REQUEST FOR PROPOSALS CHELAN COUNTY PUBLIC UTILITY DISTRICT FIFTH STREET CAMPUS REDEVELOPMENT



327 N. Wenatchee Ave Wenatchee, WA 98801

Offered by: Chelan Douglas Regional Port Authority Issued: March 3, 2022

Submissions Due: No later than April 14, 2022 at 10:00 AM

Delivery by Mail/in Person: Chelan Douglas Regional Port Authority Attention: Stacie de Mestre One Campbell Parkway, Suite A East Wenatchee, WA 98802

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Introduction

On behalf of the Chelan County Public Utility District (PUD), the Chelan Douglas Regional Port Authority (CDRPA) is seeking interested, experienced, and capable developers to purchase and redevelop the 7.5 acre Chelan PUD Fifth Street Campus into an attractive, pedestrian friendly, interconnected, mixed-use development which creates a vibrant destination at the gateway to downtown Wenatchee. The PUD will relocate its operations from the Fifth Street Campus to a new location in mid to late-2023. The PUD has made a commitment to assure that the future use of its current Headquarters site provides positive economic opportunities for the community.

The CDRPA expects this Request for Proposals (RFP) will result in the PUD and the selected developer entering into a Memorandum of Understanding (MOU), during which time the CDRPA and PUD will work with the developer to create detailed and binding agreement(s) (hereafter, "Definitive Agreements").

Vision

In 2019, the PUD formed an advisory committee who created a community vison for the Fifth Street Headquarters Redevelopment. Potential developers are advised to read the entire report which can be found in the **Reference Documents**.

Below are some guiding statements that describe the type of development envisioned:

- Embody the small-town feel that residents love about Wenatchee
- Include a diversity of uses where residents, families and visitors will want to come to do business, shop, eat, play, live, and relax
- Be pedestrian-friendly, with tree-lined streetscapes, wide sidewalks, and storefronts with canopies that make it easy to walk around
- Have a connection to Downtown Wenatchee and the Columbia River
- Have inviting outdoor spaces with seating, greenery, and art that offer settings for outdoor entertainment and special events as well as for quiet contemplation
- Have a building type and style that is human-scaled with varied height, set-backs and step-backs, and attractive facades

The community vision also identifies the following core elements which would create a memorable and vibrant development:

- Wenatchee Avenue Pedestrian and Parking Improvements
- "Electric Avenue" (a new internal street)
- Railroad Underpass Art Project
- Spillway Steps
- Zero-Carbon Energy District

The above vision is not mandatory but gives prospective developers a sense of uses that are embraced and supported by the community.

About the Wenatchee Valley

The City of Wenatchee is home to 34,600 people with approximately 71,000 living in the greater Wenatchee urban area. Located at the confluence of the Wenatchee and Columbia Rivers and on the east slopes of the Cascade Mountain Range, the city enjoys abundant sunshine with four distinct seasons. The average rainfall is a mere 10 inches per year making the region a focal point of Washington State for outdoor recreation. Wenatchee is the largest city in North Central Washington and provides a small-town atmosphere with big city amenities that strike a balance between rural and urban qualities of life. An influx of data centers just outside of town tap the PUD's low-cost renewable energy and provide lightning-fast connectivity throughout the region. Furthermore, the city is only 30 minutes from the resort towns of Leavenworth and Chelan. The major metropolitan area of Seattle is a 3-hour drive or 30-minute flight away making Wenatchee attractive to people and families looking for a high quality of life and connectivity.

The Wenatchee valley encompasses an area that includes irrigated agriculture, arid desert landscapes, and natural beaches along the Columbia River along with manicured parks and the alpine wilderness of the Cascade Mountain Range. The Wenatchee Valley has become a favorite for outdoor enthusiasts. In the same day you can: water ski the Columbia River and snow ski Mission Ridge; whitewater raft the Wenatchee River and mountain bike Sage Hills; enjoy a few rounds of golf and take a snowshoe trek; and if you have energy left, enjoy a fantastic dining experience in Downtown Wenatchee's food scene. This active lifestyle environment has served the area well and attracts medical and business professionals, families, and retirees.



Development Objectives

The objective of this RFP is to identify a developer who can transform the Fifth Street Campus into a vibrant mixed-use development that provides jobs and quality of life amenities for Wenatchee residents while contributing to the social, cultural, environmental, and economic health of the community. This development may include but is not limited to retail/restaurant space, office space, housing, small business production space, and/or space for arts and entertainment.

Site Details

The Fifth Street property is under PUD ownership and consists of approximately 7.5 acres of property within the Central Business District (CBD). Please see below for links to zoning documents that should be considered in the redevelopment plan:

Interactive Zoning Map: <u>https://maps.wenatcheewa.gov/portal/apps/webappviewer/index.html?id=f0a6287</u> <u>b6c4f447abc291d6f29267145</u>

District Use Chart: <u>https://www.codepublishing.com/WA/Wenatchee/#!/Wenatchee10/Wenatchee10</u> <u>10.html#10.10Here</u>

Zoning Code: https://www.codepublishing.com/WA/Wenatchee/#!/Wenatchee10/Wenatchee10 24.html#10.24

CBD Subarea Plan:

https://www.wenatcheewa.gov/home/showpublisheddocument/360/63597848875 5030000

The campus is located south of Fifth Street and east of Wenatchee Avenue in downtown Wenatchee. It is bound on the east side by the railroad and the south side includes several buildings and a shared access drive at the southwest corner of the site.

The site includes 5 buildings that currently house the PUD's administration, customer service departments, fleet services, technicians, fish and wildlife personnel and their warehousing operations. The buildings vary from a 3-story office building to a heavy timber warehouse dating back to the early 1900s. All the buildings have undergone some form of remodel or have been completely transformed. The PUD has been active in the maintenance of the buildings, recently upgrading many of the HVAC systems, alarm systems, and re-roofing all the buildings. Please see the **Reference Documents** for condition assessments for each building.

The Headquarters Building is the only building that fronts Wenatchee Avenue. The remaining 4 buildings are situated on the east property line against the railroad tracks.

There is a park like landscaped area at the corner of Fifth Street and Wenatchee Avenue. Parking is primarily located at the south end of the site.

Riverside Playhouse, owned and operated by Music Theatre of Wenatchee, is a thriving community theater to the south of the campus. The playhouse has historically used PUD parking for events on evenings and weekends. In order to maintain this existing community resource, Chelan PUD has been working with the theatre throughout the public visioning process and RFP development to understand their needs and provide guidance to project proposers. In order to allow proposers to exercise creativity in solving this challenge, this RFP does not provide a prescriptive requirement for the dedication of theatre parking spaces but does require the proposer to detail an approach to parking for varying site uses that minimizes redevelopment impacts on playhouse parking.

All utilities (power, gas, water/sewer, and telecommunications) are available to the site.



Proposal Requirements

While the overall adaptive reuse plan is an important aspect of the selection process, market viability is equally important. It is recognized that any work included in any proposal will be conceptual in nature. The MOU with the selected developer will more fully establish the project design and specific development terms, together with key milestones, all of which will be included in the Definitive Agreements. The following proposal requirements have been established.

Team Qualifications/Experience

- Identify the developer. Include business name, address, telephone number, email address, and the name of the primary project contact
- Identify each person or entity involved with the project team, including development, technical (A/E, management, etc.), and financial partners. Briefly describe their respective roles, including:
 - Information regarding the team member's experience and qualifications
 - Resumé of key team members
 - Example projects that the team or key team members have been involved with
- Demonstrate financial capacity of developer and development partners, including guarantors.
- Describe the developer's relevant project experience for up to three (3) projects. Current or recently completed projects are preferred. Projects described must illustrate the developer's experience with construction projects similar in scope and size to the proposed project. Submit photos or drawings and the following information for projects used to demonstrate experience:
 - Project name and location
 - Description of project including size and scope
 - Total project cost and approach to project financing including sources of funds, amount of debt, equity and public participation, along with square footage costs for each component or use
 - Date of project conception, date project started construction, and date construction completed
 - Challenges and obstacles addressed during the development and construction process
 - Name of the developer's project manager and contact information
 - Name of the architect and contact information
 - Name of the construction manager or general contractor and contact information
 - Contact name and information of the primary public official who worked with the developer on the project

Project Vision/Preliminary Concept

The developer is expected to provide a development vision and program including details on parking, use mix, and preliminary ideas on building scale/architectural features. Proposals should include the following:

- Site plan showing proposed building layout/uses and circulation/parking plans
- Phasing plan and general timeline for full build-out of the project
- Conceptual architectural scheme this can be renderings, sketches, photos of representative examples, etc.
- Identify key elements of the project that will connect/benefit Downtown
- Historically the Riverside Playhouse (neighboring business) has had use of approximately 80 Chelan PUD parking stalls after 5 pm on weekdays and all day on the weekends. Identify your strategy for providing continued use of this nature for evening and weekend events.

Financial Investments/Feasibility

Chelan PUD has established an asking price of \$6,000,000 for the entire 7.5 acre site. In addition to the proposed purchase price, proposals should include the following:

- Estimated development costs
- If there will be a need for public investment. If yes, describe elements of the project that you are requesting public funding for and anticipated level of public funding.
- Developer's overall financial position, history of raising capital, and potential resources available to complete this project
- Financial impact this project will have on the local economy sales tax revenue, job creation/average salary, number of housing units, etc.
- Summary of project feasibility proof the local market can support this project

Pre-submittal Conference

Two onsite pre-submittal conferences will be offered:

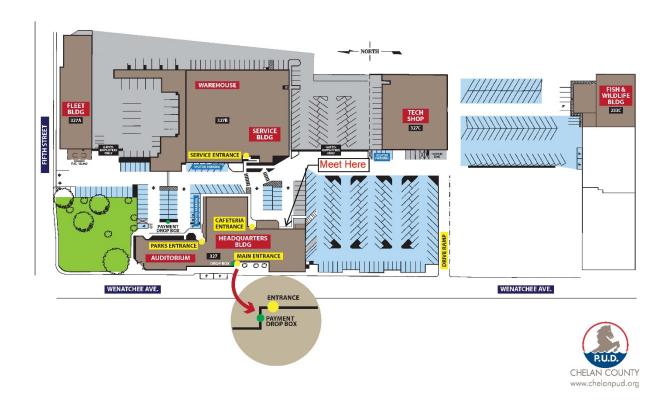
Dates/Times

March 23, 2022 – 9:00 am March 30, 2022 – 9:00 am

Location:

327 N. Wenatchee Ave, Wenatchee, Washington – Meet at the SE corner of the Headquarters Building (see map below).

Tours of the campus will be conducted followed by question-and-answer sessions. Notes from each meeting will be made available. Attendance is highly encouraged, but not mandatory. Private tours will not be accommodated. Please email <u>stacie@cdrpa.org</u> to register to attend.



Chelan County PUD Headquarters

Evaluation Criteria

Proposals will be evaluated on the following criteria:

TEAM QUALIFICATIONS/EXPERIENCE

- Developer's track record
- Ability to deliver projects of this size
- Quality and relevance of reference projects
- Reference checks

PROJECT VISION/PRELIMINARY CONCEPT

- Use mix and its benefit to the public and surrounding businesses
- Project schedule start date, phasing plan, occupancy
- Architectural features/quality of construction materials
- Parking, pedestrian, and circulation improvements
- Incorporation of aspects of the Community Vision
- Consistency with zoning and subarea plan
- Parking proposal which addresses continuation of evening and weekend use by Riverside Playhouse

FINANCIAL INVESTMENTS/FEASIBILITY

- Proposed purchase price
- Estimated development costs
- Financing strategy
- Business plan that supports total investment
- Public investment request

COMMUNITY BENEFIT

- Addition of workers and/or residents to the downtown core
- Number of jobs generated and average salary
- Contribution to sales tax base
- Benefit to Wenatchee's cultural values and demographics
- Ability to support and enhance existing arts, theater, recreation, community spaces and events in Downtown Wenatchee

OTHER

- Sustainability
- Incorporation of advanced energy efficient systems

A review committee consisting of CDRPA staff and key stakeholders will review and rank the submitted proposals based on the above criteria. During the review period, the CDRPA reserves the right to seek clarification from proposers. The review committee will present the top two proposals to the PUD and request direction on which proposer to begin negotiating the MOU with. At this time, no interviews are planned.

General Information

The CDRPA and PUD are Equal Opportunity Employers and do not discriminate against individuals or firms because of their race, color, creed, marital status, religion, age, sex, national origin, sexual orientation, gender identity, the presence of any mental, physical or sensory handicap in an otherwise qualified handicapped person, or for any other unlawful reason.

This RFP does not commit the CDRPA or PUD to pay for any direct and/or indirect costs incurred in the preparation and presentation of a response/submittal. All respondents shall pay their own costs incurred in preparing for, traveling to, and attending meetings or interviews. The CDRPA and PUD reserve the right to accept or reject any response/submittal in part, or in its entirety.

It is to be understood by the developers and their agents that the CDRPA and/or PUD are not obligated to accept any proposal or to negotiate with any developer, and the CDRPA and/or PUD reserve the right to accept responses/submittals, which in their sole discretion, will best serve the public interest and meet the terms of this RFP.

In order to protect the integrity of the process, proposers should be aware that any documents submitted to the CDRPA will become a public record. The Washington State Public Records Act (Chapter 42.56 RCW) ("PRA") requires public agencies in Washington to promptly make public records available for inspection and copying. Do not submit any information that you deem confidential.

Proposal Submittal

Provide six (6) bound originals and one (1) electronic pdf via USB drive of your proposal to the address below.

A complete submittal must be received by 10:00 am on April 14, 2022, at:

Chelan Douglas Regional Port Authority ATTN: Stacie de Mestre One Campbell Parkway, Suite A East Wenatchee, WA 98802

Schedule

The CDRPA reserves the right to modify the timeline and to issue addenda to this document.

Action	Approximate Completion
Issue RFP	March 3, 2022
Pre-submittal conference and tour #1	March 23, 2022 – 9:00 am
Pre-submittal conference and tour #2	March 30, 2022 – 9:00 am
Release of RFP addendum/meeting notes	April 1, 2022
RFP responses due	April 14, 2022 – 10:00 am
Notification to semi-finalists	May 19, 2022
PUD considers short list and determines which developer to move forward with the MOU	May 31, 2022
PUD and Developer enter into MOU	June 15, 2022
PUD considers proposed Definitive Agreements with preferred developer	September 6, 2022

Reference Documents

The following reference documents are available upon request of the proposer:

- Fifth Street Headquarters Redevelopment Community Vision March 2020
- Floor Plans of Each Building (no dimensions provided)
- Conceptual Site Plans from Community Visioning Process
- Condition Assessments for Each Building 2014 2015
- DRAFT Property Condition Study October 2017
- Hazardous Building Materials Inspection June 2017
- Phase I ESA report Release of this document to proposers will require the execution of a Non-Disclosure Agreement with Chelan PUD and a Limited Third-Party Reliance Agreement with PUD's environmental consultant.
- PHASE II ESA To be completed during negotiation phase
- Topographic Survey with Utilities

To gain access to these reference documents, please email <u>Stacie@cdrpa.org</u> and request the Dropbox link.

Contact Information

Any questions or inquiries with regard to the RFP shall be directed to:

Stacie de Mestre Chelan Douglas Regional Port Authority Public Works and Capital Projects Manager One Campbell Parkway, Suite A East Wenatchee, WA 98802 Office: 509-884-4700 Cell: 509-630-2545 Stacie@CDRPA.org