

**Washington Metropolitan Area Transportation Authority
Board Action/Information Summary**

Action
 Information

MEAD Number:

Resolution:
 Yes No

PURPOSE

To obtain approval of the Planning, Development and Real Estate Committee and the Board of Directors for the sale of the Southeastern Bus Garage property to the John Akridge Development Company and the allocation of funds from the proceeds of the sale to the capital cost of the replacement garage, leaseback rental and additional deadhead or other interim costs.

DESCRIPTION

On January 19, 2006, the Board of Directors identified the Southeastern Bus Garage property (the "Garage") as a first priority for relocation and directed staff to explore all reasonable alternatives in preparing a plan to accomplish the relocation, subject to the availability of funding and jurisdictional coordination and endorsement. To that end, staff in coordination with the District of Columbia government, has identified property on a portion of the former D.C. Village site in southwest Washington suitable for construction of the replacement bus garage.

The Garage was offered for public sale through an Invitation for Bids process in August 2007 at which time three bids were received. Of the three bids received, the bid from the John Akridge Development Company in the amount of \$69,250,000 was determined to be the most advantageous to the Authority in terms of purchase price and leaseback rental. Leaseback of the Garage will be required until such time as the buses housed there are temporarily dispersed to other garages.

Settlement on the sale of the Garage will not occur until 1) the replacement bus garage property at D.C. Village has been acquired from the District of Columbia and 2) the Board has approved the Southeastern Bus Garage replacement project and amendment of the Mass Transit Plan in accordance with the WMATA Compact.

The proceeds from the sale of the Garage are to be allocated to the capital cost of the replacement bus garage with a portion to be allocated to the temporary leaseback and

additional deadhead or other interim costs to be incurred from the time the Garage is vacated until the replacement garage at D.C. Village is operational.

FUNDING IMPACT

The sale proceeds to be allocated to the capital cost of the Southeastern Bus Garage replacement facility at D.C. Village are \$60,000,000. The funds will be deposited in an interest-bearing account with the principal and accrued interest applied to the Southeastern Bus Garage replacement project. The remaining \$9,250,000 of the sale proceeds is to be allocated to the cost of the temporary leaseback of the Garage and the additional deadhead or other interim costs to be incurred from the time the Garage is vacated until the replacement garage at D.C. Village is operational. These funds will be deposited in an interest-bearing account with the principal and accrued interest applied to the Garage leaseback rental payments and the additional deadhead costs.

RECOMMENDATION

That the Planning, Development and Real Estate Committee and the Board of Directors approve the sale of the Southeastern Bus Garage property to the John Akridge Development Company and the allocation of the proceeds from the sale of the Garage to the capital cost of the replacement garage, leaseback rental and additional deadhead or other interim costs contingent upon: 1) acquisition of the replacement bus garage property at D.C. Village from the District of Columbia and 2) Board approval of the Southeastern Bus Garage replacement project and amendment of the Mass Transit Plan in accordance with the WMATA Compact.

PRESENTED AND ADOPTED:

SUBJECT: SALE OF SOUTHEASTERN BUS GARAGE PROPERTY TO THE JOHN AKRIDGE DEVELOPMENT COMPANY

PROPOSED
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

WHEREAS, On January 19, 2006, the Board of Directors identified the Southeastern Bus Garage property (the "Garage") as a first priority for relocation and directed staff to explore all reasonable alternatives in preparing a plan to accomplish the relocation, subject to the availability of funding and jurisdictional coordination and endorsement; and

WHEREAS, Staff, in coordination with the District of Columbia government, has identified property on a portion of the former D.C. Village site in southwest Washington suitable for construction of the replacement bus garage; and

WHEREAS, The Garage was offered for public sale through an Invitation for Bids process; in August 2007; and

WHEREAS, Three (3) bids were received on August 28, 2007, in response to the Invitation for Bids; and

WHEREAS, Of the three bids received, the bid from the John Akridge Development Company in the amount of Sixty-Nine Million Two Hundred Fifty Thousand Dollars (\$69,250,000) was determined to be the most advantageous to the Authority in terms of purchase price and leaseback rental; and

WHEREAS, The proceeds from the sale of the Garage are to be allocated to the capital cost of the replacement bus garage with a portion to be allocated to the temporary leaseback and additional deadhead or other interim costs to be incurred from the time the Garage is vacated until the replacement garage at D.C. Village is operational; now, therefore be it

RESOLVED, That the following actions be taken in regard to the sale of the Garage and use of the proceeds therefrom:

- 1) The bid from the John Akridge Development Company in the amount of Sixty-Nine Million Two Hundred Fifty Thousand Dollars (\$69,250,000) for the purchase of the Garage is determined to be the most advantageous to the Authority in terms of

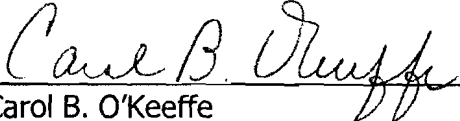
purchase price and leaseback rental and is hereby accepted on behalf of the Authority;

- 2) Sixty Million Dollars (\$60,000,000) of the sale proceeds is hereby allocated to the capital cost of the Garage replacement facility at D.C. Village. Said funds shall be deposited in an interest-bearing account with the principal and accrued interest applied to the Garage replacement project; and
- 3) Nine Million Two Hundred Fifty Thousand Dollars (\$9,250,000) of the sale proceeds is hereby allocated to the cost of the temporary leaseback of the Garage and the additional deadhead or other interim costs to be incurred from the time the Garage is vacated until the replacement garage at D.C. Village is operational. Said funds shall be deposited in an interest-bearing account with the principal and accrued interest applied to the Garage leaseback rental payments and the additional deadhead or other interim costs; and
- 4) Settlement on the sale of the Garage shall not occur until such time as i) the Board of Directors has approved the contractual arrangements for the purchase of the replacement bus garage property at D.C. Village from the District of Columbia and ii) the Board of Directors has approved the Garage replacement project and amendment of the Mass Transit Plan in accordance with the WMATA Compact.

and be it finally

RESOLVED, That this Resolution shall be effective immediately.

Reviewed as to form and legal sufficiency,



Carol B. O'Keeffe
General Counsel