

Montgomery County Government

REQUEST FOR DEVELOPMENT PROPOSALS

for

FORMER SILVER SPRING LIBRARY SITE

8901 & 8907 Colesville Road

Silver Spring, Maryland



ISSUED BY:

MONTGOMERY COUNTY GOVERNMENT DEPARTMENT OF GENERAL SERVICES 101 MONROE STREET, 9TH FLOOR ROCKVILLE, MARYLAND 20850

RESPONSES DUE BY 4:00PM on FEBRUARY 16, 2017

MONTGOMERY COUNTY GOVERNMENT ISIAH LEGGETT, COUNTY EXECUTIVE

REQUEST FOR DEVELOPMENT PROPOSALS FORMER SILVER SPRING LIBRARY SITE

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I. Overview

Montgomery County, Maryland through this Request for Development Proposals (RFDP), seeks creative, viable development proposals (Proposals) from qualified teams (Proposers) to provide affordable senior residential housing and childcare on County-owned property located at 8901 and 8907 Colesville Road in Silver Spring (Site). The Site is the location of the former Silver Spring Library (Library). Proposals must include delivery methods and operations methods of a childcare center and senior rental housing with a significant affordability component (Project). Proposals may include the adaptive reuse of the existing Library building or new construction or a combination of the two.

II. Objectives

Through a long-term arrangement, the County is seeking Proposals for the Site that can achieve the following objectives:

- 1. Increase senior housing in the Silver Spring area. A minimum of 30% of the total units affordable are desired to be for households at or below 60% of the area median income (AMI).
- Contribute to the growing need for childcare services in Montgomery County by providing a facility that meets all regulatory requirements for services to young children; and
- Rely on the Offeror's ability to perform the capital for improvements to the existing building and/or for construction of a new building at no cost to the County, and to provide a financially sustainable model for the proposed improvements and services.
- 4. Incorporate green space that blends with adjacent public park space to the best possible extent.

III. Site Location and Description

The Site is two abutting properties. The property at 8901 Colesville Road (tax account number 13-00971462) is improved with a two-story 15,687 square foot building with access to both Colesville Road and Ellsworth Drive. The property at 8907 Colesville Road (tax account number 13-00972821) includes the majority of the parking spaces. Together the properties contain approximately 70 surface parking spaces. The combined size of the two properties is approximately 2.3 acres. The Site is bordered by

Colesville Road to the west, Ellsworth Park to the north, Ellsworth Drive to the east and Colesville Towers apartment building to the south.



IV. Master Plan and Zoning

The Site is currently zoned R-60 and is located within the North and West Silver Spring Master Plan (2000) boundaries. The Master Plan confirms R-60 zoning for the Site. Under R-60 zoning, height is limited to 35 feet, lot coverage is limited to 35%, density is limited to 7.26 units per acre. Multifamily housing is not a permitted use in the R-60 zone.

The selected Proposer must seek any necessary zoning changes and amendments to any applicable master plans required to accommodate the proposed development.

V. Existing Building Conditions

The existing building has a number of maintenance related issues that should be considered and addressed by offerors in their Proposals in the event the Proposal assumes reuse of the existing building. Montgomery County will not be responsible for funding this work. Although the HVAC system is currently functional, it has been the source of numerous complaints and on-going repairs have been significant. The air handling units are over 25 years old, the chiller is almost 20 years old and all HVAC equipment is due for replacement. Major HVAC renovations should be planned.

Water leaks have been an ongoing problem for several years. The roof is in good condition but the built-in gutters are continually clogged and cause water leaks. The soffits show many areas of water damage due to these leaks. Replacing the built-in gutters with exterior gutters is recommended to eliminate this problem.

The ADA automatic doors are obsolete and often fail. New entry doors and operators should be installed before occupying the building.

There has been a problem with water leaking through the wall near a stair to the lower level. To eliminate this problem, the wall needs to be sealed by excavating the soil and parging the wall.

VI. Other Considerations

Prior to issuance of the RFDP, the Department of General Services obtained significant stakeholder input from various neighborhood civic associations, interests groups and citizens. Proposers are expected to be cognizant of the community's deep interest in the ultimate disposition of this publically owned land.

Discussion during the gathering of stakeholder comments included concerns about the overutilization of the property with various uses, heights, density, massing and setbacks of the proposed development. There is significant sentiment that the site be incorporated into the adjacent park as well as interest in adaptive reuse of the existing building or incorporating the existing building into future design. Residents also noted that traffic patterns and regulations on nearby residential streets have been modified to address cut through traffic concerns.

Proposers are requested to consider the dynamic interests associated with the Site while meeting the County's objectives listed above.

VII. Submission Requirements

All Proposals must provide a development concept and explanation of key factors and milestones for its successful implementation, as well as a complete description of the

childcare program the Proposer intends to provide. 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. <u>Cover</u>: The cover should contain the RFDP title, the Proposer's name and the submission date.
- 2. <u>Transmittal Letter</u>: The transmittal letter should not exceed two pages and should contain:
 - A. The name, title and contact information, including the phone number and email address, of the individual with authority to bind the Proposer. This person should also sign the letter.
 - B. The address and legal form of the Proposer. If the Proposer is a joint venture, provide the above information for all participants in the Proposal.
 - C. Statement that the Proposal will remain in effect for one year after the due date.
 - D. Statement acknowledging receipt of each addendum that the County may issue.
 - E. 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.
 - F. Statement that, if selected, the Proposer will negotiate in good faith with the County.

3. Statement of Qualifications:

Proposers should be organizations that are:

- Professionally managed;
- An established business/organization with a proven track record;
- Financially viable and able to cover expenses for improvements;
- Able to meet applicable building code requirements, especially if the Proposer plans to reuse the existing building;
- Able to cover all operating expenses; and

- Able to and have developed programs with a wide range of different activities that can meet the requirements listed above.
- A. Background Information: A description of the Proposer, including organizational structure, identification of principals and length of time the Proposer has been 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 Project.
- B. Financial Capability: Description of the Proposer's financial capability to complete the Project including: (1) reuse of the existing building meeting all applicable codes or buildout of a new facility; (2) the ability to maintain the space for a childcare center, including payment of utility and all other operational costs; and (3) the ability to operate the proposed childcare programming and housing component including a description of the Proposer's financial capability to complete that portion of the Project 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 entire Project.

Under separate cover and marked "Confidential", the Proposer and, if applicable, any member of a 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: Description of the Proposer's experience with similar community-oriented facilities and residential developments. This information should clearly describe the size, scope and financial structures of those projects, where located and when completed, as well as a description of the programs the Proposer has provided including the number of participants, description of participants and the objectives of those programs. The statement should also include why the Proposer is well-suited to work with multiple public agencies and describe any prior experience partnering/working with a public agency including local/state/national governmental agencies. Proposers should also include relevant experience in successfully planning, managing and completing capital projects. Additionally, provide references and contact information including name, telephone number and email address for each project

described.

- D. References: Include names and addresses of at least three commercial or institutional credit references for the Proposer and any member of the proposed partnership, and a letter from each of the credit references authorizing them to respond to inquiries from the County.
- 4. <u>Project Vision</u>: This section should describe the Proposer's vision for the project and how this vision meets the County's objectives. This vision statement should identify the following:
 - A. Phasing, timelines, methodologies and milestones necessary to implement the vision (zoning entitlements, permitting approvals, etc.).
 - B. Concept plan that illustrates the proposed development plan, layout, square footage and other characteristics of the development, including building height and density and whether Proposer plans to reuse the existing Library building. The concept plan should include a general estimate of square footage for the daycare facility. The concept plan for senior housing must identify the percentage of affordable units, which must be a minimum of 30% of the total units, affordable to households at or below 60% of the area median income. Deeper levels of affordability are preferable.
 - C. Project budget showing sources and uses of development funds and a 15year operating pro forma clearly identifying programming funding. The pro forma must include cost, revenue and inflation assumptions, as follows:
 - Predevelopment costs;
 - Soft and hard costs, including cost to build-out the interior of existing building if reusing the Library;
 - · Fixture, furnishing and equipment costs;
 - · Operating revenues and expenses; and
 - Cash flows to the Proposer and/or the County.

The Project budget must clearly identify the number of senior units and the percentage and income breakdown of the affordable units. Any assumptions/projections regarding stabilized rents or when stabilized rents will be achieved should be specified.

D. A statement of whether the proposed development is contingent on any County or State government action (e.g., regulation changes, public funding-grants, loans, etc.) and a listing of these contingencies.

5. Electronic Files: One copy of the entire Proposal shall be submitted to the County in PDF format on a thumb drive as one single file. In addition, an electronic copy of the pro forma in Excel format should be saved on the thumb drive.

VIII. 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.

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 quality of the proposed program:	20 points
2.	Meeting of County's objectives for this request:	30 points
3.	Expertise and financial capacity to implement the concept:	30 points
4.	Financial benefit to the County including capital improvements:	10 points
<u>5.</u>	Prior experience partnering with public agencies	10 points
	Total Points	100 points

IX. Administration of the RFP

Proposals are due by 4:00 p.m. on February 16, 2017. 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.

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 the RFDP to follow the schedule shown below, but reserves the right to amend this schedule or, at its sole discretion, to cancel the solicitation and suspend negotiation at any time.

RFDP Release
Site Tour/Pre-Submission Meeting (Optional)
2nd Site Tour (Optional)

November 28, 2016 December 15, 2016 at 9:00 a.m. January 12, 2017 at 9:00 a.m.

X. Submittal Instructions

All Proposals shall include one original and five copies in 8½" by 11" format with no smaller than 11-point font and will not exceed 25 pages (excluding credit references, Letters of Intent ("LOIs"), 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:

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

The envelope must state "RFDP – Former Silver Spring Library Site". Written Proposals will be evaluated upon only 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 set for receipt of Proposals. The Proposer may be notified in writing of any change in the specifications contained in this request.

Proposals submitted prior to February 16, 2017 at 4:00 p.m. may be withdrawn only by written notice to the County. Withdrawn Proposals may be resubmitted up to the time designated for the receipt of Proposals, provided that they are then fully in conformance with this request. Any modified Proposal must be submitted at the place and prior to the time designated for receipt of Proposals. 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.

XI. Optional Pre-Submission Conference & Tour

There will be an optional pre-submission tour and conference as noted in Section IX above. The County will not provide transportation to or from the site.

XII. 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 the best interest of the County, 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.

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. 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. 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 Executive Regulation 11-13AM, *Disposition of Real Property*. The County will make no monetary contributions toward the project.

Written questions regarding the RFDP should be directed, via email, to Ronnie Warner at Ronnie.Warner@montgomerycountymd.gov. No verbal questions will be accepted.

All questions, and the responses from the County, will be posted on the Office of Planning and Development's website at: www.montgomerycountymd.gov/DGS/OPD/Home.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 any materials submitted or received. 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.

If a 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 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, or if the MPIA permits nondisclosure. The County will favor disclosure of all Proposals 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. Proposers are responsible for their own background investigation as to restrictions, if any, bearing upon title, zoning, subdivision, transportation, developability, utilities, and physical conditions at the Site. 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 Montgomery County Code Chapter 11B, Article XII and the applicable provisions of Chapter 19A.

XIII. 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.