

Joint Development Portfolio Update

TPB Regional Public
Transportation Subcommittee

Liz Price, VP of Real Estate & Development
July 25, 2023



Joint Development at Metro Started in 1975

First project was 1100 Connecticut Ave over the Farragut North Metro Station entrance

What is Joint Development?

Federal Transit Administration term for real estate development on Metro-owned property

Requires coordinated construction of public transit facilities with private development

Generates ridership and revenue for Metro

Expands regional tax base and supports economic development and climate goals

Policy Requirements

Maintain or enhance ridership

Upgrade transit access and facilities (where required)

Comply with local land use plans & regulations

Fulfill FTA “Fair Share of Revenue” guidelines

Produce positive net fiscal impact to Metro

Metro's JD Program is Most Successful in Nation

Impact To Date

55 buildings completed at 30 stations

17M sq. ft. of development

8,000+ housing units

\$194M annual local/state taxes generated (est.)

Grows Metro ridership & revenues



Joint Development Strategic Plan (April 2022)

Future Development Potential

550+ acres of developable land at 40 stations

31M+ sq. ft. of new development

26,000+ new housing units

\$340M new annual local/state taxes forecasted

Grows Metro Ridership & Revenues

Goal: 20 Development Agreements by 2032



Historic Approach to Funding Joint Development Costs

Past projects benefited from:

Smaller infill parcels

Lower transit replacement costs

Limited needs for other site infrastructure


Stronger real estate markets

Land value > costs (positive net fiscal impact)

WMATA discounted land value to advance projects

EXAMPLE – FORT TOTTEN



 Prior Joint Development

*Required No Changes to Transit Facilities

Challenges Ahead for Future Joint Development Costs

Financial gaps exist at many stations:

Larger / complex properties (5 to 50+ acres)

More infrastructure needs (transit or other)

Desires for more affordable housing

Softer real estate markets

Land value < costs

Most projects cannot advance without investment from other sources

EXAMPLE – CAPITOL HEIGHTS



Future Joint Development K&R Replacement Bus Replacement

Partnership Approach to Joint Development

Metro's Role

Reduce costs & risks

Right-size capacity and footprint of parking & bus facilities

Apply commercial design standards

Reinvest or defer land value to address investment needs

Secure Board approval for changes to transit facilities as early as possible

Jurisdictional Roles

Support remaining gaps

Coordinate state & local funding

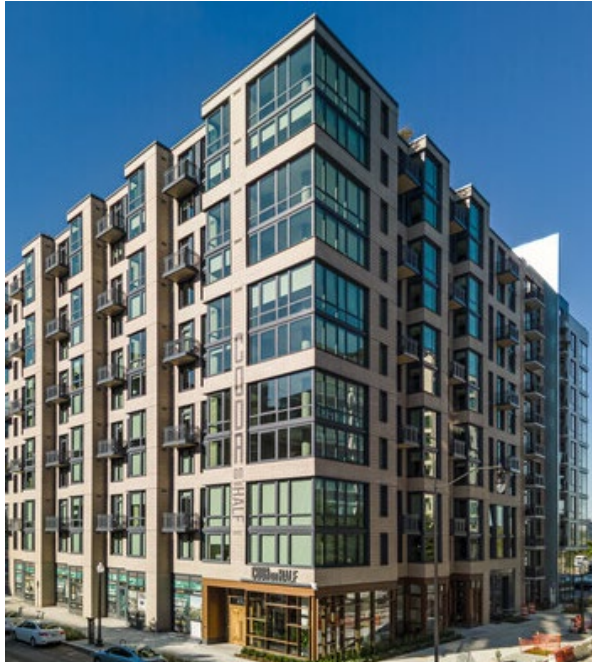
Pursue federal assistance (grants, etc.)

Leverage affordable housing & economic development programs

Expedite rezonings/permits & reduce requirements (private parking, etc.)

First Year Achievements

4 Buildings Delivered Including \$800M WMATA Investment in 3 New Office Buildings



Navy Yard
161 DUs (8% Affordable)
MRP Realty



Metro HQ at L'Enfant Plaza
290,000 SF
Jair Lynch Real Estate Partners



Metro Office at New Carrollton
329,000 SF
Urban Atlantic/Bolton Development



Metro Office at Eisenhower
425,000 SF
Jair Lynch Real Estate Partners

First Year Achievements

Closed on **Ground Lease with Rockefeller/Stonebridge** to Redevelop Metro's Original HQ for Trophy Office; Pre-lease to Crowell & Moring is **Largest Private Office Lease Since 2019**



First Year Achievements

5 Groundbreakings on 1,000+ affordable housing units with \$100M+ Invested by Amazon's Housing Equity Fund



Congress Heights
179 Housing Units
100% Affordable



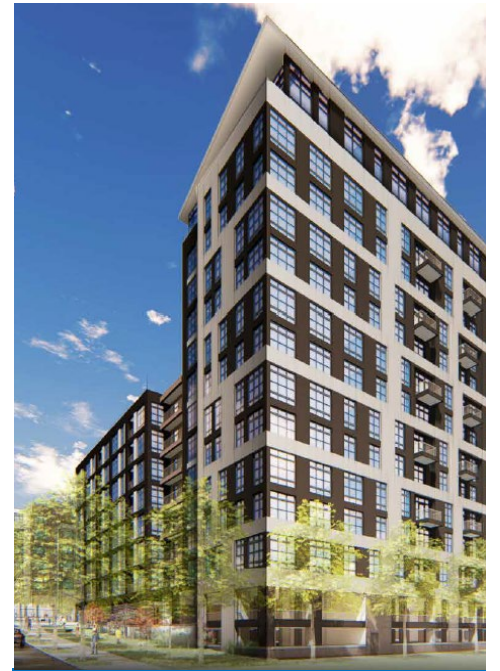
College Park
451 Affordable
100% Affordable



New Carrollton
291 Housing Units
100% Affordable



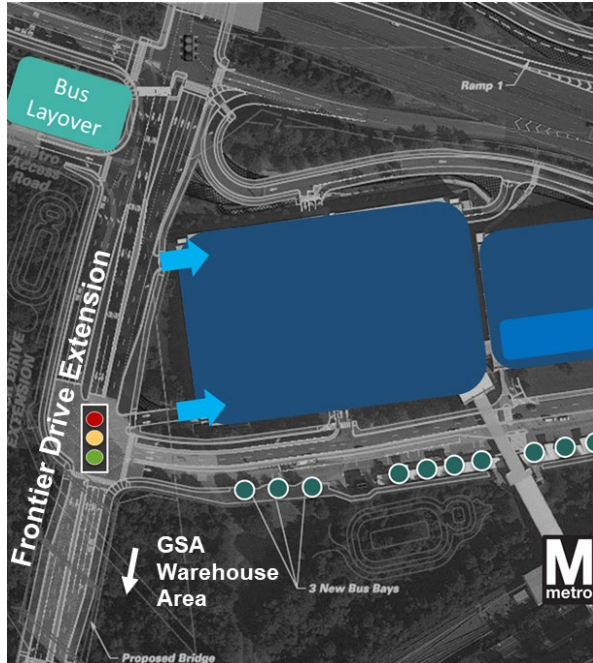
Grosvenor-Strathmore
220 Housing Units
15% Affordable



North Bethesda
354 Housing Units
12.5% Affordable

First Year Achievements

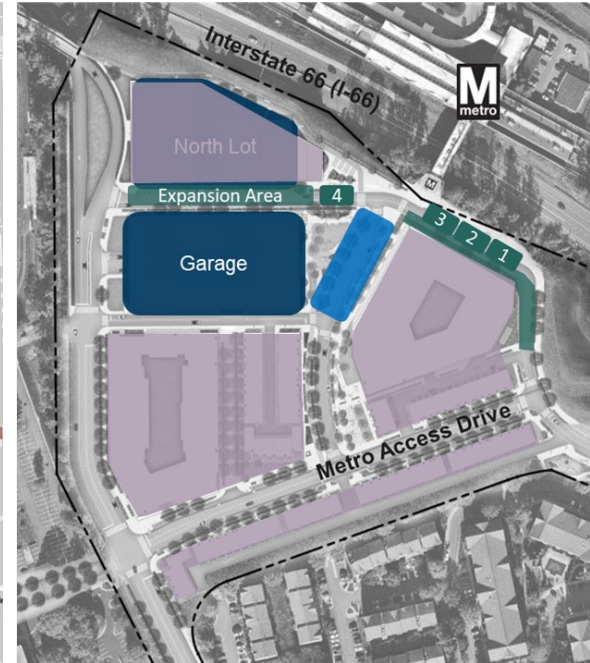
4 Compact Public Hearings to Improve Facilities & Enable Transit-Oriented Development



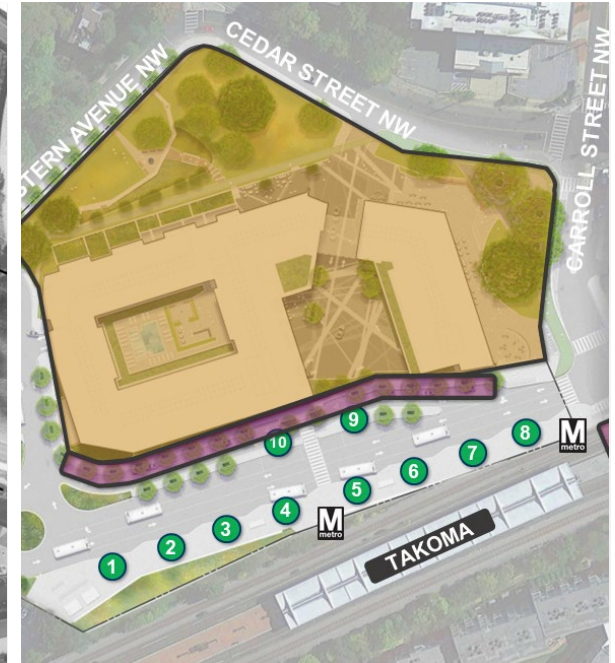
Franconia-Springfield
Complete street grid
& expand bus loop



East Falls Church
Expand bus loop



West Falls Church
Reconfigure bus
& parking facilities



Takoma
Reconfigure bus
& parking facilities

First Year Achievements

3 Projects Entitled for Development & Received 3 Unsolicited Proposals



West Falls Church
Rezoning
900 Housing Units



Twinbrook
Rezoning
440 Housing Units



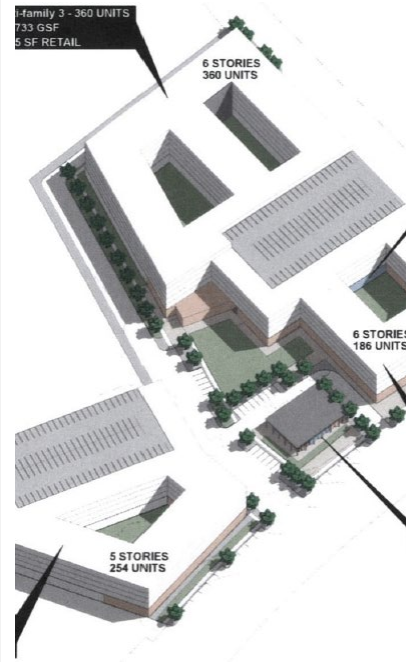
Huntington
Comp Plan
1,200+ Housing Units



Congress Heights
DCPL Proposal for
Public Library



Forest Glen
HOC Proposal for
Affordable Housing



Largo | Lottsford Rd
Adjacent Owner
Proposal for Housing

First Year Achievements

\$600+M in Federal/State/Local Funding for Station Improvements and Econ Development

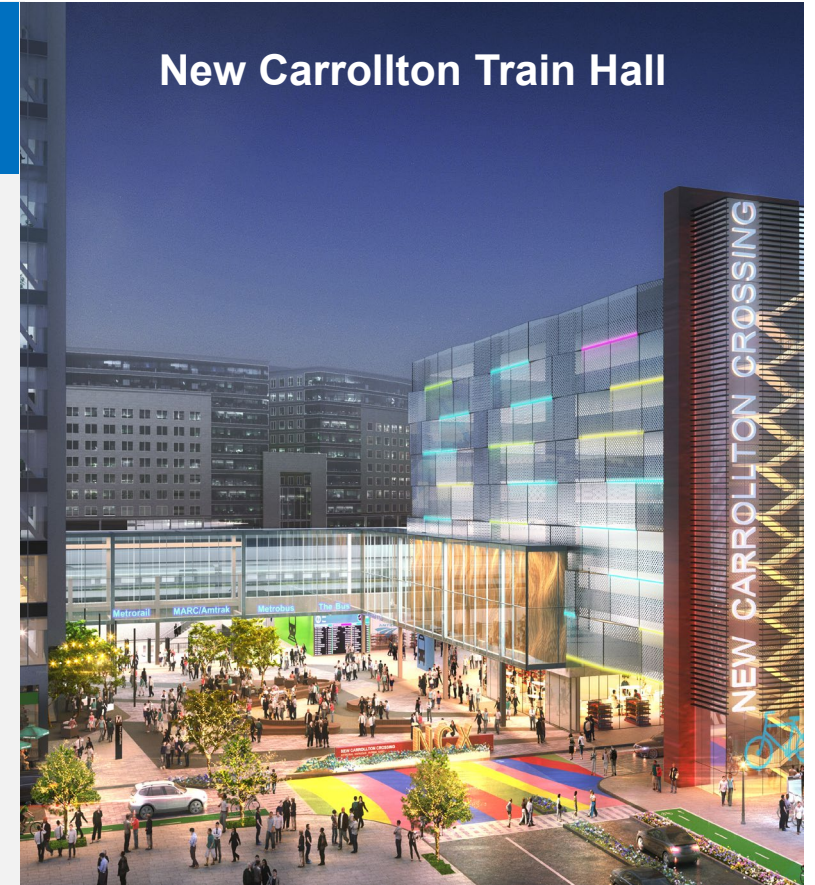
Public Investment

New Carrollton (\$100+M): Train Hall, retail, plazas, streets, bike/ped access

Blue Line Corridor (\$400+M): Ampitheater, market hall, sports field house, library, cultural center

North Bethesda (\$90+M): Second Metro entrance, streets & UMD Institute for Health Computing

Congress Heights and Deanwood (\$50M): DC Public Libraries, streets, plazas



Implementation Next Steps

April 2022 | Board authorized 6 Compact hearings and 7 Joint Development solicitations

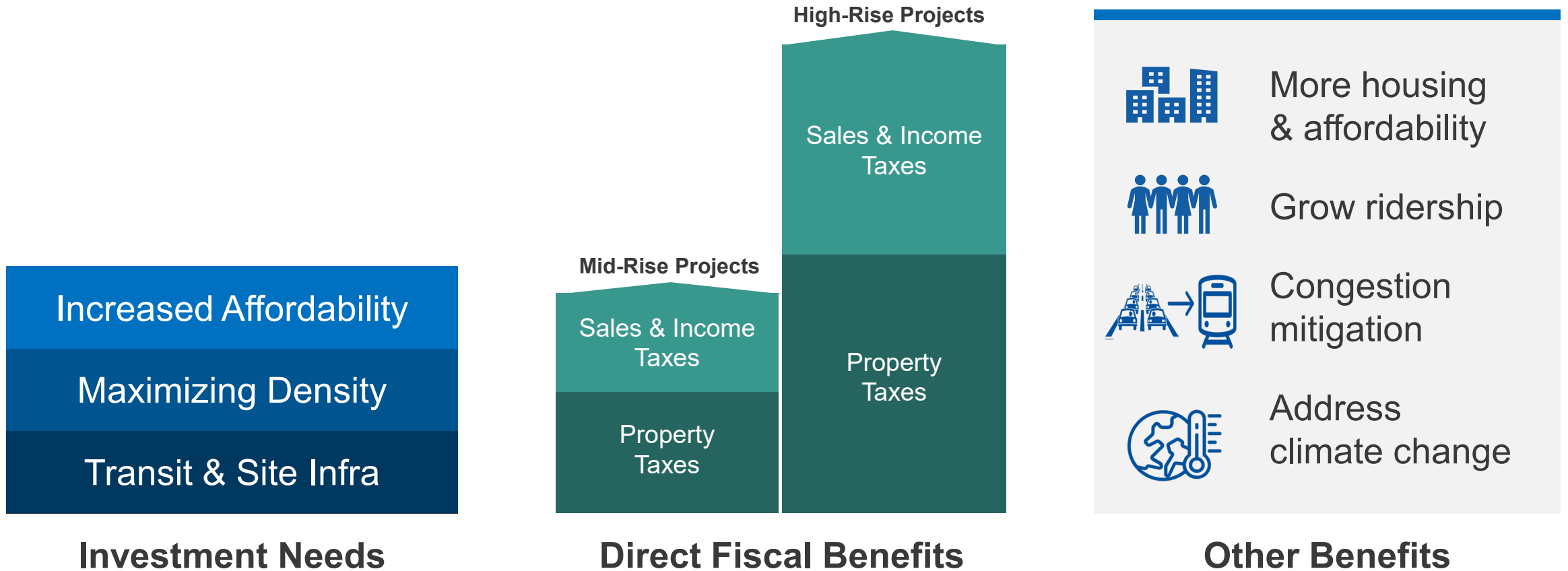
Hold 6 Compact Public Hearings

**Coordinate Funding Needs with Jurisdictions
& Issue Joint Development Solicitations**

Advance Master Planning for 18+ Stations

Investment by Jurisdictions Needed to Advance Projects

Near term projects unlock \$800M+ in new state & local tax revenues over 30 years



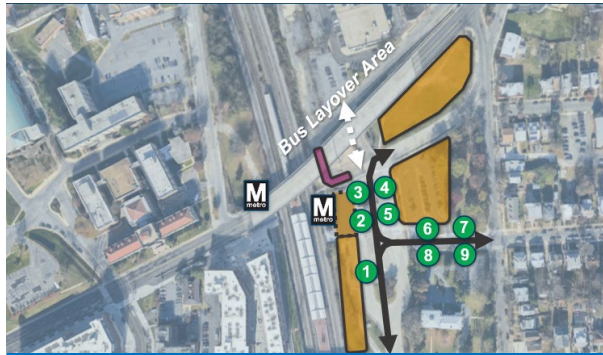
Development Potential of Near-Term Projects

6.6+M Square Feet Will Generate \$800M+ in New Local & State Tax Revenues (30-year NPV)

Location	Station	Gross Floor Area Square Feet	Housing Units	Tax Benefits 30-Year Estimate
District of Columbia <ul style="list-style-type: none"> ▪ 1.8 million square feet ▪ 1,800+ total housing units ▪ 180+ affordable units 	Brookland	400,000	400+	\$285 Million revenue to local govts
	Congress Heights	350,000	350+	
	Deanwood	395,000	300+	
	Fort Totten	680,000	750+	
Maryland <ul style="list-style-type: none"> ▪ 4.5 million square feet ▪ 2,500+ total housing units ▪ 625+ affordable units 	Capitol Heights	570,000	500+	\$480 Million revenue to local govts
	Forest Glen	1,400,000	1,000+	
	North Bethesda	2,500,000	1,000+	
Virginia <ul style="list-style-type: none"> ▪ 295,000 square feet ▪ 200+ total housing units ▪ 20+ affordable units 	Eisenhower (Mill Rd)	295,000	200+	\$35 Million revenue to local govts

Upcoming Solicitations / Projects

6.6M+ square feet of development potential at 8 stations including 4,500+ housing units



Brookland
400,000+ square feet



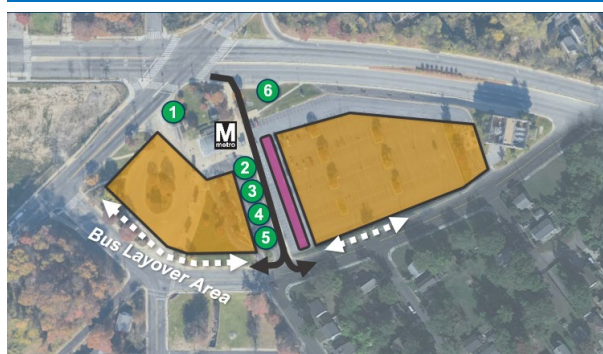
Congress Heights
350,000+ square feet



Deanwood
395,000+ square feet



Fort Totten
680,000+ square feet



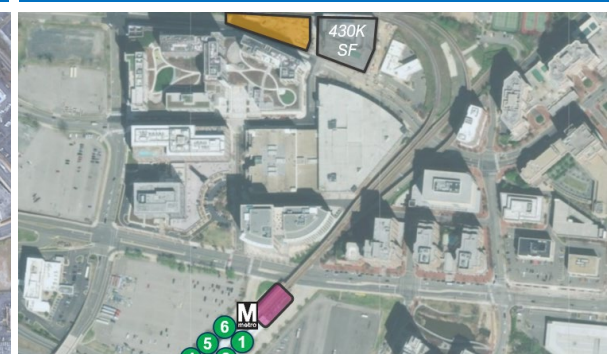
Capitol Heights
570,000+ square feet



Forest Glen (Unsolicited)
1,400,000+ square feet



North Bethesda
2,500,000+ square feet



Eisenhower | Mill Road
295,000+ square feet

Contact Information

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