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# Terrapin Development, Brandywine partner to advance long-planned UMd. east campus plans

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The way Ken Ulman sees it, the University of Maryland is on the cusp of making a quantum leap in its decades-long effort to spur development east of Baltimore Avenue from its College Park campus at what it's now calling the Discovery District.

Home-grown quantum computing startup IonQ Inc. recently announced plans to go public through a merger into dMYTechnology Group III, a Las Vegas blank-check company, and Ulman, president of Terrapin Development Co., believes the firm has the potential to serve as an anchor to draw other companies to the area and catalyze more development in the years to come.

To harness that potential energy, Terrapin Development recently struck an exclusive development agreement setting the stage for Philadelphia-based Brandywine Realty Trust (NYSE: BDN) to develop a \$300 million, mixed-use project on a 5-acre parcel of the larger, 150-acre Discovery District. Brandywine plans to kick off the first of four phases with 300,000 square feet of office in two connected buildings on what's now a surface lot by the Hotel at the



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Brandywine Realty Trust plans to develop 300,000 square feet of office space east of the Hotel at the University of Maryland in the first phase of its partnership with Terrapin Development Co.

University of Maryland. Ulman said he and Terrapin Development, a joint venture created by the university's College Park campus and the University of Maryland College Park Foundation, have already fielded a number of calls and emails from prospective tenants seeking space in the area because of IonQ.

"IonQ's recent announcement is a significant milestone," Ulman said. "We are truly on the precipice of quantum computing entering into the period of time where challenges in our world will be solved through quantum computers. The fact that we have a company that is arguably the most important company in this space speaks to this moment we are in."

### **Seeding growth**

That College Park will be the next Silicon Valley, as Ulman suggests, might seem an overstatement, but he said it's clear that quantum computing technology is poised to take on greater importance in the years to come, and the University of Maryland, which hosts the Joint Quantum Institute and has a high concentration of quantum physicists among its ranks, is a major player in the industry.

Brandywine, which has had a presence in Greater Washington for years, was selected from a pool of five to develop pieces of the Discovery District at 7777 Baltimore Ave. through a ground-lease with Terrapin Development. The [Maryland Board of Public Works](#) voted earlier this year to approve the 75-year ground lease, with an option to extend for another 25 years, under which Brandywine has agreed to prepay \$15 per gross square foot, per phase, built on the site.

Brandywine will also make an up-front ground-lease payment of about \$4.7 million, and will pay "participation rent" on top of that as additional pieces of the project are developed, according to BPW documents. Terrapin Development estimates it could receive more than \$5 million over the the lease term for the first parcel and another \$6.4 million for the second. Those are estimates based on factors such as density, type of use and how much that space yields in rent payments from tenants.

When fully developed, the project "will feature 550,000 square feet of class-A innovative workspaces encompassing research, office,

collaboration and retail space, plus 200-250 multifamily residential units," according to Brandywine. The vision for the Discovery District has been designed by Baltimore-based architecture firm Ayers Saint Gross and Michael Vergason Landscape Architects.

The land could yield greater value if sold and developed privately as, say, market-rate housing, Ulman said, but Terrapin Development sought permission to develop the university-owned properties to help advance the greater goals of the campus. The land developed by Brandywine will also be taxed as a commercial development, another benefit for the state and for Prince George's County, which will oversee what gets developed.

"It's really important for us to have the kind of office, research and development buildings that can house companies and university components," Ulman said. "It's a critical real estate parcel that further unlocks the innovation ecosystem of the University of Maryland and supports job creation."

It's not the first time the university has partnered with the private sector. It has struck similar real estate deals in the past with outside developers including St. John Properties Inc., Southern Management Corp., and [Corporate Office Properties Trust \(NYSE: COPT\)](#) dating back to when the Discovery District [was known as the M Square research park](#). Those efforts have yielded projects including new office buildings and the Hotel, but Ulman said the partnership with Brandywine promises to be a more cohesive effort.

### **Getting buy-in**

All that's contingent on development approvals and additional pre-leasing activity. [John Norjen](#), senior vice president and managing director of Brandywine's D.C. office, said he has already fielded a number of inquiries and believes it will be ready to start building once the project's first phase has been fully entitled.

Brandywine isn't just banking on IonQ. The company was selected in part for its track record partnering with other academic institutions including the University of Pennsylvania and [Drexel University](#) in its home town of Philadelphia, and Norjen said he

believes the partnership can recreate in College Park some of the same vitality that has sprung up around those other universities.

“We feel that there’s a pent up demand for businesses that want to improve their synergies with top-tier universities, so we fell like that demand is there,” he said. “We typically do not build speculatively, but as we’re marketing the project and going through entitlements and all, I feel confident that by the time were ready to begin construction we’ll have those commitments in hand.”

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