

ECONOMICS and MARKET

OBJECTIVES

Economic development is among the primary goals of this sector plan. Although the influencing market area covers a larger geographic area, the Sector Plan Area provides a great opportunity for economic development in the northern part of Prince George's County. The recommendations in this chapter seek to achieve the following objectives to capitalize on major public investment, technology and education resources and major employment areas within this market area and boost the County's economic base:

- Capitalize on the previous public transportation investments at Greenbelt such as the Metrorail Green Line terminal station, the MARC station and the network of major highways or arterial roadways.
- Implement Smart Growth and any County growth policies and plans that promote compact, transit-oriented development near rail stations.
- Attract high-technology-based companies to the Prince George's County Economic Development Corporation's "High-Technology Triangle."
- Continue to identify economic assets and market strengths and explore public and private sector financial and technical assistance programs.

EXISTING SITUATION AND ISSUES

Identifying the many economic opportunities provided in this Sector Plan Area and extended market area is important; however, challenges and issues are still prevalent and must be addressed to meet the economic and market vision and objectives for the sector plan. These challenges include:

- Promoting investment in transit infrastructure and transit-oriented development in key Sector Plan Areas over

time to achieve economically viable and livable communities with quality design, convenient access to pedestrian-oriented activity centers, and human-scaled settings for buildings, neighborhoods and activities.

- Establishing policies or strategies to attract quality businesses and a better mix of businesses
- Implementing a revitalization strategy for mature commercial areas
- Focusing on community-scaled business investment approaches and providing pedestrian-oriented elements and amenities
- Eliminating unattractive and incompatible heavy industrial uses in the Sector Plan Area

To understand these challenges, an overview of the sector plan's existing situation and wider profile area regarding retail, office, hotel/motel, housing and industrial market must be considered. (See Figure 12.)

Major Employers—Within the economic profile boundary, there are six primary employers, listed below. However, there are other major employers in the vicinity, such as The University of Maryland, employing 15,000 faculty members and workers, the Beltsville Agricultural Research Center and the National Archives.

- NASA Goddard Space Flight Center — A Federal space research agency employing approximately 2,879 civilian employees and 5,309 contractors in 2001.
- Greenhorne & O'Mara, Inc. — A consulting firm specializing in planning, site engineering, transportation, environmental and surveying/mapping, that employs approximately 700 employees.

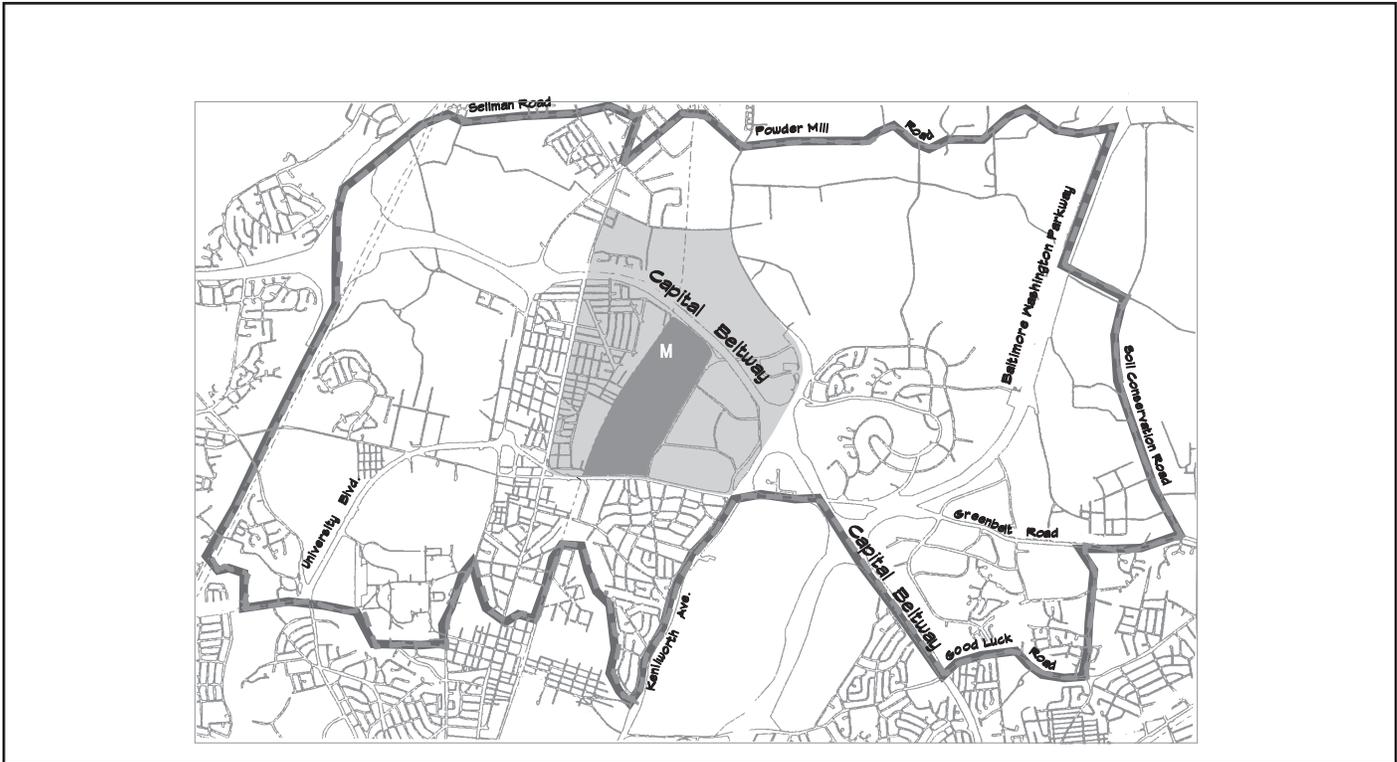


Figure 12. The economic profile boundary extends beyond the sector plan boundary to ensure adequate consideration of broader economic markets that may influence future land use decisions within the Sector Plan Area.

- Aetna — A medical service insurance company employing approximately 367 employees; but Aetna will be relocating the majority of its operations outside the area.
- OAO Corporation — A computer software company employing 152 employees.
- NYMA, Inc. — A firm specializing in computer-integrated systems design, that employs 108 employees.
- USDA — A headquarter office employing 1,300 employees.

Office Market—The Sector Plan Area is home to the NASA Goddard Space Flight Center and many companies in the area conduct business with this Federal agency. The United States Department of Agriculture (USDA)/Beltsville Agricultural Research Center (BARC) office complex, completed in the late 1990s, attracts additional supporting companies. In addition to its large base of Federal employers, the Sector Plan Area's office market has the advantage of access to a Metrorail and MARC commuter rail station, the Capital Beltway, US 1, Kenilworth Avenue (MD 201) and I-95.

- The Sector Plan Area offers one of the strongest and most profitable office markets in Prince George's County.

- The area contains 23 office buildings, with 2,335,664 square feet, that are being actively marketed.
- Approximately 341,000 square feet of office space is vacant, a 14.6 percent vacancy rate.
- A majority of the Sector Plan Area building stock was built within the last 10 years; leasing costs range from \$16.50 to \$20.50 per square foot.

Industrial Market

- The Sector Plan Area contains a major sand, gravel and asphalt processing plant on the A. H. Smith property, several heavy industrial uses along Branchville Road and 51st Avenue and the Washington Post printing plant south of Greenbelt Road and west of the railroad tracks.
- The Beltsville Industrial Center, a major industrial concentration, is located outside of the Sector Plan Area north of Sunnyside Avenue. This center includes 18 industrial buildings with a square footage of 908,478, of which 240,614 square feet is vacant. This reflects a 26.4 percent vacancy rate.

Hotel/Motel Market

- This Sector Plan Area is considered a prime location for future upscale hotel development because of the significant

presence of Federal government facilities, the large number of both corporate businesses and institutions such as The University of Maryland.

- Three hotels exist in the market area: the *Courtyard by Marriott*, the *Holiday Inn* and the *Marriott*, with a combined total of 639 rooms. Two of the hotels have conference room facilities.
- A 140-room hotel is proposed in the Golden Triangle Office Park east of Kenilworth Avenue.
- Several small hotels/motels exist along US 1 in College Park.

Retail Market—The retail market extends beyond this Sector Plan Area and should incorporate the entire Washington region served by the Metro system. Many people ride the Metro transit system to shop, as noticed at the Pentagon City and Friendship Heights Metro Stations in Virginia and Maryland, respectively. Both of these transit stations represent successful examples of air rights development working in connection with Metro. Therefore, the retail market for this area is considered to be very strong.

The current primary retail centers in the economic profile area consist of Beltway Plaza, the Greenway Center and Roosevelt Center.

Beltway Plaza, a regional shopping/activity center, was built in 1960. Renovations and additions to the center have occurred and the center now includes a wide variety of shopping and activity options for the region. Major shopping tenants include Target, Giant Food, Marshall's, Burlington Coat Factory and the Sports Authority. The total leasable space of this shopping center is approximately 800,000 square feet.

The Greenway Center, built in 1979, is a community shopping center outside of the Sector Plan Area. This center contains the following primary tenants and other main retailers: Safeway, Old Navy, Children's Place, Bally's Total Fitness, Ross Fashions and Today's Man. The total leasable space of this shopping center is approximately 280,000 square feet.

Roosevelt Center, built in the late 1930s, is located in the center of Historic Greenbelt. This commercial center is the neighborhood market place and focal point for the residents of Historic Greenbelt. It provides a gathering place for the residents and includes many public and recreational facilities. The center contains nearly 85,000 square feet of commercial space.

Smaller commercial developments exist throughout and near the Sector Plan Area, such as the Hollywood Commercial Center in North College Park.

Housing Market—The economic profile conducted for this area covered older residential communities, such as North College Park, Old Greenbelt and Berwyn Heights. The housing prices are therefore slightly lower than the County's median purchase price (\$138,000). In 1996, the median purchase price for new and existing single-family homes was as follows:

Zip Code	Median Purchase Price ¹
20705	\$137,000
20740	\$129,900
20770	\$134,500

¹ According to *Experian*

Home Ownership—Home ownership rates are higher in residential communities such as North College Park, than in predominantly multifamily communities, such as the Springhill Lake community. In the North College Park community, there are 1,383 housing units, 98 percent of which are occupied. Of the 1,362 occupied units, close to 82 percent are owner-occupied.

The Springhill Lake Apartment community contains 2,883 rental housing units. In 1990, 89 percent were occupied.

RECOMMENDATIONS

- Promote the application of Smart Growth policies in the marketplace to address the sector's unique challenges and opportunities.
- Market the vision and goals of the Sector Plan Area by promoting the creation and development of transit-oriented mixed-use centers and residential communities that are linked to the wider community, have high quality design and identity and establish a sense of place for residents and users.
- Promote the County's High-Technology Triangle policy by attracting high-technology-based companies, with higher wage-earning employers such as computer software, telecommuting and internet companies, to the Sector Plan Area.

The Prince George's County Economic Development Corporation's "High-Technology Triangle" in the northern part of the County is anchored by more than 10 technology-focused government agencies, facilities and companies. (See Figure 13.) Some of these are the

NASA Goddard Space Flight Center, the USDA Beltsville Agricultural Research Center and The University of Maryland at College Park. Capital Office Park in the Sector Plan Area also contains many private technology-based companies. This high-technology activity in the Triangle and elsewhere in the County has generated approximately 33,600 high-technology jobs, 14 percent of all such jobs in the State of Maryland.

In order to attract high-technology companies, the County offers a tax credit on real property that is constructed, or substantially improved, by expanding or locating high-technology companies. The County also offers a "Fast-Track Site Development Plan Process" which expedites approval of site development plans for qualifying high-technology projects.

- Upgrade the existing commercial areas to be attractive, safe and to provide a positive image of the area.

- Encourage formation of a business association of local merchants and property owners in the area.

Successful commercial revitalization depends largely on the commitment and active involvement of property owners, merchants and business operators. In order to improve the existing commercial area's economic and physical conditions and enhance its image, the businesses in this area need to organize an incorporated business association.

The biggest advantage of having an incorporated business association, in contrast to an informal organization, is ease in applying for and receiving funds. Most funding sources, whether foundations, Federal, State or local government agencies, require organizations to have non-profit status with the Internal Revenue Service. The first step in establishing nonprofit status is to create and register a business corporation with the State of Maryland.

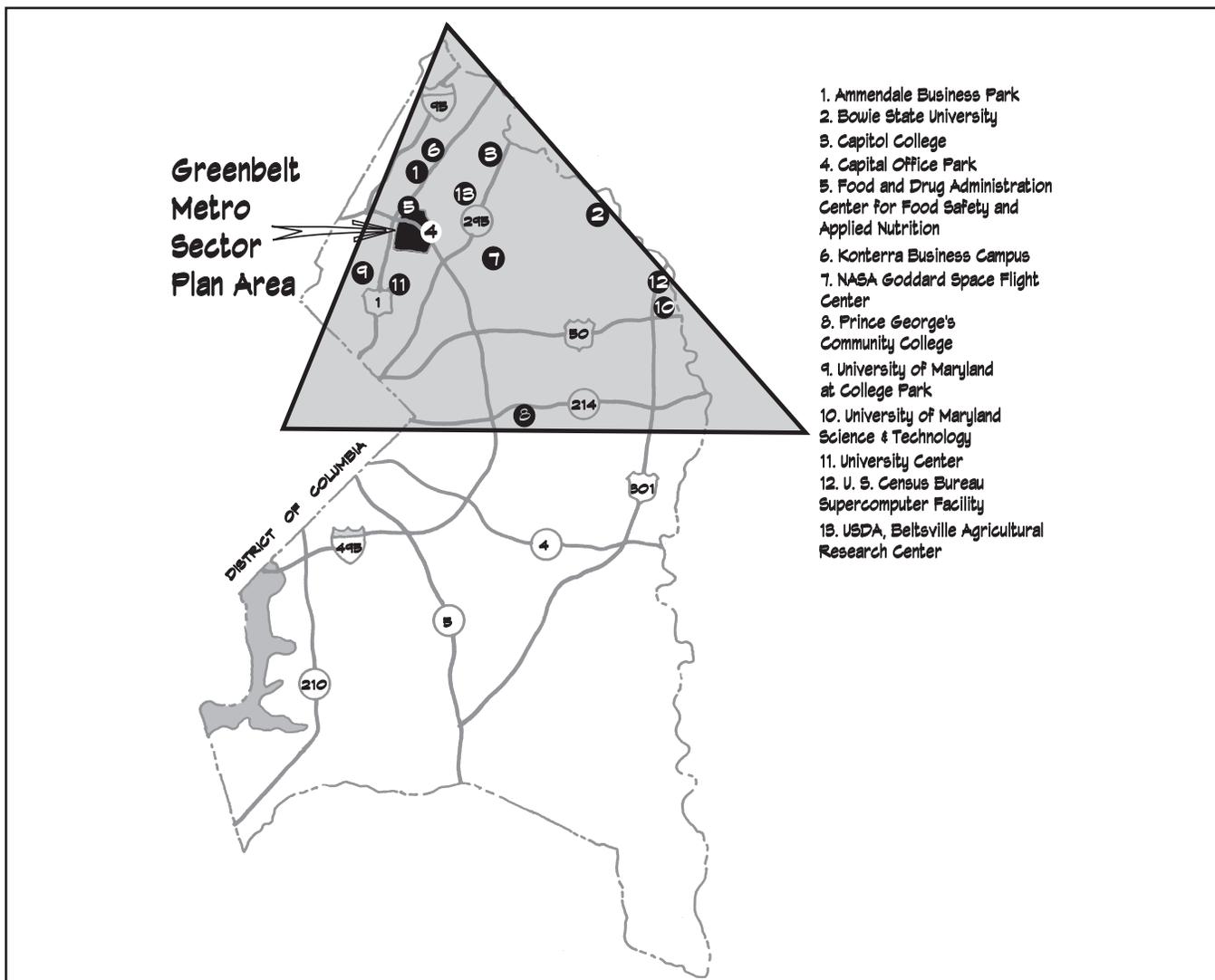


Figure 13. Prince George's County Economic Development Corporation "High Technology Triangle."