



PUD 5th STREET HEADQUARTERS
PROPOSAL FOR PURCHASE & DEVELOPMENT OF
"THE STATION"

INTERVIEW - OCTOBER 10, 2022

GTS

AVARA

GRAHAM BABA ARCHITECTS

GREENWORKS®

Background

On March 5th, 2022, the Chelan Douglas Port Authority issued an RFP for the redevelopment of Chelan County PUD's 5th Street Campus in Wenatchee. The evaluation committee narrowed the responsive proposals to two finalists, one of whom has now dropped out of consideration.

The following RFP response is submitted in response to the evaluation committee's request for clarification.

We welcome questions or feedback, and look forward to the possibility of working on this exciting project with community stakeholders..



Context & Approach: Why are we doing this?

The GTS Development / Avara / Graham Baba / Greenworks team consists of several firms aligned within the common interest of responsible and thoughtful design and continued development of Wenatchee. The Wenatchee Valley is a region with a rare combination of great weather, proximity to diverse opportunities for outdoor recreation, proximity to the Seattle region and elsewhere, inexpensive costs of living, and a growing economic base. In short, Wenatchee is a great place to live, work, play, and enjoy an incredible quality of life.

Our team is passionate about the region - and has deep connections with the Valley.

Our team is passionate about finding opportunities to create a place for community through environmentally responsible, sustainable, and community-oriented development of the built environment. This means that we seek an approach which actively considers balancing the environmental impact of the construction process with the needs of the community and the reality of the marketplace. In this interest, we propose to renovate and re-use many of the existing buildings on the PUD site:

- The Fleet Services Building
- The Headquarters Building, and
- The Tech Shop Building

Our team cares deeply about the community, and desires to see something fantastic happen at the PUD site. We believe that the depth of our team and the variety of local partnerships we have developed well-supports our vision of a diverse, connected, and community-supported Urban Village at the gateway to Downtown Wenatchee to the south, and Riverfront Park to the east.



GTS

Ted Schroth (GTS Development) has a home in Chelan as well as a large, successful residential community in Chelan (The Lookout at Lake Chelan). He is an active investor and advocate for the region, and a frequent client of Wenatchee's retail and restaurant districts. Ted is an avid mountain biker, skier, boater, and hiker - and enjoys all of these activities while visiting Chelan County.



Image: BUSINESS JOURNAL PHOTO | Anthony Bolante

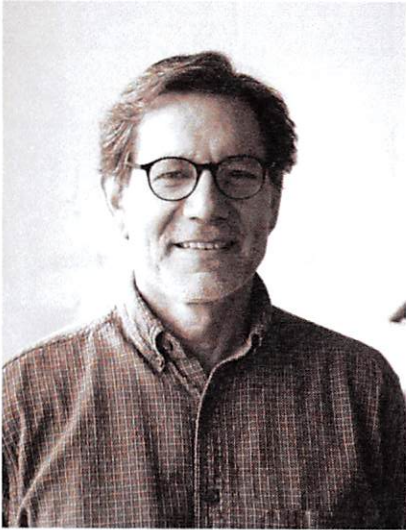


Ben Petter (Avara Construction) also has a home in Chelan as well as a construction business serving the Chelan, Leavenworth, and Wenatchee communities. Ben's recreational activities are similar to Ted's.



GRAHAM BABA ARCHITECTS

Brett Baba (Graham Baba) grew up in Central Washington and his firm has completed extensive design work in Wenatchee for the Port. Brett's firm is a leader in the real estate creative and design sector. Brett's design talents include conceptualizing some of the region's most impressive adaptive reuse projects, including the Pybus Market. Brett is passionate about Wenatchee and eager to support a thoughtful, creative approach to The Station.



GREENWORKS.

Gill Williams (GreenWorks) has worked extensively with the PUD and the City in the redevelopment and improvement of the Riverfront Park. Gill's involvement includes maintaining thoughtful, pedestrian-oriented, greenspace-forward continuity among the Riverfront Park, the PUD Site ('The Station'), and Downtown Wenatchee.



Team Qualifications & Experience

Track Record

As outlined in our original proposal, GTS Development, Avara Construction and Graham Baba Architects, and GreenWorks each have a depth of experience in both adaptive reuse and new development, including urban infill and greenfield development. This close-knit team approach creates the opportunity for a highly integrated and progressive project delivery - a development model which prioritizes responsiveness to the community's needs, continuity of design, and speed to market.

Project Size

When complete, the redevelopment of the PUD site into The Station will likely exceed a total cost of \$100M, spread out between 8 to 10 total buildings with a cost ranging from the \$1M range to possibly in excess of \$20M for some of the new buildings and the adaptive reuse of the Headquarters building.

GTS has developed individual projects upwards of \$50M for a single-site development. The Lookout at Lake Chelan, when complete, will comprise more than \$150M in total construction and development. Over 170 homes have been completed to date, along with significant capital projects and infrastructure and over 30 homes are currently in various phases of construction.

Quality / Relevance of Reference Projects

Our original response included several of our projects including urban infill (Oddfellows Building, Trace Lofts and Trace North) and ground-up "greenfield" development (The Lookout at Lake Chelan). The experience from both these types of projects directly apply to the successful design and development of The Station.

Reference Checks

We invite the evaluation committee to contact any of the following references for GTS:

North Cascades Bank,
Charlie Guildner, President- 360.319.5419

Cashmere Valley Bank,
Greg Oakes, President- 509.782.2092

KRCI Construction,
Pat King, President- 509.670.4403

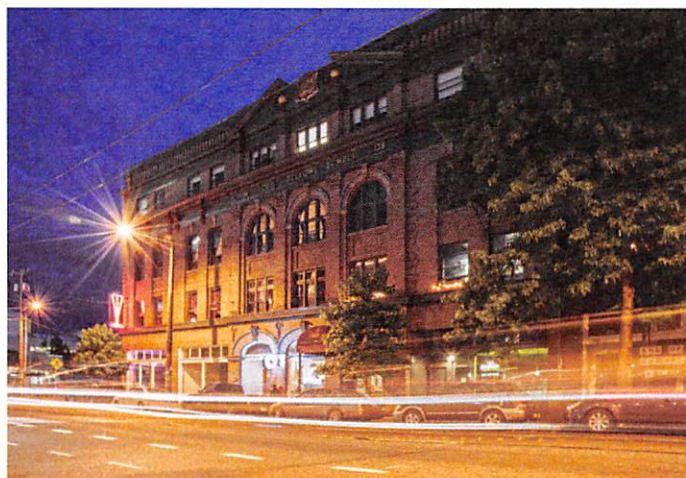
Peoples Bank,
Pradeep Naga- 206.632.1142

Teutsch Partners,
John Teutsch- 206.920.8888

Our team comprises a creative, considerate, and mindful group which has the ability to deliver both the small and boutique and the large and complex, as the market dictates.



The Lookout at Lake Chelan



Oddfellows Building



Trace Lofts & Trace North

Project Vision & Preliminary Concept



Architectural Details & Samples

At this early and conceptual phase of project consideration, our team has not developed the specific architectural details of the project. Our representative concepts are high-level at this phase, and represent a likely approach to the site. If we are selected, we would engage the community through a process of community dialogue, focus groups, and invitations for input during our shaping of the specific architectural details. Our team has a long-standing track record of creative recognition of the site history of our projects, and The Station would integrate as many of these important historical and community elements as possible.

Architectural Features & Construction Materials

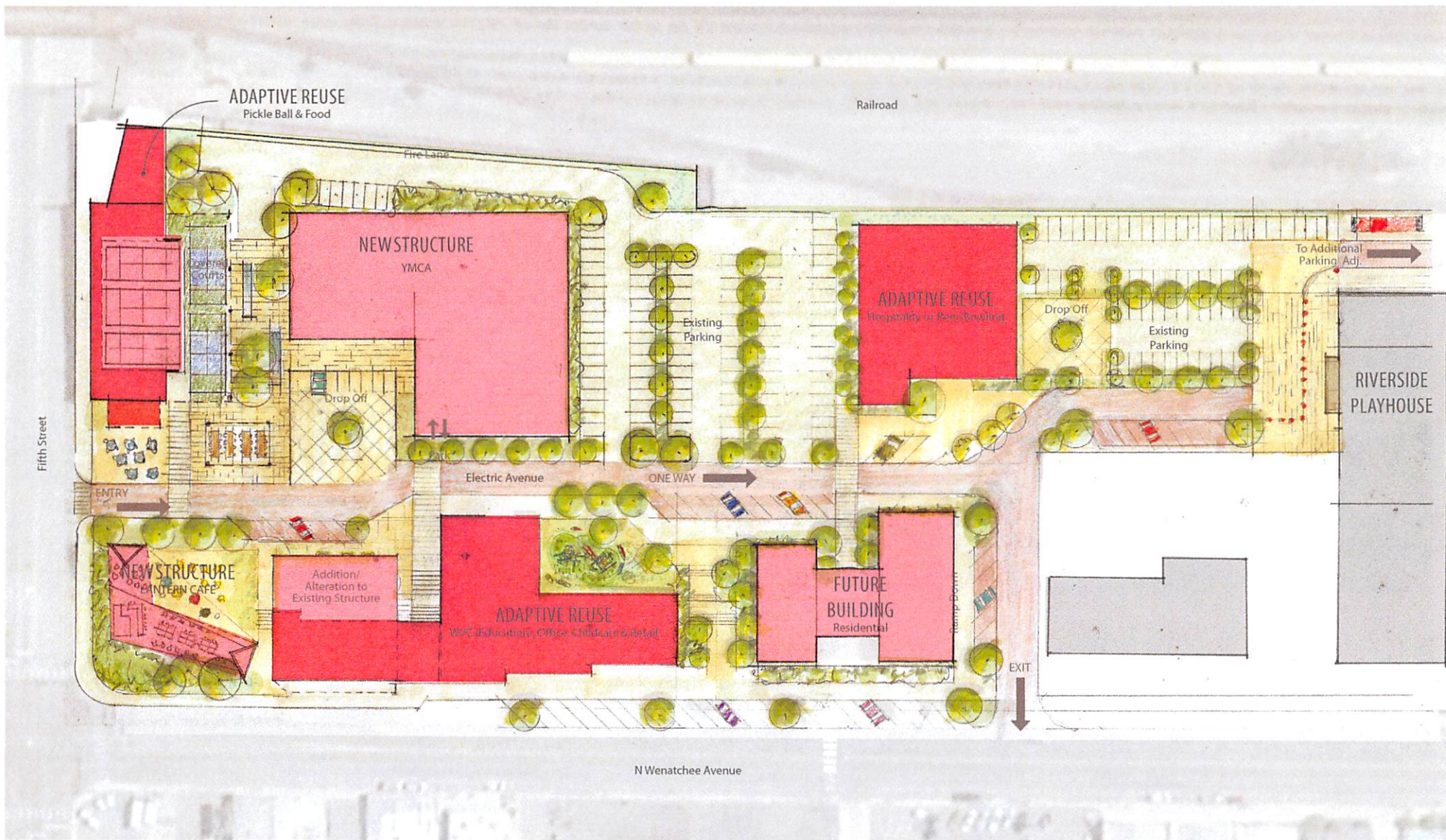
We plan to keep at least three of the buildings on the site and do exterior upgrades to them to match the overall architectural theme of the project. Overall, the architectural style will reflect natural materials (concrete, wood, steel) and is best described as "Northwest Modern." This matches the aesthetic that the YMCA is pursuing for their new building.

Outline / Use Mix / Benefit

As outlined in our original proposal, The Station will be an inviting place, well-conceived with design thoughtfully integrated across the campus. This will be a place that people will want to come to, and a destination both within and for the City. Arriving at The Station, a visitor would be welcomed with ample parking and considerable green space in a park-like setting. A visitor would then eat/shop/play/work, and potentially use this as the jumping point to enjoy the Riverfront Park or Downtown Wenatchee.

There are several features that will set The Station apart from other developments:

- A mix of adaptive re-use and new construction.
- A mix of uses- retail, educational, recreational, residential and office buildings.
- Pedestrian-friendly, with a north-south access street that encourages slow driving and can be closed at times for farmer's markets, concerts, fairs, parades, and other community events
- Strong connections to Downtown Wenatchee to the south and the Riverfront Park to the east via a redesigned street section along 5th Street, with bike lanes and wider sidewalks. Our vision includes The Station as a central gateway with pedestrian-oriented connectivity to Downtown, The Station, and Riverfront Park.





Project Schedule, Phasing & Community Partnerships

We intend to start construction immediately upon closing the purchase of the property. The first projects will be:

- Adaptive re-use of the Fleet Services building into a pickleball facility (BT1) by Bart Tilly (see signed MOU #1)
- Development of the YMCA immediately south of the Fleet Services building (see signed MOU #2)
- Development of a new retail building in the existing park on the NW corner of the site, along with two new outdoor pickleball courts (BT2)
- Adaptive re-use of the existing PUD headquarters building for use by the YMCA (for early childcare) and Wenatchee Valley College for several of their programs (MOU #3 is in progress). In addition, the street-level floor of this building will be converted to retail use facing Wenatchee Avenue to enhance the pedestrian experience and activate the site.
- WWPreservation of the parking for the Wenatchee Valley Theater (MOU #4 is also in progress)
- Adaptive re-use of the existing Tech Shop building - likely a boutique hotel / bowling alley and possibly retail and business incubator
- Coordinating with the City of Wenatchee to develop streetscape improvements along North Wenatchee Avenue to match what has been done in downtown Wenatchee (angled parking, wider sidewalks, benches, bike racks, street lights, flower pots, etc)
- Coordination with the City of Wenatchee and BNSF for an improved East-West connection along 5th Street and under the railroad providing wider sidewalks and a bike lane connecting the site to Riverfront Park

It is our firm goal to improve the aesthetics of the site on the north (5th Street) and west (N Wenatchee Ave) sides of the project as soon as possible. We have secured several local partnerships, including a building sale to Bart Tilly, to help make this happen.

The remainder of the site will initially serve as surface parking to support these various uses. Over time, and as market conditions guide and support, some parking may be moved underground with above-ground buildings constructed in its place.

Between the buildings and in the surface parking lots, green spaces and planter medians will be important as shown in the attached drawings.



Precedent Image: Drake's Dealership, Oakland CA



Precedent Image: Chicken & Pickle + Populous

Parking, Pedestrian and Circulation Improvements

The new one-way north-south access street in the middle of the site will serve as a slow-driving arterial access to the various buildings while being extremely pedestrian friendly. One inspiration concept we admire in shaping this design is Park Lane in Kirkland (see pictures).

On either side of this lane, we will construct wide sidewalks and green spaces which will accommodate patios and seating areas, along with some pop-up retail such as seasonal farmer's markets.

Central to our vision will be a large courtyard flanking the north-south lane providing a gateway to the project. This will be an area for outdoor concerts, farmer's markets, recreation and relaxing.

Incorporation of Community Vision

It is very important to us to envision the site in a way that responds to what the community wants, and in keeping with plans that have already been envisioned. One resource we particularly admire is the "Our Valley, Our Future" presentation.

Our team is committed to an approach which is creative, considerate, and mindful of what the community of Wenatchee wants. We would engage and work with the community through a series of focus groups and public design charrette sessions. All are invited, welcomed, and encouraged to share.

Consistency with Zoning and Subarea Plan. Our project considers the existing retail district in Downtown Wenatchee as well as maintains the intent within the current constraints of the Zoning Code. We plan to work with the City of Wenatchee during the design phase to ensure our project is conceived in a way that is within the intent and framework of the Zoning Code and Subarea Plan.

Parking Proposal

As noted in our revised Site Plan for Phase 1, roughly 50% of the site will remain as surface parking in the near term, including the parking located immediately north of and adjacent to the Riverside Playhouse. Our plan includes keeping this parking available to them as is currently in place.



Precedent Image: Plank, Oakland CA



Precedent Image: Plank, Oakland CA



View From Above Wenatchee Ave, looking East: Adaptive Reuse of Fleet Building, PUD building with New Cafe and YMCA



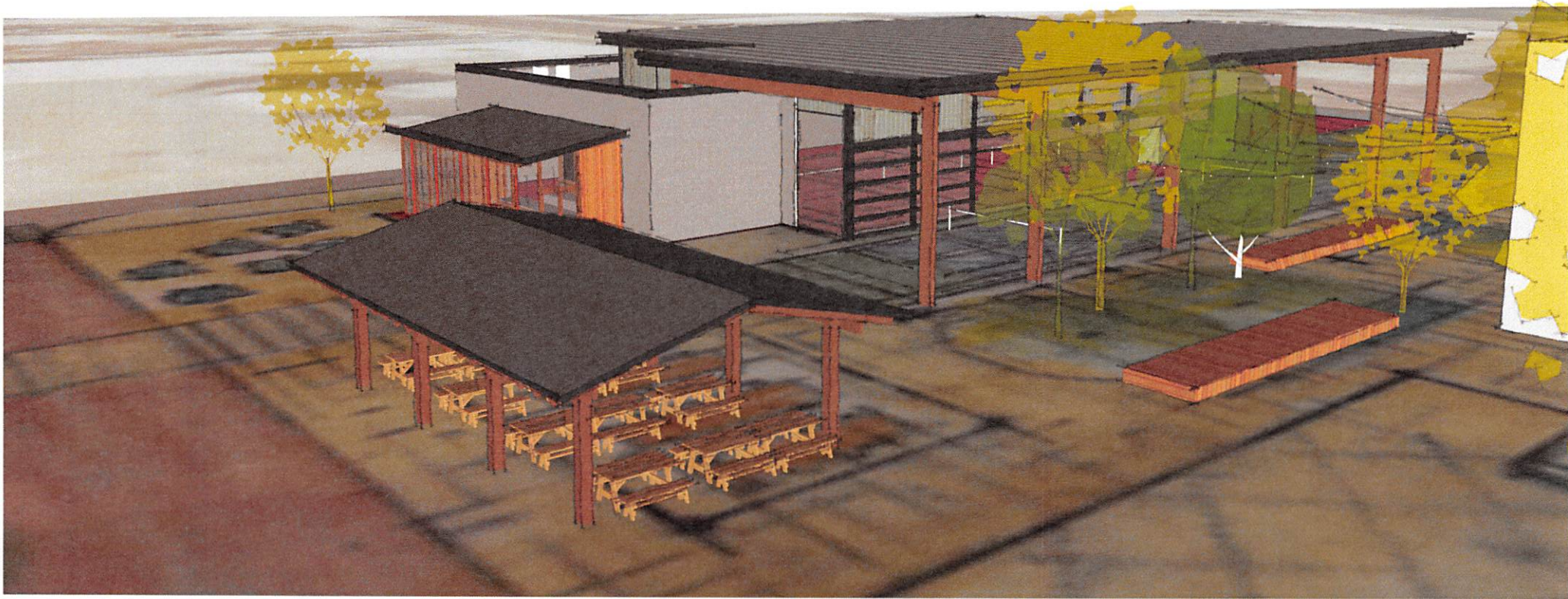
View From Wenatchee Ave, looking South: Adaptive Reuse of PUD Building with WVC Educational Use, Retail, Office, and Early Learning Facility



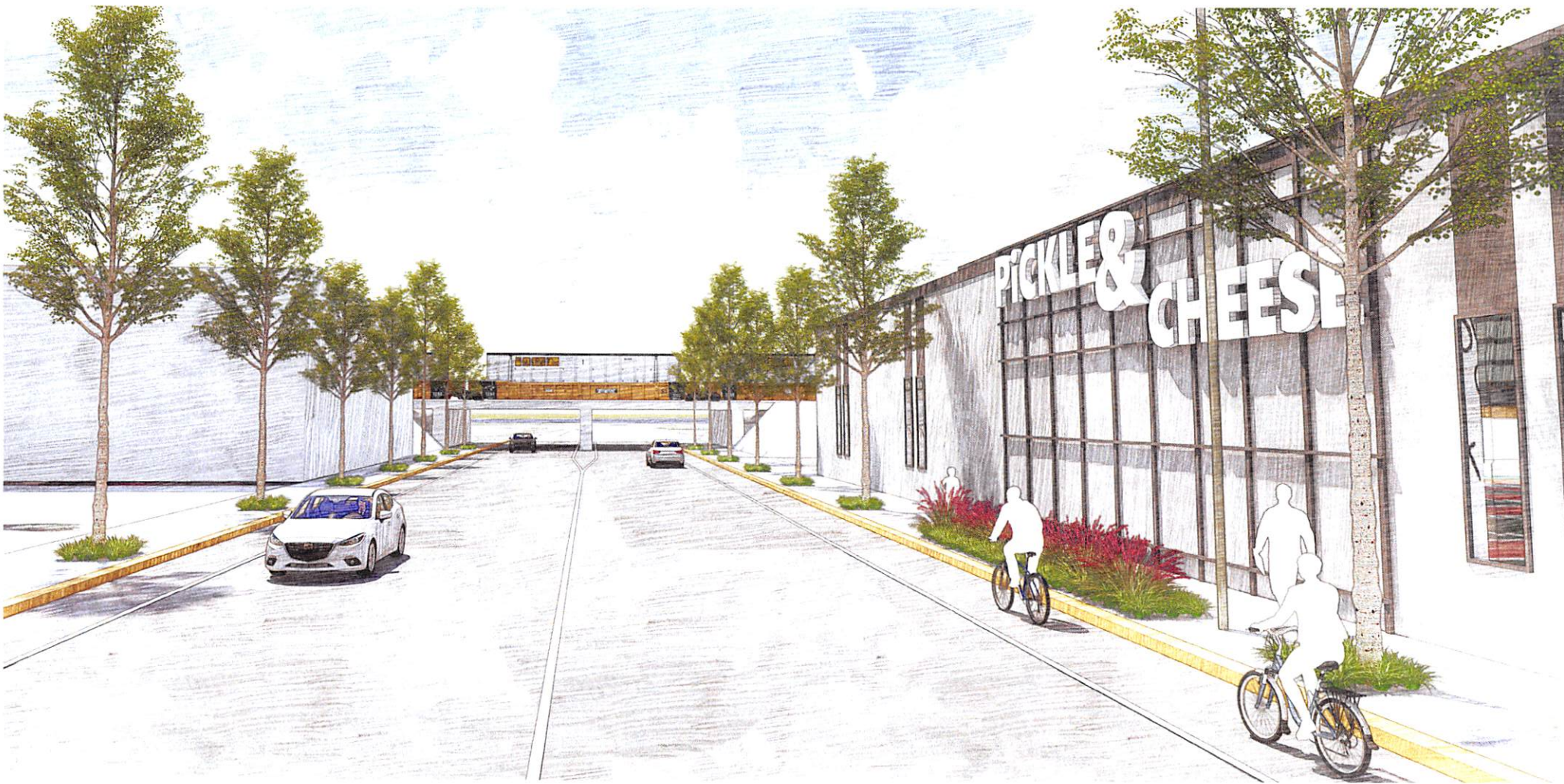
View from Electric Avenue toward the corner of Fifth and Wenatchee Ave: New Cafe and PUD Building Addition.



View from above Electric Ave: Adaptive Reuse of Tech Shop as Brew Pub with Basement Bowling



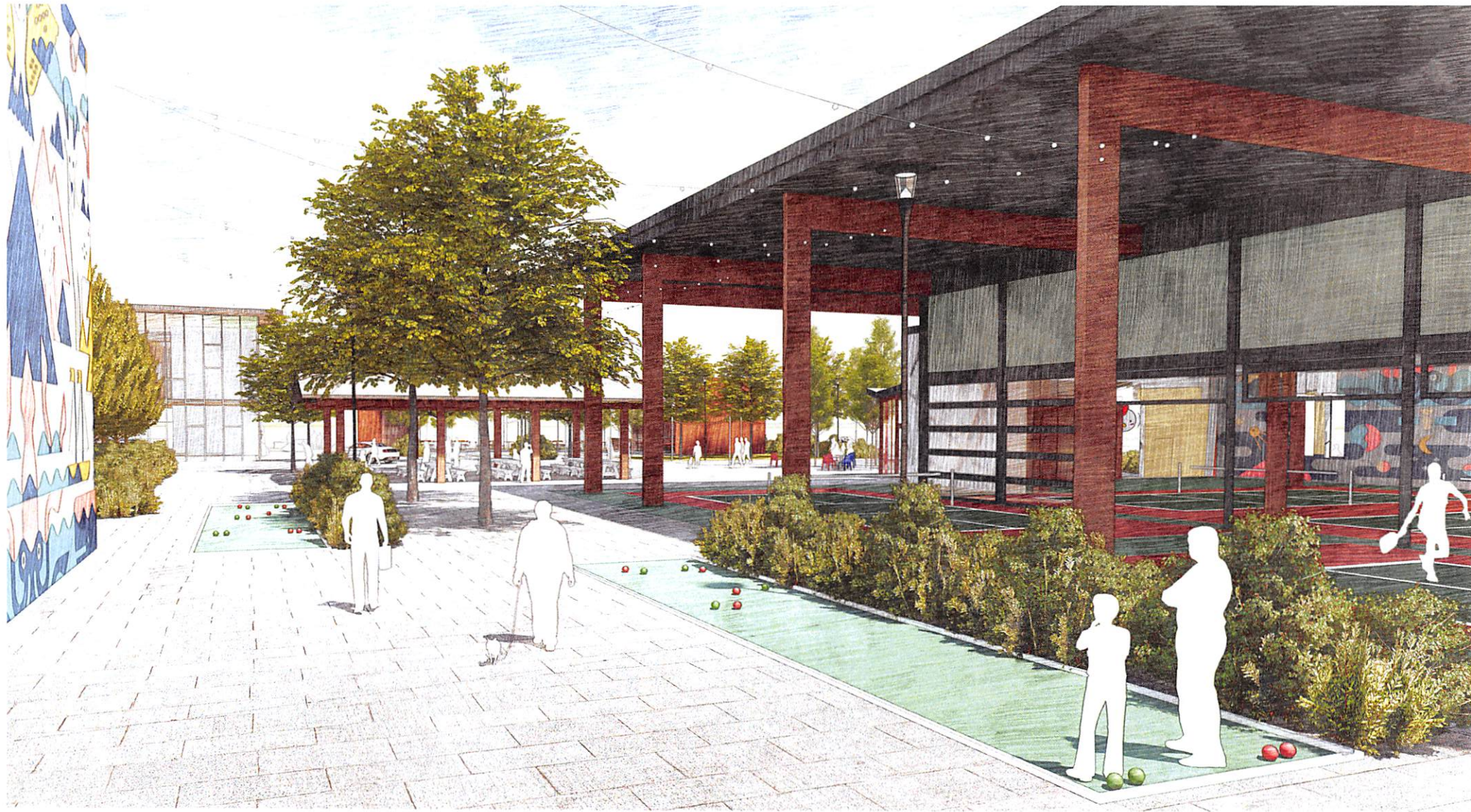
View from above Electric Ave: Adaptive Reuse of Fleet Building as Pickle Ball & Food/Beverage Use



View down Fifth Ave: Adapted Fleet building with Pickle Ball and Food/Beverage offerings.



View from Electric Avenue Entry: Adapted Fleet Building with Pickle Ball and Food/Beverage offerings



View from Northwest Fire Lane: Adapted Fleet Building with Pickle Ball and Food/Beverage Offerings. PUD Adaptation and New Cafe in distance.

Financial Investments & Feasibility

Proposed Purchase Price

We propose a purchase price which is in line with the market, to be negotiated with the PUD over the coming months. There would be an initial earnest money payment, and the remainder would be paid upon completion of all environmental cleanup and issuance of building permits.

Estimated Development Costs

We anticipate this project to be in the range of \$100-120M in total project cost.

Financing Strategy

As outlined in our original proposal, our firm has worked with a wide variety of both construction and permanent lenders. Locally, we have enjoyed a very good working relationship with Cashmere Valley Bank, North Cascades Bank and Peoples Bank and would welcome the evaluation team to speak with any of them (see References, above).

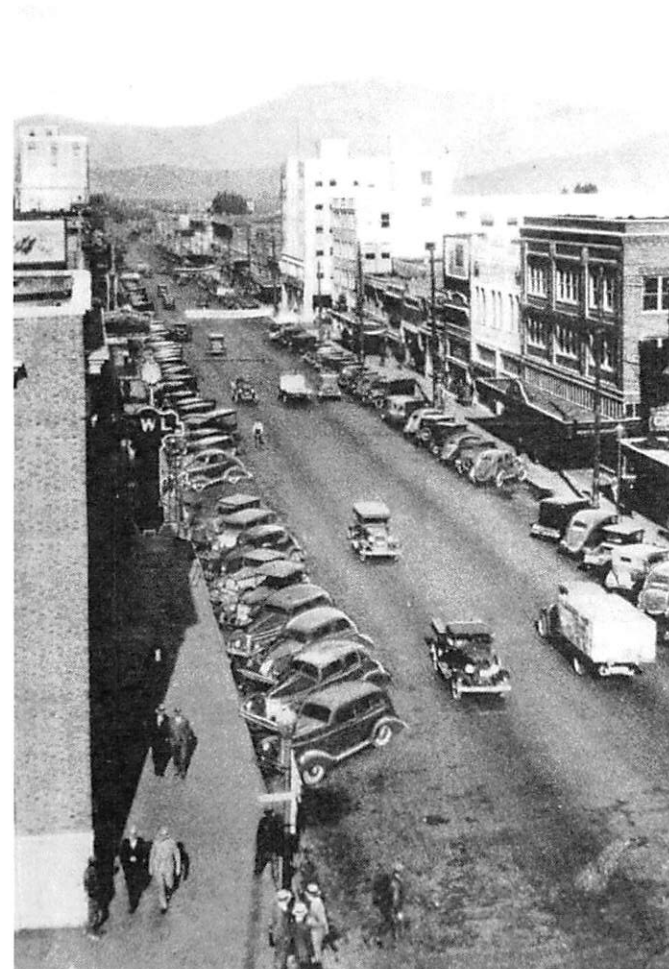
Business Plan

We believe that our phased approach described above, with an emphasis on adaptive re-use, a park-like setting, and ample surface parking, will create an environment for the project to show immediate activity and tenancy. As market conditions evolve and support, additional new buildings will be designed and constructed.

Public Investment Request

We request the following as part of our proposal:

- That the City of Wenatchee perform street improvements along North Wenatchee Avenue to match those seen downtown to the south. This would occur as soon as possible.
- That the City of Wenatchee and BNSF cooperate with our design team, and cooperate with our design team and participate in improvements to the underpass to create a wider sidewalk to the east of the project on 5th Avenue that creates a bike lane and landscape beautification. We are happy to contribute design service fees as part of this request.
- That the PUD (a) demolish the Service Building/Warehouse and associated carport, the Fish & Wildlife Building or at least the eastern portion thereof, (b) abate [BT3] all hazardous materials in the remaining buildings (Fleet Services, Headquarters and Tech Shop), and (c) clean up (or commit to cleaning up as development conditions permit) any contaminated soils [BT4] on the entire site.



Community Benefits

Addition of Workers and Residents

The Station will employ hundreds of consultants and construction workers during the design and construction phases, with an emphasis on local labor where the appropriate resources are available. As laid out in our initial proposal, we endeavor to entice some larger companies to establish a presence in Wenatchee which would bring hundreds of new jobs to the area.

At a minimum, we already have partnerships established that will bring hundreds of employees and customers to the site from inside and outside of the region. This includes the pickleball facility, the YMCA, the boutique hotel and the adaptive re-use of the headquarters building for use by the YMCA and Wenatchee Valley College, among others. The WVC component may include housing for students and visiting faculty.

Our project proposal includes construction of at least one large multifamily building with at least 100 units of new housing. In discussions with Mayor Kuntz's office, we have learned that current residential development is not keeping up with Wenatchee's housing needs. Our project would work to address this need, in addition to the other considerations.

Number of Jobs / Salary

We anticipate several hundred jobs being created, initially with consultants and construction workers and eventually employees of the various businesses on site, the YMCA and the College. Average salary can vary greatly, but is estimated in the \$80-120k per year range.

Contribution to Sales Tax

The business generated from employees, residents and customers who will shop and eat in downtown Wenatchee will be significant. By example, many of the businesses in downtown Chelan, which is over a mile from the Lookout, have reported that their sales have increased 30% or more specifically due to Lookout owners and guests shopping and eating downtown. The Station is immediately adjacent to downtown Wenatchee and we would expect that the impact of this additional induced demand to businesses nearby should prove to be even more dramatic.

Benefit to Wenatchee's Cultural Values and Demographics

We believe that the variety of planned uses at The Station will attract a wide demographic including young workers in their 20s and 30s, young families with children going to the YMCA, and middle-aged / older folks either working at the various businesses on site or patronizing them.

Enhancing the Community

As laid out in our initial proposal, our team has a depth of experience in "place-making" and this is key to enhancing the community. As detailed above, our proposal is to embrace a variety of uses including recreation, public green spaces, diverse retail, office, education, residential, and supporting the arts.



Miscellaneous Terms

Sustainability

We believe that our approach of reusing and renovating three of the existing buildings demonstrates our commitment to sustainability. We also plan to utilize earth-friendly, recycled construction materials as much as possible and will pursue LEED certification for several of the new buildings.

Energy Efficient Systems

Our renovations and new-construction projects will take advantage of all economically-supported energy efficient systems. This includes the use of efficient mechanical systems considerate of the unique regional climate; efficient electrical technologies including daylight harvesting, occupancy sensors, and low-energy lighting systems; and thermal technologies which support a higher utilization of energy capture. As the project details come into focus, each of these systems are specifically engineered to consider and balance the many variables present in each condition.

Immediacy

Our team is poised to move quickly with the next phases of development. We have secured local tenant- and owner- partnerships, have a committed and engaged design team who is already part of the project, and we have great confidence in activities and uses that the site will currently support. We would immediately engage in the design, permitting, and construction of the uses described above; and immediately start working with the City to understand how to support the street improvements along 5th Street and Wenatchee Avenue. As quickly as possible, we would work to ensure that the pedestrian experience is optimized connecting the Riverfront Park, The Station, and Downtown Wenatchee.

Listening to the Community

We want to know how the community feels about this project. Our team is thoughtful and responsive to the needs of the community. As part of our immediate commitments, we will start the public meeting / design charrette process as soon as we are chosen as the purchaser / developer for the site. We are enthusiastic about the vision laid out in the "Our Valley Our Future" booklet and hope to continue that legacy.

We are excited about bringing The Station - the new gateway to Downtown Wenatchee and the Riverfront - from vision to reality, with the help and support of the citizens of Wenatchee!

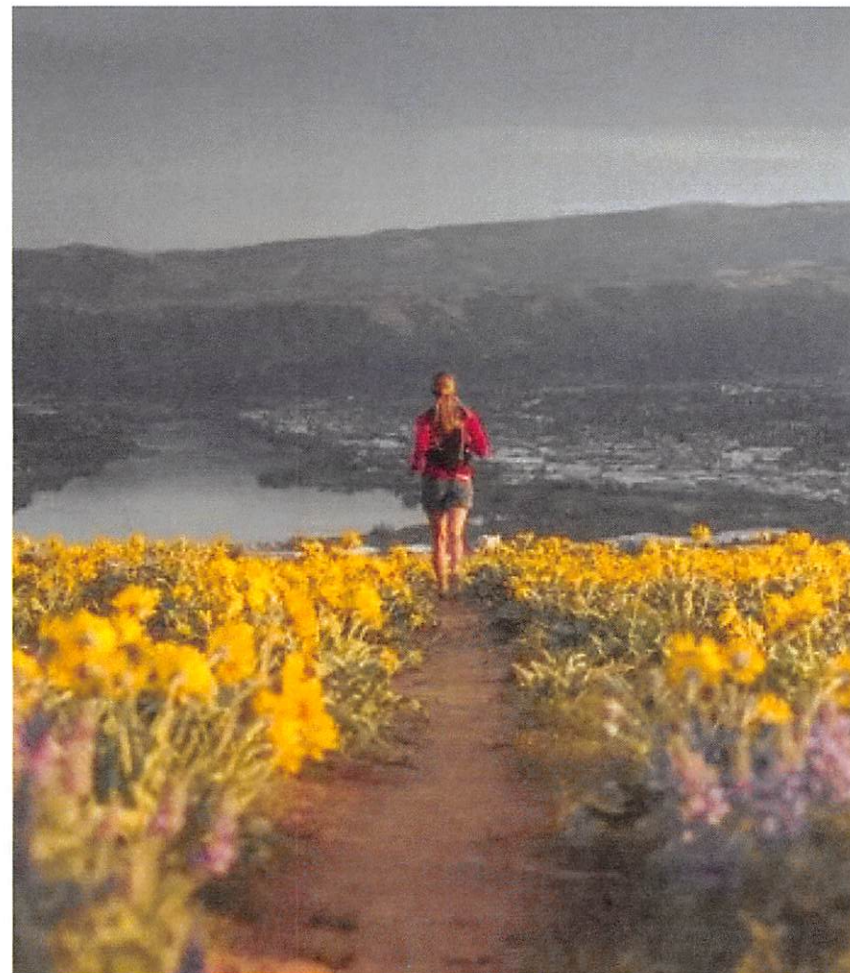


Photo from: <https://www.cascadeloop.com/account/wenatchee-valley-chamber-of-commerce-visitor-center>

CONCEPTUAL DEVELOPMENT PLAN

