

2022

# STATE OF DOWNTOWN DURHAM



*Downtown*  
**DURHAM**  
★ Find Your Cool ★



2022

STATE OF  
DOWNTOWN  
DURHAM

# Board of Directors

**TUCKER BARTLETT**

Board Chair  
Self-Help Credit Union

**DORIAN BOLDEN**

Beyu Caffè

**REBECCA BOLTON**

Durham Convention Center

**JENNINGS BRODY**

Parker and Otis

**ROBERT EMERSON**

Emerson Land Planning, PLLC

**NISH EVANS**

Lennox and Grae

**JEFF FURMAN**

Northwood Ravin

**CAREY GREENE**

Real Estate Associates

**SANDI HAYNES**

Nonprofit Executive Search Consultant

**SHANNON HEALY**

Alley Twenty-Six

**JOHN HODGES-COPPLE**

Triangle J Council of Governments

**ZENA HOWARD**

Perkins & Will

**BRENDA A. HOWERTON**

Durham County Board of Commissioners

**SHELLEY MCPHATTER**

BridgePoint

**MARK-ANTHONY MIDDLETON**

Durham City Council

**LEW MYERS**

Resident

**JEFF PAINE**

Duda Paine Architects

**TRAVIS ROUSE**

M&F Bank

**JUSTIN SACCO**

LRC Properties

**ANTHONY SCOTT**

Durham Housing Authority

**SCOTT SELIG**

Duke University Capital Assets

**GLORIA SHEALEY**

The Daniele Company

**CRAIG SHIPLEY**

The Durham Hotel

**LYNN SOLOMON**

Resident

**MARK STANFORD**

Capitol Broadcasting Company, Inc

**IONA THOMAS**

McAdams

**LARRY TILLEY**

Acme Plumbing

**YVETTE WEST**

Resident





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# DDI Team

**NICOLE J. THOMPSON**  
President & CEO

**ANNA BRANLY**  
Director of Administration & Finance

**GINA ROZIER**  
Director of Marketing, Communication & Placekeeping

**PATRICK HOLT**  
Marketing & Communication Assistant

**KENNY VALENZUELA**  
Director of Clean & Safe Operations

**REBEKAH MIXON**  
Economic Development Research Analyst

## OUR AMBASSADORS

**ERIK NYSTROM**  
Clean & Safe Operations Manager

**RICKY AYO**  
**DARIUS DENNIS**  
**ARELY FIGUEROA**  
**TIM HESTER**  
**NATE HOPSON**

**MARCUS HUBBARD**  
**SHEREEN KEELS**  
**JEFF PHILLIPS**  
**SHELBY SPAINHOUR**  
**KHALIF WILSON**

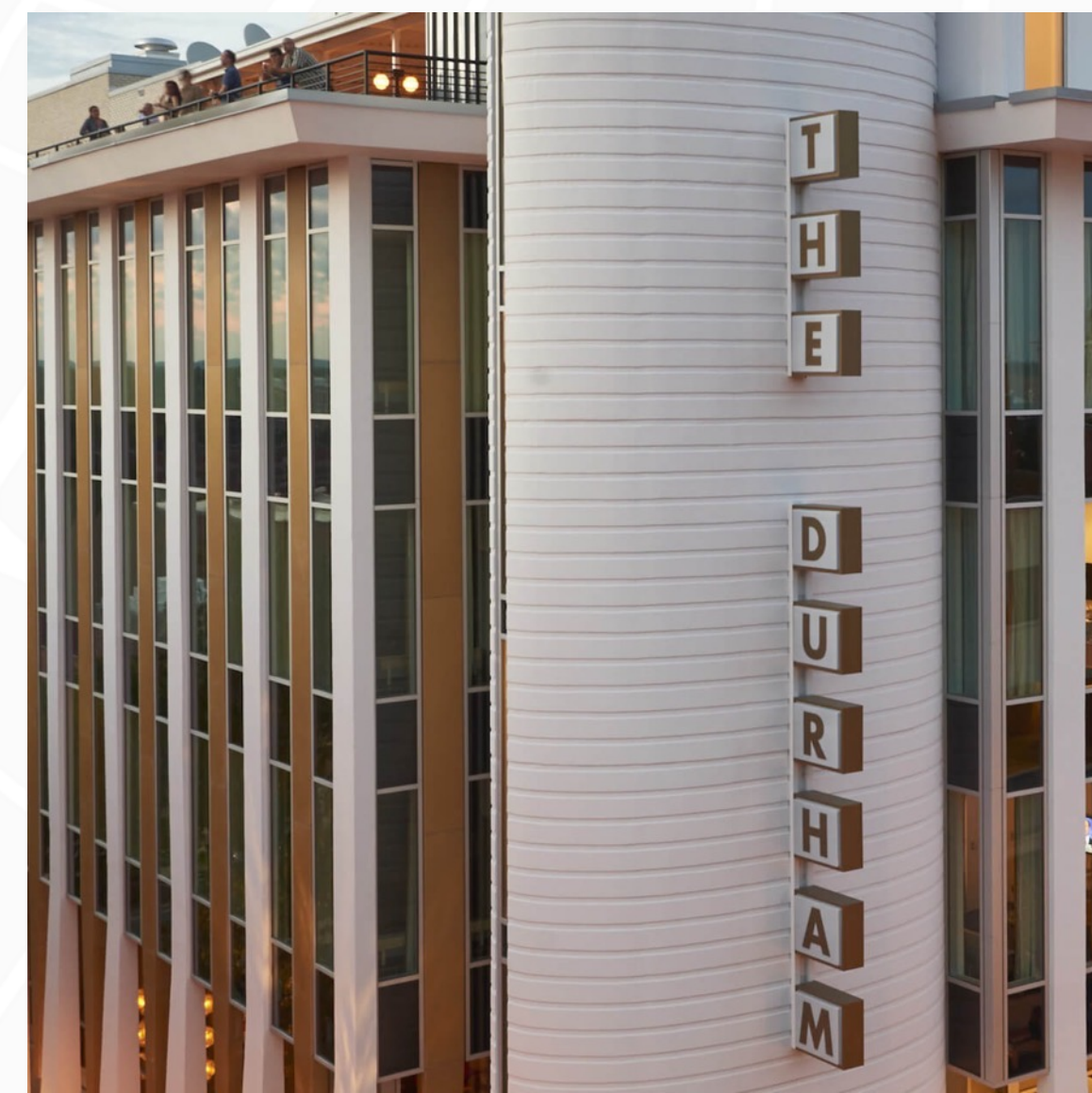
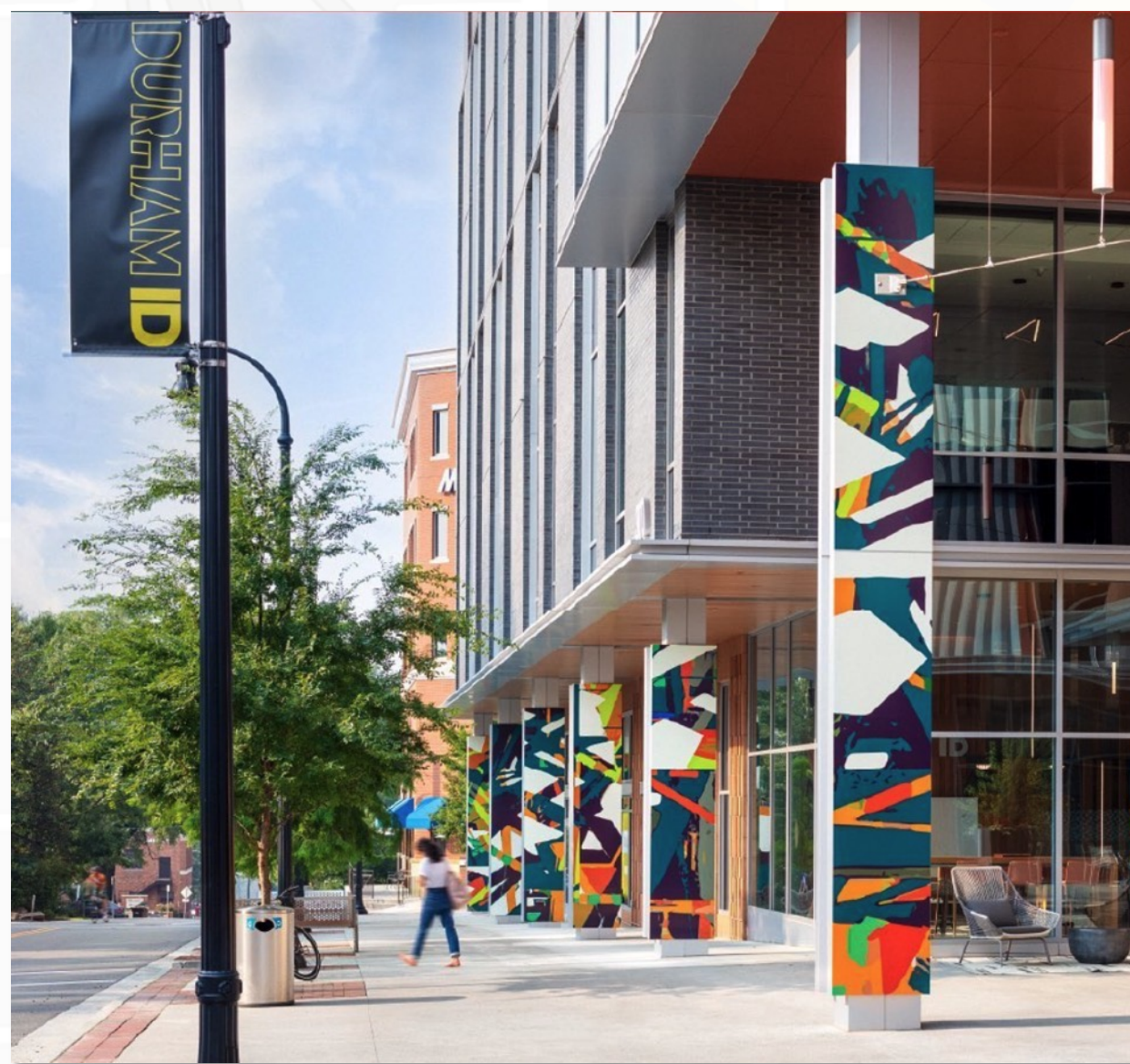
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# Our Sponsors



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**DURHAM ID**  
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the **360** approach

**D** THE DURHAM HOTEL



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# Our Partners



CITY OF  
**DURHAM**



**DURHAM**  
**COUNTY**

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DURHAM

# Partners in Progress



## PLATINUM PARTNERS

DURHAM ID

**DURHAM**  
MAGAZINE

**555**  
MANGUM

  
VAN ALEN  
SIGNATURE APARTMENTS



NORTHWOOD RAVIN

*Downtown*  
**Google**  
DURHAM

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**Perkins&Will**



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# Partners in Progress



## GOLD PARTNERS



**APG**  
ADVISORS



**BARNHILL  
CONTRACTING  
COMPANY**

**BURT'S BEES®**  
TRUE TO NATURE™

**Cherry  
Bekaert** <sup>LLP</sup>

**CLANCY  
&THEYS**  
CONSTRUCTION COMPANY



THE DANIELE COMPANY



**Duke**  
UNIVERSITY

KENNON CRAVER  
<sup>plc</sup>

*Downtown*  
**Kimley»Horn**  
Expect More. Experience Better.

**LRC**  
PROPERTIES

**McDonaldYork**  
Building Company

**WEXFORD**  
SCIENCE+TECHNOLOGY

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# Partners in Progress



## SILVER PARTNERS

**AKRIDGE**  
*Invested.*

**THE BANKS**  
**LAW FIRM** P.A.

CENTER  
STUDIO  
ARCHITECTURE

SINCE 1952  
**CT WILSON**  
CONSTRUCTION  
*North Carolina's Trusted Builder*

**DUDA | PAINE**  
ARCHITECTS

**east west** partners

**ENO**  
VENTURES

  
**FOSTER**  
ON THE PARK

**M&F Bank**

**Pinnacle**  
FINANCIAL PARTNERS

 **PNC**

**RH** **RIGGS**  
**HARROD**  
**BUILDERS**  
**INC.**  
*General Contractors*

**SKANSKA**

**LYNN & DOUGLAS**  
**SOLOMON**

**SOMERSET**  
**PARTNERS**

 **Stewart, Martin & McCoy**  
Appraisal | Brokerage | Consulting

**URBAN**  
**DURHAM**  
**REALTY**

the 

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# Partners in Progress



## BRONZE PARTNERS

- Alliance Architecture
- Coral Construction & Design
- DHIC
- The Durham Hotel
- The Francis Family
- The Institute
- Lennox & Grae
- Maverick Partners
- MHAworks
- NetApp
- SVN | Real Estate Associates
- Talbert Building Supply



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# Keynote: Tracy Hadden Loh



## **TRACY HADDEN LOH**

Fellow – Brookings Metro,  
Anne T. and Robert M. Bass Center  
for Transformative Placemaking

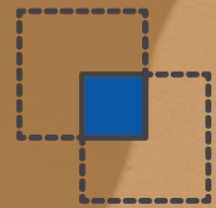
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# Why downtowns matter

## VIBRANT, INCLUSIVE, CONNECTED



ANNE T. AND ROBERT M. BASS CENTER FOR  
**TRANSFORMATIVE PLACEMAKING**

Tracy Hadden Loh  
2022 State of Downtown Durham  
June 15, 2022



# **Our Mission:**

**The Anne T. and Robert M. Bass Center for Transformative Placemaking** inspires public, private, and civic sector leaders to make transformative place investments that generate widespread social and economic benefits.



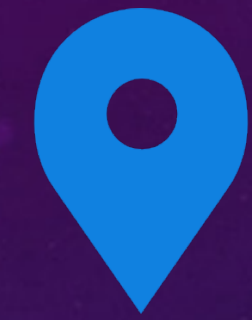


# Why transformative placemaking?

- 📍 **New technologies, demographic trends, and economic shifts are altering needs and demands for place**
- 📍 **These trends have yielded positive impacts but are failing to benefit many people and places**
- 📍 **Communities need to invest in transformative, place-based solutions**







**NEW TECHNOLOGIES, DEMOGRAPHIC  
TRENDS, AND ECONOMIC SHIFTS ARE  
ALTERING NEEDS AND DEMANDS FOR  
PLACE**





# The relationship between place and economy is constantly evolving





# Multiple forces combine to create emergent patterns

Concentration

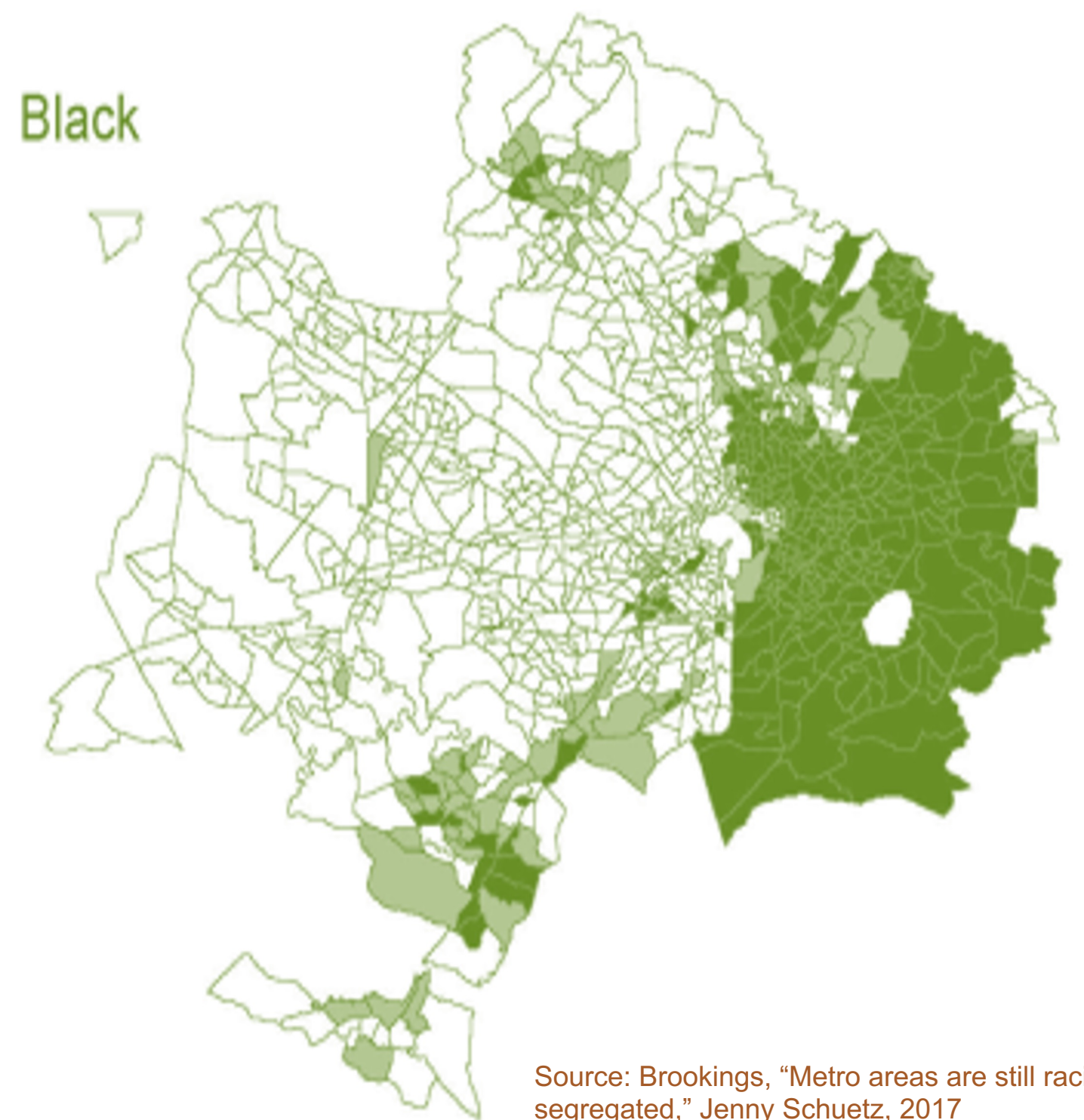


Dispersion



Segregation

Black



Source: Brookings, "Metro areas are still racially segregated," Jenny Schuetz, 2017





# The digital revolution is impacting growth and development

Collaborative



Online



Flexible





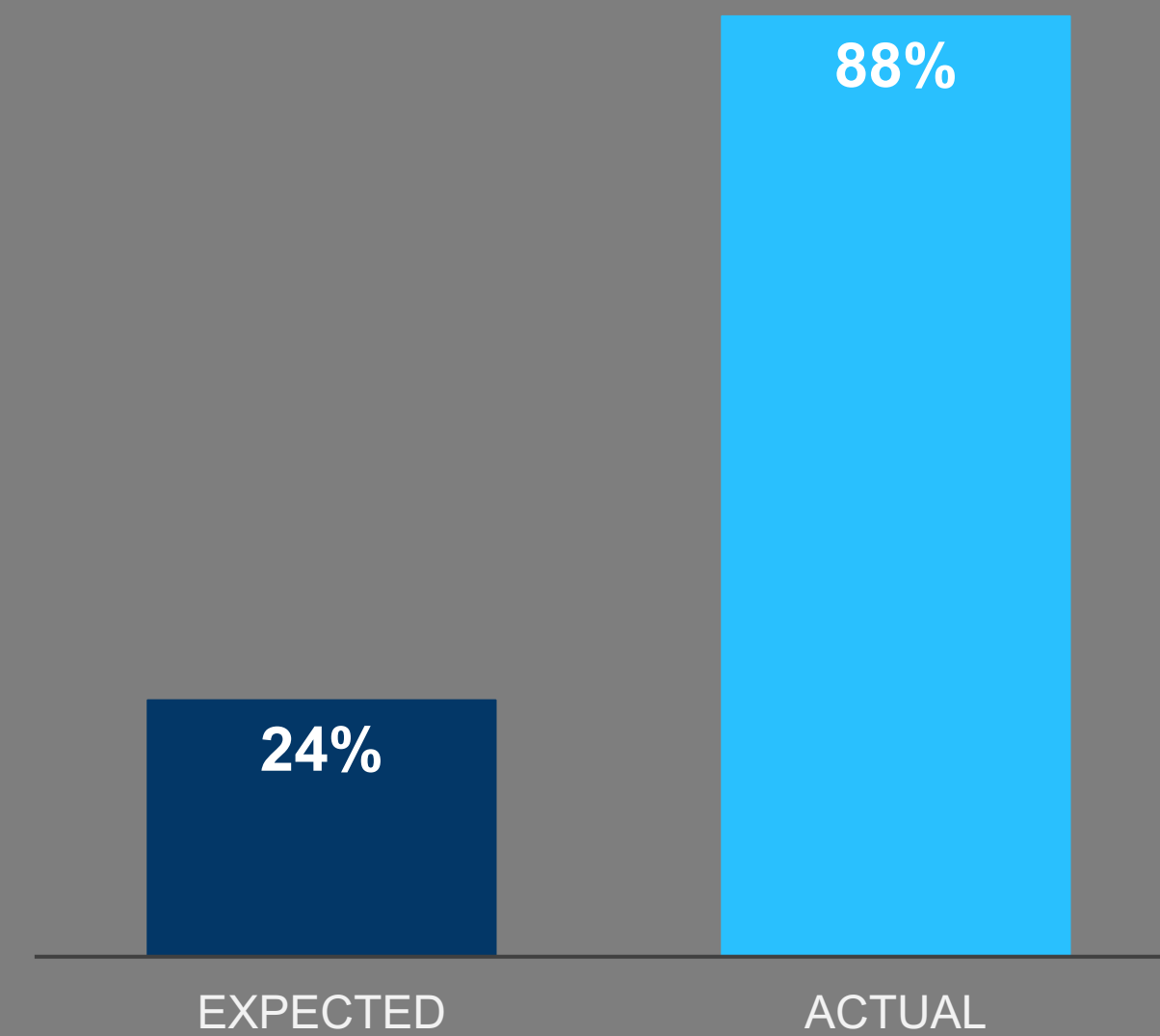
# The digital revolution is impacting growth and development

Collaborative

Online

Flexible

Expected vs. actual change in job density around jobs in information sector, 2004 - 2018



Source: Brookings analysis of Census LEHD Origin-Destination Employment Statistics

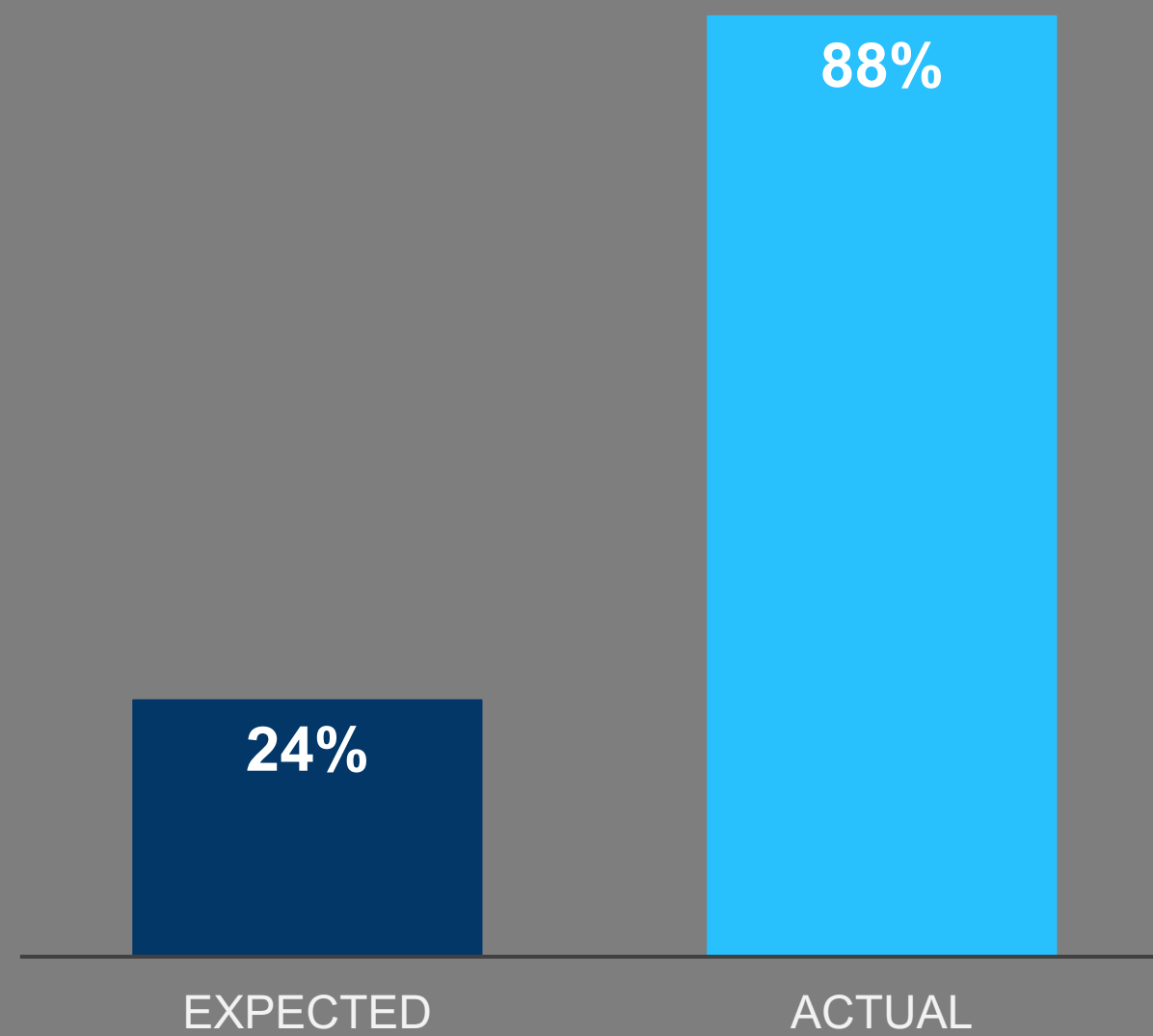




# The digital revolution is impacting growth and development

## Collaborative

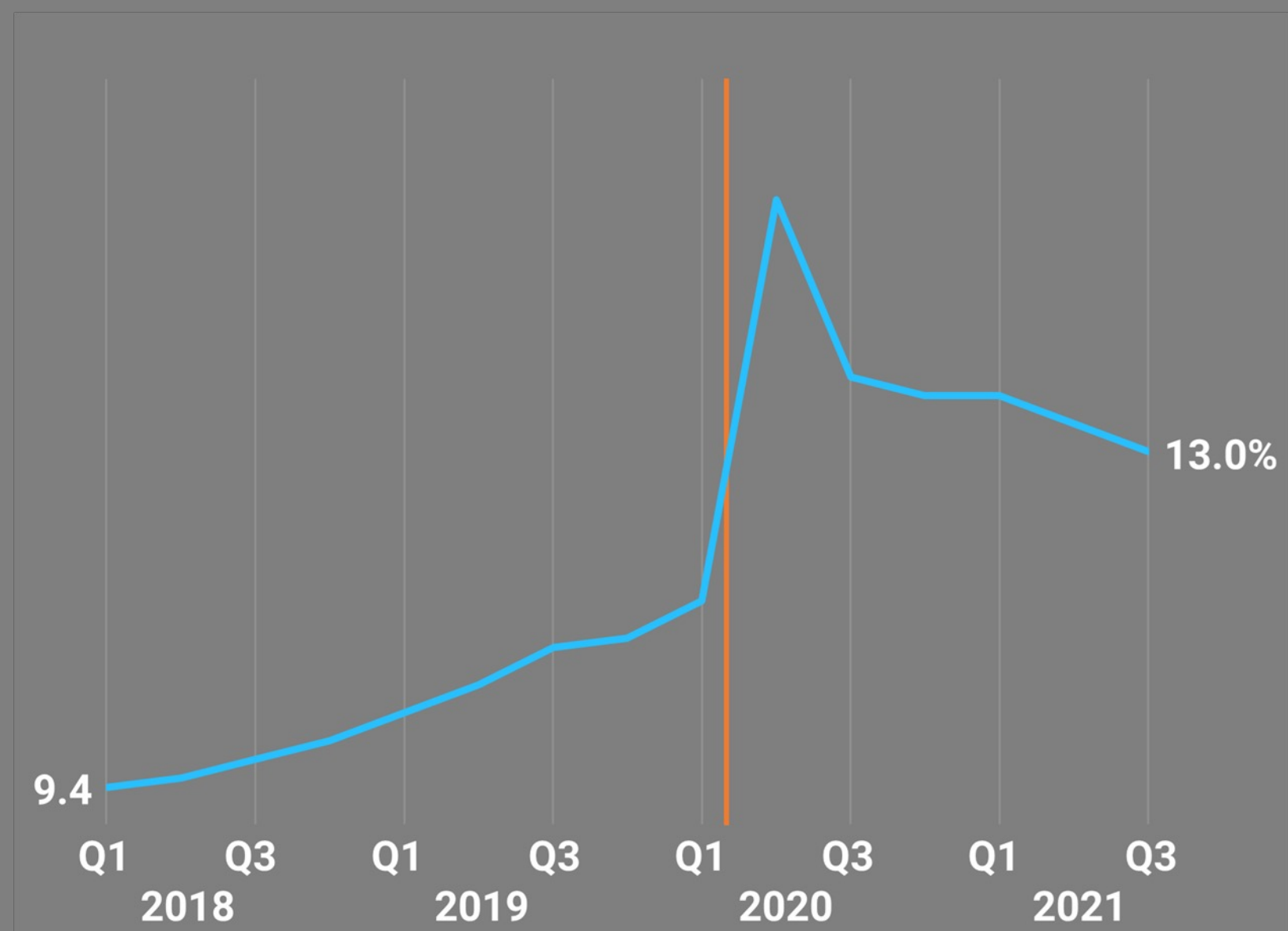
Expected vs. actual change in job density around jobs in information sector, 2004 - 2018



Source: Brookings analysis of Census LEHD Origin-Destination Employment Statistics

## Online

E-commerce retail sales as a percent of total sales, 1999 - 2021



Source: Brookings analysis of U.S. BLS Data via FRED

## Flexible

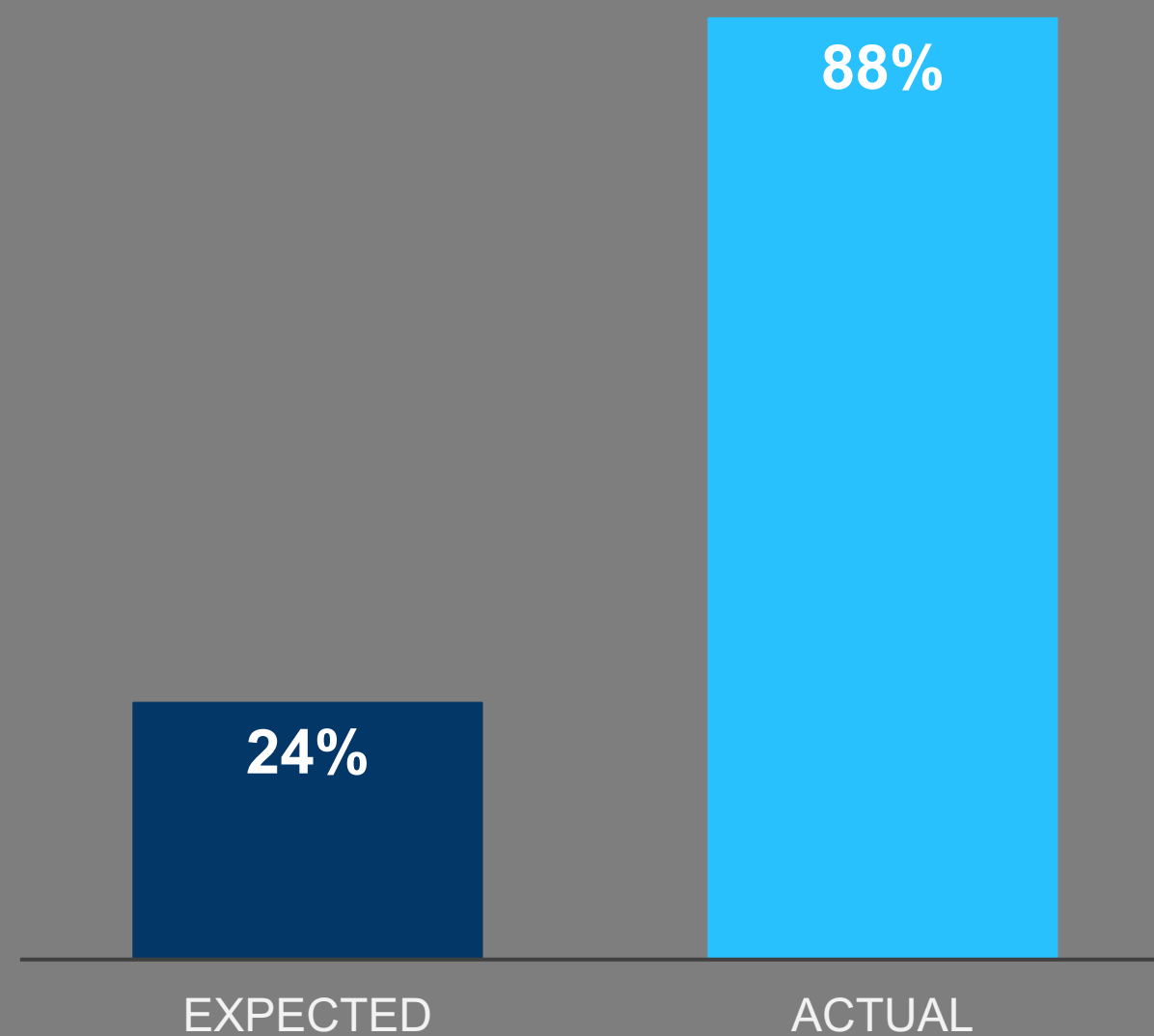




# The digital revolution is impacting growth and development

## Collaborative

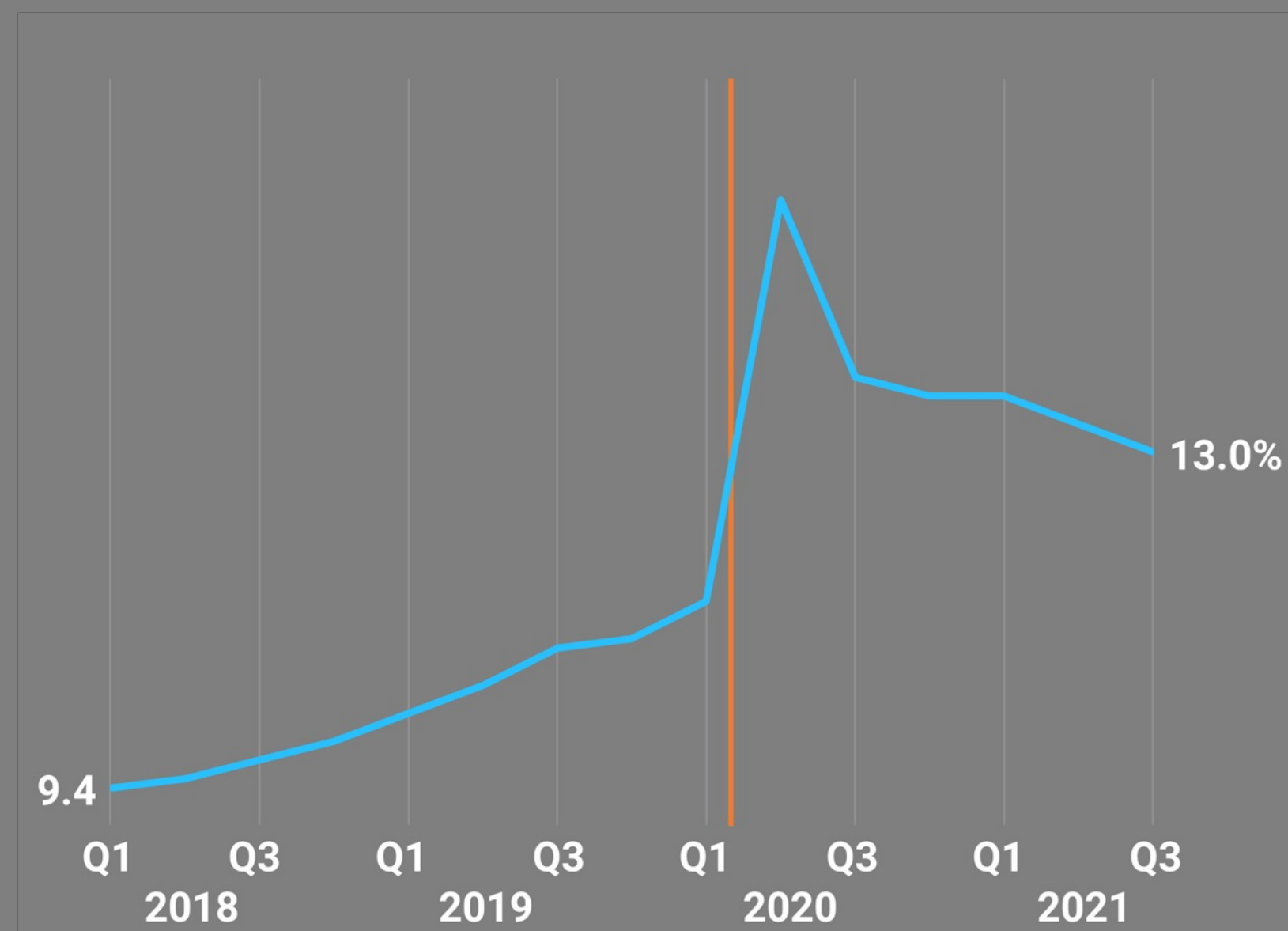
Expected vs. actual change in job density around jobs in information sector, 2004 - 2018



Source: Brookings analysis of Census LEHD Origin-Destination Employment Statistics

## Online

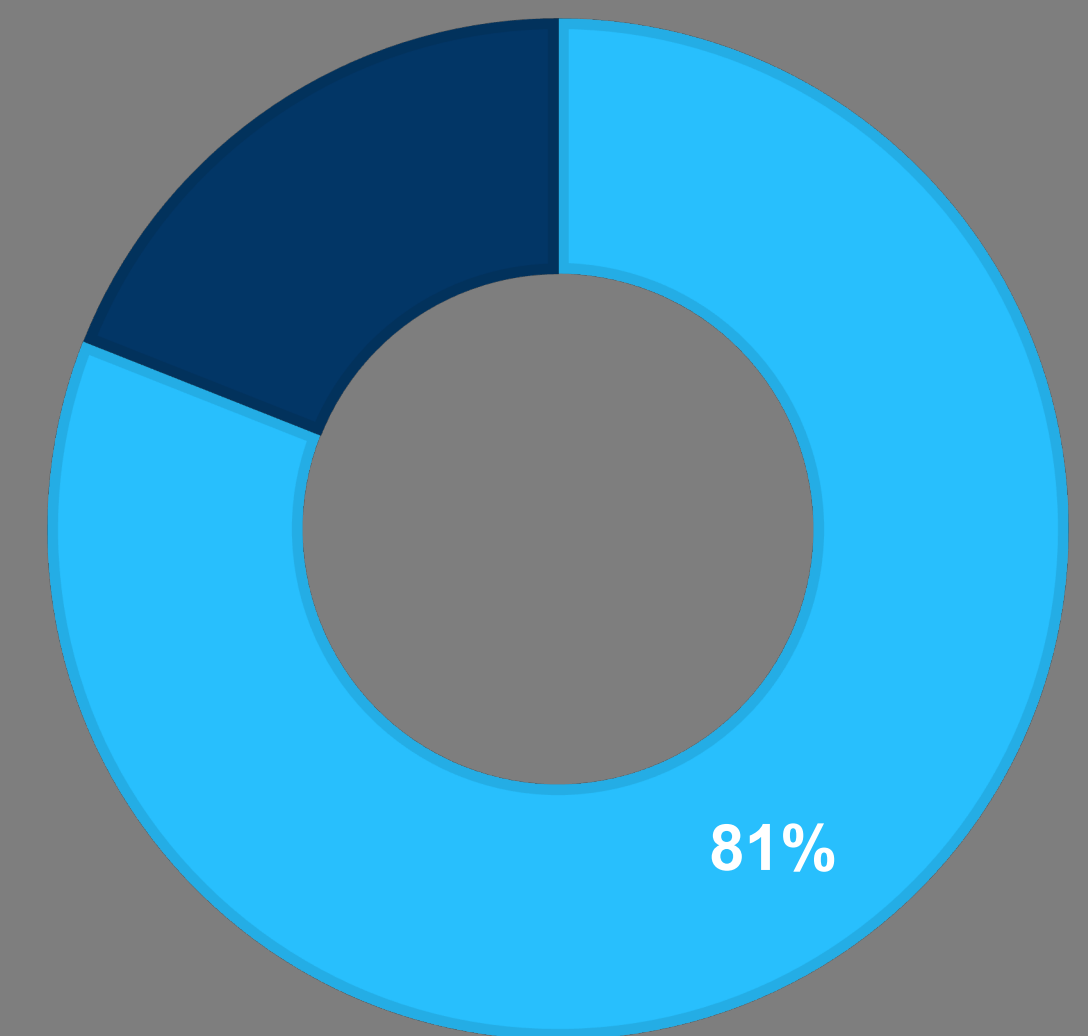
E-commerce retail sales as a percent of total sales, 1999 - 2021



Source: Brookings analysis of U.S. BLS Data via FRED

## Flexible

Share of professionals who prefer WFH or a hybrid work model, 2021

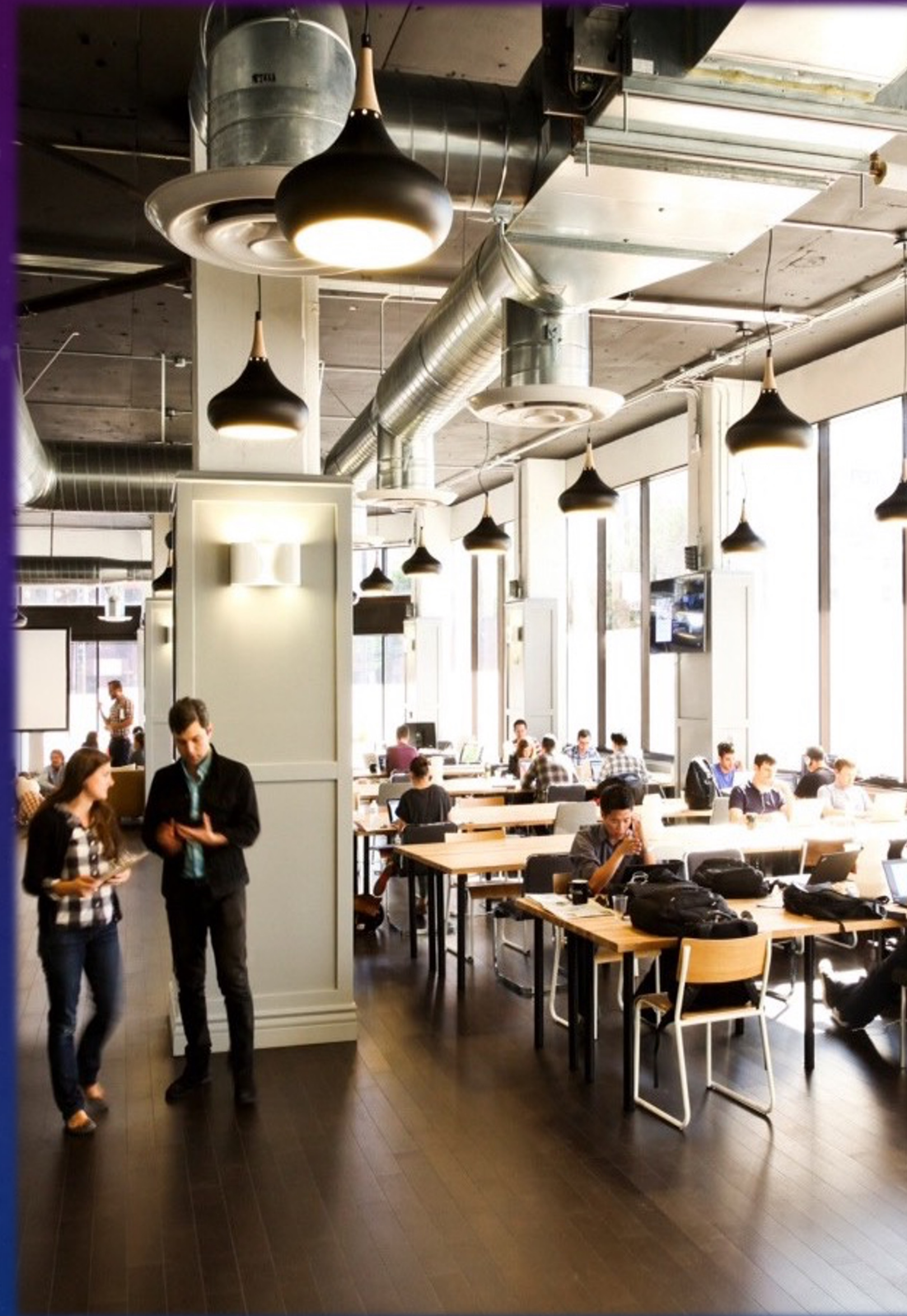


Source: The Harvard Gazette, Is 'business as usual' gone for good?





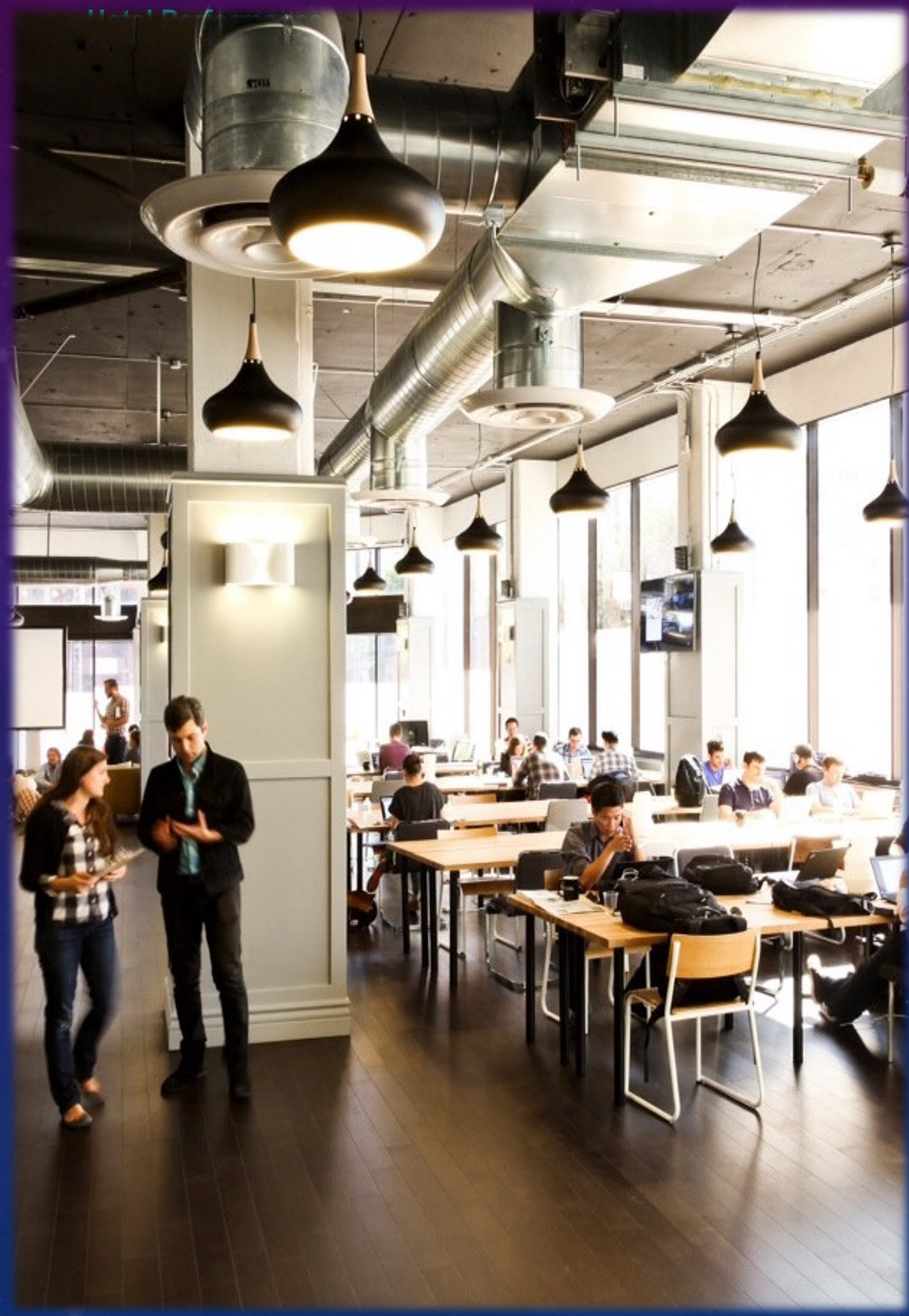
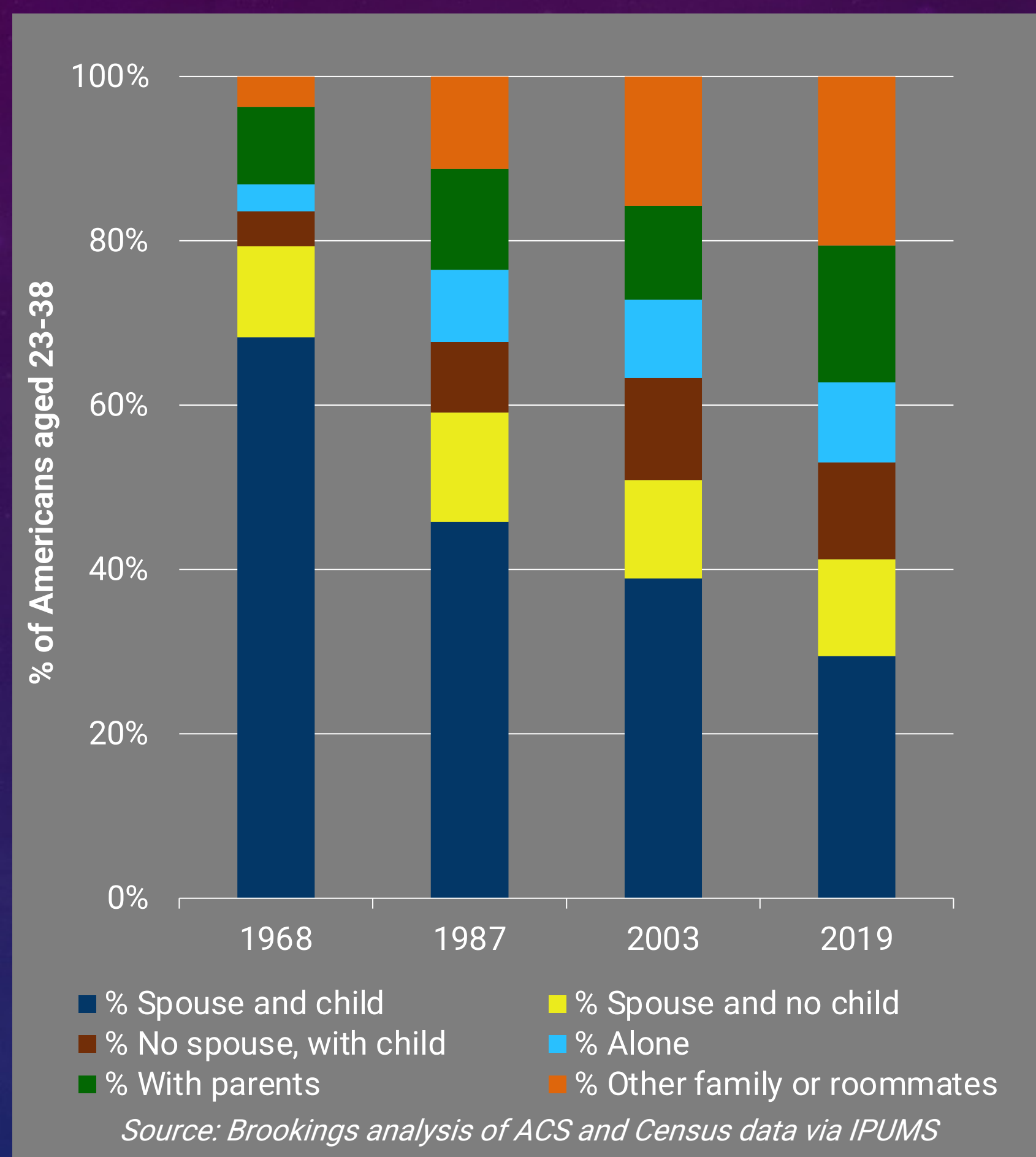
Our demographic revolution is driving new demands for where people live, work and play





# Our demographic revolution is driving new demands for where people live, work and play

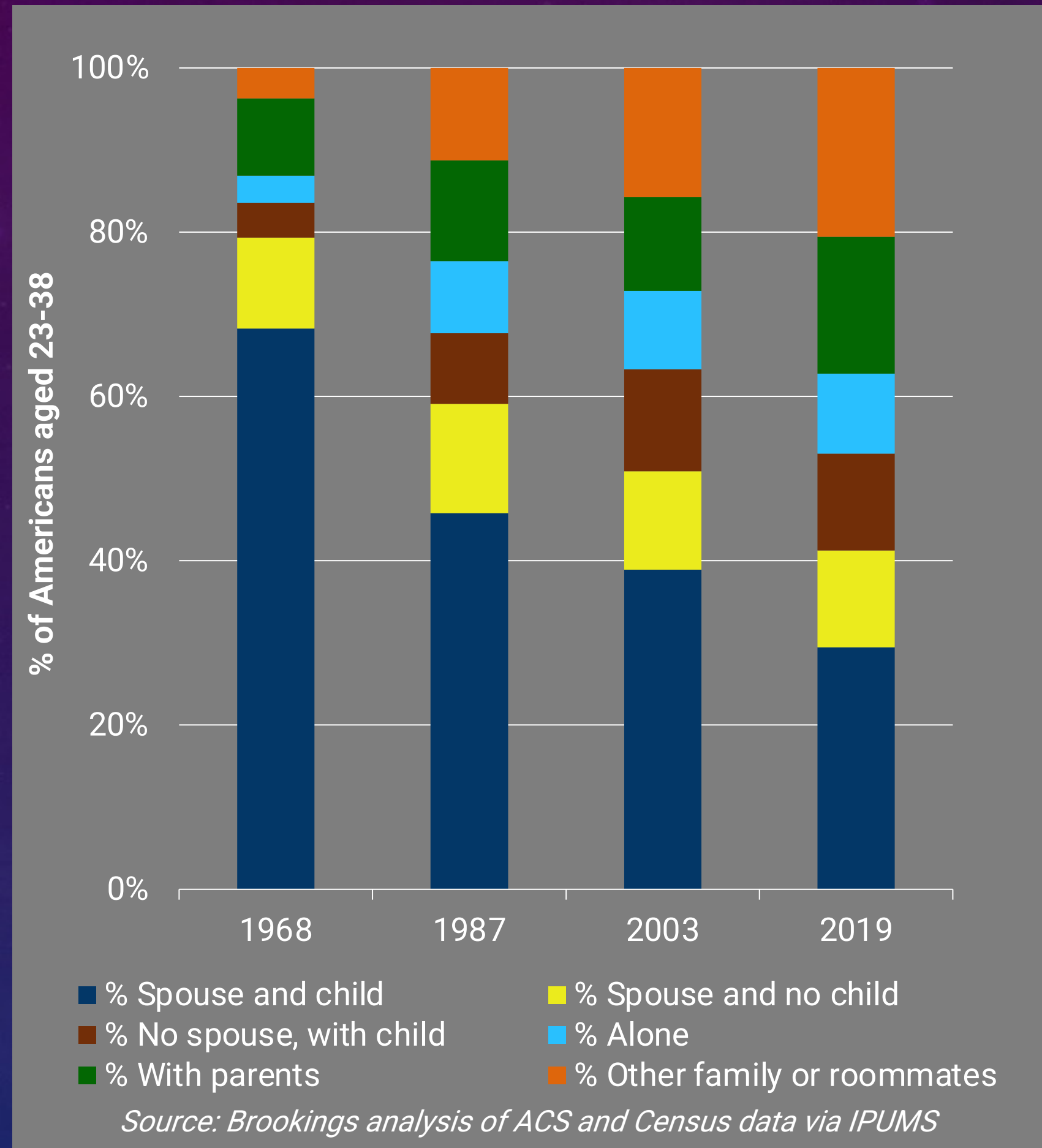
Household Type



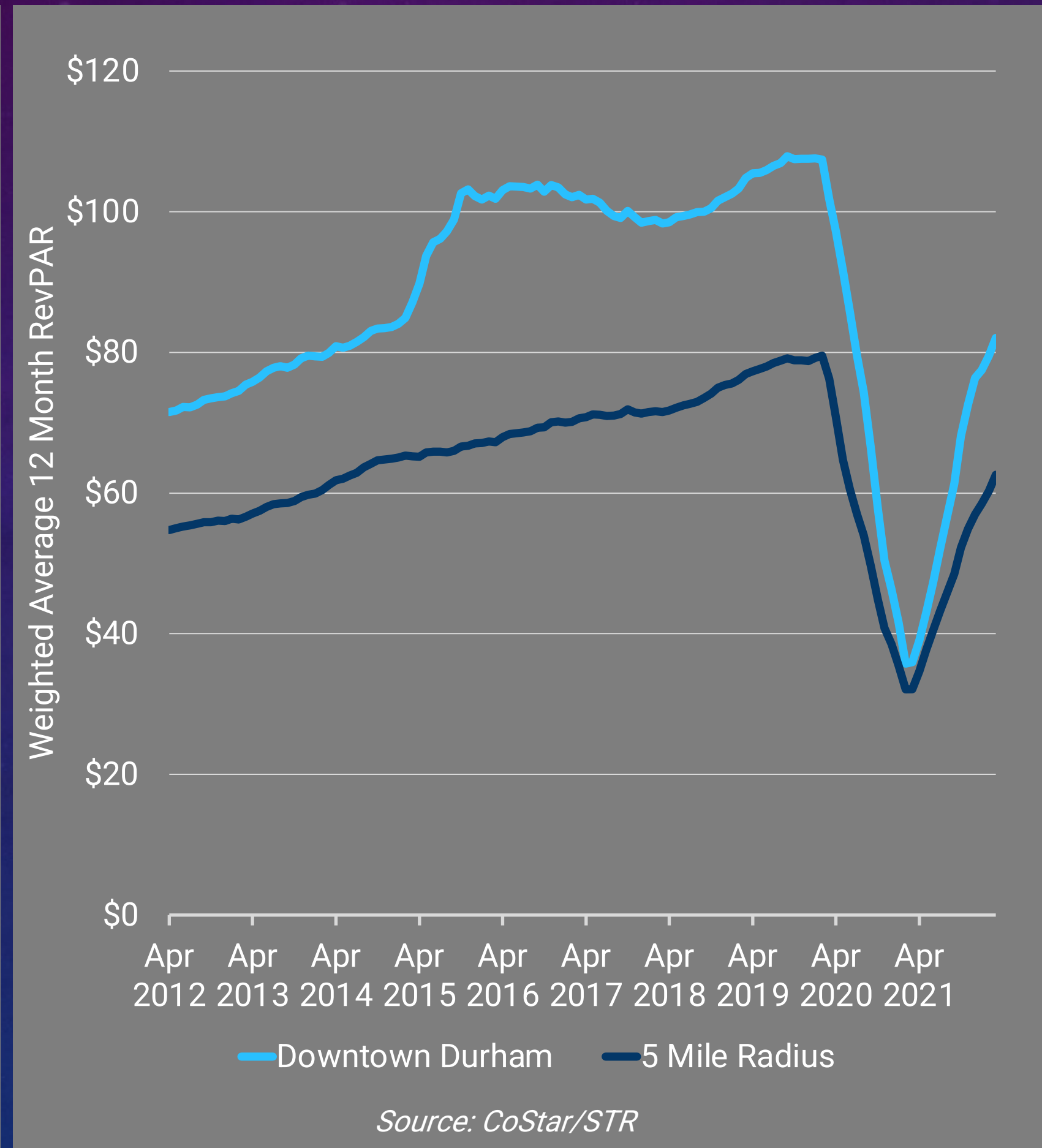


# Our demographic revolution is driving new demands for where people live, work and play

Household Type



Hotel Performance



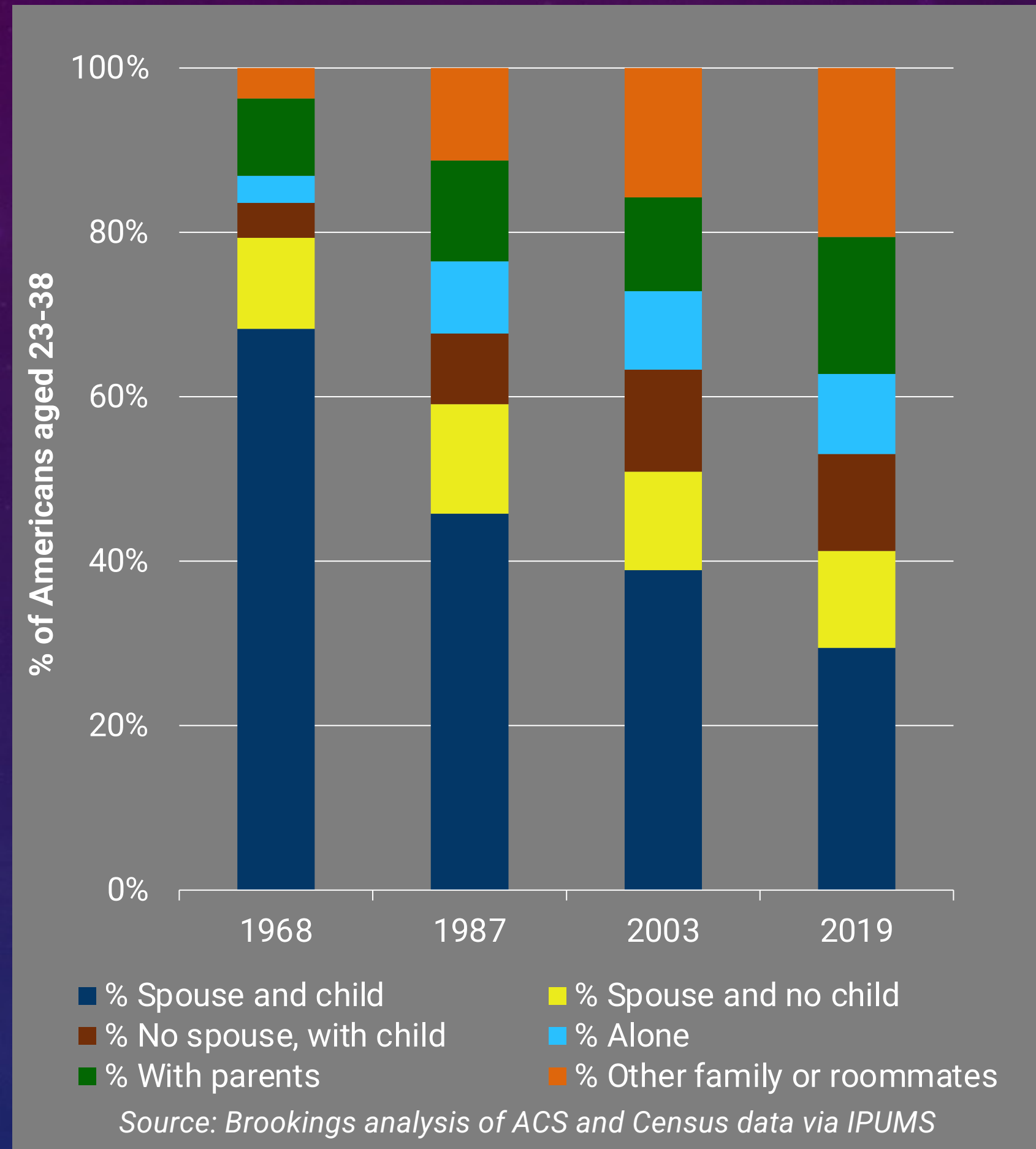
Experiences vs. Things



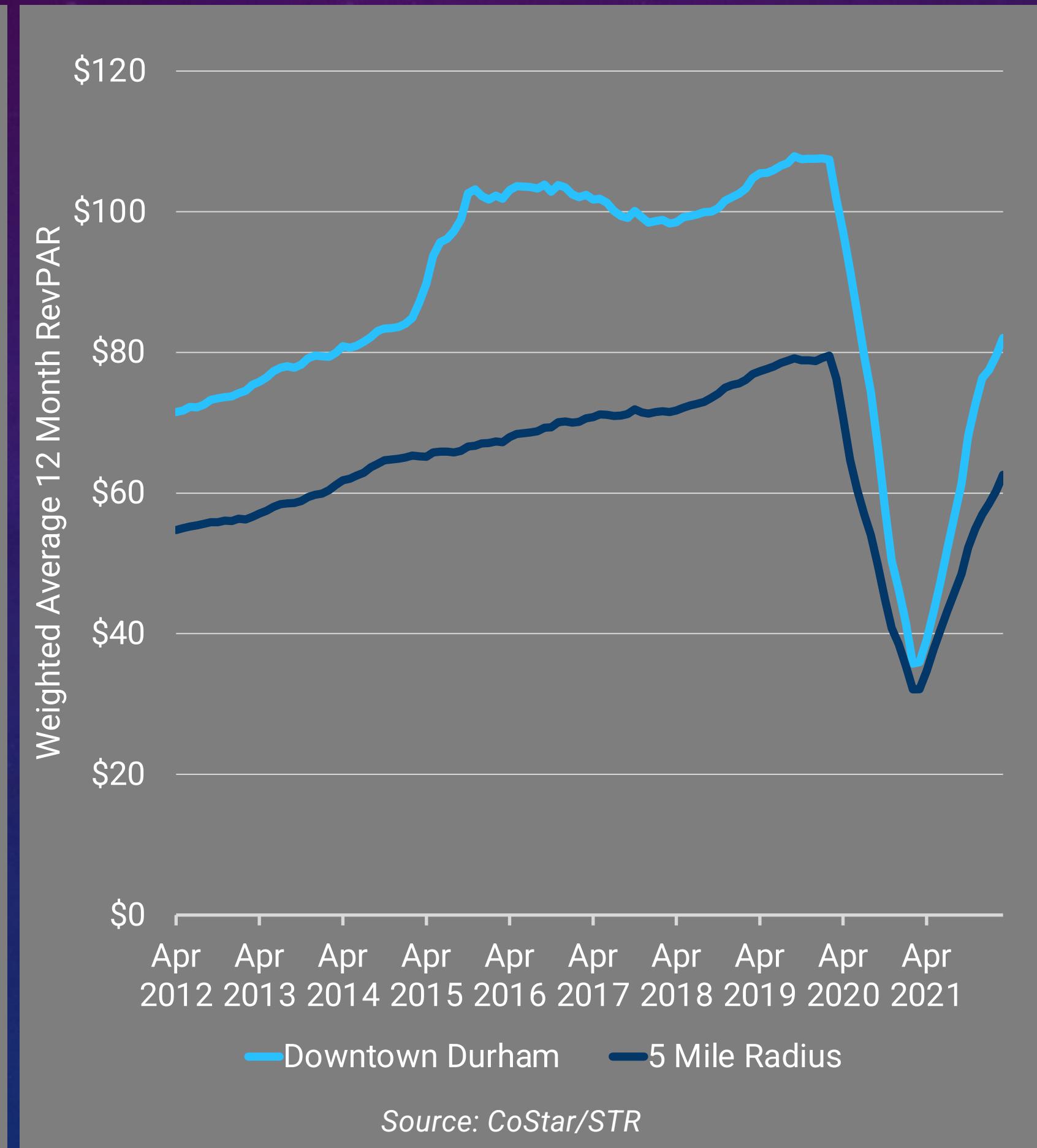


# Our demographic revolution is driving new demands for where people live, work and play

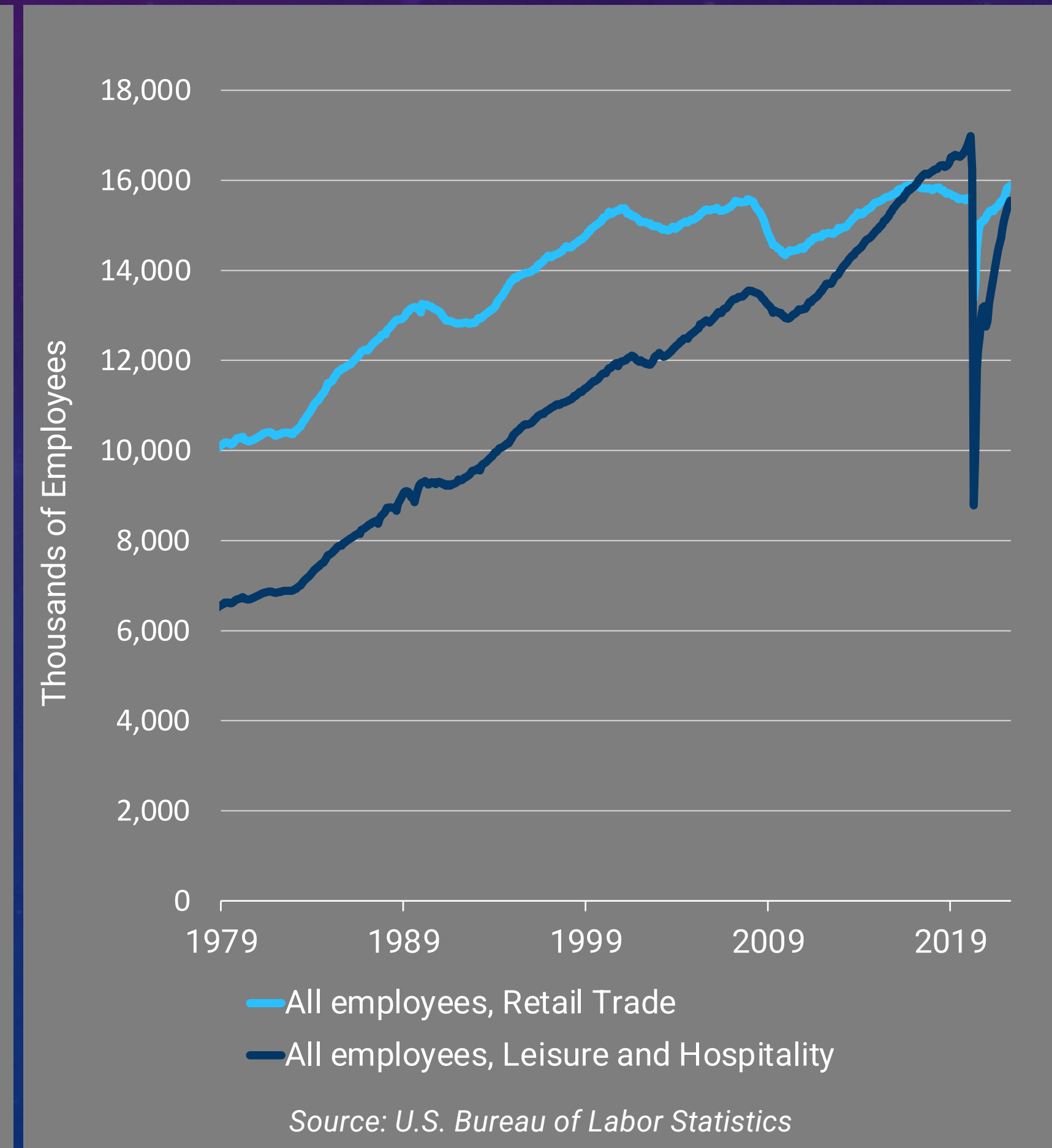
Household Type



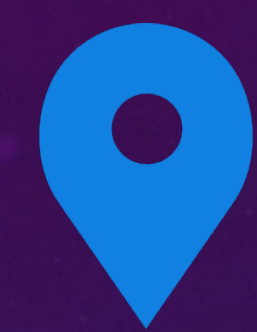
Hotel Performance



Experiences vs. Things







**THESE TRENDS ARE YIELDING POSITIVE  
IMPACTS... BUT ARE FAILING TO BENEFIT  
MANY PEOPLE AND PLACES**

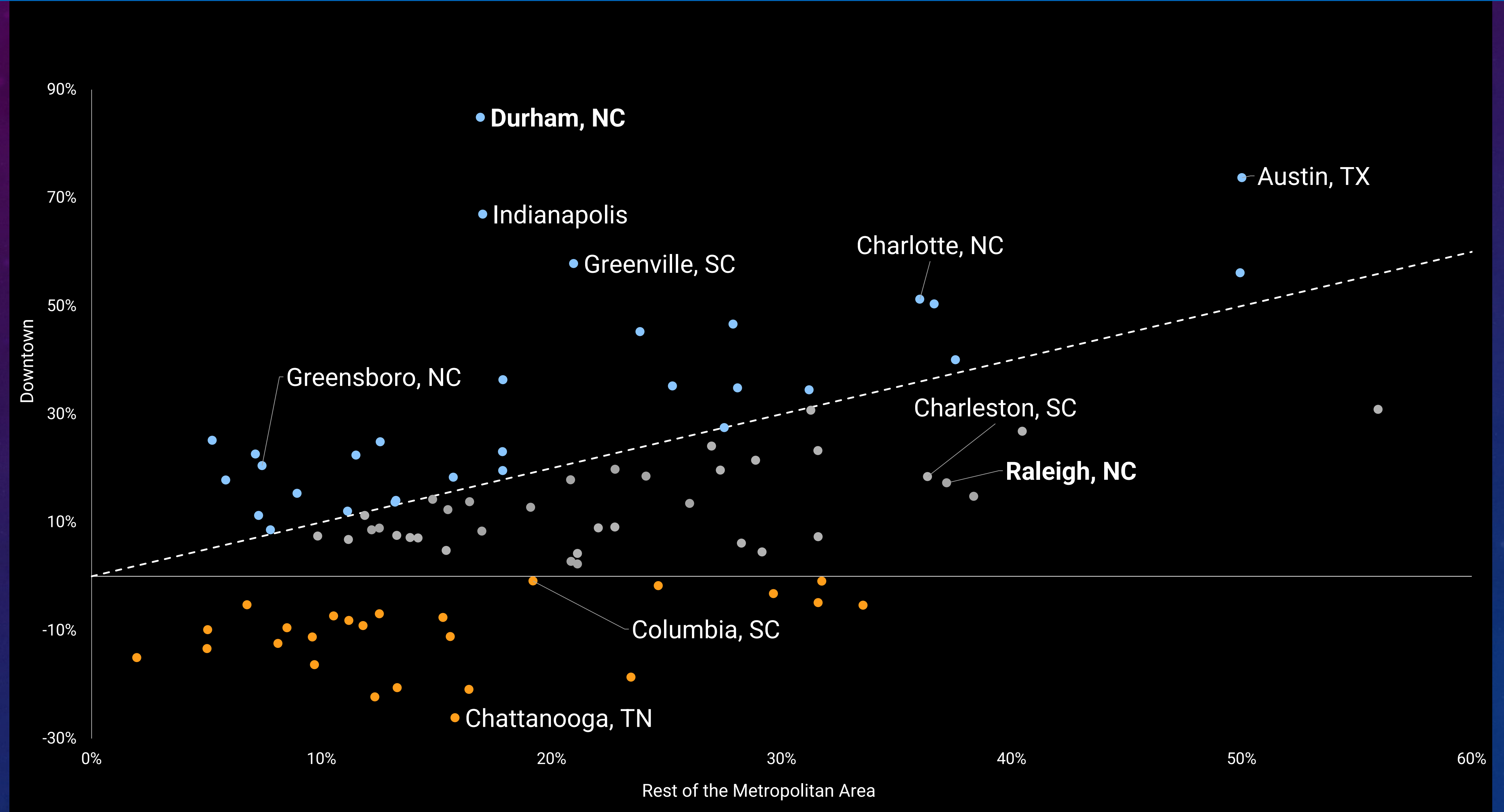




# Durham has been a leader in concentrating job growth downtown

Change in jobs in downtowns and their regions

From 2010 to 2018, 93 largest metro areas



Source: Brookings analysis of Census Bureau LEHD data

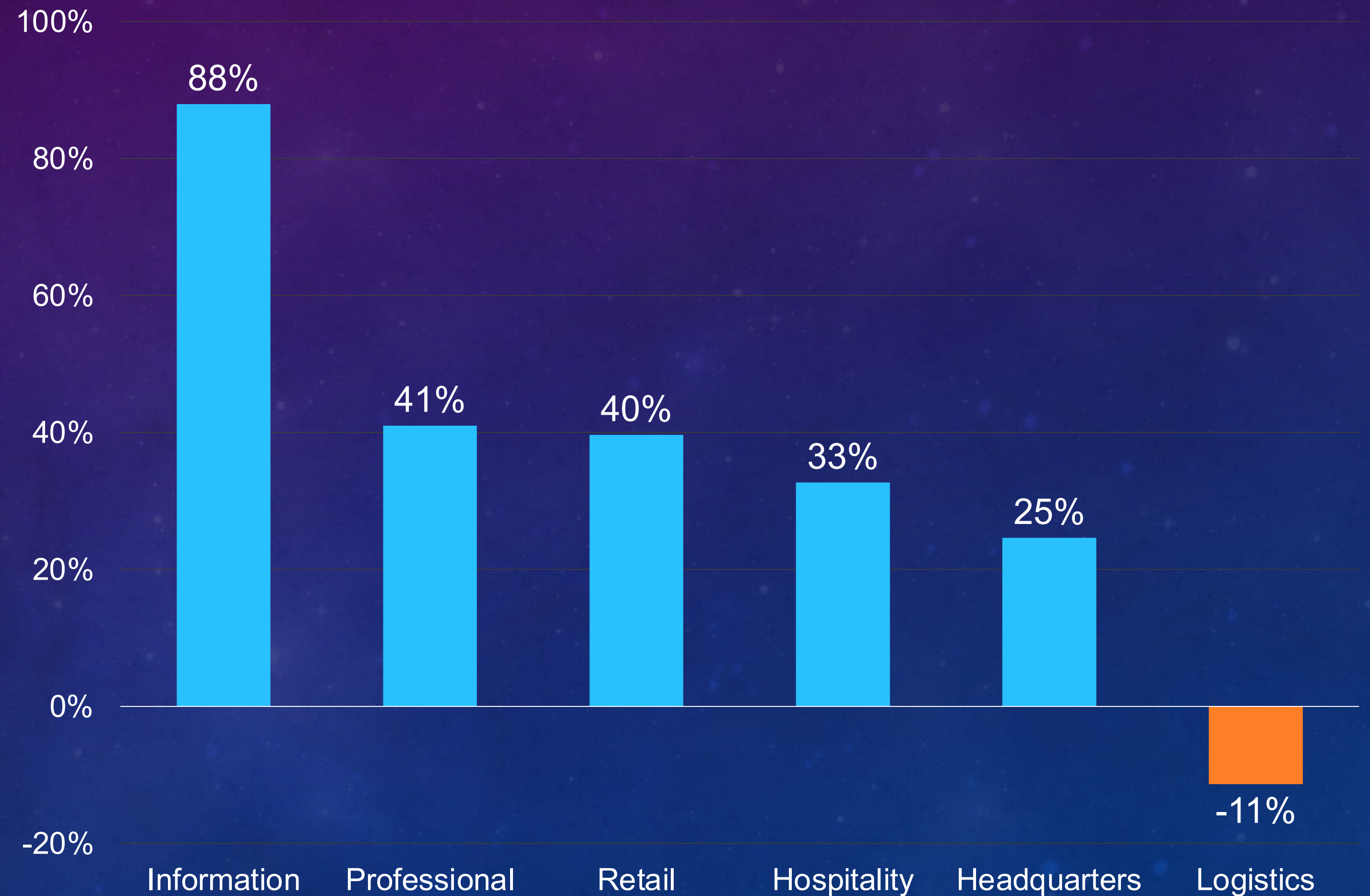




# Demand for density is increasing

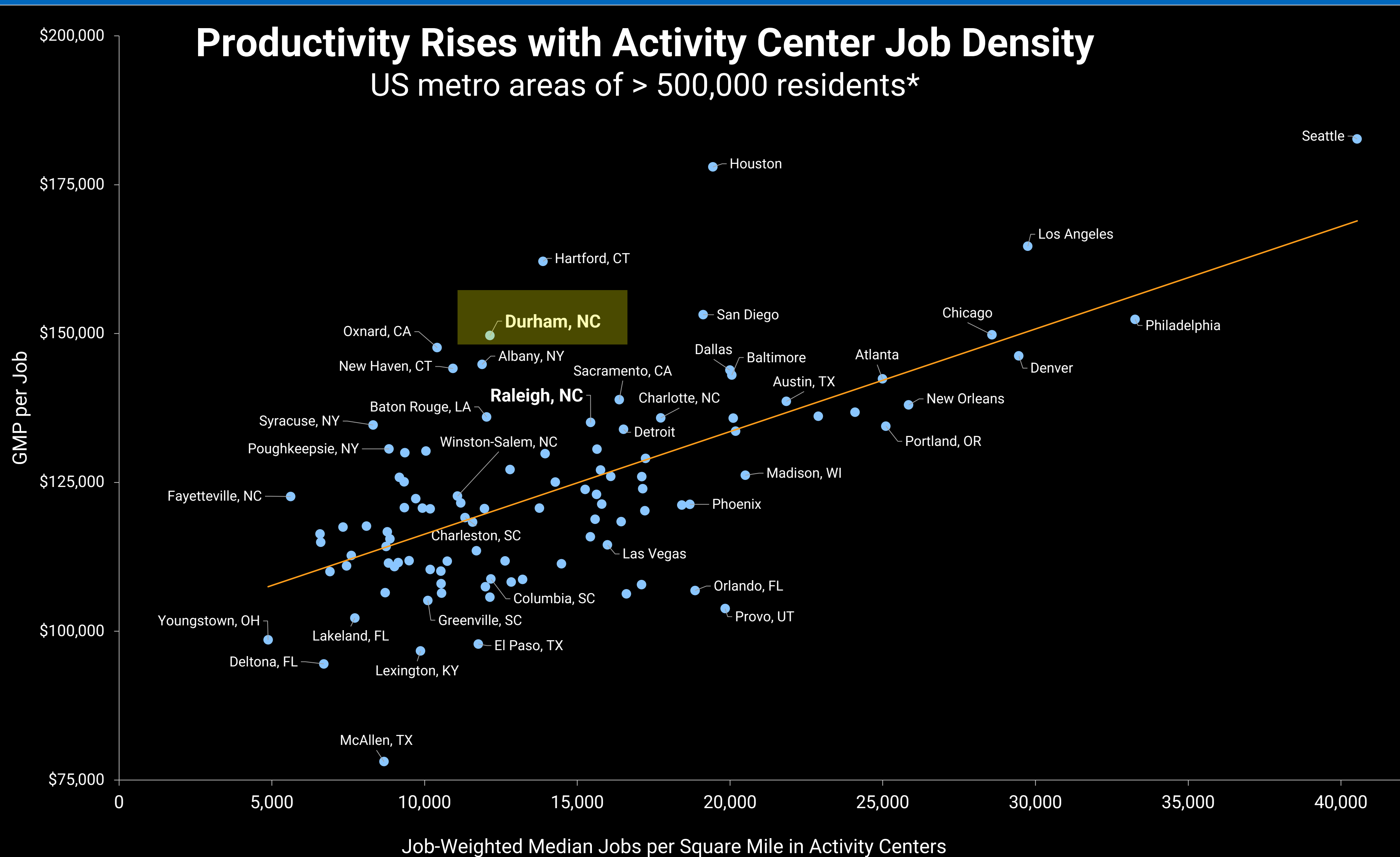
The information sector,  
particularly, is demanding  
**density and proximity**

Change in job density around jobs by sector  
2004-2018





# Job density = Better economic performance



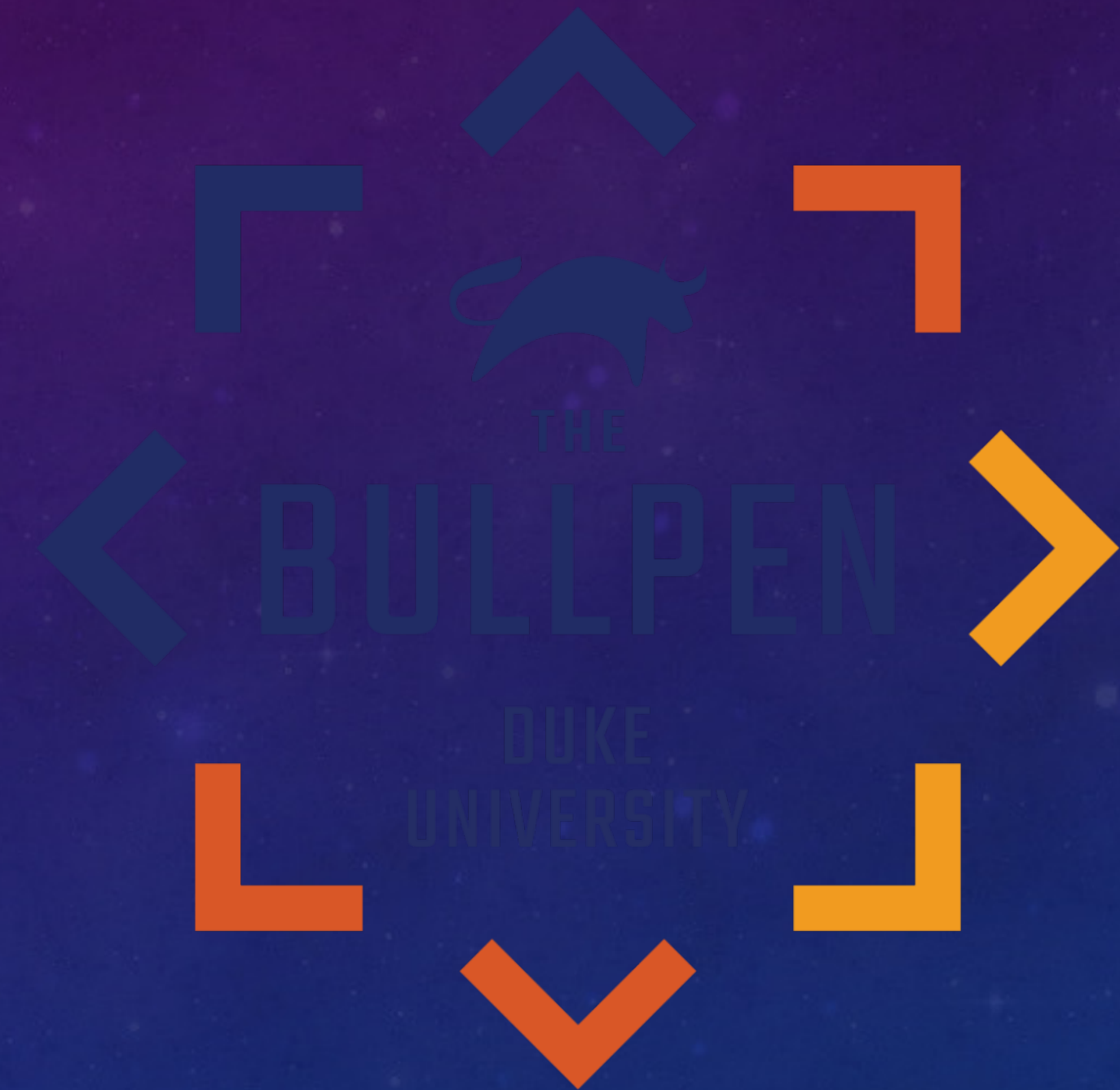
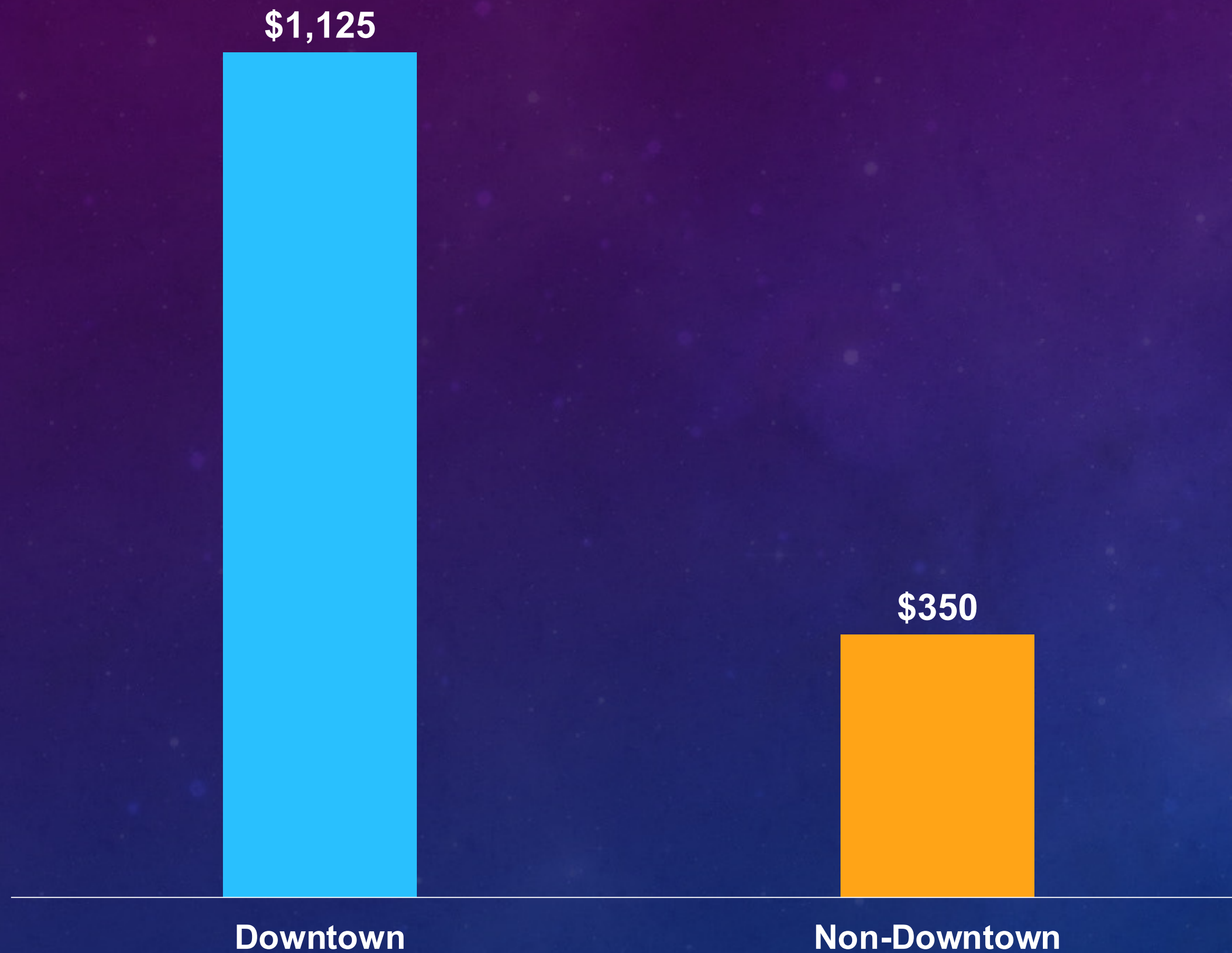
\* Excluding New York, Washington, Boston, San Francisco, San Jose (CA), Honolulu, and Bridgeport (CT)  
Source: Brookings analysis of 2019 ESMI Estimates and 2018 Longitudinal Employer-Household Dynamics data





# Dense location = Greater innovation

Gross licensing income per student,  
2013-2015



**Downtown** universities:

- disclose **123%** more inventions
- create **71%** more startups





# Walkability = Rent premiums (and social, health, environmental benefits)

Multi-family rental

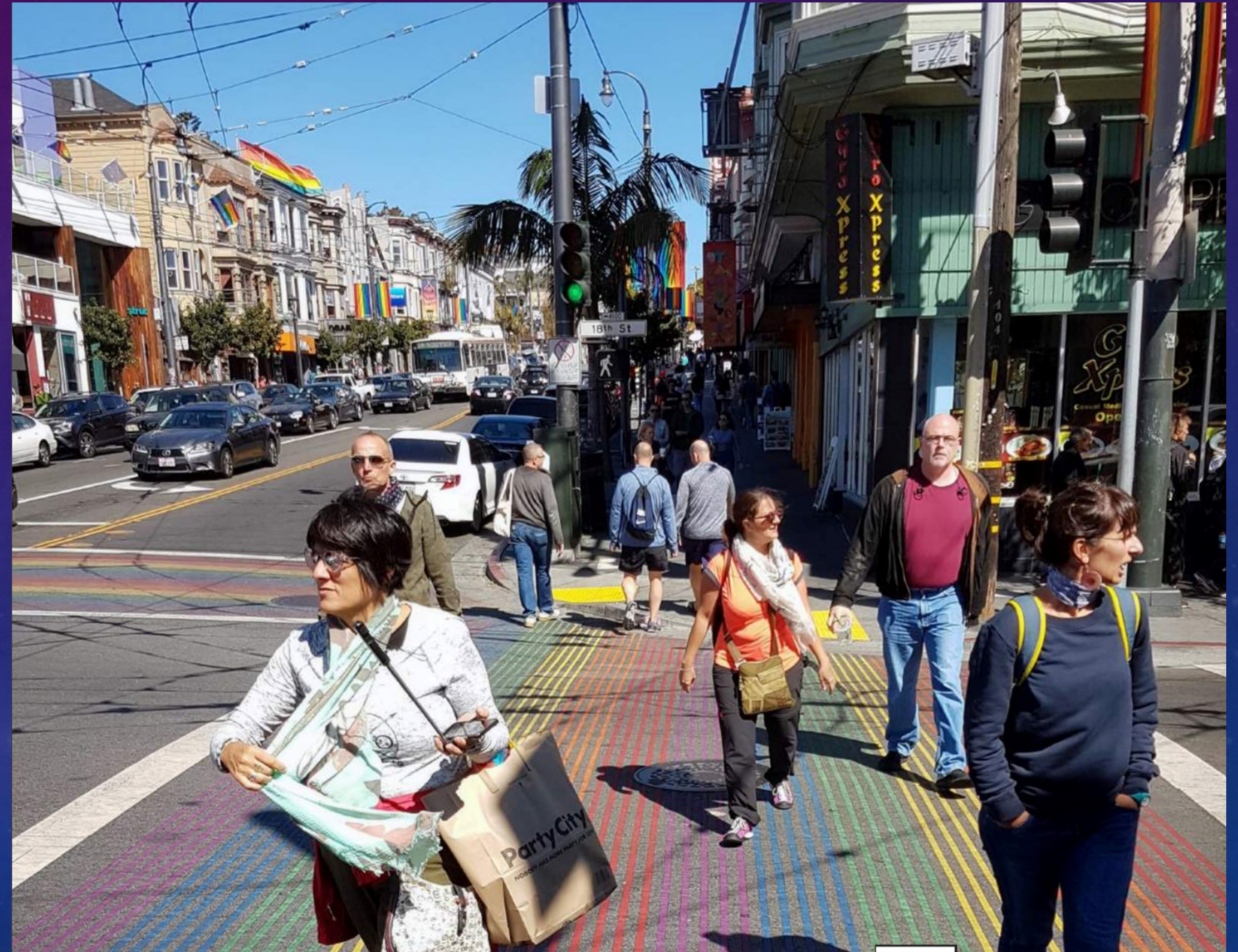
61%

Retail

121%

Office

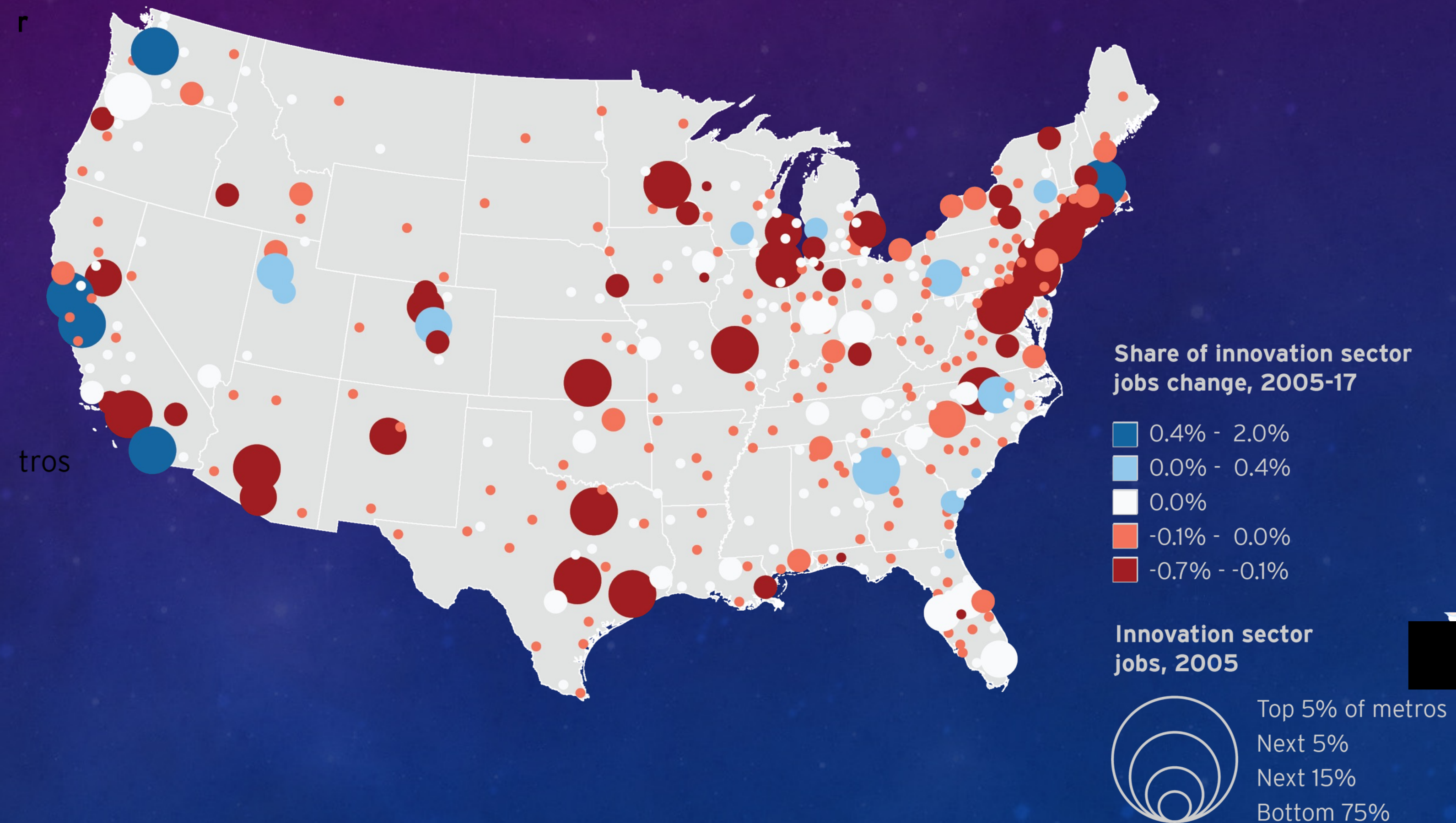
105%





# The knowledge economy is rewarding large places

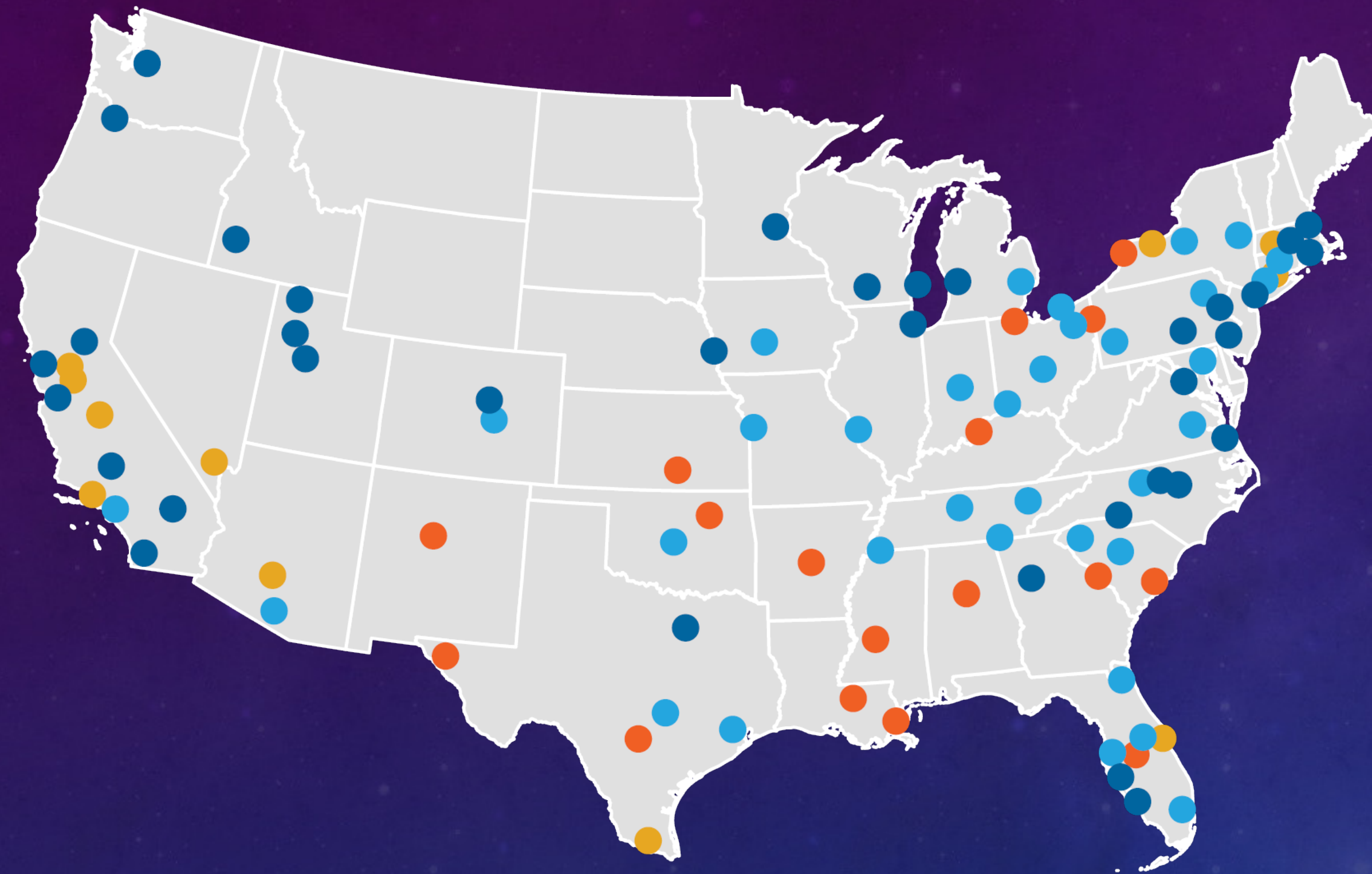
Since 2005, just 5  
“superstar” metro areas  
accounted for 90% of all US  
job growth in innovation  
sector





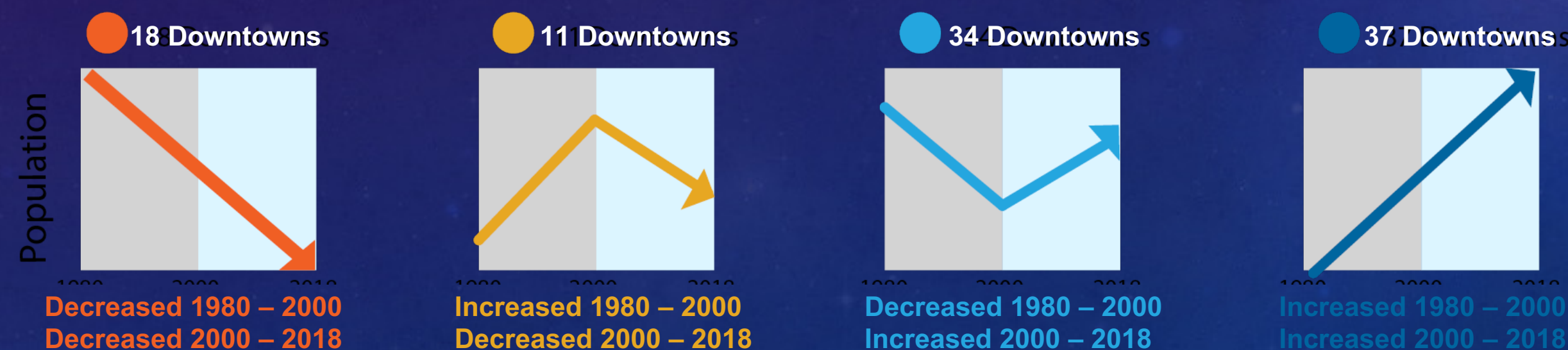
# But not necessarily their cores

Downtown population growth, 1980 to 2018, 100 metropolitan areas



In metros across the country,  
**growth is concentrating  
downtown**

But big city downtowns on the  
coasts (and select downtowns  
in the Midwest and South) are  
experiencing the most growth.





# OUR CURRENT SYSTEMS ARE TOO SILOED TO ADDRESS KEY CHALLENGES

**Economic development** often lacks a focus on place, placemaking, and (far too often) racial equity.



**Land use planning** often lacks a focus on racial equity, economic, and community development.

**Community development** often lacks a focus on economic development.

**Traditional placemaking** is limited in scope and scale.





# COMMUNITIES NEED TO INVEST IN TRANSFORMATIVE, PLACE-BASED SOLUTIONS





# Transformative placemaking requires **new** ...



**Knowledge**



**Policies &  
investment  
strategies**



**Practices  
& tools**





# What does transformative placemaking mean downtown?

- **MEASURES OF STRENGTH:** JOB MARKET SHARE TRENDS; PROPERTY VALUATIONS/FISCAL PRODUCTIVITY.
- **Measures of inclusion:** Demographics of ownership of residential and commercial property downtown; Demographics of downtown population relative to the city as a whole; Land use mix; Price-points for rent and amenities downtown relative to city as a whole; Access shed to downtown by walking, biking, transit, and car; and governance structures downtown





# What does transformative placemaking mean downtown?

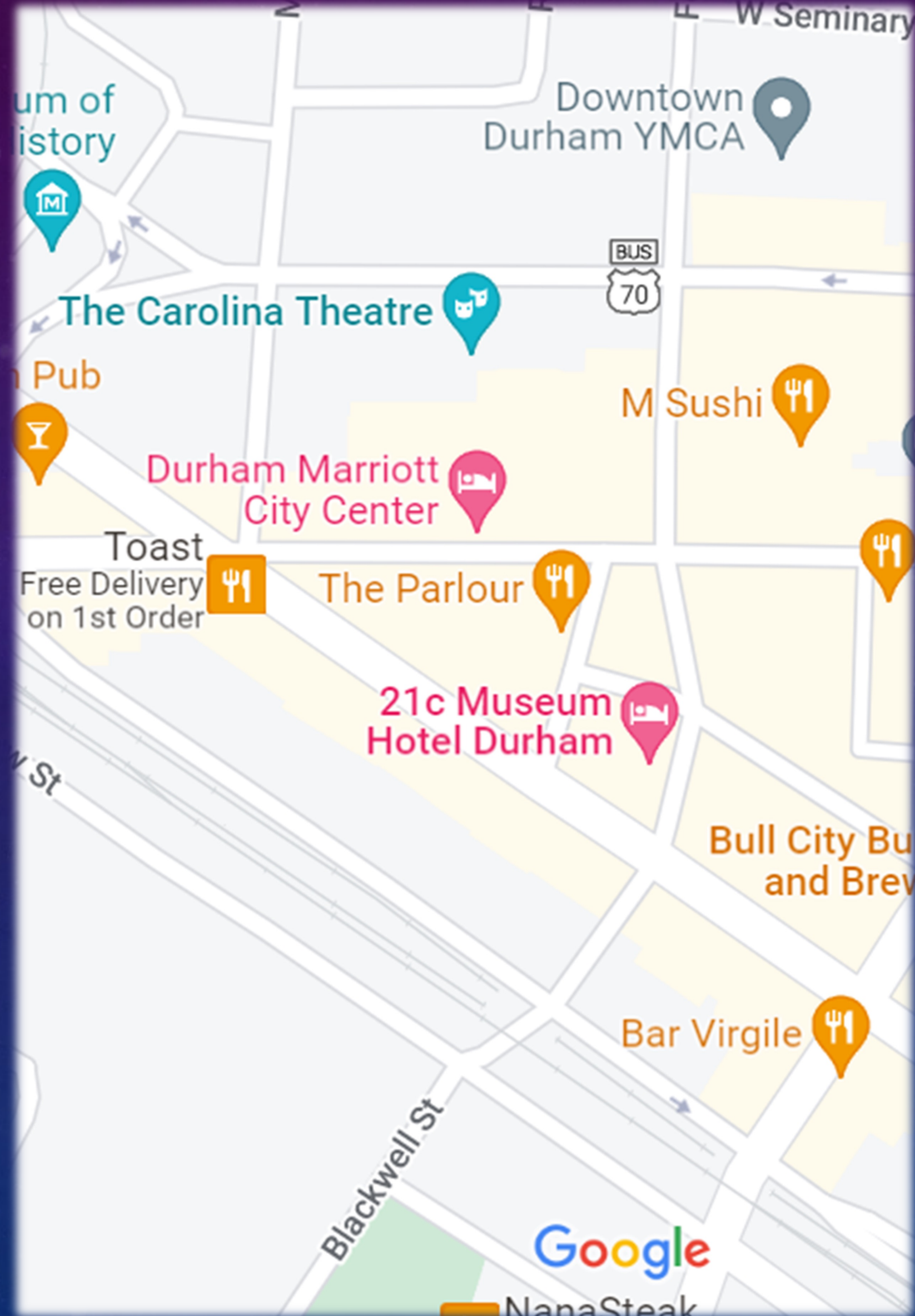
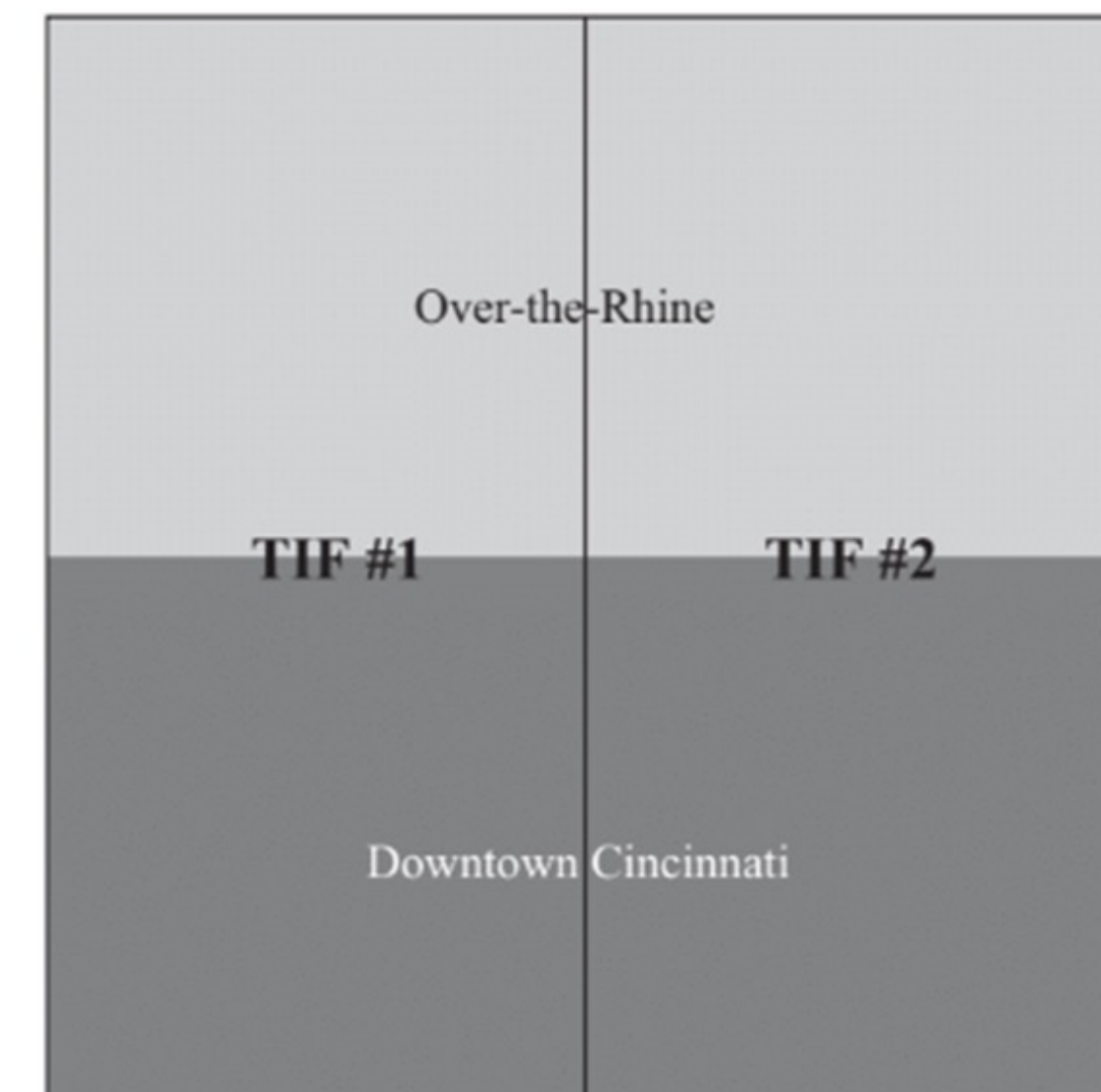
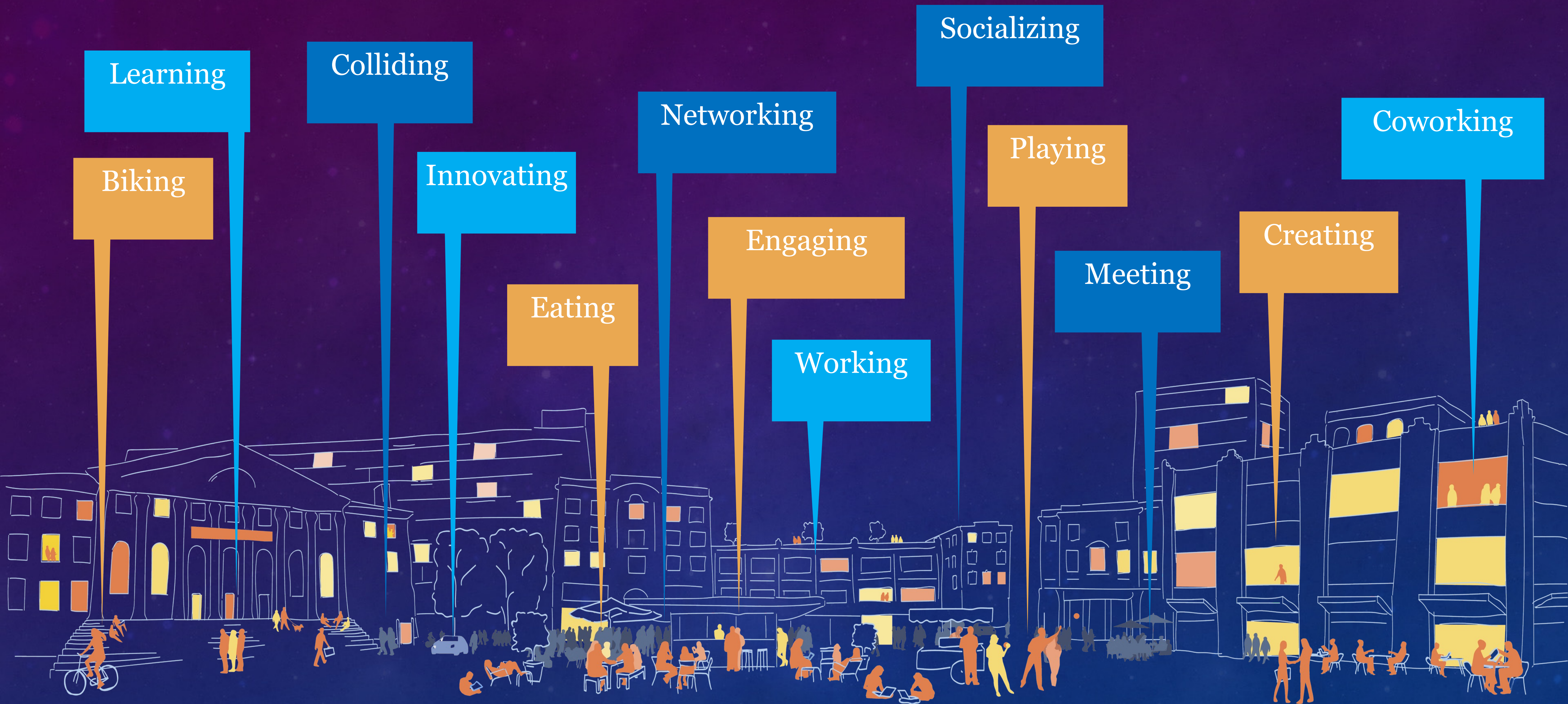


FIGURE 8-1. Innovative Use of TIF Districts in Cincinnati







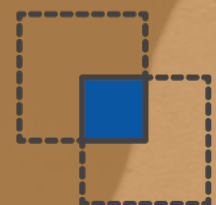


# Tracy Hadden Loh

Fellow

Brookings Metropolitan Policy Program

@lohplaces



ANNE T. AND ROBERT M. BASS CENTER FOR  
**TRANSFORMATIVE PLACEMAKING**



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# What Does Downtown Mean to You?





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# What Does Downtown Mean to You?





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# What Does Downtown Mean to You?





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# What Does Downtown Mean to You?

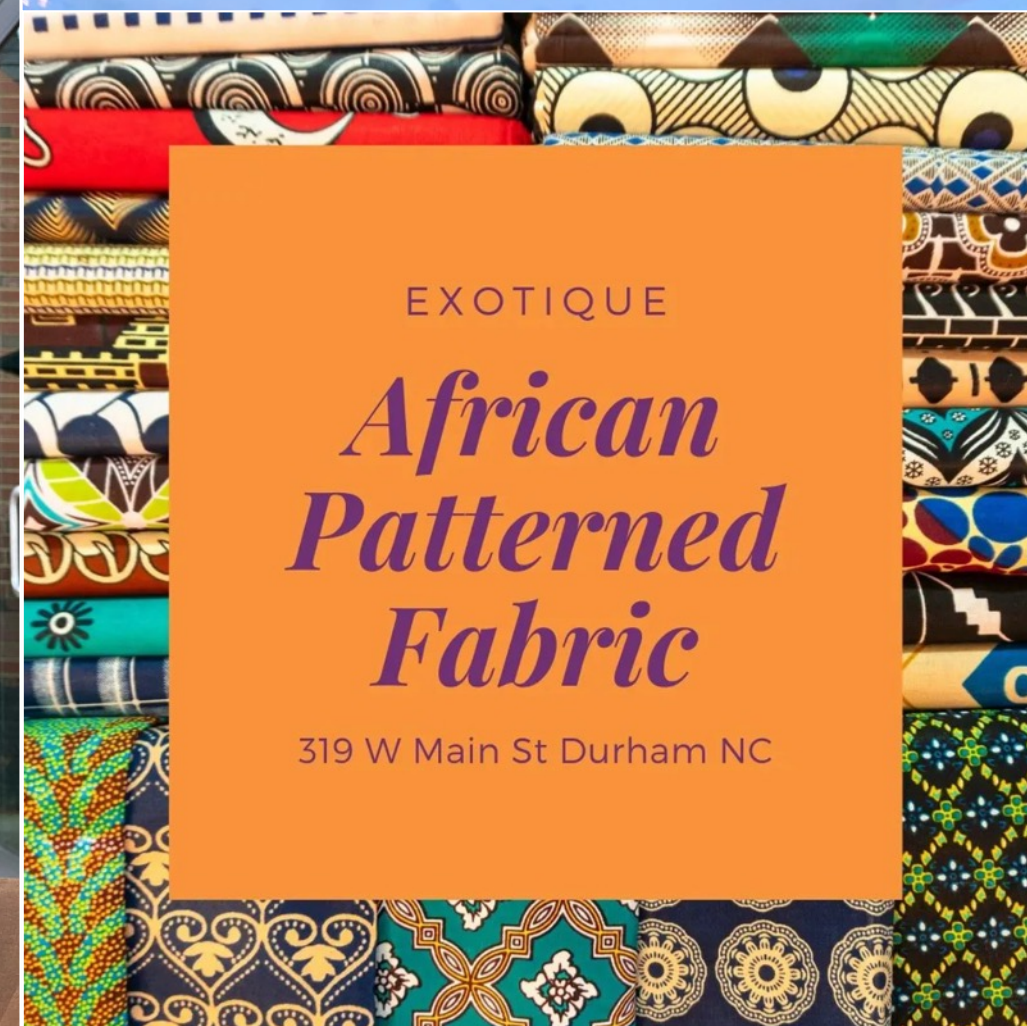
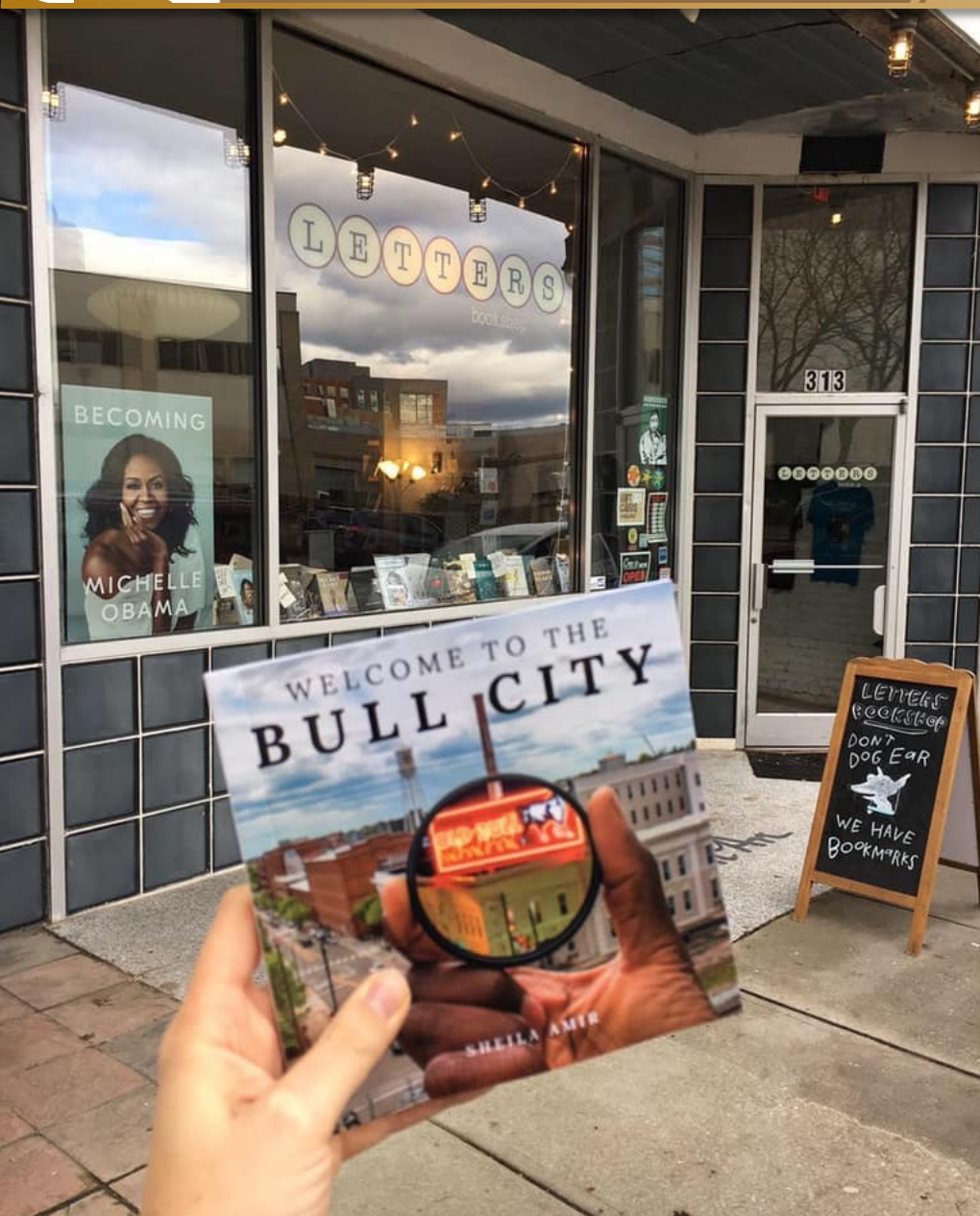




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# What Does Downtown Mean to You?





# Merchants



# 237

Shops, Restaurants, Bars, **Services**

# 25

Last Year

# 16

In the Pipeline

# 260k

Sq. Ft. In the Pipeline



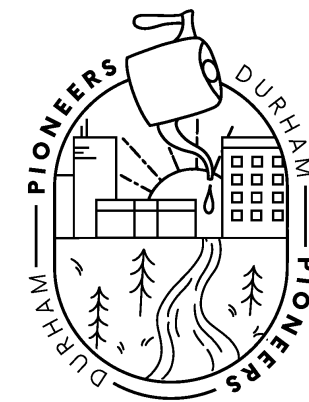
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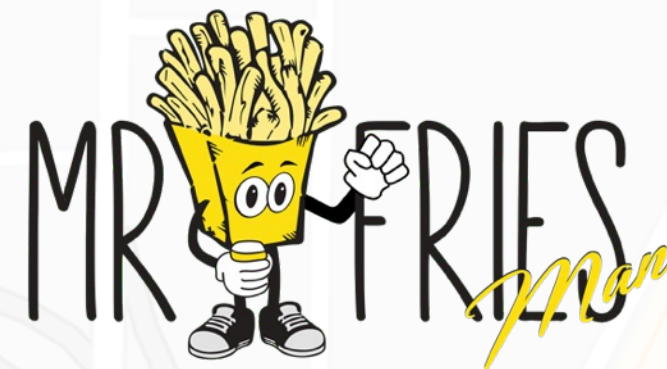
# Merchants: New



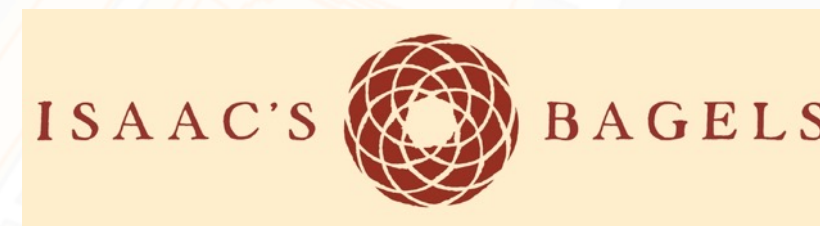
Killer Queen  
WINE BAR



one medical



SPRING ROLLS



PIZZA  
BOX



# Question...

Which of these merchants wasn't around in 2017?

- Carolina Soul
- Durty Bull
- Goorsha
- Hi-Wire Brewing
- Zen Succulent



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# Merchants: Coming Soon



**LONERIDER**  
ALES FOR OUTLAWS

**FIVESTAR**  
★★★★★  
CHINESE FOOD CO.



**NEW  
WORLD  
CAFE**

The Quickie



Seraphine

**QUEEN  
BURGER**



Confidential

Zweli's Ekaya



The Refinery





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# Merchants: The Map

Downtown  
DURHAM  
★Find Your Cool★

Downtown Merchants Map



+

-

🏠

🕒

▼

Find address or place

🔍

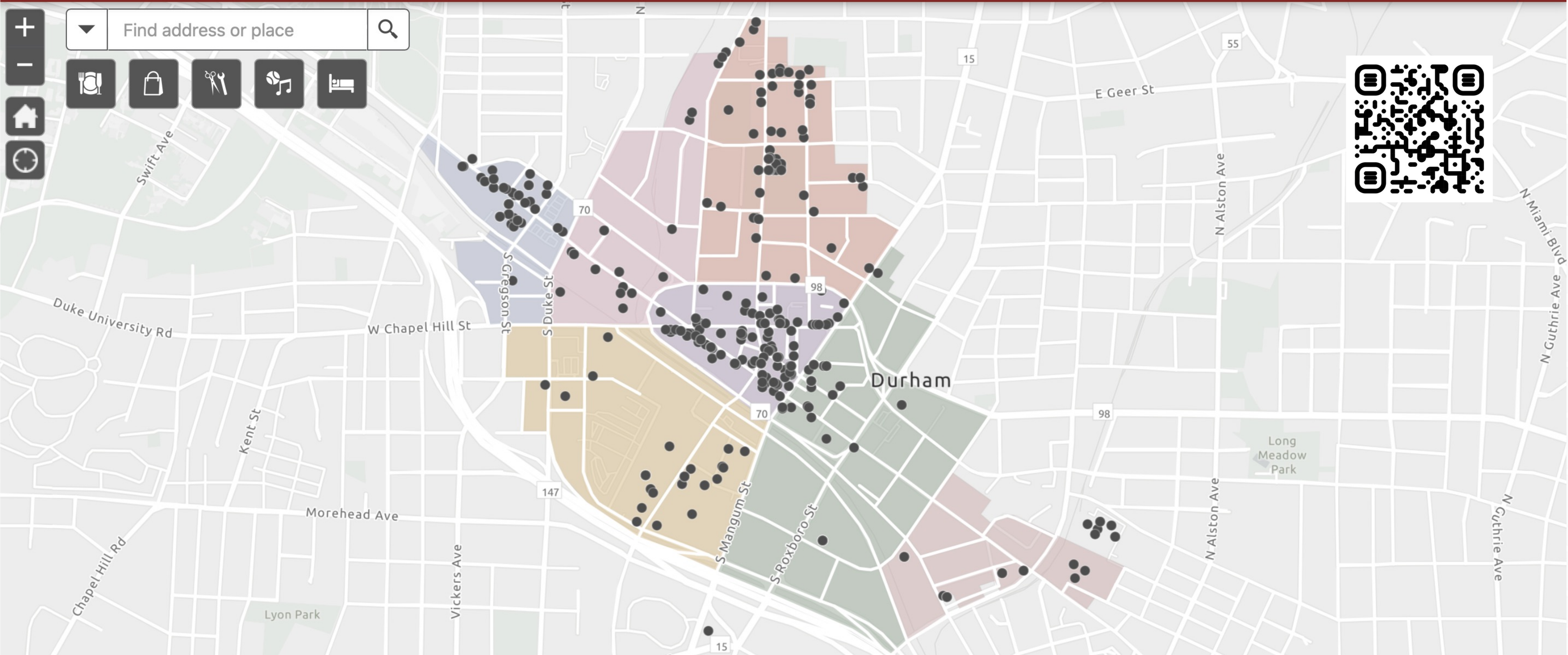
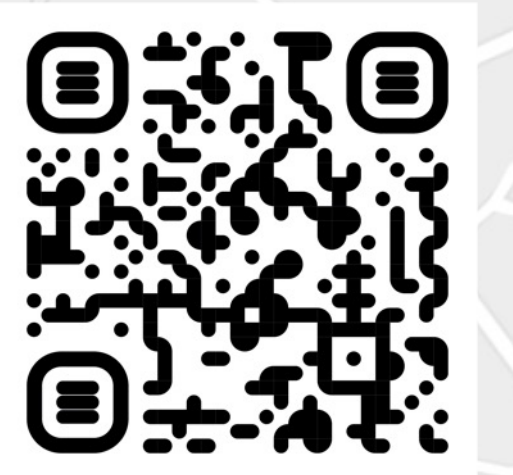
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🛍️

✂️

🎵

🛏️

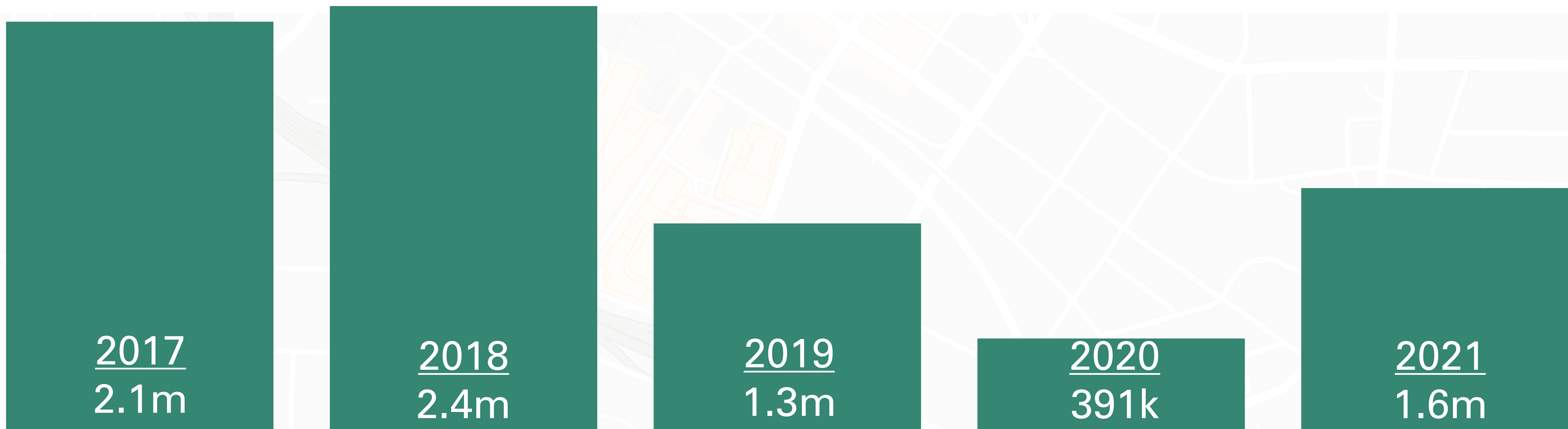




# Cultural Vibrancy: Major Attractions

- Carolina Theatre
- Durham Armory
- Durham Arts Council
- Historic Durham Athletic Park
- Durham Bulls Athletic Park

- Durham Central Park
- Durham Convention Center
- Museum of Durham History
- Durham Performing Arts Center
- Durham County Main Library

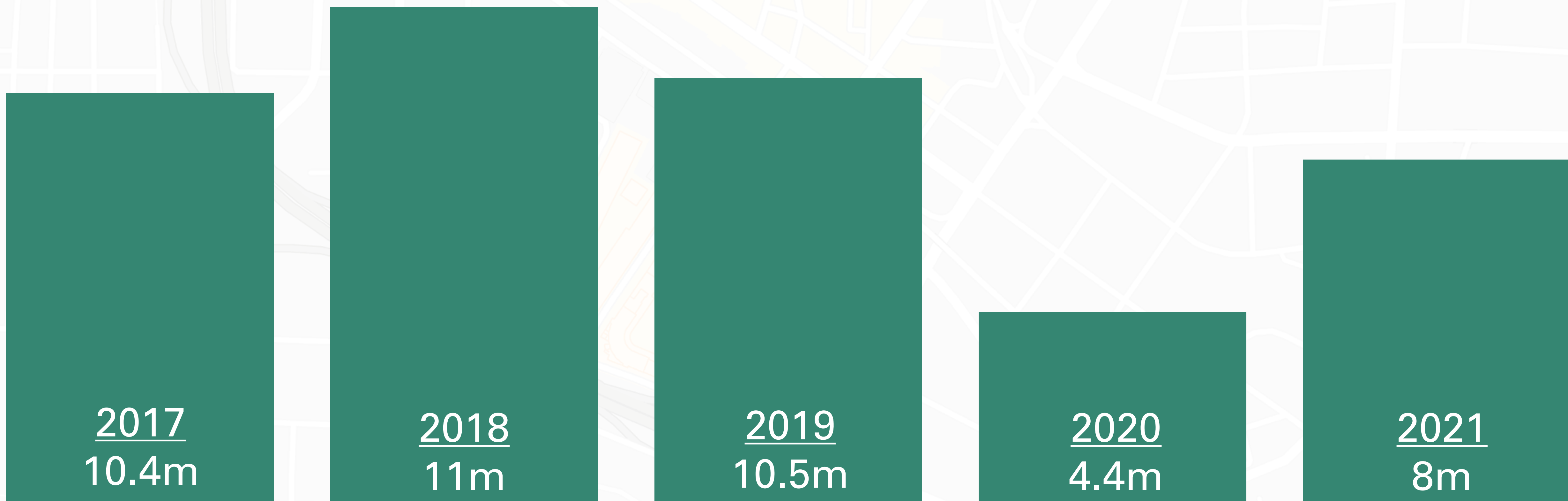




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# Cultural Vibrancy: Visits to Downtown





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# Cultural Vibrancy

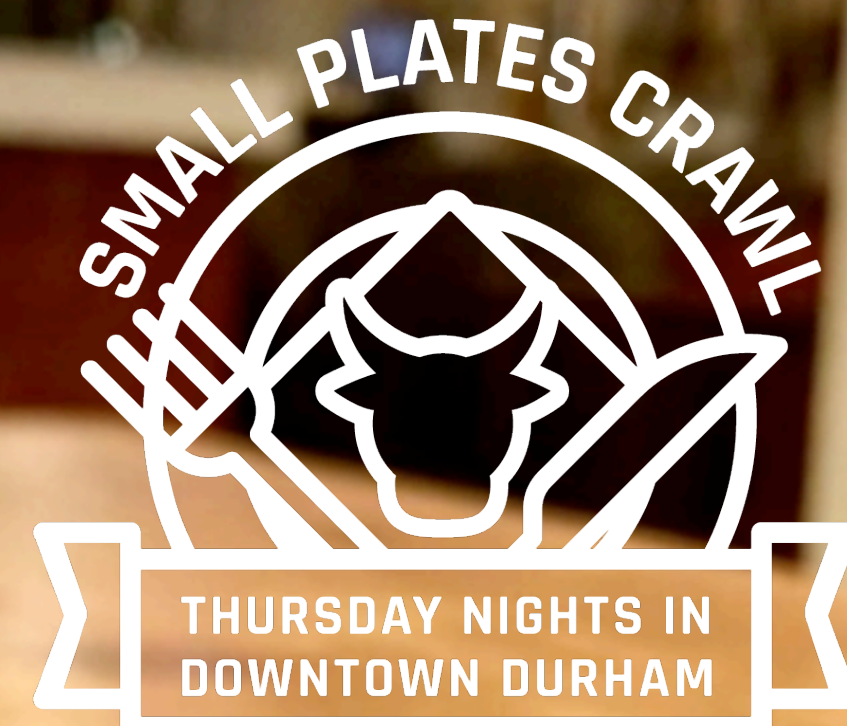




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# Cultural Vibrancy





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# Residential



**4,521** To Date

**214** Last Year

**4,355** In the Pipeline



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# Residential: Affordable



**877** To Date

**508** In the Pipeline



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# Residential: Completed

*Atlas*





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# Residential: Completed

*City Port*






# Residential: Under Construction

- 
- \*300 E. Main
  - 120 Broadway Street
  - 608 Mangum
  - Array Durham
  - Beckon
  - Camden Durham
  - Corporation Street Townhomes
  - Elliott Square
  - The Firefly
  - GeerHouse
  - The Grove
  - The Novus
  - The Ramsey
  - The Rigsbee
  - The Roxboro at Venable Center Apartments
  - The Terraces at Morehead Hill
  - The Vega

\*Affordable Housing



# Residential: Announced

- 
- \*500 E. Main
  - 710 Rigsbee Ave.
  - American Tobacco Campus (Phase III)
  - \*Ashton Place
  - Broadway Mews
  - The Callista
  - \*Elizabeth Street Apartments
  - The George
  - The James
  - \*JJ Henderson Senior Apartments
  - Kress Condominiums
  - The Pullman Building
  - Washington Street Mixed-Use
  - Yancey Street Condos
  - YMCA Redevelopment

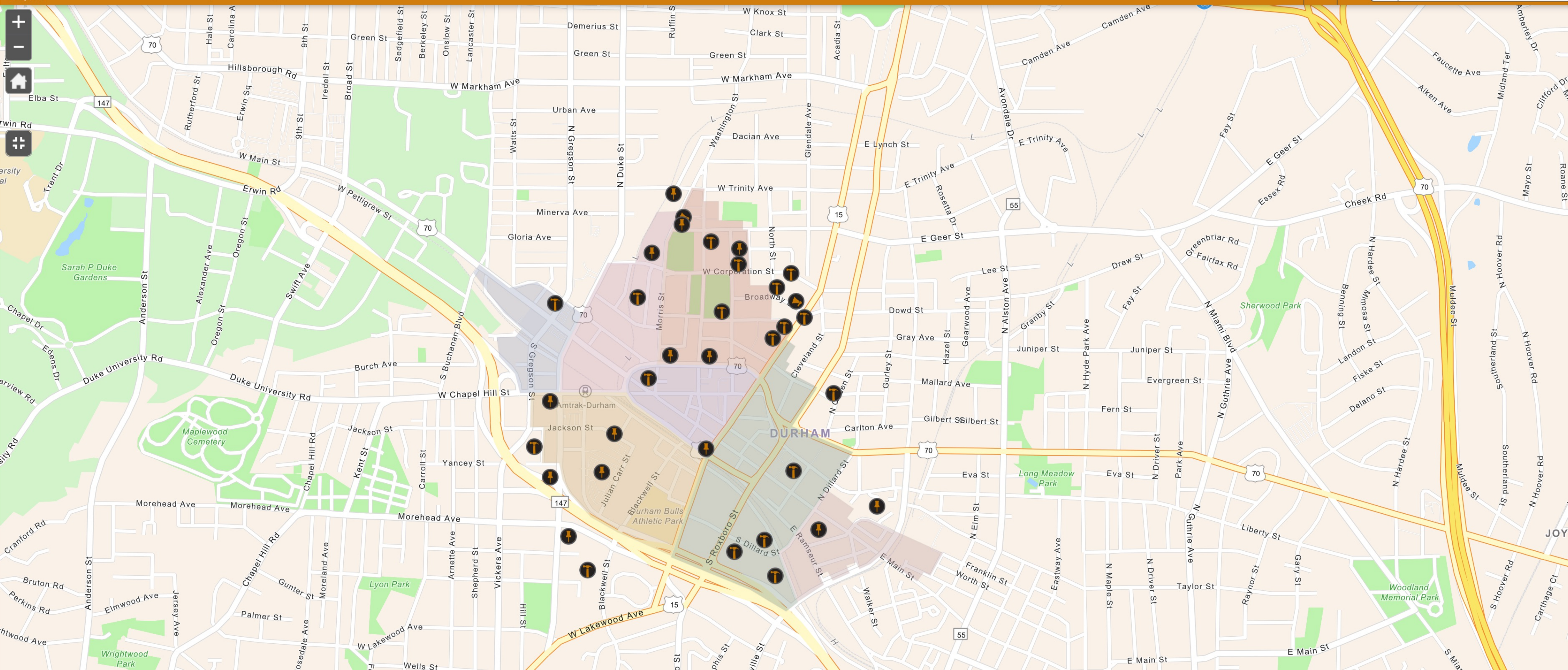
\*Affordable Housing



# STATE OF DOWNTOWN DURHAM

# Residential: In the Pipeline

## Downtown Durham | Development Map





# Question...

How many people lived downtown in 2017?

- 1,800
- 2,200
- 2,500
- 2,800
- 3,000



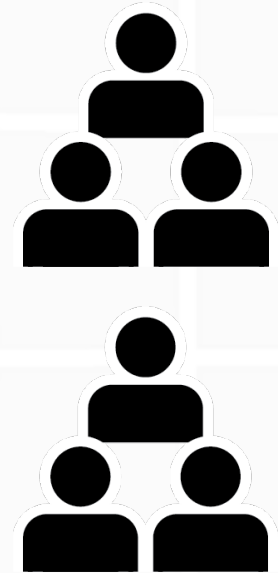
2022

STATE OF  
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DURHAM

# Residential: Downtown Population



Current  
Residents  
**9.2k**



Future  
Residents  
**18.1k**

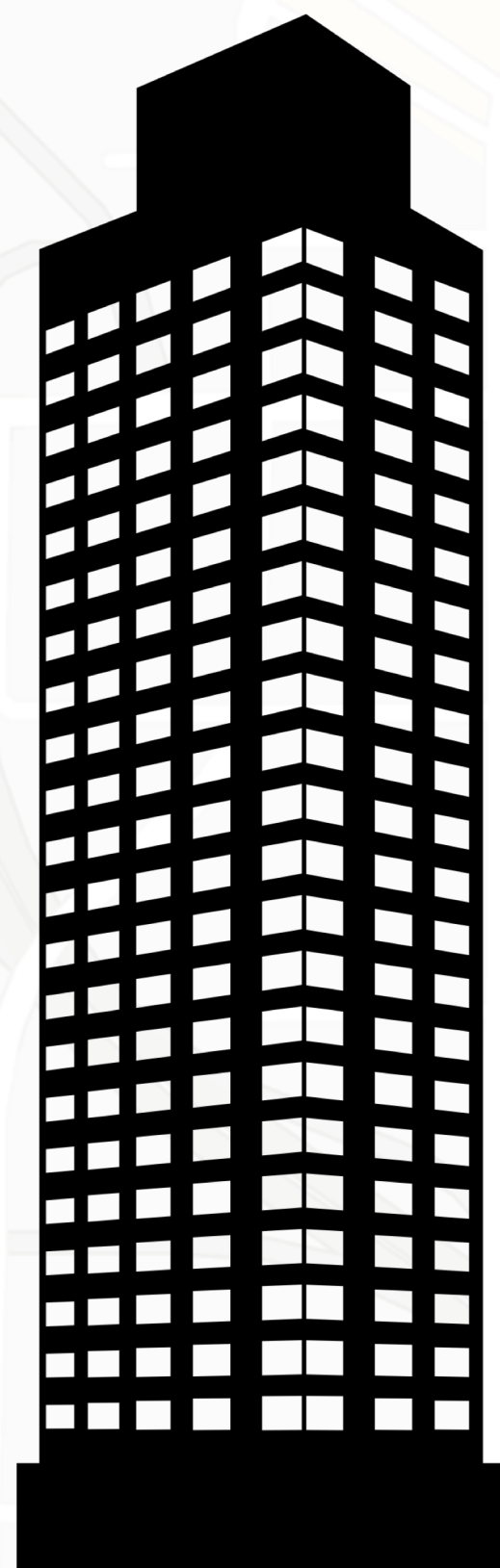




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# Office



**4.6** Million  
Sq. Ft.

**202k** Last Year

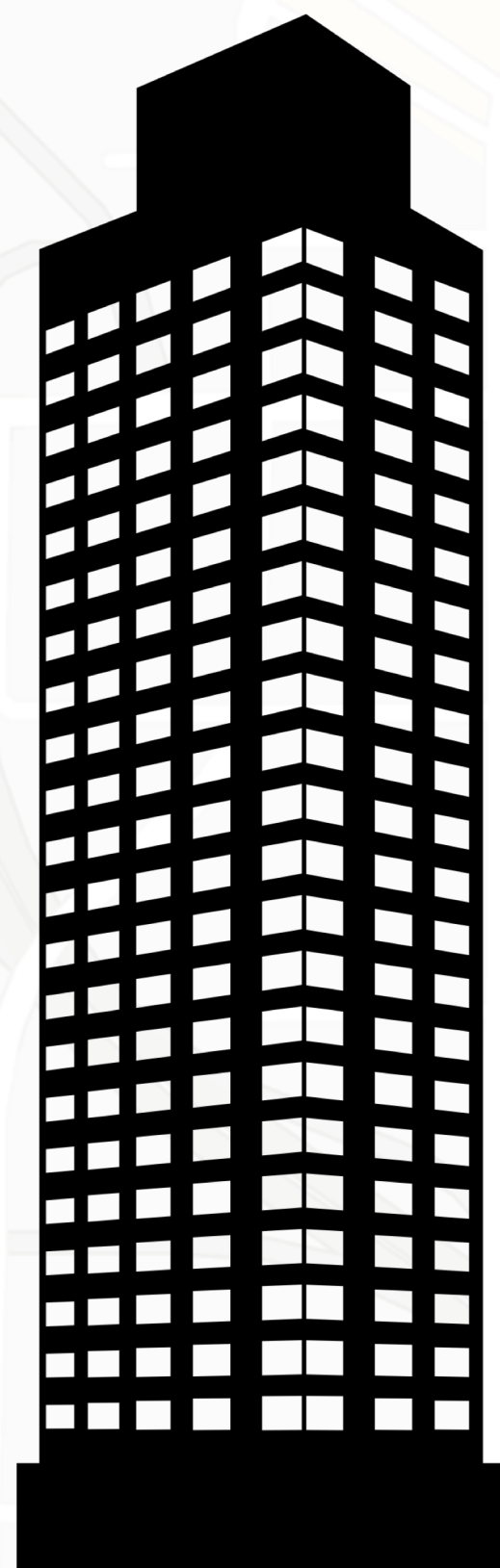
**829k** In the Pipeline



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# Office: Occupancy



**85%** Occupancy



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# Office: Completed

*The Roxboro at Venable Center*





# Question...

How many square feet of lab space existed in 2017?

- 82k
- 122k
- 172k
- 202k
- 262k



2022

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# Office: Lab Space



Existing  
**694k**

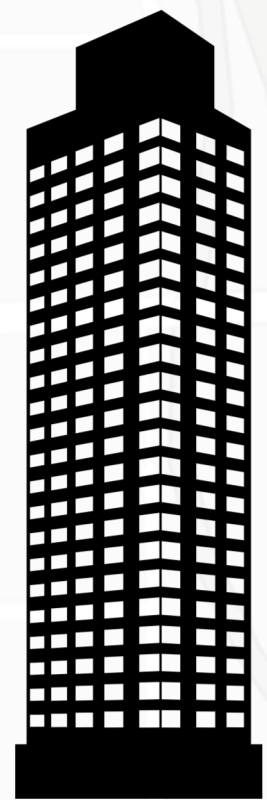


Announced  
**414k**





# Summary



**202k** Square Feet



**25** Shops, Restaurants &  
Service Businesses



**214** Residential Units



**201m** Private/Public Investment



The SODD Report



Highlights & Announcements

April 2021 – March 2022

Major Development Announcements & Updates

YMCA rendering. Image: East West Partners

YMCA of the Triangle announced a major renovation of the downtown location. Under the capable expertise of East West Partners, the downtown Durham Y will be demolished and replaced with a 27-story, 295-apartment complex and an 11-story 210,000 sq. ft. office building wrapping a parking deck. The first two floors of the redevelopment will house a new and expanded state-of-the-art YMCA.

Redevelopment of the former city police headquarters located at 505 W. Chapel Hill St. continued to move forward with the city selecting six finalists. Proposals for the redevelopment will be due later this summer. With this redevelopment, additional housing (including affordable housing) commercial and retail space will be

added to the downtown market, bringing new life to the "Mutual district" of downtown.

NY-based Blackstone, Inc. purchased the historic West Village for \$273 million. West Village includes 11 properties comprised of 608 apartment units, almost 111,000 sq. ft. of retail and office space, a seven-level, 459-space parking deck and a 1.2-acre development parcel (currently a surface parking lot).

Office Highlights

Roxboro at Venable Center office was completed. The 8-story office and life science building brings more than 200,000 sq. ft. of new office and lab space to the downtown market.

Wexford Science and Technology (based in Baltimore, MD) announced its new development, The Gregson, to be built at 204 S. Gregson St. – bringing 218,000 sq. ft. of state-of-the-art lab and research space and 27,000 sq. ft. of retail, as well as two additional floors of parking at the Pettigrew Parking Garage.

Longfellow Real Estate Partners (based in Boston, MA) announced lab and office space at 218 W. Morgan St. There is also a new 100,000 sq. ft. office building at 505 W. Chapel Hill St.

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Office

Completed: 202K

Property	Completed	Address
The Roxboro at Venable Center Office	2022	380 E Pettigrew St

Announced: 829K

Property	Projected Completion	Address
AmericanTobacco Campus (Phase III)	2023	601 Willard St
Durham ID (Phase II)	2022	518 W Morgan St
The Gregson	2022	204 S Gregson
YMCA Redevelopment	2025	218 W Morgan St

Lab Space

As of March 2022

694K

Occupancy

By Class

CLASS A	85%
CLASS B	80%
CLASS C	99%

Occupancy Total (A,B,C) Past Three Years

2019	2020	2021
• Class A - 95%	• Class A - 88%	• Class A - 95%
• Class B - 87%	• Class B - 79%	• Class B - 80%
• Class C - 81%	• Class C - 84%	• Class C - 99%
OCCUPANCY TOTAL - 92%	OCCUPANCY TOTAL - 86%	OCCUPANCY TOTAL - 85%

Office Sq. Ft. Added in the Past Five Years

2017

302K

2018

753K

2019

408K

2020

24K

2021

218K

2022

202K (to date)

Major Investments

HIGHLIGHTS

Total Investment through December 2021: \$1,985,628,550\*

Total Investment Past 5 Years\*\*

2017: \$288,472,031

2018: \$136,714,333

2019: \$209,265,514

2020: \$57,459,163

2021: \$201,197,252

Construction of The Vega. Photo: DOI

\*Based on permits. Includes infrastructure projects. Source: City of Durham

\*\*By calendar year. Source: City of Durham Building Permit Monthly Report

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DOWNTOWN DURHAM, INC.



2022

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# Why It Matters





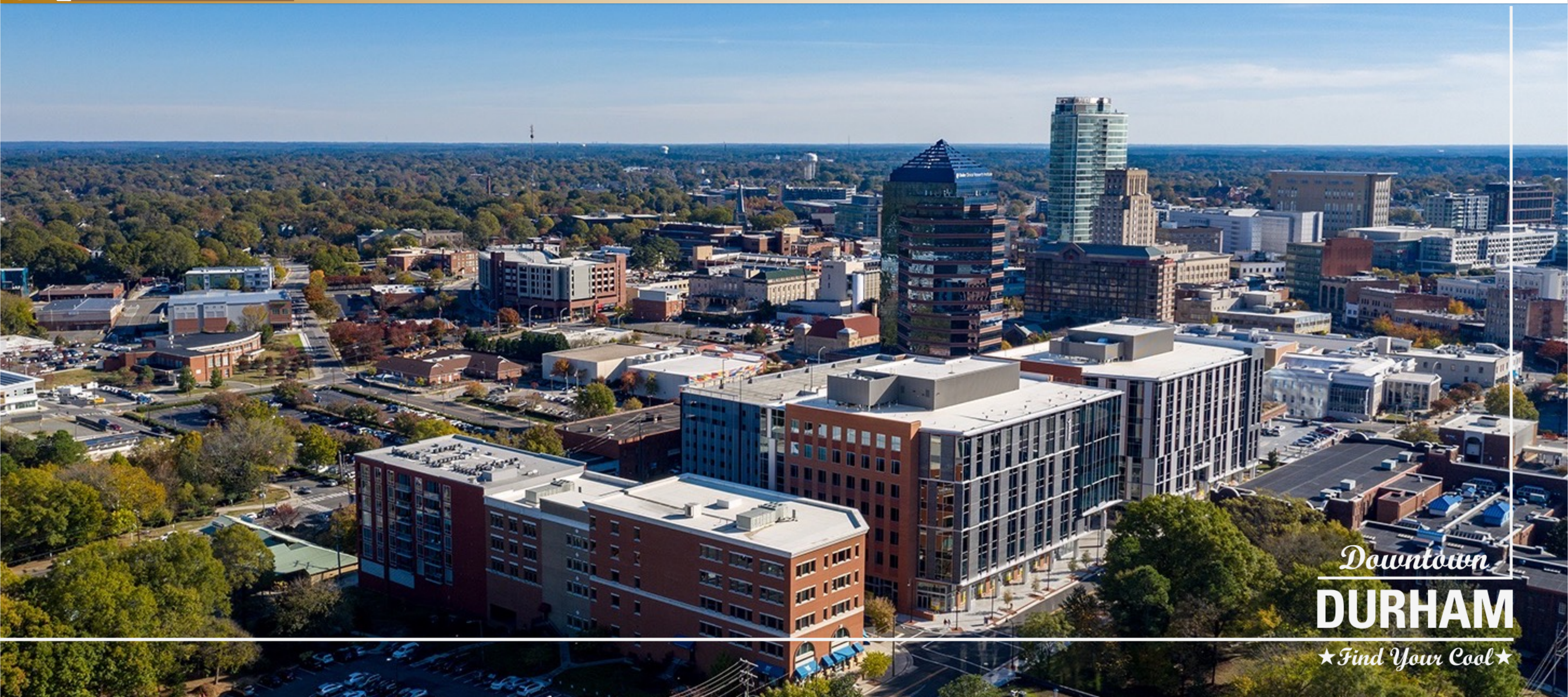
# BULL CITY HEART BEATS





2022

# STATE OF DOWNTOWN DURHAM



*Downtown*  
**DURHAM**  
★ Find Your Cool ★