

City of College Park Economic Development Report Fiscal Year 1999

July 1, 1998-June 30, 1999

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I. Economic Development in College Park—Overview

Fiscal year 1999 (July 1, 1998-June 30, 1999) was a relatively prosperous time for Maryland and Prince George's County. Unemployment in Maryland dropped by a fifth, helping to bump up the state's index of leading economic indicators. In Prince George's County, office vacancies declined, while home sales experienced a strong increase. In College Park, positive changes also were seen, with overall office and retail vacancy rates down and home sales up. This report analyzes the key sectors of the city's economy, looking beyond the overall positive changes to shed light on conditions in uptown, midtown and downtown and in different districts. The report also summarizes city policies and programs geared toward promoting economic development.

In 1997 the City of College Park and the University of Maryland at College Park launched the **College Park City-University Partnership**, a non-profit development corporation focused on stimulating commercial and housing development and redevelopment. In late 1998 the Partnership hired an executive director. As part of its effort to promote owner-occupied housing in downtown neighborhoods, the Partnership successfully worked to obtain two county-owned properties on Girard Avenue. The Partnership also is playing a central role in helping the university and city find appropriate solutions to the shortage of student housing and is enhancing the city's ability to reach out to property owners, brokers and developers.

In May 1999, the city and the Partnership co-sponsored a **small business loan fair**. Held at the American Center for Physics, the event brought together representatives of local lending institutions and of local, state and federal small business assistance programs. Thirty small business owners and prospective business owners from all over the county, including five from College Park, attended the event. Very positive feedback was received from participants. As a follow-up to the loan fair, a notebook of small business assistance programs was assembled. Fifteen sources of funding and technical assistance, including county, federal and university programs, are summarized, providing "one stop shopping" to the College Park business community and residents interested in starting a business.

College Park's vision of a mixed-use employment, residential and museum center in the **Transit District Overlay Zone** moved closer to reality in fiscal year 1999. In the spring, the Washington Metropolitan Area Transit Authority issued a solicitation for proposals for development of the 21-acre site at the College Park/UM Metro station. City staff advertised the solicitation to developers and architects with strong reputations for 'transit oriented development' projects; one proposal is currently under consideration by WMATA, with an announcement expected by the end of 1999. Across the street from the Metro station, construction on a 950-employee FDA facility is on track, with completion scheduled for late 2001 (see Development Status report for more information).

The **College Park Aviation Museum**, located in the transit district, celebrated the opening of a new museum building in September 1998. The award-winning facility, which is in the shape of a Wright Flyer wing, has seen its monthly attendance rise sharply: from 300 at the old facility to 1,500 to 2,200 at the new museum. The city continues to pursue opportunities to create a "museum row" in the area, building on the draw of the airport and aviation museum.

During fiscal year 1999 the city continued to work to improve its connections to the local real estate community. **Real Estate Roundtables**, which bring together brokers and developers and city and university officials to discuss current issues and trends, are held in the spring and fall. **Property fact sheets**, which provide uniform summaries of all commercial property available for sale and lease throughout the city, have been developed. Kept in a notebook in the planning office, the fact sheets are intended to help advertise the availability of property and promote investment in the city.

The City of College Park is one of 65 local governments, educational institutions, non-profits and state and federal agencies that are part of the **Anacostia Trails Heritage Area**, a major effort to promote heritage tourism in northern Prince George's County. In the spring and summer of 1999, city staff and citizens became involved in ATHA committees working to develop a management plan for ATHA. ATHA aims to become a state-certified heritage area in the summer of 2000; with certification, the area is eligible for funding to support projects that enhance heritage tourism.

Long-term efforts by the city to transform Route 1 into an inviting gateway to the city moved forward in fiscal year 1999 as staff, business owners and residents took part in the **Route 1 Improvements Study**. The state has committed \$800,000 for this study, which covers US 1 from College Avenue to Sunnyside Avenue with the ultimate aim of improving safety, relieving congestion and creating "a more pedestrian friendly and aesthetically appropriate environment." The study was on schedule to present four alternatives at a public workshop in November 1999.

The city worked closely with the **Prince George's County Economic Development Corporation**. At a basic level the city has increased its efforts to make property and business owners aware of the services of EDC, which include the various loan and incentive programs administered by the Financial Services Corporation, the Revitalization Tax Credit, the Small Business Growth Fund and the SBA 504 and 7(a) loan programs. The city now works more closely with EDC staff, participating in meetings of LEDO (Local Economic Development Officials) and proposing College Park commercial districts for EDC revitalization assistance. During fiscal year 1999 EDC entered into an agreement with Ben & Jerry's to bring a minority-owned Ben & Jerry's franchise to the county. College Park staff helped advertise the opportunity to local business owners and continues to lobby for the city as a location for the store.

Good relations between the city and the university helped the city give timely input as two major campus projects moved forward during the fiscal year. Traffic management was the focus of city concerns about the new 17,000-seat **basketball arena**, plans for which were finalized during the summer of 1999. Construction on the **Maryland Center for Performing Arts**, a premier arts complex for the State of Maryland, began in the summer of 1998 with completion scheduled for May 2000 (see Development Status Report for more information).

II. Local Market Reports

A. Office Market Summary

During fiscal year 1999 two major office projects moved forward. In March, the State of Maryland broke ground in Hollywood on an Employment Technology Center. The center helps tie the Hollywood Shopping Center to the rest of the Hollywood commercial area and increases the number of potential customers for area businesses. Another boost to Hollywood is the upgrading of the Hollywood Shopping Center that Carrollton Enterprises is making as part of the sale of the land to the State. At the other end of the city, in the transit district, construction on a major new FDA research facility continues, with completion of the building expected in late 2001. This 950-employee facility will greatly boost College Park's reputation as a center of government- and university-related research, and reflects the city's vision of transit-oriented development in the area. (For more on both projects, see Development Status Report.)

Data for 1999 indicate that, overall, College Park's office market sector is healthier than it was a year ago. The vacancy rate is down four points, from 19.8 percent to 15.9 percent, while the average lease rate is up by two dollars, from \$16.45 to \$18.50. Comparing downtown, midtown and uptown College Park, only uptown (home to 28 percent of the city's office space) showed signs of a less healthy situation than last year. The overall vacancy rate for uptown properties is up by almost five points, even though the average lease rate also went up slightly. Midtown and downtown College Park both experienced a significant drop in vacancy and rise in lease rate.

College Park Office Market, 1998 and 1999

	Tenants	Total SF	Leasable SF*	% Vacant*	Lease Rate*
Downtown:					
1999	131	656,156	189,440	9.7%	\$17.60
1998	122	656,856		14.0%	\$15.53
Midtown:					
1999	47	1,966,881	166,881	20.0%	\$20.90
1998	54	1,954,881		31.5%	\$17.53
Uptown:					
1999	70	160,000	160,000	19.3%	\$17.40
1998	59	139,300		14.7%	\$16.40
TOTAL:					
1999	247	2,783,037	496,321	15.9%	\$18.50
1998	235	2,751,037		19.8%	\$16.45

*Minus non-leasable space (American Center for Physics, FDA, National Archives and Employment Technology Center)

Source: City of College Park (Data collected in August of each year.)

How does College Park compare to the county? At mid-1999 the county had an overall office vacancy rate of 12.2 percent, according to Delta Associates, a national firm that tracks regional

commercial real estate trends. This is notably lower than the city's rate of 15.9 percent.^{1[1]} The Delta report revealed a strong demand for Class A office space, with such properties experiencing a mid-1999 vacancy rate of just 7.6 percent. College Park has two Class A buildings—One Boulevard Plaza and University Centre—both of which reported dramatically different vacancy rates in 1998 and 1999: 15 percent and 26 percent for One Boulevard Plaza, and 66 and 5 percent for University Centre.

Delta Associates reported that Prince George's County saw modest growth in the first two quarters of 1999, with a net absorption of 113,000 square feet of office space. Delta cautioned that the county's vacancy rate may be pushed up in the upcoming year by an increased supply of office space in suburban Maryland.^{2[2]}

Note on Methodology: Data on office, industrial and retail properties (square feet, vacancy and lease rate) collected by city staff from property owners and management companies. For some office and industrial properties the information was available only from CoStar, a company that maintains data on office and industrial buildings. Retail data covers only shopping centers, although this includes centers with as few as four units.

^{1[1]} Both Delta and city data cover all sizes of office buildings.

^{2[2]} *Prince George's Newsletter*, Vol. 12, No. 15

<i>OFFICE</i>						<i>August 1999</i>
Building	Address	Tenants	Square Feet	% Vacant	Lease Rate	Major Tenant
<i>Downtown/TDOZ</i>						
American Center for Physics	One Physics Ellipse	1	116,716	dna	Owner	American Physics Association
College Park Center	7305 Baltimore Ave	63	55,940	12%	Owner/Condos	Health Services
College Park Office Building	7338 Baltimore Ave	11	12,800	3%	\$15.00	Health Services
College Park Professional Center	4511 Knox Rd	13	24,000	11%	\$17.00	Allfirst Bank
Executive Building (not in city)	7100 Baltimore Ave	28	36,000	7%	\$17.00	American Red Cross
FDA Bldg. (under construction)	Paint Branch Pkwy	1	350,000	dna	Owner	FDA CFSAN/CVM
Hartwick Professional Building	4321 Hartwick Ave	13	51,500	12%	\$19.00	University of Maryland
University Building	4401 Hartwick Ave	1	9,200	0%	n/a	University of Maryland
Sub-Total: Downtown		131	656,156	9.7% (Avg.)	\$17.60 (Avg.)	
<i>Midtown</i>						
5110 Roanoke Building	5110 Roanoke Pl	2	23,000	0%	n/a	Offset Pre-Press
8400 Baltimore Building	8400 Baltimore Ave	1	45,000	48%	\$17.50	CACI
Homer L. Dodge Building	5112 Berwyn Rd	3	18,000	44%	\$13.50	Campus Outfitters
Kidwell Building	5111 Berwyn Rd	6	7,500	0%	n/a	The Knife Center
National Archives II	8601 Adelphi Rd	1	1,800,000	dna	Owner	National Archives II
University Centre	4716 Pontiac St	6	40,000	5%	\$15.50	Oncology Therapies
University Professional Center	4700 Berwyn House Rd	28	33,381	5%	\$15.00	Health Services
Sub-Total: Midtown		47	1,966,881	20.0% (Avg.)	\$20.90 (Avg.)	
<i>Uptown</i>						
9015 Rhode Island	9015 R.I. Ave	1	6,200	0%	n/a	Capital Technology Services
Altobelli Building	9601 Baltimore Ave	16	9,000	5%	n/a	ReMax
State Employment Center (under construction)	9800 R.I. Ave	1	20,000	dna	Owner	Dept. of Labor, Licensing & Regulation
Fred T. Gheen	4911 Niagara Rd	4	6,500	18%	n/a	Fred T. Gheen Assoc.
Hollywood Building	10005 R.I. Ave	7	6,500	5%	n/a	CRI
Michaels/Niagara	4907 Niagara Rd	4	8,000	50%	\$10.00	Ronald Schwartz, Attorney
One Boulevard Plaza	9658 Baltimore Ave	7	61,800	26%	\$21.00	PageNet
Sterling Building	4920 Niagara Rd	30	42,000	12%	\$13.50	RSI
Sub-Total: Uptown		69	160,000	19.3% (Avg.)	\$17.40 (Avg.)	
TOTAL		247	2,783,037	15.9% (Avg.)	\$18.50 (Avg.)	
<i>source: CoStar, City of College Park</i>						
<i>n/a—not available; dna—does not apply</i>						

B. Industrial Market Summary

Stone Industrial, which has been in its current location in the Branchville Industrial Area since the 1930s, experienced steady growth in its business during the fiscal year. This has translated into a significant expansion of the workforce at Stone, which manufactures a wide range of custom tubular products. In the first half of 1999, the firm added approximately 20 jobs, growing to 158 employees. Many of the new hires work on a newly-created night shift.

Stone's new employees were recruited through an aggressive outreach effort targeted at local residents. Postcards were mailed to every College Park household, and 1,000 fliers were distributed in the area. The campaign resulted in about 80 applications from qualified individuals. Stone carried out this local recruitment effort with the belief that there were skilled individuals living close to Stone who were looking for work and unaware of the company's offerings. As a result of the campaign, three-quarters of the 20 new hires live within a mile of the facility, minimizing commuting stress and likely boosting retention efforts.

Litton Amecom, located in the transit district and straddling the College Park-Riverdale line, experienced substantial growth during fiscal year 1999, expanding its workforce by approximately 75 to nearly 550 employees. Further growth is on the way as the company makes room for 300 employees currently employed by Denro. Denro is a Gaithersburg, MD, firm acquired by Litton in February 1999; Litton plans to transfer all of these employees to the College Park site in the next several years. Finally, Litton will be transferring up to 100 employees to College Park as a result of the consolidation of its California-based Applied Technology Division with the College Park-based Amecom division. This consolidation was announced in July 1999. The company expects to expand the College Park-Riverdale facility to accommodate this growth, although no plans have been announced.

The city's industrial base has expanded significantly with the addition of the 324,000 square foot **Washington Post Printing and Distribution Facility** to the Berwyn Industrial Area. Construction was completed in the fall of 1998, with a ribbon-cutting ceremony held in March. The facility, built around four five-story-tall printing presses, employs 300 people and represents a \$130 million investment by the Post.

<i>INDUSTRIAL</i>						<i>August 1999</i>
Site	Address	Tenants	Total Square Feet	% Vacant	Lease Rate	Major Tenant
<i>Downtown/TDOZ</i>						
Ace Fire - Metro Area	5103-5115/ 5114 College Ave	7	18,000	0%	\$6.50	Ace Fire
Dent, Clyde	5016 Lehigh/ 7411 50 th Ave	5	46,300	10%	\$5.50	Clyde W. Dent
Litton Amecon	5115 Calvert Rd	1	134,596	dna	Owner	Litton Amecon
University Station Industrial Center	4915, 5005, 5110, 5018 College Ave	1	44,840	dna	Owner	University of Maryland
<i>Midtown</i>						
5127 Berwyn	5127 Berwyn Rd	1	14,000	0%	n/a	Sonny's Building Supply
Berwyn Industrial Park	5113 – 5125 Berwyn Rd	4	29,350	n/a	n/a	Sonny's Building Supplies
Branchville Industrial Center	9000 - 9122 51st Pl	9	62,900	0%	n/a	Various Ownership
Kidwell Business Center	5105 Berwyn Rd	2	16,000	0%	n/a	1001 Restaurant Corp.
Kidwell Business Center	5107 Berwyn Rd	4	15,400	0%	n/a	Instant Mailing
Roanoke Building	5112 - 5114 Roanoke Pl	1	12,000	0%	n/a	Deco Artwear
Washington Post	5245 Greenbelt Rd	1	324,156	dna	Owner	Washington Post
<i>Uptown</i>						
Stone Industrial	9207 51st Ave	1	115,000	dna	Owner	Stone Industrial
College Park Warehouse	9215 51st Ave	5	36,000	n/a	n/a	Adcock's Trapping Service
TOTAL		42	868,542	2.5% (Avg.)	n/a	
<i>source: CoStar, City of College Park</i>						
<i>n/a—not available; dna—does not apply</i>						

Data for the city's industrial sector reveal a very low overall vacancy rate of 2.5 percent compared to a rate last year of 12 percent. The difference is explained partly by this year's noticeably low (zero percent) vacancy of the midtown properties and partly by changes to the listings for the two uptown properties. Last year these were listed with vacancy rates of 10 percent (Stone) and 25% (College Park Warehouse). College Park's industrial

vacancy rate looks good when compared to Prince George's County's mid-1999 rate of 14.9 percent (as calculated by CoStar).

College Park Industrial Market, 1998 and 1999

	<u>Tenants</u>	<u>Total SF</u>	<u>% Vacant</u>	<u>Lease Rate</u>
1999	42	868,542	2.5 %	n/a
1998	53	884,797	12%	\$5.48

Source: City of College Park (Data collected in August of each year.)

C. Retail Market Summary

College Park's retail sector overall is somewhat healthier than it was a year ago, according to vacancy and lease rate statistics. In comparing the two years, however, it is important to consider the impact of College Park Marketplace, which came on line during fiscal year 1999. In mid-1999 the city had an overall vacancy rate of 5.2 percent, down almost two points from a year earlier. Average lease rate, meanwhile, almost doubled, to \$27.90.

College Park Retail Market, 1998 and 1999

	Tenants	Total SF	% Vacant	Lease Rate
1999	95	450,555	5.2%*	\$27.90*
1998	83	200,627	7.0%	\$14.90

**1999: Without College Park Marketplace: 8.0% vacant, \$17.30 lease rate*

Source: City of College Park (Data collected in August of each year.)

A more accurate comparison of the two years is achieved when not including Marketplace in 1999 data. Such a comparison reveals a slightly increased vacancy rate (from seven to eight percent) and noticeably higher average lease rate (\$17.30 in 1999 compared to \$14.90 in 1998). The increased lease rate is due to the situation in and close to downtown, where rents in the three major centers (College Park Retail Center, College Park Shopping Center and Campus Village Center) all increased between 1998 and 1999.

Significant retail activity in the city during the fiscal year included:

Uptown

Construction on College Park Marketplace, a major addition to College Park's retail sector and by far the city's largest shopping center, was completed by the spring of 1999. Anchors Shoppers Food Warehouse and Home Depot opened in July and August 1998. In March, Hard Times Cafe opened, making College Park the first foray into Prince George's County for the rapidly-expanding chain. (Restaurants in Bowie and Laurel are planned.) Several other well-known chains were in the news in uptown during the year. Just across Cherry Hill Road from Marketplace, International House of Pancakes has been very busy from the day it opened its doors in May 1999. Next door, the builder of a 78-room Hampton Inn entered the permit-seeking phase with plans to break ground in October 1999. And on the east side of Route 1, a Duron Paint store opened in October and a Dunkin Donuts/Baskin Robbins opened in April. Duron Paint is now four blocks north of its former location.

Just east of College Park Marketplace, the Hollywood commercial area saw few improvements during the fiscal year, in terms of vacancy. Hollywood Shopping Center, A-1 Center, Hollywood Square and Edge Market Center had an average vacancy rate of 13 percent in mid-1998; that figure remains unchanged at mid-1999. Of the four centers, lease rate information is available only for Hollywood Shopping Center—the 1999 lease rate of \$8.50 is the same as it was the year before. For fiscal year 2000 the City Council approved \$5,000 for a market study covering the Hollywood area. In addition to assessing market conditions, the study will evaluate alternatives for redeveloping key properties. During fiscal year 2000 Hollywood also will welcome the opening of the State Employment Technology Center and the completion of improvements to the Hollywood Shopping Center (see Office Market Summary, above).

Openings

College Park Marketplace:

AiroTek Communications

Crestar Bank

GNC

Hard Times Cafe

Home Depot

Linens N Things
Shear Pleasure
Shoppers Food Warehouse
United Optical
Bare Feet Shoes
Dunkin Donuts/Baskin Robbins
Duron Paint
International House of Pancakes

Midtown

The Berwyn neighborhood commercial district continues to be home to both well-known and successful enterprises (Smile Herb Shop and Beautiful Day Trading Company) as well as a number of vacant or high-turnover properties. In May, Smile Herb Shop celebrated 25 years in business with a weekend festival. During the year residents and business owners took part in a design workshop to help shape the coming Trolley Trail. Federal, state and city funding is in place for a hiker/biker trail along the Rhode Island Avenue trolley corridor between Paint Branch Parkway and Greenbelt Road. In Berwyn, parking will be enhanced and public plazas will be placed on the trail on the north and south sides of Berwyn Road. These gathering places will enhance the Berwyn commercial district, giving patrons of stores as well as users of the trail a pleasant place to relax. Construction on the project will begin during fiscal year 2000.

Several prominent vacant structures still dominate the midtown area of Route 1. During the year the city and the City-University Partnership worked with the owners of the former Starlight Inn (8700 block Baltimore Avenue) and the adjacent property (8800 Baltimore Avenue) to promote the highest and best use of these assembled properties. The city's ongoing effort to limit the number of fast food restaurants on Route 1 received judicial support with a circuit court's upholding of a denial of a fast food special exemption for the property at 8424 Baltimore Avenue. That property and 8430 Baltimore Avenue (also formerly a restaurant) remain on the market for lease. In June, McDonald's opened a new restaurant at 8301 Baltimore Avenue. The company is selling the site of the old restaurant (8204 Baltimore Avenue).

Koons Ford completed a major upgrade of its property during fiscal year 1999, making a positive impact on Baltimore Avenue. Landscaping, streetfront planters and facade improvements are the most noticeable of the improvements, which Koons reports has resulted in higher sales (see Development Status Report for more information).

Openings

Aqualand Pets
Dollar Den
Genesis Communications

Closings

Bail Bonds
Domino's Pizza

Downtown

The Downtown College Park Management Authority became more focused on its efforts to promote the downtown business district during the fiscal year. DCPMA has tightened its connection to the university and major events held on campus, paying for ads in event programs, distributing Downtown Guides to event participants and displaying event posters and brochures in stores. Attendance at monthly DCPMA meetings increased during the year, and a general membership meeting in June was very well attended. DCPMA ended the year with plans to launch a web site and produce event-specific promotional materials.

Three significant additions were made to the downtown retail scene in fiscal year 1999: Rugged Wearhouse, which opened in October in the College Park Shopping Center; Dry Clean Depot, a 5,500 square foot dry cleaner that opened in February; and Ricky's Rice Bowl, which opened in June in the center on Lehigh Road. College Park is the second Prince George's location for Rugged Wearhouse, which is also located in Laurel and

opened in Bowie in July 1999. Ricky's is also located in Bethesda and Gaithersburg. The other downtown stores opening during the fiscal year were Bargains Unlimited and Simply Kind, while Mail Boxes Etc. planned a move three doors down to a much larger storefront (former Wings To Go space). Four closings occurred in fiscal year 1999: Gourmet East, Howie's Sub Shop, Old Friends Resale Shop and Terrapin Station.

Terrapin Station's effort to renew its liquor license was not successful and the bar closed in June. Due to the many health and safety citations against the property, the city testified in opposition to the request for renewal. The property is for sale and the city has been working with the broker on recruiting quality retail or restaurant tenants to the site.

Openings

Bargains Unlimited
Dry Clean Depot
Ricky's Rice Bowl
Rugged Wearhouse
Simply Kind
Zi Pani

Closings

Brueger's Bagels
Gourmet East
Howie's Sub Shop
Old Friends Resale Shop
Terrapin Station

RETAIL <i>August 1999</i>		SHOPPING			CENTERS	
Building	Address	Tenants	Total Square Feet	% Vacant	Lease Rate	Major Tenant
Downtown/TDOZ						
College Park Retail Center	7415 Baltimore Ave/4513 College Ave	12	18,370	8%	\$24.00	Bagel Place, Addidas
College Park Shopping Center	Baltimore Ave & Knox/Hartwick	18	76,585	0%	\$20.00	Kinko's, CVS, Applebee's
Midtown						
Campus Village Center	8145 Baltimore Ave	16	26,000	6%	\$20.00	Hunan Bar-B-Q
Rhode Island Central	8905-8911 R.I. Ave	4	6,000	60%	n/a	Guadalupana Groceries
Uptown						
A-1 Center	4924-38 Edgewood Rd	5	7,500	15%	n/a	New York Deli
Hollywood Square	9925-37 R.I. Ave	6	8,000	15%	n/a	Book Nook
College Park Marketplace	Cherry Hill Rd & Baltimore Ave	11	251,600	3%	\$30-\$40	Home Depot, Shoppers
Edge Market Center	5000 Edgewood/9901-23 R.I. Ave	10	10,000	10%	n/a	Edge Market
Hollywood Shopping Center	9801 R.I. Ave	13	46,500	13%	\$8.50	REI
TOTAL		95	450,555	5.2%	\$27.90 (Avg.)	
<i>source: City of College Park</i>						
<i>n/a—not available</i>						

D. Hotel Sector

At the beginning of fiscal year 1998, a major renovation of the hotel property at 9113 Baltimore Avenue was completed. The former Royal Pine Hotel was purchased in the summer of 1998 and converted to an 82-room Ramada Limited and 29-room Howard Johnson Express. Renovation was completed in the fall of 1998. A major addition to the city's hotel stock is on the way with construction of a 78-room Hampton Inn expected to begin in the fall of 1999. The hotel, located on Route 1 at the corner of Cherry Hill Road, will increase the number of hotel rooms by eight percent, from 945 to 1,023.

Occupancy rate data for College Park hotels reveal a positive trend. Between 1993 and 1998, the average annual occupancy rate for the city's hotels as a group has moved steadily upward, from 54.6 percent to 61.5 percent. The trend appears to be continuing in 1999. The increasing average occupancy rate is reflected in all months, including peak (spring) and low (early winter) months. This across-the-board increase should translate as a more constant stream of business during the year.

Occupancy and Rate

Year	Occupancy Rate	Average Daily Rate	# of Rooms
1999 (Jan.-June only)	62.7%	\$71.73	945
1998	61.5%	\$70.11	945
1997	61.5%	\$66.27	939
1996	56.8%	\$61.96	939
1995	53.4%	\$54.16	968
1994	50.9%	\$50.85	968
1993	54.6%	\$51.59	968

Peak/Low Month Occupancy Rates

Year	Peak Month	Low Month	Spread
1999*	75.8 (April)	41.5 (Jan.)	34.3
1998	76.7 (April)	37.1 (Dec.)	37.5
1997	78.0 (April)	33.3 (Dec.)	44.7
1996	72.9 (July)	31.0 (Jan.)	41.9
1995	68.5 (May)	29.2 (Jan.)	39.3
1994	68.2 (June)	30.7 (Dec.)	37.5
1993	71.9 (June)	29.5 (Dec.)	43.8

*January-July

Data cover Best Western Maryland Inn, Comfort Inn, Days Inn, Holiday Inn, Econo Lodge, Howard Johnson Express (since July 1998), Inn and Conference Center (Marriott), Quality Inn and Ramada Limited (since June 1998).

Source: Smith Travel Research

E. Residential Market Summary

In January, College Park's newest apartment complex, Jefferson Park, made headlines when it was sold for close to \$105,000 per unit. Now named "Wynfield Park," the selling price of the 300-unit complex called attention to the area's tight rental market and strong economy. In mid-1998, rents at the complex ranged from \$775 for a one bedroom to \$1,410 for a three bedroom. As of September 1999 rents had increased to \$875 for a one bedroom to \$1,490 for a three bedroom.

In April 1999 the University of Maryland worked with Georgia-based Ambling Companies and MEDCO on a complex transaction to build a 704-bed apartment complex oriented to students at the site of Monte's Miniature Golf (not in city). Construction began in September with the goal of having the complex ready for the fall 2000 semester.

During fiscal year 1999 Prince George's County experienced a heating up of its residential real estate market similar to that experienced in the Washington region generally. Indicators include a 45 percent jump in countywide home sales for the month of March, from 520 in 1998 to 757 in 1999. The average selling price for a three bedroom house, however, barely changed, moving from \$135,000 to \$134,000. (source: PG Co. Assoc. of Realtors, quoted in Gazette 6/10/99).

In College Park, for the first six months of 1999, the average length of time between the listing and selling of a single family house was between six and seven weeks, indicating a market that is good for sellers but not excessively tight for buyers. Between the first and second quarters of 1999 the number of homes sold increased from 37 to 47, in line with the peak spring real estate season. But the average sales price jumped sharply, from \$141,800 to \$162,100. (Comprehensive data for College Park is not available for pre-1999.) During fiscal year

1999 the city issued nine building permits for the construction of new houses—the same number issued the previous year.

Single Family Home Sales

	1st Qtr. FY99	2nd Qtr. FY99
	(Jan.-March)	(April-June)
Number Sold	37	47
Avg. Days on Market	47	46
Avg. Sales Price	\$141,800	\$162,100

Source: Metropolitan Regional Information Systems

Residential Building Permits Issued by the City of College Park

	FY98	FY99
New Construction	9	9
Interior/Rehabilitation	20	11
Additions	4	11
Other	21	50

Source: Dept. of Public Services, City of College Park

F. High Tech

Prince George's County is home to 15 percent of the state's high-tech jobs, with 33,600 positions in 890 companies, according to the Maryland Department of Business and Economic Development. College Park's contribution to the high tech sector received a boost in October 1998 with the opening of a new facility for the Technology Advancement Program. An on-campus incubator that provides technical assistance, flexible space and shared resources to startup firms, TAP has launched 31 firms since it was created in 1984. With 32,000 square feet, the new \$6 million facility is 40% larger than the building it replaces and currently houses 11 companies.

Ed Sybert, TAP director, reports that most launched firms leave College Park because the city lacks the type of accommodations they need: flexible office space (room to grow) and—to a limited extent—wet lab space. To help meet the space needs of TAP firms, and to help keep them in the area, the Technology Growth Center was launched in early 1999. Located at Prince George's Metro Center, the Growth Center is supported by TAP and Prince George's County Economic Development Corporation (EDC). It features 15,000 square feet of office space, shared facilities, access to university resources and flexible lease terms. Rental rates are \$18.50 per square foot (full service).

In early 1999 the Prince George's County Council authorized a set of incentives aimed at the high-tech sector. The "High-Technology Growth and Development Incentive Package" provides a five-year real property tax credit on new or expanded facilities, a 100 percent personal property tax exemption for certain R&D equipment and a fast-track process for the review of site development plans.

EDC has been aggressively marketing the "Prince George's County High-Technology Triangle." The triangle covers the entire northern portion of the county and is marketed by the corporation as a national center of high tech research and development. EDC describes the triangle as focusing on the University of Maryland at College Park, various federal institutions and a range of private firms. The "Tech Gazette" and EDC's web site are two key marketing tools used by EDC to promote the triangle.

G. New Incorporations

This chart lists all new incorporations in the City of College Park from July 1, 1998 to June 30, 1999. Not all of the listed companies operate in College Park, and some may be existing businesses that have reorganized or incorporated for the first time. Many of the listed companies are home-based businesses, such as consultants and independent contractors.

Corporate Name	Address	Stock/Nonstock
<i>Downtown</i>		
AGC	4431 Lehigh Rd., Suite 179	
Arnold Services Inc.	1 Physics Ellipse	Stock
Bayshore Electric Inc.	7516 Creighton Dr.	Stock
Calbainer Enterprises	4431 Lehigh Rd., Suite 135	
Calvert Road LLC	7309 Baltimore Ave., #115	Non-stock
Champion Mortgage & Investment Services	4441 Lehigh Rd.	
CUC Management, Inc.	7415A Baltimore Ave.	Stock
Gary Williams Basketball Camp LLC	1117 Cole Field House	Non-stock
Golden Events	4431 Lehigh Rd., #106	
Golden Mill Bottom LLC	7100 Baltimore Ave., #409	Non-stock
Grout Works LLC	4607 Calvert Rd.	Non-stock
Inventory Specialist	5012 College Ave.	
Market Exposure Inc.	4321 Hartwick Rd., #300	Stock
Next Day Windows Inc.	4511 Knox Rd.	Stock
Nomi, Inc.	7409 Baltimore Ave.	Stock
Nu Images, Inc.	4431 Lehigh Rd., #278	Stock
PV Construction Management Co. Inc.	7307 Baltimore Ave., Suite 112	Stock
Reliable Enterprising Pages	7303 Baltimore Ave., #4	
RPEC LLC	7215 Baltimore Ave.	Non-stock
Vonoform Design Inc.	4431 Lehigh Rd., #115	Stock
Wedding and Party Gallery LLC	7315 Radcliffe Dr.	Non-stock
Wild Rose LLC	7309 Baltimore Ave., Suite 115	Non-stock
World Fighting Arts Corp.	7404 Baltimore Ave.	Stock
<i>Midtown</i>		
Absolutely Archives	8404 48 th Ave.	
Adult & Youth Newlife Inc.	8805 38 th Ave.	Stock
Campus Computers and Software Inc.	8505 Baltimore Ave.	Stock
Capital Artwear Inc.	5112 Roanoke Place	Stock
College Park Contracting	4716 Pontiac St., #300	
Corporate Image	8320 Potomac Ave.	
Customer Insites, Inc.	335 Paint Branch Dr., #1104	Stock
Dorly Int'l Enterprises, Inc.	8141 Baltimore Ave., #21	Stock
Dorly Laundromat	8141 Baltimore Ave., #21	
Felipe Construction Inc.	5106 Berwyn Rd.	Stock
Global International Group, Inc.	4716 Pontiac St.	Stock
Historical Research	8404 48 th	
HK Enterprise LLC	5105 Berwyn Rd., Suite 102	Non-stock
Logo Sports	0200 Calvert Hall	
NYK Investment Corp.	8125 48 th Ave., Apt. 401	Stock
Oasis Enterprises LLC	8801 38 th Ave.	Non-stock
R.S.V. Productions Inc.	8909 34 th Ave.	Stock
Unidos Por El Peru Inc.	8700 Rhode Island Ave.	Non-stock
<i>Uptown</i>		

Advanced Mixology, Inc.	4907 Niagara Rd., #206	Stock
Alluent Harbor Co.	5021 Kenesaw St.	Stock
Black Jacks Delivery Service	9703 47 th Place	
Capitol Hospitality Inc.	9137 Baltimore Ave.	Stock
Castleton Homes Inc.	4920 Niagara Rd., Suite 403	Non Stock
Chinese Bible Church of College Park	9618 Autoville Dr.	
Clothes Time	9711 51 st	
College Park Firearms	9809 Rhode Island Ave.	
Cowan Financial Group, Inc.	10107 Baltimore Ave., Apt. 4410	Stock
D.C.C. Diversified Cleaning Contractors	9611 51 st Ave.	
DLC Roofing Inc.	9314 49 th Ave.	Stock
Edgewood Day Care Ltd.	4925 Edgewood Rd.	Stock
Four Thousand Four Branch Ave. LLC	9300 Baltimore Ave.	Non
Futures Finest Child Care Inc.	4602 Kiernan Rd.	Stock
Gemcom	4719 Lackawanna St.	
High Octane Service Equipment Maintenance LLC	9204B Baltimore Ave.	Non-stock
Hollywood Boutique	9917 Rhode Island Ave.	
Hotlinux Systems	9328 Limestone Place	
Integrated Media Systems Inc.	5110 Huron St.	Stock
J.K.M. Acquisition Corp.	9520 Baltimore Ave.	Stock
Myint & Sons Inc.	9091A Baltimore Ave.	Stock
Nationwide Electrical Services Inc.	9012 51 st Place	Stock
On-Line Medical Billing Services, Inc.	5015 Mineola Rd.	Stock
Otel Corp.	5002 Fox St.	Stock
P&J Painting & Wallpapering	9610 51 st Pl	
Pizza Roma	9805 Rhode Island Ave.	
Sabatech Corp.	3613 Marlborough Way	Stock
Simon Financial Co.	4920 Niagara Rd., #108	
Sinolink LLC	4906 Erie St.	Non-stock
Sonicfusion Inc.	4900 Lackawanna Rd.	Stock
Systems Support Inc.	5110 Huron St.	Stock
T&E Services Inc.	9306 Rhode Island Ave.	Stock
Table for Two, Inc.	5303 Kenesaw St.	Non-stock
The Mosaic Pillow Inc.	9604 Autoville Dr.	
Touch Down Multi-Services	5005 Indian Ln.	
Translations ETOS, Inc.	9206 Davidson St.	Stock
Tuns Wash 'n' Things	9915 Rhode Island Ave.	
University Donut Shoppe Inc.	9091-A Baltimore Ave.	
<i>Source: Washington Business Journal; July 1, 1998-June 30, 1999</i>		

III. Development Status Report

Gateway Park

College Park Marketplace

International House of Pancakes

Hampton Inn

Dunkin' Donuts/Baskin-Robbins

State Employment Center

Duron Paint

Koons Ford

Washington Post Printing and Distribution Facility

McDonald's

4705 Melbourne Building

Basketball Arena

Maryland Center for Performing Arts

Chemistry Building Addition

Stamp Student Union

Executive Programs Facility

FDA Center for Food Safety and Applied Nutrition and Center for Veterinary Medicine

College Park/UMD Metro Station Site

Gateway Park

Location:

Baltimore Avenue at I-95, NW

Developer/Contact:

Federal Realty Investment Trust

10210 Greenbelt Road

Seabrook, MD 20706

Nancy Slepicka

301.794.6900

Parcel/Building Size:

45.5447 Acres

410,000 S.F. office

402,000 S.F. retail

Zoning:M-X-T

Project Status: All plans for an office and retail center have been approved, but the development continues to be challenged in court. In the spring of 1998 the Prince George's County Circuit Court ruled that Gateway Park's developer had complied with a covenant signed with the City in 1991. The Residents and Covenant Beneficiaries Association of College Park appealed the decision, arguing that the project will not primarily be an office park as required. In March 1999 the state Court of Special Appeals heard arguments, with a decision expected by the end of the year.

College Park Marketplace

Location:

4900 Cherry Hill Road

Developer/Contact:

The Michael Companies

4390 Parliament Place, Suite A

Lanham, MD 20706

Tom Milbourne

301.459.1533

Parcel/Building Size:

21.5 Acres

251,632 S.F. retail

Zoning:C-S-C

Project Status: Construction of College Park Marketplace was completed by Spring 1999, with all but 8,000 square feet of space leased by the end of June. Major openings during the year were Shoppers Food Warehouse in July 1998, The Home Depot in August, Hard Times Cafe in March and Crestar Bank in April. Marketplace is the first Prince George's County location for Hard Times; other Hard Times restaurants in the Washington area are in Bethesda, Rockville and Arlington.

International House of Pancakes

Location:

9680 Baltimore Avenue

Developer/Contact:

Mirza H.A. Baig

7413 Baylor Avenue

College Park, MD 20740

James Herl

301.345.5454

Parcel/Building Size:

1.57 Acres

4,558 S.F. restaurant

Zoning:C-S-C

Project Status: Construction began in Fall 1998 and the restaurant opened in May 1999. Property owner subdivided the land, selling the adjacent Hampton Inn site. *Note:* IHOP and Hampton Inn were listed together as "Baltimore Boulevard Plaza" in last year's economic development report.

Hampton Inn

Location:

9670 Baltimore Avenue

Developer/Contact:

College Park Hospitality Group LLC

12119 Dusk View Ct.

Clarksville, MD 21029

Mukesh Majmudar

410.988.9363

Parcel/Building Size:

78 room hotel

1.34 Acres

Zoning: C-S-C

Project Status: Seeking building permits, with construction expected to begin in September. Target completion date is Summer 2000. Plans now call for a six-story structure and an indoor swimming pool. (Earlier plans were for a three-story building and outdoor pool.) *Note:* IHOP and Hampton Inn were listed together as "Baltimore Boulevard Plaza" in last year's economic development report.

Dunkin' Donuts/Baskin-Robbins

Location:

9701 Baltimore Avenue

Developer/Contact:

Shreenathji Corporation

14903 Baltimore Blvd.

Laurel, MD 20707

Jay Bhalani

301.345.9601

Parcel/Building Size:

0.41 Acres

2,324 S.F. retail

Zoning:C-S-C

Project Status: Construction began in September 1998, and the store opened the following April.

State Employment Center

Location:

9829 Rhode Island Avenue

Developer/Contact:

Carrollton Enterprises

11785 Beltsville Drive, Suite 1600 Beltsville, MD 20705

William Harrison

301.572.7800

Parcel/Building Size:

20,000 S.F. office

Zoning: C-S-C

Project Status: Construction on the Employment Technology Center began in March, with completion expected in December 1999. The center will employ 50-70 full and part-time employees and will not provide walk-up services. Hollywood Shopping Center, the adjacent shopping center, is to receive upgrades that are to be completed by the time the office building opens.

Duron Paint

Location:

9501 Baltimore Avenue

Developer/Contact:

Duron, Inc.

Real Estate Department

10406 Tucker Street

Beltsville, MD 20705

John Skelly

301.937.4700

Parcel/Building Size:

4,200 S.F.

Zoning:C-S-C

Project Status: Construction of the building was completed in October 1998.

Koons Ford

Location:

8315 Baltimore Ave.

Developer/Contact:

Koons Ford

8315 Baltimore Ave.

College Park, MD 20740

Carl Leckner

301.474.5100

Parcel/Building Size:

2.63 Acres

Zoning: C-S-C

Project Status: Major improvements have been made to the Koons Ford property, with work completed in February. The new and used car showrooms, sales department and service area all were renovated, including ceiling and roof work. Landscaping, including stone planters fronting the sidewalk, now lines the property on both sides of Baltimore Ave., and buildings facing the street were treated to facade improvements. A major motivation for the over \$1 million investment was the belief that a clean, inviting atmosphere would boost sales, especially from repeat customers. This appears to be the case, as Koons reports a large increase in sales in 1999.

Washington Post Facility

Location:

5245 Greenbelt Road

Developer/Contact:

The Washington Post
1250 Connecticut Avenue, NW
Washington, DC 20036
Kelly Benson
301.446.1101

Parcel/Building Size:

18.59 Acres
324,156 S.F. industrial

Zoning:I-1, C-S-C

Project Status: The Washington Post held a ribbon-cutting ceremony at its new printing and distribution plant in March. Although construction of the facility was completed by mid-1998, the ceremony was timed to coincide with the installation of the new state-of-the-art printing presses. The four presses are five stories tall and represent a significant portion of the \$130 million investment the Post has made in the facility.

McDonald's

Location:

8301 Baltimore Avenue

Developer/Contact:

McDonald's Corporation
4640 Forbes Boulevard
Lanham, MD 20706
Edward Gibbs
301.306.0033

Parcel/Building Size:

3200 S.F. restaurant
.55 Acres

Zoning:C-S-C, R-55

Project Status: A 60-seat McDonald's, with drive-through window, opened in June on the site of a Roy Rogers and McDonald's Corporation closed the existing McDonald's at 8204 Baltimore Ave. An agreement between the City and McDonald's is being negotiated to obtain additional site improvements.

4705 Melbourne Building

Location:

4705 Melbourne Place

Developer/Contact:

Basmah Albacha
12803 Woodmore Road
Mitchellville, MD 20716
Long & Foster
Phone: 301.468.0606

Parcel/Building Size:

0.4 Acres

Zoning: C-S-C

Project Status: The sale of this commercial property is under contract by Long & Foster as of the summer of 1999; the list price is \$400,000. The property last sold in April 1997 for \$105,000.

Basketball Arena

Location:

University of Maryland

Developer/Contact:

Architecture, Engineering & Construction
4100 Chesapeake Building
University of Maryland
College Park, MD 20742
Carol Moore
301.405.1118

Parcel/Building Size:

17,100 seat arena
420,000 S.F.
Athletic offices

Zoning:N/A

Project Status: Construction on a replacement for Cole Field House is scheduled to begin in the summer of 2000 and be completed in the summer of 2002. The Maryland Stadium Authority expects construction costs to be \$90 million; approximately \$25 million is to be covered by a naming sponsorship. The facility is to include a 7,000 square foot Academic Support and Career Development unit, auxiliary gymnasium space, athletic department offices, Hall of Fame area and merchandise store. A university committee is exploring options for the use of Cole Field House once the new arena is open.

Performing Arts Center

Location:

University of Maryland

Developer/Contact:

Architecture, Engineering & Construction
4100 Chesapeake Building
University of Maryland
College Park, MD 20742
Carol Moore
301.405.1118

Parcel/Building Size:

318,000 S.F.

Zoning:N/A

Project Status: The University of Maryland bills the Performing Arts Center as a "\$107 million state-of-the-art performing arts 'village.'" Construction began in the summer of 1998 and is scheduled to be completed in May 2000. Consisting of ten interconnected structures on a 17-acre site, the center will serve the music, theater and dance divisions of the university. It is expected to attract regional audiences and national and international professionals. A 100-seat restaurant, 800-space garage and 23,000 square foot Performing Arts Library are included in the facility. In response to a pledged gift of \$15 million, the university plans to name the center for Virginia artist and collector Clarice Smith.

Chemistry Building Addition

Location:

University of Maryland

Developer/Contact:

Architecture, Engineering & Construction
4100 Chesapeake Building
University of Maryland
College Park, MD 20742
Carol Moore

301.405.1118

Parcel/Building Size:

51,000 S.F. expansion

Zoning:N/A

Project Status: The replacement of Wing 3 of the existing Chemistry facility is in the design phase. The project is expected to cost \$23.2 million and construction is scheduled to begin in the summer of 2000.

Stamp Student Union

Location:

University of Maryland

Developer/Contact:

Architecture, Engineering & Construction

4100 Chesapeake Building

University of Maryland

College Park, MD 20742

Carol Moore

301.405.1118

Parcel/Building Size:

284,500 S.F., including 28,400 S.F. expansion

Zoning:N/A

Project Status: A major renovation and modest expansion began in July 1999. Highlights of the project are updated HVAC and other building systems, corrected building orientation and pedestrian flow, increased office space for student organizations, upgraded food court and retail areas and improved meeting space. Barnes & Noble took over operation of the university book center in the spring of 1999. Total project cost is approximately \$45 million. The work is to be carried out in four phases, with the building remaining open while the work is underway. Completion is expected in the summer of 2002.

Executive Programs Facility

Location:

University of Maryland

Developer/Contact:

Architecture, Engineering & Construction

4100 Chesapeake Building

University of Maryland

College Park, MD 20742

Carol Moore

301.405.1118

Parcel/Building Size:

30,000 S.F.

Zoning:N/A

Project Status: This project is for a new facility of approximately 30,000 GSF to provide additional instructional and office facilities for executive education programs. Due to the continued success in this area offered by the School of Public Affairs and The College of Business & Management, the need for both classrooms suitable for executive programs and offices for the faculty and staff needed to deliver the programs has outstripped existing facilities. Bidding is underway and construction should begin in the summer of 2000. Estimated construction cost: \$15,300,000.

FDA- CFSAN/CVM

Location:

5100 Paint Branch Parkway

Developer/Contact:

General Services Administration

7th and D Streets, SW

Washington, DC 20407

Harry Debes

202.260.9583

Parcel/Building Size:

13.5 Acres

350,000 S.F. office/research

Zoning:I-1 (TDOZ)

Project Status: The foundation for the Food and Drug Administration's Center for Food Safety and Applied Nutrition and Center for Veterinary Medicine was completed in the spring of 1999. The contract for the superstructure was awarded in May, and completion of the building is expected in late 2001. This facility, which is part of a consolidation effort, will house 952 employees. Public amenities include a food service operation open to the public and "environmental artwork" by two commissioned artists that will be placed in public areas around the building. The total cost of the facility is \$84 million.

College Park/UMD Metro Station Site

Location:

River Road at Paint Branch Parkway

Developer/Contact:

Office of Property Dev't. & Management

Washington Metropolitan Area Transit Authority

600 Fifth St., NW

Washington, DC 20001

Elisa L. Hill

202.962-1593

Parcel/Building Size:

15.6 Acres

Zoning:M-X-T

Project Status: In early 1999 WMATA included its property at the College Park/UMD Metro station in a joint development solicitation issued for properties throughout the Metro system. WMATA sought proposals that conformed to the College Park-Riverdale Transit District Development Plan, which permits a mixture of high-end residential, office and retail uses on the WMATA site. As of late summer, WMATA had received one proposal for the College Park/UMD Metro station site; a decision is expected by the end of the year.

