

Washington Metropolitan Area Transit Authority
Board Action/Information Summary

☒ Action ☐ Information

MEAD Number:
202265

Resolution:
☒ Yes ☐ No

TITLE:

Prince George's County Parking Fund Agreement

PRESENTATION SUMMARY:

Metro and Prince George's County have negotiated an agreement that governs the use of excess parking surcharge funds resulting from the defeasance of the MDTA bonds and the termination of the Amended and Restated Surcharge Implementation Agreement between Metro, the County and the Maryland Transportation Authority (MDTA).

PURPOSE:

Board approval to execute a Parking Fund Agreement with Prince George's County

DESCRIPTION:

Prince George's County (County), the Maryland Transportation Authority (MDTA), and Metro agreed to defease the MDTA bonds and terminate the Prince George's County Amended and Restated Surcharge Implementation Agreement dated September 2002 (Surcharge Agreement), which the Board approved in December 2020. The Board's approval to terminate the Surcharge Agreement also included approval to transfer any remaining fund balance in the Surcharge Reserve Fund (Fund) to a new dedicated account (Dedicated Account). Metro and the County have negotiated an agreement which would govern the use of any funds moved to the Dedicated Account and seeks Board approval to enter into this parking fund agreement.

Key Highlights:

- Approximately \$5.7 million will be left in the Fund after all of MDTA's bonds are defeased in April 2021.
- Upon settlement of the bond defeasance, the funds will be placed into a Dedicated Account, available for construction of additional parking structures on WMATA-owned property and parking, pedestrian, bicycle, and other station access improvements at Metrorail stations in Prince George's County, in accordance with the negotiated Parking Fund Agreement between Metro and the County.

Background and History:

Surcharge parking fees collected by Metro are deposited in a reserve account and used to repay MDTA debt service. The surcharge fees were imposed on Metro's parking facilities within Prince George's County. Therefore, with the decision to pay off (i.e., defease) MDTA's bonds, the County and Metro wish to use any remaining reserve account fund balance on required parking pedestrian, bicycle, and other station access improvements at Metrorail stations in Prince George's County. The funds could also be used to establish a new Dedicated Account that supports a new parking fund agreement between the County and Metro.

In December 2020, the Board approved defeasing the MDTA bonds and terminating the Surcharge Agreement (Resolution 2020-45). This action allows MDTA to defease their existing facility bonds. Consistent with the schedule presented to the Board in December 2020, the parties to the Surcharge Agreement are prepared to sign all required termination documentation before the end of April 2021.

Additionally, Resolution 2020-45 approved the transfer of any fund balance remaining in the Surcharge Agreement's reserve account to a Dedicated Account. The current Fund balance is \$23.7 million; the estimated settlement amount to defease MDTA's bonds is \$18.0 million. The Fund balance of \$5.7 million is available to be placed into a new Dedicated Account, which is the subject of a new parking fund agreement (Parking Fund Agreement) between Metro and Prince George's County.

Discussion:

The County and Metro have negotiated a Parking Fund Agreement that sets forth the approved uses of such funds. Staff seeks Board approval of the Parking Fund Agreement between Metro and the County that will govern the use of approximately \$5.7 million for parking and/or station access improvements in Prince George's County.

FUNDING IMPACT:

Define current or potential funding impact, including source of reimbursable funds.	
Project Manager:	Nina Albert
Project Department/Office:	CFO/LAND

TIMELINE:

Previous Actions	December 2020: Board approval of Resolution 2020-45 which authorized creation of a Dedicated Account.
Anticipated actions after presentation	April 28, 2021: Defeasance of MDTA bonds; transfer parking Fund balance to new dedicated account.

RECOMMENDATION:

Approval to execute a Parking Fund Agreement with Prince George's County.

SUBJECT: APPROVAL TO EXECUTE A PARKING FUND BALANCE AGREEMENT WITH
PRINCE GEORGE'S COUNTY

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

WHEREAS, On December 10, 2020 (Resolution 2020-45), the Board of Directors authorized the General Manager and Chief Executive Officer or his designee to: (i) use the Prince George's County Surcharge Reserve Fund ("Fund") balance first to defease the Maryland Transportation Authority ("MDTA") bonds issued for the construction of Prince George's County Metro parking facilities; (ii) upon defeasance of the MDTA bonds, reduce the surcharge amount from up to \$1.25 to \$0.00 at Prince George's County Metro parking facilities and then terminate the Amended and Restated Surcharge Implementation Agreement, ("Surcharge Agreement") with Prince George's County and MDTA; and (iii) transfer any remaining Fund balance to a dedicated account ("Dedicated Account") to support future parking and/or station access infrastructure at Prince George's County Metro stations; and

WHEREAS, The Fund balance is \$23.7 million and the estimated settlement amount to defease MDTA's bonds is \$18.0 million, leaving a Fund balance of \$5.7 million to transfer into the Dedicated Account; and

WHEREAS, WMATA and Prince George's County have negotiated a parking fund agreement that sets forth the terms and conditions for using the Fund balance after it is transferred into the Dedicated Account;

NOW, THEREFORE, be it

RESOLVED, That the Board of Directors authorizes the General Manager and Chief Executive Officer or his designee to execute a parking fund agreement that sets forth the terms and conditions for using the balance remaining in the Surcharge Reserve Fund after defeasing the Maryland Transportation Authority bonds issued for construction of Metro parking facilities in Prince George's County, which balance will be transferred into a dedicated account to support future parking and/or station access infrastructure at Prince George's County Metro stations; and be it finally

RESOLVED, That this Resolution shall become effective 30 days after adoption in accordance with § 8(b) of the Compact.

Reviewed as to form and legal sufficiency,

/s/ Patricia Y. Lee

Patricia Y. Lee
Executive Vice President and General Counsel

WMATA File Structure No.:
12.8.4 Parking Facility Surcharges

PROPOSED