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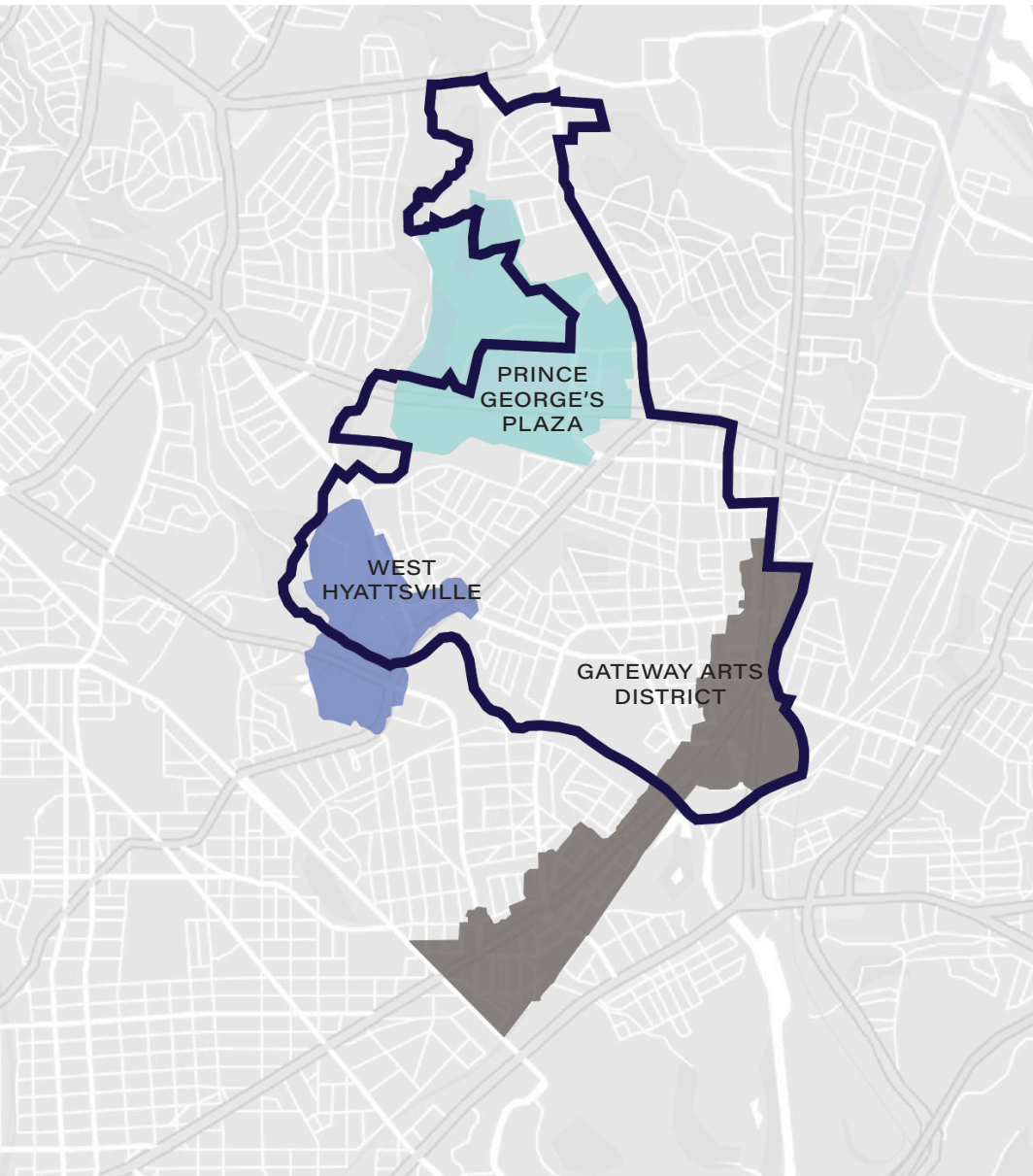
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Introduction

The City of Hyattsville launched the Business Retention and Expansion Strategy in June 2021. As its name suggests, the enclosed study (1) develops a toolkit of policies and programming intended to retain existing small and locally-owned businesses; (2) creates a strategy for servicing businesses needing to expand their facilities and/or marketplace, and (3) creates opportunities for business recovery through short-term and long-term resiliency.

COVID-19

This study occurred during the public health emergency, COVID-19, and businesses were still adapting to the everchanging way their customers procure their products and services. As of October 6, 2021, Prince George's County expanded its indoor mask mandate to include children ages 2-5. The previous mandate included anyone over the age of 5.



STUDY AREAS

The Business Retention and Expansion Strategy target geographies with distinctive commercial centers and vibrant mixes of small and locally-owned businesses, including the City's three Investment and Development Zones as the focus areas. These zones include:

1. Gateway Arts District
2. Prince George's Plaza Transit District (referred to as "Prince George's Plaza" for the purposes of this document)
3. West Hyattsville Transit District (referred to as "West Hyattsville" for the purposes of this document)



PROCESS

The Business Retention and Expansion Strategy resulted from a series of research activities that enabled the consultant team to understand the challenges businesses face and the opportunities to successfully sustain their operations long-term. The following outlines each activity and the impacts to the report:

1

Digital Surveys

To gauge sentiment among business owners in the City, a short, 11-question survey was prepared and distributed. The primary questions in the survey asked business owners to identify business goals and needs to accomplish those goals, current challenges, determine awareness of City programs and assess how customers traveled to their respective businesses. Responses from the survey are incorporated into this report in the SWOT analyses and Elements of Revival.

2

Interviews

To complement the survey, interviews were conducted with a variety of stakeholders including businesses, property owners, county government offices, and non-profit organizations, among others. Each of these interviews covered challenges and opportunities for preservation. These questions enabled the project team to obtain deeper understanding of key areas required to design the recommendations.

3

Physical Analysis

Since the primary business mix in Hyattsville is made up of consumer facing retailers and restaurants, the physical conditions remain of great importance to preserve and grow small and locally owned businesses. These conditions were assessed through a series of field trips and a review of prior plans and existing aerial maps. This understanding was integrated throughout the document.

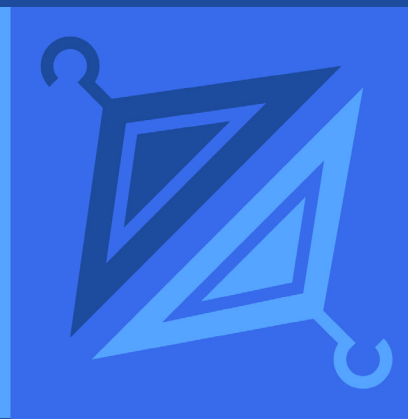
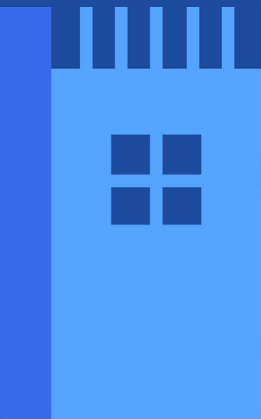
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Desk Research + Data Analysis

The consultant team conducted additional desk research, including analyzing demographic and economic data to chart growth trends and COVID-19 impacts. With this understanding, the insights from stakeholder engagement was refined and integrated into the recommendations.



Business Conditions



Existing Conditions

The City of Hyattsville includes a significant amount of diversity, in all of the ways the term is traditionally defined: ethnicity, income, age, and culture, to name just a few. In addition to (or perhaps as a result of) these types of diversity, Hyattsville also boasts an incredibly large array of shops, restaurants, services, and other small businesses within its 2.7 square miles.

The evolution of the city can be charted through its transportation systems. Beginning with the Baltimore and Ohio Railroad, Baltimore Avenue (Route 1) established Hyattsville's first commercial district with wholesale trade operations. Near the turn of the twentieth century, the area now known as the Gateway Arts District was further strengthened as a focal point of commuter traffic into DC as a streetcar station.

As Prince George's Plaza emerged in the late 1950s and streetcar operations stopped, the commercial center of Hyattsville shifted north to East-West Highway/MD 410. The city was extremely well-positioned for population and commercial growth at the dawn of the American suburbs and the US highway system. Consequently, many of the businesses that had started along Baltimore Avenue relocated to this bustling area of the city.

As the Gateway Arts District and Prince George's Plaza would flourish as regional catalysts for small business growth, West Hyattsville and the Queens Chapel Road corridor would sprout as the commercial center for the city's residents and employees. During the same mid-century decades that brought Prince George's Plaza to Hyattsville, one of the first Giant grocery stores established West Hyattsville as the community shopping center.

Within the context of present-day Hyattsville, these three small business centers function as separate, yet complementary components of the same submarket. One aspect of looking to the past is to gather clues for the future of these areas - not only to understand how they organically formed, but also how each one might be better defined and enhanced independently in service of improving Hyattsville small business conditions for the city as a whole.



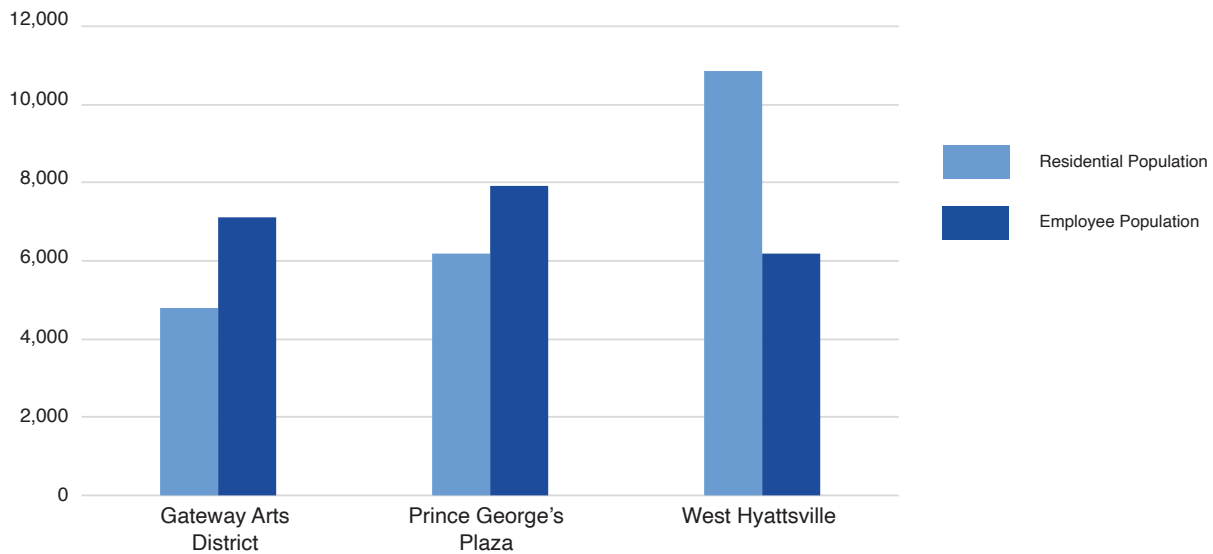
POPULATION GROWTH

The citywide residential population projections are modest, estimating 726 new residents between 2020 and 2025 or 145 new residents each year. These numbers soften a bit between 2025 and 2030 where an additional 592 new residents are expected or 118 new residents each year. It was estimated that there were 7,492 households in 2020 with an increase of 268 households between 2020 and 2025. An additional 218 households are projected between 2025 and 2030.

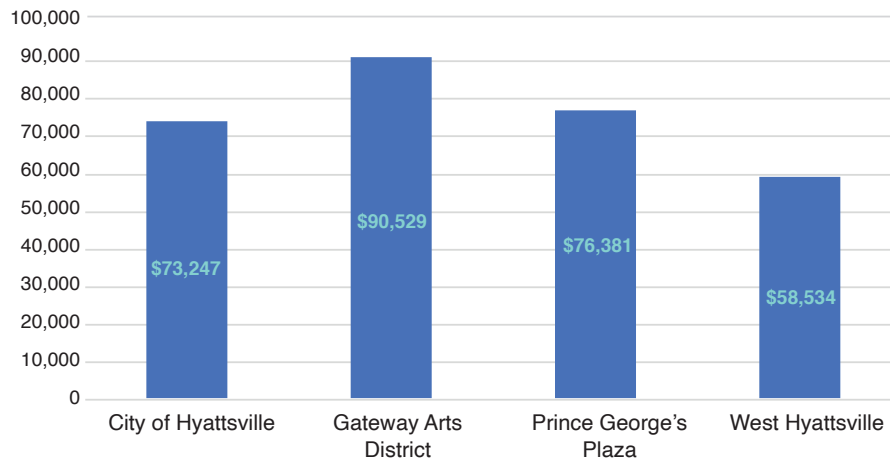
The following chart compares the population and household projections to current daytime populations among the three districts. Citywide, the current daytime population is estimated to be 39,299 with students representing 61% of that figure.

Median household income varied among the districts. The comparison below was obtained by determining the geographic center of each district and drawing a half mile radius around that point.

Total Population by District (0.5 miles from Corridor)



Median Household Income Comparison



Source: U.S. Census Bureau. Data provided by Sitewise by Tetrad; (Access, 2021)

OVERALL SMALL BUSINESS ENVIRONMENT

CITY OF HYATTSVILLE

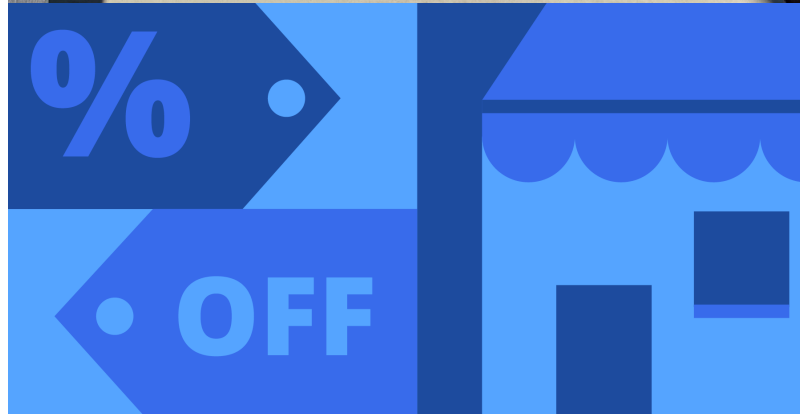
The endurance and sensitivities of Hyattsville's small business environment might best be summarized in an assessment of its strengths, weaknesses, opportunities, and threats (SWOT):

Strengths

- A distinctive identity in the Metro DC area - quirky, vibrant, engaging
- Close to DC and College Park, Maryland
- Concentrated areas of small business in three districts
- Local government resources dedicated to small business issues
- Customer base that values its small businesses
- Direct access to regional roadway systems from each district
- Well-connected WMATA and local bus routes throughout commercial areas
- Two districts directly adjacent to Metro rail train stations

Weaknesses

- For a small city, Hyattsville is urban in some respects and suburban in others, which complicates any city-wide solutions
- Parking convenience expectations by customers - especially in University Town Center and Gateway Arts District
- Pedestrian activity in most areas of the districts is neither facilitated nor inspired
- Due to the large geographic area of the county, local government resources can be scarce and difficult to deploy in an impactful way with Hyattsville
- Expectations within and of the city government often exceed the capabilities of the personnel and financial resources assigned to accomplishing them



Opportunities

- Hyattsville can continue to foster an environment where new small businesses can be established and thrive within a community known for supporting start-ups
- Across all types, businesses have been formed and sustained with sound fundamentals. With technical assistance interventions, particularly with respect to improvements to physical spaces, human resources initiatives, and responding to ecommerce and technology marketing, these businesses have exceptional upside potential. Continue to communicate regularly regarding evolving COVID-19 protocols (57.14% of respondents cited clarity over COVID-19 protocols as a minor challenge to their business)
- New residential developments (UIP's Canvas apartments, Stanley Martin's Riverfront, etc.) can create a new influx of customers and clients for the local small businesses
- Exposing small businesses to local residents (learning what's in your backyard) can increase how much local spending establishments can easily and conveniently capture
- Expanding marketing efforts can increase the geographical area of potential customers and result in higher spending for local businesses (within reason)
- Options made possible by COVID-19 business challenges (expanded outdoor dining, more flexible take-away dining regulations, curbside pickup logistics, Zoom meetings that facilitate enhanced client contact) could create more opportunities for sales with fewer time and space resources

Threats

- Across the United States, businesses experience ongoing supply chain challenges. The difficult nature of this situation is exacerbated for small businesses that do not have the resources of large, national businesses to restore inventory gaps quickly
- A potential disconnect between property owners and tenants regarding sustainable rent rates, especially for tenants with remaining rent in arrears arrangements from COVID-shutdown months
- Ecommerce shopping reducing the amount of sales that can be generated in brick-and-mortar stores and office spaces
- New businesses entering into the market cannibalizing sales for already struggling businesses



ANTICIPATED RECOVERY

As COVID-19 remains a strain on public health, the economic impacts of the virus are still being felt by all. For the City of Hyattsville, the overall number of small businesses have remained largely steady; however, employment by these establishments has not returned to pre-pandemic levels as of Q3 2021. Local sales were supported and perhaps even bolstered by increases in work-from-home activity; although districts that rely on sales from office populations experienced reduced foot traffic and sales.

At the county level, the Quarterly Census of Employment and Wages, Bureau of Labor Statistics data provided annual averages in 2019 versus 2020 and quarterly impacts year over year from 2019 to 2020. In total, 172 business establishments

closed between 2019 and 2020. More substantial, however, was the decline in average annual employment, which decreased by 24,317 jobs between 2019 and 2020.

These trends trickled down to the City of Hyattsville and its districts. The chart below compares the net change among all businesses in the City from 2019 to 2020 as well as among the three districts. The most significant impacts were total employment where the City experienced a 14.79% decrease in total jobs, and the reduction in total annual wages, which varied greatly among the districts. Since employment decreased, wages increased by an average of \$3,673 per employee.

Table 1: 2019-2020 Key Economic Indicator Comparison

| | CITY OF HYATTSVILLE | GATEWAY ARTS DISTRICT | PRINCE GEORGE'S PLAZA | WEST HYATTSVILLE |
|---|---------------------|-----------------------|-----------------------|------------------|
| Change in Total Annual Establishments | -7 | -2 | -5 | -1 |
| Change in Total Annual Employment | -921 | -270 | -390 | -74 |
| Change in Total Annual Total Wages | (\$17,677,473.58) | (\$5,296,375) | (\$779,620) | (\$779,620) |
| Change in Total Annual Wages Per Employee | \$3,539 | \$3,820 | \$3,667 | \$3,667 |

The City of Hyattsville data includes geographies outside of the three district sin this study, therefore are home to additional businesses. Source: Hyattsville Business License Data; Bureau of Labor Statistics, Quarterly Census of Employment and Wages (September 2021).

An excerpt from a February 4, 2021 Brookings report entitled Explaining the Economic Impacts of COVID-19 identified urban areas that were spared the worst effects of the pandemic, including Metro Washington, DC. The primary reason for this isolation was the stability of our federal government workforce and its associated industries.

The Brookings report also drew a direct connection between the durability of local, small businesses - hospitality and food service, in particular - and the resilience of an area's industry to sustain throughout COVID upheaval. The bottom line for Washington, DC, in general, and Hyattsville, specifically, is that the disruption and difficulty experienced by stores, professional offices, restaurants, service providers, and other small businesses were awful, but could have been so much worse without our stable, regional economy.

On yet another level, Hyattsville's local economy has developed with tremendous variation of retail types, character, and purpose over a small geographical area. This variety allows the area to fluctuate with the incomes, shopping patterns, and preferences of the city's customer base - providing for basic goods and services everyday, while also offering "quirky", once-in-a-market types of businesses that create truly exceptional experiences.

The dominant small business types in the three Hyattsville districts can be separated into the following categories:

Neighborhood Goods & Services : grocery stores, pharmacies, convenience stores, drugstores, sundry shops, hair and nail salons, spas, barbershops, dry cleaners, tailors, and similar

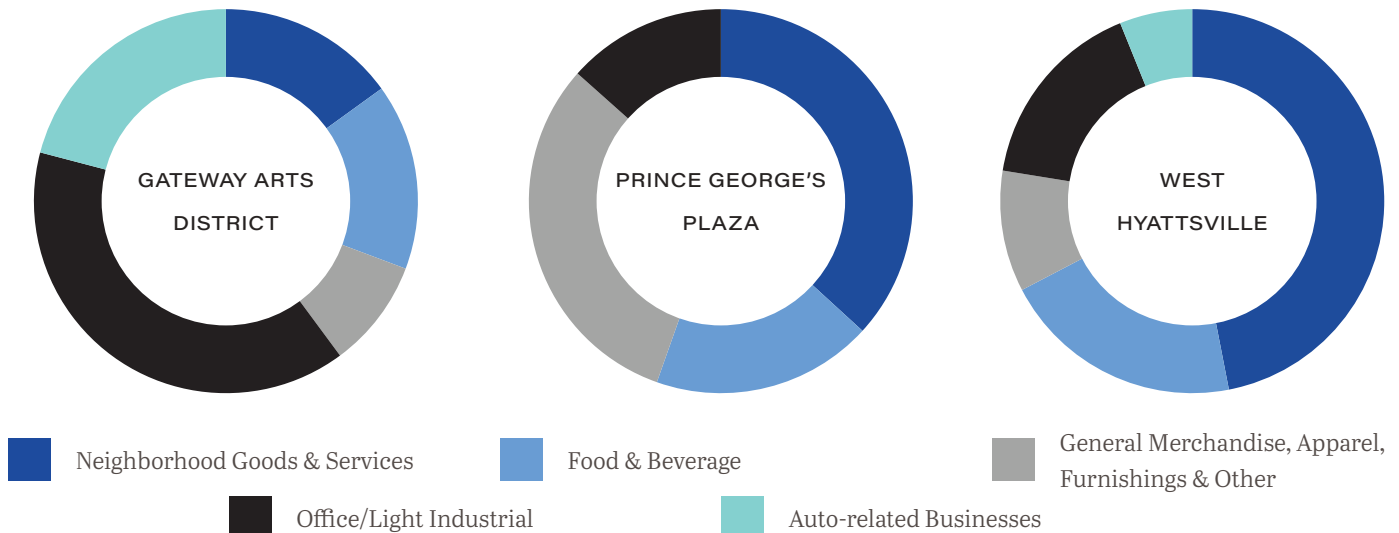
Food & Beverage: restaurants, cafes, coffee shops, snack shops, quick service restaurants, fast food places, and take-out locations, and similar

General Merchandise, Apparel, Furnishings & Other: department stores, discount stores, clothing stores, electronic and appliance stores, bookstores, shoe stores, home goods and furniture stores, and similar

Office/Light Industrial: professional offices, service-based offices (often located about ground level), small industrial operations (non-auto)

Auto-related Business: new and used car sales establishments, automobile repair shops, automobile parts shops, gas stations without a convenience shop

Business Distribution by District



Source: Hyattsville Business License Data; Google; (&Access, Basil Labs, 2021)

The differences between the districts with regard to small business distribution by type is rather surprising, given the relatively short geographical distances between them. Based on their largest small business concentrations, the districts start to be identifiable by the clusters that have organically (for the most part) formed within each.

Gateway Arts District: More than half of this district's small businesses are Office/Light Industrial and Auto-related Business. In the Gateway Arts District, the retail establishments have a symbiotic relationship with the business concentration here and are represented by a healthy distribution of Neighborhood Goods & Services, Food & Beverage, and GAFO tenants.

Prince George's Plaza: Because the Mall at Prince George's is central to this district, the concentration of retail businesses are expected. The nearly equal distribution of Neighborhood Goods & Services and GAFO tenants are striking, but reasonable, as the mall would bring GAFO retailers to a central location, but the NG&S tenants would be drawn to the concentration of customers. Although the office tenants are not highly represented in total numbers at Prince George's

Plaza, it is important to note that most of these spaces (mostly medical offices) are actually concentrated in University Town Center and would indicate significant representation if this subarea was evaluated independently of the surrounding district.

West Hyattsville: Nearly half of all small businesses in this district are Neighborhood Goods & Services tenants. This observation solidifies West Hyattsville's position as the retail district for the community, or rather, the local convenience center for running errands and taking care of personal and household business.

Collectively, these insights yield outstanding news for Hyattsville as a business ecosystem. The three commercial centers located here do not so much compete with one another as they complement each other. The opportunity to clarify the general purpose of each district will not only reinforce this idea, but will provide direction to customers and tenants alike with regard to "why should they patronize" a particular area or "where they belong" as a tenant.



GATEWAY ARTS DISTRICT

Centered around Baltimore Avenue/Route 1, Hyattsville's commerce activity started here. An asset for the district's character, many historic structures still line the corridor. As a result, a variety of building typologies reflects the different phases of commercial development from the mid-nineteenth century to today.

One of the challenges of this "main street" environment is the composition of Baltimore Avenue/Route 1 as a Metro DC commuter route. Traffic counts for this section of roadway exceed 25,000 cars each day. This volume of vehicular flow stands in conflict with the pedestrian activity of a commercial street. This condition is mitigated in some parts with wider sidewalks, but cross-street traffic is still challenged across a majority of the blocks.

District's Identity

Clustered around Baltimore Avenue/Route 1, Hyattsville retail began in this area. Extending from Mount Rainier to the south to Oglethorpe Street to the north, the Arts District is now home to a diverse mix of local businesses. Many historic structures line the commercial corridor today and a variety of building typologies reflects the different phases of commercial development from the mid-nineteenth century to today.



Business Mix

The following chart categorizes the number of businesses in the Gateway Arts Districts by their NAICS 2-digit industry code and further breaks down each category by distinguishing whether these businesses are national, local/

regional, or a mix of both. This district has the widest array of business types with fifteen NAICS 2-digit industries represented. Of the 162 businesses represented, only 5.5 percent are national businesses.

Table 2: Gateway Arts District Business Mix by Industry

| NAICS INDUSTRY | NAICS CODE | NATIONAL BUSINESSES | LOCAL/ REGIONAL BUSINESSES | TOTAL NUMBER OF BUSINESSES |
|--|------------|---------------------|----------------------------|----------------------------|
| Construction | 23 | 0 | 6 | 6 |
| Manufacturing | 31-33 | 0 | 11 | 11 |
| Wholesale Trade | 42 | 0 | 6 | 6 |
| Retail Trade | 44-45 | 2 | 26 | 28 |
| Transportation & Warehousing | 48-49 | 0 | 2 | 2 |
| Information | 51 | 1 | 0 | 1 |
| Finance & Insurance | 52 | 0 | 1 | 1 |
| Real Estate & Rental & Leasing | 53 | 2 | 6 | 8 |
| Professional, Scientific & Technical Services | 54 | 0 | 12 | 12 |
| Administrative & Support & Waste Management & Remediation Services | 56 | 0 | 16 | 16 |
| Educational Services | 61 | 0 | 3 | 3 |
| Health Care & Social Assistance | 62 | 0 | 5 | 5 |
| Arts, Entertainment & Recreation | 71 | 0 | 2 | 2 |
| Accommodation & Food Services | 72 | 3 | 14 | 17 |
| Others Services (Except Public Administration) | 81 | 1 | 43 | 44 |
| Grand Total | | 9 | 153 | 162 |

Source: Business counts and local/national designation derived from a Google data scape. (BasilLabs, September 2021)

SWOT Analysis

The following conditions were observed and recorded for the Gateway Arts District:

STRENGTHS

- A variety of building types and character make it possible for a variety of tenants types to co-exist here
- Signalized intersections, crosswalks, and a prevalence of zero lot line buildings contribute to the sense of a downtown in the district
- Recent new construction and infrastructure improvements facilitate better pedestrians to connections to the district overall, rather than just a park-shop-park-shop-park-dine shopping pattern
- Parking is an asset for those visiting the district and aids in the success of its small businesses.
- The collection of uses in this district, including professional offices, civic and government uses, light industrial, educational, and retail tenants rely upon and enhance one another in close vicinity, typically unexpected in a suburban environment

WEAKNESSES

- Traffic volumes for Baltimore Avenue/Route 1 bisect the district. As a result, it is difficult to create visual, placemaking, and pedestrian connections on both sides of this commercial area.
- Parking is often unsigned or private, poorly maintained, and dark at night with inadequate natural surveillance.
- Ground level historic spaces are often difficult to convert for modern tenant needs

OPPORTUNITIES

- Parking technology has the ability to visually and physically represent space availability
- Reconsideration of signage along Baltimore Avenue/Route 1 potentially turns one of the district's most significant negatives into a positive (greater visibility to 25,000 cars daily)

THREATS

- Because of the concentration of office and light manufacturing spaces in this district, uncertainty surrounding the return-to-office practices as COVID restrictions lift poses a threat to property owners and retail businesses that rely on the physical presence of daytime employees.
- Growing competition from other Prince George's County downtown environments (New Carrollton, Bowie, Largo, and Suitland) potentially distributes county resources, customers, and tenants widely and limits growth opportunities for Hyattsville

PRINCE GEORGE'S PLAZA

Anchored by the Mall at Prince George's, this Metro station and automobile-focused shopping center includes an array of national retailers and large format stores including Target, Macy's, Marshalls, T.J. Maxx, and Ross. While office space is limited, the district enjoys a strong college student customer base due to its proximity to the University of Maryland. The area is also highly accessible for residents in the Brookland, Brightwood Park, and Takoma neighborhoods of the District of Columbia.

Travel to and visibility within the area is facilitated by a variety of methods. Traffic counts along East-West Highway through this district range from 25,000 to 40,000 daily trips at various points. Ridership at the district's Metro station, soon to be renamed Hyattsville Crossing, has decreased in the past year due to COVID, as has every other station in WMATA's system. Bus routes remain active through the area, including a direct shuttle from the mall to the University of Maryland campus.



District's Identity

Anchored by the Mall at Prince George's, this Metro station and automobile-focused shopping center includes an array of national retailers and large format stores including Target, Macy's, Marshalls, T.J. Maxx, and Ross. While office space is limited, the district enjoys a strong college student customer base due to its proximity to the University of Maryland. The area is also highly accessible for residents in the Brookland, Brightwood Park, and Takoma neighborhoods of the District of Columbia.

Business Mix

The following chart categorizes the number of businesses in the Prince George's Plaza district by their NAICS 2 code and further breaks down each category by distinguishing whether

these businesses are national, local/regional, or a mix of both. Retail trade represents the largest sector in this district accounting for 34.32% of all businesses.

Table 2: Prince George's Plaza Business Mix by Industry

| NAICS INDUSTRY | NAICS CODE | NATIONAL BUSINESSES | LOCAL/ REGIONAL BUSINESSES | TOTAL NUMBER OF BUSINESSES |
|--|------------|---------------------|----------------------------|----------------------------|
| Manufacturing | 31-33 | 6 | 2 | 4 |
| Wholesale Trade | 42 | 2 | 0 | 2 |
| Retail Trade | 44-45 | 81 | 46 | 35 |
| Information | 51 | 7 | 6 | 1 |
| Finance & Insurance | 52 | 5 | 4 | 1 |
| Real Estate & Rental & Leasing | 53 | 4 | 2 | 2 |
| Professional, Scientific & Technical Services | 54 | 6 | 1 | 5 |
| Administrative & Support & Waste Management & Remediation Services | 56 | 4 | 0 | 4 |
| Educational Services | 61 | 1 | 0 | 1 |
| Health Care & Social Assistance | 62 | 19 | 3 | 16 |
| Arts, Entertainment & Recreation | 71 | 3 | 2 | 1 |
| Accommodation & Food Services | 72 | 38 | 20 | 18 |
| Others Services (Except Public Administration) | 81 | 60 | 0 | 60 |
| Grand Total | | 236 | 86 | 150 |

Source: Business counts and local/national designation derived from a Google data scape. (BasilLabs, September 2021)

SWOT Analysis

The following conditions were observed and recorded for the Prince George's Plaza:

STRENGTHS

- Regional access to the district via automobile, train, bus
- Regional shopping mall significantly renovated in past several years
- Where available, abundant surface and garage parking

WEAKNESSES

- Local accessibility, for bicycles and pedestrians, is hindered by regional roadway system
- Urban building and parking typologies at University Town Center challenge suburban context for tenants and customers

OPPORTUNITIES

- Turnover in large-format (big box) stores would create opportunity for dense development that focus on other uses
- Innovative ground floor leasing strategies (particularly at University Town Center) allow for creative occupation of visible spaces. Expansion of creative uses could include pop-up activations, arts and educational options, and even civic engagement, as recently demonstrated with the temporary relocation of library space to this district.

THREATS

- Disruptions in the national retail economy place large-format tenants that dominate this district in danger of bankruptcy and vacancy that is not easily re-tenanted.
- University Town Center vacancies have the potential to degrade the attractiveness of the district's retail offerings as a whole
- Ongoing criminal activity has the potential to alter customer and client patterns (avoidance) to such a level that alternatives become more convenient and viable



WEST HYATTSVILLE

While this area represents the smallest retail footprint of the three districts, Queens Chapel Road had a history of retail and entertainment since the 1950s. The retail occupied buildings in this submarket area are single-story, which reflects the lower density residential neighborhood surrounding the site. The West Hyattsville – Queens Chapel Sector Plan is in development with an anticipated public release of a staff draft plan in June 2022. The retention and expansion of businesses in this district will undoubtedly play a role in advancing the Sector Plan.

Similar to Prince George’s Plaza, transportation systems for this area are automobile-focused - Queens Chapel Road averages nearly 30,000 cars per day. The West Hyattsville Metro station has also experienced approximately 75% ridership decreases since the beginning of COVID.

District’s Identity

While this area represents the smallest retail footprint of the three districts, Queens Chapel Road had a history of retail and entertainment since the 1950s. The retail occupied buildings in this submarket area are single-story, which reflects the lower density residential neighborhood surrounding the site. The West Hyattsville – Queens Chapel Sector Plan is in development with an anticipated public release of a staff draft plan in June 2022. The retention and expansion of businesses in this district will undoubtedly play a role in advancing the Sector Plan.



Business Mix

The following chart categorizes the number of businesses in the West Hyattsville district by their NAICS 2 code and further breaks down each category by distinguishing whether these businesses are national, local/regional or a mix of

both. Much like the Gateway Arts District, the majority of businesses located here are not national businesses.

Table 2: West Hyattsville Business Mix by Industry

| NAICS INDUSTRY | NAICS CODE | NATIONAL BUSINESSES | LOCAL/ REGIONAL BUSINESSES | TOTAL NUMBER OF BUSINESSES |
|--|------------|---------------------|----------------------------|----------------------------|
| Manufacturing | 31-33 | 3 | 1 | 2 |
| Retail Trade | 44-45 | 15 | 5 | 10 |
| Transportation & Warehousing | 48-49 | 2 | 0 | 2 |
| Finance & Insurance | 52 | 5 | 1 | 4 |
| Real Estate & Rental & Leasing | 53 | 1 | 0 | 1 |
| Professional, Scientific & Technical Services | 54 | 1 | 1 | 0 |
| Administrative & Support & Waste Management & Remediation Services | 56 | 3 | 0 | 3 |
| Educational Services | 61 | 2 | 0 | 2 |
| Health Care & Social Assistance | 62 | 2 | 0 | 2 |
| Accommodation & Food Services | 72 | 8 | 0 | 8 |
| Others Services (Except Public Administration) | 81 | 11 | 0 | 11 |
| Grand Total | | 53 | 8 | 45 |

Source: Business counts and local/national designation derived from a Google data scape. (BasilLabs, September 2021)

SWOT Analysis

The following conditions were observed and recorded for the West Hyattsville:

STRENGTHS

- The concentration of Neighborhood Goods & Services retail tenants in this area bodes well for the stability of the district. Because customers select this category of retail based on convenience (less so for variety and price, unlike other categories), NG&S is considered to have the lowest displacement risk.
- West Hyattsville district is located centrally to the residents which makes it equally convenient to most all of Hyattsville's households

WEAKNESSES

- Pedestrian activity throughout the corridor is challenged by four lanes of traffic and uncomfortable vehicular speeds
- Few additional uses within the district itself limit opportunities from on-site customers, such as residents and employees
- Retail centers with front-facing surface parking (Shops at Queens Crossing) create unfair competitive advantage to other centers in the corridor, such as Queens Chapel Town Center

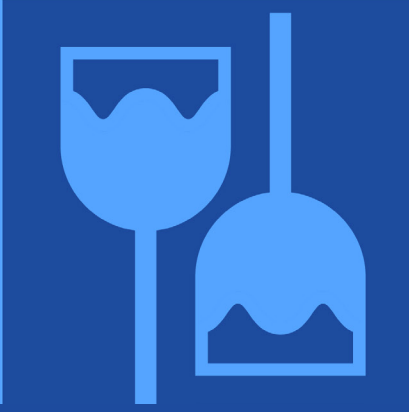
OPPORTUNITIES

- New development projects serve as opportunities to add new customers and upgraded retail space to the corridor. An example is Gilbane's Riverfront at West Hyattsville development (750 apartment units and 15,000 sf retail)
- The inherent placemaking aspects of shopping centers designed and oriented similar to Queens Chapel Town Center has become desirable and popular as a site condition for many regional and national retailers. The potential to incorporate additional national tenants at this location, in particular, raises the profile of the center to a wider base of customers and improves opportunities for small, local businesses as well.

THREATS

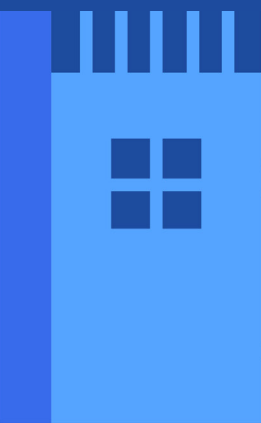
- Increased ecommerce activity by Neighborhood Goods & Services retailers could reduce the demand for bricks-and-mortar groceries and pharmacies in particular.





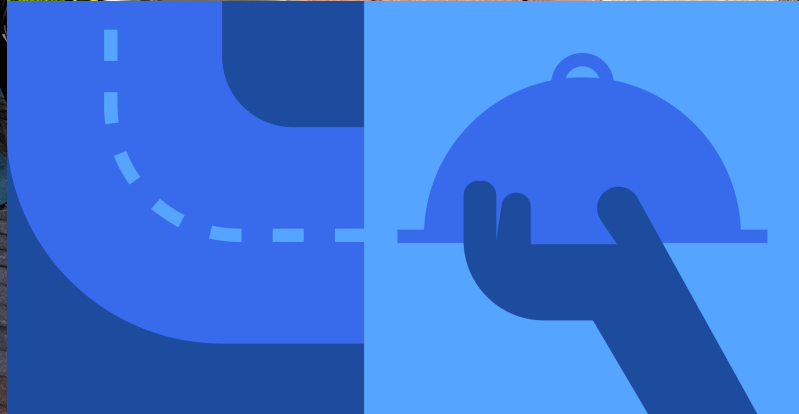
Elements of Revival

3



ELEMENTS OF REVIVAL

Building upon Hyattsville's decade of residential population growth and preservation of a vibrant retail environment, the City is well-positioned to strategically support business retention and expansion efforts long-term. Commerce in the city is primarily driven by the retail and hospitality industries, both home to many small and locally-owned businesses. As such, the following policies, programs, and strategies relate mostly to cultivating and sustaining a thriving retail environment by addressing the needs of its resident businesses. Each is listed in priority order and includes key metrics to gauge success.



Short-Term (1-3 Years)

FINANCIAL SUPPORT

Financial support such as loans and grants were identified by many respondents as one of the tools needed to support their respective goals. 85.7% of survey respondents identified needing financial support to expand to another location within Hyattsville. Another 42% need financial support to hire, train and retain employees and 62.5% of respondents will need financial support to renew their leases. The study also recognizes the city's funding limitations to launch additional financial support programs. With unknown future allocations of federal, state, or county funding to the City, this strategy recommends leveraging relationships with entrepreneurial support organizations such as the Latino Economic Development Corporation (LEDC) and the Washington Area Community Investment Fund (WACIF) to fulfill unmet small and locally-owned small business needs.

HIRE A SMALL BUSINESS ADMINISTRATOR

Challenge:

The pandemic highlighted the need for increased small business supports across the world. Nationally, this need has manifested as a series of loan, grant, and technical assistance programs offered by the federal government, non-profit organizations, and corporations. The survey responses identified a number of needs ranging from funding support to improve the physical conditions related to businesses (90.9%) to a desire for professional training on social media, e-commerce and other digital marketing and sales tools (92.86%) as well as financial training (77.7%). The ability for businesses to identify and obtain these supports requires bolstered networks.

Solution:

By hiring a dedicated staff member responsible for small business outreach, monitoring, and support, the City can realize equitable small business retention and growth. The role should provide support to businesses expanding, downsizing, with challenges, with access to capital needs, and connecting to government initiatives. The Administrator should have robust networks between entrepreneurial support organizations and community development financial institutions to respond adequately to expressed needs. Note, if a database or map of entrepreneurial support organizations does not exist, the administrator should create one.

IDENTIFY AND NOTIFY SMALL BUSINESSES QUALIFIED FOR SUPPORT

Challenge:

Small businesses are often unaware of their support systems due to a lack of direct communication. As an example, 86.3% of survey respondents were aware of the COVID-19 Pandemic Relief Fund but only 13.6% of respondents were aware of the City's Internet Subsidy Program.

Solution:

Clearly identifying which businesses are in the support class of the Small Business Administrator will serve as the first step. It is recommended that support be offered to firms with less than 50 employees, as many businesses that exceed 50 employees have legal, accounting, and marketing team members, among others. Once clearly defined, businesses should be notified of the Small Business Administrator and added to a customer relationship management (CRM) system to enable City staff and partners to manage business notes and create reminders for recurring engagement.

CONNECT SMALL BUSINESSES TO WORKFORCE PROGRAMS

Challenge:

The majority of the respondents (69.4%) identified hiring, training, and retaining employees as one of the business goals for the next three years. Business owners identified this answer the most among all goals listed. Additionally, they stated community support and funding would be most useful in realizing this goal. Employee retention and new hires was also flagged as a major or minor challenge by 64.5% of respondents. The City currently does not offer a workforce development program that can aid small businesses in fulfilling unmet employment needs, but there are numerous programs regionally that support businesses with general and specific employment opportunities.

Solution:

Identify local, regional, and state-wide programs for the workforce and talent needed.

ESTABLISH A SMALL BUSINESS NETWORK

Challenge:

Small businesses do not have a convenient way to engage with the City, express their concerns, or opine on new initiatives. Additionally, limited contact between businesses exists, hindering the ability to share new solutions to common problems or opportunities to support their sustainability.

BUSINESS ROUNDTABLE

The city currently hosts a quarterly business roundtable to share updates. However, attendance is relatively limited and the structure via zoom, during the day does not create the opportunity for businesses with time and technological capabilities to participate.

Solution:

Create a network that utilizes a variety of communications methods with local establishments (i.e., email, social media, texting, phone calls, and physical printed collateral, among others). Once this network is created, formalize opportunities for small business voices to integrate into City government decision making processes. Opportunities could include including a business in each committee or creating a separate committee for businesses.

ASSESS CITY-SPURRED COSTS TO SMALL BUSINESSES

Challenge:

Business revenues particularly in the retail and restaurant sectors have decreased throughout COVID to cover the increased costs of supplies and of hiring and retaining employees to adapt to public health protocols. In fact, 76% of businesses participating in the BRE survey identified payment of monthly costs as a major or minor challenge - the highest of any category.

Solution:

Temporary or permanent reductions or abatements of taxes and licensing fees should be considered to support independent retailers and restaurateurs adapt to the changes. Solutions can consider increased employment as a criteria to receive the incentive.

CREATE A UNIQUE BRAND FOR EACH DISTRICT

Challenge:

Although the City of Hyattsville is a distinctive place in the metropolitan Washington region, its subdistricts are not as well-defined from one another. Most acknowledge Hyattsville's Gateway Arts District as a contributor to the City's identity but Prince George's Plaza and West Hyattsville areas to a lesser extent.

Solution:

Identifying why customers should visit and patronize businesses in each district will enable these districts to operate in greater synergy. To accomplish this, prepare a brand strategy narrative to give clarity and definition to the purpose and business character of each commercial section.

PUBLISH A SMALL BUSINESS RETAIL DIRECTORY

Challenge:

Independent retailers exist in far-reaching areas of the city, some consolidated in shopping centers or districts, while others are located with limited to no continuity to other complementary businesses. Many are unaware of the diversity of businesses within the city, and the support from the community could help facilitate business retention and expansion as demonstrated by the survey results.

Solution:

Create and distribute a retail directory for small businesses, organized by commercial district, for publication and distribution to rental units by mid-August each year. Publish this list on the internet, preferably a site solely for the city's small businesses.

Mid-Term (3-5 Years)

PROMOTE MULTI TENANT SPACES

Challenge:

Businesses of all sizes are strained trying to survive the impacts of the pandemic. Some of the businesses currently operate out of brick and mortar spaces and may need to relocate permanently or temporarily to adjust to changing business conditions. Additionally, emerging businesses often do not have the required sales history/proof of concept to enable them to secure first leases. Hyattsville is also home to a mix of business typologies from retail and office to manufacturing and other light industrial uses.

Solution:

Recent trends proves the value in multitenant spaces to introduce customers across businesses, to share the cost of real estate, and to create additional interest for the storefront experience. The city should ensure businesses are able to have multiple uses in one storefront, including manufacturing and retail uses. Restaurants should be able to host other chefs while closed.

CONDUCT A RETAIL MARKET ANALYSIS FOR THE THREE DISTRICTS

Challenge:

Retail development is widespread throughout the districts, and new retail development has potentially placed the market in disequilibrium. In cases of retail oversupply, businesses struggle to compete for the customers' dollar as new, interesting concepts often take priority over legacy mainstays.

Solution:

The city should launch a study to gauge the ability for each district to support additional retail development. Before the study is launched, consider placing a moratorium on additional retail development citywide through an overlay zone. The market analysis should identify retail priority areas so that investment by developers, businesses, and the city is targeted.

FORMALIZE PLACE-MANAGEMENT ORGANIZATION FOR WEST HYATTSVILLE

Challenge:

West Hyattsville, unlike the Gateway Arts District and Prince George's Plaza, does not have a place management organization such as a community development corporation or consolidated shopping center owners with common area maintenance fees to provide similar services.

Solution:

Place management organizations are known for their exponential impact on the success of a retail environment. They offer clean and safe programs to communicate to shoppers that this is an ideal environment for shopping, they help market businesses through direct marketing and events, and they assist in connecting businesses to resources including helping new and expanding businesses find the right-sized real estate. The city should consider opportunities to develop a Main Street program or business association for the West Hyattsville district.

IDENTIFY AND PROMOTE LOW-RENT SPACES FOR LOCAL, SMALL ENTREPRENEURS

Challenge:

Once small and locally owned businesses start the quest for a new location, they often run into challenges in identifying opportunities suited for their financial constraints as defined by their business model and lending requirements.

Solution:

City staff should build relationships with and poll property owners with vacant spaces to understand their willingness to provide below market rate spaces, or identify legacy properties that provide low-rent spaces at their market value. The list of properties should be shared digitally via the city's website or another digital medium.

REDESIGN FACADE IMPROVEMENT PROGRAM

Challenge:

The ability to continue to improve upon the physical conditions of older buildings requires investment. Yet, few businesses are able to participate in the facade improvement program currently due to budget limitations and business ability to match fund requirements, an equity challenge.

Solution:

By examining the shortcomings of the existing facade improvement program to be utilized by businesses in the buildings with the greatest design intervention needs, the city can improve upon the physical conditions in a more targeted way. Additionally, the city can explore alternatives to matching funds, including eliminating the requirement or securing philanthropic partnerships to cover required costs. Expanding the program to cover other costs such as interior renovations, upgrades in technology, and others can aid in longer term business retention.

EXPAND UMD SHUTTLE 113 SERVICE TO THE GATEWAY ARTS DISTRICT

Challenge:

The University of Maryland (UMD) serves as a nearby customer base to Hyattsville. Currently, the Route 113 of the University of Maryland Shuttle Bus loops through Hyattsville, stops at the Prince George's Plaza Metro and then heads to the University. Hyattsville residents can get a pass to ride this bus and all the UMD Shuttles routes free with a pass issued by the City. However, this route does not include other commercial districts including the Gateway Arts District, the only district not connected to the Metro line.

Solution:

Partner with the University to extend the route, connecting the Gateway Arts District with nearby transit and population centers. The usefulness of connecting to West Hyattsville should be explored further before instating.

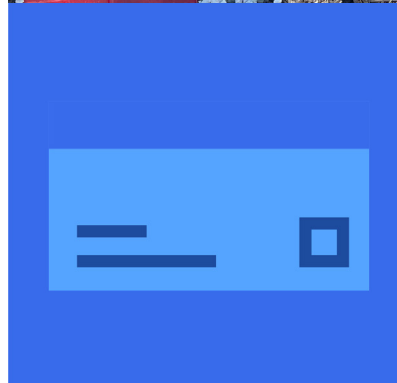
CONDUCT PARKING DEMAND STUDY

Challenge:

Parking conditions were mentioned by many stakeholders as an opportunity to improve the viability of existing businesses. However, the actual needs are poorly understood due to a lack of data on parking availability, customer behavior, and demand.

Solution:

Launch a study that considers opportunities for shared parking agreements, leveraging underutilized lots at schools or governmental buildings.



Long-Term (5+ Years)

DISTINGUISH PRINCE GEORGE'S PLAZA DISTRICT INTO TWO SUB-AREAS

Challenge:

Prince George's Plaza is home to fundamentally different subareas - (1) Mall at Prince George's/the retail development south of East-West Highway; and (2) University Town Center. Each has a different structure, plan organization, target customer, purpose of shopping/dining trip, and vehicular/pedestrian orientation.

Solution:

If the city acknowledges the differences, the planning practices and resulting policies and programs increase effectiveness.

EXPLORE SHARED WORKSPACES AT UNIVERSITY TOWN CENTER

Challenge:

The world is undergoing a major transformation in how people work. Work from home has become the new normal and many companies have instituted it as the future. The decentralization of office employees into their home neighborhoods will provide an opportunity for increased expenditures at historically neighborhood-serving retail and restaurant establishments. With this change, there is a need for a quiet space to work away from the distractions present at home.

Solution:

There is an opportunity for University Town Center to host flexible or shared workspaces with amenities to serve as an alternative to working from home and to create a hub for entrepreneurs. Time will help define whether this is a market viable option.

IMPROVE PEDESTRIAN AND VEHICULAR CIRCULATION IN THE PRINCE GEORGE'S PLAZA DISTRICT

Challenge:

A chicken or an egg scenario. The Metro ridership at Prince George's Plaza is low compared to other shopping destinations. This could be induced by the challenging nature of navigating the pedestrian environment from the translation, alongside limited wayfinding for pedestrians and drivers alike.

Solution:

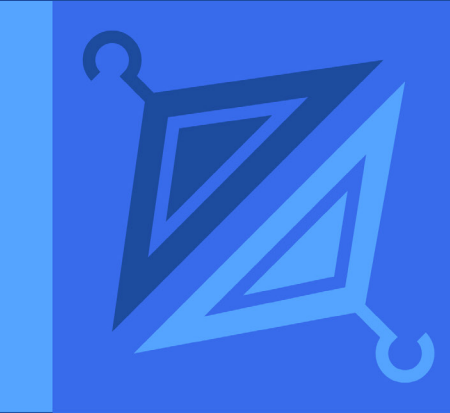
Incrementally improving the pedestrian and vehicular circulation conditions at Prince George's Plaza, while monitoring its impact on business conditions and metro ridership can make way for increased investments long-term.

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Appendix



CITY OF HYATTSVILLE

For more information, contact:

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