

Washington Metropolitan Area Transit Authority
Board Action/Information Summary

☒ Action ☐ Information

MEAD Number:
202289

Resolution:
☒ Yes ☐ No

TITLE:

Excess property sale in College Park, Maryland

PRESENTATION SUMMARY:

Request Board approval to execute the sale of excess property located at 4928 College Avenue in College Park, Maryland for a price that exceeds \$1 million

PURPOSE:

To obtain Board approval of the sale of excess property located at 4928 College Avenue in College Park, Maryland for a price that exceeds \$1 million.

DESCRIPTION:

Metro's brokerage firm marketed 4928 College Avenue in College Park, Maryland through an open bidding process in 2021. Staff has completed negotiations with a highest bidder and seeks Board approval for the sale of property to 4 Castles, LLC for \$1,727, 654.

The party with an interest in this matter is **4 Castles, LLC**.

Key Highlights:

- This is excess (surplus) property and has no future transit purpose
- The property was offered through an open competitive process in 2021

Background and History:

~~The unimproved property located at 4928 College Avenue, in College Park, Maryland is approximately 23,560 square feet (0.54 acres). The property was originally acquired in 1992 and housed a project construction office for a portion of the Green Line. The building was demolished in 2014 when it was determined that its rehabilitation would be cost prohibitive. The property has not been used since the Green Line segment to College Park was completed and is no longer needed for transit purposes.

In 2017, Metro conducted an inventory of stand-alone excess properties to determine which were in a positive market position to be sold, thereby decreasing Metro's operational maintenance costs and generating revenue.

Excess or surplus properties are defined as properties not adjacent to Metro stations or operational facilities. Revenue from excess property sales is classified as capital funds and applied to WMATA capital projects.

Prior to marketing this site for sale, Metro provided local jurisdictions the opportunity to acquire the property at the appraised fair market value of \$1,060,000. No interest was expressed by any local agencies. Earlier this year, NAI Michael, Metro's brokerage company, marketed the property through an open competitive process, resulting in multiple offers.

Discussion:

The property has not been used since the extension of the Green Line to College Park and is not needed for transit purposes.

The proposed purchaser, 4 Castles, LLC, submitted the highest bid for a purchase price of \$1,727,654. Per Board Resolution 2011-30, Board approval is needed for an excess property sale valued at over \$1 million. Staff has received concurrence on the purchase amount from the Federal Transit Administration.

Staff anticipates closing on the property in December 2021.

FUNDING IMPACT:

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|---|---------------|
| No impact on funding. This is a revenue generating transaction. | |
| Project Manager: | James Abadian |
| Project Department/Office: | CFO/LAND |

TIMELINE:

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|---|--|
| Previous Actions | None |
| Anticipated actions after presentation | Close on sale by calendar 2021 year-end. |

RECOMMENDATION:

Board approval of the sale of excess property located at 4928 College Avenue in College Park, Maryland for a price that exceeds \$1 million.

SUBJECT: APPROVAL OF SALE OF EXCESS PROPERTY LOCATED AT 4928 COLLEGE AVENUE IN COLLEGE PARK, MARYLAND

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

WHEREAS, Resolution 2011-30 requires Board of Directors approval for the sale of property valued over \$1 million; and

WHEREAS, WMATA acquired the property located at 4928 College Avenue, College Park, Maryland ("College Avenue Property") as part of the Green Line Metrorail system construction; and

WHEREAS, Staff has determined that the College Avenue Property is no longer needed for operational purposes; and

WHEREAS, Staff has negotiated a purchase and sale agreement for the College Avenue Property, with the purchase price exceeding \$1 million;

NOW, THEREFORE, be it

RESOLVED, That the Board of Directors approves the sale of 4928 College Avenue in College Park, Maryland; and be it finally

RESOLVED, That this Resolution shall be effective 30 days after adoption in accordance with Compact Section 8(b).

Reviewed as to form and legal sufficiency,

/s/ _____
Patricia Y. Lee
General Counsel