

Developer sees idea take off, 50 years later; Mixed-use project begins in PG

By Jen Haberkorn, THE WASHINGTON TIMES
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When Herschel Blumberg roamed his 56 acres of land off East-West Highway in Hyattsville in the early 1950s, he envisioned office buildings and retailers lining his new land. But the county wasn't ready for what was then a radical mix of office and retail in the same space, and the retail flopped.

Now, the tightening Washington real estate market has made mixed-use projects more appealing, and adding retail and residential space to the four office buildings at University Town Center doesn't sound so crazy.

"From the very beginning, way back in the '60s, we thought about building a town center," said Mr. Blumberg, 81, president and owner of Prince George's Metro Center Inc. "We tried to do some retail. But it was not a time to establish a town center. The county was not ready for it."

Developers began construction yesterday on the retail phase of the 56-acre project, one of the first major mixed-use projects to include retail, office and residential in Prince George's County.

The four office buildings on the site - three built in the 1960s and '70s and one completed in 2003 to total 1.4 million square feet - will be joined by a 242,000-square-foot plaza of retail and restaurants, including Qdoba Mexican Grill, Five Guys Famous Burgers and Fries, Three Brothers Italian Restaurant, Old Dominion Brewery Co. and Kudos Beans coffee shop.

"There are other, sit-down restaurants and retailers we're in the middle of negotiating with," said Richard Lake, principal at Madison Retail Group and a partner at Roadside Development, which is leasing the retail projects.

Tenants in the complex's office buildings include the National Center for Health Statistics and Prince George's Community College.

Construction also began on a 57,000-square-foot Safeway grocery store and 14-screen Consolidated movie theater. A 16-story, 910-bed student housing tower, designed to bring in students from the nearby University of Maryland as well as the District's universities, is scheduled to open late this summer. Construction is planned for later this year on nearly 300 condominiums in two towers above the grocery store and retail plaza.

Mr. Blumberg says he went ahead with the redevelopment, which is valued at \$1.2 billion, when he saw signs that Prince George's County - Hyattsville in particular - was ready for mixed-use projects, retailers and restaurants.

"We could sense a change in the entire area as we drove around," he said, pointing to renovations at the Plaza at Prince George's, formerly Prince George's Plaza, and the construction of Mosaic at Metro, a residential and retail building that is expected to include Staples and Circuit City, across the street. "We felt now the time had come again to do what we wanted to do years ago: create a town center."

The percentage of Prince George's County's households earning more than \$50,000 annually rose from 55.8 percent to 58.7 percent between 2000 and 2004, U.S. Census Bureau figures show. The percentage of county residents with some college education rose from 58 percent to 59 percent over the same four-year period.

Real estate executives have said the county's 63 percent black population is stopping some retailers from coming into the county, even though it has the richest black-majority population in the nation.

"There are more people here with a good education, they live well and work hard and enjoy themselves in Prince George's County. The county has an image now," Mr. Blumberg said. "It's had its problems, but every community does."

University Town Center is estimated to cultivate \$9.8 million annually in new income, property and business taxes for the county and \$3.3 million for Hyattsville, the developers say.

The project's retail outlets are expected to help slow some of the retail spending that is bleeding out of the county. Half of the county's residents shop at department stores outside Prince George's, said a 2004 study by McComb Group Ltd., a Minneapolis real estate and retail consulting company.

"Prince Georgians spend a lot of money in other jurisdictions that we'd be better off spending here at home and this project will create a great environment for our residents to shop in and other jurisdictions' residents to come in and shop," said Hyattsville Mayor Bill Gardiner.

For Hyattsville and Prince George's, the project brings new entertainment, shopping and housing options. For Mr. Blumberg, who had the same idea 50 years ago, the development finally feels like it's going to be complete.

"I feel satisfaction," he said, "in seeing an old idea come to fruition."