

MINUTES

MEETING OF THE BOARD OF DIRECTORS

PLANNING & EXTERNAL RELATIONS COMMITTEE

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY

May 29, 2012

The Board of Directors Planning & External Relations Committee met on May 29, 2012 at 10:06 a.m. in the Board Lounge on the 6th Floor of the MARTA Headquarters Building, 2424 Piedmont Road, Atlanta, Georgia.

Board Members Present

Robert L. Ashe, III
Harold Buckley, Sr.
Wendy Butler, Chair
Frederick L. Daniels, Jr.
Jim Durrett
Noni Ellison-Southall

MARTA officials in attendance were: General Manager/ CEO Beverly Scott; Chief, Business Support Services Theodore Basta, Jr.; AGMs Davis Allen, Deborah Dawson, Nelvette Easterling (Acting), Ben Graham, Rod Hembree (Acting), Robin Howard, Mary Ann Jackson, Cheryl King, Barbara Kirkland (Acting), Ryland McClendon, Elizabeth O'Neill and Gary Pritchett; Sr. Directors Kevin Hurley and David Springstead; Directors Anton Bryant, John Crocker, Reginald Diamond, Joe Erves, Garry Free, Scott Haggard, Lyle Harris, Pat Minnucci and Carol Smith; Managers Donna DeJesus, Tony Griffin, Cara Hodgson and Gregory Synderman; Executive Manager to the Board Rebbie Ellisor-Taylor; Sr. Executive Administrator Tyra J. Wiltz; Executive Administrator Renee Willis; Finance Administrative Analyst Tracy Kincaid. Others in attendance Doug Chambers, Christopher Dorsey, Kareem Jackson, Leeshu Kennedy, Jason Morgan, Anthony Pines, Srinath Remala and Jason Ward.

Also in attendance Representative Lynne Riley; Jared Lombard of ARC; Dan Sherman of Greenberg Taurig; Pam Alexander of LTK.

Approval of the April 30, 2012 Planning & External Relations Committee Meeting Minutes

On motion by Mr. Buckley seconded by Mr. Durrett, the minutes were unanimously approved by a vote of 5 to 0, with 5 members present.

Briefing – Existing MARTA Transit Oriented Development (TOD)

Mr. Crocker briefed the Committee on MARTA's existing Transit Oriented Development (TOD).

Historical Overview

- Five station areas have active ground leases
- First agreement in 1983
- Most signed after 2000 - FTA Changed Joint
- Development Policy in 1997 to encourage joint development
- Six one-time cash transactions in 2000
- Have identified \$130 million in capital improvements to support joint development
- 2010 - MARTA Board of Directors adopted TOD Guidelines
 - Directly states a preference for ground leases rather than sales

Existing / Active TODs

- Arts Center Station / One Atlantic Center
 - Major Office Building located south of station at 14th and West Peachtree
 - Executed 49-Year Lease in 1983 With Extensions (99-Yr)
 - 1,000,000 SF- 50 Story, Class A
 - Built in 1987 on 3.08 Acres
 - Initial Lease Term Expires in 2033
 - FY 2012 Annual Ground Rent = \$1.383 Million
- Lenox Station / Resurgens Plaza
 - Major office building located above northern end of station
 - Executed 60-Year Lease in 1984
 - 400,000 S.F. Office (Vertical Air-Rights)
 - 1.63 Acres
 - Option to Purchase Air Rights in 2044
 - Annual Ground Rent = \$239,136

- **Medical Center Station - St Joseph's Hospital**
 - Medical Office Building located east adjacent to station entrance
 - Executed 99-Year Lease in 2001
 - Phase I Office Completed in 2003
 - \$3.6 Million Capital Event Payment to MARTA in 2006
 - FY 2012 Anticipated Annual Ground Rent = \$344,100
 - Identified Approximately \$5.3M in capital improvements
- **Abernathy Park & Ride - Ackerman Development**
 - Former Park & Ride Located at Abernathy Road and GA 400
 - Executed 99-Year Lease in 2002
 - Original Master Plan/Design:
 - 570,000 S.F. Office, 225 Room Hotel & 150-Residential
 - Multifamily Land sold in 2006 = \$1.4M to MARTA
 - \$80,300 Annual Ground Rent to MARTA
 - Identified \$1.8M in Capital Improvements
- **Chamblee Station - Townhomes on Chalfont**
 - 1.5 Acres sold to NSC Investments In 2003
 - Sales proceeds = \$510,000 to MARTA
 - 25 Townhomes completed in 2005
- **Lakewood/Ft. McPherson - Columbia Sylvan Hills**
 - 192 Unit Apartments located east of Station completed in 2008
 - Intergovernmental Agreement (IGA) with Atlanta Development Authority, URFA & Columbia Residential
 - Land Sale Proceeds = \$992,000 (2005)
 - Identified \$3.6 million in Capital Improvements including a new elevator and ramp on east Pedestrian Bridge
 - URFA Contributed \$450,000 towards improvements
- **Sandy Springs - Kessler Hotel**
 - Land sale of approximately 0.3 acres in 2006 for \$235,000
 - Adjacent property was to be developed as a hotel - sale was to construct a covered walkway from station to hotel
 - Hotel not constructed, but land still owned by hotel developer

- Lindbergh Station - Lindbergh City Center
 - Completed to date:
 - 909,391 sq. ft. AT&T Office Building
 - 364 apartments - Uptown Square
 - 67,000 sq. ft. HTI building
 - 205,000 sq. ft. of retail
 - 352 apartments - Eon at Lindbergh
 - Composed of several different Ground Leases and Land Sales
 - Coordinated with the 2000 Bellsouth "Metro Plan" consolidating facilities
 - MARTA Police responsible for security in common areas
 - Identified \$120M in Capital Improvements
 - \$77M for parking decks
 - \$43M in station reconstruction
 - FY 2012 anticipated Lease Revenue = \$2.7M
 - Received \$8.426M in related land sales
 - Timeline
 - Conceptualized in 1997
 - RFP 1997/1998
 - Selected team in 1998
 - Neighborhood Agreement 1999
 - Development Agreement 2000
 - Components
 - Office - AT&T Towers
 - Retail
 - Master Retail
 - AT&T Retail
 - Apartments
 - Uptown Square
 - Eon

- Bellsouth "Metro Plan" – parking spaces at four locations and one land sale
- Annual Revenues
 - Executed AT&T 99-year lease in 2000
 - AT&T 909,391 RSF Office Facility with Ground Level Retail
 - FY 2012 Revenue \$1.3M with 10 year adjustments
 - 2006 Master Retail Agreement with Carter & Associates = FY 2012 Ground Rent \$487,000
 - Residential
 - 99 Year Ground Lease 2004
 - Uptown Square Apartments
 - FY 2012 Revenues \$322,000
 - Eon Condo Sale 2006, converted to Apartments = \$4.576M
 - Parking (2003) and Deck 2 (2003) Agreements with Carter = FY 2012 Ground Rent \$253,375
- AT&T Remote Satellite Parking Decks
 - AT&T/BellSouth Metro Plan - As part of the overall AT&T Office Development at Lindbergh a metro plan was developed to include satellite decks to encourage AT&T employees to park off-site and take MARTA
 - Location and FY 2012 Revenues
 - North Springs Station w/Business Center \$99,592
 - College Park Station w/Business Center \$ 90,456
 - Doraville Station w/Business Center \$46,970
 - Indian Creek Station - Surface Parking & Business Center \$ 27,946
 - Total Revenues \$264,964
 - Land Sale at North Avenue Station in 2000 \$3.85M

Postponed / Cancelled Projects

- **Avondale Station - Decatur Housing Authority (DHA)**
 - Redevelopment of South Parking Lot
 - Intergovernmental Agreement – DHA
 - 271 Mixed-Income Units, 120 Condos
 - 14,000 sq. ft. Retail
 - \$3 Million Awarded for Parking Garage and Bus Intermodal
 - Delays & Economy terminated Project
- **North Springs Station - Mixed-Use**
 - 14 Acres in City of Sandy Springs
 - RFP issued in 2006
 - RFP cancelled in 2007 due to lack of response and uncertainty with zoning with Sandy Springs
 - Joint Proposal issued in 2010 For Gwinnett Tech
 - Funding for school cut from budget by Gov. Deal
- **Medical Center Station - Proposed Hotel VITA**
 - 150,000-200,000 sq. ft. hotel
 - Assumption of St. Joseph's lease
 - Land appraised in 2011 = \$1,075,000
 - Hotel investors withdrew interest in August 2011

Lessons Learned

- Anticipate change in partners with long-term ground leases
- Parking decks are extremely expensive - so decisions on the amount of replacement parking required, timing of construction and funding of a deck should be made on a case by case basis
- Based on Lindbergh Center experience, MARTA should make provisions for additional approval of retail tenants to ensure consistency or congruency with the adopted TOD guidelines

TOD Guidelines (Adopted November 2010)

- **Future Development Guided by MARTA Board Adopted TOD Guidelines**
- **MARTA'S Overarching TOD Strategic Goals:**
 1. **Generate Greater Transit Ridership through clustering mixed use development around the stations and along corridors**

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2. Promote a sustainable, affordable and growing future for the people of Metro Atlanta, and
3. Generate a return on MARTA's transit investment through enhanced passenger revenues, greater federal support and development on MARTA property

Proposed Future Direction

- Short-term Direction - Pro-Active not Re-active
 - Working with Partners to determine potential priorities
- Next Briefing: Identifying Potential TOD Priorities and Potential Station Access Projects (Summer 2012)

Mr. Daniels said if the TOD guidelines state a preference for ground leases rather than sales why were the last two transactions sales.

Dr. Crocker said the TOD guidelines were adopted in 2010. The last two transactions took place prior to the adoption.

Mr. Ashe asked if the identified Capital Improvements funds were MARTA money.

Dr. Crocker said yes. It is what MARTA actually spent on Capital Improvements.

Dr. Scott said in terms of Return on Investments (ROI), more rigorous financial back-up is needed.

Mr. Daniels said last year Lindbergh TOD came up in discussion as having a number of flaws with transactions. The ROI is far below what it should be. Going forward, MARTA needs to have discussions with the development community.

Mr. Durrett thanked staff for the briefing. He said it is important for MARTA to have the capacity to understand these real estate transactions even if it means outsourcing.

Dr. Scott said there is a portion of extensive work that cannot be done in-house.

Dr. Crocker said MARTA currently has only three full-time staffers dedicated to TOD.

Mr. Daniels encouraged staff to utilize the expertise and resources of Board Members.

Mr. Ashe said one priority is to foster TOD to generate ridership. He asked how is MARTA tracking ridership as it relates to TOD.

Dr. Crocker said currently it is not being done; however the Authority is looking to gain a graduate student intern to begin work on a model.

Mr. Ashe said he would be more comfortable with dollar amounts if the metrics were available.

Mrs. Butler said she has engaged with MARTA staff and the ARC. These transactions are very complex; the increased interest presents a unique opportunity for MARTA.

Briefing – Media Monitoring

Ms. Hodgson briefed the Committee on MARTA's Media Monitoring program.

In January 2011, MARTA entered into a one-year contract with Cision, a media monitoring service that searches and saves all MARTA's print, online and broadcast media coverage. In January 2012, the service was extended through the end of Fiscal Year 2012 (June 30, 2012).

Cision Media Monitoring Service Features

- Provides almost immediate access to news
 - Print
 - Online
 - Broadcast
- Enables MARTA to organize, distribute and analyze news coverage
- Quick access to video clips assists staff with media training for our subject matter experts
- Includes 20 video downloads that can permanently be saved
- One-year \$11,140 contract began in January 2011 (six-month extension to June 30, 2012)
 - Original contract included 3-month social media monitoring

Analysis of News Stories – 1st Quarter (January to March 2012)

- **Media Mix**
 - A majority of MARTA's stories came from television, news websites and blogs
 - News websites and online versions - 366
 - Television - 214
 - Blogs - 111
 - Daily Newspapers - 20
 - News services - 10
 - Social Networking - 3
- **Tone**
 - Positive - Either entirely positive or very few negative or dissenting points
 - Negative - Either entirely negative or primarily negative
 - Neutral - Purely informational, general mention of MARTA, balanced
 - MARTA received more positive than negative stories in the first quarter. Out of 473 stories, 279 (59%) were tagged as positive or somewhat positive and 194 (41%) were characterized as negative or somewhat negative. There were 251 neutral stories.
 - MARTA's positive media coverage had a slightly higher publicity value than its negative coverage.
 - Positive coverage - \$583,121 Negative coverage - \$583,093
 - MARTA's positive news coverage focused on take MARTA/access to MARTA messages, system improvements/customer amenities, expansion plans, community service, and our partnership programs
 - Negative news coverage focused on external investigations involving MARTA, the regional transportation referendum, safety and legislative action
- **Subject Matter - examples include stories about**
 - System Improvements/Customer Amenities
 - Out of 62 stories, MARTA received 90% positive (56 stories) pieces and 10% negative (six stories); the few negative stories covered station signs missing in the North Springs parking lot and the need for a bus tracking application

- Legislative Action
 - There were 39 stories dealing with legislative action taken during the 2012 General Assembly. The majority – 51% (20 stories) - were positive and 49% (19 stories) were negative
- Regional Transportation Sales Tax Referendum
 - Out of 62 stories, 43 percent (26 stories) were positive and 57 percent (34 stories) were negative
- "Take MARTA"/Access to MARTA
 - Out of 76 stories, 92% (59 stories) were positive and 8% (five stories) were negative
- Outside Investigations Involving MARTA
 - MARTA received the most negative coverage about external investigations that involved MARTA (two employees arrested for non-MARTA-related activities); 54 stories fell into this category and all were negative
- Safety
 - Stories about safety this quarter were 91% negative due almost entirely to the Channel 2 and AJC reports on a 2012 FTA Audit; the other 9% (three stories) were positive
- Expansion
 - In the first quarter, MARTA earned positive coverage for 97 percent (28 stories) of its expansion stories; Only one story was negative
- Earned Media versus Other
 - Earned Media includes any media story generated from a press release or event that MARTA manages or organizes
 - Out of 740 stories from January to March 2012, 20% were generated by MARTA's media relations initiatives
 - Other includes a media generated story, incident, customer complaint or public complaint

Findings and Recommendations

- Capitalize on the popularity of our "Take MARTA" message
- Continue to regularly highlight system improvements
- Grow MARTA partnership programs and projects (Atlanta Streetcar, Buckhead Pedestrian Bridge)

- Mitigate negative stories by continuing to provide timely and accurate information and taking appropriate action to address the issue.
- Create a library of positive news stories to regularly pitch to media
- Target television news due to its extended reach and high publicity value

Mr. Daniels thanked staff for the briefing. Moving forward, he asked that the information is benchmarked quarter to quarter versus year to year. He said he would like more information on how often the positive messages are conveyed.

Mrs. Ellison Southall asked if MARTA pitches its own positive stories.

Ms. Hodgson said yes.

Mr. Harris said MARTA is trying to developing better relationships with mainstream media.

Mrs. Ellison Southall said it would be good to have conversations with the press and ask why they are not picking up more positive messages.

Mrs. Butler asked that the Committee receive Media Monitoring updates on a quarterly basis, along with any initiatives staff is considering.

Briefing – Nuisance Behavior

Mrs. McClendon briefed the Committee on MARTA's Nuisance Behavior Program.

- In the most recent Quality Of Life (QOS) survey, the top nuisance behaviors identified by customers were panhandling/solicitation, talking loudly on phones and listening to loud music
- Based on the impacts of these behaviors and instead of developing a campaign tied to specific time tables, MARTA will conduct an ongoing and diverse communications effort
- MARTA will reinforce the individual messaging content with new signage, announcements, viral videos (tied into music and customer contests), printed materials, radio ads, print ads and social media

- Enforcement will be a key element of this communication outreach program; MARTA Police will enforce these proper behavior(s) during their daily policing activities throughout the MARTA system.
- The key objective of this communication effort is to provide a more hospitable and comfortable riding environment for customers. Additionally, MARTA expects to:
 1. Encourage new customers to view the system as safe and secure
 2. Encourage regular customers to ride more frequently; and
 3. Reduce incidents of assault(s) and verbal abuse targeted at drivers and front line staff

Mr. Daniels asked where will the new signage be placed.

Mrs. McClendon said on MARTA's rolling stock and inside of stations.

Briefing – Public Hearing Results

Mr. Haggard briefed the Committee on the results of the Public Hearings for the FY 2013 Operating and Capital Budgets.

Public Hearings were held on Tuesday, May 15, 2012 at Maloof Auditorium in Decatur and at the North Fulton Service Center in Sandy Springs. Public Hearings were also held on Thursday, May 17, 2012 at the Atlanta City Hall and the College Park Public Safety Complex.

Advertisement

- **Flyer Distribution**
 - Libraries in North and South Fulton, DeKalb County and City of Atlanta
 - ARC – PIAG Post
 - Churches in North and South Fulton, DeKalb County and City of Atlanta
 - Torah Day School
 - Concerned Black Clergy
 - DeKalb Seniors
 - Welcome All Recreation Center

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- Fulton County Government Center
- North and South Fulton Service Centers
- Burdett Recreation Center
- Flyer Distribution via email
 - All senior center and high rises in database - North and South Fulton, DeKalb County and City of Atlanta
 - City of Atlanta Neighborhood Planning Units (NPU) – 26
- System-wide distribution on all buses and trains (80K)

Attendance

- Maloof Auditorium – Attendance 7; Speakers 3; Media 1
- North Fulton Service Center – Attendance 2; Speakers 1; Media 0
- Atlanta City Hall – Attendance 13; Speakers 5; Media 0
- College Park Public Safety Complex – Attendance 3; Speakers 2; Media 0

Additional Community Meeting(s)

- Monday, May 21, 2012 – South Fulton Service Center, College Park

Public Hearing Comments

- Public Comment Line – two received, opposing the Mobility fare increase
- Emails – 0
- Petitions – 0

Other Matters

Mrs. McClendon made the following announcements:

- APTA's Rail Rodeo and Rail Conference will be held May 31 – June 6, 2012 in Dallas, TX
- Fulton County Jurisdictional Briefing will be held on June 13, 2012
- June 21, 2012 is Dump the Pump Day

Adjournment

The Planning & External Relations Committee meeting adjourned at 11:04 am.

Respectfully submitted,



Kellee N. Mobley
Senior Executive Administrator to the Board