

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



Rushern L. Baker, III County Executive



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

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



Rushern L. Baker, III County Executive

5 Priority Locations

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



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Project Overview



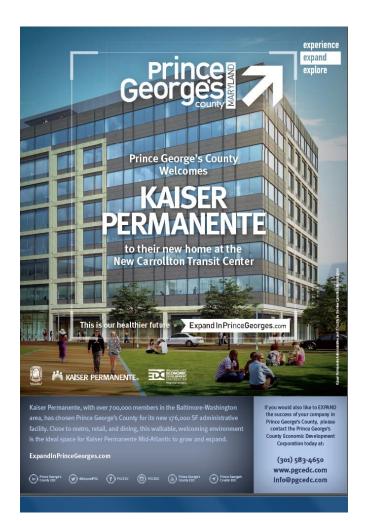
County Executive

Urban Atlantic – New Carrollton Project

Туре	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





County Executive

- 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



Proposed County Incentives



Туре	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

Proposed Incentives

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



Projected Real Property Taxes – Phase 1

Rushern L. Baker, II County Executive

Туре	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

Rushern L. Baker, III County Executive

Туре	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")



Potential Other County Incentives

Potential Other Incentives



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Туре	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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Туре	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")



CBB/CBSB/CMBE/MBE

CBB/CBSB/CMBE/MBE Requirements



County Executive

- 25% CBB, CBSB, CMBE, and MBE
- 20% CMBE
- Best Efforts

Minimums

- 35% goal CBB, CBSB, CMBE, and MBE
- Applies to <u>total</u> building costs, site work costs, and related construction services <u>for all phases of the project</u>
- 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 "clawback" provisions and/or liquidated damages (up to \$300,000 annually)



Summary

Urban Atlantic New Carrollton Project



County Executive

- 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