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The Maryland-National Capital Park and Planning Commission

The Maryland-National Capital Park and Planning Commission is a bi-county agency created by the General Assembly of Maryland in 1927. The Commission's geographic authority extends to the great majority of Montgomery and Prince George's Counties; the Maryland-Washington Regional District (M-NCPPC planning jurisdiction) comprises 1,001 square miles, while the Metropolitan District (parks) comprises 919 square miles, in the two countries.

The Commission has three major functions:

1. The preparation, adoption, and, from time to time, amendment or extension of the General Plan for the physical development of the Maryland-Washington Regional District.
2. The acquisition, development, operation, and maintenance of a public park system.
3. In Prince George's County only, the operation of the entire county public recreation program

The Commission operates in each county through a Planning Board appointed by and responsible to the county government. All local plans, recommendations on zoning amendments, administration of subdivision regulations, and general administration of parks are responsibilities of the Planning Boards.

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Abstract

Title: Montgomery County Shopping Center Directory

Subject: Analysis and Directory of Montgomery County Shopping Center Inventory

Date: November 2005

Planning   The Maryland-National Capital Park and Planning Commission
Agency: 8787 Georgia Avenue, Silver Spring, MD 20910

Number
Of Pages: 103

Abstract: This report provides an inventory of shopping centers in Montgomery County, Maryland. Its primary purpose is to serve as a resource for planners, real estate professionals, and the general public. Commentary and summary statistics are provided on a County scale.

Executive Summary

M-NCPPC staff utilized a range of public and private data sources to produce an inventory of shopping centers in Montgomery County that are 30,000 square feet or larger. This inventory includes a description of each center's features, such as its name, address, size (square feet and acres), year built, zoning category, and leasing company information.

- Number of shopping centers (30,000 sq. ft. or larger) in Montgomery County: 144

- Total retail space in shopping centers: 20.5 million sq. ft. (gross floor area)

- Total acres dedicated to shopping centers (30,000 sq. ft. or larger): 1,546 acres

- The most frequently found shopping center type: Neighborhood Centers (81 in the County)

- Shopping Center type with the largest share of total retail space: Community Centers (7.9 million sq. ft.)

The distribution of shopping centers in Montgomery County has followed residential development patterns: a majority of shopping centers are found in southern and eastern regions of the County along major travel corridors (e.g., Rockville Pike and Georgia Avenue).

Most County shopping centers were built in the 1970s; the 1990s, on the other hand, was the decade in which the largest share of retail space was constructed (5.5 million square feet).

New center designs have been appearing in recent years and it is likely that Montgomery County will someday soon also have these types of centers.

Overview

The Shopping Center Directory is a product of the Montgomery County Planning Department, Research and Technology Center. The objectives of this study are twofold: First, to support the Master Plan process; and second, to provide planners, retailers, market researchers, real estate brokers, and the general public with up-to-date information on the County's retail real estate.

This fourth edition of the Montgomery County Shopping Center Directory examines centers in the incorporated and unincorporated parts of the County with a minimum gross floor area of 30,000 square feet.

Shopping center data were collected from both public and private sources. The main sources of information were the Montgomery County GIS property layer and the Maryland Department of Assessment and Taxation. Authors also referred to earlier editions of the Shopping Center Directory (1993, 2002[1]); Storetrax, an online retail real estate listing service (http://www.storetrax.com); and The CoStar Group (http://www.costar.com), an online subscription service that analyzes commercial properties in the nation's largest real estate markets. This research was supplemented by interviews with property developers and site visits.

Each shopping center profile, in addition to name and location, highlights seven characteristics:
   • Center category
   • Zoning
   • Acreage
   • Gross Floor Area[2]
   • Year built
   • Planning Area
   • Leasing Company or Developer

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[1] The 2002 Shopping Center Directory lists 199 shopping centers. The number of shopping centers listed is greater than this edition due to the inclusion of Convenience Shopping Centers.

[2] Size is a principal criterion used to distinguish between shopping centers. The gross floor area (GFA) is defined as the total floor area of the building contained within the outermost walls of the structure. The gross floor area, however, is not the same as the gross leasable area (GLA). The gross leasable area is the amount of space within the structure designed specifically for tenant occupancy. For the purpose of this study, size of shopping center is calculated according to the gross floor area (GFA).

Classification of Centers

All shopping centers are not the same. They differ in size as well as in the type of goods and services provided to consumers. The Urban Land Institute (ULI)—a nationally recognized group of experts on real estate matters—was among the first to define and describe this type of real estate:

> "A shopping center is a group of architecturally unified commercial establishments built on a site that is planned, developed, owned, and managed as an operation unit related in its location, size, and type of shops to the trade area that it serves. The unit provides on-site parking in definite relationship to the types and total size of the stores."[3]

Within this broad description, ULI has further defined shopping centers into six categories: Convenience, Neighborhood, Community, Power, Regional, and Super-Regional. These industry standards were used to classify shopping centers within Montgomery County[4].

- **Convenience Center** – contains a minimum of three stores and is typically no larger than 30,000 square feet. Convenience Centers are usually not anchored by supermarkets, but by alternative stores, such as a minimarket[5]. These centers are located to serve the immediate neighborhood as well as to capture sales from commuters.
- **Neighborhood Center** – provides for the day-to-day living needs of the immediate neighborhood. They are typically anchored by a supermarket and range from 30,000 to 100,000 square feet.
- **Community Center** – generally ranges from 100,000 to 500,000 square feet. Community Centers offer consumers a variety of products-- both soft lines (apparel) and hard lines (hardware and appliances). Though department stores are not typically found in Community Centers, small-scale department stores sometimes can be found there.

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[3] Peiser, Richard B. and Anne B. Frej. *Professional Real Estate Development: The ULI Guide to the Business.* Second Edition. Washington, D.C.: ULI-Urban Land Institute, 2003. 301.
[4] Ibid. 302, 304.
[5] Due to the difficulty of obtaining data on all convenience centers, this category has not been included in this study.

Some typical anchor tenants are super drugstores (e.g., CVS, Eckerd's), discount department stores (e.g., TJ Maxx), or supermarkets (e.g., Safeway).

 * **Power Center** – contains at least four category specific anchors that mainly sell hard line items. Power Centers, also known as "category killers," occupy anywhere from 25,000 to 1.0 million square feet of retail space. Individual tenants may be as small as 20,000 square feet in size or as large as 200,000 square feet. These "category killers" supply a wide range of brands and/or products within a specific market, thus eliminating the need to shop at multiple stores. An example of a category killer is PETsMART, which provides the consumer with a wide range of pet care product options all in one shopping trip.
 * **Regional Center** – is built around one or two department stores, with an average total GFA of 500,000 square feet, but may range from 250,000 to 900,000 square feet.
 * **Super Regional Center** – is built around a minimum of three full-line department stores. Super Regional Centers range from 500,000 to more than 1.5 million square feet.

To connect the ULI definitions with Montgomery County, Table 1 provides a sample of tenants found in each shopping center type in Montgomery County. Many of these stores are typical of tenants found in shopping center types, nationwide.

Table 1: Example of Tenants, by Center Type

Neighborhood	Community	Power Center	Regional	Super Regional
Blockbuster Video;	Giant;	Home Depot;	Burlington Coat	Bloomingdale's;
Jerry's Sub Shop;	Movie Theater;	Best Buy;	Factory;	Lord & Taylor;
Oxford Custom	Austin Grill;	Office Depot;	Marshalls;	Dave & Buster's;
Tailors;	Baja Fresh;	Men's Warehouse;	Movie Theater;	Coldwater Creek;
Rockville Interiors;	Aveda;	PetSmart;	Burger King;	H & M;
CVS Pharmacy;	Discovery Galleries;	Wal-Mart;	Claire's Boutique;	Borders;
Blimpies;	Ross Dress for Less;	Kohl's.	Foot Locker;	Gymboree;
Pizza Oven;	Advance Auto Parts;		Kay-Bee Toys;	Williams-Sonoma;
March Uniforms.	Cameron's Seafood;		Ruby Tuesday;	Hecht's;
	Payless Shoesource;		Sears;	JCPenny;
	Trader Joe's;		Giant;	Aeropostale;
	Pearl Art & Craft;		Boston Market;	Ann Taylor;
	Comp USA;		Mattress Discounters;	Bombay Company;
	TJ Maxx.		Radio Shack;	CVS;
			Starbucks;	Sbarro;
			Rite-Aid Pharmacy.	Panda Express.

Shopping center location in Montgomery County has followed the County's the residential development pattern, with fewer shopping centers located in the northern region of the County and the majority in the southern and eastern regions of the County. The distribution of shopping centers, as illustrated in Map 1, clearly indicates that most of our shopping centers are located along such major travel corridors as Rockville Pike and Georgia Avenue.

Map 1

Distribution of Shopping Centers
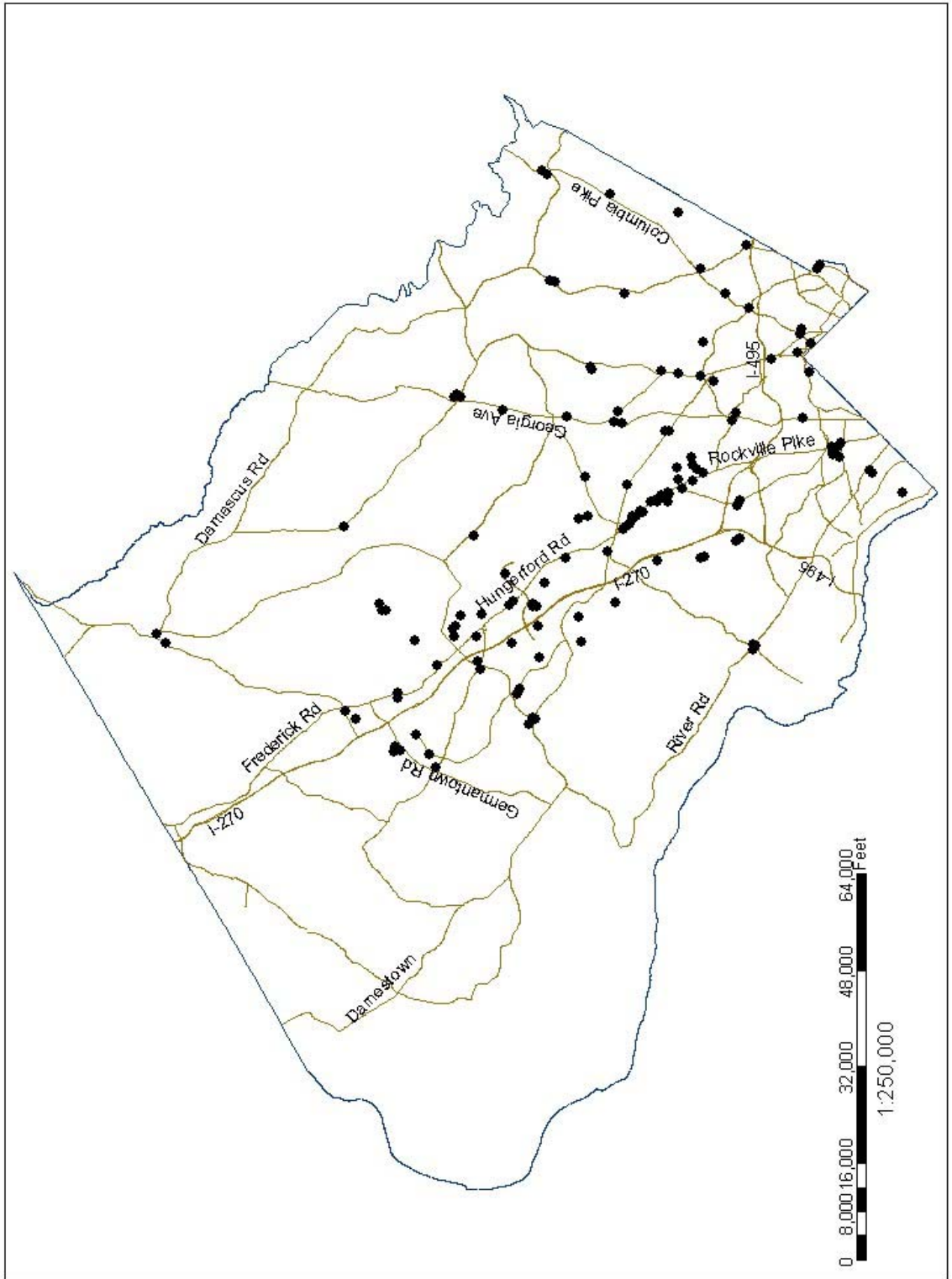
Major Findings

Montgomery County is home to 144 shopping centers, ranging from neighborhood centers to super regional centers.[6] These retail structures occupy 1,546 acres of land, or 20.5 million square feet.

- Of these 144 centers, 81 are Neighborhood Centers. With the limited availability of land in the County, Neighborhood Centers are perhaps the most feasible type of shopping center to construct.

- Almost 40 percent of the County's retail space is found in Community Centers.

- The largest shopping center in the County is the Westfield Shoppingtown Montgomery: it occupies nearly 1.2 million square feet of space. Westfield's Montgomery is one of the County's four Super Regional Centers. The other super regional centers are White Flint Mall in Rockville, Westfield Shoppingtown Wheaton, and Lakeforest Mall in Gaithersburg.

- The average gross floor area for a Super Regional Center in Montgomery County is 886,659 square feet. A Neighborhood Shopping Center occupies an average 61,261 square feet.

- Most shopping centers in Montgomery County tend to cluster in the Rockville planning area. Seventeen percent of the County's 144 shopping centers are located in this planning area.

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[6] Convenience centers were not included because public and private data sources do not provide a comprehensive cataloging of this type of center. Montgomery County also holds additional retailing found in street front buildings (e.g., downtown Bethesda and Silver Spring) and other small concentrations of shopping space.

Shopping Center Characteristics

Figure 1:
Neighborhood Centers Lead the County
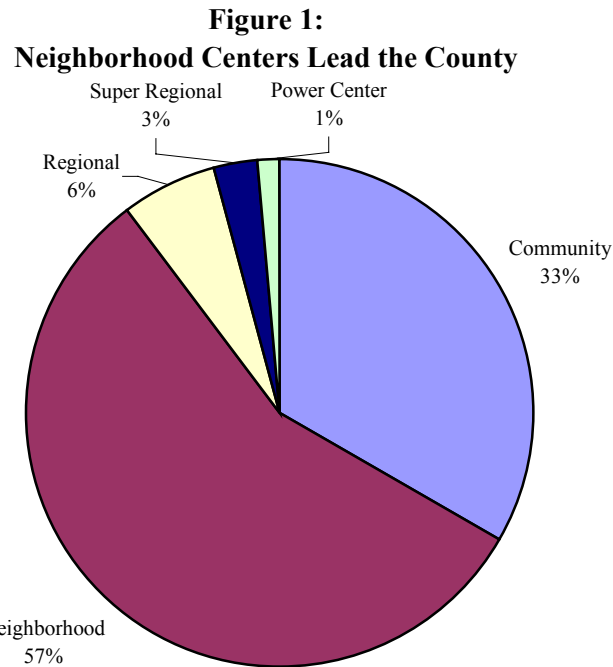
Neighborhood Centers are the most prevalent type of shopping facility in the County. As shown in Figure 1, neighborhood centers comprise 57 percent of the County's retail facilities. Community Centers comprise 33 percent of the County's retail facilities. Six percent (9 out of 144 County shopping centers) are Regional Centers and 3 percent (4 out of the 144) are Super Regional Centers. There are only two power centers in the County: 270 Center and Milestone, both located in the Gaithersburg Vicinity planning area.

Figure 2:
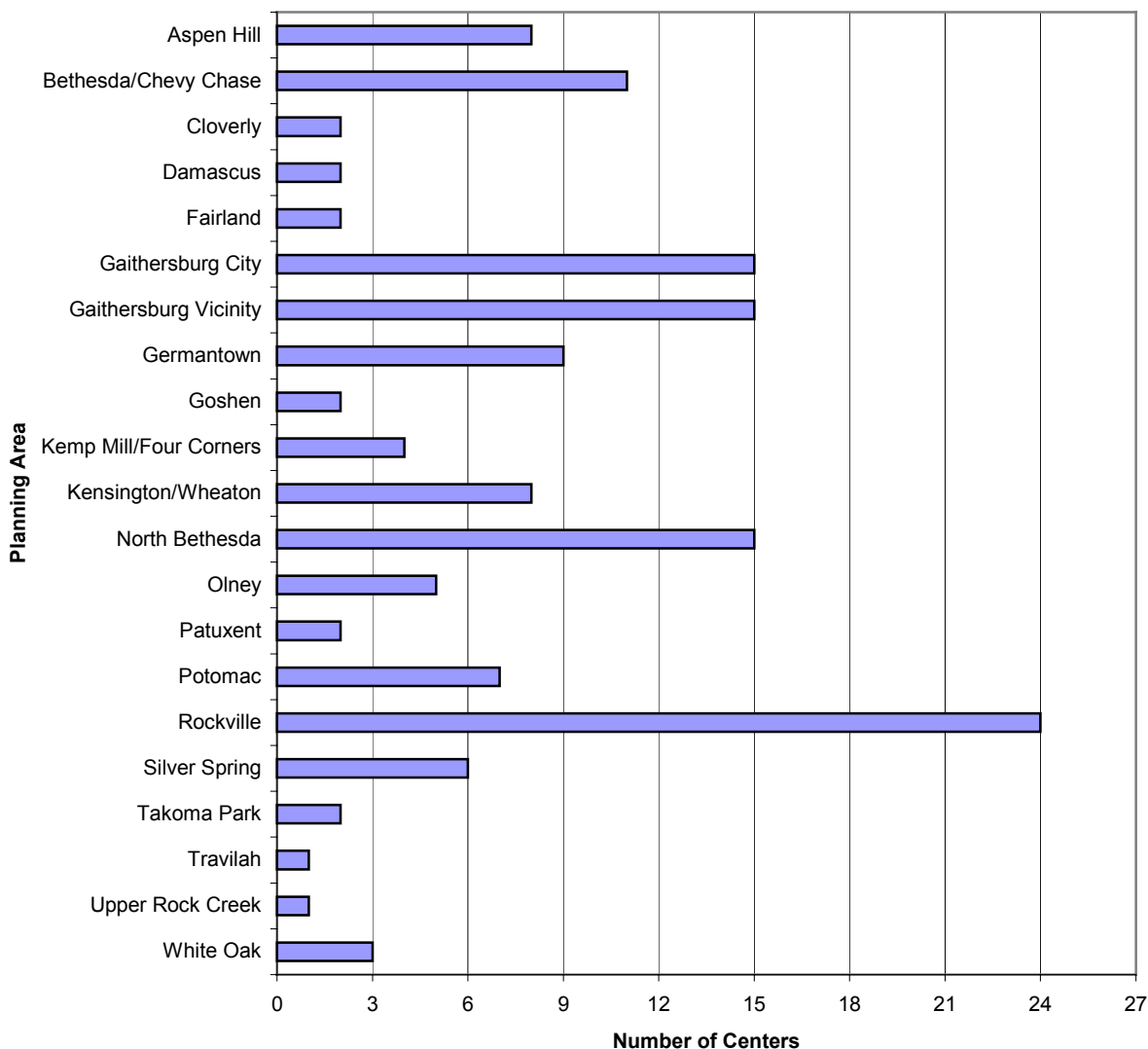**Most Retail Centers Built in 1970's**
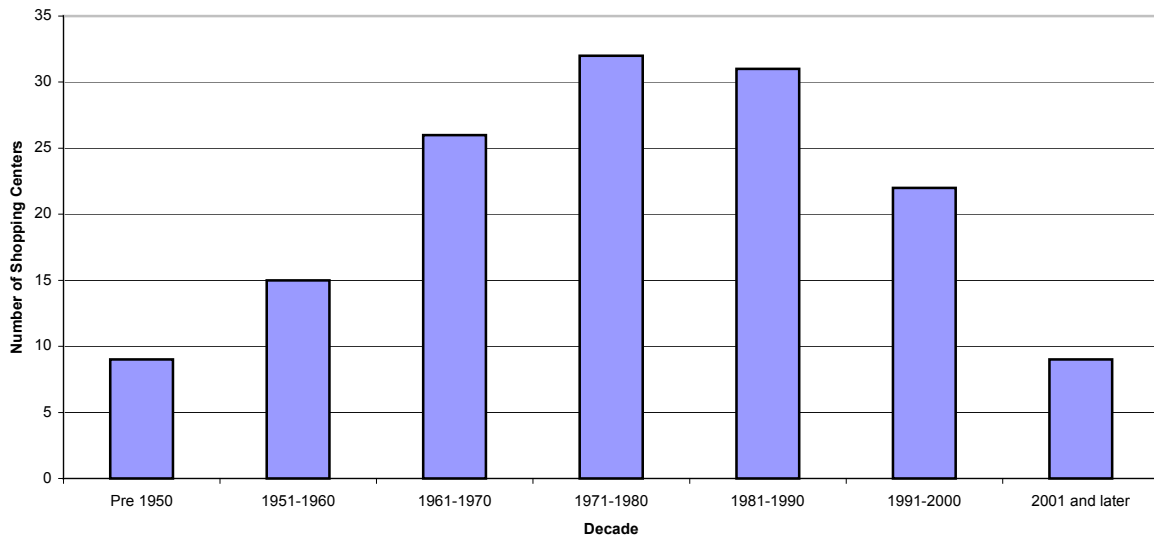
More shopping centers were built in the 1970s than at any other time: 32 compared to the 31 built in the 1980s. Figure 2 illustrates the trend in shopping center construction beginning with the oldest structure, still open, built in 1933. Data indicate that the number of shopping centers constructed continued to increase every decade before falling off in the 1980s. In the first five years of the current decade, nine new shopping centers have been built; by the end of the decade, several more are scheduled to come on-line.

Figure 3:
Retail Square Footage Declines in 1980s
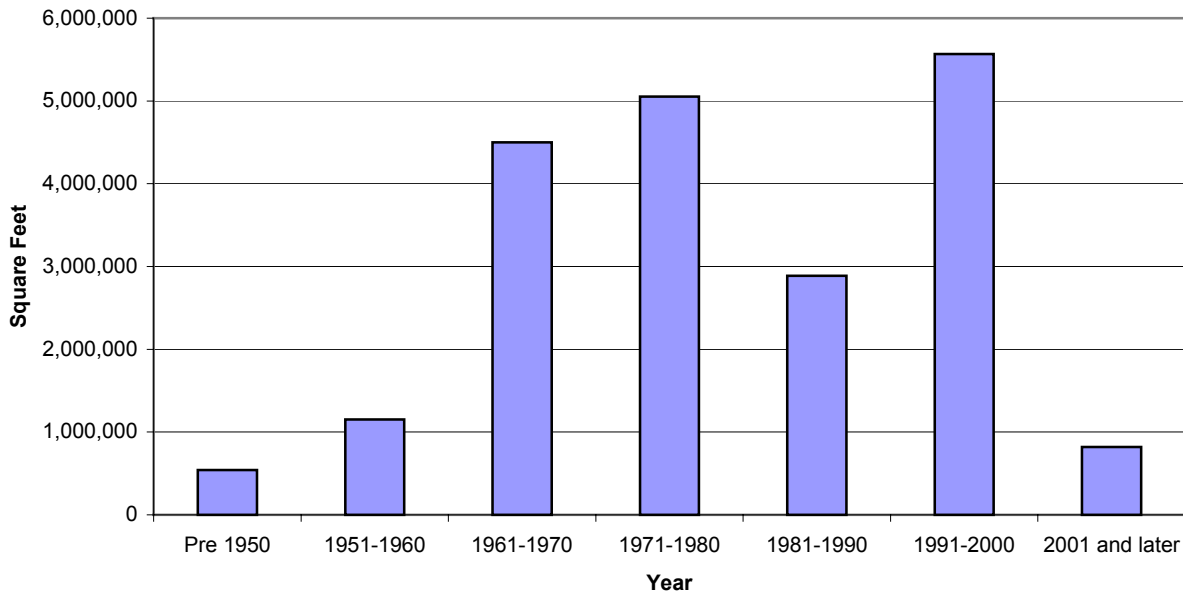
The trend has been to build larger shopping centers. Prior to 1950, Montgomery County had 541,873 square feet of shopping center retail space. The 1960s, however, witnessed an explosion in shopping center construction activity: 4.5 million square feet were delivered. This building boom continued through the 1970s when nearly 5.1 million square feet were added—a 12 percent increase over the previous decade. While developers constructed 32 shopping centers during the 1970s, that number has since fallen. In the period 1991 to 2000, 22 shopping centers were built in Montgomery County but over 5.5 million square feet of retail space was delivered. Thus, is there a trend toward fewer but larger shopping centers? With the exception of the 1980s, it may be the rule. Figure 3 shows that only 2.9 million square feet were delivered in the 1980s, even though developers built 31 shopping centers. This anomaly might be explained by more neighborhood-type shopping centers being built: 17 Neighborhood Centers compared to 14 Community Centers.

Figure 4:
Rockville Planning Area Contains the Most Shopping Centers

| Planning Area	Number of Centers
Aspen Hill	8
Bethesda/Chevy Chase	11
Cloverly	2
Damascus	2
Fairland	2
Gaithersburg City	15
Gaithersburg Vicinity	15
Germantown	9
Goshen	2
Kemp Mill/Four Corners	4
Kensington/Wheaton	8
North Bethesda	15
Olney	5
Patuxent	2
Potomac	7
Rockville	24
Silver Spring	6
Takoma Park	2
Travilah	1
Upper Rock Creek	1
White Oak	3

Where do the County's 144 shopping centers cluster? The figure above, and the map on the following page, shows the number of shopping centers in each of the County's 28 planning areas. The Rockville planning area has the most shopping centers larger than 30,000 square feet: 24 centers. The North Bethesda and Gaithersburg planning areas follow, each with 15 shopping centers. Seven of the County's planning areas do not contain any shopping centers larger than 30,000 square feet. They are Bennett, Clarksburg, Darnestown, Dickerson, Lower Seneca, Martinsburg, and Poolesville.

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Map 2

Distribution of Shopping Centers by Planning Area

Figure 5:
Community Centers Provide the Most GFA for the County
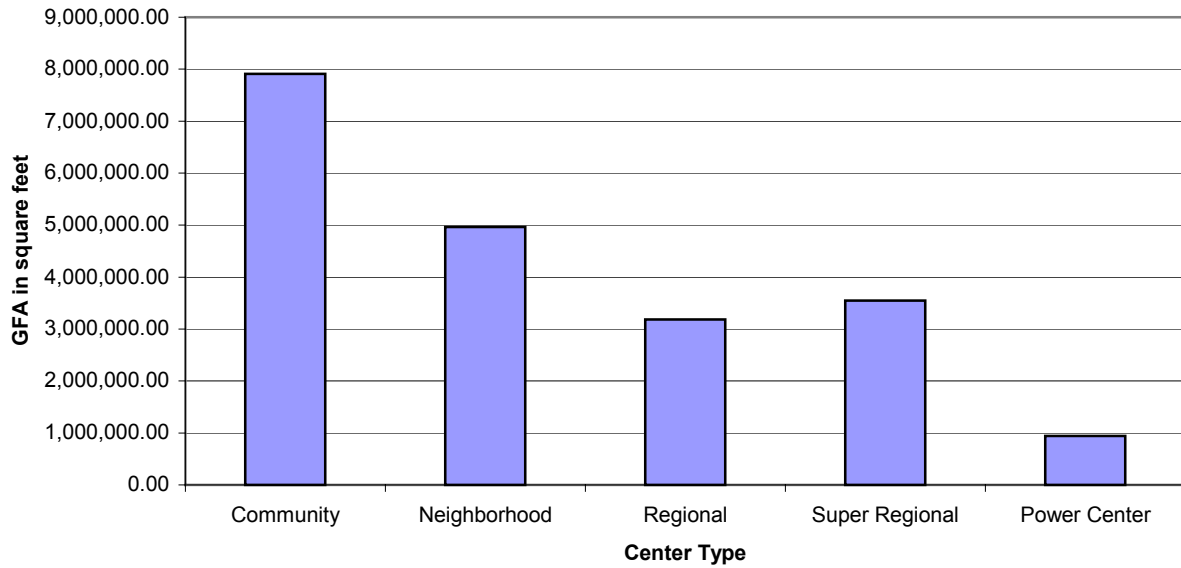
Neighborhood Centers are, by far, the most prominent type of shopping center in Montgomery County. However, in terms of size, Community Centers are the leading type of shopping center. As shown in this graphic, Community Centers provide almost 8 million square feet –39 percent of all shopping center space in the County.