

PHED ITEM #4
November 30, 2020
Discussion

MEMORANDUM

November 25, 2020

TO: Planning, Housing, and Economic Development (PHED) Committee

FROM: Gene Smith, Legislative Analyst

SUBJECT: Discussion – WMATA Property Strategy in the County

PURPOSE: Presentation and open discussion

Those expected for this discussion:

Nina Alpert, Vice President Real Estate and Parking, Washington Metropolitan Area Transit Authority
Scott Charlie, Government Relations Officer, Washington Metropolitan Area Transit Authority
Casey Anderson, Chair, Montgomery County Planning Board
Gwen Wright, Director, Montgomery County Planning

The Council adopted Bill 29-20 on October 27, 2020. Bill 29-20, sponsored by Councilmembers Riemer and Friedson, provided a tax abatement to certain projects that develop on Washington Metropolitan Area Transit Authority (WMATA) property in the County. The intent was to incentivize high-rise development near transit access.

WMATA will present its current strategies to market and develop its sites in the County today. Given the additional incentives these sites now received due to the adoption of Bill 29-20, there may be additional opportunities for development. In addition, the Montgomery County Planning Board and Department will provide context about the current alignment or need for refinement of the master plans around WMATA sites in the County to take advantage of Bill 29-20's incentives.

MEMORANDUM

November 30, 2020

TO: Planning, Housing, and Economic Development (PHED) Committee

FROM: Gene Smith, Legislative Analyst

SUBJECT: **Addendum** – WMATA Property Strategy in the County

PURPOSE: Presentation and open discussion

This addendum provides a copy of the Washington Metropolitan Area Transit Authority's presentation for today's discussion (see ©1-33).

This packet contains:
WMATA Presentation

Circle #
1



Joint Development in Montgomery County

Presentation to Montgomery County Council
Planning Housing Economic Development (PHED) Committee
November 30, 2020

METRO SYSTEM OVERVIEW

- 118 miles heavy rail
- 91 stations, 6 lines
- New Potomac Yard Metro station
- 6 new Silver Line (Phase 2) stations
- 4 existing stations intersect with Purple Line



METRO IS AN ECONOMIC ENGINE

- Metro creates economic value:
 - \$235 billion of real estate value within ½-mile of Metro
- Generates \$3.1 billion/year in property tax revenues for the region
 - 28% of the region's land value comes from the 4% of its land within ½-mile of Metrorail
- Proximity to Metrorail ...
 - Increases property values by 7% to 9%
 - 54% of jobs are accessible within a ½ mile of Metro stations and bus stops

Before Columbia Heights Metro

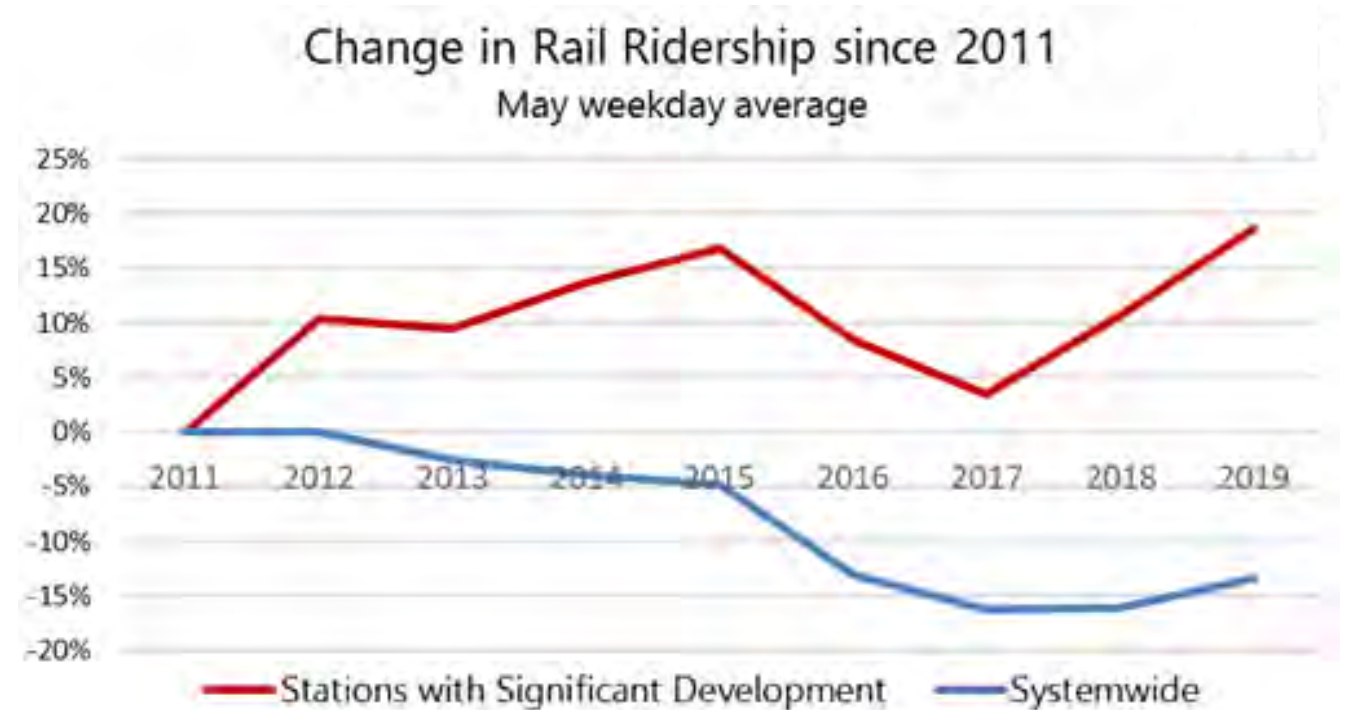


After Columbia Heights Metro (+20 years)



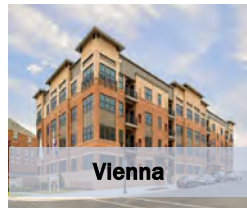
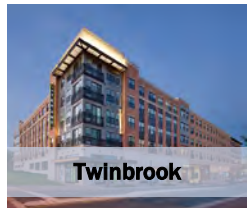
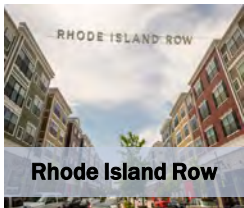
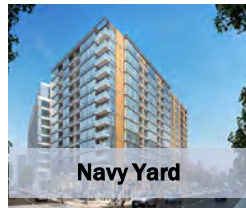
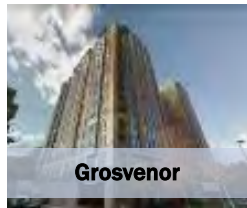
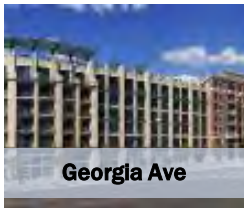
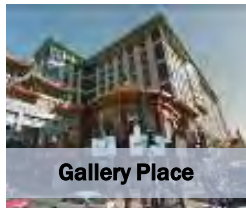
RIDERSHIP IS STRONGER AT STATIONS WITH TOD

- Ridership more resilient and growing at stations with significant TOD
- Distance from transit is single most important factor in customer retention



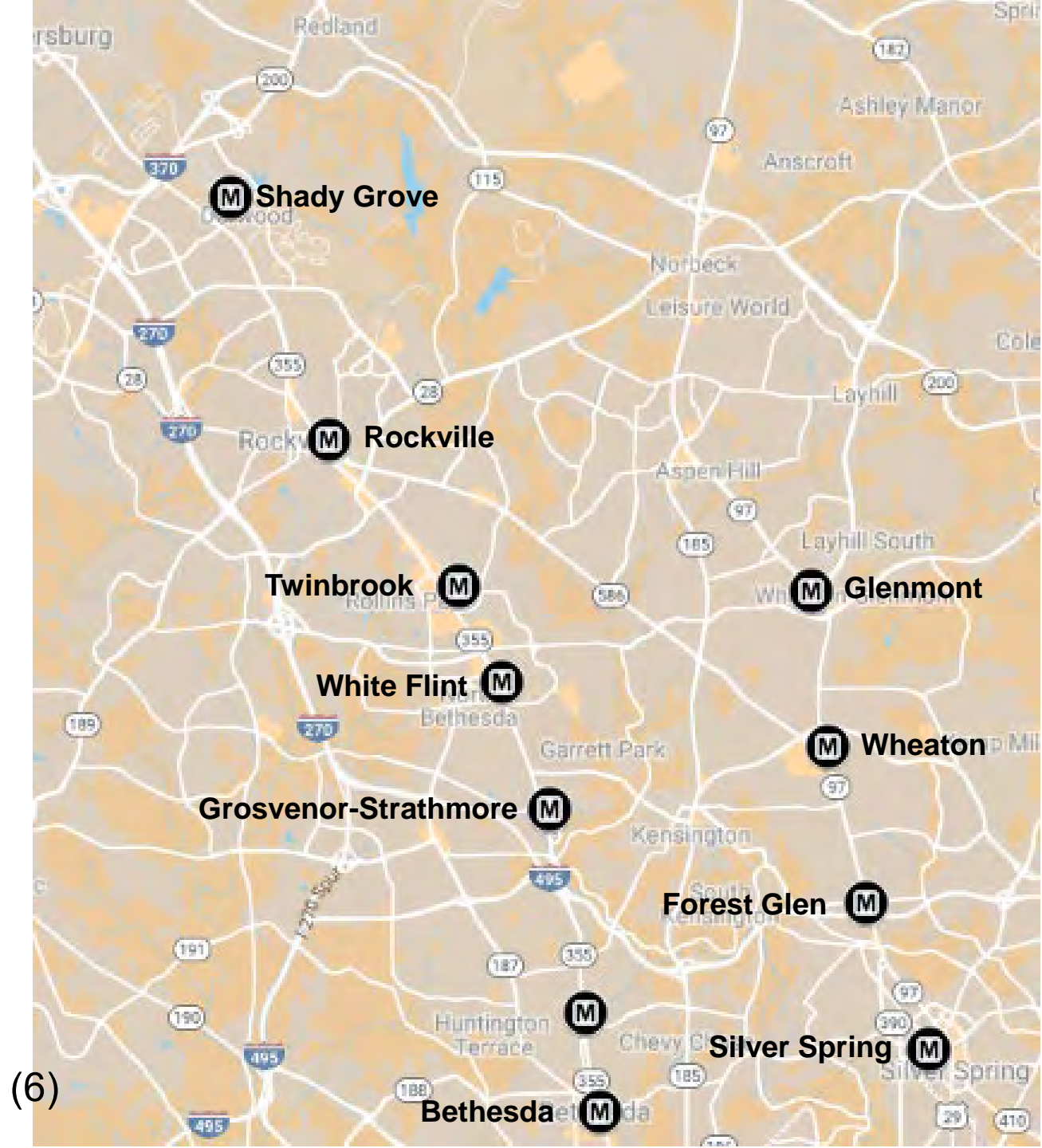
METRO'S JOINT DEVELOPMENT PROGRAM

One of the nation's most active joint development programs;
Completed more than 30 projects since 1975



STATUS OF JOINT DEVELOPMENT IN MONTGOMERY COUNTY

Priority	Metro Station	Development Potential (SF)	Status
3	Shady Grove	2.4 million	Feasibility study completed
2	Rockville	826,000	FY21 feasibility study
1	Twinbrook (West)	745,000	Issue RFP Spring 2021
2	Twinbrook (East)		Feasibility study completed
1	White Flint (H)	340,000	Under contract: LCOR
1	White Flint	3.2 - 4.9 million	Issue RFP 2021
1	Grosvenor-Strathmore	1.9 million	Under contract: Fivesquares
1	Bethesda	465,000	Under contract: Brookfield
3	Silver Spring	TBD	
2	Forest Glen	340,000	Feasibility study completed
2	Wheaton	TBD	FY21 feasibility study
3	Glenmont	TBD	FY21 feasibility study



Joint Development Sites Under Contract

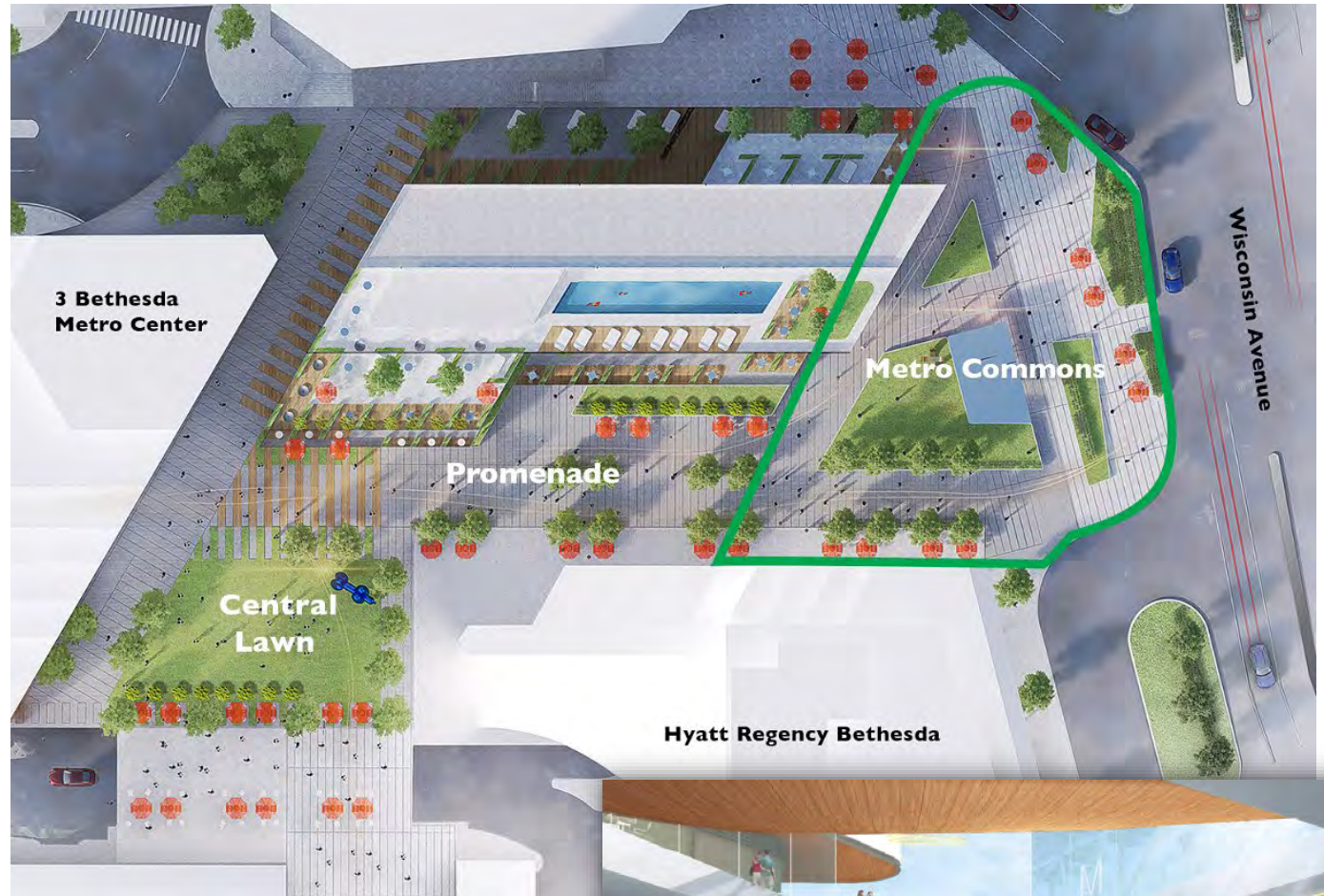
BETHESDA

GROVSENR-STRATHMORE

WHITE FLINT (PARCEL H)

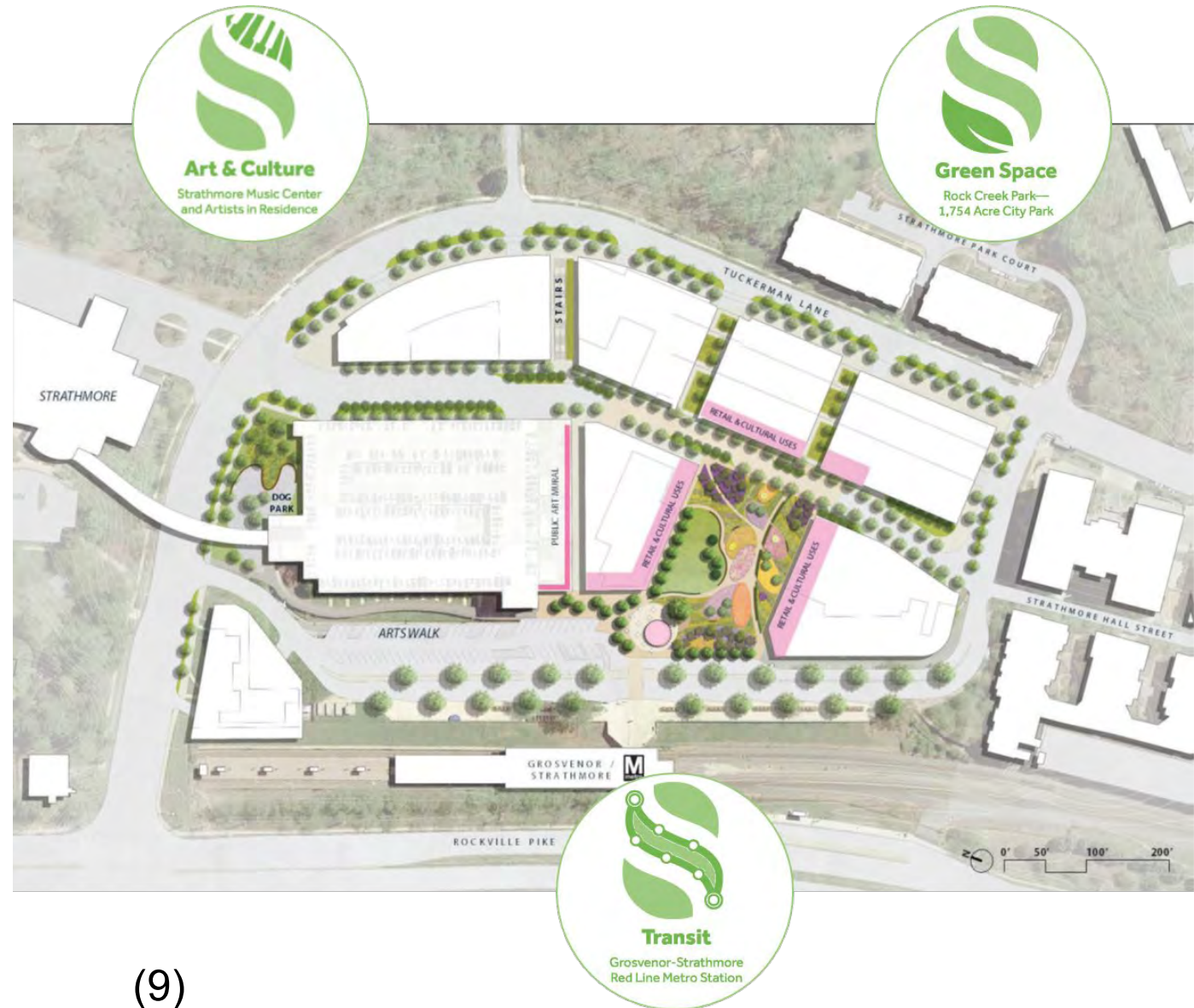
BETHESDA

- Already delivered 3 Bethesda Metro Center and Hyatt Regency hotel
- Developer: **Brookfield Properties**
- 465,000 SF residential building
- Renovation of public spaces



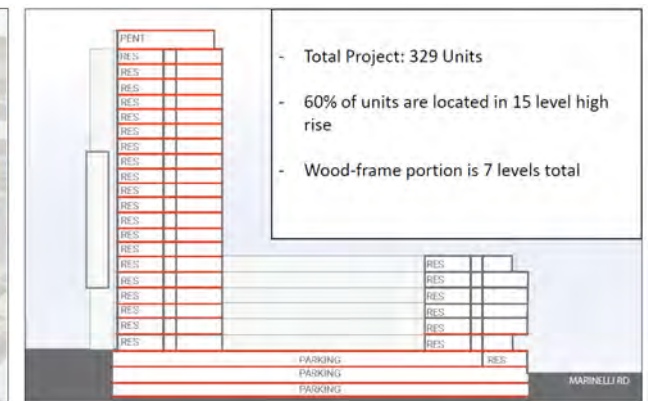
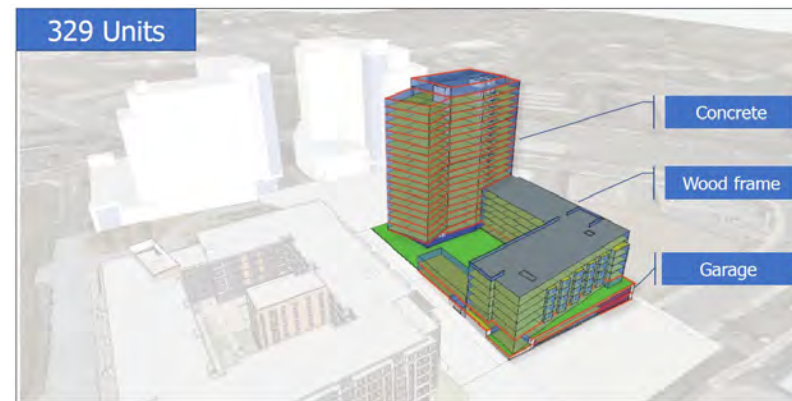
GROSVENOR-STRATHMORE

- Developer: **Fivesquares**
- Site-wide approvals as of June 6, 2019
- Fivesquares currently preparing final site plan application for the first phase of development and an interim park to be submitted in Spring/Summer 2021



WHITE FLINT (H)

- Developer: **LCOR**
- Already delivered 1.64 million SF
 - Wentworth Apartments & Harris Teeter (2008)
 - NRC headquarters (2012)
 - Aurora Apartments (2014)
 - Arrowwood Apartments (2020)
- Option to acquire Parcel H
 - PILOT legislation increases likelihood of developing 329 units



Joint Development Sites

SHADY GROVE (detailed)

ROCKVILLE

TWINBROOK

WHITE FLINT

FOREST GLEN

WHEATON

SHADY GROVE

— WMATA
Property

Proposed
Redevelopment

Route 370

Shady Grove Rd

Under
Construction

MCPS
Bus Depot

WMATA
Rail Yard

Crabbs Branch Way

East
JD Site

Frederick Rd (MD-355)



West
JD Site

Proposed
Redevelopment

Proposed
Redevelopment

Redland Rd

SHADY GROVE

East Transit Facilities

- **P&R:** 1,000+ unused spaces with old 3-story parking garage
- **Bus:** Right-sized
- **K&R:** More queuing than parking
- **Ped/Bike:** No attractive routes
- **Traffic:** Over-sized road network, but limited access points from south

West Transit Facilities

- **P&R:** 922 spaces could be accommodated by East facility
- **Bus:** Expansion needed, preserve space for future BRT service
- **K&R:** Daily parking pervasive
- **Ped/Bike:** No attractive routes
- **Traffic:** Major congestion and bottlenecks impacts bus travel time at station entrance and on-site



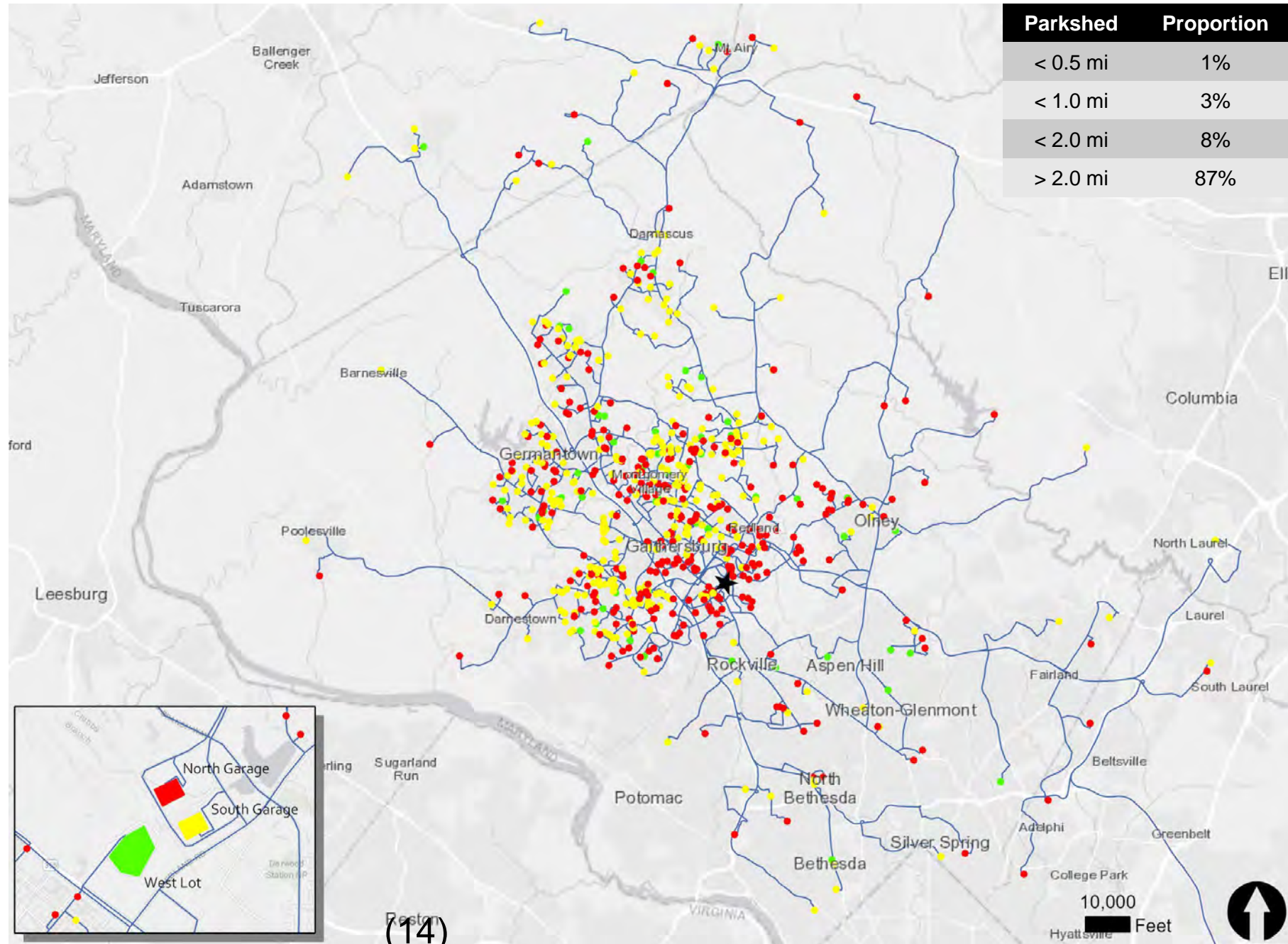
SHADY GROVE

P&R Deep Dive

- More users originate north of I-370 than south
- No identifiable access pattern (i.e. west siders don't always use west lot)
- Users might be accustomed to both east/west facilities since west is occasionally full
- Traffic congestion may also impact access patterns

How to increase utilization of east garage/lots?

- Direct access from Redland
- Improve signage along Shady Grove Rd and 355 @ I-370 interchange



SHADY GROVE

By-Right Development Potential

Land Use and Zoning Scan

- Comp Plan Vision:**

- Mixed-use urban village with park and new street network on both sides of station
- FAR of 2.0 surrounding station
- Up to 6,340 units and 7,000 jobs

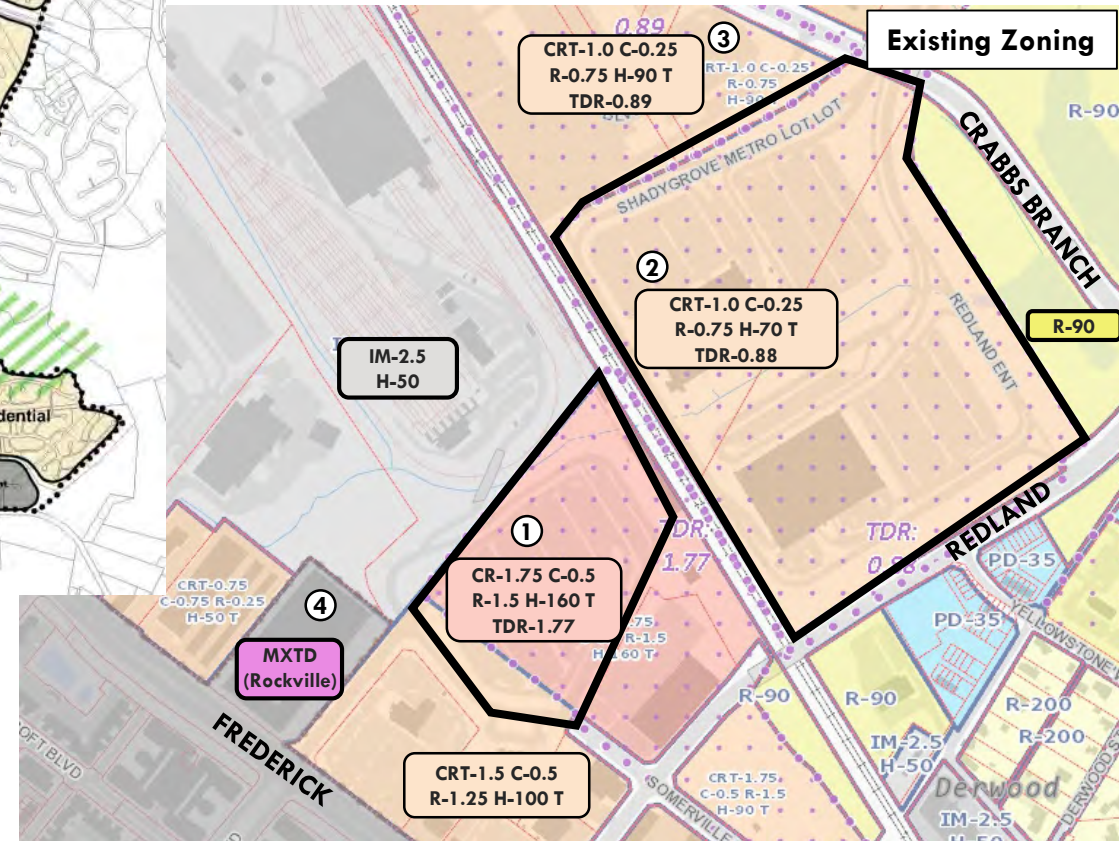
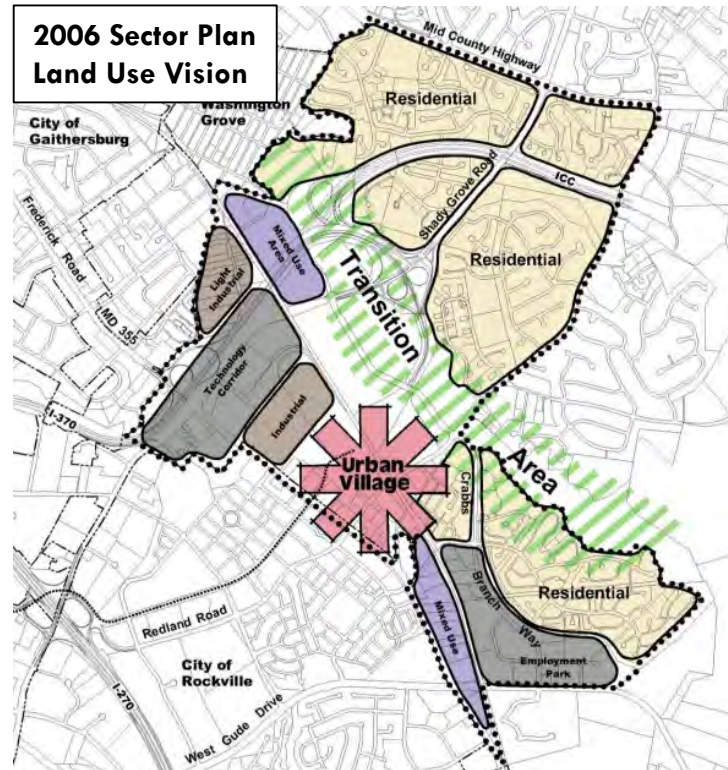
- Existing Zoning:**

- 2.3M SF (81% R :19% C)
- FAR/Height lower on east side
- Affordable housing: IZ policy in place with 12.5% set aside

- Constraints:**

- Infrastructure staging policy limits new development until interchange at M-355/Gude Dr
- Amendment process on-going to revise staging policy

JD Site	Zoning	Lot Area**	Building Height	FAR	Total Commercial	Total Residential
West JD Site	CR (Commercial Residential)	712,000 SF	160'	1.75	178,000 GSF	1,068,000 GSF (931 units)
East JD Site	CRT (Commercial Residential Town)	1.025M SF	70'	1.0	256,000 GSF	769,000 GSF (670 units)



SHADY GROVE

Recently Completed (2014-2019) and Pipeline Development in Shady Grove Station Area

Real Estate Market Conditions

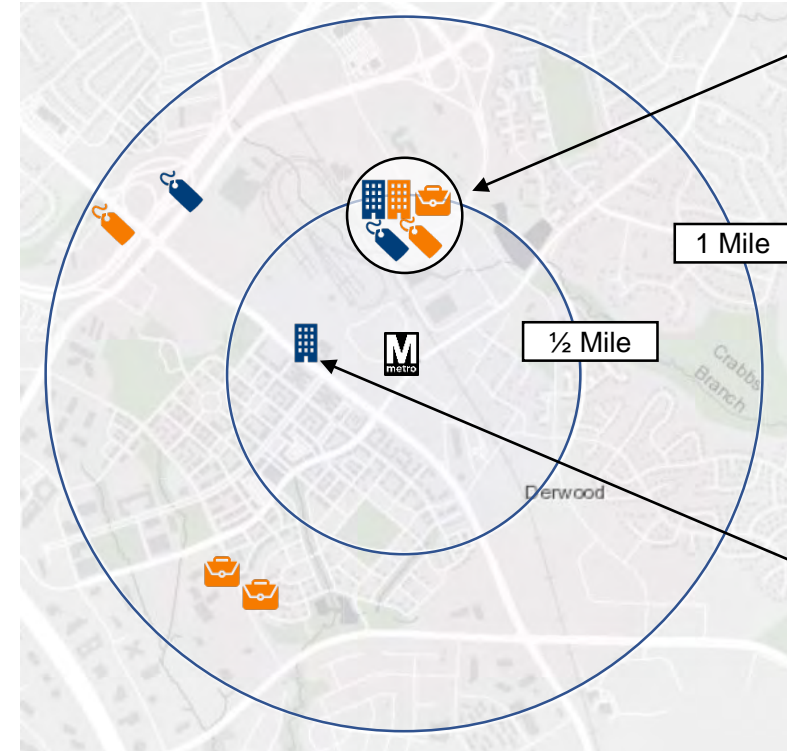
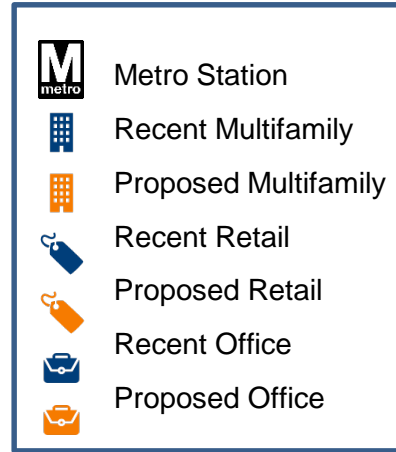
	Potential	Market Rent
• MFR:	Med	\$2.15/SF/Month
• Office:	Low	\$30.74/SF
• Retail:	Med	\$--/SF

Capturable Demand

- MFR: 200-300 DUs
- Demand < By-right (12%-19%)

Demand Drivers/Constraints

- Station Area lacks key demand drivers, i.e. public park, retail, grocery store, major office employer



Westside at Shady Grove Metro

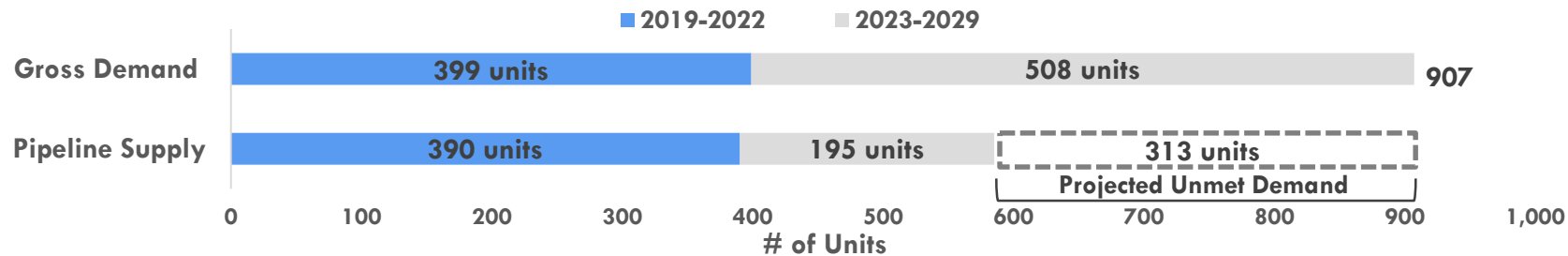
- Phase 1 (complete):
- 333 apt units
 - 148 townhomes
 - 14K SF retail

- Phase 2 (proposed):
- 780 apt units
 - 259 townhomes
 - 130K SF office
 - 23K SF retail
 - Public library

Bainbridge Shady Grove Metro

- 417 apt units

Multifamily Rental Residential Demand Analysis in Shady Grove Station Area



SHADY GROVE

Transit Facilities Program

	Existing	Proposed
Bus Bays	11	9-11
Layover	4	7+
Shuttle	1	1
P&R	5,745	5,745+
K&R	63	41
Curbside	9	17
Metered	54	24

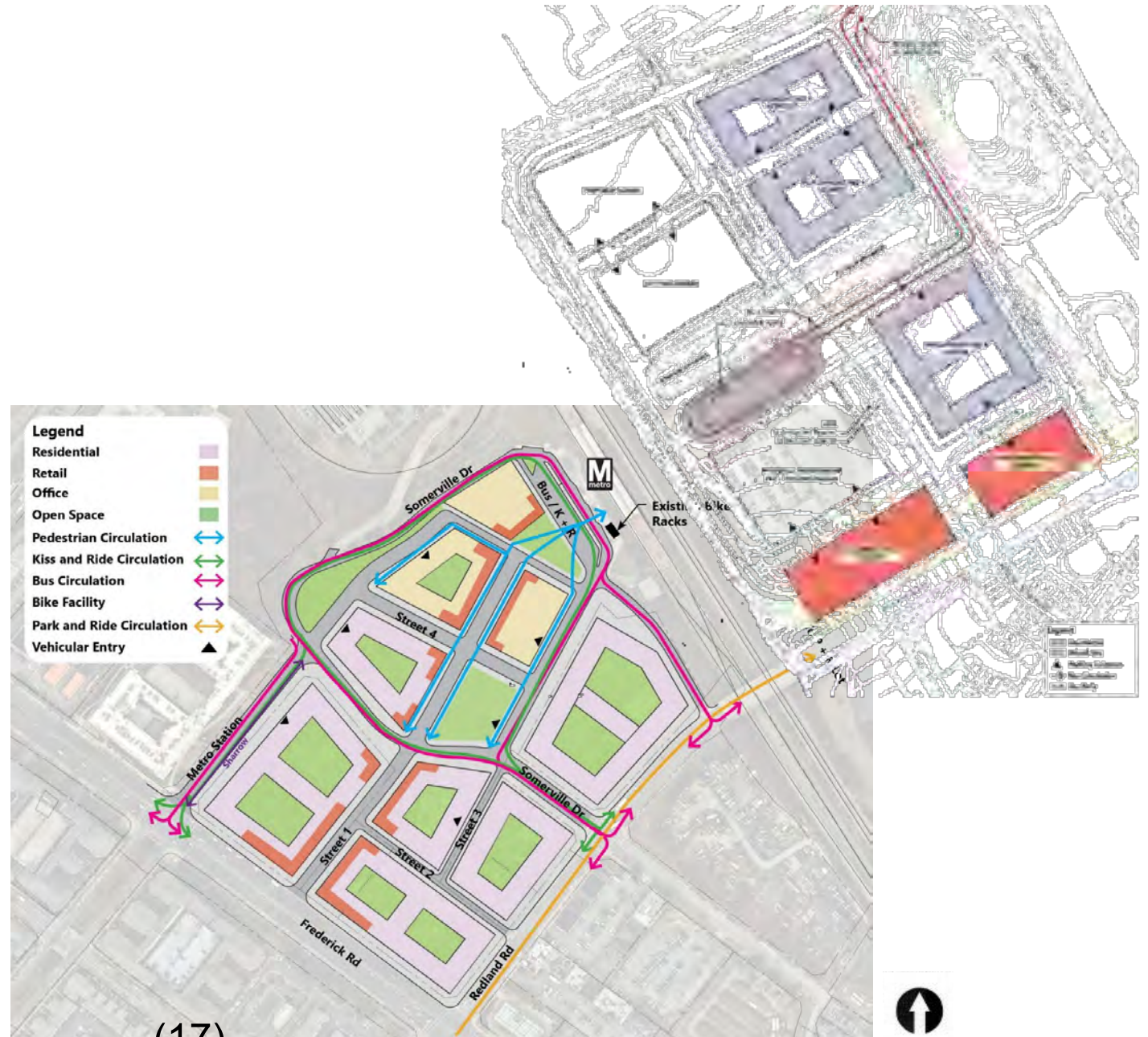
Development Program

	GSF	Resi. Units	Retail	Office
WMATA	2.4M	1,805	44.5K	574.5K
Non-WMATA	1.4M	1,359	40K	-

Metro Ridership/ Revenue Benefits

WMATA JD Site: +1,160 daily riders (~\$2.4M annually)

Total: +1,690 daily riders (~\$3.5M annually)



ROCKVILLE

 **WMATA
Property**

Auxiliary P&R

Under Construction

Under Construction

255 Rockville Pike Potential Redevelopment

Monroe Street

Truck Street

Monroe Place

Under Construction

Park Road

K&R

Bus loop



K&R/Bus Facilities

East JD Site

P&R

S Stonestreet Ave

West JD Site

Church Street

Ped Bridge

Rockville Pike (MD-355)

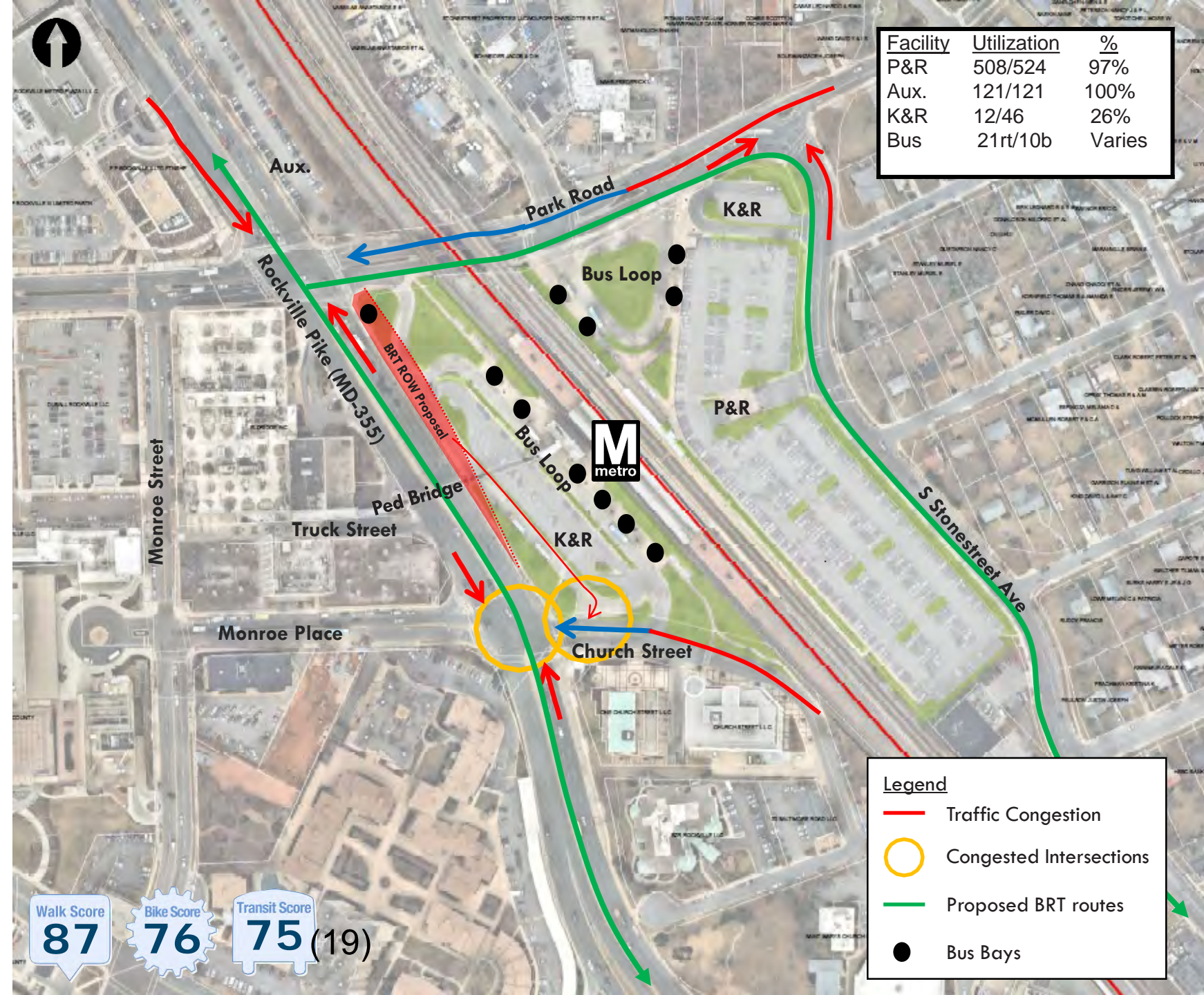
ROCKVILLE

East Transit Facilities Scan

- **P&R:** Demand exceeds capacity
- **Bus:** Right-sized but some routes overlap with Viers Mill BRT
- **K&R:** Lot 20% utilized
- **Ped/Bike:** No dedicated bike paths
- **Traffic:** Congestion does not impact on-site operations

West Transit Facilities Scan

- **P&R:** Aux lot now Park Mobile
- **Bus:** Congested and 355 BRT proposal will impact bus loop
- **K&R:** Lot 25% utilized and drop-off occurring along Church Street
- **Ped/Bike:** Bridge not preferred route and replacement wanted by City
- **Traffic:** Major congestion at Church Street impacting bus operations

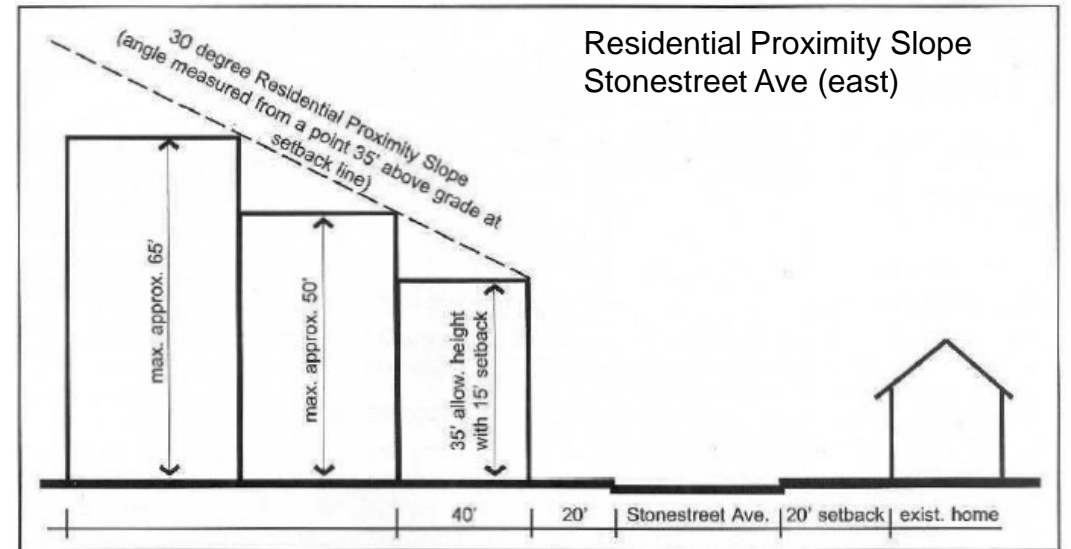


ROCKVILLE

Land Use & Zoning Scan

- **Comp Plan Vision**
 - Medium density, mixed-use development (east)
 - High density, office-centric development (west)
 - Land use and potential zoning amendment to Office (west)
- **Existing Zoning**
 - East: MXNC
 - Medium density near single-family residential; 35' – 65' height limit; 12.5% MPDU
 - West: MXTD
 - Supports high density; up to 200' height limit; 15% MPDU
- **Constraints**
 - Adjacent neighborhood (east)
 - Height limit (east)
 - Office designation (west)

JD Site	Zoning	Lot Area	Height	Percent Open & Public Space	Setback	Total Developable Area (permitted residential and commercial uses)
West Side	MXTD	95,000 sq. ft	120'-150' ³	10%	-	940,500 sq. ft
East Side	MXNC	210,000 sq. ft	35'-65' ¹⁴	10%	15 ft from Stonestreet	756,000 sq. ft



A residential proximity slope should be utilized at the Metro station to protect adjacent residences.



TWINBROOK

 WMATA Property

Under Construction

Lewis Ave

Planned
Redevelopment

Under Construction

Halpine Rd



East
JD Site

Fishers Ln

West
JD Site

Parklawn Dr

Halpine Rd

Bovic Ave

Potential
Redevelopment

Rockville Pike

Thompson Ave

Under Construction

Twinbrook Pkwy

Chapman Ave

(21)

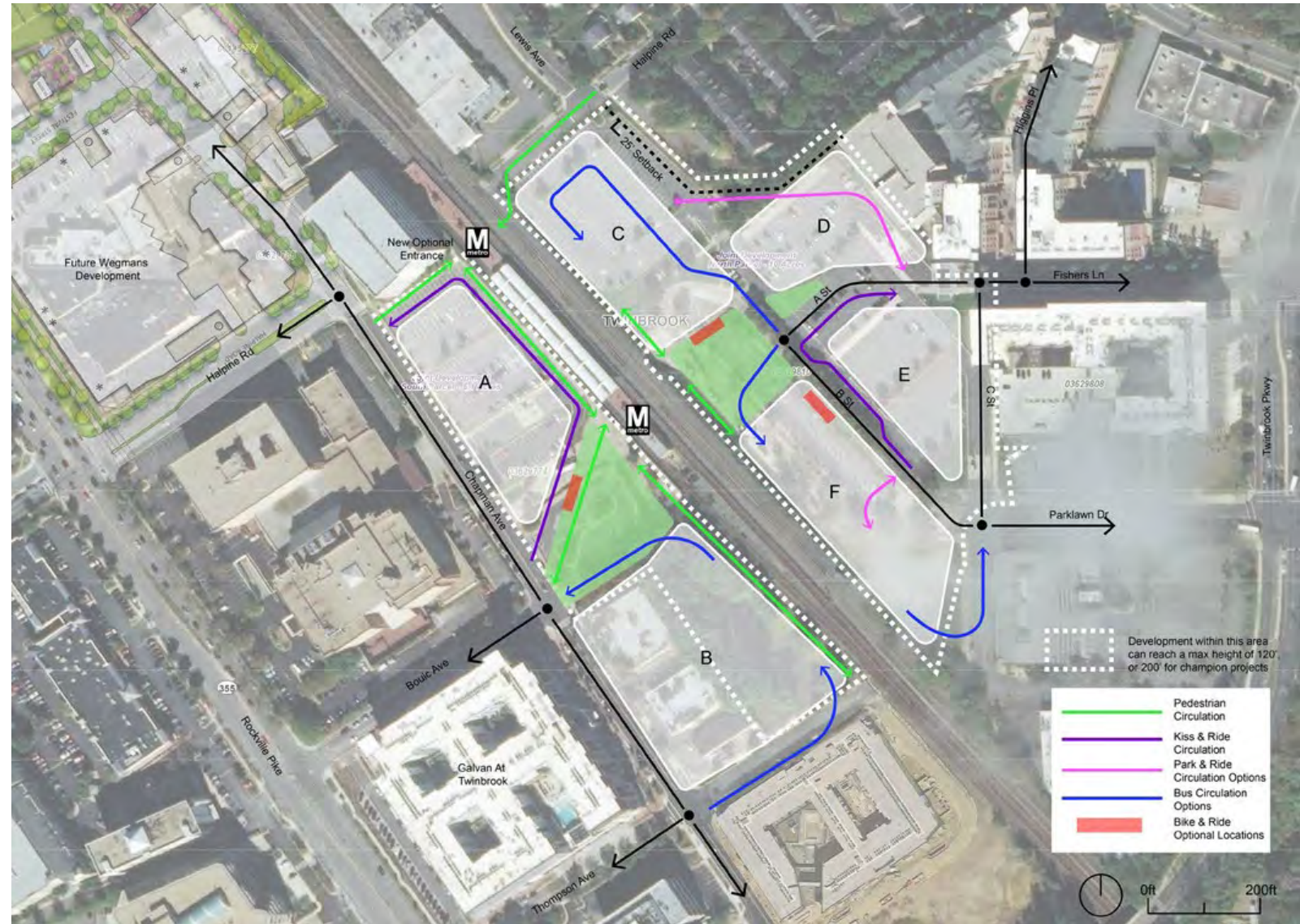
TWINBROOK

Scenario Considerations

- Long-term development perspective
- Stronger market on west side
- Phased approach to manage costs
- Land assembly potential with industrial properties adjacent to stormwater pond
- Sector plan aspirations
 - Mixed use town center
 - Open space near station entrance

Next Steps

- Comp Plan coordination (park space)
- P&R demand shift customer survey



WHITE FLINT

— WMATA Property

Potential Redevelopment

Pike & Rose

Grand Park Pipeline Redevelopment

Potential Redevelopment

Potential Redevelopment

Saul Centers Pipeline Redevelopment

Old Georgetown Road

 Future 2nd Entrance

JD Site

Citadel Ave

Under Construction

Potential Development

3 White Flint North

WMATA P&R garage

K&R spaces



Marinelli Road

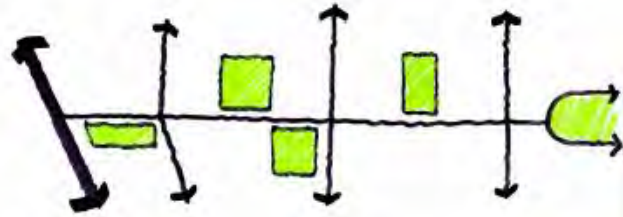
Ped Tunnel

(23)

WHITE FLINT

Urban Neighborhood

Concept 1

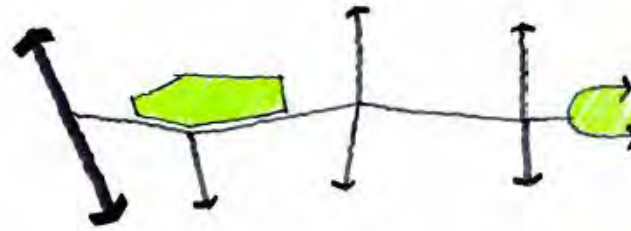


The Necklace

Series of open spaces along spine

Corporation Campus

Concept 2

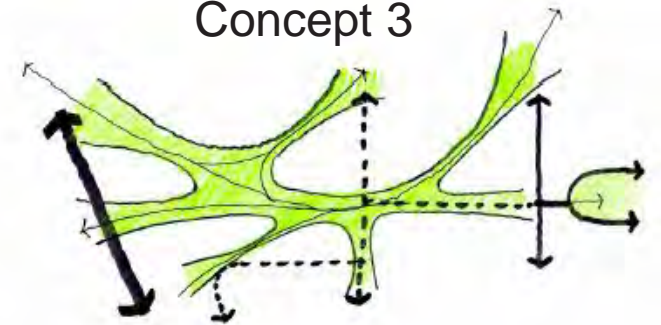


The Green

Signature open space along the central spine

Entrainment/Innovation District

Concept 3



The Strand

Contiguous public realm/open spaces along pedestrian desire lines

WHITE FLINT – Concept 1

Urban Neighborhood

Transit Facilities Program

	Existing	Proposed
Bus Bays	4	6+
Layover	0	0+
Shuttle / Bus Bridge	0 / 2	0+ / 2
P&R	1,270	1,270
K&R		
Driver Attended/Curb	6	6+
Metered Parking	0	10+
Bicycle Lockers		
Bikeshare docks	25	25+
Racks	32	32+
Lockers	20	20+

Development Program

Total GSF	Resi. Units	Office	Retail
1,968K	1,477	492K	TBD



WHITE FLINT – Concept 2

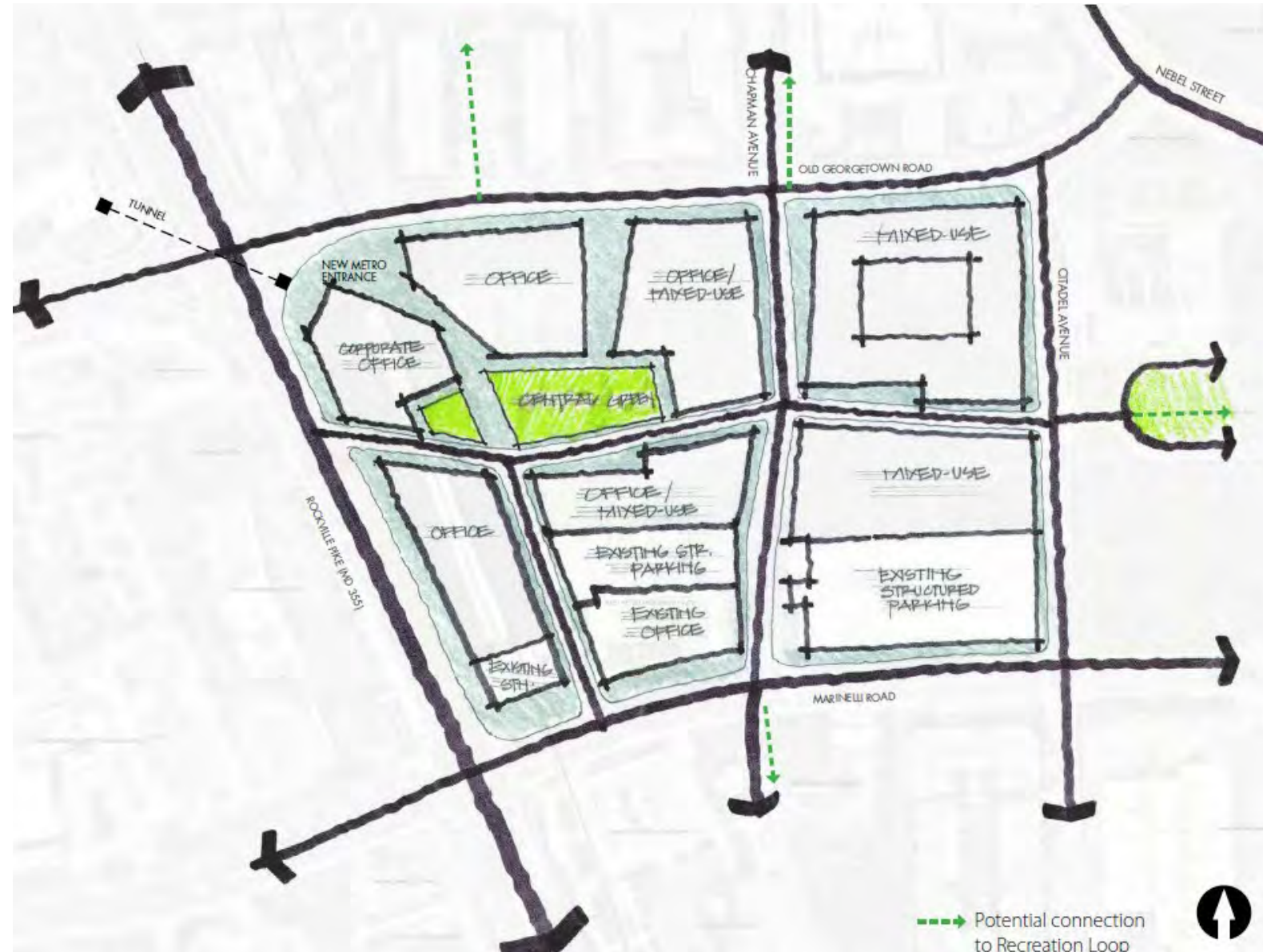
Corporate Campus

Transit Facilities Program

	Existing	Proposed
Bus Bays	4	4+
Layover	0	0+
Shuttle / Bus Bridge	0 / 2	0+ / 2
P&R	1,270	1,270
K&R		
Driver Attended/Curb	6	6+
Metered Parking	0	10+
Bicycle Lockers		
Bikeshare docks	25	25+
Racks	32	32+
Lockers	20	20+

Development Program

Total GSF	Resi. Units	Office	Retail
4,957K	1,239	930K	TBD



WHITE FLINT – Concept 3

Entertainment/Innovation District

Transit Facilities Program

	Existing	Proposed
Bus Bays	4	4+
Layover	0	0+
Shuttle / Bus Bridge	0 / 2	0+ / 2
P&R	1,270	1,270
K&R		
Driver Attended/Curb	6	6+
Metered Parking	0	10+
Bicycle Lockers		
Bikeshare docks	25	25+
Racks	32	32+
Lockers	20	20+

Development Program

Total GSF	Resi. Units	Office	Retail
2,177K	1,088	1,088K	TBD



FOREST GLEN

— WMATA
Property

General Getty
Neighborhood Park

American
Finnmark

Georgia Ave

P&R
K&R/Bus Loop

M
metro

Redevelopment
Potential

Redevelopment
Potential

Holy Cross
Hospital

Forest Glen Rd

Darcy Forest Dr

Forest Glen
Neighborhood Park

Capital Beltway

FOREST GLEN

Scenario Considerations

- Sector plan aspirations
 - Mixed use neighborhood center (120' max)
 - Activated open space near station entrance
 - Leverage county passageway investment
- Reduce parking demands by:
 - Construction of pedestrian tunnel
 - Shifting demand to Wheaton pending FY21 study of Wheaton garage

Next Steps

- Pedestrian tunnel design coordination
- Explore last-mile solutions (Cabi, Jump, RideOn micro)

Concept 1: Central Open Space



Concept 2: Metro Adjacent Open Space

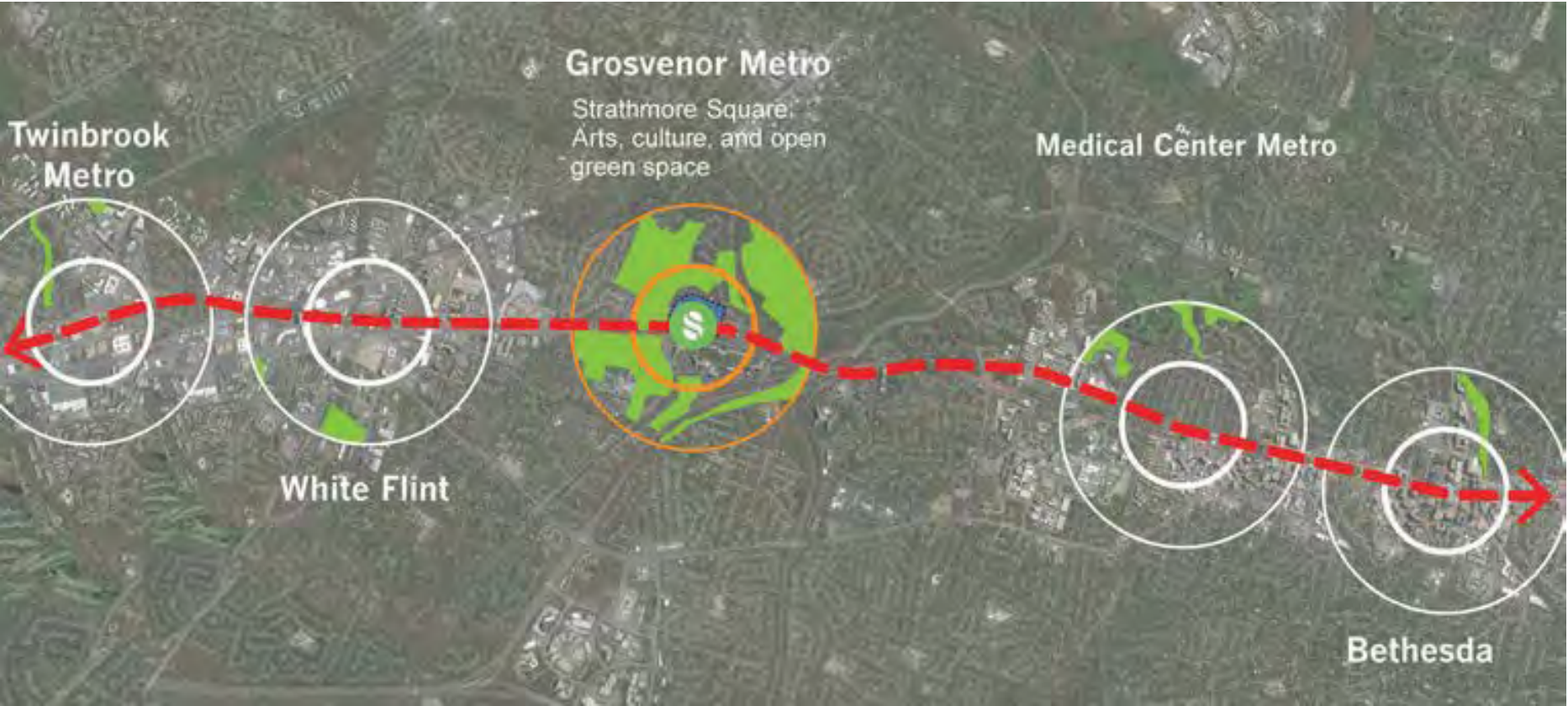


RED LINE CORRIDORS

APPROACH TO COULD OFFER:

- Unique Vision
- Market Differentiation
- Corridor-Accessible Amenities

EXAMPLE 1: CULTURAL & COMMUNITY RESOURCES



EXAMPLE 2: LIFE SCIENCES INDUSTRY

MONTGOMERY COUNTY LIFE SCIENCE



#4 life science market in the U.S.



Workforce of 44,000



Average wage of \$125K vs regional average of \$102K



8% employment growth since 2015



12.6M SF of total inventory with vacancy rate below 5%



2020 Venture Capital and grant funding in excess of \$2B



Questions



Nina Albert

Office Of Real Estate & Parking

Washington Metropolitan Area Transit Authority