



REQUEST FOR DEVELOPMENT PROPOSALS
 Regarding Development for
CSP Jeremiah Park
Montgomery County Service Park

TABLE OF CONTENTS

I. INTRODUCTION 2

A. OVERVIEW

B. PRIMARY SELECTION CRITERIA

C. PRELIMINARY TIMELINE

II. REQUIRED INFORMATION..... 7

A. ARCHITECTURAL VISION

B. DEVELOPMENT AND FINANCE PLAN

III. SUMMARY STATEMENT..... 10

IV. SUBMITTAL INFORMATION..... 11



I. INTRODUCTION

A. OVERVIEW

Montgomery County invites your participation in this Request for Development Proposals (RFDP) to develop **CSP Jeremiah Park**, a 45-acre portion of the Montgomery County Service Park (CSP). Montgomery County has retained the services of JLL to advise the County during this process.

The CSP is located south of Shady Grove Road, north of Redland Road, east of the CSX rail tracks, and west of the Shady Grove Metro Access Road. Crabbs Branch Way runs north-south through the CSP dividing the area into two segments. In the Shady Grove Sector Plan these areas are referred to as CSP Jeremiah Park, on the east side of Crabbs Branch Way which is approximately 45 acres, and CSP Metro North, on the west side of Crabbs Branch Way which is approximately 45 acres. This RFDP will refer to the entire site as the Property. All of the Property is in the Transit Oriented Mixed Use/Transferable Development Rights (TOMX-2/TDR zone).

Immediately northeast of the intersection of Shady Grove Road and Crabbs Branch Way is the Grove Shopping Center in the Residential-Mixed Use (RMX-2C/TDR) zone. The new Montgomery County Department of Transportation's Equipment Maintenance and Transit Operations Center (EMTOC) is to the northwest in the Industrial Park (I-3) zone.

Park Overlook and Mallard Cove, residential communities, are located east of the Metro Access Road; a large stormwater management pond and the Shady Grove Metro Station are south; and the Shady Grove rail yard is west of the CSX rail tracks.


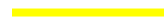

The Property is generally flat, with the southern portion at a lower elevation closer to the Metro Station, and with the northern portion at a slightly higher elevation closer to Shady Grove Road. The Montgomery Parks Department Training and Maintenance Center and the Montgomery County Public School (MCPS) Bus Depot are currently located on CSP Jeremiah Park, as well as surface parking for approximately 400 school buses, Parks Department maintenance equipment and low-level office buildings.

Runoff from the site currently is collected and conveyed to a regional stormwater pond in the northwest quadrant of the intersection of Redland Road and Crabbs Branch Way. The property lies within the Rock Creek Watershed. There are no known significant historical or cultural resources on the site, which is served by public water and sewer.

The aerial photo below outlines CSP Jeremiah Park (orange); CSP Metro North (yellow) which EYA is developing and the Shady Grove Metro Station (red).

PHOTO 1: AERIAL OF SITE AND LOCATION



-  CSP Jeremiah Park
-  CSP Metro North (EYA)
-  Shady Grove Metro Station and Parking for Metro Station

EYA and Montgomery County partnered to implement the 2006 Shady Grove Sector Plan in accordance with the County’s Smart Growth Initiative. The 2006 Shady Grove Sector Plan can be found at the following link:

<http://www.montgomeryplanning.org/community/shadygrove/documents/ShadyGroveSectorPlanFINALApprovedandAdoptedwmaps08.pdf>

EYA was designated by Montgomery County to serve as the master site planner of the entire Property and the exclusive purchaser of the CSP Metro North, known as Shady Grove Station-Westside in EYA’s submissions to M-NCPPC. As master site planner, EYA’s responsibilities include securing the approval of a preliminary project plan, a preliminary plan of subdivision and record plat of subdivision for the

Property. In addition, the County is responsible for the following infrastructure improvements:

1. Development of a “Main Street” by rebuilding the existing Crabbs Branch Way and constructing a median-separated, 4-lane street as described in the Sector Plan;
2. Pedestrian and vehicular improvements at Shady Grove Road and Crabbs Branch Way in lieu of the pedestrian tunnel under Shady Grove Road described in the Sector Plan;
3. Shady Grove Road sidewalk improvements from Crabbs Branch Way to the Metro Access Road;
4. Off-site WMATA pedestrian and vehicular improvements;
5. WSSC upgrade improvements to accommodate development on the Property; and
6. Provision of a nature trail surrounding the off-site stormwater management pond included in the Sector Plan.

In September 2012, the Planning Board approved the preliminary plan application for the entire Property. The Montgomery County Planning Board resolution approving the preliminary plan application for the Property can be found at the following link:

http://www.montgomeryplanningboard.org/resolutions_archive/documents/12-089_20120906_09062012_120120080_shadygrovestation_000.pdf

EYA is the contract purchaser of Shady Grove Station-Westside, which is planned for 1,114 multifamily units, 407 townhomes, 41,828 SF of retail, 131,422 SF of office, and a library. Ten percent of the total number of residential units must be Workforce Housing Units and fifteen percent must be Moderately Priced Dwelling Units (MPDUs).

In February 2013, EYA submitted the site plan for the Westside. It was approved by the Planning Board on January 23, 2014. A site plan presentation for the Westside can be found at the following link:

<http://www.montgomeryplanning.org/community/shadygrove/documents/ShadyGroveStationWestSideSitePlanpresentation.pdf>

CSP Jeremiah Park is approved to include 345 townhouses and 344 multi-family units. Approximately eight acres total for a four-acre park (Jeremiah Park) and a four-acre elementary school site are to be dedicated in CSP Jeremiah Park. The developer is not expected to improve either of these public proffers. As with Shady Grove Station- Westside, ten percent of the residential units must be work force housing units and fifteen percent Moderately Priced Dwelling Units (MPDUs).

Montgomery County will benefit from the redevelopment as it will generate numerous benefits to the County including but not limited to sale proceeds, a new tax base and furtherance of the County Executive's Smart Growth Initiative.

All of the replacement facilities in CSP Jeremiah Park are currently programmed in the County's CIP and scheduled for construction with the exception of the MCPS Bus Depot which includes the bus maintenance facility and the surface parking for approximately 400 school buses and additional MCPS employee parking. The County Council's work session in 2013 on the school bus depots can be found at the following link:

<http://www6.montgomerycountymd.gov/content/DGS/Dir/Resources/SchoolBusDepotPresentation.pdf>

The County currently operates five bus depots, including CSP Jeremiah Park, to service its fleet of 1,264 buses with the depots following school cluster boundaries. The County has explored various options to relocate the buses from CSP Jeremiah Park, including moving the buses and the maintenance facility to the Gude Landfill, distributing buses to the other school depots, and parking buses at various high schools. However, the options evaluated by the County have challenges and provide, at best, limited solutions.

The land for off-site replacement parking and the maintenance facility must be identified prior to redevelopment of the site. While the bus depot occupies approximately 35 acres, it is comprised of parking for the buses, the bus maintenance facility and other uses. As a result, developers may not need to identify the same total number of acres and the County will consider multiple sites of fewer acres. The bus parking facilities are not required to be co-located with the bus maintenance facility. The sites should have a relatively central-County location and be close to major roads. The developer is not expected to design or construct the new facilities.

The bus parking locations could either be owned or leased by the County, but the County would prefer to own the bus maintenance facility. Any ground lease(s) for the bus parking site(s) should be as long term as possible with a minimum term of ten years and an option to purchase. The County is not in a financial position to acquire the land for the bus parking or the maintenance facility prior to the sale of CSP Jeremiah Park. To effect the transfer of buses and the maintenance facility to alternate sites, the County could entertain several approaches. For example, it could swap for land owned by a developer in a total or phased takedown. Alternatively, the developer could acquire land with a sales contract assignable to the County at time of takedown for all or a portion of CSP Jeremiah Park or execute a long-term lease with the County for the land acquired to be effective when the County vacated all or a portion of CSP Jeremiah Park. The County is open to creative solutions and scenarios.

B. PRIMARY SELECTION CRITERIA

The RFDP responses will guide the County in its developer selection process. The key drivers in this selection process will include the following criteria, which should be addressed in detail in the response:

1. The overall value proposition of the development plan for CSP Jeremiah Park. The value proposition is defined as the most practical plan to distribute bus parking and a bus maintenance facility to alternate sites that combined with the purchase price of CSP Jeremiah Park results in the greatest net present value to the County. Ideally, respondents to the RFDP will have land under their control or within a nine-month period of time for the relocation of buses and the maintenance facility.
2. An experienced, integrated senior level team of experts in the disciplines required to make this development a success.
3. An architectural vision for CSP Jeremiah Park which includes concepts for the residential use of the property, the park and the elementary school and is consistent with the approved Sector Plan and preliminary plan. The architectural and phasing vision should complement the approved site plan for Shady Grove Station-Westside.
4. An aggressive, yet realistic, schedule for procuring permits, commencing construction and phasing of development.

C. PRELIMINARY TIMELINE

Montgomery County anticipates having a development team identified by mid-summer 2014, with a final development agreement (or purchase and sale agreement) negotiated and in place by early fall 2014. Montgomery County plans to have its site cleared of buses and operations and ready for development by 2017.

The County recognizes that CSP Jeremiah Park, given the residential development taking place at Shady Grove Station-Westside and other residential developments in close proximity to the site, may necessitate a phased approach.

II. REQUIRED INFORMATION

A. ARCHITECTURAL VISION

In this section of the RFDP, Montgomery County is seeking to understand your architectural vision for CSP Jeremiah Park. Please provide a narrative description and visual representation of the architectural design and site planning concept your development team believes will most appropriately satisfy the planning/architectural requirements of the Shady Grove Sector Plan. In particular, we are seeking the relationship of your site plan for CSP Jeremiah Park to the site plan for Shady Grove Station-Westside.

B. DEVELOPMENT AND FINANCE PLAN

The Development and Finance Plan should have two components, as described below.

1. DEVELOPMENT APPROACH

Your Development Plan should include a sequential narrative description of what the development team will do over the next five to ten years (through project stabilization, defined by the development team), with elements including:

- a) A proposed solution for relocating the MCPS Bus Depot function, noting whether or not land for relocating the buses and the maintenance facility is under your firm's control;
- b) The primary project team members and partners, and what roles and responsibilities they will have;
- c) The financial strength of the entity that will sign any transaction with Montgomery County;
- d) The consequences of failure (i.e., penalties) to meet schedule and/or development milestones imposed on your team;
- e) The critical project risk factors and your development team's plan for mitigating these major risk elements; and
- f) Your preliminary concepts for selling and leasing residential units and your estimated absorption time.

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



2. FINANCIAL VALUE

Montgomery County will compare RFDP offers based on the price the proposer is offering to pay to Montgomery County to purchase CSP Jeremiah Park, the acquisition/leasing cost of sites to distribute the MCPS Bus Depot and the timing for payment to Montgomery County. Assume a closing date of January 1, 2017. Please provide (1) an upfront amount that the developer would pay to the County and (2) if the developer projects a phased takedown, the projected timing of when property would be taken down and how the price per FAR SF would increase at each takedown.

Upfront Payment for CSP Jeremiah Park

UPFRONT PAYMENT	EST FAR SF (COL 1)	PURCHASE PRICE PER FAR SF (COL 2)	PURCHASE PRICE (COL 1 X COL 2)
Townhomes			
Multifamily			

Background Market Data for Sale of End Products (i.e. townhomes, multi-family)

MARKET DATA	SALE PRICE PSF (COL 1)	SQ FT FOR SALE (COL 2)	TOTAL SALES (COL 1 X COL 2)	RENTAL PRICE PSF (COL 4)	RENTABLE SQUARE FEET (COL 5)	ANNUAL RENT (COL 4 X COL 5)
Townhomes				N/A	N/A	N/A
Multifamily	N/A	N/A	N/A			

Phased Payments for CSP Jeremiah Park

PHASE 1 DATE:	EST FAR SF (COL 1)	PURCHASE PRICE PER FAR SF (COL 2)	PURCHASE PRICE (COL 1 X COL 2)
Townhomes			
Multifamily			
PHASE 2 DATE:	EST FAR SF (COL 1)	PURCHASE PRICE PER FAR SF (COL 2)	PURCHASE PRICE (COL 1 X COL 2)
Townhomes			
Multifamily			
PHASE 3 DATE:	EST FAR SF (COL 1)	PURCHASE PRICE PER FAR SF (COL 2)	PURCHASE PRICE (COL 1 x COL2)
Townhomes			
Multifamily			



Background Market Data for Sale of End Products in a Phased Approach

PHASE 1 DATE:	SALE PRICE PSF (COL 1)	SQ FT FOR SALE (COL 2)	TOTAL SALES (COL 1 X COL 2)	RENTAL PRICE PSF (COL 4)	RENTABLE SQUARE FEET (COL 5)	ANNUAL RENT (COL 4 X COL 5)
Townhomes				N/A	N/A	N/A
Multifamily	N/A	N/A	N/A			
PHASE 2 DATE:	SALE PRICE PSF (COL 1)	SQ FT FOR SALE (COL 2)	TOTAL SALES (COL 1 x COL2)	RENTAL PRICE PSF (COL 4)	RENTABLE SQUARE FEET (COL 5)	ANNUAL RENT (COL 4 x COL 5)
Townhomes				N/A	N/A	N/A
Multifamily	N/A	N/A	N/A			
PHASE 3 DATE:	SALE PRICE PSF (COL 1)	SQ FT FOR SALE (COL 2)	TOTAL SALES (COL 1 x COL2)	RENTAL PRICE PSF (COL 4)	RENTABLE SQUARE FEET (COL 5)	ANNUAL RENT (COL 4 x COL 5)
Townhomes				N/A	N/A	N/A
Multifamily	N/A	N/A	N/A			

In your response include property(ies) under your control for sale, ground lease or land swap for the parking of buses and the bus maintenance facility, please include the following:

1. Address of the property or properties for sale, ground lease or swap.
2. Proposed value of property(ies) for sale or swap assuming the property(ies) sale or swap occurs on January 1, 2017. If respondent is proposing a ground lease of property(ies), include the term of the ground lease and the annual ground lease payments over the entire term.

If your response does not include properties under your control for sale, ground lease or land swap, please provide property(ies) that your firm would anticipate bringing under control and the estimated price.



III. SUMMARY STATEMENT

Please provide a summary statement that synthesizes your team's proposed development concept, approach, and value proposition for Montgomery County and demonstrates that your proposal meets the criteria specified by the County.



IV. SUBMITTAL INFORMATION

RFDP responses must be submitted no later than July 1, 2014. Please submit ten (10) copies to:

JLL
c/o John Gibb/Patti Restrepo
1800 K Street NW, Suite 1000
Washington, DC 20006

with an electronic copy to John Gibb (john.gibb@am.jll.com) and Patti Restrepo (patricia.restrepo@am.jll.com).

All RFDP responses and contracts shall be required to include a brokerage fee of 3% of the gross sale price for the entire CSP Jeremiah Park to be paid to JLL by the purchaser at time of closing of the first takedown. The gross sale price is defined as the sale price for the entire CSP Jeremiah Park without regard to deductions for land swaps, non-monetary exchanges or other subtractions from the sale price. In the event of a land swap or other non-monetary exchange for CSP Jeremiah Park, the brokerage fee of 3% will be based upon the highest value in the exchange. For example, if CSP Jeremiah Park East would sell for \$50 million and the value of land being swapped is valued at \$10 million, the brokerage fee would be based upon \$50 million.

If you have any questions or comments regarding the RFDP submittal, please email John Gibb at john.gibb@am.jll.com.

This document is not an offer to enter into an agreement with any party. No agreements or understandings between Montgomery County and the selected developer shall be binding until after Montgomery County has authorized binding documents that will be executed by all appropriate parties. Montgomery County reserves the right to reject any and all proposals at any time in its sole discretion and to waive what it determines to be any immaterial defect and irregularity in proposals. Should you feel it is necessary in preparing your response to contact individuals at Montgomery County, please request this contact through JLL prior to taking any action.

Montgomery County will not reimburse any party for costs incurred in responding to this RFDP, including the development of architectural or planning documents or drawings. Montgomery County will also not be paying any commissions to brokers representing development teams.