



GOLDEN MILE RETAIL REPORT

June 22, 2009



Based on original Golden Mile Task Force Report December, 2002

Prepared by:
City of Frederick Department of Economic Development
Lily Caplan
2009 Summer Internship Participant

GOLDEN MILE RETAIL REPORT Issues and Solutions

Executive Summary: The purpose of this report is to determine the health of the Golden Mile by examining the demographics, expenditures, traffic counts, and occupancy data. The occupancy data was collected via windshield survey. The total square footage of commercial space on the Golden Mile is over 2.6 million square feet. Overall commercial vacancy by square footage is around 10%, which is a very healthy vacancy rate. The retail on the Golden Mile is primarily grocery store anchored shopping centers, eating, and branch banking. There are 61 restaurants varying from fast food to upscale. There are 23 healthcare services or providers, 21 beauty stores and services, 19 automotive service and sales centers, and 18 apparel stores. There are also 9 larger retail stores that sell a variety of goods. This report also outlines different types of assistance programs available to help revitalize the Golden Mile.

Brief Description of the Issue: The Golden Mile, otherwise known as West Patrick Street is an aging retail corridor anchored at the west end by Frederick Towne Mall. A few major anchors have been secured, including Boscov's, Wolf Furniture, and the Home Depot. The redevelopment of the Vista Shopping Center from office back to retail strengthens the Golden Mile's position among consumers. Many new vacancies have arisen, especially in the Frederick Towne Mall, which has 38 vacant locations. The redevelopment of Frederick Towne Mall has been delayed due to market economics and access to credit financing. Loss of several key retail generators, including two movie theaters, the police barracks, and VFW/G Hunters has hurt retail on the Golden Mile. Many of the vacant buildings are not conducive to reuse; new construction is the best option.

Corridor Boundaries: This report examines the corridor for its entire 2 mile length from Route 15 on the east to the city boundary on the west. All GC and MU1 commercially zoned properties along the corridor shall be included.

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

Demographics of the Corridor:

The demographics of the Golden Mile Corridor are very strong, with over 63,557 persons living within 3 miles of the Frederick Towne Mall. That number is expected to increase to nearly 67,978 by 2013, as residential projects in the vicinity continue to build out. 40% of the 25,547 households within 3 miles earn over \$75,000 annually, with a median household income of \$60,605. This compares to a median household income for the Washington Metropolitan Statistical Area (MSA) of \$78,978. Females slightly outnumber males and average age of all persons within 3 miles is nearly 36 years old. 87% of the persons 25 years old or older located within 3 miles are high school graduates and 42% have college degrees.

DEMOGRAPHIC OVERVIEW *(see full demographics attached)*

| DESCRIPTION | 1.00 MILE RADIUS (Map 1) | 3.00 MILE RADIUS (Map 1) | 5.00 MILE RADIUS (Map 1) | CENTERED AROUND FREDERICK TOWNE MALL (Map 2) |
|---|--------------------------------|--------------------------------|--------------------------------|--|
| POPULATION | | | | |
| 2008 Estimate | 18,040 | 63,557 | 101,496 | 10,778 |
| 2013 Projection | 19,535 | 67,978 | 112,533 | 11,580 |
| HOUSEHOLDS | | | | |
| 2008 Estimate | 6,776 | 25,547 | 39,187 | 4,425 |
| 2013 Projection | 7,382 | 27,461 | 43,556 | 4,783 |
| HOUSEHOLDS BY INCOME – 2008 Estimate | | | | |
| \$150,000 or more | 3.9% | 6.4% | 8.0% | 3.1% |
| \$100,000 to \$149,999 | 14.4% | 14.2% | 17.7% | 12.4% |
| \$75,000 to \$99,999 | 21.8% | 19.1% | 20.7% | 20.1% |
| \$50,000 to \$74,999 | 20.6% | 20.2% | 20.5% | 21.0% |
| \$35,000 to \$49,999 | 15.9% | 15.3% | 13.1% | 16.7% |
| \$25,000 to \$34,999 | 9.0% | 9.3% | 7.5% | 7.510.2% |
| \$15,000 to \$24,999 | 7.2% | 8.0% | 6.5% | 8.1% |
| Under \$15,000 | 7.1% | 7.5% | 6.0% | 8.3% |
| INCOME – 2008 Estimate | | | | |
| Average Household Income | \$70,076 | \$74,223 | \$82,212 | \$65,520 |
| Median Household Income | \$62,294 | \$60,605 | \$69,397 | \$56,354 |
| Per Capita Income | \$26,363 | \$30,159 | \$32,279 | \$25,678 |
| POPULATION BY SEX – 2008 Estimate | | | | |
| Male | 49.2% | 47.8% | 48.3% | 48.6% |
| Female | 50.8% | 52.2% | 51.7% | 51.4% |
| AGE – 2008 Estimate | | | | |
| Median Age | 31.5 | 36 | 36.7 | 31.4 |
| EDUCATION (for persons 25+) | | | | |
| High School Graduate | 25.3% | 26.6% | 26.5% | 26.3% |
| Some College | 21.6% | 18.7% | 19.2% | 22.0% |
| Associates Degree Only | 9.2% | 7.8% | 7.9% | 7.7% |
| Bachelors Degree Only | 19.4% | 20.7% | 21.5% | 19.7% |
| Graduate Degree | 12.8% | 13.7% | 14.2% | 12.7% |

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The table below shows the amount spent on a variety of goods and services by households surrounding the Golden Mile and the Frederick Towne Mall. The total retail sales within 3 miles are approximately \$539 million. The two largest consumer expenditures within 3 miles are Shelter and Food at Home, followed by Health Care and Entertainment/Recreation.

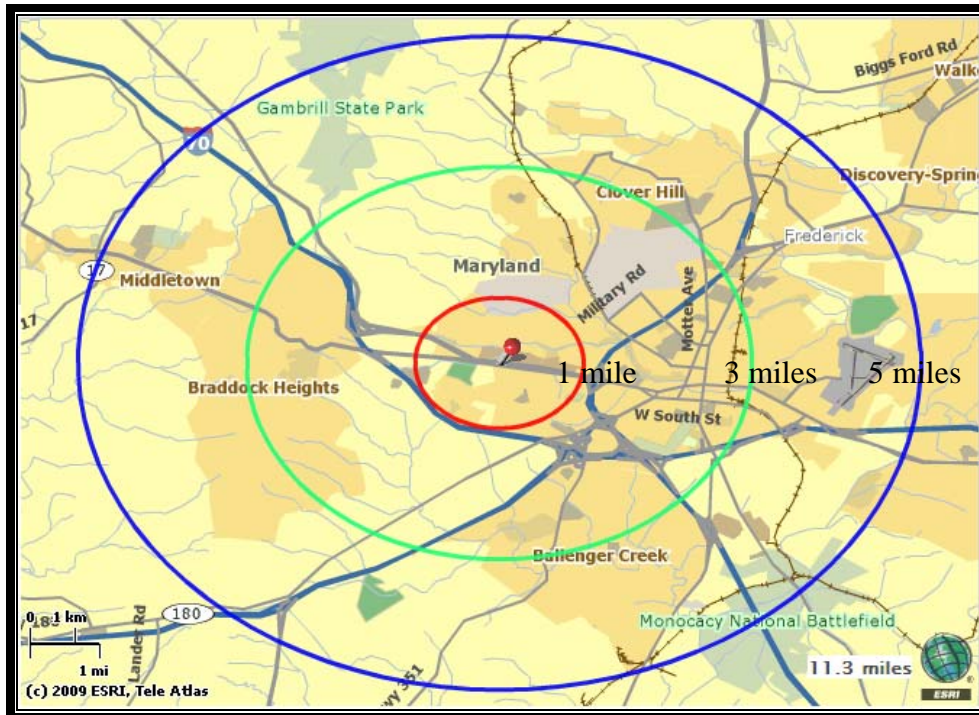
2008 Consumer Spending

\$ In Millions

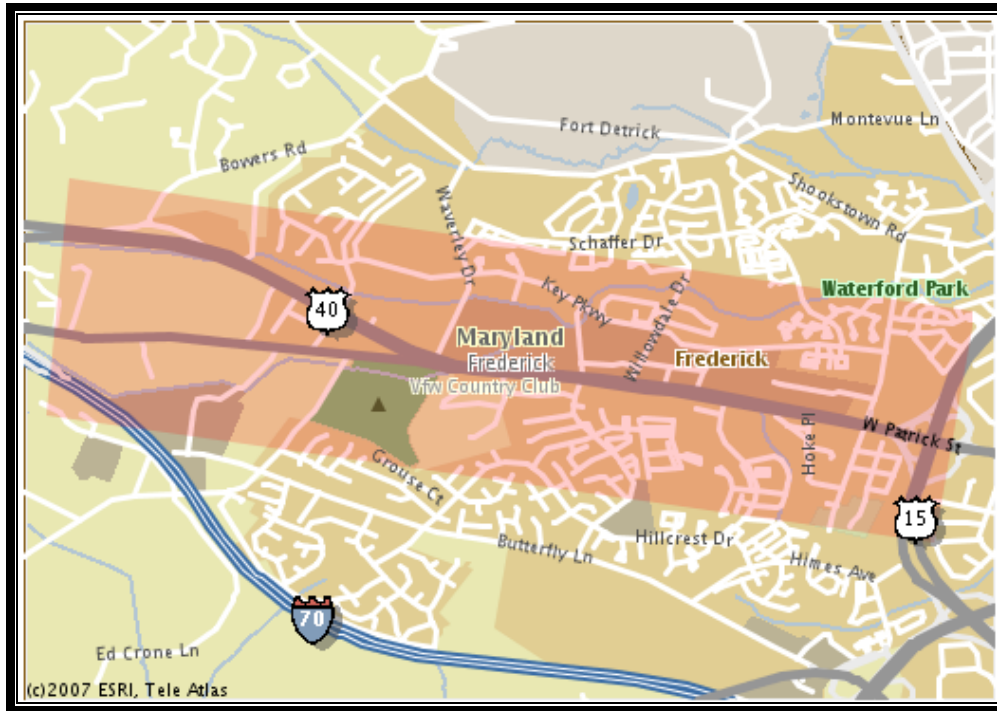
| DESCRIPTION | 1.00 MILE RADIUS (Map 1) | 3.00 MILE RADIUS (Map 1) | 5.00 MILE RADIUS (Map 1) | CENTERED AROUND FREDERICK TOWNE MALL (Map 2) |
|--------------------------------|--------------------------|--------------------------|--------------------------|--|
| TOTAL RETAIL SALES | \$132 | \$539 | \$916 | \$79 |
| APPAREL AND SERVICE | \$15 | \$59 | \$100 | \$9 |
| COMPUTERS AND ACCESSORIES | \$1 | \$6 | \$10 | \$1 |
| EDUCATION | \$9 | \$37 | \$63 | \$5 |
| ENTERTAINMENT / RECREATION | \$23 | \$94 | \$161 | \$14 |
| FOOD AT HOME | \$31 | \$125 | \$209 | \$19 |
| FOOD AWAY FROM HOME | \$22 | \$89 | \$150 | \$13 |
| HEALTH CARE | \$24 | \$99 | \$167 | \$14 |
| HOUSEHOLD FURNISHINGS | \$14 | \$56 | \$97 | \$8 |
| INVESTMENTS | \$6 | \$26 | \$47 | \$3 |
| SHELTER | \$103 | \$406 | \$705 | \$63 |
| TV / VIDEO / SOUND EQUIPMENT | \$9 | \$37 | \$62 | \$5 |
| TRAVEL | \$11 | \$48 | \$84 | \$7 |
| VEHICLE MAINTENANCE AND REPAIR | \$6 | \$25 | \$43 | \$3 |

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Map 1:



Map 2:



The table below compares the average daily traffic counts of the Golden Mile, Route 355, and Route 85. Each year the Golden Mile has around 48% more traffic than Routes 355 and 85. In 2008, traffic dropped in all areas by roughly 2.98%. The traffic drop in 2008 reflects the rise in gas prices and consumers driving less. The traffic decline in Frederick is slightly less than the national decline in 2008. The national vehicle miles traveled dropped 3.7% in May 2008 compared to May 2007.

AVERAGE DAILY TRAFFIC COUNTS COMPARING GOLDEN MILE WITH ROUTE 85 & 355 – 2008

| YEAR | GOLDEN MILE | ROUTE 355 | ROUTE 85 |
|------|------------------|------------------|------------------|
| 2008 | 47,331 -2.99% | 19,241 -2.97% | 22,752 -2.98% |
| 2007 | 48,790 0.9% | 19,830 9.73% | 23,451 |
| 2006 | 48,362 -1.0% | 18,072 -1.0% | 23,450 -5.16% |
| 2005 | 48,850 | 18,250 | 24,725 |

Vehicle Trips – 2009 State Highway Administration (SHA)

Characteristics and Trends

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

Positive Characteristics

- ❑ Strong Demographics in the vicinity of the Golden Mile.
- ❑ Strong blend of national and independent retailers, offices, and businesses.
- ❑ High retail traffic volumes & excellent visibility.
- ❑ Excellent access to Route 15, I-270, and I-70.
- ❑ Major capital investment at Vista Shops.
- ❑ Overall low vacancy rates based on square footage (see attached data sheets).

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).
- ❑ Many vacancies at Frederick Towne Mall are problematic.
- ❑ Not pedestrian friendly – especially across Route 40 – several pedestrian deaths in recent years. Residents have requested pedestrian bridges across Route 40.

Changes since 2002

- ❑ The City of Frederick/SHA has added sidewalks along much of the corridor.
- ❑ Former Hillcrest shopping center now Vista Shops has converted from office back to retail space, anchored by Aldi Foods and Planet Fitness.
- ❑ Frederick Towne Mall has slipped further into significant vacancy and underperformance as ownership has changed and deals with floodplain and redevelopment issues.
- ❑ Increase in Latin foods and groceries.
- ❑ The Holiday Inn has changed to a Motel 6.
- ❑ Loss of both cinemas at the Frederick Towne Mall and Westridge Shopping Center.

GOLDEN MILE OCCUPANCY DATA: As of June 15, 2009
Collected by Department of Economic Development (DED) using windshield survey

| Name | Year Built | Size (SF) | Property Owner Property Management | Type of Business |
|--|-------------------|------------------|---|-------------------------|
| Motel 6 | 1963 | 76,055 | West Patrick Hospitality, LLC | Hotel |
| First United Bank & Trust | 1973 | 13,710 | Danyce Huffman & Aldan Weinberg | Bank |
| Holiday Cinemas | 1973 | 13,710 | Danyce Huffman & Aldan Weinberg | Entertainment |
| Potomac Physicians Center | 1995 | 35,000 | Baughman Professional Building, LLC | |
| Potomac Physicians P.A | | | | Healthcare |
| Carefirst Bluecross Blueshield | | | | Healthcare |
| Mohammed M Muhiuddin MD – urologist | | | | Healthcare |
| Diagnostic Health | | | | Healthcare |
| Labcorp | | | | Healthcare |
| Menocal Family Practice | | | | Healthcare |
| Fitzgerald’s Auto Mall | 1978 | 47,916 | John J Fitzgerald, Jr | Automotive |
| Rite Aid Pharmacy | 1998 | 11,150 | HPT Frederick LP | Pharmacy |
| Dutch Plant Farm | | | | |
| Vacant (1001) | 1950 | 9861 | GM Gateway, LLC | |
| Keypark Center (offices) | | 27,878 | McShea 301-948-9870 | Office |
| Vacant | | | | |
| Frederick County Square Shopping Center | 1973 | 234,248 | Washington REIT 301-984-9400 | |
| Lotus Chinese | | | | Restaurant |
| Vacant | | | | |
| Vacant | | | | |
| Thomas Scott Salon | | | | Beauty |
| Galloway Family Dentistry | | | | Healthcare |
| Jo Ann Etc. | | | | Retail Store |
| Hard Times Café | | | | Restaurant |
| Zips Dry Cleaners | | | | Apparel |
| Advanced Auto Parts | | | | Automotive |
| Vacant | | | | |
| Santa Rosa Mexican and Salvadorian Food | | | | Restaurant |
| Jenny Craig | | | | Healthcare |
| Rick's Fish and Pet Supply | | | | Pets |
| Under the Sun - Bike Ski | | | | Fitness |
| Vacant | | | | |
| Kmart | | | | Retail Store |
| Vacant | | | | |
| Mattress Discounters | | | | Household |
| Hollywood Video | | | | Entertainment |
| Burger King | | | | Restaurant |
| Famous Dave's Barbeque | | | | Restaurant |

| | | | | |
|--|-------------|----------------|--|--------------|
| M&T Bank | | | | Bank |
| Westridge Shopping Center | 1986 | 542,982 | Westfreit Corp. | |
| Miyako Japanese Cuisine | | | | Restaurant |
| Outback Steak House | | | | Restaurant |
| Chevy Chase Bank | | | | Bank |
| Vacant | | | | |
| Vacant | | | | |
| Davidus Cigars | | | | Tobacco |
| At The Beach Tanning | | | | Beauty |
| Sally Beauty Supply | | | | Beauty |
| Oreck Vacuums | | | | Household |
| Baskin Robbins | | | | Restaurant |
| Burlington Coat Factory (1025) | | | | Apparel |
| Payless Shoes (1029) | | | | Apparel |
| Thai Kitchen (1031) | | | | Restaurant |
| Amy's Hair Salon (1033) | | | | Beauty |
| Il forno Pizzeria | | | | Restaurant |
| Vacant | | | | |
| Huntington Learning Center | | | | Educational |
| Weight Watchers (1041) | | | | Healthcare |
| Spectrum Federal Credit Union | | | | Bank |
| Westridge Liquor Store | | | | Liquor |
| Los Portillos Mexican Restaurant | | | | Restaurant |
| All Star Billiards | | | | Restaurant |
| Fitness First | | | | Fitness |
| Frederick Bedrooms | | | | Household |
| Big Chef Chinese Kitchen | | | | Restaurant |
| Vacant | | | | |
| Vacant (1059) | | | | |
| Westridge Cleaners | | | | Apparel |
| Giant Groceries | | | | Grocery |
| Quiznos | | | | Restaurant |
| Vacant | | | | |
| Frederick Shoppers World (1275) | 1972 | 126,408 | Richard Rubin Mgmt Corp 301-9984-8900 | |
| McDonalds | | | 6001 Montrose Rd Suite 700 | Restaurant |
| Shell | | | Rockville, MD | Gas |
| Willowdale Car Wash | | | | Automotive |
| Giant Eagle | | | | Grocery |
| Village Green Grill | | | | Restaurant |
| Rent-A-Center (1275E) | | | | Household |
| Vacant | | | | |
| Classy Nails | | | | Beauty |
| Dollar General | | | | Retail Store |
| SuperPetz | | | | Pets |
| KinderCare | 1986 | 5,800 | KC Propco, LLC | |
| WillowTree Plaza | 1986 | 44,847 | Kline Scott Visco | |

| | | | | |
|--------------------------------------|-------------|----------------|-------------------------------------|---------------|
| Wendy's | | | | Restaurant |
| Arby's | | | | Restaurant |
| Kentucky Fried Chicken | | | | Restaurant |
| China King | | | | Restaurant |
| Liquor | | | | Liquor |
| Sam's Convenience Store | | | | Grocery |
| Buffalo Wings and Beer | | | | Restaurant |
| 2000 Nails (A5) | | | | Beauty |
| Way Off Broadway Dinner Theatre (A1) | | | | Entertainment |
| Wash House (Laundromat) | | | | Apparel |
| Vacant | | | | |
| Armed Forces Recruiting Center | | | | Employment |
| Hair Worx | | | | Beauty |
| Colimenta International Grocery | | | | Grocery |
| Curves | | | | Healthcare |
| My Gym | | | | Healthcare |
| US Carpet Market | | | | Household |
| Fajita Grande | | | | Restaurant |
| Wolf Furniture Plaza | 1975 | 64,312 | Frederick-Blico Partnership | |
| Wolf Furniture | | | | Household |
| Nu Look Cleaners | | | | Apparel |
| Vacuum Store | | | | Household |
| Barber Shop | | | | Beauty |
| PNC Bank | | | | Bank |
| Excel Travel (1205) | | | | Travel |
| Denny's Diner | | | | Restaurant |
| Designer Surplus | 1979 | 14,958 | Ano, LLC | Household |
| McCain Plaza (50 N McCain Dr) | 1985 | 12,000 | Kenneth & Sharon Pickett | |
| Manantial Grocery | | | | Grocery |
| Don Chicken | | | | Restaurant |
| Fox's Pizza Den | | | | Restaurant |
| Café Latino | | | | Restaurant |
| Liquors Beer & Wine | | | | Liquor |
| Bill Watson's Carry Out | | | | Restaurant |
| Frederick Towne Mall | 1972 | 571,285 | FTM Associates LLC | |
| Carrabas | | | | Restaurant |
| Sterling Optical | | | | Healthcare |
| Vacant | | | | |
| Vacant | | | | |
| Vacant | | | | |
| Vacant | | | | |
| Home Depot | | | | Retail Store |
| Vacant | | | | |
| Vacant | | | | |
| Your Custom Tailor | | | | Apparel |
| Vacant | | | | |
| Vacant | | | | |

| | | | |
|----------------------------|--|--|---------------|
| Vacant | | | |
| Vacant | | | |
| Lallo's Pizza | | | Restaurant |
| Vacant | | | |
| Vacant | | | |
| Vacant | | | |
| Vacant | | | |
| Solo Pa La Raza | | | Apparel |
| Vacant | | | |
| Radio Shack | | | Entertainment |
| Bon-Ton Furniture and Home | | | Household |
| Vacant | | | |
| FYE | | | Entertainment |
| Payless Kids | | | Apparel |
| Payless Shoes | | | Apparel |
| Joey's \$5 and under | | | Retail Store |
| Johnny's Bounce a Roo | | | Entertainment |
| Just for Kids | | | Entertainment |
| Party Room 1 and 2 | | | Entertainment |
| John's Hallmark | | | Gift Shop |
| As seen on TV | | | Retail Store |
| Pit Stop | | | Restaurant |
| Melanie's Consignment Shop | | | Apparel |
| Martha's Hair Salon | | | Beauty |
| Vacant | | | |
| Vacant | | | |
| Vacant | | | |
| Bosco's | | | Retail Store |
| Vacant | | | |
| Vacant | | | |
| Vacant | | | |
| Vacant | | | |
| Vacant | | | |
| Vacant | | | |
| Fashion Bug Plus | | | Apparel |
| Vacant | | | |
| Vacant | | | |
| Columbia Furniture | | | Household |
| Vacant | | | |
| Vacant | | | |
| Vacant | | | |
| Vacant | | | |
| Bon-Ton | | | Apparel |
| Vacant | | | |
| Vacant | | | |
| Vacant | | | |

| | | | | |
|--|-------------|---------------|--------------------------------------|---------------|
| Vacant | | | | |
| Vacant | | | | |
| Vacant | | | | |
| Vacant | | | | |
| CVS | | | | Pharmacy |
| Cornerstone Fellowship | | | | Religious |
| Ollies Bargain Outlet | | | | Retail Store |
| Casa Rico Mexican Restaurant | | | | Restaurant |
| Meineke Discount Mufflers | | | | Automotive |
| Frederick Towne Auto Repair | | | | Automotive |
| The Lube Center | | | | Automotive |
| Chevron | | | | Gasoline |
| Waverly Center (45 Waverly Drive) | 1989 | 21,090 | Fishman Family, LLC | |
| Beer-Wine-Deli-Groceries | | | | Grocery |
| Magic Touch Cleaners | | | | Apparel |
| Enterprise | | | | Automotive |
| Hot Wok | | | | Restaurant |
| Escobar Insurance Agency | | | | Insurance |
| DJ's Hair Fantasies | | | | Beauty |
| Trophy Shop | | | | Specialty |
| Shipley's TV | | | | Household |
| Super Mercado Latino | | | | Grocery |
| Frederick Bazaar | | | | Grocery |
| Centro de las Americas II | | | | Grocery |
| Brianais Recordatorios | | | | Entertainment |
| Everything Party Supplies | | | | |
| Jennifer Nails | | | | Beauty |
| Tu Mobil (T Mobile) | | | | Cellular |
| Attorney and Taxes | | | | Specialty |
| Vacant | | | | |
| Popeye's | 2004 | 3,356 | HPB Prop. Limited Partnership | Restaurant |
| Frederick Motor Company | 1970 | 44,766 | Warfield Family Business | Automotive |
| Wild Bird Garden Shopping Center | 1980 | 7,700 | Ted Mercer, CPA 301-662-6992 | |
| Wild Bird Garden | | | | Specialty |
| Pawn Shop | | | | Specialty |
| Vacant | | | | |
| Frederick Motor Co. Pre-owned | 1983 | 3,120 | Frederick Motor Company | Automotive |
| 40 West Center | 1986 | 13,250 | Forty West Center, LLC | |
| Sanbower Builders (1425) | | | | Construction |
| La Chiquita Inc. (1425A) | | | | Grocery |
| Vacant (1425B) | | | | |
| Spherion/Donna K Personnel Inc (1425C) | | | | Employment |
| B&B Video (1425D) | | | | Entertainment |
| Vacant | 1977 | 7,447 | Gerald and Carol Goldberg | |
| 7-11 | 1986 | 2,585 | Frederick Business Prop, Co. | Convenience |
| Masser's Motel and Restaurant | 1950 | 9,303 | Frederick Business Prop., | Hotel |

| | | | Co. | |
|---------------------------------------|-------------|----------------|------------------------------------|--------------|
| Vienna Plaza | 1982 | 18,135 | Dulles Land Quest, LLC | |
| Estrella Market | | | | Grocery |
| Nu Beginnings | | | | Beauty |
| Deliciosa Bakery | | | | Restaurant |
| Cash N' Go | | | | Bank |
| Mr. Coral | | | | Pet |
| If The Shoe Fits | | | | Apparel |
| Formal Den | | | | Apparel |
| Pearl Nails | | | | Beauty |
| Gyro King/Pupuseria La Cabaneta | | | | Restaurant |
| Barbara Fritchie | 1960 | 5,875 | Barbara Fritchie, LLC | Restaurant |
| Stonegate Center | 1983 | 14,400 | R.R. Mcman, LLC | |
| Family Dentistry (1517) | | | | Healthcare |
| Maryland Counseling Center | | | | Healthcare |
| Vacant | | | | |
| Covenant Family Chapel | | | | Religious |
| Astick Driving School | | | | Educational |
| Nationwide Insurance | | | | Insurance |
| SW Keasey (lower level) | | | | Specialty |
| Service Master (lower level) | | | | Household |
| Welcome Abroad Travel (1519) | | | | Travel |
| Frederick Foot Care | | | | Healthcare |
| ECM Tuning (lower level) | | | | Automotive |
| 3G Contractors (lower level) | | | | Construction |
| Vacant (lower Level) | | | | |
| Vacant | | | | |
| Monocacy Motors | | | | Automotive |
| Stover Hearth & Patio | 1963 | 12, 351 | Joseph & Rebecca Stover | Household |
| Rt 40 Business Park (6907) | 1987 | 19,600 | Joseph & Rebecca Stover | |
| Browning Pools | | | | Household |
| Dixie electric | | | | Construction |
| Garden Pastimes | | | | Household |
| Hyper Bike Performance Centers | | | | Automotive |
| Health First CPR & First Aid | | | | Educational |
| New TeQ Computer Service | | | | Computers |
| Laser Recharge Systems | | | | Computers |
| Central Maryland Martial Arts | | | | Fitness |
| Highway Liquors (6915) | 1953 | 4,558 | Roca, LLC | Liquor |
| Quality Water of Maryland | 1966 | 5,748 | DDT, LLC | Household |
| Don Butt, Jr CPA | 1966 | 5,748 | DDT, LLC | Specialty |
| West Frederick Pet Care Center | 1994 | 10,340 | Sayler, LLC | Pets |
| Citgo (1510) | 1969 | 2,026 | Barry Bussard | Gasoline |
| Security Public Storage | 2000 | 82,834 | Storage Plus, LLC | Storage |
| Frederick Towne Auto Spa | | | Lot 103, LLC | Automotive |
| Weis Market Plaza | 1980 | 55,574 | Weis Markets Inc | Grocery |
| Bob Evans | 1995 | 6,009 | BEF REIT, Inc | Restaurant |

| | | | | |
|--|-------------|---------------|--|---------------|
| McDonalds | 1990 | 4,911 | McDonalds Corp. | Restaurant |
| Vacant (1460B) | 1984 | 25,930 | H&V Property, LLC | |
| Earl Mercer & Son/Clouse Trucking | 1984 | 25,930 | H&V Property, LLC | Specialty |
| Kreimer's Karate | 1984 | 25,930 | H&V Property, LLC | Fitness |
| West Point Plaza (1450) | 1987 | 29,291 | Westpointe Plaza, LLC | |
| West Pointe Crabs | | | | Restaurant |
| Frederick Chiropractic Health Care | | | | Healthcare |
| Universal Kids | | | | Entertainment |
| International Market | | | | Grocery |
| Vacant | | | | |
| Burger King | | | | Restaurant |
| Healthy Inspirations | | | | Fitness |
| P.K. Hair Studio | | | | Beauty |
| Paparoniz | | | | Restaurant |
| Old Town Diner | | | | Restaurant |
| Vacant | | | | |
| Vacant | | | | |
| Vacant | | | | |
| Vacant | | | | |
| Woodsboro Bank (1420) | 1999 | 2,072 | Woodsboro Bank | Bank |
| Vacant (1410) | 1972 | 2,166 | Sarmadi Group, LLC | |
| VFW (for sale Mackintosh Realty) | 2005 | 6,736 | VFW, Inc | Entertainment |
| 5 Star Car Wash | 2009 | | | Automotive |
| Exxon (1380) | 1996 | 1,855 | Exxon, Corp. | Gasoline |
| Golden Mile Market Place | 1989 | 92,828 | Golden Mile Marketplace, LLC | |
| BB&T (1370) | 1972 | 2,400 | Abdul & Tanzila Sheikh | Bank |
| Vitamin Shoppe (1328) | 1980 | 4,770 | Jemal's Color Tile Frederick, LLC | Healthcare |
| Boston Market (1350) | 1970 | 3,574 | Hardees Route 40, LLC | Restaurant |
| Merchants Tire and Auto Center (1340) | 1970 | 8,040 | Joy Family Limited Partnership | Automotive |
| Ruby Tuesdays (1312) | | | | Restaurant |
| M&T Bank | | | | Bank |
| Mountain View Diner (1300) | 1985 | 5,702 | Golden Mile Marketplace, LLC | Restaurant |
| Toys R Us | | | | Retail Store |
| Wonder Book and Video | | | | Entertainment |
| Kehne's Carpet One | | | | Household |
| Vacant | | | | |
| City Buffet Chinese | | | | Restaurant |
| Vacant | | | | |
| Heavenly Ham | | | | Restaurant |
| Los Trios Market | | | | Grocery |
| DJ Liquors | | | | Liquor |
| Los Trios Restaurant | | | | Restaurant |
| McCain Center | 1983 | 21,864 | Lara Bay Investments, LLC | |
| Roy Rogers | 1980 | 2,946 | Plamondon Leasing Assoc., | Restaurant |

| | | | | | |
|---|-------------|---------------|---|------------|---------------|
| | | | | LLC | |
| Dunkin Donuts (1296) | 1980 | 2,056 | DB Real Estates Assets I, LLC | | Restaurant |
| American General Finance (2 nd fl) | | | | | Bank |
| What a Tan (2 nd Fl) | | | | | Beauty |
| Plamondon Enterprises (2 nd fl) | | | | | Office |
| Abbey Carpet | | | | | Household |
| Dr. Vallerie B Kee, Dentist | | | | | Healthcare |
| Korean Martial Arts | | | | | Fitness |
| Venturi Staffing Partners (2 nd fl) | | | | | Employment |
| Dress n Dazzle (2 nd fl) | | | | | Apparel |
| Mr. Georges Driving School (2 nd fl) | | | | | Educational |
| Homeview Windows and Doors (2 nd fl) | | | | | Household |
| Valley Chiropractic | | | | | Healthcare |
| International Bazaar | | | | | Grocery |
| Potters House – Christian Fellowship Church | | | | | Religious |
| Pizza Hut (1220) | 1977 | 4,647 | Spirit Master Funding III, LLC | | Restaurant |
| Frederick Bicycles | | | | | Fitness |
| Lingerie and Video | 1984 | 5,200 | Gordon & Mary Low | | Specialty |
| Love Craft | 1984 | 5,200 | Gordon & Mary Low | | Specialty |
| Uncle Bobs Self Storage | 1984 | 41,560 | Sovran Acquisition Ltd., Partnership | | Storage |
| Jiffy Lube | 1981 | 2,448 | Nicholas & Carole Samios | | Automotive |
| Sunoco (1200) | 1960 | 1,680 | Sun Refining & Marketing Co. | | Gasoline |
| Free State Gasoline (1180) | 1989 | 462 | Freestate Petroleum Corp | | Gasoline |
| AT&T Center (1170) | 1989 | 22,400 | Route 40 Limited Partnership | | |
| ACE MoneyGram | | | | | Bank |
| AT&T | | | | | Cellular |
| Nail Time | | | | | Beauty |
| Thai Rice | | | | | Restaurant |
| Clay Oven Indian Cuisine | | | | | Restaurant |
| Casual Male XL | | | | | Apparel |
| Music and Arts | | | | | Specialty |
| Sleepy's Mattress | | | | | Household |
| Blockbuster Video | | | | | Entertainment |
| Verizon Wireless | 1953 | 5,026 | Gale Cook Jr. | | Cellular |
| Pep Boys (1120) | 1987 | 17,881 | Cole PB Portfolio I, LP | | Automotive |
| Pier One (1106) | 1989 | 8,904 | James M. Stockman, LLC | | Household |
| Rockledge Plaza (1100) | 1988 | 20,636 | James M. Stockman, LLC | | |
| Sandy Springs Bank | | | | | Bank |
| Jackson Hewitt Tax Service | | | | | Specialty |
| Fast Signs | | | | | Specialty |
| United Optical | | | | | Healthcare |
| Dominos Pizza | | | | | Restaurant |
| Record and Tape Traders | | | | | Entertainment |
| CTX Mortgage | | | | | Bank |

| | | | | |
|--|-------------|---------------|-------------------------------------|--------------|
| Vacant | | | | |
| Briana's Hair Spa | | | | Beauty |
| Body Art | | | | Beauty |
| Number One Nail | | | | Beauty |
| Hollywood Tans | | | | Beauty |
| Vacant | | | | |
| Executive Park West (Offices) | | | | Office |
| Vista Shops (1080) | 1988 | 88,442 | BSV Patricks, LLC | |
| Coin Laundry | | | | Apparel |
| Vacant | | | | |
| Vacant | | | | |
| Planet Fitness | | | | Fitness |
| Deals \$5 and less | | | | Retail Store |
| Cali Spa | | | | Beauty |
| ALDI | | | | Grocery |
| Martial Arts USA | | | | Fitness |
| Chanticleer Shoes | | | | Apparel |
| Vacant | | | | |
| Vacant | | | | |
| Roppongi Japanese Restaurant | | | | Restaurant |
| Vacant | | | | |
| Vacant | | | | |
| Vacant | | | | |
| Vacant | | | | |
| Liberty Tax Service | | | | Specialty |
| Vacant | | | | |
| Vacant | | | | |
| Grace Tabernacle Fellowship Church | | | | Religious |
| H&R Block | | | | Specialty |
| Family Foot Care | | | | Healthcare |
| Capone's Pizza | | | | Restaurant |
| Hillcrest Latino Market/Valdermar Travel | | | | Grocery |
| Ice Cream/Frozen Yogurt | | | | Restaurant |
| Hillcrest Corner Shopping Center (1090) | 1985 | 9,800 | Hillcrest Corner Partnership | |
| State Farm Insurance – Danielle Leonard (2 nd fl) | | | | Insurance |
| Classic Beauty Supply | | | | Beauty |
| Nails For You | | | | Beauty |
| Dr. Hall Dentist (2 nd fl) | | | | Healthcare |
| Brian D Hall Endodontist (2 nd fl) | | | | Healthcare |
| Hillcrest Deli - Wine and Spirits | | | | Liquor |
| Taco Bell (1086) | 1991 | 2,304 | BSV Patrick St, LLC | Restaurant |
| Bank of America (1070) | 1990 | 4,929 | BSV Patrick St, LLC | Bank |
| Antietam Auto Parts/Westside Radiator | 1959 | 7,100 | Roland & Gloria Carey | Automotive |

| | | | | |
|---|-------------|---------------|---------------------------------------|-------------|
| For Eyes | 1988 | 1,987 | Julie Nguyen | Healthcare |
| Kinko's Center (1046) | 2001 | 11,866 | WSG Golden Mile, LP | |
| Kinko's | | | | Specialty |
| Starbucks Coffee | | | | Restaurant |
| Nextel | | | | Cellular |
| Subway | | | | Restaurant |
| Mattress Warehouse | | | | Household |
| 7-Eleven (1042) | 1974 | 2,655 | L.N. Rosenbaum, Inc | Convenience |
| Darcars of Fredericktown Toyota (1040) | 1955 | 8,010 | Eastern Diversified Prop., LLC | Automotive |
| Myer Emco (1030) | 1969 | 3,510 | Cornell Enterprises, Inc | Household |
| Red Lobster (1020) | 1997 | 5,696 | Kunz Enterprises, LLC | Restaurant |
| Midas | 1978 | 3,999 | Helen Goodman | Automotive |
| Get Go Convenience | 1987 | 3,200 | Getgo Partners South | Gasoline |
| The Red Horse Steak House | 1968 | 8,996 | KRB, LLC | Restaurant |
| Comfort Inn | 1968 | 29,754 | DJJ, LLC | Hotel |
| Woody's Salon | | | | Beauty |

There are 44 vacant locations on the Golden Mile, counting the Frederick Towne Mall as one vacant property. The Frederick Towne Mall has 38 vacant locations. The most prevalent type of business on the Golden Mile are restaurants, there are 61 restaurants varying from fast food to upscale restaurants. After restaurants the top type of businesses are healthcare services, beauty services, automotive services and sales, apparel, and household goods.





ACCOMPLISHED:

Items that were accomplished from the Golden Mile Task Force Report in 2002:

1. Created the Golden Mile Tax Credit; a geographic Tax Credit District (GC/MU1 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
 - ❑ 7 year phase in, exemption rate depends on value of rehabilitation.

| 2004—2010 EXEMPTION SCHEDULE | | | |
|-------------------------------------|--|------------------------|-----------------|
| Years | Exemption rates based on Rehabilitation Values of: | | |
| | < \$1.0 million | \$1.0 to \$4.0 million | > \$4.0 million |
| 1 | 100% | 100% | 100% |
| 2 | 100% | 100% | 100% |
| 3 | 100% | 100% | 100% |
| 4 | 80% | 100% | 100% |
| 5 | 60% | 75% | 100% |
| 6 | 40% | 50% | 66% |
| 7 | 20% | 25% | 33% |
| 8 | 0% Exempt | 0% Exempt | 0% Exempt |

2. Three major vacancies on the Golden Mile have been filled. Boscovs, The Home Depot, and Wolf Furniture have all opened acting as anchors and generating retail traffic.
3. DED coordinated with commercial brokers and property managers of key vacant properties to assist in the recruitment of new businesses to backfill those vacancies. (Completed but ongoing)
4. Declared the Golden Mile a “Designated Revitalization Neighborhood”.

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 shall facilitate formation of Golden Mile Alliance.

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 (Continuous).
3. 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.
4. DED/property owners/managers should develop a website to assist consumers with information on shopping alternatives, locations, and contact information:
 - www.golden_mile.com (appears to be available)
5. 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).
6. Consider a Business Improvement District (BID) feasibility team to develop support for such a district & work with City to prepare a full redevelopment plan.
7. DED in cooperation with Frederick Towne Mall management will write up a summary about the plans of the Frederick Towne Mall, updating elected officials and the public on the current plans and progress.
8. Reevaluate the effectiveness and relevance of the Golden Mile Tax credit which sunsets in 2010. Need to either reauthorize or establish something new to address the current market issues.

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.

DESIGNATED NEIGHBORHOOD

Designated Neighborhoods are mixed-used areas in need of social and/or physical revitalization, which are selected by the local jurisdiction and approved by the Secretary of DHCD. They are established neighborhoods that have residential as well as commercial uses. Some State funding programs provide increased incentives or are available only to those applicants that are located in or are servicing clients who reside in Designated Neighborhoods. Because the Golden Mile is a Designated Neighborhood it is eligible for these programs:

Neighborhood BusinessWorks Program

The Neighborhood BusinessWorks loan program provides gap financing to new or expanding small businesses and nonprofit organizations in locally designated neighborhood revitalization areas. Only Maryland-based small businesses, local development corporations and nonprofit organizations may apply. Their activities must contribute to a broader revitalization effort and projects are intended to promote investment in commercial districts or town centers. Financing generally ranges from \$25,000 to \$500,000.

Job Creation Tax Credit Priority Funding Areas

The purpose of the Job Creation Tax Credit is to provide income tax credits to businesses that create new jobs to encourage them to expand or relocate in Maryland. A business that is located or expands to a Designated Neighborhood must only create 25 jobs to be eligible for the tax credit. The credit is five percent of annual wages for all newly created full-time jobs, subject to a limit of \$1,500 per new job.

Retrofit Sidewalk Program

The Maryland SHA administers the Transportation Enhancement Program for the State of Maryland, described below. A Designated Neighborhood is eligible to receive 100% funding from the State of Maryland for sidewalk retrofitting. A retrofit sidewalk is a sidewalk that is constructed along a state route. Under this program, the Designated Neighborhood could repair their sidewalks and construct pedestrian/bicycle bridges.

See <http://www.dhcd.state.md.us/website/programs/dn/dn.aspx?#app> for more information.

TEA-21 TRANSPORTATION ENHANCEMENT PROGRAM NATIONAL SCENIC BYWAYS PROGRAM



Transportation Enhancement (TE) activities offer funding opportunities to help expand transportation choices and enhance the transportation experience through 12 eligible TE activities related to surface transportation. TE projects must relate to surface transportation and must qualify under one or more of the 12 eligible categories. The 12 categories are:

1. Provision of facilities for pedestrians and bicycles.
 - a. A typical activity eligible for TEP funding is the creation of pedestrian/bicycle bridges.
2. Provision of safety and educational activities for pedestrians and bicyclists.
3. Acquisition of scenic easements and scenic or historic sites (including historic battlefields).
4. Scenic or historic highway programs (including the provision of tourist and welcome center facilities).
5. Landscaping and other scenic beautification.
6. Historic preservation.
7. Rehabilitation and operation of historic transportation buildings, structures, or facilities (including historic railroad facilities and canals).
8. Preservation of abandoned railway corridors (including the conversion and use of the corridors for pedestrian or bicycle trails).
9. Inventory, control, and removal of outdoor advertising.
10. Archaeological planning and research.
11. Environmental mitigation
 - a. to address water pollution due to highway runoff; or
 - b. reduce vehicle-caused wildlife mortality while maintaining habitat connectivity
12. Establishment of transportation museums.

TEP funds may be used for workforce development, training, and education. The funded activities must be accessible to the general public or targeted to a broad segment of the general public.

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, and 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.

APPENDIX:

- A. Demographic and Income Profiles
 - a. 1, 3, 5 mile Radius Report
 - b. Centered around Frederick Towne Mall Report
- B. Market Profiles
 - a. 1, 3, 5 mile Radius Report
 - b. Centered around Frederick Towne Mall Report
- C. Retail Goods and Services Expenditure Reports
 - a. 1, 3, 5 mile Radius Report
 - b. Centered around Frederick Towne Mall Report

