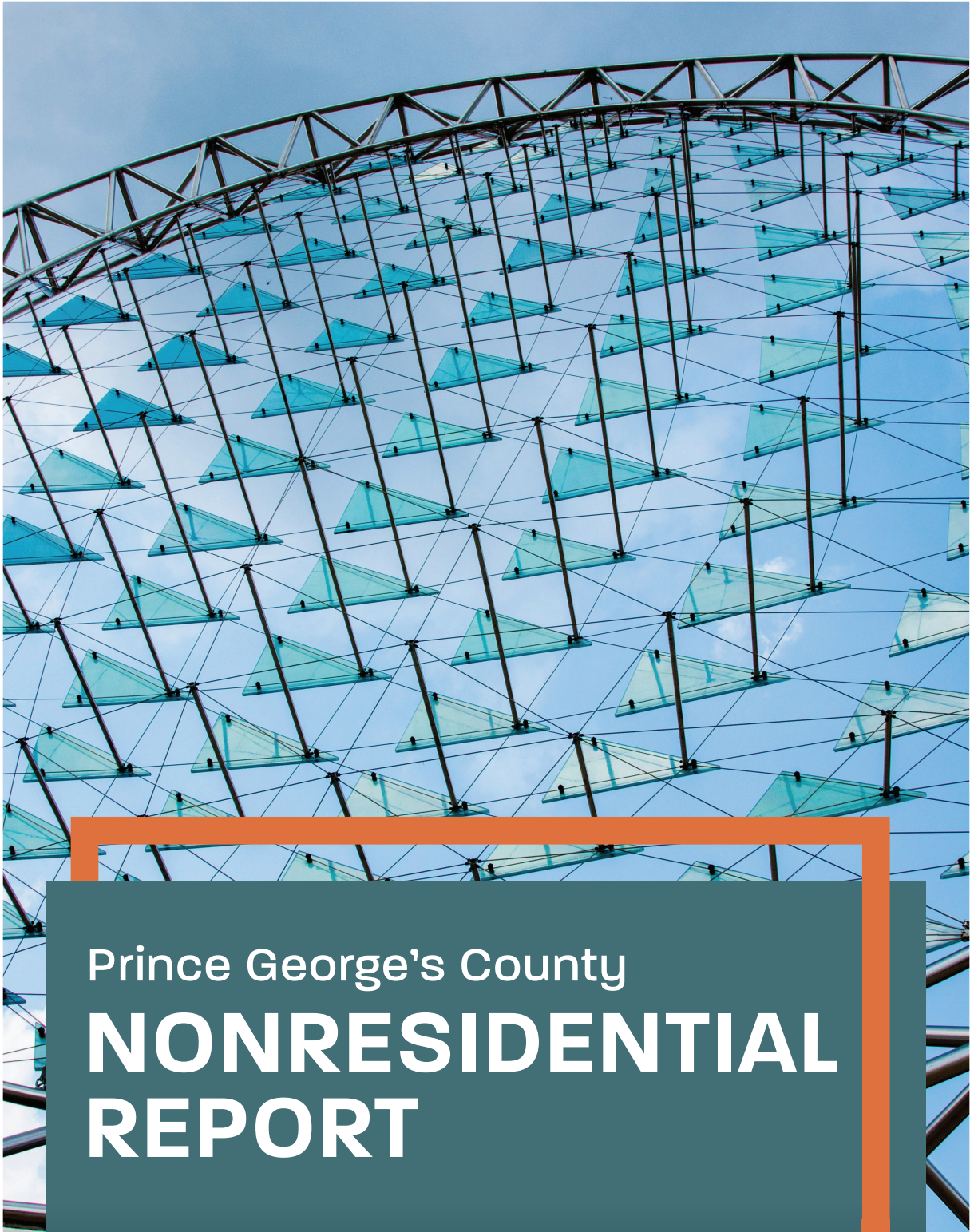


2022



Prince George's County
**NONRESIDENTIAL
REPORT**



MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION
Prince George's County Planning Department

Abstract

Date December 2022
Title 2022 Nonresidential Report
Author The Maryland-National Capital Park and Planning Commission
Subject The landscape of office, industrial, and retail property in Prince George's County.
Source of copies The Maryland-National Capital Park and Planning Commission
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IMAGE SOURCES:

COVER: LARGO LENS SCULPTURE AT LARGO TOWN CENTER METRO STATION. SOURCE: M-NOPPC

PAGE X-1: MGM NATIONAL HARBOR. SOURCE: M-NOPPC

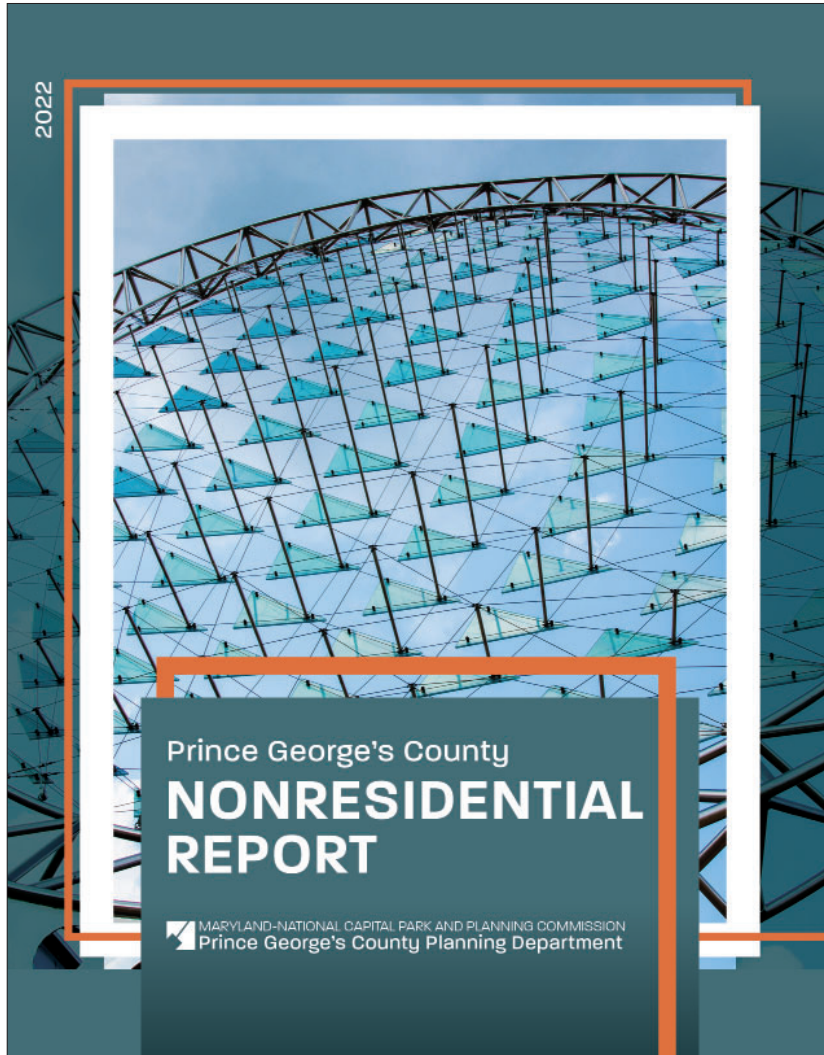
PAGE 23: BOWIE TOWN CENTER. SOURCE: M-NOPPC

PAGE 26-27: WEST HYATTSVILLE METRO STATION. SOURCE: M-NOPPC

PAGE 28-29: LARGO TOWN CENTER METRO STATION. SOURCE: M-NOPPC

PAGE 38-39: AMERICAN WAY IN OXON HILL. SOURCE: M-NOPPC

BACK COVER: RIVERSIDE VIEW OF NATIONAL HARBOR: SOURCE: SHUTTERSTOCK_170414141.JPG



Decemberr 2022

The Maryland-National Capital Park and Planning Commission

Prince George's County Planning Department

14741 Governor Oden Bowie Drive

Upper Marlboro, MD 20772

www.pgplanning.org

The Maryland-National Capital Park and Planning Commission

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Jeff Zyontz, Vice Chair

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Gavin Cohen, Secretary-Treasurer
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The Maryland-National Capital Park and Planning Commission (M-NCPPC) is a bicounty agency, created by the General Assembly of Maryland in 1927. The Commission's geographic authority extends to the great majority of Montgomery and Prince George's Counties: the Maryland-Washington Regional District (M-NCPPC planning jurisdiction) comprises 1,001 square miles, while the Metropolitan District (parks) comprises 919 square miles, in the two counties.

The Commission has three major functions:

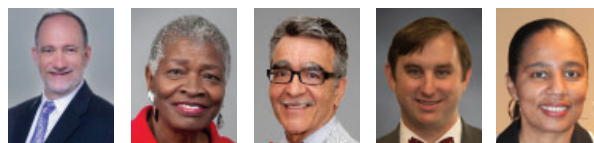
- The preparation, adoption, and, from time to time, amendment or extension of the General Plan for the physical development of the Maryland-Washington Regional District.
- The acquisition, development, operation, and maintenance of a public park system.
- In Prince George's County only, the operation of the entire county public recreation program.

The Commission operates in each county through a Planning Board appointed by and responsible to the County government. All local plans, recommendations on zoning amendments, administration of subdivision regulations, and general administration of parks are responsibilities of the Planning Boards.

The Prince George's County Planning Department:

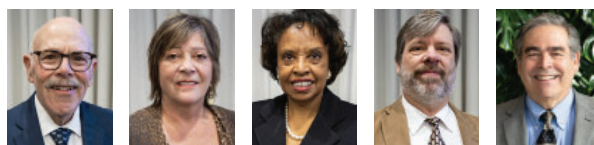
- Our mission is to help preserve, protect and manage the County's resources by providing the highest quality planning services and growth management guidance and by facilitating effective intergovernmental and citizen involvement through education and technical assistance.
- Our vision is to be a model planning department of responsive and respected staff who provide superior planning and technical services and work cooperatively with decision makers, citizens, and other agencies to continuously improve development quality and the environment and act as a catalyst for positive change

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The County Council has three main responsibilities in the planning process: (1) setting policy, (2) plan approval, and (3) plan implementation. Applicable policies are incorporated into area plans, functional plans, and the general plan. The Council, after holding a hearing on the plan adopted by the Planning Board, may approve the plan as adopted, approve the plan with amendments based on the public record, or disapprove the plan and return it to the Planning Board for revision. Implementation is primarily through adoption of the annual Capital Improvement Program, the annual Budget, the water and sewer plan, and adoption of zoning map amendments.

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AERIAL VIEW OF MGM NATIONAL HARBOR
SOURCE: M-NCPPC

Overview

Prince George's County, Maryland, is one of the most dynamic jurisdictions in the Washington, D.C. Metropolitan Statistical Area (MSA). It is the sixth largest MSA in the nation¹ with a population of 6.39 million (U.S. Census 2020). The MSA also is one of the strongest economies, ranking sixth in the nation, attributable to quality and attainment of education². As new markets sprout up on the periphery of D.C., counties and local jurisdictions see opportunities to grow economically (also refer to Footnote 1).

The D.C. MSA consists of the District of Columbia (D.C.), and selected counties and municipalities in Maryland and Virginia (**Map 1**). For this report, the metropolitan area is defined as Washington, D.C.; Montgomery and Prince George's counties, Maryland; and Arlington, Fairfax, and Loudoun counties. Virginia counties are selected because of their geographic location and the degree of economic influence. The MSA, D.C., and selected counties will be named "the metropolitan area" collectively in this report.

¹ Washington Business Journals, (2021) *The Metro D.C. industrial market delivers demand*. Available at: <https://www.bizjournals.com/washington/news/2021/07/21/the-metro-d-c-industrial-market-delivers-demand.html>

² WTOP News (2022) *DC cracks top 20 in US News' annual 'Best Places to Live' rankings*. Available at: <https://wtop.com/dc/2022/05/dc-cracks-top-20-in-us-news-annual-best-places-to-live-rankings/>

Data and Definitions

This report uses CoStar ©, a leading commercial listing database, for a succinct analysis of nonresidential development including existing properties and those currently under construction. The data are from the most recent CoStar survey for the third quarter of 2022. CoStar data are based on periodic surveys to employers.

In CoStar, not all government owned properties are included. Some state affiliated facilities, such as the University of Maryland and its associated institutions, may be reported in CoStar.

Due to data availability and for consistency between the large markets in the metropolitan area and submarkets within Prince George’s County, only data on office (**Table 1**), industrial (**Table 2**), and retail uses (**Table 3**) are included in this report. For details on the largest, existing nonresidential uses or those under construction, information is available in the “Submarkets within Prince George’s County” section of this report, which highlights key developments important to the County or the metropolitan area.

There are two (2) terms that require definitions. One is “net absorption,” and the other is “vacancy.” CoStar defines that a vacancy rate is expressed as a percentage. It identifies the amount of New/Relet/Sublet space vacant divided by the existing rentable building area. The net absorption is for existing properties. It is the measure of total square feet occupied (indicated as a Move-In) less the total space vacated (indicated as a Move-Out) over a given period of time³.



COLLEGE PARK AIRPORT
SOURCE: M-NCPPC

According to CoStar, a net absorption rate is the net absorption (square feet) divided by the total inventory (square feet) of an area or market.

For further reference, LinkedIn defines, absorption (net or rate) is a “measurement used in Commercial Real Estate (CRE) to indicate the difference between the amount of space vacated by companies or tenants in a certain time period and the commercial space they or other tenants have moved into within the same locality or time frame.” “Vacancy is defined as square feet available in a commercial property, expressed in percentage or number of available units. Low vacancy means more rental income being generated”⁴.

³ CoStar (2023) *Glossary*. Available at: https://www.costar.com/about/costar-glossary#go_s

⁴ Tomlinson, P. (2021) *What is Absorption in Commercial Real Estate?* Available at: <https://www.linkedin.com/pulse/what-absorption-commercial-real-estate-phil-tomlinson/>



TAKOMA-LANGLEY SHOPPING DISTRICT
SOURCE: M-NCPPC

The vacancy rate in commercial real estate is an indicator of the economy and growth. It also helps to anticipate the future market performance. As a rule of thumb, anything below 10 percent is considered a healthy rate and anything less than 5 percent is considered excellent.⁵

The net absorption information is a useful initial step in the forecasting of future land use. An understanding of absorption trends can be a key component in a well-

grounded approach to planning how much and what type of land a community should plan for in the future from their own economic development strategy to capital improvements planning⁶. Absorption represents the demand for a type of real estate contrasted with supply. When demand is less than supply, the vacancy increases, and absorption is negative. A negative absorption can also indicate changes in the larger economy, such as a decline in employment due to the closing of a business⁷.

5 Sudarshan, L. (2021) *Vacancy Rates - How Much Is Enough?*
Available at: <https://www.linkedin.com/pulse/vacancy-rates-how-much-enough-sudarshan-lodha/>

6 Metropolitan Council (2016) *Calculating Absorption*.
Available at:
<https://metro council.org/Handbook/Files/Resources/Fact-Sheet/ECONOMIC-COMPETITIVENESS/Calculating-Absorption.aspx>

7 Metropolitan Council (2016) *Calculating Absorption*.
Available at:
<https://metro council.org/Handbook/Files/Resources/Fact-Sheet/ECONOMIC-COMPETITIVENESS/Calculating-Absorption.aspx>



A landscape photograph of a wooded hillside. The trees are mostly bare, suggesting late autumn or winter. The sky is filled with soft, grey clouds. A color gradient is applied to the image, transitioning from a cool blue on the left to a warm orange on the right. The text is overlaid in the center-left area.

Section 1

Prince George's County in the Metropolitan Area Market



INOVALON AT BOWIE CORPORATE CENTER
SOURCE: M-NCPPC



NASA GODDARD SPACE FLIGHT CENTER
SOURCE: M-NCPPC

Located in the heart of the Baltimore-Washington, D.C. corridor, Prince George’s County borders Washington, D.C. and is 37 miles south of Baltimore. Encompassing almost 500 square miles, the County has an urban or suburban atmosphere that still manages to provide a scenic and peaceful place to live, work, and play⁸.

Prince George’s County has positioned itself well in the metropolitan area, economically, culturally, academically, strategically, technologically, and internationally. Three international airports and the Port of Baltimore serve the area. The County has one of the largest technology and aerospace

sectors in Maryland. The private sector industries generate \$31.9 billion in economic output⁹. Multiple large-scale mixed-use developments are underway. The County is the main hub for some substantial federal facilities and home of the state flagship university and its affiliated institutions.

In Prince George’s County, there are 19 major employers with a number of employees above 1,000 each. They hire a total of approximately 78,000 employees throughout the County. The largest employer is the University of Maryland at College Park that has 20,250 employees, according to the Maryland Department of Commerce.

They serve as the economic engines in the metropolitan region. **Map 2** displays some of major employers that are federal agencies and academic institutions.

The metropolitan area has been quickly recovering from the pandemic with 95% of its employment back to the pre-pandemic level, according to the Metropolitan Washington Council of Governments (COG), June 2022. Such is the case in Prince George’s County—its employment rebound is “the most optimistic” and recovery happened “faster than we thought we would”¹⁰, officials indicated to *The Washington Post* reporters.

8 Prince George’s County government website (2006) *About Prince George’s County*. Available at: <https://www.princegeorgescountymd.gov/1782/About-PGC>

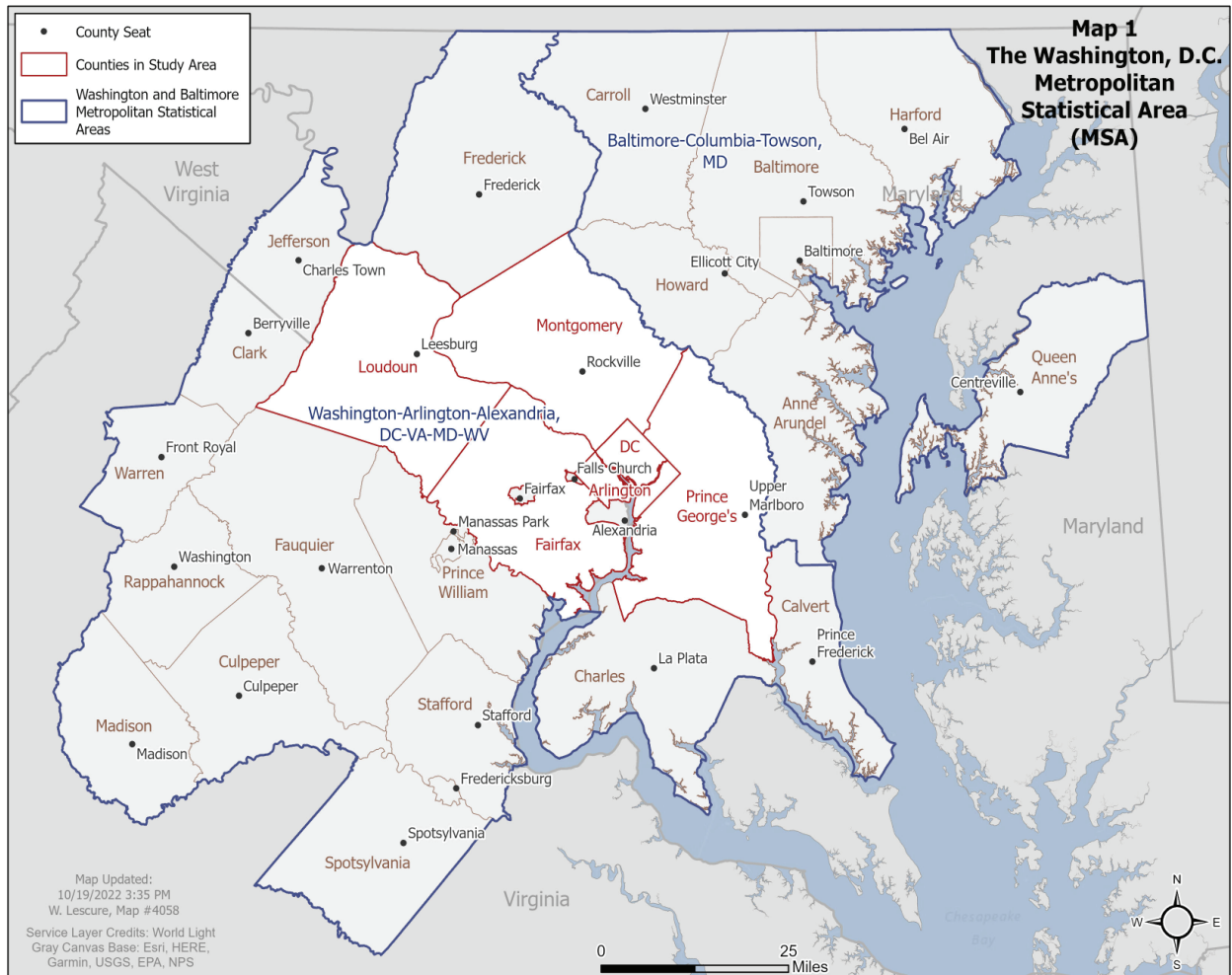
9 The Maryland Department of Commerce (2022) *Brief Economic Facts*. Available at: <https://commerce.maryland.gov/Documents/ResearchDocument/PrGeorgesBef.pdf>

10 Elwood, K.; Harden, J. (2022) ‘Prince George’s County economy rebounds from pandemic job loss’, *The Washington Post*, 14 June. Available at: <https://www.washingtonpost.com/dc-md-va/2022/06/14/prince-georges-recovered-jobs/>



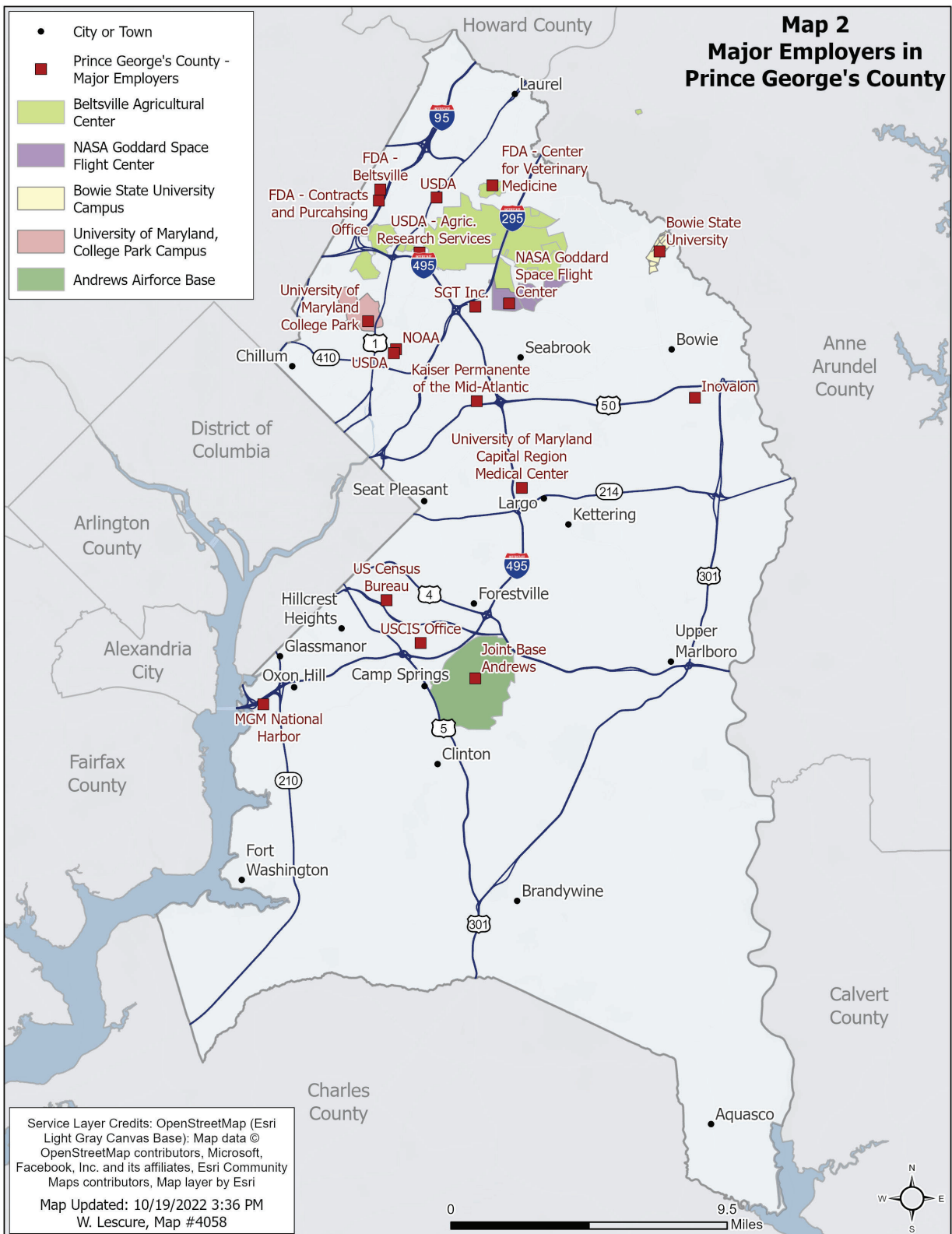
“ Prince George’s County has positioned itself well in the metropolitan area, economically, culturally, academically, strategically, technologically, and internationally.”

Map 1. The Washington, D.C. Metropolitan Statistical Area



SOURCE: M-NOPPC

Map 2. Major Employers in Prince George's County



SOURCE: M-NOPPC

Office Markets



BOWIE STATE UNIVERSITY
SOURCE: M-NCPPC



SUITLAND FEDERAL CENTER
SOURCE: M-NCPPC

The market rent per square foot is the most affordable in Prince George's County, which may make it attractive to various types of businesses.

Table 1 shows that among all office properties in the D.C. metropolitan area, nearly 10 percent are in Prince George's County. Meanwhile, the County's percent share of the square feet of those office properties is one of the smallest in the metropolitan area, which indicates that the County may not be a strong office market in the metropolitan area.

In terms of the vacancy rate, Prince George's County is doing well as compared to D.C. and other counties in the metropolitan area. All but Loudoun County have an office vacancy rate above 10 percent. The vacancy rate in Prince George's County is the second smallest, albeit above 10 percent. For the net absorption, only Prince George's and Loudoun counties have a positive value and Prince

George's net absorption is the highest. A positive net absorption together with the small number of office spaces indicates a demand in office space in the County.

The market rent per square foot is the most affordable in Prince George's County, which may make it attractive to various types of businesses. Office spaces under construction are more prevalent in northern Virginia counties and D.C. than the Maryland counterparts.

In July 2022, the Metropolitan Washington Council of Governments (COG) reported that the largest office project in the region is the U.S. Immigration and Citizenship Headquarters in Prince George's County. Additionally, Loudoun County, Virginia, is the national lead in data center development.



Table 1. Office Markets in D.C. and Selected Counties, The Washington D.C. Metropolitan Region

Market	Number of Buildings	Inventory (SF)	Vacancy Rate	Net Absorption (SF)	Net Absorption Rate	Market Rent per SF	Construction (SF)
Washington, D.C. Metropolitan Area	11,854	519M	15.60%	(1.5M)	-0.29%	\$38.75	8.5M
District of Columbia (D.C.)	2,398	168M	15.30%	(712K)	-0.42%	\$52.98	2M
Montgomery County, MD	1,531	76.6M	17.20%	(322K)	-0.42%	\$32.08	821K
Prince George's County, MD	1,174	28.2M	11.80%	198K	0.70%	\$25.72	642K
Arlington County, VA	327	42.5M	21.70%	(304K)	-0.72%	\$39.75	2.7M
Fairfax County, VA	1,786	119M	18.00%	(920K)	-0.77%	\$33.11	1.9M
Loudoun County, VA	607	18.9M	9.60%	96.6K	0.51%	\$28.31	0

Percent or Ratio of Metropolitan Region

Market	Number of Buildings	Inventory (SF)	Vacancy Rate	Net Absorption (SF)	Net Absorption Rate	Market Rent per SF	Construction (SF)
District of Columbia (D.C.)	20.23%	32.37%	0.98	-	-	1.37	23.53%
Montgomery County, MD	12.92%	14.76%	1.10	-	-	0.83	9.66%
Prince George's County, MD	9.90%	5.43%	0.76	-	-	0.66	7.55%
Arlington County, VA	2.76%	8.19%	1.39	-	-	1.03	31.76%
Fairfax County, VA	15.07%	22.93%	1.15	-	-	0.85	22.35%
Loudoun County, VA	5.12%	3.64%	0.62	-	-	0.73	0.00%

Source: CoStar ©, Commercial Listing Database. The 3rd quarter, 2022 data.

SF: square feet. M: million. K: thousand.

There is no comparison with the metropolitan area for net absorption or its rate, due to some negative values.

Industrial Markets



FEDEX WAREHOUSE
SOURCE: M-NCPPC



DIAMOND AUTO PLAZA IN BELTSVILLE, MARYLAND
SOURCE: M-NCPPC

Prince George's County ranks second in the percent share of the metropolitan area's new development under construction.

Table 2 shows that Prince George's County has the largest share of industrial uses in the metropolitan area. Its number of properties and square feet account for the largest share among selected jurisdictions in the metropolitan area. The vacancy rate for the metropolitan area and all jurisdictions is at the healthy level. Although its ratio of the vacancy rate is the highest, Prince George's County's vacancy rate also is below 5 percent, an indicator of a healthy market.

The net absorption for all metropolitan counties but D.C.

demonstrates a positive value, though it varies from 1.1 million square feet in Loudoun County to 13,000 square feet in Arlington County. Prince George's County ranks second in net absorption among jurisdictions in the metropolitan area.

Prince George's County ranks second in the percent share of the metropolitan area's new development under construction, following Loudoun County where a 5-Star warehouse near the Dulles International Airport is scheduled to open in 2023



Table 2. Industrial Markets in D.C. and Selected Counties, The Washington D.C. Metropolitan Region

Market	Number of Buildings	Inventory (SF)	Vacancy Rate	Net Absorption (SF)	Net Absorption Rate	Market Rent per SF	Construction (SF)
Washington, D.C. Metropolitan Area	7,653	293M	3.90%	7.3M	2.49%	\$14.80	8.4M
District of Columbia (D.C.)	403	8.6M	3.80%	26K	0.30%	\$15.82	32.8K
Montgomery County, MD	658	15.9M	3.70%	134K	0.84%	\$18.20	620K
Prince George's County, MD	1,548	53.9M	4.90%	577K	1.07%	\$12.38	732K
Arlington County, VA	51	698K	0%	13.1K	1.88%	\$22.27	0
Fairfax County, VA	533	23.1M	3.90%	130K	0.56%	\$16.55	105K
Loudoun County, VA	399	21.9M	0.50%	1.1M	5.02%	\$15.46	936K

Percent or Ratio of Metropolitan Region:

Market	Number of Buildings	Inventory (SF)	Vacancy Rate	Net Absorption (SF)	Net Absorption Rate	Market Rent per SF	Construction (SF)
District of Columbia (D.C.)	5.27%	2.94%	0.97	-	-	1.07	0.39%
Montgomery County, MD	8.60%	5.43%	0.95	-	-	1.23	7.38%
Prince George's County, MD	20.23%	18.40%	1.26	-	-	0.84	8.71%
Arlington County, VA	0.67%	0.24%	0.00	-	-	1.50	0.00%
Fairfax County, VA	6.96%	7.88%	1.00	-	-	1.12	1.25%
Loudoun County, VA	5.21%	7.47%	0.13	-	-	1.04	11.14%

Source: CoStar ©, Commercial Listing Database. The 3rd quarter, 2022 data.

SF: square feet. M: million. K: thousand.

There is no comparison with the metropolitan area for net absorption or its rate, due to some negative values.

Retail Markets



RETAIL CENTER IN BRANDYWINE, MARYLAND
SOURCE: M-NCPPC



RETAIL CENTER IN BOWIE, MARYLAND
SOURCE: M-NCPPC

Prince George's County is a premier destination for retail and restaurant development¹¹. The County ranks second in percent share of retail properties and square feet. The County's vacancy rate is higher than the metropolitan area's average but still is in the healthy range, as is the other jurisdictions in this study.

For net absorption, Prince George's and Fairfax counties present a negative value. In the past 12 months, the net absorption in Prince George County was negative at 420,000 square feet in the fourth quarter of 2021, 42,000 square feet in the 1st quarter of 2022, and 101,000 square feet in the third quarter of 2022. This denotes that in the County, the supply for retail spaces is greater than the demand¹².

Data in **Table 3** show that in Prince George's County,

the retail market rent is the lowest as compared to other jurisdictions and the average in the metropolitan area. For development activities under construction, the County leads the metropolitan area. Prince George's County has experienced robust levels of recent development activity¹³.

Retail data reveal that in Prince George's County, the vacancy rate is low but net absorption is negative. "After years of leading the state in job growth, Prince George's County was among the hardest-hit localities in the Washington region as the pandemic took root." Nonetheless, the County is on track to hit pre-pandemic employment levels¹⁴, according to county officials.

11 Prince George's County Economic Development Corporation (2019) *Developers, Investors, Retailers, Restaurateurs: You Should Be Here*. Available at: <https://www.pgcedc.com/retail-opportunities>

12 Metropolitan Council: Local Planning Handbook (2016) *Calculating Absorption*. Available at: <https://metrocouncil.org/Handbook/Files/Resources/Fact-Sheet/ECONOMIC-COMPETITIVENESS/Calculating-Absorption.aspx>

13 Prince George's County Government (2021) *SUITLAND MARKET UPDATE – Residential, Retail and Hotel Analysis*. Available at:

https://www.princegeorgescountymd.gov/DocumentCenter/View/42540/Suitland-Market-Update-1-22-2021-residential_retail_hotel_market

14 Elwood, K.; Harden, J. (2022) 'Prince George's County economy rebounds from pandemic job loss', *The Washington Post*, 14 June. Available at: <https://www.washingtonpost.com/dc-md-va/2022/06/14/prince-georges-recovered-jobs/>



Table 3. Retail Markets in D.C. and Selected Counties, The Washington D.C. Metropolitan Region

Market	Number of Buildings	Inventory (SF)	Vacancy Rate	Net Absorption (SF)	Net Absorption Rate	Market Rent per SF	Construction (SF)
Washington, D.C. Metropolitan Area	20,606	267M	5.10%	811K	0.30%	\$31.05	1.7M
District of Columbia (D.C.)	4,169	24.5M	5.70%	187K	0.76%	\$42.57	282K
Montgomery County, Maryland	2,403	37.2M	5.80%	175K	0.47%	\$34.98	206K
Prince George's County, Maryland	2,987	39.5M	5.30%	(490K)	-1.24%	\$27.26	308K
Arlington County, Virginia	505	6.2M	4.20%	44.4K	0.72%	\$37.27	12K
Fairfax County, Virginia	2,119	45.3M	4.00%	(247K)	-0.55%	\$35.24	252K
Loudoun County, Virginia	1,077	19.6M	6.60%	478K	2.44%	\$33.55	71.8K

Percent or Ratio of Metropolitan Region:

Market	Number of Buildings	Inventory (SF)	Vacancy Rate	Net Absorption (SF)	Net Absorption Rate	Market Rent per SF	Construction (SF)
District of Columbia (D.C.)	20.23%	9.18%	1.12	-	-	1.37	16.59%
Montgomery County, Maryland	11.66%	13.93%	1.14	-	-	1.13	12.12%
Prince George's County, Maryland	14.50%	14.79%	1.04	-	-	0.88	18.12%
Arlington County, Virginia	2.45%	2.32%	0.82	-	-	1.20	0.71%
Fairfax County, Virginia	10.28%	16.97%	0.78	-	-	1.13	14.82%
Loudoun County, Virginia	5.23%	7.34%	1.29	-	-	1.08	4.22%

Source: CoStar ©, Commercial Listing Database. The 3rd quarter, 2022 data.

SF: square feet. M: million. K: thousand.

There is no comparison with the metropolitan area for net absorption or its rate, due to some negative values.





Section 2

Submarkets Within Prince George's County

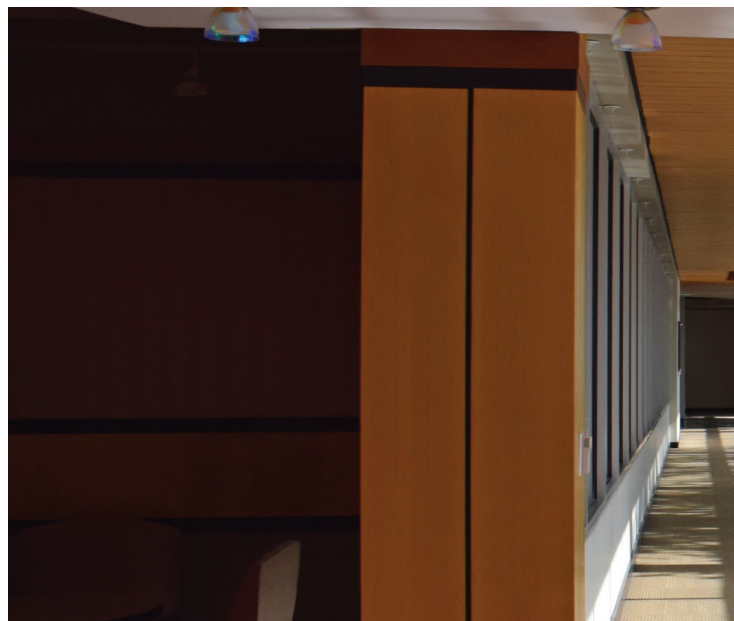
Office Submarkets

Defined by CoStar, there are one dozen submarkets in Prince George's County. "Submarkets are divisions of the primary market that are recognizable to the real estate industry and the business community by the names given to the areas. Submarkets are defined by specific geographic boundaries that serve to delineate core areas that are competitive with each other and constitute a generally accepted primary competitive set of areas"¹⁵

Map 3 shows the number of office properties in 12 office submarkets in Prince George's County. The largest concentration of office properties is in College Park. **Table 4** also indicates the same.

College Park has the highest square feet of inventory, due to continued expansion on the campus of the University of Maryland at College Park and the booming economy in the greater vicinity. The largest office properties are for tenants of federal, state, county, and/or healthcare related institutions at the University Town Center, totaling 1,639,768 square feet.

The inventory square footage in Landover/Largo/Capitol Heights is also considerable, because of the University of Maryland's Global Campus. The University of Maryland Capital Region Medical Center (620,000 square feet), which opened in Spring 2021, was not included in CoStar at the time this report was produced. Moreover, Greenbelt has the highest vacancy rate. The lowest vacancy rates are in Branch Avenue Corridor, Outlying County South, and Pennsylvania Avenue Corridor. As for the net absorption, Landover/Largo/Capitol Heights unveils



UNIVERSITY OF MARYLAND GLOBAL CAMPUS
SOURCE: M-NCPPC

the highest net absorption, followed by National Harbor/Oxon Hill/Ft. Washington. Corresponding to the vacancy rate, Greenbelt has the highest negative net absorption in office properties. Although it has the largest number of office properties that occupy the most square footage, College Park experiences a negative net absorption of 70,000 square feet, an insignificant figure compared to its total inventory.

College Park has the highest square feet of inventory, due to continued expansion on the campus of the University of Maryland.

¹⁵ CoStar (2023) *Glossary*. Available at: https://www.costar.com/about/costar-glossary#go_s



The most expensive market rents are in National Harbor/Oxon Hill/Ft. Washington, Outlying County South (one of submarkets defined by CoStar, see page 22), and Bowie. Particularly at National Harbor, “as one of the D.C. area’s most versatile destinations, this development attracts more than 12 million visitors annually and is home to 2,700 residents and 500,000 square feet of Class-A office space”¹⁶.

Four submarkets are undergoing construction of office space: Branch Avenue Corridor, College Park, Landover/Largo/Capitol Heights, and Laurel.

The submarket that occupies the most office space inventory under construction is Landover/Largo/Capitol Heights, attributable to development at the Largo Town Center¹⁷. Two properties are under construction: the Washington Metropolitan Area Transit Authority (WMATA) Headquarters at New Carrollton and the Ella at Carillon, a 125,000-square foot medical facility across the street from the University of Maryland Capital Region Medical Center. College Park demonstrates a remarkable amount of office construction for two 4-star office properties with a retail component.

¹⁶ National Harbor website (2023) *Leasing*. Available at: <https://www.nationalharbor.com/about/leasing/>

¹⁷ The Prince George’s County Planning Department (2022) *Largo Town Center*. Available at: <https://www.mncppc.org/4868/Largo-Town-Center>

Map 3. Total Office Properties by Submarket

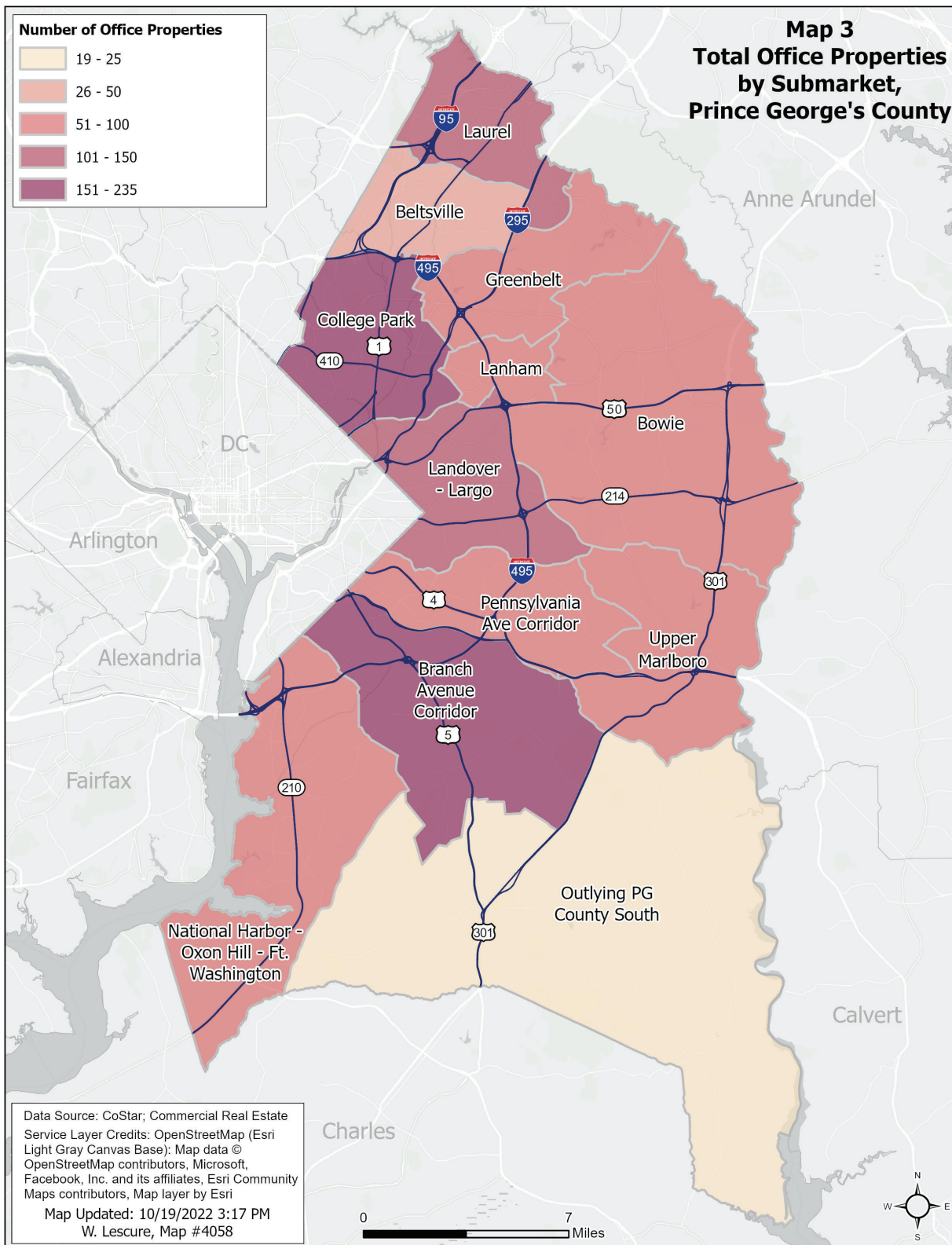


Table 4. Office Submarkets

Submarket	Number of Buildings	Inventory (SF)	Vacancy Rate	Net Absorption (SF)	Net Absorption Rate	Market Rent per SF	Construction (SF)
Beltsville/Calverton	47	1.8M	11.60%	7.2K	0.40%	\$24.65	0
Bowie	75	2.3M	8.00%	37.2K	1.62%	\$28.89	0
Branch Avenue Corridor	175	2.8M	1.80%	12.1K	0.43%	\$25.34	4K
College Park	235	4.8M	10.80%	(7K)	-0.15%	\$26.76	138K
Greater Upper Marlboro	53	560K	1.00%	(3.8K)	-0.68%	\$24.28	0
Greenbelt	78	3.8M	21.00%	(57.9K)	-1.52%	\$23.63	0
Landover/Largo/Capitol Heights	130	4.1M	13.10%	141K	3.44%	\$24.44	440K
Lanham	71	2.2M	14.30%	(37.6K)	1.71%	\$26.11	0
Laurel	139	3.3M	13.90%	52.8K	1.60%	\$24.39	60K
National Harbor/Oxon Hill/Ft. Washington	58	1.4M	15.30%	74.9K	5.35%	\$29.78	0
Outlying County South	19	189K	2.00%	616	0.33%	\$29.35	0
Pennsylvania Avenue Corridor	97	960K	2.90%	(1.7K)	-0.18%	\$27.18	0

Source: CoStar ©, Commercial Listing Database. The 3rd quarter, 2022 data.

SF: square feet. M: million. K: thousand.

There is no comparison with the metropolitan area for net absorption or its rate, due to some negative values.

Industrial Submarkets

As indicated in **Table 5**, Cheverly/Hyattsville has the largest number of industrial properties, followed by Landover/Largo/Capitol Heights and Beltsville/Calverton. This is reflected on **Map 4** as well. Landover/Largo/Capitol Heights also has the highest number of square feet of inventory for industrial uses. The great deal of industrial use at this submarket is warehouses for federal or private tenants.

All industrial properties are fully occupied in Greenbelt. Outlying County South (one of the submarkets defined by CoStar, see page 22) has the second lowest vacancy rate at less than 1 percent. The highest vacancy rate is observed in Pennsylvania Avenue Corridor and College Park, but it still is below 10 percent. The highest net absorption occurs in these three submarkets: Landover/Largo/Capitol Heights and Beltsville/Calverton, and Branch Avenue Corridor. In addition, the vacancy rate for Landover/Largo/Capitol Heights and Beltsville/Calverton is well below 5 percent.

Pennsylvania Avenue Corridor, which has the highest vacancy rate as compared to all industrial submarkets in the County, displays the lowest negative net absorption. Nonetheless, this submarket has the highest number of industrial uses under construction because of a warehouse off Westphalia Road that is slated for completion in fall 2022.





PEPSI BOTTLING GROUP
SOURCE: M-NCPPC

Map 4. Total Industrial Properties by Submarket

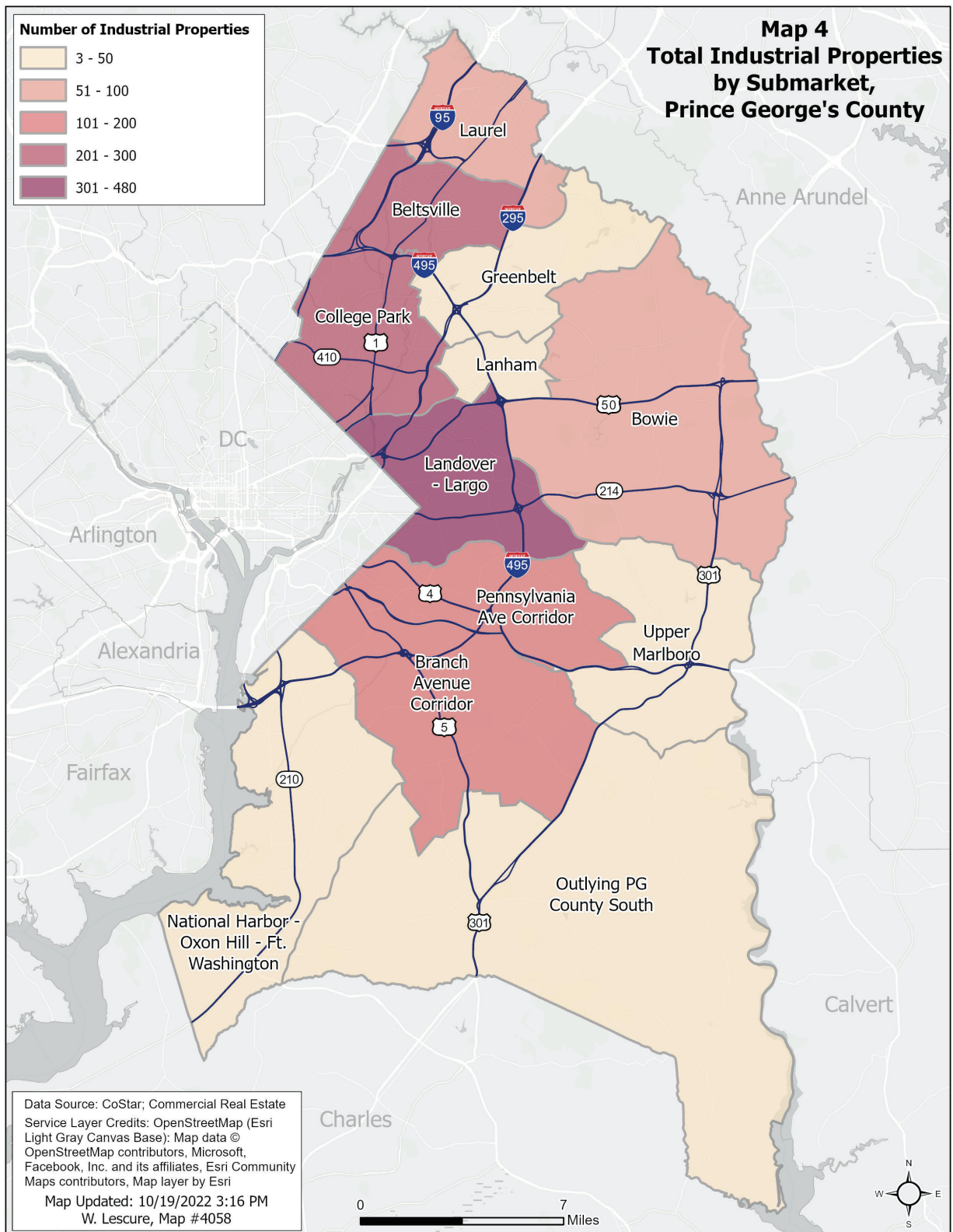


Table 5. Industrial Submarkets

Submarket	Number of Buildings	Inventory (SF)	Vacancy Rate	Net Absorption (SF)	Net Absorption Rate	Market Rent per SF	Construction (SF)
Beltsville/Calverton	308	9.9M	3.10%	228K	2.30%	\$13.43	0
Bowie	84	6M	4.20%	31.7K	0.53%	\$11.87	44.8K
Branch Avenue Corridor	165	3.7M	7.90%	206K	5.57%	\$12.57	0
Cheverly/Hyattsville	395	6.8M	4.10%	23.8K	3.50%	\$11.68	180K
College Park	59	1.6M	9.20%	(39.4K)	-2.46%	\$14.74	0
Greenbelt	8	349K	0%	0	0.00%	\$13.89	0
Landover/Largo/Capitol Heights	380	20.2M	4.30%	399K	1.98%	\$12.56	133K
Lanham	67	3.5M	6.10%	28.7K	0.82%	\$14.15	11.5K
Laurel	85	4.2M	4.20%	68.4K	1.63%	\$13.18	0
National Harbor/Oxon Hill/Ft. Washington	40	480K	3.60%	3.7K	0.77%	\$16.16	0
Outlying County South	25	1.2M	0.90%	5.5K	0.46%	\$10.01	0
Pennsylvania Avenue Corridor	150	4.3M	9.70%	(242K)	-5.63%	\$12.48	363K
Upper Marlboro	36	937K	5.50%	(37.8K)	4.03%	\$12.94	0

Source: CoStar @, Commercial Listing Database. The 3rd quarter, 2022 data.

SF: square feet. M: million. K: thousand.

There is no comparison with the metropolitan area for net absorption or its rate, due to some negative values.

Retail Submarkets



Map 5 and Table 6 portray that College Park has the highest number retail properties, due to the thriving University of Maryland and the extended vicinity of the City of College Park. The square feet of retail properties in College Park also are the highest among all retail submarkets in the County. According to The Washington Post, “The city has since expanded outward to encompass a variety of neighborhoods, restaurants and historic sites, including a National Archives facility and the College Park Airport”¹⁸. The under-construction Purple Line will bring great opportunities to the University, the City, and the County upon its completion. Transit will, directly and indirectly, impact development and revitalization surrounding the University and neighborhoods along the line and beyond.

The vacancy rates across all retail submarkets are below 10 percent. Seven of them have a vacancy rate below 5 percent, one of the healthy market

indicators. However, on the net absorption side, all but Bowie, Greater Upper Marlboro, and Laurel signify a negative net absorption that may indicate a continued recovery from the impact of COVID-19. For other retail submarkets in the County, the net absorption ranges from negative 288,000 square feet to 1,100 square feet in Pennsylvania Avenue Corridor.

There are four submarkets in which office space is in development: Branch Avenue Corridor, College Park, Landover/Largo/Capitol Heights, and Laurel. College Park has the most projects under-construction, including retail and mixed-use developments that are forthcoming. The largest one, Aster, is a four-star retail and residential mix that is two blocks away from the University of Maryland campus and recently opened in summer 2022¹⁹. Aster includes nearly 400 apartments and 70,000 square feet of available retail space, which is a typical new

¹⁸ Jones, N. (2020) 'In booming College Park, campus energy, affordability and a sense of community', *The Washington Post*, 1 July. Available at: https://www.washingtonpost.com/realestate/in-booming-college-park-campus-energy-affordability-and-a-sense-of-community/2020/06/30/9cd75a84-b3f3-11ea-aca5-ebb63d27e1ff_story.html%20

¹⁹ Consoli, J. (2022) 'Aster: New multi-use development set to open in College Park', *The Diamondback News*, 8 May. Available at: <https://dbknews.com/2022/05/08/aster-umd-apartment/>

The under-construction Purple Line will bring great opportunities to the University of Maryland, the City, and the County.

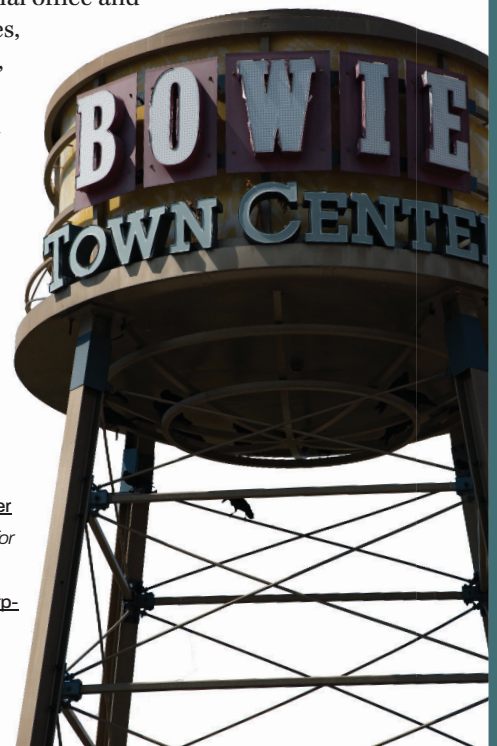


COLLEGE PARK, MARYLAND
SOURCE: M-NCPPC

urbanist design concept and development form. Additionally, a new Trader Joe's opened in June 2022 in College Park, following other retailers such as Lidl, Target, and Whole Foods Market²⁰.

Construction is underway at the Towne Square at Suitland Federal Center, located in the Pennsylvania Avenue Corridor Submarket. "It will be a mixed-use development encompassing over 1 million square feet and will include: 895 residential apartment housing units and single-family attachment homes, 98,000 sq. ft. of retail, and a 50,000 sq. ft. performing arts center. This project is being hailed as a premiere example of sustainable master planning"²¹

Also in the Pennsylvania Avenue Corridor Submarket is the Westphalia Town Center. "Under its existing conceptual site plan, the 32.3 million-square-foot Westphalia would be built out with between 200,000 and one million square feet of retail, up to 5.5 million square feet of commercial office and employment uses, 600 hotel rooms, in addition to 5,000 residential units²².



20 WTOP News (2022) *Trader Joe's opens first Prince George's Co. store in College Park.* Available at: <https://wtop.com/business-finance/2022/06/trader-joes-opens-first-pr-georges-county-store-in-college-park/>

21 The Prince George's County Government (2021) *Towne Square at Suitland Federal Center.* Available at: <https://www.princegeorgescountymd.gov/3528/Towne-Square-at-Suitland-Federal-Center>

22 Washington Business Journals (2022) *Westphalia in Prince George's reports zero revenue for four quarters, but officials say the development chugs along.* Available at: <https://www.bizjournals.com/washington/news/2022/04/27/westphalia-development-corp-q42021-report.htm>

Map 5. Total Retail Properties by Submarket

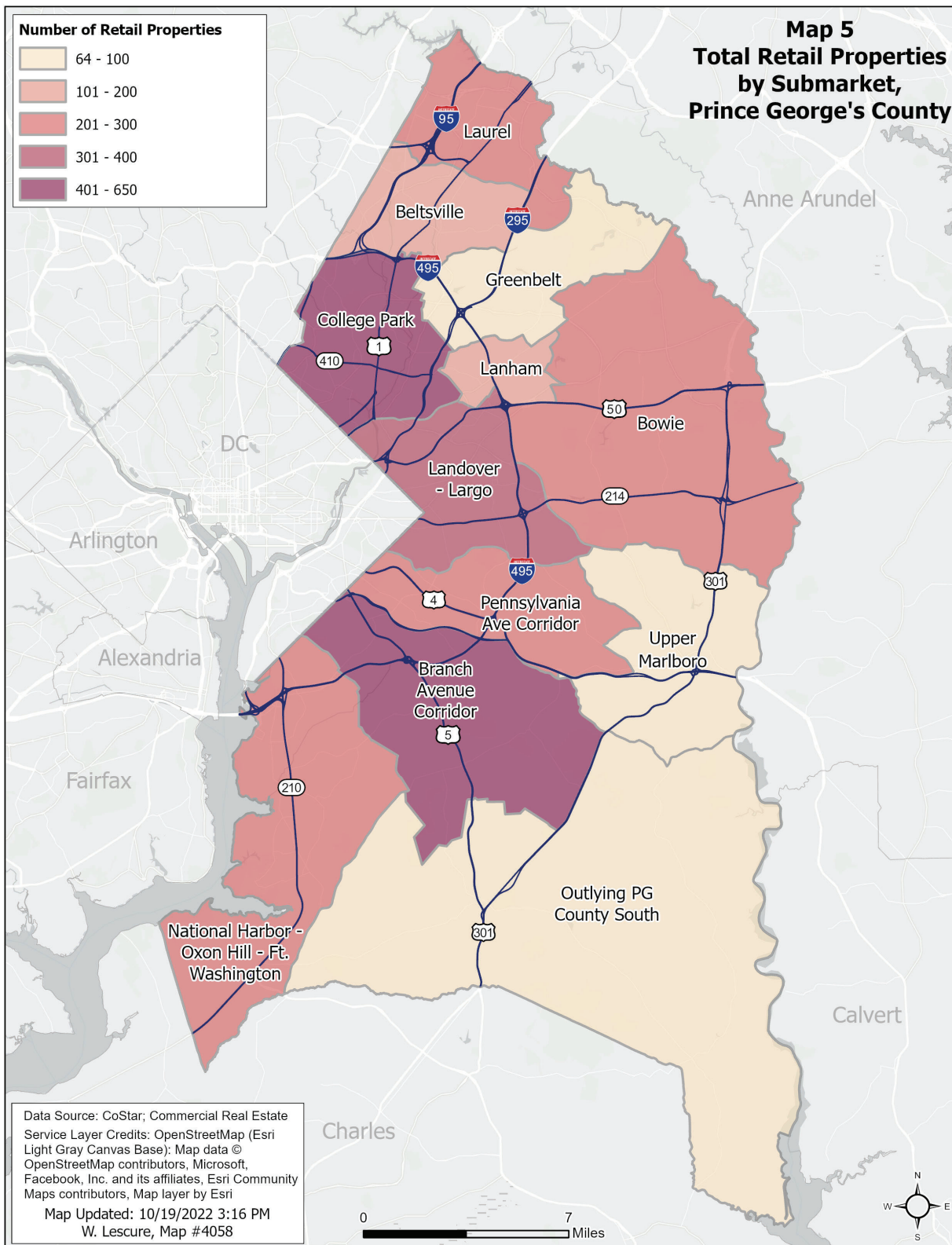


Table 6. Retail Submarkets

Submarket	Number of Buildings	Inventory (SF)	Vacancy Rate	Net Absorption (SF)	Net Absorption Rate	Market Rent per SF	Construction (SF)
Beltsville/Calverton	111	1.4M	3.30%	(90K)	-6.43%	\$27.72	0
Bowie	251	5.9M	4.60%	16.7K	0.28%	\$29.69	70K
Branch Avenue Corridor	423	5.4M	5.60%	(16.2K)	-0.30%	\$24.50	30K
College Park	677	7.4M	7.40%	(109K)	1.47%	\$29.19	118K
Greater Upper Marlboro	73	877K	1.10%	5K	0.57%	\$26.97	0
Greenbelt	64	2M	8.00%	(19.9K)	-1.00%	\$25.81	0
Landover/Largo/Capitol	375	3.5M	6.20%	(288K)	-8.23%	\$25.14	0
Lanham	121	1.5M	4.80%	(21.8K)	-1.45%	\$29.03	0
Laurel	296	3.6M	2.10%	75.3K	2.09%	\$27.54	35K
National Harbor/Oxon Hill/Ft. Washington	246	3.2M	3.00%	(19.7K)	-0.62%	\$24.79	0
Outlying County South	87	955K	2.70%	(17.4K)	-1.82%	\$34.61	0
Pennsylvania Avenue Corridor	27	3.8M	6.20%	(1.1K)	-0.03%	\$25.42	55K

Source: CoStar ©, Commercial Listing Database. The 3rd quarter, 2022 data.

SF: square feet. M: million. K: thousand.

There is no comparison with the metropolitan area for net absorption or its rate, due to some negative values.



West Hyattsville Station

West Hyattsville Station

YELLOW LINE
GREEN LINE
WEST HYATTSVILLE
STATION

2700

We



Section 3

Transit Stations and Activity Centers



TRANSIT HUB IN DOWNTOWN LARGO
SOURCE: M-NCPPC



TOWNE SQUARE AT SUITLAND FEDERAL CENTER
SOURCE: M-NCPPC

ACCORDING TO COG, activity centers are the locations that will accommodate a majority of the region's future growth and play a vital role in achieving the Region Forward Vision's prosperity, sustainability, accessibility, and livability goals. Activity centers include existing urban centers, priority growth areas, traditional towns, and transit hubs²³.

Maps 6 through 11 exhibit a cluster of office, industrial, or retail properties within close proximity to a public transit station or a regional activity center. Information on office, industrial, and retail properties in the half-mile radius of a rail transit station is available from CoStar. So is the activity center analysis that selects the properties within a one-mile buffer around the center. These maps illustrate the transit stations or activity centers and property clusters within the pre-defined radius. The data are also applicable for industrial and retail maps of transit or activity centers.

23 Metropolitan Washington Council of Governments (2013) *Regional Activity Centers*. Available at: <https://www.mwcog.org/maps/map-listing/activity-centers/>



Table 7. Properties Proximate to a Transit Station or Activity Center

Property Type	Total Properties	Number of Properties	% Total	Vacancy Rate
1/5 Mile Radius of a Transit Station				
Office	1,174	102	8.69%	3.57%
Industrial	1,548	103	6.65%	0%
Retail	2,987	260	8.70%	6.09%
1 Mile Radius of an Activity Center				
Office	1,174	492	41.91%	4.50%
Industrial	1,548	527	34.04%	4.50%
Retail	2,987	1,173	39.27%	1.68%

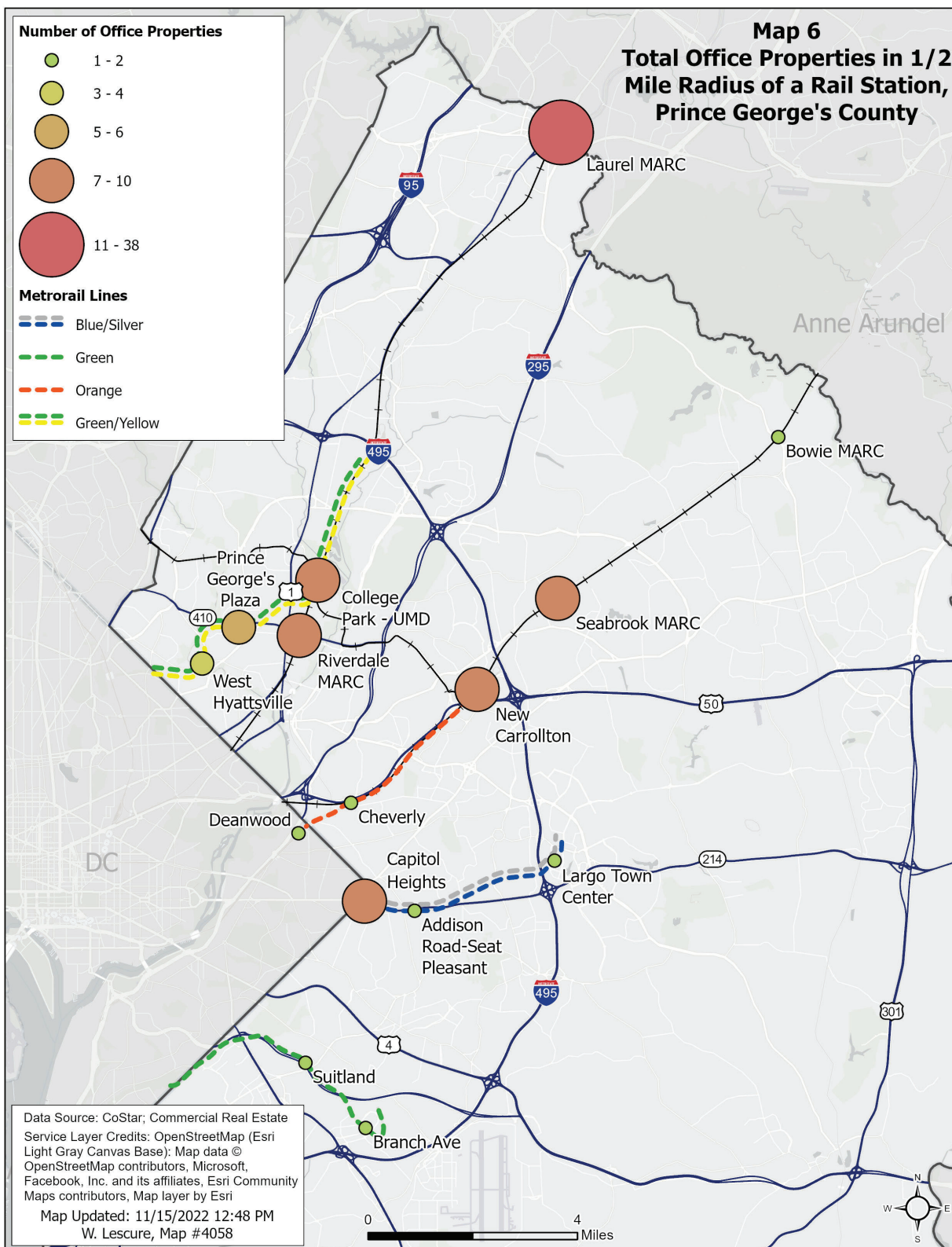
Source: CoStar ©, Commercial Listing Database. The 3rd quarter, 2022 data.

Table 7 exhibits the number of properties and vacancy rate by type within one-half mile of a transit station or within 1 mile of an activity center. Properties, regardless of type, are highly occupied within the radius of a transit station or an activity center.

The half-mile radius from a transit station is approximately a 10-minute walk. Activity centers vary in size or shape. This report uses a one-mile radius to manifest the concentration of properties, while considering the walkability.

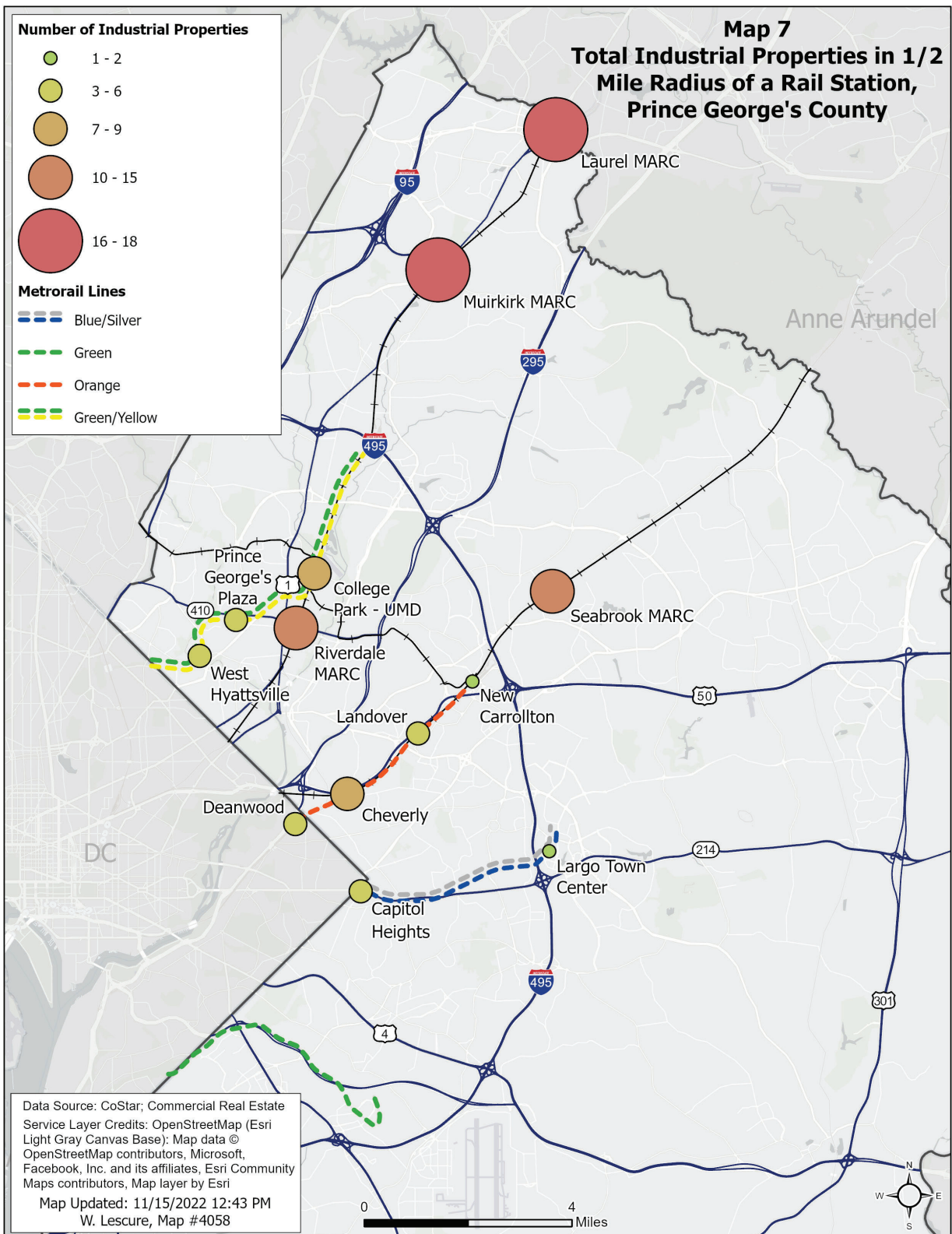
Table 7 and **Maps 6** through **11** provide insights on potential challenges and opportunities for sustainable development per the County’s General Plan 2035 goals and objectives. The policies or law direct growth within the General Plan 2035 delineated growth boundary and make a commitment to respecting the state Priority Funding Areas for funding for revitalization or planned growth.

Map 6. Total Office Properties in 1/2 Mile Radius of a Rail Station



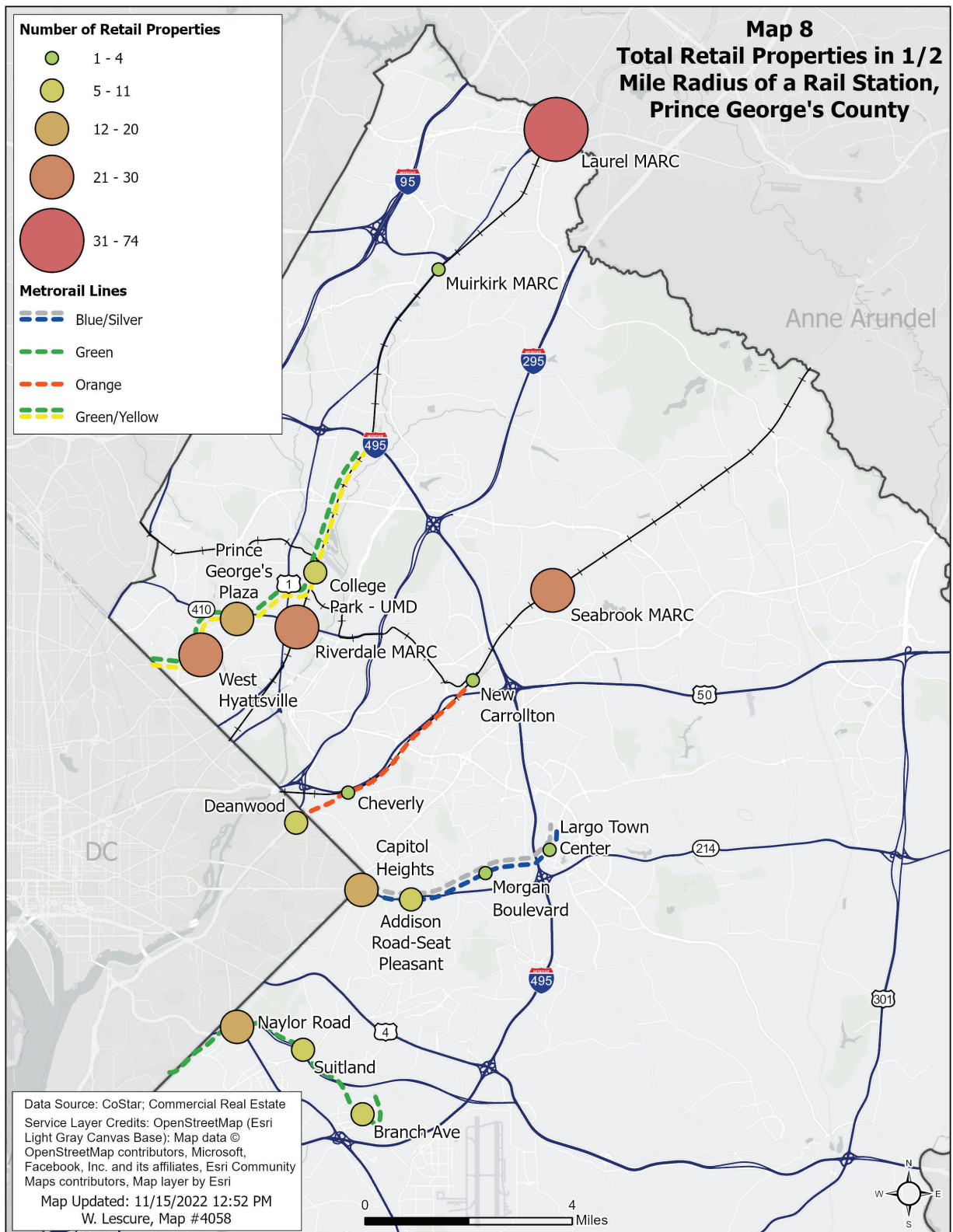
SOURCE: M-NCPPC

Map 7. Total Industrial Properties in 1/2 Mile Radius of a Rail Station

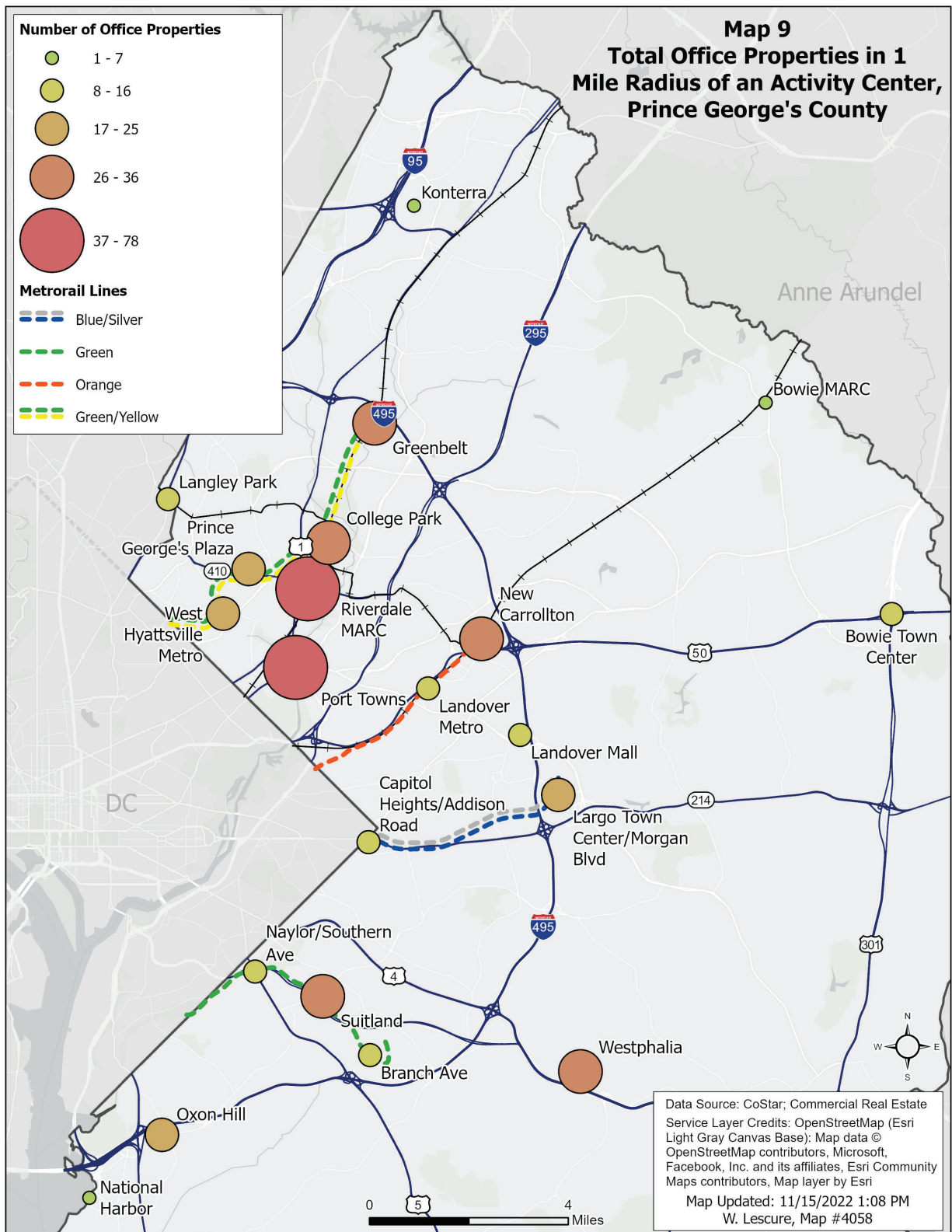


SOURCE: M-NOPPC

Map 8. Total Retail Properties in 1/2 Mile Radius of a Rail Station

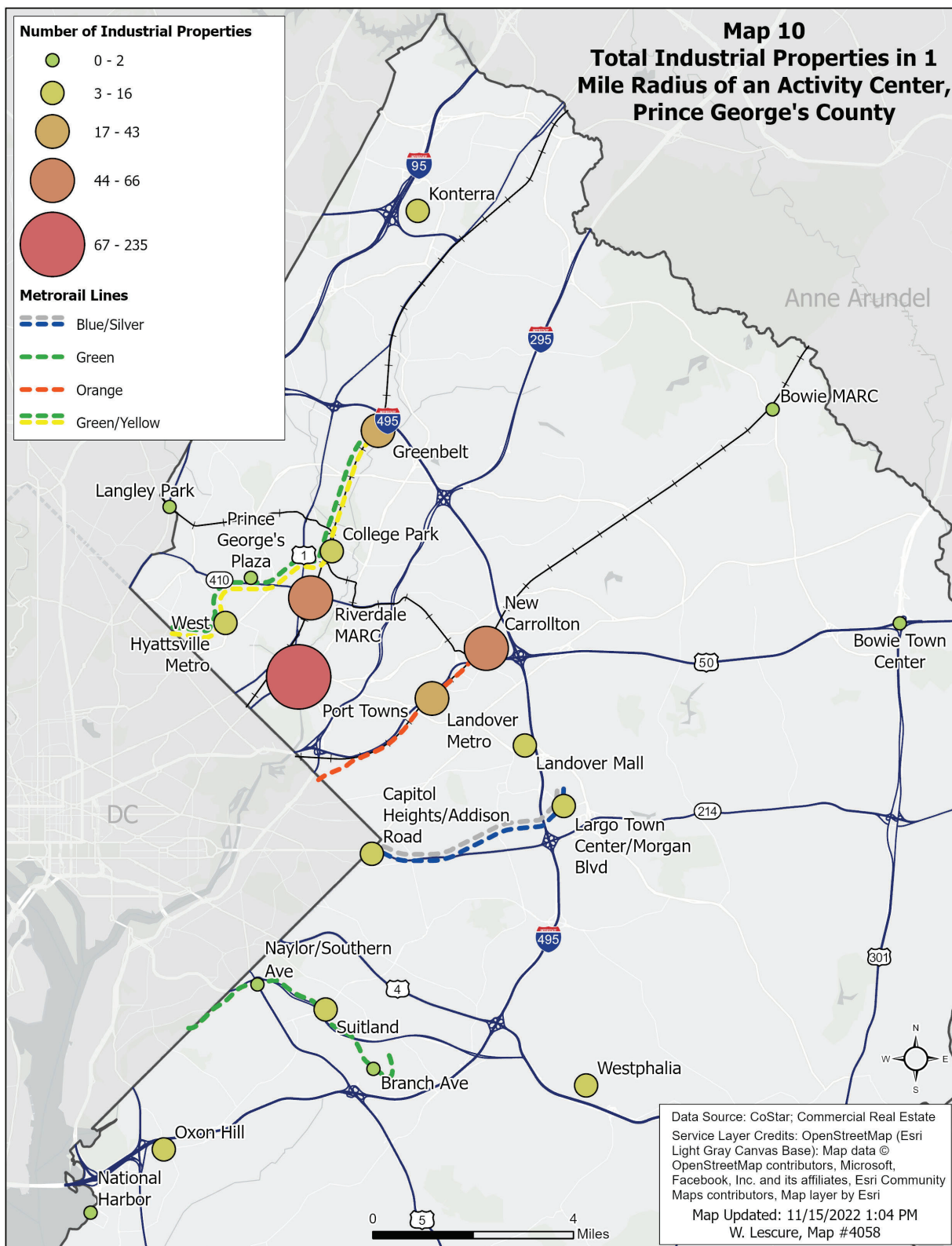


Map 9. Office Properties in 1 Mile Radius of an Activity Center



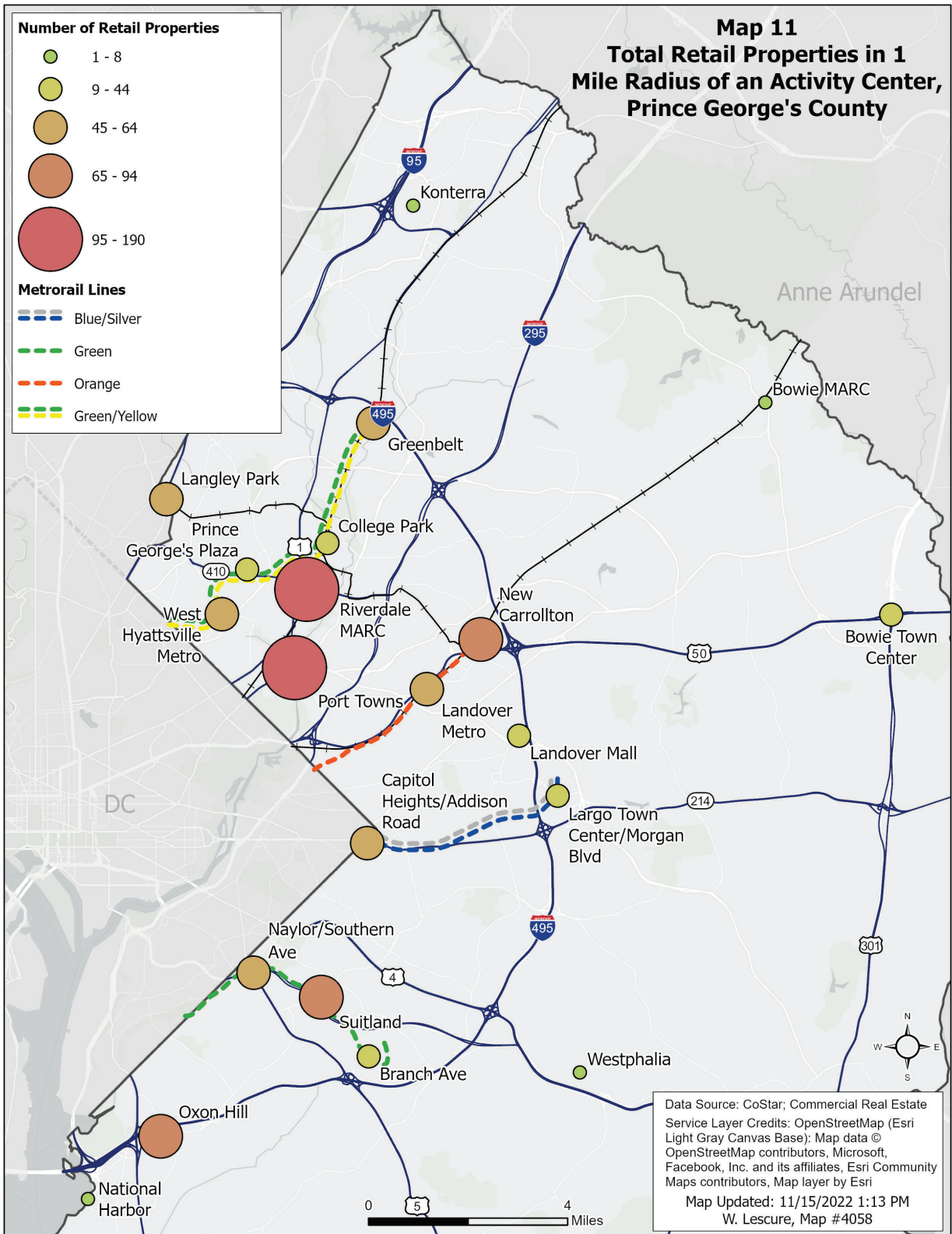
SOURCE: M-NCPPC

Map 10. Total Industrial Properties in 1 Mile Radius of an Activity Center



SOURCE: M-NCPPC

Map 11. Total Retail Properties in 1 Mile Radius of an Activity Center



SOURCE: M-NOPPC



Section 4

Land Use and Zoning



Commercial and Industrial Land Use and Zoning

Table 8 illustrates that approximately 10 percent of land in Prince George’s County is zoned for nonresidential uses relevant to office, industrial, or retail. The zones include not only customary commercial or industrial classifications but also the new urbanist ones including mixed-use, transit-oriented, or town/activity centers.

“Mixed-use development provides a variety of environmental, economic, social, and health benefits that can align with existing community priorities, including increasing physical activity”²⁴. So do other innovative or new urbanist zoning classifications, which are interdependent. Furthermore, the policies in the County’s *General Plan 2035* adopted in 2014 specify to direct a majority of projected new residential and employment growth as well as new commercial zoning to the Regional Transit Districts and Local Centers.

As for land use, the County currently has 6,149.73 acres for commercial uses, 4,738.86 for offices, 5,994.64 acres for industrial uses, and 110.55 acres for mixed-use development. They collectively represent 6.10 percent of the County’s total land area. This percentage, calculated from the Planning Department’s Property Info for land use, is reasonably close to 6.69 percent, computed from the Department’s Zoning Acreage by Type and Class for customary commercial and industrial zones as reflected in **Table 8**.

This zoning and land use analysis may help indicate the supply and demand equilibrium among office, industrial, or retail uses, when considering the net



TAKOMA LANGLEY CROSSROADS TRANSIT CENTER
SOURCE: M-NCPPC

absorption for those uses in Prince George’s County overall and by submarket. As indicated in the last paragraph in the Data and Definitions Section, when demand is less than supply, the net absorption is negative. Additionally, changes in the economy, such as a decline in employment due to the closing of a business, may also result in a negative net absorption in the office, industrial, or retail market.

It is worth defining commercial buildings or properties. According to Indeed, commercial buildings are for commercial activities to take place or where commerce happens. They include office, retail, restaurants, hotels, warehouses, industrial, healthcare (clinics or hospitals), and multi-use. This differs somewhat from commercial properties, which also includes multi-family buildings. Retail spaces are a type of commercial building and any type of store or shop, ranging from big box stores to small retailers²⁵.

24 American Planning Association (2022) *Supporting Active Living Through Mixed-Use Developments*. Available at: <https://www.planning.org/blog/9227408/supporting-active-living-through-mixed-use-developments/>

25 Indeed (2021) *Commercial Buildings: Definition, Types and Tips*. Available at: <https://www.indeed.com/career-advice/career-development/what-is-commercial-building>



Table 8. Nonresidential Zoning and Land Use

Zoning Description	Zone	Zone Acreage	Percent Sum
Commercial, General and Office	CGO	3,551.59	1.27%
Commercial, Neighborhood	CN	205.76	0.07%
Commercial, Service	CS	1,021.45	0.37%
Industrial, Employment	IE	10,617.12	3.81%
Industrial, Heavy	IH	3,240.85	1.16%
Legacy Mixed-Use Town Center	LMUTC	839.60	0.30%
Legacy Mixed-Use Community	LMXC	387.09	0.14%
Local Transit Oriented (Core)	LTO-C	523.33	0.19%
Local Transit Oriented (Edge)	LTO-E	909.34	0.33%
Neighborhood Activity Center	NAC	1,182.18	0.42%
Regional Transit-Oriented - High Intensity (core)	RTO-H-C	440.25	0.16%
Regional Transit-Oriented - High Intensity (edge)	RTO-H-E	749.33	0.27%
Regional Transit-Oriented - Low Intensity (core)	RTO-L-C	190.87	0.07%
Regional Transit-Oriented - Low Intensity (edge)	RTO-L-E	1,195.28	0.43%
Town Activity Center (core)	TAC-C	704.87	0.25%
Town Activity Center (edge)	TAC-E	2,178.87	0.78%
Sum of Zone Acres		27,937.78	
Total County Acres		278,599	
Percent county total acres		10.03%	

Source: Current Zoning, Prince George's County Planning Department, effective April 1, 2022.

Conclusion and Policy Insights



CHILDREN'S NATIONAL PRINCE GEORGE'S COUNTY
SOURCE: M-NCPPC



THIS REPORT PROVIDES a synopsis of nonresidential data with an emphasis on office, industrial, and retail in some markets within the D.C. metropolitan area and submarkets within Prince George's County. The data analysis assesses the County's market strengths and potential improvement. It may also shed light on policy recommendations for the general or master planning process. The compact, mixed-use, transit-oriented development have been at the forefront of planning concepts and practice at local government planning and at a large-scale in the U.S. Furthermore, the report may help monitor the adopted plans' implementation on how the County has been achieving goals and objectives on nonresidential development for enhancing quality of life of residential neighborhoods and vibrancy of business communities.



SOUTHERN REGIONAL TECHNOLOGY
AND RECREATION COMPLEX
SOURCE: M-NCPPC



COLLEGE PARK AVIATION MUSEUM
SOURCE: M-NCPPC

Acknowledgments

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