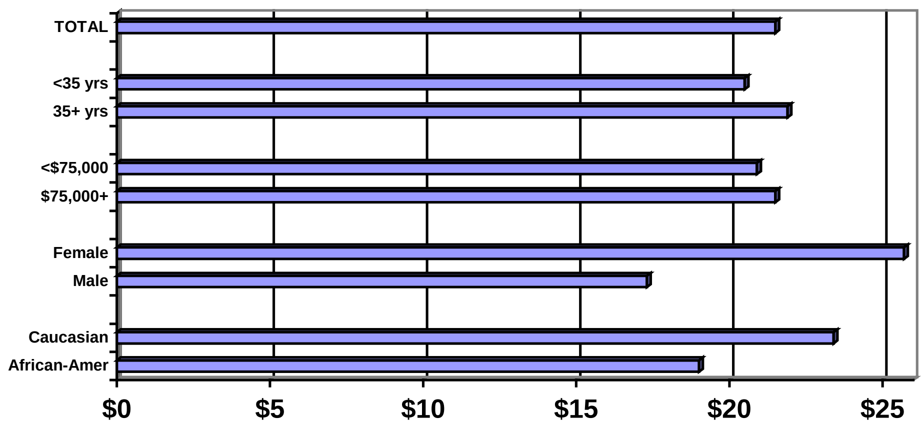
% Indicates data which is statistically greater than the value in the corresponding column.

1) Averages collected nationally from thousands of surveys conducted at a sample of regional malls.

- Demographically, those who spent the most in Downtown DC (combining food and drink as well as retail expenditures) were women and Caucasians.

- As shown in the graph below, expenditures are not much greater for households earning more than $75,000 than the expenditures made by those with less income than that. Typically, expenditures rise in direct correlation with household income, where in this study the expenditures made by households earning $150,000 or more were the most disappointing.

Expenditures by Demographic Segment



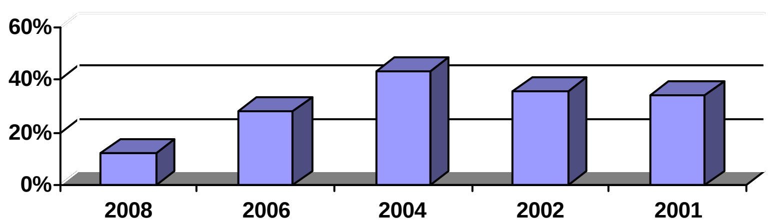
As in past surveys, a list of possible new attractions or services were shown to pedestrians surveyed in Downtown DC and they were asked which would cause them to come there more frequently. In this year's survey, almost one-third said that no additions were necessary, indicating that they are satisfied with the current offering, a percentage which has increased dramatically since the 2006 study when it was only 7%.

- As in the past, the leading two requests by those who chose one or more off the list were more entertainment/theaters and more stores. Better-income pedestrians are particularly interested in the addition of more stores.

- Downtown DC pedestrians in all demographic segments are interested in the addition of more cultural facilities.

- Only 12% of the pedestrians surveyed this year selected "more parking garages" as something needed in Downtown DC, the lowest percentage ever. Part of this is because fewer of them are driving.

Pedestrians Requesting More Parking Garages



- The request for more visible security was also the least-ever seen, at just 6% (compared to 11-16% in previous years' surveys).

- There is also less interest in the addition of more restaurants (both sit-down at 11% and fast food at 5% mentions), or bars at only 9%. A segment of 10% say they would like to have more friends living Downtown, more of whom are better-income Caucasians.

ADDITIONS:	2008 TOTAL	2006 TOTAL	DEMOGRAPHIC SEGMENT MOST INTERESTED:
More entertainment/theaters	27%	47%	35-54 year olds
More stores	26%	50%	DC residents, $75,000+
More cultural facilities	18%	33%	All
More parking garages	12%	28%	All
More sit-down restaurants	11%	33%	35-54 year olds
Friends living downtown	10%	31%	$150,000+, Caucasians
More bars	9%	14%	18-34 year olds
More visible security	6%	13%	All
More fast-food restaurants	5%	9%	35-54 year olds, <$50,000
More services like shoe repair	4%	13%	Females
No additions needed	30%	7%	$150,000+, Caucasians

2008 Washington D.C. Business Improvement District Pedestrian Survey

WASHINGTON D.C. INTERCEPT SURVEY

Hello, I'm __________ from OMR. We're conducting a survey of people in downtown Washington today, and would like to include your opinions. **(TALLY THOSE WHO REFUSE TO BEGIN)**

REFUSED TO BEGIN:

A. Are you a resident of the Greater Washington area, or are you just visiting here? **(IF JUST VISITING, TALLY AND TERMINATE INTERVIEW.)**

LIVE OUTSIDE THE AREA:

B. **(SHOW FIRST CARD)** In which of these age groups are you? You can read me the number.

Under 18 years .... **TERMINATE & TALLY:** ____________________________
18 to 24 years 1
25 to 34 years 2
35 to 44 years 3
45 to 54 years 4
55 to 64 years 5
65 years & older 6
DON'T READ| REFUSED 7

1. **(SHOW NEXT CARD)** Which of these <u>best</u> describes your <u>main</u> reason for coming to downtown Washington today? **(ACCEPT <u>ONE</u> RESPONSE ONLY. DO <u>NOT</u> ACCEPT MULTIPLE RESPONSES)**

Work here 1
Visiting an office here 2
Dining at a restaurant 3
Entertainment/event/going to a bar...................... 4
Shopping at a store 5
Going to an event/museum 6
Just to “hang out”.. 7
DON'T READ| SOME OTHER REASON 8

2. What mode of transportation did you use to get Downtown?

Drove own car 1
Rode as passenger in another car 2
Metro 3
Bus.. 4
Walked.. 5
Rode bicycle 6
Other mode of transportation 7

3. Including today's trip, how many times have you visited downtown Washington in the past three months, or 90 days?

(NUMBER OF TRIPS:)________________________________
(RECORD WHOLE NUMBER ONLY. DO <u>NOT</u> ACCEPT A RANGE. <u>MUST</u> BE AT LEAST ONE)

4a. How much did you spend today in Downtown Washington on food and drink? **(ROUND TO THE NEAREST WHOLE DOLLAR. DO <u>NOT</u> ACCEPT A RANGE. RECORD "0" IF NOTHING SPENT.)**

$__________________________.00

4b. How much did you spend today in Downtown Washington on all other items? **(ROUND TO THE NEAREST WHOLE DOLLAR. DO NOT ACCEPT A RANGE. RECORD "0" IF NOTHING SPENT.)**

$ ________________________ .00

5. **(SHOW NEXT CARD)** How long, in minutes, have you been in Downtown Washington today?

\# of Minutes ______________________________
(RECORD WHOLE NUMBER ONLY; DO NOT ACCEPT A RANGE)

6. How many people, including yourself, are in your party today?

\# of People ______________________________
(RECORD WHOLE NUMBER ONLY; DO NOT ACCEPT A RANGE)

7. **(SHOW NEXT CARD)** Downtown Washington is working to bring more people here, by adding new stores, restaurants, cultural facilities and residences. Which of the additions listed on this card would cause you to come here more frequently? **(MULTIPLE RESPONSES ALLOWED)**

More stores....................1	More entertainment/theaters 6
More sit-down restaurants 2	More bars....................7
More fast food restaurants 3	More parking garages 8
More services, like shoe repair 4	More cultural facilities....................9
More visible security people 5	Friends who live downtown....................10

8. I am going to read a list of statements about Downtown Washington, with which you might agree or disagree. For each statement, please tell me whether you strongly agree, agree, disagree, strongly disagree or don't have an opinion.

STATEMENTS	**Strongly Agree**	**Agree**	**Neutral**	**Disagree**	**Strongly Disagree**	
You feel safe in Downtown Washington.	5	4	3	2	1	DK
There are a lot of things to do in Downtown.	5	4	3	2	1	DK
It's easy to get Downtown from your home	5	4	3	2	1	DK
It's easy to find a metered parking space on the street in Downtown.	5	4	3	2	1	DK
It's easy to find a place to park a bike Downtown	5	4	3	2	1	DK
Downtown Washington is clean and attractive.	5	4	3	2	1	DK
Downtown DC has great people-watching	5	4	3	2	1	DK
People who work downtown are very friendly	5	4	3	2	1	DK
The look & feel of downtown is welcoming	5	4	3	2	1	DK
Downtown is an attractive place to live	5	4	3	2	1	DK
Downtown DC is a vibrant place to explore	5	4	3	2	1	DK
Downtown DC is a leading urban environment	5	4	3	2	1	DK

9. In the past six months, have you seen positive things in the media about Downtown Washington?

Yes 1
No 2

10. How likely would you be to consider living downtown? Would you say that you would be very likely, somewhat likely, somewhat unlikely or very unlikely?

	Very likely	1
	Somewhat likely	2
	Somewhat unlikely	3
	Very unlikely	4
(DON'T READ)	DON'T KNOW	0

11a. **(SHOW CARD)** Which of these things do you do more frequently than you used to?

Stay downtown to eat dinner	1
Attend a movie or play	2
Come downtown on the weekend for a special event	3

11b. Compared to a year ago, how long would you say that you cruise looking for a parking garage with available parking space in downtown DC. . . .**(READ LIST AND SELECT ONE RESPONSE)**

Zero minutes because I have a reserved parking space	1
Less than 10 minutes	2
10 minutes or longer	3
Or you don't know because you don't park downtown	4

12. Compared to a year ago, has walking around Downtown, or getting there via mass transit. . .**(READ LIST AND SELECT ONE RESPONSE)**

Gotten easier	1
Gotten more difficult	2
Stayed about the same	3
Or you don't know because you don't walk or take transit downtown	4

13. **(SHOW PICTURE)** Are you familiar with the Downtown Safety and Maintenance personnel? **(IF FAMILIAR)** Have you seen one of these personnel in the past year?

Unfamiliar	1
Familiar, but have not seen	2
Familiar, have seen	3

13. I have just a few questions about homeless people in the downtown area. Please tell me a "yes" or "no" response for each of the four things on this card.

Statement	**Yes**	**No**
Have you seen one or more homeless person on the streets of downtown today?	1	2
Do you feel threatened by homeless people on the streets of downtown?	1	2

14. What is the zip code of your residence?
(WRITE ONE DIGIT PER BLANK)

____ ____ ____ ____ ____

REFUSED 9

15. Do you currently have any children living at home?

Yes	1
No	2

16. **(SHOW CARD)** What was the last grade of school you, yourself completed? **(RECORD ONE RESPONSE.)**

Some high school	1	Completed college	4
Completed high school	2	Some graduate school	5
Some college	3	Completed graduate school	6
		(DON'T READ) REFUSED	7

17. Do you work for the United States or District government?

Yes	1
No	2

18. How many years have you lived in this area? ________________________

19. **(SHOW CARD)** Which number on this card closely corresponds to the yearly income of all working members of your household? **(ACCEPT <u>ONE</u> RESPONSE ONLY.)**

Under $15,000	1	$50,000 to $74,999	5
$15,000 to $24,999	2	$75,000 to $99,999	6
$25,000 to $34,999	3	$100,000 to $149,999	7
$35,000 to $49,999	4	$150,000 or more	8
		(DON'T READ) REFUSED	9

INTERVIEWER, COMPLETE OBSERVATION SECTION BELOW:

<u>GENDER</u>

Male	1
Female	2

<u>TIME OF DAY</u>

Between 12:00P - 2:00P	1
Between 2:00P - 4:00P	2
Between 4:00P - 6:00P.	3
After 6:00 p.m.	4

<u>ETHNICITY</u>

Caucasian	1
African-American	2
Hispanic	3
Asian	4
Other	5

<u>DAY OF WEEK</u>

Monday	1
Tuesday	2
Wednesday	3
Thursday	4
Friday	5
Saturday	6
Sunday	7

<u>LOCATION:</u>

NW corner Pennsylvania & 12th Street NW	1
NW corner of 4th & D Streets NW	2
SE corner of 7th & H Streets NW	3
SW corner of 13th & G Streets NW	4
NW corner of 14th & K Streets NW	5
SE corner of “F” and 7th (Rosa Mexicana)	6
NE corner of “F” and 11th (H & M)	7
SW corner of New York & 14th (Pot Bellies)	8