

Fifth Street Redevelopment Update



June 26, 2023
Dan Frazier
David Lodge

Why we are here today

- Update on Fifth Street Redevelopment Project
- Review provisions of term sheet with YMCA
- Receive comments and information from YMCA
- Receive public comment
- Evaluate staff recommendation for next steps



Background

- In 2022, in coordination with community partners, the PUD sought proposals for redevelopment of the site consistent with the Community Vision Plan adopted in 2020
- Through an evaluation process it was determined that the proposals did not meet the redevelopment goals of the District
- November 21, 2022, Board directed staff to prepare several options for redevelopment
- February 21, 2023, Staff presented 5 options
- Board directed staff to initiate discussions with YMCA and Music Theatre of Wenatchee and continue to evaluate options for the remainder of the site

Progress Since February



YMCA

- Met with YMCA bi-weekly to develop and negotiate a “term sheet”
- Developed a plan to transfer building demolition and site preparation responsibility to YMCA for credit
- Developed draft terms that benefit both PUD and YMCA

MTW

- Met in April to discuss minimum area to meet majority of MTW needs
- Met in May to negotiate price and other terms
- Discussions are progressing

YMCA Term Sheet

Term Sheet: Non-binding document (similar to a Memorandum of Understanding) which outlines the key terms to be included in a Purchase and Sale Agreement (PSA)

Summary: YMCA purchases approximately 85,000 square feet in the middle of the eastern portion of the campus (Tech Shop to Warehouse) for the construction of a new YMCA facility. YMCA assumes costs for demolition and site preparation.

Consideration:

- Appraised value of property if vacant - \$1.49M
- Credit for cost of demolition, disposal and site preparation - \$1.09M
- Proposed sale *price \$400K*

YMCA Term Sheet

Primary PUD Responsibilities:

- Construct (directly or indirectly) roadway and sidewalk, providing circulation for entire campus redevelopment, connecting Fifth St and Wenatchee Ave (via existing ramp) through the interior of the site
- Relocate utility infrastructure currently located on subject parcels and provide access to utilities

Primary YMCA Responsibilities:

- Demolition of Tech Shop and Utility Services building up to northern exterior wall of existing warehouse
- Disposal and site preparation of subject parcels

Other Items:

- Assure creation of a Commercial Owners Association for maintenance of common area improvements (road, sidewalk, landscaping)
- PUD retains responsibility for environmental contamination issues if they arise during the course of demolition and site preparation

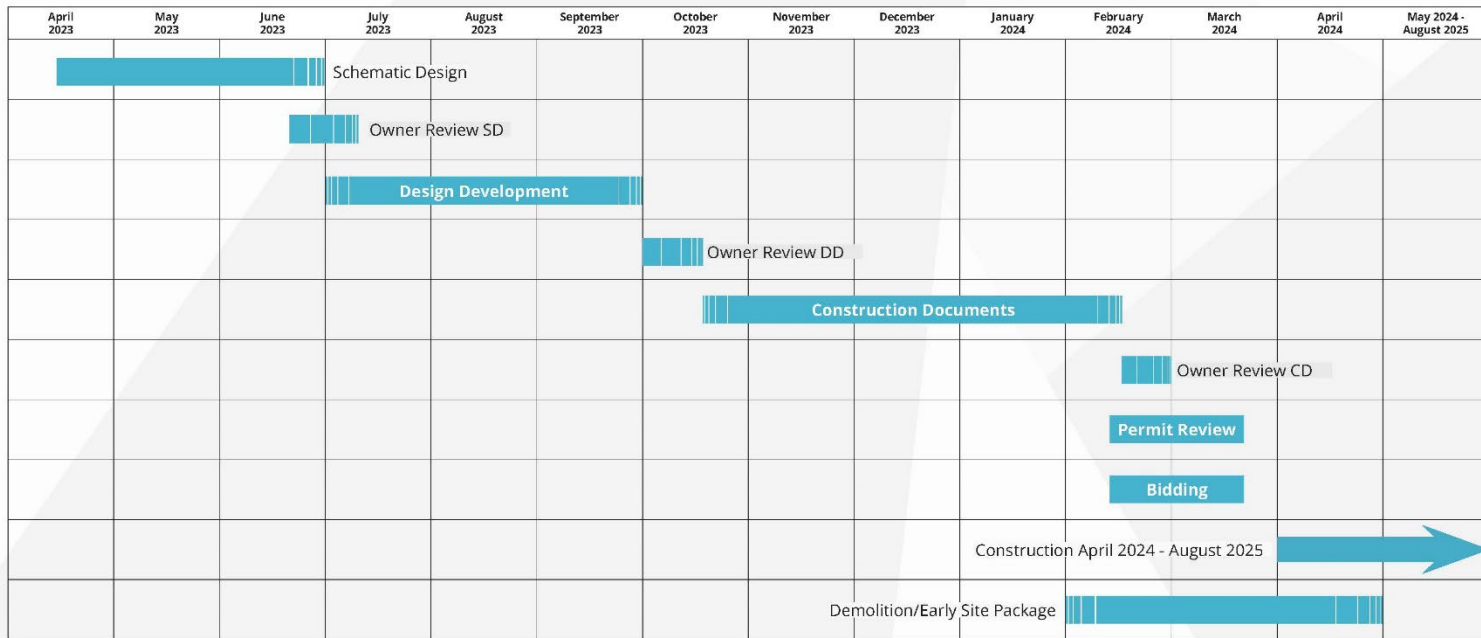
Site Map



YMCA Comments

SCHEDULE OVERALL

SCHEDULE - WENATCHEE YMCA



Public Comment



Staff Recommendation

Staff recommends development of a purchase and sale agreement (PSA) with the Wenatchee Valley YMCA in terms substantively similar to those included in the negotiated term sheet and to present the PSA for Board approval as soon as possible