

Capitol Heights Joint Development Update



Finance and Capital Committee

Washington Metropolitan Area Transit Authority
September 10, 2026

Delivering Your Metro, the Way Forward



Service Excellence

Deliver safe, reliable, convenient, accessible, and world-class service that customers can trust across all modes.

Objectives of Service Excellence Goal

- **Safety and Security**
- **Reliability**
- **Convenience**



Talented Teams

Attract, develop, and retain world-class talent where individuals feel valued, supported, and proud of their contribution.

Objectives of Talented Teams Goal

- **Recruitment and Retention**
- **Learning and Development**
- **Customer Service Mindset**

Focus
Today



Financial & Organizational Efficiency

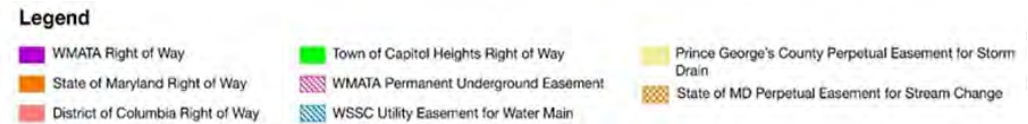
Steward public resources and efficiently allocate resources where they drive the most value, to ensure service delivery.

Objectives of Financial & Organizational Efficiency Goal

- **Financial Responsibility**
- **Organizational Efficiency**
- **Energy Management**

Capitol Heights Joint Development Background

Nov 2023	Metro held a Compact Public Hearing on potential changes to the Capitol Heights Station transit facilities
	Metro, Prince George's County and the Town of Capitol Heights execute a tri-party MOU for a Joint Development project, establishing roles and responsibilities and shared project goals
Apr 2024	Maryland General Assembly appropriated \$16.95 million in capital funding for infrastructure and transit facility improvements at Capitol Heights
	Metro Board approved amendments to Mass Transit Plan to reconfigure Capitol Heights bus loop and eliminate 23-space Kiss & Ride and 372-space Park & Ride lots
Sep 2024	Metro issued a solicitation for a team to develop a 6-acre mixed-use project on station property
Jan 2026	Metro announced Atlantic Pacific Companies (A P) as the selected developer and initiated negotiations



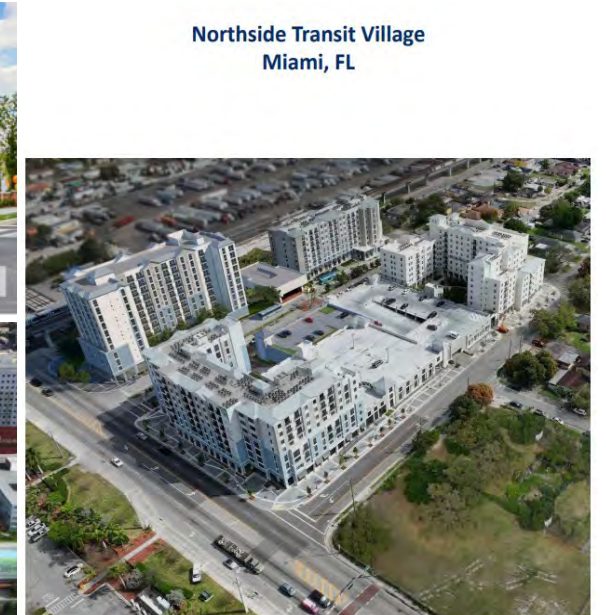
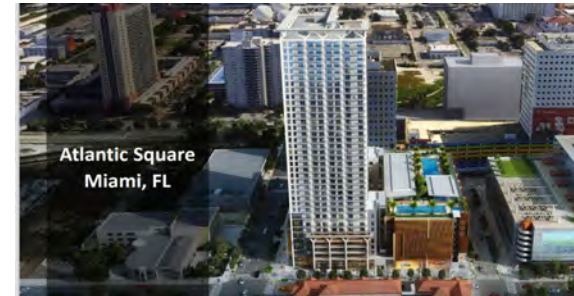
Developer: Atlantic Pacific Companies (APC)

Florida-based, private global real estate investment, development and management firm

- Well-capitalized, with \$4.1B in managed assets
- Previous experience in Prince George's County
- More than 60 affordable housing projects completed since 2013, totaling \$2.3B in development costs

Key Development Team Members

- Architect: Torti Gallas + Partners
- General Contractor: Whiting Turner



Development Concept

Gateway mixed-use development supports Prince George's County Blue Line Corridor Vision

- Concept design creates urban village centered around the Metro station entrance
 - Supports Prince George's County Blue Line corridor vision
 - Emphasizes walkability, connectivity and urban vitality
 - Retail and public art frontage
 - Accommodates dedicated busway connection
- Development program includes:
 - 320 apartments aimed at providing affordable housing averaging 60% AMI, planned in 4 buildings
 - 10,000 square feet of ground floor retail
- Development costs estimated at \$145M
 - Anticipate financing using 4% and 9% LIHTC via DHCD



Joint Development Agreement Summary

Key Terms

- 99-Year Ground Lease including upfront ground lease payment; participating rent distributions
- Requires reconstruction of Metro facilities
 - Relocation of bus loop, addition of on-street pick-up/drop-off spaces
 - Bus operator restroom and breakroom to be included in one of the residential buildings
- Requires construction delivery in a single phase
- Responsible for executing funding agreement with County for State capital grant to offset costs for transit replacement infrastructure and site improvements



Key Next Steps and Coordination with State and County

- Submit application for 4% and 9% Low Income Housing Tax Credit from Maryland DHCD
- Submit development plan to Metro for approval
- Submit Detailed Site Plan to Prince George's County for approval
- Receive approval and commitment from DHCD on Tax Credit Application
- Commence construction in 2028, depending on financing

