

This is KPTZ 91.9 FM in Port Townsend. I'm Jim Burke with your local news and commentary for Friday, November 22, 2024.

Yesterday, close to 9am, Jefferson County Emergency Management issued a NIXLE alert that West Valley Road just south of Egg and I Road closed due to fire activity. At approximately 8:35am yesterday morning, East Jefferson Fire Rescue responded to a report of a structure fire in the 4700 Block of West Valley Road. The first arriving crews found a single-story home with flames showing from multiple locations, an indication fire had spread throughout the building. Crews were able to extinguish the fire quickly. One resident was not home at the time of the fire. The other resident was able to evacuate along with two pets. No injuries occurred to the resident or the pets. Damage to the home was significant, forcing the residents to make alternate living arrangements. The cause of the fire is being investigated by the Jefferson County Fire Marshal's Office.

From the *Peninsula Daily News* this morning: Elliot Bay Assets Solutions is still early in its mission following about six weeks of fact finding on the business challenges of the Fort Worden PDA (Public Development Authority) and affected stakeholders. The receiver was assigned by Judge Brandon Mack of Jefferson County Superior Court in early October. Kitsap Bank requested that the court put a pause on the dissolution of the Fort Worden Public Development Authority just days before a scheduled city council dissolution hearing. Elliot Bay Assets Solutions, a Seattle-based company, reports directly to the Superior Court, said Bill Weisfield, a principal with the group. Weisfield said, "The goal is to communicate and coordinate for a plan to go forward. The duty of the receiver, under state law, is to preserve and protect the assets of the PDA," he said. "That's language from the state statute that says what the receiver's supposed to do. A receivership basically permits and calls for a timeout – everybody just freeze. It permits the receiver to collect the facts and understand what the assets and liabilities of the situation are," he continued. "The receiver can both handle things in the short term and make recommendations for the longer term."

Weisfield said that all receiverships are unique. And this one is unique due to the multiple agencies involved, including state parks, the city of Port Townsend, Kitsap Bank, the PDA, and the property's lessees. Weisfield said, "Another aspect that is somewhat unique is the magnitude of the park – 400 acres, of which 93 are in the PDA." He listed Washington State Parks and Recreation Commission, the PDA, Kitsap Bank, the city of Port Townsend, Fort Worden Hospitality, the Fort Worden Foundation, Centrum, and Elliot Bay Asset Solutions as involved parties.

Quoting him again: "I think it's fair to say that everybody that I mentioned regards the park as a precious asset," He went on to say the PDA owes Kitsap Bank \$6 million in bonds, and that was a motivating factor in requesting the receivership. He also believes the bank is motivated by community interests.

There are a number of nonprofits on the property. Lease structures in recent years have seen the lessees paying no rent. Instead, they agreed to perform maintenance on the buildings they occupy (and I will add that these lessees have made substantial improvements to these buildings, including Centrum, Northwind Art, the PT School of Woodworking, KPTZ Radio Port Townsend, and others).

Weisfield said those agreements were ill conceived and that tenants would need to carry their weight in revenue for the park's future success to be feasible. "One of the challenges for the parties moving forward is to bring in additional profit-generating entities that will create a bottom line, which will permit the maintenance and the return to Kitsap Bank and the renovation of the buildings on site," Weisfield said.

Weisfield added it seems right that maintenance costs should be resumed by state parks, which owns the park, but the state has a limited budget for the project. Weisfield compared the process of overcoming the enormous future costs of building maintenance to eating an elephant, something which must occur one piece at a time. Weisfield named Fort Worden Hospitality and Centrum as assets which generate some revenue for the park. Also, the property needs to outgrow its seasonality, he said. Weisfield compared the seasonality of the property to a ski resort or a lakefront business. Weisfield said, “A receivership is not intended to be indefinite. It should get things righted, it should preserve and protect the asset, and it should have a plan in place. Then the receiver goes to the court and asks the court to terminate the receivership.” He added, “It remains to be seen, but a general manager or someone who will orchestrate all of this and make it all happen going forward is what is called for.” The court will want to see that there is order, reasonableness, and that the plan going forward makes sense, Weisfield said. “The judge will know,” he said.

KPTZ 91.9 FM broadcasts your local news Monday through Friday at noon and 5pm and at noon on Saturday. You can contact us at news@kptz.org. This is Jim Burke. Thanks for listening.