

# GOLDEN MILE RETAIL REPORT

June 22, 2009



Based on original Golden Mile Task Force Report December, 2002

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## **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)*

<b>DESCRIPTION</b>	<b>1.00 MILE RADIUS (Map 1)</b>	<b>3.00 MILE RADIUS (Map 1)</b>	<b>5.00 MILE RADIUS (Map 1)</b>	<b>CENTERED AROUND FREDERICK TOWNE MALL (Map 2)</b>
<b>POPULATION</b>				
2008 Estimate	18,040	63,557	101,496	10,778
2013 Projection	19,535	67,978	112,533	11,580
<b>HOUSEHOLDS</b>				
2008 Estimate	6,776	25,547	39,187	4,425
2013 Projection	7,382	27,461	43,556	4,783
<b>HOUSEHOLDS BY INCOME – 2008 Estimate</b>				
\$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%
<b>INCOME – 2008 Estimate</b>				
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
<b>POPULATION BY SEX – 2008 Estimate</b>				
Male	49.2%	47.8%	48.3%	48.6%
Female	50.8%	52.2%	51.7%	51.4%
<b>AGE – 2008 Estimate</b>				
Median Age	31.5	36	36.7	31.4
<b>EDUCATION (for persons 25+)</b>				
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.

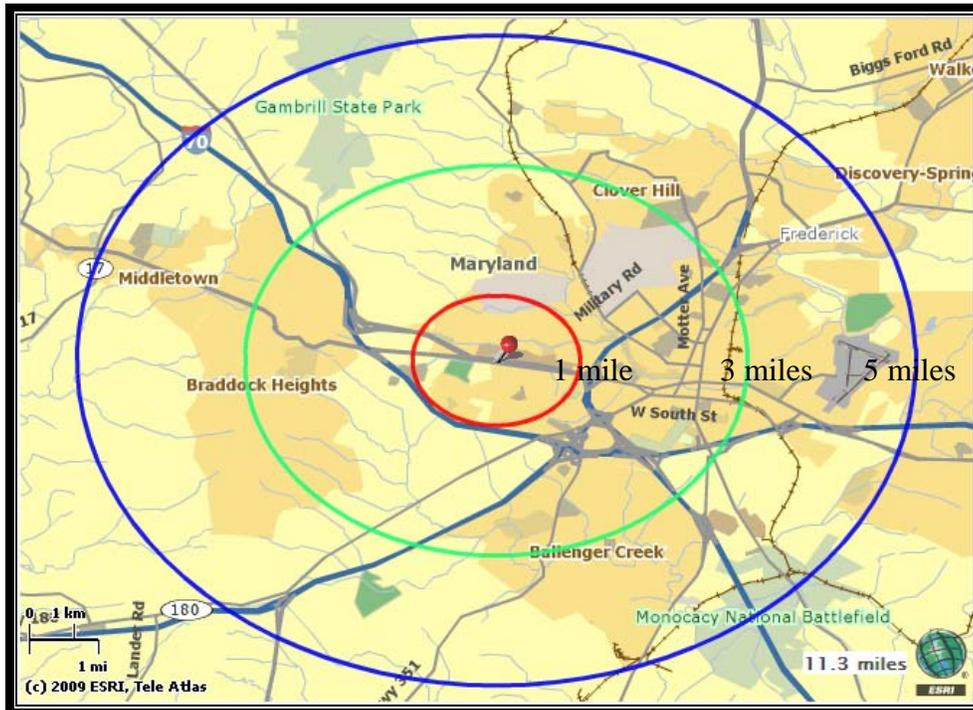
2008 Consumer Spending

\$ In Millions

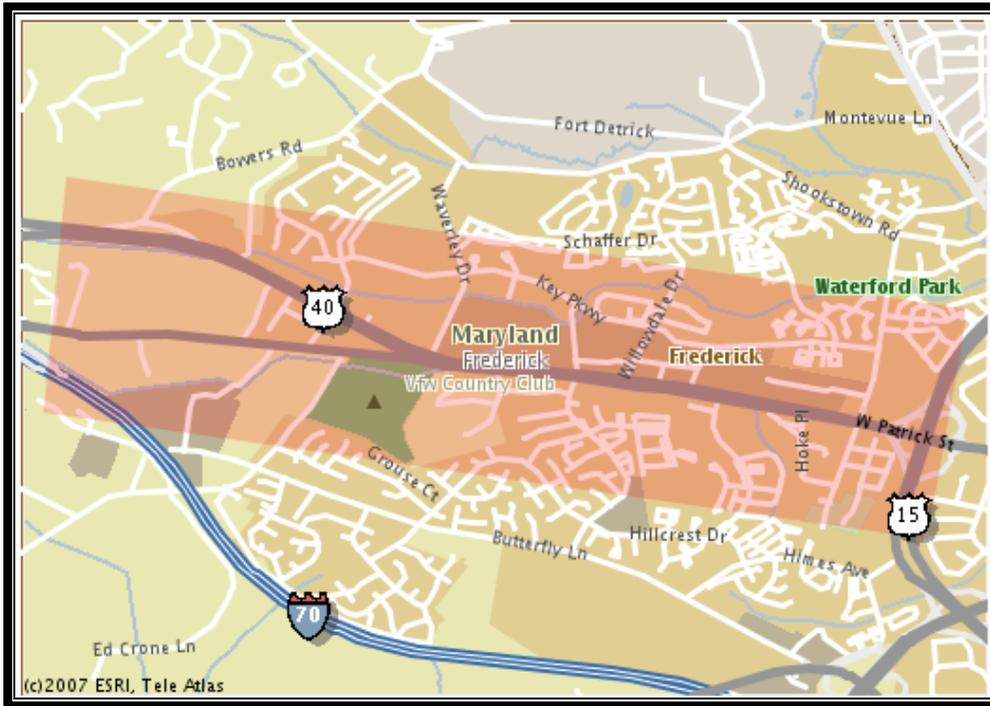
DESCRIPTION	1.00 MILE RADIUS (Map 1)	3.00 MILE RADIUS (Map 1)	5.00 MILE RADIUS (Map 1)	CENTERED AROUND FREDERICK TOWNE MALL (Map 2)
TOTAL RETAIL SALES	\$132	\$539	\$916	\$79
APPAREL AND SERVICE	\$15	\$59	\$100	\$9
COMPUTERS AND ACCESSORIES	\$1	\$6	\$10	\$1
EDUCATION	\$9	\$37	\$63	\$5
ENTERTAINMENT / 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

<b>Name</b>	<b>Year Built</b>	<b>Size (SF)</b>	<b>Property Owner Property Management</b>	<b>Type of Business</b>
<b>Motel 6</b>	<b>1963</b>	<b>76,055</b>	<b>West Patrick Hospitality, LLC</b>	Hotel
<b>First United Bank &amp; Trust</b>	<b>1973</b>	<b>13,710</b>	<b>Danyce Huffman &amp; Aldan Weinberg</b>	Bank
<b>Holiday Cinemas</b>	<b>1973</b>	<b>13,710</b>	<b>Danyce Huffman &amp; Aldan Weinberg</b>	Entertainment
<b>Potomac Physicians Center</b>	<b>1995</b>	<b>35,000</b>	<b>Baughman Professional Building, LLC</b>	
Potomac Physicians P.A				Healthcare
Carefirst Bluecross Blueshield				Healthcare
Mohammed M Muhiuddin MD – urologist				Healthcare
Diagnostic Health				Healthcare
Labcorp				Healthcare
Menocal Family Practice				Healthcare
<b>Fitzgerald’s Auto Mall</b>	<b>1978</b>	<b>47,916</b>	<b>John J Fitzgerald, Jr</b>	Automotive
<b>Rite Aid Pharmacy</b>	<b>1998</b>	<b>11,150</b>	<b>HPT Frederick LP</b>	Pharmacy
<b>Dutch Plant Farm</b>				
<b>Vacant (1001)</b>	<b>1950</b>	<b>9861</b>	<b>GM Gateway, LLC</b>	
<b>Keypark Center (offices)</b>		<b>27,878</b>	<b>McShea 301-948-9870</b>	Office
Vacant				
<b>Frederick County Square Shopping Center</b>	<b>1973</b>	<b>234,248</b>	<b>Washington REIT 301-984-9400</b>	
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
<b>Westridge Shopping Center</b>	<b>1986</b>	<b>542,982</b>	<b>Westfreit Corp.</b>	
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				
<b>Frederick Shoppers World (1275)</b>	<b>1972</b>	<b>126,408</b>	<b>Richard Rubin Mgmt Corp 301-9984-8900</b>	
McDonalds			<b>6001 Montrose Rd Suite 700</b>	Restaurant
Shell			<b>Rockville, MD</b>	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
<b>KinderCare</b>	<b>1986</b>	<b>5,800</b>	<b>KC Propco, LLC</b>	
<b>WillowTree Plaza</b>	<b>1986</b>	<b>44,847</b>	<b>Kline Scott Visco</b>	

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
<b>Wolf Furniture Plaza</b>	<b>1975</b>	<b>64,312</b>	<b>Frederick-Blico Partnership</b>	
Wolf Furniture				Household
Nu Look Cleaners				Apparel
Vacuum Store				Household
Barber Shop				Beauty
PNC Bank				Bank
Excel Travel (1205)				Travel
Denny's Diner				Restaurant
<b>Designer Surplus</b>	<b>1979</b>	<b>14,958</b>	<b>Ano, LLC</b>	Household
<b>McCain Plaza (50 N McCain Dr)</b>	<b>1985</b>	<b>12,000</b>	<b>Kenneth &amp; Sharon Pickett</b>	
Manantial Grocery				Grocery
Don Chicken				Restaurant
Fox's Pizza Den				Restaurant
Café Latino				Restaurant
Liquors Beer & Wine				Liquor
Bill Watson's Carry Out				Restaurant
<b>Frederick Towne Mall</b>	<b>1972</b>	<b>571,285</b>	<b>FTM Associates LLC</b>	
Carrabas				Restaurant
Sterling Optical				Healthcare
Vacant				
Home Depot				Retail Store
Vacant				
Vacant				
Your Custom Tailor				Apparel
Vacant				
Vacant				

Vacant			
Vacant			
Lallo's Pizza			Restaurant
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			
Fashion Bug Plus			Apparel
Vacant			
Vacant			
Columbia Furniture			Household
Vacant			
Bon-Ton			Apparel
Vacant			
Vacant			
Vacant			

Vacant				
CVS				Pharmacy
<b>Cornerstone Fellowship</b>				Religious
<b>Ollies Bargain Outlet</b>				Retail Store
<b>Casa Rico Mexican Restaurant</b>				Restaurant
<b>Meineke Discount Mufflers</b>				Automotive
<b>Frederick Towne Auto Repair</b>				Automotive
<b>The Lube Center</b>				Automotive
<b>Chevron</b>				Gasoline
<b>Waverly Center (45 Waverly Drive)</b>	<b>1989</b>	<b>21,090</b>	<b>Fishman Family, LLC</b>	
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				
<b>Popeye's</b>	<b>2004</b>	<b>3,356</b>	<b>HPB Prop. Limited Partnership</b>	Restaurant
<b>Frederick Motor Company</b>	<b>1970</b>	<b>44,766</b>	<b>Warfield Family Business</b>	Automotive
<b>Wild Bird Garden Shopping Center</b>	<b>1980</b>	<b>7,700</b>	<b>Ted Mercer, CPA 301-662-6992</b>	
Wild Bird Garden				Specialty
Pawn Shop				Specialty
Vacant				
<b>Frederick Motor Co. Pre-owned</b>	<b>1983</b>	<b>3,120</b>	<b>Frederick Motor Company</b>	Automotive
<b>40 West Center</b>	<b>1986</b>	<b>13,250</b>	<b>Forty West Center, LLC</b>	
Sanbower Builders (1425)				Construction
La Chiquita Inc. (1425A)				Grocery
Vacant (1425B)				
Spherion/Donna K Personnel Inc (1425C)				Employment
B&B Video (1425D)				Entertainment
<b>Vacant</b>	<b>1977</b>	<b>7,447</b>	<b>Gerald and Carol Goldberg</b>	
<b>7-11</b>	<b>1986</b>	<b>2,585</b>	<b>Frederick Business Prop, Co.</b>	Convenience
<b>Masser's Motel and Restaurant</b>	<b>1950</b>	<b>9,303</b>	<b>Frederick Business Prop.,</b>	Hotel

			Co.	
<b>Vienna Plaza</b>	<b>1982</b>	<b>18,135</b>	<b>Dulles Land Quest, LLC</b>	
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
<b>Barbara Fritchie</b>	<b>1960</b>	<b>5,875</b>	<b>Barbara Fritchie, LLC</b>	Restaurant
<b>Stonegate Center</b>	<b>1983</b>	<b>14,400</b>	<b>R.R. Mcman, LLC</b>	
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)				
<b>Vacant</b>				
<b>Monocacy Motors</b>				Automotive
<b>Stover Hearth &amp; Patio</b>	<b>1963</b>	<b>12, 351</b>	<b>Joseph &amp; Rebecca Stover</b>	Household
<b>Rt 40 Business Park (6907)</b>	<b>1987</b>	<b>19,600</b>	<b>Joseph &amp; Rebecca Stover</b>	
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
<b>Highway Liquors (6915)</b>	<b>1953</b>	<b>4,558</b>	<b>Roca, LLC</b>	Liquor
<b>Quality Water of Maryland</b>	<b>1966</b>	<b>5,748</b>	<b>DDT, LLC</b>	Household
<b>Don Butt, Jr CPA</b>	<b>1966</b>	<b>5,748</b>	<b>DDT, LLC</b>	Specialty
<b>West Frederick Pet Care Center</b>	<b>1994</b>	<b>10,340</b>	<b>Sayler, LLC</b>	Pets
<b>Citgo (1510)</b>	<b>1969</b>	<b>2,026</b>	<b>Barry Bussard</b>	Gasoline
<b>Security Public Storage</b>	<b>2000</b>	<b>82,834</b>	<b>Storage Plus, LLC</b>	Storage
<b>Frederick Towne Auto Spa</b>			<b>Lot 103, LLC</b>	Automotive
<b>Weis Market Plaza</b>	<b>1980</b>	<b>55,574</b>	<b>Weis Markets Inc</b>	Grocery
<b>Bob Evans</b>	<b>1995</b>	<b>6,009</b>	<b>BEF REIT, Inc</b>	Restaurant

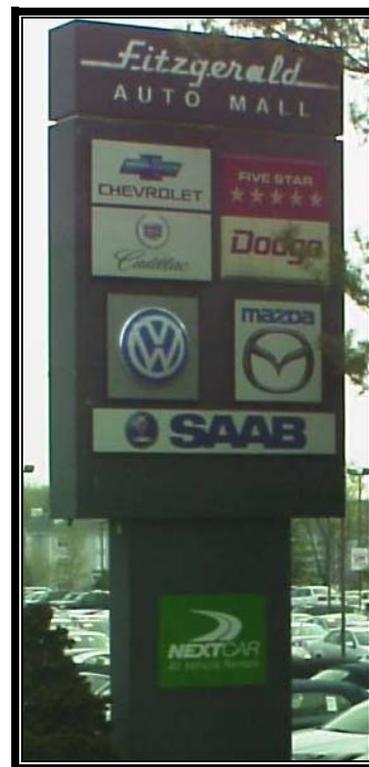
<b>McDonalds</b>	<b>1990</b>	<b>4,911</b>	<b>McDonalds Corp.</b>	Restaurant
<b>Vacant (1460B)</b>	<b>1984</b>	<b>25,930</b>	<b>H&amp;V Property, LLC</b>	
<b>Earl Mercer &amp; Son/Clouse Trucking</b>	<b>1984</b>	<b>25,930</b>	<b>H&amp;V Property, LLC</b>	Specialty
<b>Kreimer's Karate</b>	<b>1984</b>	<b>25,930</b>	<b>H&amp;V Property, LLC</b>	Fitness
<b>West Point Plaza (1450)</b>	<b>1987</b>	<b>29,291</b>	<b>Westpointe Plaza, LLC</b>	
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				
<b>Woodsboro Bank (1420)</b>	<b>1999</b>	<b>2,072</b>	<b>Woodsboro Bank</b>	Bank
<b>Vacant (1410)</b>	<b>1972</b>	<b>2,166</b>	<b>Sarmadi Group, LLC</b>	
<b>VFW (for sale Mackintosh Realty)</b>	<b>2005</b>	<b>6,736</b>	<b>VFW, Inc</b>	Entertainment
<b>5 Star Car Wash</b>	<b>2009</b>			Automotive
<b>Exxon (1380)</b>	<b>1996</b>	<b>1,855</b>	<b>Exxon, Corp.</b>	Gasoline
<b>Golden Mile Market Place</b>	<b>1989</b>	<b>92,828</b>	<b>Golden Mile Marketplace, LLC</b>	
BB&T (1370)	<b>1972</b>	<b>2,400</b>	<b>Abdul &amp; Tanzila Sheikh</b>	Bank
Vitamin Shoppe (1328)	<b>1980</b>	<b>4,770</b>	<b>Jemal's Color Tile Frederick, LLC</b>	Healthcare
Boston Market (1350)	<b>1970</b>	<b>3,574</b>	<b>Hardees Route 40, LLC</b>	Restaurant
Merchants Tire and Auto Center (1340)	<b>1970</b>	<b>8,040</b>	<b>Joy Family Limited Partnership</b>	Automotive
Ruby Tuesdays (1312)				Restaurant
M&T Bank				Bank
Mountain View Diner (1300)	<b>1985</b>	<b>5,702</b>	<b>Golden Mile Marketplace, LLC</b>	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
<b>McCain Center</b>	<b>1983</b>	<b>21,864</b>	<b>Lara Bay Investments, LLC</b>	
Roy Rogers	<b>1980</b>	<b>2,946</b>	<b>Plamondon Leasing Assoc.,</b>	Restaurant

				<b>LLC</b>	
Dunkin Donuts (1296)	<b>1980</b>	<b>2,056</b>	<b>DB Real Estates Assets I, LLC</b>		Restaurant
American General Finance (2 <sup>nd</sup> fl)					Bank
What a Tan (2 <sup>nd</sup> Fl)					Beauty
Plamondon Enterprises (2 <sup>nd</sup> fl)					Office
Abbey Carpet					Household
Dr. Vallerie B Kee, Dentist					Healthcare
Korean Martial Arts					Fitness
Venturi Staffing Partners (2 <sup>nd</sup> fl)					Employment
Dress n Dazzle (2 <sup>nd</sup> fl)					Apparel
Mr. Georges Driving School (2 <sup>nd</sup> fl)					Educational
Homeview Windows and Doors (2 <sup>nd</sup> fl)					Household
Valley Chiropractic					Healthcare
International Bazaar					Grocery
Potters House – Christian Fellowship Church					Religious
<b>Pizza Hut (1220)</b>	<b>1977</b>	<b>4,647</b>	<b>Spirit Master Funding III, LLC</b>		Restaurant
<b>Frederick Bicycles</b>					Fitness
<b>Lingerie and Video</b>	<b>1984</b>	<b>5,200</b>	<b>Gordon &amp; Mary Low</b>		Specialty
<b>Love Craft</b>	<b>1984</b>	<b>5,200</b>	<b>Gordon &amp; Mary Low</b>		Specialty
<b>Uncle Bobs Self Storage</b>	<b>1984</b>	<b>41,560</b>	<b>Sovran Acquisition Ltd., Partnership</b>		Storage
<b>Jiffy Lube</b>	<b>1981</b>	<b>2,448</b>	<b>Nicholas &amp; Carole Samios</b>		Automotive
<b>Sunoco (1200)</b>	<b>1960</b>	<b>1,680</b>	<b>Sun Refining &amp; Marketing Co.</b>		Gasoline
<b>Free State Gasoline (1180)</b>	<b>1989</b>	<b>462</b>	<b>Freestate Petroleum Corp</b>		Gasoline
<b>AT&amp;T Center (1170)</b>	<b>1989</b>	<b>22,400</b>	<b>Route 40 Limited Partnership</b>		
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
<b>Verizon Wireless</b>	<b>1953</b>	<b>5,026</b>	<b>Gale Cook Jr.</b>		Cellular
<b>Pep Boys (1120)</b>	<b>1987</b>	<b>17,881</b>	<b>Cole PB Portfolio I, LP</b>		Automotive
<b>Pier One (1106)</b>	<b>1989</b>	<b>8,904</b>	<b>James M. Stockman, LLC</b>		Household
<b>Rockledge Plaza (1100)</b>	<b>1988</b>	<b>20,636</b>	<b>James M. Stockman, LLC</b>		
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				
<b>Executive Park West (Offices)</b>				Office
<b>Vista Shops (1080)</b>	<b>1988</b>	<b>88,442</b>	<b>BSV Patricks, LLC</b>	
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				
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
<b>Hillcrest Corner Shopping Center (1090)</b>	<b>1985</b>	<b>9,800</b>	<b>Hillcrest Corner Partnership</b>	
State Farm Insurance – Danielle Leonard (2 <sup>nd</sup> fl)				Insurance
Classic Beauty Supply				Beauty
Nails For You				Beauty
Dr. Hall Dentist (2 <sup>nd</sup> fl)				Healthcare
Brian D Hall Endodontist (2 <sup>nd</sup> fl)				Healthcare
Hillcrest Deli - Wine and Spirits				Liquor
<b>Taco Bell (1086)</b>	<b>1991</b>	<b>2,304</b>	<b>BSV Patrick St, LLC</b>	Restaurant
<b>Bank of America (1070)</b>	<b>1990</b>	<b>4,929</b>	<b>BSV Patrick St, LLC</b>	Bank
<b>Antietam Auto Parts/Westside Radiator</b>	<b>1959</b>	<b>7,100</b>	<b>Roland &amp; Gloria Carey</b>	Automotive

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

<b>2004—2010 EXEMPTION SCHEDULE</b>			
<b>Years</b>	<b>Exemption rates based on Rehabilitation Values of:</b>		
	<b>&lt; \$1.0 million</b>	<b>\$1.0 to \$4.0 million</b>	<b>&gt; \$4.0 million</b>
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](http://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

