



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

IDENTIFICATION			
MEAD ID:	99416	ACTION:	N/A
AWARD VALUE:	(Not yet awarded)	CONTRACT: (Proposed)	
FUND SOURCES: (View)		CONTRACTOR:	
LAST MODIFIED:	04/19/2006		

DESCRIPTION	
SUBJECT:	Developer selection for the New Carrollton North joint development property
PURPOSE:	To obtain the Board's approval of Federal Development as selected developer for New Carrollton North joint development site and authorization for staff to negotiate a term sheet.

ORIGINATION					
INITIATOR			DEPARTMENTAL APPROVAL		
ELISA HILL on 04/03/2006			Approved by Moneme, Emeka 04/12/2006		
PHONE:	202-962-1593	OFFICE:	LAND	DEPT:	Secretary and Chief of St

COORDINATION (ROUTING)		
OFFICE	NAME	ACTION/DATE
LAND (7310)	MALASKY, GARY	Approved 04/05/2006
(1120)	Moneme, Emeka	Approved 04/12/2006
OPAS (3161)	HUGHES, JAMES	Approved 04/25/2006

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 04/25/2006
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

WMATA offered the New Carrollton North and South joint development sites in its July 28, 2004 Joint Development Solicitation. In response, WMATA received two proposals for the North property and three for the South. Since receipt of the proposals, WMATA staff has worked with the developers and Prince George's County staff to improve the technical and financial aspects of the proposals. In response, the developers have offered more "for sale" housing, increased overall project densities, and investigated the potential for connecting the north and south sides of the WMATA and AMTRAK rail rights-of way, which currently bifurcate the area around the New Carrollton Metrorail station. Both proposals for the North site offer to build an open air Park & Ride garage to replace existing WMATA parking, and to provide a surface Kiss & Ride lot. Each facility will include no less than its respective number of existing spaces, built to existing WMATA design criteria, and at no cost to WMATA. The South site does not need replacement parking, since a new garage has already satisfied that requirement.

After working with the two proposing teams for the North property, and County staff as mentioned above, both proposals improved; however, the Federal Development proposal is the more attractive of the two for several reasons. It offers several alternative plans with mixes of up to four uses that are compatible with the County's transit-oriented development planning study. Staff chose Federal's plan option B2 to simplify the comparison of proposals. The other plan, from New Carrollton Partners (NCP), offers a single use. Federal's plan also has much greater density than NCP's, which makes it more consistent with the County's development vision at this location. Finally, Federal's economic proposal is stronger than NCP's. For these reasons, staff recommends the selection of Federal Development. The Confidential Attachment compares the technical and economic aspects of the two proposals.

For the South property, despite the above-referenced improvements made to the proposals submitted, the financial offerings of all three developers still fall short of the independent appraiser's value for this property. Staff has rejected these three proposals; therefore, no developer selection is recommended for the South property.

ALTERNATIVES

Do not approve Federal Development as selected developer for the North property. In that case, staff could attempt to negotiate an acceptable agreement with New Carrollton Partners. Given the current economic and technical aspects of its proposal, which do not meet WMATA's or the County's requirements, this course of action has a low probability of success.

IMPACT ON FUNDING

Please see the Confidential Attachment.

AFFIRMATIVE ACTION REQUIREMENTS

There are no affirmative action requirements associated with the proposed actions for either property.

RECOMMENDATION

That the Board approve Federal Development as selected developer for the New Carrollton North site and authorize staff to negotiate a term sheet