

10-Year Strategic Plan for Joint Development

April 2022



Office of Real Estate & Parking (LAND)

Metro owns 1,000+ acres of property across the DMV supporting

- **91 stations**
- **1 million commuters (pre-COVID)**

What is Joint Development?

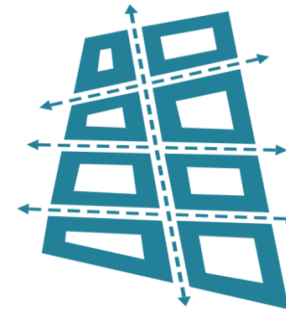
Real estate development on Metro-owned property that requires coordinated construction of public transit facilities with private development.



Asset Management



Parking



Station Area Planning



Joint Development

Strategic Plan

OBJECTIVES

Accelerate joint development that generates new ridership & revenue

Prioritize Metro planning efforts & investment

Align Metro & jurisdictional interests

Attract private sector investment

OUTCOMES

Support higher-density, mixed-use development

Secure infrastructure investments

Maximize economic development

Support transit operations

Strategic Plan for Joint Development

Metro has an ambitious goal to complete **20** new joint development agreements by 2032.



West Falls Church



Gallery Place



Grosvenor-Strathmore



New Carrollton

STRATEGY CONTEXT



The Stella
New Carrollton Station
Prince George's County, MD

Importance of Transit-Oriented Development

Increases transit ridership & supports economic development

NoMa 2000



NoMa TODAY



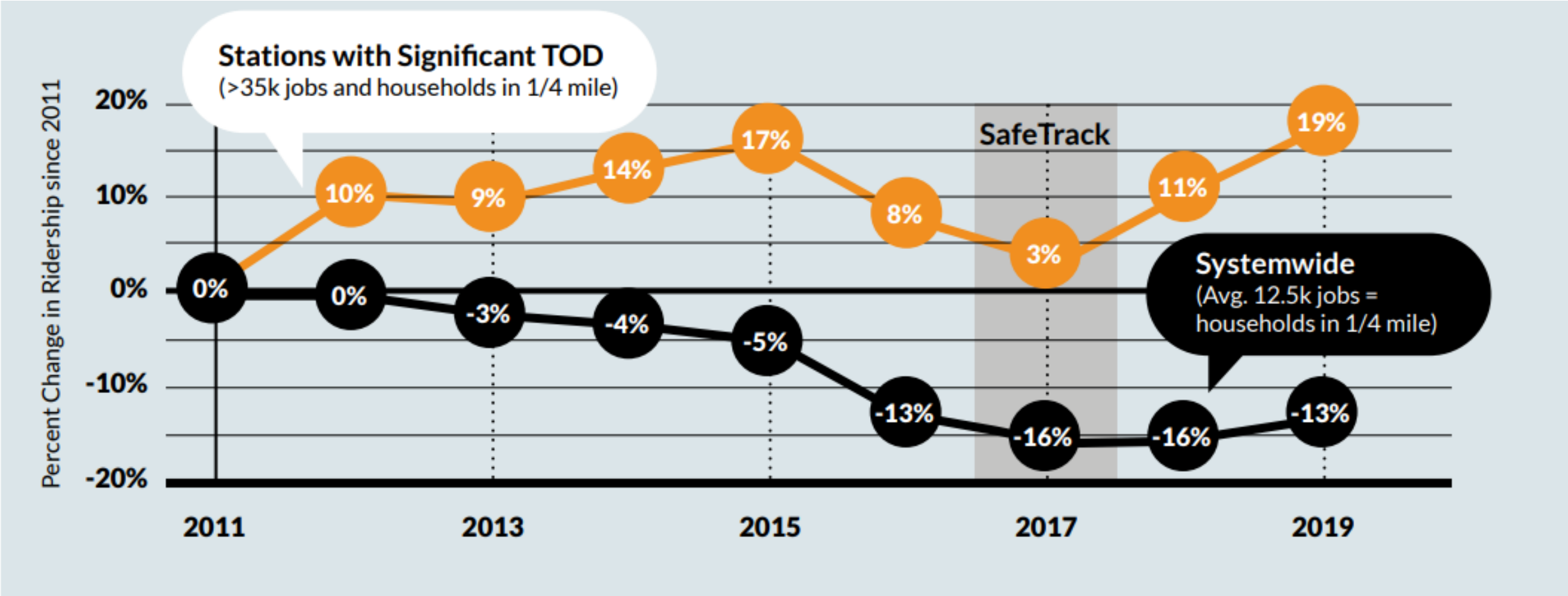
Since 2004:

- + 21 M SF built / planned
- + \$168M taxes/yr
- + 20,800 daily trips Pre-COVID

Importance of TOD to Metro

Creates more stable Metro ridership

CHANGE IN RIDERSHIP SINCE 2011 (%)



Importance of TOD to the Region

Congestion Mitigation



1 train = 2,000 riders

Climate



Concentrates jobs & housing near transit to reduce car usage

Affordability



Reduces housing & transportation costs

Economic Competitiveness



Increases access to jobs & services

Impact of Joint Development

Most active joint development program in the nation

55 buildings completed at 30 stations

17 million sq. ft. of mixed-used development

5 million annual Metro trips generated

\$194 million in annual local & state taxes



Impact of Joint Development



Insignia on M
Navy Yard - Ballpark



Bethesda Metro Center
Bethesda



Rhode Island Row
Rhode Island Avenue

Future Opportunity at 40 Stations

550+ acres to be developed

31 million sq. ft. of new mixed-use development

26,000 new housing units

\$340 million in new annual local & state taxes



10-Year Strategic Plan for Joint Development

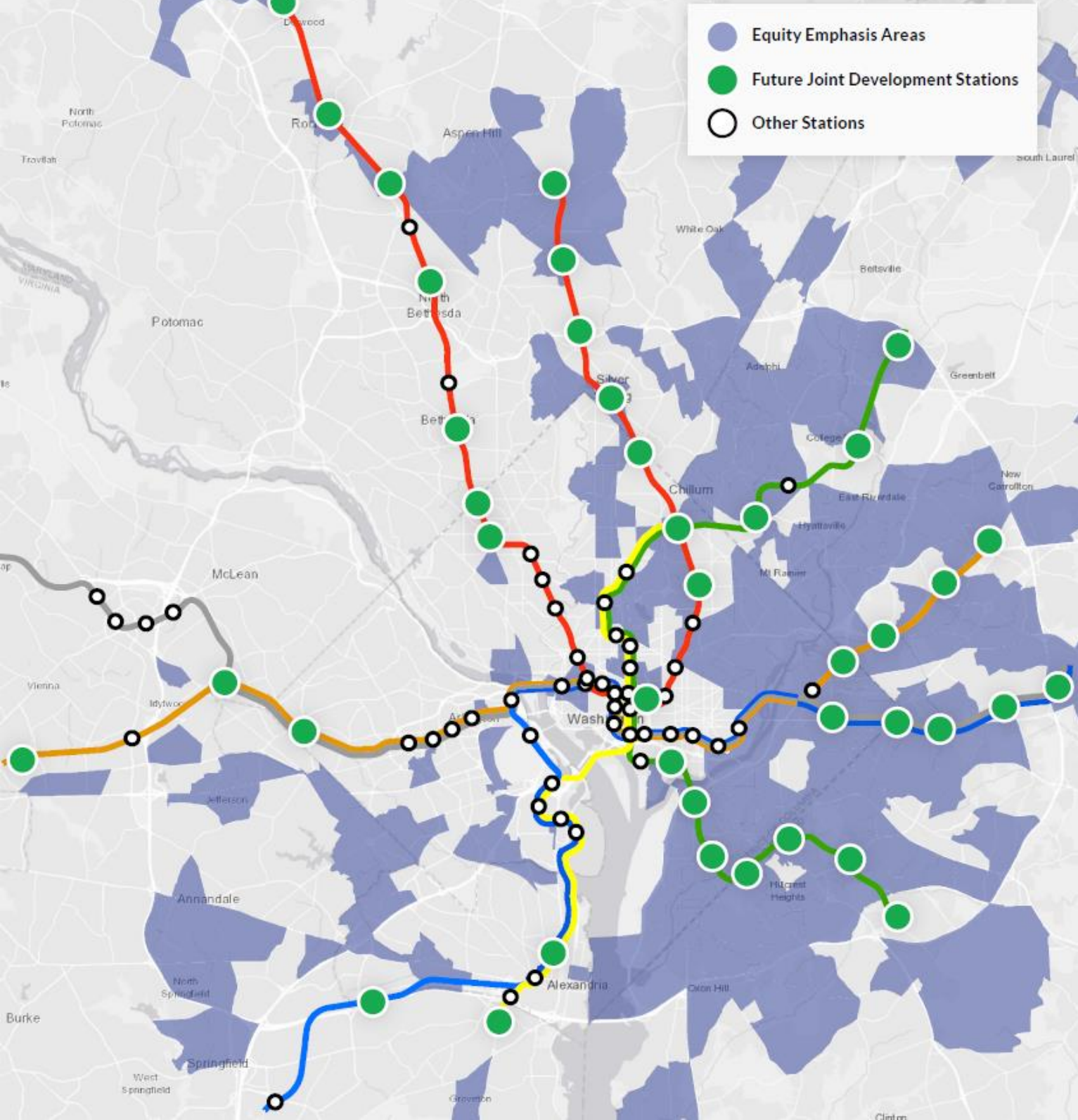


Future Opportunity

Further opportunities for equitable development

- Attracts investment to underserved communities
- Increases housing production & delivers new affordable housing in transit-accessible locations
- Supports access to critical services & amenities

70% of future JD sites are in Equity Emphasis Areas defined by MWCOG



Policy Requirements

Requires coordination with jurisdictional partners to:

- Maintain or enhance ridership
- Comply with local land use plans / regulations & FTA guidelines
- Replace transit facilities (where needed)
- **Generate a positive net fiscal impact for WMATA**

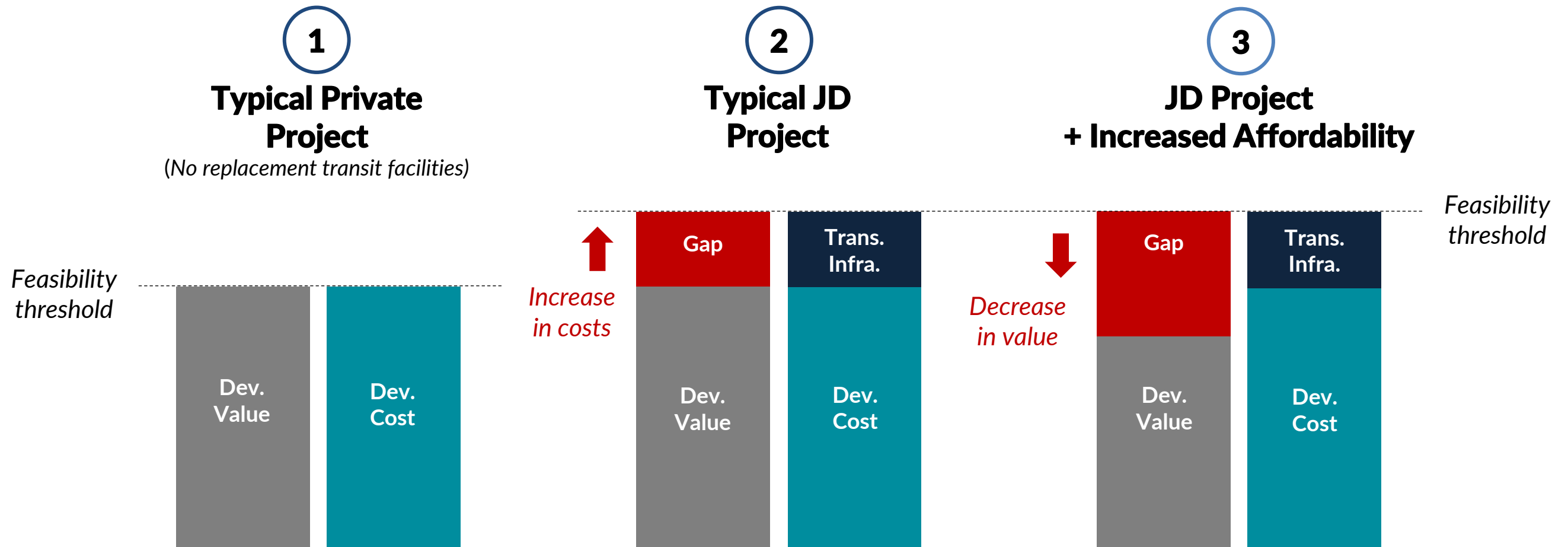
Shady Grove

- High infrastructure costs – that must be financed up-front
- Financial gaps for high-rise development desired by Comp Plan



Joint Development Financial Challenge

Realizing future JDs will require coordination with jurisdictional partners & developers to overcome obstacles.



Joint Development Project Cycle

PRE-AGREEMENT ACTIONS



POST-AGREEMENT ACTIONS



Responsible Party

○ Metro

● Metro & Developer

○ Developer



STRATEGIES & ACTIONS

Central Place
Rosslyn Station
Arlington County, VA

Strategies to Accelerate Joint Development

1.

**Partner with
Local
Jurisdictions**



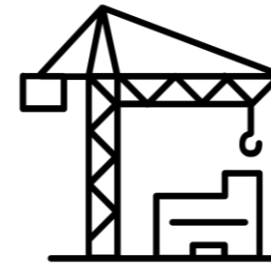
2.

**Right-Size
Transit
Facilities**



3.

**Increase
Development
Readiness**



4.

**Minimize
Implementation
Risks**



Actions

1. Partner with Local Jurisdictions

1. Coordinate Site Infrastructure Needs & Funding
2. Pursue Policies & Funding that Support Housing Goals
3. Leverage Local Economic Development Strategies

Rhode Island Ave-Brentwood

- Discounted land value to pay for replacement transit facilities
- Increased affordability with DC PILOT & New Market Tax Credits



Development
Transit Facilities

Actions

2. Right-Size Transit Facilities

1. Reduce Parking
2. Modernize Pick Up / Drop Off Locations
3. Optimize Bus Infrastructure

Grosvenor-Strathmore

- Consolidated & later reduced total parking capacity
- Benefited from efficient bus + K&R configuration



Actions

3. Increase Development Readiness

1. Evaluate Site Conditions & Development Feasibility
2. Resolve Entitlements & Other Site Issues
3. Secure Gap Funding Commitments

West Falls Church

- Completed financial feasibility analysis pre-RFP (first station)
- Initiated Comp Plan amendment prior to solicitation



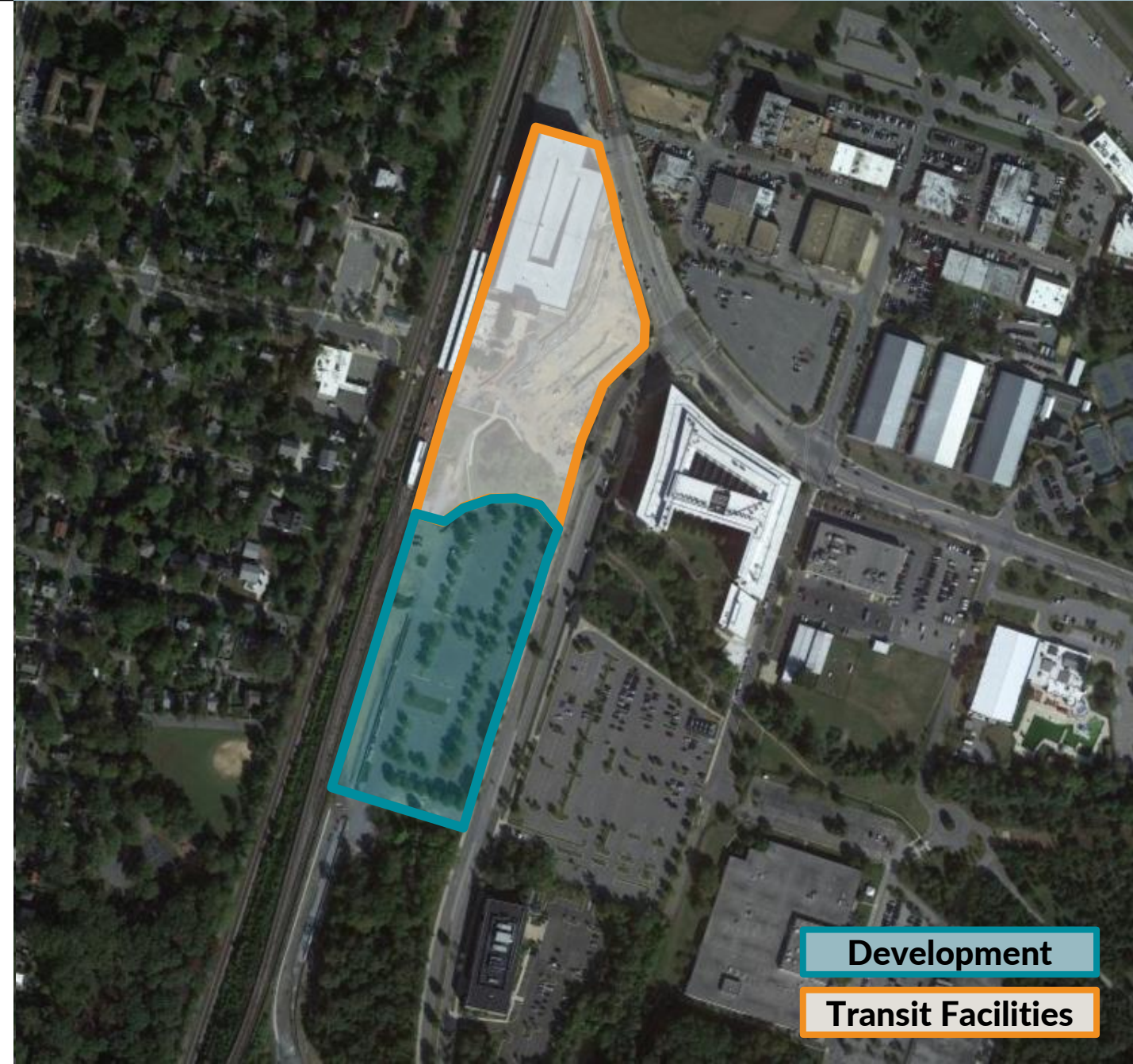
Actions

4. Minimize Implementation Risks

1. Complete Compact Public Hearings for Transit Facility Changes pre-RFP
2. Offer Smaller Parcels
3. Simplify Solicitations & Proposal Requirements

College Park

- Held compact hearing & built parking garage before 2nd RFP attempt
- Offered smaller parcel with no transit replacement requirements



Development

Transit Facilities



Mosaic at Metro Apartments
Prince George's Plaza Station
Prince George's County, MD

STATION EVALUATION

Station Evaluation

Metro applied three evaluation criteria for prioritizing the 40 remaining undeveloped stations.



Development Potential

What are the land use/zoning & physical site characteristics that inform what can be built?



Infrastructure Needs

Is there existing infrastructure that requires replacement to accommodate future transportation needs on site?



Market Readiness

What private development can be supported based on market factors such as rent, absorption, vacancy, etc.?

Station Prioritization

- **Group 1** Existing Agreements
- **Group 2** Next Solicitations
- **Group 3** Future Solicitations
- **Group 4** Additional Planning

GROUP 1 Existing Agreements

- Entitlements, financing, or construction underway

GROUPS 2 & 3 Next & Future Solicitations

- Transit replacement needs are generally understood
- Resolving feasibility gaps or other site challenges

GROUP 4 Additional Planning

- Not yet studied (transit replacement needs unknown)
- OR more significant challenges identified (larger feasibility gaps, unsupportive zoning, environmental issues, etc.)



Station Prioritization

Station prioritization may change over time as conditions change or funding commitments are made.

GROUP 1 Existing Agreements	GROUP 2 Next Solicitations	GROUP 3 Future Solicitations	GROUP 4 Additional Planning
College Park Congress Heights Gallery Place Grosvenor-Strathmore  Navy Yard-Ballpark  New Carrollton North Bethesda (Parcel H) Takoma Tenleytown West Falls Church (West) Hyattsville	Braddock Road Brookland Capitol Heights Deanwood Fort Totten Friendship Heights Huntington (South) North Bethesda Twinbrook (West) West Hyattsville (East)	College Park (West) Forest Glen Greenbelt Largo Town Center Morgan Boulevard Rockville Silver Spring Suitland Twinbrook (East) Wheaton	Addison Road Anacostia  Bethesda Branch Ave Cheverly  Congress Heights East Falls Church Glenmont Huntington (North) Landover Naylor Road  Shady Grove Southern Avenue  Van Dorn Street Vienna /Fairfax-GMU

 Under Construction

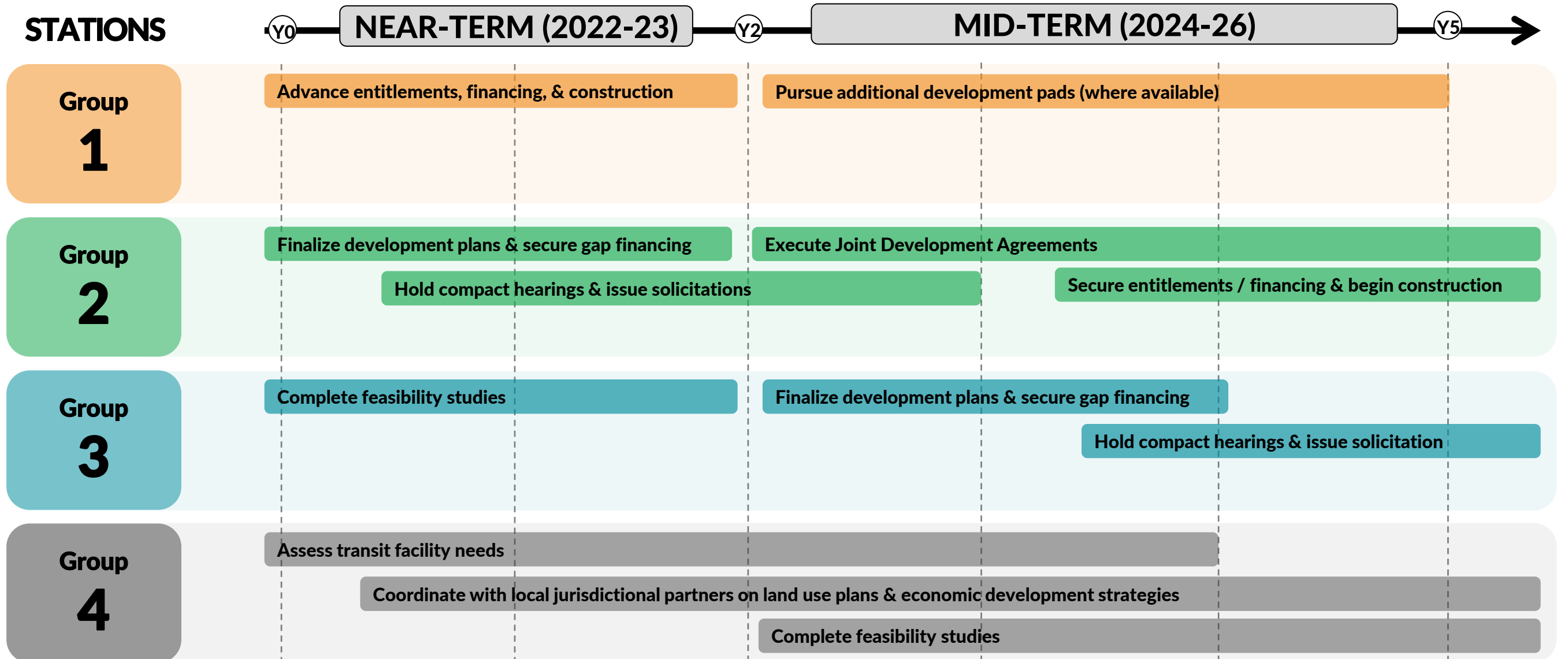
 Solar Installation

NEXT STEPS



US Nuclear Regulatory Commission Headquarters
North Bethesda Station (Formerly White Flint)
Montgomery County, MD

Next Steps



Next Steps - Communications

Strategic Plan Outreach

- ▶ Publish Strategic Plan report
- ▶ Conduct roundtables with jurisdictions
- ▶ Hold forums with developers & TOD advocates

Ongoing Engagement

- ▶ Produce annual progress report card
- ▶ Hold quarterly updates with jurisdictions
- ▶ Include projections of capital needs for joint development in WMATA budgeting process

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