

DOWN
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DC



Downtown DC Business Improvement District

ANNUAL REPORT

2007





ABOUT THE DOWNTOWN BID

The Downtown DC Business Improvement District (BID) is a non-profit organization that works to improve Downtown Washington's public environment, economy and social equity. Our goal is to create a vibrant, inviting and smart place where people from all walks of life are able to explore, create and share remarkable urban experiences that inspire and revitalize.

The Downtown BID is funded through a special district, where property owners tax themselves to improve the Downtown BID area and to promote and retain businesses. Established under District of Columbia legislation in 1997, the Downtown BID was renewed for additional five-year terms in 2002 and 2007 through votes of property owners and tenants and actions of the Mayor and City Council.

More than 800 commercial properties comprise the Downtown BID area within the boundaries of the National Mall on the south, Massachusetts Avenue on the north, Louisiana Avenue on the east and the White House on the west. The Downtown BID area encompasses the Gallery Place, Chinatown, Federal Triangle, Franklin Square, McPherson Square, Midtown and Penn Quarter neighborhoods.

A Board of Directors, consisting of 42 business and civic leaders, governs the Downtown BID with an annual budget of \$10 million, the majority of which is spent on maintenance, beautification, safety and hospitality. The Downtown BID employs 140 staff, 105 of whom are safety, hospitality and maintenance workers, known as SAMs, who keep Downtown streets clean, safe and friendly and assist workers, residents and visitors with a variety of needs.

The Downtown BID also provides services in the areas of physical improvements, homeless services, transportation, marketing, special events, planning, economic development and environmental sustainability. In addition, the Downtown BID provides management services to affiliated non-profit organizations: the National Cherry Blossom Festival®, the Downtown Events Corporation, District of Columbia Surface Transit, Inc. (DCST), the Public Space Planning and Management Corporation and the Mount Vernon Triangle Community Improvement District.

The Downtown BID relies upon partnerships with the District of Columbia government, the federal government, especially the General Services Administration (through their Good Neighbor Program, which actively supports urban development through community partnerships), the National Park Service and the National Capital Planning Commission, as well as the Washington Metropolitan Area Transportation Authority and a variety of other public agencies and private sector organizations, in order to accomplish its work.



TABLE OF CONTENTS

| | |
|--|----|
| LETTER FROM THE CHAIRMAN AND EXECUTIVE DIRECTOR | 2 |
| SAFETY AND HOSPITALITY | 4 |
| MAINTENANCE AND BEAUTIFICATION | 6 |
| PHYSICAL IMPROVEMENTS | 8 |
| HOMELESS SERVICES | 10 |
| TRANSPORTATION | 12 |
| ECONOMIC DEVELOPMENT | 14 |
| PLANNING | 16 |
| MARKETING AND COMMUNICATIONS | 18 |
| SPECIAL EVENTS | 20 |
| ADMINISTRATION | 22 |
| LETTER FROM THE TREASURER | 24 |
| BOARD OF DIRECTORS | 26 |
| STAFF | 28 |





LETTER FROM THE CHAIRMAN AND EXECUTIVE DIRECTOR

Since 1997, the Downtown BID has focused on improving Downtown's economic growth and image, provided premier business services to enhance the public environment, promoted business development and marketed the area to new investors. Once perceived as "dull, dirty and dangerous," the Downtown BID area now reigns as the cultural and entertainment epicenter of the region, as the city is enjoying an incredible renaissance in and around the area. Simply put, Downtown DC is once again a place that matters, providing a remarkable urban experience.

After successfully renewing our legislative charter for another five years, (fiscal years 2008 through 2012), the Downtown BID prepared to celebrate our 10th anniversary and a decade of great public and private cooperation that helped position Downtown DC as an international model of urban ingenuity. We have recommitted ourselves to delivering on the basic promise of a clean, safe and friendly Downtown, and have embarked on a new set of values and attributes to help create a vibrant, inviting and smart future for Downtown DC.

While diverse new development projects and public space improvements brought added energy and excitement to the city's commercial core, the Downtown BID established strong partnerships with the federal and municipal governments, such as the US General Services Administration's (GSA) "Good Neighbor Program," which supports the business community's efforts to maintain a city's vitality. In addition, we launched successful initiatives to address ongoing problems such as traffic congestion, homelessness and park conditions.

A variety of exciting development projects made their mark on the Downtown landscape in 2007, including the new Kogod courtyard at the Donald W. Reynolds Center for American Art and Portraiture and the Shakespeare Theatre Company's Harman Center for the Performing Arts. These, along with the Newseum's delivery in 2008, anchor Downtown's identity as a preeminent, international cultural center.

In addition, the Downtown BID area has added two million square feet of office space and 481 new residential units.



The Downtown BID area continued to serve as a significant contributor to DC's fiscal resurgence with a net fiscal impact estimated at \$644 million for FY 2007, or 58% of DC public schools' locally funded budget. The International Downtown Association (IDA), a world leader and champion for vital and livable urban centers, selected Downtown DC as the March "Downtown of the Month" and the Association of Foreign Investors in Real Estate (AFIRE) continues to rank DC as one of the strongest investment markets in the world: second nationally behind New York City and ahead of Los Angeles and San Francisco and fourth internationally behind London, New York City and Paris.

It is important that the Downtown BID serves as a leader in everything we do. We have a unique opportunity to raise the bar and deliver even greater value to stakeholders with our new brand positioning for Downtown. By improving Downtown parks and public spaces, implementing transportation innovations, seeking alternatives for people living on Downtown streets and becoming more environmentally sustainable, we can transform this area into a cutting-edge model of green business practices.

This is our vision for Downtown's future. Maintaining strong relationships with partner organizations and creating innovative programming to benefit the Downtown community will be vital as we develop our framework for the future by extending the legacy of the past.

Howard Riker

Chairman
Downtown Business Improvement District Corporation

Richard H. Bradley

Executive Director
Downtown Business Improvement District Corporation



SAFETY AND HOSPITALITY

The Downtown BID's highly trained cadre of safety, hospitality and maintenance corps (known as SAMs) provide a reassuring presence on Downtown streets seven days a week. These uniformed, radio-equipped teams help maintain an inviting, comfortable and user-friendly experience by serving as additional "eyes and ears" for local law enforcement agencies. SAMs welcome and assist hundreds of thousands of Downtown visitors each year, serve as a first point of contact for emergency needs and help maintain order and affect crime deterrence through consistent coverage and visibility. More than 75% of SAMs are DC residents, which is reflected in the pride and dedication they exhibit in the course of their work.



ACCOMPLISHMENTS

A comprehensive crime prevention program, focused on enhanced safety awareness, collaborative problem solving and proactive targeted response to crime problems, helped deter crime in the Downtown BID area in 2007. Through monthly BID-sponsored lobby safety fairs, the Property Manager Council and Downtown Safety Alliance meetings, the Downtown BID shared timely information and developed comprehensive responses to issues concerning Downtown tenants and patrons.

Summer Hospitality Aides staffed mobile information carts located near Metro stations and in busy pedestrian areas as part of our continued support of the DC Summer Youth Employment Program. The aides are college students, all DC residents, that receive specialized training on visitor service, communication skills and Downtown attractions and services to serve as information ambassadors for the area.



MAKING A DIFFERENCE

.... Many things have improved lately in Washington, DC, but you and your staff make the city so much more pleasant, as well as keep things safe and clean. (This is) a story about a tired urban worker who wasn't paying attention to what he was doing. I left my car keys in the door lock on the outside of the car. I raced over thinking I would never see my car again. When I got there, not only was the car there, but there was a

note on the windshield that said a Downtown SAM found my keys in the door and was keeping them so no one would take the car. I was so relieved I couldn't believe it. Suddenly, someone dressed in a uniform approached me. He stayed late to find me. He was so polite and gracious. I couldn't thank him enough. I hope you have some sort of awards that you give out for outstanding leadership. If so,

I want to highly recommend this SAM. He is a wonderful young man and deserves more credit than I can give him. Again, I thank you for your organization and specifically thank the SAM for going beyond duty to help a fellow citizen.

Sincerely,

William B. Gallagher, Jr.,
KGP DESIGN STUDIO,
Principal

GOALS

SAMs will continue to undergo intensive training to become knowledgeable on issues such as crime prevention and reporting, first aid and first-responder training, communication skills and homeless outreach services. Maintaining valuable partnerships forged with the Metropolitan Police Department (MPD) helps to sustain low crime levels in Downtown by monitoring and reporting any illegal activity immediately.





MAINTENANCE AND BEAUTIFICATION

Cleaning, maintenance and beautification SAMs provide vital services to maintain Downtown's welcoming image by picking up litter and trash, sweeping sidewalks, removing gum and graffiti, planting flowers, hanging banners and painting public fixtures. SAMs are in action 362 days a year, working to keep Downtown clean, safe and friendly.

ACCOMPLISHMENTS

As Downtown's exciting transformation continued, SAM maintenance teams kept Downtown streets clean and inviting by collecting more than 7,500 bags of litter and trash monthly. SAMs identified and reported hazards and defects to the appropriate response team for follow-up and corrective action through collaborative efforts established with city and federal agencies, further allowing the Downtown BID to assure consistent service delivery to Downtown stakeholders.

Joint efforts with Casey Trees, the DC Urban Forestry Administration (UFA) and area property managers continued as the Downtown BID worked to develop and implement systems to improve, replace, maintain and monitor Downtown trees. The second phase of the comprehensive Tree Management Program, which included identifying trees at risk and determining the level of treatment needed, was completed as a select group of SAMs received specialized training in tree preservation from Casey Trees arborists and regularly participated in tree plantings throughout the Downtown BID area. This training ensured that the 2,500 trees thriving Downtown received the highest level of care.



Removing gum from Downtown streets is just one of the many services our maintenance teams provide. The Downtown BID cleans every block face in the area at least once a year with our gum-busting machine, which uses a combination of steam and a chemical solvent to break down gum and remove it from city sidewalks. Since instituting the new gum removal service, the Downtown BID has removed more than 1.5 million pieces of gum from sidewalks.



GOALS

The Downtown BID will continue efforts to enhance daily and weekend services throughout the area by using more efficient mechanized equipment, enhancing lighting for well-trafficked streets, providing more hanging flower baskets and implementing park and public space upgrades. As the next phase of the Tree Management Program begins, partnerships with city government agencies, property managers and the National Park Service will be essential to maintain the service standards that residents, workers and visitors have come to expect.

“The District of Columbia is committed to being the greenest and most environmentally sustainable major city in the country.”

— MAYOR ADRIAN FENTY

PHYSICAL IMPROVEMENTS

Enhancing and improving the physical environment and the pedestrian experience are critical aspects of Downtown’s economic development and contribute greatly to the area’s quality of life.



ACCOMPLISHMENTS

The Downtown BID is committed to making Downtown a model of environmental stewardship. In partnership with the Cool Capital Challenge (a non-profit consortium of leading Washington-area organizations, united to reduce regional greenhouse gas emissions and fight global warming), the Downtown BID focused on helping Downtown businesses become environmentally sustainable and launched a new four-part green economic development program. While the city has enacted legislation requiring all new buildings to attain LEED certification, the Downtown BID has begun working to reduce energy consumption in existing Downtown buildings by sharing information with office tenants to help them institute or enhance green practices. We are also working to institute these practices in the public environment by looking at strategies to reduce congestion and increase public transportation use.

The Downtown BID worked closely with the District Department of Transportation (DDOT) and private developers on construction projects, providing technical assistance to help determine streetlight locations and spacing, to install decorative fixtures for intersection lighting and to place trash receptacles and bicycle racks. In addition, the Downtown BID assisted in identifying Downtown streets in need of upgrades as part of the city’s comprehensive plans for public space.

As a leading partner with the city on environmental sustainability initiatives, the Downtown BID and its members are committed to green practices in support of the city's efforts toward building a more environmentally sustainable city. The Willard Inter-Continental Hotel and Hines are two examples among the many Downtown businesses that are leading the way.



Building upon a six-year informal working relationship, the Downtown BID delivered on an agreement with the National Park Service (NPS) that saw SAMs augmenting basic NPS services to two of Downtown's busiest parks, Franklin and McPherson Squares. The agreement set the stage for a broader "general partnership agreement" between NPS and the Downtown BID.

In conjunction with city and federal agencies, the Downtown BID has developed a new master plan for vending and furniture in public spaces. As the Downtown BID went about identifying new vending locations and establishing design standards for vending carts, news racks and banners, other organizations set in motion planning initiatives (such as the National Capital Planning Commission (NCPC) Security Plan, the DDOT Bus Shelter Program and the Comprehensive Vending Plan) to ensure that these standards and management practices could be achieved uniformly throughout the city.

GOALS

Planning and prioritizing streetscape, park and public space improvements for the future is essential to maintaining Downtown's vitality and economic competitiveness. Future improvements include additional streetlights, trash receptacles, tree plantings, sidewalk repairs and more efficient and higher-wattage lights in Chinatown. The Downtown BID plans to upgrade the GIS-based rating system, which will result in faster and more accurate defect reporting to city agencies, and ultimately, faster repairs. And finally, the Downtown BID will work with property owners and managers to reduce energy consumption Downtown by 15% over the next three years.





HOMELESS SERVICES

The Downtown BID has the only non-governmental, clinically-based outreach team for the chronically homeless in Washington, DC. By working with property managers and business community leaders, and by collaborating with city officials and leading service providers, the Downtown BID aims to facilitate dialogue and build consensus to provide for the housing needs of Downtown's homeless, while decreasing the number of people living on the streets and in shelters.

ACCOMPLISHMENTS

In 2007, the Downtown BID successfully identified more than 30 individuals for immediate placement into permanent housing. Through a partnership with Pathways to Housing DC, the Downtown BID continued to address the issues of the homeless in Downtown. Using the "Housing First" model (which focuses on moving homeless persons into affordable housing first and then connecting them with supportive services that can help them remain housed), and our intensive outreach program, the Downtown BID was able to connect an average of 30 people per month with needed social services. To assist in supporting and implementing the housing first model, the city has committed to providing 350 housing units for Downtown's homeless.

Building on the excellent work of the Downtown BID's Downtown Services Center, which closed in 2006, the Downtown BID continued to support the team of service and mental health providers that addresses the daily needs of the homeless. With three full-time social workers and two part-time psychologists, we were able to identify and build relationships with the chronically homeless enabling them to get the assistance they need to lead more stable lives.



BY THE NUMBERS IN 2007

- *Housed 31 people in permanent housing*
- *Provided showers, clothing and food to 111 people*
- *Referred 122 people to outside service providers with follow-up monitoring*
- *Connected 14 people to substance abuse and recovery programs*
- *Helped 25 people obtain identification cards, birth certificates and social security cards*
- *Provided Travelers Aid assistance to 18 people, allowing them to return to their homes in other cities*
- *Assisted 180 people in connecting with government and private social services*
- *Answered 179 property managers' requests for assistance with homeless issues*

Enhancing and maintaining Downtown parks for everyone to enjoy is a priority for the Downtown BID. To reduce the chaos in the parks caused by street and park feeding programs, the Downtown BID is working to build a coalition of food service providers, advocates and government agencies to address this issue. Using the Downtown BID's protocol for street feeding, which involves educating and training service providers, these organizations are being encouraged to form a partnership with government officials to find solutions to the problem and develop alternatives to serving meals on the streets and in parks.

GOALS

In 2008, the Downtown BID will continue to work with more than 20 partner providers to move Downtown's homeless into services. Continued collaborations with Pathways to Housing DC, Catholic Charities, the Department of Human Services (DHS), the Department of Mental Health (DMH), the Metropolitan Police Department, the District of Columbia Housing Authority (DCHA), the US Park Police and National Park Service will enable us to identify innovative solutions to the problem of homelessness. A partnership between the Downtown BID and Catholic Charities will allow designated Single Room Occupancy (SRO) program sites in Downtown to acquire necessary housing to assist the mentally ill and chronically homeless.

The Downtown BID's goal is to reduce chronic homelessness through a unified approach involving other local BIDs, the city, service providers and non-profit organizations.





TRANSPORTATION

The Downtown BID's transportation efforts focus on making travel to and around Downtown more efficient, convenient and environmentally sustainable. Enforcing existing regulations, eliminating confusing and conflicting regulatory curbside signage and installing commercial loading zone metering are just a few measures the Downtown BID has championed in order to help tame congestion at its source.

ACCOMPLISHMENTS

Now in its third successful year, the DC Circulator continues to fill in the gaps between Metrobus, Metrorail and the short commutes people must make in a compact, bustling Downtown. In March, the DC Circulator served its three-millionth passenger. Late night service was added for the Farragut Square and Georgetown segment to make dining and entertainment more accessible to Circulator riders, while also providing convenient and affordable transit options for Downtown workers.

The Downtown BID made it easier for patrons to choose environmentally sound transportation by installing 25 additional bicycle racks at popular destinations.

The Downtown BID worked closely with the Golden Triangle BID, the District Department of Transportation (DDOT) and the DC Department of Public Works Parking Enforcement Administration to institute five congestion management initiatives on K Street ranging from longer loading zones to enforcing and towing illegally parked vehicles. These five actions were evaluated by measuring improved travel times by car, bicycle and bus. Baseline measures for the travel time study were collected in September 2006, prior to the changes along K Street. Once the K Street changes were completed, the study was repeated in May using the same methodology. The data indicated a statistically significant reduction in travel times along K Street between 12th and 21st Streets NW, between the two time periods. Travel time variability also was reduced. Simply stated, shorter and more reliable travel times on K Street were observed after implementing these congestion management measures.

In 2007, the Circulator experienced a 10% increase in customers and a 4% decrease in travel time on the K Street corridor.



Through collaborations with Downtown retailers, restaurant owners, property managers and responsible government agencies, the Downtown BID is able to help the public find general and specific solutions to problems that contribute to Downtown congestion. Armed with maps and the latest updates on available transportation services in Downtown DC, SAMs continued to be a source of travel information for the public. Way finding information also was provided on street maps, parking location guidance signage and destination markers. Bus transit information appeared on bus shelters and information tubes at transit stops. GoDCgo.com, the travel information website created in 2006 by the Downtown BID, in partnership with the Washington Parking Association (WPA), let Downtown travelers compare all of their options for getting to their destinations before beginning their trips.

GOALS

As the number of people living, working and visiting Downtown DC continues to climb, moving them through the city alongside goods and services can result in system overload. The Downtown BID will continue to provide transportation links and information to the public about available services and help manage congestion in Downtown's transportation system.

The Downtown BID will engage DDOT staff, the public and elected officials in a best practices learning experience that can be applied to Downtown through a series of seminars and workshops on transit planning, design and operations.

The Downtown BID will publish a series of reports and issue briefs on topics such as DC transportation financing (to engage the public and decision makers on the need for dedicated funding to implement new surface transit services); smart parking (to share information and identify areas of cooperation between private and public sectors); and green building transportation (to satisfy the demand for trips to and from Downtown properties in environmentally sensitive ways).



“Downtown’s remarkable renaissance from 1997 through 2007 has made it the economic and fiscal engine of the city: responsible for more than 90% of the net new jobs in DC and a net fiscal impact of \$624 million in fiscal 2007. Thus, making it clear that the prosperity of Downtown and the prosperity of all other DC neighborhoods go hand-in-hand.”

— MAYOR ADRIAN FENTY



ECONOMIC DEVELOPMENT

The Downtown BID promotes Downtown’s economic growth and diversification through research and public/private partnerships. The Downtown BID monitors, collects and distributes information about the Downtown economy to assist investors, developers and policymakers in their decision-making. In particular, such information helps to educate policymakers about Downtown’s strong performance as the city’s economic driver, as well as results of previous policy decisions and potential outcomes of future policy decisions.

ACCOMPLISHMENTS

The Downtown BID provides data on Downtown’s economic growth and diversification by producing five standard research reports and by participating in citywide economic development discussions:

Quarterly Development Reports — provide comprehensive information on development in and around the Downtown BID

Annual State of Downtown Report — delivers a summary of all major sectors of the Downtown economy

Bi-annual Downtown Economy/Employment Report — tracks growth and change in Downtown’s workforce profile and economy

Bi-annual Downtown Net Fiscal Impact Report — presents the financial connection between Downtown and all city neighborhoods

In 2007, the Downtown BID focused on demonstrating Downtown’s significant impact on the city’s economic and fiscal health. A Center for Regional Analysis of George Mason University study showed that the Downtown and Golden Triangle BIDs have generated 14,200 new jobs, or 62% of the city’s job growth, from 2004 through 2006. A study by Economics Research Associates estimated that the Downtown and Golden Triangle BIDs’ net fiscal impact was \$644 million in fiscal 2007.

The Downtown BID fosters discussion on many issues that have an impact on Downtown, Center City and DC economies by participating in the many public/private task forces and groups convened to discuss important economic and development issues such as: retail attraction, transportation infrastructure needs and financing, cultural capital needs, mandatory inclusionary zoning, commercial linkage fees and improving tax revenue information.



DOWNTOWN'S NET FISCAL IMPACT, FY 2007 (IN HUNDRED THOUSANDS)

| Downtown BID Area | | Golden Triangle BID Area | | Total Downtown Area | |
|---------------------------------|--------------|---------------------------------|--------------|---------------------------------|--------------|
| DC Local Tax and Other Revenues | \$775 | DC Local Tax and Other Revenues | \$387 | DC Local Tax and Other Revenues | \$1,162 |
| Estimated Fiscal Costs | \$378 | Estimated Fiscal Costs | \$140 | Estimated Fiscal Costs | \$578 |
| Net Fiscal Impact | \$397 | Net Fiscal Impact | \$247 | Net Fiscal Impact | \$644 |

Downtown Revenue Share of Total DC Gross Local Revenue of \$5.38 billion in FY 2007 22%

GOALS

The Downtown BID plans to maintain its efforts on research and public/private collaboration on economic and development issues. In order to sustain Downtown's position as the economic and fiscal engine of the city and given the national and regional economic downturn since July 2007, the Downtown BID will be engaged in developing ideas to reduce costs in DC, and investing in certain sectors of the economy with place making, transit and other infrastructure to retain and attract new office, retail, residential tenants and owners. As part of this work, the Downtown BID will monitor cautionary economic indicators such as the percentage of office space under construction or renovation that is pre-leased; groundbreakings of planned projects; tenants and businesses that leave, or consider leaving the city; and the pace of commercial and residential property sales.

The Downtown BID will be working hard to turn the framework provided by the Center City Action Agenda into concrete plans and programs to maintain the momentum of the last 10 years in the Downtown economy. The Downtown BID will participate in initiatives to create a critical mass of 750,000 to 1,000,000 square feet of Downtown destination retail; retain existing office tenants (including associations and non-profits); maintain annual office absorption of 1 million plus square feet; maintain annual groundbreakings for 2,000 to 3,000 residential units in and around the Downtown BID; and assist cultural institutions in making important investments in the Downtown BID area.



A new vehicle for communicating about the Downtown BID's initiatives and programs is a series of leadership papers that work to foster dialogue about critical issues relating to Downtown's economic, social and physical developments. These papers will focus on issues such as Downtown's fiscal and economic impact on the city, the office market's competitive position in the region, as well as homelessness, transportation and other needed infrastructure investments.

PLANNING

Although much of the Downtown BID's work focuses on the here and now — picking up litter, helping the homeless, reducing traffic congestion — we also concentrate on planning for Downtown's future.



ACCOMPLISHMENTS

After working with the DC Office of Planning to develop the Center City Action Agenda (CCAA), the Downtown BID developed a number of planning initiatives to address quality of life issues and help ensure Downtown's future as a destination for commerce, culture, entertainment and retail.

The Downtown BID has played a significant role in the National Park Service's National Mall Plan and the National Capital Planning Commission's CapitalSpace Plan — all geared towards recognizing Washington, DC, not just as our nation's capital, but also as one of the world's great cities.

In 2007, NPS and the Downtown BID entered into a historic "general partnership agreement," formalizing the cooperative relationship between the two organizations. The Downtown BID focused an initiative to improve the 33 NPS park and reservations, constituting 22 acres of the Downtown BID area and moved ahead with capital improvement plans for some of Downtown's busiest and most historic public spaces.

“The city’s emerging markets, such as Mount Vernon Triangle and NoMa, will create a Center City that extends from our current Downtown all the way to the Anacostia Riverfront. The National Mall, which used to be at the edge of Downtown, now becomes redefined as the monumental place at the heart of our Center City.”

— RICHARD H. BRADLEY, EXECUTIVE DIRECTOR OF THE DOWNTOWN BID

GOALS

The Downtown BID has identified improving area parks as a top priority for the coming years. The successful partnership formed with NPS will allow us to focus on maintaining, managing, programming and raising funds to improve the parks within the Downtown BID area in order to create vibrant and historical urban places. The Downtown BID also will continue representing the area’s interests in the National Mall Plan, CapitalSpace and other critical planning initiatives for the city.

In addition, the Downtown BID will work with city officials to release and begin implementing the Center City Action Agenda, particularly in the area of creating a Downtown shopping district to support the goal of attracting distinctive high quality fashion and shoppers’ goods.



MARKETING AND COMMUNICATIONS

The Downtown BID promotes Downtown DC as the economic heart of the city, the region's premier urban gathering place and the center of the nation's capital city through an integrated program of communications and public relations activities.

ACCOMPLISHMENTS

In 2007, the Downtown BID focused its attention on renewing the legislative authorization to continue operations for another five-year period. This effort involved outreach to more than 1,000 stakeholders to keep them informed about the process and plans for the next five years. These communications summarized the Downtown BID's accomplishments over the past 10 years through a variety of media, including a five-minute video and a brochure explaining the reauthorization process and proposed budget.

Planning for the Downtown BID's 10th anniversary occupied the latter part of the year, as we sought to develop a program that would evoke the sights, sounds and sensations of the Downtown experience. At the same time, it was important for the Downtown BID to recognize key city officials and Downtown champions that were instrumental in forming the organization and shaping the new Downtown, to pay homage to Downtown's illustrious history and to acknowledge the promise of an even better future with a new set of goals and values based on brand repositioning.

As the Downtown BID concluded the 18-month long brand repositioning effort and contemplated implementing it, another important focus was developing a comprehensive strategic communications plan to fashion key messages and tactics to carry out programmatic work plans. By the end of the fiscal year, the Downtown BID had all the necessary tools in place to initiate a new platform for delivering programs, services, insights and tools to maximize Downtown's economic, social and cultural competitiveness.





The Downtown BID continued to produce and disseminate a wide range of publications and reports to keep stakeholders informed of Downtown's progress. A new website enhancement introduced the customized, interactive mapping feature that highlights Downtown events, cultural attractions, restaurants, retail and other businesses.

GOALS

In the coming fiscal year, the Downtown BID will celebrate its 10th anniversary and launch a repositioned brand that provides a new vocabulary for conveying Downtown's unique character and identity, as well as a new platform for recommitting the Downtown BID to serve as a catalyst for transformation and change.

The Downtown BID will coordinate with constituents to introduce and implement these brand fundamentals and will assist in helping stakeholders to tell the Downtown story with tools and strategies that will be available on our website. As the Downtown BID transitions to the new graphic identity and elevated service delivery standards, we remain committed to the foundational principles of "clean, safe and friendly" as expressed through our SAMs.



SPECIAL EVENTS

The Downtown BID's annual events calendar is bustling with innovative and smart programming to uphold Downtown's position as the region's premier entertainment and cultural destination.

ACCOMPLISHMENTS

Downtown DC celebrated the 95th anniversary of the National Cherry Blossom Festival® in grand style in 2007. This iconic event, managed by Downtown BID staff, continues to put DC in the international spotlight each year — with the Festival's most prominent events happening in the heart of Downtown. Hometown favorites as well as nationally- and internationally-acclaimed performers offered blockbuster entertainment during the televised parade. The Family Day and Opening Ceremony event at the National Building Museum drew near-capacity crowds. The Festival, overall, included more than 200 performances and helped contribute to the \$2 million media campaign for the Festival and the city. An estimated \$50 million in visitor spending was calculated during the two-week event, with hotel occupancy also showing a dramatic increase.



For a second smashing year, the annual Capital Fringe Festival proved to be another success for Downtown and for the Downtown BID, receiving daily coverage in the *Washington Post* for its non-traditional and avant-garde theater. For 11 days in July, more than 100 artists and ensembles held more than 500 performances in 18 venues Downtown and throughout the city, drawing a record number of arts patrons to Downtown. The Downtown BID-sponsored Fringe Box Office, located in a vacant space on 7th Street NW, was an interactive sculpture installation where patrons could learn about shows, buy tickets, mingle and experience the Fringe community.

The 15th annual Arts on Foot exploded last fall, hosting an estimated 20,000 patrons Downtown for the one-day arts festival. The Shakespeare Theatre Company's new Harman Center for the Performing Arts staged its public debut in conjunction with the event and hosted thousands of visitors for a free family day of programming. The festival also featured a Neighborhood Showcase of more than 45 participating venues offering free artistic programming within their facilities. The outdoor festival was the setting for a juried art market featuring more than 70 artists and 30 restaurants selling samples. Media partnerships with *The Washington Examiner*, WAMU and 94.7 The Globe, as well as sponsorships and grants from the DC Commission on the Arts and Humanities, helped provide outstanding promotion and support.

Rapidly becoming an anticipated tradition and one of the area's most sought-after happenings, the Downtown Holiday Market leverages public, private and government assets to provide a high-quality experience for more than 150,000 consumers, and serves as an incubator for small businesses looking to expand into established retail ventures.

The Downtown BID's Downtown Holiday Market, located adjacent to the Donald W. Reynolds Center for American Art and Portraiture, once again provided Downtown residents, workers and visitors with a vibrant holiday shopping experience in the heart of Downtown. Strong media partnerships allowed the Downtown BID to promote this event to a wide audience with resounding success. The Market's reputation continued to swell within the consumer and artisan communities, bringing more than 140 unique exhibitors selling a diverse array of goods and more than 50 musical performers filling the air with holiday tunes. Working in partnership with Diverse Markets Management (DMM), the Downtown BID expanded the Market schedule to 17 days in order to maximize event traffic from the nearby Verizon Center and bring a captive audience to the Reynolds Center sidewalks.

In ongoing efforts to provide support to the city, the Downtown BID continued to administer programming for the former Washington Convention Center site, known now as City Center Parking, for event usage. The summer brought an exciting mix of performances, political rallies, basketball extravaganzas — including the WNBA All-Star Jam and the And1 Mix Tape tour — and helped provide the staging area for two Hollywood feature films.



GOALS

Identifying new opportunities to foster world-class event development in Downtown will continue to position the area as an entertainment and cultural leader. BID-produced events will serve as brand carriers of a vibrant, inviting and smart Downtown that will highlight the diverse richness of the DC arts, sports and entertainment communities.

“The incredible Downtown BID staff has always been essential to creating and sustaining the public/private partnerships that have brought us to where we are today — serving not only as ambassadors between the public and private sectors, but also as providers of a vibrant, smart and inviting environment for all who encounter Downtown Washington.”

— HOWARD RIKER, CHAIRMAN OF THE DOWNTOWN BID

ADMINISTRATION

In order to provide enhanced services and support to operate the Downtown BID efficiently, a professional financial and administrative staff has primary responsibility for budget and financial matters, human resources management, Board of Directors relations, business and contract management and policy implementation.

ACCOMPLISHMENTS

There were several major focus areas in 2007. Through an enhanced effort, the Downtown BID's assessment collection reached its highest rate ever at 99.17%. In addition, a well-coordinated review, application and hearing process resulted in the successful renewal of the Downtown BID by the Board of Directors and Mayor Adrian Fenty for a new five-year term, from 2008 through 2012.

As programs within the Downtown BID continued to grow, the administration department assumed increased responsibilities. New programs also resulted in creating subsidiary and affiliate corporations, such as those focused on vending, events and surface transportation, for which the Downtown BID provided general management and administrative services. The Downtown BID executed a new five-year contract for services with the GSA, while managing voluntary contributions and other ancillary revenue-generating contracts. We also continued to provide and maintain opportunities for partnerships with the DC Department of Employment Services (DOES) and other local workforce programs that assist city residents.



The Downtown BID is the largest and oldest BID in the city. Since the Downtown BID was formed, seven other BIDs have been established in DC, including the Golden Triangle, Georgetown, Capitol Hill, Mount Vernon Triangle, Adams-Morgan, NoMa and Capitol Riverfront.



Appropriate protections for the Downtown BID were executed and monitored, including contract reviews, adherence to financial and personnel policies and procedures, insurance, risk management, compliance and legal matters. Board reporting, information technology and office management services, equipment and inventory, meetings support and other administrative activities were centralized for all programs.

Financial management activities included collecting revenue, budgeting cash flow and disbursement and procuring and coordinating audits. Human resources services included recruitment and employment functions, benefits administration, compensation and employee relations for 150 staff members, as well as compliance with equal employment opportunity, sexual harassment prevention, workers compensation, Occupational Safety and Health Administration (OSHA), the Family and Medical Leave Act (FMLA) and other regulatory requirements. In 2007, the Downtown BID recruited, screened and processed well-qualified candidates for staff and SAM positions within the parameters of the compensation budget and maintained a turnover rate below 20%.

GOALS

Continuing to collect revenue, manage and control expenditures and oversee financial and administrative planning will be priorities for the upcoming year. The Downtown BID plans to continue attracting and supporting highly qualified staff for all programs and providing a safe and professional work environment for employees, clients and guests, while ensuring regulatory compliance and appropriate protections for the organization in all employment, corporate and contractual matters.





LETTER FROM THE TREASURER

We are pleased to present the Downtown Business Improvement District (BID) Corporation audited Consolidated Financial Statement for FY2007 on the facing page, which covers the period from October 1, 2006 through September 30, 2007.

Our budget remained in balance and key fiscal indicators continued to improve due in large part to the leadership provided by our Board of Directors and Executive Committee and by the unremitting efforts of our Executive Director, Richard H. Bradley, and the Downtown BID staff. The past year was a successful milestone for the Downtown BID as we successfully renewed our legislative charter for another five-year term, celebrated our 10th anniversary and embarked a new set of values and attributes to help shape and sustain the future of Downtown DC.

The Downtown BID will maintain the commercial tax rate at 14.983 cents per square foot and will increase the hotel tax rate by \$10 to \$74.215 in 2008.

Our audit firm, Beers & Cutler, oversees the financial reporting for the Downtown BID and issued an unqualified opinion on the financial statements. In addition, the Downtown BID works closely with the DC Office of Finance and Revenue to receive disbursements and delinquent assessment payments in a timely and efficient manner.

Because of this year's strong fiscal performance, I am pleased to present these statements for public review. If you have any questions or would like to obtain copies, please feel free to contact the Downtown BID directly.

Brad Edwards

Treasurer

Downtown Business Improvement District Corporation



CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**2007****2006****ASSETS**

| | | |
|---------------------------|------------|------------|
| Cash and cash equivalents | \$ 487,353 | \$ 361,263 |
| Cash reserve account | 350,000 | 350,000 |

TOTAL CASH AND CASH EQUIVALENTS 837,353 711,263

| | | |
|-----------------------------|---------|---------|
| Accounts receivable, net | 404,529 | 403,931 |
| Deposits | 61,353 | 61,353 |
| Property and equipment, net | 344,545 | 466,318 |

TOTAL ASSETS \$ 1,647,780 \$ 1,642,865**LIABILITIES AND NET ASSETS**

| | | |
|--|------------|------------|
| Accounts payable and other liabilities | \$ 359,051 | \$ 318,784 |
| Unrestricted net assets: | | |
| Undesignated | 853,216 | 773,753 |
| Property and equipment, net | 344,545 | 466,318 |
| Board designated | 90,968 | 84,010 |

Total Unrestricted Net Assets \$ 1,288,729 \$ 1,324,081**TOTAL LIABILITIES AND NET ASSETS \$ 1,647,780 \$ 1,642,865****CONSOLIDATED STATEMENTS OF ACTIVITIES****SUPPORT AND REVENUES**

| | | |
|----------------------------------|--------------|--------------|
| Assessment revenues | \$ 7,649,945 | \$ 7,213,638 |
| Contributions and other revenues | 2,962,584 | 2,979,402 |

TOTAL SUPPORT AND REVENUES \$ 10,612,529 \$ 10,193,040**EXPENSES**

| | | |
|---------------------------------|------------|------------|
| Administration | \$ 900,326 | \$ 850,860 |
| Marketing | 1,295,573 | 1,254,304 |
| Physical Improvements | 626,429 | 626,111 |
| Safety | 3,114,230 | 2,985,950 |
| Maintenance | 2,491,993 | 2,442,487 |
| Homelessness | 609,452 | 522,153 |
| Transportation | 342,221 | 336,537 |
| Economic Development | 558,467 | 506,111 |
| Special project — DC Circulator | 150,000 | 150,000 |
| Special project — TDM | 186,450 | 292,485 |

TOTAL EXPENSES \$ 10,275,141 \$ 9,966,998

| | | |
|--|---------|---------|
| Net increase in unrestricted net assets before board designated expenses | 337,388 | 226,042 |
| Board designated expenses | 372,740 | 365,481 |

NET DECREASE IN UNRESTRICTED NET ASSETS \$ (35,352) \$ (139,439)**CONSOLIDATED STATEMENTS OF CASH FLOWS**

| | | |
|---|------------|--------------|
| Net cash provided by (used in) operating activities | \$ 225,173 | \$ (256,322) |
| Net cash (used in) investing activities | (99,083) | (216,722) |

NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS 126,090 (473,044)

| | | |
|--|------------|--------------|
| Cash and Cash equivalents, beginning of year | \$ 711,263 | \$ 1,184,307 |
| Cash and Cash equivalents, end of year | \$ 837,353 | \$ 711,263 |

This information has been derived from the financial statements audited by Beers & Cutler PLLC. The complete set of audited financial statements is available upon request from Bertha Gaymon of the Downtown Business Improvement District Corporation.

BOARD OF DIRECTORS

(OCTOBER 1, 2006 – SEPTEMBER 30, 2007)

EXECUTIVE COMMITTEE

Howard Riker

CHAIR

Vice President
Hines

Matt Klein

FIRST VICE CHAIR

President
Akridge

Stewart Bartley

SECOND VICE CHAIR

Principal
JBG Companies

Peter D. Johnston

SECRETARY

Senior Vice President/
Regional Manager
Boston Properties

Brad Edwards

TREASURER

General Manager
Renaissance Washington DC
Hotel

Kingdon Gould III

PAST CHAIR

Vice President
Gould Property Company

Richard H. Bradley

Executive Director
Downtown BID Corporation

Steven Jumper

Director, Public Affairs
Washington Gas

Yeni Wong

President
Riverdale International

BOARD OF DIRECTORS

Dan Amato

General Manager
Grand Hyatt Washington

Joseph L. Askew Jr.

Vice President, Government
& External Relations
Verizon

David Bender

President
Blake Real Estate, Inc.

Donald Borut

Executive Director
National League of Cities

Robert H. Braunohler

Vice President of Operations
& Development
Louis Dreyfus Property Group

Philip Carr

President
Washington Parking Association

Rev. Msgr. Salvatore A. Criscuolo

Pastor
St. Patrick's Catholic Church

Charles A. Docter

Partner
Docker & Docker, PC





Annie W. (Ann) Everett
(retired June 2007)
 Acting Regional Administrator
 General Services
 Administration, NCR

Christopher Gladstone
 President
 Quadrangle Development
 Corporation

Nicholas T. Goldsborough
 Managing Director
 Shakespeare Theatre

William A. Hanbury
 President/CEO
 Washington DC Convention
 & Tourism Corp.

Hervé Houdré
 General Manager
 The Willard Inter-Continental Hotel

Dan Hudson
 Senior Managing Director
 Trammell Crow Company

Douglas Jemal
 CEO/President
 Douglas Development

Helen Kelly
 Director of Administrative Services
 Howrey, Simon, Arnold & White

John Kyle
 Senior Managing Director
 Studley, Inc.

Barbara Lang
 President & CEO
 DC Chamber of Commerce

Carol M. Lascaris
 President Emeritus
 National Museum of Women
 in the Arts

Ronald Linton *(elected June 2007)*
 Representative
 Downtown Cluster of Congregations

Deborah Lipman
 Director, Policy and
 Intergovernmental Relations
 Washington Metropolitan Area
 Transit Authority

Richard Lucas
 Partner
 Arnold & Porter

John Mack *(retired June 2007)*
 Representative
 Downtown Cluster
 of Congregations

Joel Manion
 Managing Director
 Washington Court Hotel

Wallace J. Mlyniec *(elected January 2007)*
 Lupo-Rici Professor of Clinical
 Legal Justice
 Director, Juvenile Justice Clinic
 Georgetown University Law Center

Jerry A. Moore III
 Partner
 Venable LLP

Vincent Orange *(elected June 2007)*
 Regional Vice President, DC
 PEPCO

Jane Taylor *(elected January 2007)*
 Vice President, Marketing
 Washington Sports &
 Entertainment

Stan Sloter
 President
 Paradigm

Dwan "Diane" Tai, Ph.D.
 Chairperson
 Allies Building Community, Inc.

Robert Thompson
 Regional Director
 Manulife Financial

Patrick J. Tyrrell
 Chief Operating Officer
 Vornado/Charles E. Smith

Reba Pittman Walker
 General Manager/CEO
 Washington Convention
 Center Authority

Rob Wilder
 CEO
 ThinkFood Group

STAFF

(AS OF SEPTEMBER 30, 2007)

EXECUTIVE OFFICE

Richard H. Bradley
Executive Director

Frank Russo
Deputy Executive Director,
Programs and Services

Richard T. Reinhard
Deputy Executive Director,
Planning and Development

DeLores M. Dickens
Executive Assistant/Office Manager

ADMINISTRATION

Eileen O. Andary
Director of Administration

Dennis McCarthy
Information Systems Manager

Jalal Chaoui
Administrative Specialist

David Lutz
Program Assistant, Information Systems

Rebecca Igwe
Human Resources Assistant

ECONOMIC DEVELOPMENT AND PLANNING

Gerry Widdicombe
Director of Economic Development

William McLeod
Executive Director, Mount Vernon
Triangle

Rebecca White
Research Assistant

FINANCE

Bertha A. Gaymon
Chief Financial Officer

Lulu Liu
Staff Accountant

Barbara Taylor
Staff Accountant

Charles McFadden
Administrative Assistant

HOMELESS SERVICES

Chet Grey
Director of Homeless Services





MARKETING AND COMMUNICATIONS

Karen M. Sibert
Director of Marketing
and Communications

Claire Carlin
Director of Special Events

Kibibi P. Bonner
Communications Manager

Wayne Nicolosi
Electronic Media Specialist

Emily Todd
Special Events Coordinator

Ebony P. Walton
Marketing Assistant

NATIONAL CHERRY BLOSSOM FESTIVAL

Diana Mayhew
Executive Director

Lillian Iversen
Program Manager

Danique Fields
Administrative Assistant

OPERATIONS

Everett D. E. Scruggs
Director of Operations

Hiram K. Brewton
Director of Environmental Services

Anna Standard
Safety/Hospitality Manager

Ronald E. Jones
Maintenance Services Manager

PHYSICAL IMPROVEMENTS

Matt Hussman
Public Space Manager

Lito Tongson
Streetscape Manager

Scott Pomeroy
Project Advisor

Salem M. Samim
Program Assistant

Jeffrey Tiell
Program Coordinator

TRANSPORTATION

Ellen Jones
Director of Transportation

Kelly Peterson
Program Coordinator

CREDITS

Photography
Kevin Koski

Graphic Design
Amy E. Billingham
Pensaré Design Group

Printing
Kelly Press





DOWN
TOWN
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