

**ANNUAL ECONOMIC
DEVELOPMENT
REPORT**

2014

50,000

Students, faculty, and staff
at the University of Maryland

1,321 Rooms

\$540 MILLION

in development activity

29,000

Housing Units

Employees

7,172

\$73,680

**Average Household
Income**

1.2

MILLION

4,604

Daily Boardings at
College Park-UMD Station

Annual Visitors

78 Restaurants

4

Data from American Community Survey, City of College Park, and 2012 Route One Communities Market Study

College Park United States
Bachelor's Degree or Higher
for population over 25 years
Population Growth
from 2000 to 2012

Maryland
36.4%
37.9
9.2%

Prince George's County
29.6%
8.0%

Montgomery County

Median Age

21=

12= 10

49=

57= =

24=

38= 29

48.9%
21.1
23.6%

38.4
56.9%
11.6%

=

9=

8= 37

38=

30= =

36=

35= 28.5%
9.8%
37.2

35.0

Median Household Income
Mean Household Income

74=

60=

\$73,680
\$60,402

95=

73=

\$94,941
\$72,999

130=

97=

\$130,415
\$96,985

88=

74=

\$73,568
\$88,474

73=

53=

\$73,034

\$53,046

Data from the 2012 American Community Survey 5-Year Estimates

5

City Taxable Assessment by Year
Excludes Homestead Tax Credit Adjustment

Residential
Commercial

FY 2007	396+158	\$2,159,943,756
		579
	\$1,385,207,824	+32
FY 2008	532+159	3
		FY 2013
	\$1,727,303,428	
FY 2009	643+193	\$2,256,895,322
		497
	\$2,089,665,133	+31
FY 2010	753+256	7
		FY 2014
	\$2,523,624,160	
FY 2011	585+260	\$2,036,733,300
	\$2,111,563,891	
FY 2012	584+280	

501+320

\$2,104,985,158

FY 2015

\$2,050,850,372

496+346

FY 2016

Data from the City of College Park's Department of Finance

DEVELOPMENT ACTIVITY

\$540 Million in Active Projects

**Student
Housing**

**Hotel
Multifamily**

2 Developments

3 Developments

3 Developments

525 Rooms

748 Apartments &

45 Townhomes

2,322 Beds

26,000 SF of Retail

8,430 SF of Retail

80,000 SF of Retail

7

Project Details

26+29

+45+

11+23

+66+

Value by Commercial Area
Value by Development Type

\$55,000,000 Estimated Value

Terrapin Row

1,493 Student Beds

12,000 SF of Retail

Fall 2016 Completion

\$150,000,000 Estimated Value

TownePlace Suites

75 Hotel Rooms

2015 Groundbreaking

\$6,000,000 Estimated Value

4700 Berwyn House Road

275 Apartments

530 SF of Retail

2015 Groundbreaking

\$40,000,000 Estimated Value

The Boulevard at 9091

238 Apartments & 45 Townhomes

4,133 SF of Retail

Fall 2015 Groundbreaking

\$63,000,000 Estimated Value

College Park Place

157-Room Courtyard by Marriott

23,615 SF of Retail

Early 2015 Groundbreaking

\$20,000,000 Estimated Value

The Hotel at the University of Maryland

293 Hotel Rooms

20,000 SF of Conference Space

57,000 SF of Retail

Early 2015 Groundbreaking

\$115,000,000 Estimated Value

Lower Midtown

Upper Midtown

Student Housing

Downtown

Hotel

Multifamily

Landmark College Park

829 Student Beds

13,844 SF of Retail

Summer 2015 Completion

\$90,000,000 Estimated Value

Monument Village

235 Apartments

4,800 SF of Retail

Spring 2016 Completion

Project Map

Capital Beltway
Development Type
Hotel
Multifamily
Capital Beltway
Student Housing

Lower Midtown
Upper Midtown

University
Boulevard
Greenbelt Road

**US 1 Commercial
Area**

Greenbelt
Downtown

University of
Maryland Campus

College Park - UMD

Paint Branch Parkway
M Square

RETAIL MARKET

276
Storefronts

1,350,904 SF
Leasable
Space

20
Openings
in 2014

1,292,281 SF
Occupied
78
Restaurants

115,922 SF
Planned
15
Independent
Merchants

133
Independent
Merchants

252 Storefronts
Occupied
6 Restaurants
4.34%

39,746 SF
Leased
Vacancy Rate

Commercial I Area Map

Commercial Area

Capital Beltway

Berwyn

Downtown

Hollywood

Capital Beltway

Lower Midtown

Uptown

University

Boulevard

Upper

Midtown

Greenbelt

Greenbelt Road

University of
Maryland Campus
College Park - UMD

Paint Branch Parkway

M Square
Research Park

12

29+23+24+21
15+0+15

Absorption by Year

Vacancy Rate by Year

5.9%
4.8%
4.7%
4.3%
15,047 SF
15,201 SF
-1.118 SF

1

2011
2012
2013
2014
2012
2013
2014

9+33+1+1+9+1
4+74+29

Retail Constructed by Year

73,800 SF
32,856 SF
28,278 SF

8,807 SF

0 SF
0 SF
2010
2011
2017
2016
2014
2013
2012
2015

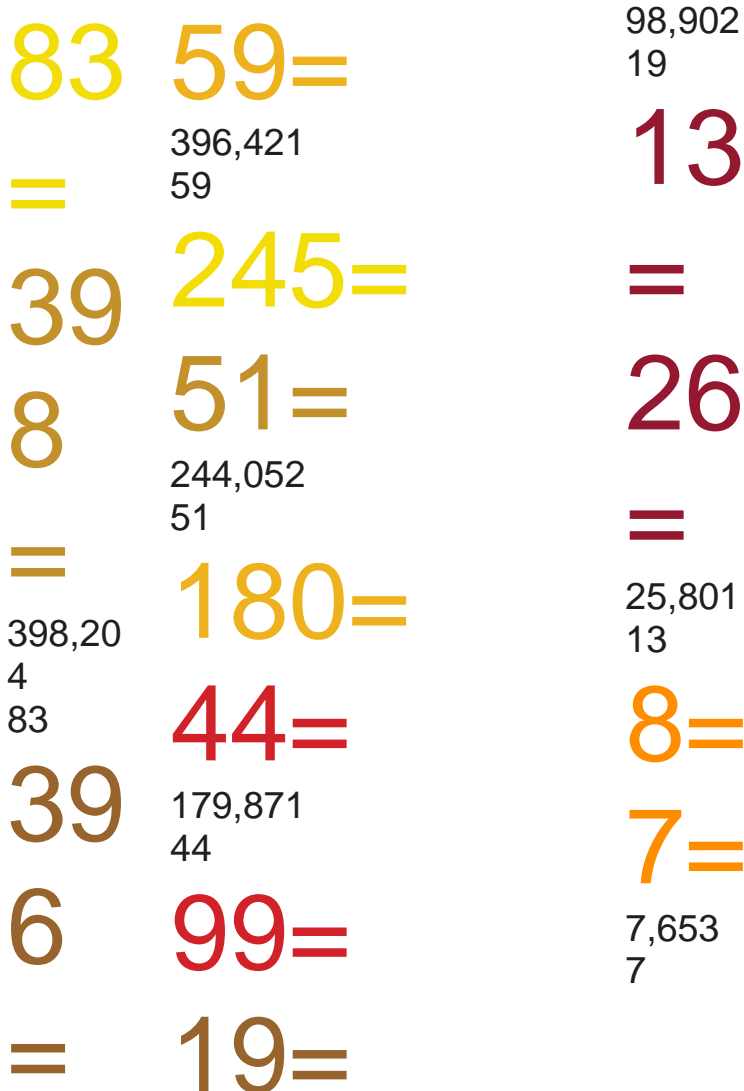
13,844 SF

9,061 SF

Built

Proposed & Under Construction

Storefronts Per Commercial Area Square Footage per Commercial Area



Berwyn Uptown Other	Hollywo od Downto wn	Upper Midto wn	Lower Midtown
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OFFICE MARKET

Total Inventory

Government or University Owned

Other

3,300,000 SF
2,880,000 SF
432,000 SF

=

+

2.79 % Vacancy Rate
0.1 % Vacancy Rate
18.6 % Vacancy Rate
300,000 SF planned
300,000 SF Planned
0 SF Planned

=

+

=

+

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Overview

2014
2010

Excludes office space on the University of Maryland Campus, but does include other University-owned property in the City.
Excludes all office space owned by the Federal Government, State of Maryland, and the University of Maryland

3+2+4
+2
24+21
+25+1
9

Vacancy Rate by Year Excluding Government and University Space Total Vacancy Rate by Year

- 25.4%
- 23.9%
- 21.5%
- 18.6%
- 3.9%
- 3.5%
- 2.8%
- 3.3%
- 2012
- 2010
- 2012
- 2013
- 2014
- 2013

Top Employers in 2014

13,684

University of Maryland

500=

5,551

University of Maryland University College

200=

National Oceanic and Atmospheric Administration

Center for Weather and Climate Prediction

1,046

38=

835

National Archives II

31=

Federal Drug Administration

Center for Food Safety and Applied Nutrition

800

29=

325

American Center for Physics

12=

11=

300
Ikea

15

Data from the City of College Park's Department of Planning, Community & Economic Development

RESIDENTIAL MARKET

Proposed or Under Construction

Constructed Since 2005

Multifamily

Student

Family

764 Apartments & 12 Townhomes
748 Apartments & 45 Townhomes

1,089 Apartments (3,458 Beds)
724 Apartments (2,322 Beds)

20 Homes
8 Homes



Off-Campus Total

Single

1,885 Units
1,525 Units

16

Construction Overview

Housing Units Constructed

Off-Campus Student Housing
Multifamily
Single Family
793

793=

737
724

737=

724=

520

520=

352

352=

256

256=

13
8
7

13=

8=

7=

2005 to 2009
2010 to 2014
2015 to 2017

Proposed or Under Construction
Built

17

Data from the City of College Park's Department of Planning, Community & Economic Development

Market Trends

2014
2011
2012
2013

41+47+
49+50

Change in Median Owner-Occupied Home Value from 2007 to 2013
Student Housing Occupancy Rate by Year

97.8%
94.9%
98.3%
82.9%

28=

-27.91%

13=

-12.68%

50+12+
2

11=

-11.7%

Student Housing Absorption by Year

22=

499 Beds
-22.90%

5=

-4.73%

120 Beds

20 Beds

2013

2014

2012

Montgomery County

College Park

Maryland

Both charts include only The Enclave, Mazza Grandmarc, Parkside, University Club, University View I & II, and The Varsity Prince George's County United States

Single Family Houses With Rental Licenses by Year

74+98+83+90+
90+100+87+91

999
975
908
901
901
870
828
744
FY 2006
FY 2008
FY 2014
FY 2015
FY 2009
FY 2011
FY 2007
FY 2004

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Data from the American Community Survey 3-Year Estimates and
the City of College Park's Departments of Planning, Community & Economic Development and Public Services

CITY INITIATIVES

Business Development Community

Business Retention Fund
Hollywood Facade
Improvement Program
US 1 Strategic
Demolition Program

Downtown Farmers Market

Revitalization Tax
Credit Program

Retail Attraction &
Expansion Fund

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Business Retention Fund

College Park Bicycle
7301 Baltimore Avenue

Operating in College Park since 1979

Replacement of storefront awnings

Increased visibility from Route 1

\$4,650.92 in City grant funds

\$4,650.92 in private investment

Established in September 2013, this fund serves as a business retention tool for retailers. Limited to independent and locally-owned businesses, eligible uses include exterior and interior improvements affixed to the property (e.g. flooring, lighting, painting, and signage). Applications for dollar-for-dollar matching grants, not to exceed \$5,000, are accepted during one window each year. The program is funded through an annual budget allocation by the City Council.

Applications are evaluated using a 25-point system based on factors including the length of operations in the City, the business type, whether the improvements are to the facade, and the amount of private investment generated.

In its first two years of existence, the program has received 24 applications totaling more than \$75,000 in requested funds. From these requests, 15 retailers have been awarded a total of \$49,000, which has been matched with more than \$75,000 in private funding.

The most recent fund cycle took place in July 2014 with the following grantees and their improvements:

Aroy Thai

Mechanical and plumbing upgrades in the kitchen

College Park Bicycle

Fabrication and installation of storefront awnings

College Park Car Wash

Upgrades to electrical and mechanical systems

Cornerstone Grill & Loft

Repair of exterior staircase

Fishnet Restaurant

Installation of ceiling fans and HVAC unit

Gailes' Violin Shop

Installation of exterior lighting and signs

Rising Sun Motors

Fabrication and installation of storefront awnings

Shanghai Cafe

Installation of HVAC unit

Universal Barbershop

Interior painting and replaced storefront awning

Hollywood Facade Improvement Program

9913-9921 Rhode Island Avenue

Constructed in 1961
4,800 SF of retail

Remove existing sheet metal parapet
Replace with EIFS surface & paint building

County permit approved on January 13, 2015

This program is the result of the City's efforts to reinvigorate the Hollywood Commercial District, which is located in the northern portion of the City along Rhode Island Avenue. The area is home to more than 40 retailers, including anchor tenants in MOM's Organic Market and REI, as well as several small office buildings. Since their construction, primarily in the 1960's, the majority of buildings in the district have not been significantly renovated. The result is a series of outdated storefronts, which

presents a hurdle for attracting retailers. In order to incentivize investment from the business and property owners, the City created this program in October with repurposed funds from a State grant.

Eligible uses include exterior improvements such as awnings, doors, lighting, masonry work, painting, signage, and windows. Applicants are approved on a first come, first served basis with dollar-for-dollar matching grants available for a minimum of \$2,500 and a maximum of \$25,000.

In order to generate interest in the program, City staff obtained conceptual designs from the Prince George's County Planning Department and the Neighborhood Design Center to showcase potential improvements. With these designs in hand, staff approached business and property owners to discuss the facade program and gauge interest in proceeding with the improvements.

Early discussions have been positive, with several of the owners expressing interest in the program.

In 2015, City staff expects to continue working with the businesses and property owners to progress with their applications and eventually receive approval to construct the improvements.

The results of these changes to the facade will benefit the existing tenants by creating a more welcoming environment for patrons, while also making the storefronts more attractive to potential tenants.

Retail Attraction & Expansion Fund

The Board and Brew
8150 Baltimore Avenue

Cafe with hundreds of classic and new board games complemented by coffee, weekly open mic nights, and other events.

Interior demolition to combine two spaces
Ceiling, flooring, and framing work
Electrical, mechanical, and plumbing work

\$25,000 in City grant funds
\$85,000 in private investment
(excludes non-eligible costs including equipment, furniture, and inventory)

Established through a Community Legacy grant from the Maryland Department of Housing and Community Development, this fund serves as a business attraction and expansion tool. Eligible businesses include apparel stores, coffee shops, entertainment venues, full service restaurants, gourmet food shops, and yoga studios while banks, convenience stores, dry cleaners, fast food restaurants, and hair salons represent non-eligible business types. Additionally, the fund is limited to independent, locally-owned businesses.

Eligible uses include exterior and interior improvements affixed to the property (e.g. flooring, lighting, painting, and signage). Applicants may apply for a matching grant, not to exceed \$25,000, for a maximum 50% of the costs. In addition to submitting documentation showing their business plans and financial capacity, applicants are required to attend counseling sessions with the Maryland Small Business Development Center before receiving the grant award.

Since its creation in early 2013, the fund has received seven applications from prospective retailers. While several applicants ultimately did not sign leases, or failed to meet the review standards, two retailers completed the process and received a total of \$30,000 to assist with their leasehold improvements.

The Board and Brew - 8150 Baltimore Avenue

Offering nearly five hundred board games to play in a cozy cafe setting, the business opened in July 2014 with assistance from a \$25,000 grant. The owners matched the grant with more than \$85,000, excluding additional non-eligible costs including equipment, furniture, and inventory) to combine and renovate two existing retail spaces on the ground floor of The Varsity student housing complex.

Laser Essential - 8145 Baltimore Avenue

Providing the latest technology in hair removal and skin care, the business opened in October 2014 with assistance from a \$5,000 grant. In order to convert the dilapidated restaurant space into a medical spa, the owners matched the grant with more than \$25,000, excluding non-eligible costs including equipment and furniture).

Farmers Market

Downtown

and

weekly music from *Birds on a Wire*

Alcoba Coffee
Bill's Backyard BBQ
Cecilia's Delight
Christine's Designs
Elk Run Vineyard and
Winery
Gentle Flours Bakery
Great Shoals Winery
Heavenly Created
Desserts
Larry's Produce
Miller Farms
P.A. Bowen Farmstead
Phil's Dills Gourmet
Pickles
Roy and RT's Kitchen
Thunder Beast Root
Beer
True Honey Teas

In collaboration with a Prince George's County-based farm, the market opened at City Hall in 2011 with a handful of vendors. With its fourth season recently completed, the market now features a collection of 16 vendors and averages close to 300 visitors each week.

In the absence of a grocery store in Downtown, the market was opened to bring fresh produce to residents in a convenient location. Additionally, the market is part of a larger effort to attract visitors to Downtown in order to support its seventy merchants on Sundays.

The market has something for everybody, as products include locally-grown fruits and vegetables, baked goods, BBQ, cheeses, jewelry, meats, pickles, root beer, tea, and wine. Beyond the vendors, events include a weekly band, cooking demonstrations, nutrition seminars, animal adoptions, gardening workshops and more. The market is open between April and November from 10:00am to 2:00pm each Sunday.

US 1 Strategic Demolition Program

Through a Community Legacy grant from the Maryland Department of Housing and Community Development, the City received \$75,000 for the demolition of vacant, blighted buildings on the US 1 corridor. Despite numerous large-scale developments changing the street's character in recent years, several dilapidated buildings remained that detracted from the overall appearance of the thoroughfare.

The grant provided the City with an opportunity to raze three long-vacant buildings, which became nuisances to the community. While the City provided the majority of funds, each property owner also made a contribution.

9091 Baltimore Avenue

Formerly a popular restaurant, this 3,360-square-foot building sat vacant since 2004. Situated just north of MD-193, this property was in a highly visible location for visitors to College Park. The property was slated for redevelopment in the late 2000's, but the economic recession halted those plans. With a new developer on board, the City reached an agreement to demolish the building at a total cost of \$32,850. Groundbreaking for the mixed-use, multifamily development is expected to take place in fall 2015.

9339 Baltimore Avenue

Formerly a waterbed store, this 2,800-square-foot building sat vacant since 2004. Located on the same property as an existing car rental facility, there are no short-term redevelopment plans which meant it was unlikely for the building to be razed without this grant opportunity. The total cost of the demolition was \$29,011.

4700 Edgewood Road

Sitting at the northern gateway of College Park from the Beltway, this 3,800-square-foot house was in significant disrepair and creating a negative first impression for many visitors. While redevelopment is expected in the future, an exact timetable is unknown which led the City to negotiate an agreement with the property owner to demolish the building for a total cost of \$22,840.

The Boulevard at 9091
9091 Baltimore Avenue

Mixed-use project with 238 apartments,
45 townhomes, & 4,133 SF of retail

Groundbreaking expected in Q3 2015

walkable node on Route 1. Per the ordinance, the applicant was eligible for a tax credit of \$380,000 over five years; however, the City Council elected to reduce the amount and grant the development a tax credit over three years in the amount of \$190,000.

Revitalization Tax Credit Program

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Monument Village
9122-9128 Baltimore Avenue

Located just north of MD-193, the 3.78-acre property is a prominent site due to its lengthy frontage on Route 1. The mixed-use project will include 235 apartments & 4,800 SF of retail.

\$190,000 - value of tax credit over five years
\$170,000 - projected new annual City taxes

Broke ground in October 2014
Expected opening in Spring 2016

Created in November 2012 by an ordinance of the Mayor and City Council, this program provides financial incentives for development projects through real property tax credits against the municipal tax, which is \$0.335 per \$100 of assessed value. The ordinance established revitalization districts and criteria for granting the tax credits; therefore, applicants must be located within one of the districts and meet specific criteria to be eligible for the five-year tax credit (75% in year one, 60% in year two, 45% in year three, 30% in year four, and 15% in year five). The credit itself is granted against the increased assessment attributed to the development project.

In order to receive the tax credit, applicants must demonstrate that their development meets a certain number of criteria, with possible categories including LEED Silver certification, proximity to a rail station, assemblage of properties and development complicated by environmental contamination.

The sole tax credit approved in 2014 went to Monument Village, a mixed-use development with 235 apartments and 4,800 SF of ground level retail. After originally being approved in 2008, the project stalled under the initial developer until Monument Realty restarted it in late 2012. The development broke ground in October and is scheduled to open in early-2016 at 9122 Baltimore Avenue. With an estimated value of \$55 million, the development will provide the City with an additional \$170,000 in taxes annually.

Monument Village met the program's eligibility criteria by assembling two properties, committing funds for a traffic signal, achieving LEED Silver certification, demolishing a vacant structure, and being within a

LOOKING AHEAD

Infrastructure Development

College Park-UMD

Transit District

Hollywood Commercial District Streetscape

Purple Line

Light Rail

Downtown

College

Park

University of Maryland
Innovation District

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Transforming the College Park-UMD Transit District

Despite the opening of the metro station in 1993, the surrounding area has yet to see mixed-use development that takes advantage of the transit-rich location. While an office presence has developed through the University's M Square Research Park and additional federal buildings, the area lacks a sense of place and activity beyond work hours. A new Transit District Development Plan envisions five interconnected neighborhoods with a mix of housing, office, and retail.

A Changing Downtown College Park

While Downtown is undergoing major changes with the construction of Landmark and Terrapin Row, student housing buildings opening in 2015 and 2016, additional redevelopment is expected in the coming years. Specifically, the City and University are in the early stages of a joint development on the current City Hall site that would house a new City Hall, office space for the University, ground floor retail, and a public plaza in the heart of Downtown.

Igniting the Entrepreneurial Spirit on Campus

The University's plans for an Innovation District on the former East Campus site are just taking shape, but the vision is a vibrant, inter-disciplinary mixed-use community anchored by a conference hotel that is expected to break ground in 2015. The district will look to commercialize technologies and expand industry collaboration, while further linking the campus with the M Square Research Park. Recommendations for the district will be submitted to the Facilities Committee in early 2015.

Reimagining the Hollywood Commercial District

With more than 40 storefronts, the commercial district on Rhode Island Avenue serves as a secondary retail core to Route 1. While anchor tenants are present in MOM's Organic Market and REI, many buildings have been neglected over the years and are in need of facelifts. The previously described facade improvement program was created to incentivize those changes, while the City is designing a streetscape plan to enhance the aesthetics and improve walkability. A conceptual plan will be prepared in early 2015 with engineering and implementation to follow in 2015 and 2016.

Uniting the Capital Region of Maryland

A 16.2-mile light rail line linking commercial and residential centers including Bethesda, Silver Spring, and New Carrollton, the Purple Line is expected to near closer to construction in 2015. Of the 21 stations along the route, four are located within College Park including stops on the University of Maryland and at the College Park-UMD Metro Station. With an expected daily ridership of 69,000, the Purple Line will provide a vital east-west connection between Montgomery and Prince George's Counties, while also encouraging transit-oriented development.

