

FIFTH STREET REDEVELOPMENT



CHELAN COUNTY



Redevelopment Proposal Evaluation and Options

November 21, 2022

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Today's Presentation

- Why Redevelopment Plan?
- Recap RFP Process
- Summarize Feedback
- Review Options for Board Action
- Public Comment





Redevelopment Planning

Why participate in a planning process?

- Concerns over negative economic effect of PUD relocation on downtown
- Concerns of potential “incompatible uses” locating in heart of downtown
- Commitment to PUD vision *to provide the best value for the most people for the longest time*

Redevelopment Planning Goals

- Develop a guidance document which:
 - Incorporates broad community input & feedback
 - Includes economically viable development opportunities
- Ultimately provide a development that is complementary to and supports the health of downtown



Initial RFP Process

Solicitation

- March 3 – Publish RFP
- Tours March 23, 30 & April 28
- May 16 – Received 4 proposals

Evaluation

- May 20 – Reviewed proposals
- June 14 – Scored proposals and developed shortlist recommendation

Community Advisory Meeting

- June 22 – Evaluated top two proposals

PUD Commission Meetings

- June 6 – Overview of all proposals
- June 20 – Recommendation of evaluation team
- July 5 – Review/receive community feedback
- August 1 – Commission shortlists two finalists for further consideration



Shortlist Process

August 6

- Provided process instructions to two shortlisted proposers
- Provided specific feedback to address to each proposer related to contents of initial proposal

September 15 - 26

- One proposer notified Port of intent to withdraw from RFP process
- Met with proposer to discuss reasons for withdrawal

October 10

- Interview with final remaining proposer
- Recommendation team discussion of proposal and discussion of team report

Evaluation of Proposal

Review Team Recommendation

- Received letter from Chelan-Douglas Port, City of Wenatchee, Wenatchee Downtown Association and Wenatchee Valley Chamber
- Letter recommended selecting GTS Development and initiating negotiations for sale of property

PUD Concerns

- Economic conditions have materially changed since planning work was completed (2020)
- Withdrawal of second shortlisted proposer eliminated comparative evaluation
- Final developer revised financial offer from \$4M to “negotiated”
- Inability to address/mitigate significant project risks identified by developers



Board Options

Option 1

Act on recommendation of the RFP review team and instruct staff to enter negotiations for a purchase & sale agreement and development agreement with GTS Development

Option 2

Conclude RFP Process without selecting a developer and direct staff to explore alternative options which are in line with the community vision including but not limited to:

- Direct sale to another public agency
- Mitigate several identified risks including infrastructure development and site preparation
- Develop a phased approach working with potential anchor tenants
- Consider another round of proposals



Public Comment

CHELAN COUNTY PUD
Owned By the People We Serve

Discussion / Direction

An aerial night photograph of a city, likely Salt Lake City, showing a dense grid of lights reflecting on a river in the foreground. The city is set against a backdrop of dark mountains under a cloudy, twilight sky. The text 'Discussion / Direction' is overlaid in white, sans-serif font in the upper center of the image.