

McKenna Long
& Aldridge^{LLP}



Financing City Transportation Infrastructure Case Study: New York Avenue Metro Station

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Leading the Way to World Class Streets
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Brief History

- Station idea rejected in original plans in 1960s and 1970s
- National Capital Revitalization Act (passed in 1997) - Address long-term structural fiscal imbalances harming the financial viability of DC
- The Economic Resurgence of Washington, DC: Citizens Plan for Prosperity in the 21st Century: private sector growth-oriented economic development, with 40 strategic actions
 - Action 29—Build a Metro Station at New York Avenue to spur development north of Massachusetts Avenue (NOMA)



Why Redevelop NOMA?

- Central Location: Just north of Union Station, crossed by major roadways like New York Avenue (Route 50), North Capitol, and Florida Ave
- Large development sites available
- Broadband fiber optic cable lines already in place to attract business



Why a Metro Station?

- Significant metro station gap between Union Station and Rhode Island Avenue (almost 2 miles)
- GSA requirements – Gov't buildings should be within 2,500 feet (walking distance) of a Metrorail station, in order to promote transit ridership and discourage automobile usage
- Reduce traffic congestion



Financing

- WMATA does not directly finance the building of new stations or lines (paid by local government jurisdictions) – DC was in dire financial straits
- Estimated to be \$75 million
 - \$25 million each from DC, federal government and private (landowners and property developers, amortized over 30 years), approved by late 2000
- Action 29-New York Avenue Metro Station Corporation (non-profit) – Represented private sector and community perspective, dissolved once station was opened

Results

Station opened in November 2004

Significant impact on NOMA area:

- Private property totaled nearly \$2.3 billion during 2007, up from \$535 million in 2001, an increase of more than 30 percent annually.
- Total number of new permanent jobs (not including temporary construction jobs) created in the area since 1998 is approximately 15, 550
- Total amount of private investment in the area from 1998-2008 is nearly \$1.1 billion

