



Washtenaw County Parks and Recreation Commission

MEMORANDUM

To: Washtenaw County Parks and Recreation Commission
From: Robert L. Tetens, Director
Date: August 13, 2013
Re: Eastern County Recreation Center – Letter of Intent

Background

On January 5, 2012, the Commission approved a **Letter of Intent** (see attached) between WCPARC and the City of Ypsilanti authorizing staff to move forward with discussions regarding the proposed development of an Eastside Recreation Center in Ypsilanti. Specifically, on the western edge of the Water Street Redevelopment Area.

For our part, the Letter of Intent provides assurance that the preferred site is available and will not be marketed and/or sold while we work to gather the essential partners, conduct the necessary due diligence, complete conceptual plans and prepare cost estimates for the building and adjacent site. The City of Ypsilanti has an interest in assuring that if the desired portion of the Water Street Area is taken off the market, the project will proceed toward construction at a reasonable pace and not remain vacant land. The Letter of Intent expired on July 5, 2013.

For the past 18 months staff has been working with representatives of the City, the Ann Arbor YMCA, and other project partners to resolve issues and reach an understanding of roles and responsibilities. Through a partnership with a University of Michigan design team, staff developed a series of concept plans for the proposed building. Further, staff worked with the YMCA and a consulting firm to conduct a market study to assure that the Ypsilanti community could support the proposed recreation center - the results of the study were very encouraging. Staff continues to work towards formalizing an agreement with the YMCA to operate the proposed recreation center, and to determine the size, location, and financing of the project. Concurrently, the City is working towards adopting a Master Plan that will guide future development of the Water Street Redevelopment Area.

Based on the progress made to date, the City voted to extend the Letter of Intent by 6 additional months. The intent is to negotiate a full development agreement and present to City Council and WCPARC to transfer the property before January 4, 2014. The agreement will include the following at a minimum:

- Exact location and size of parcel
- Size and orientation of structure
- Proposed site plan and building design
- Timeline for approvals, permits and construction
- Plan for infrastructure development beyond parcel footprint
- Roles and Responsibilities
- Terms of parcel transfer or long term lease
- Other legal responsibilities for development and opening of the Recreational Facility

Recommendation

I recommend that the Commission approve a 6 month extension to the Letter of Intent between the City and WCPARC. This will allow staff to further refine the design concept and proceed towards the approval of a development agreement with the City.



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To: Ed Koryzo, Manager, City of Ypsilanti
From: Robert L. Tetens, Director, Washtenaw County Parks & Recreation Commission
Date: January 5, 2012
Re: Letter of Intent to develop a Community Recreation Center at the Water Street
 Redevelopment Area property

The Washtenaw County Parks and Recreation Commission (WCPARC) is proposing to construct a new Recreation Center to serve the populations of the eastern portion of the County. In partnership with the City of Ypsilanti and other community partners, staff is in the process of investigating the siting, feasibility, and initial design development for the new facility at the 38-acre Water Street Redevelopment Area in Ypsilanti. Initial staff analysis indicates that that the preliminary program can be accommodated within a new 50,000 to 60,000 SF facility at the site. A final program and construction budget will be determinate by the WCPARC with input from the project partners and the community.

Obligations of letter of intent: This letter of intent is a non-binding agreement between the City of Ypsilanti and the Washtenaw County Parks and Recreation Commission to work for a term not to exceed 18 months on a development agreement to transfer or lease a portion of the Water Street Redevelopment Area (as described below) to the County based on the terms listed below. WCPARC is requesting this initial agreement as it is part of the city of Ypsilanti's process for transferring ownership of Water Street property, and it will provide WCPARC the opportunity to seek co-developers, complete marketing studies, confirm financing, and finish conceptual design plans and other details to be included in a full development agreement and transfer of property.

The Washtenaw County Parks and Recreation Commission is respectfully requesting upon acceptance of this letter of intent, that the City of Ypsilanti remove the portion of the Water Street Redevelopment Area described below from the market, and reserve it for the development of a Community Recreation Facility subject to the terms listed below:

1. Seller: City of Ypsilanti
2. Purchaser: Washtenaw County Parks and Recreation Commission
3. Property: The property is located in the northwest corner of the site as represented on Attachment A.
4. Purchase Price: It is understood that the Purchaser will not make a financial contribution for the property, but will work cooperatively to develop infrastructure beyond the particular needs of the proposed Community Recreation Facility, to include water/sewer/road access into the site. Details of the infrastructure plan and commitment amount will be negotiated as part of a resulting development agreement between the Seller and Purchaser at the end of the term.



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5. Other Purchaser Obligations: Purchaser agrees, upon execution of a development agreement and property transfer, to develop and maintain a linear park of roughly 100 feet from the Huron River, in accordance with DEQ approvals. The linear park will include a Border-to-Border trail extension and ongoing public access to the Huron River.
6. Term: The Letter of Intent will be in effect for up to 18 months or until a development agreement and transfer of the property occurred, whichever is sooner. Either party can request a 6 month extension if necessary after 12 months.
7. Elements of the Development Agreement: Both parties agree to spend the term of this agreement working through the details of the standard development agreement utilized by the Ypsilanti City Council for transfer/sale of the Water Street Redevelopment area, to include: time frames for governmental approvals, brownfield plan amendments, inspections, permitting and construction.

Purchaser:

Witness

Seller:

Witness

Date: