THE TEAM

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AGENDA

1 The Charge
2 Site Analysis & Opportunities
3 Proposed Program and Site Plan
4 Development/Feasibility Analysis
5 Precedents
6 Testing the Market
PROBLEM STATEMENT

The mTAP has been charged with assisting The Revenue Authority of Prince George’s County with envisioning a **Higher and better use for the Justice Center** as a gateway to the **Hyattsville Arts District**.

**Primary requested deliverables:**

1. Recommendations for program components
2. Development analysis and site planning
3. Feasibility analysis
4. Recommendations for testing the market
DEFINING SUCCESS

- Strengthen the Arts presence
  - Create a destination
- Leverage existing parking garage
  - Increase tax revenues
- Create an iconic aesthetic and anchor for the Arts District
- Improve overall utilization of site with mixed-use, private sector development
- Generate community support and pride
- Create a cost effective and self sustaining development
- Serve as a model for County public private partnership
SITE ANALYSIS

- Multi Family Residential
- Single Family Residential
- Commercial
- Mixed Use
- Route 1
- Rail
- Farragut St
- 43rd Ave
- One Way

[Diagram of site analysis with labeled areas and routes.]
THE SITE - ASSETS

- Located on Route 1 with 25,000 cars passing per day
- 600-space garage already built
- Existing buildings except courthouse can be demolished
- Stakeholders are supportive
THE SITE - ASSETS

- Market has demonstrated strong residential absorption at Palette
- Located within the successful Arts District
- Nearby recent development flourishing
THE SITE - CONSTRAINTS

- Need to accommodate existing Courthouse and requirements of its tenants
- Police need to be relocated and their cooperation and cost is unknown
- Sensitivity to neighboring residential
- Retail absorption unlikely to be sufficient for mixed-use on site
THE SITE - CONSTRAINTS

- Railroad tracks across the street limit further enhancement
- Likely historic preservation of facade for General Services building will impact site design
- Considerable topography - site varies by 20 ft
- Undetermined condition and structural capacity of garage
- Megablock requires thoughtful circulation and parcelization
THE SITE - OPPORTUNITIES

- Gateway feature that announces “You are in the Hyattsville Arts District”
- Flexible, small scale, performance arts venue
- Market-rate apartments and townhomes
THE SITE - OPPORTUNITIES

- Use of the existing garage on a shared basis (courthouse by day, music venue by night)
- Large site allows ample green space
- Engagement of the community in a design process that enhances buy-in and community pride
STAKEHOLDER ENGAGEMENT

Mike Franklin, Local Business Owner
Stuart Eisenberg, Hyattsville CDC
Zunilda Rodriguez, Prince George's County Planning Department

- Seize the opportunity before the next County Executive arrives
  - Moving the Police in and of itself is a homerun
  - Question whether more retail can be supported
- Minimize traffic flow on residential street and preserve parking
  - A “name” tenant for the music venue
- Arts District is missing education component and live music venue
  - Market or workforce housing OK -- No affordable
STAKEHOLDER ENGAGEMENT
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- Potential to anchor edge of Arts District with a signature project
  - Continue building on the Arts District theme
  - Lower-scale, contextual transition towards existing residential
  - Desire to implement Sector Plan goals for the Arts District
- Last anchor site before Brentwood - should serve as a bookend
  - Wishes: University of Maryland, 9:30 Club, Blues Alley, Birchmere, Department of Cultural Affairs
LAND USE AND ZONING CONSIDERATIONS

- Detailed Site Plan Review Process
- Development should further Sector Plan goals
- Zoning is C-O; superseded by the Gateway Arts Overlay
- “Town Center” Character Area

ADDITIONAL GUIDANCE

- Allows for residential, commercial and mixed use development
  - Max Height: 70ft; No FAR specified
  - Site Design: consistent streetwall; pleasant, inviting streetscape; coherent visual appearance; walkable
  - Building sidewalls should abut where possible
- Utilize low impact development strategies for stormwater
  - Preserve and increase number of shade trees
  - Create transparent lobbies; building entrances on main streets and corners
- No ground floor residential along Route 1; employ decorative architectural detail
PREFERRED PROGRAM

- Multi-family residential
- Townhouses
- Iconic Music Venue @ 10,000 SF
- Signature Open space
- Artist, Maker and Small Entrepreneur space
- Future retail (flexible)
- University anchor
- Government tenant
- Public Art
DESIGN CONSIDERATIONS

- Work with topography
- Consider District Court building integration into overall site design
- Establish an iconic corner at Farragut Street
- Create a strong cohesive aesthetic that pairs historic with modern architecture
- Anchor and build on the Arts District
- Soften site through green infrastructure and landscaping, making it an amenity and feature
- Improve site circulation for pedestrians
- Balance affordable construction with design excellence standards
SITE CONCEPT

MULTI FAMILY RESIDENTIAL

RENOVATED FOR ALTERNATE USE

MUSIC VENUE & CIVIC PLAZA

TOWNHOMES & CENTRAL GREEN
SITE CONCEPT

- MURAL OPPORTUNITY
- GROUND FLOOR ART STUDIOS
- ICONIC MUSIC VENUE & CIVIC PLAZA
DEVELOPMENT AND COST ASSUMPTIONS

Program Assumptions and Costs

- **Apartments**
  - Four-story; 171,000 gsf
  - 201 Apartments averaging 680 sf
  - $33,204,000 Hard Cost

- **Townhomes**
  - Three-story; 2,100 sf per unit
  - 39 total units with 2-car garage
  - $6,100,000 Hard Cost

- **Flexible Music Venue**
  - Two-story enclosed with retractable façade
  - 10,000 gsf
  - $3,000,000 Hard Cost

- **Adaptable Office/Class Space**
  - Portion of county building may remain as future commercial use
  - No costs included

- **Retail/Flex Space on Route 1**
  - Costs included in apartment costs above
  - 4-8 units @ 1,000-2,000 sq. ft. (potentially increase on additional frontage)
Model Assumptions

- Residential Market Rents
  - Apartments $2.52/sf/mo.
  - Townhomes $2,200/mo.
  - Parking $40/space/mo.
  - Storage $15/space/mo.

- Event Venue
  - No assumed income/operating expense beyond construction (amenity)

- Existing County Building and Retail
  - No assumed income from County Building (potential school use)
  - Retail included in the apartment numbers

- Vacancy - 6%

- Assumed sale of property at stabilization
  - Therefore growth not a significant factor
  - Exit Cap = 5.00%
FEASIBILITY SUMMARY AND CONCLUSIONS

Financing Sources
- Developer Equity $17,126,213
- Bank Financing $44,100,000

Uses
- Hard Costs $42,304,000
- Soft Costs $15,252,970
- Financing Costs and Fees $3,669,243

Returns and Feasibility
- Unleveraged Cash on Cash 5.88%
- Internal Rate of Return (IRR) 9.36%
- Value Creation $4,750,000
PRECEDENT: Design, Circulation and Program

PROJECT: Monroe Street Market + Arts Walk
Developer: Bozzuto
Brookland, Washington, DC
PRECEDEENT: Multi-Family Design and Scale

**Project:**
La Casa
2015 AIA Award
DC District’s Department of Human Services
Washington, DC
PRECEDENT: Flexible Music Venue

Project:
160 Massachusetts Avenue
Berklee College of Music
Boston, MA
Project: Hypar Pavilion – Lincoln Center
Architect: Diller Scofidio + Renfro
New York, NY
PRECEDENT: Spectacular Signage

Various Neon Signs/Music Venues
Los Angeles and New York
TESTING THE MARKET

- **Developers**: Engage in informal, individual outreach to developers to gauge interest and thoughts on the proposed program for site

- **Consultant**: Hire a real estate development/market consultant to complete a full market analysis for the site, testing the proposed program

- **Community Engagement**: Build support for redevelopment of the site and the proposed program by hosting a community charrette or open house

- **Formal Process**: Consider issuing a Request for Expressions of Interest (RFEI) as stage 1 of an RFP process that includes the preferred development program, but with latitude to propose alternative programs

- **Tenant Attraction**: Gauge interest of potential tenants through meetings with MICA, University of Maryland, Birchmere, Blues Alley, 9:30 Club, small businesses
DISCUSSION