

City of Alexandria, Virginia

MEMORANDUM

DATE: NOVEMBER 15, 2013

TO: MEMBERS OF THE TRANSPORTATION COMMISSION

FROM: RICHARD J. BAIER, P.E., LEED AP, DIRECTOR, T&ES
MARK JINKS, DEPUTY CITY MANAGER

SUBJECT: AGENDA ITEM #5 (OTHER BUSINESS) - POTOMAC YARD METRORAIL
STATION UPDATE

ISSUE: Staff update to Transportation Commission on the Potomac Yard Metrorail Station Environmental Impact Statement (EIS).

RECOMMENDATION: That the Commission receive the staff update.

BACKGROUND: The City is evaluating potential locations for an infill Metrorail station along the Blue and Yellow lines between the National Airport and Braddock Road Metrorail stations to serve Potomac Yard. A Metrorail station in the vicinity of Potomac Yard has been included in various plans over the years. The 1999 Coordinated Development District (CDD) approval for Potomac Yard required the reservation of a site for a potential future Metrorail station. In 2008, the City Council adopted the *Transportation Master Plan*, which required that any amendment to the existing plans for Potomac Yard which resulted in an increase in density should “include reasonable provisions to address the development and funding of an additional Metrorail station” at Potomac Yard.

In 2008, the City began to evaluate land use density and zoning for North Potomac Yard, a process which resulted in the 2010 *North Potomac Yard Small Area Plan*. The plan envisions the replacement of the Potomac Yard Shopping Center with a high-density, transit-oriented neighborhood that is connected by a multi-modal transportation network including a Metrorail station.

Concurrently with the planning process for North Potomac Yard, the City and the Washington Metropolitan Area Transit Authority (WMATA) collaborated to identify, examine, and screen potential locations for a Potomac Yard Metrorail Station. The *Potomac Yard Metrorail Station Concept Development Study* (2010) analyzed eight potential station locations. The study ultimately recommended further examination of three of the alternatives initially examined. One of these alternatives was at the site of the Metrorail Reservation identified as a result of the 1999 CDD condition. The other two were located further north, closer to the planned redevelopment in North Potomac Yard. It should be noted that the current National Environmental Policy Act (NEPA) process developed new alternatives, although the current Alternative A and Alternative B are roughly equivalent to the alternatives in the *Concept Development Study* that were

recommended for further examination.

The final adopted *North Potomac Yard Small Area Plan* included a requirement for developer contributions to support the funding of the station location shown in the plan (approximately the location of the current Alternative B). The density, height, and land uses in the plan were based on the provision of a Metrorail station. If a Metrorail station is not built in a location at or near the location shown in the plan, then the allowed redevelopment density in North Potomac Yard would decrease from 7.5 million square feet to 3.7 million square feet.

ENVIRONMENTAL IMPACT STATEMENT (EIS): The City is currently completing an Environmental Impact Statement (EIS) as part of the NEPA process. The NEPA process is required for the Metrorail Station project to maintain eligibility for federal financing and because some of the alternatives may affect the George Washington Memorial Parkway (GWMP), which is administered by the National Park Service (NPS). The agencies involved in the project include:

- The **City of Alexandria** is the project sponsor and joint lead agency.
- The **Federal Transit Administration (FTA)** is the lead federal agency, because the City will be seeking federal funding for a portion of the project.
- **WMATA** is a cooperating agency because they would operate the station.
- **NPS** is a cooperating agency because of its role in administering the GWMP.

The Draft Environmental Impact Statement (Draft EIS), currently under development, analyzes the socioeconomic, environmental, and transportation impacts of a no build alternative and three build alternatives. The Draft EIS will address key environmental considerations including air quality and climate change, transportation and land use, visual resources, parklands, historic and cultural resources, noise, vibration, wetlands and habitats, and temporary construction impacts.

The alternatives include (see **Figure 1**):

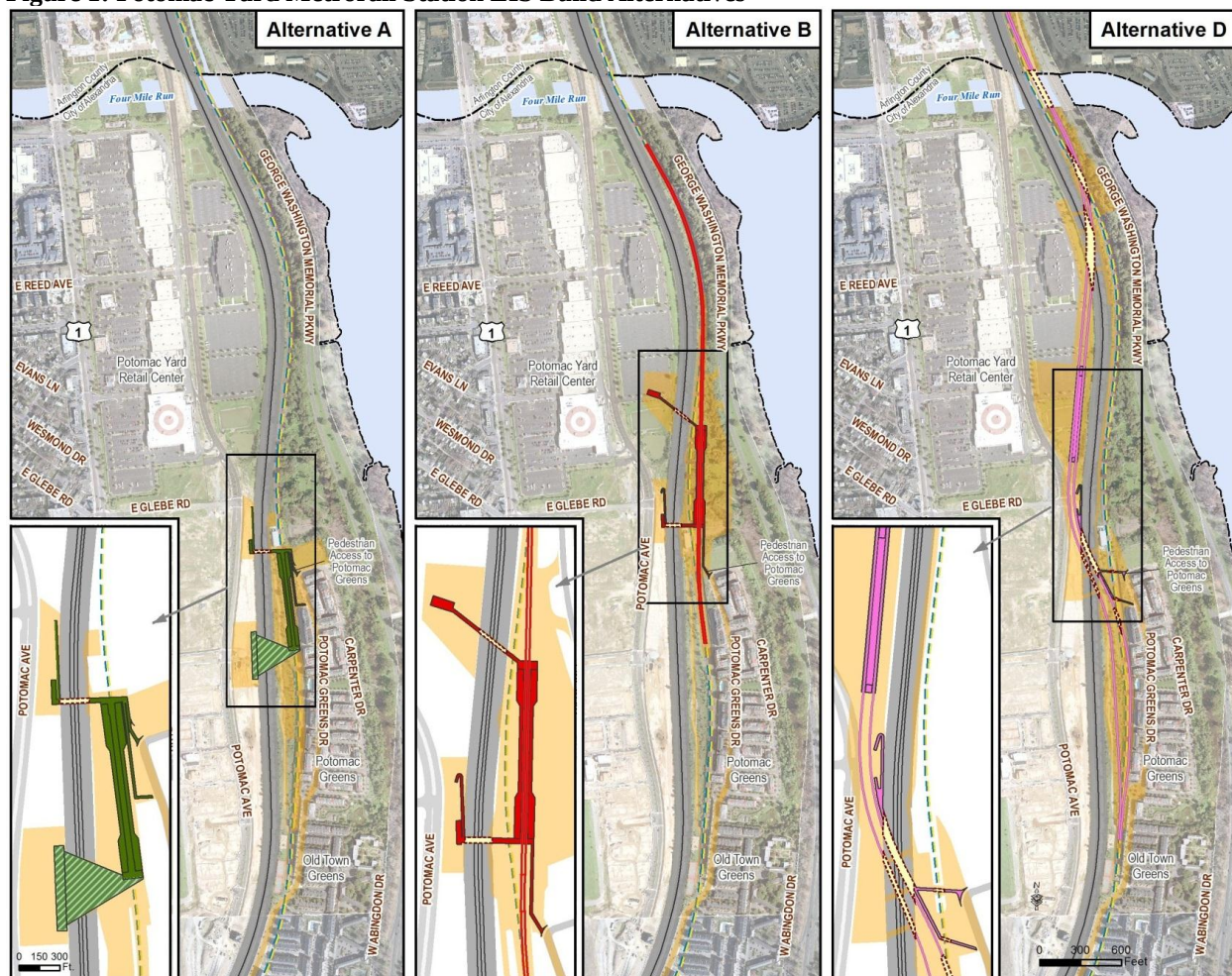
- **No Build Alternative**: This alternative includes the existing transportation network, plus projects in the study area that are expected to be in place by 2040, including the Route 1 Transitway, expansion of local transit services, and the multi-use trail from Four Mile Run to Braddock Road.
- **Alternative A**: Located generally within the existing Metrorail Reservation site at the northwestern end of Potomac Greens, the station would be at the level of the existing WMATA tracks. The estimated cost has been \$195 million.¹
- **Alternative B**: Located north of Potomac Greens between the GWMP and the CSX Corporation (CSXT) railroad tracks, the station would be at the level of the existing WMATA tracks. This alternative would involve the shifting of approximately 2,000 feet of track to create enough straight track for a station. The estimated cost has been \$250 million.¹
- **Alternative D**: Located west of the CSXT tracks near the existing Potomac Yard Shopping Center, the station would be elevated with a ground-floor entrance mezzanine and would require approximately 6,000 feet of new and relocated track. The estimated cost has been approximately \$462 million.¹

¹ The costs for the three build alternatives will be re-estimated prior to the release of the Draft EIS.

Over the past few months, the project team has been investigating several options to mitigate impacts identified during the Draft EIS analysis. Mitigation options include landscaping design to screen the station and an option which involves moving the CSXT tracks to the west. This option would potentially allow Alternative B to be removed from NPS-owned land and the 1999 scenic easement. NPS requested that the City determine whether the feasibility of this option. The City's EIS consultants have indicated that it would be technically possible. Moving the tracks to the west would place them on property now occupied by the movie theater. CSXT has indicated a willingness to meet with City and WMATA staff to learn more. However, this "willingness to meet" should not be construed as "willingness to agree." Cost estimates have not been developed for this option, which may or may not be cost prohibitive, as the option includes moving three active sets of CSXT track and the acquisition of currently developable land in Potomac Yard.

At the request of FTA, made during the Draft EIS process, mitigation will be incorporated into the Draft EIS. Therefore, the Draft EIS will be completed and released for public review and comment only when the analysis of mitigation options is complete. During the public review and comment period, the City will hold several Community Education and Discussion Workshops, as well as a public hearing.

Figure 1: Potomac Yard Metrorail Station EIS Build Alternatives



Note: A No Build Alternative is also under consideration

METRORAIL STATION FUNDING SOURCES: Capital and operating expenses for the Potomac Yard Metrorail Station has to date planned to be funded using revenue generated by new development in Potomac Yard and in the case of Alternative B substantial developer contributions. The City has created the Potomac Yard Metrorail Station Fund to account for and manage the revenues collected for the station. Proceeds from the Fund are used solely for the planning, design, construction, and financing of the station and related infrastructure. Proceeds from the Fund are accounted for separately from other City revenues. Revenue for the Fund comes from:

- Net new tax revenues generated by Potomac Yard development (beyond taxes to pay for City and school services);
- Two special tax districts in Potomac Yard²; and
- Developer contributions.

To pay for construction the City structured its financial plan assuming that 100 percent of the station costs would be debt financed through issuance of City general obligation bonds. Knowing that it does not have to rely on uncertain federal or state funding, the City can proceed with greater certainty that the station is financeable. The bonds would be paid back using revenue from the fund over the course of thirty years. The financing plan, which was modeled on Alternative B-level costs, does not rely on the City's General Fund, and in later years tax revenue from Potomac Yard will substantially exceed annual debt service by as much as \$500 million. Other potential opportunities for federal or state funding include loans through the Transportation Infrastructure Financing Innovation Act (TIFIA) and possibly some Northern Virginia Transportation Authority 70 percent funding.

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² North Potomac Yard special tax district levy initiated. South Potomac Yard special tax district levy to be initiated after the Potomac Yard Metrorail Station opens for service.