INTRODUCTION

In early 2020, downtown Ann Arbor had a vibrant, active daytime economy. Office vacancy was at an all-time low, monthly parking permits were scarce, and commerce synced with the rhythm of the seasons and the University of Michigan calendar.

The COVID-19 pandemic reached Ann Arbor in mid-March 2020 and the impacts came in rapid succession. Downtown offices emptied as employers shifted to a remote work model, parking facilities cleared, University students and faculty left campus, indoor dining and shopping were prohibited as the State issued an executive order suspending all activities not necessary to sustain or protect life, and a new paradigm began.

These last few years have provided a clear path for organizations responsible for the health and vitality of urban cores. The strategy for the future must be focused on building resilience to position downtowns to withstand unexpected events and ensure equity and access for all in the process.

The challenges brought on by the pandemic have been rich in lessons and insights. For the Downtown Development Authority, critical takeaways include:

**EQUITABLE, RESILIENT INFRASTRUCTURE:**
Infrastructure provides a foundation for economic activity and resiliency downtown. Projects must prioritize community values for safe and equitable access, economic and demographic diversity, improved resilience to climate related events, and the creation of inclusive public spaces.

**FLEXIBLE STREETS:**
Downtown streets provide public space that can be used in a variety of ways, and flexibility within this space supports the ever-changing downtown landscape. Most notable, during the pandemic, parking spaces and streets were re-purposed/re-envisioned for dining, public space, and essential transportation.

**ECONOMIC DIVERSITY:**
A diverse daytime economy is necessary to support a thriving downtown. The shift to remote work highlighted downtown Ann Arbor’s reliance on office workers to support daytime activity and magnified the value of diversifying activity generators, including increasing our residential population as well as our outdoor programming and recreation.

**ADAPTABLE BUSINESS OPERATIONS:**
Brick and mortar businesses that can adapt and evolve their business models are more likely to survive. E-commerce platforms, delivery service, and enhanced in-store experiences are critical to small retail survival.
INTRODUCTION

DDA PROGRAMS AND PARTNERSHIPS

The DDA introduced new programs and worked with partners to support businesses and create space for people to walk, bike, shop, and dine safely.

The downtown Area Associations provided a critical connection to the business community and ensured DDA programs effectively met the needs of businesses as the pandemic evolved. The Area Associations were indispensable in determining the appropriate footprint, programming, and operations for the street closure program.

STREET CLOSURES

Funded all barricade costs for street closures in 2020 and 2021 – exponentially increasing space for pedestrians and outdoor dining in high-traffic areas ($100,000 total)

CURBSIDE PICK-UP PARKING

Converted 191 parking spaces to convenient short-term pick-up spaces

OUTDOOR DINING

Facilitated the conversion of 62 parking spaces into outdoor dining patios for restaurants

Paid sidewalk occupancy permit fees for approximately 90 businesses in 2020 and 2021 (over $70,000 total)
INTRODUCTION

DDA PROGRAMS AND PARTNERSHIPS

OUTCOMES AT-A-GLANCE:

96% of businesses and residents supported the continuation of street closures in 2022.

76% of survey respondents said the Healthy Streets Pilot Projects increased their sense of comfort, security, and safety while bicycling downtown.

7% Vehicle speeds decreased by 7% across all sites after the Healthy Streets Pilot Projects were installed.

GRANTS

Sponsored temporary art grants that resulted in 4 pieces of public art ($35,000)

Contributed to "Show Your Love" Campaign, which promoted shopping and dining in downtown ($15,000)

Provided landscape maintenance funds to district associations ($15,000 each)

HEALTHY STREETS PILOT PROJECTS

Piloted five separated bikeways on downtown streets, which calmed traffic, encouraged walking & biking, and supported access for essential workers during a time of reduced transit service

PUBLIC HEALTH MATERIALS

Collaborated with the City of Ann Arbor on a series of materials that promote public health

Distributed 500 boxes of personal protective equipment donated by DTE
## ANN ARBOR’S PANDEMIC TIMELINE

### 2020

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
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<tbody>
<tr>
<td>3.10.20</td>
<td>Gov. Gretchen Whitmer declares a State of Emergency</td>
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<td>3.11.20</td>
<td>Washtenaw County reports its first COVID-19 case; U-M moves to online classes</td>
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<tr>
<td>3.13.20</td>
<td>Gov. Whitmer closes K-12 schools; U-M cancels Spring Commencement</td>
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<tr>
<td>3.16.20</td>
<td>Gov. Whitmer closes bars and restaurants for dine-in as well as gyms, coffee shops and other public places</td>
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<tr>
<td>3.18.20</td>
<td>TheRide reduces transit service</td>
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<td>3.23.20</td>
<td>Gov. Whitmer issues a statewide stay-at-home order for non-essential workers</td>
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<td>5.7.20</td>
<td>The Ann Arbor Art Fair, which attracts approximately 500,000 attendees, is canceled</td>
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<tr>
<td>7.29.20</td>
<td>Gov. Whitmer requires work-from-home for all employees who can</td>
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<tr>
<td>8.31.20</td>
<td>U-M begins fall classes</td>
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<tr>
<td>9.16.20</td>
<td>The Big 10 Conference approves shortened football schedule</td>
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<tr>
<td>11.6.20</td>
<td>U-M announces it will close dorms and asks students to remain in their hometowns when the winter semester begins in January</td>
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<tr>
<td>12.15.20</td>
<td>The first round of vaccines are rolled out in Michigan</td>
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### 2021

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<th>Date</th>
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<tr>
<td>1.8.21</td>
<td>Washtenaw County reports 6,256 cases, the highest number of new cases in a single day</td>
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<tr>
<td>3.25.21</td>
<td>Ann Arbor Public Schools begin hybrid classes as the district resumes in-person class</td>
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<tr>
<td>5.4.21</td>
<td>More than 60% of Washtenaw County residents over 16 have received at least one vaccine dose and nearly 50% are fully vaccinated</td>
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<tr>
<td>5.15.21</td>
<td>The State again restricts gatherings and requires face masks indoors unless the person falls under certain exemptions</td>
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<tr>
<td>6.7.21</td>
<td>Gov. Whitmer rescinds remaining emergency orders</td>
</tr>
<tr>
<td>7.15.21</td>
<td>The Ann Arbor Art Fair returns</td>
</tr>
<tr>
<td>8.29.21</td>
<td>TheRide restores full transit service</td>
</tr>
<tr>
<td>8.30.21</td>
<td>Ann Arbor Public Schools resume fully in-person classes</td>
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### 2022

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<th>Date</th>
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<tr>
<td>1.5.22</td>
<td>U-M offers most classes in-person again</td>
</tr>
<tr>
<td>10.4.22</td>
<td>City of Ann Arbor lifts COVID-19 State of Emergency</td>
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EARLY IMPACT

The pandemic drastically reduced downtown activity, but pilot projects increased safety and space for recreation.
A large portion of downtown businesses were particularly vulnerable to Covid-19 restrictions at the beginning of the pandemic.

According to EntryPoint, 46.7% of 167 downtown businesses in Washtenaw County felt somewhat or totally unprepared at the beginning of the pandemic. The most common responses from downtown businesses were shifting to remote work, reducing budgets, laying off employees, and reducing hours. Businesses that catered to travelers and social gatherings were cut off from customers.

The local economy suffered from canceled business meetings and other events.

Destination Ann Arbor estimates that these cancellations resulted in a $15 million loss for Washtenaw County in 2020.

The pandemic significantly impacted one of Ann Arbor’s most popular attractions: Wolverine football.

Just 1,220 fans attended the limited occupancy games during the entire 2020 season, a microscopic crowd compared the 780,215 fans that filled the Big House during the 2019 season.
EARLY IMPACT
MOBILITY TRENDS

Visits to downtown Ann Arbor declined dramatically after work-from-home restrictions were imposed.

Parking meter revenue for April 2020 barely surpassed $8,000, a stark contrast to February’s revenue of over $500,000. Overall, meter revenue for 2020 was 53% lower than 2019.

Bus ridership plummeted amidst lockdowns and service reductions.

In the six months leading up to the pandemic (October 2019 to March 2020), more than 3 million people used TheRide’s transit services. When pandemic-related restrictions and lockdowns began, TheRide reduced service, and ridership fell to about 530,000 in the six months following the start of the pandemic.

More people began biking downtown.

Despite lockdowns causing an overall reduction in visits to downtown, bike ridership saw a surge in popularity. Safety improvements from the Healthy Streets Pilot Projects and a renewed interest in outdoor recreation were key factors.

Bike ridership increased 128% on Division St. approx. 6 weeks after the installation of a Healthy Streets Pilot Project protected bike lane.
Students returned and cultural destinations are slowly recovering, but remote work continues to impact downtown activity.
Many businesses adopted practices that increased resilience. DDA programs provided critical support.

Many businesses pivoted to online sales, curbside pickup, and home delivery. Others improved their websites, diversified their offerings, and boosted their social media activity.

Main Street District Executive Director Sandra Andrade praised DDA partnerships and programs that helped businesses set up curbside pickup, extend patio space, and close blocks to vehicle traffic. “Those (DDA programs) I think were the major things that helped folks through,” said Andrade. “It’s really a team effort to try and provide the best support net that you can.”

U-M students have returned in record-breaking numbers.

In Fall 2022, U-M enrollment surpassed 50,000 students for the first time.

Office workers have been slow to return downtown.

Ann Arbor real estate firm Swisher Commercial estimates the downtown office vacancy rate increased from 5.7% to 14.8% between 2019 and 2022. Other local brokers have indicated the vacancy rate could be higher due to low occupancy rates and leases that have yet to expire. Ann Arbor isn’t the only city to see an uptick in empty offices; high office vacancy rates have rattled downtowns throughout the U.S.

Tourism and cultural destination visits are slowly recovering.

The re-opening of cultural destinations gave people more reasons to visit and spend time downtown. The 2021 hotel occupancy rate was 51.8% (up from 36.7% in 2020).
Washtenaw County workplace visits continue to remain far below pre-pandemic conditions. According to data from Google Mobility, average weekday visits to workplaces dropped 53% in 2020 compared to pre-pandemic conditions. Given the continued popularity of remote work arrangements, weekday workplace visits remained low in 2022 with an average -42% difference. This trend is consistent with activity in other downtowns.

Visits to retail and indoor recreation locations have recovered moderately. While still below the pre-pandemic baseline, visits to retail and recreation locations (i.e. restaurants, museums, theaters, etc.) in Washtenaw County have improved, particularly on the weekends. Around 12% fewer people on average visited those locations on the weekends in 2022 compared to the pre-pandemic base.

Bike ridership has increased significantly in downtown while vehicle counts remain low. Parking meter revenue began to level off in July 2021, revealing a “new normal.”
PLANNING FOR RESILIENCE

Three peer cities offer resilience strategies for downtown Ann Arbor.
PLANNING FOR RESILIENCE

CASE STUDIES

The pandemic highlighted the crucial importance of resilience.

Throughout the pandemic, certain cities clearly fared better than others. Some urban areas felt like ghost towns, while others had stable population growth, a competitive housing market, and low vacancy rates.

While still recovering from the pandemic, cities must increase their ability to weather diverse challenges. Remote work, for example, appears to be permanent, and many downtowns continue to grapple with the commensurate reduction in daytime activity. Climate events are increasingly severe and destructive, and the housing crisis continues to create challenges for both people and employers.

To better understand strategies that increase resilience, the Ann Arbor DDA asked consulting firm 4Ward Planning to examine similar downtowns that remained steady throughout the pandemic. 4ward’s key findings echoed the DDA’s takeaways, reinforced current efforts, and highlighted new opportunities.

Case Study Cities

Source: 4Ward Planning

Ann Arbor, MI

Downtown Pop. Density: 12,110

2021 University Enrollment: 47,660

New Haven, CT

Downtown Pop. Density: 17,880

2021 University Enrollment: 14,530

Downtown Resilience Measures:
• Improving walkability, connectivity, public spaces, and transit
• Inclusive housing
• Focus on social and cultural equity
• Strong institutional and BID partnerships

Berkely, CA

Downtown Pop. Density: 25,010

2021 University Enrollment: 45,567

Downtown Resilience Measures:
• Strong downtown BID and innovation sector
• Encouraging university spin-off businesses
• Focus on social equity and green initiatives

State College, PA

Downtown Pop. Density: 31,160

2021 University Enrollment: 88,914

Downtown Resilience Measures:
• Destination for all ages
• Walkability
• Community spaces and activities
• Carefully considered density
• Quality, affordable housing
• Coordinated infrastructure improvements
Support More Residential

Residential and commercial density can improve resilience once thoughtful policies are in place. The City of Ann Arbor is well-positioned with utility upsizing requirements and robust transportation systems to support more downtown residents while meeting community goals.

Enable Housing Diversity & Affordability

Affordable housing is a common challenge for downtowns, particularly those with large universities. Connecting more residents to downtown prosperity will provide a higher quality of life for more people.

Diversify Downtown Activities

Downtowns should expand their focus beyond office workers and college students to be inclusive places where residents and visitors of all ages want to live, work, and play. Ensure policies support adaptive reuse and retail space for in-demand uses.

Build Social and Cultural Equity into the Plan

Inclusive downtown growth is sustainable growth. Build social and cultural equity into policies, programs, and projects.

Increase Walkability, Connectivity, and Active Public Spaces

Improved public spaces (streets, sidewalks, and plazas) and connections to recreation have widespread benefits. Ann Arbor’s natural amenities, sense of community, and vibrant retail are assets that should be supported and encouraged. Public-space investments and off-hours and off-season programming can foster a stronger downtown.

*Full case studies can be found in the 2022 Ann Arbor Downtown Market Scan, available on the Ann Arbor DDA website.
PLANNING FOR RESILIENCE

DDA EFFORTS AT-A-GLANCE*

People-Friendly Streets & Transportation

- Improving safety, comfort, and accessibility downtown
- Increasing outdoor space for people shopping, dining, and attending events
- Enhancing resiliency to disruptive events (e.g., storms and flooding)
- Supporting downtown employees’ public transit use with parking funds (go!pass program)
- Managing public parking & curbside loading
- Supporting sustainable, reliable energy sources (e.g., solar and geothermal)

Affordable Housing

- Constructing utility infrastructure for new affordable housing developments
- Continuing grant support for affordable housing maintenance, acquisition, and development

Engaging, Equitable Public Spaces

- Piloting public restroom options and locations
- Creating a DDA public art program and policy
- Exploring improved street closure equipment
- Implementing a platform dining program
- Continuing landscape care and updating irrigation
- Support for special events and sidewalk activation

*More information about ongoing efforts to make downtown more resilient can be found on the Ann Arbor DDA website.
The DDA and other local partners provided practical assistance for businesses in downtown Ann Arbor. Street closures, pick-up parking spaces, expanded outdoor seating, and spacious bikeways are a few of the initiatives that helped people feel comfortable returning to downtown.

Downtown activity has improved thanks to the return of students and some visitors, but it appears that the employees who contributed to the daytime economy may never fully return to downtown workplaces. The number of vehicles traveling to downtown has decreased, but growth in bike ridership shows that people may be changing their transportation habits and using downtown streets for recreation.

A pandemic is hopefully a once-in-a-lifetime event, but the only thing that is certain about the future is change. Even as we champion pandemic recovery, extreme climate events and housing affordability challenges persist. We must remain aware of downtown Ann Arbor’s vulnerabilities and increase its ability to thrive and adapt through uncertain times. An analysis of similar cities reinforced the DDA’s current efforts and provided a clear path for improved urban health and vitality. We are committed to building resilience as we carry out our mission of supporting a vibrant, accessible downtown Ann Arbor.
References

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<td>P3</td>
<td>Street Closure Survey Data: Main Street Area Association</td>
<td>Ann Arbor Healthy Streets Pilot Projects Data: SmithGroup</td>
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<td>Ann Arbor DDA Programs &amp; Partnership Data: Ann Arbor DDA Photos: Ann Arbor DDA</td>
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<td>Downtown Business Data: Washtenaw County COVID-19 Impact Report, EntryPoint (May 2020)</td>
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<td>Canceled Meetings and Events: 2020 Annual Report, Destination Ann Arbor</td>
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<td>U-Mich Football: Football Attendance: Bentley Historical Library, University of Michigan Photo: © 2020 and 2021 MLive Media Group. All rights reserved. Used with permission.</td>
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<td>Parking Revenue: Ann Arbor DDA TheRide Ridership Data: Ann Arbor Area Transportation Authority (AAATA) Bike Ridership Data: Ann Arbor DDA Photo: AAATA</td>
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<td>Case Study Data: 2022 Ann Arbor Downtown Market Scan, 4Ward Planning Inc.</td>
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