

FIFTH STREET REDEVELOPMENT HQ BUILDING NEXT STEPS

No Action Today

May 16, 2025

Presented to Chelan County PUD Board of Commissioners

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CHELAN COUNTY

Today's Objectives

- Project status update
- Recommendation for next steps on former headquarters building property





Last Time at Fifth Street:

- Engage engineering firm for full design to demolish building
 - Develop full scope and budget
- Allocate \$3.5M for project execution in 2025 budget
- Final board decision on former HQ building in spring 2025





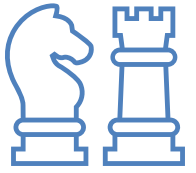
Project Status – Where Are We Now

- Phase 1 – Electric Avenue - In Progress
 - YMCA groundbreaking and construction underway
 - Electric Avenue – on track for June 30 substantial completion
 - Fish & Wildlife Building Modifications – on track for May 30 substantial completion
- Phase 2 – Old Headquarters Building
 - Decommissioned technology systems
 - Explored conceptual designs for achieving community vision
 - “Good Faith” Survey of hazardous building materials completed
 - 50% Design Development and estimate to demolish building



Progress at Fifth Street





Continuing the Vision

What is needed to achieve the vision?

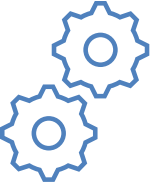
Recommend removal of HQ building:

- Best meets community vision and redevelopment plan
- Building is challenging for adaptive reuse
- Greater development possibilities with clear site
- Removal allows time to select a developer who can achieve the project vision

Why now?

- Need to provide Electric Avenue project with direction on utilities
- The building has become a liability for Facilities and Security staff
- Opportunity to demo prior to YMCA completion is closing





Executing the Vision

Proposed project scope:

- Demolish building and construct new retaining wall
- Install sidewalk safety improvements at Wenatchee Ave
- Install site surfacing at building footprint to provide interim use
- Maintain corner green space in interim





Executing the Vision - Timeline

- Design 30% complete
- 30% Estimate

2024 Q4 –
2025 Q1



- Design 30-100%
- Adopt budget

2024 Q4 –
2025 Q1



- Board decision to proceed
- Actively market property for sale
- Advertise bid

2025 Q2 –
Q3



- Demolition of building

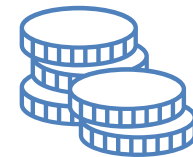
2025 Q3 –
Q4



- Site clean up
- Site ready for future development

2026 Q1





Executing the Vision

What funding is needed to set the stage for future development?

50% Design Development Estimate

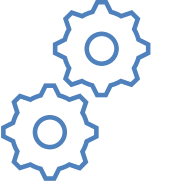
Design and Permitting	\$160,000
Building Prep and Abatement	\$200,000
Shoring and Demolition	\$2,500,000
Site Improvements	\$ 300,000
Subtotal	\$3,160,000
Contingency 30% + Indirect Costs	\$ 1,040,000
Total Current Estimate	\$ 4,200,000

2025 Budget for demolition: \$ 3,500,000

Remainder to be funded from Electric Avenue PPB
project savings without the need for board action.
Estimated savings \$700,000



Executing the Vision – June 2 Decision



Recommendation: Clear Site

- Authorize demolition bid
- Abandon HQ building utilities
- Begin actively marketing parcels for sale for new development
 - Potential to share demolition costs if reasonable buyer is found
- Perform demolition and site improvements in fall 2025
- Allow interim use of resurfaced and corner grass areas

Alternative: Maintain Building

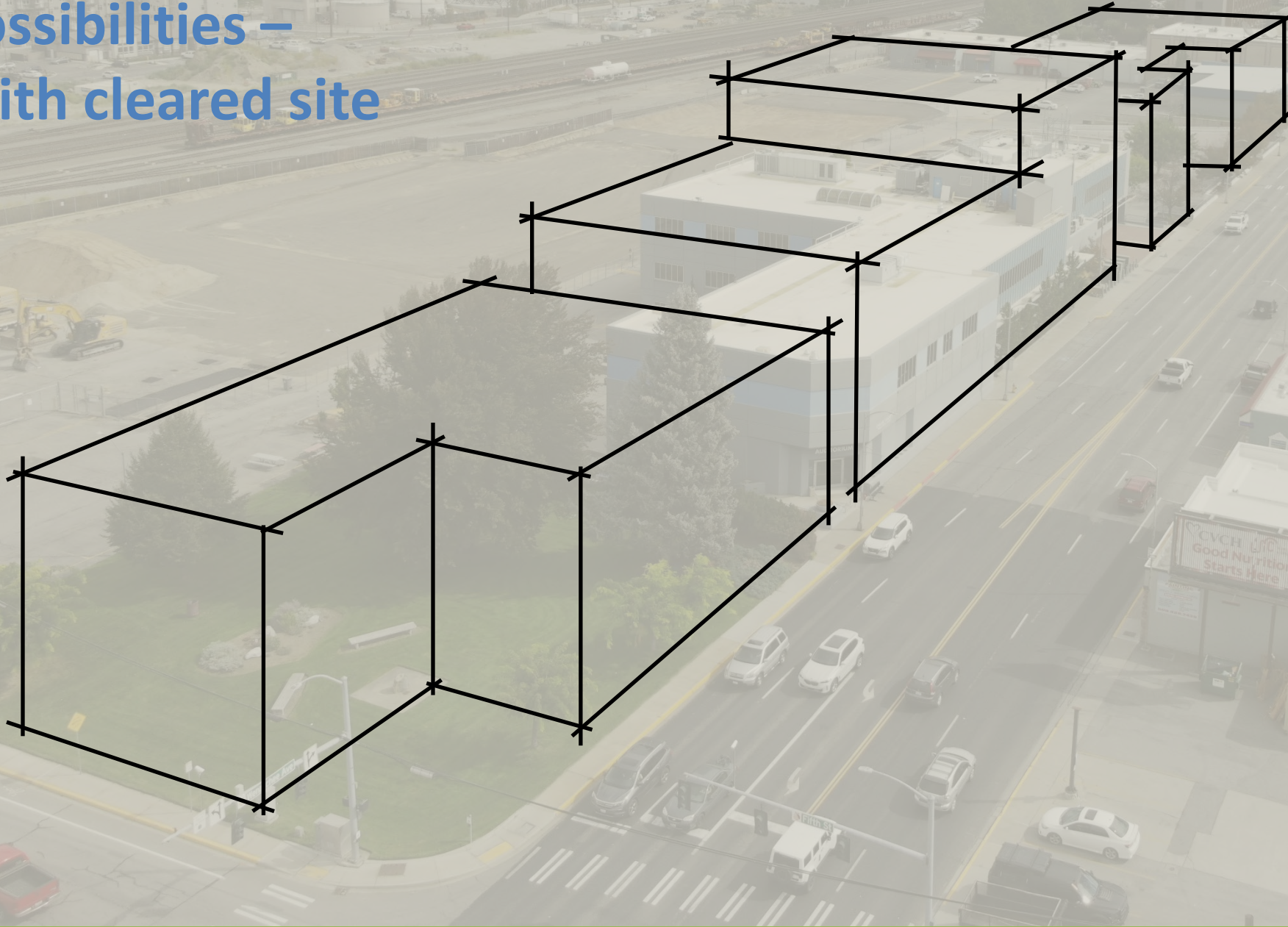
- Reconnect building utilities
- Add electrical metering
- Perform hazmat abatement
- Begin actively marketing building for sale for adaptive reuse
- Continue ongoing maintenance and security



Limited Development Potential
– with existing HQ building



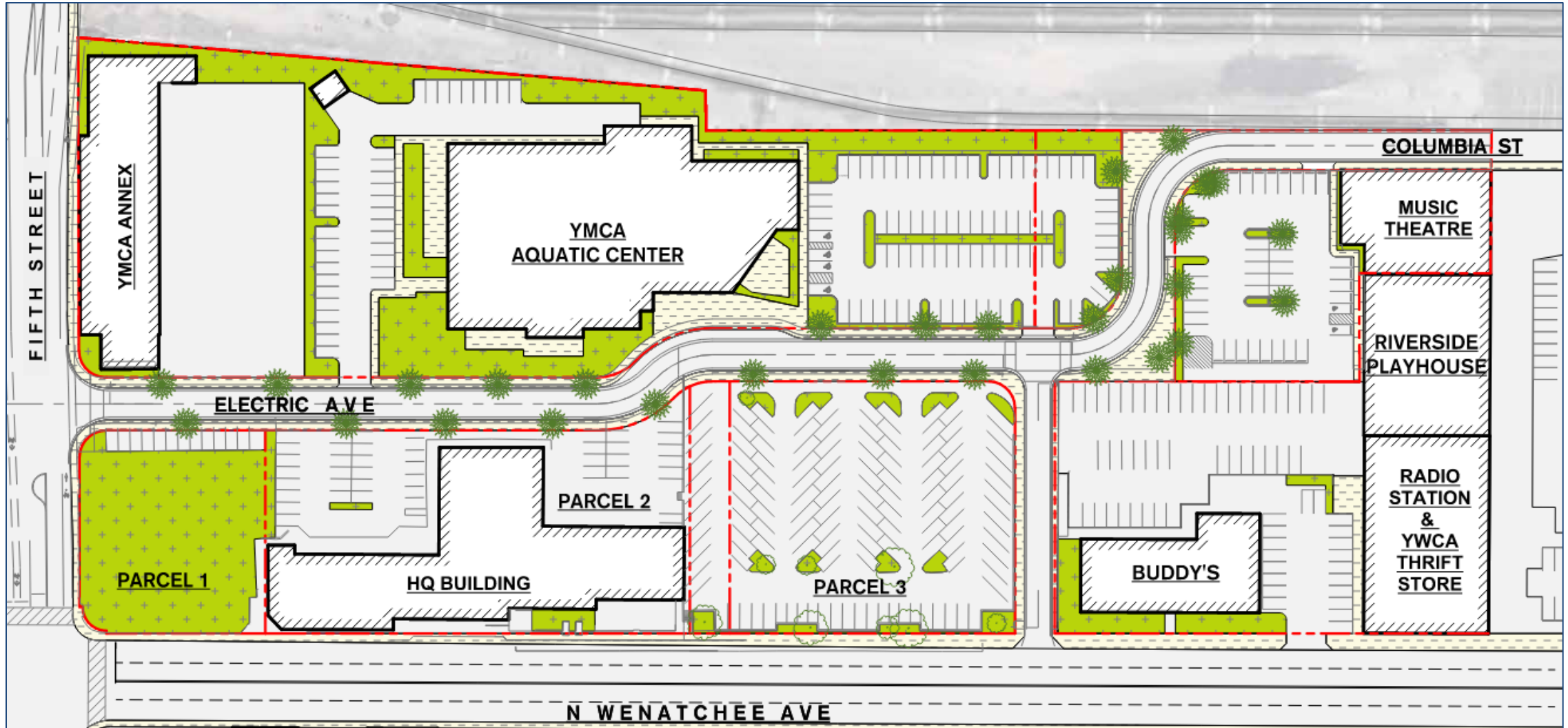
Greater Development Possibilities – With cleared site



Comments and Discussion



FUTURE STATE – ELECTRIC AVENUE & ANCHOR USES



FUTURE STATE – SITE CLEARED

