



Planning, Program Development and Real Estate Committee

Item IV-A

February 14, 2013

**Amendment to Greenbelt Joint Development
Agreement**

Washington Metropolitan Area Transit Authority
Board Action/Information Summary

<input checked="" type="radio"/> Action <input type="radio"/> Information	MEAD Number: 103210	Resolution: <input type="radio"/> Yes <input checked="" type="radio"/> No
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TITLE:

Amended Greenbelt Joint Development Agreement

PRESENTATION SUMMARY:

Request Board approval to amend the Greenbelt Second Amended and Restated Joint Development Agreement to allow assignment of the Agreement to Prince George's County and to extend the cutoff date of the Agreement.

PURPOSE:

Amend agreement to allow assignment and extend response time

DESCRIPTION:

The proposed amendment to the Second Amended and Restated Joint Development Agreement (JDA) allows Metro's 78-acre Greenbelt station parcel to be placed in competition for a new Federal Bureau of Investigation (FBI) headquarters site under alternate Federal solicitation options. It continues to permit the JDA signatory, Renard Development Company, LLC (Renard), to compete for the FBI headquarters site if the U.S General Services Administration (GSA) or the FBI requests conveyance of, or an option on, a privately controlled site. If, on the other hand, the Federal government requests conveyance of, or an option on, a publicly controlled site, assignment of the JDA by Renard to Prince George's County will facilitate a response to that request since Prince George's County is a public entity. The assignment of the agreement means that the County would become the developer and assume all of the development obligations of the JDA. Finally, the amendment extends the duration of the JDA so that if the Federal government has issued a solicitation and the County or Renard has responded, or will respond by the solicitation due date, and no site selection decision has been made by March 1, 2014, the current JDA cutoff date, the JDA will continue to be in force until the Greenbelt site is either initially selected to compete for the FBI headquarters or is eliminated from the competition.

Key Highlights:

- The amendment to the Greenbelt agreement allows the private developer, Renard, and/ or Prince George's County to compete for the future FBI

headquarters and extends the time to pursue the site selection.

- The current agreement supports the Board's goal of ensuring financial stability and investing in assets since fair market value will be paid for the Metro site, and Metro parking and bus facilities will be replaced at no cost to Metro.
- The current agreement supports the Board's goal of improving regional mobility and connecting communities since an FBI headquarters at Greenbelt will encourage reverse commuting making better use of existing Metro capacity; serves as a development catalyst for Greenbelt and nearby communities; and implements Metro's Memorandum of Agreement with the GSA to encourage mixed use, transit oriented development anchored by Federal agencies at Metro stations.
- Metro's support of Prince George's County is non-exclusive, and Metro will cooperate with all other jurisdictions seeking to compete for the FBI headquarters at a Metro station site.

Background and History:

In December 2011, the U.S. Senate Committee on Environment and Public Works passed a resolution authorizing appropriations for an FBI headquarters relocation from the J. Edgar Hoover Building in downtown Washington to a new site having up to 55 acres of land within two miles of a Metro station and 2.5 miles of Interstate 495. The resolution specifies that a new headquarters is to have up to 2.1 million square feet of net rentable area and no more than 4,300 parking spaces. Further, the resolution calls for the Federal lease of a privately owned building on Federally-owned land.

In anticipation of the FBI headquarters relocation, Metro executed an October 2011 JDA (Second Amended and Restated Joint Development Agreement) with Renard Development Company, LLC. Renard is the successor in name to Metroland Developers, LCC, with which Metro executed the original joint development agreement. The JDA gives Renard until March 1, 2014 to have the Greenbelt site selected by GSA/FBI for the relocated FBI headquarters. It was not known-- and still is not known-- whether a Federal government solicitation or solicitations will a) specify site selection first and then selection of a private sector developer or b) combine both steps. The amended JDA will provide for both possibilities.

In December 2012, GSA issued a Request for Information (RFI) to elicit ideas for the relocation of the FBI headquarters along with potential reuse of the existing J. Edgar Hoover site in downtown Washington. Responses to the RFI are due March 4, 2013. Prince George's County wishes to respond to the RFI should the GSA prefer to deal directly with a public entity having site control. The local parties involved agree that the most direct way to accomplish the County objective is via a JDA assignment that the County can negotiate with Renard. The proposed amendment will give Renard

the ability to assign the JDA to Prince George's County so that the County would replace Renard as developer. The JDA already gives Renard the ability to assign the agreement to GSA or the FBI should the Federal government request immediate site control. Any of the assignments puts the public entity in the shoes of Renard, thus assuming all the obligations that Renard has to Metro under the current agreement.

These obligations include replacement at no cost to Metro of: 3,726 parking spaces and related facilities, a lot for 30 buses, and 17 bus bays and layover spaces for Metrobuses. Also, Renard must pay fair market value for the site upon purchase, as determined through appraisal and taking into account all obligations. Additionally, an interchange to the site from Interstate 495 will be needed. The County has more tools than does Renard to meet some of the above obligations: direct funding, tax districts and the like.

In sum, the amendment provision on assignment to the County increases the Greenbelt parties' ability to respond to whatever type of solicitation the GSA/FBI may issue without diminishing performance obligations to Metro.

Also, the proposed amendment extends the cutoff date for the JDA. Presently, the JDA gives Renard until March 1, 2014 to compete the Greenbelt site and have it accepted or short listed by GSA/FBI for a further response to the Federal government. When the agreement was executed, it was anticipated that the Federal solicitation process would proceed more quickly than has been the case. The proposed amendment extends that time and states that, if a solicitation has been issued prior to March 1, 2014, and the developer has responded to the solicitation by a due date prior to March 1, 2014 or intends to respond to the solicitation by a due date that is after March 1, then WMATA will extend the term of the agreement to September 1, 2014 or to the expected date of award as set forth in the Federal solicitation.

The amendment supports Metro's strategic goal of improving regional mobility and connecting communities. An FBI presence at Greenbelt would increase reverse commuting on Metrorail, thereby making better use of existing capacity. It could bring long sought transit-oriented development to the Greenbelt site and help catalyze development in Greenbelt and nearby College Park and Berwyn Heights, all of which support the relocation of the FBI headquarters to the Metro station site. Finally, it reinforces Metro's commitment to the February 2012 Memorandum of Agreement with GSA to encourage transit-oriented development anchored by Federal agencies at Metro stations.

The amendment also supports Metro's strategic goal of ensuring financial stability and investing in our people and assets. The revenue to be obtained from the value of the site and the replacement of Metro's existing surface parking and bus bays with updated facilities will help meet this goal.

Though there is a strong case for attracting the FBI headquarters to Greenbelt, Metro's support of the Greenbelt site is non-exclusive. If other entities wish to compete for the FBI headquarters at other Metro station sites, Metro will cooperate with them, as well.

Discussion:

N/A

FUNDING IMPACT:

The current action will make no change in funding impact, at this time, from the previously approved JDA. If an FBI relocation and mixed use development occur at the site, the value of new facilities and additional revenue to Metro will be assessed when plans are known.

Project Manager:	Rosalyn Doggett
Project Department/Office:	CFO/LAND

TIMELINE:

Previous Actions	<ul style="list-style-type: none">December 2000 - Execution of original Joint Development Agreement following Board Term Sheet approval in January 2000March 2011 - Execution of First Amended and Restated Joint Development Agreement following Board approval in March 2011October 2011 - Execution of Second Amended and Restated Joint Development Agreement strengthening selected provisions of First Amended and Restated Joint Development Agreement
Anticipated actions after presentation	Selection of site for FBI Staff approval of site plans following selection of site for FBI Termination of agreement with Renard if no FBI site selection by 9/1/14

RECOMMENDATION:

Amend agreement to allow assignment and extend response time

AFFIRMATIVE ACTION:

N/A

ELECTRONIC ATTACHMENTS:

Presentation

OTHER SUPPORT MATERIALS:

N/A



Washington Metropolitan Area Transit Authority

Greenbelt Joint Development Agreement Amendment

Planning, Program Development and Real Estate Committee

February 14, 2013



Purpose

Approve Joint Development Agreement (JDA) amendment to:

- Allow assignment of JDA to Prince George's County
- Extend cutoff date of JDA



W2



Greenbelt Site - 78 acres



Slide 3

W2 the picture is off the page. need to size
WMATA, 1/31/2013



Background

- Board-approved JDA, October 2011, gives site control to Renard Development Company, LLC, with cutoff date of March 2014 for FBI site selection
- GSA issued RFI to elicit ideas for relocation of FBI HQ; responses due March 4, 2013
- Prince George's County wishes to respond to GSA but needs site control
- WMATA support of the County response is non-exclusive



Potential Benefits for Metro

- Enhanced access to the station due to a possible interchange with Capital Beltway (I-495) as part of development
- Major federal tenant at Greenbelt Metro station supports new Board strategic goal of improving regional mobility and connecting communities by:
 - ✓ encouraging reverse commuting making better use of existing Metro capacity
 - ✓ catalyzing surrounding development
 - ✓ bringing to Metro the transit-oriented land uses and increased ridership long sought at this site
- Agreement supports new Board strategic goal of ensuring financial stability and investing in assets by:
 - ✓ replacing Metro facilities at no cost to Metro
 - ✓ providing fair market value for Metro site





Recommendation

Approve JDA amendment to:

- Allow assignment of JDA to Prince George's County
- Extend cutoff date of JDA

