

Larry Hogan Governor Boyd K. Rutherford Lt. Governor Gregory Slater Acting Secretary

February 21, 2020

The Honorable Kumar Barve Chairman, House Environment & Transportation Committee 251 House Office Building Annapolis MD 21401

RE: Letter of Information – House Bill 731 – Purple Line Light Rail Project – Excess Property –
Donation

Dear Chairman Barve and Committee Members:

The Maryland Department of Transportation (MDOT) takes no position on House Bill 731 but offers the following information for the Committee's consideration.

House Bill 731 mandates that the MDOT Maryland Transit Administration (MDOT MTA) donate any property procured for the Purple Line Light Rail project (Purple Line) that is not used for the completion of the project to the governing body of the jurisdiction in which it is located.

The Purple Line is a 16-mile light rail line that will extend from Bethesda in Montgomery County to New Carrollton in Prince George's County. It will provide a direct connection to the Metrorail Red, Green, and Orange Lines at Bethesda, Silver Spring, College Park, and New Carrollton. The Purple Line will also connect to MARC, Amtrak, and local bus services. The Purple Line will begin operations in Prince George's County between the New Carrollton and College Park - U of MD Metro stops by December 2022. The remainder of the alignment from College Park to Bethesda is scheduled be operational by June 2023. However, pieces of property acquired for the project may be needed post-completion for future pedestrian access, additional parking, environmental mitigation efforts, or other current unforeseen needs. At this juncture, it is not possible to determine whether there will be land that is considered surplus.

The State has a longstanding process for disposing of property following major transportation projects. MDOT will examine the status of a given property to determine if the property has been purchased for a future project or if there are other reasons for the State to retain ownership. This determination is made through an internal clearance process within the transportation business units. The result of the review could be a decision to retain the property or to allow it to advance to the disposal process. Under State law, the land is first made available for use by the State, then a county or municipality for any transportation or public purpose, then offered to the prior owner, then marketed for public sale/auction.

It should be noted that the land needed to complete the Purple Line Project was purchased by both state and federal funds. State funds for the project were remitted from the Transportation Trust Fund. Currently, the process for disposal of property owned by the State is governed by the State Finance and Procurement Article § 10-305. Any lands that are sold, leased, transferred, exchanged, or granted are under the purview of the Board of Public Works. This legislation circumvents the process for property disposal required under the law, the State would lose taxpayer money on the parcels purchased with funds from the Transportation Trust Fund.

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Land for the project was also purchased with federal funds from the Capital Investment Grants program, as well as using federal formula funds for urbanized areas. Furthermore, property purchased with federal funds always retains the federal interest. Any property that was donated to the local jurisdiction would retain the federal interest. The local jurisdiction would be required to complete all federal requirements associated with owning the property, including paying back any federal interest if the property is eventually sold at any point in the future.

The Department respectfully requests that the committee consider this information while deliberating House Bill 731.

Respectfully submitted,

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