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Central Avenue-Blue/Silver Line Sector Plan Market Study: Existing Conditions and Development Opportunities Analysis

Prepared for the M-NCPPC Prince George's County Planning Department

February 26, 2024

bae urban economics

February 26, 2023

William Skibinski
M-NCPPC Prince George's County Planning Department
1616 McCormick Drive
Largo, Maryland 20774

Dear Mr. Skibinski:

BAE Urban Economics is pleased to submit the Central Avenue-Blue/Silver Line Sector Plan Market Study. This report includes an existing conditions review as well as a development opportunities analysis. The existing conditions review includes updated demographic and economic data for the study area and Prince George's County, as well as current real estate market information presented by sector. This is followed by a review of several development proposals, some of which are in the development review process, and potential developments in the longer term at or near the three WMATA Metrorail station sites in the study area. These Metro station areas are referenced as the Capitol Heights Focus Area, the Addison Road Focus Area, and the Morgan Boulevard Focus Area. The next section is a review of community and other stakeholder input from public engagement sessions and interviews.

The development opportunities analysis applies the market information collected in the existing conditions portion of the report with feasibility analyses to formulate and describe alternative development scenarios for each for the three focus areas, as well as a separate set of development scenarios for FedExField, the Washington Commanders' stadium property. This includes alternative development scenarios, a pros/cons review of these scenarios with an equity lens from the community perspective, case studies of relevant projects with similar characteristics of the development scenarios, and recommendations.

Thank you for the opportunity to participate in this important project.

Sincerely,

Mary Burkholder
Principal

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INTRODUCTION

This market study includes both an existing conditions review and a development opportunities analysis for the Central Avenue-Blue/Silver Line Sector Plan area and three focus areas that surround the Metrorail stations in the sector plan area, the Capitol Heights Focus Area, the Addison Road Focus Area, and the Morgan Boulevard Focus Area. This market study is provided as a background resource for the Central Avenue-Blue/Silver Line Sector Plan. The market overview benchmarks existing conditions for the sector plan area, and each of the three focus areas. With the market information collected from the primary data sources listed below, and input from community and other stakeholders followed by feasibility testing, BAE identifies and tests alternative development scenarios and provides recommendations for the sector plan.

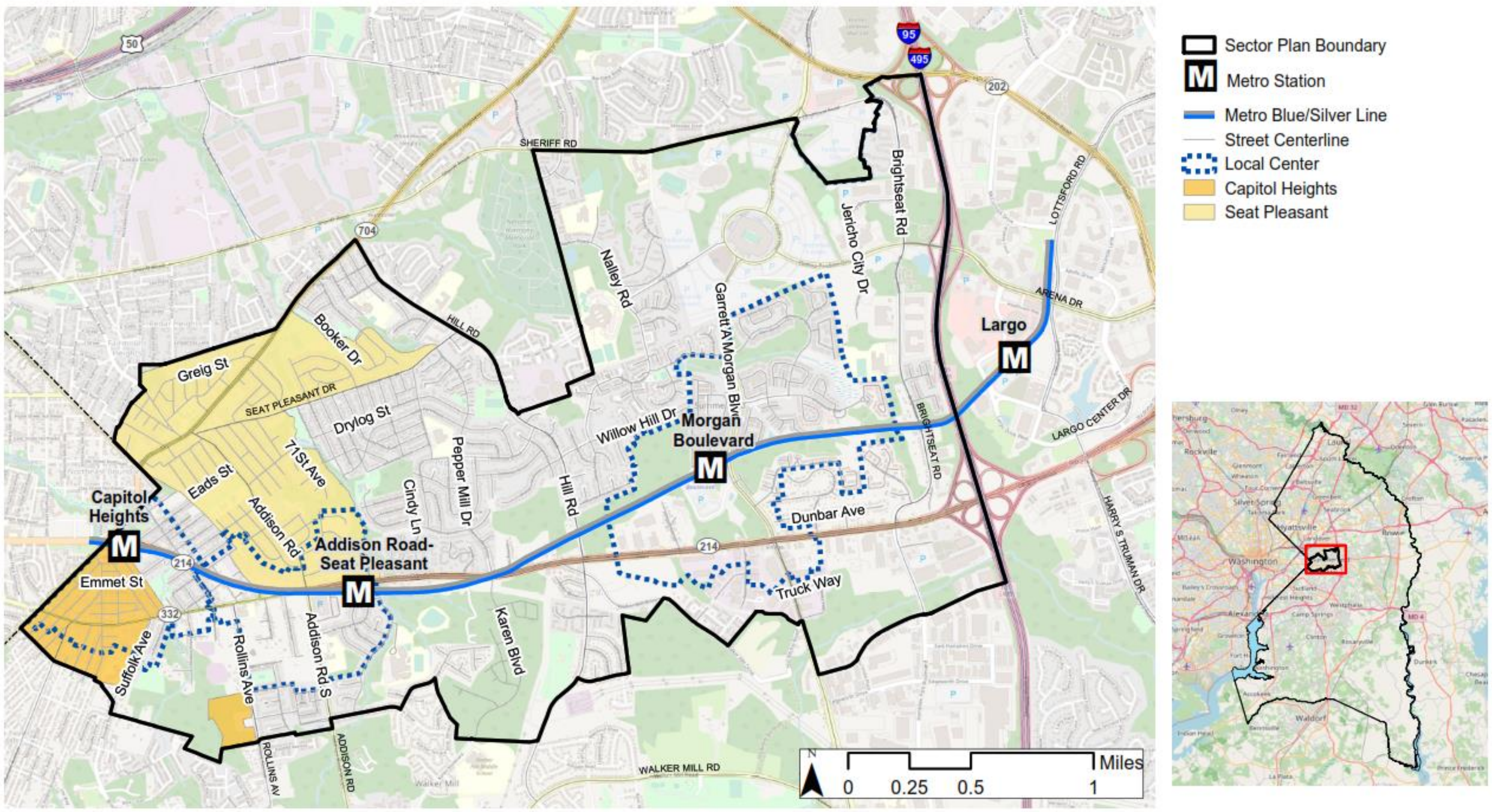
METHODOLOGY

The subsections below discuss the geographies that the analysis focuses on as well as the data sources that were used.

Geographies

The analysis studies demographic, economic, and real estate market conditions, and trends and development opportunities in the sector plan area, as well as the designated subareas, called "focus areas," surrounding each of the three Metro stations as designated by the M-NCPPC Prince George's County Planning Department. For purposes of comparison, conditions and trends were also analyzed for the larger geographic area that encompasses the entire sector plan, Prince George's County as a whole. Figure 1 below shows the entire sector plan area, with the boundaries of each focus area inside the dotted blue lines.

Figure 1: Map of Central Avenue-Blue/Silver Line Sector Plan Area, Prince George's County



Source: M-NCPPC Prince George's County Planning Department, 2023.

Data Sources

BAE utilized the following primary data sources to complete the analysis:

- **U.S. Census Bureau**: BAE utilized demographic data from the U.S. Census Bureau American Community Survey (ACS) as well as commute data from the U.S. Census Bureau Longitudinal Employer-Household Dynamics program (LEHD).

- **Esri Business Analyst**: Demographic data was obtained from Esri Business Analyst, a third-party tool that provides demographic, economic, and spatial data which is verified against U.S. Census data as well as other public sources.

- **CoStar**: Data about multifamily rental housing and office, retail, and industrial/flex inventory, rents, vacancy rates, and absorption rates were obtained through CoStar, a third-party provider of real estate market data.

- **Redfin**: Data about home sales were obtained from Redfin, an aggregator of residential property sales data, including current for-sale homes as well as past sales. These data are updated as sales transactions are complete through deed recordation.

- **Washington Metropolitan Area Transit Authority (WMATA)**: Average daily ridership for the Metro stations and other metrics were obtained from WMATA's Ridership Data Portal.

Other Sources

In addition to the community input sessions led by M-NCPPC Prince George's County staff that occurred between August 2023 and December 2023, BAE conducted interviews of other stakeholders and sources. These interviews yielded a significant amount of information on real estate activity and trends, community priorities, development impediments and constraints, impact of COVID-19 on the area, and other issues. The list of the key interviewees for this study include:

Alexander Austin, President & CEO, The Prince George's Chamber of Commerce

Andre Ginglis, Attorney for Berman Enterprises (land developer)

Delterese George, Senior Business Development Representative for Prince George's County, Maryland Department of Commerce

Nicole Hall, Business Development Manager – Retail & Restaurants, Prince George's County Economic Development Corporation

Larry Hentz, Executive Director of Business Development, Prince George's County Economic Development Corporation

Michael Isen, Senior Vice President, NAI Michael (commercial real estate brokerage)

James Mosby, Long & Foster Real Estate

Steven Segerlin, Director of Real Estate Development and Station Area Planning, Washington Metropolitan Area Transit Authority (WMATA)

DEMOGRAPHIC AND ECONOMIC CONDITIONS

Population and Households

As shown in Table 1, as of 2022, the Central Avenue-Blue/Silver Line Sector Plan area had 26,932 residents and 10,190 households. This represents an 18.9 percent increase in residents compared to 2010, and a 23.3 percent increase in households. These growth rates differ from the growth rates in Prince George's County[1] and the focus areas. From 2010 to 2022, the County's population increased by 13.7 percent while its household growth rate was 14.9 percent. Addison Road, Capitol Heights, and Morgan Boulevard Focus Area populations changed by 26.6 percent, -9.8 percent, and 79.6 percent, respectively. The household growth rate followed similar trends with 21.6 percent, 3.3 percent, and 84.7 percent, respectively, for Addison Road, Capitol Heights, and Morgan Boulevard.

Table 1: Population and Households, 2010 and 2022

			Change, 2010-2022	
Population	**2010**	**2022**	**Number**	**Percent**
Addison Road Focus Area	927	1,174	247	26.6%
Capitol Heights Focus Area	1,131	1,020	-111	-9.8%
Morgan Boulevard Focus Area	3,269	5,871	2,602	79.6%
Central Avenue-Blue/Silver Line Sector Plan Area	22,642	26,932	4,290	18.9%
Prince George's County	863,420	981,896	118,476	13.7%
Households	**2010**	**2022**	**Number**	**Percent**
Addison Road Focus Area	329	400	71	21.6%
Capitol Heights Focus Area	337	348	11	3.3%
Morgan Boulevard Focus Area	1,294	2,390	1,096	84.7%
Central Avenue-Blue/Silver Line Sector Plan Area	8,267	10,190	1,923	23.3%
Prince George's County	304,042	349,337	45,295	14.9%
Average Household Size	**2010**	**2022**		
Addison Road Focus Area	2.79	2.90		
Capitol Heights Focus Area	3.36	2.89		
Morgan Boulevard Focus Area	2.53	2.46		
Central Avenue-Blue/Silver Line Sector Plan Area	2.73	2.63		
Prince George's County	2.78	2.75		

Sources: U.S. Census Bureau via ESRI Business Analyst, 2023; BAE, 2023.

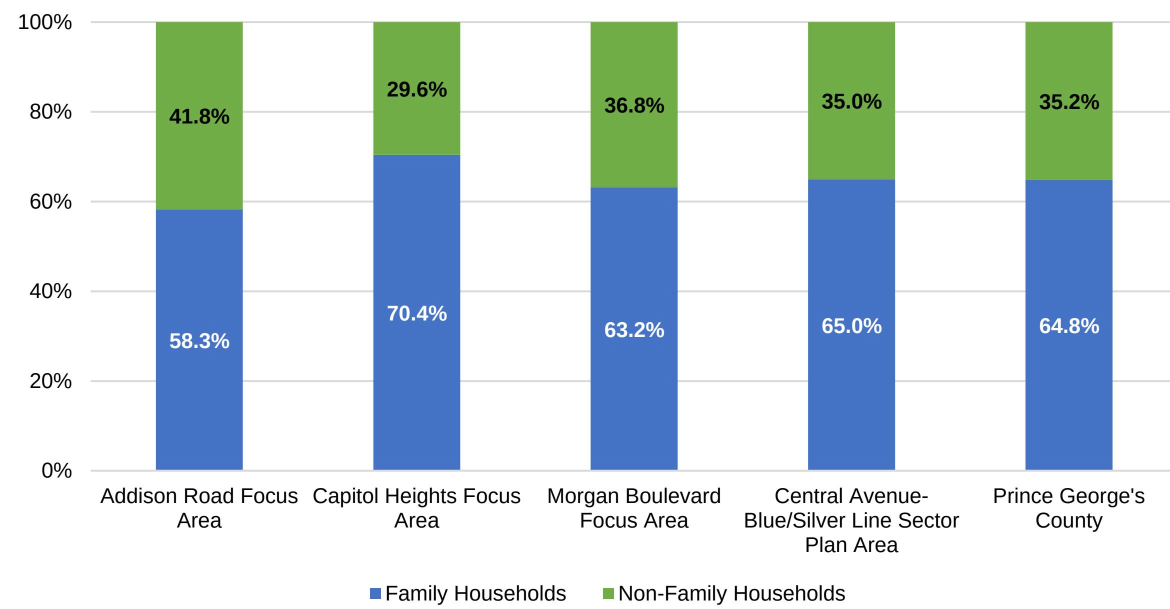
[1]When referring to Prince George's County in this section and throughout the report, BAE is referring to Prince George's County as a whole. It is standard practice in market studies to compare data for a given study area to the next level of geography.

The sector plan area's average household size is 2.63, compared to 2.75 in Prince George's County, 2.9 in Addison Road, 2.89 in Capitol Heights, and 2.46 in Morgan Boulevard. Of all the geographies, only Addison Road's average household size increased from 2010 to 2022, while the sector plan area, County, and other focus areas decreased.

Household Composition

Figure 2 illustrates the breakdown of households in each geography by household type. In the Sector plan area, 65 percent of households are family households, compared to 64.8 percent in the County, 58.3 percent in Addison Road, 70.4 percent in Capitol Heights, and 63.2 percent in Morgan Boulevard.

Figure 2: Percent Distribution of Households by Household Composition, 2022



Sources: U.S. Census Bureau via ESRI Business Analyst, 2023; BAE, 2023.

Age Distribution

Figure 3, located on Page 10, illustrates the distribution of the population of each geography by age group. In the sector plan area, residents under the age of 18 make up the largest age cohort (23 percent of all residents), followed by those aged 65 and older (17.1 percent), and 25 to 34 (14.4 percent). The Sector plan area has a larger share of residents under the age of 18 than all other geographies.

Race and Ethnicity

Figure 4 on Page 11 shows the populations of the sector plan area, Prince George's County, and the three focus areas by race/ethnicity. Approximately 82.7 percent of the sector plan area's residents are Black/African American, 11.4 percent are Hispanic/Latino, and 1.8

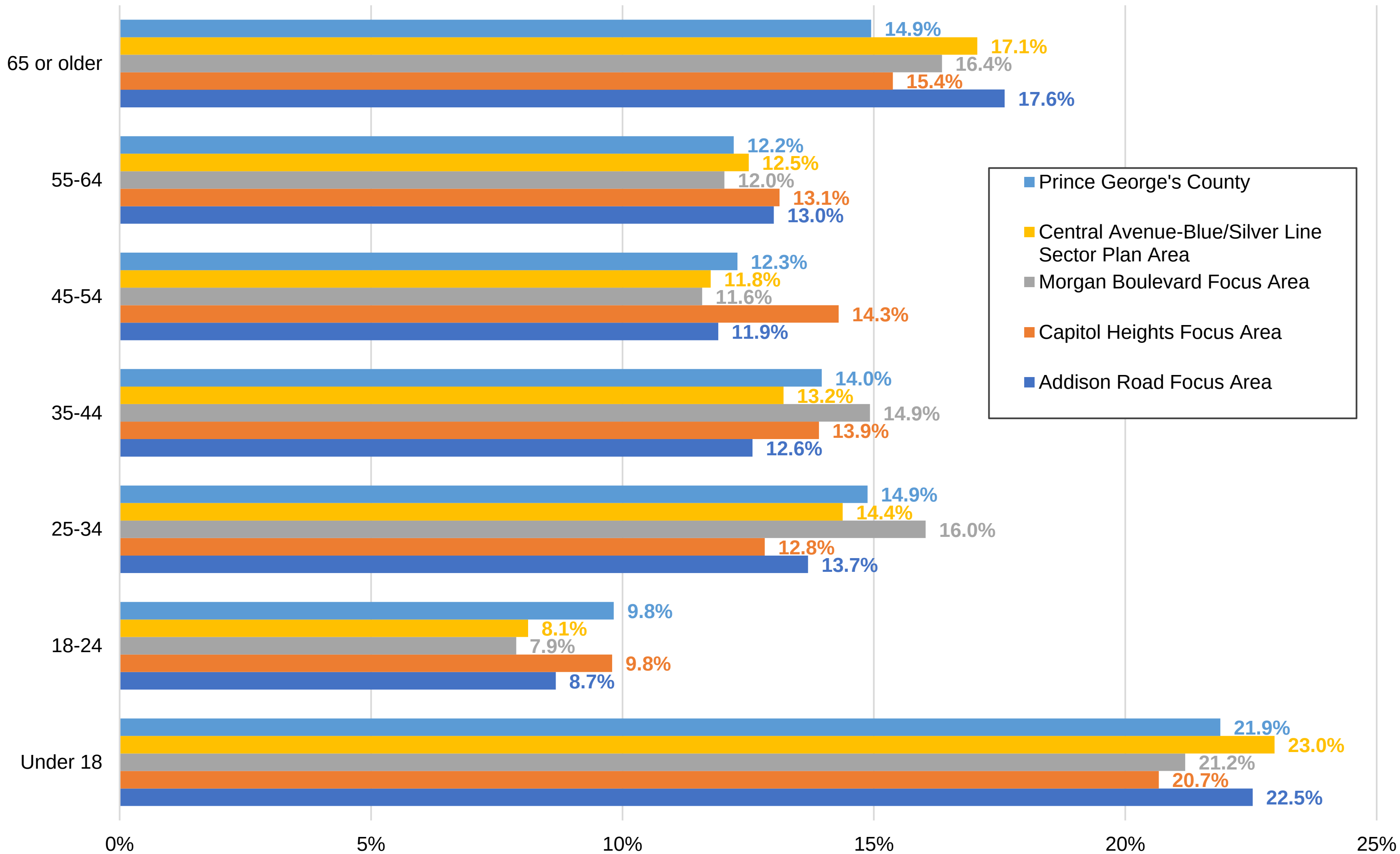
percent are white. Similarly, all other geographies have a majority African American population as well, with the County at 58.8 percent, the Addison Road at 80.8 percent, Capitol Heights at 67.8 percent, and Morgan Boulevard at 86.6 percent.

Educational Attainment

Figure 5 on Page 12 illustrates the educational attainment rates of residents in the sector plan area, County, and focus areas. The sector plan area has a population of high school graduates similar to the four other geographies—90 percent compared to 88.6 percent of Addison Road residents, 84.5 percent of Capitol Heights residents, 94.2 percent of Morgan Boulevard residents (slightly higher than the rest), and 88.7 percent of County residents.

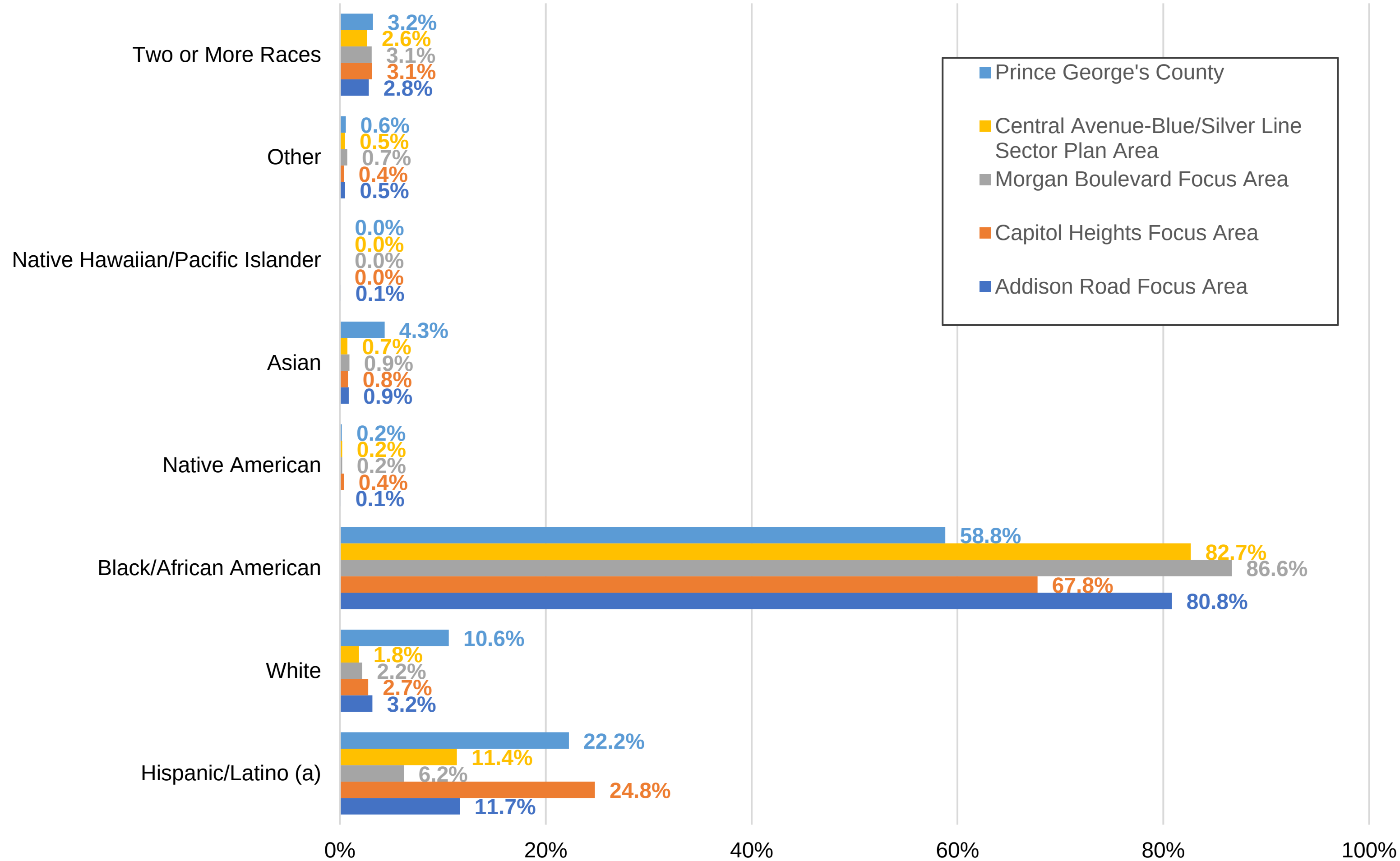
However, a smaller portion of sector plan area residents (24.9 percent) and Addison Road residents (23.4 percent) have obtained a bachelor's degree or higher compared to the other areas, with Capitol Heights' 27.1 percent, Morgan Boulevard's 35.8 percent, and the County's 36.9 percent.

Figure 3: Age Distribution, 2022



Sources: U.S. Census Bureau via ESRI Business Analyst, 2023; BAE, 2023.

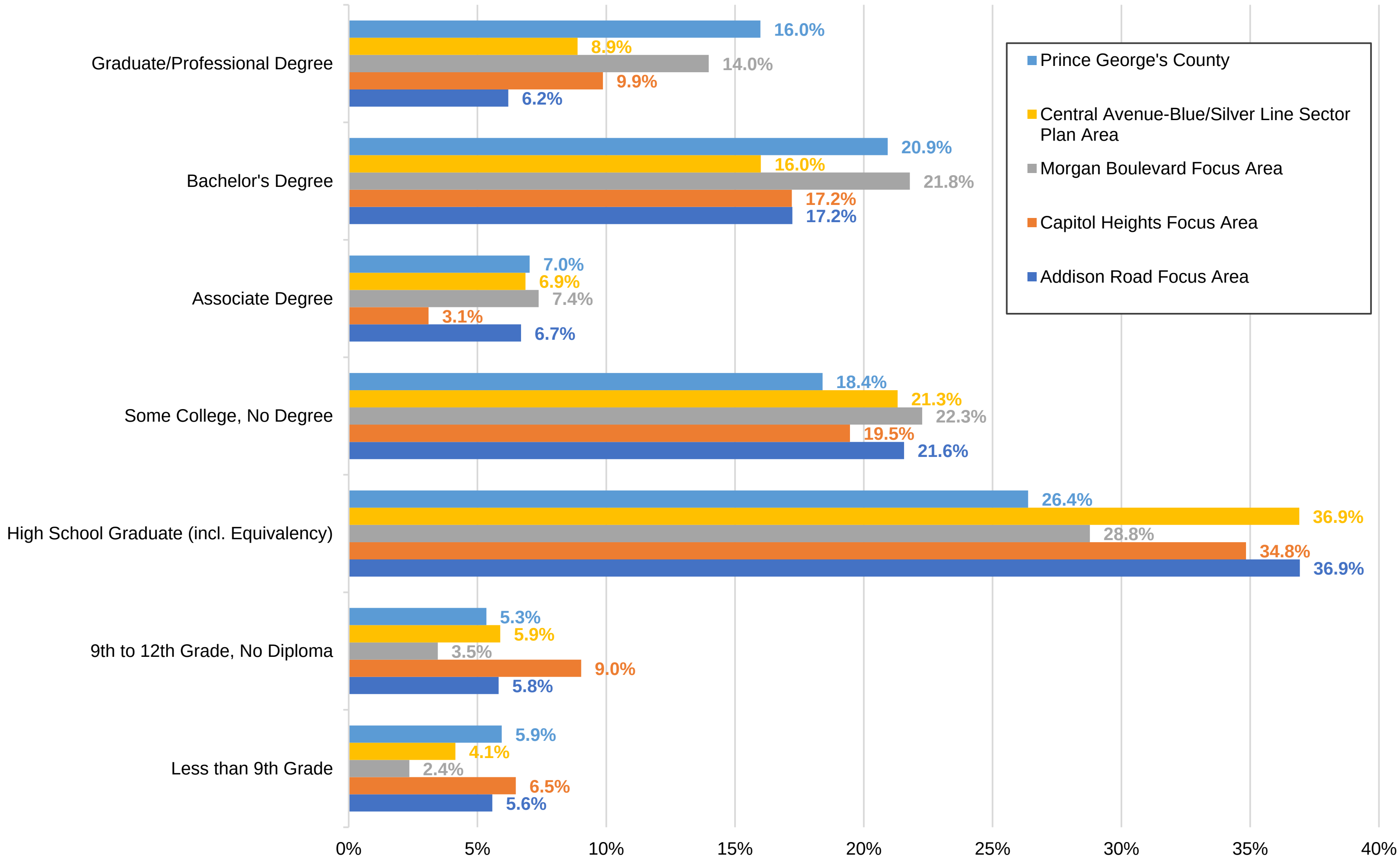
Figure 4: Race and Ethnicity, 2022



Note:
(a) Includes all races for those of Hispanic/Latino background.

Sources: U.S. Census Bureau via ESRI Business Analyst, 2023; BAE, 2023.

Figure 5: Educational Attainment Rates, Residents Aged 25+, 2022



Sources: U.S. Census Bureau via ESRI Business Analyst, 2023; BAE, 2023.

Household Income

As shown in Table 2, the median household income in the sector plan area is $77,995, which is lower than Capitol Heights ($84,684), Morgan Boulevard ($100,166), and Prince George's County ($92,437). Similarly, the per capita income in the sector plan area is lower than in Capitol Heights, Morgan Boulevard, and the County ($36,763 compared to $41,360, $46,010, and $43,633).

As shown in Table 2, 70.8 percent of households in the sector plan area earn more than $50,000 annually. Only about 6.3 percent earn $200,000 or more annually, which is similar to Addison Road (5.8 percent) and Morgan Boulevard (7.5 percent) households. The proportion of households of Capitol Heights and Prince George's County $200,000 or more are more than double that of the sector plan area (15 percent and 13.6 percent, respectively).

Comparatively, the sector plan area has significantly lower-earning households, with 16.2 percent earning less than $25,000 annually. Geographies that have even higher percentages of lower-earning households include Addison Road with 24.3 percent and Capitol Heights with 22.5 percent, compared to smaller shares of households in Morgan Boulevard at 6.2 percent and Prince George's County at 12.6 percent.

Table 2: Household Income, 2022

	Addison Road Focus Area		Capitol Heights Focus Area		Morgan Boulevard Focus Area		Central Avenue-Blue/Silver Line Sector Plan Area		Prince George's County	
Income	**Number**	**Percent**	**Number**	**Percent**	**Number**	**Percent**	**Number**	**Percent**	**Number**	**Percent**
Less than $15,000	80	20.0%	50	14.4%	85	3.6%	1,140	11.2%	26,941	7.7%
$15,000-$24,999	17	4.3%	28	8.1%	63	2.6%	516	5.1%	16,903	4.8%
$25,000-$34,999	30	7.5%	6	1.7%	46	1.9%	434	4.3%	15,788	4.5%
$35,000-$49,999	43	10.8%	25	7.2%	121	5.1%	889	8.7%	29,890	8.6%
$50,000-$74,999	47	11.8%	34	9.8%	408	17.1%	1,869	18.3%	50,898	14.6%
$75,000-$99,999	56	14.0%	65	18.7%	468	19.6%	1,572	15.4%	45,625	13.1%
$100,000-$149,999	60	15.0%	70	20.2%	768	32.1%	2,218	21.8%	73,648	21.1%
$150,000-$199,999	44	11.0%	17	4.9%	254	10.6%	915	9.0%	41,996	12.0%
$200,000 or more	23	5.8%	52	15.0%	179	7.5%	638	6.3%	47,645	13.6%
Total Households (a)	**400**	**100.0%**	**347**	**100.0%**	**2,392**	**100.0%**	**10,191**	**100.0%**	**349,334**	**100.0%**
Median HH Income	**$64,067**		**$84,684**		**$100,166**		**$77,995**		**$92,437**	
Per Capita Income	**$34,608**		**$41,360**		**$46,010**		**$37,435**		**$43,633**	

Note:
(a) Totals may not match other tables due to independent rounding.

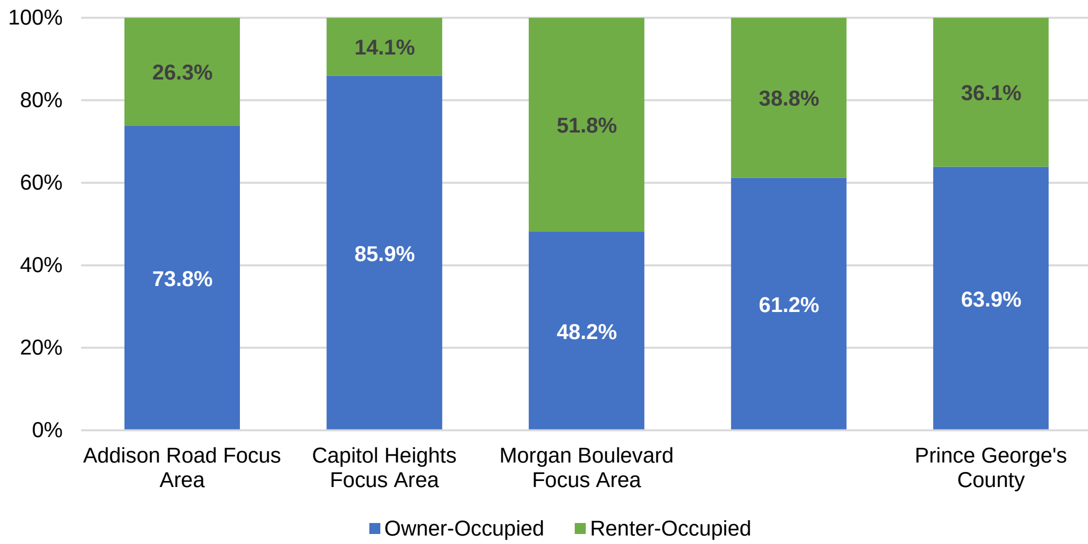
Sources: U.S. Census Bureau via ESRI Business Analyst, 2023; BAE, 2023.

Housing Tenure

Figure 6 shows the breakdown of occupied housing units by tenure in all five geographies. In the sector plan area, 38.8 percent of occupied units are renter-occupied, compared to 26.3 percent of Addison Road units, 14.1 percent of Capitol Heights units, 51.8 percent of Morgan Boulevard units, and 36.1 percent of units in Prince George's County.

These rates, and the high levels of owner-occupied units can imply that these geographies are all relatively affordable areas, especially for homebuyers, as well as the need for more rental units.

Figure 6: Occupied Housing Units by Tenure, 2022



Sources: U.S. Census Bureau via ESRI Business Analyst, 2023; BAE, 2023.

Housing Cost Burden

A cost-burdened household is defined as one that spends more than 30 percent of its income on rent or mortgage. Due to the unique geography of the sector plan area, there is no readily available housing cost burden data from the Department of Housing and Urban Development. Therefore, one way to estimate the cost burden rates among households is to calculate potential housing costs using median household income (Table 2), housing sales (Table 6), average multifamily rents (Table 7). Median monthly household income for sector plan area residents is roughly $6,500, a monthly mortgage payment for a $335,000 house (the median house sale price), using a mortgage calculator, comes out to about $2,300, and the average monthly rent for a multifamily unit is $1,742. The average household would typically spend approximately 35.4 percent of its income on a mortgage payment or 26.8 percent on rent. Because these numbers are just below or above 30 percent, some households in the area are either already housing cost-burdened or heading that way. This is a major issue for many households, especially those with lower incomes.

Resident Employment

As shown in Table 3 on Page 16, the industries in which the largest shares of employed The sector plan area residents work are healthcare and social assistance (15 percent), public administration (12.9 percent), and professional, scientific, and technical services (11.1 percent). These three industries are the top employers across almost all of the geographies.

Jobs

As shown in Table 4 on Page 17, the highest proportion of jobs in the sector plan area are in professional, scientific, and technical services (13.8 percent), utilities (11.9 percent), educational services (12.6 percent), and transportation and warehousing (11.6 percent). Jobs across all industries vary greatly by geography, but some industries are common across more than one area include manufacturing, transportation and warehousing, and accommodation and food services.

Table 3 Employed Residents Aged 16+ by Industry, 2021

Industry	Addison Road Focus Area		Capitol Heights Focus Area		Morgan Boulevard Focus Area		Central Avenue-Blue/Silver Line Sector Plan Area		Prince George's County	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Agriculture/Forestry/Fishing/Hunting	0	0.0%	0	0.0%	1	0.0%	7	0.1%	265	0.1%
Mining/Quarrying/Oil & Gas Extraction	0	0.0%	0	0.0%	0	0.0%	1	0.0%	63	0.0%
Construction	1	0.2%	0	0.0%	8	0.4%	29	0.3%	1,347	0.4%
Manufacturing	24	5.1%	23	5.8%	69	3.2%	485	5.1%	21,689	6.2%
Wholesale Trade	7	1.5%	11	2.8%	52	2.4%	178	1.9%	7,908	2.3%
Retail Trade	10	2.1%	5	1.3%	39	1.8%	187	2.0%	7,886	2.3%
Transportation/Warehousing	40	8.4%	50	12.6%	220	10.1%	999	10.5%	34,199	9.8%
Utilities	36	7.6%	26	6.5%	121	5.6%	572	6.0%	16,884	4.8%
Information	8	1.7%	14	3.5%	41	1.9%	198	2.1%	6,380	1.8%
Finance/Insurance	14	2.9%	9	2.3%	54	2.5%	220	2.3%	9,058	2.6%
Real Estate/Rental/Leasing	11	2.3%	13	3.3%	49	2.2%	204	2.1%	7,084	2.0%
Professional/Scientific/Tech Services	51	10.7%	49	12.3%	262	12.0%	1,059	11.1%	43,259	12.4%
Management of Companies/Enterprises	2	0.4%	4	1.0%	16	0.7%	82	0.9%	3,508	1.0%
Admin/Support/Waste Management Services	42	8.8%	35	8.8%	189	8.7%	914	9.6%	29,713	8.5%
Educational Services	36	7.6%	22	5.5%	124	5.7%	499	5.2%	18,113	5.2%
Health Care/Social Assistance	54	11.4%	52	13.1%	357	16.4%	1,437	15.0%	52,523	15.0%
Arts/Entertainment/Recreation	3	0.6%	7	1.8%	21	1.0%	116	1.2%	4,472	1.3%
Accommodation/Food Services	52	10.9%	26	6.5%	139	6.4%	665	7.0%	24,221	6.9%
Other Services (excl Public Administration)	17	3.6%	21	5.3%	113	5.2%	474	5.0%	16,851	4.8%
Public Administration	67	14.1%	30	7.6%	303	13.9%	1,228	12.9%	44,531	12.7%
Total Employed Residents Aged 16+	**475**	**100.0%**	**397**	**100.0%**	**2,178**	**100.0%**	**9,554**	**100.0%**	**349,954**	**100.0%**

Sources: U.S. Census Bureau Center for Economic Studies, Longitudinal Employer Household Dynamics (LEHD) via OnTheMap; BAE, 2023.

Table 4: Primary Jobs by Industry, 2021

Industry	Addison Road Focus Area		Capitol Heights Focus Area		Morgan Boulevard Focus Area		Central Avenue-Blue/Silver Line Sector Plan Area		Prince George's County	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Agriculture/Forestry/Fishing/Hunting	0	0.0%	0	0.0%	0	0.0%	0	0.0%	52	0.0%
Mining/Quarrying/Oil & Gas Extraction	0	0.0%	0	0.0%	0	0.0%	0	0.0%	52	0.0%
Construction	0	0.0%	0	0.0%	0	0.0%	0	0.0%	854	0.3%
Manufacturing	0	0.0%	0	0.0%	385	55.8%	627	11.3%	27,627	11.1%
Wholesale Trade	0	0.0%	0	0.0%	58	8.4%	146	2.6%	6,828	2.7%
Retail Trade	3	2.0%	0	0.0%	55	8.0%	116	2.1%	9,661	3.9%
Transportation/Warehousing	38	25.0%	4	10.0%	51	7.4%	644	11.6%	33,890	13.6%
Utilities	1	0.7%	0	0.0%	0	0.0%	661	11.9%	16,919	6.8%
Information	0	0.0%	0	0.0%	0	0.0%	3	0.1%	2,826	1.1%
Finance/Insurance	2	1.3%	0	0.0%	0	0.0%	13	0.2%	4,993	2.0%
Real Estate/Rental/Leasing	0	0.0%	0	0.0%	46	6.7%	156	2.8%	4,978	2.0%
Professional/Scientific/Tech Services	7	4.6%	1	2.5%	4	0.6%	767	13.8%	25,556	10.3%
Management of Companies/Enterprises	0	0.0%	0	0.0%	0	0.0%	0	0.0%	1,993	0.8%
Admin/Support/Waste Management Services	0	0.0%	14	35.0%	1	0.1%	231	4.2%	16,151	6.5%
Educational Services	1	0.7%	0	0.0%	0	0.0%	25	0.5%	5,931	2.4%
Health Care/Social Assistance	10	6.6%	0	0.0%	14	2.0%	542	9.8%	25,508	10.2%
Arts/Entertainment/Recreation	0	0.0%	0	0.0%	2	0.3%	216	3.9%	3,426	1.4%
Accommodation/Food Services	81	53.3%	19	47.5%	33	4.8%	539	9.7%	21,276	8.5%
Other Services (excl Public Administration)	9	5.9%	2	5.0%	41	5.9%	342	6.2%	7,671	3.1%
Public Administration	0	0.0%	0	0.0%	0	0.0%	520	9.4%	33,019	13.2%
Total Employees	**152**	**100.0%**	**40**	**100.0%**	**690**	**100.0%**	**5,548**	**100.0%**	**249,211**	**100.0%**

Sources: U.S. Census Bureau Center for Economic Studies, Longitudinal Employer Household Dynamics (LEHD) via OnTheMap; BAE, 2023.

Commute Patterns

As shown in Table 5, over 40 percent of the sector plan area employed residents work in Washington DC. Arlington (3.2 percent), Baltimore (2.3 percent), and Bethesda (2 percent) are the next most prevalent work locations.

Of the workers who commute to jobs in the sector plan area, 7.1 percent commute from Washington DC and 3.4 percent commute from Baltimore City. Others travel from different parts of Prince George's County, as well as other Maryland counties.

According to the Bureau of Labor Statistics Longitudinal Household-Employer Dynamics program (LEHD), as of 2018, the sector plan area had 6,619 more residents than employees, with only 394 people that both work and live in the sector plan area.

Table 5: Commute Flows, Central Avenue-Blue/Silver Line Sector Plan Area, 2021

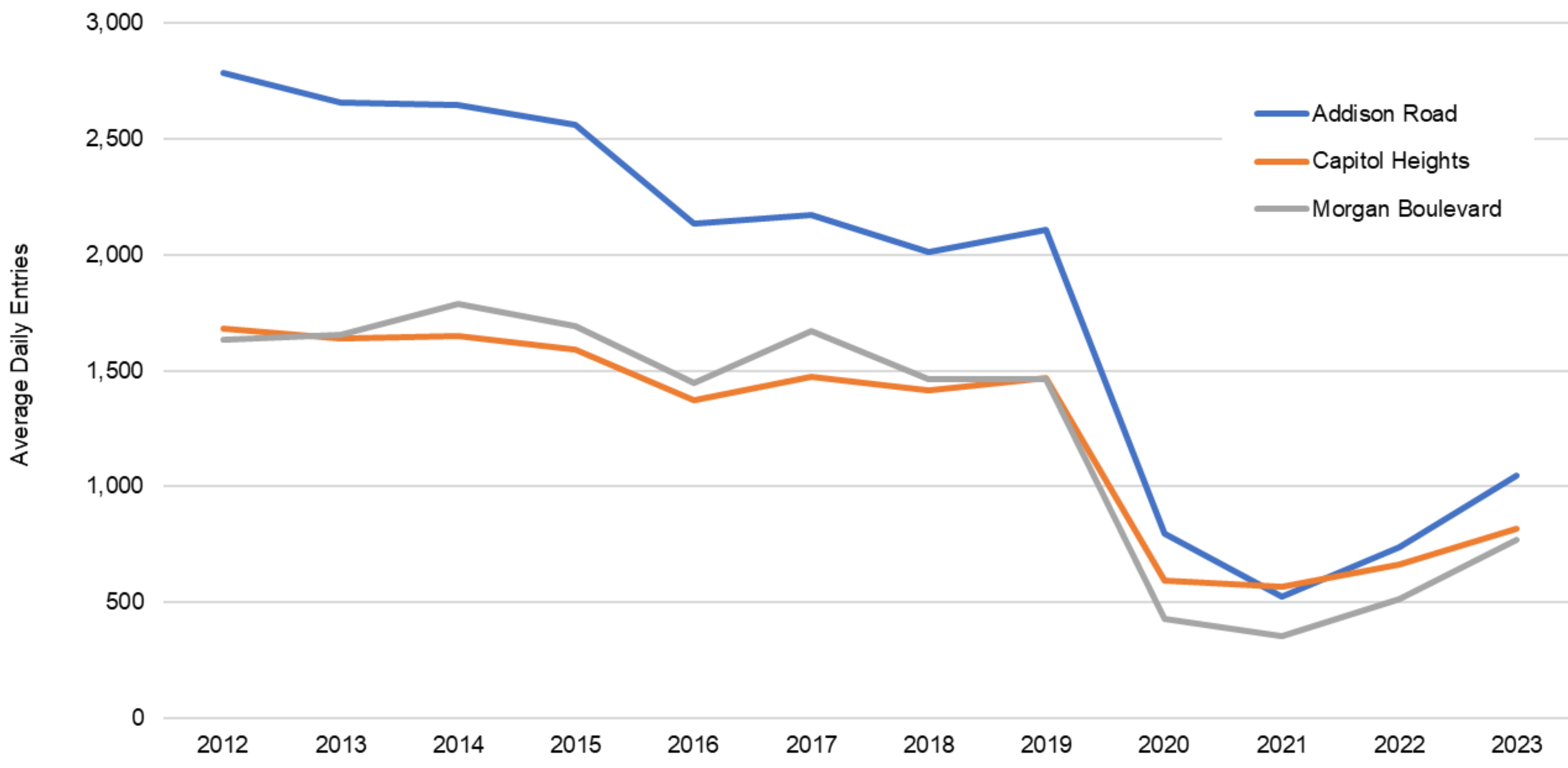
Workers by Place of Residence			Residents by Place of Work		
	Workers			Employed Residents	
Place of Residence	**Number**	**Percent**	**Place of Work**	**Number**	**Percent**
Washington DC	409	7.4%	Washington DC	3,605	37.7%
Baltimore city, MD	200	3.6%	Arlington CDP, VA	272	2.8%
Bowie city, MD	142	2.6%	Baltimore city, MD	226	2.4%
Waldorf CDP, MD	119	2.1%	Alexandria city, VA	195	2.0%
Landover CDP, MD	90	1.6%	Bethesda CDP, MD	181	1.9%
All Other Places	4,588	82.7%	All Other Places	5,075	53.1%
Total Residents	**5,548**	**100.0%**	**Total Residents**	**9,554**	**100.0%**
		Net Outflow	**4,006**		

Sources: Longitudinal Employer-Household Dynamics via OnTheMap, 2021; BAE, 2023.

Metro Ridership Trends

Another indication of the status of The sector plan area's workers and employed residents can be reflected in the Metro ridership levels as measured by the Washington Metropolitan Area Transportation Authority (WMATA). Average daily entries, not including holidays, at the Addison Road, Capitol Heights, and Morgan Boulevard Metro stations from 2012 through 2023 are shown in Figure 7. Even prior to COVID-19, all three stations saw overall declines in ridership. In 2012, Addison Road, Capitol Heights, and Morgan Boulevard saw daily entries of 2,786, 1,683, and 1,635, respectively. In 2023, these numbers for the three Metro stations are 1,046 entries at Addison Road (62.5 percent decrease), 820 entries at Capitol Heights (51.3 percent decrease), and 768 entries at Morgan Boulevard (53 percent decrease).

Figure 7: Average Daily WMATA Metro Station Ridership by Year, 2012-2023



Note: Showing data through December 29, 2023.

Sources: Washington Metropolitan Area Transportation Authority Ridership Data Portal, https://www.wmata.com/initiatives/ridership-portal/Metrorail-Ridership-Summary.cfm, 2023; BAE, 2023.

Key Findings

Demographics

- As of 2022, the sector plan area had 26,932 residents and 10,190 households. This represents an 18.9 percent increase in residents since 2010, and a 23.3 percent increase in households. These growth rates are higher than Prince George's County's growth rates, which were 13.7 percent for residents and 14.9 percent for households.

- The population growth rate in each of the focus areas varied significantly. The Addison Road area's population increased by 26.6 percent. Capitol Heights' population declined by 9.8 percent, while Morgan Boulevard's increased by 79.6 percent.

- The two largest age cohorts in the sector plan area population are under 18 (23 percent) and 65 and older (17.1 percent).

- Approximately 82.7 percent of sector plan area residents are Black or African American, 11.4 percent are Hispanic or Latino, 2.6 percent identify as two or more races, and 1.8 percent are non-Hispanic White.

- The sector plan area has a high school-education rate of 90 percent among its residents, compared to 88.7 percent among Prince George's County residents. However, the sector plan area has a much lower proportion of college-educated residents than the County, with only 24.9 percent of sector plan area residents with bachelor's degrees or more, compared to the County's 36.9 percent.

Economics

- The sector plan area has a lower median household income than Prince George's County ($77,995 compared to $92,437). The wealthiest of the focus areas is Morgan Boulevard, with a median household income of $100,166—higher than Addison Road's $64,067 and Capitol Heights' $84,684.

- Approximately 70.8 percent of households in the sector plan area earn more than $50,000 annually, while only 6.3 percent earn more than $200,000 annually. Comparatively, 74.4 percent of households in the County earn more than $50,000 annually and 13.6 percent earn more than $200,000 annually.

- In the sector plan area, 38.8 percent of occupied units are renter-occupied, compared to 26.3 percent of Addison Road units, 14.1 percent of Capitol Heights units, 51.8 percent of Morgan Boulevard units, and 36.1 percent of the County's units.

- Though the sector plan area is more affordable than many parts of the region, there are likely some households that are housing cost burdened. This is illustrated by the fact that the monthly mortgage payment on the median price of a housing unit is 35.4 percent of the monthly median household income, and the average rent of a multifamily unit is 26.8 percent of the monthly median household income.

- The industries in which the largest shares of employed sector plan area residents work are healthcare and social assistance (15 percent), public administration (12.9 percent), and professional, scientific, and technical services (11.1 percent).

- A significantly large proportion of jobs in the sector plan area are in the professional, scientific, and technical services sector (13.8 percent). Other industries that represent large shares of local employment include utilities (11.9 percent), transportation and warehousing (11.6 percent), and manufacturing (11.3 percent).

- More than 37 percent of employed sector plan area residents work in Washington DC, while others commute to Arlington (2.8 percent) and Alexandria (2 percent) in Northern Virginia as well as Baltimore (2.4 percent) and Bethesda (1.9 percent) in Maryland.

Metro Ridership

- Average daily ridership has fallen across all three Metro stations included in the study. There have been decreases in ridership between 51 percent and 63 percent between 2012 and 2023.

- There is a notable drop in Metro ridership in 2020 as a result of COVID-19. Most of the sector plan area Metro riders who were previously traveling daily to Washington DC for work stopped commuting to their workplaces beginning in March 2020.

- Ridership for the three sector plan area stations has recovered somewhat since the 2020 COVID lockdown period but is still less than 50 percent of what it was in 2019.

REAL ESTATE TRENDS

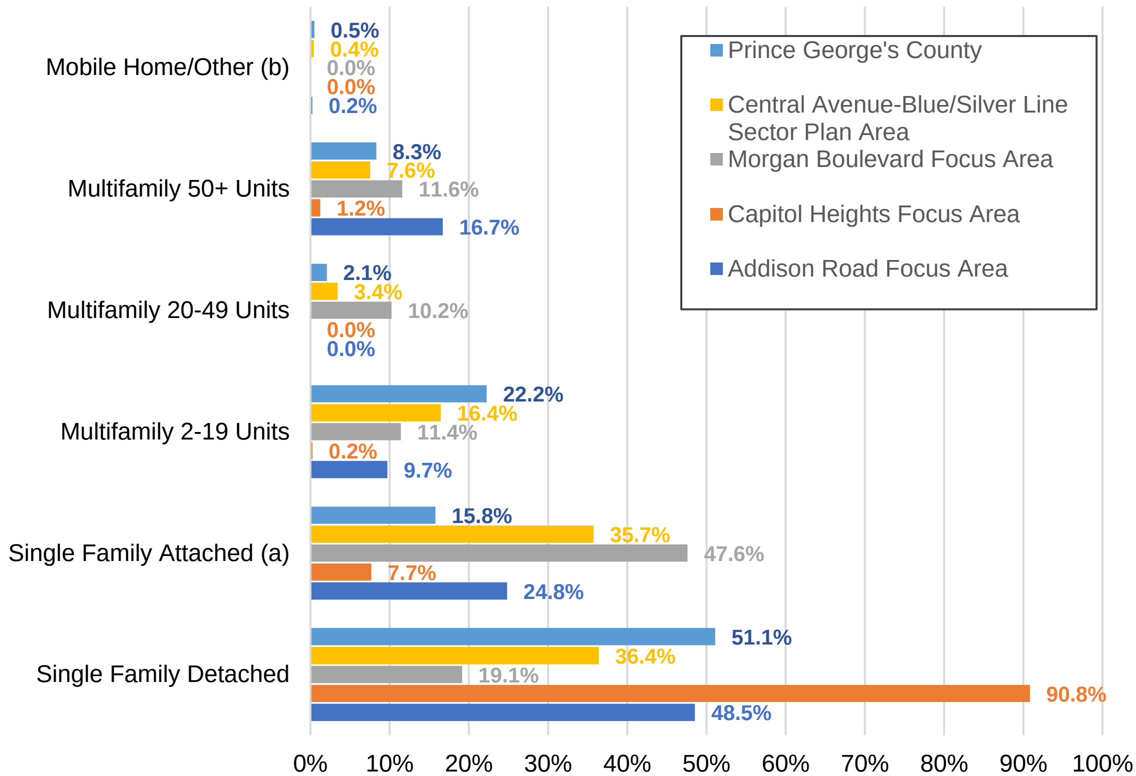
This section of the report is a review of current real estate market conditions and trends in the study area. Sources for these projections include real estate data vendors, CoStar and Redfin. This includes market information on four primary real estate sectors: residential, retail, office, and industrial/flex. As is the case with the demographic and economic data presented in this report, the real estate information for the sector plan area is compared to similar information for the Capitol Heights, Addison Road, and Morgan Boulevard focus areas, as well as for Prince George's County. This section also includes additional findings on the market gathered from interviews conducted with local real estate brokers.

Housing Stock Characteristics

As shown in Figure 8, in 2020 36.4 percent of housing units in the sector plan area were single-family detached units, compared to 51.5 percent of housing units in Prince George's County. Single-family detached units make up 48.5 percent of units in the Addison Road focus area, 90.8 percent of units in the Capitol Heights focus area, and 19.1 percent of units in the Morgan Boulevard focus area.

The sector plan area also has substantial proportions of attached single family housing units (townhouses and rowhouses), at 35.7 percent, and smaller multifamily buildings (between 2 and 19 units), at 16.4 percent. Multifamily units make up 27.4 percent of the total housing stock.

Figure 8: Housing Units by Type, 2020 Five-Year Sample Data



Notes:
(a) Includes Townhomes and rowhouses.
(b) Includes boats, RVs, vans, or any other non-traditional residences.

Sources: U.S. Census Bureau, American Community Survey 2016-2020 Five-Year sample period via ESRI Business Analyst 2023; BAE, 2023.

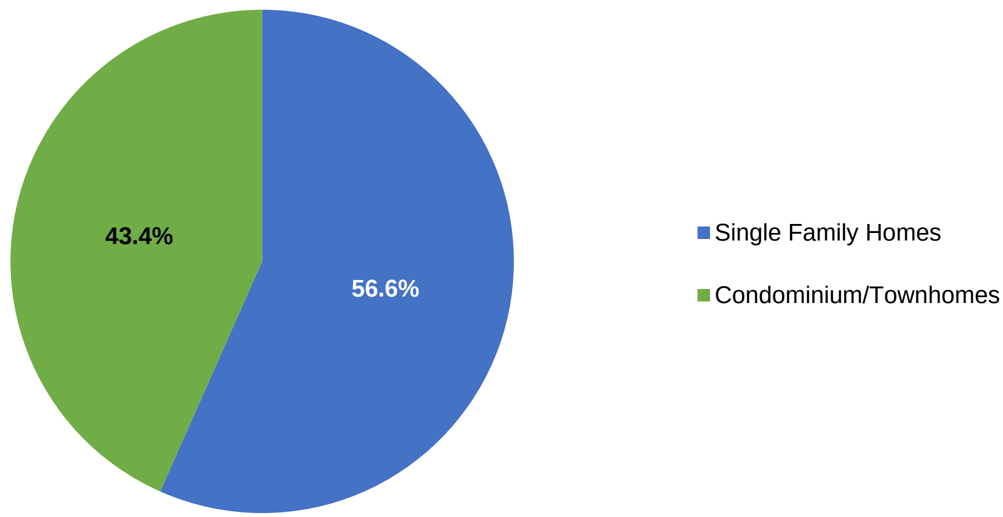
For-Sale Housing Market

Between December 2022 to December 2023, there were 256 recorded single-family and townhouse sales in the Central Avenue-Blue/Silver Line Sector Plan Area. Of these verified sales, 145 are single-family houses and 111 are single family attached units. A summary of home sales during this period can found in Table 6.

Home Sales by Unit Type

Figure 9 shows the distribution of housing units sold from December 2022 to December 2023 by type. Approximately 56.4 percent of housing units sold during this period in the sector plan area were single family homes, while 43.5 percent of units sold were townhomes.

Figure 9: Residential Sales by Unit Type, December 2022-December 2023 (a)



Note:
(a) Data reflect sales from December 29, 2022, to December 22, 2023.

Sources: Redfin; BAE, 2023.

Home Sales by Unit Size

Table 6 displays the breakdown of homes sold in the sector plan area December 2022 to December 2023 by size. Overall, homes sold in the area during this timeframe were on the larger side. Of all the single-family home sales, 84.8 percent had 3 or more bedrooms, compared to 80.2 percent of townhomes. Additionally, the average size of a single-family home was 1,434 square feet per unit, while the average size for townhomes was slightly larger, at 1,468 square feet per unit.

Sale Prices

As shown in Table 6, the median sale price for a single-family home in the sector plan area from December 2022 to December 2023 was $359,000. The median sale price for townhomes was slightly lower, at $326,500. Comparatively, according to Redfin, the median sale price of a single-family home in Prince George's County was $445,000, and the median sale price of a townhome was approximately $385,000. In Washington DC, the median sale price of a home over the same period was roughly $800,000 for a single-family home and $825,000 for a townhome.

In recent years, the Morgan Boulevard focus area has experienced major residential development. In the past year, 20 townhomes were sold in this area with a median sale price of $440,000, over 34.8 percent higher than the sector plan area's median townhome sale price. A majority of these townhomes were constructed between 2007 and 2012.

Table 6: Residential Sales, Central Avenue-Blue/Silver Line Sector Plan Area, December 2022-December 2023

Single-Family Homes (a)

Sale Price Range	1 BR	2 BR	3 BR	4+ BR	Total (b)	Percent of Total
Less than $250,000	0	4	6	2	16	11.0%
$250,000-$349,999	0	4	23	22	54	37.2%
$350,000-$449,999	0	0	19	38	62	42.8%
$450,000 or more	0	0	4	9	13	9.0%
Total Units Sold	**0**	**8**	**52**	**71**	**145**	**100.0%**
Percent of Total	**0.0%**	**5.5%**	**35.9%**	**49.0%**	**90.3%**	
Median Sale Price	**n.a.**	**$242,500**	**$341,000**	**$378,000**	**$359,000**	
Average Sale Price	**n.a.**	**$233,213**	**$343,069**	**$382,735**	**$351,283**	
Average Unit Size (SF)	**n.a.**	**1047**	**1,359**	**1,585**	**1,434**	
Median Price per (SF)	**n.a.**	**$262**	**$272**	**$239**	**$262**	
Average Price per (SF)	**n.a.**	**$242**	**$275**	**$266**	**$267**	

Condominium/Townhomes (a)

Sale Price Range	1 BR	2 BR	3 BR	4+ BR	Total (b)	Percent of Total
Less than $250,000	0	2	4	2	13	11.7%
$250,000-$324,999	0	2	24	8	38	34.2%
$325,000-$399,999	0	2	18	11	38	34.2%
$400,000 or more	0	0	12	10	22	19.8%
Total Units Sold	**0**	**6**	**58**	**31**	**111**	**100.0%**
Percent of Total	**0.0%**	**5.4%**	**52.3%**	**27.9%**	**85.6%**	
Median Sale Price	**n.a.**	**$282,500**	**$325,500**	**$348,000**	**$326,500**	
Average Sale Price	**n.a.**	**$289,500**	**$338,154**	**$366,935**	**$335,994**	
Average Unit Size (SF)	**n.a.**	**1,138**	**1,455**	**1,691**	**1,468**	
Median Price per (SF)	**n.a.**	**$274**	**$258**	**$220**	**$249**	
Average Price per (SF)	**n.a.**	**$265**	**$239**	**$222**	**$3,385**	

Note:
(a) Data reflect sales from December 29, 2022 to December 22, 2023.
(b)Unit totals may not add up to totals due to some units lacking classification by number of bedrooms.

Sources: Redfin; BAE, 2023.

Multifamily Residential

Table 7 provides a summary of the multifamily rental market in the sector plan area and Prince George's County. According to the CoStar database, as of Q4 2023, the sector plan area has approximately 3,630 market-rate multifamily rental units.

Unit Sizes

Overall, market-rate multifamily rental units in the sector plan area are larger than in the County as a whole. As shown in Table 7, 68.5 percent of units in the sector plan area have fewer than three bedrooms, compared to the County's 89.2 percent.

Rents

Table 7 also shows the average market-rate multifamily rents in each geography by bedroom size. According to Costar as of Q4 2023, average rents are higher in the sector plan area overall compared to the County ($1,964 compared to $1,667). Rents in the sector plan area have increased by 12.5 percent while rents across the County have risen by 2.3 percent.

Washington DC, by comparison, is more expensive than both geographies. The average asking rent in the District in Q4 2023 is $2,180. Although housing costs may be rising in the sector plan area, it still remains more affordable than DC, while only 3 Metro stops away, making it a desirable option for commuters.

Vacancies

In Q4 2023, the sector plan area has a vacancy rate of 7.7 percent for multifamily units, and Prince George's County has an even higher rate of 9.1 percent, according to Table 7. The sector plan area is seeing higher vacancies among larger units, as units with three or more bedrooms have vacancy rates of over 10 percent. The County, comparatively, is seeing relatively higher vacancy rates across all unit sizes, ranging from 7.5 to 10.6 percent.

Table 7: Market-Rate Multifamily Rental Overview, Q4 2023

Central Avenue-Blue/Silver Line Sector Plan Area	Studio	1 BR	2 BR	3 BR	4+ BR	Total (a)
Inventory, Q4 2023 (units)	39	911	1,536	813	331	**3,630**
% of Units	1.1%	25.1%	42.3%	22.4%	9.1%	**100.0%**
Occupied Units	38	876	1,443	723	289	**3,369**
Vacant Units	1	35	93	90	42	**261**
Vacancy Rate	2.8%	3.9%	6.0%	11.0%	12.8%	**7.7%**
Avg. Asking Rents, Q4 2022 - Q4 2023						
Avg. Asking Rent, Q4 2022	$972	$1,404	$1,667	$2,031	$2,406	**$1,746**
Avg. Asking Rent, Q4 2023	$975	$1,531	$1,846	$2,398	$2,398	**$1,964**
% Change Q4 2022 - Q4 2023	0.3%	9.0%	10.7%	18.1%	-0.3%	**12.5%**

Prince George's County	Studio	1 BR	2 BR	3 BR	4+ BR	Total (a)
Inventory, Q4 2023 (units)	5,299	42,571	47,574	10,957	617	**107,018**
% of Units	5.0%	39.8%	44.5%	10.2%	0.6%	**100.0%**
Occupied Units	4,786	39,376	43,507	9,904	552	**98,125**
Vacant Units	513	3,195	4,067	1,053	65	**8,893**
Vacancy Rate	9.7%	7.5%	8.5%	9.6%	10.6%	**9.1%**
Avg. Asking Rents, Q4 2022 - Q4 2023						
Avg. Asking Rent, Q4 2022	$1,445	$1,452	$1,712	$2,018	$2,199	**$1,630**
Avg. Asking Rent, Q4 2023	$1,455	$1,482	$1,747	$2,096	$2,406	**$1,667**
% Change Q4 2022 - Q4 2023	0.7%	2.1%	2.0%	3.9%	9.4%	**2.3%**

Notes:
(a) Unit totals may not add up due to some units lacking classification by number of bedrooms.

Sources: CoStar; BAE, 2023.

Conversations with local real estate professionals confirm the low inventory of and high demand for all housing, especially multifamily residential projects. One of the major concerns is the quantity of the current housing stock. Interviewees also emphasized the necessity of growing the residential population in order to support any other type of development, especially retail. It was also suggested that smaller scale apartment buildings with some retail component would be the most compatible with the current physical and economic landscape. A current barrier to this type of development is the lack of larger lots in the sector plan area. Many available lots are too small and disconnected to be effectively used for multifamily residential development.

Retail Market

Table 8 provides an overview of the retail real estate markets in the sector plan area and Prince George's County. According to CoStar, the sector plan area as of Q4 2023, had approximately 1.14 million square feet of retail space, about 3 percent of the County's inventory.

Table 8: Retail Market Overview, Q4 2023

Retail Summary	Central Avenue-Blue/Silver Line Sector Plan Area	Prince George's County
Inventory (sf), Q4 2023	1,141,520	39,585,124
Inventory (% of County)	2.9%	-
Occupied Stock (sf)	1,120,260	37,522,979
Vacancy Rate	1.9%	5.2%
Avg. Asking NNN Rents (psf)		
Avg. Asking Rent (psf), Q4 2022	$28.08	$25.54
Avg. Asking Rent (psf), Q4 2023	$22.00	$25.51
% Change Q4 2022 - Q4 2023	-21.7%	-0.1%
Net Absorption Direct (sf)		
10-Year Net Absorption (sf), Q4 2013 - Q4 2023	109,178	1,930,818
1-Year Net Absorption (sf), Q4 2022 - Q4 2023	(10,889)	104,904
New Deliveries (sf), Q4 2013 - Q4 2023	70,867	2,618,751
Under Construction (sf), Q4 2023	0	173,763

Sources: CoStar; BAE, 2023.

Rents

Figure 10 illustrates the per-square-foot triple[2] net annual retail rents in the sector plan area and the County annually from Q4 2013 through Q4 2023. The rents for both geographies

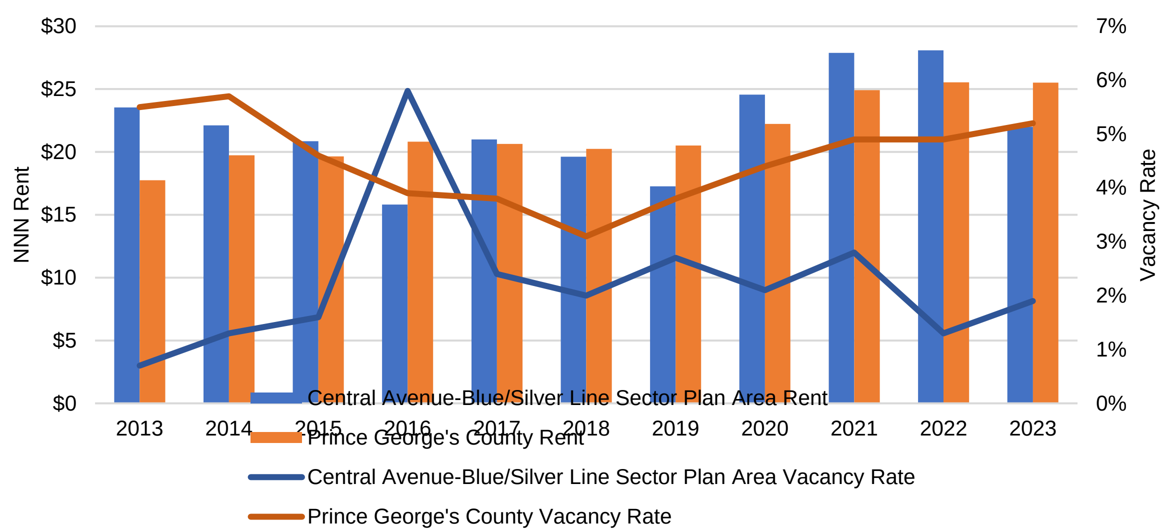
[2] A triple net lease is where the lessee pays rent and utilities as well as three other types of property expenses: insurance, maintenance, and taxes. If a tenant pays rent that includes all those items, the tenant is paying triple net rent.

fluctuated during this period, almost alternating which geography saw higher prices. As of Q4 2023, the sector plan area had a triple net rent of $22 per square foot compared to $25.51 per square foot in Prince George's County.

Vacancy

Figure 10 also illustrates the average retail vacancy rates in each geography from Q4 2013 through the Q4 2023. During this period, the average vacancy rate for the sector plan area fluctuated, with an all-time high in 2016 at 5.8 percent and an all-time low in 2013 at 0.7 percent. The County saw higher vacancy rates overall with its highest vacancy rate in 2014 at 5.7 percent. From there it declined to its lowest rate of 3.1 percent in 2018, and since then has increased through Q4 2023, to a vacancy rate of 5.2 percent.

Figure 10: Average Retail Rent and Vacancy Rates, Q4 2013-Q4 2023



Sources: CoStar; BAE, 2023.

According to the local real estate contacts, the sector plan area's retail market has remained extremely healthy—quite possibly as a result of the County's success. While many sectors were affected by the COVID-19 pandemic, the sector plan area's retail market did not waver much and in fact thrived after the initial lockdown period. In part this could be attributed to the many takeout and fast-food establishments in the area that remained open during this period.

Another finding from area real estate professionals is that larger scale commercial development in the sector plan area is unlikely. One interviewee cites the narrow roadway, lack of parking options, and uneven topography as reasons that would prevent successful retail development in the sector plan area. Furthermore, other areas in the County were pointed to, such as Maryland Route 202, as more primed to be able to accommodate large-scale commercial development with bigger lots and fewer homes nearby. Additionally, Central Avenue would not be able to compete with already developed areas such as Pennsylvania Avenue in District Heights, Maryland. However, there are opportunities for smaller-scale businesses and restaurants to thrive in the sector plan area. Carolina Kitchen is one of the few affordable, sit-down restaurants in the area and is immensely popular among residents.

Office Market

Table 9 provides an overview of the office real estate markets in the sector plan area and Prince George's County. According to CoStar, as of Q4 2023, the sector plan area had approximately 530,000 square feet of office space, less than 2 percent of the County's inventory.

Table 9: Office Market Overview, Q4 2023

Office Summary	Central Avenue-Blue/Silver Line Sector Plan Area	Prince George's County
Inventory (sf), Q4 2023	529,354	29,019,036
Inventory (% of County)	1.8%	-
Occupied Stock (sf)	503,810	25,458,661
Vacancy Rate	4.8%	11.5%
Avg. Asking Office Gross Rents (psf)		
Avg. Asking Rent (psf), Q4 2022	$22.26	$23.80
Avg. Asking Rent (psf), Q4 2023	$23.88	$25.12
% Change Q4 2022 - Q4 2023	7.3%	5.5%
Net Absorption Direct (sf)		
10-Year Net Absorption (sf), Q4 2013 - Q4 2023	118,119	2,850,537
1-Year Net Absorption (sf), Q4 2022 - Q4 2023	(2,311)	768,416
New Deliveries (sf), Q4 2013 - Q4 2023	100,000	2,354,468
Under Construction (sf), Q4 2023	0	64,000

Sources: CoStar; BAE, 2023.

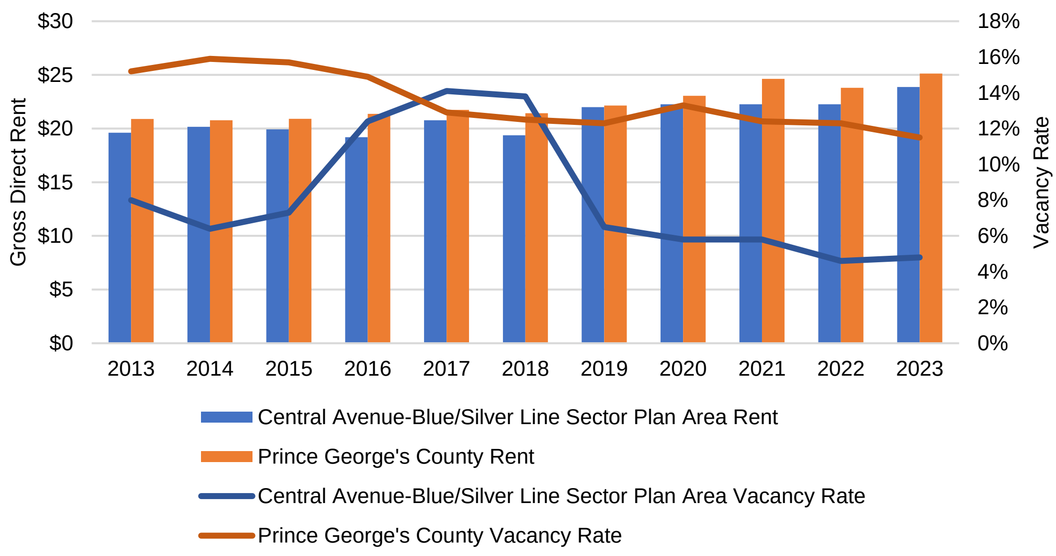
Rents

Figure 11 shows the average annual per-square-foot office gross rents in both geographies annually from Q4 2013 through Q4 2023. Office rents in both the sector plan area and the County have steadily risen with rents at $23.88 per square foot in the sector plan area and in the $25.12 per square foot in the County in Q4 2023.

Vacancy

As shown in Figure 11, during the study period the average office vacancy rate in the sector plan area was generally lower than in the County. However, the sector plan area saw a spike in vacancy rates from 2016 to 2018, briefly even higher than the County's vacancy rates. Except for that spike, both geographies saw a general decline over this period. As of Q4 2023, the sector plan area's office vacancy rate was 4.8 percent, compared to 11.5 percent in the County.

Figure 11: Average Office Rent and Vacancy Rates, Q4 2013-Q4 2023



Sources: CoStar; BAE, 2023.

According to real estate brokers contacted for this study, the small amount of the sector plan area's office inventory means that the state of office real estate has minimal impact on the overall real estate market. While COVID-19 impacted office markets in major cities across the country, the sector plan area's inventory has remained fairly healthy. The decentralization of the workplace is causing many major employers to withdraw from their District of Columbia offices and relocate to cheaper areas in the region, including Prince George's County. Indeed, the County has had a thriving office market over the last two years, as confirmed by declining vacancy rates.

Though the County has an expanding office inventory, the sector plan area will most likely not be a destination for office relocation. Some brokers assert that one of the reasons for this prediction is that Metro has become less dependable and less safe over the last ten years or so. As a result, fewer people are commuting to the area via Metro, especially with Addison Road, Capitol Heights, and Morgan Boulevard all seeing declines in ridership even before 2020. The less reliable transportation, lack of retail options, and inconvenient location, make the sector plan area an unlikely place for offices to relocate. On the other hand, though none of the three Metro stations on the sector plan area have the advantage of also being an Amtrak and MARC station, the development/redevelopment of New Carrollton's Metro station and surrounding area demonstrates what is possible through prioritizing joint development efforts and providing long-term investment.

Industrial/Flex Market

Table 10 provides an overview of the industrial and flex real estate markets in the sector plan area and Prince George's County. As of Q4 2023, the sector plan area had approximately 2.4 million square feet of industrial/flex space, 3.7 percent of the County's inventory.

Table 10: Industrial/Flex Market Overview, Q4 2023

Industrial Summary	Central Avenue-Blue/Silver Line Sector Plan Area	Prince George's County
Inventory (sf), Q4 2023	2,400,478	64,325,186
Inventory (% of County)	3.7%	-
Occupied Stock (sf)	2,274,390	60,919,519
Vacancy Rate	3.2%	3.6%
Avg. Asking NNN Rents (psf)		
Avg. Asking Rent (psf), Q4 2022	$12.43	$11.50
Avg. Asking Rent (psf), Q4 2023	$14.19	$12.90
% Change Q4 2022 - Q4 2023	14.2%	12.2%
Net Absorption Direct (sf)		
10-Year Net Absorption (sf), Q4 2013 - Q4 2023	176,166	7,505,727
1-Year Net Absorption (sf), Q4 2022 - Q4 2023	106,176	927,454
New Deliveries (sf), Q4 2013 - Q4 2023	0	6,126,222
Under Construction (sf), Q4 2023	0	1,784,834

Sources: CoStar; BAE, 2023.

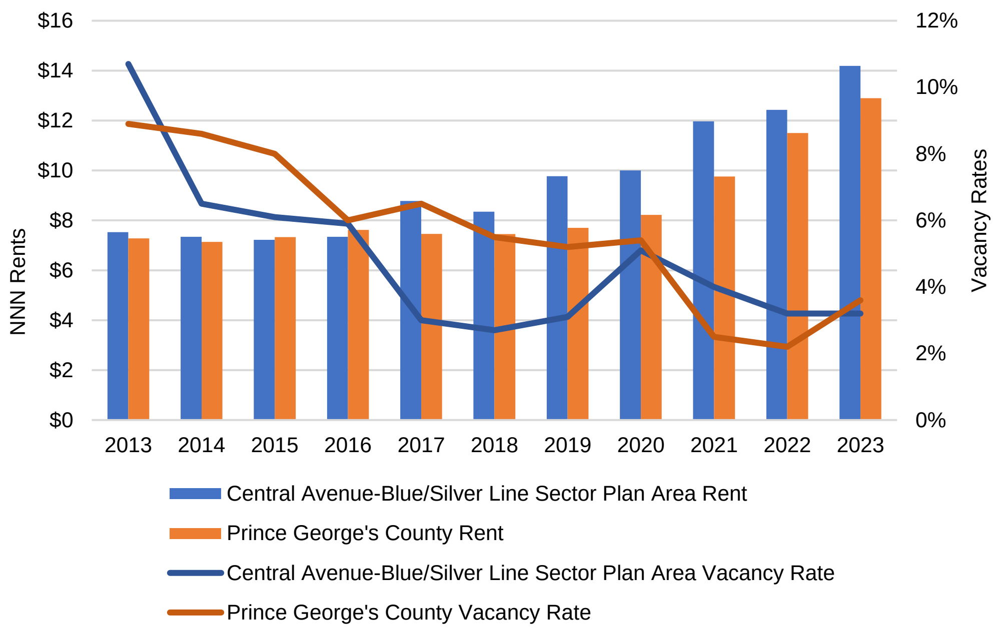
Rents

As shown in Figure 12, industrial/flex rents have risen in the sector plan area as well as in Prince George's County. Both geographies saw a sharp rise in rents beginning in Q4 2021 and continuing through Q4 2023. In 2023, industrial/flex rents the sector plan area saw rents of $14.19 per square foot and the County saw $12.90 per square foot.

Vacancy

Figure 12 also shows the general decline in vacancy rates for industrial/flex space both in the sector plan area as well as the County. The sector plan area saw declining vacancy rates from 2013 to 2018, increasing rates from 2018 to 2020, and then a consistent decline through 2023. In Q4 2023, the sector plan area had a vacancy rate of 3.2 percent. The County's vacancy rates fluctuated slightly though declined overall from 2013 to 2023. In Q4 2023, the County had a vacancy rate of 3.6 percent.

Figure 12: Average Industrial/Flex Rent and Vacancy Rates, Q4 2013-Q4 2023



Sources: CoStar; BAE, 2023.

According to area real estate brokers, the industrial real estate market has been hot, especially in the last couple of years. Industrial sites have been in high demand in recent years, accelerated by the COVID-19 pandemic and the dependency on shipping and online retailers. The local market has seen an increase in demand for industrial warehouses and a decrease in available inventory. Industrial parks have been well-received by most in the area as they generate tax revenue. (It should be noted that in the community engagement sessions conducted since September 2023, a few residents indicated that they did not see industrial uses as being compatible with residential uses.) Brokers and other stakeholders believe that at the present time, industrial development would be successful in any part of the region, but the sector plan area has untapped potential for expanding its already strong market. Warehousing and distribution centers would be a supportable option in some parts of the sector plan area.

Key Findings

Residential

- Approximately 36.4 percent of homes in the sector plan area are single family detached units, compared to 51.5 percent of housing units in the County, 48.5 percent in the Addison Road Focus Area, 90.8 percent in the Capitol Heights focus Area, and 19.1 percent in the Morgan Boulevard Focus Area.

- The median sale price for a single-family home in the sector plan area from December 2022 to December 2023 was $359,000. The median sale price for townhomes in the sector plan area was $326,500.

- Overall average rents in the sector plan area are higher than in the County on average. As of Q4 2023, the average rent in the sector plan area was $1,746 compared to $1,630 in Prince George's County. This can be attributed to a higher proportion of larger, and more expensive, units with three or more bedrooms in the sector plan area (31.5 percent) than the County (10.8 percent)

- In Q4 2023, average multifamily rental vacancy rates in the sector plan area were slightly lower than in the County. The vacancy rate for the sector plan area was 7.7 percent compared to Prince George's County's 9.1 percent.

Retail

- From 2013 through 2023, retail rents in both the sector plan area and the County fluctuated, as neither area's rents remained consistently higher than the other's. As of Q4 2023, the sector plan area had an average triple net rent of $22 per square foot compared to $25.51 per square foot in Prince George's County.

- In the sector plan area, the retail vacancy rate was 1.9 percent in 2023. This rate is up slightly from 1.3 percent in 2022. The sector plan area's 2023 vacancy rate is lower than the County's (5.2 percent), which has seen growing vacancy rates since its lowest rate in 2018 (3.1 percent).

Office

- Since 2013, office rents in the sector plan area have generally been marginally lower than those in Prince George's County. However, both geographies have seen climbing rents through 2023. As of Q4 2023, office rents in the sector plan area were $23.88 per square foot, compared to $25.12 per square foot in the County.

- During the 2013 to 2023 period, the average office vacancy rate in the sector plan area was mostly lower than in the County. From 2016 to 2018, the sector plan area saw a spike in vacancy rates, briefly surpassing the vacancy rate of the County. Overall, both the sector plan area and the County saw declining vacancy rates. As of Q4 2023, the sector plan area's average office vacancy rate was 4.8 percent, compared to Prince George's County's 11.5 percent.

Industrial

- Since 2013, industrial/flex rents in the sector plan area, as well as the County, have risen. As of Q4 2023, the average annual per-square-foot industrial/flex rent was $14.19 in the sector plan area, compared to $12.90 in the County.

- Industrial/flex vacancy rates have declined since 2013 in both the sector plan area and the County. The sector plan area had a vacancy rate of 3.2 percent in Q4 2023 while the County had a vacancy rate of 3.6 percent.

IMPACTS OF COVID-19

The quantifiable impacts of COVID-19 on the sector plan area community can be examined through population and demographic changes, changes in resident income, and employment changes. Due to the specific geography and time frame of this analysis, only certain data are available and similar geographies or approximate data can be used.

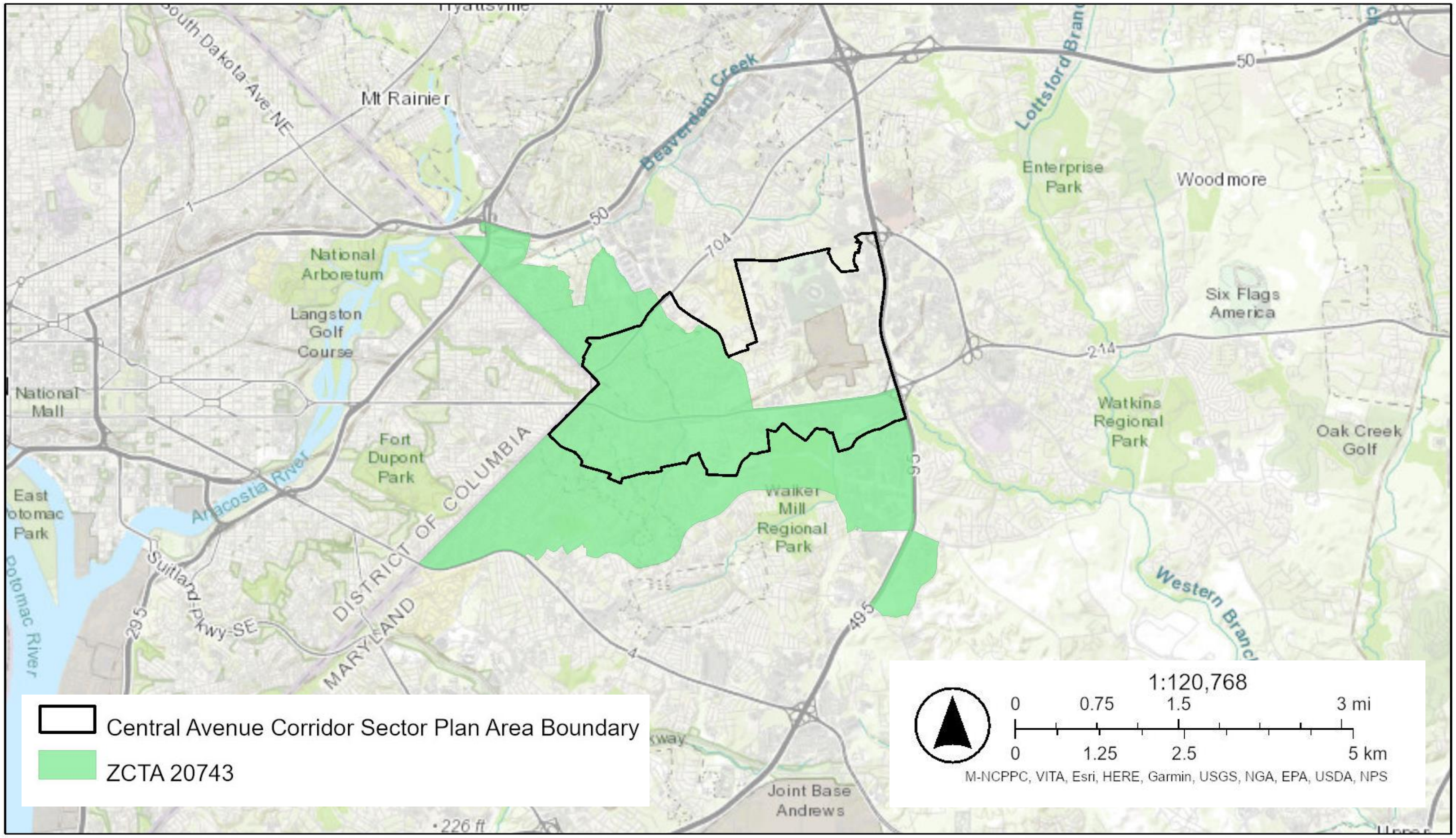
Population

While data from the American Community Survey from the US Census Bureau is not available for the custom shape of the study area, the Census ZIP Code Tabulation Area (ZCTA) was used to estimate changes. The 20743 zip code, as shown in Figure 13, covers over half of the sector plan area sector Plan Area and can provide a general idea of population and demographic changes that may have occurred across the entire sector plan area.

As shown in Table 11, from 2019 to 2021, the ZCTA 20743 saw an overall population increase of 2.3 percent, less than half of the County's growth rate of 5.4 percent over the same period. Population loss in the ZCTA was seen across most racial demographics as a result of COVID-19. These changes include a 0.5 percent (166 people) decrease among Black or African American residents, a 10.7 percent (106 people) decrease among white residents, a 28.5 percent (81 people) decrease among Asian residents, as well as a 15.9 percent (17 people) decrease among Native American residents. However, the area also saw a 30.5 percent (1,109 people) influx of Hispanic or Latino residents as well as a 17.1 percent (115 people) increase of residents that identify as two or more races over the interval, which contributed to the area's net population growth. These changes contrast with the changes Prince George's County saw among its population. Across the County, the only racial or ethnic group to see a net loss is the Native American demographic.

The ZCTA experienced more exacerbated impacts on its population from COVID-19 than Prince George's County. This is evidenced by the population growth rate of half that of the County.

Figure 13 Map of Zip Code Tabulation Area 20743



Sources: U.S. Census Bureau, 2023; M-NCPPC Prince George's County Planning Department, 2023; BAE, 2023.

Table 11 Population by Race, ZCTA 20743 & Prince George's County, 2019-2021

	20743 ZIP Code Tabulation Area						Prince George's County					
	2019		2021		Change, 2019-2021		2019		2021		Change, 2019-2021	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Hispanic/Latino (a)	**3,632**	**9.6%**	**4,741**	**12.2%**	**1,109**	**30.5%**	**167,498**	**18.4%**	**185,394**	**19.4%**	**17,896**	**10.7%**
Not Hispanic/Latino	**34,256**	**90.4%**	**34,001**	**87.8%**	**-255**	**-0.7%**	**741,172**	**81.6%**	**772,373**	**80.6%**	**31,201**	**4.2%**
White	995	2.6%	889	2.3%	-106	-10.7%	115,436	12.7%	115,625	12.1%	189	0.2%
Black/African American	32,169	84.9%	32,003	82.6%	-166	-0.5%	560,785	61.7%	581,432	60.7%	20,647	3.7%
Native American	107	0.3%	90	0.2%	-17	-15.9%	2,116	0.2%	2,001	0.2%	-115	-5.4%
Asian	284	0.7%	203	0.5%	-81	-28.5%	37,170	4.1%	39,985	4.2%	2,815	7.6%
Native Hawaiian/Pacific Islander	0	0.0%	0	0.0%	0	0.0%	404	0.0%	316	0.0%	-88	0.0%
Other	30	0.1%	30	0.1%	0	0.0%	3,360	0.4%	4,827	0.5%	1,467	43.7%
Two or More Races	671	1.8%	786	2.0%	115	17.1%	21,901	2.4%	28,187	2.9%	6,286	28.7%
Total Population	**37,888**	**100.0%**	**38,742**	**100.0%**	**854**	**2.3%**	**908,670**	**100.0%**	**957,767**	**100.0%**	**49,097**	**5.4%**

Notes:
(a) Includes all races for those of Hispanic/Latino background.

Sources: U.S. Census American Community Survey 5-Year Estimates, Table DP05, 2019 & 2021; BAE, 2023.

Income

All five geographies can be analyzed by monthly income for the 2019 to 2021 span. Table 12 shows the sector plan area saw a decline in its employed resident population, a decrease of only 6.8 percent compared to 12.1 percent in the County. The area also saw a notable drop in lower income workers, with those earning $1,250 monthly decreasing by 18.1 percent, and those earning $1,251 to $3,333 per month decreasing by 17.4 percent. Additionally, there was also a small growth, of 2.3 percent, in residents earning more than $3,333 per month. The employed resident populations of the Addison Road and Morgan Boulevard areas both increased, while employed residents decreased in Capitol Heights, as well as Prince George's County.

The decline of the residential workforce can be attributed to many varied factors—losing jobs, leaving the workforce (via marriage or retirement), moving to a different area, or death. Since we know that Prince George's County experienced a high number of COVID-19 cases and deaths, it is reasonable to assume some of the loss noted here can be attributed to COVID-19 deaths.

Other Impacts of COVID

There have been impacts of COVID on the overall market and historically common assumptions about retail and office utilization, and some of these have affected the plan area. The biggest is that many people have not yet and may not ever return to working five days a week in an office. The change in office utilization does not itself have too much effect on the plan area since there is so little office in the area, but certainly there was a steep drop in Metro ridership at the three stations in the area and recovered has not recovered even half of the riders it lost when COVID hit in 2020.

As stated earlier this report, COVID did not have a substantial impact on retail in the area. Retail businesses adjusted to less personal contact to do business and restaurants increased carry out and delivery business where possible. The Prince George's County Economic Development Corporation staff report that they were not a lot of business closures in the County in the retail sector compared to other places. That was in part because the County provided $40 million in small grants to help businesses through the worst of the lockdown period, in addition to the Paycheck Protection Program that helped businesses keep their workforce employed during COVID.

Table 12 Change in Employed Residents by Monthly Earnings, 2019-2021

	Addison Road Station Area		Capitol Heights Station Area		Morgan Boulevard Station Area		Central Avenue Corridor		Prince George's County	
Industry	**Number**	**Percent**	**Number**	**Percent**	**Number**	**Percent**	**Number**	**Percent**	**Number**	**Percent**
$1,250 or less per month/ $15,000 or less per year	-1	-1.6%	-22	-29.7%	42	19.1%	-260	-18.1%	-13,353	-25.3%
$1,251 to $3,333 per month/ $15,001 to $39,996 per year	-29	-18.7%	-56	-29.9%	62	12.3%	-568	-17.4%	-25,488	-21.9%
More than $3,333 per month/ More than $39,996 per year	81	39.5%	5	2.4%	286	26.9%	129	2.3%	-9,444	-4.1%
Total Residents	**51**	**12.0%**	**-73**	**-15.5%**	**390**	**21.8%**	**-699**	**-6.8%**	**-48,285**	**-12.1%**

Sources: U.S. Census Bureau Center for Economic Studies, Longitudinal Employer Household Dynamics (LEHD) via OnTheMap; BAE, 2023.

Employment & Commute Patterns

Employed Residents

Although the sector plan area had a net loss of employed residents between 2019 and 2021, the industries in the sector plan area that saw the largest total increases were professional, scientific, and technical services (96 people), transportation and warehousing (83 people), and manufacturing (77 people), according to Table 13.

The industries with major reductions across most geographies were educational services and accommodation and food services. The sector plan area population employed in educational services dropped by 48.6 percent (472 people), and the residents employed in the accommodation and food services industry dropped by 32.5 percent (320 people). This is similar to the County, which had 52.4 percent (19,957 people) and 36.4 percent (13,867 people) decreases in the education services and accommodation and food services, respectively.

The shrinking of the workforce in these industries is to be expected as a result of COVID-19, as many schools switched to virtual learning and restaurants pivoted from service to takeout. While many schoolteachers also switched to virtual classes, other school employees such as janitors, some administrative staff, classroom aides, and cafeteria workers were not as essential. Similarly, as restaurants were bound to indoor dining restrictions, many workers such as wait staff, bartenders, and cooks were let go, at least temporarily.

Primary Jobs

Table 14 illustrates the growth and reduction of jobs in the sector plan area, as well as the County and focus areas. The sector plan area experienced a net loss of 1,178 jobs, a decrease of 17.5 percent between 2019 and 2021. The industry that experienced the most growth over the period was manufacturing, with the addition of 102 jobs, a 19.4 percent increase. Many of these jobs are located in the Morgan Boulevard area, which had 98 of those additional manufacturing jobs.

As expected, the industry that lost the most jobs in the sector plan area was educational services. The sector plan area suffered a loss of 987 jobs in education, a 97.5 percent reduction. This is even high compared to Prince George’s County, which had a reduction of 86.2 percent of jobs in education services.

Table 13 Change in Employed Residents by Industry, 2019-2021

	Addison Road Station Area		Capitol Heights Station Area		Morgan Boulevard Station Area		Central Avenue Corridor		Prince George's County	
Industry	**Number**	**Percent**	**Number**	**Percent**	**Number**	**Percent**	**Number**	**Percent**	**Number**	**Percent**
Agriculture/Forestry/Fishing/Hunting	0	0.0%	0	0.0%	1	0.0%	4	133.3%	-24	-8.3%
Mining/Quarrying/Oil & Gas Extraction	0	0.0%	0	0.0%	0	0.0%	0	0.0%	-28	-30.8%
Construction	1	0.0%	-1	-100.0%	3	60.0%	5	20.8%	-29	-2.1%
Manufacturing	8	50.0%	2	9.5%	13	23.2%	77	18.9%	-534	-2.4%
Wholesale Trade	-6	-46.2%	-1	-8.3%	22	73.3%	2	1.1%	-81	-1.0%
Retail Trade	-1	-9.1%	-4	-44.4%	3	8.3%	-4	-2.1%	-794	-9.1%
Transportation/Warehousing	-7	-14.9%	3	6.4%	83	60.6%	83	9.1%	-1,665	-4.6%
Utilities	18	100.0%	-5	-16.1%	32	36.0%	-23	-3.9%	43	0.3%
Information	-3	-27.3%	4	40.0%	-7	-14.6%	-9	-4.3%	-669	-9.5%
Finance/Insurance	5	55.6%	-1	-10.0%	15	38.5%	-14	-6.0%	-521	-5.4%
Real Estate/Rental/Leasing	0	0.0%	6	85.7%	5	11.4%	-7	-3.3%	-748	-9.6%
Professional/Scientific/Tech Services	18	54.5%	2	4.3%	89	51.4%	96	10.0%	1,756	4.2%
Management of Companies/Enterprises	1	100.0%	-4	-50.0%	4	33.3%	-4	-4.7%	37	1.1%
Admin/Support/Waste Management Services	2	5.0%	2	6.1%	42	28.6%	6	0.7%	-2,206	-6.9%
Educational Services	11	44.0%	-15	-40.5%	-55	-30.7%	-472	-48.6%	-19,957	-52.4%
Health Care/Social Assistance	-5	-8.5%	-10	-16.1%	98	37.8%	-24	-1.6%	-3,051	-5.5%
Arts/Entertainment/Recreation	-4	0.0%	0	0.0%	-15	-41.7%	-65	-35.9%	-1,276	-22.2%
Accommodation/Food Services	6	13.0%	-23	-46.9%	-31	-18.2%	-320	-32.5%	-13,867	-36.4%
Other Services (excl Public Administration)	-10	-37.0%	-7	-25.0%	4	3.7%	-74	-13.5%	-3,375	-16.7%
Public Administration	17	34.0%	-21	-41.2%	84	38.4%	44	3.7%	-1,296	-2.8%
Total Residents	**51**	**12.0%**	**-73**	**-15.5%**	390	**21.8%**	-699	**-6.8%**	-48,285	**-12.1%**

Sources: U.S. Census Bureau Center for Economic Studies, Longitudinal Employer Household Dynamics (LEHD) via OnTheMap; BAE, 2023.

Table 14 Change in Primary Jobs by Industry, 2019-2021

	Addison Road Station Area		Capitol Heights Station Area		Morgan Boulevard Station Area		Central Avenue Corridor		Prince George's County	
Industry	**Number**	**Percent**	**Number**	**Percent**	**Number**	**Percent**	**Number**	**Percent**	**Number**	**Percent**
Agriculture/Forestry/Fishing/Hunting	0	0.0%	0	0.0%	0	0.0%	0	0.0%	-4	-7.1%
Mining/Quarrying/Oil & Gas Extraction	0	0.0%	0	0.0%	0	0.0%	0	0.0%	-5	-8.8%
Construction	0	0.0%	0	0.0%	0	0.0%	0	0.0%	-47	-5.2%
Manufacturing	-1	-100.0%	0	0.0%	98	34.1%	102	19.4%	-346	-1.2%
Wholesale Trade	0	0.0%	0	0.0%	-10	-14.7%	21	16.8%	-460	-6.3%
Retail Trade	-2	-40.0%	0	0.0%	-3	-5.2%	4	3.6%	-491	-4.8%
Transportation/Warehousing	14	58.3%	-2	-33.3%	-7	-12.1%	-25	-3.7%	-659	-1.9%
Utilities	-8	-88.9%	0	0.0%	-3	-100.0%	8	1.2%	-689	-3.9%
Information	0	0.0%	0	0.0%	0	0.0%	2	200.0%	-60	-2.1%
Finance/Insurance	-6	-75.0%	0	0.0%	-17	-100.0%	-19	-59.4%	-447	-8.2%
Real Estate/Rental/Leasing	0	0.0%	0	0.0%	27	142.1%	21	15.6%	-982	-16.5%
Professional/Scientific/Tech Services	-1	-12.5%	0	0.0%	-1	-20.0%	7	0.9%	2,598	11.3%
Management of Companies/Enterprises	0	0.0%	0	0.0%	0	0.0%	0	0.0%	106	5.6%
Admin/Support/Waste Management Services	0	0.0%	-2	0.0%	-1	-50.0%	-62	-21.2%	-1,425	-8.1%
Educational Services	-99	-99.0%	0	0.0%	0	0.0%	-987	-97.5%	-37,173	-86.2%
Health Care/Social Assistance	2	25.0%	0	0.0%	-16	-53.3%	3	0.6%	-1,707	-6.3%
Arts/Entertainment/Recreation	0	0.0%	0	0.0%	2	0.0%	-58	-21.2%	342	11.1%
Accommodation/Food Services	-37	-31.4%	1	5.6%	-62	-65.3%	-101	-15.8%	-7,239	-25.4%
Other Services (excl Public Administration)	4	80.0%	-3	-60.0%	-26	-38.8%	-106	-23.7%	-4,317	-36.0%
Public Administration	0	0.0%	0	0.0%	0	0.0%	12	2.4%	1,004	3.1%
Total Employees	**-134**	**-46.9%**	**-6**	**-13.0%**	-19	**-2.7%**	-1,178	**-17.5%**	-52,001	**-17.3%**

Sources: U.S. Census Bureau Center for Economic Studies, Longitudinal Employer Household Dynamics (LEHD) via OnTheMap; BAE, 2023.

Commuting Patterns

Both before and after the onset of COVID-19, Washington DC was the most common place of residence among workers commuting to the sector plan area, as well as the most popular work destination for sector plan area residents, as shown in Table 15. In 2019, 530 workers (7.9 percent) commuted from Washington DC to the sector plan area and 3,989 residents (38.9 percent) commuted to the District for work. In 2021, these numbers dropped to 409 workers (22.8 percent decrease) and 3,605 residents (9.6 percent decrease). This can be attributed to the increase in the number of employees working remotely (largely from home) that began in the initial COVID-19 lockdown period and persists even today, as well as layoffs caused by rising costs and other reasons.

Table 15 Change in Commute Flows, Central Avenue-Blue/Silver Line Sector Plan Area, 2019-2021

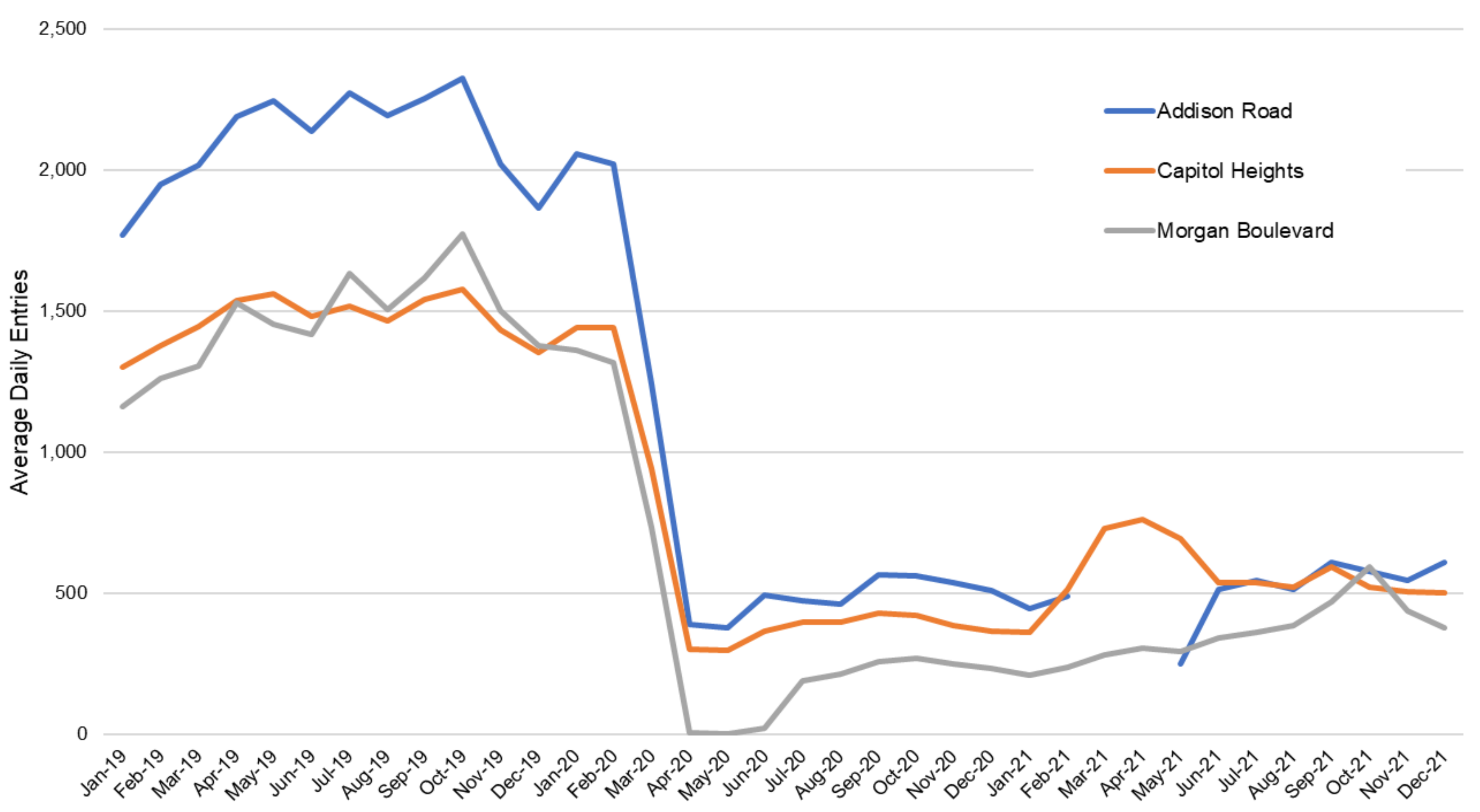
Workers by Place of Residence	2019		2021		Change, 2019-2021	
Place of Residence	**Number**	**Percent**	**Number**	**Percent**	**Number**	**Percent**
Washington DC	530	7.9%	409	7.4%	-121	-22.8%
Baltimore city, MD	281	4.2%	200	3.6%	-81	-28.8%
Bowie city, MD	184	2.7%	142	2.6%	-42	-22.8%
Waldorf CDP, MD	148	2.2%	119	2.1%	-29	-19.6%
Landover CDP, MD	133	2.0%	90	1.6%	-43	-32.3%
All Other Places	5,450	81.0%	4,588	82.7%	-862	-15.8%
Total Residents	**6,726**	**100.0%**	**5,548**	**100.0%**	**-1,178**	**-17.5%**

Residents by Place of Work	2019		2021		Change, 2019-2021	
Place of Work	**Number**	**Percent**	**Number**	**Percent**	**Number**	**Percent**
Washington DC	3,989	38.9%	3,605	37.7%	-384	-9.6%
Arlington CDP, VA	308	3.0%	272	2.8%	-36	-11.7%
Baltimore city, MD	191	1.9%	226	2.4%	35	18.3%
Alexandria city, VA	194	1.9%	195	2.0%	1	0.5%
Bethesda CDP, MD	199	1.9%	181	1.9%	-18	-9.0%
All Other Places	5,372	52.4%	5,075	53.1%	-297	-5.5%
Total Residents	**10,253**	**100.0%**	**9,554**	**100.0%**	**-699**	**-6.8%**

Sources: U.S. Census Bureau Center for Economic Studies, Longitudinal Employer Household Dynamics (LEHD) via OnTheMap; BAE, 2023.

This decline in commuting both to and from Washington DC has drastically impacted the use of the Metro by residents and workers, which is illustrated in Figure 14. In 2019, the Addison Road Metro station saw average daily ridership ranging from 1,770 to 2,327 entries, the Capitol Heights Metro station from 1,300 to 1,577 entries, and the Morgan Boulevard Metro station from 1,161 to 1,772 entries. As shown in Figure 14, ridership dropped sharply in April 2020 and gradually increased through December 2021. However, at the end of 2021, ridership only recovered 30 percent, 35 percent, and 29 percent of the February 2020 levels for Addison Road, Capitol Heights, and Morgan Boulevard, respectively. As of December 2023, ridership still has not fully recovered, with average daily entries only about 54 percent, 53.7 percent, and 52.1 percent of February 2020 levels for each of the stations.

Figure 14: Average Daily WMATA Metro Station Ridership by Month, 2019-2021



Note: No data available for Addison Road for March-April 2021 due to station closure.

Sources: Washington Metropolitan Area Transportation Authority Ridership Data Portal, https://www.wmata.com/initiatives/ridership-portal/Metrorail-Ridership-Summary.cfm,2023; BAE, 2023.

Key Findings

- The 20743 ZIP Code Tabulation Area, which covers much of the sector plan area, has experienced less than half of the population growth rate that Prince George's County has experienced, which may indicate the greater severity of COVID-19's impact area.

- The sector plan area saw a net loss of 699 employed residents (6.8 percent) over the 2019 to 2021 period, compared to a 12.1 percent loss across the County. There were also declines in residents earning less than $1,250 per month (18.1 percent), and residents earning $1,251 to $3,333 per month (17.4 percent). However, the sector plan area saw a 2.3 percent increase in residents earning more than $3,333 per month.

- The industries in the sector plan area that saw the largest increases of employed residents were professional, scientific, and technical services (96 people), transportation and warehousing (83 people), and manufacturing (77 people).

- The industries that lost the most employed residents in the sector plan area, as well as across most geographies, were educational services and accommodation and food services, totaling 472 people (48.6 percent) and 320 people (32.5 percent), respectively. These statistics are direct results of the switch to online learning as well as restrictions on indoor dining.

- The sector plan area saw a 17.5 percent decrease of jobs from 2019 to 2021. During this period, the manufacturing industry added 102 new jobs (a 19.4 percent increase), while educational services lost 987 jobs (a 97.5 percent decrease).

- Washington DC remains the most popular place of residence for sector plan area workers, as well as the most popular work destination. In 2021, 22.8 percent fewer employees commuted from DC to the sector plan area for work and 9.6 percent fewer residents commuted from the sector plan area to DC for work.

- The decrease in commuting, for both workers and residents, was manifested in the drastic change in Metro ridership levels between 2019 and 2021. By December 2021, the Addison Road Metro station had a 75 percent drop in average daily entries since February 2020, Capitol Heights had a 61.4 percent drop in entries, and Morgan Boulevard had a 75.6 percent drop in entries.

PLANNED & PROPOSED DEVELOPMENT

There are several new developments proposed for the sector plan area, largely in the vicinity of the three focus areas: Capitol Heights, Addison Road, and Morgan Boulevard. These development proposals are in the pipeline for development review, in various stages of the process. The process for preparing joint development plans for each of the three transit center sites in the Study Area is included in WMATA's 10-Year Strategic Plan for Joint Development that was issued in April 2022. Because of the more tentative aspects of these joint developments, they are referenced here as potential development/redevelopment projects. This section includes a description of the process to create joint development agreements from feasibility study to identifying funding and supporting developers through the entitlement process for the development/redevelopment plan.

Proposed Developments

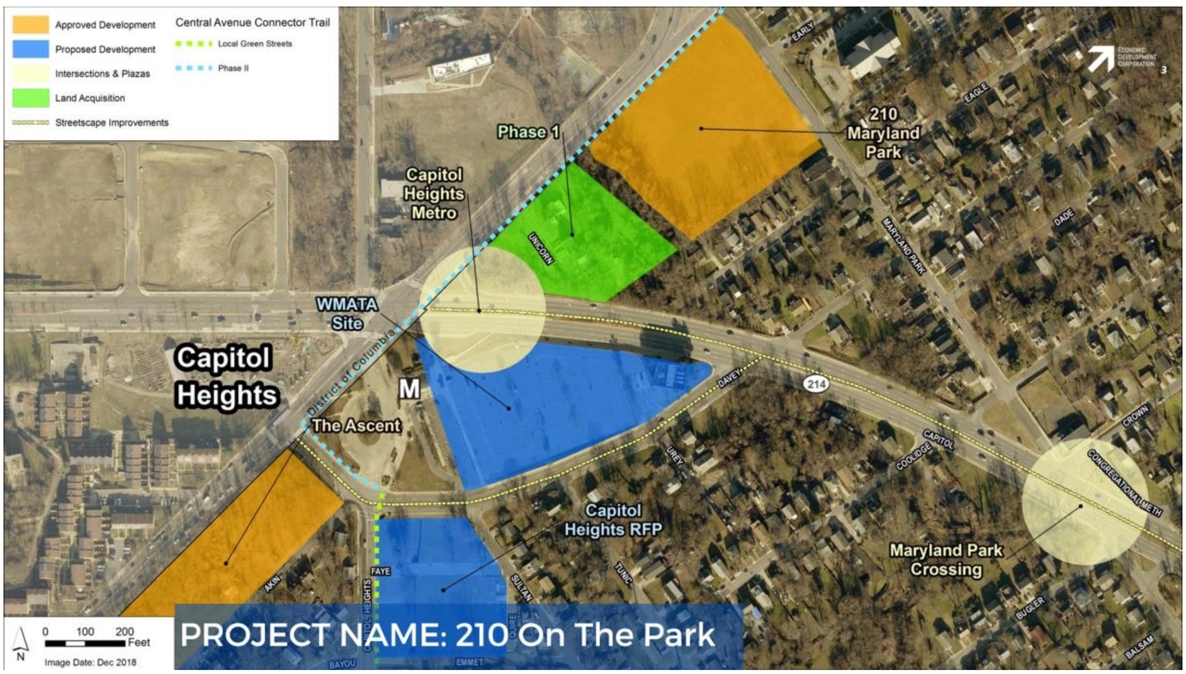
Though it is not a comprehensive list of every development in the process, some of the most significant developments in the sector plan area are described below. Each of the developments are currently in the planning phase somewhere between property acquisition and initial stages of construction in Prince George's County. Most of these are included in the Prince George's County's Blue Line Corridor Opportunities presentation. A map of the Blue Line Corridor Opportunities is included as Figure 15.

Figure 15: Blue Line Corridor Opportunities Development Map

Sources: Prince George's County Economic Development Corporation, 2023.

__210 On The Park__ – The 210 On The Park project shown in Figure 16 is a mixed-use development at the Capitol Heights Metro Station. The developers of 210 On The Park, the Prince George's County Redevelopment Authority (RDA) and the Community First Development Corporation, a small minority-owned development firm, propose 156 market rate apartments, 13 market rate townhouses, and 2,000 square feet of retail for the site. The project cost is estimated at $42.6 million. According to the Prince George's County Economic Development Corporation, 210 On The Park presents an opportunity for equity investment partnership for $9.5 million for 20 percent investor IRR, $3.5 million during construction, and $6 million for permanent operation. The project status is "shovel ready" pending financing.

Figure 16: Capitol Heights Proposed Development - 210 On The Park



Sources: Prince George's County Economic Development Corporation, 2023.

__Lyndon Hill__ – The Lyndon Hill project shown in Figure 16 is a mixed-use development located at the Addison Road Metro Station. The developers are the Redevelopment Authority with Cober, Johnson and Romney, a Maryland-certified MBE law firm that "specializes in development, management and advisory services related to public private partnerships." The development plan for Lyndon Hill includes 382 housing units and 8,000 square feet of retail. The breakdown of the housing units by type is as follows: 142 veterans housing units, 120 senior housing units, 80 assisted living units, and 40 townhouses. According to the Prince George's County Economic Development Corporation, Lyndon Hill presents an opportunity for equity investment partnership to be determined. The project is currently in the property acquisition stage.

Figure 17: Addison Road-Seat Pleasant Proposed Development Project - Lyndon Hill

Source: Prince George's County Economic Development Corporation, 2023.

<u>Park Place at Addison Road</u> – The Park Place at Addison Road project shown in Figure 18 is an approved mixed-use development located near the Addison Road-Seat Pleasant Metro Station. The developer is Banneker Ventures. The development plan for Park Place at Addison Road includes 193 affordable apartments, 11,000 square feet of retail, and underground parking. The project cost is estimated at $53 million. The site plan has been approved but construction has not yet started.

Figure 18: Addison Road-Seat Pleasant Proposed Development Project - Park Place at Addison Road

Source: Prince George's County Economic Development Corporation, 2023.

<u>Metro City</u> – The Metro City project shown in Figure 19 is a large, approved mixed-use development just outside the sector plan area along Addison Road South near the Addison Road Metro Station. The developer is Earth Tech. It is also close to the Park Place at Addison Road development described above. The development plan for Metro City includes 664 condominium units, 73 townhouses, 112 senior living units, 192 assisted living units, 151,000 square feet of "commercial/ground floor retail", and underground parking. The project cost is estimated at $400 million. This project has proceeded to the entitlements process.

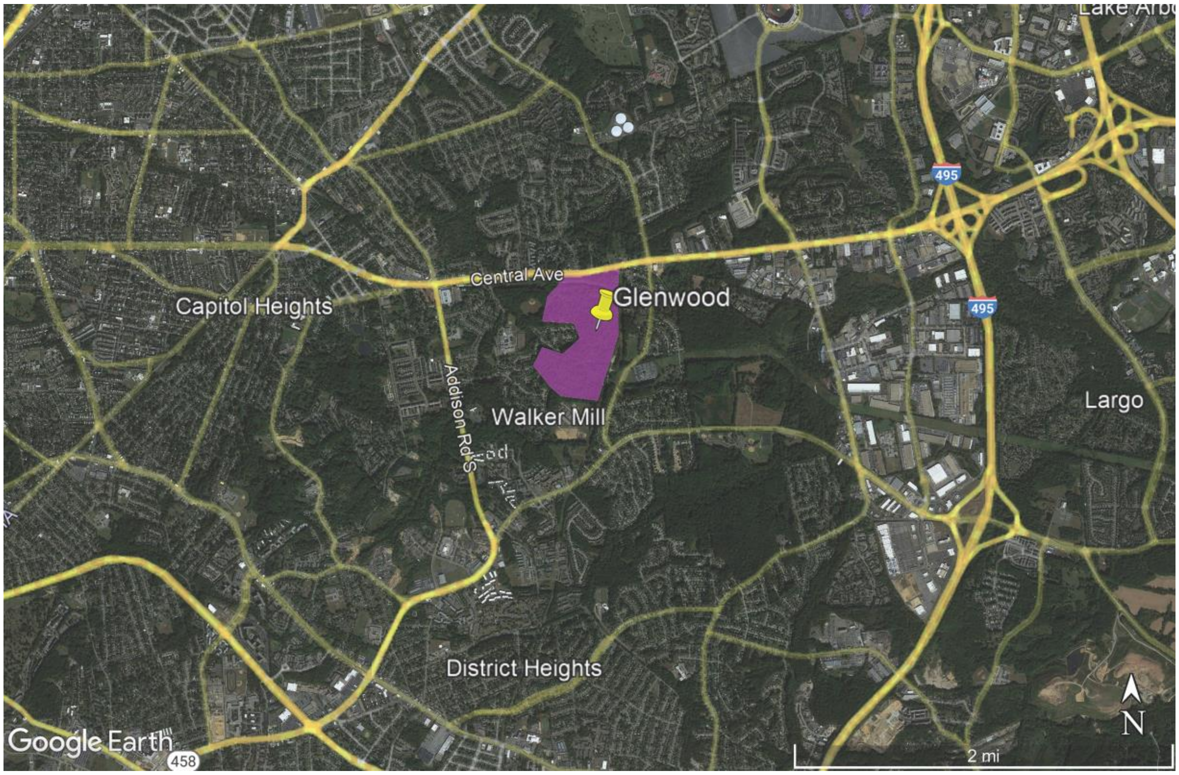
Figure 19: Addison Road-Seat Pleasant Approved Development Project - Metro City

Source: Prince George's County Economic Development Corporation, 2023

<u>Glenwood Hills</u> – The Glenwood Hills project is a large, mixed-use development proposed for the intersection of Central Avenue and Hill Road, approximately one-quarter mile from the Addison Road-Seat Pleasant Metro Station. This site of this project, which is not included in the Prince George's County Blue Line Opportunities PowerPoint presentation, is shown in Figure 20. A representative of the developer-owner, Berman Enterprises, provided details on the proposed mixed-use development. As of this writing, the Glenwood Hills development will include 126-131 townhouses, 550 multifamily (apartment) units, 775,000 square feet of industrial space, and 50,000 square feet of retail with meeting space. The representative from Berman Enterprises indicated that they would like to include a grocery store that would be the size of a Trader Joe's, approximately 12,000 to 15,000 square feet, because they know how much the community wants a grocery store (a standard supermarket is typically 50,000 plus square feet). The representative acknowledged that the grocery store may not be feasible until there are many more housing units in the area, but they are open to including one if they can make it work.

This project is in the entitlement process and at a hearing in January 2024, its conceptual site plan was approved. After that, the warehouse distribution part of the development will need to come back for approval in May 2024. If all goes as planned, grading for the project could begin in Fall 2024.

Figure 20: Proposed Development Project - Glenwood Hills



Sources: Berman Enterprises, 2023.

Potential Development – WMATA Joint Development

In April 2022 WMATA released its first ever 10-Year Strategic Plan for Joint Development. The plan details opportunities for joint development, which "requires coordinated construction of public transit facilities with private development."[3] In addition to listing the station sites in the Metro system that have existing joint development agreements, the plan identifies 20 station sites targeted to be under contract within 10 years for joint development. In the group of those 20 sites, labeled "Next Solicitations" is the Capitol Heights Metro Station with 204,000 square feet of development potential. In the next group labeled "Future Solicitations" is the Morgan Boulevard Metro Station with 700,000 square feet of development potential. The Addison Road Metro Station is included in a list of station sites that require "additional planning." For Addison Road the delay in proceeding with joint development is due to existence of a parking garage on the site that still has 10 to 20 years of useful life. That garage will likely need to serve displaced parking demand from the Capitol Heights and Morgan Boulevard stations when their redevelopments are underway.[4]

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[3] *Washington Metropolitan Area Transit Authority.* WMATA. (2022, April). https://www.wmata.com/business/real estate/joint-development.cfm.
[4] Ibid.

In the plan, each of the 40 stations that will experience joint development over the next 20 years have an associated list of near-term actions (2022-2023) and mid-term actions (2024-2026) including the Capitol Heights and Morgan Boulevard stations that are in the 10-year groups, as well as Addison Road station, which is in the 10- to 20-year group of stations. A summation of the plans for each of the three station sites as described in the 10-Year Strategic Plan is included below.

<u>Capitol Heights</u> – The near-term actions for the Capitol Heights Station range from completing the joint development feasibility study to coordinating with Prince George's County and the Town of Capitol Heights on an economic development strategy for the site to conducting a public hearing to amend the Mass Transit to securing funding for changes to transit facilities and issuing a joint development solicitation. The mid-term actions for 2024-2026 include executing the Joint Development Agreement and supporting the developer's planning and entitlement activities and approving plans.

Because Capitol Heights is in Group 2 of the stations for planning for joint development, the feasibility study has already begun. As part of the feasibility study, earlier this year WMATA commissioned a market review to assess feasibility of different use options on its property at the Capitol Heights Metro Station. Key findings of that market scan, prepared by HR&A Advisors, are as follows:

- There is demand for housing in vicinity of the station, both market rate and affordable. In the current market, the demand is strongest for multifamily residential.
- With more housing units added there could be sufficient market support for a small amount of ground floor retail, likely built into a residential development.
- The scale of demand for development at the Capitol Heights Metro Station points to a phased approach at this time. Financial feasibility analysis of development options will likely show that development costs, especially costs to address infrastructure needs, would make it difficult for a developer to realize sufficient returns for larger projects.

<u>Morgan Boulevard</u> – There is a shorter list of near-term actions for Morgan Boulevard given its delayed timing versus the Capitol Heights actions. The near-term actions again start with completing a joint development feasibility study, coordinating with Prince George's County on an economic development strategy, completing due diligence and scoping materials, and conducting the Compact Public Hearing to Amend the Mass Transit Plan. The mid-term actions for Morgan Boulevard start with securing funding for changes to transit facilities and site infrastructure, then issuing a Joint Development Solicitation, executing a Joint Development Agreement, and finally supporting the developer's planning and entitlement activities.

Addison Road-Seat Pleasant – Since Joint Development will not take place for 10 plus years, the list of near-term and mid-term actions for the Addison Road-Seat Pleasant Station is short. In the near-term WMATA will coordinate with Prince George's County and the City of Seat Pleasant on an economic development strategy and determine funding needs for bicycle and pedestrian improvements and other "interim placemaking activations." The mid-term actions include constructing bicycle and pedestrian improvements, completing the joint development feasibility study, and coordinating with Prince George's County on funding needs for replacement of the existing parking garage at the end of its useful life, between 2030 and 2040.

COMMUNITY AND OTHER STAKEHOLDER INPUT

Community stakeholder and other stakeholder input is an important part of the scope for the Central Avenue Blue-Silver Line Sector Plan. The M-NCPPC Prince George's County Planning Department staff has been gathering input from community stakeholders in multiple public sessions, both in-person and virtually. For the market study portion of the plan, BAE staff also interviewed and/or informally surveyed a range of other stakeholders including government officials, business association representatives, and real estate brokers and developers for their input on the market. While M-NCPPC led the public sessions with the community stakeholders, BAE asked the other stakeholders what opportunities and challenges exist in the sector plan area, and what they see in the way of development/redevelopment opportunities at the three Metro stations, and FedExField.

Per the plan scope, the consultant team specifically asked the community and the broader stakeholders about community and small business needs, investment and infrastructure needs, and transportation system needs. In addition to looking at the overall system, there was a considerable amount of input on the Metro stations, thus we included that input along with transportation system review. Finally, in addition to the input received on the three areas noted in the scope, BAE provides a summary of input received on economic development, land use, and other issues. While some of what is included here is not strictly market related, everything listed is a need, or a challenge that affects the overall economic health and future of the community. A listing of input collected from the community stakeholders, sometimes referred to as residents or community members here, and the other stakeholders, who are a mix of government officials, real estate professionals, developers and others is included below.

Community and Business Needs

- Among residents, the most frequently cited need is for a grocery store in the sector plan area.

- Many community members want to see more commercial and retail in the area, including small businesses, shops, restaurants and entertainment uses, particularly around the Metro stations.

- The Prince George's County Economic Development Corporation's Business Manager for Retail and Restaurants indicates that the community in the sector plan area has expressed a need for more quality restaurants in the sector plan area, especially ones with entertainment, sometimes called "eatertainment."

- Residents point to a need for more places to gather in the community and specifically for recreation and activities for children and teens, and seniors. This could include more parks, playgrounds, aquatics, arcades, and structured activities.

- Residents value existing parks, such as Walker Mill Park and Millwood Park, as important assets for the community. Many would like to see more trees and green space.

- All of the non-resident stakeholders interviewed for the study also agree that a grocery store is needed. Several noted that sector plan area is located in a County- designated Healthy Food Priority Area. A Healthy Food Priority Area is an area that lacks access to healthy food.

- A developer interviewed for the study is including a grocery store in a development plan in the sector plan area. He expressed hope that the community would support that proposal, but he recognizes that without additional population and household growth there may not be sufficient market support for a grocery store.

- Both the community and other stakeholders see the need for improved walkability on Central Avenue, especially near the Metro stations. Residents would also like to see more sidewalks and trails (bike and hiking).

- The Central Avenue Connector Trail, which will be constructed in phases beginning in 2024, will run from a point just west of the Capitol Heights Metro Station to the Large Town Center Metro Station. The community and other stakeholders favorably view this trail. It will allow pedestrian and bicycle commuting and provide an opportunity for area residents to walk or run for exercise.

- Prince George's County economic development officials also indicate there is a need for more medical and health care-related uses in the sector plan area including more primary care offices, dental offices, and urgent care.

Investment and Infrastructure

- According to other stakeholders, particularly WMATA, there are many infrastructure improvements needed in the sector plan area, including stormwater management, sewer relocation, and water mains. These infrastructure issues make new development and redevelopment more difficult and more expensive. (S. Segerlin, WMATA Director of Real Estate and Joint Development, personal communication, October 25, 2023)

- For joint development programming at the Metro stations, the cost of infrastructure improvements can be higher than the land value, which creates a funding gap difficult to fill. (S. Segerlin, personal communication, October 25, 2023)

- Community stakeholders commented on the need for investment in improvements at the Metro stations that are not transportation system improvements per se, including a general need for beautification, landscape maintenance, better lighting, etc.

- Community stakeholder and other stakeholders report that road improvements along Central Avenue that are currently underway (as of Fall 2023) were needed and are much appreciated by stakeholders and the community. Stakeholders are hopeful that pedestrian crossings will be improved when the work is done. The roadway had been seen as unsafe by many as there have been numerous accidents on Central Avenue in recent years.

Transportation System and Station Needs

- Community members consider the sector plan area's Metro service, and the presence of bus stops near the transit centers, as a major asset for the area. Some would like to see more frequent buses from the Metro stations, including more service on Sundays.

- Some community members specifically identified MetroAccess, a shared-ride, door-to-door paratransit service, as an important service for seniors and those with disabilities.

- Both community and other stakeholders indicated there is a need for better public transportation in the sector plan area and the surrounding area beyond the focus areas.

- The Chamber of Commerce director noted that having three Metro stations on the sector plan area is a plus but sees a need for better transit connections between cities and towns and major workplaces that are not on Metro lines. He cited, as an example, the difficulty of getting from Largo to Beltsville.

- Several other stakeholders mentioned the lack of cross County public transportation. One cited this in relation to grocery store access, noting that there is a grocery store on Maryland Route 704, just two miles away from parts of the sector plan area but there is no public transportation available to get there.

- Some residents said there is need for better parking for disabled people at the Metro stations. Also a few cited a need for second entrance at the Addison Road Metro Station.

- Many residents cited safety concerns at the Metro stations, especially at Capitol Heights and Addison Road. These residents believe that the safety concerns at these stations are part of the reason behind the declines in ridership that began before COVID-19.

Economic Development

- Business association and economic development agency representatives note there are three primary industry types on the sector plan area: food service and accommodations (i.e., restaurants and hotels), retail (ranging from small shops to Home Depot), and industrial/flex (i.e., light manufacturing, transportation, logistics, etc.).

- Economic development representatives and real estate industry representatives see population growth in the sector plan area, including creating more housing units of various types, as a key first step for economic development in the area. More residents will support more commercial uses and make for a stronger, more economically viable community.

- The Prince George's Chamber of Commerce representative believes that economic development efforts for the County should focus on "Sports and Entertainment Technology." This is an area in which Prince George's County already has assets and strengths, as the home of the Washington Commanders as well as nationally known basketball talent. This could include everything from sports training, research and development, sports facilities and equipment, sports medicine, and eGaming as a sport.

- The Chamber director further asserts that the sector plan area could include some of the sports and entertainment uses in the mixed-use town centers that are being contemplated for the focus areas. Also, some aspects of the sports and entertainment uses could be a good fit for the FedExField site if the Washington Commanders decide to move to a new stadium.

Land Use

- There is wide agreement among residents and other stakeholders that more housing is needed in the area, including affordable, workforce, and market rate.

- Other stakeholders noted that there are several projects already in the queue on the sector plan area that demonstrate the range of housing demand. The projects described in the Planned and Proposed Development section in this report include apartments, townhouses, condos, senior independent units, assisted living units and veterans housing.

- While there is wide agreement that housing is in demand, there is also broad agreement that retail or commercial use demand will be limited in the near future. WMATA, real estate industry representatives, and economic development representatives see small amounts of retail as part of residential developments. However, most anticipate that if there is enough population and household growth that will occupy the new housing units, demand for retail will grow.

- Grocery stores are by far the most requested commercial use by both community and other stakeholders. Both residents and stakeholders expressed disappointment that the deal for the Market Fresh Gourmet grocery store at the Hampton Park shopping center off Hampton Park Boulevard fell through.

- There are mixed feelings about industrial uses between resident and real estate and economic development stakeholders. In the community input sessions, some residents noted concerns about warehouse and industrial uses near residential areas. Other stakeholders cited the economic contribution of the industrial and warehouse uses on the sector plan area and Prince George's County in general. One of these believes there is potential for a "mini hub" for transportation and logistics uses in the area.

- Some other stakeholders weighed in on future uses of the FedExField site should the Washington Commanders opt for a new stadium location. Several mentioned a sports complex, with a large amount of indoor space for a range of sports (e.g., basketball, field hockey, soccer, baseball batting cages, etc.) as well as outdoor space that can be used for different sports. This type of facility could be seen as an extension of the Prince George's County Sports and Learning Complex located nearby.

- Another potential use of the FedExField site mentioned by a key stakeholder is the extension of The Ella at Carillon, a large medical office space adjacent to the University of Maryland Regional Medical Center in Largo. A new health facility on the stadium site could include clean rooms, labs, more medical office space and even senior living space, both assisted and independent.

Other Issues

- The business association, real estate industry, and WMATA representatives noted that there are regulatory barriers to development. They suggest that Prince George's County needs to reconsider some regulations and look to how other counties have found ways to streamline aspects of the development review and entitlement processes.

- The WMATA representative specifically cited Prince George's County standards for roadways as problematic. The County only allows roadways every 200 feet which limits access and traffic flow to development sites. (S. Segerlin, personal communication, October 25, 2023)

- The WMATA representative pointed to two other TOD projects that are worth examining as case studies: New Carrollton and West Hyattsville.

- The economic development agency and real estate industry representatives see major issues that constrain economic development and redevelopment: lack of consolidated land large enough for development projects of any consequence and a lack of funding to finance development. This is especially true along Central Avenue south of the Morgan Boulevard Metro Station.

- Economic development representatives see Metro station redevelopment as key to attracting additional investment. These stakeholders stress that if these sites are improved and modernized, it will help with attracting development of all kinds.

MARKET OBSERVATIONS

Based on the demographic, economic, real estate and other data, as well as input from community engagement sessions and business, economic development and other stakeholder interviews, BAE can make the following market observations that may help guide planning decisions.

1. **Housing Demand on the Sector Plan Area is Strong**

The sector plan area, and two of its three focus areas, have experienced moderate to substantial population growth in the period between 2010-2022, ranging from 18.9 percent growth for the sector plan area as a whole to 79.6 percent growth for the Morgan Boulevard Focus Area. Only the Capitol Heights Focus Area experienced a population decline in the period (-9.8 percent) which may have been, at least in part, due to COVID-19.

Households have increased in each of the three focus areas of the sector plan area, with the Morgan Boulevard Focus Area posting the most significant household gains, up 84.7 percent in the twelve-year period. The growth in the Morgan Boulevard Focus Area is notable because this is the part of the sector plan area where a considerable amount of new housing, primarily townhouses and apartments, has been built in recent years. According to real estate brokers contacted for this study, this new housing has maintained low vacancy rates since it was completed, a testament to housing demand in the sector plan area.

Additionally, with average rents and home sale prices much higher in the District of Columbia, the sector plan area is attracting new renters and homebuyers from DC. According to real estate brokers familiar with the residential market, the relative affordability and convenience to jobs in DC, as well as good Metro access, has proven to be attractive to people moving from DC or other parts of the region. Without question there is strong demand for housing, especially multi- family and single-family attached. The number housing development proposals (five) include in the pipeline is a clear indication of the strength of the market.

2. **Retail Demand on the Sector Plan Area is Currently Limited**

According to CoStar there is over 1.4 million square feet of retail in the sector plan area. The sector plan area's retail sector appears relatively stable and healthy—Q4 2023 retail vacancy rate is 1.9 percent but brokers contacted for the study indicate sales and rental activity but unremarkable. Other than Home Depot, most of the storefronts are occupied by small restaurants, primarily carry-outs, and a variety of retail shops. There are no grocery stores in the Central Avenue-Blue/Silver Line Sector Plan Area that could serve as an anchor in a retail center and bring business to other retail outlets.

According to real estate professionals and economic development officials the biggest reason why retail development demand is limited on the sector plan area is that there are too few potential customers in the market or trade area to support much commercial. This could change with the development of more housing units but that will take several years before there are enough households to support a large amount of retail. That is the primary reason why there is no grocery store in the sector plan area.

The Prince George's County Economic Development Corporation Business Development Manager for retail and restaurants indicated that there is demand in the community for higher quality restaurants and cafes. There is a particularly strong desire for restaurants and cafes with entertainment, sometimes referred to "eatertainment."

For the short- to medium-term, there will likely be only a small amount of retail included in new residential developments, even ones with a large number of multifamily units. There is not enough return on retail investment in the current market to support anything more substantial.

3. Industrial/Flex Demand is Strong

According to CoStar, there is approximately 2.4 million square feet of industrial/flex space on the sector plan area. As is the case in many U.S. markets at the present time, demand for industrial/flex space is exceptionally high. The current vacancy rate in the sector plan area in this real estate sector is 3.2 percent and industrial/flex rents are rising. In the last year, Q4 2022 to Q4 2023, rents increased 14.2 percent.

There will likely be interest among developers in expanding industrial/flex spaces on the sector plan area—the Glenwood Hills development described above includes a warehouse-distribution component--site options are somewhat limited. Residential development is relatively close to the current industrial areas and some residents who attended the community input sessions expressed concern about these uses being too close to homes.

4. Office Market is Small and Limited

According to CoStar there is just over 529,000 square feet of office on the sector plan area, just 1.8 percent of the County's office space. Office has never been a big part of the real estate market in the sector plan area and that is not likely to change. Given the current condition of the office market overall—many people are still working mostly from home or on limited hybrid schedules between home and office—it is just as well that office is a small part of the picture in the sector plan area.

The only office space type where there appears to be demand is small medical offices, doctor's and dentist's office and urgent care type services. Staff from the Prince George's County Economic Development Corporation indicate that there is a shortage of primary care physicians, as well as dentists in several parts of Prince George's County to the extent that these areas are called Health Care Priority Areas. These are potentially the type of uses that could work in the ground floor retail space in one of the new multifamily developments and would be permitted under mixed use zoning on Central Avenue.

5. Grocery Stores Are Strongly Desired by Residents

As noted earlier in this report, grocery stores are the number one most desired commercial use among residents who have attended community input sessions. Because grocery stores have low profit margins compared to other retail uses—Business Wire estimates that grocer's actual net profit margin average is 2.5 percent[5]—they require a large population in a trade area to be able to sustain themselves over the long run. Currently, there is not enough population or households in the sector plan area and even in the larger trade area beyond the study area, to support a grocery store. Just as the case is for general retail, this could change but that is not likely to happen in the near future.

A grocery store operator would almost certainly require some type of financial incentive to locate in the sector plan area. There are incentives in place to help attract grocery stores to Healthy Food Priority Areas, which are areas, including most of the sector plan area where 1) The Ratio of healthy to unhealthy food retailers is low, 2) The median household income is below $67,553, the Maryland Self Sufficiency Standard for a family of four and 3) Over 5.2 percent of households have no vehicle available. The Prince George's County Grocery Store Tax Credit offers the owner of a grocery store a property tax credit against increased County property taxes imposed on the grocery store for the first 10 years. This Grocery Store Tax Credit, which has not been used to date, was increased from a 75 percent credit to a 100 percent credit by the Prince George's County Council in November 2023. Thus, even with incentives, landing a grocery store in an area like the sector plan area is challenging.

Nicole Hall, Business Development Manager for Retail & Restaurants for the Prince George's County Economic Development Corporation, has been working with residents of the sector plan area, primarily those living in the Capitol Heights and Addison Road focus areas, to help the community attract a full-service grocery store that is at least 50,000 square feet in size. Representatives of the community involved in this effort have been looking for a six to eight acre site large enough for a 50,000 square foot Giant or Harris Teeter or something similar. They are hopeful that one of the developments in the pipeline in the sector plan area could be convinced to include a full-service grocery store in its final plans.

In the meantime, Ms. Hall understands from her work with Capitol Heights and Addison Road focus area residents and data collected from them and as well as from one supermarket

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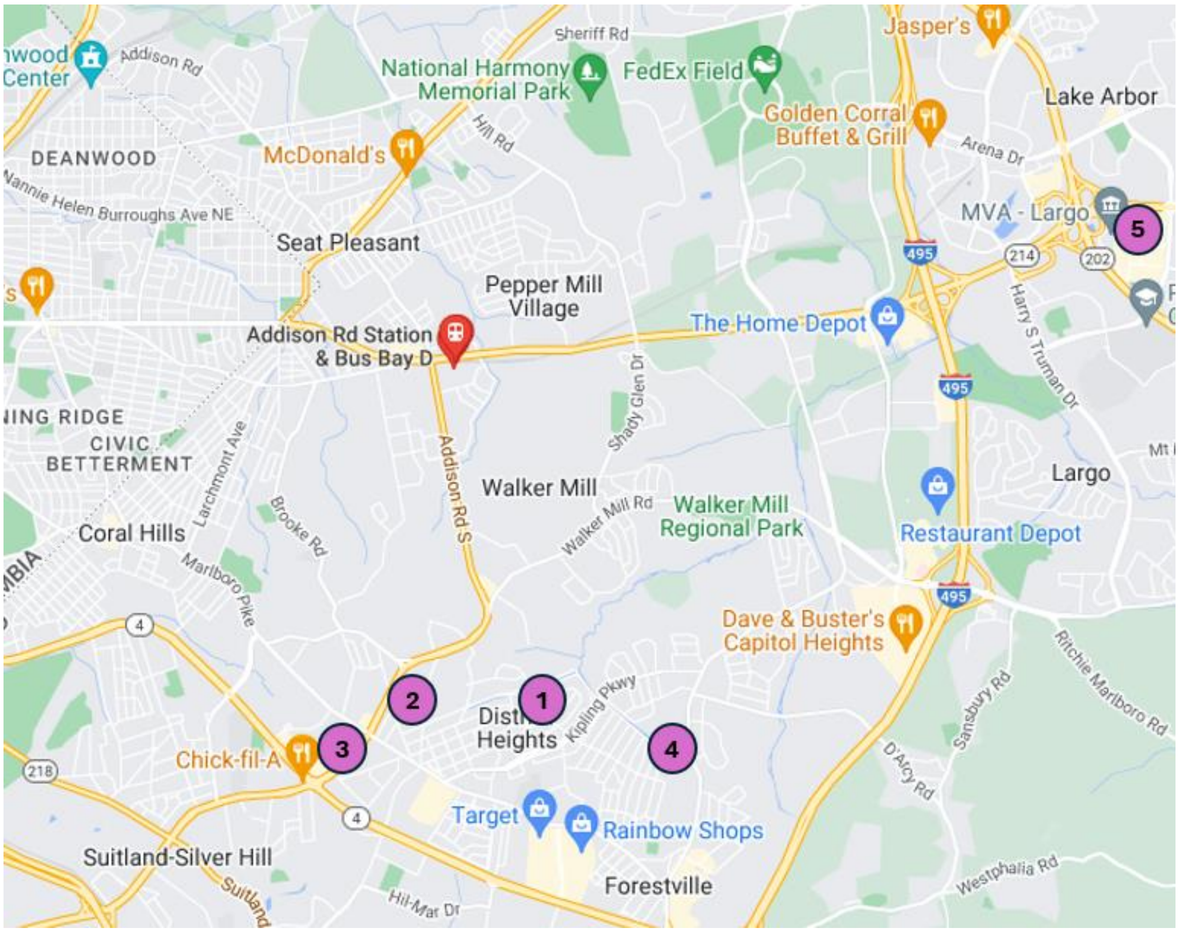
[5] Business Wire. (2023, February 15). *Americans Believe Grocery Profits Are 14 Times Higher Than Reality and Inflation is Twice as High as Actual.* Finance.yahoo.com https://finance.yahoo.com/news/americans-believe - grocery-store-profits-110000751.html.

chain, Giant, that residents will travel 15 to 20 minutes to get a grocery store. These sector plan area residents indicate they regularly travel to the following stores to purchase groceries, listed below by distance from the Addison Road Metro Station:

Figure 21: Grocery Store Locations Most Visited By Capitol Heights/Addison Road Focus Area Residents (By Distance from Addison Road Metro Station)



1. Aldi located in District Heights, MD (2.9 miles)
2. Shoppers Food & Pharmacy located in District Heights, MD (3 miles)
3. Giant located in District Heights, MD (3.4 miles)
4. Lidl located in District Heights, MD (4 miles)
5. Giant located in Largo, MD (4.2 miles)

According to USDA, the typical American travels two to three miles to a grocery store. Based on the above table, sector plan area residents currently travel a slightly further distance to grocery stores than average.

It is also important to note that according to the U.S. Census American Community Survey 5-Year Estimates, 13.6 percent of households in zip code 20743, which is a large portion of the sector plan area, do not have access to a vehicle. This compares to 8.5 percent of households in Prince George's County and 8.7 percent of households in the State of Maryland without a vehicle. Not having access to a car limits travel options to get to grocery store to public transit, ride share or other means.

6. **Development on the Metro Station Sites Will Include Residential Uses**

As described in detail throughout this study, and backed up by real estate professionals, WMATA and others, housing has the strongest market demand in the sector plan area of any real estate type. Housing, whether affordable, workforce or market rate, will be included in developments at each of the three Metro station sites included in the sector plan—Capitol Heights, Addison Road, and Morgan Boulevard. There will be other uses, including retail, in development plans, but housing will likely anchor the development/redevelopment focus areas.

There is already more than 2,400 housing units of various types proposed in the pipeline in the sector plan area, especially near the Addison Road Metro Station and Capitol Heights Metro Station. Some of these proposals also include senior independent and assisted living units.

7. **FedExField Site Reuse**

M-NCPPC-Prince George's County Planning Department has asked the consultant team to identify potential uses for the FedExField Site whether the Washington Commanders opt to continue to play at FedExField or play their games elsewhere in the Washington region. This is a challenging assignment, not just because the consultant team is completely detached from the Commanders' decision making process, but also because the FedExField site is quite large, approximately 240 acres.

A few uses put forward for the FedExField site by economic development stakeholders as part of this study if the Commanders opt to move seem reasonable under the circumstances: a large indoor/outdoor sports complex and a medical facility that would be an extension of The Ella at Carillon, which is adjacent to the University of Maryland Regional Medical Center in Largo. The sports complex could be considered a natural extension of the County's Sports and Learning Complex located nearby. It could be modeled after a large sports complex located in Manheim, PA called the Spooky Nook. That sports complex has 750,000 square feet of indoor space as well as outdoor recreation space that can be used for a variety of sports. Planning for a medical facility expansion may be premature since the Largo Town Center, which is home to the University of Maryland Capital Region Medical Center, is the designated medical district in the County and has ample room for continued growth on its medical campus.

DEVELOPMENT OPPORTUNITIES ANALYSIS

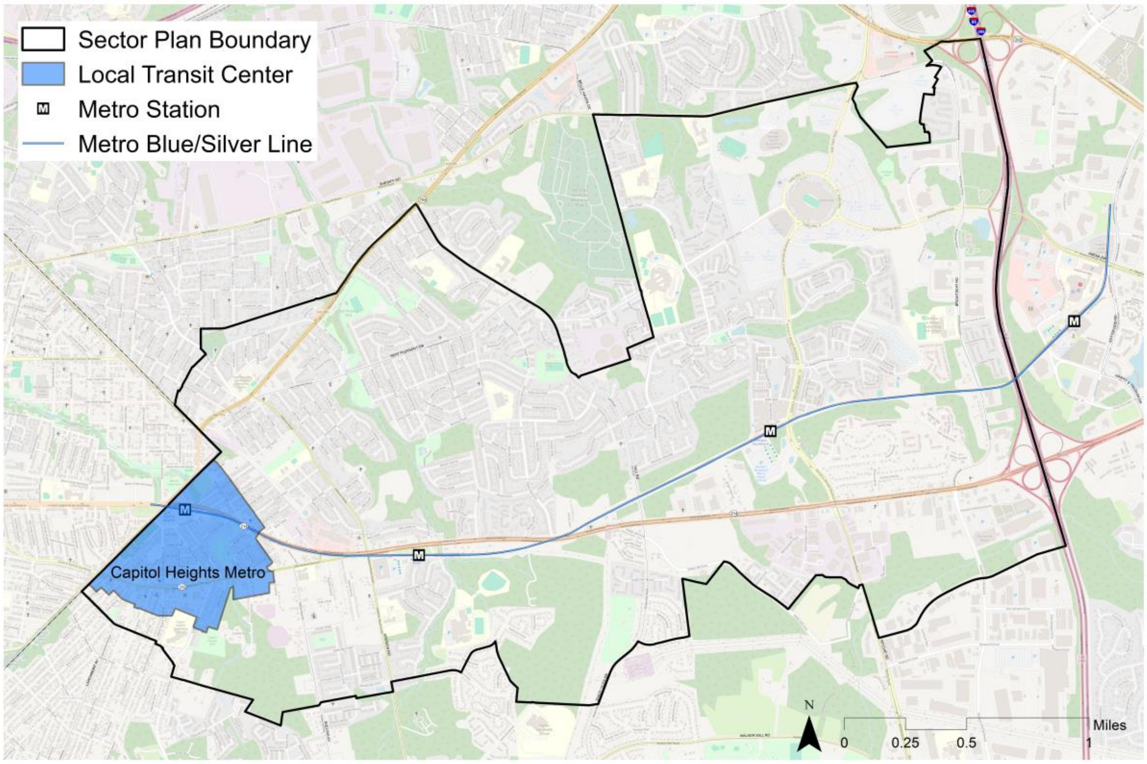
The Development Opportunities Analysis is provided to help guide planning for the Central Avenue-Blue/Silver Line Sector Plan. This analysis identifies alternative development scenarios that represent the highest and best uses for the three focus area, each of which surround Metro stations located in the sector plan area---Capitol Heights, Addison Road and Morgan Boulevard. The alternative scenarios in the focus areas, developed using the demographic and economic data, Metro ridership trends, real estate market conditions, and community input received as part of the sector planning process, are then scrutinized further through market assessments, a reviews of pros and cons as they pertain to the existing population in the sector plan area, and an equity analysis. The next part of this analysis of the Development Opportunities Analysis is a review of case studies of developments in broadly similar settings, focused on transit-oriented development and redevelopment. These case studies provide examples of best practices that can be useful for the sector plan. Finally, the last section lists other recommendations on the alternative development scenarios to help make way for land use and transportation planning.

Alternative Development Scenarios

Below are alternative development scenarios of representative projects for the sector plan area based on the market information collected in the existing conditions part of this study. There are scenarios for each focus area, on lots in sizes than can be found in the respective areas. Each focus area's market position is described, followed by illustrative scenarios that include a brief description of uses in the scenario. That is followed by a market assessment of the scenario, a listing of pros and cons for the scenario, and a brief equity assessment. The pros and cons list and equity assessment take into consideration community input and opportunities for positive impact on nearby residents, with a goal in mind of making sure that current residents enjoy benefits from any new development or redevelopment in the sector plan area.

A. Capitol Heights Focus Area

Figure 22 Capitol Heights Focus Area



Source: M-NCPPC Prince George's County Planning Department, 2023.

Capitol Heights Focus Area: Residential Mixed Use Development Area Near Metro
The Capitol Heights Focus Area in the sector plan should be focused on residential development within walking distance of the Metro Station. The market supports a mix of market-rate development and affordable housing. A small amount of retail space, perhaps 3,000 square feet per residential development, would complement the existing and new residential development and be market-supportable, given the additional households.

In the short to medium term, perhaps five years between 200 and 300 market-rate dwelling units and between 200 and 300 affordable units could be anticipated in the Capitol Heights station area. These would be broken up into different projects, as appropriate. A modest amount of retail would be incorporated into the new multifamily buildings. This volume of new residential development is anticipated *in addition to* the other primarily residential projects currently in the pipeline including 303 market rate units and 75 workforce units at a site on Akin Avenue and 150 affordable units on Sultan Avenue.

In terms of the types of housing that could be developed in this area, this scenario anticipates somewhat moderately intense development within a one-quarter mile radius around Metro

Station. This could include low to mid-rise multifamily housing. To facilitate a transition to areas single-family detached housing nearby, this would include lower building heights on the edges, of two to three stories.

To facilitate walkability, the scenario would include an extensive, high-quality public realm network that includes walk/bike facilities, parks and other types of outdoor public gathering spaces.

Scenario A-1: Multifamily, 150 Market-Rate Units and Complementary Retail, Less than 3,000 square feet. Scenario A-1 would be on a site adjacent to the Capitol Heights Metro Station. It will include green space, tree planting and good connectivity with the Capitol Heights Metro Station, the Central Avenue Connector Trail, sidewalks, and good vehicular access to Central Avenue.

Market Assessment: Based on experience with similar development in areas with like characteristics, as well as CoStar and other market data available from real estate brokers working in the area, Scenario A-1 has sufficient market development potential to go forward. However, it should be noted that development of the A-1 Scenario would still require a financial feasibility analysis and that if it proceeds the developer may need to take a phased approach to the project. One small (38-unit) market rate development just over the District line, Turner Flats at Beulah Crossing, was fully absorbed by the market soon after construction was complete in 2023. Furthermore, vacancy rates in the Capitol Heights Metro Station area are currently in the range of 7.5 percent, lower than Prince George's County's multifamily vacancy rate of 9.1 percent, indicating emerging demand for market-rate apartments at the prices required to support new development. The small amount of retail proposed as part of Scenario A-1 would largely be serving existing residents, new building occupants, and transit riders. This limited retail would be a fresh, new addition to the area. Little new retail in the area has been built in recent years, and real estate brokers who actively work in this area who were contacted for this study indicate retail demand in this area is low. According to these brokers, the low retail space demand is due to two factors: 1) other good retail options elsewhere in vicinity of the sector plan area, including in District Heights and Largo, and 2) too few households in the sector plan area to constitute sufficient demand for new retail investment. Accordingly, while retail vacancies in the Capitol Heights Focus Area are quite low, about 2 percent, this does not currently translate to new demand, but rather reflects a level of stagnation in a limited market.

It is also likely that retail demand is limited because of safety concerns in the Capitol Heights Focus Area. Whether crime or safety concerns are perceived or real, in an environment where retailers are being particularly careful about where to locate stores, this area would likely not be a top choice in the central part of Prince George's County. As noted in the community input summary, residents expressed safety concerns near the Capitol Heights Metro Station at community input sessions held in the last few months.

Pros and Cons:

Pros: 1) Community members have voiced support for new housing of all types throughout the corridor, including in Capitol Heights.

2) Apartments would be a new offering for Capitol Heights, which several residents expressed since 90.8 percent of the focus area's housing is single-family detached.

3) The apartments in Scenario A-1, if developed properly, would likely attract people moving into the area, especially workers who commute on Metro, but also potentially baby boomers or retirees who live nearby in single-family detached housing, but would rather not continue bearing the responsibility for and cost of home maintenance.

4) Well-designed apartments can enhance the value of the neighborhood and its properties. Often such development spurs other development which attracts new investment into the area.

Cons: 1) At a community input session in Capitol Heights, residents of the area expressed concerns about apartments and increased density in the area and the compatibility with existing single-family residential uses.

2) A few people at a Capitol Heights community input session expressed reservations about new retail with concern it might bring crime to the area.

Scenario A-2: Multifamily, 200 Affordable Units and Complementary Retail, Less than 3,000 square feet. Scenario A-2 would be on a site near, but not adjacent to the Capitol Heights Metro Station. It will include green space, tree planting, and good connectivity with the Capitol Heights Metro Station, the Central Avenue Connector Trail, sidewalks, and easy vehicular access to Central Avenue.

Market Assessment: Based on experience with similar development in areas with like characteristics, as well as CoStar and other market data available from real estate brokers working in the area, Scenario A-2 has market development potential. There have been several affordable multifamily developments with more than 100 units built in the Capitol Heights area recently. All of these units are part of developments funded in part by low-income housing tax credits (LIHTCs). The affordable vacancy rate in the area is less than 2 percent. This low vacancy rate points to significant additional demand. According to CoStar there are five affordable housing developments in the pipeline in the Capitol Heights Station Area, three in the District and two in Maryland. One of the projects on the Maryland side of the District line has 193 units, while the other has 280 units. Despite that, the need for affordable units is so substantial that there would still be strong demand for affordable units that are part of Scenario A-2. Also, any site close to the Metro station gives it a competitive advantage.

Pros and Cons:

Pros: 1) Community members voiced support for new housing of all types throughout the corridor, including in Capitol Heights.

2) The need for affordable units in the Capitol Heights area is strong. Median household income in the Capitol Heights subsector is $77,995 compared to $92,437 in Prince George's County. It is likely that there are many housing cost-burdened households in and around Capitol Heights.

3) Well-designed apartments would enhance the value of the neighborhood and its properties. It could spur on other development which would attract new investment into the area.

4) The number of financing options for affordable housing, including federal Low Income Housing Tax Credits and bond financing, increase the likelihood of successful completion of the development. In the last year. the Amazon Housing Equity Fund has also been providing financing for affordable housing in the DC area. That fund is part of the financing package for Park Place at Addison Road.

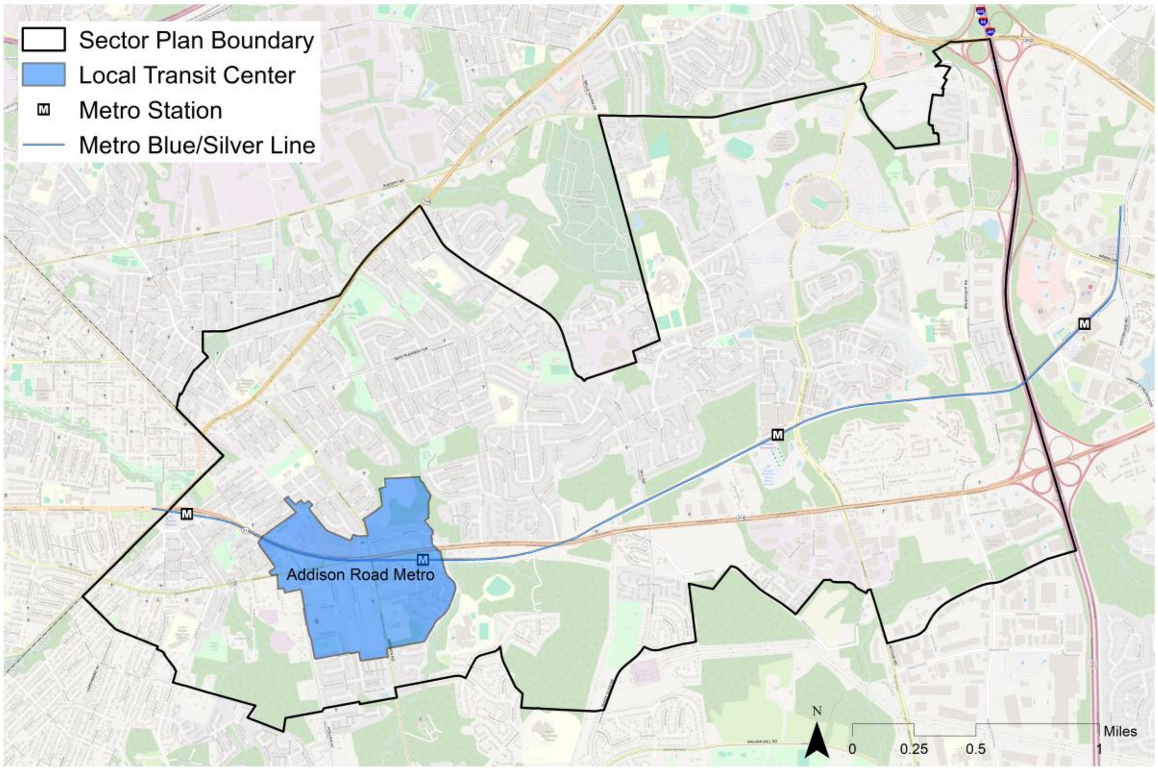
Cons: 1) At a community input session in Capitol Heights, residents of the area expressed concerns about apartments and increased density in the area and the compatibility with existing single-family residential uses.

3) A few people at a Capitol Heights community input session expressed reservations about new retail with concern it might bring crime to the area.

B. Addison Road Focus Area:

Addison Road Focus Area: Walkable, Mixed-Use Mixed Income Metro Village

Figure 23 Addison Road Focus Area



Source: M-NCPPC Prince George's County Planning Department, 2023.

The Addison Road Focus Area in the sector plan should be focused on residential development within walking distance of the Metro Station. There should be supporting retail to new residential development, largely neighborhood commercial as opposed to regional commercial. It should be noted that the Addison Road Focus Area, with multiple development sites within one-quarter mile of the Addison Road Metro Station is likely the sector plan area most vulnerable to gentrification. This area is also close to Morgan Boulevard where housing prices are the highest in sector plan area.

For this focus area the market supports a mix of market-rate development and affordable housing. Up to 50,000 square feet of retail space would complement the existing and new residential development and be market-supportable, given the additional households. A new supermarket could be programmed as a priority retail investment to address the lack of healthy food in this area, though this would likely follow the addition of new housing units.

During the initial five years, between 500 and 800 market-rate dwelling units and between 200 and 300 affordable units could be anticipated in the Addison Road station area. These could be broken up into multiple projects, as appropriate. The retail would be incorporated into the new multifamily buildings, in most cases. This volume of new residential development is anticipated in addition to the residential and mixed-use projects currently under construction or approved and ready for construction. The only one in this category is Park Place at Addison Road which was supposed to be under construction this past summer (2023) but is delayed. It has 193 affordable apartments and 11,000 square feet of retail. The others in the pipeline in the Addison Road area are either too early in the process or still seeking investors or financing in a tough borrowing climate.

In terms of the types of housing that could be developed in this area, this scenario anticipates more intense development within a roughly one quarter mile radius around Metro Station. This could include multifamily housing up to six or seven stories, for example, as well as townhouses. To facilitate a transition to the single-family housing nearby, development should taper down to low-scale to be compatible with the neighborhood. Accordingly, new areas with compact housing but with lower building heights — for example in the two- to three-story range — could be appropriate.

To facilitate walkability, the scenario would include an extensive, high-quality public realm network that includes walk/bike facilities, parks and other types of outdoor public gathering spaces.

We envision two scenarios for the Addison Road Focus Area that are potentially supportable in the market. These are described below.

Scenario B-1: Multifamily, 500 Market-Rate Units, 100 Townhouses or mix of townhouses and two over twos, and 50,000 square feet of retail space. This development will include green space, tree planting and good connectivity with the Addison Road Metro Station, the Central Avenue Connector Trail, sidewalks, and easy vehicular access to Central Avenue. Because it is on a large site there are opportunities for the development to include park-like open space.

Market Assessment: While this is a large project, in light of area market conditions, and with site control and adequate financing, Scenario B-1 has market development potential. Looking at the success of the newer residential development in the nearby Morgan Boulevard Focus Area, a large-scale development proposal like this should be anticipated in the near future in the Addison Road Focus Area specifically. It is reasonable to assume that demand for market-rate apartments and for-sale single family attached that has occurred in the Morgan Boulevard Focus Area would help make Scenario B-1 supportable in the marketplace. Scenario B-1 would be located a short, walkable distance from the Addison Road Metro Station. Housing prices and rents have been increasing in the sector plan area—according to

CoStar apartment rental rates rose by 12.5 percent between Q4 2022 and Q4 2023—which bodes well for this scenario. Furthermore, townhouse sale prices in the nearby Morgan Boulevard Focus Area have risen sharply in the past year; 20 townhouses were sold in this area with a median sale price of $440,000, 34.8 percent higher than the sector plan area's median sale price. While this price point is higher relative to the sector plan area, it is significantly less than the median sale price of a townhome in Washington DC. Between December 2023 and December 2024, the median townhome sale price in the District was $800,000. It is easy to see that the sector plan area , and Scenario B-1, with excellent Metro access in a convenient location in the region, would have broad appeal to renters and buyers, including some from the District. The retail planned for the site is more ambitious than any other current project in the pipeline, but if it is located in a well-designed community and has a mix of neighborhood serving and regional destination retail, especially restaurants, it could be successful.

Pros and Cons:

Pros: 1) Scenario B-1 would add more housing and housing options in the corridor, especially apartment offerings.

2) With the most significant addition of retail in many years, it would potentially make the retail scene more vibrant for area residents, bringing new offerings and variety. The community would like to see more commercial and retail in the area, including small businesses, shops, restaurants, and entertainment uses.

3) Scenario B-1 is large enough to potentially be transformative and it is likely to attract other new investment into the area.

4) The large number of additional units and population in the scenario would increase the likelihood of attracting a grocery store to the corridor.

Cons: 1) Current residents of the Sector plan area may not be able to afford the housing options—apartments or townhouses—in this scenario. For example, thirty percent of the monthly portion of the median household income for Addison Road is $1,602, the amount that a local resident can pay in rent without being cost-burdened. A Class A new rental here would be $1,800 plus.

2) The project is large enough that it could bring significant change to the corridor in many ways, which may not be welcomed by some current residents.

3) Some of the residents attending the community input sessions in the Sector plan area have expressed concerns about apartments and increased density.

4) Scenario B-1 is potentially large enough to increase traffic volume and change traffic patterns.

Scenario B-2: Multifamily, 200 Affordable Units and 10,000 square feet of retail space, potentially with limited underground parking (one floor). Scenario B-2 will include green space, tree plantings and good connectivity with the Addison Road Metro Station, the Central Avenue Connector Trail, sidewalks, and easy vehicular access to Central Avenue.

Market Assessment: Based on experience with similar development in areas with like characteristics, as well as CoStar and other market data available from real estate brokers working in the area, Scenario B-2 has sufficient market development potential to go forward. There have been several affordable multifamily developments with more than 100 units built in the area recently. All of these units are part of developments funded in part by low-income housing tax credits (LIHTCs). The affordable vacancy rate in the area is less than 2 percent. The low vacancy rate points to significant additional demand. Scenario B-2 would be located on a site a short distance, less than 1,000 feet, from the Addison Road Metro Station. The retail proposed as part of Scenario B-2 would serve existing residents, new building occupants, and transit riders and potentially, given the site's location near Central Avenue, others beyond the sector plan area. This retail would be a fresh, new addition to the area. Only a small amount of new retail in the area has been built in the corridor in recent years. Currently, the retail vacancy rate is 1.9 percent in the sector plan area,

Pros and Cons:

Pros: 1) Community members have voiced support for new housing of all types throughout the corridor, including near Addison Road.

2) The need for affordable units in the Addison Road area is especially great. Median household income in the Addison Road Focus Area is $64,067 compared to $92,437 in Prince George's County.

3) Well-designed apartments would enhance the appeal of the neighborhood and its properties. It could spur on other development which would attract new investment into the area.

5) The community has expressed a desire for new retail and what is planned here will be welcome. Community members have indicated they would like to see more commercial and retail in the area, including small businesses, shops, restaurants, and entertainment uses.

Cons: 1) Several people who live in the sector plan area have expressed concerns at community input session about apartments and increased housing density in this area.

2) Some community members have safety concerns in vicinity of the Addison Road Metro Station and have reservations about retail uses in nearby developments.

Scenario B-3: Multifamily, 200 Mixed-Income Units and 10,000 square feet of retail space. Scenario B-2 will include green space, tree plantings and good connectivity with the Addison Road Metro Station, the Central Avenue Connector Trail, sidewalks, and easy vehicular access to Central Avenue.

Market Assessment: Based on experience with similar development in areas with like characteristics, as well as CoStar and other market data available from real estate brokers working in the area, Scenario B-3, which is a mixed-income, affordable at up to 60 percent of area median income, and market rate, has sufficient market development potential to go forward. The affordable units are funded in part by low-income housing tax credits (LIHTCs). The affordable vacancy rate in the area is less than 2 percent. The low vacancy rate points to significant additional demand. Scenario B-3 would be located on a site a short distance, less than one-quarter mile, from the Addison Road Metro Station. The retail proposed as part of Scenario B-3 would serve existing residents, new building occupants, and transit riders and potentially, given the site's location near Central Avenue, others beyond the sector plan area. A small amount of retail here is needed, though it would primarily serve the occupants of this development. This retail would be a fresh, new addition to the area. Only a small amount of new retail in the area has been built in the corridor in recent years as limited population growth has not warranted more substantial growth.

Pros and Cons:

Pros: 1) Community members have voiced support for new housing of all types throughout the corridor, including near Addison Road.

2) The need for affordable units in the Addison Road area is strong. Median household income in the Addison Road Focus Area is $64,067 compared to $92,437 in Prince George's County. It is likely that there are many housing cost-burdened households in and around Addison Road.

3) Well-designed apartments would enhance the value of the neighborhood and its properties. It could spur on other development which would attract new investment into the area.

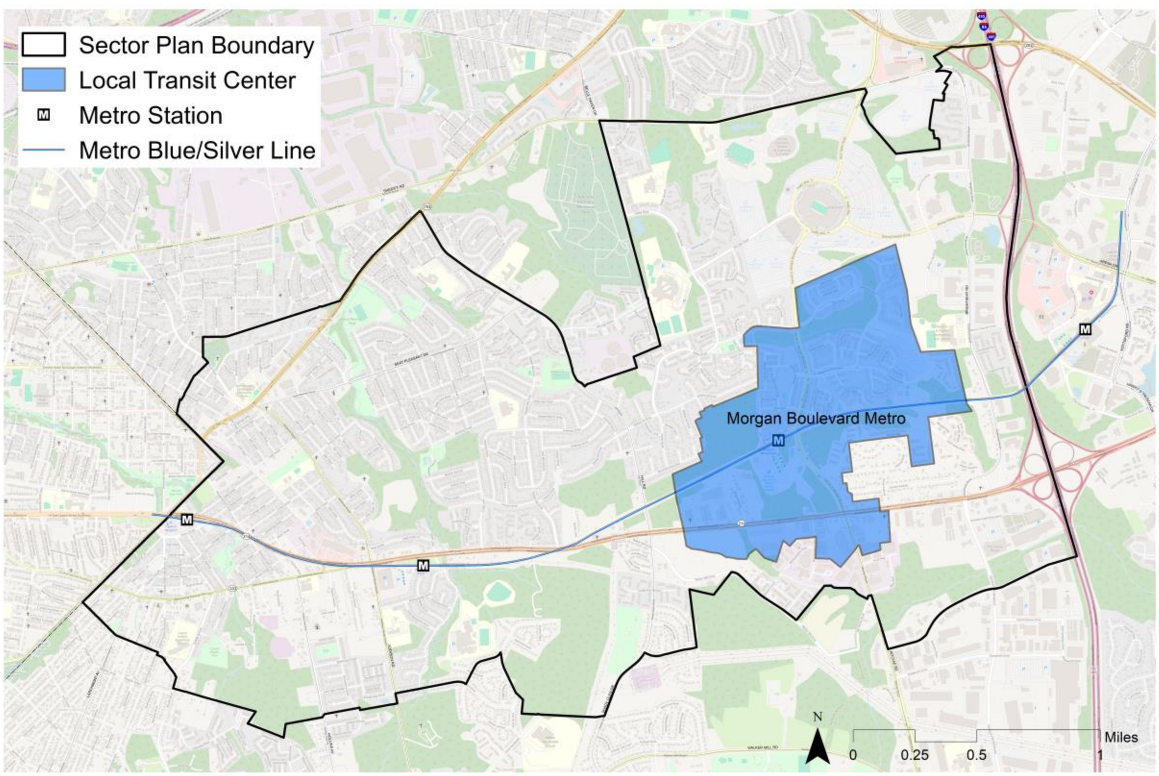
5) The community has expressed a desire for new retail and what is planned here will be welcome. Community members have indicated they would like to see more commercial and retail in the area, including small businesses, shops, restaurants, and entertainment uses.

Cons: 1) Several people who live in the sector plan area have expressed concerns at community input session about apartments and increased housing density in this area.

2) Some community members have safety concerns in vicinity of the Addison Road Metro Station and have reservations about retail uses in nearby developments.

C. Morgan Boulevard Focus Area

Figure 24 Morgan Boulevard Focus Area



Source: M-NCPPC Prince George's County Planning Department, 2023.

Morgan Boulevard Focus Area: Residential and Neighborhood Retail Mini-Hub

The Morgan Boulevard Focus Area in the sector plan should be mostly residential development with new retail, primarily neighborhood serving, to support existing and new residential units.

The Morgan Boulevard Focus Area should also include approximately 30,000 square feet of retail, primarily neighborhood serving, for the existing residential community, as well as the new housing units. This retail space would complement the existing and new residential development and be market-supportable, especially given the additional households. This retail would include smaller retail shops, as well as restaurants, and cafés.

In the short to medium term, in the next five years between 200 to 300 apartments and 90 to 120 townhouses could be anticipated in the Morgan Boulevard Focus Area. These could be broken up into multiple projects, as appropriate. The retail could be incorporated into the new multifamily buildings, in most cases.

The Morgan Boulevard Focus Area could include multifamily housing up to six or seven stories, consistent with the scale of the existing multifamily development, as well as townhouses. As with the other areas, height and density would taper down after the one-quarter mile distance from the Metro Station.

To facilitate walkability, the scenario would include an extensive, high-quality public realm network that includes walk/bike facilities, parks and other types of outdoor public gathering spaces.

One substantial mixed-use scenario for the Morgan Boulevard Focus Area that is supportable in the market is described below. This scenario could be replicated or have minor use mix variations or changes in characteristics, but since the components would be similar only one scenario is described below,

Scenario C: Multifamily, 220 market-rate units, 90 townhouses, and up to 30,000 square feet of retail space. Scenario C-1 would be on a site near the Morgan Boulevard Metro Station and also close to the townhouses and apartments built between 2007 and 2012. Like the other scenarios, Scenario C-1 will include green space and tree plantings, within a short distance to, and good connectivity with the Morgan Boulevard Metro Station.

Market Assessment: Based on experience with similar development in areas with like characteristics, as well as CoStar and other market data available from real estate brokers working in the area, Scenario C-1 has sufficient market development potential to go forward. Looking at the success of the newer residential development in the Morgan Boulevard Focus Area, it is reasonable to assume that demand for market-rate apartments and for-sale townhomes would help make this project supportable in the marketplace. Scenario C-1 would be located a relatively short, walkable distance from the Morgan Boulevard Metro Station. Home prices and rents have been increasing in the Sector plan area—apartment rental rates rose by 12.5 percent between Q4 2022 and Q4 2023—which bodes well for Scenario C-1. Furthermore, sale prices of the other newer townhomes in the Morgan Boulevard Focus Area have risen sharply in the past year; 20 townhomes were sold in this area with a median sale price of $440,000, 34.8 percent higher than the corridor's median sale price. Though this price point is higher relative to the corridor, it is significantly less than the median sale price of a townhome in Washington DC. Between December 2023 and December 2024, the median townhome sale price in the District was $800,000. It is easy to see that the sector plan area, and Scenario C-1, with excellent Metro access in a convenient location in the region, would have broad appeal to renters and buyers, including some from the District. Because the area around the Morgan Boulevard station has experienced significant growth since 2010 with the homes and apartments built between 2007-2012, there is already growing retail demand in the area. Some of that demand is being met by retail offerings at Largo Town Center, which is nearby, but it is quite likely that residents of the Morgan Boulevard Focus Area desire more neighborhood serving retail, including cafes and restaurants nearby, without having to travel to the other side of the Capital Beltway.

Pros and Cons:

Pros: 1) The community is supportive of new housing of all kinds throughout the corridor.

2) The apartments will likely attract new residents of all ages.

3) The existing community will appreciate retail offerings here especially since this may be a good location for new options.

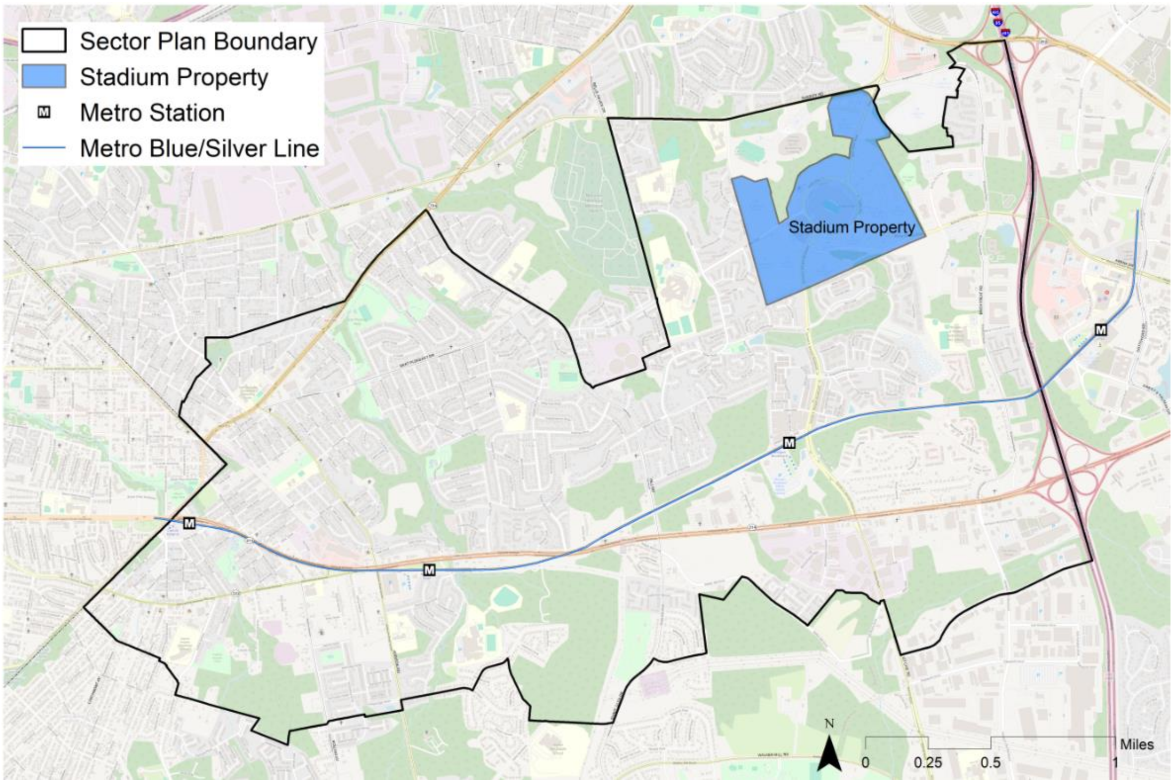
4) In general, the newer housing that was built in the Morgan Boulevard Focus Area is considered a positive in the corridor. Assuming the new housing is built in a similar fashion it will be well received.

Cons: 1) The sales prices of the townhouse and apartment rents may be too high for many who live in the other parts of the sector plan area.

2) Some of the residents attending the community input session in the sector plan area have expressed concerns about apartments and increased density.

D. FedExField

Figure 25 FedExField Property



Source: M-NCPPC Prince George's County Planning Department, 2023.

FedExField, which is located outside of the three focus areas included in the Central Avenue Blue/Silver Line Sector Plan area, is home the Washington Commanders NFL team. The team has a contractual obligation to play at FedExField through 2027. Accordingly, M-NCPPC Prince George's County Planning Department has asked the consultant team to develop two sets of scenarios for the 240-acre FedExField site. The two sets of scenarios are as follows: 1) a scenario or scenarios where the Washington Commanders stop playing at FedExField after 2027 and the entire 240-acre stadium site can be used for another purpose or purposes; and 2) a scenario or scenarios where the Washington Commanders continue to play at FedExField property, though the stadium itself could be relocated elsewhere on the site to allow for additional uses.

BAE considered a range of uses for the FedExField and ultimately believe the sports and entertainment options, along with housing, are the best uses for the location and the market. We considered the possibility of medical uses on the FedExField site, as noted earlier in this report. Bringing medical uses to the FedExField site would be an extension of The Ella at

Carillon facilities in Largo. But a substantial amount of capacity remains in Largo for medical uses, and bringing medical uses to the FedExField site would add no additional value.

Accordingly, we have identified three scenarios that include sports, entertainment and residential uses that are potentially supportable in the market and describe each of these below.

Scenario D-1: Indoor/Outdoor Sports Complex with Restaurant, Retail, Hotel, and Adjacent Residential Uses

This scenario assumes that the Washington Commanders opt to play at another location in the metro area after 2027 and the FedExField stadium is demolished.

The scenario would include 450,000 to 500,000 square feet of sports facilities under roof. This indoor sports facility would be equal in size or slightly larger than the largest indoor sports complex in the Washington region presently, the St. James in Springfield, VA, which has 450,000 square feet for indoor sports, situated on a 20-acre site with no outdoor playing fields. The facility would be smaller than the largest indoor sports complex in the MidAtlantic region, the Spooky Nook in Lancaster County, PA, which is 700,000 square feet.

This facility would offer sports for all ages from tots to seniors. The offerings would complement and expand what is available at the Prince George's County Sports and Learning Complex into a larger regional market. This could include facilities for field hockey, football, lacrosse, soccer, futsal, pickleball, volleyball, basketball, hockey, ice skating, baseball, softball gymnastics, dance, cheer, golf, squash, climbing and bouldering. It would also offer fitness facilities with membership and sports entertainment uses such as go carts, VR gaming, iRacing, etc.

The complex would have 40 acres of outdoor playing fields and be a tournament venue indoors and outdoors for youth and adult clubs and leagues. The complex would offer an on-site hotel and multiple dining options from food court carry-out to sports bars/brewpubs to full-service dining (e.g., steakhouse, farm to table regional cuisine, etc.) as well as small amount of retail that would include sports clothing, equipment, and accessories, and a convenience store.

This development would also include mixed-income apartments located near the outdoor playing fields on the site. These would be delivered in three phases of approximately 500 apartments each.

Market Assessment: Since indoor sports complexes like what is described above are privately-held and do not share financials, it is impossible to state with certainty that this use is 100 percent likely to have the necessary market support to succeed. However, there is little doubt that a key part of indoor sports complexes' operations, youth sports, has seen significant market growth in the U.S. in recent years. WinterGreen Research, Inc., a market research firm that provides market assessments on a range of industries, estimated in a 2019 study that youth sports has a $19.2 billion market in the U.S. According to this report, the youth sports market, which rivals the size of the $15 billion NFL, has a long list of market segments for revenue generation from “travel, equipment, team membership, facility construction, software, and venue rental.”[6]

In the Washington-Baltimore metropolitan area, there is only one indoor sports facility of a comparable size to what is described above, the aforementioned St. James in Springfield VA, which opened in 2018. It has 450,000 square feet of indoor sports space but no outdoor playing fields. If the FedExField property indoor sports complex becomes a reality, it will be the largest indoor sports facility in Maryland. With a location a few minutes from the Capital Beltway, it would have a large market to draw from on the Maryland side of the Potomac River from Southern Maryland to Baltimore and perhaps west to Frederick. The outdoor sports complex described in Scenario D-1 may not attract as many users from Northern Virginia since the St. James has a natural advantage in its home territory—though it may attract some out of state users who are specifically seeking outdoor playing fields for tournament venues--but it would likely regain some of the Maryland-based users who have been traveling to Springfield for comparable facilities.

As described in a case study later in this report, Spooky Nook Sports in Lancaster County, PA is the largest indoor sports facility in the MidAtlantic. From all indications Spooky Nook Sports is doing well and also draws users from a multistate market. There would likely be a part of Maryland, north of Baltimore that could just as easily travel to Lancaster to the Spooky Nook facility instead of Prince George’s County, but the size of the Baltimore-Washington Statistical Area, estimated 2020 population of 9.97 million, could potentially support an outdoor sports facility complementary to the St. James on the other side of the Potomac River.

As indicated in the previous scenarios and in the conclusion of the existing conditions section above, the market for housing, particularly for apartments, is strong in the sector plan area. Accordingly, the 1,500 apartments proposed for the FedExField property in this scenario should enjoy good demand, particularly if the mixed-income apartments are phased in over time.

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[6] Youth Sports Market Projected to Reach $77.6 Billion by 2026 – Comprehensive Industry Analysis & Insights.” *GlobeNewsWire News Room,* Research and Markets, 26 Dec. 2019, www,blobenewswire.com/news-release/2019/12/26/1964575/0/en/Youth-Sorts-Market-Projected-to-Reach-77-6-Billion-by-Comprehensive-Industry-Analysis-Insights.html.

Pros and Cons:

Pros: 1) Sector plan area residents, particularly families with children involved in sports, would have convenient access to a first-rate indoor sports complex with expanded offerings beyond what is available at the Sports and Learning Center and other County facilities;

2) The indoor sports complex would attract thousands of year-round sports participants and spectators to Landover and the sector plan area who would conceivably support other local businesses in the area beyond the offerings of the sports complex itself;

3) The indoor sports complex would likely employ sector plan area residents, including good part-time jobs for youth. The Spooky Nook sports facility, which is somewhat larger than the indoor sports complex contemplated here, employs approximately 700 people, with 140 FTEs;

4) Potentially creating the opportunity for a partnership with M-NCPPC's Prince George's County Department of Parks and Recreation to manage and maintain some of the outdoor facilities for youth sports and general recreation in exchange for County usage of the playing fields; and

5) The community is supportive of new housing of all kinds throughout the sector plan area, especially if a portion of the housing is affordable.

Cons: 1) Fitness memberships at this indoor sports complex will likely not be affordable to many sector plan area residents. Memberships would almost certainly be over $100 per month.

2) The residential area next to the FedExField property would likely experience traffic congestion for certain events at the indoor sports facility, though probably not as substantial as the Washington Commanders' games at FedExField.

Scenario D-2: Mixed Use Sports Entertainment District

This scenario assumes the Washington Commanders continue to play on the FedExField property but in a new stadium.

The Commanders' sports entertainment district would have a mix of uses including restaurants, retail, a hotel, residential (apartments), and complementary sports entertainment options (e.g., bowling, mechanical bull, others), together with the relocated stadium. The sports entertainment district would be open 365 days a year though it would likely be busiest on home game days or when the stadium hosts a concert or special event.

The sports entertainment district would include 100,000 plus square feet of restaurant/retail primarily located on the lower floors of two apartment buildings. The two apartment buildings would include a total of 500 apartments. These apartments will be located in the core of the sports entertainment district and will be a mix of market rate and affordable rentals. There will also be a hotel on-site, and perhaps a second one in a later phase. Overall, the space will be high quality public realm that encourages walking and cycling, providing the organizational structure of the district and connecting all the venues and programmatic elements.

There would also be additional apartments elsewhere on the FedExField property away from the core sports entertainment district with more limited retail built in later phases. These apartments would be in two similar sized apartment buildings with approximately 250 units each and would also be mixed-income, market rate and affordable.

Market Assessment: The Washington Commanders' sports entertainment district scenario described here would be following a trend among sports franchises if it is realized. For the past 10 years or more, sports franchises have looked to stimulate revenues from the real estate that surrounds their stadiums and ballparks. Though the establishment of these districts is currently a hot topic in the world of professional sports, like the situation with indoor sports complexes, financial information is not readily available for them. The sports franchises and operating companies that own and manage these districts are privately-held enterprises. There is, however, a significant amount of information about several of the mixed use districts available and one gets a general sense that the districts are successful in two different ways, financially for the franchise owners, but also as regional entertainment districts that operate year-round. Several sports franchises have created mixed-use developments where people can live, work, shop, dine, drink, and play 365 days a year. Examples of these districts include the SoFi Stadium complex in Inglewood, CA, where two NFL teams play, the Los Angeles Rams and the LA Chargers, and Titletown, the Green Bay Packers mixed-use district next to Lambeau Field. (These two sports districts are profiled in one case study later in this report.)

While it is true that the Commanders sports entertainment district has a potential challenge as an NFL team with only eight or nine home games each season versus a Major League Baseball (MLB) team with 162 games, given what we have learned about demand for the different elements of this mixed-use district that does not necessarily limit the district's chance of success. While it is true that the success of a sports entertainment district adjacent to the Commanders' stadium is naturally tied to the team's brand which has suffered in recent years, evident in the lowest home game attendance figures among NFL teams in 2021 and 2022, according to the *Sports News Journal* in 2023 Commanders' fans are "buoyed by a long-awaited change in ownership, the Commanders led all NFL teams in attendance growth with a

10% gain in their average crowd size to 63,951."[7] As the Washington Commanders brand recovers and fans regain interest in the team, the prospects for the success of a new sports mixed use entertainment, especially along with a new stadium, improve.

Should the sports entertainment district be realized at FedExField, it will be a one of a kind experience in this region, which will generate ongoing customer support, beyond just home games, concerts and special events. If the offerings are strong and the district is well designed physically and programmatically, it will become a regional destination, as is the case in some of the other mixed-use sports districts in the U.S.

From a local perspective, some sector plan residents would likely patronize the sports entertainment district, especially for the restaurant/entertainment uses that will make up a large part of the 100,000 square feet of retail and restaurants proposed in the scenario at FedExField. Aside from grocery stores, restaurant/entertainment uses, referred to earlier in this report as "eatertainment," is the one type of retail clearly in demand in the sector plan area.

The mixed-income housing to be included in the sports entertainment district and nearby on the stadium property, would also fill a need locally and build in market support for the restaurants and sports entertainment uses in the sports district. Ultimately the success of this district will depend on its design and programmatic elements. It will also be important for the Washington Commanders to schedule more concerts and special events in the stadium than it has they historically, in order to bring in a larger audience outside of the football season. In most years, the stadium has hosted three or four concerts over the course of the year.

Pros and Cons:

Pros:

1) The restaurant and retail offerings in the sports entertainment district would appeal to many residents of the sector plan area;

2) The community is supportive of new housing of all kinds throughout the sector plan area, especially if a portion of the housing is affordable; and

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[7] Ben Fischer, D. B. (2024, January 10). *Snyder's departure spurs NFL attendance gains*. Former Washington Commanders owner Dan Snyder's departure spurs more NFL attendance gains. https://www.sportsbusinessjournal.com/Articles/2024/01/10/nfl-attendance-washington-commanders

3) The sports entertainment district, which will operate year-round, could employ sector plan area residents.

Cons: 1) Traffic congestion on game days and concerts will likely continue, though arrival times for the games and events may be more staggered; and

2) The retail offerings here will not include a grocery store or other basic needs type

Scenario D-3: Auto-Oriented Residential with a Small Amount of Neighborhood Commercial

This scenario assumes that the Washington Commanders opt to play at another location in the metro area after 2027 and the FedExField stadium is demolished. The site is planned for auto-oriented residential with a small amount of neighborhood commercial uses.

Under this scenario, the site becomes available for homebuilders (e.g., Pulte, Lennar, etc.) to propose housing developments. These developments will naturally come in phases over time, in multiple years depending on the housing market and availability of financing Because of the location of the FedExField property away from a major thoroughfare and adjacent a single family neighborhood, the homebuilders will likely propose lower density residential, such as single-family detached and townhouse units primarily. Furthermore, a substantial amount of the land area will be circulation and parking, and some limited neighborhood commercial uses, at least 20 percent of the site overall.

Land planners estimate that Scenario D-3 would allow for the development of 1,000 to 1,250 single family and townhouse units in total. The retail uses on the site could not be destination retail, like what is described in Scenario D-2, due to its location away from a major thoroughfare and not part of a broader mixed use scenario. Without the visibility from a heavily traveled road, like Central Avenue, this scenario would also not be able to include a grocery store that would serve the sector plan area as a whole or even other basic needs retail, such as a pharmacy.

Market Assessment: With housing the highest and best use in the sector plan area, this scenario would increase housing options and be the only place in the area that would allow new single-family detached homes. It would also include townhouses. The plan for relative low density is in part due to its location near a mostly single family detached housing neighborhood, but without a high intensity anchor use (i.e., the indoor sports complex or the sports entertainment district) as part of the development plan. This scenario would open up the opportunity for homebuilders to propose housing developments, which would occur in phases potentially over several years.

Based on the current prices for homes in the nearby Morgan Boulevard townhouses it is likely the price points of these houses would be upwards of $450,000 in today's market for the townhouses and more for the single-family detached houses. If the housing market continues to be strained in the sector plan area, these prices could go even higher.

Pros and Cons:

Pros:

1) There is demand for all types of housing in the sector plan area, including lower density housing;
2) With the stadium gone, the site would be quieter than other parts of the sector plan area; and
3) The area is convenient to the Capital Beltway for commuting purposes.

Cons:

1) The area is too far to walk to the Morgan Boulevard Metro Station so residents are auto-dependent;
2) The sales prices of single-family detached housing units and townhouses in this scenario may be too high for residents in other parts of the sector plan area; and
3) The project uses a large amount of land for circulation and parking. It could be better used to provide more housing units.

CASE STUDIES

Below are summary descriptions of three case studies of planning efforts for areas somewhat similar the four parts of the sector plan, the three focus areas and FedExField, that incorporate best practices that could be applied to the sector plan area. Since the three focus areas include a Metrorail Station or local transit center we would be remiss if we did not include an example of successful transit-oriented development, particularly one where housing is a primary use. The first case study is a major transit-oriented development corridor in the Washington region, the Rosslyn-Ballston Corridor in Arlington Virginia. This example may be somewhat aspirational because it is widely touted as the way to encourage good mixed-use development on a transit corridor but there are elements of this effort, which in many ways was ahead of its time, which could apply to the sector plan station areas. A second case study included here is a deeper level of information about the two larger Spooky Nook projects, the original location in Manheim Pennsylvania and the newer location in Hamilton Ohio, outside of Cincinnati. The third case study explores recent sports entertainment district planning around two football stadiums, the SoFi Stadium complex in Inglewood, CA, where two NFL teams play, the Los Angeles Rams and the LA Chargers, and Titletown, the Green Bay Packers mixed-use district next to Lambeau Field.

Rosslyn-Ballston Corridor

Arlington, Virginia

Figure 26: Rosslyn-Ballston Corridor

In the 1960s, when planning for the Washington Metropolitan Transit System began, Arlington County was already seeing the development of millions of square feet of office space and demand for more was spreading to the Rosslyn-Ballston corridor's older commercial areas along Highway 166. After convincing Washington Metropolitan Transit System to build an underground line with stations in Ballston, Virginia Square, Clarendon, Courthouse, and Rosslyn, the Arington County Board and the planning staff also decided that while growth, initially in the form of office development was inevitable and good for the tax base, they recognized the importance of revitalizing the area's older retail corridors that had been struggling for many years. Additionally, they sought to preserve and protect the single family neighborhoods in Arlington.

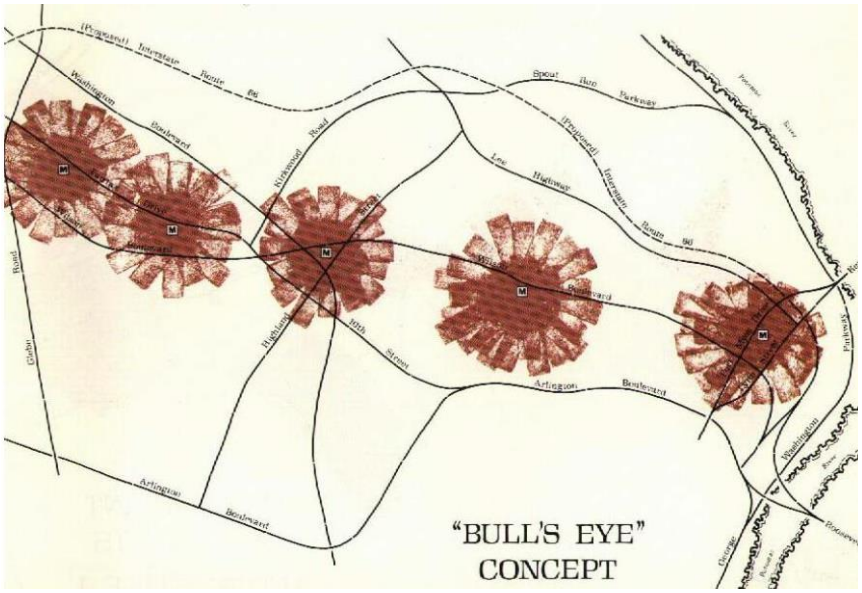
To help revitalize the commercial areas and protect the older single family residential areas, the Arlington County General Land Use Plan established four "keystone policies." These included the following:

1. Preserving established single-family residential areas.
2. Building a strong tax base that would result in roughly equal total valuations for commercial and residential properties.
3. Targeting redevelopment within a quarter-mile from the Metro stations.
4. Including high density projects designed to combine commercial, retail, and residential uses in the one-quarter radii area around the Metro stations.[8]

County officials decided on a plan that concentrated the highest density uses within walking distance of the Metro stations, then tapering densities, heights and uses down to the surrounding mostly single family neighborhoods. Though the high-intensity development was primarily office, which is not a factor on the Central Avenue corridor, more dense residential development came into the picture in those areas around the Metro stations, a strategy which applies to the three focus areas along the Blue Line in the sector plan area. This approach is referred to as a "bulls-eye approach," as illustrated below in Figure 27, as it targets the tallest and most dense development within one-quarter mile of each Metro station.

[8] Weaver, S. (2011, January). Large Community Case Study: Rosslyn-Ballston Corridor, Arlington, Virginia. http://www.longislandindex.org/wp-content/uploads/2015/10/Case_Study_Rosslyn-Ballston_Corridor.pdf

Figure 27: Rosslyn-Ballston Corridor's Bull's Eye Concept



Once the overall plan was agreed upon for the Rosslyn-Ballston Corridor sector plans were created for each of the five Metro station areas. Each station area had a different vision that would retain and enhance the unique characteristics of the neighborhood around it. For example, Rosslyn is an urban environment with high-density, high-rise offices and residential buildings, while the Courthouse area where County Government offices are located retained its identity as the governmental center. Clarendon is a commercial center with shops, restaurants, and entertainment, Virginia Square is the corridor's cultural center, with two university campuses, Arlington Central Library and the Arlington Arts Center, and finally Ballston, home of the National Science Foundation is the science and technology center. It would be possible identify the unique characteristics of the three focus areas that surround Metro stations in the sector plan, Capitol Heights, Addison Road, and the Morgan Boulevard focus areas, and plan for each accordingly.

The Rosslyn-Ballston Corridor has been and remains a success. Between 1990 and 2000, the population increased by 107 percent within the quarter-mile radius of the Rosslyn-Ballston Metro stations, accounting for 28 percent of Arlington County's population. Today, there are seven "Metro transit villages" along the corridor that are mixed-use, walkable, and bicycle-friendly.

The results reflect best practices of concentrating density near the stations but maintaining pedestrian scale and connectivity. The approach to the Rosslyn-Ballston Corridor is instructive for the planning in the focus areas surrounding the three Metro stations that are part of Central Avenue Blue/Silver Line Sector Plan area.

Spooky Nook Sports

Manheim, Pennsylvania and Hamilton, Ohio

Figure 28: Spooky Nook Sports Complex – Manheim, Pennsylvania

Spooky Nook Sports owns and operates large indoor sports facilities in Pennsylvania and Ohio. The first Spooky Nook sports complex, located in Manheim Pennsylvania, near Lancaster opened in 2013. It has 700,000 square feet of indoor space for a variety of sports plus 50 acres of outdoor space. As noted earlier in this report, the Manheim facility is an adaptive reuse of a former manufacturing facility. The second Spooky Nook sports complex, located in Hamilton Ohio, is the largest indoor sports facility in North America with 1.2 million square feet. The Hamilton Spooky Nook is also an adaptive reuse of a former manufacturing facility, this time a paper mill. This facility opened late in 2022.

As pictured below in Figure 5, the Spooky Nook facilities include state of the art indoor sports spaces (i.e., courts, fields, tracks, rinks, etc.) including basketball, dodgeball, flag football, climbing, pickleball, field hockey, soccer (futsal), and lacrosse, among others. The facilities also host tournaments for sports clubs and leagues. Each facility also has conference and meeting room space, an on-site hotel, and restaurants.

Since there has been discussion about a large indoor sports facility like Spooky Nook as a possible reuse of FedExField, the back story behind Hamilton's Spooky Nook facility may be of interest. The City of Hamilton sought out Spooky Nook to site a sports complex at an abandoned paper mill inside the City limits. City leaders put together a financing package to help pay for the $144 million project, including $31.75 million from City coffers. The State of Ohio provided $4.7 million through historic tax credits, and grants and the project also received $51.25 million in tax increment financing (TIF) and Property Assessed Clean Energy (PACE) bonds.

Though the City has not posted information about the increase in visitors since the facility opened a little more than a year ago, news sources report that Spooky Nook can bring upwards of 15,000 people into Hamilton on a weekend. Local restaurants and hotels also report a boost in business since the sports complex opened.

Sports Entertainment Districts

Inglewood, CA and Ashwaubenon, WI

Though there is no case study that exactly matches FedExField's objectives and characteristics, the following describes recent National Football League (NFL) stadium projects with sports entertainment districts that provide a set of similarities and differences that can offer valuable insights to consider for any potential redevelopment of FedExField.

SoFi Stadium

Inglewood, California

Figure 29: SoFi Stadium, Inglewood, California

SoFi Stadium, a 70,240-seat indoor-outdoor stadium in Inglewood, California, was not intended to be just a sports complex. It was a major urban development project with ambitious goals reaching far beyond the field that specifically called for an entertainment district. The project aimed to create jobs, stimulate business activity, and generate tax revenue for the city of Inglewood.[9] The project also has been able to revitalize the surrounding area,

[9] Hollywood Park Champions Initiative (concerning the proposed development of a stadium and entertainment district in Inglewood), January 2, 2015 (chrome-

improve infrastructure, and provide community benefits such as parks, affordable housing, and educational opportunities. The stadium project has spurred development in the surrounding Hollywood Park neighborhood, including the construction of the adjacent Intuit Dome (home to the Los Angeles Clippers) and a mixed-use development with retail, dining, and entertainment options. SoFi Stadium planners also sought to have the redevelopment project become a world-class entertainment destination, attracting major events and concerts, alongside serving as the home of the Los Angeles Rams and Chargers.

Both SoFi Stadium and FedExField are in suburban areas outside of major cities. SoFi Stadium is located in Inglewood, California, approximately 3 miles from downtown Los Angeles. The FedExField site is roughly 7 miles from downtown Washington DC. Both locations are easily accessible by car, with freeways and major roads nearby. However, FedEx is actually better served with public transportation, perhaps surprising to many who consider FedExField too far from a Metro station, as it located about one-mile from the Morgan Boulevard Metro Station. Inglewood is a more densely populated and urbanized area compared to the FedExField area. SoFi Stadium is closer to various entertainment venues, restaurants, and shops compared to the FedExField site

The SoFi Stadium is projected to generate an annual economic impact of $5 billion for the region, including increased tourism revenue and business activity. Over $100 million has been committed to community benefits, including affordable housing initiatives, educational programs, and infrastructure improvements. However, concerns remain regarding the displacement of some residents and the affordability of surrounding housing development.[10]

Sports Entertainment Characteristics

SoFi Stadium sits as the centerpiece of a much larger development, Hollywood Park, which will ultimately encompass a comprehensive sports and entertainment experience. Hollywood Park is a master-planned development that goes beyond sports: This project envisions a vibrant district with restaurants, retail spaces, and entertainment venues, creating a year-round destination. The surrounding entertainment complex offers a variety of sports-related amenities. Situated under one monumental roof canopy, in addition to the SoFi Stadium, the facility includes:

- YouTube Theater: This 6,000-seat performance venue can host a variety of events, including concerts, award shows, and sporting events like boxing and mixed martial arts fights.

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extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.cityofinglewood.org/DocumentCenter/View/1162/Hollywood-Park-Champions-Initiative).

[10] "Beyond Attractions, Inglewood is Creating Good Jobs and Lives for its Residents" in *Los Angeles Times* (https://www.latimes.com/inglewoodrenaissance/story/2022-02-03/beyond-attractions-inglewood-is-creating-good-jobs-and-lives-for-its-residents).

- 2.5-acre covered American Airlines outdoor plaza: This space can be used for a variety of activities, including tailgating, public viewing of sporting events, and outdoor concerts
- Lake Park: This is a 5-acre park located adjacent to SoFi Stadium that features walking paths, picnic areas, and a playground. While not related to sports, it does offer a space for visitors to relax and enjoy the outdoors before or after an event.

Surrounding Area Redevelopment

A redevelopment project, the Hollywood Park Mixed-Use Project, is designated for commercial-residential and commercial-recreational land uses. The project consists of the redevelopment of the approximate 238-acre Racetrack Grandstand and the Pavilion/Casino and the construction of a new mixed-use development. It includes demolition of most of the improvements and structures on the Project Site, including the Hollywood Park Racetrack and grandstand, and the new construction of approximately 2,995 dwelling units, 620,000 sf of retail space, 75,000 sf of office/commercial space, a 300-room hotel including 20,000 sf of related meeting space, and 10,000 sf of community serving uses for the Home Owners' Association (HOA).[11]

Titletown District,

Ashwaubenon, Wisconsin

Nestled just west of the and directly across Lambeau Field in Ashwaubenon, Wisconsin, across from Green Bay, is Titletown District, a 45-acre mixed-use development surrounding the stadium offering a blend of entertainment, shopping, dining, and living options. The district opened in 2017 and was developed by the Green Bay Packers organization as a tourist destination with year-round activities for residents and tourists, gameday activities, as well as providing a local shopping and entertainment destination. The district, which includes a 10-acre park and plaza, is anchored by a Hinterland Brewery, a Lodge Kohler hotel, a sledding hill, and a Bellin Health clinic. In November 2018, Titletown opened a seasonal ice rink and ice lounge.[12]

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[11] "Hollywood Park Mixed-Use Project" in California Environmental Quality Act (CEQAnet) Web Portal (https://ceqanet.opr.ca.gov/2007111018/2)

[12] Titletown District in Wikipedia (https://en.wikipedia.org/wiki/Titletown_District).

Figure 30: Titletown District, Ashwaubenon, Wisconsin

The Titletown District is smaller in scale compared to the area around FedExField. The surrounding areas of the two sites also differ. The Green Bay area, where Titletown is located, has a smaller population and a more traditional Midwestern character compared to the more populous and diverse Washington, DC metropolitan area surrounding FedExField. Titletown is affiliated with the Green Bay Packers and can serve as a model for the sports entertainment district being discussed at FedExField, the home stadium for the Washington Commanders. Titletown strengthens the Green Bay Packers brand. The district acts as an extension of the Green Bay Packers brand, creating a dedicated space for fans to connect with the team. That much of the land area surrounding FedExField is mostly owned and operated by the Washington Commanders is an opportunity to leverage the team's legacy and brand for the area's redevelopment.

Sports Entertainment Characteristics

The heart of Titletown is the expansive public park, a vibrant space offering year-round activities. During winter months, the park transforms into a winter playground with an ice skating rink and a tubing hill. The district includes:

:

- Topgolf's facility with food and drinks, as well as state-of-the-art virtual golf simulators and other interactive games;
- Local brewing scene at Hinterland Restaurant and Brewery;
- Venture Center, a hub for innovation and entrepreneurship;
- Lodge Kohler, a 10-story, 200-room luxury hotel;

- Bellin Health Titletown Sports Medicine and Orthopedics Clinic.

Titletown caters to both leisure and residential needs. TitletownHomes has 70 - 90 townhouses available for purchase, while TitletownFlats, a seven-story building with 193 apartments above retail and restaurant space,

Area Redevelopment

Titletown was developed in two phases. Phase 1, which was completed around 2017, included the Lodge Kohler Hotel, the Bellin Health Titletown Sports Medicine Clinic, and the public Titletown Plaza. Phase 2, which may still be under construction, includes the residential development as well as the Titletown Office building featuring 130,000 square feet of office space above retail and restaurant space.

RECOMMENDATIONS

Below is a listing of recommendations for consideration for the Central Avenue Blue/Silver Line Sector Plan. These recommendations are guided by the findings of both parts of the market study, the Existing Conditions Market Study and the Development Opportunities Analysis. Both parts of the market study factor in demographic, economic and real estate market data as well as community and stakeholder input and lead to these recommendations. Where possible we identify timing on the recommendations as follows: Short-term is up to three years and Medium-term is up to five/six years, and long-term is beyond five/six years.

Development/Redevelopment Scenarios

Per the scope, here is a ranking, along with recommended approaches to the nine development scenarios, as applicable, for the focus area scenarios, as well as the FedExField scenarios

A. Capitol Heights Focus Area

Scenario A-1: Multifamily, 150 Market Rate Units, Less than 3,000 square feet of retail space.
RANKING: Most Feasible for Focus Area
Timing: Short-Term
Of the two scenarios in this focus area, this is the priority. It is assumed that this market-rate project would be located on the current WMATA parking lot. WMATA had tentatively determined this scenario has sufficient market support but has not proceeded farther.

Scenario A-2: Multifamily, 200 Affordable Units, Retail of Less than 3,000 square feet
RANKING: Feasible
Timing: Medium-term
This scenario is important because there is significant demand for affordable units everywhere in the sector plan area. There is no question there is demand for affordable units here but as WMATA points out in their analysis of this site, there are five other affordable developments in the pipeline within a short distance of the Capitol Heights Metro Station, three in DC and two in the sector plan area.

B. Addison Road Focus Area

Scenario B-2: Multifamily, 200 Affordable Units and 10,000 square feet of retail space.
RANKING: Most Feasible for Focus Area
Timing: Short-term

This area has the greatest need for affordable housing. The Addison Road Focus Area is positioned to be the next line of defense for new investment that could look like gentrification.

There already is an affordable housing development in the pipeline in the Addison Road Focus area, Park Place at Addison Road, but even if that goes forward in the short-term as planned, there is still demand for another all-affordable development here.

Scenario B-1: Multifamily, 500 Market-Rate Units, 100 Townhouses, and 50,000 square feet of retail space.
RANKING: Feasible
Timing: Medium-Term
By far the largest development among the scenarios, it is targeted for a large vacant lot, more than 100 acres, approximately one-quarter mile from the Addison Road Metro Station. This development will likely happen in multiple phases. If this scenario happens it could be transformative to the area.

Scenario B-3: Multifamily, 200 Mixed-Income Units, 10,000 square feet of retail space
RANKING: Feasible
Timing: Short-Medium Term
The focus area with the greatest need for affordable housing. Market rate apartments are also needed.

C. Morgan Boulevard Focus Area

Scenario C: Multifamily and townhouses - 220 market-rate units and 90 townhouses, and up to 30,000 square feet of retail space.
RANKING: Most Feasible for Focus Area
Timing: Short-Medium Term
There is sufficient market demand to go forward with Scenario C. The existing townhomes in the Morgan Boulevard Focus area are in demand and have the highest sale prices in the corridor, 34.8 percent higher than homes elsewhere in the sector plan area. There is opportunity for more retail here than with other smaller housing developments as the current residents would probably like more neighborhood serving retail and more restaurants, cafes and dining options.

D. FedExField

Scenario D-1: Large Indoor Sports Complex of (450,000-500,000 square feet) with Restaurant, Retail, Hotel, and Adjacent Mixed-Income Apartments (500) Located Near 40 acres of Playing Fields On Site
RANKING: Potentially Most Feasible Use if the Washington Commanders Decide to Play Football Elsewhere. (Primary use would require industry specific feasibility analysis.)
Timing: Medium-Long-Term

A large indoor/outdoor sports complex on the FedExField site should the Washington Commanders opt not to play at FedExField after their contact obligation ends in 2027. This option factors in the demolition of the stadium. There will also other uses on site associated with indoor sports complex. Youth sports is a $19.2 billion industry, according to WinterGreen Research. If realized, this would be the largest indoor sports facility in Maryland, located in the Washington-Baltimore metro area, which has a population of 9.97 million. The proposed apartments, including affordable and market rate units, are likely to continue to be in demand for the long-term.

Scenario D-2: Mixed Use Sports Entertainment District with 100,000 square feet of retail and restaurants, 500 mixed-income apartments (affordable and market rate) in the core of sports entertainment district, a hotel, and complementary sports uses. Additional 500 mixed-income apartments elsewhere on the site in later phases
RANKING: Potentially Most Feasible Use if the Washington Commanders Continue to Play at FedExField in a Relocated Stadium On-Site
Timing: Medium-Long Term
A sports entertainment district to be developed on the FedExField site adjacent to a new, relocated Washington Commanders stadium. This destination sports entertainment district that will operate 365 days a year follows the trend of professional sports franchises who have created new sports districts or villages that helps generate revenues on the real estate adjacent to stadiums. The 100,000 square feet of restaurant and retail has a strong potential market regionally, associated with the Commanders' brand and locally. The proposed mixed-income apartments, including affordable and market rate units, are likely to continue to be in demand in the long-term.

Scenario D-3: Auto-Oriented Low Density Residential with a Small Amount of Neighborhood Commercial - 1,000 to 1,250 Single-Family Detached Housing Units and Townhouse Units
RANKING: Marginally Feasible – Not Recommended
Timing: Medium-Long Term
This scenario assumes that the Washington Commanders opt to play at another location in the metro area after 2027 and the FedExField stadium is demolished. The 1,000 -1,250 single family detached units would likely be in demand in the area, but the small amount of retail that would mostly serve the residents of the on-site new housing, would not be able to include a grocery store or destination retail as it does not have visibility from a major thoroughfare. The site would require about 20 percent of the land for circulation, parking, and the neighborhood retail.

Other Recommendations

Land Use and Zoning

Land use and zoning can be an important for maximizing market potential and also sometimes for ensuring that current residents have options with their properties. Below are a few recommendations in this category.

1. Review zoning throughout the sector plan area, especially in residential areas where there are large blocks of single-family detached housing. Adjust zoning to increase density, where possible. Address as needed in the Sector Plan.
   Timing: Short-Term

2. Where appropriate use the "Bulls-eye Concept" used in in Rosslyn-Ballston Corridor for planning development intensity in the vicinity of the three Metro stations, planning for the concentration of highest density uses within walking distance, about one-quarter mile, then tapering densities, heights and uses going toward neighborhoods.
   Timing: Short-Term and Ongoing

3. Work to get more affordable units everywhere in the area including negotiating density bonuses at larger development in exchange for inclusion of affordable units at those sites.
   Timing: Short-Term

4. Reconsider implementing inclusionary zoning if developers become reticent to create affordable units.
   Timing: Medium-Term