

Finance & Administration Committee
Agenda for 1:15 p.m. Monday, May 15, 2023

The Spokane City Council's Finance & Administration Committee meeting will be held at **1:15 p.m. on May 15, 2023**, in City Council Chambers, located on the lower level of City Hall at 808 W. Spokane Falls Blvd. The meeting can also be accessed live at my.spokanecity.org/citycable5/live/ and www.facebook.com/spokanecitycouncil or by calling 1-408-418-9388 and entering the access code #2495 384 1756; meeting password 0320.

The meeting will be conducted in a standing committee format. Because a quorum of the City Council may be present, the standing committee meeting will be conducted as a committee of the whole council. The Finance & Administration Committee meeting is regularly held every 3rd Monday of each month at 1:15 p.m. unless otherwise posted.

The meeting will be open to the public both virtually and in person, with the possibility of moving or reconvening into executive session only with members of the City Council and appropriate staff. No legislative action will be taken. No public testimony will be taken, and discussion will be limited to appropriate officials and staff.

AGENDA ATTACHED

AMERICANS WITH DISABILITIES ACT (ADA) INFORMATION: The City of Spokane is committed to providing equal access to its facilities, programs and services for persons with disabilities. The Spokane City Council Chamber in the lower level of Spokane City Hall, 808 W. Spokane Falls Blvd., is wheelchair accessible and is equipped with an infrared assistive listening system for persons with hearing loss. Headsets may be checked out (upon presentation of picture I.D.) at the City Cable 5 Production Booth located on the First Floor of the Municipal Building, directly above the Chase Gallery or through the meeting organizer. Individuals requesting reasonable accommodations or further information may call, write, or email Human Resources at 509.625.6383, 808 W. Spokane Falls Blvd, Spokane, WA, 99201; or dmoos@spokanecity.org. Persons who are deaf or hard of hearing may contact Human Resources through the Washington Relay Service at 7-1-1. Please contact us forty-eight (48) hours before the meeting date.

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1

1 - Call to Order

2 - Approval of Minutes

Approval of Month XX, 2023, meeting minutes.

| For Decision

Attachments

[F_A Committee Minutes 17April_2023 DRAFT.docx](#)

STANDING COMMITTEE MINUTES
City of Spokane
Finance & Administration Committee
17th day of April, 2023

I. Called to Order: 1:17 PM PST

Recording of the meeting may be viewed by at <https://vimeo.com/818525843>

Attendance

Committee Members Present:

Council President Breean Beggs, Council President, CM Wilkerson, CM Michael Cathcart, CM Karen Stratton, CM Jonathan Bingle, CM Zack Zappone

Staff/Others Present:

Casey Bowers, David Edwards, Chris Johnson, Laz Martinez, Jessica Stratton, Caleb Stanton, Michelle Murray, Matt Boston, Eric Finch, Mike Piccolo, Lynden Smithson, Kim McCollim, Jenn Cerecedes, Erin Haugen, Shae Blackwell, Jeff Gunn, Collin Tracy, Candy Davis, Nicolette Ocheltree, Giacobbe Byrd, Kelly Thomas, John Delay, Johnnie Perkins

Approval of Minutes:

➤ Action Taken

Council Member Bingle moved to approve, Council Member Zappone seconded. Agenda and minutes were approved unanimously.

Agenda Items

Discussion Items

1. CHHS Board Interviews (5 mins)

➤ No Action Taken, Interviews were held

2. SBO – Human Resources/Archbright – Mike Piccolo (5 mins)

➤ No Action Taken, Presentation Only

3. 1st Quarter Investment Report– Chris Johnson - (15 mins)

➤ No Action Taken, Presentation Only

4. Quarterly Financial Report– Jessica Stratton (10 mins)

➤ No Action Taken, Presentation Only

5. 5100 – Amendment to Police Vehicle Purchase OPRs – Rick Giddings (15 minutes)

➤ Action Taken, CM Cathcart

6. SFD Integrus Study Progress Report – Chief Brian Schaeffer (15 mins)

➤ No Action Taken, Presentation Only

7. Broadband Update – Commissioner Mary Kuney, Eric Finch (15 mins)
 - Action taken, CMs Cathcart and Wilkerson agreed to sponsor this item to move forward for formal Council consideration.

8. Charter Amendment on Redistricting – Michael Cathcart – (10 minutes)
 - Action taken, Council Members Cathcart and Bingle agreed to sponsor this item to move forward for formal Council consideration

9. Small Business Awards - ARPA – Michelle Murray (5 mins)
 - Action taken
 - i. Council Members Wilkerson and Stratton agreed to sponsor this item to move forward for formal Council consideration.

10. Solar Permit Fees – Tami Palmquist (10 mins)
 - Action taken

11. Update to SREC Interlocal Agreement (5 mins)
 - No Action taken, Presentation Only

Consent Items

1. Roof Replacement at Fire Stations 16 and 17
2. Purchasing Approval of Master Contract for On Call Arborist Services Renewal
3. Fleet Contract with McClintock & Turk for CNG Fuel System Expansion
4. Airport – Water Line Easement
5. Airport – Craig Road Property
6. Airport – Sale of 63 Acres
7. Settlement Resolution
8. Archbright Contract Amendment/Extension

Executive session None.

IV. Adjournment The meeting adjourned at 2:24 PM PST, next meeting will be on the 20th of March, 2023 at 1:15 PM PST

Prepared by: Mark Carlos, Assistant to CM Betsy Wilkerson (Committee Chair)

Approved by:

CM Betsy Wilkerson, District 2, Position 2
Finance & Administration Committee Chair

3 - Discussion Items

4 - Year-end Financial Report & Five Year General Fund Forecast

Wallace, Tonya

Council Sponsor: CM Wilkerson -

The Finance department routinely presents city financial information to the Finance & Administration committee of the City Council. The year-end financial report is intended to provide the financial status of the previous year. Furthermore, a five year forecast based on the year-end financial report allows for insights into the city's future.

| For Discussion

Attachments

[05-15-2023 Year-end Report_Briefing Paper.docx](#)

Committee Agenda Sheet

Finance & Administration Committee

Submitting Department	Finance
Contact Name	Tonya Wallace
Contact Email & Phone	twallace@spokanecity.org , 509-625-6845
Council Sponsor(s)	CM Wilkerson
Select Agenda Item Type	<input type="checkbox"/> Consent <input checked="" type="checkbox"/> Discussion Time Requested: 15 min
Agenda Item Name	Year-end Financial Report & Five Year General Fund Forecast
Summary (Background)	<p><u>Background</u> The Finance department routinely presents city financial information to the Finance & Administration committee of the City Council. The year-end financial report is intended to provide the financial status of the previous year. Furthermore, a five year forecast based on the year-end financial report allows for insights into the city's future.</p> <p><u>Summary</u> The year-end report covers 2022. As always, due to the timing of data, the report will be submitted before committee.</p>
Proposed Council Action	n/a
<p>Fiscal Impact Total Annual Cost: \$ Total Cost Remaining This Year: \$ Approved in current year budget? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A</p> <p>Funding Source <input type="checkbox"/> One-time <input type="checkbox"/> Recurring Specify funding source: Click or tap here to enter text.</p> <p>Expense Occurrence <input type="checkbox"/> One-time <input type="checkbox"/> Recurring</p> <p>Other budget impacts: (revenue generating, match requirements, etc.)</p>	
Operations Impacts (If N/A, please give a brief description as to why)	
What impacts would the proposal have on historically excluded communities? n/a – recurring financial report	
How will data be collected, analyzed, and reported concerning the effect of the program/policy by racial, ethnic, gender identity, national origin, income level, disability, sexual orientation, or other existing disparities? n/a – recurring financial report	
How will data be collected regarding the effectiveness of this program, policy or product to ensure it is the right solution? n/a – recurring financial report	
Describe how this proposal aligns with current City Policies, including the Comprehensive Plan, Sustainability Action Plan, Capital Improvement Program, Neighborhood Master Plans, Council Resolutions, and others? n/a – recurring financial report	

5 - Short-Term Rental Amendments and Fee/Tax Updates

Beck, Amanda

Discussion on regulatory updates for short-term rentals and proposed amendments to SMC 17C.316

| For Discussion

Attachments

[23-05-15_Finance_STR_and_Fees.pdf](#)

Committee Agenda Sheet

Finance & Administration Committee

Submitting Department	Planning Services, Community and Economic Development
Contact Name	Amanda Beck
Contact Email & Phone	abeck@spokanecity.org , 625-6414
Council Sponsor(s)	Council Member Kinnear
Select Agenda Item Type	<input type="checkbox"/> Consent <input checked="" type="checkbox"/> Discussion Time Requested: 10 minutes
Agenda Item Name	Short-term Rental Amendments and Fee/Tax Updates
Summary (Background) *use the Fiscal Impact box below for relevant financial information	<p>City staff have been working on regulatory updates to short-term rentals for several years to match regulations with actual current usage and the increase in popularity of this lodging type. The proposed code amendments have been drafted to align with strategies outlined in the adopted Spokane Housing Action Plan and the City Council Implementation Plan. Code changes have been developed based upon vacation rental monitoring data from consultant, Granicus.</p> <p>The majority of amendments in this proposal will focus on Spokane Municipal Code Chapter 17C.316, Short Term Rentals. Additional amendments are being made to inspection fees for annual life safety compliance, updating permitting fees to align with proposed updated regulation of STRs, a proposed per night license fee, and a code clean up to clarify that an existing lodging excise tax also applies to short-term rentals. Those Sections are 08.02.034, Fire Code; 08.02.066, Zoning; 08.08.010, Tax Levied; and adopting a new section 08.02.090, Short-term Rental License Fee.</p>
Proposed Council Action	Approve proposed ordinances amending Chapter 17C.316 and Title 08 SMC.
<p>Fiscal Impact</p> <p>Total Cost: \$117,334 for a 5-year contract with Granicus, \$22,391.68 for Year 1</p> <p>Approved in current year budget? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p> <p>Funding Source <input type="checkbox"/> One-time <input checked="" type="checkbox"/> Recurring</p> <p>Specify funding source: Permitting and fees</p> <p>Expense Occurrence <input type="checkbox"/> One-time <input checked="" type="checkbox"/> Recurring</p> <p>Other budget impacts: (revenue generating, match requirements, etc.)</p> <p>Proposed code changes will create a path to compliance for short-term rental units operating in zoning districts currently not approved for the use. Based on data from Granicus, many units are operating in such zones, which is revenue currently not being captured by the City.</p>	

Operations Impacts

What impacts would the proposal have on historically excluded communities?

A growing body of research, including a recent paper published in the [Journal of Urban Economics](#) and research from the [National Bureau of Economic Research](#), is finding a positive correlation between an increase in short-term rental units and the increasing price in homes and rentals, as well as a decrease in the supply of homes or rentals in a community in relation to the increase in available short-term rentals (STRs). Owner-occupiers are shown to be less impacted by the negative effects of proliferating short-term rentals. The proposed code changes would limit the total number of STRs in a structure, as well as allowing a smaller percentage of them within residential zoning districts, to mitigate for a negative influence on long-term and attainable housing options.

How will data be collected, analyzed, and reported concerning the effect of the program/policy by racial, ethnic, gender identity, national origin, income level, disability, sexual orientation, or other existing disparities?

Data of short-term rental units will be tracked by consultant Granicus to ensure that properties being listed on vacation rental platforms, such as Airbnb and VRBO, have obtained their Spokane business license, a short-term rental permit, and have completed an application and/or their annual life safety fire inspection. Data tracking of how STR units effect the housing supply for people of color, other minorities, and low-income residents has been difficult as it is reported anecdotally, or hard to extract from increasing prices and decreasing supply due to the Covid-19 pandemic. With the eventual creation of the Residential Rental Registry there will be better qualitative data to track how many rental units are being converted from long-term to short-term rentals, and what sort of residents are being affected.

How will data be collected regarding the effectiveness of this program, policy or product to ensure it is the right solution?

Data of short-term rental units will be tracked by consultant Granicus from units listed on vacation rental platforms licenses to operate in the State of Washington. Because Granicus has collected data on how many STR units are being listed on such platforms prior to the proposed code changes, there is an established baseline of units citywide. Success of the proposed regulatory changes would be signaled by an increase in approved permits, and related revenue. Another metric of success would be the number of completed annual fire inspections to ensure the safety for guests renting such units. For structures that meet the applicable codes, compliance with the requirements to have a Spokane business license, an approved short-term rental permit, a notarized Life Safety Compliance form, and completion or scheduling of the annual fire inspection would indicate that proposed code changes appropriately align regulations with actual usage.

Describe how this proposal aligns with current City Policies, including the Comprehensive Plan, Sustainability Action Plan, Capital Improvement Program, Neighborhood Master Plans, Council Resolutions, and others?

The code changes specifically align with the [Housing Action Plan](#) strategy about short-term rentals, and the [City Council Implementation Plan](#), as well as the below Comprehensive Plan goals and policies.

- Housing Action Plan Strategy A3, “Continue to streamline and simplify changes to the City’s permit process, as necessary.”
- Housing Action Plan Strategy B5, “Study the local short-term rental market to reduce impact on housing affordability, neighborhood identity, and displacement.”
- City Council Implementation Plan Strategy 1.5, “Contract with a vendor to track real-time use of housing in the City as short-term rentals and enforce compliance with City business license laws.”

- City Council Implementation Plan Strategy 2.6, “Consider imposing an excise tax on short-term rental gross receipts to support housing programs that mitigate displacement of regular rental units.”
- City Council Implementation Plan Strategy 2.7, “Expand allowable zones for short-term rentals to match current actual usage to improve licensing compliance.”
- Neighborhood Goal N 1 – The Downtown Neighborhood. Recognize downtown Spokane as the primary economic and cultural center of the region and improve its viability as a desirable neighborhood in which to live and conduct business.
- Economic Development Policy ED 3.10 – Downtown Spokane. Promote downtown Spokane as the economic and cultural center of the region.
- Urban Design and Historic Preservation Goal DP 4.1 – Downtown Residents and Workers. Encourage investments and create opportunities that increase the number of residents and workers in downtown Spokane.
- Economic Development Policy ED 8.3 – Recreation and Tourism Promotion. Promote the region’s outdoor amenities, recreational opportunities and tourism.
- Housing Policy H 1.21 – Development of Single-Room Occupancy Housing. Allow development of single-room occupancy units in downtown Spokane and in other areas where high-density housing is permitted.

ORDINANCE NO. C36__

AN ORDINANCE relating to the regulation of short-term rentals; amending Spokane Municipal Code (SMC) Sections 17C.316.010, 17C.316.020, 17C.316.030, 17C.316.040, 17C.316.050, 17C.316.060, and 17C.316.070; and setting an effective date.

WHEREAS, the short-term rental of a residential dwelling unit for fewer than thirty days is a permitted use in residential zones, but is not a currently permitted use in other non-residential zones of the Spokane Municipal Code; and

WHEREAS, the City's contractor, Granicus, has pulled short-term rental listings from the vacation rental platforms licensed in Washington State and determined that there are short-term rentals operating in zoning districts which do not currently allow a short-term rental use; and

WHEREAS, RCW 36.70A.600 encourages the City to take a number of actions in order to increase its residential building capacity and authorized the City to adopt a housing action plan; and

WHEREAS, as authorized by RCW 36.70A.600(2), Council Resolution RES 2021-0062 adopted the City of Spokane Housing Action Plan as a guide for future housing planning, policy development, and regulatory and programmatic implementation measures that increase housing options that are affordable and accessible for people and families of all incomes in the City; including the Implementation Plan, included as Appendix A within the Housing Action Plan, which outlines several strategies and policies to remedy the current housing crisis; and

WHEREAS, Housing Action Plan (HAP) Strategy B5 calls on the city to, "Study the local short-term rental market to reduce impact on housing affordability, neighborhood identity, and displacement;" and

WHEREAS, in adopting RES-2021-0062 the City Council outlined several code amendments and permit processes that the City should enact in support of Housing Action Plan Strategy B.5, namely City Council HAP Implementation Plan Strategies 1.5; 2.6, and 2.7; and

WHEREAS, on July 26, 2021, the Mayor of the City of Spokane proclaimed a housing emergency and directed the City to pursue actions to expand housing types, reduce overall development costs to increase development of affordable housing, and to streamline municipal procedures to support the development cycle; and

WHEREAS, the proposed regulations are intended to allow for an alternative form of lodging for visitors that prefer a more residential experience when staying in the City of Spokane; and

WHEREAS, the proposed regulations create a path to compliance for short-term rental units currently operating in zoning districts which do not permit the use, and clarify regulation of short-term rental units for both residential and other zoning districts; and

WHEREAS, the proposed regulations create a balanced system of permitting the short-term rental use in all zoning districts in proportion with their potential effect on surrounding properties and infrastructure, updating permit fees and taxes such that the Spokane Municipal Code is capturing the increased demand for this type of lodging, and tracking short-term rental units, permits, and renewals to ensure the health and safety of the public; and

WHEREAS, the City has complied with RCW 36.70A.370 in the adoption of this ordinance, avoiding any unconstitutional taking of private property; and

WHEREAS, on February 2, 2023, the Washington State Department of Commerce and appropriate state agencies were given the required 60-day notice before adoption of proposed changes to the Unified Development Code pursuant to RCW 36.70A.106; and

WHEREAS, on April 24, 2023, a Notice of Intent to adopt and request for SEPA agency comments was issued for the draft code. The comment period ended on May 9, 2023; and

WHEREAS, a State Environmental Protection Act (SEPA) Determination of Nonsignificance and Checklist were issued by Planning Services on April 24, 2023. The comment period ended on May 9, 2023; and

WHEREAS, prior to the Plan Commission public hearing, a legal notice of public hearing was published in the *Spokesman-Review* on April 26 and May 3, 2023 and the notice of the proposed amendment was distributed to the City's agency/interested party list and posted on the City's website at www.ShapingSpokaneHousing.com; and

WHEREAS, on May 10, 2023, the Spokane Plan Commission held a public hearing on the proposed amendment and heard testimony from the public, following which they voted to recommend the City Council adopt the proposed amendments; and

WHEREAS, the City Council adopts the recitals set forth herein as its findings and conclusions in support of its adoption of this ordinance and further adopts the findings, conclusions, and recommendations from the City of Spokane Plan Commission (Exhibit A) for the same purposes;

NOW THEREFORE, the City of Spokane does ordain:

Section 1. That Section 17C.316.010 SMC is amended to read as follows:

Section 17C.316.010 Purpose

This chapter provides the requirements and standards under which residential dwelling units may be used for short-term rental use in ~~((residential))~~ zones where residential uses are permitted. The regulations are intended to allow for a more efficient use of certain types of residential structures in a manner which keeps them primarily in residential use, and without detracting from neighborhood character. The regulations also provide an alternative form of lodging for visitors who prefer a residential setting.

Section 2. That Section 17C.316.020 SMC is amended to read as follows:

Section 17C.316.020 (~~(Description and)~~) Definitions

- A. ~~((Description.))~~ Short-term rental. A short-term rental ~~is where~~ means a lodging use, that is not a hotel or motel, in which a residential dwelling unit, or portion thereof, or bedrooms in a residential unit are is rented to overnight guests by a short-term rental owner or operator for a fee for fewer than 30 consecutive days. There are two types of short-term rentals: A dwelling unit, or portion thereof, that is used by the same person for 30 or more consecutive days is not a short-term rental.
1. ~~Type A. A Type A short term rental is where bedrooms or an entire dwelling unit are rented to overnight guests, and no commercial meetings are permitted to be held in conjunction with use of a short-term rental. The Type A short term rental is an administrative permit.~~
 2. ~~Type B. A Type B short term rental is where bedrooms or an entire dwelling unit are rented to overnight guests and commercial meetings are held. The Type B short term rental requires a type III conditional use permit according to Chapter 17G.060 Land Use Application Procedures.~~
- B. ~~Definitions. For purposes of this chapter, the following words have the following meanings:~~
- ~~((1. Commercial meetings. Commercial meetings include luncheons, banquets, parties, weddings, meetings, charitable fund raising, commercial or advertising activities, or other gatherings for direct or indirect compensation. Commercial meetings are prohibited with a Type A short-term rental. A historic landmark that receives special assessment from the State may be open to the public for 4 hours one day each year; this is not considered a commercial meeting.))~~
- B. Short-term rental platform. A short-term rental or vacation rental platform (Platform) means a person that provides a means through which an operator may offer a dwelling unit, or portion thereof, for short-term rental use, and from which the person or entity financially benefits. Merely publishing a short-term rental advertisement for accommodations does not make the publisher a short-term rental platform.

- ((2)) C. Resident. An individual or family who resides in the dwelling unit. The resident can be the owner or operator of the short-term rental.
- ((3)) D. Operator. ~~((The owner or a person or entity that is designated by the owner to manage the short-term rental.))~~ Any person or entity that receives payment for owning or operating a dwelling unit, or portion thereof, as a short-term rental unit.
- E. Owner. For the purposes of this chapter, any person or trust, alone or with others, has title or interest in any building, property, dwelling unit, or portion thereof, with or without accompanying actual possession thereof, and including any person who as agent, executor, administrator, trustee, or guardian of an estate has charge, care, or control of any building, dwelling unit, or portion thereof. A person whose sole interest in any building, dwelling unit, or portion thereof is solely that of a lessee under a lease agreement is not considered an owner.
- F. Primary residence. A dwelling unit occupied for more than six months each calendar year, as documented by driver's license, voter registration, utility bills, or other similar evidence.

Section 3. That Section 17C.316.030 SMC is amended to read as follows:

Section 17C.316.030 Where These Regulations Apply

- A. The regulations of this chapter apply to short-term rentals in ~~((the following zones: RA, RSF, RSF-C, RTF, RMF, and RHD zones))~~ all zones where residential uses are permitted.
- B. In zones where Retail Sales and Service uses are allowed; limited; or conditional uses, short-term rentals may be regulated either as a Retail Sales and Service use or as hotel/motel if they do not meet the regulations and standards in this chapter.
1. All such applications must complete the Change of Use/Occupancy process to establish a Retail Sales and Service use, as defined in [17C.190.270 SMC](#), and shall meet all applicable Building Code and Fire Code standards.

Section 4. That Section 17C.316.040 SMC is amended to read as follows:

Section 17C.316.040 ((Type A)) Short-Term Rentals in Residential Zones

- A. ((Use-related regulations.)) Allowed Structure Types. A short-term rental is allowed only in a conforming residential structure or a residential dwelling unit within a mixed-use building.
1. ((Permit required. A Type A short-term rental requires a Type A short-term rental permit per .040 C below.)) A short-term rental is an administrative permit.

~~((2. — Allowed structure type. A Type A short-term rental is allowed only in the following residential structure types:~~

- ~~a. — Single-Family Residence;~~
- ~~b. — Attached house;~~
- ~~c. — Duplex;~~
- ~~d. — Apartments;~~
- ~~e. — Condominiums; and~~
- ~~f. — Accessory dwelling unit.~~
- ~~g. — Manufactured Homes))~~

2. No commercial meetings are permitted to be held in conjunction with use of a short-term rental.

B. Maximum number of short-term rental units. Maximum short-term rental units are calculated by structure rather than per lot. The maximum number of short-term rental units within residential zones shall not exceed those listed below.

1. A maximum of one short-term rental unit is allowed in a detached single-family residence, attached house, or duplex.
2. All other multifamily or mixed-use buildings are limited to a maximum percentage of short-term rental units dependent on the below requirements:
 - a. Buildings that are fire sprinklered may have no more than twenty percent of the total number of residential units as short-term rentals within the building. All calculations will be rounded up to the nearest full unit.
 - b. Buildings that are not fire sprinklered must comply with current building and fire code regulations.
 - c. When calculating the maximum number of units results in a fraction, the units allowed are rounded up to the next whole number.
3. On lots where there is an accessory dwelling unit (ADU) in addition to the primary building, a short-term rental use in the ADU counts towards the maximum number of units.

~~((B))~~ C. Standards. ((The following standards apply to Type A short-term rentals. Adjustments are)) A variance to the following standards is prohibited.

1. All short-term rentals must comply with the consumer safety and liability insurance requirements as listed in Chapter 64.37 RCW.
2. Accessory dwelling units. ((On sites with an accessory dwelling unit, the resident can live in the primary or accessory dwelling unit and rent bedrooms in either dwelling unit.)) A short-term rental use may be established on a lot with an accessory dwelling unit subject to the following:
 - a. Lots in the Rural Agriculture (RA) and Residential Single-Family (RSF) zones with an accessory dwelling unit must be owner-occupied for more than six months of the year, in either the primary residence or the accessory dwelling unit. Only one of the units may be rented as a short-term rental.

- b. In the Residential Two-family (RTF), Residential Multifamily (RMF), and Residential High Density (RHD) zones either the primary residence or the accessory dwelling unit may be rented as a short-term rental.
 - i. Owner occupancy is not required in RTF, RMF, or RHD zones in either unit.
- ((2)) 3. Bedroom requirements. The City's Building Official must verify that each bedroom to be rented to overnight guests:
- c. ~~((Met))~~ Meets the current building code requirements for a sleeping room ((at the time it was created or converted));
 - d. Meets current fire code requirements;
 - c. Common areas, such as but not limited to living rooms, lofts, or closets shall not qualify as sleeping accommodations for the purposes of determining maximum occupancy.
- ((3)) 4. Number of ((overnight)) residents and guests. The total number of ((adults occupying a dwelling unit with a Type A short term rental may not exceed two (2) adults per bedroom)) of residents and guests occupying a dwelling unit that includes a short-term rental may not exceed any lawful limits on occupant load per square foot or generally applicable health and safety provisions as established by applicable building or fire code, as provided in RCW 35.21.682.
- ((4)) 5. ((Employees. Nonresident employees are prohibited. Hiring service for normal maintenance, repair and care of the resident or site, such as yard maintenance or house cleaning, is allowed.)) Appearance. Residential structures may be remodeled for the development of a short-term rental, subject to required approvals and permits.
- a. Structural alterations may not be made that prevent the structure from being used as a residence in the future.
 - b. Internal or external changes that will make the dwelling appear less residential in nature or function are not allowed. Examples of such alterations include, but are not limited to, installation of additional on-site parking, commercial-type exterior lighting, and signage.
- ~~((5. Services to overnight guests and visitors. Serving alcohol and food to overnight guests and visitors is allowed, subject to other county and/or state requirements.))~~
6. Parking. See [Spokane Municipal Code Chapter 17C.230 Parking and Loading](#)
7. Advertising. All advertisements for the short-term rental must list short-term rental permit number and is subject to sign requirements of [Chapter 17C.240 Signs](#).
- ~~((C.))~~ D. ((Type A Short Term Rental Permit)) Permit Required. The owner of a ((Type A)) short-term rental must obtain a permit ((from the Planning and Development Services Department)). The permit requires the owner to agree to abide by the requirements of this section and to comply with the requirements

outlined in Chapter 64.37 RCW. (~~(, and document that the required notification requirements have been met:)~~)

1. Notification. (~~The owner must:~~)

a. The owner or operator must (~~Prepare~~) prepare a notification letter that:

- i. Describes the operation and the number of bedrooms that will be rented to overnight guests; and
- ii. Includes information on how to contact the owner or operator by phone.

b. Mail or deliver the notification letter to all recognized organizations and owners of property abutting and directly across the street from the short-term rental upon issuance of short-term rental permit.

2. Required information for permit. (~~In order to apply for a Type A short-term rental permit, the owner or operator must submit to the Planning and Development Services Department:~~)

a. Completed application form bearing the address of the property, the name, signature, address, and telephone number of the owner and operator if operator is not also an owner and emergency contact.

b. A short-term rental application and permit fee established by [SMC 08.02.066](#).

~~(c. Proof of property insurance covering the property.)~~

~~(d.)~~ c. A copy of the owner's current City of Spokane business license.

~~(e.)~~ d. A copy of the notification letter and a list with the names and addresses of all property owners and organizations that received the letter.

~~(f.)~~ e. A site plan and floor plan.

f. A completed and notarized Life Safety Compliance form.

~~(D.)~~ E. Renewal of and Revoking a (~~Type A~~) Short-Term Rental Permit. A (~~Type A~~) short-term rental permit must be renewed per the procedures in (~~chapter 4.04~~) [Chapter 04.04 SMC](#) and can be revoked according to the outlined procedures (~~in chapter 4.04 SMC~~) for failure to comply with the regulations of this chapter.

1. (~~In addition a~~) A permit may be revoked for activities on site (~~including~~) such as nuisances, littering, or public disturbance as listed under [Title 10 SMC](#) (~~under Chapter 10.08 Offences Against Public Health Chronic or public disturbance in Section 10.08D.090 Public Disturbance Noise~~).

2. For revocation of permit the owner or operator receives one warning of violation. (~~In the case of non-compliance~~) Non-compliance or a repeat of non-compliance in a 12 month period shall result in revocation of permit per a type two civil infraction as referenced in (~~1.05.160~~) [SMC 01.05.160](#).

3. When a (~~Type A~~) short-term rental permit has been revoked, a new (~~Type A~~) short-term rental permit will not be issued to the owner at that site for 2 years.

F. Existing Approved Permits and Unit Caps. Existing approved short-term rental permits, which were active and approved prior to July 1, 2023, shall be allowed to grandfather the short-term rental use subject to the below requirements.

1. The short-term rental permit must be active and approved prior to July 1, 2023.
2. If the permit is not renewed a new short-term rental permit will be required and the unit cap stated in 17C.316.040(B) will be applicable.
3. A grandfathered short-term rental permit may not further expand their short-term rental use beyond what is existing in the approved permit, nor may it expand beyond what would be permitted under 17C.316.040.

Section 5. That Section 17C.316.050 SMC is amended to read as follows:

Section 17C.316.050 ((Type-B)) Short-Term Rentals in Other Zones

A. ~~((Use related regulations:))~~ Allowed Structure Types. A short-term rental is allowed only in a conforming residential structure or a residential dwelling unit within a mixed-use building. All other structures must complete the Change of Use/Occupancy process to establish a Retail Sales and Service use, as defined in 17C.190.270 SMC.

~~((1. Conditional use permit. A Type B short term rental requires a Type III conditional use permit according to Chapter 17G.060 Land Use Application Procedures. The approval criteria are stated in SMC 17C.320.080 F, Institutional and Other Uses in Residential Zones.))~~

~~2. Allowed structure type. A Type B short term rental is allowed only in the following residential structure types:~~

- ~~a. Single Family Residence;~~
- ~~b. Attached house;~~
- ~~c. Duplex;~~
- ~~d. Apartments;~~
- ~~e. Condominiums; and~~
- ~~f. Accessory dwelling unit. Manufactured Homes))~~

B. Maximum number of short-term rental units. Maximum short-term rental units are calculated by structure rather than per lot.

1. A maximum of one short-term rental unit is allowed in a detached single-family residence, attached house, or duplex.
2. All other multifamily or mixed-use buildings are limited to a maximum percentage of short-term rental units dependent on the below requirements:

- a. Buildings that are fire sprinklered may have no more than thirty percent of the total number of residential units as short-term rentals within the building. All calculations will be rounded up to the nearest full unit.
 - b. Buildings that are not fire sprinklered must go through the Change of Use/Occupancy process to establish a Retail Sales and Service use, as defined in 17C.190.270 SMC.
 - c. When calculating the maximum number of units results in a fraction, the units allowed are rounded up to the next whole number.
3. On lots where there is an accessory dwelling unit (ADU) in addition to the primary building, a short-term rental use in the ADU counts towards the maximum number of units.

~~((B-))~~ C. Standards.

~~((1.— Maximum size. Maximum set through conditional use review.))~~

- 1. All short-term rentals must comply with the consumer safety and liability insurance requirements as listed in Chapter 64.37 RCW.
- 2. Accessory dwelling units. A short-term rental use may be established on a lot with an accessory dwelling unit and owner occupancy is not required.

~~((2-))~~ 3. Bedroom requirements. The City's Building Official must verify that each bedroom to be rented to overnight guests:

- a. ~~((Met))~~ Meets the current building code requirements for a sleeping room ~~((at the time it was created or converted));~~
- b. Meets current fire code requirements;
- c. Common areas, such as but not limited to living rooms, lofts, or closets shall not qualify as sleeping accommodations for the purposes of determining maximum occupancy.

~~((3-))~~ 4. Number of residents and ~~((overnight))~~ guests. The total number of residents and ~~((overnight))~~ guests occupying a dwelling unit ~~((with a Type B short-term rental may be limited as part of a conditional use approval))~~ that includes a short-term rental may not exceed any lawful limits on occupant load per square foot or generally applicable health and safety provisions as established by applicable building or fire code, as provided in RCW 35.21.682.

~~((4. Employees. Nonresident employees for activities such as booking rooms and food preparation may be approved as part of the review. Hired service for normal maintenance, repair and care of the residence or site, such as yard maintenance or house cleaning, is allowed. The number of employees and the frequency of employee auto trips to the facility may be limited as part of approval.))~~

~~((5. Services to guests and visitors. Serving alcohol and food to guests and visitors is allowed, subject to other county and/or state requirements.~~

~~6 Commercial meetings.~~

- ~~a. Commercial meetings. Commercial meetings, as defined above, are regulated as follows:

 - ~~i. In all other zones, the number of commercial meetings per year shall be determined as part of a conditional use review. The maximum number of visitors or guests per event will be determined through the conditional use review. Adjustments to the maximum number of meetings per year are prohibited.~~
 - ~~b. Historic landmarks. A historic landmark that receives special assessment from the State may be open to the public for 4 hours one day each year. This does not count as a commercial meeting.~~
 - ~~c. Meeting log. The operator must log the dates of all commercial meetings held, and the number of visitors or guests at each event. The log must be available for inspection by city staff upon request.~~~~
 - ~~((7))~~ 4. Appearance. Residential structures may be remodeled for the development of a short-term rental, subject to required approvals and permits.
 - a. Structural alterations may not be made that prevent the structure from being used as a residence in the future.
 - b. Internal or external changes that will make the dwelling appear less residential in nature or function are not allowed. Examples of such alterations include, but are not limited to, installation of ~~((more than paving or required setbacks))~~ additional on-site parking, ~~((and))~~ commercial-type exterior lighting, and commercial signage.
 - ~~((8))~~ 5. Parking. [See Spokane Municipal Code Chapter 17C.230 Parking and Loading.](#)
 - ~~((9))~~ 6. Advertising. All advertising for the short-term rental must include short-term rental permit number and is subject to sign requirements of [Chapter 17C.240 Signs.](#)
- D. Permit Required. The owner or operator of a short-term rental must obtain a permit. The permit requires the owner and operator to agree to abide by the requirements of this section and to comply with the requirements outlined in Chapter 64.37 RCW.
1. Notification.
 - a. The owner or operator must prepare a notification letter that:
 - i. Describes the operation and the number of bedrooms that will be rented to overnight guests; and
 - ii. Includes information on how to contact the owner or operator by phone.
 - b. Mail or deliver the notification letter to all recognized organizations and owners of property abutting and directly across the street from the short-term rental upon issuance of short-term rental permit.
 2. Required information for permit.
 - a. Completed application form bearing the address of the property, the name, signature, address, and telephone number of the owner and operator if operator is not also an owner, and an emergency contact.

- b. A short-term rental application and permit fee established by [SMC 08.02.066](#).
 - c. A copy of the owner's current City of Spokane business license.
 - d. A copy of the notification letter and a list with the names and addresses of all property owners and organizations that received the letter.
 - e. A site plan and floor plan.
 - f. A completed and notarized Life Safety Compliance form.
- E. Renewal of and Revoking a Short-Term Rental Permit. A short-term rental permit must be renewed per the procedures in Chapter 04.04 SMC and can be revoked according to the outlined procedures for failure to comply with the regulations of this chapter.
- 1. A permit may be revoked for activities on site such as nuisances, littering, or public disturbance as listed under [Title 10 SMC](#).
 - 2. For revocation of permit the owner or operator receives one warning of violation. Non-compliance or a repeat of non-compliance in a 12 month period shall result in revocation of permit per a type two civil infraction as referenced in [SMC 01.05.160](#).
 - 3. When a short-term rental permit has been revoked, a new short-term rental permit will not be issued to the owner at that site for 2 years.

Section 6. That Section 17C.316.060 SMC is amended to read as follows:

Section 17C.316.060 Monitoring and Life Safety Review

~~((All short term rentals must maintain a guest log book. It must include the names and home addresses of guests, guest's license plate numbers if traveling by car, dates of stay, and the room assigned to each guest. The log must be available for inspection by city staff upon request.))~~

The City may inspect short-term rentals for compliance with Fire and Building code requirements and that the Life Safety Compliance form is accurately completed.

Section 7. That Section 17C.316.070 SMC is amended to read as follows:

Section 17C.316.070 Pre-Established Bed and Breakfast Facilities

~~((A. Nonconforming Use. Bed and breakfast facilities that were operating before June 14, 2006, which have not obtained a conditional use permit under [Chapter 17C.315 SMC](#), may continue to operate subject to the requirements and limitations in [SMC 17C.315.160.A.](#)))~~

((B.)) Bed and Breakfasts with a Conditional Use Permit. Bed and breakfast facilities operating under an approved conditional use permit may chose to operate under [Chapter 17C.315 SMC](#) or this Chapter.

PASSED BY THE CITY COUNCIL ON _____

Council President

Attest:

Approved as to form:

City Clerk

Assistant City Attorney

Mayor

Date

Effective Date

ORDINANCE NO. C36__

AN ORDINANCE relating to fees on short-term rentals and short-term rental platforms; amending Spokane Municipal Code (SMC) Sections 08.02.034, 08.02.066, and 08.08.010; adopting a new section 08.02.090 to chapter 08.02 of the Spokane Municipal Code; and setting an effective date.

WHEREAS, on July 26, 2021, the Mayor of the City of Spokane proclaimed a housing emergency and directed the City to pursue actions to expand housing types, reduce overall development costs to increase development of affordable housing, and to streamline municipal procedures to support the development cycle; and

WHEREAS, Council Resolution Res. 2021-0062 adopted the City of Spokane Housing Action Plan as a guide for future housing planning, policy development, and regulatory and programmatic implementation measures that increase housing options that are affordable and accessible for people and families of all incomes in the City; including the Implementation Plan, included as Appendix A within the Housing Action Plan, which outlines several strategies and policies to remedy the current housing crisis; and

WHEREAS, Housing Action Plan (HAP) Strategy B5 calls on the city to, “Study the local short-term rental market to reduce impact on housing affordability, neighborhood identity, and displacement;” and

WHEREAS, in adopting Res. 2021-0062 the City Council outlined several code amendments and permit processes that the City should enact regulating short-term rentals, namely City Council HAP Implementation Plan Strategies 1.5; 2.6, and 2.7; and

WHEREAS, the proposed regulations create a balanced system of permitting the short-term rental use in all zoning districts in proportion with their potential effect on surrounding properties and infrastructure, and updating permit and inspection fees such that the Spokane Municipal Code is capturing the increased demand for this type of lodging, and tracking short-term rental units, permits, and renewals to ensure the health and safety of the public; and

WHEREAS multiple studies, including papers published in the Journal of Urban Economics and research from the National Bureau of Economic Research, have established that short term rentals have an affect on housing prices and rental rates; and

WHEREAS, the City has complied with RCW 36.70A.370 in the adoption of this ordinance, avoiding any unconstitutional taking of private property; and

NOW, THEREFORE, the City of Spokane does ordain:

Section 1: That SMC section 08.02.034 is amended to read as follows:

Section 08.02.034 Fire Code

A. Storage Tanks.

The fees in connection with aboveground or underground storage tanks for critical materials as defined in [SMC 17A.020.030](#), including flammable or combustible liquids, are:

1. Installation (including installation of pumps and dispensers) of underground storage tank, per tank: seven hundred twenty eight dollars.
2. Installation of above ground storage tank, per tank:
 - a. More than sixty but less than five hundred gallons: two hundred seventy six dollars.
 - b. Five hundred gallons or more: four hundred fifty dollars.
3. Aboveground or underground storage tank removal or abandonment, per tank: two hundred ten dollars.
4. Placement of tank temporarily out of service: two hundred ten dollars.
5. Alteration or repair of a tank: two hundred seventy six dollars.

B. Installation of Fire Protection/Detection Equipment.

1. The fees for installing, altering, or repairing fire protection and/or fire detection equipment are based on the value of the work, according to the following schedule:

BID AMOUNT (Valuation)	PERMIT FEE	PLAN CHECK FEE
\$1 through \$500	\$105	\$68.25
\$501 through \$2,000	\$210	\$136.50
\$2,001 through 5,000	\$420	\$273
\$5,001 through \$10,000	\$840	\$546
\$10,001 through \$15,000	\$1,260	\$819
\$15,001 through \$20,000	\$1,470	\$955.50
\$20,001 through \$25,000	\$1,680	\$1,092
\$25,001 through \$30,000	\$1,890	\$1,228.50
\$30,001 through \$40,000	\$1,995	\$1,296.75
\$40,001 through \$50,000	\$2,100	\$1,365
\$50,001 through \$60,000	\$2,520	\$1,638
\$60,001 through \$80,000	\$2,940	\$1,911
\$80,001 through \$100,000	\$3,150	\$2047.50
\$100,001 through \$150,000	\$3,465	\$2,252.25
\$150,001 through \$200,000	\$3,780	\$2,457
\$200,001 through \$250,000	\$4,200	\$2,730

\$250,001 through \$300,000	\$5,000	\$3,250
\$300,001 through \$350,000	\$5,800	\$3,770
\$350,001 through \$400,000	\$6,600	\$4,290
\$400,001 through \$450,000	\$7,425	\$4,826.25
\$450,001 through \$500,000	\$8,230	\$5,349.50
For valuations of \$500,001 and over, fees are calculated as follows:		
Permit Fee: Valuation multiplied by 0.0165		
Plan Check Fee: 65% of permit fee.		

2. Fees apply to initial submittal and one subsequent resubmittal if the initial submittal is not accepted. If the resubmittal is not accepted, the applicant will need to begin a new submittal.
3. Penalty.
Whenever any work for which a fire equipment permit is required is started without first obtaining a permit, the permit fees specified above are doubled and a Class 1 civil infraction may be issued.
4. Fee Refunds.
The fire official may authorize the refund of any fee erroneously paid or collected. The fire official may authorize the refunding of not more than eighty percent of the paid permit fee when no work has been done under an issued permit.
5. Valuation.
The valuation of the work done must be submitted at the time of application for a permit. The valuation is the value of the work to be done and includes all labor, material, equipment, and the like supplied and installed by the permittee to complete the work. The permittee may be asked to verify the valuation placed on the work. When the cost of any proposed work is unknown, an estimate of the cost shall be made and used to compute the permit fee. Upon completion of the work, a fee adjustment is made in favor of the City or permittee, if requested by either party.
6. Inspections.
The number of inspections for each permit is determined by the valuation, with the minimum number of inspections for a permit being two.

7. Revisions.

Fees include one revision to an approved submittal. Additional revisions will be charged at an hourly rate of one hundred five dollars.

8. Phasing

Submittals for projects that are done in phases for the construction shall follow the phasing approved as part of the building permit. Where a building permit has not been issued, the phasing shall be approved by the Fire Code Official.

C. Fire Protection System Verification.

The fee for verification that a fire protection system has been appropriately serviced by a fire department registered fire equipment servicer, for each inspection, is:

1. Thirty-eight dollars for:

- a. sprinkler systems,
- b. standpipe systems,
- c. alarm systems,
- d. rangehood systems,
- e. inert gas extinguishing systems,
- f. spray booths, and

2. Nineteen dollars for private fire hydrants.

D. Safety/Building & Multi-Family Inspections.

The fee for conducting safety inspections is one hundred five dollars per hour with a minimum one-hour charge, including annual life safety reviews for short-term rentals. Building and multi-family inspections will be charged according to building area per the table below:

	Building Area (sq. ft.)	Fee
A	0 – 1,500	\$44
B	1,501 – 3,000	
C	3,001 – 5,000	
D	5,001 – 7,500	
E	7,501 – 10,000	

F	10,001 – 12,500	\$202
G	12,501 – 15,000	
H	15,001 – 17,500	
I	17,501 – 20,000	
J	20,001 – 30,000	
K	30,001 – 40,000	\$355
L	40,001 – 50,000	
M	50,001 – 60,000	
N	60,001 – 70,000	
O	70,001 – 100,000	
P	100,001 – 150,000	\$512
Q	150,001 – 200,000	
R	Over 200,000	

E. Reinspections.

The fee for conducting reinspections is one hundred five dollars per incident. This applies to inspection requests beyond the allowable inspections associated with an original permit. The reinspection fee will apply when an inspection is scheduled with the fire department and the following occurs:

1. The project or occupancy is not ready for the inspection.
2. Corrections that were previously identified remain uncorrected.
3. The site is not accessible and a return visit is required.

F. Inspection fees as set forth in this section are appropriated for an estimated time spent equal to or less than one hour per inspection. Permittees are subject to additional inspection fees, which shall apply in a minimum of one-hour increments

for each permit fee category, for additional time spent on inspection services to include code research and return site visits.

Section 2: That SMC section 08.02.066 is amended to read as follows:

Section 08.02.066 Zoning

Unless an action is initiated by the city council, the fees for approvals under the zoning code are:

- A. Staff preparation of a notification district map and associated documents: One hundred fifty dollars.
- B. Type I application: One thousand eighty-five dollars. In the case of building and construction permit applications, the fee is based on Article III of this chapter.
- C. Type II application, except preliminary short plats with minor engineering review: Four thousand three hundred twenty-five dollars plus sixty dollars per each additional acre.
- D. Type II application for preliminary short plats with minor engineering review: One thousand eighty-five dollars.
- E. Type III application: Four thousand five hundred ninety dollars plus one hundred ten dollars per each additional acre.
- F. Site plan review and/or modification: Eight hundred fifteen dollars plus five hundred fifty dollars per each additional increment of ten acres of site or portion thereof.
- G. Optional consolidated project review: Four thousand three hundred twenty-five dollars plus two hundred fifteen dollars for each additional acre.
- H. Planned unit development bonus density or final planned unit development:
 - 1. Bonus density: Additional eight hundred eighty dollars if bonus density is sought.
 - 2. Final planned unit development: Three thousand two hundred ninety-five dollars.
- I. Any temporary use permit: Six hundred seventy-five dollars.
- J. Floodplain development permit: Nine hundred dollars plus fifty-five dollars per each additional acre.
- K. Establishment of a front yard setback that is more or less than the depth required by the zoning code: Eight hundred ten dollars.
- L. Accessory dwelling unit permit: Six hundred fifty-five dollars.
- M. Formal written interpretation of the zoning code: Five hundred eighty dollars.
- N. Any other matter not listed above that requires a public hearing before the hearing examiner: One thousand eight hundred ninety-five dollars.
- O. A fee of eighty-five dollars per hour may be charged to cover the cost of a particular planning staff service for the applicant that greatly exceeds the above fee or is not covered by the fees listed above.

- P. Short Term Rental Permit – ~~((Type A))~~ In residential zones: ((One)) Two hundred ((fifty)) dollars. The annual renewal for a ~~((Type A permit))~~ short-term rental unit in a residential zone is one hundred dollars.
- Q. Short Term Rental Permit – ~~((Type B))~~ In all other zones: ((Four thousand five hundred ninety)) three hundred dollars. The annual renewal for a ~~((Type B permit))~~ short-term rental unit in zones, except residential, is one hundred fifty dollars.

Section 3: Adopting a new section SMC 08.02.090 to read as follows:

Section 08.02.090 Short-term Rental License Fee

There is levied a charge on the furnishing of short-term rental lodging located in the City of Spokane, a quarterly fee based on the total number of nights booked for each short-term rental listing through a short-term rental platform (Platform).

- A. Platforms shall pay \$2.00 per night booked through the Platform.
- B. The per night booking fee shall be calculated and remitted on a quarterly basis by the Platform.
- C. If a Platform fails to provide complete information the City's Chief Financial Officer or designee may estimate the quarterly per night booking fee and issue an assessment.

Section 4: That SMC section 08.08.010 is amended to read as follows:

08.08.010 Tax Levied

Under the authority of chapter 67.28 RCW, there is levied a special excise tax upon the sale, charge or furnishing of lodging or the granting of any similar license to use real property by any hotel, rooming house, tourist court, bed and breakfast facility, motel, trailer camp, short-term rental and other transient accommodations in the City of Spokane. The special excise tax imposed pursuant to RCW 67.28.181 shall expire in 2043.

PASSED BY THE CITY COUNCIL ON _____

Council President

Attest:

Approved as to form:

City Clerk

Assistant City Attorney

Mayor

Date

Effective Date

DRAFT

6 - Monthly Investment Report (April 2023)

*Johnson, Christopher
E.*

Standing topic presented by Finance. Items covered relate to portfolio composition, liquidity, and performance.

| For Discussion

Attachments

[Treasury Services Briefing Paper F A Committee May2023.docx](#)

[April FY 2023 Presentation.pdf](#)

Committee Agenda Sheet Finance & Administration

Submitting Department	Finance, Treasury and Administration – Treasury Services
Contact Name & Phone	Chris Johnson (509) 625-6074
Contact Email	cejohnson@spokanecity.org
Council Sponsor(s)	CM Betsy Wilkerson
Select Agenda Item Type	<input type="checkbox"/> Consent <input checked="" type="checkbox"/> Discussion Time Requested: <u> 5 Min </u>
Agenda Item Name	Monthly Investment Report (April 2023)
Summary (Background)	<p>The Monthly Investment Report is a standing topic presented by Finance. The objective of this presentation is to inform Council of portfolio updates and developments. Some of the items covered include:</p> <ul style="list-style-type: none"> • Portfolio Composition • Investment Transactions • Portfolio Liquidity • Portfolio Performance
Proposed Council Action & Date:	N/A
<p>Fiscal Impact: Total Cost: Approved in current year budget? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A</p> <p>Funding Source <input type="checkbox"/> One-time <input type="checkbox"/> Recurring Specify funding source:</p> <p>Expense Occurrence <input type="checkbox"/> One-time <input type="checkbox"/> Recurring</p> <p>Other budget impacts: (revenue generating, match requirements, etc.)</p>	
Operations Impacts	
What impacts would the proposal have on historically excluded communities? N/A	
How will data be collected, analyzed, and reported concerning the effect of the program/policy by racial, ethnic, gender identity, national origin, income level, disability, sexual orientation, or other existing disparities? N/A	
How will data be collected regarding the effectiveness of this program, policy or product to ensure it is the right solution? N/A	
Describe how this proposal aligns with current City Policies, including the Comprehensive Plan, Sustainability Action Plan, Capital Improvement Program, Neighborhood Master Plans, Council Resolutions, and others? N/A	

City of Spokane

Investment Report

April – 2023



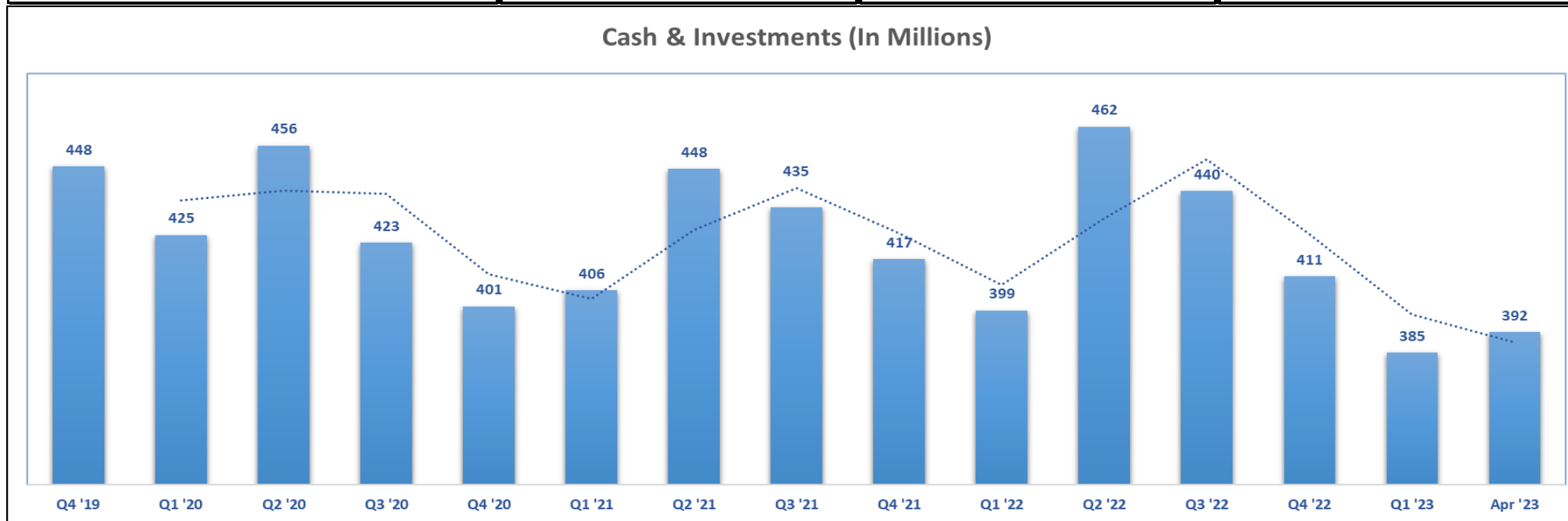
May 15, 2023

Topics

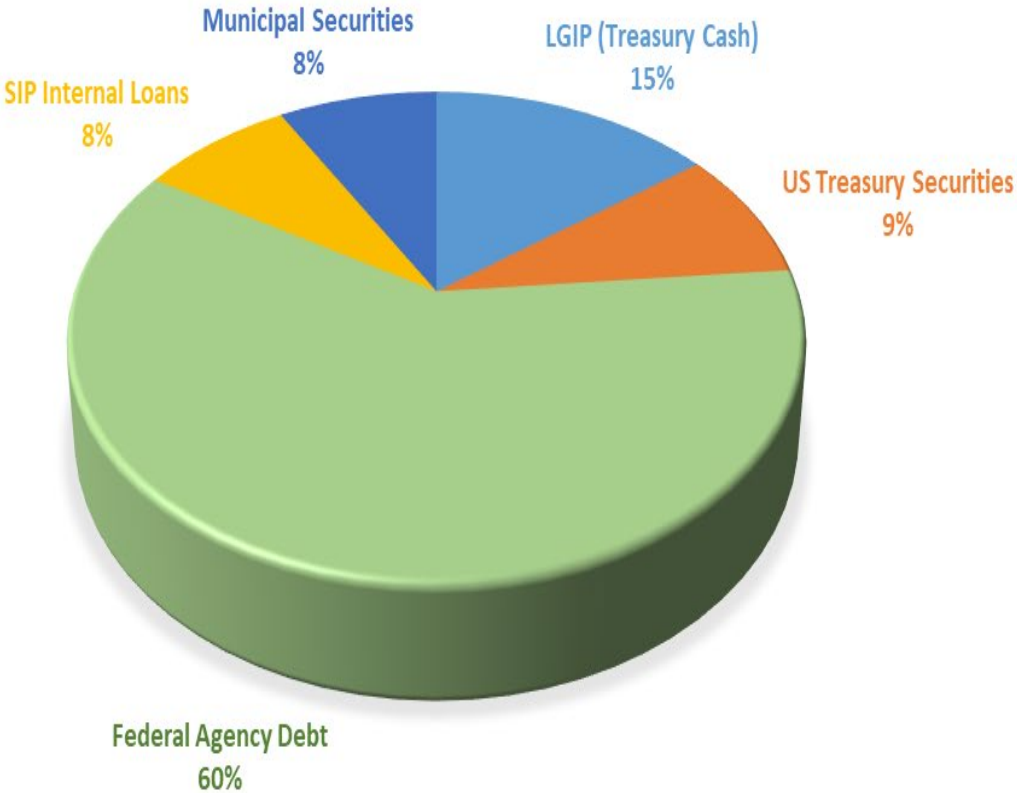
- Current Cash & Investment Balances
- Portfolio Composition
- Portfolio Performance

Current Cash & Investment Balances

Portfolio Category	March 31, 2023	April 30, 2023	Percent of Total
Cash & Equivalents	42,066,031	64,927,463	16.56%
Fixed Income Investments	311,012,843	295,489,672	75.39%
SIP Internal Loans	31,544,386	31,544,386	8.05%
TOTAL	384,623,260	391,961,521	100.00%



Portfolio Composition *(positions)*



Top Portfolio Holdings			
Issuer	Actual Composition	Maximum Composition	Policy Compliance
Federal National Mortgage Assoc.	24%	40%	Complies
Federal Farm Credit Bank	15%	40%	Complies
Federal Home Loan Bank	15%	40%	Complies
LGIP (Treasury Cash)	15%	100%	Complies
US Treasury Securities	9%	100%	Complies
Municipal Securities	8%	10%	Complies
SIP Internal Loans	8%	15%	Complies
Private Export Funding Corp	4%	40%	Complies
Federal Home Loan Mortgage Corp	1%	40%	Complies
Federal Agriculture Mortgage Corp	1%	40%	Complies

Portfolio Composition (*maturities & purchases*)

Maturities

Investment roll-off via security reaching maturity & principal returned to portfolio

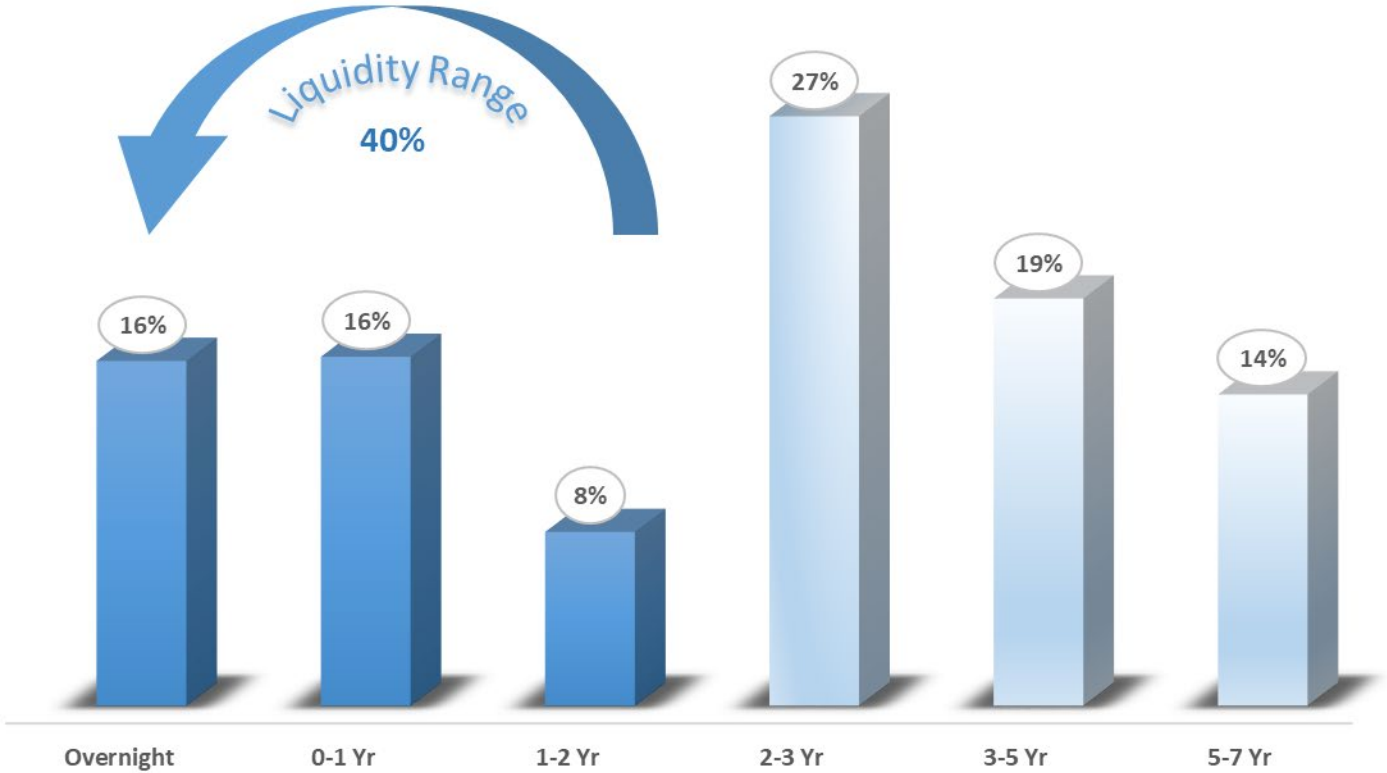
- \$1.5MM 7yr FAMC 1.92% @ 1.92%
- \$15MM 1yr FFCB 0.125% @ 2.86%

Purchases

New Investments added to portfolio via market purchasing activity.

- None; All Maturities held in LGIP (*Treasury Cash*)

Portfolio Composition (*liquidity*)



Portfolio Performance

Unrealized Gains/Losses

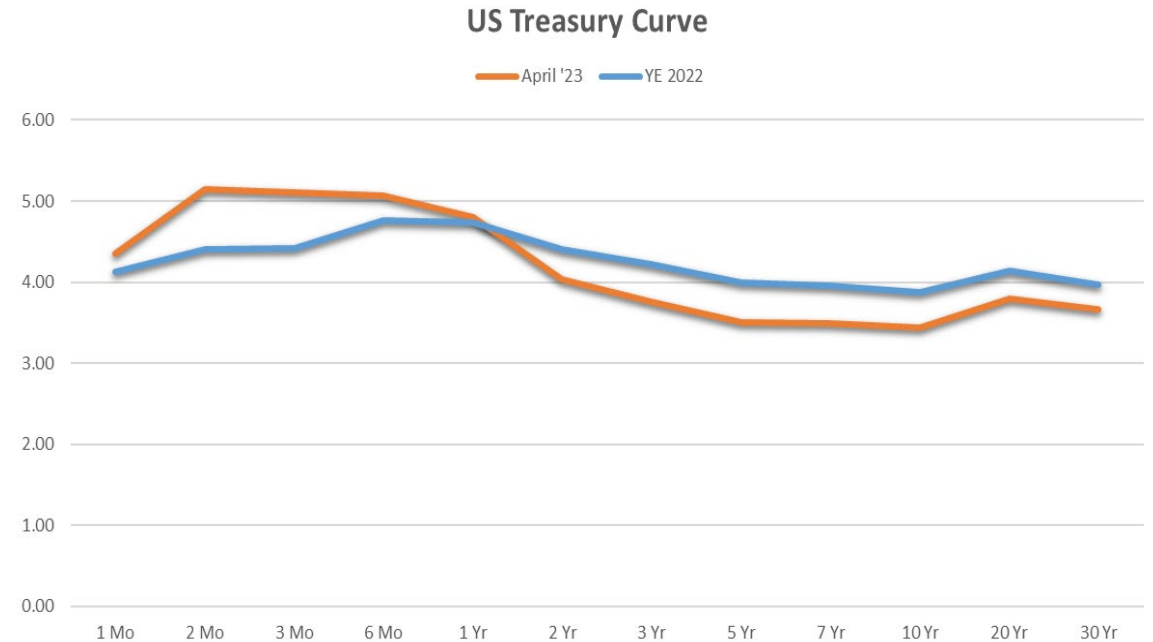
Impact of market-based interest rates on the value of the portfolio.

- \$8.6 Million (loss)

Interest Income

Income earned from Treasury Cash & Fixed Income positions.

- \$3.3 Million Year-to-Date



Portfolio vs SIP Portfolio Index Benchmark

Portfolio Maturity

Average maturity (in years) for investments in the portfolio.

- 2.5 Years

Portfolio Duration

Average duration (in years) for investments in portfolio.

- 2.3 Years

Portfolio Coupon

Average coupon rate for investments in portfolio.

- 2.40%

Portfolio Yield (YTM)

Weighted Average return if investments held to maturity.

- 2.88%

Benchmark Maturity

Average maturity (in years) for Index.

- 2.0 Years

Benchmark Duration

Average duration (in years) for Index.

- 1.9 Years

Benchmark Coupon

Average coupon rate for investments in Index.

- 1.24%

Benchmark Yield (YTM)

Weighted Average return for Index..

- 4.39%

Questions?

7 - April Permit Report

MacDonald, Steven

Presentation of current permit information for Development Services Center, including: (All stats are year-to-date through the end of the prior month.)

| For Discussion

Attachments

[Briefing Paper F_A 230515.docx](#)

Committee Agenda Sheet

FINANCE & ADMINISTRATION

Monday, May 15, 2023

Submitting Department	Community & Economic Development Division
Contact Name & Phone	Steve MacDonald – x6835
Contact Email	smacdonald@spokanecity.org
Council Sponsor(s)	CM Karen Stratton
Select Agenda Item Type	<input type="checkbox"/> Consent <input checked="" type="checkbox"/> Discussion Time Requested: 5 minutes
Agenda Item Name	Monthly DSC Permit Report
Summary (Background)	<p>Presentation of current permit information for Development Services Center, including: (All stats are year-to-date through the end of the prior month.)</p> <ul style="list-style-type: none"> - Total Building Permits Issued - Total Residential Units Issued <ul style="list-style-type: none"> Multi-Family Housing Units Single-Family Residences Duplexes ADUs - Housing in the Pipeline <ul style="list-style-type: none"> In Plan Review Scheduled for Pre-Development Multi-Family Tax Exemption Conditional Contracts - Largest Construction Valuation Projects This Year - Council District Information
Proposed Council Action & Date:	None (Informational for Council) – May 15, 2023
Fiscal Impact:	
Total Cost:	
Approved in current year budget? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	
Funding Source <input type="checkbox"/> One-time <input type="checkbox"/> Recurring	
Specify funding source:	
Expense Occurrence <input type="checkbox"/> One-time <input type="checkbox"/> Recurring	
Other budget impacts: (revenue generating, match requirements, etc.)	
Operations Impacts	
What impacts would the proposal have on historically excluded communities? N/A	
How will data be collected, analyzed, and reported concerning the effect of the program/policy by racial, ethnic, gender identity, national origin, income level, disability, sexual orientation, or other existing disparities? N/A	
How will data be collected regarding the effectiveness of this program, policy, or product to ensure it is the right solution? N/A	
Describe how this proposal aligns with current City Policies, including the Comprehensive Plan, Sustainability Action Plan, Capital Improvement Program, Neighborhood Master Plans, Council Resolutions, and others? N/A	

8 - CHHS YHDP Host Homes Contract

Cerecedes, Jennifer

CHHS is requesting permission to disburse \$138,000 in YHDP funds to MHA Speakout Speakup to administer the Host Homes Project.

| For Discussion

Attachments

[MHA Speak out Speak up Host Homes Briefing Paper.docx](#)

Committee Agenda Sheet

Finance & Administration Committee

Submitting Department	CHHS
Contact Name	Jenn Cerecedes
Contact Email & Phone	jcerecedes@spokanecity.org / 509.625.6055
Council Sponsor(s)	
Select Agenda Item Type	<input type="checkbox"/> Consent <input checked="" type="checkbox"/> Discussion Time Requested: 5
Agenda Item Name	Host Homes Contract
Summary (Background) *use the Fiscal Impact box below for relevant financial information	<p>Host homes are a growing, global, short-term housing intervention for young people experiencing homelessness. Building off the continued legacy of QTBIPOC mutual aid practices, host homes provide young people experiencing housing instability with affirming, stable, short-term housing for 1-6 months, wrap-around case management services, and peer support.</p> <p>The goal of short-term host homes is to provide a safe, temporary, welcoming space for up to six months where young people have time to repair their relationships with self-identified and chosen family and/or make decisions about other housing options with the support of a caring housing case manager and affirming adult mentor.</p> <p>MHA SpeakOut SpeakUp was chosen to administer this project through a competitive RFP process, the Youth Advisory Board and the CoC Board have approved this organization as the recipient of these funds. These funds are part of our Youth Homelessness Demonstration Project funds which will join our CoC portfolio at the end of the 2 year contract</p>
Proposed Council Action	Please approve distribution of \$138,000 to MHA Speakout Speakup to administer the Host Homes Project
Fiscal Impact Total Cost: <u>\$138,000.00</u> Approved in current year budget? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A Funding Source <input type="checkbox"/> One-time <input checked="" type="checkbox"/> Recurring Specify funding source: Click or tap here to enter text. Expense Occurrence <input type="checkbox"/> One-time <input checked="" type="checkbox"/> Recurring Other budget impacts: (revenue generating, match requirements, etc.)	
Operations Impacts (If N/A, please give a brief description as to why)	
What impacts would the proposal have on historically excluded communities? Youth homelessness is continually on the rise throughout the United States. While youth in general who are experiencing homelessness are at increased risk for victimization, chemical use/abuse, and mental health conditions such as depression and anxiety; lesbian, gay, bisexual, transgender, and queer/questioning (LGBTQ) and black, indigenous and people of	

color (BIPOC) youth are at much higher risk for these barriers to well-being, among others. Individuals involved in the program will receive shelter, have basic needs met, and will have a sense of community for LGBTQ and BIPOC youth experiencing homelessness.

How will data be collected, analyzed, and reported concerning the effect of the program/policy by racial, ethnic, gender identity, national origin, income level, disability, sexual orientation, or other existing disparities?

All YHDP-funded projects are required to collect all Universal Data Elements. The HMIS Data Standards Manual provides descriptions, rationale, and collection point information for these data elements. Ethnicity, Race, and Gender data element responses were updated in the FY 2022 HMIS Data Standards to provide more inclusive and representative response options. Please review the HMIS Data Standards Manual for specific descriptions of these updated responses. Additional data collection guidance related to Race, Ethnicity, and Gender will be made available on the HUD Exchange.

How will data be collected regarding the effectiveness of this program, policy or product to ensure it is the right solution?

CMIS will be used to collect data regarding the effectiveness of this program.

Describe how this proposal aligns with current City Policies, including the Comprehensive Plan, Sustainability Action Plan, Capital Improvement Program, Neighborhood Master Plans, Council Resolutions, and others?

This aligns with the 5 year plan to end homelessness.

9 - Teen Centers RFI Resolution

Gunn, Jeff

A resolution requesting a Request for Information regarding the spending of \$700,000 of American Rescue Plan Act funding towards the creation of teen centers.

Sponsors: Kinnear, Zappone

| For Discussion

Attachments

[RFI Resolution - Teen Centers \(003\).docx](#)

[Teen Center RFI Briefing Paper .docx](#)

RESOLUTION NO. 2023-_____

A Resolution specifying a process, timeline, and criteria for a request for information (“RFI”) from the community to allocate American Rescue Plan Act (“ARPA”) funding towards teen centers.

WHEREAS, the American Rescue Plan Act of 2021 was signed on March 11th, 2021; and

WHEREAS, the City of Spokane has received over 80 million dollars in recovery funds as part of this economic stimulus bill; and

WHEREAS, the Spokane City Council has established an ARPA Workgroup, including Council and Administration representation, that will develop implementation proposals and identify partnerships with City Departments, other government entities, and nonprofit organizations for the effective delivery of funds to the community in alignment with the requirements of the ARPA; and

WHEREAS, as part of this process, it is important that we hear the community’s ideas and suggestions on how we allocate and spend recovery dollars; and

WHEREAS, 3 million dollars of this funding has been allocated towards youth behavioral health and activities; and

WHEREAS, of this 3 million dollars, 700 thousand dollars has been earmarked for a teen activities to expand youth activities in the city of Spokane; and

WHEREAS, a teen center is a building operated as a place for young people to meet and take part in recreational activities, and may provide services for at-risk teens to help meet their social and health needs to discourage anti-social behavior; and

WHEREAS, an increase in after-school programs leads to a decrease in crime, increase in academic achievement, improved behavior, a decrease in risky choices, and an increased in community financial savings ([SOURCE](#)); and

WHEREAS, the ARPA Workgroup has a desire for this funding to be used for one-time capital expenses towards the creation of a new teen center or towards funding for the expansion of already established buildings; and

WHEREAS, the city of Spokane would rent out the building below market-rate; and

WHEREAS, a request for information with responsive proposals will provide the Spokane City Council with relevant community input and options for funding a teen center; and

NOW, THEREFORE, BE IT RESOLVED that the City of Spokane shall publish an RFI no later than June 30th, 2023, for operating and managing a teen center or multiple teen centers within the city of Spokane, with a responsive deadline of no later than October 1st, 2023.

BE IT FURTHER RESOLVED that teen centers would provide operations and services that could include the following:

- activities outside of school hours
- an emphasis on culturally relevant activities and services
- peer to peer support groups
- a variety of activities that would appeal to youth who are not currently involved in community activities. This could include athletics, dance, art, music, computer programming, cultural activities, etc.

BE IT FURTHER RESOLVED that the proposal should include a description of capital needs that could include the following:

- an identified building to purchase
- construction of a new building, potentially using 3D printed technology
- renovation
- furniture and other capital needs for operations

BE IT FURTHER RESOLVED that the Spokane City Council's Equity Subcommittee shall review responsive proposals to recommend to City Council which proposals should move forward based on at least these equally weighted criteria:

1. demonstrated unmet need of target clientele
2. demonstrated history of serving at risk youth
3. demonstrated history of serving members of historically marginalized communities
4. activities and services that would meet the needs of a variety of youth
5. location that is in an underserved neighborhood
6. plan for sustainable operations
7. demonstrated and planned partnerships

BE IT FINALLY RESOLVED that the City Council and Administration will utilize input from the equity sub-committee and other means to finalize the construction of teen centers.

Passed by the City Council this ____ day of _____, 2023.

City Clerk

Approved as to form:

Assistant City Attorney

Committee Agenda Sheet

Finance & Administration Committee

Submitting Department	City Council
Contact Name	Zack Zappone
Contact Email & Phone	zzappone@spokanecity.org 6718
Council Sponsor(s)	Zappone, Kinnear
Select Agenda Item Type	<input type="checkbox"/> Consent <input checked="" type="checkbox"/> Discussion Time Requested: 5
Agenda Item Name	Teen Centers RFI Resolution
Summary (Background) *use the Fiscal Impact box below for relevant financial information	A resolution requesting a Request for Information regarding the spending of \$700,000 of American Rescue Plan Act funding towards the creation of teen centers.
Proposed Council Action	Vote to approve June 5 th 2023
Fiscal Impact Total Cost: <small>Click or tap here to enter text.</small> Approved in current year budget? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A Funding Source <input type="checkbox"/> One-time <input type="checkbox"/> Recurring Specify funding source: <small>Click or tap here to enter text.</small> Expense Occurrence <input type="checkbox"/> One-time <input type="checkbox"/> Recurring Other budget impacts: (revenue generating, match requirements, etc.)	
Operations Impacts (If N/A, please give a brief description as to why) N/A This is a resolution requesting an RFI. When the RFI proposals are received the Council will review them and decide how to allocate the funding. This funding is already approved via the American Rescue Plan Act dollars the City received.	
What impacts would the proposal have on historically excluded communities? Teen centers provide after-school programs which can lead to a decrease in crime, increase in academic achievement, improved behavior, and can provide at-risk teens with meeting their social and health needs. This can positively affect historically excluded communities. This resolution also requests the RFI be weighted on serving members of historically marginalized communities with an emphasis on culturally relevant programs.	
How will data be collected, analyzed, and reported concerning the effect of the program/policy by racial, ethnic, gender identity, national origin, income level, disability, sexual orientation, or other existing disparities?	

Data can be collected to measure the effectiveness in decreasing crime and increase academic achievement. This data can be broken down by the aforementioned demographics.

How will data be collected regarding the effectiveness of this program, policy or product to ensure it is the right solution?

Data can be collected to measure the effectiveness in decreasing crime and increase academic achievement.

Describe how this proposal aligns with current City Policies, including the Comprehensive Plan, Sustainability Action Plan, Capital Improvement Program, Neighborhood Master Plans, Council Resolutions, and others?

This resolution aligns with the goals of the ARPA workgroup in hearing the community's ideas and suggestions on how we allocate and spend the recovery dollars.

10 - Consent Items

11 - Executive Session

Executive Session may be held or reconvened during any committee meeting.

12 - Adjournment

13 - Next Meeting

The next meeting of the Finance & Administration Committee will be held at 1:15 p.m. on Month XX, 2023.