



PRINCE GEORGE'S COUNTY  
**ECONOMIC**  
DEVELOPMENT  
CORPORATION

# ECONOMIC DRIVERS AND CATALYSTS: A TARGETED ECONOMIC DEVELOPMENT STRATEGY FOR PRINCE GEORGE'S COUNTY, MARYLAND AN OVERVIEW AND EVALUATION

Economic Development Corporation Presentation to  
PHED, County Council – January 17, 2019

# Agenda

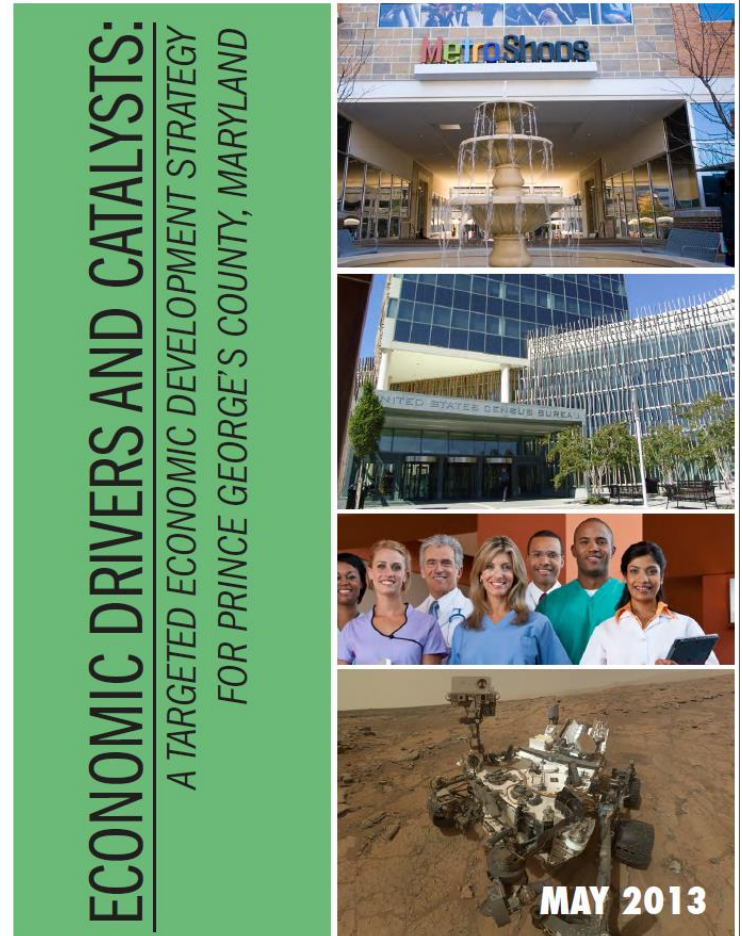
- Purpose of the Strategic Plan
- 2011 Economic Climate
- Strategic Development Process
- Targeted Cluster Approach
- Implementation Plan
- TOD Strategy
- Conclusion



# Purpose of the Strategic Plan

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- Identify and target key high growth industries
- Leverage County assets to capture economic development growth
- Set forth target strategies to maximize economic development

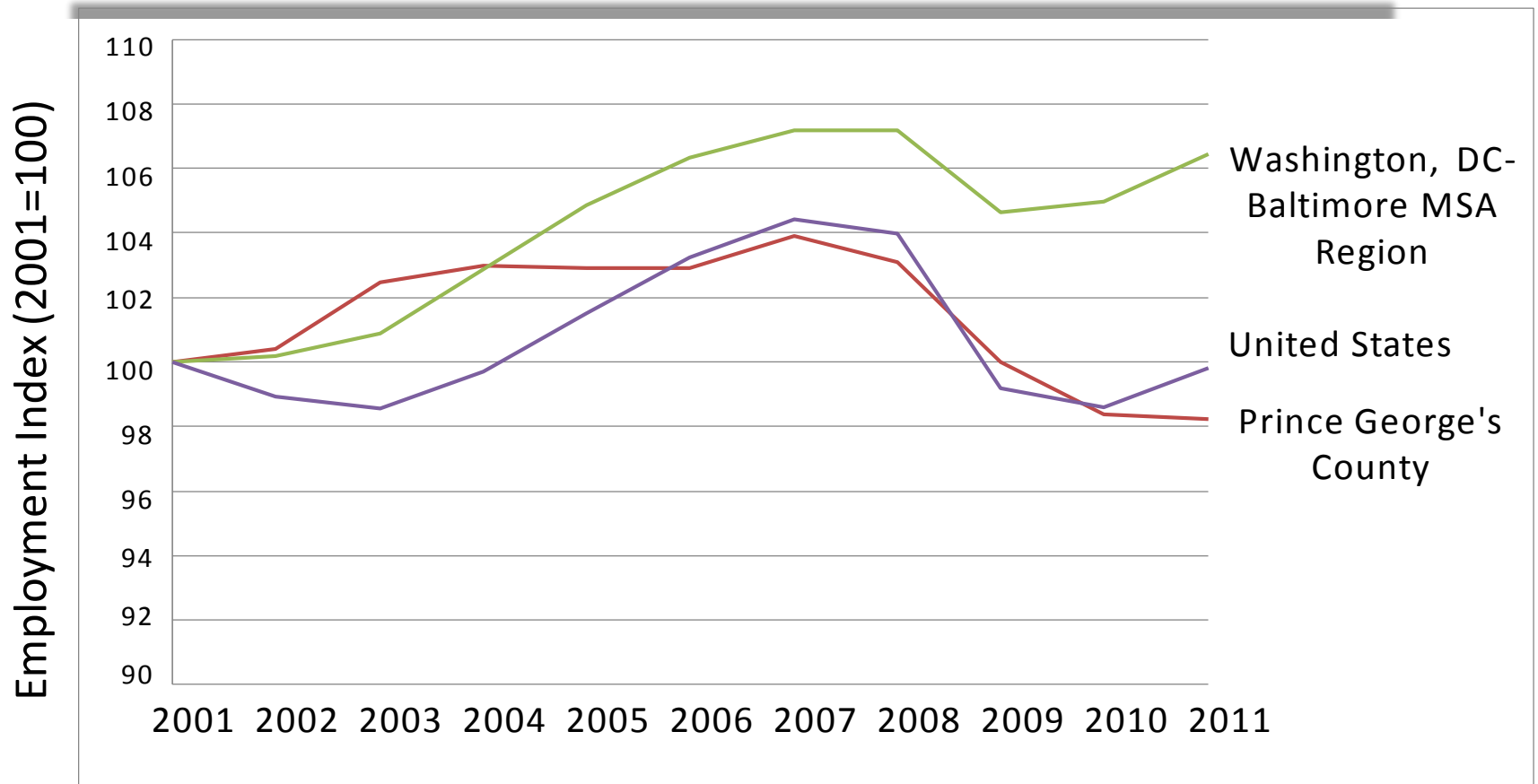


# The Challenge in 2011

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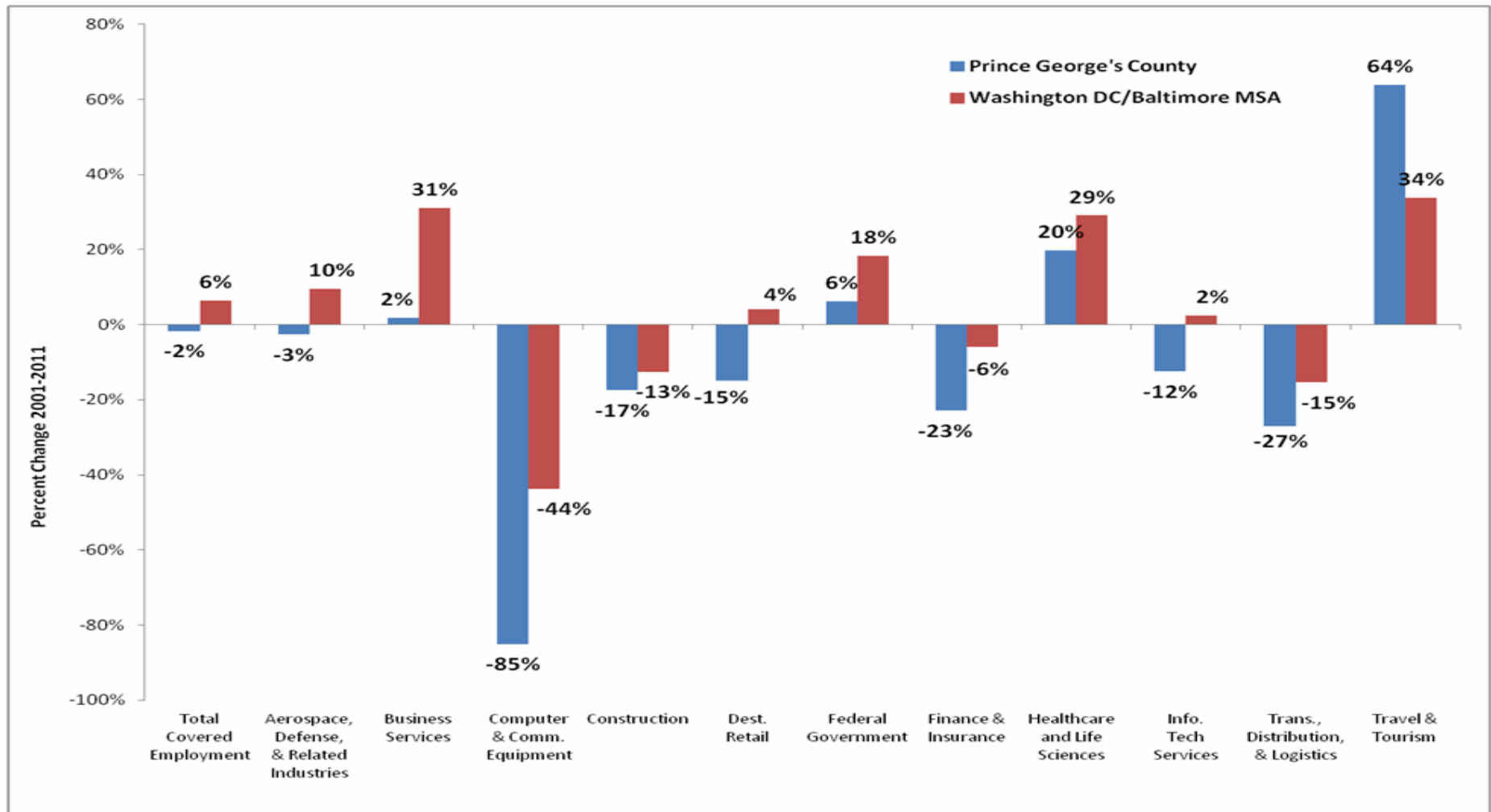
- Weak and lagging performance in leading high skilled, high paying industries
- Lack of regional competitiveness
- Lost opportunities for improving quality of life, economic viability and tax base
- Heavily reliant on residential tax base versus commercial tax base
  - 71% Residential Tax Base
  - 29% Commercial Tax Base

## Employment Index for Prince George's County, Washington D.C.-Baltimore Region and the United States (2001–2011)



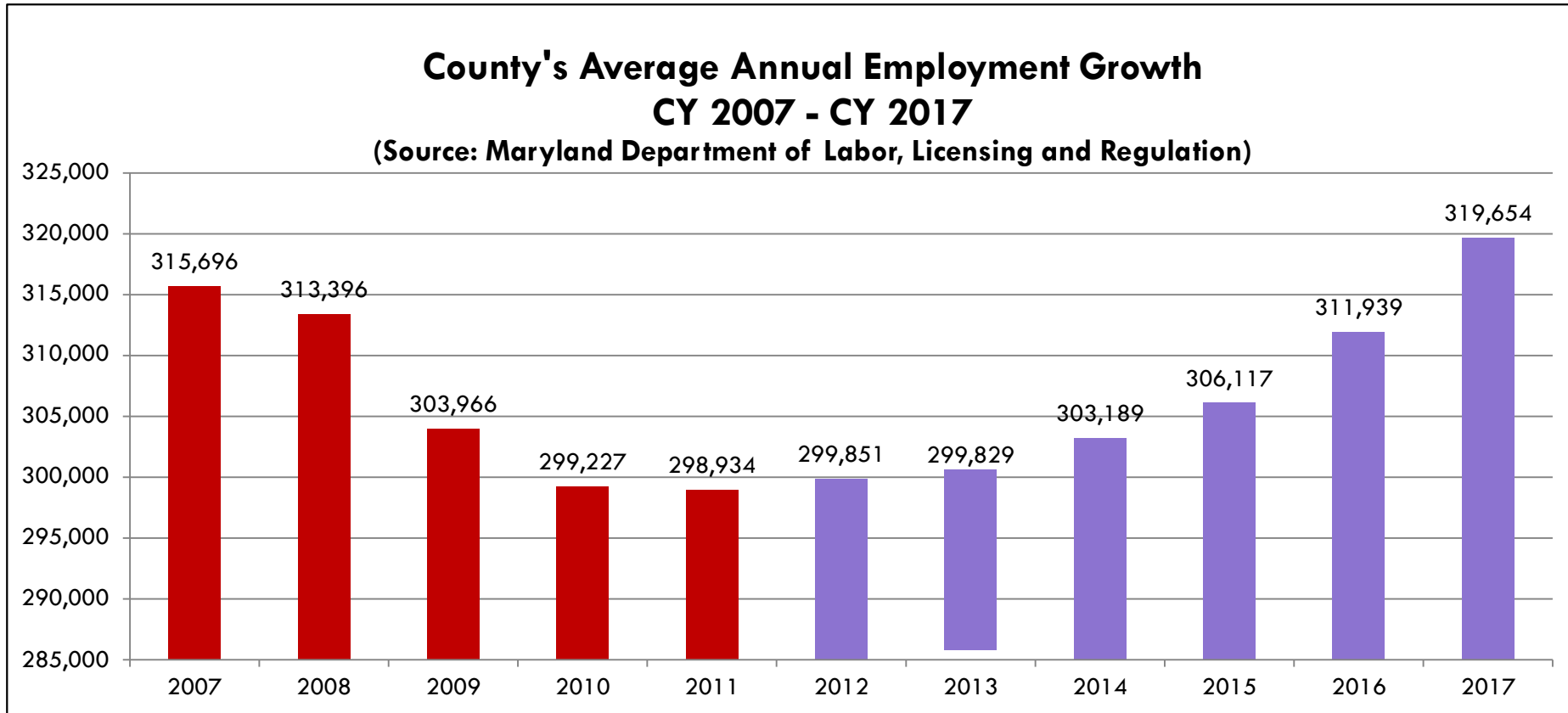
- Despite its economic strengths, over the past decade the County lost ground in economic development
- County lost 5,346 jobs (-1.8%)
- 5 • Washington region gained 250,000 jobs (+6.4%)

# Percentage Change in Employment for Prince George's County and Washington, D.C.-Baltimore Region (2001–2011)



Weaker economic performance found across major industry sectors in Prince George's County

# Job Creation (2007 - 2017)



- 7 • The first 5 years motivated the County to create a new Strategic Plan.
- Under the new Strategic Plan, between 2013-2017, Prince George's County added 19,825 jobs – the most among the largest seven Maryland jurisdictions.

# 2013 County Competitive Advantages and Disadvantages in Competitive Washington Metropolitan Area Regional Economy

## Strengths/Opportunities to Build Upon

- Major research university and federal research labs
- High skilled workforce pipeline—residents who currently commute and new graduates
- Central location, extensive road network and mass transit infrastructure, along with sizable transportation and logistics industry
- Large minority business environment
- Availability and affordability of commercial real estate
- Lower land costs and many potential development sites
- Growth of amenities found in the travel sector

## Weaknesses, Gaps and Threats to Address

- Low rates of overall new business start-ups and retention of new technology ventures
- Lack of identity and brand for Prince George's County in industry development and broader economic assets
- A lack of transit-oriented developments offering walkable live-work-play areas in the County
- Burdensome development process
- Quality of life concerns relative to region that impact public perception, especially related to crime and quality of schools

# Strategic Development Process

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- 8-Person Steering Committee
- 88-Person Advisory Committee
- More than 30 meetings with a broad collaborative engagement of stakeholders, including:
  - County Council
  - M-NCPPC
  - PGCEDC Board & Staff
  - Chamber of Commerce
  - Boards of Trade
  - Business Round Table
  - Industry Associations
- County Council Adoption of the Strategic Plan

# Strategic Planning Process

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- “Industry Cluster” approach to economic analysis and planning
- Identification of County’s primary industry clusters
- Targeted industry clusters with best opportunity to grow and create good jobs for County residents

# Industry Cluster Approach

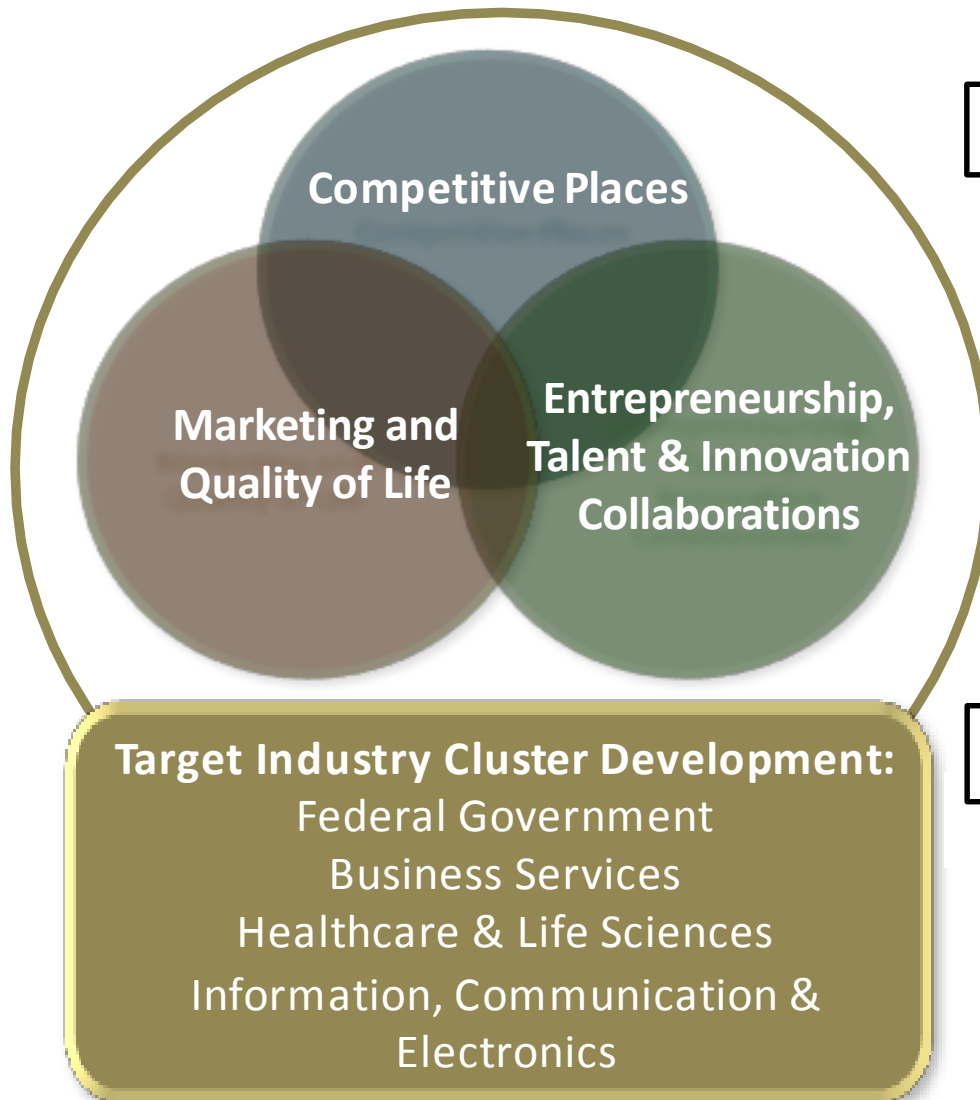
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Identification of leading high-growth industry sectors with the capacity to contribute to economic growth and development

Analysis of 23 primary industry groups	Assessment to refine list to 11 key broad primary industry clusters in-depth analysis	Industry clusters with best opportunity to grow and create good jobs for County residents
Aerospace Products and Parts Biosciences Business Consulting Services Business Support Media Equipment Computer and Peripheral Equipment Construction Destination Retail Federal Government Finance and Insurance Hospitals and Health Services Legal Marketing and Advertising Media Services Navigation and Control Instruments Research, Development and Engineering Electronic Components Software and Computer Services Strategic Office Centers Telecommunications Services Traditional Print Media Transportation, Distribution and Logistics Travel and Tourism	Industry cluster performance Projected growth rates Averages wages Employment multipliers Presence of industry catalysts and drivers	<ol style="list-style-type: none"> <li>1. Federal Government</li> <li>2. Business Services</li> <li>3. Healthcare and Life Sciences</li> <li>4. Information, Communication and Electronics (ICE) – Advanced Technology Industries</li> </ol>

# Two-Prong Strategy

## CROSSCUTTING ECONOMIC DEVELOPMENT PRIORITIES



### Catalysts

Assets including research institutions, talent base, transportation network, commercial real estate base, and other development capabilities that offer competitive advantages to build upon.

### Drivers

Industries that offer the best opportunities for advancing high quality job creation to grow the local economy.

# Targeted Cluster – Federal Government

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## Strengths & Opportunities:

- Federal procurement big driver—well beyond direct employment
- Big opportunity to gain new Federal agencies with expiring leases in next five years
- County has advantage of lower cost, available office space
- Retaining current leases within the County is also important
- Home to 14 Federal agencies

**Note:** Six year pursuit of FBI headquarters with 2 of the 3 final sites under the federal procurement located in Prince George's County

## Key Acquisitions/Expansions:

- U.S. Homeland Security (CIS)
- DoD Defense Intelligence Agency
- FEMA warehouse and training facility
- U.S. Treasury FMS

# Targeted Cluster – Business Services

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## Strengths & Opportunities:

- Gained jobs between 2001 to 2011 period, but did not keep pace with national growth
- Strong future growth potential
- County more focused in lower skilled administrative services jobs
- Opportunities for accounting, legal and management companies to reduce costs by locating in the County (compared with other D.C. jurisdictions)

## Key Acquisitions/Expansions:

- Earthtec
- Mass Mutual Financial Group
- Western Express
- Metro Laundry Service
- FTI Consulting
- Crane Rental Company
- The Ferguson Companies
- Alsco
- Bazilio Cobb Associates
- Bozutto Group
- Leuterio Thomas

# Targeted Cluster – Healthcare and Life Sciences

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## Strengths & Opportunities:

- Strong projected national growth over next ten years
- Proposed University of Maryland Medical System (UMMS)
- New investments in Southern Maryland Hospital and Joint Base Andrews Hospital
- Proximity to Food and Drug Administration (FDA) headquarters at White Oak
- Nearby medical clusters at NIH and Johns Hopkins Medical Center

## Key Acquisitions/Expansions:

- University of Maryland Capital Region Medical Center
- Kaiser Permanente
- Children's National Medical Center
- Worldshine Adult Day Care Center
- Medical Pavilion at National Harbor
- NextCure
- Theranostix
- Minimally Invasive Vascular Systems
- FutureCare
- Gerald Family Care

# Targeted Cluster – Information, Communication and Electronics

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## Strengths & Opportunities:

- 73% higher concentration than the nation
- High wages
- Recent job losses, but expected to grow over next ten years
- Existing ICE firms are clustered around the Greenbelt area
- UMCP possesses key research strengths in ICE

## Key Acquisitions/Expansions:

- MS Technologies
- 2U, Inc.
- N2Grate
- Cybrary
- Information Management Systems
- ATR Corporation
- Blue Voyant
- IonQ
- Trinity Cyber
- The Aerospace Corporation
- SSAI

# Contributing Industry Cluster – Travel and Tourism Industry

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## Strengths & Opportunities:

- Provides important amenities through the availability of hotels and meeting/conference spaces
- Enjoyed strong growth over the 2001 to 2011 period
- Proximity and connection to Washington, DC attractions

## Key Acquisitions/Expansions:

- MGM Casino and Hotel
- National Harbor (New Hotels)
- Local Motors
- Top Golf
- Tanger Outlets
- The Hotel in College Park
- 11 New Hotels/1700 Rooms

# Contributing Industry Cluster – Transportation, Distribution and Logistics

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## Strengths & Opportunities:

- Strong location assets
- Plenty of warehousing and distribution space
- Already a contributor to federal government activities through warehouse locations
- Recent growth in life sciences with the distributions of life sciences products and laboratory services
- Declining cluster with weak economic performance, but supports the growth of other industry drivers in the County

## Key Acquisitions/Expansions:

- UPS
- Dpi Dedicated Logistics/Starbucks
- Iron Mountain
- SHCM Worldwide
- Safeway Distribution Center
- Solid Gold
- SW Produce
- Steeplechase 95 International Business Park
- Union Market Wholesalers

# Targeted Retail and Restaurant Sector

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## Strengths & Opportunities:

- Residents travel to neighboring jurisdictions for high-end retail and restaurants
- New developments in many parts of the County, without retail or restaurant options, such as Largo and Westphalia
- Many old and dilapidated shopping centers and strip malls
- New grocery concepts looking at the County with a growing population and rising incomes
- Pockets of “food deserts”

## Key Acquisitions/Expansions:

- Nordstrom Rack
- Dave & Busters
- Cadillac Crossing
- Copper Canyon
- Sobe’s Restaurant
- Tanger Outlets
- The Shops at Iverson
- The Mall at Prince George’s
- University Town Center
- Bowie Marketplace
- Rose’s Department Store
- Olive Garden Italian Restaurant
- Two Lidl locations
- ALDI, Harris Teeter and Weis

# From Strategy to Action Plan

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- The strategic economic development plan called for 16 specific comprehensive actions
- Required between \$1.5 million to \$1.7 million in increased economic funding (including \$500,000 investment of branding campaign)
- Prioritizes and/or relocates existing resources to support targeted clusters and crosscutting initiatives

# Implementation Plan

## Implement Tailored Industry Cluster Development Strategies & Organize Resources

Initiatives	Status and Action
Dedicated staff support for industry cluster development and networking	COMPLETED – Staff assigned to each industry cluster
Prioritize county incentives to targeted industry clusters	COMPLETED – EDI Fund, TIF Districts, and PILOTS
Focus on workforce connections to targeted industry clusters	PARTIALLY COMPLETED – Talent Development Fund launched 2 Skills Centers under development

# Implementation Plan

## Promote Entrepreneurship, Talent, and Innovation Collaborations

Initiatives	Status and Action
Create a Prince George's County innovation and commercialization collaborative	ON-GOING – Launched Innovation Station with business incubator and co-working space; Collaborate with UM MTECH, MIPS and TAP business Incubator
Establish financing approaches for high growth potential emerging technology companies	ON-GOING – Maryland TEDCO new Pre-seed Builder Fund, existing Seed Fund and Venture Fund
Advance and link talent and innovation activities with local minority business enterprise development	COMPLETED – OCS implemented the County Based Business Certification program to provide LMBEs with procurement opportunities, education and training
Promote Talent Bridges to connect targeted industry clusters with top talent from universities and federal labs in the County	PARTIALLY COMPLETE – Employ Prince George's implemented 5 Industry Bridge Programs

# Implementation Plan

## Establish Competitive Places for Development

Initiatives	Status and Action
Create a “By Right Zoning” for a set of targeted development sites associated with Transit Oriented Development	‘BY RIGHT ZONING’ NOT COMPLETED – TIF Districts and expedited permitting process established; new zoning ordinance creates 4 TOD designated zones  *JumpStart TOD Strategy
Make the build-out of M Square as a mixed-use campus development a top County economic development priority	ON-GOING – Discovery District with 16 buildings and 36 employers; Connection to Riverdale Park Station; COPT office building development; Gilbane mixed-use development; Marriott Suites Hotel (coming soon); St. John Properties Flex Office Buildings
Continue to Examine Feasibility and Advance New Development Tools	ON-GOING – RDA PP3 for the Town Square at Suitland Federal Center; RDA façade improvement fund for shopping centers, 25 Opportunity Zones, several TIF Districts, PACE energy program

# Implementation Plan

## Launch Pro-Active Outreach Marketing

Initiatives	Status and Action
Implement a branding campaign	ON-GOING – Experience-Expand-Explore: \$750,000 phase II
Develop an alliance marketing approach for each targeted industry cluster	ON-GOING – Attraction, retention, and expansion business visitation campaign of targeted sectors; Customized presentation for each industry sector; Retail industry pitch-book and PowerPoint presentation; Industry conferences: Global Soft (ICE); RSA (ICE); Select USA (multiple sectors); BIO-International Conference (Healthcare and Life Sciences)

# Competitive Places

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- Strategic plan talked about focusing on competitive places
- Building on key strengths of availability and affordability
- Lack of walkable communities near TOD
- Collaborative Process for prioritizing TOD
- JumpStart TOD
  - ▣ Prioritization of 5 Metro Stations
  - ▣ Expediting Permitting Process
  - ▣ Financial Incentives
  - ▣ Public Infrastructure
  - ▣ Marketing of Specific Metro Stations
  - ▣ Leadership and Collaboration

# Priority Transit Oriented Development (TOD) Largo Metro Station

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**University of Maryland Capital Region Health** - \$650 million project. Projected opening is March 2021.

**Ascend Apollo** - \$180 million mixed-use project consists of 800 apartment units. Phase I - (400 units) is open. Phase II begin construction in CY 2019.

**RPAI** – Multi-phased redevelopment plan of 50 acre site includes 1.2 million SF of retail, commercial, hotel, and 3,000 residential units.



*University of Maryland Capital Region Health – Under Construction*



*RPAI Site Plan*

# Priority Transit Oriented Development (TOD)

## New Carrollton Station

**Carrollton Station** – \$165 million mixed-use project, 2 to 4 million SF of office, retail and residential space, including Maryland Department of Housing & Community Development

- The Remy – 2 Phase Residential Project
- 2U, Inc. – Renovation of Harkins Road office building
- Urban Atlantic – Mixed use development with office, residential, and retail
- Kaiser Permanente – Development of new office building and garage



*The Remy*



*Urban Atlantic Project*

# Priority Transit Oriented Development (TOD) Suitland Station

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**Towne Square at Suitland Federal Center** – \$402 million mixed-use investment including construction of 219 townhouses, 351 residential units, 137 senior multi-family units, 87,000 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



*Suitland Development Plan*



*Proposed Towne Square at Suitland Federal Center*

# Priority Transit Oriented Development (TOD)

## Prince George's Plaza Station

**The Mall at Prince George's** - \$25 million in renovations completed 2017. Phase 2 to be completed end of 2018.

**University Town Center** - \$24 million commercial project, includes new anchor grocery store Safeway. 54,000 SF grocery store opened April 2016.

**Office building** renovation and \$50 million residential conversion approved



*Mall at Prince George's*



*Safeway at the University Town Center*



*Metro II Adaptive Reuse – Conceptual Design*

# Priority Transit Oriented Development (TOD) Branch Avenue Station

## **United States Citizenship and Immigration Services**

Now under construction at  
Branch Ave Metro Station site is  
575,000 SF office building for  
3,700 CIS employees with  
1,000 space parking facility  
and 40,000 SF of retail  
planned.



*USCIS Headquarters Rendering*



*Tribeca Apartments and Retail*

# Conclusion – Key Points

- Strategic Plan action items largely implemented
- Industry sector strategy utilized as a significant guide post for EDC and other County agencies
- Residential/Commercial property tax ratio improved from 71%/29% to 68%/32%
- Rebounded from Great Recession and became a leader in job growth for the State of Maryland

# Time For New Strategic Plan?

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- ❑ Strategic Plan is now six years old
- ❑ Significant changes in County's economic position
- ❑ New technologies, industry sectors, workforce conditions (talent pool)
- ❑ No FBl; but new opportunities with Amazon
- ❑ National and International economic factors
- ❑ Changes in local priorities?

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