

REQUEST FOR DEVELOPMENT PROPOSALS



June 27, 2019

for the Redevelopment
of 4010 Randolph Road, Silver Spring



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I. INTRODUCTION

A. Overview

Montgomery County, Maryland through this Request for Development Proposals (RFDP) seeks viable, creative development proposals from qualified teams (Proposers) to redevelop 4010 Randolph Road in Silver Spring, Maryland (Site). The County intends to maximize affordable housing on the 6.07-acre County-owned site. The Site is the current location of the Department of Recreation administrative offices, which will be relocated in 2020. The County is offering the Site to a qualified development team for an affordable housing redevelopment project.

1. Site Location and Description

The Site is bordered by Randolph Road to the north; single family homes and Bushey Drive to the east; single family homes, Gannon Road and commercial condominiums to the south; and commercial buildings to the west.

FIGURE 1: AERIAL OF SITE



The Site contains two adjacent parcels that are currently occupied by the Department of Recreation administrative offices, surface parking and a small playground. The site will be vacant in summer 2020 upon relocation of the Recreation offices to downtown Wheaton. It is the County's intention to offer the property for its redevelopment with affordable housing at that time.

The Site is located near the intersection of Randolph and Veirs Mill Roads. Veirs Mill Road provides a direct connection between the City of Rockville and the Wheaton Central Business District and carries 43,000 vehicles per day. Extensive bus service is provided by both Montgomery County's Ride On and WMATA's Metrobus. Montgomery County Department of Transportation is planning a Bus Rapid Transit line on Veirs Mill Road to include 11 stations between Rockville and Wheaton, one of which will be at the intersection of Veirs Mill and Randolph Roads.

2. Master Plan and Zoning

The Site falls within the recently adopted Veirs Mill Corridor Master Plan. The plan "envisions an opportunity to introduce diverse housing types at this location. This housing . . . could provide a transition in density from the transit-oriented development recommended at Stonemill Square to the existing single-family residential community to the east of the site." The Site is zoned CRN-1.0, C-0.5, R-1.0 H-65'.

The Master Plan can be found at the following link:

<https://montgomeryplanning.org/planning/communities/area-2/veirs-mill-corridor-plan/>

B. Project Objectives

The County is seeking proposals for the Site that can achieve the following objectives:

- Increase the stock of affordable housing in the Veirs Mill corridor with a range of affordability, i.e., very low income to market rate.
- Increase housing stock with a mix of unit sizes ranging from 1- to 4-bedroom units.
- Provide a transition from the Stonemill Square retail to the single-family residential east of the site.
- Maintain compatibility with the surrounding residential community.

II. SUBMISSION REQUIREMENTS

All proposals must include a development concept and explanation of key factors and milestones for its successful implementation. The County reserves the right to request additional information during the review period.

Failure of a Proposer to submit all required information may render the proposal incomplete and ineligible for further consideration. The proposal must include the following elements:

1. Transmittal Letter

The transmittal letter should include:

- a. Information on the Proposer including a single point of contact including name, title, phone number and email address. Further, provide the address and legal form of the Proposer. If the Proposer is a joint venture, provide this information for all participants.

- b. A statement that the proposal will remain in effect for one year after the due date.
- c. A statement acknowledging receipt of each addendum that the County may have issued.
- d. A statement that the Proposer 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.
- e. A statement that, if selected, the Proposer will negotiate in good faith with the County.

2. Project Vision and Budget

- a. Vision Statement: Provide a summary statement that synthesizes your proposed development concept and approach, demonstrating that your proposal generally meets the Project Objectives identified by the County.
- b. Concept Plan: Provide a concept plan that illustrates the proposed development plan, layout, square footage and other characteristics of the development, including building height, density, unit types, and percentage and levels of affordability. Indicate whether units are for sale or rental.
- c. Development Budget: Provide a development budget showing sources and uses of development funds. The pro forma must include predevelopment costs, soft and hard construction costs and any payments to the County.
- d. Contingencies: Identify whether the proposed redevelopment is contingent on any County or State government action (e.g., regulation changes or public funding such as grants or loans) and a listing of those contingencies.

3. Statement of Qualifications

- a. Background Information: Include a description of the Proposer, including ownership and 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 project.
- b. Financial Capability: Provide evidence of proposer's financial strength and the ability to sign an agreement with the County. Include a description of the Proposer's financial capability to complete the proposed project including, with examples, and 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 project. 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 this Project, must provide current Interim statements and audited annual financial statements for their respective firm's last three fiscal 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.

- c. **Project Experience:** Demonstrate that the proposer is directly experienced in the disciplines required to make this development a success, including previous experience. This information should clearly describe the size, scope and financial structures of previous projects, where located and when completed. For projects not yet complete, the Proposer should include the anticipated completion date. Proposer should describe role in each project. Additionally, provide references and contact information including name, telephone number and email address for each project described.

4. Development Timeline

Provide a preliminary schedule that includes general timelines for commencing construction and phasing of development. Provide a sequential narrative description of what the Proposer will do over the next two to five years, with elements including:

- a. The roles and responsibilities of the primary project team members or partners.
- b. Phasing, timelines, methodologies and milestones necessary to implement the vision (securing financing, property settlement, zoning entitlements, permitting approvals, etc.); and
- c. Critical path, including project risk factors, and Proposer's plan for mitigating these major risk elements.

Please be certain to address each of the above elements within the context of your overall plan.

5. Financial Value

Provide the amount that the developer would pay to the County. Provide the projected timing of payment of any deposits and when transactions would occur.

III. EVALUATION CRITERIA

Upon receipt of the Proposals, the selection committee may review and evaluate the Proposals in accordance with the criteria listed below. Interviews may be conducted with development teams. The selection committee's decisions and recommendations will be consensus-based.

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

1. Overall vision and quality of the proposed development	30 points
2. Meeting of County’s affordable housing objectives for the site:	30 points
3. Expertise, experience and financial capacity to implement the vision:	30 points
4. Proposed timeframe for completion of the development	<u>10 points</u>
Total Points	100 points

IV. SUBMITTAL INFORMATION

Proposals are due by 4:00 p.m. on September 6, 2019. Please submit four (4) hard copies and an electronic copy to:

Ronnie L. Warner, Chief
Office of Planning and Development
Montgomery County Department of General Services
101 Monroe Street, 9th floor
Rockville, MD 20850

The package must state “RFDP – 4010 Randolph Road.” Written Proposals will be evaluated only upon what is submitted, and it is incumbent upon the Proposer to submit sufficient information to enable the County to fully evaluate the Proposer’s capabilities and experience. Proposals received after the date and time specified will be considered late and will not be considered. The County will not accept faxed Proposals or Proposals sent via e-mail. Unless requested by the County, additional information cannot be submitted by the Proposer after the deadline. The Proposer may be notified in writing of any change in the specifications contained in this request.

Proposals may be modified and submitted prior to **September 6, 2019 at 4:00 p.m.** Modified proposals received after the date and time specified for receipt of proposals will not be accepted or considered regardless of the reason or reasons for lateness.

Written questions regarding the RFDP should be sent via email to OPD.DGS@montgomerycountymd.gov. No verbal questions will be accepted. All questions and the responses from the County, as well as any amendments to this RFDP, will be posted on the Office of Planning and Development’s website at www.montgomerycountymd.gov/DGS/OPD/Home.html.

The County expects to follow the schedule shown below:

RFDP Release	June 27, 2019
Deadline for Questions	August 23, 2019
Proposals Due	September 6, 2019

V. CONDITIONS AND LIMITATIONS

The County reserves the right, in its sole and absolute discretion, to reject any and all Proposals received in response to this RFDP, advertise for new Proposals or to accept any Proposal deemed to be in its best interest, to suspend negotiations, 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 an 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 at the County's discretion, the County may elect to negotiate with more than one Proposer until an initial letter of intent or memorandum of understanding is negotiated.

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 or impose any binding obligations on the County or grant any rights to the Offeror. Furthermore, this RFDP does not represent a commitment or offer by the County to enter into an agreement with an Offeror or to pay any costs incurred in the preparation 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 approval by the Montgomery County Council per Montgomery County Code Section 11B-45, Disposition of Real Property.

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 any materials submitted or received in response to this RFDP. This RFDP and the selected Offeror's response to this RFDP may, by reference, become a part of any formal agreement between the Offeror and the County.

If an Proposer contends that any part of its Proposal is proprietary or confidential and, therefore, is limited to disclosure under the Maryland Public Information Act, MD Code Ann. State Gov't §§10-611 *et seq.* (the "MPIA"), the Offeror 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 Offeror is, in fact, proprietary or confidential as required by the MPIA, or if the MPIA permits nondisclosure. The County will favor disclosure of all Submissions in response to any request for disclosure made under the MPIA.

Proposers should 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. Offerors are responsible for their own background investigation as to restrictions, if any, bearing upon title, zoning, subdivision, transportation, developability, utilities, and

physical conditions at these sites. Soil tests and other invasive tests may not be conducted upon any of these sites during the RFDP stage.

VI. 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 and to the highest extent, meaningful minority, female and disabled (“MFD”) participation in the proposed project. This participation could include, but not be limited to, the Proposer teaming with MFD developers, builders and/or subcontractors for the proposed project.