ULI Washington
Technical Assistance Panel

East Frederick Rising
Technical Assistance Panel
Frederick, Maryland

December 11-12, 2013
ULI - the Urban Land Institute
who we are...

- Research and Education Institute
- 30,000 members worldwide
- Offices in Washington, DC, London, and Hong Kong
- 52 District Councils in the Americas
- 14 District Councils in Europe
- Multi-Disciplinary
- Multi-Professional
- Members from 90 Countries
ULI at the local level
Over 1,800 Members—developers, architects, planners, public officials, financiers, students, etc.

Emphasis on sharing best practices and providing outreach to communities
- Technical Assistance Panels
- Regional Land Use Leadership Institute
- UrbanPlan Program
- Washington Real Estate Trends Conference
- Case Studies
- Regionalism and Housing Initiative Councils

http://washington.uli.org
ULI Washington
Technical Assistance Panels (TAPs)

http://washington.uli.org/TAPs
Recent TAPs

- Signage in Washington D.C.
- Indian Head Rail Trail, Charles County, MD
- Workhouse Arts Center, Lorton, VA
- Bowie State MARC Station
- Prince George’s County: Metro GreenLine Corridor
- MDOT: Public Safety Training Academy/Shady Grove Life Sciences Center
- Manassas, VA: Mathis Avenue Corridor
- City of Annapolis: Annapolis City Dock
- D.C. Dept. of Housing and Community Development: Anacostia Gateway
- Maryland Dept. of Transportation: Wheaton CBD
- Interim Uses at the former Walter Reed Army Medical Center, and many more…

[http://washington.uli.org/TAPs](http://washington.uli.org/TAPs)
East Frederick Rising TAP Panelists

Panel Chairs:
- Andy Brown, Stanford Properties
- Patricia Harris, Lerch, Early and Brewer

Panel Members:
- Duncan Slidell, The Bozzuto Group
- Lauren Jezienicki, The JBG Companies
- Christine Graziano, AECOM
- Dennis Carmichael, Parker Rodriquez
- Dan Hardy, Renaissance Planning Group
- Evan Goldman, Federal Realty Investment Trust
- Cathy Lewis, Fairfax County Department of Planning and Zoning
- John Asadoorian, Asadoorian Retail Solutions
- Paul Moyer, VHB
East Frederick Rising TAP

Today’s Agenda

- Context
- Strengths and Challenges
- TAP Proposed Plan
- Implementation
- Questions and Feedback
Context
East Frederick Rising TAP

Large Study Area
Anticipated Development by 2020

100 Acres
## East Frederick Rising TAP: Residential Market

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2015</th>
<th>2020</th>
<th>2030</th>
<th>2040</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Projected County Households</strong></td>
<td>85,901</td>
<td>101,349</td>
<td>117,184</td>
<td>145,351</td>
<td>171,568</td>
</tr>
<tr>
<td><strong>Cumulative Projected Net New County Households</strong></td>
<td>15,448</td>
<td>31,283</td>
<td>59,450</td>
<td>85,667</td>
<td></td>
</tr>
<tr>
<td><strong>Single Family</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>City</td>
<td>85%</td>
<td>13,121</td>
<td>26,571</td>
<td>50,495</td>
<td>72,762</td>
</tr>
<tr>
<td>East Frederick Capture</td>
<td>22%</td>
<td>2,845</td>
<td>5,761</td>
<td>10,948</td>
<td>15,776</td>
</tr>
<tr>
<td><strong>Multifamily</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>City</td>
<td>15%</td>
<td>2,327</td>
<td>4,712</td>
<td>8,956</td>
<td>12,905</td>
</tr>
<tr>
<td>East Frederick Capture</td>
<td>54%</td>
<td>1,251</td>
<td>2,533</td>
<td>4,814</td>
<td>6,937</td>
</tr>
<tr>
<td><strong>Total Units</strong></td>
<td>10%</td>
<td>410</td>
<td>829</td>
<td>1,576</td>
<td>2,271</td>
</tr>
</tbody>
</table>
East Frederick Rising TAP: Office Market

- Challenging environment
- City of Frederick average net absorption,
  - 2000-2012--68,212 sf
  - 2012 Year end-- 94,149 sf

### Frederick County Office Employment Projections

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2015</th>
<th>2020</th>
<th>2030</th>
<th>2040</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frederick County Employment</td>
<td>41,550</td>
<td>44,937</td>
<td>51,078</td>
<td>65,383</td>
<td>82,706</td>
</tr>
<tr>
<td>Net New Office Employment</td>
<td>3,387</td>
<td>9,528</td>
<td>23,833</td>
<td>41,156</td>
<td></td>
</tr>
<tr>
<td>Average SF per Employee</td>
<td>250</td>
<td>250</td>
<td>250</td>
<td>250</td>
<td></td>
</tr>
<tr>
<td>County Employment Growth-Based Office Demand</td>
<td>846,750</td>
<td>2,382,000</td>
<td>5,958,250</td>
<td>10,289,000</td>
<td></td>
</tr>
<tr>
<td>East Frederick</td>
<td>5%</td>
<td>42,338</td>
<td>119,100</td>
<td>297,913</td>
<td>514,450</td>
</tr>
</tbody>
</table>
Strengths and Challenges
East Frederick Rising TAP

Strengths:
- Quality of life
- Natural environment
- Millennials influencing culture – driving economic development
- Local pride and civic investment
- East Frederick Rising
East Frederick Rising TAP

Strengths:

- Culture and Arts
- Flexibility in what can be built in existing zoning ordinance
- 60% of Frederick’s workforce lives in Frederick
- MARC train
Challenges:

- Users unable to see potential of market and demand for their goods/services and are unwilling to invest

- Perception that doing business is hard
  - Bureaucracy
  - Taxes
  - Impact Fees
  - Changing and arbitrary land use ordinances
East Frederick Rising TAP

Challenges:

- Montgomery County office market vacancy is more likely to attract tenants
- Aging retail elsewhere in county – presents competitive development opportunity
- Rate of absorption
- Dispersion of uses across a huge land area v. focused intensity
TAP Proposed Plan
Overall Study Area Concept

- Identify Small Area Focus Areas
- Establish of Overall Framework of Land Uses
Existing Streets
5 and 10 minute Walking Radius
TAP Vision Plan
East Frederick Rising TAP

Divide Study Area:

- Small Area 1: East Street, MARC, Mixed Use, Downtown, Fairgrounds, Brickworks
- Small Area 2: Residential, Office/Flex
- Small Area 3: Airport, Industrial
East Frederick Rising TAP

Divide Study Area:

- Small Area Plans
- Establish Overall Conceptual Grid – all development must respect grid
Small Area 1: East Street

Short Term:
- Relocation of post office to Area 3
- Incent development of Wormald site to develop as multifamily soon
- Support development of Brickworks Site
  - Lifestyle center in southwest corner with main street recognizing market realities - location, market, auto dependency.
  - Area closer to MARC station more pedestrian friendly, residential with grid
- Establish design guidelines for East Street, north of east 4th Street
  - Build-to lines, parking in back, one-story acceptable, potential for residential in back or above
East Frederick Rising TAP

Small Area 1: East Street

Longer term:
• City lake with recreational component
  High density residential with ground floor retail
• Encourage relocation of heavy industrial to airport area
Small Area 1: Fairgrounds

Short term:
- Promote as area amenity
- Program to increase use
  - Active farmers market
  - Farmshare/Coop
  - Culinary Arts
- Improve street edge, especially along Patrick Street - potential retail liners along edge (mom and pop)
- Impose design guidelines on existing retail
East Frederick Rising TAP

Small Area 2: Residential Neighborhood

- Extension of grid
- Preservation of farm house on Wrenn property
- Provide elementary school site
- Linear park connecting farmhouse to Nicodemus with eventual pedestrian bridge over Carroll Creek
- Phasing of stormwater management/open space/park
- Neighborhood supporting retail along Hughes Ford Road
- Mixed residential (towns, single family, two-over-two)
East Frederick Rising TAP

Small Area 3: Airport
- Develop economic development strategies
- Location for potential civic uses
East Frederick Rising TAP

Comprehensive Rezoning

- Short term:
  - Rezone Small Area 1 for desired residential and mixed-use
  - Include minimum density requirements
- Long term:
  - Rezone Small Area 2
  - Delay rezoning of Small Area 2 in order to direct residential development and retail to select areas in Small Area 1
Infrastructure: Approach

- Define systems
- Right-size
- Identify needs, desires
- Incent
- Implement
- Monitor
Infrastructure: Complete Streets

- Good starting point
- Arterials are set
- Key connections added
Infrastructure: Complete Streets

- East/7th
- East/Church
- MARC
- Brick Works
- Fairgrounds
- Senator Young Elementary

ACTIVITY HUBS
Infrastructure: Complete Streets

**Places**
- MARC
- Activity hubs
- Downtown

**TransIT**
- Connectors
- Shuttles
- Access
- Evolution

**Paths**
Infrastructure: Complete Streets

- Workhorse
- Connecting nodes
- Feasible
- Needed
- Walkable
- Traffic-carrying
- Multimodal
- Slow
Infrastructure: Complete Streets

- Desirable
- Ultimate
- Context-sensitive
- Livable
- Walkable
- Flexible
- Slow

Ultimate grid
Infrastructure: Other civic

- Police
- Fire/EMS
- School
- Other civic
- SWM
- Parks
Implementation
East Frederick Rising TAP

IMPLEMENTATION: New Construction Incentive Program

- Complete economic study of the costs of new development in Frederick
- Understand incentives City can provide in the short term to spark new development at a minimum 7% yield. Suggestions:
  - Little to no impact fees or public benefits or regulatory requirements (affordable housing, parking minimums, public art, open space; redevelopment is the public benefit) for first phase of development or until rental rates justify new construction
  - Market driven and financially feasible zoning regulations (parking, loading, retail)
  - Potential public/private partnerships to spark redevelopment of key sites
  - Continue to provide common City maintained shared parking garages
East Frederick Rising TAP

IMPLEMENTATION: Comprehensive Financing Program

- Complete economic study of the base property value versus potential redevelopment values in East Frederick
- Establish Tax Increment Financing program
  - Tap into approximately $50M in multiple bond issuances and $9.5M in cash flows over 20 years
- Establish special area tax district in Small Area 1
  - Generate approximately $17-20M in bond issuances and $7.2M in cash flows over 20 years
- Provide City tax abatements for key tenants and retailers (grocer and movie theatre)
- Explore crowd-sourcing to generate funding and engage neighbors
East Frederick Rising TAP

IMPLEMENTATION: Frederick Marketing Program

- Identify who the target audience via a psych-graphic study: Who are your customers?

- Develop separate market studies for:
  - Retail to attract top-tier life-style oriented anchor tenants
  - Residential to understand what prospective tenants/owners are looking for in housing product
  - Office to better leverage existing tech and entrepreneurial hubs

- Promote incentives to attract retailers and businesses
Questions and Feedback