



DOWNTOWN DAYTON SPECIAL IMPROVEMENT DISTRICT

Downtown Dayton
Special Improvement District

YOUR DOWNTOWN UPDATE



SECOND QUARTER 2017

MAJOR PROJECTS, MAJOR PROGRESS: EXCITING GROWTH IN OUR DOWNTOWN

So far, 2017 is shaping up to be an impressive year for downtown Dayton. We've been seeing some very positive momentum and exciting trends for downtown for several years now, but the first half of this year has been filled with good news for our center city -- so much so that at times it can be hard to keep up with all the grand openings, ground breakings, and big announcements.

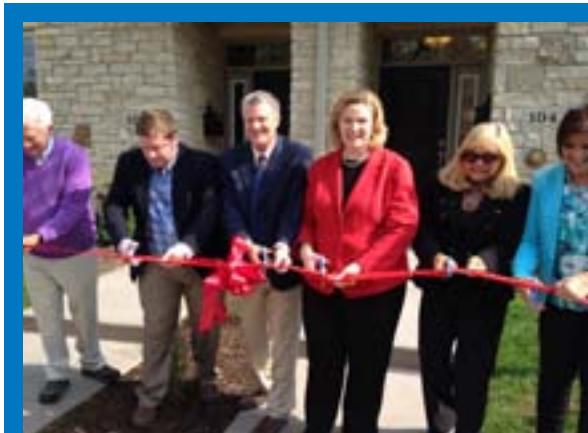
Many times, we find that overall progress is made up of dozens of smaller success stories that collectively add up to big positive change for downtown. And, while that continues to be true in 2017, this year has also been punctuated by a significant number of larger wins in the form of large-scale projects, the addition of some impressive new amenities, and some big investments in downtown's economy and future. Here are just a few of the major trends and announcements we've seen in the second quarter and throughout the first half of 2017:

- **New Downtown Amenities:** There's more to do downtown than ever before, and such milestones as the opening of RiverScape River Run, a brand new Main Library facility, and the start of the Levitt Pavilion project are exciting enhancements to downtown's amenities.
- **Businesses Want to Be Downtown:** Taylor Communications announced it will bring nearly 600 employees downtown. This quarter alone, four new dining and nightlife options opened, including one that relocated downtown from elsewhere. Site seeker activity continues to be strong, and interest in downtown space is high.
- **Major Investment in Downtown:** Downtown mainstays, like Chaminade Julianne and Sinclair College, announced more renovation and expansion projects, the Arcade project secured tax credits, an office tower has a new developer, and CareSource broke ground on its new, 205,000-square-foot, six-story office building.
- **New Housing:** Hundreds of new units are in the works to meet enormous demand.

This report is a summary of work completed during the second quarter of 2017 to implement the Downtown Dayton Special Improvement District work plan. Thank you for your continued support of downtown Dayton. For additional information or answers to your questions, please contact Sandy Gudorf at 937-224-1518, ext. 224 or at gudorf@downtowndayton.org.

Buddy LaChance
Buddy LaChance, Chair, Board of Directors
Downtown Dayton Special Improvement District

Sandy Gudorf
Sandy Gudorf, President
Downtown Dayton Partnership



BUSINESS SERVICES

The Downtown Dayton Partnership provides targeted services that positively impact the downtown business environment while working with partners, property owners and businesses to promote job growth.

TAYLOR COMMUNICATIONS TO RELOCATE HUNDREDS OF EMPLOYEES DOWNTOWN



Big news came during the second quarter, as **Taylor Communications** announced it will move its headquarters and **nearly 600 of its employees to downtown Dayton**. The company, formerly Standard Register, will lease more than 100,000 square feet of space on eight floors at 111 E. First St., which was purchased by private real estate owner and development company Olymbec in 2016. The City of Dayton has approved a \$1 million development agreement to help fund Taylor's renovations of the building.

Once renovations are complete, the company expects to begin relocating its workforce this fall. The move will bolster downtown's growing employee base and likely will be a boon for restaurants, retailers, and other small businesses that comprise the urban core's local economy.



PROJECT WARMTH

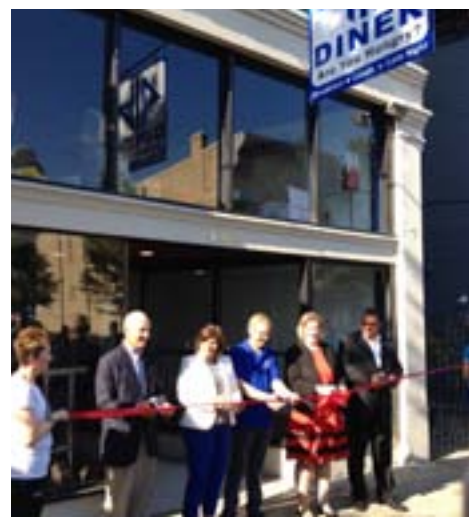


MUDLICK TAP HOUSE

WELCOME DOWNTOWN, NEW BUSINESSES AND ORGANIZATIONS

In addition to the Taylor Communications announcement, several other new businesses have opened or prepared to open downtown so far this year. During the second quarter, those businesses included:

- **416 Diner** completed renovations at 416 E. Fifth St. The new diner held its grand opening on July 7, and serves breakfast, lunch, and dinner, as well as late night snack options.
- **Canal Street Arcade & Deli** opened its new, 3,000-square-foot location at 308 E. First St., importing its menu from the former Fifth Street location and adding new items. The deli features a full bar and classic arcade-style games.
- **Mudlick Tap House** finished renovations at its 9,000-square-foot space at 135 E. Second St., completing its move to downtown Dayton from Germantown. The new restaurant and bar opened in early July.
- **Hannah's**, a new 3,000-square-foot restaurant and nightlife establishment, opened on the first floor of Talbott Tower.
- The newest Activated Spaces Pop-Up Shop, **Project Warmth**, opened at 133 E. Third St. featuring handmade items for pets, including beds, collars, leashes, and other items.
- **Dayton Offices** completed renovations and opened at 301 W. First St., providing private office suites and amenities to local small businesses. The space is available for a monthly rate and includes common use of a receptionist, meeting rooms, internet access, printers, and other amenities.
- **WellSpace Dayton**, a new health and wellness studio, opened in the Bindery Building at 116 N. Jefferson St. The 7,200-square-foot facility will support group classes and personal training in yoga, pilates, strength training and more.



416 DINER

- Sales and marketing company **Acadia Lead Management Services** leased 4,500 square feet at 130 W. Second St. to relocate downtown from Kettering.
- **Lennen Law**, a new law practice, opened a 1,000-square-foot office in Liberty Tower.
- **STAN Engineers** purchased the second floor office condo at 300 W. Monument Ave. and relocated its offices downtown from Washington Township.
- **Edward Dixon** signed a lease for a new fine art gallery at 12 S. Ludlow St.



DAYTON OFFICES

DEMAND FOR DOWNTOWN SPACE CONTINUES TO BE HIGH

The **Site Seeker program** is a critical component in the DDP's efforts to fill underused and vacant office space. It helps prospective tenants identify suitable downtown space and connects them with leasing agents and property managers and owners.

The DDP's goal for 2017 is to conduct at least 35 site searches. During the second quarter, **13 searches** were implemented for prospects – the year-to-date total of 32 completed searches is a strong indicator of continued high interest in downtown space. **40 building tours** were conducted this quarter, showing 19 buildings to interested prospects. So far in 2017, **12 site searches** have resulted in prospects selecting a downtown location.

The Site Seeker program is a **free, confidential service** that matches businesses and their desired features and amenities with downtown properties that most closely meet those needs. Businesses looking to expand or relocate to a downtown facility that would like to utilize this service should contact the DDP at (937) 224-1518.

BUSINESSES & ORGANIZATIONS INVEST IN DOWNTOWN

Several downtown organizations and businesses recently have invested in downtown with renovations, expansion projects, lease renewals, building purchases, and other initiatives. Highlights from the second quarter include:

CareSource broke ground on its new six-story, 205,000-square-foot office tower located on the 100 block of E. First St. The new building will house 800 employees and is slated to open in 2019.

A Dayton city commission vote cleared the way for start of construction on the six-story, 98-room **Fairfield Inn and Suites** hotel at the Water Street development site. Woodard Development and Crawford Hoying plan to invest about \$11 million in the project and create



RENDERING: NEW CARESOURCE OFFICE TOWER

about 30 jobs. The new hotel is expected to open by the end of 2018.

Chaminade Julianne Catholic High School announced plans to renovate its Building 3 this summer – the first extensive remodel of that building since it was built in 1957. Building 3's renovation is the final campus project that is part of CJ's \$20 million LiFT campaign.

Business-to-business startup **The Scenery** expanded into a 3,200-square-foot space in the Oregon District. The tech company relocated its 10 employees to the corner of Fifth and Brown streets, above Salar and Hick's Barber Shop.

Huntington Bank announced it will consolidate its downtown and Beavercreek branches into a larger space at 409 E. Monument Ave. downtown, filling the last leasable space in the building. About 31 employees will work in the new 8,600-square-foot space offering financial services for commercial, small business, private banking, and mortgages.

Sinclair College landed a \$750,000 grant from the National Science Foundation to develop a new training program with General Motors and Fiat Chrysler. Sinclair also plans to purchase several driverless vehicles as part of the program.

STRATEGIC PLANNING

Implementing a collaborative, comprehensive strategic plan that is beneficial to property owners, businesses, residents and visitors helps to attract downtown investment.

LEVITT PAVILION RELEASES RENDERINGS, PLANS PREVIEW CONCERT

The Friends of the Levitt Pavilion released updated renderings of the new event venue this quarter. Construction on the **Levitt Pavilion** is set to begin this year at the site of Dave Hall Plaza, with performances taking place as early as late next summer. The venue will host at least 50 free concerts each year, and the organization is in the process of hiring its executive director.

Before construction gets started, the public is invited to a special sneak peek of the Levitt experience with a **free preview concert** at Dave Hall Plaza on **Thursday, August 17, at 7 p.m.** The concert will feature critically-acclaimed 8-piece band The Suffers. Food and beverage will be available for purchase. Bring a lawn chair, a blanket, and your dancing shoes, and enjoy a great evening of free music!



RENDERING: LEVITT PAVILION DAYTON

DAYTON ARCADE SECURES \$5 MILLION IN TAX CREDITS



RENDERING: THE DAYTON ARCADE

(the largest possible award through state historic tax credits) for the project, which has secured The University of Dayton and The Entrepreneurs Center as anchor tenants.

The credits are one of the last remaining funding sources that are required for the first phase of the \$100+ million development to move forward. Plans call for housing units, coworking space, maker spaces, retail shops, a kitchen incubator, event space, and more.

In addition to The Entrepreneurs Center and University of Dayton serving as anchors, local businesses have signed letters of intent to lease space in the renovated Arcade. A second **Warped Wing Brewing Co.** location would be used for brewing small batch beers and a brew school, **Boston Stoker** would create a coffee house with on-site roasting and tasting areas, and several other businesses and organizations have plans to locate in the new space.

Developers for the **Dayton Arcade** took the next big, important step in securing financing for the redevelopment project. The Ohio Development Services Agency awarded the full **\$5 million** amount

RIVER RUN CELEBRATES ITS GRAND OPENING

The new **RiverScape River Run** outdoor recreation amenity officially **opened to the public** with a grand opening ceremony held on May 5.

The \$4 million project, which was nearly entirely **funded by private and community donations**, has eliminated the hazards associated with the low dam and created a passage for recreational paddlers and a whitewater play chute for kayakers. The structure includes two in-river features with smooth-water and

whitewater passageways spanning the Great Miami River. Bank stabilization efforts will improve the health of the river, which is likely to positively impact riparian habitat and the fish, birds, and other wildlife. River accessibility also will be enhanced with put-in and take-out locations along the river.

Thanks to everyone who contributed to the fundraising efforts, including the \$1 million challenge grant from the James M. Cox Foundation.

CITY SELECTS DEVELOPER FOR 34 N. MAIN STREET

The City of Dayton took the next step toward redeveloping a vacant 14-story tower at **34 N. Main Street**, known as the Third National Bank Building and, most recently, Paru Tower, by choosing a developer for the project.

Coon Restoration & Sealants Inc. says it plans to seek historic tax credits to transform the building into market-rate housing, first-floor commercial space, and potentially a boutique hotel.

Other projects in Coon's portfolio include Onesto Hotel and Bliss Tower Lofts (Canton), Terminal Tower Restoration (Cleveland), and the Mercantile Lofts (Hamilton). City officials cited Coon Restoration's "impressive design execution and high quality finishes" among reasons the firm was chosen, as well as the company's track record of moving quickly and creatively on past projects.



RIVER RUN GRAND OPENING RIBBON CUTTING

NEW CAMPAIGN OFFERS 'A BETTER WAY TO GIVE'

A new public information campaign designed to help curb panhandling and better connect individuals with much-needed social services launched in June. **Real Change Dayton** reminds residents and guests that there's "a better way to give" by supporting the many nonprofits and social agencies in the greater Dayton community that provide long-term, sustainable change for those in need of assistance. "We are fortunate to have so many resources for those who need help with immediate needs like food, clothing, and shelter, plus programs that, over time, can lift people out of poverty and set them on a path to independence," said DDP President Sandra Gudorf.

Real Change Dayton offers **alternative donation methods** for those who wish to help but prefer not to give money directly to an individual. People may choose to **text "RealChange" to 71777**

or visit **RealChangeDayton.org** to make donations. Bright red "**donation meters**" also will be installed throughout downtown as another means of collecting funds, which will be directed to the United Way to be invested in programs that focus on financial stability, positive health outcomes, and emergency services. Donations of cash or materials can also be donated directly to the agency of choice. Volunteers are also needed. Learn more at **RealChangeDayton.org**.

Real Change Dayton is a collaboration between the Downtown Dayton Partnership, City of Dayton, Montgomery County, and United Way of the Greater Dayton Area with project partners Goodwill Easter Seals of the Miami Valley, The Foodbank, Homefull, Miami Valley Housing Opportunities, Montgomery County Alcohol Drug Addiction and



REAL CHANGE DAYTON

Mental Health Services (ADAMHS), PATH (Projects for Assistance in Transition from Homelessness) Program, and St. Vincent De Paul.

ADVOCACY

The DDP serves as a collective voice and primary advocate for downtown and its property owners, and brings stakeholders together to address challenges and opportunities for our center city.

'START DOWNTOWN' LAUNCHES KIVA DAYTON INITIATIVE

During the second quarter, the DDP, along with the City of Dayton and the Dayton Development Coalition, continued the implementation of the "**Start Downtown**" initiative by supporting the five new projects introduced in late 2016.

One of those projects, **Kiva Dayton**, was launched this quarter. Kiva Dayton is a collaborative effort between several startup ecosystem partners to utilize the international platform of Kiva as a lending outlet for local small businesses and startups. Kiva is like crowd-funding, but instead it's crowd-lending - after your loan is repaid, you can use the same dollars to support another small business. Loans are 0% interest and are repaid by the small business over a period of 6-36 months depending on the loan size. Businesses that apply for lending through Kiva have 30 days to reach their fundraising



goal. If they don't reach their goal, they don't receive funding. Greater access to capital is critical to continuing the growing momentum in the Dayton startup community. Funding can't just be for high-growth or technology-based startups -- businesses of all types need to have opportunities for funding. Kiva Dayton

aims to provide another outlet to support small businesses. This past quarter, Kiva Dayton saw its first two loans successfully funded. Meanwhile, another of the Start Downtown projects continued its success as two successful "**Pop-Up Coworking**" events were held in the second quarter (4 YTD).

CLEAN AND SAFE

The DDP, with the City of Dayton, develops and implements a coordinated public spaces management program to maintain and enhance downtown Dayton as a clean, safe and welcoming environment.

AMBASSADORS KEEP DOWNTOWN CLEAN AND SAFE

The DDP oversees the **Downtown Dayton Ambassador Program**. A summary of the Ambassadors' work in the second quarter of 2017 is below:

ACTIVITY	SECOND QUARTER 2017	YEAR TO DATE 2017
Hospitality assistance	2,004	3,458
Safety escorts	53	117
Property owner/bldg. mgr. contacts	197	498
Panhandling incidents addressed	399	1,088
Requests for police assistance	34	75
Trash collected (lbs.)	32,260	75,720
Graffiti removed	156	344
Power washing (gallons)	3,925	4,627

DOWNTOWN STREETS ARE FULL OF FOLIAGE

Volunteers from Wegerzyn Gardens MetroPark filled **100 planters** throughout downtown this May as part of the First Bloom program, while additional pots were planted by business owners.

First Bloom is a beautification program designed to enhance our streetscapes with colorful flower planters. The program is a partnership between Wegerzyn, the DDP, and the City of Dayton. Participating property and business owners help maintain and water the planters.

RETENTION AND EXPANSION SECOND QUARTER UPDATE

Retention and expansion efforts are a critical part of the DDP's proactive approach to growing the number of jobs downtown, as well as identifying and addressing any issues existing businesses may have. The DDP's goal in 2017 is to visit **150 businesses**, with 25 of those being Leadership Network visits. Activity during the second quarter:

	SECOND QUARTER 2017	YEAR TO DATE 2017
R&E visits	32	71
# of jobs represented	506	1,079
Square feet represented	303,137	759,517
Property owner visits	6	14
Leadership Network visits	5	12

HOUSING

The DDP works with partners to sustain and grow the residential development critical to establishing the critical mass of residents necessary to support key amenities and retailers.

HOUSING TOUR SHOWCASES DOWNTOWN LIVING OPTIONS

A popular downtown event returned this quarter as one of the signature components of the DP&L Summer in the City lineup. On May 20, the Downtown Dayton Partnership hosted a **Downtown Housing Tour** to highlight the center city's variety of urban living options. The tour featured a mix of apartment/rental options and options for purchase in a variety of styles and price points, along with a sneak peek at some new downtown housing projects under construction.

This year's event was **very well attended**,

with crowds throughout downtown, lines at many tour stops, and most locations reporting several hundred visitors from a wide variety of backgrounds, zip codes, interest levels and age groups. Free shuttles provided by the Greater Dayton RTA took participants to each of the tour stops, while others saw the tour by bike or on foot, getting a real taste of the fun and convenience of downtown living.

The annual housing tour is an important strategy toward the goal of introducing new people to the urban lifestyle and continuing downtown's **success in**

increasing its residential density. It was sponsored by Vectren, DP&L, and the Dayton City Paper.



DOWNTOWN HOUSING TOUR

NEW DOWNTOWN HOUSING DEVELOPMENTS TAKING SHAPE

The **surge in housing development** projects has been huge in recent months, with more and more people moving downtown and demand for the urban lifestyle on the rise. This quarter saw that surge continue, as several housing projects made major progress.

Monument Walk, one of the newest communities from Charles Simms Development, held a ribbon cutting ceremony and open house for its model unit this quarter as the project's first residents moved in and construction on remaining units continued. A few blocks away, Simms' newest development, the \$4.2 million **City View** project, rapidly took shape along Patterson Boulevard with most of the units already sold before they were built.



MONUMENT WALK

The City of Dayton selected Coon Restoration and Sealants, Inc., as the developer for **34 N. Main Street**. Coon plans to seek historic tax credits to transform that building into a mix-used project that would include market-rate housing.

The Ohio Development Services Agency awarded \$5 million in state historic tax credits to the **Dayton Arcade** project. Plans for that iconic downtown building include more than 120 housing units for artists and creative professionals.

Elsewhere, construction continued on a new housing development at **The Wheelhouse**, 210 Wayne Ave., where Louisville-based Weyland Ventures plans to include 40 new loft-style downtown apartments in the mixed-use building, and on the **Fire Blocks District** \$4.5 million adaptive re-use project that includes more than 80 apartment units.



CONSTRUCTION ON THE WHEELHOUSE PROJECT

AMENITIES AND EVENTS

The DDP markets and promotes Dayton's center city through key events and programs, and creates a framework that further elevates downtown's amenity and event options while spurring development.

DOWNTOWN EVENTS MAKE FOR A FUN 'SUMMER IN THE CITY'

Summertime is a great time to be downtown. From cultural festivals to live music series, sporting events to fitness programs, outdoor dining to brewery tours, there's always something fun happening when you spend your summer in the city. All that fun is highlighted each year by a few signature events as part of the **DP&L Summer in the City** programming.

On May 20, the first of those signature events was held as the **Downtown Housing Tour** invited prospective homeowners, renters, and real estate lovers to visit some of the hottest addresses in the city. The event, sponsored by Vectren, DP&L, and the Dayton City Paper, gave attendees a taste of downtown living at several rental and purchase options, along with sneak previews of some future housing options under construction. Hundreds of people attended this year's housing tour, which received much positive feedback from both the attendees and the housing representatives. Stormy weather dampened plans for the **Great Dayton Adventure Race** and **First**



DP&L SUMMER IN THE CITY

Friday Street Party on July 7, but scavenger hunters will have another shot to race for clues throughout downtown, as the Adventure Race has been rescheduled for **August 18**.

On August 4, **Art in the City** will celebrate downtown's rich collection of visual and performing arts and kick off a juried art show that places mini pop-up art exhibits in 25 downtown businesses. In addition to the art show, the event will feature a six-block Art Walk on Jefferson, a fun Party on the Patio component, and plenty of Art Around Town,

NEW MAIN LIBRARY MAKES ITS DEBUT

One of downtown's most highly anticipated new amenities has become a reality this year, and its introduction to the public has been nearly as impressive as the facility itself. The new **Main Library** branch of the Dayton Metro Library system has dramatically changed downtown's

landscape, while quadrupling the amount of public space and providing improved services, spaces, and amenities for its users. Guests of a ticketed, gala-style "**Main Event**" on April 22 got a sneak peek of the not-yet-open new library and were wowed by the beautiful new building and



NEW MAIN LIBRARY BRANCH OF THE DAYTON METRO LIBRARY SYSTEM

as more than 100 artists of all kinds do their thing throughout the city. Art in the City is sponsored by DP&L, Premier Health, Dayton.com and the Ohio Arts Council.

Another perennial downtown favorite returned on May 1, as free noontime entertainment enhanced lunchtime on Courthouse Square each weekday through **The Square Is Where** programming. The program offers downtown workers and others a fun break from the office Monday-Friday, May through September, featuring a variety of performers, themed days and weeks, games, activities, food vendors, and much more. The Square Is Where is a program of the Downtown Dayton Partnership and Montgomery County, with support from the Ohio Arts Council.

Don't miss a minute of summer fun! Visit **downtowndayton.org** to download a list of DP&L Summer in the City event highlights, view a full calendar of downtown events, or subscribe to weekly emails featuring dozens of things to do downtown.

its modern amenities. The public at large will "check out" the facility free of charge on **August 5** at the **Main Library Grand Opening & Community Celebration**, which will include a street fair, an expansive ribbon cutting ceremony along Third Street, and a Library Open House.

The new Main Library will begin regular hours of operation on Sunday, August 6, from 1 to 5 p.m.



MAIN LIBRARY'S GRAND STAIRCASE AT 'THE MAIN EVENT'

BY THE NUMBERS:

DOWNTOWN APARTMENT MARKET REMAINS STRONG

OCCUPANCY RATE FOR DOWNTOWN APARTMENTS:

97.4%

Miller-Valentine Group released its **2017 Apartment Market Survey** this quarter, which revealed the demand for downtown apartment living **continued to grow** throughout 2016 and into 2017.

Downtown Dayton's market remains one of the **strongest performers in the region** with just a 2.64% vacancy rate.

VACANCY RATES

DAYTON SOUTH: 5.38%

DAYTON WEST: 5.21%

DAYTON EAST: 4.00%

DAYTON NORTH: 3.81%

DOWNTOWN: 2.64%

TOTAL GREATER DAYTON: 4.66%



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The 2017 DP&L Summer in the City continues through September! Don't miss Art in the City (Aug. 4), the Germanfest Picnic (Aug. 11-13), The Great Dayton Adventure Race (Aug. 18), the Dayton Reggae Festival (Sept. 3), and much more. Visit downtowndayton.org for a comprehensive online calendar or to download a summer Events & Activities Guide

MARKETING AND COMMUNICATIONS

Marketing downtown as a positive place to live, work and play is critical to future development, as it positions downtown in a positive light and improves public perceptions about our center city.

With so much going on downtown, it can be hard to keep up.

Fortunately, the Downtown Dayton Partnership provides several ways to **stay up to date on downtown news**, letting you choose the topics that matter to you most and the formats you find most convenient.

For a listing of downtown events, find our handy **calendar of events** at downtowndayton.org,

or on your smartphone at mobile.downtowndayton.org.

Get news delivered to you by email by visiting bit.ly/ddpsubscribe, where you can sign up for updates on downtown initiatives, upcoming events, summer entertainment schedules for Courthouse Square and much more.

You can also follow Downtown Dayton on a wide variety of **social media** channels:



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/DowntownDayton
/TheSquaresWhere



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