

Fifth Street Redevelopment Update



September 18, 2023
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Why we are here today

- Review provisions of a revised term sheet with YMCA
- Receive comments and information from YMCA
- Receive public comment
- Evaluate staff recommendation for next steps



Background



- February 2023 - May 2023 – Development of term sheet for purchase of portion of Fifth Street properties
- June 26, 2023
 - Presentation of term sheet to CCPUD Board of Commissioners
 - Direction to develop Purchase and Sale Agreement (PSA) for approx. 85,000 sf
- July 2023 approached by YMCA to evaluate possibility of acquiring additional property for additional uses and future expansion

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)

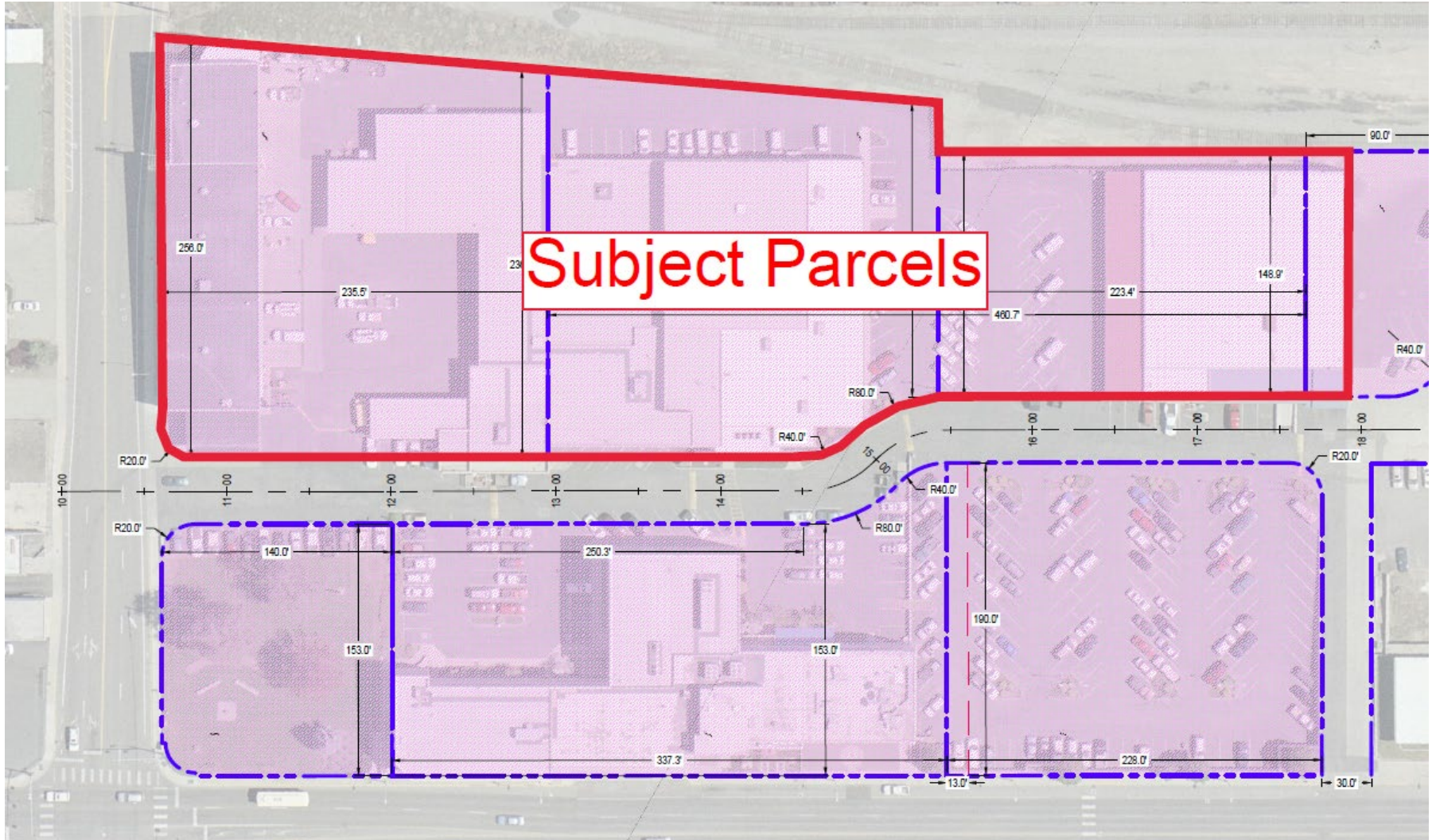
Summary: YMCA purchases approximately 144,000 square feet* of the eastern portion of the campus (Tech Shop to Fifth Street) for the construction of a new YMCA facility. YMCA assumes costs for all demolition and site preparation.

Consideration:

- Appraised value of property if vacant – approx. \$1.52M
- Credit for cost of demolition, disposal and site preparation of Service Bldg and Tech Shop - approx. \$1.3M
- Proposed sale *price* - approx. \$1.2M

* Square footage estimate based on current preliminary road alignment - subject to change as roadway design progresses

Site Map



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
- Remove Fueling station and all appurtenances

Primary YMCA Responsibilities:

- Demolition of Tech Shop and Utility Services building including loading dock, crew spaces and all canopy structures
- 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 is statutorily responsible for environmental contamination issues arising during demo, provision included to control course of mitigation



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YMCA Planned Use of Additional Space

With increasing construction costs for the new YMCA facility, we are forced to reduce the design of certain program and storage areas. The Fleet Building, and its current industrial design, could support the Y in relieving this shortfall and provide profit centers to help reduce any debt we may incur from the main capital project.

Potential Profit Centers include:

- Personal Training Center
- Recreation Equipment Outfitter Lease
- Half-Day Pre-School Center

Other Identified benefits and uses include:

- Designated Teen Center
- Additional Parking
- Maintenance Space
- Storage
- Office Space

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 revised term sheet and to present the PSA for Board approval as soon as possible

Appendices

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