

# Economic Development Market Study: Town of Bel Air, MD



## INTRODUCTION

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The Town of Bel Air is the county seat of Harford County, populated with significant federal, state and local government presence. Additionally, it is the location of the regional University of Maryland Upper Chesapeake Medical Center and the regional retail center of the county. One of three incorporated municipalities in Harford County, Bel Air has the advantage of a stable middle class population and workforce, and being a geographic center of the county provides for a strong economic baseline.

The Town of Bel Air is a diverse economic and governmental blueprint of uses with uniquely differing environments and demographics. The Town caters to local, regional and super-regional franchise/corporate demand and supply. The full study endeavors to analyze the geography of the market in detail and identify current and potential use mixes that will enhance the character of the market.

The goal of this report is to provide the Town of Bel Air Department of Economic Development with a tool to support marketing to and recruiting of appropriate vendors, developers and users to fill gaps in the local economy and vacant spaces with uses in demand by the local population.

This report will also be used to assist with the development of an Economic Development Master Plan element of the Town Comprehensive Plan.

## EXECUTIVE SUMMARY

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Bel Air is a dynamic town with everything a household needs to get by, including employment, commerce, seat of government and arts and entertainment. This report endeavored to study the existing and potential for various uses and sites in and around town.

Place – Bel Air is a central incorporated municipality (town) in Harford County, the County Seat, and a significant crossroads of US-1 and MD-24 providing a historical town center node for commerce, hospitality and gathering. Its Primary Trade Area (PTA) is identified as the Greater Bel Air area of Central Harford County.

Demographics – Greater Bel Air is experiencing excellent growth, which mirrors trends seen across Harford County as a whole, including:

- Demographic Trends – The population is growing at a pace estimated at 695 total households per year; the 0.7% growth forecast through 2027 is slightly slower than Harford County’s overall 0.8% growth forecast for the same period but is still favorable. Overall, primary trade area household structure and growth trends are similar to those in Harford County as a whole.
- Housing Trends - At 79.6%, Harford County has a lower homeownership rate than the PTA. Home values (\$359,588 median in 2022) are slightly higher in the Bel Air area while contract rents (\$1,357) are significantly higher than those found in Harford County (\$1,117) and likely reflects the inclusion of slightly higher rents that are typically found as one moves further inward from the western areas of the county toward Bel Air. Indicative of the presence of public rent subsidies in the area, the share of Bel Air area and Harford County renters paying <\$500 rents was 7.8% and 11.5% respectively.
- Economic Trends – Greater Bel Air household incomes are slightly lower than Harford County’s, with the 2022 median income estimated at \$105,022; 8.2% of Bel Air households earned less than \$25,000 in 2022. Area renters earn almost half as much as homeowners. Nearly half (41.6%) of Bel Air renter households are housing cost burdened, and an estimated 5.8% of all households have incomes below the poverty line. Employment opportunities are numerous within Greater Bel Air.



- Public Safety – Crime rates in the Greater Bel Air trade area and in Harford County are relatively low.

This northeastern area of Maryland is primarily centered along the Interstate 95 corridor and is in close proximity to some of the nation’s premier technology, research and logistics areas. With a population of 263,499 in 2022 and projection to increase to 267,183 in 2027, Harford County is one of the top ten most populated counties in the state.

Based on the most recent Census data estimates, Greater Bel Air is currently home to 37,845 households, approximately one-third of Harford County at 99,503 households. The majority of these households have two or more people (77.2% in Greater Bel Air), a proportion which is higher than the Baltimore-Towson Metropolitan Statistical Area (MSA) overall. Greater Bel Air is heavily concentrated towards families with only 22.8% of total households being single persons. Additionally, more than one-third of total households in Greater Bel Air have children.

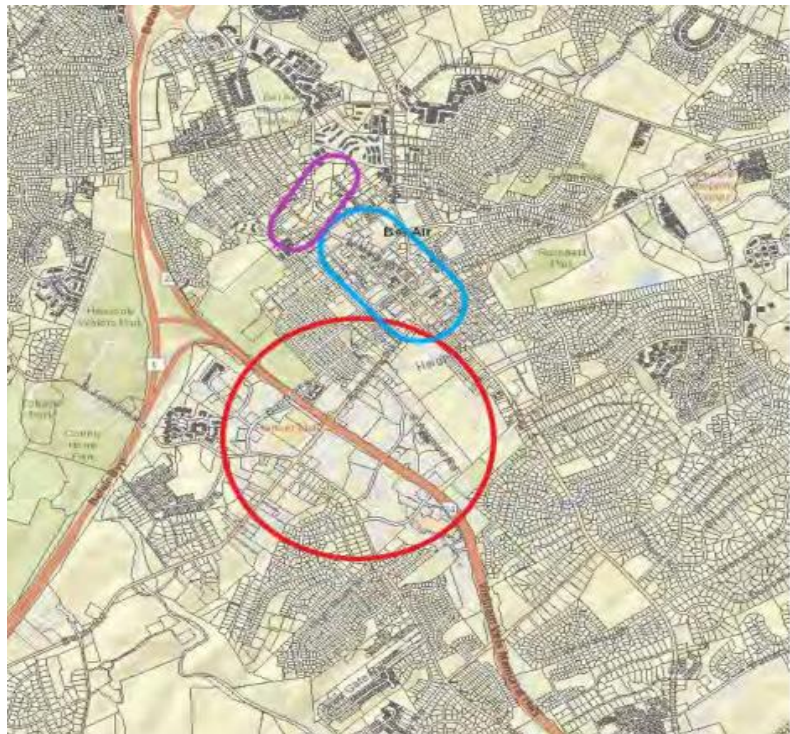
Harford County’s residents are well educated, which is reflected in their strong average household incomes of \$100,519 in 2022 and their projected increase to \$109,688 in 2027.

This solid economic base helps to support moderately high home values in Greater Bel Air, which amounted to an average of \$359,588. The Greater Bel Air area is predominantly a homeownership community with only 17.6% of households renting in 2022.

## BUSINESS DISTRICTS DEFINED

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There are three distinct business areas in the Town of Bel Air. The retail area at the intersection of MD-24 and Business US-1, the historic downtown area of Main Street and Bond Street between Bel Air High School and Broadway, and the industrial district along the former Ma & Pa Railroad right-of-way north of Broadway. The map generally outlines these areas.



# KEY INFLUENCES

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There are four key influences noted in Bel Air: healthcare, office/government center, regional retail and the arts and entertainment (and sports tourism) industry.

- The regional University of Maryland Upper Chesapeake Medical Center is the largest employer in town and brings the most visitors to town. However, it is missing a hotel complement.
- The office market in Bel Air is dominated by the government, which is sprawling inefficiently across many parcels and buildings. Efforts need to be put forth to consolidate and surplus underutilized real estate assets and transfer them to productive taxpaying accounts. This effort needs to include a rally to replace the District Courthouse in the same general location in historic downtown.
- Retail is prominent in large scale at the western side of town but high in vacancies. The shopping mall is outdated and underutilized and ready for redevelopment into a vibrant mixed-use center with potentially a hotel site as well. Historic downtown retail is more of a boutique format but also stymied by office spaces on the sidewalk frontage and by landlords who are holding properties that are vacant and in disrepair.
- Arts and Entertainment is a core business downtown, with exceptional facilities and programming that brings visitors from all over the world. The expansion of opportunities for purveyors and patrons alike is important for the growth of this industry. Additionally, the wedding business in town is significant and also not supported with hotel accommodation.



Overall, Bel Air is strong economically, and this report hones in on fine tuning to reenergize some spaces that are underperforming and to update other spaces with more in-demand uses and architecture. None of these recommendations exist in a vacuum – the economy of the Town relies on the interplay between uses. Enhancement of some uses will naturally enhance others.

# TAKEAWAYS

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There are several recurring themes from the full market study that we will detail here. Most important is the demand for a hotel in the Town of Bel Air. There is also discussion on particular movements in the non-taxed government land issue and cultural arts in general. We also discuss the potential of high-density residential infill, repositioning some retail spaces and sites for potential redevelopment.

## HOTEL

Bel Air is a ripe opportunity and location for a new hotel venue. There are an abundance of programs, activities, events and attractions in Bel Air and serving the suburban population in Greater Bel Air, especially the northern suburbs that are so removed from the hotel supply along I-95. Valbridge detailed the hotel market in Bel Air and identified several sites that would work for this new use in town.

Valbridge recommends the Town consult with the key property owners and solicit hotel brokers, perhaps to a reception where presentations can be made by Town officials and property owners and other stakeholders, to share the “secret” of this central town in a developing county.

## ARTS & ENTERTAINMENT VENUES & SERVICES

We have studied other towns to determine the recipe for a successful arts-based downtown culture and economy.

A short list of items that help make a great arts district:

- Museum
- Galleries
- Libraries
- Performance spaces
- Opportunities for emerging artists
- Diversity of programming
- First Friday’s art exhibitions
  - Arts
  - Food
  - Home Goods
  - Jewelry
  - Clothing
  - More of a street festival feel
- Cultivate a creative space
- Include visual, performance, music, film and culinary arts.



Upon researching the arts, entertainment and sports tourism in Bel Air and Harford County in general, we derived the following recommendations for the Town of Bel Air:

- Coordinate with the County and various arts organizations in the County and consolidate the various arts and activity venue schedules into a single resource.
- Encourage the use of experiential boutique spaces on Main Street and Bond Street for uses that support the arts, such as supply stores, galleries and studios.
- Create an annual themed celebration for the Town that becomes a regional seasonal destination, similar to a Renaissance Fair that extends over a month of weekends. There are several major annual events, but most are single-day programs. This could build on

the current “Winter Wonderland” theme the Town employs annually. This would be a seasonal draw to provide more opportunities for visitors to drop in and experience Bel Air.

- Recruit upscale restaurants and a wine bar.
- Create a “maker’s space” venue. This could fit nicely into vacant retail spaces, using the frontage as gallery space.
- Reconfigure parking for Ma & Pa Trail at the Pioneer Cleaners site and close the Williams Street lot.



- Add sculpture art to the Ma & Pa Trail.
- Create and mark a connection from Bel Air to the new Walls-Cook Trail to Harford Community College from Prospect Mill Park.
- Recruit a bike shop to Main Street or Bond Street.
- Work with vacant retail space to develop uses complimentary to the sports tourism industry, such as specialized training centers and indoor sports arenas.
- Promote more usage of Shamrock Park and

the Humbert Amphitheater for weekly recitals, programs and shows. Encourage vendors to participate and sponsor events at the park and have a “Taco Truck” night on a regular basis at the park.

- Promote the Public Art Tour more widely. Keep expanding the tour.
- Bring the sports facility and tournament recruiters to Town for a promotional event, perhaps with a bus or walking tour and discussions with local stakeholders about the benefits of promoting Bel Air through their organizations.

## GOVERNMENT LAND DISPOSITION

There is an abundance of underutilized land, particularly owned by the Harford County Government, in the core of downtown and the Arts & Entertainment District. Although this is the appropriate location for principal County offices, the format and layout are disparate at best. The County-owned real estate is not generating any real property tax revenue to the Town, and the inefficiency of offices in different spaces along Main Street, Bond Street and Hayes Street is also a greater expense to the facilities and operations of County assets.



Additionally, the specter of moving the District Court out of downtown to a new location away from supportive services and facilities is a major issue to be addressed.

Valbridge recommends the following strategies for the government land issues in Town:

- Sponsor a charrette-style forum of stakeholders and designers to analyze and draft a new county administration complex, on the blocks between South Main Street and Hays Street.
- Develop a program with the County administration to surplus properties that are not in the scope of redevelopment for County operations, including a timeline. Some properties surplussed to the general market, through RFP development schemes, and others directly to the Town.
- Create RFPs for public/private partnerships to develop gateway features to historic downtown.
- Join with the County to work with the state and district court to create a reasonable space for a replacement courthouse, proximal to the existing services and support infrastructure for the court system.
- Create incentives to move office uses off sidewalk frontage to rear or upper levels of properties.
- Create design standards and incentives to develop frontages along Bond Street.

## RESIDENTIAL DENSITY INFILL

Town centers are where the greatest densities are realized, where the greatest market share of economic benefit and commerce is realized as well. There are three ingredients to successful market dynamics: People, Products, and Place. When we bring all these together, we are destined for greater returns. At present, Bel Air is a largely suburban residential community with low density housing and vast retail opportunities – an imbalance of supply and demand. The current trend nationally and internationally is to blend residential and commercial uses tastefully, in a similar manner as would be done in large cities, with ground level commercial spaces and upper-level high residential density housing. Conversion of some of the expansive, underutilized impervious parking lots in the retail core of the Town would add demand and character to an otherwise empty space.



- The Town could develop design guidelines and propose zoning regulation revisions to promote high quality mixed-use development and redevelopment on existing sites in the commercial zoned spaces along MD-24 and US-1 Business.

- The Town should work closely with the large commercial landowners to coordinate mixed-use development schemes and promote/incorporate the arts and entertainment pulse of the Town.

## REPOSITIONED RETAIL

In addition to the option of mixed-use on existing underutilized commercial lands, Valbridge recommends incremental changes to other smaller commercial spaces. This could be the restriction of office spaces on the sidewalk frontages of Main Street and Bond Street, or creation of new public gathering spaces where retail can periodically shift to focus sales. There are also some vacancies in the retail core of the Town that could be repurposed to become



studio spaces, galleries or other less traditional in-line retail uses.

- Encourage landlords on Main Street to lease or sell vacant properties.
- Work with Hill Management to change the vision and leasing strategies for Bel Air Plaza.
- Work with Harford Mall to redevelop in a vibrant mixed-use format that fits the Tapestry demographic for the Town.
- Find space for hospitality in the core of the retail area.
- Work with Main Street property owners with frontage on Bond Street to create new spaces for retail and office that front on Bond Street to mimic Main Street.
- Attract uses on Main Street and Bond Street to appeal to Millennials and Generation Z.
- Repurpose Burns Alley as a multi-use space that can be used for community festivals and events, tying the Main Street retail to visiting vendors and pedestrian traffic.
- Recruit upscale restaurants.

## REDEVELOPMENT SITES

Every landlord is seeking the highest and best use for their real estate asset. At some point in time a decision is made, and a use is established. However, that point in time is continually outdated and getting further into the past with every passing minute. Thus, a great use in 1970, is not the highest and best use in 2023. Harford Mall is a great example of a style of shopping that has passed its prime. Change of habits and product demand is inevitable. We have identified a few sites that are on the cusp of redevelopment or should be in the queue:



- **Harford Mall** – The largest improved assemblage, in the early stages of redevelopment as a mixed-use center.
- **Bel Air Plaza/Crossing** – Another residual suburban retail center with high vacancies and ready for a more urban mixed-use improvement.
- **Tollgate Marketplace** – This shopping center has a large volume of capacity.
- **Government Center** – Harford County Government owns a significant assemblage of land downtown that could be turned to surplus and converted to properties paying real estate taxes while also improving the customer experience with the government.
- **Bond Street Corridor** – The “back door” to Main Street is an opportunity to expand the Main Street charm and offer retail spaces.
- **M-1 Industrial Area** – Some of this land could be repurposed to provide parking for the Ma and Pa Trail and future high-density housing.

This market study was completed by Valbridge Property Advisors in June 2023.

To view the complete study, visit the following link:

<https://www.belairmd.org/DocumentCenter/View/5573/Economic-Development-Market-Study-2023>

