



# Market Feasibility Analysis for the Potomac Communities Revitalization Plan

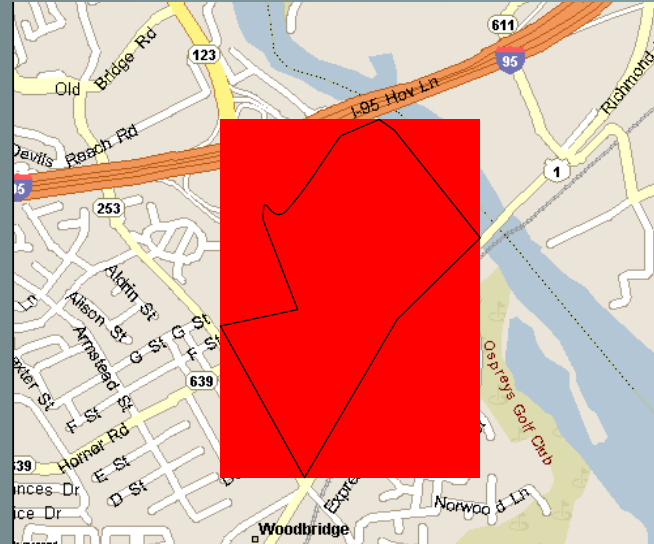
May 31, 2005

North Woodbridge

Prince William County, Virginia

# Market Strengths

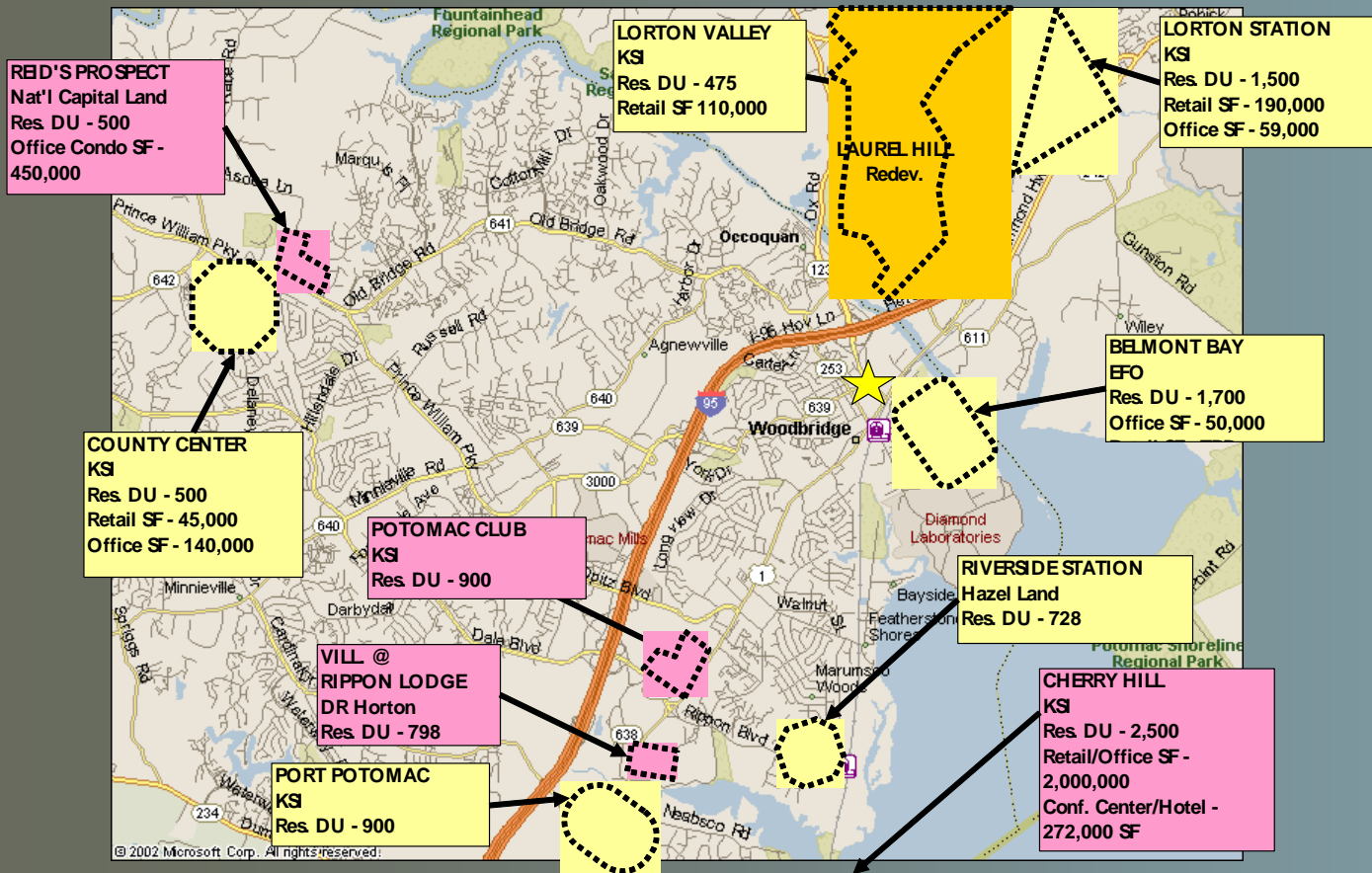
- Infill Location?
- Strong Regional Economy
- Accessibility & Visibility



- Natural Beauty Charm
- Existing Marina
- Regional Shopping
- Proximity to Quantico and Fort Belvoir

# Market Strengths

- Private and Public Investment along I95/Rte
- Changing market perceptions and realities



- Widening of Route 1 and Rte. 1/123 interchange
- High-end and higher-density housing, e.g. Belmont Bay
- Where are the great places?

# Market Challenges

- Unattractive Neighboring Uses
- Lack of High Quality Retail
- Traffic Congestion
- VRE – Limited Connections and Limited Service



# Market Challenges



- Not in Class A Office Path of Growth
- Existing and Potential Future Competition
- Site Constraints – Steep Grades and Multiple Ownership

# Development Opportunities

The Potomac Communities is an infill location that can support the creation a vibrant, mixed-use environment that will serve as an attractive and exciting gateway to Prince William County

- Build off the momentum of residential market
- Offer more attractive retail and entertainment
- Capture local-serving office & set stage for regional office
- Leverage river views and add recreational opportunities

From



To



# Land Use Opportunities

Residential development represents the strongest short-term opportunity

- Urban townhomes in buffer locations
- Stepping up density over time
- Urban wrap product supportable in the near term on off-river sites
- Higher-density supportable earlier on the river
- For-sale currently stronger opportunity than rental



# Land Use Opportunities

A key part of the mixed-use environment will be the creation of a vibrant retail experience.



- Creation of unique retail environment in highly competitive marketplace
- Upgrade grocery and neighborhood-serving retail
- Boutique shopping, especially waterfront retail
- Restaurants and entertainment
- Over longer-term, larger retail concentration – e.g., lifestyle center – may be supportable

# Land Use Opportunities

The site will be an attractive location for Class A and B local-serving office.

- Serving tenants at top of local market
- Attracted by vibrant, mixed-use place
- Regional Class A office buildings require significant pre-leasing
- Creation of place will create environment for longer-term opportunity to attract large pre-lease tenants
- Opportunity and Constraints of Federal Tenant



# Land Use Opportunities

The plan should incorporate significant public and private recreational opportunities.

- Marina and water-based recreation
- Parks and trails
- Urban public plazas
- Larger gathering or performance venue serving broader community
- County recreational facilities
- Private recreational facilities – e.g., health club – may be supported within retail core



# Summary of Opportunities

Use	Opportunity	Depth of Demand
Residential	High	5,000 to 6,000 units
Retail	Moderate - High	350,000 to 400,000 SF
Office	Moderate - Low	150,000 to 250,000 SF, plus potential large GSA tenant
Recreation	High	Leverage river/marina & regional trails

# Phasing

Land Use	Phase I (1-3 years)	Phase II (4-7 years)	Phase III (8-12 years)
Residential	1,000 to 1,100 units MR and HR waterfront condos, townhomes, urban wrap condos, garden apartments, live-work units	1,650 to 1,700 units MR and HR waterfront condos, urban wrap condos, mid-rise condos, urban wrap apartments, live-work units	1,800 to 1,900 units HR waterfront condos, mid-rise and high-rise condos, mid-rise apartments, live-work units
Retail	175,000 to 200,000 SF Grocery-anchored neighborhood town center, waterfront retail	150,000 to 200,000 SF Main Street retail, waterfront retail	Small amount of street front retail under residential and office buildings
Office	30,000 to 50,000 SF Small Class A/B	50,000 to 75,000 Small Class A/B, Potential GSA nice	75,000 to 100,000 Small Class A/B

# Critical Success Factors

- A vision, plan and clear and consistent set of regulations
- Control of sizable development sites
- A first phase “win” – significant physical change in the early stages changes market perceptions
- The public sector thinks long-term and invests accordingly
- Layering of density over time – letting the site evolve as the market does
- Flexibility – the vision of a vibrant, mixed-use environment is the driving force, the specifics shift as the market does