



(Board Copy)
Washington Metropolitan Area Transit Authority
**METRO ELECTRONIC ACTION
DOCUMENT**

IDENTIFICATION			
MEAD ID:	99408	ACTION:	N/A
AWARD VALUE:	(Not yet awarded)	CONTRACT: (Proposed)	
FUND SOURCES: (View)		CONTRACTOR:	
LAST MODIFIED:	03/31/2006		

DESCRIPTION	
SUBJECT:	Extension of the term sheet negotiating period for the Grosvenor North joint development property
PURPOSE:	To inform the Board that term sheet negotiations between WMATA staff and Trammell Crow Residential, an alternate selected developer for Grosvenor North at the Grosvenor Metrorail station, have not been concluded within 90 days of the developer's selection, per Board policy, and to obtain the Board's approval for an extension of the negotiating period to July 31, 2006.

ORIGINATION					
INITIATOR			DEPARTMENTAL APPROVAL		
ELISA HILL on 03/30/2006			Approved by SALPEAS , PANAGIOTIS 04/24/2006		
PHONE:	202-962-1593	OFFICE:	LAND	DEPT:	Secretary and Chief of St

COORDINATION (ROUTING)		
OFFICE	NAME	ACTION/DATE
LAND (7310)	MALASKY, GARY	Approved 03/31/2006
(1120)	Moneme, Emeka	Approved 04/12/2006
OPAS (3161)	HUGHES, JAMES	Approved 05/01/2006

FINAL APPROVALS	
OFFICE	NAME/ACTION
BEMR	Approved for by Emeka Moneme on 04/12/2006
PLN_DEV_CMTE	Approved for by PANAGIOTIS SALPEAS on 04/24/2006
OPER_CMTE	Approved for OPAS by JAMES HUGHES on 05/01/2006
BEMR	Approved for by Emeka Moneme on 05/01/2006
GM	Approved for GMGR by GMGR CEO on 05/09/2006
BOARD	BOARD WMATA (Not Yet Approved)



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NARRATIVE

On March 21, 2002, upon the recommendation of the Joint Development Subcommittee, the Board approved a schedule for completing negotiations on joint development term sheets and definitive agreements. For term sheets, developers are allowed 90 days to complete negotiations with WMATA. The Grosvenor North property was offered in the 2004 solicitation, which came under these guidelines.

On July 22, 2005, per the recommendation of the Real Estate Committee, the Board approved the selection of Trammell Crow Residential (TCR) and P. N. Hoffman as the alternate selected developers for the Grosvenor North property. Since that time, WMATA staff has negotiated improvements to the site plans offered by both developers, as well as improvements in financial terms. The developers and WMATA staff also met with community groups to review the plans. After the improvements and community meetings, TCR remained the more attractive technical and economic alternative. Staff then drafted two term sheets to correspond to the lease and sale offers made by TCR. Negotiations with TCR on both term sheets are near conclusions.

WMATA originally obtained two appraisals for this property, one for a lease scenario and one for a sale. Since the appraisals are over one year old, staff has requested a single new appraisal to update lease and sale values for this site. The new appraisal is due in early May.

ALTERNATIVES

Do not approve staff's request to extend the negotiation period, in which case both selected developers would be rejected and the site would be re-offered.

IMPACT ON FUNDING

N/A

AFFIRMATIVE ACTION REQUIREMENTS

There are no affirmative action requirements associated with the proposed action.

RECOMMENDATION

That the Board extend the negotiating period for the Grosvenor North lease and sale term sheets to July 31, 2006.