

Retail Opportunities

*Prince George's County
Gateway Arts District*

May 2014



Redevelopment Authority
of Prince George's County

redevelopment.mypgc.us

GATEWAY ARTS DISTRICT

Prince George's County
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RETAIL OPPORTUNITY

Coming soon to the vibrant Gateway Arts District is 40,000 square feet of available retail and restaurant space.

3807 Rhode Island Avenue

The RDA, in partnership with the Landex Companies, is developing a 1.5-acre site with a 4-5 story mixed-use building, 130 units, and 6,000 square feet of available retail space.

4100 Rhode Island Avenue

The RDA, in partnership with the Landex Companies, is developing a 2.5-acre property with a 4-5 story mixed-use building, 160 units, and 9,000 square feet of available retail space.

3300, 3308, and 3310 Rhode Island Avenue

The RDA has recently issued a request for proposals for these properties. The three properties are located at the 3300 block of Rhode Island Avenue. The combined site is approximately 6,126 square feet in size and contains 3 vacant buildings totaling 15,125 square feet of gross space. The site is triangular and fronts Rhode Island Avenue to the front, Perry Street to the rear, and 33rd Street to the side. The zoning is mixed-use town center (M-U-T-C), which allows for flexibility in uses and density. The RFP calls for retail at this location. The closing date for the RFP is July 6, 2014. The RDA intends to select a developer soon thereafter.

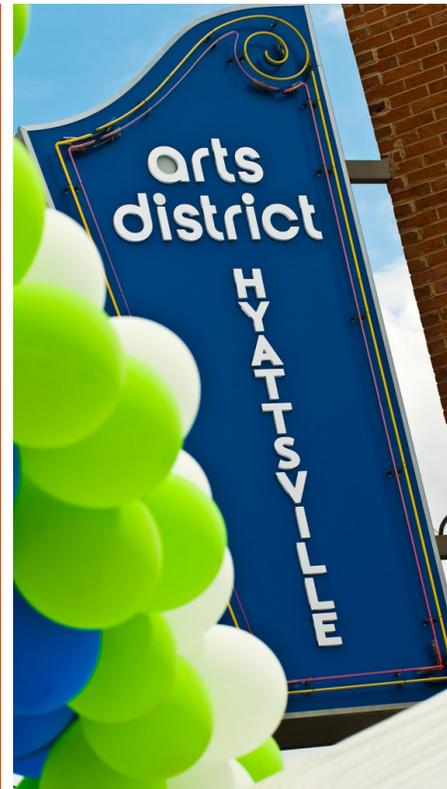
Current Development Activity

In North Brentwood, a 10,000 square foot addition to the African American Museum and Cultural Center is in the design phase. The museum will include exhibit space, a black box theatre. Just north in Hyattsville lies the EYA development, which includes a *Yes Organic Market* and a *Bus Boys and Poets* restaurant among the many retail options and new townhouses. In the last 10 years, Mt. Rainier has experienced investments such as the Artspace Live/Work artist studios to help brand the city as an arts destination. In the fall 2012, the Neighborhood Development Company and Streetsense were selected to develop nearly 2 acres at Eastern Avenue and Rhode Island Avenue. The project will feature 180 market rate residential units and 18,000 square feet of ground floor retail.



Market Features

The Gateway Arts District is located 15 minutes from Downtown Washington D.C. and is the first Arts District in Maryland. The Gateway Arts District is home to over 300 professional artists and 15 Art Galleries.



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GATEWAY ARTS DISTRICT MARKET PROFILE

	1-MILE	3-MILE	5-MILE	
population & education	Population	20,636	192,057	703,960
	Daytime Employment	6,152	104,623	572,734
	2014-2019 Projected Population Growth	4.88%	5.99%	7.62%
	High School Graduate	74.2%	74.8%	80.3%
	Bachelor's Degree	12.3%	12.8%	18.5%
	Graduate/Professional Degree	9.7%	10.9%	19.3%
household	Households	7,835	70,249	278,083
	Average Size	2.60	2.63	2.41
	Owner-Occupied	49.5%	46.4%	44.3%
	Renter-Occupied	50.5%	53.6%	55.7%
	Owner-Occupied Median Home Value	\$269,436	\$287,015	\$337,803
income	Average Household	\$68,805	\$69,901	\$87,750
	Median Household	\$53,722	\$53,497	\$62,253
	Household Income \$50,000-\$74,999	18.9%	28.4%	16.8%
	Household Income \$75,000+	33.9%	34.2%	41.4%
age	Age 1-20	26.3%	27.4%	25.1%
	Age 21-34	21.5%	22.5%	26.8%
	Age 35-64	40.6%	37.9%	37.4%
	Age 65+	11.6%	12.2%	10.7%
	Median Age (years)	36.5	35.1	34.1
consumer spending (\$ thousands)	Apparel & Services	\$14,484	\$115,756	\$453,074
	Entertainment	\$16,871	\$129,649	\$542,448
	Food At Home	\$31,981	\$253,767	\$971,861
	Food Away From Home	\$22,724	\$175,590	\$769,922
	Alcoholic Beverages	\$3,271	\$25,584	\$127,150
	Furniture and Appliances	\$13,356	\$100,247	\$437,249
	Transportation and Maintenance	\$65,878	\$499,480	\$2,006,387
	Health Care	\$9,769	\$72,787	\$302,786
	Education and Day Care	\$14,356	\$110,444	\$546,121

Collection Street	Cross Street	Traffic Volume	Count Year	Miles from Site
Rhode Island Ave	35th St	19,683	2012	0.05
Eastern Ave NE		13,029	2012	0.20
Rhode Island Ave NE	Otis St NE	17,185	2012	0.23
Monroe St NE	Eastern Ave NE	1,733	2012	0.26
Eastern Ave NE	Monroe St NE	12,851	2012	0.26
Eastern Ave NE	Randolph St NE	12,484	2012	0.29
38th St	Cottage Ter	13,718	2012	0.39
Rhode Island Ave	Bunker Hill Rd	18,944	2012	0.40
Rhode Island Ave NE	Newton St NE	28,995	2012	0.41
Bladensburg Rd	Eastern Ave NE	19,149	2012	0.42

Source: 2013 Costar estimates; 2014 The Neilsen Company Claritas estimates - educational attainment, average household size, median age, and age cohorts; compilation and conversion M-NCPPC.

Source: DataMetrix® Products

ECONOMIC DEVELOPMENT INCENTIVES AND TOOLS

Enterprise Zone

ENTERPRISE ZONE are areas of a county in which state and local incentives and assistance are offered to encourage the expansion of existing businesses and the attraction of new business activity and jobs. Benefits include; a three year State income tax credit of \$6,000 per disadvantaged employee and \$1,000 per non-disadvantaged employee; a ten year county real property tax credit for increases to real property assessment resulting from qualified new construction or improvement to real property (80 percent tax credit for the first five years and 70 to 30 percent tax credit for the following five years).

Economic Development Incentive Fund

ECONOMIC DEVELOPMENT INCENTIVE FUND (EDI FUND) is a \$50 million multi-year commitment by the county to economic development. Seven to 11 million dollars is available annually for lending. Qualified applicants can use funding for land and building acquisition, building infrastructure and empowerment, and equipment acquisition and working capital. The purpose of the fund is to create new jobs and retain existing jobs, broaden the commercial tax base, and promote economic growth in key industries and targeted communities such as Suitland.

High Tech Tax Credit

HIGH TECH TAX CREDIT is a tax credit against the property tax imposed on real property that is used as the premises of manufacturing, fabricating, or assembling facilities that are primarily involved with the applications of engineering, life sciences, computer sciences, research and development, or produces materials, parts, or equipment used in the type of applications noted above.

New and Enhanced Jobs Tax Credit

NEW JOBS TAX CREDIT AND ENHANCED NEW JOBS TAX CREDIT is a tax credit against the County property tax imposed on real property owned or leased by a business entity or its affiliates and on personal property owned by that business entity or its affiliates if the business entity qualifies for either credit.

Revitalization Area Tax Credits

REVITALIZATION AREA TAX CREDITS encourage redevelopment and investment in inner-Beltway communities through a tax credit on county real property taxes on eligible improvements.

Tax Increment Financing

TAX INCREMENT FINANCING (TIF) allows incremental taxes generated from a defined area to pay debt service for infrastructure improvements. The existing base-assessed valuation is taxed as before. Additional assessed valuation, added to the tax rolls over the base, is taxed at the same rate as the base valuation but associated increases in tax revenue are targeted to the defined area.

PILOT

PAYMENT IN LIEU OF TAXES (PILOT) is an agreement from the county to abate property taxes and instead charge an amount equal to a negotiated PILOT. The payment can range from zero up to the full amount of taxes due or more. In some cases taxes are deferred rather than abated. A properly structured PILOT can also be used as a better alternative to a tax increment financing.

SBA 504 Long Term Fixed Assets

SBA 504 LONG TERM FIXED ASSETS (Commercial Real Estate and Equipment Loan Program) is available to the more established business owners who desire to purchase owner-occupied commercial real estate (typically to transition from leased facilities, to consolidate its operations or to acquire equipment with a useful life of at least 10 years). Loans are guaranteed by the U.S. Small Business Administration (SBA).

Contractor Cash Flow Fund

CONTRACTOR CASH FLOW FUND helps contractors capitalize the first 90 days of labor and materials on a new contract awarded by a Prince George's County department or agency.

Small Business
Growth Fund

SMALL BUSINESS GROWTH FUND is a guaranteed revolving loan fund available to established businesses with at least 3-5 years of profitable operating history. This program is designed to assist emerging growth companies in response to access to new markets and expansion challenges.

New Markets Tax
Credit

NEW MARKETS TAX CREDIT'S (NMTC) term of credit is seven years. Investors will be able to claim a tax credit of 5 percent for each of the first 3 years of the credit and 6 percent for each of the last 4 years, for a total of 39 percent over 7 years. The net present value of the credit is estimated at 30 percent over the 7 years. NMTC investors should expect a return from the credit above and beyond the federal tax subsidy.

SBA Micro Loans

SBA MICRO LOANS provide very small loans to start-up, newly established, or growing small businesses. SBA makes funds available to nonprofit community-based lenders, who in turn make loans to eligible borrowers in amounts up to a maximum of \$50,000. The average loan size is about \$13,000.

SBA Special
Purpose Loans

SBA SPECIAL PURPOSE LOANS offer various special purpose loans to help grow businesses to meet international demand, to aid businesses that have been impacted by NAFTA, to assist in implementing employee ownership plans, and to help implement pollution control mechanisms, in addition to other special programs.

Revenue Bonds

REVENUE BONDS are used to finance the construction of a manufacturing or commercial facility for a private user. The county receives bond authorization from the State of Maryland for the purpose of issuing non-housing industrial development revenue bonds. Authorized projects include manufacturing facilities with a total project cost of less than \$10 million.

WSSC Systems
Waiver

WSSC SYSTEMS WAIVER allows the County Executive to waive the WSSC/SDC (System Development Charge) for eligible revitalization projects and to partially waive the charge for elderly housing and biotechnology projects.

State of Maryland

A number of programs and services are provided by the **STATE OF MARYLAND**. Visit www.choosemaryland.org

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