

OFFICE OF THE COUNTY EXECUTIVE

Isiah Leggett
County Executive

Timothy L. Firestine Chief Administrative Officer

July 27, 2015

Mr. Jack Requa Interim General Manager/Chief Executive Officer Washington Metropolitan Area Transit Authority 600 Fifth Street, NW Washington DC 20001

Re: Silver Spring Transit Center - WMATA Proposed Second Amendment to MOU

Dear Mr. Requa:

I am writing in reference to WMATA's recently proposed Second Amendment to the MOU between WMATA and the County relative to the design and construction of the Silver Spring Transit Center.

Our respective organizations have been diligently working toward completion of the Transit Center with the goal of effecting transfer by the County to WMATA in late July or August. That process is nearing conclusion as evidenced by the July 22, 2015 receipt of the Use and Occupancy permit. However, I am troubled that at this late hour WMATA appears to be holding transfer of the facility hostage until the County accedes to unreasonable demands.

Just last week WMATA transmitted to the County a proposed Second Amendment to the MOU. The magnitude of what WMATA seeks is, frankly, shocking in terms of its scope and audacity. To summarize, WMATA is asking the County to:

- o provide \$15,000,000 in an escrow fund for the benefit of WMATA, designated for "extraordinary maintenance and repair" of the facility;
- o transfer the entirety of the County's rights in the Private Improvements Site on parcels adjacent to the Transit Center;
- o forfeit to WMATA proceeds from the sale or lease of the Private Improvements Site;
- o assume all costs for "Shared Components" relative to the Private Improvements Site; and
- o provide a 100% tax abatement for a period of 10 years on any development at the Private Improvements Site.

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According to WMATA, if the County agrees to all of the above WMATA will "accept and maintain" the Transit Center. What WMATA is asking for constitutes a massive windfall for WMATA funded by County taxpayers. The County's answer to such a preposterous request is simply; no.

WMATA has already agreed to accept and maintain the Transit Center once complete pursuant to the terms of the MOU. The County intends to transfer the facility to WMATA in short order. WMATA will accept the facility at that time, without further condition.

Please call me if you want to further discuss this matter.

Sincerely,

Timothy L. Firestine Chief Administrative Officer

Timothy L. Fixestime

Thomas Street, Assistant Chief Administrative Officer David E. Dise, Director Department of General Services Marc P. Hansen, County Attorney John Markovs, Deputy County Attorney

Trevor Ashbarry, Associate County Attorney

cc: