

## MEMORANDUM

TO: City Council

FROM: Alfred D. Lott, ICMA-CM, CPM  
City Manager

SUBJECT: *Status Report*

DATE: January 24, 2019

### *Status Report*

1. Stakeholders Meeting – Redevelopment of the Sears Property in the Bowie Town Center  
A Stakeholders Meeting was held on Wednesday, January 23<sup>rd</sup> regarding the redevelopment of the Sears property at the Bowie Town Center. Attached is a memo summarizing that meeting.

ADL/ah  
Attachment



# City of Bowie

15901 Excalibur Road  
Bowie, Maryland 20716

## MEMORANDUM

TO: City Council

FROM: Alfred D. Lott, ICMA-CM, CPM  
City Manager

SUBJECT: Stakeholders Meeting  
Mixed Use Redevelopment of Sears Property  
Seritage Growth Properties  
Bowie Town Center

DATE: January 24, 2019

On January 23, 2019, a Stakeholders Meeting was held regarding the above referenced project. Elected officials present included: County Council Chair Todd Turner; City Mayor Pro Tem Henri Gardner; and City Councilmembers Michael Esteve and Dufour Woolfley. Approximately 75 stakeholders also attended the meeting.

The applicant, Seritage Growth Properties (Seritage), is proposing to redevelop the existing Sears property in the Bowie Town Center (BTC) with a mixed use project. The subject site, which is comprised of 10.8 acres, is zoned M-A-C (Major Activity Center), has frontage on MD Route 197 and Evergreen Parkway, and contains the existing BJ's Restaurant and Brewhouse.

After a brief introduction by City staff, the presentation was turned-over to Mr. Robert Antonetti, attorney for Seritage. Mr. Antonetti introduced the development team, which included: Mr. Robert Ursini, Development Consultant with Seritage; Mr. John Ward, AIA, Managing Partner with 505 Design; Mr. Anirban Basu, economist with the Sage Policy Group; Mr. Chris Rizzi, PLA, ASLA with Bohler Engineering; and Mr. Mike Lenhart, P.E., P.T.O.E. with Lenhart Traffic Consulting Inc.

Mr. Antonetti continued by stating that no development application for this project has been prepared or submitted. He then provided a brief history of the BTC, noting that the property is zoned M-A-C, and that the Basic Plan approved in 1975 had designated the area as a "town center". The entire BTC included approximately 246 acres and was intended for a variety of uses, including retail, office, residential and public uses. The M-A-C zone, which is a Comprehensive Design Zone, allows a range of 10- 47.9 dwelling units/acres. However, this project is not envisioned to achieve that much density. Continuing with the history, Mr. Antonetti noted that the 2006 Bowie and Vicinity Master Plan included the subject site in the Bowie Regional Center, and contemplated the redevelopment of the BTC retail core area. The development review process will be a multi-step one, possibly taking as long as two years. The steps include the submission and review of: an amended Basic Plan, which identifies the limits and types of uses proposed; an amended Comprehensive Design Plan (CDP), which provides more details, such as setbacks, more defined building locations, areas and ranges of materials; and, a Specific Design Plan (SDP) that provides the most detailed information, including building elevations and specific materials, parking design, and landscaping, lighting and signage details.

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Mr. Antonetti then turned the presentation over to Mr. Robert Ursini, who noted that Seritage has purchased approximately 240 Sears and K-Mart properties nationwide. Their goals are to reuse and re-tenant the existing building, when feasible, or to redevelop the sites, such as is proposed in Bowie. The Bowie market is a strong one, and Bowie is an active, affluent community, so Seritage feels confident that a mixed use project on the site will be successful.

Mr. Anirban Basu, economist with the Sage Policy Group, who said that, while the BTC has been a successful retail environment, the department store category has become challenging; competition between different department stores has become quite fierce. To move forward in the BTC, a mixed use component must be introduced that include more of a residential piece because that will re-enforce the existing and future on-site retail, office and restaurant uses, and help to expand the tax base.

Mr. John Ward, architect with 505 Design, stated that his firm does lots of work to create places for people, and for people to be people, and that this project provides an incredible opportunity to achieve that goal in the BTC with a mix of uses. Mr. Ward referred to a PowerPoint presentation with slides of renderings of what is envisioned on the site. The future development would bring a variety of uses to the property where people will be able to live, shop, dine, entertain and stay. The locations of the future residential uses are anticipated to abut the existing ones nearby. Types of uses include: a maximum of 70,000 sq. ft. of retail/restaurant; a maximum of 80,000 sq. ft. of office space; a maximum of 800 dwelling units; and a boutique hotel with a maximum of 150 rooms. The project would also include: structured parking; public spaces, for programmed events and as gathering places; and, sustainability aspects, such as green technology, the use of solar energy, and biking and walking opportunities.

Mr. Antonetti concluded the developer's presentation by again noting that no application has been filed, and that there are no specific use mixes or building types proposed. The numbers/quantities noted for the uses discussed in the PowerPoint presentation are maximums. The residential component is intended to be multi-family rental building, wrapped around structured parking. Lastly, the development review process will take time, possibly as long as two years.

Questions raised by those in attendance included:

- **What is the number of stories for the hotel and residential building? (Response: The boutique hotel, envisioned to be located near MD Route 197, could be six stories. There could be more than one residential building. Those buildings are envisioned to be between four and five stories in height, appropriately scaled. The number of dwelling units is based on the size of the building.)**
- **Will the office space be Class A or Class B space? (Response: The office space is envisioned to be Class A space, which could be either a single tenant or several tenants.)**
- **Are the residential units proposed to be rental units or condos? (Response: All of the residential units are envisioned to be rental units.)**
- **The term "urban village" has been used to describe some newer developments, which can mean that a project is less family-friendly, with a single, younger**

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**population. Please comment. (Response:** Project such as these are vibrant, family oriented and include a population from all walks-of-life, who are active and take advantage of the amenities available.)

- **Does the developer intend to secure high end retail tenants? (Response:** Yes. The plan is for this development to be an upscale project. Because today's shoppers have a heightened awareness and sensitivity to high end retail and restaurants, the days of "average" commercial uses in a mixed use setting are over. High end retail and restaurant uses attract a higher level quality of tenants, residents and shoppers/patrons. Value will be created through cash flow. Seritage does not sell its buildings, but rather holds onto them, also creating project value.)
- **There is a concern that the Sears building will remain vacant for a long time. What is the time frame for construction? (Response:** Seritage intends to begin the redevelopment process as soon as possible. The development review process may be as long as two years, with another two year period for construction.)
- **Has the developer sought assistance from any of the local governments (County or City)? (Response:** Seritage has not approached either the County or City for financial assistance. No TIF has been considered in developing this plan.)
- **What aspects of this project will ensure the continuity of the Bowie Town Center? (Response:** Washington Prime, owner and manager of the remainder of the BTC retail component, could be excited about the Seritage plan, since it will raise the bar and level of interest for the existing portion of the Center. The architectural design and use of materials for the new development can be complimentary to what exists to ensure continuity and compatibility. Seritage has agreements with Washington Prime regarding utilities, management, etc. to ensure that the character and nature of the existing development will go unchanged.)
- **Has another large department store been considered for the site? (Response:** Seritage has been unsuccessful in marketing the existing Sears store. Two-story department stores are not an attractive fixture in the retail market.)
- **Is there a real need for additional office space? (Response:** Seritage has done preliminary market studies which indicate that the medical office market is robust.)
- **Are there any examples of projects in the Maryland, Washington, DC, Virginia region in which Seritage has been involved? (Response:** There have been none completed in this immediate region. However, Seritage owns several properties and is working on numerous mixed use projects. Seritage has completed the redevelopment of a Sears building in Virginia Beach.)
- **Has any thought been given to planting temporary green space after the existing Sears store has been demolished? (Response:** That is an interesting thought. However, Seritage will not demolish the existing building unless the company is 100%

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sure the project will successfully get through the development process. However, Seritage will not let the Sears building go into disrepair.)

- **Has an entertainment use been considered in this project?** (Response: It would have been considered, but it is Seritage's believe that an entertainment use is coming soon to the BTC.)
- **Has the thought been given to retaining the existing building for several smaller tenants?** (Response: The footprint of the current store will not work to support a re-use of that nature.)
- **Will the existing BJ's Restaurant be incorporated into this development proposal?** (Response: Yes. That restaurant will remain, and Seritage will work it into its development.)
- **What is the scenario if Seritage's proposal is not approved?** (Response: If Seritage is not successful during the development review process, then it will have to look at options and determine why the proposal was unsuccessful. Perhaps a re-examination of the market would be necessary. However, Seritage would hope to know early in the process if aspects of the development would have to be changed in order for the proposal to successfully complete the review process.)
- **There are no banquet facilities in Bowie, and it would be nice if that type of use became a part of this project.** (Response: The hotel/hospitality use envisioned as part of this mixed use development may be able to accommodate such a use/facility.)
- **How will traffic be impacted by this project?** (Response: Traffic is an element of review that will be studied during the lengthy review process. Traffic levels of service and distribution of trips will be analyzed. However, mixed use generates more balanced and spread-out trips, and there is more opportunity for shared trips, resulting in vehicle trips taken off the roads.)
- **National Harbor is a mixed use project. How is it similar to what Seritage envisions to develop in the BTC?** (Response: The two projects are not really analogous, other than they are mixed use developments. There's not enough of a retail component at National Harbor for it to become a shopping destination. At the BTC, retail exists, that's doing very well. Commercial mass and density are present. The Seritage proposal will add to that and compliment it with a residential component.)
- **How will this project compete against the Waugh Chapel development in Crofton, and other existing commercial developments in Bowie?** (Response: The Seritage proposal contains smaller shops with a service orientation. Retailers to locate in the newest project, so the BTC would have an advantage.)
- **There is concern about the residential component being all rental. Please elaborate.** (Response: The residential dwelling units will be upscale quality. Rental

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units provide affordability and an option to those who do not want the burden of maintaining a dwelling unit that's owned. There's a segment of the population that wants to live in rental units that are still affordable.)

- **How long has Seritage been working on this project? (Response: After completing a variety of studies, when Seritage purchase the property, its goal was to redevelop it. Seritage understood that there are multiple steps in the development review process that will take a few years.)**
- **What expertise does Seritage have in developing mixed use? (Response: Although mixed use is a relatively new idea, Seritage feels confident in the business model it has developed for this project, and in the professional consulting team it has assembled to shepherd this venture to successful completion. The team is comprised of professionals who are experts in retail and residential, and who know what people want.)**
- **Is Seritage concerned about vandalism and/or defacing the existing Sears store while it is vacant? (Response: Seritage will have a management company on site that will be responsible for building security and management.)**
- **Has Seritage considered the Melford and South Lake developments as competition? (Response: Additional market studies will provide a more refined direction for the BTC plan. The BTC is a more compact development and is in a prime location for mixed use. The Melford and South Lake projects are much larger projects.)**
- **Will all of the buildings be constructed at once, or will they be built in phases? (Response: This will depend on how the plan evolves, the duration of the development review process, and market conditions in a few years.)**
- **Has consideration been given to the impact of the Seritage proposal if Macy's closes? (Response: Seritage cannot comment on that thought. There is no indication from Macy's that the Bowie store is closing.)**
- **Will there be a "green" footprint with the Seritage proposal? (Response: The "green" footprint on-site will improve. Seritage feels strongly about adding public spaces and plazas and enhancing walkability and bikeability within the project.)**

This concluded the question and answer portion of the meeting. Staff reminded the folks remaining at the meeting to sign the attendance sheet for future out-reach efforts as the project evolves.