



Planning, Program Development and Real Estate Committee

Item IV- A

December 5, 2013

**Approval to Add College Park to 2013
Joint Development Work Plan**

Washington Metropolitan Area Transit Authority
Board Action/Information Summary

Action Information

MEAD Number:
200481

Resolution:
 Yes No

TITLE:

College Park Joint Development Offering

PRESENTATION SUMMARY:

The Office of Real Estate and Station Planning (LAND) proposes to offer the land adjacent to the College Park-U of MD Metro Station for private sector joint development. This site was last offered for development in 2003. After a decade of lack of progress by the selected developer, LAND terminated that developer in late October. LAND would now like to re-offer this site as part of a previously-planned Joint Development Solicitation.

PURPOSE:

Request Board approval to offer the land east of and adjacent to the College Park-U of MD Metro Station for private sector joint development.

DESCRIPTION:

WMATA issued a Joint Development Solicitation for five joint development sites (Brookland-CUA, Fort Totten, Grosvenor-Strathmore, Morgan Boulevard and Navy Yard) on November 4, 2013. LAND proposes to issue a second Joint Development Solicitation for additional sites; the Board has already approved the inclusion of the sites included or to be included in those Joint Development Solicitations. LAND now proposes to add the land at the College Park-U of MD Metro Station to that second, forthcoming, Joint Development Solicitation.

Key Highlights:

The College Park-U of MD Metro Station contains approximately 15.64 acres of land available for development adjacent to the Station itself. A north-south strip of land approximately 40 feet wide, parallel to the Green Line tracks, the Metro Station and the Metro parking garage, is proposed to be used for the light rail Purple Line proposed by the Maryland Transit Administration. The balance of the land is available for private sector development. Both Prince George's County and the City of College Park have previously identified this property as developable within the framework of their own economic planning.

Metro has issued previous Joint Development Solicitations for this property. The most recent was in 2003. A developer was chosen as a result of that Solicitation. However, WMATA has recently terminated negotiations with that developer due to a failure to reach agreement in accordance with the terms of that Solicitation.

The Office of Real Estate and Station Planning proposes that this property again be

made available for private development.

Background and History:

The land adjacent to the College Park-U of MD Metro Station was last made available for private development in a Joint Development Solicitation dated July 31, 2003. In the Spring of 2014, the Board approved the selection of Fairfield Residential and Manekin to jointly develop the site.

The project was delayed for various reasons, including litigation by a third party, uncertainty over the location of the proposed Purple Line right-of-way, and the recession that began in 2007/2008.

The litigation was resolved, the route of the Purple Line became sufficiently defined, and Metro staff persevered in negotiating with the selected developers. On June 27, 2013, the Board approved a term sheet and a term sheet was signed that same day. Metro staff submitted a draft Joint Development Agreement to the developers in August 2013. However, material disagreements as to timing emerged, no negotiations ensued, and a Joint Development Agreement was not signed. The 2003 Joint Development Solicitation put the developers at risk of having their status terminated if a Joint Development Agreement was not signed within 120 days after the Board approved a term sheet. LAND considered Friday, October 25, 2013 to be that 120th day and on Monday, October 28 LAND terminated Fairfield Residential's and Manekin's status as the selected developer.

This site is therefore available again.

Discussion:

The Metro-owned land adjacent to the College Park-U of Md Metro Station is often considered one of the more developable parcels owned by Metro in Prince George's County. Both Prince George's County and the City of College Park have focused on this site and the (non-Metro) land south and east of this Metro Station as areas of emphasis. However, due to a variety of factors, the property has not yet been developed. As stated above, Metro has recently terminated the development rights of the most recently selected development team for failing to proceed within the time period established by the 2003 Joint Development Solicitation. With a new Joint Development Solicitation just published for other sites and a second round of sites to be offered early in 2014, LAND would like to now add the land at the College Park-U of MD Metro Station to that second round Joint Development Solicitation.

The 2003 Joint Development Solicitation for this site -- the most recent offering -- offered the entire site as a single parcel. However, development of the northern half of the site has long been problematic whereas development of the southern half of the site has seemed far more straightforward. It now appears that the nature of the site lends itself to two separate developments. The southern part of the site, essentially where the surface parking lot is located, is flat and rectangular and development of that parcel does not adversely affect Metro operations. (The surface parking lot on the site was slated for closure, so that it could be developed, as part of the construction of the Metro parking garage at the northern end of the site. That garage began operations in

2005.) That southern portion of the site seems well-suited for multifamily residential development. The northern portion of the site is more problematic. It is somewhat triangular, slopes downward at its northernmost point, contains the current bus loop, and is more adversely affected by the routing of the Purple Line.

Accordingly, thought is being given to offering the College Park-U of MD site as two separate parcels. Although this seems more complicated than offering the site as one entire parcel, the development problems affecting the northern end may have prevented development of the southern end.

FUNDING IMPACT:

Define current or potential funding impact, including source of reimbursable funds.	
Project Manager:	Steven A. Teitelbaum, Senior Real Estate Advisor, LAND
Project Department/Office:	Deputy General Manager for Administration (DGMA)/Office of Real Estate and Station Planning (LAND)

There is no impact on funding because there is no material cost to Metro to offering this land for private development. To the contrary, the offering of this property is intended to be accretive to Metro's funding.

TIMELINE:

Previous Actions	<p>July 2003 -- Joint Development Solicitation issued for this site. JDS required developer to enter into a Joint Development Agreement within 120 days after the Board approved a term sheet.</p> <p>April 2004 -- Board approves selection of Fairfield Residential and Manekin as developers for this site.</p> <p>June 27, 2013 -- Board approves negotiation of term sheet for this site. Term sheet is signed that same day.</p> <p>October 25, 2013 -- 120th day after June 27, 2013. No Joint Development Agreement signed and none likely any time soon. LAND sends termination notice to developers on October 28, 2013.</p>
Anticipated actions after presentation	<p>Early 2014 -- New Joint Development Solicitation proposed to be issued for five Metro-owned sites. If the Board approves issuing a Joint Development Solicitation for College Park-U of Md, it could be added to that next Joint Development Solicitation.</p>

RECOMMENDATION:

Board approval to offer the land adjacent to the College Park-U of MD Metro Station for private sector joint development.

SUBJECT: APPROVAL TO OFFER LAND AT COLLEGE PARK – U OF MD METRO STATION FOR JOINT DEVELOPMENT

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

WHEREAS, In July 2003, WMATA issued a Joint Development Solicitation requesting proposals to develop the College Park – U of MD Metro Station joint development site, being land on the east side of that Metro Station; and

WHEREAS, In April 2004 the Board of Directors selected developers for that purpose; and

WHEREAS, On June 27, 2013, the Board of Directors authorized the negotiation of a term sheet with those developers and a term sheet was executed that same day; and

WHEREAS, The term sheet provided 120 days to complete and sign a Joint Development Agreement; and

WHEREAS, No Joint Development Agreement was signed within 120 days after June 27, 2013, nor was a Joint Development Agreement imminent, and WMATA terminated the selection of those developers on October 28, 2013; and

WHEREAS, WMATA is preparing to issue a Joint Development Solicitation offering various sites owned by WMATA for private sector joint development; and

WHEREAS, The Board of Directors has been asked to approve the inclusion of the College Park – U of MD Metro Station joint development site in that forthcoming Joint Development Solicitation; now therefore be it:

RESOLVED, That the Board of Directors approves the inclusion of the College Park – U of MD Metro Station joint development site, being land located on the east side of that Metro Station, in a forthcoming Joint Development Solicitation; and be it further

RESOLVED, That the Board of Directors authorizes the offering of the College Park – U of MD joint development site in one or more parcels, as the General Manager/Chief Executive Officer, working in consultation with WMATA Staff, may determine appropriate; and be it further

RESOLVED, That this Resolution shall be effective immediately.

Reviewed as to form and legal sufficiency,



Kathryn H.S. Pett
General Counsel

WMATA File Structure No.:
21.9.4 Joint Development Agreements

PROPOSED



Washington Metropolitan Area Transit Authority

Offering of Land at College Park-U of MD Metro Station for Joint Development

Planning, Program Development
and Real Estate Committee

December 5, 2013



Purpose

Obtain approval of offering of Metro-owned land at the College Park – U of Md Station for private sector joint development





Background – History

2003 – 2004	Site offered in July 2003 Joint Development Solicitation; Board approved selected developer in April 2004
June 2013	Metro and selected developer signed a non-binding term sheet
October 2013	Metro terminated negotiations for failure to enter into a Joint Development Agreement within 120 days after term sheet approved by Board, per the original 2003 JDS
Late 2013	Metro staff proposes to include this site in a forthcoming Joint Development Solicitation



Site Description





Potential Benefits

- Development at College Park Metro Station would:
 - Potentially increase ridership
 - Serve as catalyst for development of surrounding Station area
- Development supports two *Momentum* strategic plan goals:
 - Improve regional mobility and connect communities
 - Ensure financial stability and invest in our people and assets





Recommendation

Approve the offering of Metro-owned land at the College Park – U of Md Station for private sector joint development

