

Washington Metropolitan Area Transit Authority
Board Action/Information Summary

☒ Action ☐ Information

MEAD Number:
202100

Resolution:
☒ Yes ☐ No

TITLE:

Excess property sale in Largo, MD & Alexandria, VA

PRESENTATION SUMMARY:

Metro desires to sell or dispose of its excess (or surplus) properties and has been actively marketing such properties since January 2019. Staff has completed negotiations for the sale of two properties, each valued over \$1 million, which requires Board approval.

PURPOSE:

Staff requests Board approval for the sale of two excess properties located at 9400 Lottsford Road in Largo, MD and 5708 Vine Street in Alexandria, VA, each valued over \$1 million.

DESCRIPTION:

Key Highlights:

- Disposing of or selling excess property reduces on-going maintenance expense and generates new revenue.
- Staff has been actively marketing approximately 10 properties since January 2019
- Board approval is requested as purchase agreements are negotiated
- Purchase and sale agreements have been negotiated for two properties
- One property located at 9400 Lottsford Road in Largo, MD and another at 5708 Vine Street in Alexandria, VA,
- Each are valued at more than \$1 million

Background and History:

Metro has typically acquired property for the Metrorail system using Federal funds, which mandates how Metro manages such properties. When properties are no longer needed for operational purposes, Metro may declare such

properties as “excess” (or surplus) and follow the Federal Transit Administration’s (FTA) rules for excess property disposition. The reasons for disposing of excess property include (i) reducing Metro’s maintenance expense, (ii) generating revenue, and (iii) making the property available for jurisdictional or private uses.

When disposing of property, staff must also comply with Board Resolution 2011-30, which requires Board of Directors approval for any real estate property sale valued over \$1 million.

In January 2019, staff put approximately 10 excess properties on the market using a real estate broker (NAI Michael) to advertise the sites. Since January 2019, staff has completed several purchase and sale agreements, of which two currently require Board approval, as the sales prices each exceed \$1 million.

Discussion:

The two properties for which Metro staff has negotiated purchase and sales agreements are (1) 9400 Lottsford Road in Largo, Maryland and (2) 5708 Vine Street in Alexandria, Virginia.

(1) The Lottsford Road property was acquired by Metro as part of the Blue Line extension to Largo, Maryland and has an underground rail car storage facility. The surface of the property has never been used for operational purposes and resembles a greenfield. **9400 Lottsford Road, LLC** is the purchaser and has agreed to pay Metro in excess of the asking price of \$1,600,000 for approximately 3 acres of unimproved land. Metro will retain permanent easements for the underground rail car storage facility.

(2) The Vine Street property was acquired by Metro as part of the Blue Line extension to Franconia-Springfield. This lot has been leased by Metro to a car dealership for the last fourteen years. **Yates Holdings, LLC** is the purchaser and has agreed to pay Metro in excess of the asking price of \$1,000,000 for approximately 0.69 acres of land. There are no Metro operational facilities on this lot.

Since each property will be sold for more than \$1 million, staff seeks Board approval to finalize the purchase and sale agreements. Subsequent to receiving Board approval, staff will seek FTA concurrence of the excess property dispositions.

FUNDING IMPACT:

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| This is a revenue-generating transaction. | |
| Project Manager: | Cynthia Jachles |
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| Project Department/Office: | LAND/CFO |
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TIMELINE:

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| Previous Actions | None |
| Anticipated actions after presentation | Acquire concurrence with the purchase price for each site from the Federal Transit Administration (FTA) Assuming FTA concurrence, go to settlement with 9400 Lottsford Road, LLC and Yates Holdings, L.L.C. |

RECOMMENDATION:

Approve the sale of two excess properties located at 9400 Lottsford Road in Largo, MD and 5708 Vine Street in Alexandria, VA, each valued over \$1 million.

SUBJECT: APPROVAL OF SALE OF EXCESS PROPERTY LOCATED AT 9400 LOTTSFORD ROAD, LARGO, MD AND 5708 VINE STREET, ALEXANDRIA, VA

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

WHEREAS, Resolution 2011-30 requires Board approval to sell real property valued over \$1 million; and

WHEREAS, WMATA acquired the property located at 9400 Lottsford Road in Largo, Maryland as part of the Blue Line extension to Largo Town Center, which except for permanent easements for an underground rail car storage facility, is no longer needed for operational purposes; and

WHEREAS, WMATA acquired the property located at 5708 Vine Street in Alexandria, Virginia as part of the Blue Line construction to Franconia-Springfield, which is no longer needed for operational purposes; and

WHEREAS, Staff has negotiated purchase and sale agreements for the properties, with each purchase price exceeding \$1 million;

NOW, THEREFORE, be it

RESOLVED, That the Board approves the sale of 9400 Lottsford Road in Largo, Maryland; and be it further

RESOLVED, That the Board approves the sale of 5708 Vine Street in Alexandria, Virginia; and be it finally

RESOLVED, That this Resolution shall be 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
General Counsel

WMATA File Structure No.:
21.3.1 Fee Simple Disposal

PROPOSED