



TECHNICAL MEMORANDUM

Current Conditions and Economic Assessment of Bryans Road

CHARLES COUNTY, MARYLAND



**Charles County Government
Economic Development Department**

10665 Stanhaven Place, Suite 206
White Plains, Maryland 20695

www.MeetCharlesCounty.com



ACKNOWLEDGEMENTS

Prepared By:

Taylor B. Yewell, Redevelopment Manager
Michelle DeSoto, Economic Research Specialist
Daniella Djiogan, Project Coordinator

Approved By:

Darréll A. Brown, Director

Charles County Government Economic Development Department

10665 Stanhaven Place, Suite 206
White Plains, Maryland 20695

www.MeetCharlesCounty.com

The Charles County Economic Development Department (EDD) would like to extend appreciation to the Department of Planning and Growth Management for their collaboration.

Jason R. Groth, Planning Director
Glenn D. Gorman, GIS Analyst

Charles County Government Department of Planning and Growth Management

Equal Opportunity Employer

It is the policy of Charles County to provide equal employment opportunity to all persons regardless of race, color, sex, age, national origin, religious or political affiliation or opinion, disability, marital status, sexual orientation, genetic information, gender identity or expression, or any other status protected by law.



TABLE OF CONTENTS

INTRODUCTION	3
DEMOGRAPHIC AND SOCIOECONOMIC TRENDS	
Population	5
Households	6
Household Income	7
Population by Age	7
Racial and Ethnic Composition	8
Education Attainment	9
ZONING AND CURRENT CONDITIONS	
Zoning and Land Uses	10
Square Footage and Unit Counts	11
RETAIL AND COMMERCIAL MARKET TRENDS	
Retail Standard Guidelines	13
Retail Opportunity Potential	14
Implications	16
RESIDENTIAL MARKET AND HOUSING TRENDS	19
ECONOMIC DEVELOPMENT IMPLICATIONS OF THE WCD ZONE	21
ECONOMIC DEVELOPMENT IMPLICATIONS OF THE MARYLAND AIRPORT	23
SUMMARY CONCLUSION	26



INTRODUCTION

Bryans Road, a Census Designated Place in western Charles County, has experienced several significant events within the past five years that will in some way impact its economic development in the years to come. Recognizing this, the Board of County Commissioners has tasked the Economic Development Department (EDD) with analyzing the current conditions in the Bryans Road area and assessing its economic prospects in the future.

The objective of this data driven analysis is to inform the development of a proactive planning effort that will help shape and guide growth in the area as well as define new marketing and outreach efforts. The two key focus areas of the analysis are the Bryans Road Village Center (within the Charles County Development District) and Maryland Airport. A separate and distinct analysis is currently underway by the Planning and Growth Management Department (PGM) to assess the economic impacts of the entire Watershed Conservation District. While the EDD analysis acknowledges and inventories current and former zoning districts within the area studied in this report, it does not attempt to quantify the opportunity costs of rezoning. Nonetheless, the findings contained in this report should inform the effort underway within PGM.

This report examines six (6) factors that will impact future development in Bryans Road:

- Demographics and socioeconomics;
- Zoning and current conditions;
- Retail and commercial market trends;
- Residential market and housing trends;
- Economic development implications of the WCD;
- Economic development implications of Maryland Airport, and;
- Summary Conclusion

The findings of the analysis were synthesized to inform summary conclusions and identify next steps.

The study area selected for the analysis includes the greater Bryans Road area and an approximate 630-acre area surrounding the Maryland Airport. The study area is shown in Figure 1 and is indicated by a bold dashed line. The underlying map shows the zoning prior to the adoption of the Watershed Conservation District (WCD) in 2017, which is itself indicated by slant-line shading.



**CHARLES COUNTY
GENERALIZED
ZONING MAP** 2016

Prepared By The Charles County
Department of Planning and
Growth Management

SCALE
0 0.5 1 Miles

Bryans Road Area_EDD
WCD Zone 2017

POTOMAC RIVER

PRINCE GEORGE'S COUNTY

INDIAN HEAD

MATAWOM Creek

LEGEND

BASE ZONES

AC ANNEXMENT CORRIDOR	CRR COMMERCIAL RESIDENTIAL
RC RURAL CONSERVATION	CRR COMMERCIAL RESIDENTIAL
RP RURAL RESIDENTIAL	CRR COMMERCIAL RESIDENTIAL
RV RURAL VILLAGE	CN COMMUNITY NODAL
RL RURAL LIGHT INDUSTRIAL	CC COMMUNITY CENTER
RM RURAL MEDIUM DENSITY	CB COMMUNITY BUSINESS
RMD RURAL MEDIUM DENSITY	CC COMMUNITY CENTER
RMR RURAL MEDIUM DENSITY	CC COMMUNITY CENTER
REP RURAL EMPLOYMENT	CC COMMUNITY CENTER
IG INDUSTRIAL GENERAL	CC COMMUNITY CENTER
HV HEAVY INDUSTRIAL	CC COMMUNITY CENTER
HVG HEAVY INDUSTRIAL GENERAL	CC COMMUNITY CENTER
HVR HEAVY INDUSTRIAL RESIDENTIAL	CC COMMUNITY CENTER
RC(D) RURAL COMMUNITY DEVELOPMENT	CC COMMUNITY CENTER

FLOATING ZONES

PLD PLANNED LIGHT DEVELOPMENT	PRD PLANNED RESIDENTIAL DEVELOPMENT
WPC WORKING PORTLAND COMMUNITY	PRD PLANNED RESIDENTIAL DEVELOPMENT
TOD TRANSIT ORIENTED DEVELOPMENT	PRD PLANNED RESIDENTIAL DEVELOPMENT
PLD PLANNED LIGHT DEVELOPMENT	PRD PLANNED RESIDENTIAL DEVELOPMENT

OVERLAY ZONES

RP RURAL PRESERVATION	RP RURAL PRESERVATION
RP RURAL PRESERVATION	RP RURAL PRESERVATION
RP RURAL PRESERVATION	RP RURAL PRESERVATION

NOTE: THIS IS A GENERALIZED ZONING MAP. ZONING DISTRICT BOUNDARIES AND APPROXIMATE ONLY. CONSULT THE FY-2017 ZONING MAP FOR THE LATEST INFORMATION.

2016



DEMOGRAPHIC AND SOCIOECONOMIC TRENDS

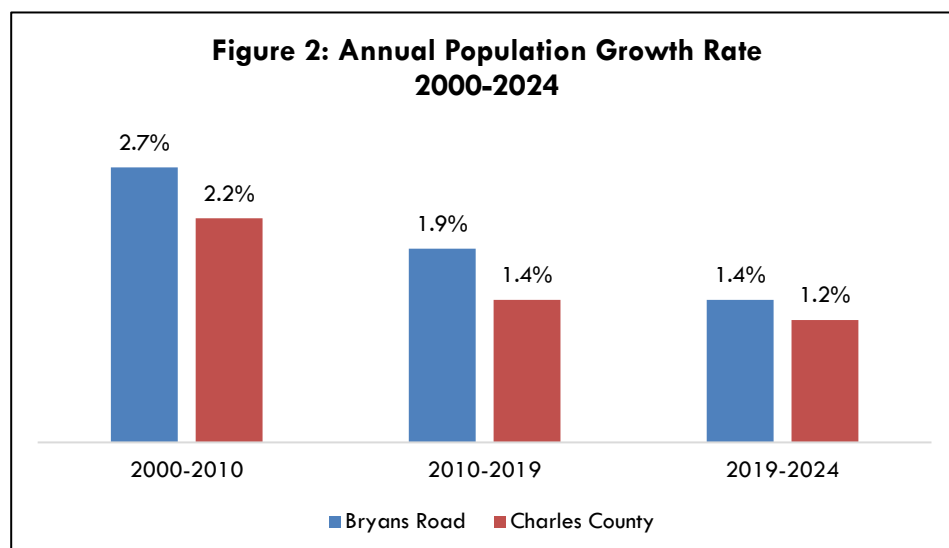
Demographic and socioeconomic analysis provides insight into current conditions and the framework for understanding the factors that will influence future development. All key indicators including population, households, and income are positive for Bryans Road which signifies a relatively healthy local economy. In contrast, an area losing population, households, and income would be considered economically challenged.

Population: Bryans Road's population in 2019 is estimated at 8,897 and the growth rate has outpaced the County's from 2000 to 2019 as shown in Table 1 and Figure 2. Although the population growth rate is projected to slow, it should remain fairly robust in real numbers with 640 new residents anticipated in the next five years.

Table 1
Population Trends
2010-2024

	2000	2010	2019	2024
POPULATION COUNT				
Bryans Road	5,991	7,590	8,897	9,537
Charles County	120,547	146,551	165,569	175,827
PERCENT CHANGE IN POPULATION				
Bryans Road		26.7%	17.2%	7.2%
Charles County		21.6%	13.0%	6.2%
ANNUAL PERCENT CHANGE IN POPULATION				
Bryans Road		2.7%	1.9%	1.4%
Charles County		2.2%	1.4%	1.2%

Source: ESRI Business Services, 2019



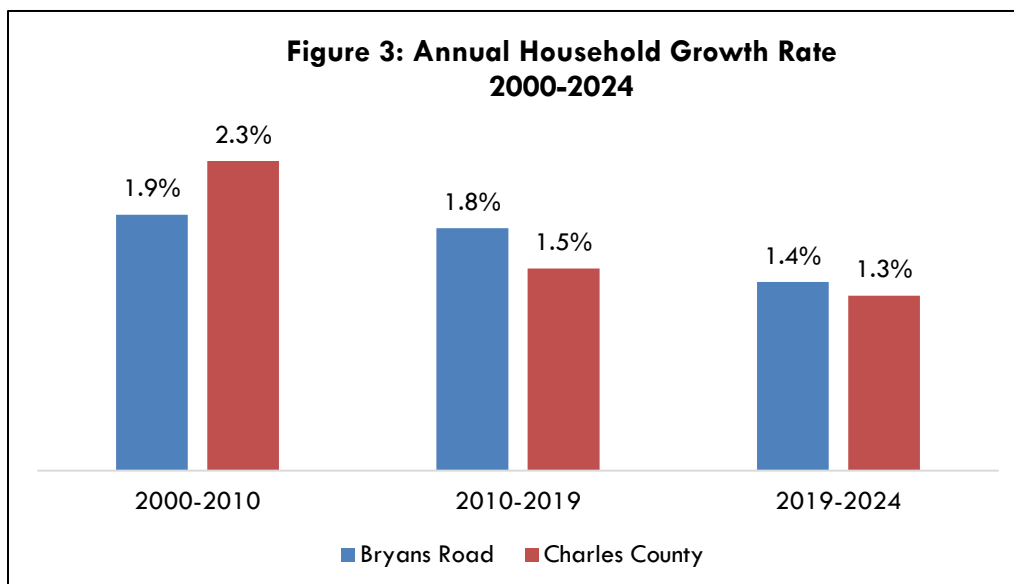


Households: Household growth generally mirrors population growth as illustrated in Table 2 and Figure 3, showing 1.8% annual growth between 2010 and 2019 compared to the county at 1.5% annual growth. Population and household growth in Bryans Road can be attributed to the attractive housing opportunities in the area. Housing characteristics are discussed in more detail in a subsequent section.

Table 2
Household Trends
2000-2024

	2000	2010	2019	2024
HOUSEHOLD COUNT				
Bryans Road	2,218	2,644	3,075	3,292
Charles County	41,668	51,214	58,191	61,926
PERCENT CHANGE IN HOUSEHOLDS				
Bryans Road		19.2%	16.3%	7.1%
Charles County		22.9%	13.6%	6.4%
ANNUAL PERCENT CHANGE IN HOUSEHOLDS				
Bryans Road		1.9%	1.8%	1.4%
Charles County		2.3%	1.5%	1.3%

Source: ESRI Business Services, 2019





Household Income:

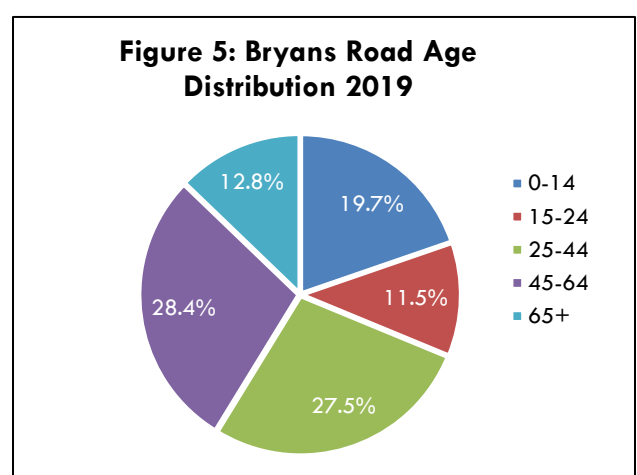
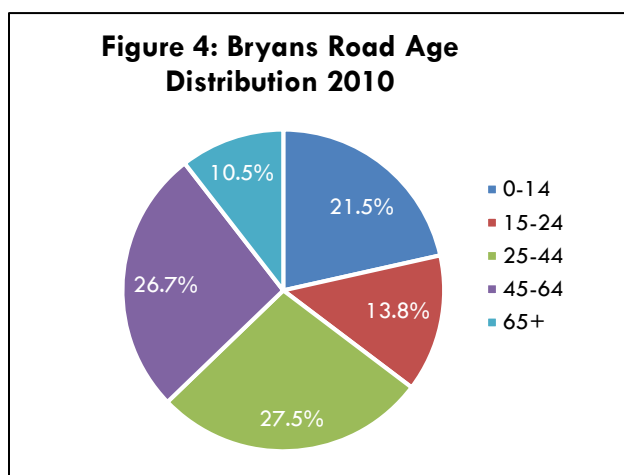
Household incomes rose 48.8% in Bryans Road from \$57,228 in 2000 to \$85,137 in 2017. Countywide, household incomes did slightly better during the same period with an annual percent change in income of 3.0% compared to 2.9% in Bryans Road. Nonetheless, Bryans Road's households performed better than the annual rate of inflation, which was 2.5% over the same period. See Table 3.

Table 3
Household Income
2000-2017

	2000	2017
MEDIAN HOUSEHOLD INCOME		
Bryans Road	\$57,228	\$85,137
Charles County	\$62,199	\$93,973
PERCENT CHANGE IN INCOME		
Bryans Road		48.8%
Charles County		51.1%
ANNUAL PERCENT CHANGE IN INCOME		
Bryans Road		2.9%
Charles County		3.0%

Source: ESRI Business Services, 2019

Population by Age: Bryans Road's population has aged somewhat since 2010, with the combined youth population of 0-24 years of age declining from 35.3% in 2010 to 31.2% in 2019. The young working age cohort of 25-44-year-olds remained steady at 27.5% while the high earnings cohort of 45-64-year-olds increased from 26.7% in 2010 to 28.4% in 2019. Retirees 65 and older increased from 10.5% in 2010 to 12.8% in 2019. See Figures 4 and 5.





Racial and Ethnic Composition:

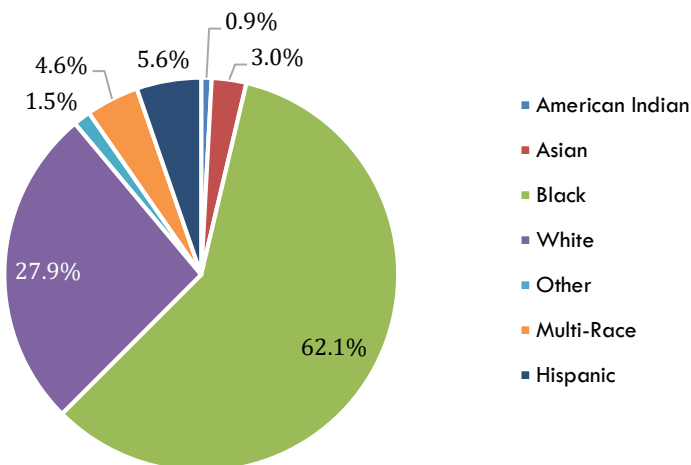
Bryans Road's racial composition is majority Black at 62.1% in 2019, followed by White at 27.9%, Multi-Race at 4.0%, Asian at 3.0%, Other at 1.5% and American Indian at 0.9%. The U.S. Census Bureau recognizes that Hispanic is not a race but rather an ethnicity. In 2019, 5.6% of the population self-identified as being Hispanic. The percentages do not equal 100% because a person can be Hispanic and any race. See Table 4 and Figure 6.

Table 4
Race and Hispanic Composition
2010-2019

Race/Ethnicity	Bryans Road		Charles County	
	2010	2019	2010	2019
American Indian	1.0%	0.9%	0.7%	0.7%
Asian	2.9%	3.0%	3.0%	3.4%
Black	53.6%	62.1%	41.0%	48.6%
White	37.5%	27.9%	50.3%	40.8%
Other	1.1%	1.5%	1.4%	2.0%
Multi-Race	4.0%	4.6%	3.7%	4.5%
Hispanic	3.9%	5.6%	4.3%	6.3%

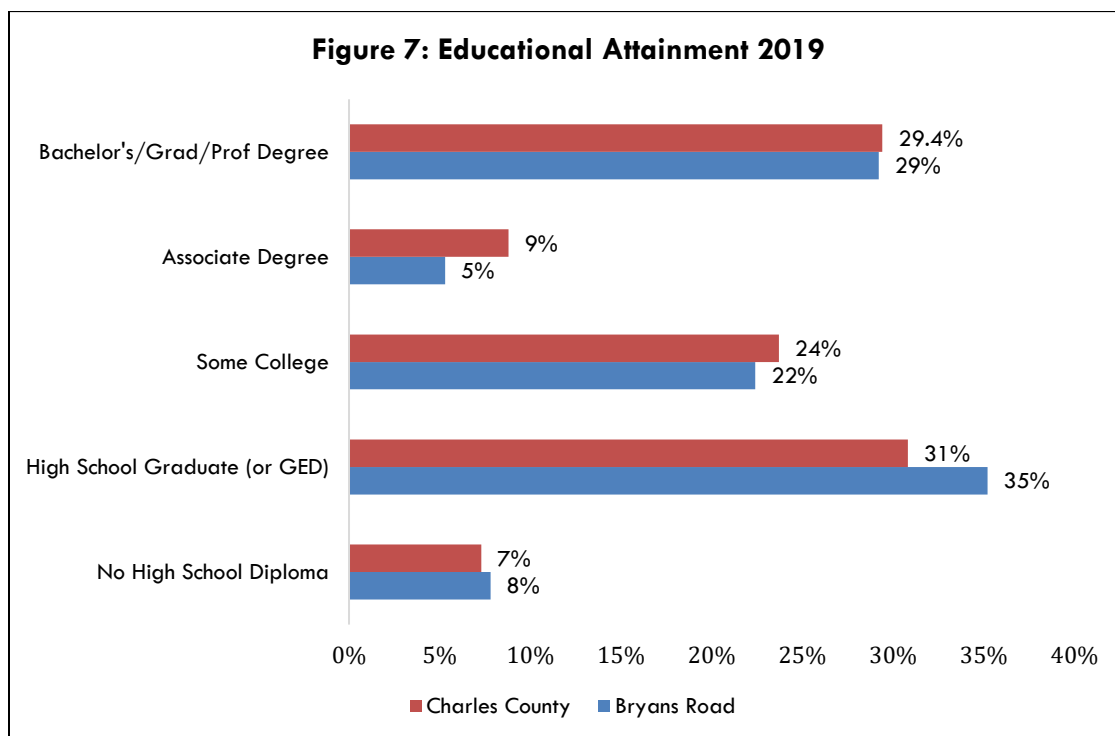
Source: ESRI Business Services, 2019

Figure 6: Bryans Road Race/Ethnicity





Education Attainment: The education attainment of a labor force is a significant factor in supporting efforts to expand economic development and attract new employers. Figure 7 illustrates the education attainment levels of the population 25 years and older for Bryans Road and Charles County, which are relatively equal for attainments of a bachelor's degree or higher at around 29%.



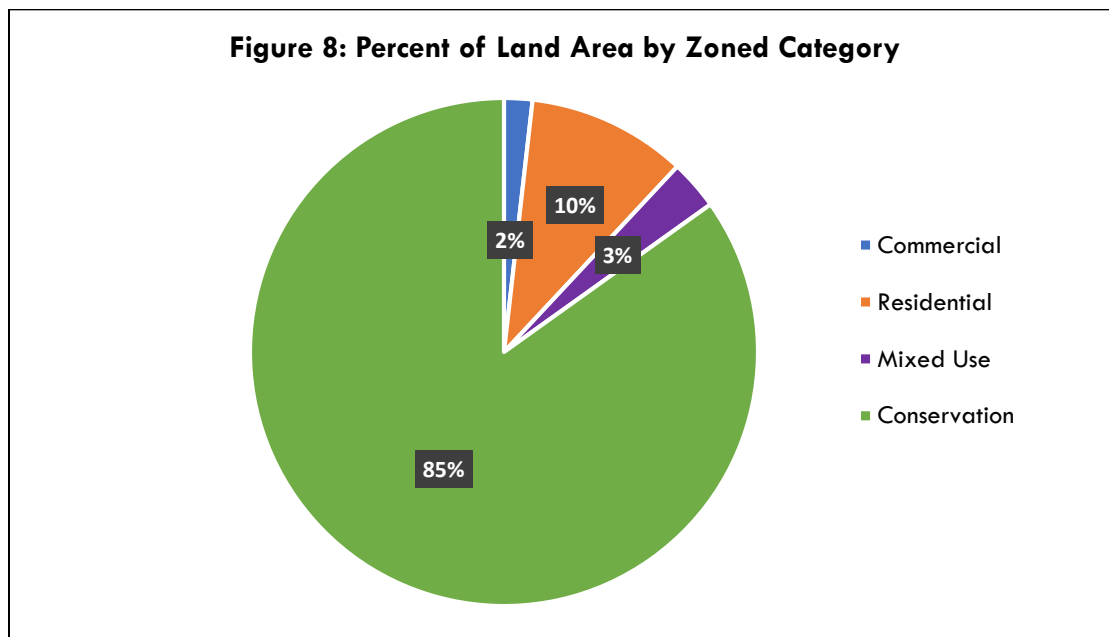
Implications: New households are the most significant contributor to economic growth on both the micro- and macroeconomic levels as consumer spending drives production. According to the U.S. Census, the average household in Charles County in 2019 spent \$38,458 on apparel, entertainment, groceries, restaurants, gifts, home furnishings, household operations, and transportation (personal vehicles and public), as well as \$7,505 per household on health care. Therefore, the 217 households added in Bryans Road from 2010 through 2019 contributed an estimated \$10 million in direct annual spending in the local and regional economies in the aforementioned categories.



ZONING AND CURRENT CONDITIONS

This section examines land use trends in the Bryans Road study area with a focus on non-residential and residential inventory. It includes factors such as zoning, acreage, and the existing inventory of buildings and units. In addition, there is an assessment of employment supporting uses.

Zoning and Land Uses: Within the study area, 85% of the land is zoned for conservation (11,040 acres) either in the Watershed Conservation District or Rural Conservation District; 10% (1,321 acres) of the land is zoned for residential uses; 3% (412 acres) is zoned for mixed uses which allows for commercial and residential; and 2% (235 acres) is zoned exclusively for commercial. See Figure 8.



The 412 acres of mixed-use zones are important to note because they are representative of the “Villages” as referenced in the 2016 Comprehensive Plan. Descriptions of the mixed-use zones as contained in the County’s Zoning Ordinance and key land uses are identified as follows:

Core Employment/Residential Zone (CER). This zone provides for development which will successfully integrate a mixture of complementary land uses that are primarily employment and residential but may also include retail, commercial services, and civic uses, to create economic and social vitality and encourage the linking of transportation and land use.



The two principle businesses in the Bryans Road's CER Zone are an existing CVS Pharmacy that was constructed in 2012 and Bryans Road Building Supply which has been in its current location since 1977. Most of the land in the zone is undeveloped.

Core Retail/Residential Zone (CRR). This zone provides for development which successfully integrates a mixture of complementary land uses that are primarily retail but may also include employment, residential, commercial services, and civic uses, to create economic and social vitality and encourage the linking of trips.

The most significant improved property in the CRR Zone is the 220,000-square-foot Bryans Road Shopping Center followed by the 38,500-square-foot Food Lion grocery store that was constructed in 1995. Other commercial properties include Burger King, McDonald's and KFC restaurants.

Core Mixed Residential Zone (CMR). This zone provides for high-density residential development adjacent to the core employment/residential and retail residential areas. It will incorporate a mix of housing types and uses, along with traditional neighborhood design principles. The CMR Zone is comprised mainly of townhouses and single-family homes.

Another significant non-residential zone(s) in the study area is the Maryland Airport which is actually comprised of two zones: Light Industrial (IG), 137 acres; and Business Park (BP). The process of rezoning approximately 630 acres surrounding the airport from WCD to commercial is currently underway. The Maryland Airport is discussed in greater detail in a subsequent section.

The study area's residential zones contain mostly single-family homes, as do parts of the WCD zone with a suburban-density concentration near the Bryans Road Village.

Square Footage and Unit Counts: Based on information from the Maryland Department of Planning, there are an estimated fifty-five (55) commercial buildings in the Bryans Road study area comprising approximately 492,000 square feet of floor area. Of the total thirty-seven (37) buildings are under 5,000 square feet, eleven (11) buildings are between 5,000 and 10,000 square feet, five (5) buildings are between 10,000 and 20,000 square feet and four (4) buildings are over 20,000 square feet in floor area. For the purposes of this analysis, the 122,678-square-foot Bryans Road Shopping Center is considered a single building. Four commercial buildings under 5,000 square feet are on parcels that overlap into the WCD zone.



There are twenty-five (25) parcels of unimproved, commercially zoned land covering approximately fifty-three (53) acres. In addition, another twenty-one (21) acres of unimproved commercial land overlap into the WCD.

According to the U.S. Census Bureau 2018 American Community Survey, there are 3,019 housing units in Bryans Road including 2,385 detached units, 538 townhouses, thirty (30) apartments and sixty-six (66) mobile homes.



RETAIL AND COMMERCIAL MARKET TRENDS

The closing of the Bryans Road Safeway in 2018 created some consternation in the community and spawned numerous theories, most inaccurate, of the reasons Safeway vacated their location in the Bryans Road Shopping Center. The purpose of this section is to provide stakeholders and residents with information to better understand the retail dynamics at play in Bryans Road that are actually the result of shifting national trends in consumer buying patterns and constantly evolving retail business models. Indeed, it should be noted that fifteen Safeway stores closed in the U.S. in 2018, including three in Maryland (Bryans Road, Bethesda and Frederick).

Retail Standard Guidelines: The concept of establishing retail standards for communities and neighborhoods is subjective. What is considered lacking or inconvenient to one person might be inconsequential or otherwise readily available to another, depending on a variety of factors including, but not limited to, mobility, income, personal taste or need, and perception. Consequently, there are certain basic criteria or thresholds that can be established to provide a framework for standards, which in turn can be refined through a process such as local market surveys, and targeted supply analysis, to list a few.

The Urban Land Institute (ULI) has established minimum thresholds for market support for retail centers based on population, radius, and drive time. Drive time is typically the most commonly utilized metric for retail demand analyses. The thresholds utilized in this analysis are expressed in the following table.

Table 5

Standard Guidelines - Shopping Center Thresholds

Center Type	Min. Population	Trade Area Radius	Drivetime
Neighborhood	3,000-4,000	3 miles	5-10 minutes
Community	40,000-50,000	3-6 miles	15-20 minutes
Regional	150,000	5-15 miles	20 minutes
Super-Regional	300,000	5-25 miles	30 minutes

Source: ULI

Based on these standards, the Bryans Road Shopping Center would be considered a neighborhood shopping center. This type of retail center provides for the sale of convenience goods (foods, drugs, and sundries) and personal services (e.g. laundry and dry cleaning, hair styling, shoe repair, and tailoring) for the day-to-day needs of the residents in the immediate area. It is built around a supermarket as the principal tenant and typically contains a gross leasable area of about 60,000 square feet. In practice, neighborhood centers can range from 30,000 to 150,000 square feet.

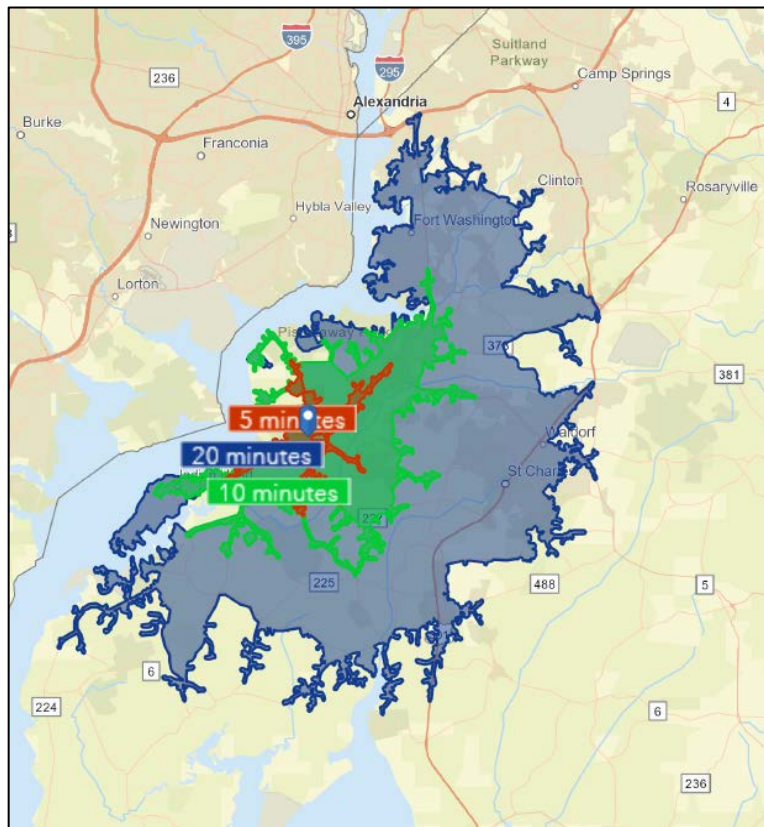


The Bryans Road Shopping Center is approximately 121,000 square feet and serves a population ranging from 4,063 (5-minute drivetime) to 26,278 (10-minute drivetime).

Retail Opportunity Potential: A widely accepted measure of retail characteristics is the *Retail Opportunity Potential*, a comparison of supply and demand under specific retail categories. An opportunity gap appears when household expenditure levels for a specific geography are higher than the corresponding retail sales estimates. This difference signifies that resident households are meeting the available supply and supplementing their additional demand potential by going outside of their own geography. The opposite is true in the event of an opportunity surplus, when the levels of household expenditures are lower than the retail sales estimates. In this case, local retailers are attracting residents of other areas into their stores.

Retail opportunity for Bryans Road is measured for 5-, 10-, and 20-minute drive times. The 20-minute drive time puts much of the Bryans Road consumer population within easy reach of the U.S. Route 301 commercial corridor and its major shopping centers. The map in Figure 9 shows Bryans Road Shopping Center at the blue pin, with the 5-minute drive time in red, the 10-minute drive time in green, and the 20-minute drive time in blue.

Figure 9





Retail opportunity gap (leakage) analysis compares supply (sales) and demand (expenditures) to determine whether there is a net outflow of expenditures out of an area (e.g. leakage) or a net inflow of sales (e.g. surplus). Leakage generally indicates opportunities for new retail goods and services that can capture some of the leaked sales, while surplus generally indicates an area is saturated with retail goods and services.

In Table 6, opportunity surplus is expressed in dollar amounts in black type and opportunity gaps are shown in red type. The major retail categories analyzed include Daily Needs, General Merchandise, Apparel, Furniture, Office (GAFO), and Food Service. Table 6 shows opportunity surpluses for grocery stores within all of the drive times, with opportunity gaps in all other categories in the 5- and 10-minute drive times.

Table 6
Retail Market Potential by Drive Times, 2019

Category	5 Minute	10 Minute	20 Minute
DEMOGRAPHICS			
2019 Population	4,063	26,278	149,082
2019 Households	1,404	8,979	51,948
2019 Median HH disposable income	\$73,062	\$81,537	\$76,334
2019 Per Capita Income	\$40,290	\$46,038	\$42,990
DAILY NEEDS			
Grocery store	\$21,498,328	\$7,582,079	\$85,499,110
Specialty food stores	\$11,539	\$2,906,040	\$13,050,608
Health care & personal care stores	\$1,840,696	\$19,393,876	\$35,713,988
GENERAL MERCHANDISE, APPAREL, FURNITURE, OFFICE (GAFO)			
General Merchandise	\$7,923,420	\$67,894,886	\$138,028,265
Clothing & clothing accessories	\$4,385,306	\$32,529,757	\$43,277,369
Furniture & home furnishing stores	\$573,633	\$12,345,927	\$3,891,844
Electronic & appliance stores	\$1,784,089	\$13,715,647	\$5,546,947
Sporting goods, hobby, book, & music stores	\$300,227	\$8,796,052	\$756,601
Office supplies, stationary, & gift stores	\$667,260	\$4,989,479	\$16,359,869
Bldg materials, garden equip & supply stores	\$2,782,944	\$28,857,945	\$61,708,496
FOOD SERVICE			
Restaurants/other eating places	\$88,685	\$31,444,354	\$29,224,352

Source: Esri Business Services



Implications: Bryans Road's key retail offerings are the 38,500-square-foot Food Lion grocery store built in 1995, the 16,000-square-foot CVS Pharmacy, Bryans Road Building Supply, and various stores within the Bryans Road Shopping Center including a Dollar General store. The 18,700-square-foot Country Carpet Plaza on Indian Head Highway features some retail tenants as well as professional and home services. There are also several stand-alone buildings along Route 210 with one to three tenants as shown in the images below.



The most significant challenge to attracting new stores to Bryans Road is the competition posed by the U.S. 301 retail corridor stretching from Brandywine in Prince George's County south to La Plata. The area is characterized by its regional and super regional shopping centers including the Saint Charles Towne Center, as well as community shopping centers in Waldorf and La Plata. Two new grocery stores, Aldi and Lidl, opened in Waldorf in 2019. One of the unique characteristics that makes the area so attractive to retailers is a combination of residential density and high traffic counts on U.S. 301. According to Esri Business Services, the average daily traffic volume at on 301 at Brandywine Crossing is approximately 82,500, decreasing to 61,500 just north of the Berry Road intersection. By contrast, the average daily traffic volume at the intersection of Routes 210 and 227 is approximately 25,000, lower but still significant and capable of enhancing demand for Bryans Road's existing retail.

Another source of competition for retail in any environment are consumer's commuting patterns and the frequency and location of retail opportunities along commuters' routes. Many households are dual income, and if both residents commute to work, they essentially double the likelihood that one may find it convenient to stop at a favorite store along their route.



What is documented with regard to the most significant commercial retail land uses in Bryans Road is the sequence of events related to the existing commercial inventory: the 121,000-square-foot Bryans Road Shopping center was developed in 1974; Bryans Road Building Supply arrived in 1977; the Food Lion grocery store was delivered in 1995; the Country Carpet Plaza was delivered in 2010; and the CVS Pharmacy moved from their old location in Bryans Road Shopping Center to their new 16,000-square-foot building in 2012.

Filling the vacant storefronts at Bryans Road Shopping Center has proved a challenge for the property owner and the EDD. The property was developed in 1974 and its two anchor tenants have vacated, the CVS to a more highly visible location in Bryans Road and the Safeway most likely not to return. Grocery stores operate with razor-thin margins and their business models have changed since the 1970s. Data shows that the daily needs demand is being met in Bryans Road, and other merchandise is available within a twenty-minute drive. The good news for the Bryans Road Shopping Center is that the CRR zone it dwells in allows for a certain amount of flexibility on uses aside from conventional retail that could potentially ensure the shopping center's future viability, such as employment, residential, commercial services, and civic uses.

The Charles County Government does not and cannot direct any specific retailers to any specific location, nor any other business for that matter. The County Government's influence is restricted to land use regulation, or zoning, that identifies the types of uses permissible within a defined geography, including retail. EDD's efforts towards recruiting retail involves marketing the county as a whole and providing data and information to shopping center owners to assist in their recruitment efforts. Ultimately, retailers will decide where it is in their best interests to locate.

In this day and age, retailers prefer to locate in established retail nodes where a critical mass of retail exists and consumer visitation is already established. A case in point is Rosewick Corner, a new grocery-anchored development proposed on a property adjacent to the existing Rosewick Crossing shopping center. As the promotional piece shown in Figure 10 illustrates, the developers acknowledge and embrace the competition with the understanding that they will likely be the beneficiaries of the established patterns of consumers in the area. The "Area Tenants" section at the bottom of the page is intended to appeal to potential tenants who seek to get in on the established action.



Figure 10

JOIN ALDI – GROUNDBREAKING SPRING 2021

ROSEWICK CORNER

CORNER OF U.S. ROUTE 301 & ROSEWICK ROAD – LA PLATA, MARYLAND

PADS AND INLINE SPACE – AVAILABLE

PROPERTY OVERVIEW

- >> New grocery-anchored development in growing La Plata Market
- >> Strategic mix of retail, medical and office space
- >> Central location with nearly 6,000 planned residential units within a mile
- >> Excellent access from main thoroughfare via U.S. Route 301 and Rosewick Road

DEMOGRAPHICS

	3 MILE	5 MILES	10 MILES
Population	15,742	51,702	153,697
Average Household Income	\$114,219	\$120,292	\$116,410
Average Daily Traffic (ADT)	U.S. Rt 301 ADT 40,000+ / Rosewick Road ADT 10,000+		

AREA TENANTS

TARGET

Walmart

SAFeway

Giant

LOWE'S

UNIVERSITY of MARYLAND
CHARLES REGIONAL
MEDICAL CENTER

Charles County Government Center and Courthouse

INSIDE

Commercial Real Estate Companies
WASHINGTON, D.C. | insidecrecos.com

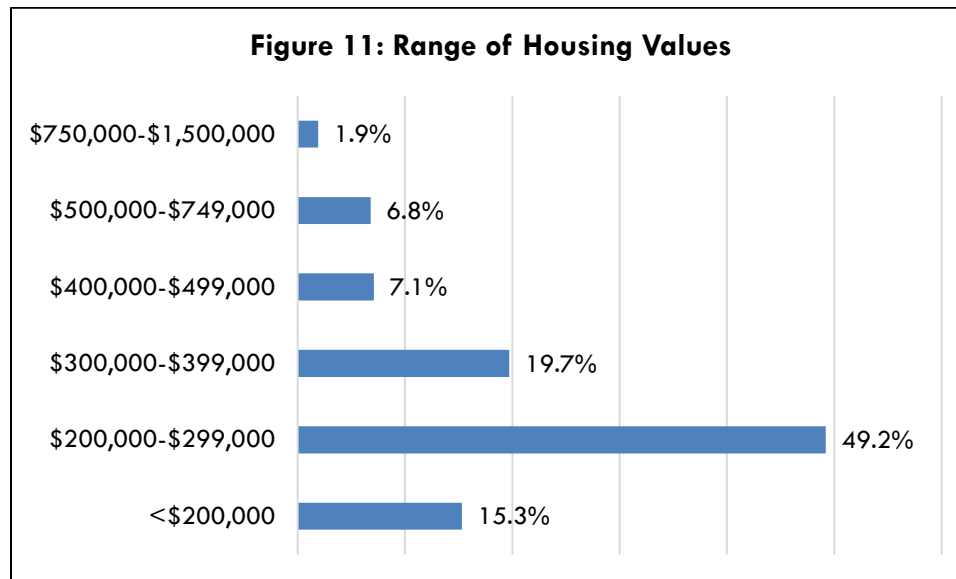
Rosewick Corner

CONTACT | 202.536.5400



RESIDENTIAL MARKET AND HOUSING TRENDS

The study area's housing market is robust and healthy, characterized by rising home values and new construction. From 1990 through 2017, 1,402 new residential units were constructed comprising over 46 percent of the housing inventory. Over 35 percent of the owner-occupied housing units in the study area were valued at \$300,000 and over in 2019 (see Figure 11).



As Table 7 shows, the average home sales price in the Bryans Road Study Area steadily increased from \$233,855 in 2014 to \$282,108 in 2019 indicating a consistent demand and a desirability factor that has kept annual unit sales above 130 since 2016.

Table 7
Annual Residential Sales

Year	Unit Sales	Lowest	Highest	Average
2014	87	\$55,000	\$410,000	\$233,855
2015	106	\$70,000	\$620,000	\$227,786
2016	144	\$35,000	\$550,000	\$251,318
2017	157	\$35,000	\$650,000	\$251,906
2018	131	\$96,500	\$582,000	\$279,577
2019	136	\$114,040	\$499,000	\$282,108

Source: MLS

According to the U.S. Census Bureau, there are 3,019 housing units in Bryans Road representing 2,385 detached units, 538 townhouses, thirty (30) apartments and sixty-six



(66) mobile homes. The images below illustrate the some of the wide variety of housing types and styles in Bryans Road.

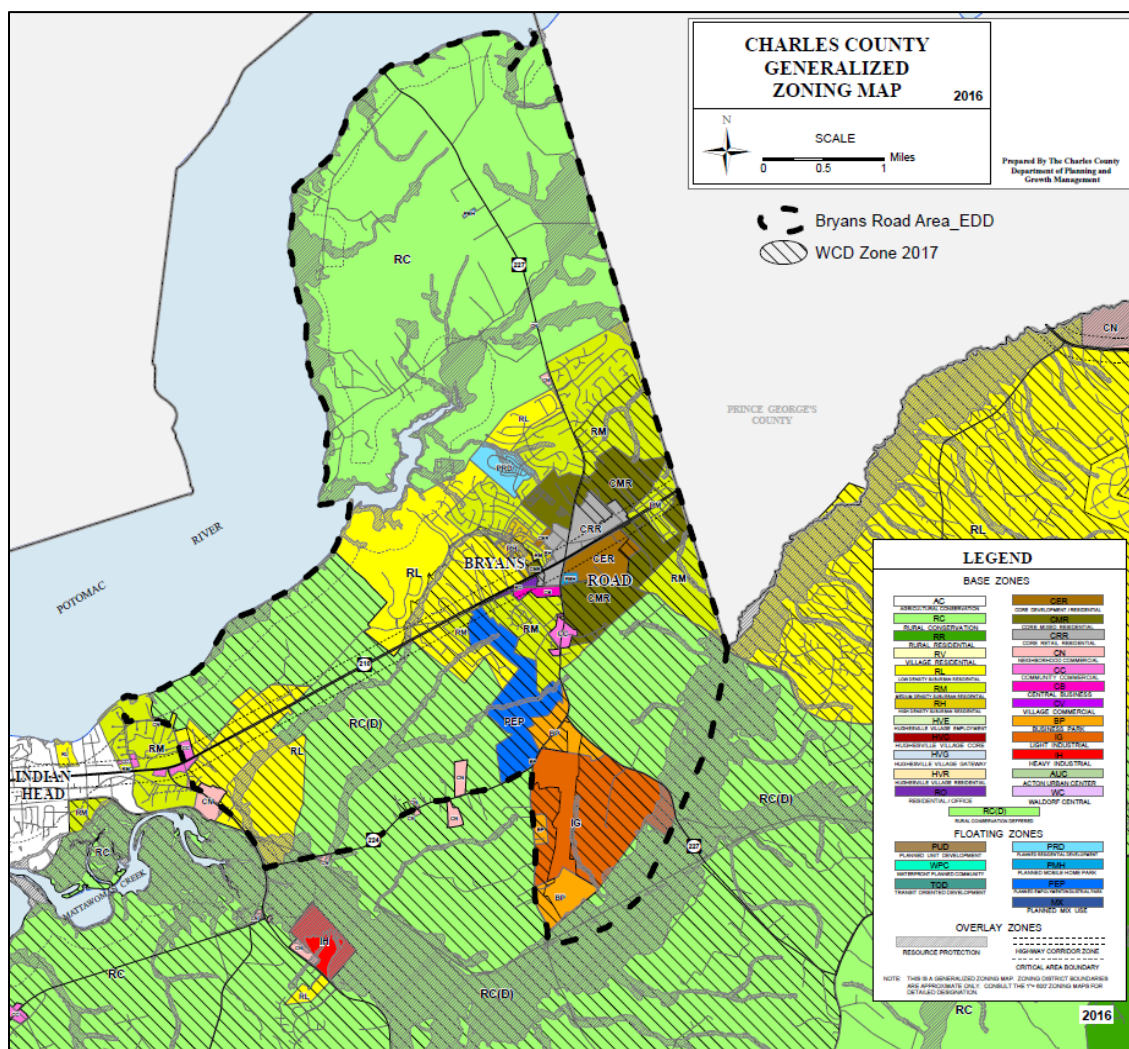




ECONOMIC DEVELOPMENT IMPLICATIONS OF THE WCD ZONE ON THE BRYANS ROAD STUDY AREA

This section will focus on the area within the defined study area that is not currently subject to rezoning. The area subject to rezoning will hereafter be referred to as the “Airport Area” and will be discussed in more depth in the next section. The Airport Area is the orange shaded areas near the bottom of Figure 12 (a duplicate of Figure 1 placed here for convenience), plus the lower portion of the old Planned Employment Park (PEP) zone (shade in blue). As Table 8 shows, approximately 627 acres in the Airport Area are subject to rezoning back from WCD. There are approximately 4,711 acres remaining in the study area that were rezoned to WCD in 2017 and are not currently subject to rezoning.

Figure 12



**Table 8****Bryans Road Study Area 2016 Zoning Changed To WCD & Protected**

Zoning Code	Zoning Description	Land Use	Acres
BP	Business Park	Mixed Use	126.9
CRR	Core Retail Residential	Mixed Use	14.5
CMR	Core Mixed Residential Zone	Mixed Use	402.3
IG	Light Industrial	Industrial	450.2
PEP	Planned Employment/Industrial Park	Mixed Use	265.6
RC(D)	Rural Conservation (Deferred Development District)	Moderately Protective	2,342.8
RL	Low Density Suburban Residential	Low Density Residential	1,049.8
RM	Medium Density Suburban Residential	Medium Density Residential	686.3
Study Area Total			5,338.4
Airport Area Subject to Rezoning			
BP	Business Park	Mixed Use	126.9
IG	Light Industrial	Industrial	450.2
PEP	Planned Employment/Industrial Park	Mixed Use	50.0
Airport Area Subtotal			627.1
WCD Areas Not Currently Subject to Rezoning			
CRR	Core Retail Residential	Mixed Use	14.5
CMR	Core Mixed Residential Zone	Mixed Use	402.3
PEP	Planned Employment/Industrial Park	Mixed Use	215.6
RC(D)	Rural Conservation (Deferred Development District)	Moderately Protective	2,342.8
RL	Low Density Suburban Residential	Low Density Residential	1,049.8
RM	Medium Density Suburban Residential	Medium Density Residential	686.3
Remaining Area Subtotal			4,711.3

Source: PGM; EDD

As shown on Table 8, WCD areas not subject to rezoning but were commercially zoned prior to 2017 include 14.5 acres in the CRR zone and 215.6 acres in the PEP zone, a total of 230.1 acres. A review of PGM's GIS Interactive Map shows these areas to be largely undeveloped. A survey of existing commercial zones (not WCD) in the Bryans Road Study Area (excluding the Airport Area) shows approximately 104 acres (4.5 million square feet) of developed commercial land containing 52 buildings totaling 483,203 square feet. An additional 52 acres of commercially zoned land is undeveloped at this time.

The opportunity costs associated with downzoning land are difficult to quantify, particularly in the absence of site plans, conceptual plans, civil engineering plans, feasibility studies, or other documents that consider a zoning district's holding capacity, market conditions, and other factors that will influence future development. For example, the area that was previously zoned PEP and was known at one time as the *Indian Head Technology Park* was marketed as having the capacity to support 1.5 million square feet of employment supporting uses. When the market for the technology park did not



materialize, the land was transferred to the County. A subsequent feasibility analysis conducted for the site concluded that the area would best be rezoned for residential in order to be brought into “productive use”. This is a clear demonstration of the challenges associated with assessing the economic potential of land in certain areas. In addition, the old PEP zoned property was put into conservation easement in perpetuity, with the exception of a 50-acre, county-owned parcel.

In the case of the fourteen (14) acres that was previously CRR, it could possibly have held the potential for future commercial development. However, the current status of the Bryans Road Shopping Center would suggest that our efforts would be better spent reviving it rather than bring fourteen acres back from the WCD.

ECONOMIC DEVELOPMENT IMPLICATIONS OF THE MARYLAND AIRPORT

Findings of the 2015 Maryland Airport Land Use Study indicate that high levels of aviation activity at a general aviation (GA) airport do not correspond directly to its ability to induce development. This is borne out by the paucity of employment-supporting land uses around other GA airports in the region. However, the level of interest shown by potential investors since aggressive efforts began to market the airport for sale in 2017 would suggest its strategic location in the DC Metro was a stronger attractor than conventional wisdom indicated. In the absence of historical development activity or data to identify market demand, the level of interest demonstrated by would-be and actual investors serves as the best market indicator. The following are examples of proposals and concepts put forward by potential investors to EDD in 2017 and 2018, and include the eventual buyer, PSM Holdings.

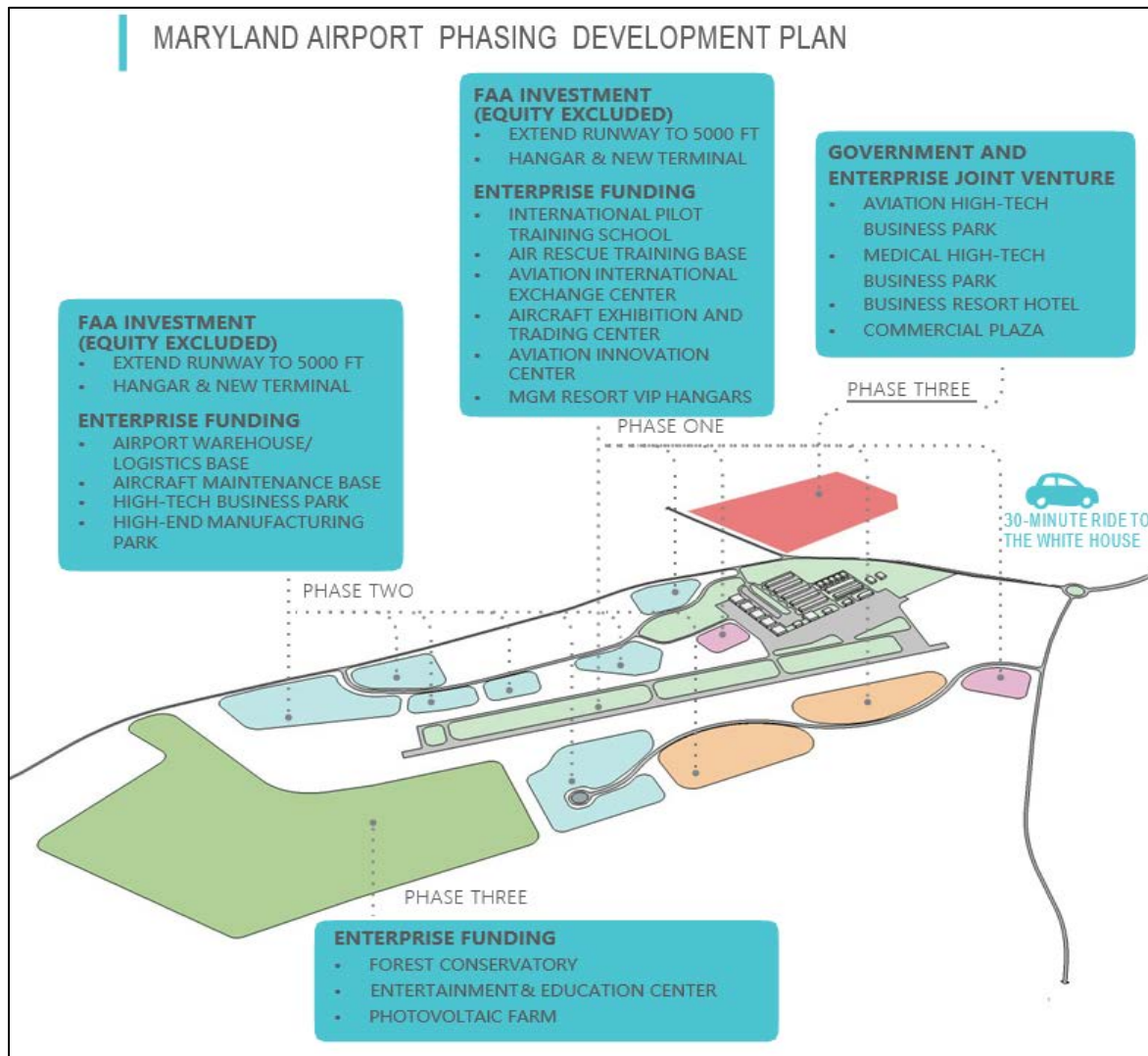
A local aviation group’s proposal was to improve and expand to accommodate a variety of private aircraft from piston engine airplanes, turboprop airplanes, light jets, and helicopters. Their long-term goal was to implement expansion plans that would allow the Maryland Airport to eventually be able to accommodate private jets in the mid-size and heavy jet categories. Renovations would include resurfacing and extending the runway, construction of a new lounge, mechanic and storage hangars, fuel storage facility, and commercial space for additional support services. This potential buyer envisioned eventually selling or developing the surrounding lands for commercial use. Total proposed investment: \$5 million.



A \$3 billion biotechnology and pharmaceutical company proposed a concept to use the airport as a sustainable hub to transport human transplant organs using their four owned/leased aircraft. Their proposal included maintaining the airport for general aviation operations through a fixed base operator (FBO), and eventually expanding their biotechnology operations outside of the fence. Uncertainty regarding the zoning of the balance of the surrounding Bauserman properties was a key determinant on their decision not to proceed with acquisition.

An investment company located in mainland China presented the most ambitious of all proposals for Maryland Airport by putting forward the prospect of eventually acquiring the airport and all 627 surrounding acres that are currently subject to rezoning. Their interest in the airport resulted from China's opening of their general aviation industry by allowing non-military flights at low altitudes which would create demand for pilot and medical rescue training for Chinese nationals using American expertise. They proposed an initial investment of \$8.4 million for property acquisition and improvements. The scope of their plan is best described in Figure 13 below.

Figure 13



PSM Holdings purchased Maryland Airport for \$2.5 million in early 2019. The new owners' immediate intentions are to complete the planned runway expansion and upgrade the facilities before developing the surrounding lands. PSM Holdings is located in Maryland, and is currently invested in other aviation facilities in the U.S. They are also real estate developers. According to representatives of the company, offers to buy the airport are still coming in.



It is EDD's considered opinion that if PSM Holdings is successful in expanding the airport runway and improving the facilities "inside the fence", then the real estate and business communities will respond with investment "outside the fence". Although it is impossible to quantify what that investment would amount to in any meaningful way, recent activity would suggest that both domestic and foreign investors are keenly interested in the area around Maryland Airport and that the area could support considerable employment supporting development over the next twenty to thirty years.

SUMMARY CONCLUSION

- Socioeconomic trends are positive for Bryans Road with steady increases in population, households, and incomes over the past five years.
- In Charles County, household growth sustains economic growth. Local consumers support the retail, personal and professional services, and health care industries in the county. However, Bryans Road's household growth does not necessarily translate into its own commercial growth.
- The adoption of the WCD in 2017 took a net 230 acres out of employment supporting use when accounting for the fact that 630 acres around the airport should be brought back to employment supporting use. The 50-acre county-owned parcel within the old PEP zone is widely considered the most buildable land in the PEP, since much of the balance of the zone has a stream valley coursing through it.
- Bryans Road's retail market is at supply/demand equilibrium even with the closing of the Safeway grocery store. The CRR zone in which the shopping center dwells permits a mix of uses including residential, so the shopping center could transform into a mixed-use development in the future.
- The Bryans Road housing market is robust although there is a finite amount of land remaining for future development and it is being steadily consumed.
- The airport area rezoning effort is underway. This area has the potential to become a key economic generator for western Charles County.
- The airport's future success will likely require public intervention on the local, state and federal levels to help ensure that the airport area's economic development potential can be fully realized.