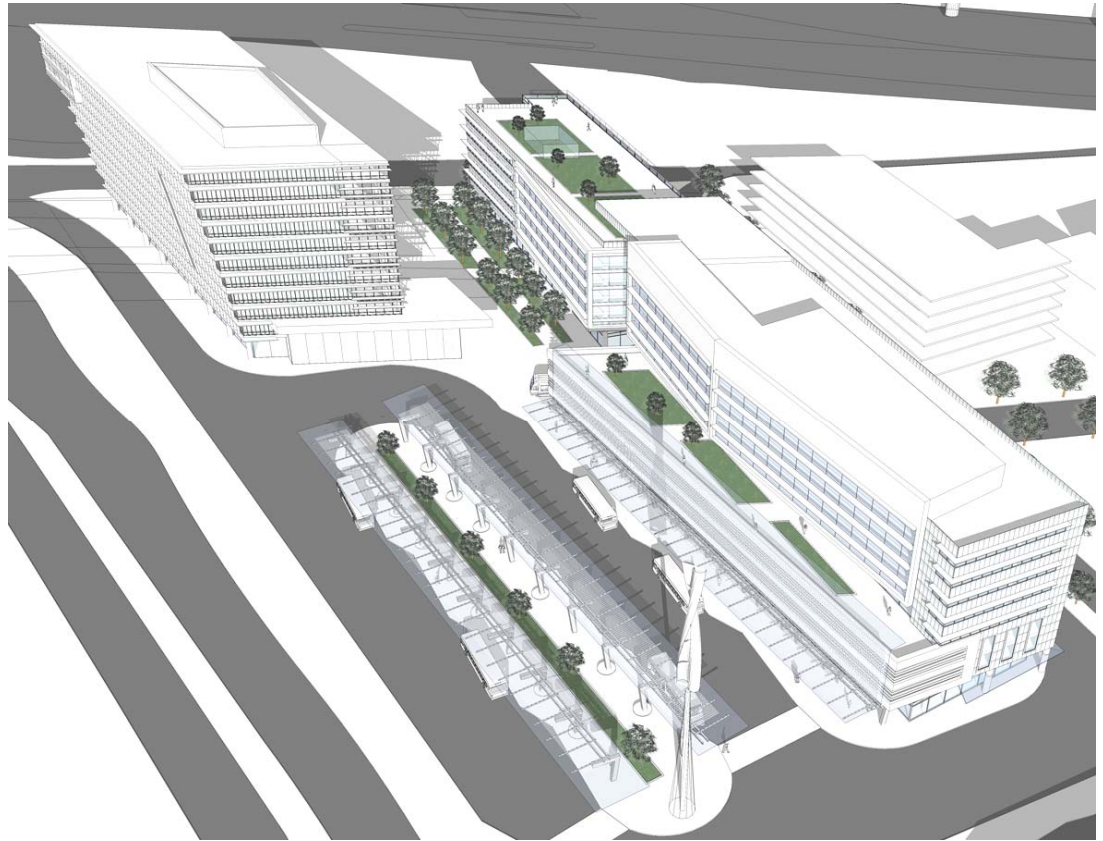




New WMATA Headquarters Building at the Anacostia Metro Station

A Proposal to WMATA from the District of Columbia



Zimmer Gunsul Frasca Partnership
Urban Design and Architecture



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Development Advisors

Agenda

- Introduction
- Executive Summary
- Comparison to Prior Proposal
- WMATA Goals
- WMATA Benefits
- Development Program
- Deal Structure
- District Incentives
- Projected Timeline
- Next Steps
- Question and Answers



Executive Summary

- A State of the Art WMATA HQ Building at No Cost (Valued at \$68M)
- Payments to WMATA totaling \$40M toward the construction of the pedestrian tunnel between Gallery Place and Metro Center
- Plus, 100% of any Additional Net Sales Proceeds from JGB
- Value created to WMATA equals \$108M



Comparison to Prior Proposal

	Prior Proposal	Current Proposal
New HQ Building/Relocation/ Fit-Out	\$65 Million	\$68 Million
Capital Payment toward the construction of the pedestrian tunnel.	\$10 Million	\$40 Million
Additional Net Sales Proceeds	\$0	100% of all upside
TOTAL	\$75.0 Million	\$108 Million

Understanding of WMATA Goals

- Optimize the Value of JGB
- Develop an Efficient and Economic Replacement for JGB at No Cost to WMATA
- Generate Funds From JGB to Support Capital and Operating Needs
- Minimize Financial Risk to WMATA
- Encourage Transit Oriented Development and Additional Joint Development Value at the Anacostia Metro Site



WMATA Benefits

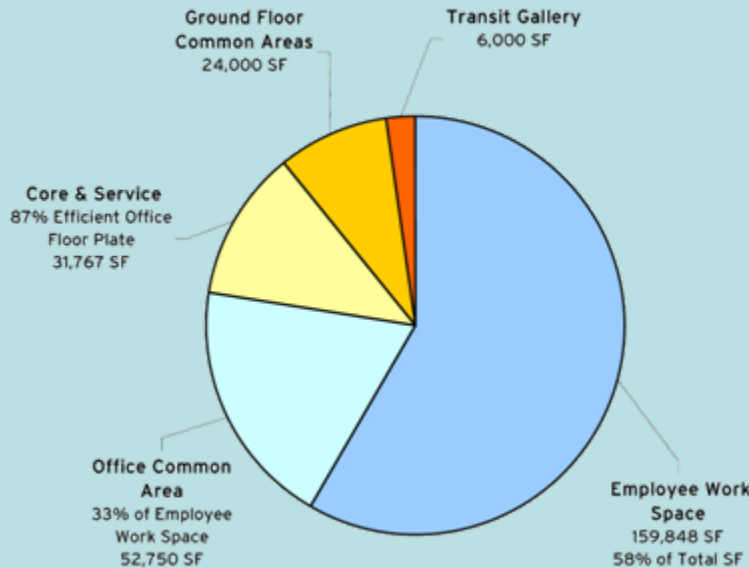
- Receive payment of \$40MM toward the construction of the proposed pedestrian tunnel from Gallery Place to Metro Center
- Obtains a new state of the efficient art Headquarters Building at No Cost
- Optimizes the Value of JGB
- Receives 100 Percent of Any Net Sales Proceeds from JGB
- Enhances/Accelerates the Future Development Value of the Private Sector Development at the Anacostia Metro

Other Non-Monetary WMATA Benefits

- Demonstrate Transit Oriented Development Benefits
- Contribute to the Economic Renaissance of Anacostia

New WMATA HQ - Preliminary Development Program

A 275,000 SF building will More Efficiently House WMATA's Facilities Than The Existing JGB Headquarters Built in 1968.

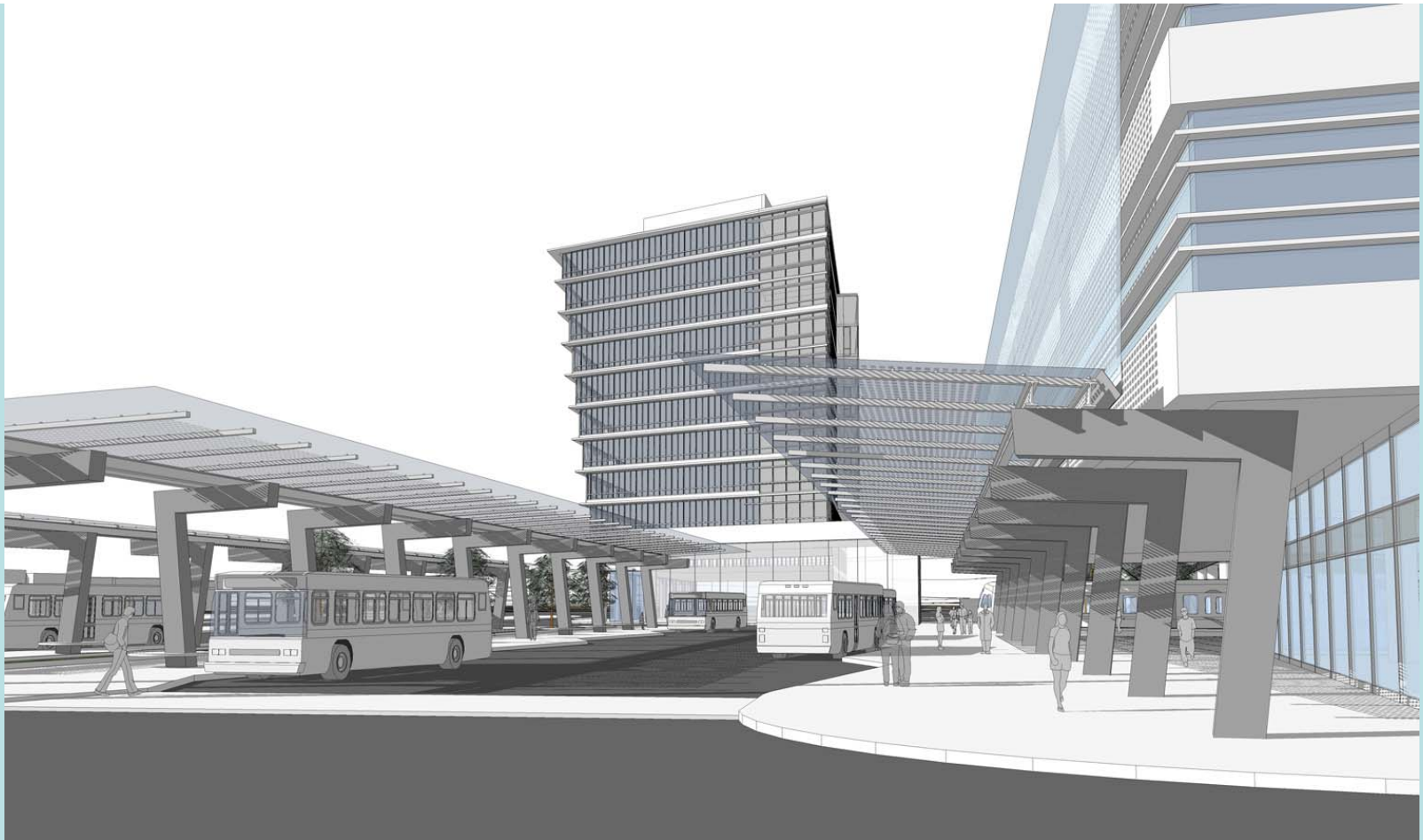


- Building Gross SF - 275,000 SF
- Parking Below Grade – 190 Spaces

WMATA Space Planning Summary

Number of Employees	1320
Net SF Required - Office Floors: (WMATA Space Allocation per Employee)	159,848 SF
Net SF Multiplier - Office Floors: Assume 33% of Net SF (Includes Inter & Intra Department Circulation, Conference Rooms, Copy Areas)	52,750 SF
Gross SF Total - Office Floors: Employee Work Area	212,598 SF
Net SF Core & Service - Office: Assume 87% Efficient Building (Includes Elevators, Common Circulation, HVAC, Electrical, Telephone, Bathrooms)	31,767
Office Floors - Gross SF	244,365 SF
Ground Floor (Existing SF): Lobby, Board & Meeting Room, Support, Library, Cafeteria	24,000 SF
Transit Gallery (Size of Existing Lobby)	6,000 SF
Building Gross SF Total: Projected Program - Above Grade	274,365 SF
Loading, Storage & Mail	Below Grade

A View of the new Bus Bays looking toward new WMATA Building



Basic Deal Structure

District Roles/Responsibilities

- Guarantee Capital Payments of \$40M to WMATA
- Funds Any Shortfall from Sale of JGB
- Credit Enhances Developer Financing of the New Headquarters Building, JGB Redevelopment and Guaranteed Minimum Capital Payments to WMATA
- Uses Its Best Efforts to Optimize the Value of the JGB Redevelopment and Any Ancillary Private Sector Development at the Anacostia Metro
- Encourages Private Sector Redevelopment of the JGB
- Enhances/Accelerates Development/Redevelopment at the Anacostia Metro Site and Adjacent Areas

District Incentives to Optimize Value

- **TIF/PILOT**
 - Tax Increment Financing/Payment in Lieu of Taxes on Private Components at JGB and Anacostia Metro
- **Loan Guarantee/Credit Enhancement**
 - Reduces Cost of Financing
- **Accelerated Regulatory Processing**
 - Reduces Risks, Optimizes JGB Value, Reduces Interim Financing Costs
- **Material Purchase Tax Abatement**
- **Other Innovative Public/Private Partnership Tools/Anacostia Incentives**

Projected Timeline

Concept Approval	June 2007
Developer Solicitation	July 2007
Formal Joint Powers Agreement	August 2007
Developer Agreement	October 2007
Sales/Leaseback of JGB	January 2008*
Completion of New HQ	January 2010*
Sales/Refinancing of JGB	January 2012*

* Three Payments totaling \$40M will be made to WMATA

Next Steps

- Concept Approval/Finalization
- WMATA/District Internal Approval
- Negotiation/Approval of WMATA/District Agreements
- Formal Approval of Joint Powers Agreement
- Initiate Developer Solicitation

Questions?

