

# REQUEST FOR DEVELOPMENT PROPOSALS

FOR

PUBLIC PARKING LOT 25 AND 44  
BETHESDA, MARYLAND

ISSUED BY



*Montgomery County Department of Transportation*

101 MONROE STREET, 10<sup>TH</sup> FLOOR  
ROCKVILLE, MARYLAND 20850

RESPONSES DUE BY: **JANUARY 29, 2021 3:00 PM**



MONTGOMERY COUNTY GOVERNMENT  
MARC ELRICH, COUNTY EXECUTIVE

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## **A: Overview**

Montgomery County, Maryland (“County”) through the County’s Department of Transportation (“DOT”), seeks creative, viable proposals from qualified teams for a development project at Public Parking Lots No. 25 and 44 in the Bethesda Parking Lot District. Public Parking Lot No. 25 is located in the eastern quadrant of the intersection of Highland Avenue and Tillbury Street in Bethesda (“Site One”). Site-One is made up of ten parcels, totaling approximately 60,000 square feet in area. Site-One currently houses a 129-space public parking lot. Public Parking Lot No 44 is located in the southern quadrant of the intersection of West Virginia Avenue and Tillbury Street in Bethesda (“Site-Two). Site-Two is made up of four parcels, totaling approximately 17,500 square feet in area. Site-Two currently houses a 54-space public parking lot. DOT is currently seeking development proposals for Site-One and Site-Two. Development proposals can be submitted for one or both development sites.

## **B: Requirements and Objectives**

The County is seeking development proposals for the Two Sites that through sale of air rights or other property rights that will achieve the following objectives:

### **Parking Requirements**

The County will except development proposals for one or both sites, but would prefer that all replacement parking be located on one site. Development proposals should include approximately 200 new public parking spaces. All 200 public parking spaces can be located at Site-One and or Site-Two.

The 200 public parking spaces will be owned and operated by Montgomery County DOT, Parking Lot District. Revenues from the fair market value for the highest and best use of the Site’s will be used to offset the cost of the County’s parking garage. All successful proposals must demonstrate that the parking needs generated by the development of the site will be accommodated in addition to providing a new 200 space public parking garage. Any proposal submitted in response to this RFP must show the number of private parking spaces to be provided by the developer as part of the private proposal and the number of public parking spaces to be provided in any proposed development of the Site. Offerors must design and construct public parking spaces on the site in accordance with County Parking Garage Design Criteria and state and federal parking lot design safety and accessibility guidelines. Design should recognize and incorporate sustainable practices in parking structure design and management. Every effort should be made to minimize the occurrences of interior support columns.

### Consideration

As required under Chapter 60 of the Code, the County must receive fair market value for air rights in fee simple sale or other property rights, which will be established by an independent appraisal for the highest and best use of the Site. Revenues from the fair market value for the highest and best use of the Site will be used to offset the cost of the County's parking garage.

### Sector Plan

The proposal for the site must be consistent with the approved and adopted Bethesda Sector Plan and be compatible with the types and quality of development proposed and built in the surrounding area.

### Minority Owned Business Participation

It is the policy of the County that minority individuals and minority business enterprises should have maximum opportunity to participate in any and all components of the development, including but not limited to ownership, financing, design, construction, and management. The extent of such participation on the development team will be considered in the evaluation process.

Each proposal must describe Minority Owned Business participation including an identification of Minority Owned Business equity participants, level and method of participation. Minority Owned Businesses are as defined in Montgomery County Code §11B-58 and the Montgomery County Procurement regulations.

### Subdivision

The selected developer will be responsible for paying all costs (including but not limited to legal costs, engineer and architects costs, management costs, and other consultant costs) associated with any subdivision, site plan, or other development approval required for the proposed redevelopment of the Site, including any such costs associated with the development, design, construction or construction management in connection with the public parking facility to be provided in connection with the development.

### Satisfaction of Objectives and Goals

In selecting a developer, the County will consider the proposed developments public benefit and the extent to which the above objectives are met. Proposals will be evaluated on the sound business viability of developers proposal, the financial capability and experience of the Proposer and its principals, any additional burdens imposed upon the County as a result of the proposed project, the satisfaction of PLD goals, including providing adequate publicly accessible and/or private parking in the PLD, the satisfaction of affordable housing requirements, the financial return to the PLD, adherence to MCDOT latest parking design criteria, urban design elements, aesthetics, impact of the proposed build, and the development timetable for the proposed project. The order of these criteria is not relevant to the weight to be accorded to each of the considerations.

## C: Site Location and Description

PUBLIC PROPERTY OFFERED FOR DEVELOPMENT				
SITE NAME	LOCATION	PROPERTY SIZE	ZONING	OWNERSHIP
Bethesda – Lot 25 <b>“Site One”</b>	North Side of Highland Avenue	36,000 sq. ft.	CRT 0.5, C 0.25, R 0.5, H 70’	Montgomery County
		24,000 sq. ft.	CR 3.0, C 2.0, R 2.75, H 70’	Montgomery County
Bethesda – Lot 44 <b>“Site Two”</b>	South Side of West Virginia Avenue	17,500 sq. ft.	CR 3.0, C 2.0, R 2.75, H 70’	Montgomery County

\* Property sizes are approximate

\*\* Site-One has split zoning, total property size = 60,000 sq. ft.

\*\*\* \*Located within the Bethesda Downtown Sector Plan

The Site is located within the central business district of Bethesda surrounded by restaurants, retail, office and high-rise residential buildings. The Bethesda Metro Station is within walking distance from both sites.



### Site-One

Public Parking Lot No. 25 is located in Bethesda Maryland between Highland Avenue and Maple Avenue in Bethesda. Lot No. 25 is comprised of ten separate land parcels, totaling approximately 60,000 square feet in area and is referred to in this RFP as “Site-One”. Site-One currently houses a 129-space surface parking lot.

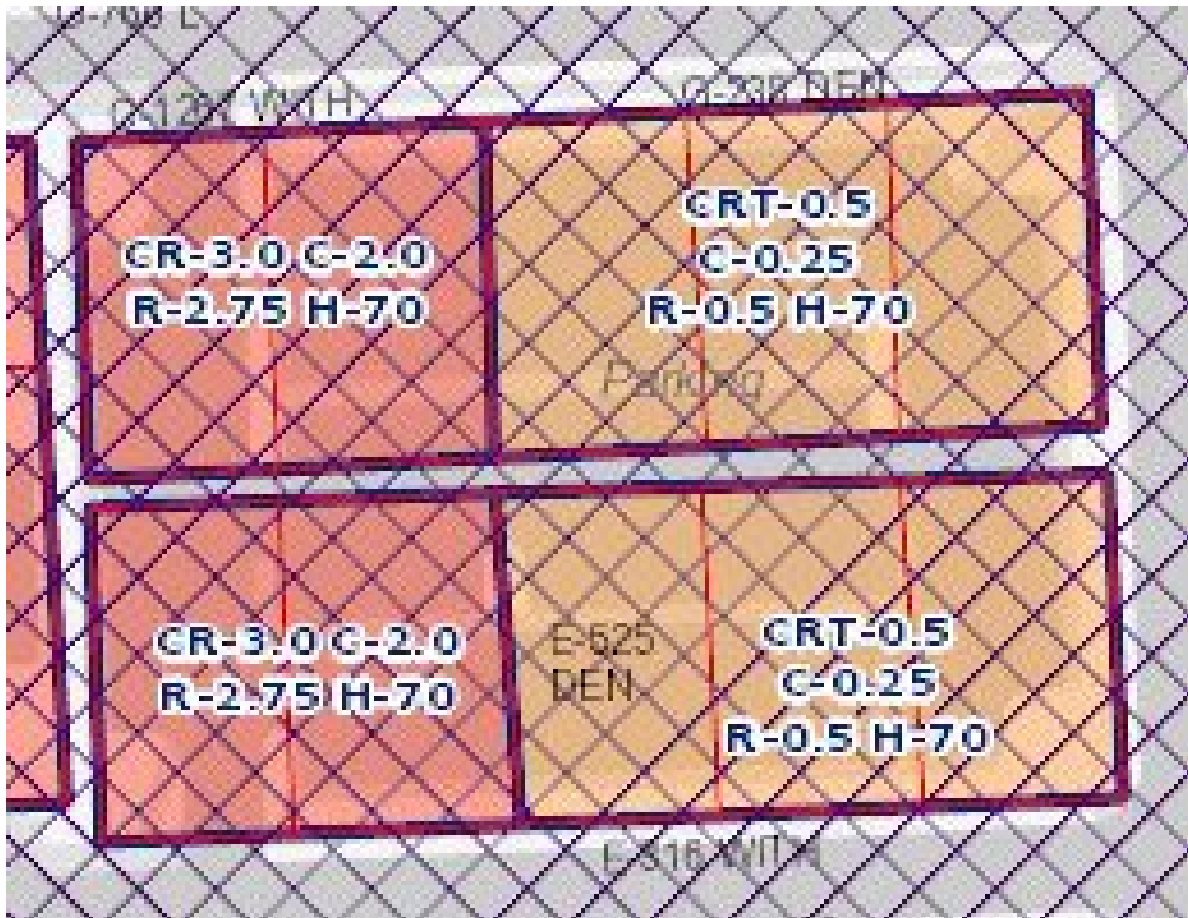
### Site-Two

Public Parking Lot No. 44 is located in Bethesda Maryland south of West Virginia Avenue. Lot No. 44 is comprised of four separate land parcels, totaling approximately 17,500 square feet in area and is referred to in this RFP as “Site-Two”. Site-Two currently houses a 54-space surface parking lot

## D: Master Plan and Zoning

### Site-One

“Site-One” currently has two zoning classification: a 36,000 square foot portion is zoned Commercial Residential (CR), with a FAR of 3.0 for CR, 2.0 for C, 2.75 for R and a maximum building height of 70 feet; a 17,500 square foot portion is zoned Commercial Residential Town (CRT), with a FAR of 0.5 for CRT, 0.25 for C, 0.5 for R and a maximum building height of 70 feet. “Site-One” is located in the Bethesda Overlay District within the Bethesda Downtown Sector Plan. Proposal for the site must be consistent with the approved and adopted Bethesda Sector Plan and be compatible with the types and quality of development proposed and built in the surrounding area. Development of this site must incorporate a green space buffer park that serve as an extension of the recommended Eastern Greenway.



Public Parking Lot No 25

## Site-Two

“Site-Two” is currently zoned Commercial Residential (CR), with a FAR of 3.0 for CR, 2.0 for C, 2.75 for R and a maximum building height of 70 feet. “Site-Two” is located in the Bethesda Overlay District within the Bethesda Downtown Sector Plan. Proposal for the site must be consistent with the approved and adopted Bethesda Sector Plan and be compatible with the types and quality of development proposed and built in the surrounding area. Development of this site must incorporate a green space buffer park that serve as an extension of the recommended Eastern Greenway.



Public Parking Lot No 44



## **E: Submission Requirements**

The County reserves the right to select a developer based solely on initial proposals; to enter into discussions with all qualified Offerors; to request more detailed proposals or best and final proposals; to reject, at any point, any or all proposals; or to terminate this solicitation if the County determines in its sole discretion that it is in the County's interest to do so. To be considered, a proposal must be both technically and economically acceptable to the County. All Proposals must provide a thoughtful development concept and explanation of key factors and milestones for its successful implementation. The County reserves the right to request additional information during the RFDP review period.

A PROPOSER'S FAILURE TO SUBMIT ALL REQUIRED INFORMATION MAY RENDER THE PROPOSAL INCOMPLETE AND INELIGIBLE FOR FURTHER CONSIDERATION.

The Proposal must include the following elements:

- A. Cover:** The cover should contain the RFDP title, the Proposer's name and the submission date.
  
- B. Transmittal Letter:** The transmittal letter should not exceed two pages and should contain:
  1. The name, title and contact information, including phone number and email address, of the individual with authority to bind the Proposer. This person should also sign the transmittal letter.
  2. The address and legal form of the Proposer. If a joint venture is involved, provide the above information for all participating firms.
  3. Statement acknowledging receipt of each addendum that the County may issue to the RFDP.
  4. Statement that, if selected, the Proposer will negotiate in good faith with the County.
  5. Statement that the firm is not in arrears in the payment of any obligation due and owing to the State of Maryland or Montgomery County, including tax payments and employee benefits, and that it shall not become so during the term of the agreement if selected.
  6. Statement that the Proposal is valid for a minimum of 120 days from the date of submission.
  7. Statement that the firm grants to the County a non-exclusive right to use, or cause others to use the contents of its Proposal, or any part thereof, for any purpose.

### C. **Statement of Qualifications**

1. **Background Information:** A description of the Proposer, including organizational structure, identification of principals, and length of time in business. If the Proposer is a joint venture, information for each entity should be furnished, as well as an explanation as to why a joint venture is the preferred arrangement for the proposed development.
2. **Financial Capability:** A description of the Proposer's financial capability to complete the proposed development including, with examples, typical financing mechanisms the Proposer has used on similar projects. This section should provide evidence of the Proposer's ability to obtain sufficient financing for the proposed development. Under separate cover and marked "Confidential" the Lead Developer and if applicable, any member of the joint venture having an equity stake of 20% or greater in the business entity to be formed for the proposed development, must provide current Interim statements and audited annual financial statements for their respective firm's last three fiscal or calendar years. Developers with an equity interest of less than 20%, or having no equity stake at all, must provide current Interim and Review statements for their respective firm's last three fiscal years. An appropriately authorized officer/managing member of each firm providing financial information should certify that their respective statements present an accurate representation of that firm's financial condition as of the date of the statements.
3. **Project Experience:** Description of the Proposer's experience with similar developments. This information should clearly describe the size, scope and financial structures of those projects, where located and when completed. The qualifications of the developer and key members of the team submitting the proposal must be detailed. To be considered to develop the Site, the Offeror's Proposal must demonstrate significant relevant experience in site development in urbanized areas. The Offeror's relevant experience must describe the Offeror's experience in the design, construction and financing of facilities similar to that proposed in the proposal. The Offeror's statement of relevant experience must identify specific projects by size, location, mix of uses, value of the project, time of completion, and a client reference (name, address, telephone, and e-mail address) for the projects listed in the Offeror's statement of relevant experience.

4. **References:** Provide the names, phone numbers and email addresses of at least three commercial or institutional credit references for the Proposer and, if applicable, any member of the proposed joint venture. Include a letter to each of the credit references authorizing them to respond to inquiries from the County.

D. **Project Vision:** This section should describe the Proposer's vision for the proposed development and how this vision meets the County's objectives and goals. This vision should identify the following:

1. **Milestones** necessary to implement the vision (such as pre-development requirements and land use approvals).
2. A **concept plan** that illustrates the proposed development plan, layout, square footage (including gross measured area, rentable area, and useable area), and other characteristics of the proposed development, including building height and density. The concept plan must identify the percentage of market and affordable housing units.
3. A description of the **projected parking demand** for the planned development and a calculation of the minimum parking required under Chapter 59 of the Code. Please note that all proposals submitted in response to this RFP must show the number of private parking spaces to be provided by the developer as part of the private proposal and the number of public parking spaces to be provided on the Site(s).
4. The proposals must identify the **proposed land uses** to comprise the proposed project including the following as appropriate: residential (number and type of dwelling units), Office space (gross floor area), retail space (gross floor area), public parking areas and number of spaces, private parking areas and number of spaces, pedestrian paths, bicycle facilities, and all other public amenities to be provided on the Site. The proposal must include a description of how the proposal would benefit and complement the surrounding area in Bethesda and downtown Bethesda in general. Further, the proposal should identify number and placement of elevator cores, access to public spaces, bicycle storage, and delivery and service accommodations for the private uses.

5. **Project budget** showing estimated costs for the public and private portions of the proposed project. This is to include a 15-year *pro forma* analysis including a description of the proposed financing structure, letters of potential financial support from lending institutions or other entities capable of funding the proposed project, and a breakdown of the total estimated development costs of the project, including all soft and hard costs for planning, design, and construction of the project. A complete statement of assumptions supporting the *pro forma* is to be included. If the proposed project is residential, the Offeror should identify the number of market rate units by unit size and the number of below market rate units by unit size. In addition to providing a hard copy of the budget, the Proposal should include a soft copy in Excel format on a USB Flash Drive.
6. Proposals must describe in detail the **financial elements of the proposal**, including, but not limited to, compensation to be paid to the PLD for air rights and development rights for the Site, any costs that the Developer proposes that the County will pay for development of the Site, any costs to be assumed by the Developer, and all foreseeable revenue and expense implications of the proposal to the County. Please clearly list the following items:
  - i. Compensation to be paid to the County for the site
  - ii. Number of public parking spaces to be owned by the County.
  - iii. Cost per space for turnkey, fully functional public parking facility.
7. **Project Schedule** that includes project milestone dates for pre-development items such as rezoning (if any), subdivision and site plan approvals, building permits, mandatory referral, financing, construction start by phases, construction completion by phases, and occupancy.
8. A **proposed ownership structure**. Including documentation of ownership percentage, including silent and joint partnerships.
9. A statement of whether the proposed development is contingent on any County or State government action (e.g., regulation changes and public funding such as grants and loans) and a listing of these **contingencies**.
10. Any and all **design exceptions** must be listed in proposal.

E. **Electronic Files:** One copy of the entire Proposal shall be submitted in PDF format on a USB Flash Drive as one single file

## F: Evaluation Criteria

Upon receipt of the Proposals, the County’s Qualification and Selection Committee (“QSC”) will review and evaluate the Proposals in accordance with the criteria listed below. Interviews may be conducted with Proposer development teams. Decisions and recommendations by the QSC will be consensus-based.

The County’s goal is to select the best Proposal from the most qualified Proposer that meets the County’s objectives for this Site. The following evaluation criteria will help the County achieve its objectives for the Site:

1.	Overall vision and quality of the proposed development:	20 points
2.	Meeting the County’s objectives for the Site:	20 points
3.	Expertise and financial capacity to implement the vision:	20 points
4.	Design and cost per public parking space.	15 points
5.	Estimated value of site	15 points
6.	Proposed timeframe for completion of the development:	<u>10 points</u>
		<b>Total: 100 points</b>

The top-rated proposals may be invited for an in-person interview to further discuss the proposal. The results of the interview and the scoring from the evaluation criteria will be used to make a final selection.

## G: Administration of the RFDP

**Proposals are due by 3:00 pm on January 29, 2021.** If a Proposer and a proposed development is selected from the Proposals submitted under this RFDP and a memorandum of understanding or other form of agreement acceptable to the County cannot be successfully negotiated with the top-ranked Proposer, the County may proceed to negotiate with the Proposer that submitted the next highest ranked Proposal. Alternatively, and in the County’s discretion, until an initial letter of intent or memorandum of understanding is entered into, the County may elect to negotiate with more than one Proposer at a time.

Any amendments to the RFDP will be posted on the MCDOT website, which can be located through the Division of Parking Managements website at:

<https://www.montgomerycountymd.gov/dot-parking/Lot25and44RFDP.html>

The County expects the RFDP to meet the following schedule, but reserves the right to amend this schedule or, in its sole discretion, to cancel the solicitation at any time.

RFDP Release:	October 26, 2020
Pre-Submission Meeting:	November 23, 2020 at 1:00pm
Deadline for Questions:	December 4, 2020 at 3:00pm
<b>Proposals Due:</b>	<b>January 29, 2021 at 3:00pm</b>

## **H: Submittal Instructions**

All Proposals shall include one original and six (6) copies in 8½” by 11” format with no smaller than 11-point font; not exceed 25 pages, not including credit references, Memoranda of Understanding (“MOUs”), renderings, Excel-based worksheets/models, tables, charts, etc. Submissions must be bound and sealed, and must be mailed or delivered to:

**Mr. Christopher Conklin**  
**Director**  
**Montgomery County Department of Transportation**  
**101 Monroe Street, 10<sup>th</sup> Floor**  
**Rockville, Maryland 20850**

The envelope must state “RFDP - Public Parking Lot 25 and 44.” Written Proposals will be evaluated upon only what is submitted. It is incumbent upon the Proposer to submit sufficient information to enable the County to fully evaluate the Proposer’s capabilities and experience. Proposals to this RFDP received after the date and time specified are considered late and may not be considered. The County will not accept Proposals sent via facsimile or e-mail. Unless requested by the County, additional information cannot be submitted by the Proposer after the deadline set for receipt of Proposals. Proposer will be notified in writing of any change in the specifications contained in this RFDP.

Prior to the time and date designated for receipt of Proposals, Proposals submitted early may be modified or withdrawn only by notice to the County receiving Proposals at the place and prior to the time designated for receipt of Proposals.

Timely modifications or withdrawals of a Proposal must be in writing and must be received by the County on or before the date and time set for receipt of Proposals.

Withdrawn Proposals may be resubmitted up to the time designated for the receipt of Proposals provided that they are then fully in conformance with the RFDP.

## **I: Pre-Submission Conference**

There will be an online pre-submission conference on **November 23, 2020** at 1:00pm. A link to the pre-submission conference will be posted at:

<https://www.montgomerycountymd.gov/dot-parking/Lot25and44RFDP.html>

## **J: Conditions and Limitations**

The County reserves the right to reject any or all Proposals submitted in response to this RFDP, advertise for new Proposals or accept any Proposal deemed to be in the best interest of the County. A Proposal submitted in response to this RFDP does not constitute a contract and does not indicate or otherwise reflect a commitment of any kind on behalf of the County.

Furthermore, this RFDP does not represent a commitment or offer by the County to enter into an agreement with a Proposer or to pay any costs incurred in the preparation or submission of a Proposal to this RFDP. Furthermore, this RFDP does not commit the County to pay for costs incurred in the negotiation or other work in preparation of, or related to, a final agreement between the selected Proposer and the County.

Any commitment made by the County will be subject to the appropriation of funds by the Montgomery County Council to carry out any such commitments and to the execution of a contract acceptable to the County.

Written questions regarding the RFDP should be directed, via email, to Jose Thommana, Chief, Division of Parking Management at [jose.thommana@montgomerycountymd.gov](mailto:jose.thommana@montgomerycountymd.gov). or a designated appointee. No verbal questions, outside of the Pre-Submission Meeting, will be accepted.

All questions, and the responses from the County, will be posted on County's Division of Parking Management webpage at:

<https://www.montgomerycountymd.gov/dot-parking/Lot25and44RFDP.html>

The Proposals and any information made a part of the Proposals will become a part of the project's official files. The County is not obligated to return the Proposals to the Proposers. This RFDP and the selected team's response to this RFDP may, by reference, become a part of any formal agreement between the Proposer and the County.

The County reserves the right, in its sole and absolute discretion, to reject any and all Proposals received in response to this RFDP and to cancel this RFDP at any time, for any or no reason, prior to entering into a formal contract. The County further reserves the right to request clarification of information provided in Proposals submitted in response to this RFDP without changing the terms of this RFDP.

If a Proposer contends that any part of its Proposal is proprietary or confidential and, therefore, its disclosure is limited under the Maryland Public Information Act, Md. Code Ann. State Gov't §§10-611 *et seq.* ("MPIA"), the Proposer must identify all information that is confidential or proprietary and provide justification for why such materials should not be disclosed by the County under the MPIA. The County, as custodian of Proposals submitted in response to this RFDP, reserves the right to determine whether or not material deemed proprietary or confidential by the Proposer is, in fact, proprietary or confidential as required by the MPIA and, therefore, should not be disclosed. The County will favor disclosure of all Proposals in response to any request from a third party for disclosure made under the MPIA.

Proposers must familiarize themselves with the Site and form their own opinions as to suitability for any proposed development on the Site. The County makes no representations as to the Site. The County assumes no responsibility for site conditions including, but not limited to, environmental and soil conditions on the Site. Proposers are responsible for their own background investigation as to title, zoning, subdivision, transportation, develop ability, utilities, and physical conditions, and any restrictions, if any, for the Site. Proposers may not solely rely upon any information provided by the County concerning Public Parking Garage 47 in this RFDP. Soils tests and other invasive tests may not be conducted upon the Site during the RFDP stage.

Proposers are subject to the provisions of law pertaining to ethics in public contracting, including but not limited to, the provisions of the Code's Chapter 11B, Article XII and the applicable provisions of Chapter 19A.

## **K: Minority, Female, and Disabled Participation**

The County encourages contracting and development opportunities with business interests reflecting its diverse population and interests. Therefore, the County encourages Proposers to include where possible meaningful minority, female, and disabled ("MFD") participation in the proposed development. This participation could include, but not be limited to, the Proposer teaming with MFD developers, builders and subcontractors for the proposed development.