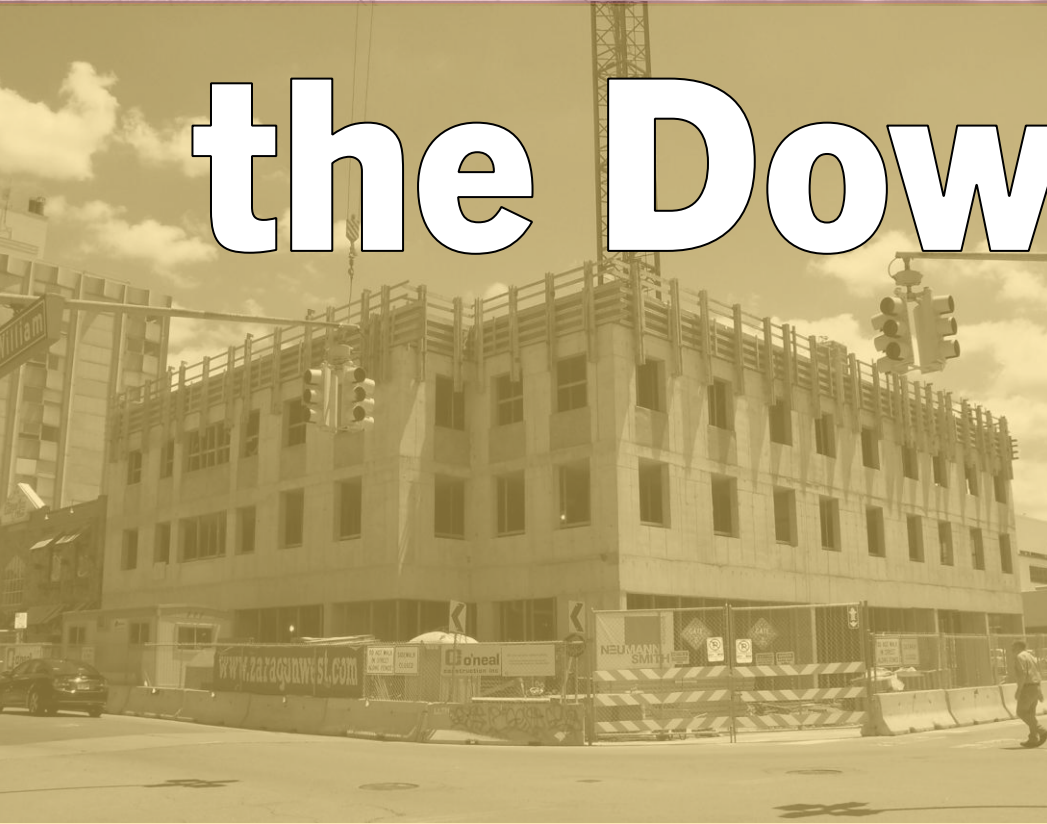




2025 State of the Downtown

City of Ann Arbor Downtown Development Authority



Located in Kerrytown Market and Shops
415 North Fifth Avenue
Ann Arbor, Michigan 48104
Visit us online at www.a2dda.org

Reporting Period

Report Prepared: August 31, 2026.

Report Period: January 1 to December 31, 2025.

Source Note

The main source of visitation data in this report is Placer.ai. The platform uses cell phone point data and extrapolates it using an algorithm to estimate the real number of people in a place at a given time. The platform adjusts its algorithm routinely as it acquires new information, leading to small discrepancies between data pulled at different times. As such, the data in the 2024 State of the Downtown Report shows minor differences from the data in the 2025 report, which was pulled from the platform in July of 2026. A complete list of sources is available at the end of this document.

Accessibility

This document is designed to be digitally accessible. However, this document contains a large number of charts and maps. If you have any issues accessing a figure, please let us know so we can correct it immediately. If you would like to talk through a map or chart with a staff member, please email Nani Wolf (nwolf@a2dda.org) or call 734-994-6697 and leave a message.

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About Downtown

Downtown This Year

In 2025, the DDA District welcomed 19.7 million visits, a 2.5% increase over 2024. The increased activity occurred throughout the day and year, with continued focus on evening and weekend activity.

The COVID Pandemic and global economic shift to hybrid work forced downtowns across the country to adapt, finding new ways of attracting foot traffic to offset the loss of daytime office activity. Downtown Ann Arbor is adapting, and a robust student population, new residents, and increased visitor visits contribute to economic resiliency. Annual resident and out-of-district visitor visits increased by a total of 1.4M to outweigh the 520K decrease in office worker visits. Amidst these changes, 28 ground floor businesses opened, and 21 began remodels with expected 2026 openings.



About the DDA

The Ann Arbor Downtown Development Authority (DDA) is a unit of the City of Ann Arbor government, staffed by a 10-person team. Despite the name, the DDA does not oversee private property development; it builds public infrastructure and manages programs to maintain a healthy downtown environment and support the heart of our city. The DDA repairs and rebuilds streets and public spaces, adding and maintaining amenities like trees, benches, bike hoops, better lighting, and public art, which make downtown a more enjoyable place to visit, work, and live. The DDA also constructs essential infrastructure to improve quality of life and resiliency – water, stormwater, and sanitary sewer utilities, plus accessible sidewalks and parking spaces. The DDA's construction is limited to public space within its downtown boundary. As “everybody's neighborhood,” downtown serves all Ann Arbor residents.

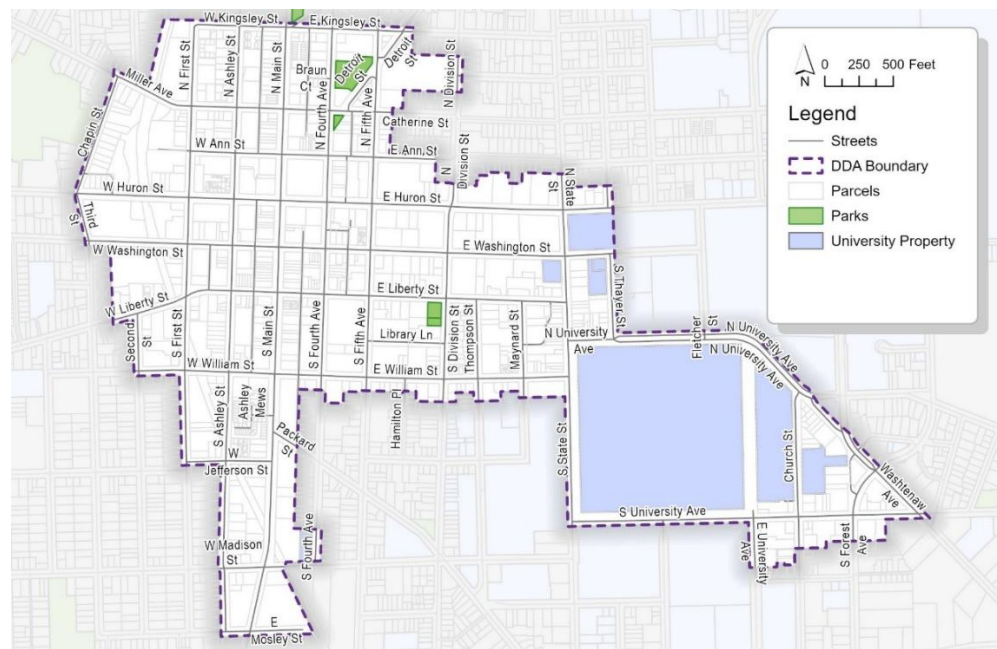
The DDA also manages the City's public parking system, which includes all City-owned paid parking (on-street and in structures). However, the DDA does not oversee parking enforcement or issue parking tickets.

Public Projects



The DDA builds public infrastructure for the 67 blocks of downtown.

Map 1. DDA 2025 Boundary



Why Track Activity?

The DDA tracks activity to understand the health of the downtown economy. Knowing which locations and events have high activity, and which might be lacking, can help us plan for future infrastructure investments in areas that need it. Public infrastructure in general can help boost activity by making a place more welcoming and comfortable.

High-quality amenities (benches, lighting, landscaping etc.), reliable transportation infrastructure, public art, and other placemaking features help make downtown a place people want to visit and stay. Infrastructure also supports less visible city functions, like clean water access and stormwater management, which in turn support people spending time and living downtown.

Placemaking

Designing public spaces like streets and plazas so that they are vibrant, welcoming, and beautiful, and improve the quality of life for the people who use them.



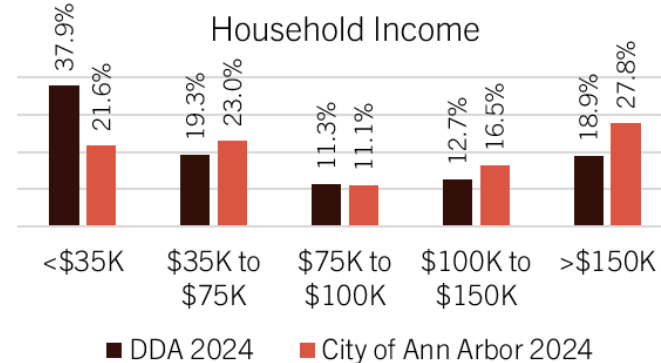
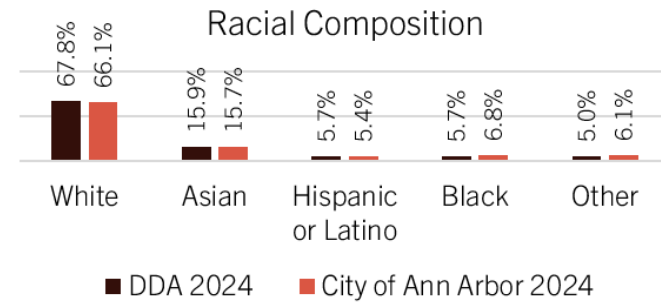
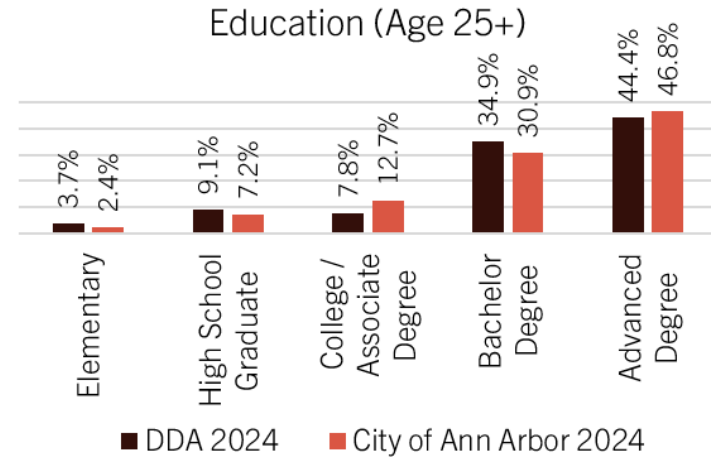
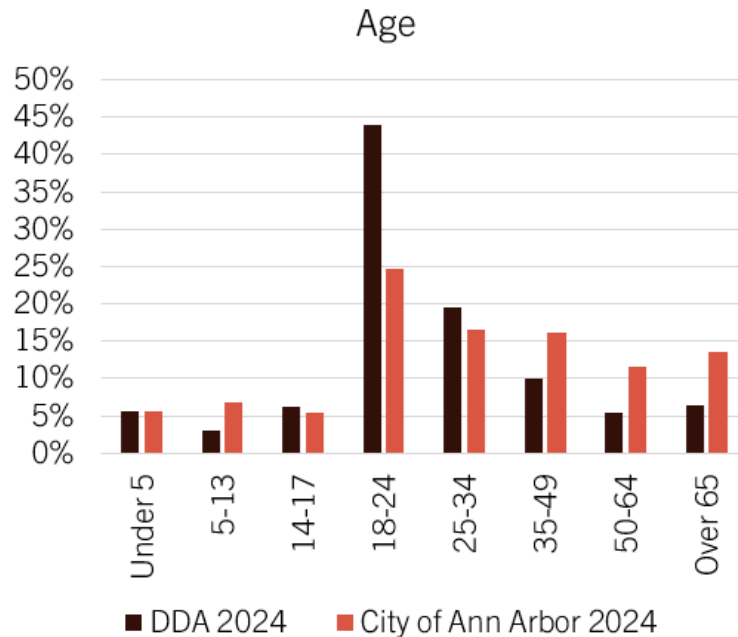
Demographics of the DDA District

Students & Young Professionals

As the home of UM's Central Campus, downtown has more residents between the ages of 18 and 34 than the rest of the city.



Note: The demographics data source is STI Popstats, which is only current through 2024. The graphics in this section reflect 2024 numbers.





Activity and Visitation

Daily Population

Total activity continues to exceed pre-pandemic levels.

The daily population is the total number of people that are present in the DDA on a single day. In 2024, the average daily population topped pre-pandemic levels for the first time, and the trend continued in 2025. As of 2025. Visits by employees remain below 2019 levels, but visitor and resident visits continued to rise.

Definitions

- Visitors: people who neither live nor work in the DDA's downtown boundary.
- Commuter Employees: people who live outside of, but work inside of, the DDA's downtown boundary.
- Residents: people who live inside of the DDA's downtown boundary.
- Visit: A stay greater than 10 minutes (excludes pass-through traffic/trips).

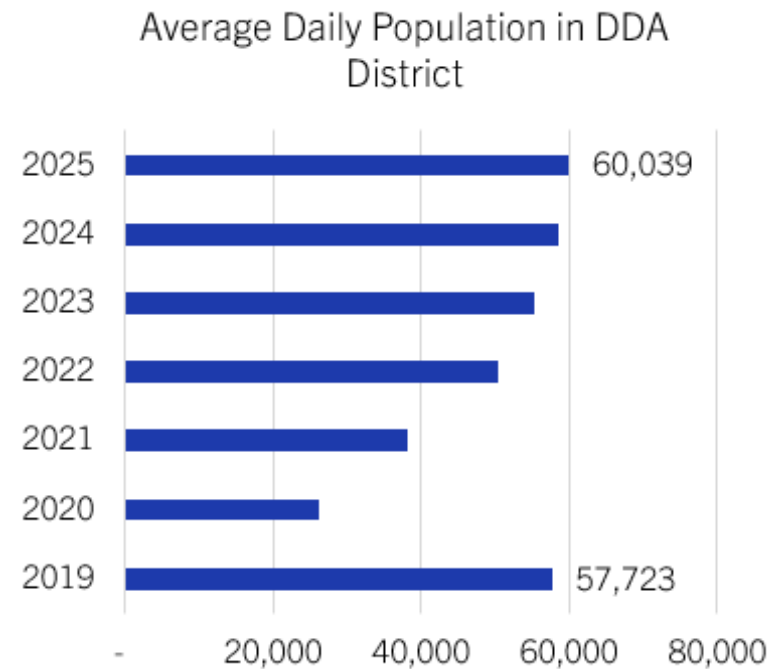


Table 1. Annual Visitation to DDA by Type

Type	2019	2025	Difference '19 to '25	% Change '19 to '25
Resident Visits	1,806,063	2,014,267	208,204	12%
Commuter Employee Visits	4,797,857	4,276,174	-521,683	-11%
Visitor Visits	18,580,561	19,784,165	1,203,604	6%

Annual Visitation

2025 visits to the DDA District are up nearly every month compared to 2024.

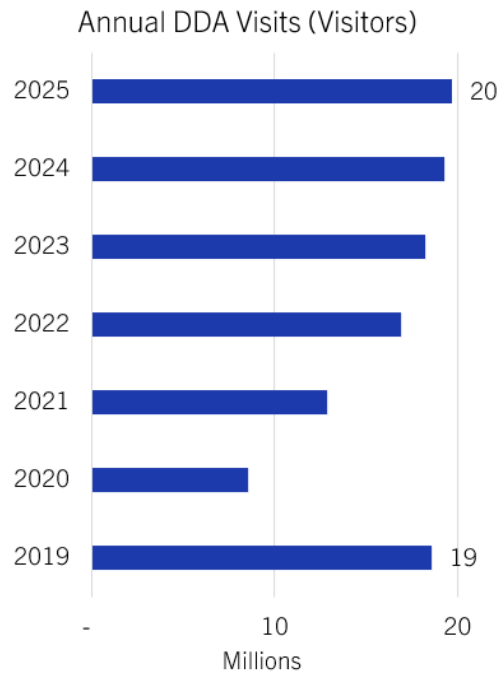
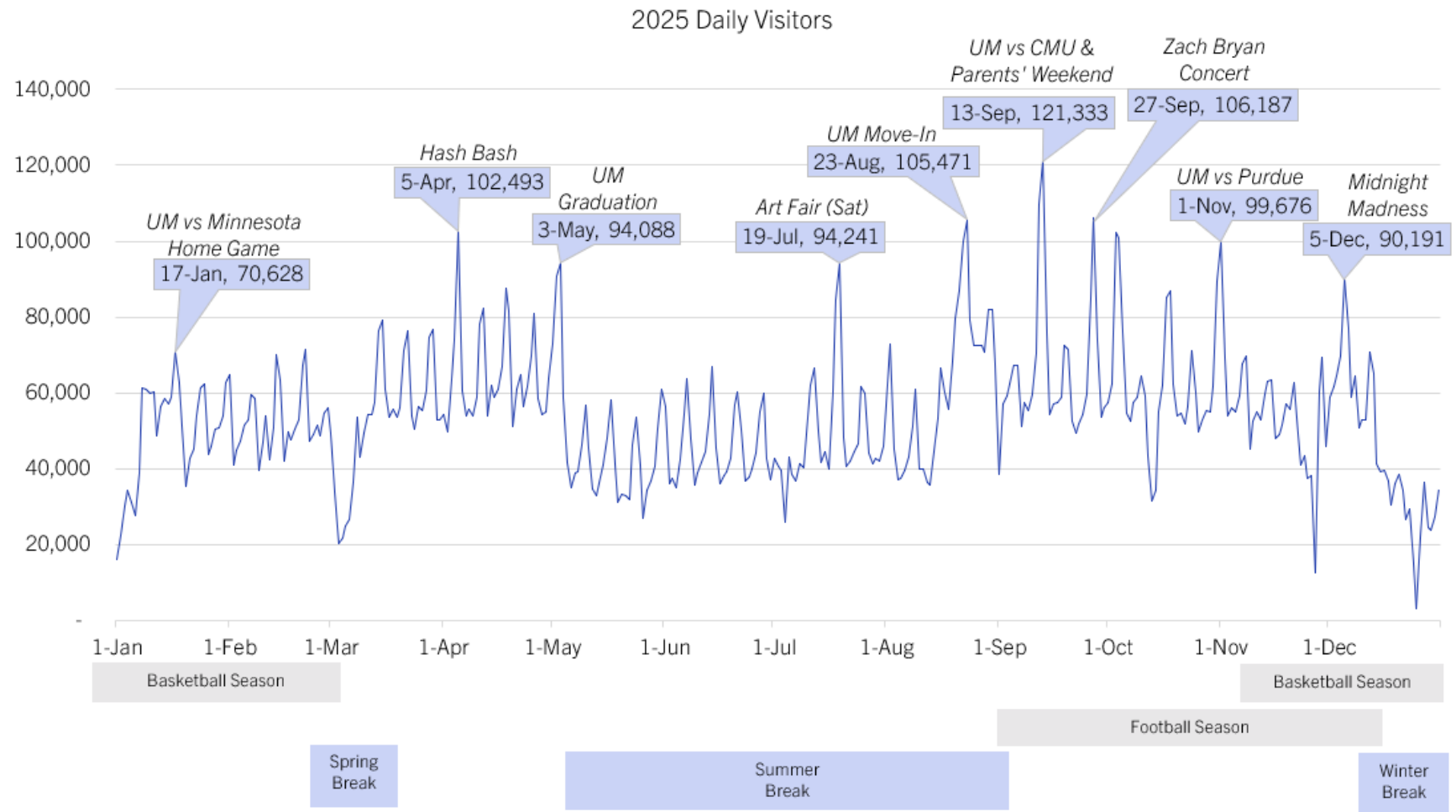


Table 2. Visits to the DDA District Year-Over-Year

Year	2019	2024	2025	Difference 24-25	% Change 24-25
Total Visits to DDA	18.6 M	19.2 M	19.7 M	460 K	2.4%

Event Activity



UM Activity

Generally, activity downtown follows campus activity and UM football and basketball. UM move-in and graduation also have notable activity peaks. Weekly activity tends to peak on Saturdays.

Art Fair

In 2025, Art Fair closed early due to unexpected heavy rain and overall Art Fair visits declined by -14% from 2024.

Concerts Take the Lead for Highest Non-Sport Attendance



2025 was the first year of UM Big House concerts. On the day of the Zach Bryan concert, 106,442 visits occurred downtown, making it the second-highest activity day in 2025.

Table 3. Changes in Event Activity 2024 to 2025

Event	Data Boundary	2025 Visits	% Change '24 to '25
Galentine's Day	Main Street District	28,858	-22%
Valentine's Day	DDA	69,991	32%
Ann Arbor Film Festival	DDA	374,790	11%
Shamrocks and Shenanigans Run	DDA	5,810	-40%
Hash Bash	DDA	102808	1%
Fool Moon	Main Street District	16,234	3%
Festi-Fools	Main Street District	5,610	-12%
UM Graduation	DDA	97,639	19%
Dexter-Ann Arbor Run & Taste of Ann Arbor	Main Street District	32,277	27%
Rolling Sculpture Car Show	Main Street District	32,659	6%
Art Fair	Art Fair Boundary	107,017	-14%
Ann Arbor Green Fair	Main Street District	28,615	-25%
Artoberfest	Kerrytown District	11,821	9%
Ann Arbor Marathon	DDA	46,278	20%
Midnight Madness/Kindlefest	DDA	90,080	7%

Employee Visitation

UM's regular (non-term-limited) employee base dropped by 14.5% from 2024 to 2025 on central campus. The declining employee visitation may continue to create challenges for some daytime businesses. The increasing residential population and evening visitation help buoy the evening and weekend economy downtown.

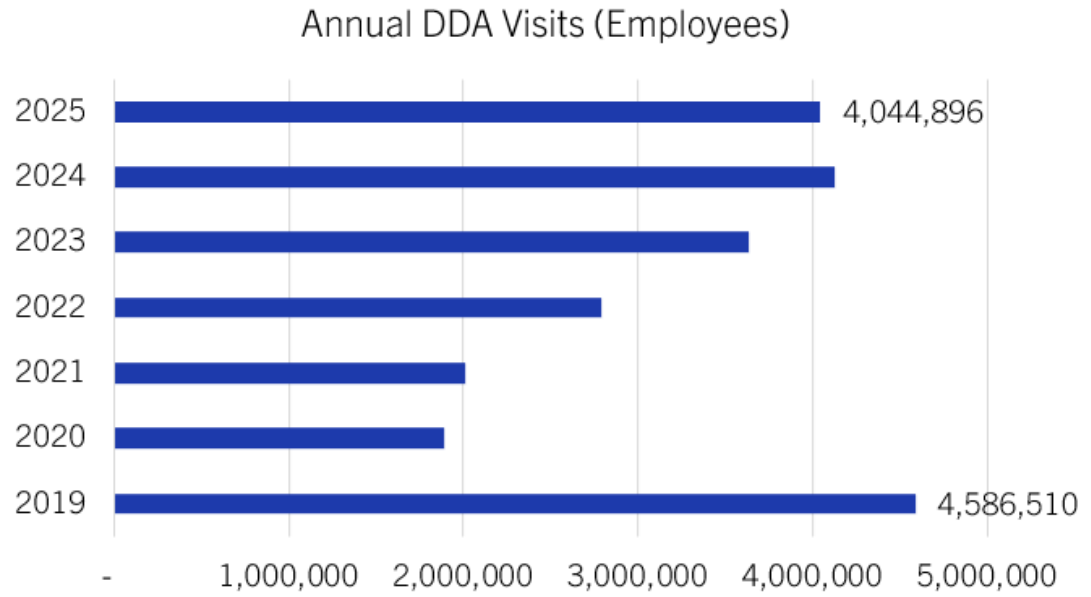
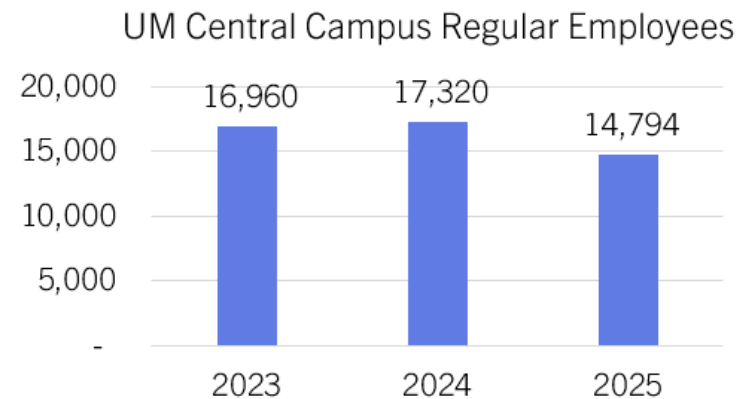


Table 4. Average DDA Daily Activity Change (Employees)

Day	Difference 24-25	% Change 24-25
Monday	-402	-3%
Tuesday	-289	-2%
Wednesday	-442	-3%
Thursday	-256	-2%
Friday	-459	-4%
Saturday	382	6%
Sunday	131	2%



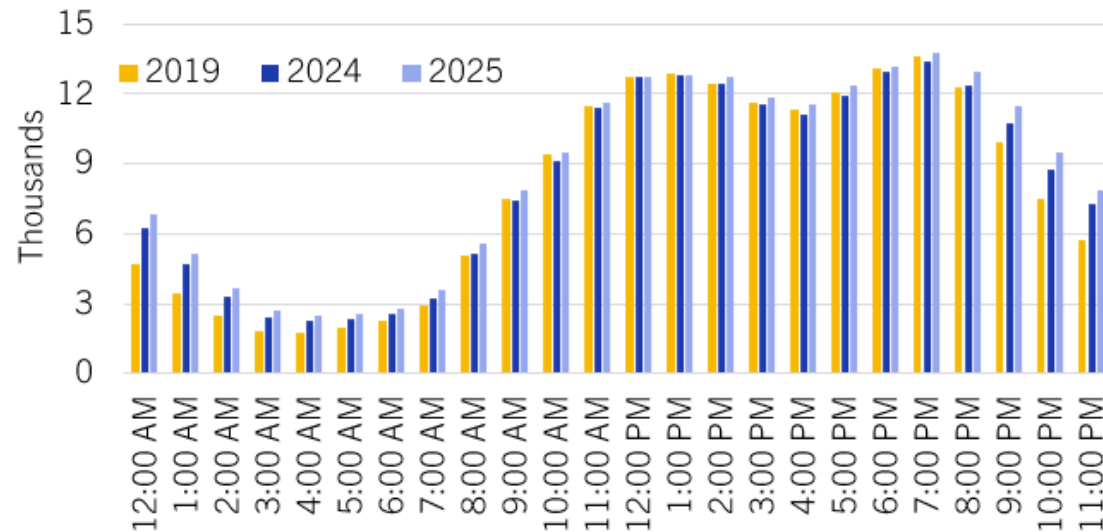
Activity by Time of Day

Weekend & Night Activity

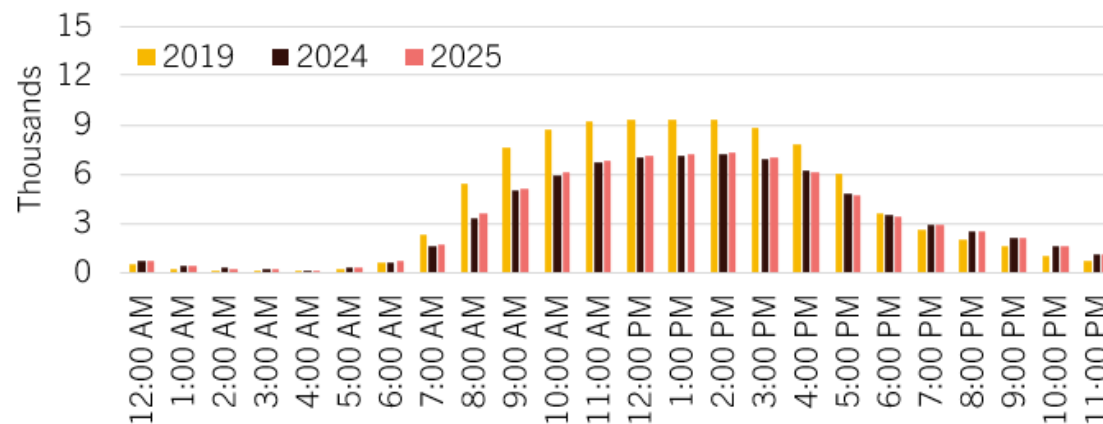


With the changes caused by the pandemic and work-from-home, the weekends remain the most active time downtown. While lunchtime activity has not recovered post-pandemic, nighttime activity has continued to increase as more students and visitors come downtown.

Hourly Activity (Visitors) Daily Average



Hourly Activity (Employees) Daily Average

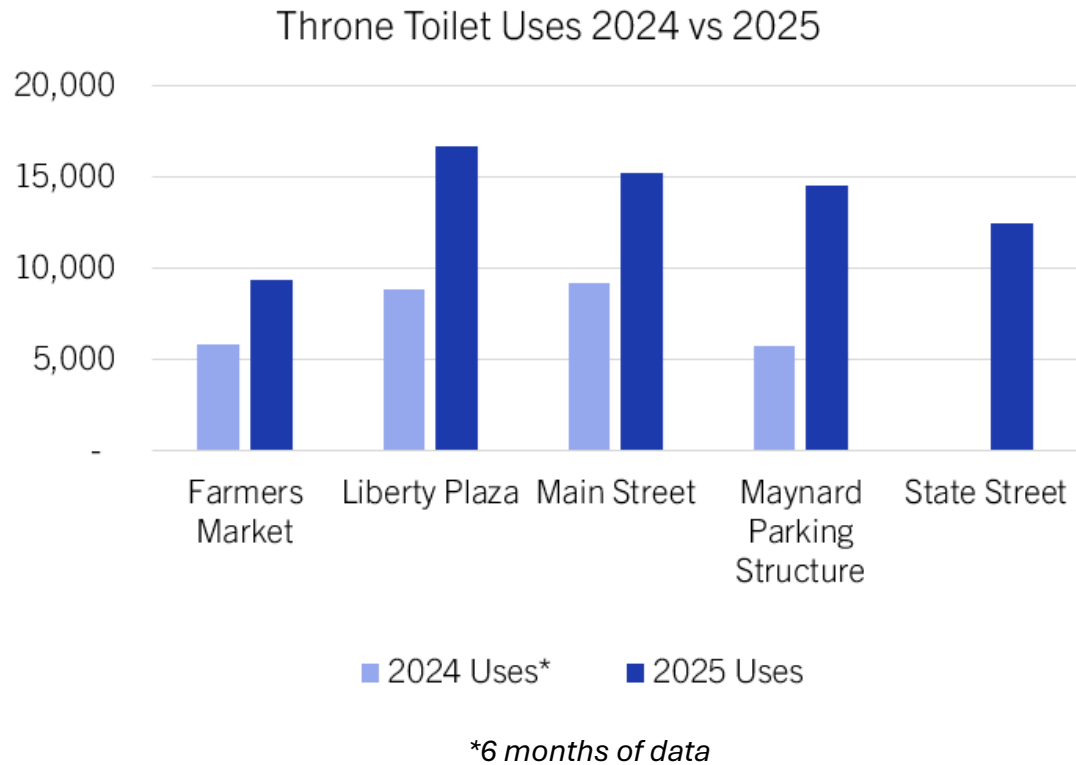


Public Restrooms

In 2024, The City of Ann Arbor announced that new portable public restrooms would be open for business throughout the city. The DDA sponsors 2 of these “Throne” restrooms and tracks downtown activity for the 5 Thrones located downtown.

Users can access the Thrones by sending a text message, using a mobile app, or using a Throne Tap Card.

The original Throne installation was in June of 2024, providing only 6 months of data. 2025 was the first year of complete data, showing that Liberty Plaza and Main Street thrones continue to have the highest use.



Parks

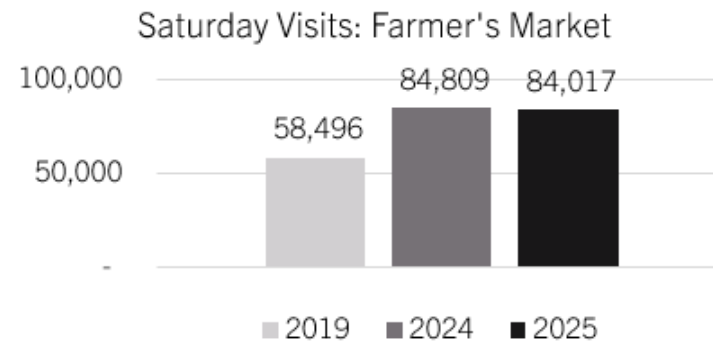
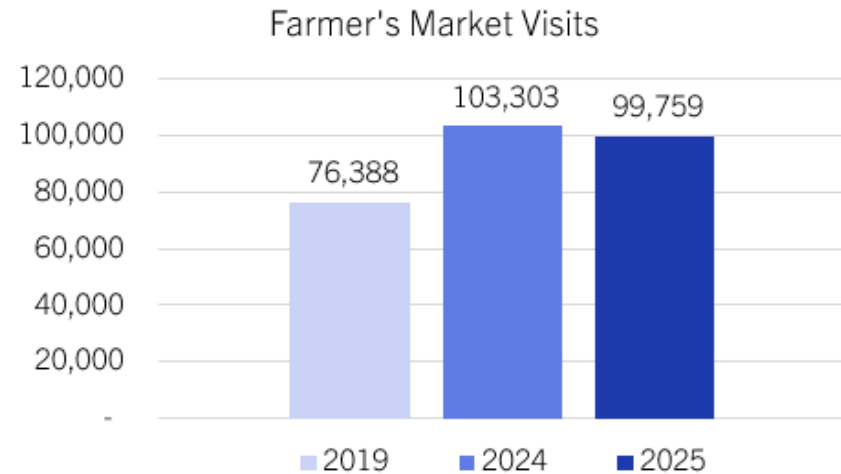
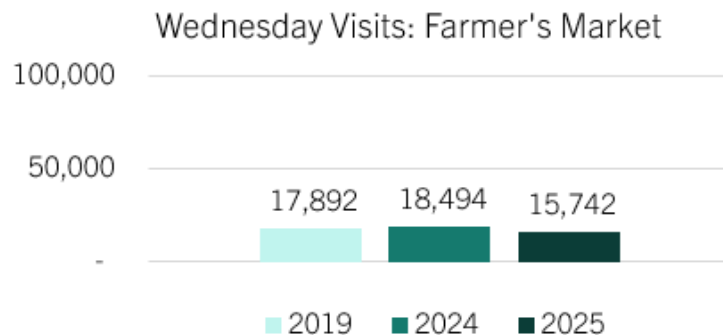
Farmers Market Continues to Break Pre-Pandemic Visits



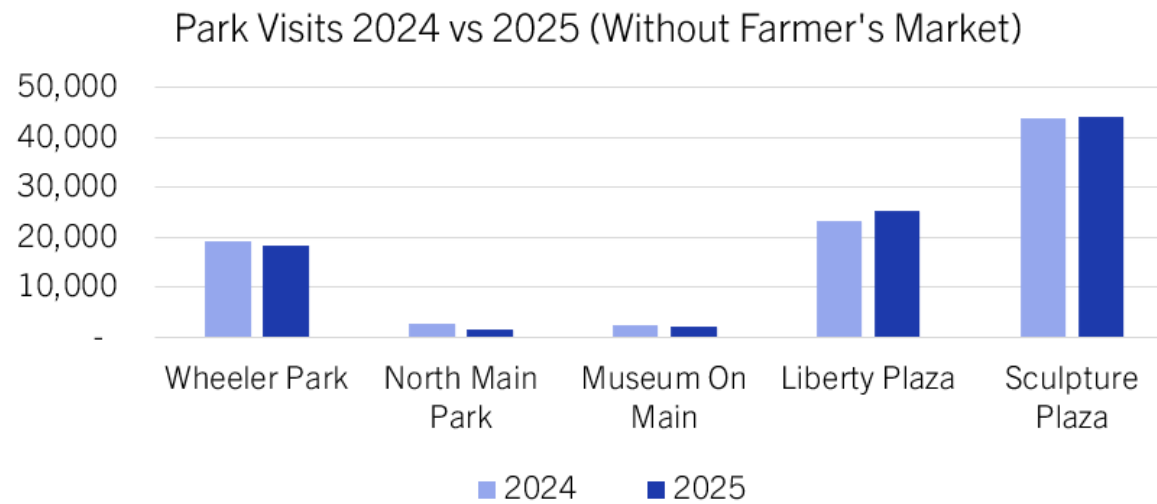
Overall, Farmer's Market visits are up 30% from pre-pandemic levels. The Wednesday market has slowed since the pandemic, but the Saturday market continues to rise.

From 2024 to 2025, the Farmer's Market saw a -3.43% (3,544 visits) decline in visitation. The bulk of this decline was associated with the Wednesday market, which saw a -14.9% drop. The Wednesday decline reflects the fact that downtown employee visits have not yet rebounded to pre-pandemic levels.

Unlike other visits listed in this report, the Farmer's Market visits are limited to market open hours and count people staying for less than 10 minutes, which is common for many market shoppers.



Excluding the Farmer's Market, park visits are similar to 2024 (down by 1%).



Construction and Private Market Trends

Multi-Family Housing

Multi-family housing is a term for any type of housing where there are multiple units in a single building. Townhomes, apartments, and condos are all kinds of multi-family housing.

Most of the multi-family units constructed since 2010 are apartments (92%), with condos being the second most popular (6%). “Extended stay” refers to hotels like the Residence Inn which offer long-term stay options, often used by traveling faculty or businesspeople who are staying in Ann Arbor for weeks or months.

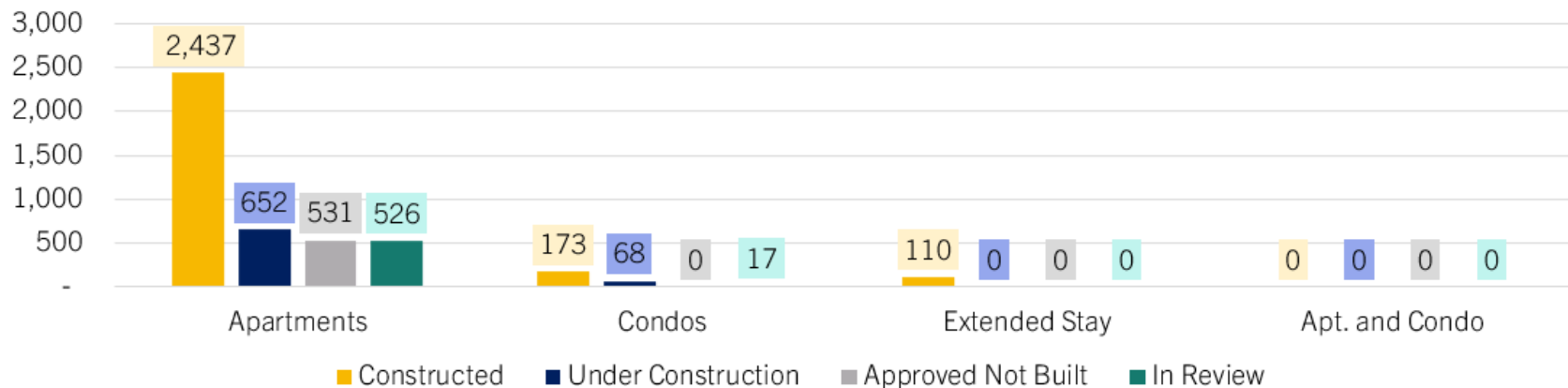
Multi-Family Openings

In 2025, private developers opened the doors to 342 new market-rate units and 33 affordable units. The number of new units opening was the highest it has been since 2018. This construction allows more people to live downtown, in close proximity to local businesses. A growing residential population is helping downtown adapt and grow overall visits.

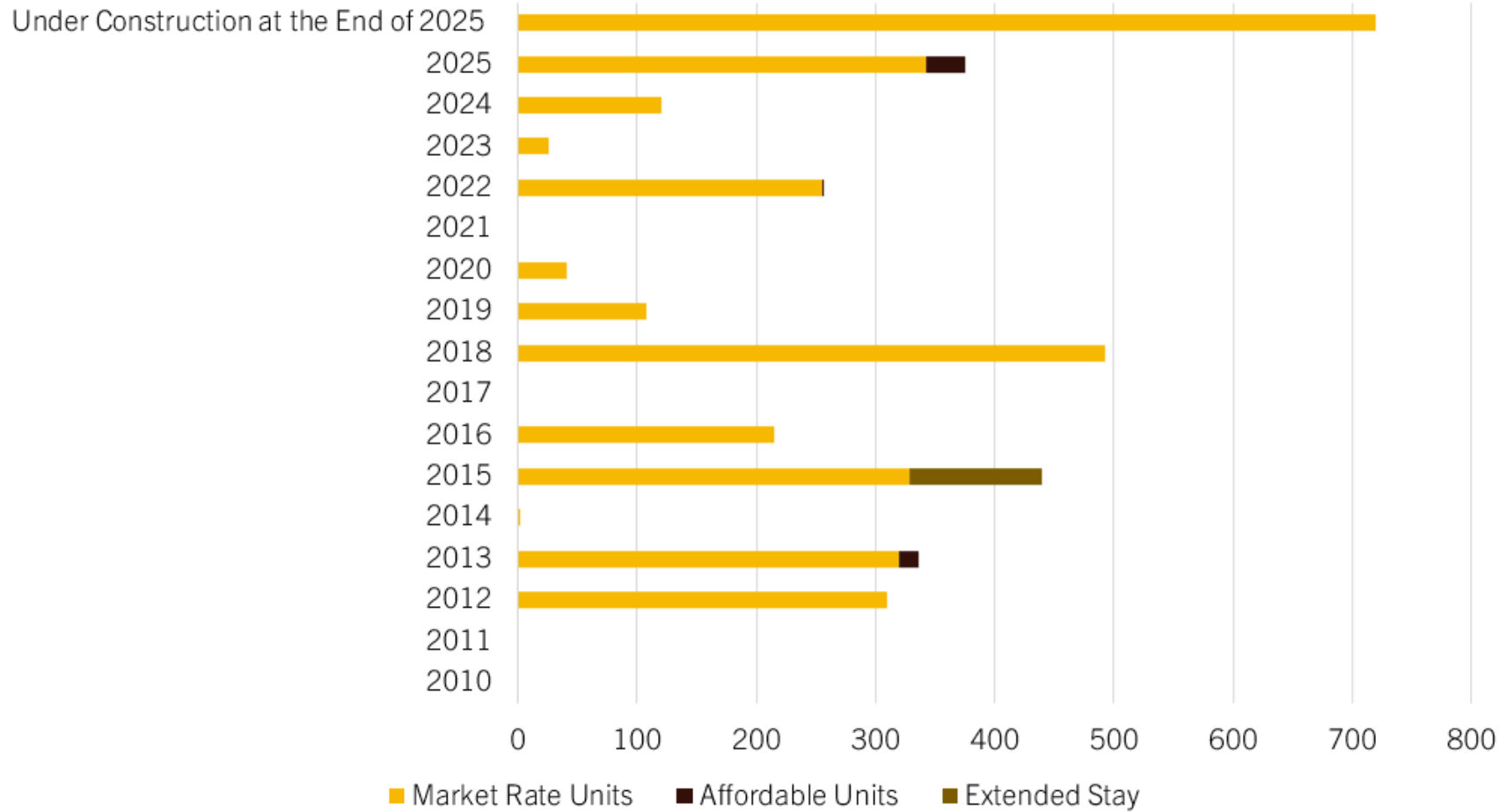
There were also 720 units under construction at the end of 2025, although not all are expected to open in 2026, since multi-family buildings can take 3-5 years from original proposal to opening doors.



Downtown Residential Dwelling Units (2010-2025)



Downtown Residential Dwelling Units: Year-Over-Year New Units Constructed

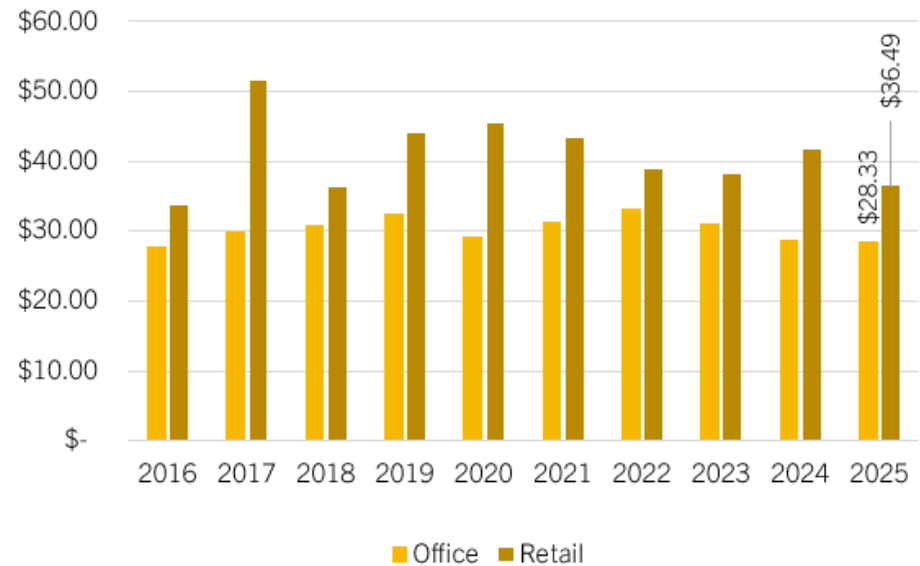


Office and Retail Market

In 2025, the South University District had the highest asking rent for office properties, while the Kerrytown District had the lowest. However, the office market is highly skewed geographically – 78% of currently available office spaces are located in the Main or State St Districts.

Nationally, retail rents are still growing but their growth has slowed down, reflecting a market returning to equilibrium after years of quick gains. By the end of 2025 and start of 2026, [retail rent growth had slowed to the lowest levels in over a decade](#). This national trend is reflected in Ann Arbor's retail rents, which have leveled around \$38 per SF for the last 4 years.

Asking Rent per Square Foot in DDA



Retail, Office, and Flex Spaces - Asking Rent per SF in DDA

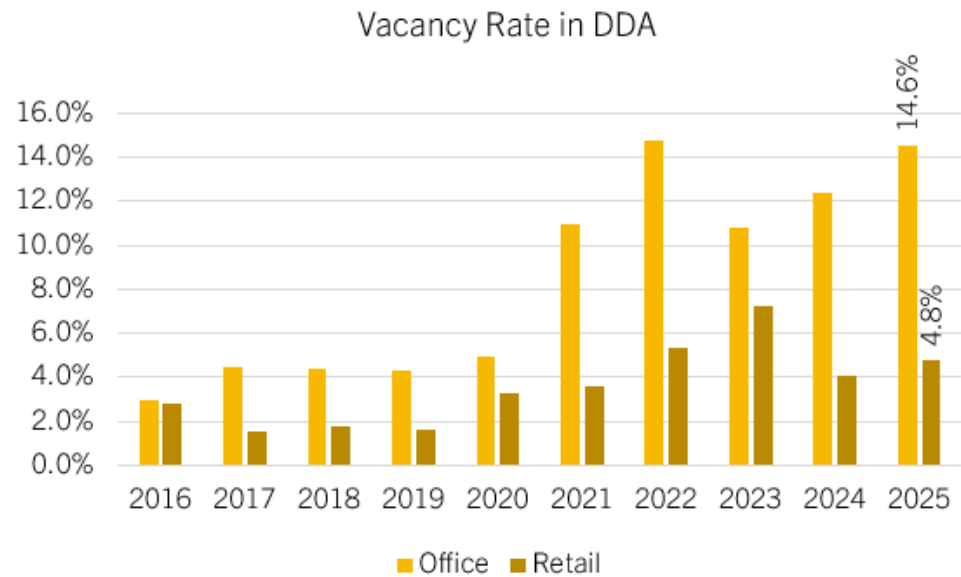


Retail and Office Vacancy Tracks with National Average

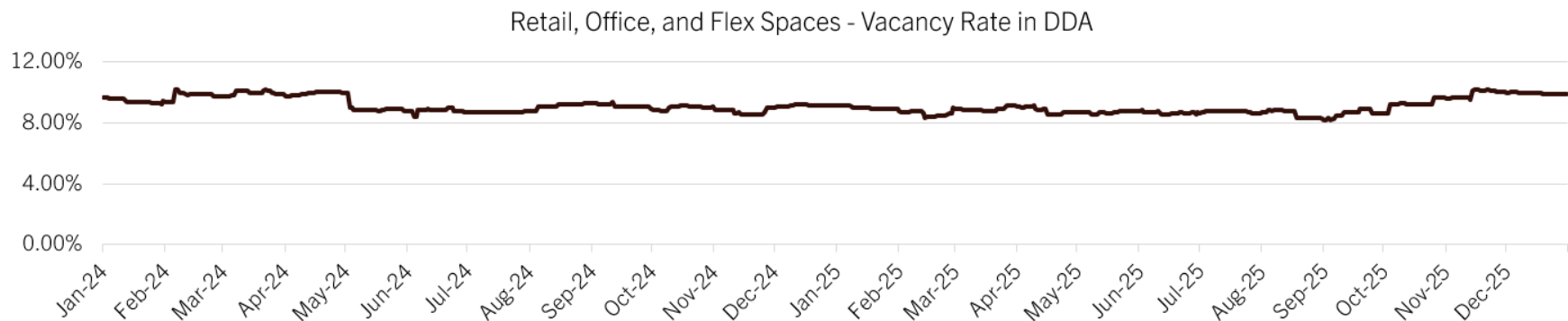
Office and retail spaces both saw a vacancy rise post-pandemic but retail vacancy is much lower, reflecting continued demand for ground-floor space.

Across the US, office vacancy has hovered around 14% since the pandemic, and the vacancy rate is not expected to change anytime soon.

However, the DDA's office vacancy has remained aligned with national trends, while other areas have outpaced the median. According to Swisher's Properties 2025 Vacancy Report, southern Ann Arbor's office vacancy has risen to 20.3%.



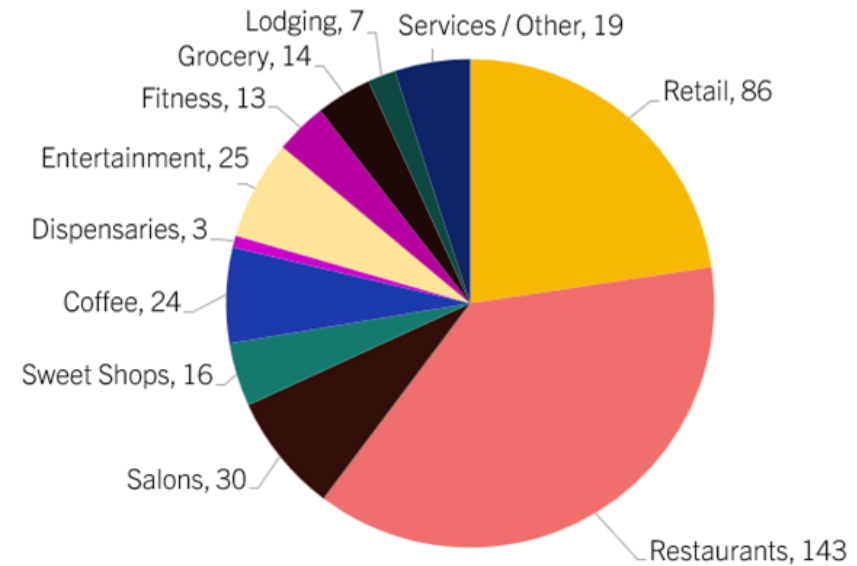
Since 2024, the overall vacancy rate for retail, office, and flex spaces in the DDA has remained steady around 10% vacant.



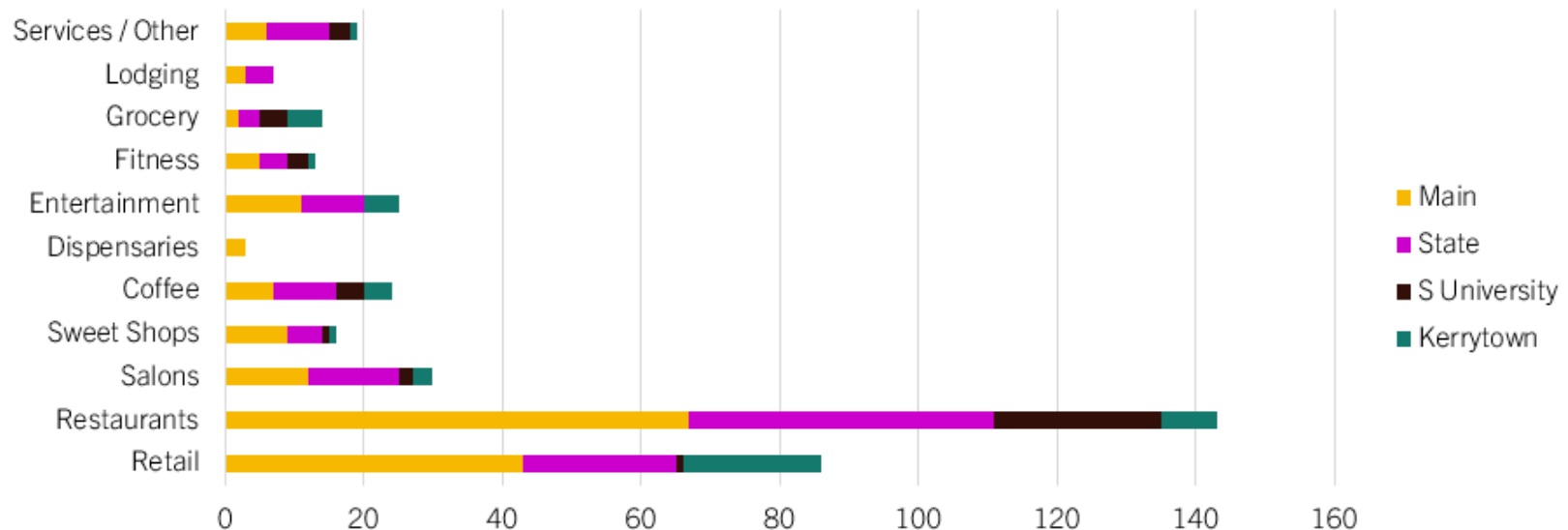
Business Inventory

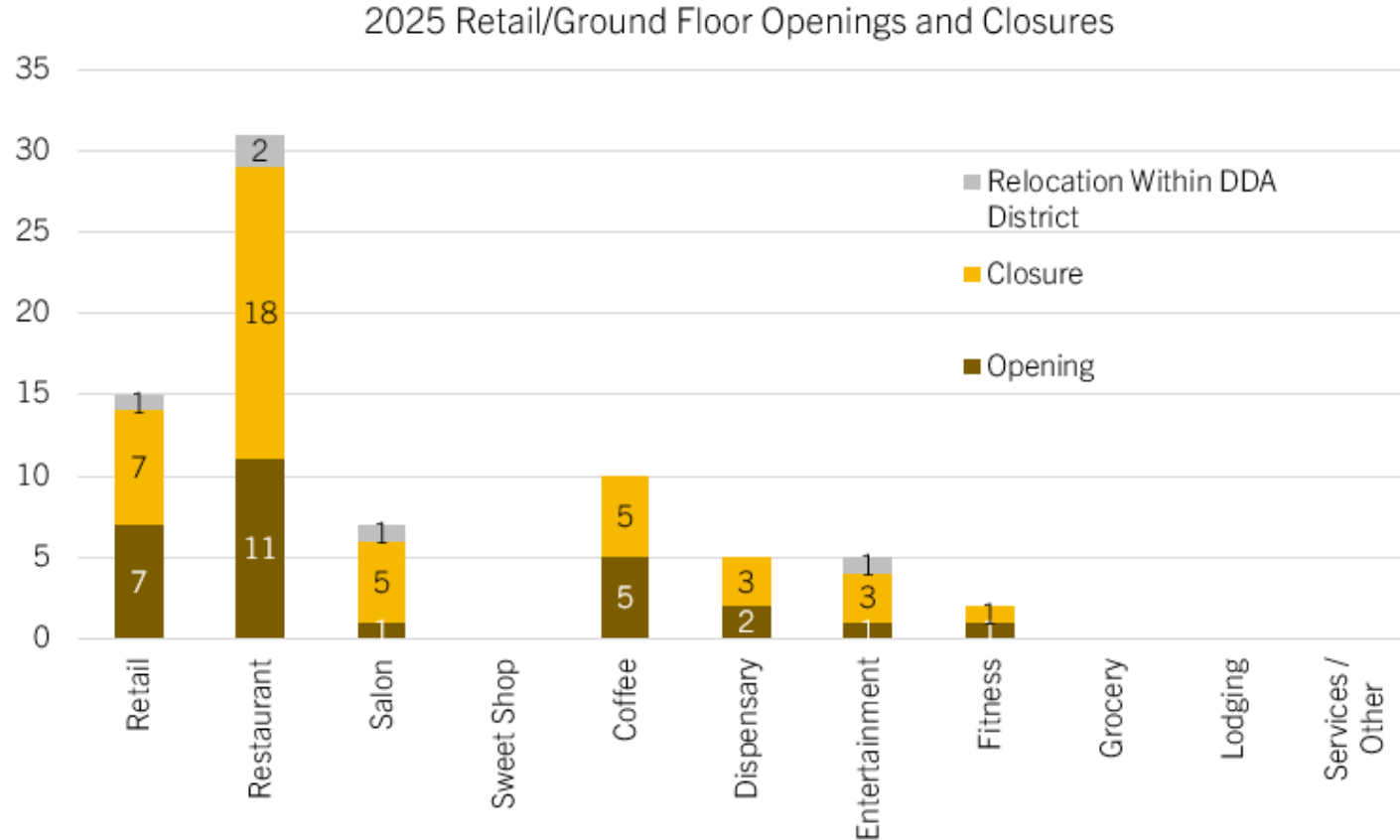
In 2025, storefront business closures outpaced openings by 14, with most being restaurants.

The three largest categories of storefront businesses in the DDA are restaurants, retailers, and salons. A large portion of these businesses appear to be located in the Main Street and State Street Districts, although it should be noted that these districts have much larger footprints compared to the other districts.



Business Mix by District





28 new ground floor/retail businesses opened in the DDA in 2025, while 42 existing ones closed. However, openings and closures do not tell the whole story. Despite recent closures, interior renovation permits reveal a robust backlog of businesses waiting to open. The delay between a business closing and a new one replacing usually takes several months, especially if the use of the space is changing. Renovations, inspections, and permits cause a lag between when a space is leased and when a new business opens its doors. At the end of 2025, 21 interior renovations were underway for coming businesses.

Interior Renovations

The need for interior renovations adds time to business openings. Building permit data from the last quarter of 2025 shows additional demand to fill space, with 21 new businesses underway in Q4 alone.

Table 5. Interior Renovations in Q4 of 2025

Location	Business Description	Month Permit Issued
414 S Main Street, Suite 100	New coffee shop	October
255 E Liberty Street, Suite 281	New office space	October
122 S Main Street	New wine shop	October
1307 S University Avenue	New Asian convenience store/deli	October
504 S Main Street	New wine showroom and tasting bar	November
332 Maynard Street	Renovations for unspecified tenant in former axe-throwing building	November
500 E Liberty Street	Electrical improvements for future Pinball Pete's location	November
219 N Main Street	New sign for future Lyra Salon	November
255 E Liberty	New sign for future Bright Works Coworking	November
417 E Liberty Street	New Pilates studio	December
219 N Main Street	Change of use to beauty salon	December
611 Church Street	New multi-family leasing office for neighboring 625 Church building	December
336 S State Street	Interior remodel	December
220 E Huron Street	New National Wildlife Federation office location	December
1300 S University Avenue	New sports apparel business	December
211 E Washington Street	Slows Bar BBQ restaurant	December
332 S Main Street	Eat Thai restaurant	December
401 E Liberty St	Renovations for future tenant	December
338 S Ashley Street	Marijuana facility permit	December
404 W Huron Street	Fire suppression system for Espy Café	December
504 S Main Street	Stosh and Louie's	December

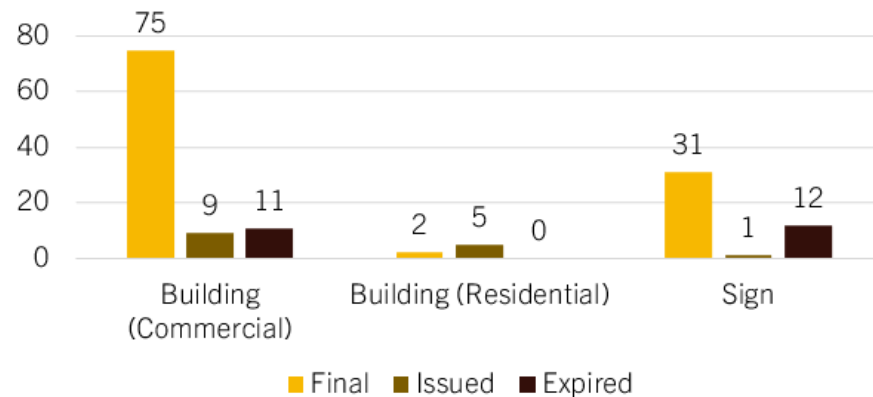
Construction

Between 2005 and 2025, over \$839 million in commercial, residential, and public projects within Downtown Ann Arbor have been submitted for approval. \$36.5 million occurred in 2025.

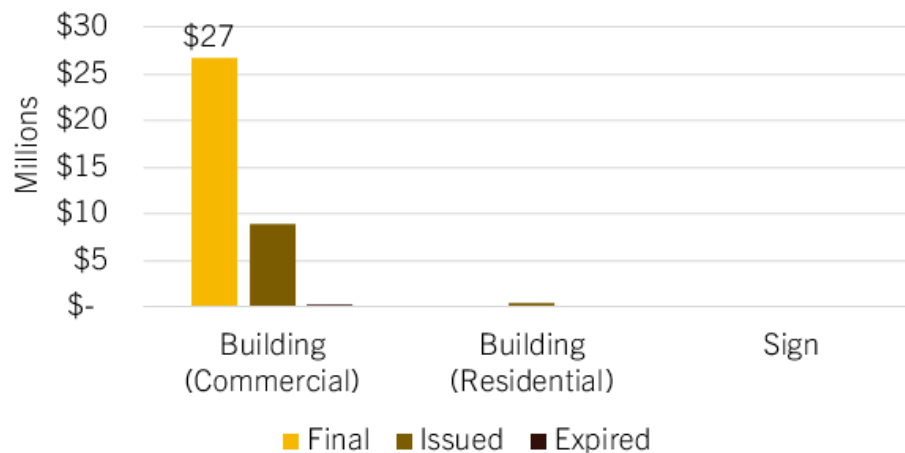
In 2025, commercial building permits (which include multi-family residential buildings) accounted for the greatest number and value – 75 final commercial permits, totaling \$26 million in constructable value.

Sign permits had the second greatest number of final permits at 31 but accounted for far less value. Sign permits do not directly equal the number of business openings because they are often finalized before the business opens, sometimes by several months.

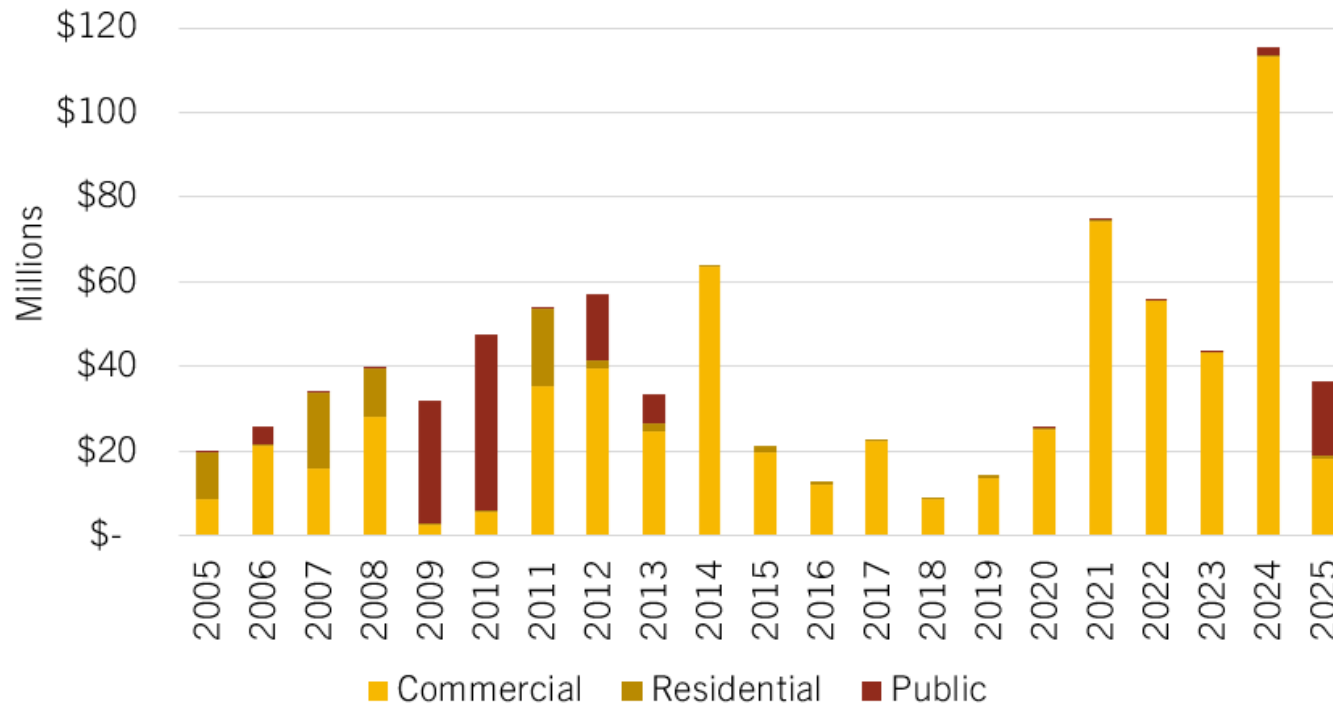
Number of Permits in 2025 by Type and Status



Value of Permits by Type and Status

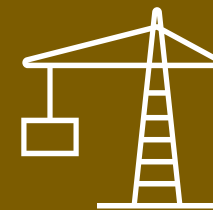


Downtown Building Permits 2005-2025



Affordable Housing Underway

2025 saw a jump in construction permits for public (city-owned) projects. The Ann Arbor Housing Commission's new Dunbar Tower development at 121 Catherine Street accounted for \$17,500,000 (99.6%) of the constructable value within the "public" category. The remaining \$63,096 came from a few city office renovations.



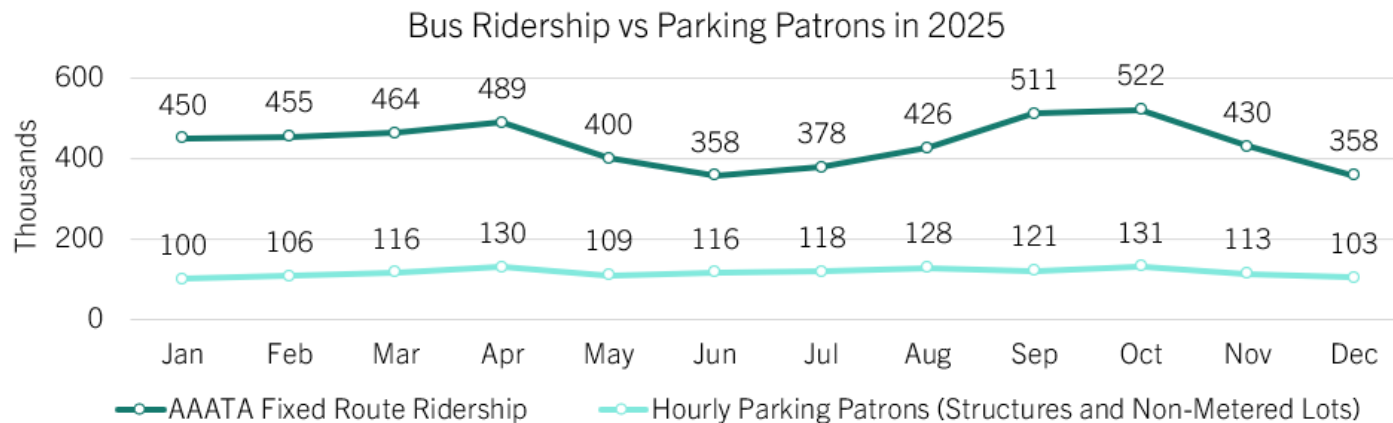
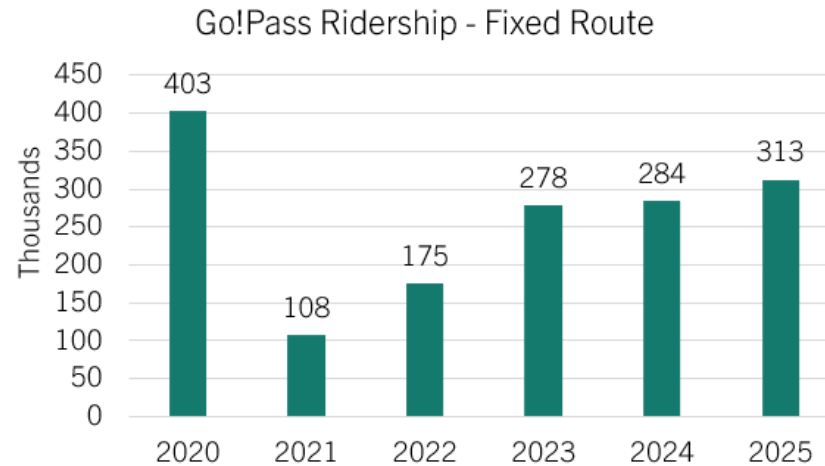
A group of cyclists, including a woman in the foreground, a man in the center, and a child in the background, are riding on a city street. The image is overlaid with a teal color. A sign for 'TheRide' with a bus icon and the number '996-0400' is visible on the left. A 'NO TURN ON RED' sign is visible in the background.

Mobility and Travel

Public Transit

In 2025, downtown employees took 312,625 Go!pass trips, a 5% increase over 2024. Go!pass is a DDA-funded program that subsidizes public transit passes for downtown employees. Usage of the pass has not recovered to pre-pandemic levels, but is rising each year. Go!pass recovery is expected to track with workforce trends.

AAATA ridership on fixed routes peaked in September and October, when UM students and staff return to campus. The number of hourly parking patrons at DDA lots and structures remained relatively steady throughout the year.

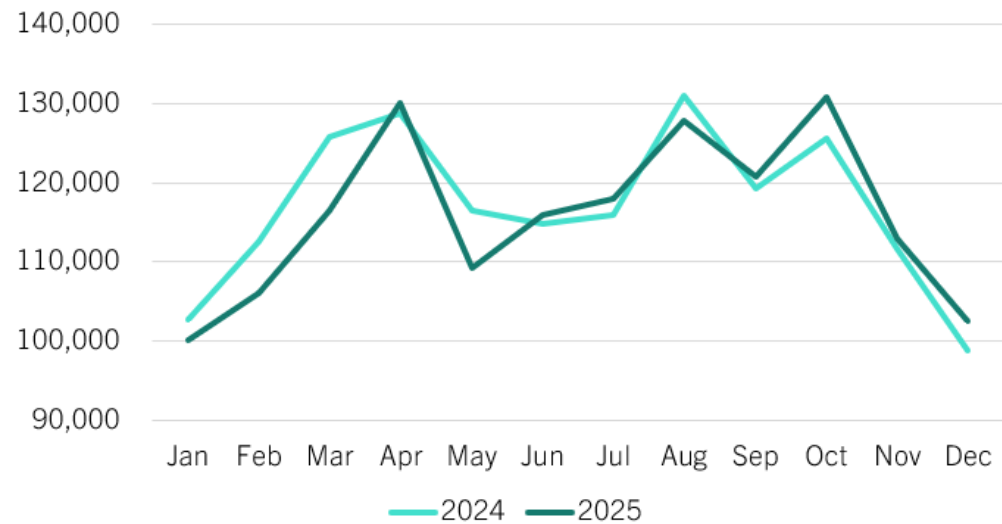


Parking

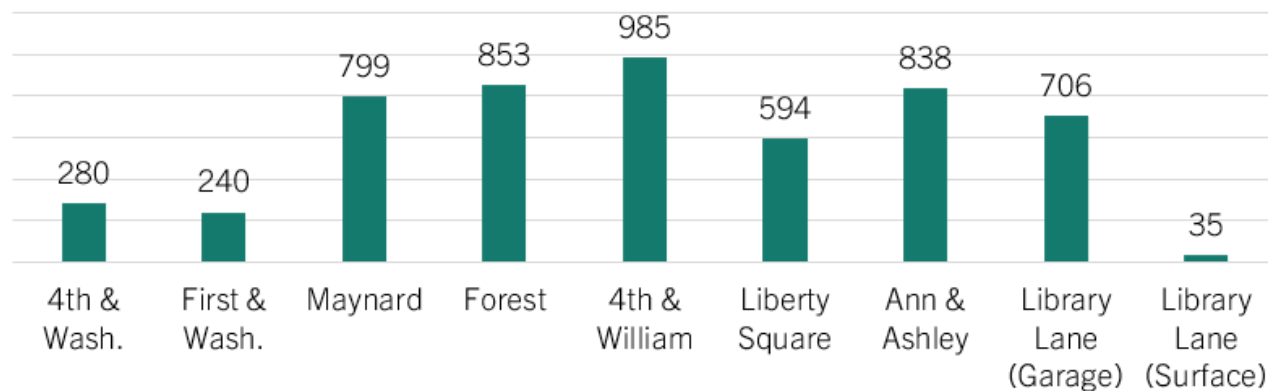
In 2025, parking transactions at downtown garages (plus the Library Lane surface lot) were roughly the same as 2024, with a small 0.9% decrease. This may be due to the timing and location of routine parking system repairs.

The DDA administers all of the public paid parking around downtown, both on-street and in parking garages. Day-to-day operations like troubleshooting transaction issues, cleaning, and maintenance, are managed by PCI Municipal Services. Parking enforcement is handled by the City's Community Standards (Police) Department.

Hourly Parking Structure Patrons per Month



DDA Parking Structure Capacity



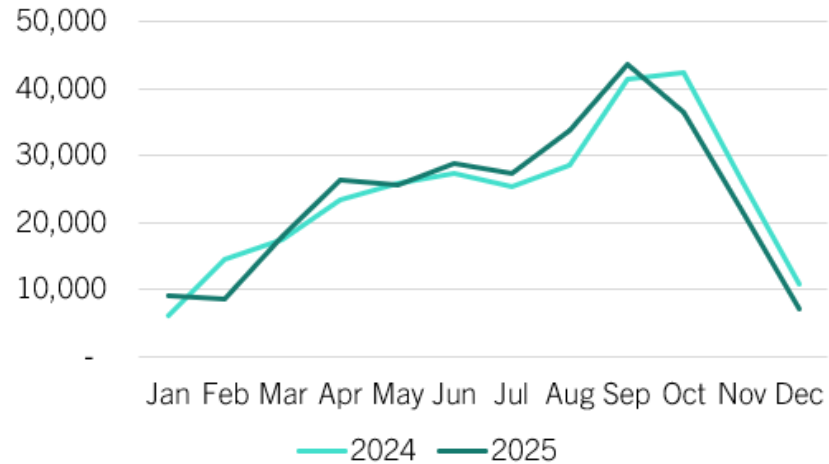
Biking and Walking

Bicycle and pedestrian counts reflect the number of people that walked or biked past one of 4 physical counters that are installed around downtown. They are located on Division, William, First, and Catherine.

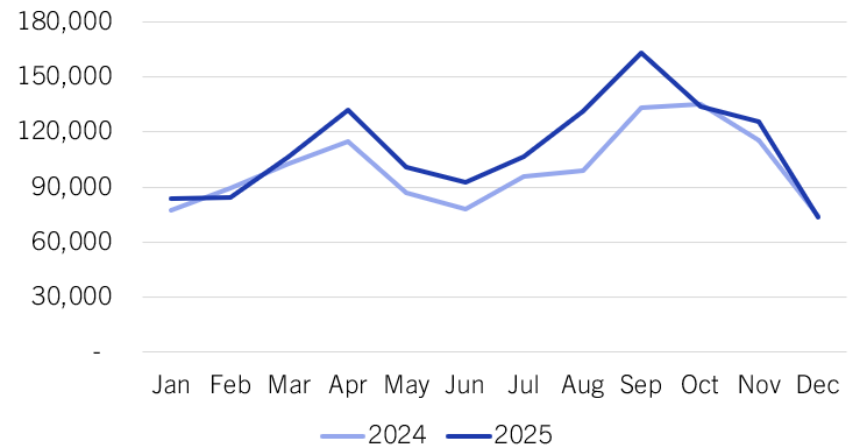
In 2025, pedestrian and cyclist activity was roughly the same as 2024. Walking rose by 11%, while biking dropped by 11% (stayed roughly the same as 2024). The drop in cycling is likely due to intermittent construction obstructions, which blocked bikeways for short periods.

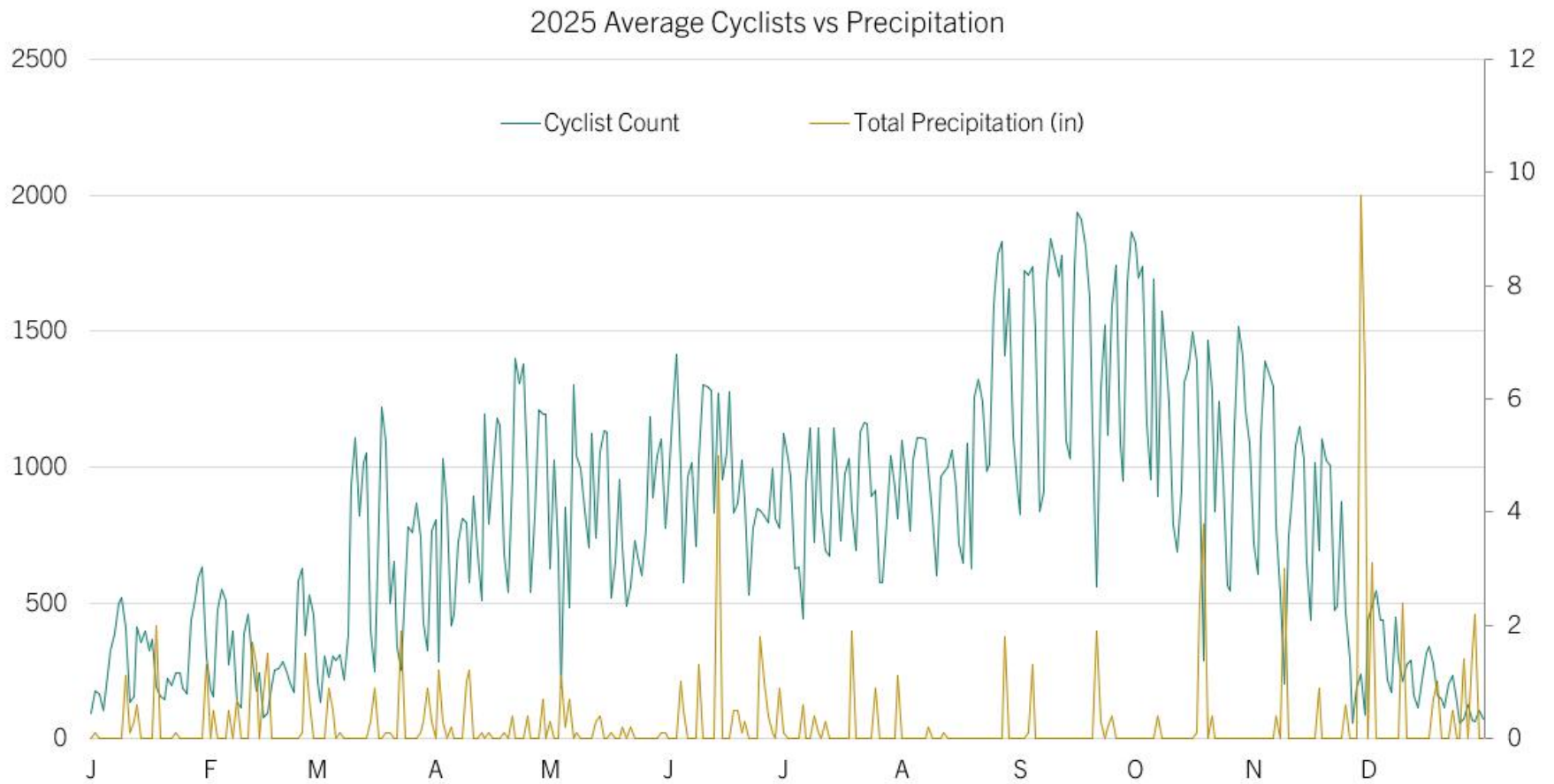
Note: The DDA tracks cyclists and pedestrians using physical counting posts equipped with sensors. As such, these counts under-represent the total number of cyclists and pedestrians downtown.

Cyclists Counted



Pedestrians Counted





Confident Cyclists

Ann Arbor cyclists often brave snow and rain. In 2025, it took a 9.5-inch snowstorm to make a notable dent in winter cycling traffic.



Source Information

General Source List

The following data sources were used to compile the 2025 State of the Downtown.

- **City of Ann Arbor STREAM Permit Portal:** source for building permits, site plans, civil construction plans, and construction cost estimates.
- **Placer.ai:** data provider for downtown visitation data.
- **CoStar:** data provider for property data, including building rent, sales, and vacancy.
- **Eco-Visio:** data provider for information on bicyclists and pedestrians, which are counted using physical counters located throughout downtown.
 - Division St. Bikeway Counter
 - First St. Bikeway Counter
 - Miller/Catherine St. Bikeway Counter
 - William St. Bikeway Counter
- **Throne:** data provider for information on the Throne public restroom pods, located throughout downtown.
- **PCI Municipal Services:** parking management company that is responsible for operating downtown parking garages, and the data provider for parking transactions.
- **Ann Arbor Area Transportation Authority (AAATA):** source for data about transit riders, Go-Pass users, and bus detours.
- **City of Ann Arbor Downtown Development Authority (DDA):** source for business inventory.
- **University of Michigan:** source for UM Central Campus employee head count.

Sources by Report Section

Table 6. Sources by Report Section

Report Section	Sourced Via	Data Source	Notes
Demographics	Placer.ai	STI Popstats (2024)	Extrapolated using algorithm
Annual Visitation; Hourly Activity; Daily Population; Event Activity	Placer.ai	Cell phone point data	Extrapolated using algorithm
UM Employment	UM Staff	UM employee database	Count includes regular (non-temporary) employees by the primary appointment
Public Toilet Usage	Throne Labs	Throne activations	Thrones can be opened using a cell phone or a key card for access
Public Transit	AAATA Staff	Bus rider transactions and Go!Pass swipes	
Biking and Walking	EcoCounter	Counting posts located throughout downtown	Raw count, no extrapolation applied. One counter per bikeway (Division, William, Miller, and First) used to count pedestrians and bikes
Parking	PCI Staff	Parking garage transactions	Does not include on-street spaces
Multi-Family Housing	STREAM Permit Portal	Multi-family civil construction plan sets	
Office and Retail Market	CoStar	Property listings (sale and lease)	

Business Inventory	DDA (City) Staff	On-foot inventory plus review of business news announcements	Business news announcements derived from MLive, Concentrate, Ann Arbor Observer, Current Magazine, and business' social media channels
Construction	STREAM Permit Portal	Construction permits	