



Planning, Program Development and Real Estate Committee

Item IV- A

October 10, 2013

**Approval of Takoma Amended
Joint Development Agreement**

Washington Metropolitan Area Transit Authority
Board Action/Information Summary

Action Information

MEAD Number:
200172

Resolution:
 Yes No

TITLE:

Approval of Takoma Amended JDA and Public Hearing

PRESENTATION SUMMARY:

Request Board approval of 1) an amended and restated Takoma Joint Development Sales Agreement (JDA) that provides for multifamily instead of townhouse development, better preservation of existing site features, including Metro facilities and open space for community use and for future transit improvements, additional Metro facilities, and greater revenue to Metro than under the existing agreement; and 2) a proposed compact public hearing on changes to WMATA facilities.

PURPOSE:

- Approve negotiation and execution of amended and restated Takoma Joint Development Sales Agreement; and
- Approve holding a compact public hearing on changes to Metro facilities.

DESCRIPTION:

Key Highlights:

The amended and restated agreement incorporates all of the desired joint development project attributes as defined in the *WMATA Joint Development Policies and Guidelines*. Further staff's approach toward the negotiation of the amended and restated agreement has followed the processes described in those guidelines.

Since January 2013, Metro staff has:

- Researched / reviewed historic community concerns;
- Conducted extensive outreach with community leaders in both the District of Columbia and Maryland;
- Conducted a Station Access and Transit Planning analysis to evaluate pedestrian, bicycle, bus, and vehicular access requirements;
- Created a plan that accommodates **transit first**; and
- Retooled the development program to then fit around the transit plan

Since July 2013, Metro staff has:

- Negotiated an approach for the preservation of public open space;
- Initiated a traffic study to assess effects of the proposed development on the

- surrounding traffic network; and
- Adjusted the development program (density, massing, setbacks, buffers) to respond to community concerns

The amended and restated agreement provides for:

- An approximately 212-unit mid-rise apartment building flanking an internal parking garage;
- Preservation of open space at Takoma that will be used by the general public;
- Metro customer metered parking on the first floor of the parking garage, owned and maintained by the developer with revenue to Metro;
- Ten Metro bus bays and one dedicated layover bay, including one new bus bay and one new dedicated layover bay;
- Improved pedestrian access to Metro entrances through the existing open space area that will be saved for future transit needs and for a public park;
- Reconfiguration of existing Kiss and Ride area to include spaces for shuttles;
- Preservation of a new Metro bike station for 105 bicycles to be installed by Metro near the station entrance in 2014; and
- Revenue from sale of the site that can be used for Metro capital programs

Background and History:

Metro issued a solicitation for the Takoma site in July 1999 and one year later signed a Board-approved term sheet with EYA, the developer that proposed to build townhouses. The parties deferred execution of a sales agreement until 2005, following completion of a District of Columbia small area plan for the station vicinity. The Metro Board approved a Compact Public Hearing Report on the relocation and replacement of Metro facilities in 2007, and the Federal Transit Administration approved the redevelopment agreement in March 2009. Over the course of the project development process, citizens of the Washington, DC Takoma neighborhood in which the project is located and adjacent Takoma Park, MD raised questions about the use of the site and the need for future Metro facilities. Staff undertook detailed research and analysis to address these concerns.

Once the concerns were resolved, though, financing for the project became unavailable due to the recession that began in 2008. Further, after the 2007 public hearing, enhanced Metro facility standards increased replacement costs and mid-rise development has occurred surrounding the site bringing into question, respectively, the financial feasibility of the project and the suitability of townhomes for the site.

As a result of these issues, Metro staff and the developer consulted local representatives and citizens to rethink the site plan. The result is an amended plan and financial structure for the Takoma station joint development project.

The Amended and Restated Joint Development Sales Agreement with EYA, the site's

developer, provides for the development of an approximately 212-unit mid-rise apartment building. The area used for development is currently the Metro metered parking lot. The apartments will flank an internal garage.

Metro staff and consultants conducted station access planning and analysis to assess the adequacy of transit facilities. As a result of this analysis, the following plan elements will be provided:

- Approximately 95 Metro metered parking spaces on the ground floor of the internal garage. These replace 141 metered spaces for Metro patrons which have historically not been more than 50% occupied. The developer will build the new spaces at its own cost and own and maintain the garage. Metro will install the meters and collect the revenue from the new spaces;
- A reconfigured Kiss and Ride area for Metro patrons, also on the ground floor of the garage, that will accommodate approximately the same number of vehicles as today's Kiss and Ride facilities and provide spaces for disabled customer pickup and dropoff and for shuttles;
- Preservation of the existing bus bay area with a slight expansion to the east to include overall ten bus bays and one dedicated layover bay, inclusive of one new dedicated layover bay and one new bus bay;
- A bike station for 105 bicycles to be installed by Metro in 2014 next to the station entrance; and
- New paths in the existing and largely preserved open space area that will recognize where pedestrians actually walk. The developer will re-landscape, refresh and maintain this open space area. Metro will dedicate one acre of this open space area for a permanent public park and retain the rest for future transit improvements as they are needed.

Metro will hold perpetual easements to preserve its access to and use of its parking and Kiss and Ride facilities on the developer's property, which comprises nearly three acres of the entire 6.8-acre site. Metro will continue to own the remainder.

Except for the bike station, which Metro will install in the near term, the developer will build the new Metro facilities at the developer's cost. In addition to the replacement and expansion of Metro facilities, the developer will pay Metro for the site upon closing which will occur following any additional, required Metro Board and Federal Transit Administration and zoning approvals.

Metro expects to hold an additional public hearing in the fall of 2013, after completion of a traffic study, to gather comments from the public on the revamped Metro facilities. The results will be brought to Metro's Board for approval. The District of Columbia will also review the project starting in the fall of 2013 under its Planned Unit Development (PUD) approval process.

Following PUD approval and local government building permit approvals, the developer will begin construction on the site in late 2016 or early 2017 depending upon the length

of time for Metro and public approvals. The project will take approximately 24 months to complete. The metered parking area will either be temporarily replaced or, if no temporary replacement is feasible, be unavailable during construction. In the latter case, customers will be directed to the nearest stations with parking. The Kiss and Ride area is expected to be temporarily relocated to curbside on abutting streets.

Discussion:

As discussed in Key Highlights, above, the *WMATA Joint Development Policies and Guidelines* outline 10 desired attributes of joint development projects relating to smart growth and transit-oriented development. The proposed amended joint development agreement for Takoma addresses all of these items as indicated below:

Joint Development Project Attributes:

Desired Project Attributes	How Addressed in Amended JDA
Integrate WMATA's transit facilities	WMATA reviewed transit access by all modes (pedestrian, bicycle, bus, private vehicle) to create a revised station access plan. Then, the development was fit around and above those transit functions.
Reduce automobile dependency	The proposed development increases the ratio of dwelling units per parking space, replacing the two-car garage townhomes that were previously envisioned.
Increase pedestrian/bicycle originated transit trips	The revised plan incorporates enhanced connections across the open space, and creates provisions for a Capital BikeShare station and Bike & Ride facility.
Foster safe station areas	The development helps to anchor the north end of the station property, replacing the surface parking lot. The new kiss-and-ride and short term parking has been designed to enhance safety through higher ceiling heights, increased lighting, and maintaining clear visibility to other areas of the property.
Enhance surrounding area connections to transit stations	Proposed improvement and paving of sidewalks help better connect pedestrians to the station from the surrounding community.
Provide mixed-use development including housing and the opportunity to obtain goods and services near transit stations	The development is residentially-focused, but will help create additional foot-traffic to support the existing retail corridors in Takoma and Takoma Park.
Offer active public spaces	The proposed development incorporates existing open space, and also preserves a portion of that space in perpetuity for a public park.

Promote and enhance ridership	The project provides for increased density on the site and reduced private automobile parking compared to the previous townhome plan. Together, these actions help create a more transit-focused development.
Generate long-term revenues for WMATA	The project will provide an immediate cash payment to WMATA, as well as increased revenues associated with development-generated ridership.
Encourage revitalization and sound growth in the communities that WMATA serves	The proposed development is more representative of transit-oriented development. The mid-rise massing is also more consistent with surrounding projects. Through careful massing and site planning, the development team has reduced the impact of the building on the Eastern Ave frontage to better respect the single family homes on the opposite side of the street.

Community Engagement

In arriving at a project that addressed the attributes described above, WMATA staff worked very closely with the community over a period of several months. Staff engaged elected officials and community leaders in both Takoma (DC) and Takoma Park (MD) at the outset of this process to gain a better understanding of the community's concerns with the prior development program. As the re-design moved forward, staff returned to the community to present revised station area plans and conceptual plans to gain additional input. At each step in the process, staff focused on pushing as much information as possible to the community to demonstrate how the community's concerns were being addressed through subsequent refinements in the plan.

This community engagement will not end upon approval of the amended joint development agreement, however. As described below subsequent public hearings will include a WMATA Compact Public Hearing to collect feedback on the revised transit facilities as well as public hearings and community meetings related to the Planned Unit Development process.

Development Overview

The Amended and Restated Joint Development Sales Agreement with EYA, the site's developer, provides for the development of an approximately 212-unit mid-rise apartment building. The area used for development is currently the Metro metered parking lot. The apartments will flank an internal garage.

As originally designed in the spring of 2013, the project had approximately 266 multifamily units. Owing to Metro review and requirements for improved pedestrian access to the station and to community concerns about massing along Eastern Avenue, the overall footprint of the project has been substantially reduced, and four stories along Eastern Avenue have been reduced to three stories. This has resulted in a 20%

decrease in the number of apartment units.

Also in response to community concerns, the project will include one acre of open space that will be preserved in perpetuity for public use. The open space will be maintained by the developer.

Station Access Planning and Analysis

Metro staff and consultants conducted station access planning and analysis to assess the adequacy of transit facilities. As a result of this analysis, the following plan elements will be provided:

- Approximately 95 Metro metered parking spaces on the ground floor of the internal garage. These replace 141 metered spaces for Metro patrons which have historically not been more than 50% occupied. The developer will build the new spaces at its own cost and own and maintain the garage. Metro will install the meters and collect the revenue from the new spaces;
- A reconfigured Kiss and Ride area for Metro patrons, also on the ground floor of the garage, that will accommodate approximately the same number of vehicles as today's Kiss and Ride facilities and provide spaces for disabled customer pickup and dropoff and for shuttles;
- Preservation of the existing bus bay area with a slight expansion to the east to include overall ten bus bays and one dedicated layover bay, inclusive of one new dedicated layover bay and one new bus bay;
- A bike station for 105 bicycles to be installed by Metro in 2014 next to the station entrance; and
- New paths in the existing and largely preserved open space area that will recognize where pedestrians actually walk. The developer will re-landscape, refresh and maintain this open space area. Metro will dedicate one acre of this open space area for a permanent public park and retain the rest for future transit improvements as they are needed.

Metro will hold perpetual easements to preserve its access to and use of its parking and Kiss and Ride facilities on the developer's property, which comprises nearly three acres of the entire 6.8-acre site. Metro will continue to own the remainder.

Except for the bike station, which Metro will install in the near term, the developer will build the new Metro facilities at the developer's cost. In addition to the replacement and expansion of Metro facilities, the developer will pay Metro for the site upon closing which will occur following any additional, required Metro Board and Federal Transit Administration and zoning approvals.

Subsequent Public Hearings

Metro expects to hold an additional public hearing in the fall of 2013, after completion of a traffic study, to gather comments from the public on the revamped Metro facilities. The results will be brought to Metro's Board for approval. The District of Columbia will also review the project starting in the winter/spring of 2014 under its Planned Unit Development (PUD) approval process.

Development Process and Timing

Following PUD approval and local government building permit approvals, the developer will begin construction on the site in late 2016 or early 2017 depending upon the length of time for Metro and public approvals. The project will take approximately 24 months to complete. The metered parking area will either be temporarily replaced or, if no temporary replacement is feasible, be unavailable during construction. In the latter case, customers will be directed to the nearest stations with parking. The Kiss and Ride area is expected to be temporarily relocated to curbside on abutting streets.

FUNDING IMPACT:

There is no immediate impact on funding. Upon a closing of the sale of the property, Metro will receive replacement parking facilities, new bus improvements, enhanced pedestrian and bike access to the station plus cash that can be used for other Metro needs.	
Project Manager:	Rosalyn Doggett
Project Department/Office:	CFO/LAND

TIMELINE:

Previous Actions	July 2000 – Board approval of Term Sheet with developer June 2005 -- Execution of Sales Agreement after completion of DC small area plan Nov 2007 -- Board Approval of Compact Public Hearing Report March 2009-- FTA approval of project
Anticipated actions after presentation	Sept 2013 -- Execution of amended and restated agreement Fall 2013 -- Second Compact Public Hearing 2016-17-- Closing on sale of property after local approvals

RECOMMENDATION:

- Approve negotiation and execution of amended and restated Takoma Joint Development Sales Agreement; and
- Approve holding a compact public hearing on changes to Metro facilities.



Washington Metropolitan Area Transit Authority

Approval of Takoma Amended Joint Development Agreement and Compact Public Hearing

Planning, Program Development and Real Estate Committee

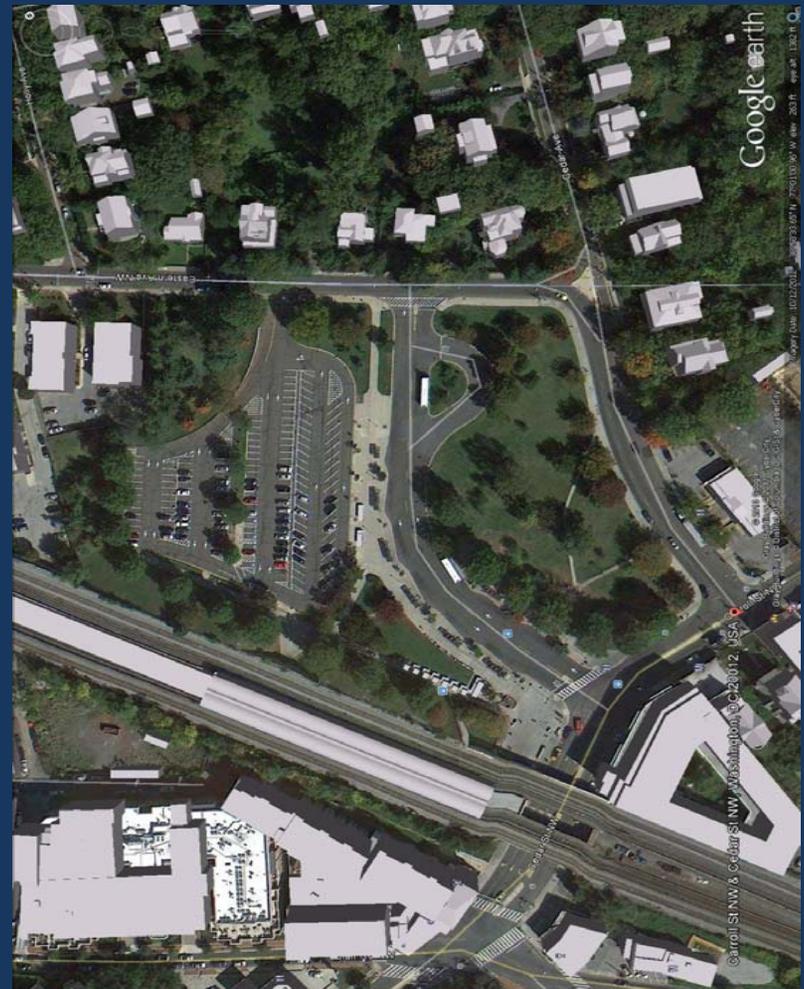
October 10, 2013



Purpose

Request Board authorization to:

- Negotiate and execute an Amended and Restated Sales Agreement for the Takoma Joint Development
- Conduct a Compact Public Hearing





Background

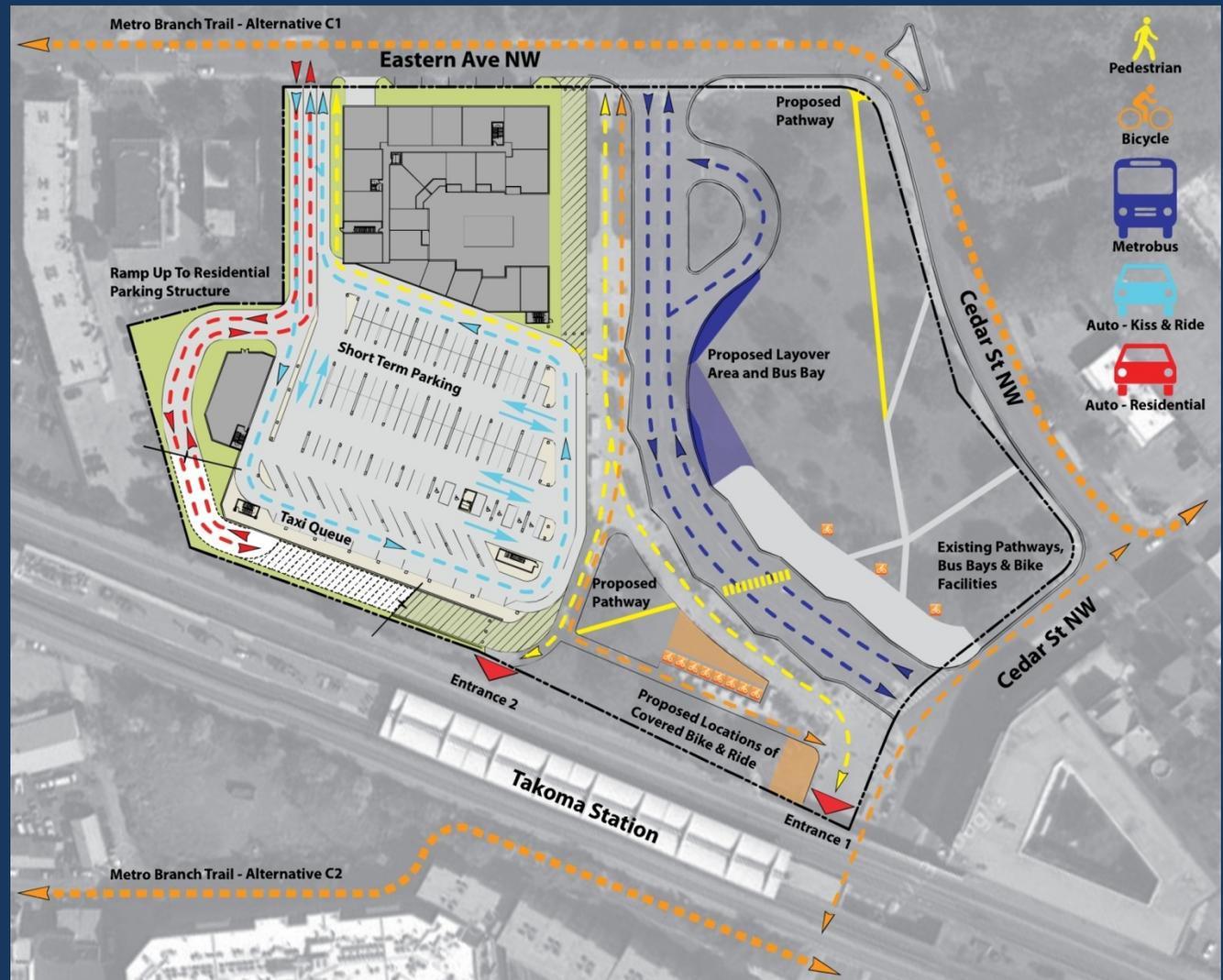
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 - Researched / reviewed historic community concerns
 - Conducted outreach with community leaders (MD and DC)
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- Since July 2013 we have. . .
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 - Initiated a traffic study
 - Adjusted the development program (density, massing, setbacks, buffers) to respond to community concerns



Background – Revised Takoma Plan

The new plan addresses:

- Development context
- Site constraints
- Metro transit needs
- Community needs and objectives





Background – Revised Takoma Plan





Background – Revised Takoma Plan





Background – Achievement of Joint Development Policy Objectives

Objective	Achieved
Integrate WMATA's transit facilities	✓
Reduce automobile dependency	✓
Increase pedestrian/bicycle originated transit trips	✓
Foster safe station areas	✓
Enhance surrounding area connections to transit stations	✓
Provide mixed-use development including housing and the opportunity to obtain goods and services near transit stations	✓
Offer active public spaces	✓
Promote and enhance ridership	✓
Generate long-term revenues for WMATA	✓
Encourage revitalization and sound growth in the communities that WMATA serves	✓



Benefits for Community

- Multifamily housing with less parking per unit = TOD
- More residents who will walk to and support local businesses and services
- Less disruption to existing bus loop
- Improved pedestrian access to station entrance
- Preservation and enhancement of existing open space
- New bicycle station accommodated
- Space for shuttles from nearby development



Benefits for Metro

- Provides space for future transit needs
- More riders and associated ridership revenue
- Increased project revenue, resulting from reduced cost of Metro facilities.
- Support of *Momentum* goals to:
 - Improve regional mobility and connect communities
 - Insure financial stability and invest in our people and assets



Next Steps

- WMATA Board – Approval of Amended Joint Development Agreement (JDA); Approval to Conduct a Compact Public Hearing
- **Compact Public Hearing** (including traffic study results)
- WMATA Board - Approval of Compact Public Hearing Report; Approval to Amend JDA (if necessary)
- **Planned Unit Development (PUD) Preparation** (including Community Meetings)
- PUD and HPRB Submissions
- **Zoning Commission Set-down Hearing**
- **Community Meetings**
- **Zoning Commission Full Public Hearing**



Recommendation

Board authorize staff to:

- Negotiate and execute an Amended and Restated Sales Agreement for the Takoma Joint Development
- Conduct a Compact Public Hearing



SUBJECT: APPROVAL OF AN AMENDED AND RESTATED SALES AGREEMENT FOR JOINT DEVELOPMENT AND APPROVAL TO HOLD A SECOND PUBLIC HEARING ON THE REPLACEMENT OF METRO FACILITIES AT THE TAKOMA METRORAIL STATION

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

WHEREAS, In July 1999, the Washington Metropolitan Area Transit Authority (WMATA) issued a Joint Development Solicitation requesting proposals to develop the Takoma Metrorail Station joint development site; and

WHEREAS, On April 20, 2000, the Board of Directors selected EYA Development, Inc. to develop the Takoma Metrorail Station site; and

WHEREAS, A Purchase, Sale and Development Agreement between WMATA and Takoma Metro Associates Limited Partnership (an affiliate of EYA Development, Inc.) was executed on June 20, 2005; and

WHEREAS, On November 8, 2007, the Board of Directors approved a Final Public Hearing Staff Report for the replacement and reconfiguration of Metro facilities at the site; and

WHEREAS, Subsequent to the approval of the Final Public Hearing Staff Report, WMATA and EYA Development, Inc. have revised redevelopment plans for the site to take into account community input and development changes in the surrounding area; and

WHEREAS, The Amended and Restated Takoma Joint Development Sales Agreement is with TM Associates, LLC, as successor to Takoma Metro Associates Limited Partnership and which also is an affiliate of EYA Development, Inc.; and

WHEREAS, The Amended and Restated Takoma Joint Development Sales Agreement contemplates the development of approximately 212 apartment units, but not less than 180,000 gross square feet of apartment development; and

WHEREAS, Residents of the proposed apartment development will increase ridership for the Metrorail system and support for local businesses; and

WHEREAS, The Amended and Restated Takoma Joint Development Sales Agreement provides that WMATA will dedicate one acre of land at the station for a permanent public park; and

WHEREAS, The Concept Plan incorporated in the Amended and Restated Takoma Joint Development Sales Agreement substantially alters the placement of Metro facilities previously approved thus necessitating a second Metro Public Hearing; and

WHEREAS, Those facilities will now include:

1. Relocated metered parking for Metro patrons on the ground floor of a garage that will be owned and operated by TM Associates, LLC or its successors and to include approximately 95 metered spaces instead of the current 141 surface lot metered spaces; and
2. Reconfigured Kiss and Ride facilities adjacent to the Metro metered parking area in the garage and additional spaces for taxis and shuttles, all totaling approximately 20 spaces; and
3. A bus loop in the current location containing the existing nine bus bays plus one additional bus bay and one new dedicated layover bay; and
4. Improved pedestrian access to the station entrance from Eastern Avenue/Cedar Street through the open space area reserved for future transit; and
5. A public park of one acre owned by WMATA and maintained by TM Associates, LLC or its successors; now, therefore be it:

RESOLVED, That the Board of Directors approves the negotiation and execution of the Amended and Restated Takoma Joint Development Sales Agreement; and be it further

RESOLVED, That the Board of Directors approves the holding of a second Public Hearing on the replacement of Metro facilities at the Takoma Metrorail Station; and be it further

RESOLVED, That the General Manager and Chief Executive Officer (GM/CEO), in coordination with the Board of Directors, will establish the date, time and location of the hearing; and be it further

RESOLVED, That the Board of Directors authorizes the GM/CEO to release the Public Hearing Staff Report for public comment, as soon as the Staff Report is available, subject to later submission of the Staff Report Supplement, with final staff recommendations to the Board of Directors for its approval. All Board members will receive the Staff Report concurrently with its release for public review; and be it finally

RESOLVED, That this Resolution shall be effective immediately.

Reviewed as to form and legal sufficiency,


Kathryn H.S. Pett
General Counsel

WMATA File Structure Nos.:
12.7.3 Station Area Plans
21.9.4 Joint Development Agreements

PROPOSED