

Tracy Gabriel
John Malone
Joseph Magnotta

Matt Hoffman
Carlos Heard
Lindsey Willke

Project Title:

Repositioning the Hyattsville Justice Center

Problem Statement:

The Revenue Authority of Prince George's County (RAPGC) owns the Hyattsville Justice Center and would like to understand:

- the market for redevelopment of the property
- the highest and best use of the property
- the mix of uses and how they impact the local and regional areas (both culturally and economically)
- the contribution the property can make to the Arts District's growth
- the regional implications for investing

Approach:

The process started with a meeting with the stakeholders: Donny James, Special Assistant for Real Estate and Economic Development; Jim Chandler, Assistant City Administrator and Director of Community & Economic Development for the City of Hyattsville; and Peter Shapiro, Executive Director of the RAPGC.

The meeting provided significant information in terms of: what other stakeholders could be helpful and should be contacted, what the RAPGC would like to see on the site (not necessarily what's feasible), and what had been learned from the creation of the Arts District that might apply to this project. The key takeaway: create a mixed-use community with market-rate apartments and small scale retail that established a 'southern anchor' to the Hyattsville portion of the Arts District. This anchor needed to be iconic, so that the project itself would become a destination. Strong preference was given to the inclusion of a performance venue to achieve this goal.

Research:

The team then reached out to the additional stakeholders suggested above and conducted interviews as appropriate (while it had been acknowledged that input from all the identified stakeholders would be beneficial, the team was asked NOT to contact some of them at this stage, as news of this project had not yet been routed thru the proper channels in the County). This included: members of the Hyattsville CDC, the PG County Planning Department, and local business owners.

The team also pulled the zoning overlay for the district and spoke at length with the Planner, Zunilda Rodriguez, to determine what uses and limitations were currently in place.

A number of scenarios were developed to help determine the highest and best use. This is a site that, while large, has a significant number of constraints that effect the program and the potential returns.

Some of these constraints include: an existing below grade garage that is to remain in use, a police station that is to be re-located (currently no input from the County on where to re-locate or for how much), there is a County Courthouse that must remain in use, and there is a County building on the other side of the site that is believed to be historic, requiring at least partial preservation/re-use.

Knowing what the stakeholders wanted and what the planning and zoning laws allowed, the team's focus shifted to what's feasible – what would generate development interest and what could be self-sustaining.

Adding demographic data and an analysis of the submarket (thru both broker information and real estate intellectual service providers) to our existing research, we were able to narrow down the types of structures that were appropriate and their scale, establish comparables for those structures, estimate inflation and growth rates, and plug in construction and loan costs to determine what the market would bear and how best to lay the site out. Ultimately, this allowed us to determine a range for the value of the land, which was then used to provide guidance to the RAPGC as this information is key to deciding what to do with the existing structures, where they can re-locate the police department, and whether or not to pursue the entirety of their program wish list.

Recommendations:

The team developed a conceptual plan that addressed most of the requests of the RAPGC and advised them of requests that could not be incorporated.

Specifically, the site will retain the existing garage structure (albeit with repairs needed), the potentially historic portion of the County Building, and the County Courthouse; while removing the Police Station.

This will allow for the addition of 201 apartment units, 39 rental townhomes, small scale retail, and a 10,000 sq. ft. performance venue; all while maintaining a substantial amount of green space very suitable to utilization as public art space. The multi-family structure was left with a large open/accessible courtyard with a number of smaller green spaces in support. A road was added thru the site between the townhomes and the multifamily building to create a stronger residential entrance for both, and counterintuitively, a stronger tie between the two communities. This street is envisioned as a private street that can be closed off for pedestrian uses (e.g. block parties, farmers' markets, cultural events).

The performance venue will be a tremendous draw to the site – anchoring the project from the North and configured such that performers will be directed not just to their immediate audience, but to passers-by on the street. In decent weather, the intent is that this venue can be effectively open to the outdoors, adding to the inclusion and vitality of the area. While a name-brand venue may be ideal from a revenue standpoint, this venue was modeled as more of a regional amenity – available to a variety of community groups for alternative uses when not functioning as a professional concert hall, thereby providing greater programming and scheduling flexibility.

The existing County building was presented as an ideal space for an art education program. In fact, there are already some informal discussions underway with UMD's music program to occupy this space. This is an important anchor use as art education is considered a missing, but sorely needed, element in the community.

The inclusion of iconic signage and/or artwork from the South will be used to symbolize the entrance to the Arts District. And the open spaces and varied art pieces will tie-in very obviously to the District.

Many of the spaces were designed to be flexible. With this model, residential units (or amenities) can be used as artists' studios, maker spaces, and small scale retail. Route 1 frontage is being set aside as 'future retail' – typically 1,000-2,000 square foot spaces that appear to be in relatively high demand in this sub-market. In the absence of strong retail however, these can be marketed to and occupied by artists as studios.

Financially, the conservative model created with this program provided an acceptable return (generically) to a developer if the land was valued just below \$5,000,000. There were a number of scenarios explored with the stakeholders that would improve that return (to the RAPGC, not necessarily to the developer). For example, revenue from the music venue and county building were not included, but construction costs were. Developers should also pay a premium for the existing garage, but this was not included in the model. Last, the program can be revised to increase density (albeit to the detriment of some of the public spaces) and return to the developer, which would justify a higher land price.