

**OFFICE/INDUSTRIAL,
EMPLOYMENT AND
CONVENIENCE
COMMERCIAL
STUDIES**

7

Chapter 7

OFFICE/INDUSTRIAL, EMPLOYMENT AND CONVENIENCE COMMERCIAL STUDIES

7.1 INTRODUCTION

Since Shady Grove will be the location of office and industrial uses serving the entire region, a study was made to determine the additional types and amounts of industry and employment that will be attracted to the area. An estimate of the ability of the Shady Grove area to compete with other Montgomery County industrial areas was also made as part of this study. A second study analyzed the convenience commercial needs of area residents and made projections for 1984 to assure that appropriate amounts of commercial land will be available.

7.2 OFFICE/INDUSTRIAL AND EMPLOYMENT STUDY

7.21 Existing Employment

The area now zoned for commercial and industrial uses amounts to approximately 16 percent of the land in the Shady Grove Sector Plan area. Some 36 acres are zoned commercial and 430 acres industrial. Business activities in Shady Grove include such large firms as Bechtel, Hewlett-Packard, Comprint, and the Sentinel Newspaper, located along I-270, and small businesses farther in from I-270 for the most part on Shady Grove Road and Md. 355. The 131 businesses in the area employ 4828 persons. The number of employees per acre is close to the average for the I-270 corridor.

7.22 Future Employment

Employment in Montgomery County is projected to increase 31 percent from 1976 to 1986. Employment in the I-270 corridor, which includes Shady Grove, should increase by 51 percent.

The county could potentially absorb considerably increased amounts of employment in manufacturing and wholesale trade over the next decade, considering the relatively small base of this type of employment now existing. Projections indicate a 10-year increase of 2660 manufacturing employees--approximately 28 percent more than the 1976 figures of 9350. Wholesale trade also will show a relatively high rate of increase over the 1976 figure--a 48 percent (from 6540 to 9670 employees), or a net addition of 3130 employees. The I-270 corridor will have nearly twice as much manufacturing employment and slightly more than the county average for wholesale trade. This distribution of employment suggests that the I-270 corridor is one of the more desirable locations in the county for manufacturing.

The Gaithersburg area will most likely show the second largest actual employment growth--about 12,140 employees by 1986. However, the rate of

growth (41 percent) will not be as high as those of other areas in the I-270 corridor due to Gaithersburg's already large employment base.

There are a number of projects in the Gaithersburg area, which have been proposed or are already approved and under construction. The total employment in these facilities will be some 13,000 excluding the medical center and other proposed facilities. With these proposed facilities added, employment may reach 15,000 by 1984.

There are three public sector sources of employment certain to be in place by 1984--the county service park, the central processing facility, and the Metro transit station with its related storage and inspection yards. These facilities will employ between 797 and 1695 people. The county service park and the central processing facility will employ the majority of workers in this immediate area.

7.23 Conclusions

The studies summarized here indicate that the Shady Grove sector plan area has within its boundaries both a very competitive location for office and research park development, and relatively competitive locations, in comparison with other areas in the county, for more land-intensive, light-industrial uses.

The land adjacent to and visible from I-270 should be developed with prestigious, multistory office buildings on large acreage surrounded by open space--a type of development already in place along this highway.

Access to this area of relatively large, uncommitted parcels of land provided by I-270, Shady Grove Road, Md. 355, the proposed outer beltway, and by rail contribute to Shady Grove's attractiveness for light-industry. Rail access is especially significant in estimates of the area's competitive position.

Employment generated by both types of development will be consonant with that already existing along I-270 and with that of the public sector facilities to be constructed within the area.

7.3 CONVENIENCE COMMERCIAL STUDY

Convenience shopping facilities include retail commercial uses which have a neighborhood orientation and supply necessities required frequently. These facilities are usually located to minimize travel and are usually not so large or so broad in services offered so as to attract substantial amounts of trade from outside the neighborhood.

A study of convenience commercial needs was made to determine whether or not sufficient amounts of land are appropriately zoned. Based on this study, it has been determined that, by 1984, 70,000 square feet of retail facilities, in addition to those which exist at present, will be required in the Shady Grove area. If some personal services are included in a retail center, this figure could be larger, ranging to approximately 80,000 additional square feet.

The demand for increased facilities will arise from the construction of new housing units within the sector plan area. Approximately 2720 units accommodating some 8700 persons could be built in the area by 1984.

The income level of households was estimated by assigning an average price to the dwelling units in each parcel, based on the zoning and the price ranges of other I-270 corridor developments in the same zoning category. The average income of these households was then computed through use of various mathematic processes and published sources.

In 1984, the average income for households in the study area is estimated to range from \$19,400 to about \$42,000 (in 1973 dollar values). The average income for the entire area is estimated at \$25,921, again expressed in 1973 dollar values. Of this total income, approximately 40 percent will be spent for all retail purchases, and 13 percent for convenience goods and services. The residential development expected in this area, therefore, will generate about \$9.2 million in sales of convenience goods over and above the present sales volume. This level of sales, in turn, will require about 70,000 square feet of floor area. With personal service expenditures included, the total floor area required rises to about 80,000 square feet.

Ultimately, the Shady Grove sector plan area will include full development of the Gude/Mobley tract, a very large parcel of land on which may be located as many as 780 dwelling units under Planned Development Density 2 or 1171 units under Planned Development Density 3. When fully occupied, this area could require an additional 25,000 square feet of convenience commercial space. One center for the Shady Grove area will then have an ultimate area of about 100,000 square feet. Such a center would be large enough to include a major chain grocery store and other specialty food stores, as well as a hardware store, a moderate-size drug store, and small personal services stores.

Convenience retail facilities at present exist on Md. 355, and a small complex of stores is located at the intersection of Redland and Muncaster Mill Roads. On Md. 355 at its intersection with College Road, there is the 93,000-square-foot College Plaza shopping center, which serves the Rockville area. College Plaza includes an A&P grocery store, a large Dart Drugs store, and several small shops. Another major center, serving the northern part of Shady Grove, is the 101,000-square-foot Walnut Hill Shopping Center on Md. 355 in Gaithersburg. Walnut Hill has a moderate-size Grand Union store, a Drug Fair, and a wide variety of small shops. Other centers on Md. 355 are the Holbrook Center and the Midway Center. The Redland Shopping Center, at Redland and Muncaster Mill Roads, is the newest in the area and is still leasing. It contains 23,000 square feet, including personal services and eating and drinking establishments. Commercial areas are shown on Figure 6, Existing Employment and Commercial areas.

A review of proposed commercial development in the area reveals that the convenience commercial facilities already planned will adequately satisfy immediate needs. Amity Square Shopping Center, to be located at Md. 124 and Amity Drive, will be an 80,000-square-foot, convenience center with emphasis on meeting the needs of the Emory Grove Renewal Area and on partially capturing the market

demands of future residents of the Shady Grove area. In addition, a five-acre tract of land at the southwest quadrant of Redland and Muncaster Mill Road is already zoned commercial.

A centrally located, local commercial center, providing a food store and related convenience commercial stores, will be appropriate for the Shady Grove area. Locating this commercial center off Md. 355 within the Shady Grove plan area will alleviate travel along Md. 355 to existing stores, and, thereby, reduce traffic on that road. The commercial study indicates that a sufficient market will exist shortly within the Shady Grove Sector Plan area boundaries so that the attraction of traffic from major highways into the area will not be necessary for the financial success of the commercial centers. Therefore, it is recommended that approximately 15 acres of land, located immediately northeast of Shady Grove Road and Crabb's Branch Way extended, be zoned C-1 (convenience commercial).