



Rushern L. Baker, III
County Executive

New Carrollton Transit Oriented Development Project – Urban Atlantic

June 6, 2017

Prince George's County Council
Committee of the Whole

Agenda

- Jump Starting TOD Initiative
- Project Overview
- Proposed County Incentives
- Potential Other County Incentives
- MBE Plan
- Summary



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Jump Starting TOD Initiative

Prince George's County, Maryland

Critical Components to Jump Start*

- Focus
- Infrastructure
- Fast-Track
- Financial Incentives
- Vision and Marketing
- Leadership and Collaboration



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**Jump Starting Transit Oriented Development in Prince George's County – March 2014*

5 Priority Locations

- Largo Town Center
- New Carrollton
- Prince George's Plaza
- Branch Avenue
- Suitland



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Project Overview

Urban Atlantic - New Carrollton Metro Station

Urban Atlantic – New Carrollton Project



Type	Phase 1	Phase 2	Phase 3	Phase 4	Total
Multi-Family (units)	250	350	495	280	1,375
Office (SF)	200,000	150,000	150,000	525,000	1,025,000
Retail (SF)	10,000	55,000	25,000	30,000	120,000
Hotel (rooms)	0	250	0	0	250
Projected Cost	\$163 M	\$267 M	\$238 M	\$393 M	\$1,061 M

- Costs also include various WMATA-related infrastructure, including replacement parking, surface lots, bus loops, etc.

Urban Atlantic – New Carrollton Project – Phase 1



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experience
expand
explore

Prince
George's
county

Prince George's County
Welcomes
**KAISER
PERMANENTE**
to their new home at the
New Carrollton Transit Center

This is our healthier future > Expand In PrinceGeorges.com

KAISER PERMANENTE

PRINCE GEORGE'S COUNTY ECONOMIC DEVELOPMENT CORPORATION

Kaiser Permanente Administrative and IT Center for the New Carrollton Transit Center

Kaiser Permanente, with over 700,000 members in the Baltimore-Washington area, has chosen Prince George's County for its new 176,000 SF administrative facility. Close to metro, retail, and dining, this walkable, welcoming environment is the ideal space for Kaiser Permanente Mid-Atlantic to grow and expand.

ExpandInPrinceGeorges.com

If you would also like to EXPAND the success of your company in Prince George's County, please contact the Prince George's County Economic Development Corporation today at:

(301) 583-4650
www.pgcedc.com
info@pgcedc.com

Prince George's County EDC | @ExpandPGC | PGCEDC | PGCEDC | Prince George's County EDC | Prince George's County EDC

- 250 multi-family units
- 200,000 SF office, including 176,000 SF for Kaiser Permanente administrative and IT offices
- 10,000 SF retail
- 850 jobs at Kaiser Permanente building



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Proposed County Incentives

Urban Atlantic - New Carrollton Metro Station

Proposed Incentives



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Type	Phase 1	Phase 2	Phase 3	Phase 4
PILOT	Developer pays 25% of incremental property taxes	N/A	N/A	N/A
Parking Surcharge Account	Up to \$6.0 million	N/A	N/A	N/A
County-Funded Infrastructure	Up to \$2.2 million	N/A	N/A	N/A

- County's sole discretion to determine the final eligible costs

Projected Real Property Taxes – Phase 1



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Type	Phase 1
Real Property (RP) Taxes - Current	\$0
PILOT Payments (15 years)	\$4.7 million
Other RP Taxes (MNCPPC, Education, etc.) (15 years)	\$10.2 million
Total RP Taxes (15 years)	\$14.9 million

- Projected net real property taxes excluding the 75% PILOT incentive. County will also receive income taxes and other taxes from the development.

County-Funded Infrastructure – Phase 1



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Type	Phase 1
WMATA Infrastructure	\$6.0 million
Traffic Signals	\$1.0 million
Public Plaza	\$0.5 million
Soft Costs, etc.	\$0.7 million
Total**	\$8.2 million

- County's sole discretion to determine the final eligible costs – amounts above represent the maximum amounts (e.g. "up to")



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Potential Other County Incentives

Urban Atlantic - New Carrollton Metro Station

Potential Other Incentives



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Type	Phase 1	Phase 2	Phase 3	Phase 4
PILOT				
Parking Surcharge Account		Up to \$6.5 million		
County-Funded Infrastructure		Up to \$4.5 million		Up to \$17.5 million
Revitalization Tax Credits		Eligible	Eligible	Eligible

- County's sole discretion to determine the final eligible costs, and if the "but for" test was met for each phase prior to any incentives being provided

Potential County-Funded Infrastructure – Phases 2-4



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Type	2019-2025
WMATA Infrastructure/Parking	\$6.5 million
Public Park/Plaza	\$4.5 million
Garden City Drive	\$17.5 million
Total**	\$28.5 million

- County's sole discretion to determine the final eligible costs – amounts above represent the maximum amounts (e.g. "up to")



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CBB/CBSB/CMBE/MBE

Urban Atlantic - New Carrollton Metro Station

CBB/CBSB/CMBE/MBE Requirements



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- Minimums
 - 25% - CBB, CBSB, CMBE, and MBE
 - 20% - CMBE
- Best Efforts
 - 35% goal – CBB, CBSB, CMBE, and MBE
- Applies to **total** building costs, site work costs, and related construction services **for all phases of the project**
- Phase 1 CMBE/CBSB/MBE/CBB-applicable hard and soft costs = \$81.7 million
- Eligible costs will be determined as part of the approved MBE Plan by the County's MBE Compliance Manager
- Quarterly reports are due January 1st, April 1st, July 1st, and October 1st annually – MBE activities and project status
- Failure to comply with these requirements may result in termination of the incentives, including but not limited to “claw-back” provisions and/or liquidated damages (up to \$300,000 annually)



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Summary

Urban Atlantic - New Carrollton Metro Station

Urban Atlantic New Carrollton Project



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- Priority TOD location
- Brings reality to the long-term vision of the New Carrollton Metro Station
- Creates additional vibrancy at New Carrollton Metro Station – 2U, Maryland DHCD, Carrollton Station, Purple Line, Multiple transit modes
- Brings vital office building space
- Creates 850 permanent jobs related to the Kaiser Permanente building
- Expands the County commercial tax base
- Creates millennial-HUB opportunity
- Provides approximately \$425 million of real property taxes after deducting the County incentives over the next 30 years