



GOLDEN MILE TASK FORCE FINAL REPORT

December 18, 2002



GOLDEN MILE TASK FORCE Issues and Solutions

Brief Description of the Issue: The Golden Mile, otherwise known as West Patrick Street (MD Route 144) is an aging retail corridor anchored at the west end by Frederick Towne Mall. New big box and lifestyle retail centers have developed in recent years in the county along the southern edge of the City in the vicinity of Francis Scott Key Mall. While the Golden Mile remains vibrant with strong demographics and traffic flow, it is now constrained by limited developable land area, older “strip” retail design, loss of key anchor tenants, and building square footages not readily conducive to re-use. The Golden Mile lacks consistent quality streetscape, pedestrian walkways, and interconnectivity.

Task Force Purpose: To identify and implement strategies for addressing impediments to sustainable economic vitality along the primary retail corridor in the City of Frederick – The Golden Mile.

Task Force Composition: The following individuals volunteered to serve on the Task Force

1. Tom Bradley, Manger, Frederick Towne Mall
2. Don Dean, The Plamondon Companies
3. Mark Laken, EL Greenberg, Hechingers Building
4. Paul Mitchell, EL Greenberg, Hechingers Building
5. Mary Beth Visco, Kline Scott Visco
6. David Fishman, Bee Bulding
7. Andrew Goldman, Goldman Law Offices,
8. Julia Koster, Development Coordinator, MD Office of Smart Growth
9. Eva Rosvold, Executive Assistant to the Mayor
10. Richard Griffin, Executive Director, GFDC
11. Joe Adkins, Chief of Long Range Planning, City Planning Department
12. Laurie Boyer, Business Development Specialist, OED
13. Sherry Burford, TransIT

Time Frame: December, 2002

Work Product: A written and verbal report to the Mayor and Board of Alderman, detailing the proposed strategies and programs which the task force recommends that the City of Frederick implement along the Golden Mile to insure long-term economic sustainability and to improve the quality of life for residents of that corridor.

Corridor Boundaries: For the purposes of this report, the task force shall examine the corridor for its entire xx mile length from Route 15 on the east to the city boundary on the west. All B-3, and BO commercially zoned properties along the corridor shall be included. The task force shall have the latitude to include other adjacent parcels it deems significant to the process.

Resources: City of Frederick Comprehensive Plan, Zoning Ordinance, Planning Advisory Service (PAS), Maryland Office of Smart Growth, Key Publications, etc.

Demographics of the Corridor:

The demographics of the Golden Mile Corridor are very strong, with over 62,500 persons living within 3 miles of the Frederick Towne Mall. That number is expected to increase to nearly 68,000 by 2006, as residential projects in the vicinity continue to build out. Over 72% of the 25,269 households within 3 miles earn over \$35,000 annually, with nearly 55% earning over \$50,000 annually. The median household income for households within 3 miles is \$54,354. This compares to a median household income for the Washington Metropolitan Statistical Area (MSA) of \$82,400. Females slightly outnumber males and average age of all persons within 3 miles is nearly 36 years old. 80% of the persons 25 years old or older located within 3 miles are high school graduates and 31% have college degrees.

DEMOGRAPHIC OVERVIEW *(see full demographics attached)*

DESCRIPTION	1.00 MILE RADIUS	3.00 MILE RADIUS	5.00 MILE RADIUS
POPULATION	15,771	62,569	87,261
2001 Estimate	17,116	67,740	95,068
2006 Projection			
HOUSEHOLDS	6,025	25,369	34,113
2001 Estimate	6,596	27,785	37,693
2006 Projection			
HOUSEHOLDS BY INCOME – 2001 Estimate			
\$150,000 or more	1.48%	4.25%	5.12%
\$100,000 to \$149,999	6.99%	9.47%	11.51%
\$75,000 to \$99,999	14.74%	14.14%	16.01%
\$50,000 to \$74,999	33.13%	26.82%	26.80%
\$35,000 to \$49,999	21.01%	17.71%	16.34%
\$25,000 to \$34,999	10.66%	9.67%	8.38%
\$15,000 to \$24,999	8.16%	8.58%	7.58%
\$5,000 to \$14,999	3.29%	7.33%	6.39%
Under \$5,000	0.53%	2.04%	1.88%
INCOME – 2001 Estimate			
Average Household Income	\$59,240	\$63,281	\$68,300
Median Household Income	\$54,788	\$54,354	\$58,802
Per Capita Income	\$22,642	\$26,148	\$27,248
POPULATION BY SEX – 2001 Estimate			
Male	48.99%	47.40%	48.35%
Female	51.01%	52.60%	51.65%
AGE – 2001 Estimate			
Median Age	31.44	36.09	36.00
Average Age	30.31	35.81	35.60
EDUCATION (for persons 25+)	6,799	30,423	41,439
High School Graduate	32.70%	30.53%	30.58%
Some College	21.62%	17.91%	18.43%
Associates Degree Only	7.60%	6.36%	6.58%
Bachelors Degree Only	17.51%	15.55%	15.81%
Graduate Degree	7.94%	9.54%	10.02%

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ESTIMATED RETAIL TRADE POTENTIAL – 2002

\$ in Millions

DESCRIPTION	1.00 MILE RADIUS	3.00 MILE RADIUS	5.00 MILE RADIUS
TOTAL RETAIL SALES	\$201	\$835	\$1,131
APPAREL AND ACCESSORY STORES	\$6	\$24	\$32
AUTOMOTIVE DEALERS	\$48	\$197	\$267
AUTOMOTIVE AND HOME SUPPLY STORES	\$3	\$13	\$17
DRUG AND PROPRIETARY STORES	\$7	\$28	\$38
EATING AND DRINKING PLACES	\$18	\$76	\$102
FOOD STORES	\$30	\$126	\$171
FURNITURE AND HOME FURNISHINGS STORES	\$6	\$25	\$34
HOME APPLIANCE, RADIO, AND T.V. STORES	\$4	\$18	\$25
GASOLINE SERVICE STATIONS	\$19	\$78	\$105
GENERAL MERCHANDISE	\$23	\$95	\$128
DEPARTMENT STORES	\$21	\$86	\$116
(INCLUDING LEASED DEPTS.)			
HARDWARE, LUMBER AND GARDEN STORES	\$15	\$64	\$86

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The table above shows estimated current year sales for areas centered around Frederick Towne Mall. The total retail sales within 3 miles is approximately \$835 million. The two largest retail sectors within 3 miles are Automotive Dealers and Food Stores, followed by General Merchandise and Eating and Drinking Places.

TRAFFIC COUNTS COMPARING GOLDEN MILE WITH ROUTE 85 & 355 – 2002

Vehicle Trips – 2001 State Highway Administration (SHA)

YEAR	GOLDEN MILE	ROUTE 85		ROUTE 355
		"A"	"B"	"C"
2001	48,375	28,950	37,575	17,875
	-4.96%	11.88%	3.30%	26.77%
2000	50,900	25,875	36,375	14,100
	2.98%	7.70%	5.59%	1.99%
1999	49,425	24,025	34,450	13,825
	1.80%	2.02%	2.00%	2.03%
1998	48,550	23,550	33,775	13,550

Characteristics and Trends

In reviewing the demographic data and conducting a windshield survey of the tenant mix and vacancy rates, the task force observed the following positive and negative characteristics of the corridor.

Positive Characteristics

- ❑ Strong Demographics in the vicinity of the Golden Mile.
- ❑ Overall low vacancy rates (See attached Data Sheets)
- ❑ Strong blend of national and independent retailers, offices, businesses
- ❑ High retail traffic volumes & excellent visibility
- ❑ Excellent access to Route 15, I-270, and I-70

Negative Characteristics

- ❑ Aging retail centers – need for capital reinvestment
- ❑ Inconsistent streetscape – inconsistent signage, above-ground utilities, few street trees, no amenities – benches, garbage cans, bus shelters.
- ❑ Lack of pedestrian or vehicular connectivity between retail centers (inconvenient for shoppers, TransIT, and store employees)
- ❑ Key vacancies at Frederick Towne Mall and Hechingers site are problematic since they are the anchors – retail traffic generators.
- ❑ Not pedestrian friendly – especially across Route 40 – several pedestrian deaths in recent years. Residents have requested pedestrian bridges across Route 40.

GOLDEN MILE OCCUPANCY DATA: As of October 21, 2002
Collected by Department of Economic Development (DED) using windshield survey

Name	Year Built	Size (SF)	Property Owner Property Management
Holiday Inn			
F&M Bank			
Holiday Cinema			
Potomac Physicians			
Fitzgeralds Auto Mall			
Rite Aid Pharmacy	1998		
Dutch Plant Farm			
Vacant			
Frederick County Square Shopping Center	1970's	205,859	Washington REIT 301-984-9400
Lotus Chinese			
National City			
Mail Room			
Headlines Salon			
Galloway Family Dentistry			
Jo Ann Etc.			
Hard Times Cafe			
Vacant			
Vacant			
Advanced Auto Parts			
Old Town Saigon Restaurant			
Jenny Craig			
Rick's Fish and Pet Supply			
Under the Sun - Bike Ski			
Sunny's Outdoor Store			
Kmart			
Duron			
Matress Discounters			
Hollywood Video			
Burger King			
Famous Dave's Barbeque			
Provident Bank			
Westridge Shopping Center	1980's	282,255	
Miyako Japanese Cuisine			
Outback Steak House			
Chevy Chase Bank			
Vacant			
Citi Financial			
Davidus Cigars			
At The Beach Tanning			
Sally Beauty Supply			
Oreck Vacuums			
Baskin Robbins			

Burlington Coat Factory (1025)			
Payless Shoes (1029)			
Zi Pani (1031)			
Its About Games (1033)			
Il forno Pizzeria			
Cinema 6 (1037)			
Huntington Learning Center			
Vacant (1041)			
Party World			
Westridge Liquor Store			
Coldwell Banker (1049)			
All Star Billiards			
Fitness First			
Frederick Bedrooms			
Big Chef Chinese Kitchen			
Henry's Insurance			
Furniture 4 Kids (1059)			
Westridge Cleaners			
Giant Groceries			
Frederick Shoppers World (1275)	1980's	168,688	Richard Rubin Mgmt Corp 301-9984-8900 6001 Montrose Rd Suite 700 Rockville, MD 20892
Golden Palace Buffett			
McDonalds			
Shell			
Car Wash			
Giant Eagle			
Village Green Grill			
Rent-A-Center (1275E)			
United Futons			
Classy Nails			
Dollar General			
SuperPetz			
WillowTree Plaza	1980's	47,016	Kline Scott Visco
Wendy's			
Arby's			
Kentucky Fried Chicken			
China King			
Liquor			
Sam's Convenience Store			
J. Bird Wings and Beer			
2000 Nails (A5)			
Way Off Broadway Dinner Theatre (A1)			
Wash House (Laundramat)			
Vacant			
Armed Forces Recruiting Center			
Hair Worx			
Oak Post Furniture			

Hechinger Plaza			
US Carpet Market			
Wolf Furniture			
Nu Look Cleaners			
Vacuum Store			
Petersens Carpet & Flooring			
Fredericktown Bank			
Excel Travel (1205)			
Denny's Diner			
84 Lumber			
McCain Plaza (50 N McCain Dr)			
Amy's Hair Salon			
Metro Market II (Su Mercado Latino)			
Fox's Pizza Den			
Café Latino			
Liquors Beer & Wine			
Bill Watson's Carry Out			
Frederick Towne Mall	1970's	659,000	
F&M Bank			
Welcome Aboard Travel			
Long John Silver			
Home Depot			
Subway			
Shoe Repair			
Your Custom Tailor			
Cinema 10			
Walden Books			
Mason's			
Pocket Change			
Lallo's Pizza			
Suncoast			
Foot Locker			
Rave			
Carlton Cards			
GNC			
Kay Jewelers			
Radio Shack			
Bon-Ton			
vacant			
FYE			
Payless Kids			
Payless Shoes			
Shenk & Title			
Allegheny Optical			
Finish Line			
Shoe Dept.			
John's Hallmark			

Kaufmans Wedding			
Auntie Anne's			
Chanticleer Shoes			
Gentleman's Choice			
Nail 1st			
PJ Watch & Jewelry			
Hair Cuttery			
Boscov's			
vacant			
Excalibur Collectables			
vacant			
Vacant			
All First			
Zi Pani			
Unique Creations			
Fashion Bug Plus			
vacant			
Bath & Body Works			
Columbia Furniture			
vacant			
Kay-Bee Toys			
Candle Shop			
Littmans Jewelers			
Bon-Ton			
Claire's			
Pit Stop			
Sterling Optical			
Cheng's Café			
99 USA			
Expressions			
NY Trendz			
CVS			
Cornerstone Fellowship			
Ollies Bargain Outlet			
Casa Rico Mexican Restaurant			
Meineke Discout Mufflers			
The Lube Center			
Gas Station			
Waverly Center (45 Waverly Drive)			Rosemont Management (Neilson)
Beer-Wine-Deli-Groceries (A)			
Magic Touch Cleaners (B)			
Enterprise (C)			
Hot Wok (D)			
CareNet Pregnancy Center (F&G)			
Monocacy Valley Church Offices (I)			
You-nique Hair (J)			
Trophy Shop (K)			

Shipleys TV (L)		
Super Mercado Latino (M)		
Frederick Ice Cream Factory (N)		
Miako Sauna (O)		
LA Weight Loss (P)		
Jennifer Nails (Q)		
US Air Force Reruiting (R)		
Astick Driving School (S)		
Popeye's		
Frederick Motor Company		
Wild Bird Garden Shopping Center		Ted Mercer, CPA 301-662-6992
Wild Bird Garden		
Pawn Shop		
Protel Nextel		
Frederick Motor Co. Preowned		
40 West Center		Robert Sanbower 301-695-8310
Sanbower Builders (1425)		
La Chiquita Inc. (1425A)		
Vacant (1425B)		
Spherion/Donna K Personnel Inc (1425C)		
Holly's Country Florist (1425D)		
United Rentals		
7-11		
Masser's Motel and Restaurant		
Vienna Plaza		Kline, Scott, Visco
Sign-A-Rama		
Vacant		
Hibachi Steak		
Cash N' Go		
Frederick Schwinn		
If The Shoe Fits		
Formal Den		
Gyro King		
Barbara Fritchie		
Stonegate Center		Clagett Mgmt.
Family Dentistry (1517)		
Maryland Counseling Center		
Vacant		
Vacant		
Vacant		
Vacant		
Frederick Fire & Flood (lower level)		
Service Master (lower level)		
Alliance Inc (1519)		
Frederick Foot Care		

Vacant			
Vacant			
Sherrard Design & Build (lower Level)			
Help-U-Sell			
A&E Used Cars			
Stover Hearth & Patio			
Rt 40 Business Park (6907)			
Browning Pools			
Dixie electric			
Garden Pastimes			
All About Celebrations			
Central Maryland Martial Arts			
Highway Liquors (6915)			
Quality Water of Maryland			
Don Butt, Jr CPA			
West Frederick Pet Care Center			
Dutrow's Sales & Service (6949)			
Mobile (1510)			
Security Public Storage			
Aurora Car Wash			
Weis Market Plaza			
Bob Evans			
McDonalds			
Earthworks (1460B)			
Earl Mercer & Son/Clouse Trucking			
Kreimer's Karate			
West Point Plaza (1450)	1980's	31,062	
West Pointe Crabs			
Frederick Chiropractic Health Care			
N&K Vacuums			
Nationwide Insurance			
Christian Light Bookstore			
Burger King			
B&B Video			
Health Express Herb Place - Vitamins			
Paparoniz			
Perfection Nails and Hair			
Candy Bouquet			
Century 21 Real Estate			
Edward Jones Investment			
In-Fit Personal Training Aerobics Studio			
Woodsboro Bank (1420)			
Shell Gas Station (1410)			
VFW (for sale Mackintosh Realty)			
Exxon (1380)			
Golden Mile Market Place	1980's	103,360	

BB&T (1370)			
Vitamin Shoppe (1328)			
Boston Market			
Merchants Tire and Auto Center			
Ruby Tuesdays (1312)			
Chi Chi's Mexican			
Mountain View Diner			
Toys R Us			
Wonder Book and Video			
Kehne's Carpet One			
HFC Household Finance			
City Buffet Chinese			
Cruise Holidays			
Heavenly Ham			
TCBY Yogurt			
DJ Liquors			
El Salvadoreno Restaurant			
McCain Center			
Roy Rogers			
Dunkin Donuts (1296)			
American General Finance (2nd fl)			
Hawaiin Tan (2nd Fl)			
Plamondon Enterprises (2nd fl)			
Abbey Carpet			
Dr. Vallerie B Kee, Dentist			
Gymboree Play & Music			
Reico Kitchen and Bath			
Pizza Hut			
Frederick Bicycles			
Lingerie and Video			
Waltos - Vacant			
Uncle Bobs Self Storage			
Jiffy Lube			
Sunoco			
Free State Gasoline (1180)			
Cellular One Center (1170)			Robert Bebelman 301-921-8777 x110
ACE MoneyGram			
Cellular One			
N&D Nails			
Hunan Cheers Chinese Restaurant			
Clay Oven Indian Cuisine			
Big & Tall Casual Male			
Music and Arts			
Blockbuster Video			
Verizon Wireless			
Pep Boys			

Pier One			
Rockledge Plaza			James Stockman/Clagett Mgmt (Tom Clagett)
Sandy Springs Bankk			
My Wellness Center			
Fast Signs			
United Optical			
Dominos Pizza			
Record and Tape Traders			
CTX Mortgage			
Vacant			
Barbara's Hair Studio			
SNDI Computers			
Number One Nail			
Stone Hearth Bakery			
Medical One			
Executive Park West (Offices)			
Hillcrest Towne Center	1980's	104,050	
Tully - Vacant			
Medical Center			
Shanghai Gourmet			
Cleaners			
Vacant			
Cali Nails			
Aerus Vacuum Sales			
Vacant			
Avenue West Hair Nails Tanning			
Post Net			
Beauty Supplies			
Roppongi Japanese Restaurant			
Vacant			
Martial Arts USA			
Dancing			
ARS - A MAMSI Company			
Coin Laundry			
Liberty Tax Service			
Waypoint Bank			
Vacant			
Grace Tabernacle Fellowship Church			
H&R Block			
Family Foot Care			
Capone's Pizza			
Hillcrest Latino Market/Valdermar Travel			
Hillcrest Child Development Center			
Hillcrest Corner Shopping Center			A.G. McGreevy 301-662- 6247
State Farm Insurance - Terry Palm (2nd fl)			

Critical Care Nursing Agency			
Nails For You			
Dr. McGreevey Dentist (2nd fl)			
Brian D Hall endodontist (2nd fl)			
Hillcrest Deli - Wine and Spirits			
NASCAR Flag to Flag Racing			
Taco Bell			
Bank of America			
Anteitam Auto Parts/Westside Radiator)			
For Eyes			
Kinkos Center	2001		WSG/Ben Kalstone 305-673-3707
Kinkos			
Starbucks Coffee			
Nextel			
Subway			
Matress Warehouse			
7-Eleven			
Darcars of Fredericktown Toyota			
Myer Emco (1030)			
Red Lobster			
Midas			
Liberty Convenience/Gas			
The Red Horse Steak House			
Comfort Inn			
Woody's Salon			

DRAFT RECOMMENDATIONS:

Based on the review of data and stakeholder interviews with key property owners and property managers along the Golden Mile, it appears that the following actions are feasible at this time.

1. DED in partnership with the Chamber of Commerce shall conduct a Golden Mile property owners/managers/tenants meeting (open to all interested parties including the media) to discuss the findings and recommendations of this report. – January/February, 2003 – TBD.
2. DED shall coordinate with commercial brokers and property managers of key vacant properties to assist in the recruitment of new businesses to backfill those vacancies. [Note: DED staff has met with a key prospective tenant for the Frederick Towne Mall location – and is working with Mall Management on continued strategies]
3. DED and OED shall prepare simultaneous legislation for review and approval by the Mayor and Board of Alderman and County Commissioner to create a geographic Tax Credit District (B3 Zoning District) along the Golden Mile to encourage capital investment for revitalization:
 - ❑ Available to any property owner located within the designated district
 - ❑ Phases in the increased property tax associated with increased tax assessment as a result of renovations or additions to existing facilities (possibly new construction as well)
 - ❑ 5 year Example (currently used in Historic District): A property owner renovates or improves an existing building or shopping center.
 - Year 1-2: Exempt from 100% of the property tax increase attributable to the reconstruction and improvement
 - Year 3: Exempt from 80% of the property tax increase...
 - Year 4: Exempt from 60% of the property tax increase...
 - Year 5: Exempt from 40% of the property tax increase...
 - Year 6 & Thereafter: No exemption
4. Property owners/managers should develop a formal or informal “marketing pool” – to promote the Golden Mile as a destination retail location – as a distinct option to the congested Route 85/355 retail locations.
5. DED/Chamber/property owners/managers should develop a website to assist consumers with information on shopping alternatives, locations, and contact information:
 - ❑ www.goldenmile.com (appears to be available)
6. Conduct a Golden Mile survey of property owners/managers to determine extent of support or opposition for corridor improvements, common advertising & marketing, implementation of a Business Improvement District (BID).
7. Develop a Business Improvement District (BID) feasibility team to develop support for such a district & work with City to prepare a full redevelopment plan.

Overview of Possible Assistance Programs:

The following is a concise list and short description of the possible options for addressing some of the negative characteristics of the Golden Mile as described on the preceding page.

TAX CREDIT PROGRAM

This program is currently in use in the historic district of Downtown Frederick. This program freezes the assessed value of a property within a defined geographic area at the time of capital investment in the property. The new assessed value is phased in over a period of five or ten years – avoiding an immediate higher tax payment and serving as an incentive for capital reinvestment.

TEA-21 TRANSPORTATION ENHANCEMENT PROGRAM NATIONAL SCENIC BYWAYS PROGRAM



BUSINESS IMPROVEMENT DISTRICT (BID)

A Business Improvement District (BID) is an organizing and financing mechanism used by property owners and merchants to determine the future of their retail, commercial and industrial areas. The BID is based on state and local law, which permits property owners and merchants to band together to use the city's tax collection powers to "assess" themselves. These funds are collected by the city and returned in their entirety to the BID and are used for purchasing supplemental services (e.g. maintenance, sanitation, security, promotions and special events) and capital improvements (e.g. streetscape improvements) beyond those services and improvements provided by the City. In essence the program is one of self-help through self-taxation.

TAX INCREMENT FINANCING DISTRICT (TIF)

With tax increment financing, the increase in assessed valuation and tax revenues attributed to the new development pay for eligible new development costs. The tax increment is the difference in assessed valuation and tax revenues generated by the property in the district after construction compared with the assessed valuation and tax revenues generated by the property before construction at the time of certification. This difference in assessed valuation and tax revenues is used to pay the current eligible development costs.

While tax increment financing is an important and useful tool in attracting and retaining businesses, it is essential that it is used appropriately to accomplish the economic development goals and objectives. The fundamental principle which makes tax increment financing viable is that it is designed to encourage development which would not otherwise occur.

It is the policy of most municipalities to consider the judicious use of TIF for those projects which demonstrate a substantial and significant public benefit by constructing public improvements in support of developments that will, by creating new jobs and retaining existing employment; eliminate blight, strengthen the employment and economic base of the City, increase property values and tax revenues, reduce poverty, create economic stability, upgrade older neighborhoods, facilitate economic self sufficiency, and implement the Comprehensive Plan and economic development strategy of the City.

The City/EDA shall consider tax increment financing in cases that serve to accomplish the City/EDA's targeted goals for economic development as they may change over time. These goals include projects that would result in the creation of jobs that pay wages to support households, increase the tax base, remove blight, retain the viability of the central business district and the retention and expansion of businesses.

Much of the terminology and mathematical basis for tax increment financing is drawn from accounting, particularly municipal bond accounting.