

Appendix B: Definitions

Developer(s)

The entity submitting or contemplating the submission of a Proposal in response to this Joint Development Solicitation. The Developer should be a qualified individual or entity with real estate development-related experience and access to financing sufficient to undertake the proposed Project. If a Developer includes or engages a broker, Metro will not pay any broker's commission and the Developer shall be solely responsible for the same.

Development Team

The Developer and the principal persons and/or entities (including officers, directors, partners, members, managers or other principals of such persons and/or entities) identified by the Developer as the participants in the Project. If a Development Team includes a broker, Metro will not pay any broker's commission and the Developer shall be solely responsible for the same.

Evaluation Team

Metro staff assigned to analyze the Proposals and make recommendations. If a third party's property is collectively offered as part of a particular Joint Development Site, a representative(s) of that third party may also be included in the Evaluation Team.

Federal Transit Administration (FTA)

The federal agency within the U.S. Department of Transportation which administers the federal rules and regulations governing joint development programs and oversees other aspects of real property purchased with federal funds for transit purposes. See Federal Register, Vol. 79, No. 164, August 25, 2014, pages 50728-50733 and *Federal Transit Administration Guidance on Joint Development*, FTA Circular 7050.1, August 25, 2014, as they may be amended, supplemented or otherwise modified from time to time.

Final Proposal

If requested by WMATA, the final document or compilation of documents submitted by the Developer for analysis before the Evaluation Team makes its recommendation. See the definition of "Proposal."

Gross Proceeds

Full transaction revenues to the tenant.

Joint Development

A creative program through which property interests owned and/or controlled by Metro are marketed to office, retail/commercial, recreational/entertainment, hotel and residential developers with the objective of developing Transit-Oriented Development projects. For purposes of this Joint Development Solicitation, Joint Development is a subset of Transit-Oriented Development in that Joint Development is Transit-Oriented Development that occurs on transit authority-owned property. The FTA's definition of Joint Development can be found in the materials cited under the definition of "FTA," above.

Joint Development Agreement

The legal document that constitutes the binding contract between Metro and the Selected Developer once it is signed by both parties and approved by the WMATA Board of Directors and the FTA (and by any third party whose property is included in that particular Joint Development Site). The agreement will include the terms and conditions required to execute ground leases and/or sales contracts.

Joint Development Policies and Guidelines

The procedures approved from time to time by the WMATA Board of Directors which govern the Joint Development program, available at www.wmata.com (click on "Business with Metro," then click on "Real Estate" and then click on "Policies and Forms").

Joint Development Site(s)

The property areas and interests identified in **Section One** of this Joint Development Solicitation.

Net Proceeds

Upon the occurrence of a capital event, the Net Proceeds are the full (gross) transaction revenues to tenant less repayment of Tenant's unamortized principal Project and less any reasonable and customary transactional costs incurred by Tenant, including real estate taxes, special assessments and other similar governmental

charges customarily payable at such a Capital Event, transfer and recording taxes or similar documentary stamp taxes, charges for recording documents in the land records, title and survey costs, reasonable legal fees payable to outside counsel for both the borrower and the lender, and financing commissions and fees.

Project

The Joint Development ideas, concepts and plans that a Developer presents in its Proposal and the evolution and consummation of them.

Proposal(s)

The development-related documents submitted in response to this Joint Development Solicitation. The term Proposal includes the Initial Proposal and, if requested by Metro, the Final Proposal.

Shortlisted Developer

A Developer granted the nonexclusive right to participate in a subsequent solicitation process with Metro.

Selected Developer

The Developer granted the exclusive right to negotiate a Development Agreement with Metro, as determined by the Metro Vice President of Real Estate and Development. Notwithstanding the Selected Developer's selection as such, the Selected Developer has no rights to the Joint Development Site until a Development Agreement has been negotiated and the WMATA Board of Directors and the FTA have approved the Development Agreement and executed by the parties (including any third party whose property may be collectively included in a Joint Development Site). A Selected Developer has no right to compensation from Metro if no such Development Agreement is negotiated, signed and approved. A Selected Developer's right, if any, to compensation from Metro shall be solely as may be set forth in a signed and approved Development Agreement.

Shall and Will

"Shall" and "will" mean "must," "is required to," or other phrasing to indicate that a task is mandatory, not permissive.

Term Sheet

The nonbinding document which summarizes the development concept, financial structure and other major business terms of the Project.

Transit-Oriented Development

Transit-oriented development is compact, mixed-use development near transit facilities and high-quality walking environments which leverages transit infrastructure to promote economic development and smart growth and caters to shifting market demands and lifestyle preferences. TOD is further defined on [Metro's website](#).

WMATA Compact

Washington Metropolitan Area Transit Authority Compact, Public Law 89-774, 80 Stat. 1324, as it may have been and may hereafter be amended, supplemented or otherwise modified.

WMATA Facility ("Metro Facility")

Any improvements, structures, infrastructure components, tangible property and/or areas required in the judgment of Metro for the use, operation, access, maintenance, repair, servicing, replacement or removal of structures and supports, access, parking, operating and service facilities and areas relating to Metro's operations or activities. WMATA Facilities include, without limitation, the Metro Stations, tunnels, rails, tracks, bus stations, bus bay areas, bus layover spaces, supervisory kiosks, employee bathrooms, electric substations, conduits and lines, communications equipment and structures, pedestrian ways and bridges, waiting and shelter areas, facilities serving people with disabilities, cooling towers, chiller plants, vent and fan shafts, bicycle rack and bicycle locker areas, Bike & Ride facilities, storm water management facilities, landscaping, lighting, Kiss & Ride facilities, Park & Ride facilities, taxi stands, Metro-operated parking meters, and all other associated facilities. WMATA Facilities are usually owned by Metro and can be located on land owned by Metro or, under appropriate circumstances, can be located via covenants, easements or other means on land owned by third parties. Metro reserves the right to operate all WMATA Facilities in such manner as it sees fit.

As a general rule, Metro does not make plans and specifications for WMATA Facilities publicly available. Exceptions are made on a case-by-case basis when a need is demonstrated, and the requestor has been approved by Metro in Metro's sole and absolute discretion. Accordingly, it is not anticipated that plans and specifications for WMATA Facilities relevant to this Joint Development Solicitation will be made publicly available. However, sufficient information will be made available to the Selected Developer or, in Metro's sole

and absolute discretion, to some or all Developers who Metro believes might be selected as a Selected Developer.

WMATA Replacement Facility

A WMATA Improvement designed and/or constructed by the Selected Developer for Metro in a configuration acceptable to Metro that replaces any displaced or disrupted WMATA Facility and which will be turned over to Metro.

WMATA Reserved Areas and Interests

Includes (a) all areas of, within or adjacent to the Joint Development Site containing any WMATA Facility; (b) all areas of, within or adjacent to the Joint Development Site relating to the use, operation, access, maintenance, repair, servicing, replacement or removal of any WMATA Facility; and (c) any and all easements and other reserved rights required by Metro in connection with its use, operation, access, maintenance, repair, servicing, replacement or removal of any WMATA Facility or Metro operations and business generally, whether expressly provided for or reasonably contemplated.

Covenants, restrictions and easements shall be reserved for, without limitation, easements and reserved rights (whether at, above or below ground level) for:

- A. the construction, operation, maintenance, repair, replacement, removal or relocation of any and all WMATA Facilities (existing or proposed),
- B. any and all service facilities serving any WMATA Facilities,
- C. all underground power lines and other utilities,
- D. horizontal and vertical support for all WMATA Facilities in, on and about the Joint Development Site, including without limitation, structures, equipment or installations such as foundations, beams, columns, bracing and similar structural features which maintain vertical and horizontal support and are necessary for the maintenance, operation and protection of any WMATA Facility, and
- E. protection and approval rights satisfactory to Metro in its sole and unreviewable discretion with respect to limits on loads and pressures which may affect any WMATA Facility, whether vertical or lateral.

Arrangements for relocating, rebuilding or otherwise modifying WMATA Facilities as part of the development of the Project shall also be considered WMATA Reserved Areas and Interests and shall be addressed in the covenants, restrictions and easements referenced above.

Any covenants, restrictions and easements addressing the WMATA Reserved Areas and Interests will have priority over all other documents, including any ground lease or deed and any mortgage, deed of trust or other financing document, incident to the Project.