Report by Finance and Capital Committee (C) 02-27-2020

Washington Metropolitan Area Transit Authority Board Action/Information Summary

Action ○ Information
 MEAD Number: Resolution:
 202160
 Yes ○ No

TITLE:

Compact Public Hearing on New Carrollton Parking

PRESENTATION SUMMARY:

Staff is requesting Board approval to authorize a Compact Public Hearing due to a proposal to amend the joint development plans at the New Carrollton Metro Station.

PURPOSE:

Request Board approval to authorize a Compact Public Hearing on the addition of approximately 619 Park & Ride spaces and elimination of 77 Kiss & Ride spaces from, Metro's Mass Transit Plan at the New Carrollton Metro Station.

DESCRIPTION:

See "Key Highlights," "Background and History" and "Discussion" below.

Key Highlights:

- Metro has a joint development agreement with **New Carrollton JV**, **LLC** to develop approximately 2.3 million square feet on Metro's existing surface parking lots and other property at the New Carrollton Metro Station
- To date, a 250,000 square foot office and 282-unit multi-family building have been constructed or are under construction on the former Park & Ride Lot 3
- A Compact Public Hearing is required because the joint development plans for New Carrollton – which includes Metro's new Maryland office building – require the removal of Park & Ride Lot 2 and a surface Kiss & Ride lot
- Staff also proposes a comprehensive commuter parking solution for New Carrollton that includes replacing the existing 1,000-space County-owned parking garage with a new 1,900 space Metro-owned parking garage

Background and History:

New Carrollton Metro Station is a major transit hub in Prince George's County, Maryland, served by Metrorail and Metrobus, Prince George's County's The Bus, MARC, Amtrak, Greyhound and the future Purple Line. Creating a joint development project at New Carrollton has been anticipated since 2003, when the Board approved the construction of a 1,800-space parking garage with the expectation that the new garage would replace 1,272 surface spaces (in Park & Ride Lots 2 and 3) and increase the station's overall parking capacity by 500 spaces.

In 2010, Metro issued a joint development solicitation and selected **New Carrollton JV, LLC** (Developer), which is a joint venture between **Urban Atlantic Development** and **Brookfield Properties**.

A WMATA Compact Public Hearing was held in 2003 to discuss the construction of the current Metro-owned parking garage at the New Carrollton Metro Station and the removal of surface Park & Ride Lots 2 and 3. In 2016, Metro held another WMATA Compact Public Hearing to ensure the public was aware of the Developer's pending joint development activity on Park & Ride Lot 3.

In 2017, construction of a new office building for Kaiser-Permanente commenced on Lot 3, together with a new 800-space private garage containing 150 parking spaces reserved by Metro for public parking. In June 2019, construction of a new multi-family building also began on Lot 3.

The State of Maryland, in 2017, agreed to transfer a parking lot (East Lot) south of Garden City Drive with 413 parking spaces to Metro as compensation for land the State needed for the Purple Line. In parallel with Metro's earlier selection of a developer, the State of Maryland had also previously selected **New Carrollton JV, LLC** to develop the East Lot. Upon finalization of the transfer of the East Lot property, Metro amended its joint development agreement with the Developer to include the East Lot.

In 2018, Metro selected the New Carrollton joint development site as a location for a future office building. The Developer anticipates beginning construction of Metro's office building on Park & Ride Lot 2 in Fall 2020, contingent upon Board approval to close Park & Ride Lot 2.

Discussion:

The following table summarizes the number of existing Metro-owned Kiss & Ride and Park & Ride parking spaces south of the New Carrollton Metro Station, as well as the proposed changes to parking in the future. The table illustrates the replacement of surface parking spaces in a new 1,900-space parking garage, for an additional 619 spaces in Metro's future parking inventory at New Carrollton. The table includes the 77 Kiss & Ride spaces in a surface lot south of the station proposed for elimination.

Existing Parking	Current Metro-Owned Parking Spaces	Future Metro-Owned Parking Spaces	Proposed Changes to Metro-Owned Spaces
South Kiss & Ride	77	0	-77
Park & Ride Lot 2	318	0	-318
Private Garage	150	0	-150
East Lot	413	0	-413
Metro Garage	1,747	1,347	-400*
County Garage site	0	1,900	+1,900
Total Park & Ride	2,628	3,247	+619

^{*}The 400 parking spaces proposed to be removed from the Metro Garage would become dedicated spaces for Metro's new office building's parking and would no longer be public parking.

The reason for the proposed elimination of the south side Kiss & Ride lot is to create two new joint development parcels in front of the Metro station entrance. This opportunity is

a significant improvement to the existing joint development plan because it:

- Increases real estate revenue potential and ridership potential for Metro
- Creates a much more pedestrian-friendly and attractive urban environment
- Generates more property tax and other revenue for Prince George's County

Eliminating the 77 Kiss & Ride spaces will not adversely affect commuters' ability to pick up and drop off because Metro has an existing underutilized Kiss & Ride on the ground floor of its existing parking garage.

To replace the parking that would be eliminated as a result of joint development, staff has reached agreement with Prince George's County (subject to the Board's approval of this Compact Public Hearing and the subsequent staff report) to demolish the existing County-owned parking garage and replace it with a new 1,900-space Metro-owned parking garage.

A new parking garage resolves multiple issues for both Metro and the County. First, the County garage was built in 1982 and is in need of significant repair and improvement, which, under a contract between Metro and the County is a shared expense. Second, the County's vision for New Carrollton is to serve as Prince George's County's central business district, with high-density, mixed-use development anchored by one of the region's most significant transit hubs. Consolidating surface parking lots into a garage helps advance the County's vision. Third, a new garage creates the opportunity to move the existing bus bays on the south side of the station into the ground floor of the new garage, thereby enabling the creation of two new development pads and providing bus patrons with a covered facility.

There are few other attractive solutions for accommodating commuter parking at New Carrollton. Without building a new garage in the place of the County-owned garage, the Developer would have to build a new garage on the East Lot, which would limit the development potential of the East Lot and also exacerbate the focus on parking at the New Carrollton Metro Station rather than promoting the livability, urbanization and commercialization of New Carrollton.

FUNDING IMPACT:

This is a request to hold a Compact public hearing. The Developer is to advance up to \$50,000 towards the cost of this hearing and, therefore, there is no funding impact on Metro.		
Project Manager:	Nina M. Albert	
Project Department/Office:	CFO/LAND (Office of Real Estate and Parking)	

TIMELINE:

2003 – Board approved construction of 1,800 space parking garage to replace 1,200 parking spaces in Lots 2 and 3 to make way for joint development. The garage was constructed.
September 2010 – Joint development solicitation was issued.

Previous Actions	January 2015 – Board authorized negotiation and execution of a non-binding term sheet with New Carrollton JV, LLC. June 2015 – Board authorized negotiation and execution of a joint development agreement with New Carrollton JV, LLC. November 2016 – Metro held a Compact Public Hearing to remove Park & Ride Lot 3. May 2017 – State of Maryland transferred the East Lot to Metro. April 2019 – Kaiser-Permanente office building opened. May 2019 – Metro selected New Carrollton as the location for its Maryland office building. June 2019 – The Stella (multi-family) building started construction
	construction. Summer 2020 – Metro will hold a Compact Public Hearing.
Anticipated actions after presentation	Summer to Fall 2020 – Prepare Staff Report of Public Hearing. Fall 2020 – Return to Board for decision.

RECOMMENDATION:

Approval to authorize a Compact Public Hearing on the addition of approximately 619 Park & Ride spaces and elimination of 77 Kiss & Ride spaces from Metro's Mass Transit Plan at New Carrollton Metro Station.

SUBJECT: APPROVAL TO HOLD A COMPACT PUBLIC HEARING FOR CHANGES TO THE MASS TRANSIT PLAN AT NEW CARROLLTON METRORAIL STATION

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

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

WHEREAS, Staff has prepared a plan for proposed changes to the New Carrollton Metrorail Station to (i) eliminate a surface parking lot (the "East Lot") and replace it with privately-developed building(s); (ii) replace Park & Ride Lot 2 with a new Metro building and with additional privately-developed building(s) as anticipated by the Joint Development Agreement for this site; (iii) demolish the Prince George's County-owned garage located on WMATA-owned property (the "County Garage") and replace it with a new parking garage to be WMATA-owned and operated (the "WMATA Garage"); (iv) relocate the existing south bus loop into the new WMATA garage and repurpose the vacated area for joint development; and (v) remove the existing south Kiss & Ride lot that is adjacent to the Metro Station entrance and repurpose the vacated area for joint development; and

WHEREAS, The proposed changes will result in the addition of approximately 619 Park and Ride spaces, the elimination of 77 Kiss & Ride spaces, and changes to the MTP;

NOW, THEREFORE, be it

RESOLVED, That, in accordance with Compact Section 15, the Board authorizes staff to transmit the proposed MTP changes to the enumerated agencies and to hold a public hearing on the proposed changes to the New Carrollton Metrorail Station; and be it further

RESOLVED, That the Board authorizes the General Manager and Chief Executive Officer to release the Public Hearing Staff Report to the public for comment prior to Board approval; and be it further

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

Reviewed as to form and legal sufficiency,

Patricia Y. Lee General Counsel

WMATA File Structure No.:

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