

ULI Washington 2016 Regional Land Use Leadership Institute

mTAP – Opportunities for the MARC Rail Communities

Understanding of the Challenge

The Germantown MARC station, located on the New Brunswick line, accommodates 900 daily boardings for weekday commuters. The existing surface parking lots (a North and South lot), containing nearly 700 spaces, have a 99% utilization rate. With 1.7% average annual growth in ridership from 2007-2012, which is anticipated to continue in the foreseeable future, Montgomery County is interested in finding ways to expand commuter parking, assess the feasibility of private development on site, and increase connectivity to the station.

In order to assist the project sponsor with this challenge, the mTAP team was asked to address the following questions:

- How can the parking situation be improved at the Germantown MARC station?
- What public/private development is possible/appropriate?
- Are there any creative options for financing?
- How can the Germantown MARC station help the county and the region?
- What lessons can be learned to apply elsewhere?

Team Approach

- Meet with local stakeholders
- Evaluate site and market conditions using a number of research tools including CoStar, Delta Associates, discussions with brokers, nearby property owners/developers, and other market participants, as well as leasing and sales data for adjacent properties
- Utilize current construction data from comparable development projects to develop cost estimates for surface and structured parking on the project site, with a goal of providing 900-1,100 spaces to accommodate existing and future growth
- Assess the feasibility of private development options, with an emphasis on residential and retail uses
- Research potential public and private funding sources to offset garage costs
- Look for ways to improve access to the station for pedestrians, cyclists, and transit riders

Findings:

- Cost per parking space ranges from \$7,000 (surface) to \$20,000 (structured)
- Total projected cost to build a 900-1,100 space structured garage on this particular site ranged from \$19.8-21.6 million
- North lot is more suitable for most private development given its location provides visibility and access from main roadways
 - The exception was residential (townhouses) uses, which would be more suitable on the south lot at a greater distance from the roadway and with a more residential character, however this option would require additional land acquisition

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- Currently, none of the private development options would offset the total costs of parking garage, with townhouses yielding the highest land value
- At this time proximity to transit does not significantly impact current land value and there is not sufficient density to support additional investment in transit infrastructure
- Community concerns include preserving historic resources and character due to the adjacency of the historic district
- Public funding sources include grants (short-term), P3s and TIFs (near to long-term)

Recommendations:

- Conduct a regional commuter study (including a rider intercept survey) to test potential for expanded utilization of MARC
- Explore potential of regional commuter park and ride system
- Promote “Mode Shift” from auto passengers to public transit and alternative modes
- Target state and federal grants/partnerships to fund regional planning studies and capital requirements for the garage and associated public transit improvements (HUD Sustainable Communities, TIGER, etc.)
- Add public parking at Boyds MARC station in advance to help manage overflow during construction of Germantown garage
- Build Germantown MARC garage before other private uses to maintain parking supply
- Improve access for pedestrians and bicycles, not just cars
- Transition to paid parking; over time, this could offset construction costs for a parking garage
- Engage a broker and legal counsel to explore issuance of a private Master Developer RFP to help defray cost of garage
- Engage local residents to explore ways to address pedestrian safety while preserving historic character of nearby roads

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