



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

IDENTIFICATION			
MEAD ID:	95136	ACTION:	N/A
AWARD VALUE:	(Not yet awarded)	CONTRACT: (Proposed)	
FUND SOURCES: (View)		CONTRACTOR:	
LAST MODIFIED:	06/27/2005		

DESCRIPTION	
SUBJECT:	Approval of the FY 2006 Joint Development Work Program
PURPOSE:	To obtain Board approval of the FY 2006 Joint Development Work Program.

ORIGINATION					
INITIATOR			DEPARTMENTAL APPROVAL		
ELISA HILL on 05/16/2005			Approved by SALPEAS , PANAGIOTIS 05/18/2005		
PHONE:	202-962-1593	OFFICE:	LAND	DEPT:	Secretary and Chief of St

COORDINATION (ROUTING)		
OFFICE	NAME	ACTION/DATE
SCOS (7100)	BARTLETT, HAROLD	Approved w/ Comments 05/16/2005
AGMM (4100)	SALPEAS, PANAGIOTIS	Approved 05/18/2005
AGMP (8100)	THOMAS, EDWARD	Approved 05/24/2005
COUN (1410)	O'KEEFFE, CAROL	Re-assigned 05/25/2005

FINAL APPROVALS	
OFFICE	NAME/ACTION
BEMR	Approved w/ Comments for SCOS by HAROLD BARTLETT on 05/16/2005
PLN_DEV_CMTE	Approved for AGMM by PANAGIOTIS SALPEAS on 05/18/2005
GM	Approved w/ Comments for GMGR by GMGR CEO on 05/27/2005
BOARD	BOARD WMATA (Not Yet Approved)



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NARRATIVE

This work program reflects the requirements of the Revised Joint Development Policies and Guidelines, approved and adopted by the Board on February 21, 2002. The annual work program describes the joint development activities which will be undertaken in the upcoming fiscal year. Pursuant to the Revised Joint Development Policies and Guidelines, WMATA staff worked closely with the liaisons from the local jurisdictions in determining which sites should be offered. Some properties are subject to ongoing local government review and may be offered later in the fiscal year.

The sites to be offered for development in FY 2006 are classified as Level 1 (significant private sector interest; no public intervention required) or Level 2 (private sector interest; marketability constrained).

Sites Recommended for Solicitation by Jurisdictions

The following sites which have been approved by the local jurisdictions will be offered for development in FY 2006:

VIRGINIA -- FAIRFAX COUNTY

Backlick Road

MARYLAND -- MONTGOMERY COUNTY

Forest Glen

MARYLAND -- PRINCE GEORGE'S COUNTY

Branch Avenue

Prospective sites in the District of Columbia, Alexandria, Virginia and Rockville, Maryland are undergoing additional study and planning efforts by the respective jurisdictions and will not be offered in FY 2006.

Highlights of Activities for FY 2005

During FY 2005, 19 significant joint development actions occurred. Among them, the staff concluded negotiations of 4 joint development agreements and 4 term sheets which were executed. One Memorandum of Understanding with a local jurisdiction for the construction of a transit center and one connection agreement were also executed. One sales agreement with a local jurisdiction was revised to allow for changes in use and financial terms. Closings were held on sales of 2 sites. Revisions of existing agreements to allow sales of portions of 2 sites were also approved. One developer was terminated for failure to proceed with negotiation of a joint development agreement.

With respect to new projects, the FY 2005 Joint Development Solicitation offered 7 sites. Sixteen proposals for the 7 sites were received. Multiple proposals were received for 5 sites. The 2 single proposals received for 2 of the sites were rejected. Evaluations of proposals for the remainder of the sites have not been completed due to the number of competitive proposals received and their complexity.

In March of FY 2005, a Mid-Year Joint Development Solicitation was issued offering the Royal Street Bus Garage site in Alexandria, Virginia and the Navy Yard station site in the District of Columbia. The Navy Yard station site was subsequently removed from the solicitation at the request of the District of Columbia. Four proposals were received on May 13, 2005 for the Royal Street site. Evaluations will be completed in FY 2006.

FINANCIAL IMPACT

Discounted cash value to WMATA for projects that were closed and for which term sheets and agreements were executed in FY 2005 is approximately \$100 million over the term of the agreements. The total value of the development projects is estimated to exceed \$800 million. Project revenues for FY 2005 are expected to meet the budget projection of \$17,085,000. Consistent with the FY 2006 Budget, the Joint Development Program is projected to generate \$25,506,000 in sales, guaranteed ground rent and connection fees in FY 2006.

RECOMMENDATION

Staff recommends that the Real Estate Committee and the Board approve the FY 2006 Joint Development Work Program. Upon approval, and pursuant to usual procedures, a solicitation document will be widely disseminated in an effort to generate transit oriented development proposals for the offered sites.