ACEC Luncheon Update

Presented On November 14, 2019
CONNECTING OUR COMMUNITY WITH JOBS & SKILLS FOR THE FUTURE.
Meet our Team

We believe passion is essential to what we do and who we are. We genuinely care about our people, programs and customers and are building a track record that inspires people to do great things together.
Update & Forecast

Presented On November 14, 2019
What is the Prince George's County Value Proposition?
Prince George’s County

Profile

• Stable, business friendly County Gov’t– AAA Bond Rating

• 498 square miles, 320,000 acres

• 27 local municipalities

• 914,987 residents, projected to increase by 109,000 by 2035

• 311,000 households

• Median household income: $81,240 vs. US at $61,039

• Workforce of over 515,000 workers

• 40% of residents have a college degree

• 15 Metro Stations (Many to be developed)
FEDERAL AGENCIES CURRENTLY LEASING
Prince George’s **Vacancy** Performance

![Vacancy Rate Chart](chart.png)

- **Office**
- **Industrial**
- **Retail**
- **Multifamily**
Prince George’s **Inventory** Growth

![Inventory Growth Rate Chart](chart.png)

- **Office**
- **Industrial**
- **Retail**
- **Multifamily**

<table>
<thead>
<tr>
<th>Year Q2</th>
<th>Inventory Growth Rate</th>
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<tbody>
<tr>
<td>2009 Q2</td>
<td>0%</td>
</tr>
<tr>
<td>2010 Q2</td>
<td>-2%</td>
</tr>
<tr>
<td>2011 Q2</td>
<td>0%</td>
</tr>
<tr>
<td>2012 Q2</td>
<td>1%</td>
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<tr>
<td>2013 Q2</td>
<td>2%</td>
</tr>
<tr>
<td>2014 Q2</td>
<td>3%</td>
</tr>
<tr>
<td>2015 Q2</td>
<td>4%</td>
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<tr>
<td>2016 Q2</td>
<td>5%</td>
</tr>
<tr>
<td>2017 Q2</td>
<td>6%</td>
</tr>
<tr>
<td>2018 Q2</td>
<td>7%</td>
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</table>
Prince George’s **Rent Growth** Performance

![Cumulative Rent Growth Chart](chart.png)
Prince George’s Cumulative Sales Volume

Cumulative Sales Volume

- Office
- Industrial
- Retail
- Multifamily
### Median Population Density and Household Income by Subregion

<table>
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<tr>
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</thead>
<tbody>
<tr>
<td>Subregion 1</td>
<td>45 sq. mi.</td>
<td>92,000</td>
<td>4,600 people / sq. mi.</td>
<td>$76,000</td>
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<tr>
<td>Subregion 2</td>
<td>47 sq. mi.</td>
<td>256,000</td>
<td>8,200 people / sq. mi.</td>
<td>$60,000</td>
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<tr>
<td>Subregion 3</td>
<td>85 sq. mi.</td>
<td>160,000</td>
<td>3,000 people / sq. mi.</td>
<td>$102,000</td>
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<tr>
<td>Subregion 4</td>
<td>29 sq. mi.</td>
<td>124,000</td>
<td>6,000 people / sq. mi.</td>
<td>$60,000</td>
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<tr>
<td>Subregion 5</td>
<td>72 sq. mi.</td>
<td>62,000</td>
<td>1,700 people / sq. mi.</td>
<td>$109,000</td>
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<tr>
<td>Subregion 6</td>
<td>161 sq. mi.</td>
<td>69,000</td>
<td>900 people / sq. mi.</td>
<td>$102,000</td>
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<tr>
<td>Subregion 7</td>
<td>45 sq. mi.</td>
<td>129,000</td>
<td>3,500 people / sq. mi.</td>
<td>$72,000</td>
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<tr>
<td>County Overall</td>
<td>483 sq. mi.</td>
<td>893,000</td>
<td>4,200 people / sq. mi.</td>
<td>$76,000</td>
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</table>
“In case you don't know it, Prince George's County is the last frontier,” John Mason, business development director for the Prince George's County Economic Development Corp., told an audience of about 300 at the Junior Tennis Champions Center Wednesday morning.
County Policy: Implementation of Strong Mixed-Use Sites Around Transit Hubs
Highest Priority Stations

• New Carrollton
• Largo Town Center
• Branch Avenue
• Prince George's Plaza
• Suitland
PRINCE GEORGE’S COUNTY TRANSIT ORIENTED DEVELOPMENT (TOD) STRATEGY FOCUSES ON

- Five (5) Targeted Metro Stations
- Ongoing Development of Public Infrastructure at each Station
- Easily Developable TOD Sites
- Fast Track Approval Process for High Impact Projects
- Financial Incentives to reduce Private Development Costs (i.e. TIF, PILOT, Tax Credits)
Largo Station

• $85 million in additional infrastructure improvements
• Walking distance to Metro
• Directly off the Capital Beltway
• 2 minutes to Interstate 95
• Build-to-suit sites available
• Significant remaining development opportunities 143.5 Total Acres
• University of Maryland Capital Region Health - $650 million project. Projected opening is March 2021

• World-class teaching hospital; Cardiac and Cancer Care, Level One Trauma Center, with over 200 beds
LARGO METRO STATION

- Plan for 4,530 residential units
- 5 million SF of Commercial/Institutional space
- 400,000 SQ SF of retail space

ASCEND

APOLLO

- 180 million mixed-use project consists of 800 apartment units
- Phase I - (400 units) is open
- Phase II begins on construction in CY2019

CARILLON /RPAI

- Multi-phased redevelopment plan of 50 acre site includes 1.2 million SF of retail, commercial, hotel, and 3,000 residential units
- 100,000 SF office schedule to break ground this summer 2019
New Carrollton Station

• Unmatched accessibility: Metro, Amtrak, MARC, planned Purple Line, Metrobus, I-95, US-50 and MD-450

• 640 acre area destined to become our premier urban downtown center

• Anchored by the Internal Revenue Service which employs 5,000 federal workers

• Planned 4.5 million SF of commercial office space; 1.6 million SF of retail space

• Significant remaining development opportunities - 131.4 Total Acres
Kaiser Permanente Chooses New Carrollton for New Corporate Home

• New office complex adjacent to the Prince George's County's busiest transportation hub

• 176,000 square foot administrative and IT facility by the New Carrollton Metro station

• 1,000 employees, accommodating Kaiser's growth in the region's health system

• Location chose in part, due to easy Metro access and walkable surroundings

• Building includes a modern fitness center on-site dining options and a full conference center
NEW CARROLLTON STATION DEVELOPMENT

North Side of Metro
$165 million planned mixed-use development

The Remy
2 Phase Residential Project

2U, Inc
Renovated the Harkins Road office building

South Side of Metro

Urban Atlantic
Mixed-use development with office, residential, and retail

WMATA
Maryland Headquarters Location

Maryland Department of Housing and Community Development
Maximize Newest Transportation Mode
The Purple Line Project

$5.6 BILLION PROJECT

- Greater Access for Government Employees
- Reducing Commute Time
- 16 miles from Bethesda to New Carrollton
- Scenic Above-Ground Commutes with 21 stations
THE MALL AT PRINCE GEORGE'S

$25 Million in renovations completed in 2017

UNIVERSITY TOWN CENTER

- $24 Million Commercial Development
- 500,000 SF of Office Space
- Project includes new anchor grocery store Safeway - 54,000 SF

SIGNIFICANT REMAINING DEVELOPMENT OPPORTUNITIES

70.1 Total Acres
Suitland Station

• 10,000 federal employees
• Anchored by the US Census Bureau, National Oceanic and Atmospheric Administration (NOAA), and the Naval Maritime Intelligence
• Access to Suitland Parkway, Pennsylvania Avenue, and Branch Avenue
• 900 units of new multifamily housing
• 90,000 SF of new retail space
• Remaining development opportunities – 28.9 Total Acres
SUITLAND STATION DEVELOPMENT

TOWNE SQUARE AT SUITLAND FEDERAL CENTER

• $402 Million mixed-use investment including construction of 219 townhouses,
  ❖ 900 residential units,
  ❖ 137 senior multi-family units,
  ❖ 100,000 SF of retail space,
  ❖ and 50,000 SF of public space
• Townhouse units currently under construction

REVENUE AUTHORITY

$28 Million special obligation bonds to purchase additional parcels
BRANCH AVENUE STATION DEVELOPMENT

- Directly off of the Capital Beltway
- 30 acres of transit parking
- 40,000 SF of Retail and Restaurants planned
- Large WMATA parcel underdeveloped
- Significant remaining Development Opportunities - 82.5 Total Acres
DEPARTMENT OF CITIZENSHIP AND IMMIGRATION SERVICES AT BRANCH AVENUE STATION

• $256.6 million build-to-suit project includes
  ◦ 575,000 SF office building
  ◦ 1,000 space parking facility
• 40,000 SF of Retail and Restaurants Planned
• Occupancy is expected to occur in 2020

*New leasing arrangement is expected to save the federal government $21.4 Million annually*
(OZ) County Designations

BASIC MODEL FOR REAL ESTATE DEVELOPMENT

Investor
Qualified Opportunity Fund
QOZ Partnership
QOZ Business Property

or direct ownership of QOZ Business Property
Within 180 days

Legend
Prince George's County Opportunity Zone
Census Tract Boundary
Census Tract Boundaries
Major Roads
Water

Metro/Rail Transit Line
Existing Station
Proposed Station
Blue Line
Silver Line
Green Line
Orange Line
Purple Line
Calnian and Pkwy Line
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<td>EZFA, Commercial, Industrial</td>
<td>Hampton Park</td>
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<td>8027</td>
<td>TOD – Local Transit Centers, EZFA</td>
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<td>TOD – Regional Transit District</td>
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<td>TOD – Regional Transit District, EZFA, Industrial</td>
<td>New Carrollton Metro/ Future Purple Line</td>
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<td>Census Tracks</td>
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<td>8056.01</td>
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<td>Takoma/ Langley Crossroads / Purple Line</td>
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<td>Prince George’s Plaza Metro</td>
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<td>TOD-Regional Transit District</td>
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<td>Innovation Corridor</td>
<td>College Park, UM Metro/ M Square Purple Line</td>
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<td>8046</td>
<td>Residential</td>
<td>Brentwood, North Brentwood</td>
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<td>8041.02</td>
<td>Commercial Residential</td>
<td>Landover</td>
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## Southern PGC

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## Successful Opportunity Zone (OZ) Projects in Prince George’s County

<table>
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<tr>
<th>Investors</th>
<th>Project/Bus.</th>
<th>Investment ($)</th>
<th>Location</th>
<th>Investment Type</th>
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<tr>
<td>Urban Atlantic Fund</td>
<td>New Carrollton Metro (TOD)</td>
<td>$150,000,000</td>
<td>New Carrollton</td>
<td>Multi family, Office, Hotel, Retail</td>
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<td>Bridge Investment Group</td>
<td>Mixed, Office, SF</td>
<td>$25,000,000 / Fund Size - $1B+</td>
<td>U.S, New Carrollton</td>
<td>Mixed, Office, SF</td>
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<tr>
<td>Bozzuto</td>
<td>Mixed-Use</td>
<td>$50,000,000</td>
<td>College Park</td>
<td>Mixed –use Office, Retail, Entertainment</td>
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<tr>
<td>Metro City Fund</td>
<td>Metro City</td>
<td>$50,000,000</td>
<td>Capitol Heights</td>
<td>Senior Housing, Single Family</td>
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<td>Hampton Park Mall</td>
<td>Mixed Use</td>
<td>$30,000,000</td>
<td>Eastern shore, Salisbury</td>
<td>Mixed Use, MF</td>
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“Opportunity Knocks”
THANK YOU

For More Information Contact

John Anthony Mason – jamason@co.pg.md.us

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