

## MINUTES

### MEETING OF THE BOARD OF DIRECTORS

#### PLANNING & EXTERNAL RELATIONS COMMITTEE

#### METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY

July 30, 2012

The Board of Directors Planning & External Relations Committee met on July 30, 2012 at 1:05 p.m. in the Board Room on the 6<sup>th</sup> 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.  
Roderick E. Edmond  
Noni Ellison-Southall  
Barbara Babbit Kaufman  
Jannine Miller\*

MARTA officials in attendance were: General Manager/ CEO Beverly Scott; AGMs Davis Allen, Deb Dawson, Joseph Dorsey (Acting), Ben Graham, Georgetta Gregory, Robin Howard, Mary Ann Jackson, Cheryl King, Rich Krisak, Miriam Lancaster (Acting), Ryland McClendon and Elizabeth O'Neill; Sr. Directors Rhonda Briggins, David Springstead, Donald Williams; Directors John Crocker, Lisa DeGrace, Garry Free, Hubert Gee, Scott Haggard, Lyle Harris, Rod Hembree, Jennifer Jinadu-Wright, Pat Minnuci, Knox O'Callaghan, Ferdinand Risco, Carol Smith and John Weber; Managers Joyce Brown, Antoine Smith, Roosevelt Stripling, Robert H. Thomas, Marvin Toliver, Denise Walker, James Watkins and Denise Whitfield; 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 Carlos Arrieta, Dave Brown, Dontaye Brown, Yvonee DeBellotte, Christopher Dorsey, Greg Floyd, Cathy Gesick, Corey Holland, Srinath Remala and Charisse Richardson.

Also in attendance Charles Pursley, Jr. of Pursley, Lowery & Meeks, LLP; Amy Goodwin, Amy Ingles, Jared Lombard and Cain Williamson of Atlanta Regional Commission; Eric Clarkson of City of Chamblee; Daniel Sherman IV of Greenberg Traurig; Granvel Tate of Invest Atlanta; Eric Wrobley of LTK Engineering.

\*Jannine Miller is Executive Director of the Georgia Regional Transportation Authority (GRTA) and is therefore a non-voting member of the MARTA Board of Directors.

**Approval of the June 25, 2012 Planning & External Relations Committee Meeting Minutes**

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

**Briefing – Atlanta Regional Commission Request to Flex Funds**

Dr. Crocker briefed the Committee on the Atlanta Regional Commission (ARC) request to flex funds.

*Context of Request*

- ARC has requested MARTA consider flexing LCI (STP-Urban L230) funds to FTA-Section 5307
  - Previously done with LCI Funds for the Luckie Street Two-Way Conversion with Streetcar Projects in Atlanta, Tucker, East Point and Fairburn, Doraville
  - Total amount is just over \$33 million
- Eight projects originally considered, one added that met 5307 criteria:
  - Pedestrian projects within 3/4 mile of transit stop
  - Bicycle project within 3 miles of transit stop
- Goal is to reduce project implementation time

*Example Projects*

- West Broad Street Bike / Pedestrian Facilities (Fairburn)
- Tucker Streetscapes (DeKalb County)
- Juniper Street bicycle and pedestrian improvements (Midtown Atlanta)
- Peachtree Corridor Project Phase 3 (Buckhead)

*Implications for MARTA*

- MARTA would need Intergovernmental Agreements (IGA)
  - Approved by Board of Directors
  - ARC/MARTA on overall management

- MARTA / Project Sponsor on Project Delivery
- Likely MARTA Responsibilities
  - With FTA
    - Requires assurances to FTA on project condition
    - Monitoring/Oversight of Project Sponsor Delivery and
    - Maintenance of Asset
    - Reimbursement of MARTA oversight time from grant (GDOT currently uses 1 %)
  - With Project Sponsor (similar to 2009 Offset Projects)
    - Review/concurrence of invoices
    - Annual certification of project condition
    - Life-cycle of asset specified in agreement

*Potential Next Steps*

- Feedback from MARTA Committee (July 30 2012)
- Finalize Agreement with ARC (Aug/Sept)
  - Return to MARTA Planning and External Relations Committee/Board of Directors for approval
- Negotiate Agreements with Project Sponsors (Fall 2012)
  - Would require approval by MARTA Board of Directors
  - Similar to how JARC/New Freedom projects are approved

Mr. Daniels asked how are these projects recommended to MARTA.

Dr. Crocker said they are submitted to ARC by project sponsors.

Mr. Daniels asked about the IGA framework.

Dr. Crocker said it is very similar to JARC New Freedom grants.

Mr. Daniels asked who is accountable in terms of useful life.

Dr. Crocker said the FTA has a longer term; they will pay for and maintain.

Mr. Daniels asked if there is a budget for administrative costs.

Dr. Crocker said yes, it will be added to projects – 1% is a good working budget for now. It can be adjusted, if necessary, each year.

Dr. Scott said MARTA has had extensive conversations with ARC staff. The agreements will come back to the MARTA Board for approval.

Mr. Ashe said if local government is building; how does MARTA avoid cost overruns.

Dr. Crocker said GDOT certifies once a year. A subgrant has not been drafted.

Mr. Ashe said he is totally supportive. Though, GDOT and MARTA are not identically separated.

Mr. Daniels said it seems that MARTA needs a separate entity for planning and oversight. He said he would like MARTA to explore this, as it is taking on a new role.

Dr. Edmond asked what are the time projections for GDOT doing this alone.

Dr. Crocker said from 7-9 years alone, to less than three years.

Mrs. Butler asked who chooses the projects.

Dr. Crocker said ARC chooses the projects based on budget.

Mrs. Butler asked if what was presented is a complete list.

Dr. Crocker said yes, for Fiscal Year 2013.

Mrs. Butler asked if the funds would otherwise be available to MARTA.

Dr. Crocker said these are not projects that MARTA would typically pursue.

Dr. Edmond said there seems to be a disparity between MARTA and the State. It appears when MARTA needs help, there is no relief.

Mrs. Butler agreed with Dr. Edmond. She added the key is that the projects are within the MARTA service area.

**Briefing – Transit Oriented Development (TOD) Update on Activities**

Dr. Crocker briefed the Committee on MARTA's current and potential TOD activity.

*TOD Opportunities Overview*

- MARTA has received an increasing amount of interest in redevelopment opportunities near transit stations from the private sector and from local jurisdictions
- Staff decided in winter 2012 to identify and categorize the MARTA stations that are most likely to be redeveloped based upon a variety of factors
- A simple scoring matrix was modeled after the DART TOD ranking system presented at ULI in December 2011

*TOD Opportunities Matrix*

- Methodology
  - Data Collected Within 1/2 Mile Radius
- Nine Categories Measured
  - Developer Interest, Financial Investment, Area Demographics, Parking, Master Planning Work
- Scoring Category Tiers
  - Tier 1 = 45 Total Points
  - Tier 2 = 30 Total Points
  - Tier 3 = 15 Total Points
- Final Rankings = MARTA Property Most Likely Potential for Redevelopment
- Tier 1 Most Important (50% of Total):
  - Minimum Capital Investment Required
  - Qualified Developer Interest
  - Community/ Master Planning Efforts
- Tier 2 Demographics & Market-Based Criteria

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- MARTA Land Available for Redevelopment
- Area Median Household Income
- Employment/Jobs Density
- Tier 3 Additional Criteria
  - Adjacent Large Properties- (Redevelopment)
  - Targeted Redevelopment Area
  - "Walk Score" - suitability of surrounding pedestrian infrastructure and development

### *Top Ten Potential Development Opportunities (alphabetically order)*

- Avondale
- Brookhaven/Oglethorpe University
- Edgewood/Candler Park
- Hamilton E. Holmes
- King Memorial
- Kensington
- Lakewood/Ft. McPherson
- Lindbergh Center
- Medical Center
- Oakland City

### *Follow-up Activities*

- MARTA Finance and Planning teamed to develop a sketch financial tool by Newmark Knight-Frank in Spring 2012 to evaluate different types of proposals (results due July 2012)
  - Competitive RFP
  - Residential with Development Incentives
  - Mixed Use with Development Incentives
  - Competitive with constraints on development
  - Competitive with Air Rights component
- Requesting to Release RFP for Real Estate Financial Advisory

### **Lindbergh Center**

- Dunkin Donuts

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- Under current Master Retail Agreement, Carter USA is proposing a Dunkin Donuts next to Chili's at Piedmont and Main
- Current status: Carter USA and Dunkin negotiating lease
- Sembler Redevelopment
  - Across Piedmont (non-MARTA property)
  - Proposed Wal-Mart and housing
  - Current status: Scheduled for July 17 Atlanta Zoning Review Board

**Edgewood/Candler Park Charrette**

- Charrette Held from April 13-16
- A group of over 11 different organizations joined together to host
- For MARTA:
  - A chance to use a real world example of adopted TOD Guidelines
  - Build and maintain relationships with partner organizations
  - Gain a plan for a potential TOD opportunity
  - Have an overarching plan with neighborhood buy-in early on (avoid Lindbergh type neighborhood lawsuit)

*Results - Edgewood/Candler Park Charrette*

Approximately 280 units of

- Mixed Income & Senior Housing and approximately 20 live/work units
- 9,900SF Retail
- Approximately 440 parking spaces
  - 160 garage spaces reserved for MARTA patron use
- MARTA bus circulation and bus loop location remain unchanged
- June 21, URFA/Invest Atlanta authorized URFA staff to negotiate with MARTA at this location

*Arts Center Station*

- Proposed 17-story Hampton Inn at 15th and W. Peachtree

- Non-MARTA property, but above MARTA sub-surface easement for subway tunnel; requires MARTA review of development plan
- Property owner also has a permanent easement on MARTA property
- Current Activity: MARTA Engineering, Architecture, Rail Operations and Facilities reviewing
  - Have submitted additional questions to determine feasibility
  - Working with MARTA legal to determine if any changes are required to easements: Possible future Board of Director actions if required

*Abernathy Park & Ride/Sandy Springs*

- Gwinnett Technical College is looking for a North Fulton Campus
- Existing Ground Lease at Abernathy P&R with Ackerman & Co
  - Includes 570,000 SF for office space
- June 2012, Sandy Springs inquired regarding MARTA support for
- GTC at Abernathy P&R under existing Ground Lease
  - Campus not considered under current ground lease
  - Requested greater lead time than one week for a response in the future

*College Park*

- Completed LCI in May 2012
  - MARTA property severely limited by FAA regulations on building heights and noise limitations
  - No residential possible on MARTA Property
- City of College Park issued RFP for Master Developer of LCI area June 27, 2012
  - MARTA requested an addendum to clarify the RFP:
    - Does not give proposer any guarantee of access or use of MARTA property
    - MARTA Board of Directors will determine use of MARTA property

*Recently Completed LCI's*

- East Point
  - Next steps seemed focused on City owned property
  - Some coordination on possible streetscapes in front of station
- Kensington
  - Study area only included a portion of MARTA property

*Future Proposed Actions / Other Issues*

- Proposed Activities Fall 2012
  - RFP for independent Financial Advisor (request July 2012)
  - Discussion of Tiered Stations (August PER)
- Risks MARTA cannot control
  - Eurozone crisis on financial markets
- This proposal is independent of the success of the July 31 referendum

Mr. Ashe said Sembler is reducing the number of affordable housing units. He asked how can MARTA express its favor for affordable housing.

Dr. Crocker said through public engagement and City Council meetings.

Mrs. Butler said if land use does not identify with TOD principles MARTA could suffer.

Mr. Ashe asked when will City Council vote.

Dr. Crocker said he would get that information to the Board.

Mr. Ashe asked if staff would draft a letter on the Board's stance at the proper time.

Dr. Crocker said yes.

Dr. Edmond asked if MARTA ever considered TOD around bus stations.

Dr. Crocker said it would not present the same opportunity as rail stations, but staff could include information around MARTA-owned Park & Ride lots.

Mrs. Butler said MARTA has limited ability to negotiate – the market has lots of ideas.

Dr. Crocker said these opportunities do reflect developer interest.

Mr. Ashe said the Authority has to use opportunities to leverage market advantage.

Mrs. Butler said that she has been working with the Planning staff in setting up a plan.

Ms. King said Planning has been working in tandem with Mrs. Butler and will provide a list of upcoming briefing topics.

Mr. Ashe asked about the next step for Edgewood/Candler Park.

Dr. Crocker said it is a policy decision at this point and staff will need direction from the Board.

Dr. Edmond asked how would this be advantageous to MARTA. He asked for a report that would justify why MARTA would even consider this.

Dr. Crocker reminded the Committee that a TOD briefing is being held immediately following the August 6<sup>th</sup> Board Meeting.

Mr. Daniels said MARTA wants to be consistent in terms of its approach to ensure this is done in the right way and that we are moving in a prudent manner that makes sense.

Mrs. Butler said part of the analysis will be tools that are used by other transit agencies and other developers. MARTA needs this input in order to hire the right consultant to create the best revenue.

Ms. King said BART is actually doing this. Staff will take a look and bring the information back to the Board.

**Briefing – Regional Transit Committee Update**

Mr. Williamson briefed the Committee on the latest work activities of the Regional Transit Committee.

- MARTA supports the RTC of the Atlanta Regional Commission (ARC) through in-kind staff services at a value of \$150,000 annually
- Specific activities since the last update in April 2012 have been:
  - Regional Transit Performance Monitoring
  - Service Coordination such as advancement of a regional bus stop program
  - Finalization of the Regional Transit Data Warehouse
- MARTA is a voting member of the ARC/RTC which is comprised of thirteen voting members
- Voting members provide financial support to the RTC in accordance with an RTC work program approved in November 2012
- Pursuant to that work program, the MARTA Board of Directors approved the provision of in-kind staff support to assist the ARC in executing the annual RTC work program in December 2012
- For FY 2012, from July 1, 2012 through April 30, 2012, MARTA has charged \$562,489 to Capital Project 31996 - Regional Transit Committee Support

Mr. Daniels asked is it realistic to make recommendations.

Mr. Williamson said ARC probably will not make any major changes.

Mr. Daniels asked about the fare study timeframe.

Mr. Williamson said an RFP will be issued by the end of August. The study will then be completed within 18 months.

**Briefing - MAP-21: Federal Transportation Authorization Bill and Its Impact on MARTA**

Mr. Haggard briefed the Committee on MAP-21: Federal Transportation Authorization Bill and its impact on MARTA.

*Overview*

- Congress passed Moving Ahead for Progress in the 21<sup>st</sup> Century (MAP-21) on June 29th- President Obama signed it into law July 6th
- Takes Effect October 1st (beginning of Fiscal Year 2013)
- Authorizes federal transportation programs thru Sept. 2014
- Stable source of transportation funding for next 27 months
- Passage ends three-year run of short-term extensions
- Retains federal motor fuel taxes at unchanged levels since 1993

*Overall Funding Levels*

- Limited Increase for Federal Transit Programs
- Total of \$10,578 billion in authorized funding for FY2013 (slight 1% increase over FY12)
- Total of \$10,695 billion in authorized funding for FY2014
- Funding comes from both Mass Transit Account of Highway Trust Fund and General Funds
- Actual Allocation of funding subject to future annual Congressional appropriations process

*Formula Grant Programs*

- Section 5307 Urbanized Area Formula Program
  - Continues as largest program for federal investment in public transit
  - Essentially maintains most existing project eligibility criteria (including Preventive Maintenance)
  - New provision allows small operators (<100 buses) in large urbanized areas to utilize their 5307 Funds for general operating assistance (could potentially apply to other metro Atlanta providers)
- Section 5307 Program Funding Levels
  - \$4.398 billion - FY2013 (+5% increase nationwide)
  - \$4.459 billion - FY2014
  - Preliminary estimate of funding to MARTA – approximately \$45M-\$49M annually (dependent upon Congressional appropriations)

- **State of Good Repair Formula Program**
  - New program replacing Fixed Guideway Modernization Program
  - Distributes \$2.1 billion in FY 2013 and FY2014 to fixed guideway systems occupying a separate right of way for exclusive public transportation use (e.g., rail, fixed catenary or BRT systems)
- **State of Good Repair Program Funding Distribution:**
  - 50% based on FY11 allocations under prior Fixed Guideway Modernization program
  - 50% under formula distributing 60% based on vehicle revenue miles and 40% on fixed guideway directional route miles
  - Segments in revenue service for min. 7 years eligible for funding
- **Preliminary Estimate of Funding to MARTA - \$35M to \$39M annually (roughly same or slight increase over prior year)**
  - Actual Receipt of Funding Dependent on Annual Congressional Appropriations
- **Bus and Bus Facilities Formula Program**
  - New Program - replaces former discretionary program
  - First \$65 million of program funds distributed evenly among states, with each getting a fixed amount, and the remaining funds distributed based on population and service factors
- **Bus and Bus Facilities Program Funding Level:**
  - Nationwide: significantly below pre-existing Bus discretionary program
  - (\$984 million for FY2012)
  - \$422 million - FY2013 (57% decrease from FY12)
  - \$427.8 million-FY2014
- **Preliminary Estimate of Funding to MARTA- slightly less than previously received under Bus discretionary program (average ~ \$7M annually between 2008-2011)**
- **Fixed Guideway Capital Investment Program**
  - Encompasses former New Starts and Small Starts programs

- Slightly reduces funding level for next two fiscal years: \$1.907 billion for FY13 and FY14, compared to \$1.955 billion authorized in FY12
- Streamlines environmental review requirements on transit projects by eliminating duplication in and providing for quicker review by FTA
- New Starts under \$100 million have streamlined environmental review
- Expands eligibility to include core capacity improvements that would increase ridership by 10%
- BRT new starts funding eligibility limited to systems where a majority of project operates in a dedicated right-of-way during peak hours
- Corridor-based BRT projects not operating in dedicated right-of-ways (exclusively to public transit) are eligible for small starts funding
  - These provisions may impact 1-20 East Corridor BRT project
- Human Services Programs
  - Elderly and Disabled (Sec. 5310) and New Freedom (Sec. 5317) Programs combined, to fund activities that enhance mobility of seniors and individuals with disabilities
  - Job Access and Reverse Commute (JARC) program will now be funded under the Sec. 5307 formula program
- Asset Management
  - Requires transit agencies to establish systems to monitor and manage public transit assets to improve safety and increase reliability and performance
  - Secretary is required to define 'State of Good Repair', including objective standards for measuring the condition of capital assets
  - MARTA is already engaged in the asset system management process

*Public Transportation Safety Program*

- Negotiated compromise between House & Senate safety proposals
- Authorizes Transportation Secretary to create a national safety plan for all modes of public transportation; set minimum safety performance

standards and establish a national safety certification training program for Federal, State and agency employees

- Requires all recipients of federal transit funding to establish a comprehensive safety plan based on set criteria
- States with rail fixed guideway systems required to have an approved state safety oversight program with a state safety oversight agency
- State oversight agencies required to review, approve, oversee and enforce implementation of transit agency safety plans, conduct triennial safety audits, and provide annual safety reports to FTA
- Authorizes formula grant funding program for up to 80% in Federal match to develop and carry out state safety oversight programs

*Other Key Provisions*

- Workforce Development and Training
  - Authorizes \$5 million annually from the General Fund for transit Workforce Development through the Innovative Public
- Transportation Workforce Development Program
  - Program will promote and assist the development of innovative workforce development and human resource activities
- TIGER Elimination/Projects of National & Regional Significance
  - TIGER Grant Program eliminated for FY 2013 and FY 2014
  - Program for Projects of National & Regional Significance funded at \$500 million for FY 2013; transit agencies newly eligible
  - Awards to be made through a competitive process, similar to TIGER and is targeted toward larger projects, unlike TIGER, which was for smaller amounts in many cases
- Metropolitan Planning Organizations (MPOs)
  - Key provision added to enhance transportation planning at the local, regional and state level
  - MPOs required to establish performance targets that address issues such as safety and state of good repair; however funding is not tied to achievement of the goals
- New Transit-Oriented Development (TOD) Pilot Program

- Establishes a pilot to fund planning efforts for TOD projects, with funding at \$10 million in FY2013 and 2014
- TOD pilot program funding will assist with costs of comprehensive planning for new fixed guideway capital projects or core capacity projects funded with federal dollars

*Highway Title Transit-Related Provisions*

- Surface Transportation Program (STP) and Congestion Mitigation and Air Quality (CMAQ)
  - Provides continued funding at similar levels
- Transportation Enhancements (TE)
  - program funding bike lanes, sidewalks/crosswalks, eliminated and combined with Safe Routes to Schools and Recreation Trails to create new Transportation Alternatives (TA)
- Overall combined funding for the programs comprising the new TA program has been cut by roughly \$300 million annually; elimination of TE program significantly reduces bike/pedestrian funding
- Changes to TIFIA Loan Program
  - Funded at \$750 million in FY 2013 and \$1 billion in FY2014, compared to \$122 million in FY2012
  - Translates into \$7.5 billion and \$10 billion of lending capacity in FY 2013/2014, exceeding even the scale recommended by the National Surface Transportation Infrastructure Financing omission in 2009, reflecting recent growth in demand

Mrs. Butler said the money allocated to MARTA from TIA is 20%; TIA will have a significant impact on the Authority.

**Other Matters**

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Ms. King announced her acceptance into Leadership DeKalb.

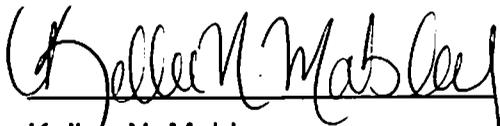
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**Adjournment**

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The Planning & External Relations Committee meeting adjourned at 2:35 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Kellee N. Mobley". The signature is written in a cursive style and is positioned above a horizontal line.

Kellee N. Mobley  
Senior Executive Administrator to the Board