Report by Finance and Capital Committee (A) 09-24-2020

Washington Metropolitan Area Transit Authority Board Action/Information Summary

Action Information	MEAD Number: 202178	Resolution: ● Yes ○ No
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TITLE:

Grosvenor-Strathmore Compact Public Hearing Report

PRESENTATION SUMMARY:

Metro held a Compact public hearing on three options for how to proceed with the replacement of approximately 196 parking spaces at Grosvenor-Strathmore Metro Station. Those options are to (1) eliminate the 196 spaces and amend the Mass Transit Plan, (2) defer the decision, or (3) move forward now with replacing the 196 spaces. The Compact Hearing Staff Report recommends deferring the decision to reduce the parking count until parking trends at this Metro Station are clearer.

PURPOSE:

Request Board approval of:

- · the Compact Hearing Staff Report;
- the amendment to the Mass Transit Plan to reduce the surface parking at Grosvenor-Strathmore by approximately 196 spaces; and
- authorization for the General Manager and Chief Executive Officer to determine the exact number of surface parking spaces to reduce.

DESCRIPTION:

The Grosvenor-Strathmore Metro Station site is under contract for a joint development project on the unutilized and under-utilized portions of the site. The development project will eventually require the removal of Metro's surface commuter parking lot of approximately 408 spaces. Metro therefore is building a garage expansion of approximately 212 spaces to offset some of the surface parking spaces that will be removed. The decision to replace the remaining 196 surface parking spaces with a second garage expansion has yet to be made. The estimated cost of the garage expansion weighs heavily in that determination. The Staff Report recommends Metro defer a decision to replace the remaining surface parking spaces until the future parking needs at Grosvenor-Strathmore can be more fully evaluated.

Identification of parties with an interest in Metro's action related to the parking garage at the Grosvenor-Strathmore Metro Station: Fivesquares Development (the developer of the proposed joint development project at Grosvenor-Strathmore and the entity handling construction of the garage expansion project on behalf of Metro).

Key Highlights:

• Existing 408-space surface parking will be removed in the future for an approved joint

development project

- Replacement parking was to be provided by constructing two additions to the existing parking garage.
- The first 212-space garage addition is under construction and nearing completion.
- A Compact public hearing presented alternatives to address the reduction of 196 spaces:
 - (1) eliminate the remaining 196 parking spaces, or
- (2) defer the decision about building the addition until the future parking needs of Grosvenor-Strathmore can be more fully determined.
- The Staff Report recommends deferring decision until data supports future parking needs at Grosvenor-Strathmore.

Background and History:

In 2018, Metro entered into a Joint Development Agreement with Fivesquares Development (Fivesquares) for the development of the surface parking lot and other available property at the Grosvenor-Strathmore Metro Station. Fivesquares has received Montgomery County approvals to develop up to 1.9 million square feet of residential, commercial and retail uses.

The joint development plan contemplated replacing all 408 parking spaces in the surface parking lot by expanding the existing parking garage on its south and west sides. The southern expansion, estimated to cost \$17 million, accommodates approximately 212 parking spaces and the western expansion accommodates approximately 196 parking spaces. Fivesquares is nearing completion of the southern expansion, which is expected to be done in fall 2020. Fivesquares has not begun construction of the western expansion, which was the subject of the Compact public hearing.

In December 2018, Metro announced the end of the "Grosvenor turnback" (i.e. the practice of beginning and ending half of peak period train service at Grosvenor-Strathmore). Staff anticipated ending the Grosvenor turnback would decrease parking demand at Grosvenor-Strathmore Metro Station over time but that did not happen (although an ongoing regular garage rehabilitation project at the Grosvenor garage may have skewed utilization data). However, since the elimination of the Grosvenor turnback, rush hour rail ridership increased (pre-pandemic) at a significantly higher rate at Metro Stations north of Grosvenor-Strathmore that now have equal levels of train service. In addition, White Flint and Twinbrook Metro Stations may be as attractive to commuters to ride from, given there is ample parking available at both Stations.

In addition, Metro conducted a survey of parking customers at Grosvenor-Strathmore in fall 2019 to assess what choices they would make if the western expansion were not built. The results included 487 respondents, with 34 percent of parking customers indicating they might park at White Flint, while 14 percent selected Twinbrook as an option and seven percent noted Wheaton as an option if the western expansion were not built.

Discussion:

Metro held a Compact public hearing in April 2020 to help evaluate the three

alternatives referenced in "Key Highlights" above. The hearing was held by telephone due to the coronavirus pandemic.

The responses to the Compact public hearing were heavily weighted to building the western expansion. The web based public hearing materials contained a survey in which approximately 75 percent of survey respondents favored replacing all of the parking spaces, 16 percent favored deferring a decision on the western expansion, and nine percent favored canceling the western expansion outright. Of those who submitted written comments, 84 percent favored replacing all of the parking spaces, 13 percent favored deferring a decision on the western expansion, and three percent favored canceling the western expansion outright.

To better understand parking customers' decision-making, Staff also conducted a survey of Grosvenor-Strathmore parking customers in Fall 2019 to determine what parking customers would do if the western expansion were not built and parking was not available. A total of 487 responses to the survey were received – approximately four times as many responses as the Compact public hearing received -- and a large percentage (34 percent) of respondents said they would consider parking at White Flint as an alternative to Grosvenor-Strathmore, 14 percent of respondents said they would consider parking at Twinbrook, and seven percent of respondents said they would consider parking at Wheaton, all of which have ample capacity.

Metro Staff has evaluated these diametrically opposed viewpoints in light of the estimated cost of the western expansion, which is estimated to be \$15 million, and is recommending deferring building the western expansion until future parking needs can be better determined. Future parking needs at Grosvenor-Strathmore will be influenced by several circumstances:

- The impact on parking demand over time from the elimination of the "Grosvenor turnback"
- Use of the several hundred unutilized parking spaces at the White Flint, Twinbrook and Wheaton parking facilities
- The full impact of the coronavirus pandemic on ridership and, therefore, on parking utilization

FUNDING IMPACT:

If Staff's recommendation is approved by the Board, there will be no capital expenditure by WMATA on the western garage expansion in issue.			
	Steven A. Teitelbaum, Senior Real Estate Advisor		
Project Department/Office:	CFO/LAND (Office of Real Estate and Parking)		

TIMELINE:

2018: Metro and Fivesquares sign Joint Development Agreement for private development at Grosvenor-Strathmore Metro Station
2018: Metro and Fivesquares begin designing southern and

Previous Actions	western garage expansions to replace the surface parking lot and put construction out to bid – Bid accepted for southern garage expansion, no action taken on bid for western garage expansion August 2019: Construction of southern garage expansion begins Early 2020: Board authorizes WMATA Compact public hearing regarding the future of a western garage expansion April – June 2020: Public hearing held (April 2020), Staff Report produced (May-June 2020)
Anticipated actions after presentation	Fall 2020: Construction of southern garage expansion expected to be substantially completed

RECOMMENDATION:

Board approval of:

- the Compact Hearing Staff Report;
- the amendment to the Mass Transit Plan to reduce the surface parking at Grosvenor-Strathmore by approximately 196 spaces; and
 • authorization for the General Manager and Chief Executive Officer to determine the exact
- number of surface parking spaces to reduce.

PRESENTED AND APPROVED: September 24, 2020

SUBJECT: APPROVAL OF PUBLIC HEARING STAFF REPORT AND AMENDMENT OF

MASS TRANSIT PLAN TO REDUCE PARKING SPACES AT GROSVENOR-

STRATHMORE METRO STATION

2020-33

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

WHEREAS, Compact Section 15 requires that, to amend the Mass Transit Plan, the Board transmit proposed changes to certain enumerated agencies and conduct a public hearing; and

WHEREAS, Resolution 2019-44 authorized staff to conduct a Compact public hearing regarding Metro's plans to relocate approximately 412 surface parking spaces at the Grosvenor-Strathmore Metro Station to an expanded parking garage; and

WHEREAS, Approximately 216 of the 412 surface parking spaces will be replaced by expanding the Grosvenor-Strathmore Metro Station parking garage, leaving approximately 196 surface parking spaces to be replaced or to be reduced by amending the Mass Transit Plan; and

WHEREAS, A report on the results of the public outreach and public hearing regarding the proposed parking modifications at Grosvenor-Strathmore entitled *Public Hearing Staff Report, Docket R20-01: Proposed Modifications to Parking Garage Addition at Grosvenor-Strathmore Metrorail Station* (the Staff Report) was presented to the public for review and comment, and the final draft of the Staff Report includes staff's recommendation to postpone making a decision about the approximately 196 remaining parking spaces at Grosvenor-Strathmore Metro Station and deferring construction of a second addition to the parking garage until there is more information about parking demand; and

WHEREAS, Postponing the decision to replace the approximately 196 surface parking spaces in a parking garage requires amending the Mass Transit Plan now to reduce surface parking at Grosvenor-Strathmore Metro Station by approximately 196 spaces; and

WHEREAS, If further study demonstrates a need to replace the approximately 196 parking spaces, staff may request that the Board rescind this amendment to the Mass Transit Plan, provided that the Compact public hearing held pursuant to Resolution 2019-44 continues to fulfill the requirements to provide adequate notice and give the public a meaningful opportunity to be heard regarding the replacement of parking spaces or another Compact public hearing is held;

NOW, THEREFORE, be it

RESOLVED, That the Board of Directors approves the *Public Hearing Staff Report, Docket R20-01: Proposed Modifications to Parking Garage Addition at Grosvenor-Strathmore Metrorail Station*; and be it further

RESOLVED, That the Board amends the Mass Transit Plan to reduce the surface parking at Grosvenor-Strathmore by approximately 196 spaces, and authorizes the General Manager and Chief Executive Officer to determine the exact number of surface parking spaces to reduce; and be it finally

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

Reviewed as to form and legal sufficiency,

Patricia Y. Lee

Executive Vice President and General Counsel

WMATA File Structure No.:

12.7.2 Master Plans/Mass Transit Plan (including transit zone modifications)