Planning & Economic Development



August 28, 2017 11:00 AM - 12:00 PM City Council Briefing Center

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

11:00	Call to Order	
	Approval of July 10, 2017 meeting minutes	
	Discussion Items:	
11:00-11:10 11:10-11:15 11:15-11:25 11:25-11:30 11:30-11:35 11:35-11:40 11:40-11:45	 Parklets MFTE 1st Avenue Townhomes Wall St. and Howard St. Skywalk Agreements SBO 0.4 FTE Urban Forestry Specialist 7th Avenue Street Vacation Parks Emergency Budget Ordinance Historic Preservation Grant Awards 	Tami Palmquist Ali Brast Ali Brast Kris Becker Eldon Brown Jason Conley Megan Duvall
	Administrative Reports/Standing Updates:	
11:45 -11:50 11:50 -12:00	 <u>Traffic Calming Budget</u> <u>GSI Quarterly Report</u> 	Kathleen Myers Todd Mielke
	Adjournment:	
	Next Planning & Economic Development Meeting will be Oct	ober 2, 2017
Executive Session:	Executive Session may be held or reconvened during any Planning and Econor	nic Development Committee Meeting

The password for City of Spokane Guest Wireless access has been changed:

Username: COS Guest Password: mrCJ7Dvn

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Planning & Economic Development

July 10, 2017

Meeting Minutes: Meeting called to order at 11:00 am

Attendance:

- P&ED Members Present: Council Members Candace Mumm, Amber Waldref, Karen Stratton, Breean Beggs, and Lori Kinnear
- Council Members Not Present: Council President Stuckart and Council Member Fagan
- Staff Present: Lisa Key, Eldon Brown, and Teri Stripes

Briefing Session:

June 5, 2017 Meeting minutes approved unanimously.

Discussion Items:

1. Parklets

Tami Palmquist introducing an ordinance to formalize the criteria and application process to allow Parklets and Streateries in the City of Spokane.

Action:

Staff has started meeting with community stakeholders for their feedback and experience during the pilot program. Presenting at Plan Commission on August 9^{th} , 2017

2. MFTE 1st Ave Townhomes

Tami Palmquist presented a Multi-Family Tax Exemption Conditional Contract for 4 attached units at 1808 E 1st Ave.

Action:

This contract will be brought forward to City Council in the next few weeks.

3. Extension of contract with GSI to provide federal lobbying service and business recruitment assistance through DEC 31, 2017

Teri Stripes presented an extension of a contract that was approved in January and expired June 30, 2017.

A Task Force Committee will be formed to lobby services for the Federal RFP

Action:

Extend City contract with GSI through December 31, 2107 and move forward to place GSI on the Agenda for a vote.

4. Amending Ordinance C-27459 to release easements

Eldon Brown presented Amending ordinance C-27459, that vacated Jenkins Street from 136.5 feet west of Monroe Street, to Monroe Street.

Action:

Easement removal from The City of Spokane Sewer Department and Avista

5. Vacation of Elm from 5th to the railroad

Eldon Brown presented on the Street vacation of Elm Street from the north line of 5th Avenue to the south line of the railroad right-of-way as requested by Avista.

Action:

Set a time and date for a public hearing during normal legislative session of City Council.

6. **Electrical Code**- Dean Giles wasn't available for presentation

Administrative Reports:

1. Traffic Calming Update

Heather Trautman with Code Enforcement answered City Council's questions regarding the Traffic Calming budget. A meeting with the Sub-Committee will be held on August 3rd, 2017 to go over applications.

2. MFTE Update

2017 MFTE Update Committee members' briefing/discussion on the proposals. Discussion following public meeting July 13, 2017 hearing and adoption

Meeting Adjourned at 11:55am

Next PED meeting is scheduled August 28, 2017

Council Member Candace Mumm, Chair

ORDINANCE NO. C-_____

An ordinance creating a licensing program for parklets and streateries in Spokane and establishing the fee structure for such licenses; enacting a new chapter 10.55 and a new section 08.02.0235 of the Spokane Municipal Code.

WHEREAS, for the past two summers, downtown Spokane has been the location of a successful pilot program for parklets; and

WHEREAS, parklets and streateries help to activate and improve the public realm, by allowing greater opportunities for people to socialize and interact with others and to activate the streetscape, leading to decreases in crime and an enhanced sense of public safety; and

WHEREAS, restauranteurs and bar owners have successfully implemented sidewalk cafes in downtown Spokane in recent years, and the desire exists to extend, in the appropriate situations and locations, sidewalk cafés into an adjacent parking space(s) (known as "streateries") in Spokane; and

WHEREAS, parklets and streateries have been used in many cities of all sizes throughout North America and are proven methods to increase the vibrancy and activity of a streetscape; and

WHEREAS, the City Council intends to establish a licensing program for parklets and streateries in order to build on the successful pilot programs of the past two summers in downtown Spokane and improve the quality of life in Spokane.

NOW THEREFORE, the City of Spokane does ordain:

Section 1. That there is enacted a new chapter 10.55 of the Spokane Municipal Code to read as follows:

Chapter 10.55 Parklets and Streateries Section 10.55.005 Definitions

- A. "Parklet" means a small public gathering space, occupying up to two parking stalls or a loading zone, as applicable, on a public street, and treated in all respects as a public sidewalk, but the facilities of which are privately owned and maintained.
- B. "Streatery" means up to two parking stalls or a loading zone, as applicable, used either as an extension of, or a stand-alone sidewalk café, connected visually to, and for use by patrons of, a nearby restaurant or bar and service at which is subject to all the terms and conditions of the nearby restaurant or bar's food service permits and alcohol licenses.

Section 10.55.010 License Required

It is unlawful to install or operate a parklet or streatery without a written license to do so from the city engineer as provided in this chapter and SMC 08.02.0220. All licenses issued under this chapter and SMC 08.02.0220 are temporary and personal licenses, revocable by the City at any time.

Section 10.55.020 License Class

Parklet and streatery licenses are Class IIIE licenses and are subject to SMC Chapter 04.04.

Section 10.55.030 Construction

By enactment of this chapter, the City Council deems the licensing of parklets and streateries in Spokane to be in the best interest of the people of the City and the provisions of this chapter shall be reasonably construed by the City to balance the needs of the license applicant with the protection of public safety.

Section 10.5.5.040 Application

- A. In addition to the information required by SMC 10.55.060, an application for a parklet or streatery license shall state:
 - 1. The anticipated periods of use during the year, and the proposed hours of daily use, including Saturdays, Sundays and holidays; and
 - 2. Whether any liquor as defined in RCW 66.04.010 will be sold or consumed in the area to be covered by the license.
- B. At the time of application the city engineer shall set a time for an administrative hearing before which the public may offer objections to the issuance of the license.

Section 10.55.050 Notice to Adjacent Property Owners and Users

- A. The applicant shall mail or serve a notice stating the:
 - 1. Nature of the application;
 - 2. The parklet or streatery area sought to be used; and
 - 3. Date, time and place at which the city engineer will consider such application

at least ten days prior thereto, upon the owners, building managers and street-level tenants of the properties on the block face on which would be located the proposed parklet or streatery and the block face across the street from the proposed parklet or streatery, as well as any parking meters or loading zones to be impacted and shall file with the city engineer a copy of the notice mailed and a list of the persons to whom it was sent.

B. The city engineer shall prepare notices containing the license application details and shall deliver to the applicant a public notice, which shall be posted in a window or on the building exterior of the adjacent property.

Section 10.55.060 Parklet Terms and Conditions

- A. The City Engineer shall issue a license for the use of a parking stall(s) as a parklet upon such terms and conditions as the City Engineer, in the exercise of his/her professional discretion, may deem appropriate, if the City Engineer determines that:
 - 1. The applicant is the owner or occupant of the property adjacent to the proposed parklet area;
 - The applicant has the permission of the owner or and occupant, if different, of the property adjacent to the proposed parklet area to place a parklet in the proposed location;
 - 3. The proposed parklet use would not unduly and unreasonably impair passage of the public on the sidewalk adjacent to the area for which the license is sought; and
 - <u>4.</u> The design and construction of the proposed parklet meets all applicable guidelines.
 - 4.5. No more than one parklet or streatery would be placed per block face. Parklets and streateries shall be limited to one per block face.
- B. Terms and conditions imposed by the City Engineer upon the approval of a parklet application may include, without limitation:
 - 1. restrictions as to the number and placement of furnishings (such as tables and chairs) and as to the hours and dates of use;
 - 2. a requirement that the parklet and all associated furnishing, fixtures, and equipment in the parklet area be cleared when not in use as a parklet, upon the request of the city engineer or other appropriate City officer, such as the chief of police or fire official or their authorized representatives, and that if the licensee does not clear the area, the City may clear the area with the licensee liable to the City for the cost of such work;
 - a requirement that the parking space(s) be vacated and restored to their original condition and free from all obstructions from November 1 through April 1 of each year;
 - 4. that the licensee shall maintain the sidewalk adjacent to the parklet as well as the parklet itself in a clean and safe condition for pedestrian travel and use, and if the applicant fails to maintain the area that the City may, in its sole discretion, perform such maintenance, cleaning, and/or repairs as the City deems necessary with the applicant liable to the City for the cost of such maintenance, cleaning, and/or repairs;
 - 5. a requirement that the licensee maintain the parking stalls adjacent to the parklet area clean and free of debris;

- a requirement that the applicant maintain the sidewalk adjacent to the parklet as necessary to accommodate deliveries to adjacent or other nearby properties;
- 7. regulations upon lighting and illumination of the parklet;
- 8. an indemnity agreement approved by the City Attorney's Office in accordance with the provisions of this chapter;
- 9. a requirement that the parklet area display a sign, approved or provided by the City, stating the permitted hours of use for the parklet.
- C. Unless expressly authorized by the City, no license applicant authorized to construct, maintain, and operate a parklet under this chapter shall:
 - 1. Break or damage any pavement or street surface;
 - 2. Disturb, remove, damage, or obstruct any parking meters, signs, or parking area striping;
 - 3. Permanently install any fixture of any kind; or
 - 4. Cover or obstruct any utility manholes or handholes

in or on the parking space(s) occupied by a parklet or in or on the sidewalk area adjacent to the parklet area.

D. The terms and conditions of this section are in addition and supplemental to all other City permit requirements including, without limitation, the fire and building codes and the City's noise regulations stated in chapter 10.08D of the Spokane Municipal Code, as applicable.

Section 10.55.065 Streatery Terms and Conditions

- A. The City Engineer shall issue a license for the use of a parking space(s) as a streatery upon such terms and conditions as the City Engineer, in the exercise of his/her professional discretion, may deem appropriate, if the City Engineer determines that
 - 1. The applicant is the owner or occupant of the adjacent property and operates a cafe or restaurant thereon;
 - 2. The applicant has the permission of the owner and occupant, if different, of the property adjacent to the proposed streatery area to place a streatery in the proposed location;
 - 2.3. The proposed streatery is included adjacent to, near, or within a food service establishment permit issued by the Spokane City-County health district, or its representative, which has otherwise authorized such use of the area; and
 - <u>4.</u> The proposed streatery use would not unduly and unreasonably impair passage of the public on the sidewalk adjacent to the area for which the license is sought.

- 3.5. Parklets and streateries shall be limited to one per block face.No more than one parklet or streatery would be placed per block face.
- B. Terms and conditions imposed by the City Engineer upon the approval of a streatery application may include, without limitation:
 - 1. restrictions as to the number and placement of furnishings (such as tables and chairs) and as to the hours and dates of use;
 - 2. a requirement that the streatery and all associated furnishing, fixtures, and equipment in the streatery area be cleared when not in use as a streatery, upon the request of the city engineer or other appropriate City officer, such as the chief of police or fire official or their authorized representatives, and from November 1 through April 1 of each year, and that if the area is not cleared, the City may clear the area and charge the costs for such clearance to the licensee;
 - 3. that the streatery be removed immediately if the applicant's food establishment or liquor permit is revoked;
 - 4. that the licensee shall maintain the sidewalk adjacent to the streatery as well as the streatery itself in a clean and safe condition for pedestrian travel and use, and if the applicant fails to maintain the area, the City may, in its sole discretion, perform such maintenance, cleaning, and/or repairs as the City deems necessary with the applicant liable to the City for the cost of such maintenance, cleaning, and/or repairs;
 - 5. a requirement that the licensee maintain the parking stalls adjacent to the streatery area clean and free of debris;
 - a requirement that the applicant maintain the sidewalk adjacent to the streatery as necessary to accommodate deliveries to adjacent or other nearby properties;
 - 7. regulations upon lighting and illumination of the streatery;
 - 8. an indemnity agreement approved by the City Attorney's Office in accordance with the provisions of this chapter;
 - 9. a requirement that the streatery area display a sign, approved or provided by the City, stating the permitted hours of use for the streatery.
- C. Unless expressly authorized by the City, no license applicant authorized to construct, maintain, and operate a streatery under this chapter shall:
 - 1. Break or damage any pavement or street surface;
 - 2. Disturb, remove, damage, or obstruct any parking meters, signs, or parking area striping;
 - 3. Permanently install any fixture of any kind; or
 - 4. Cover or obstruct any utility manholes or handholes

in or on the parking space(s) occupied by a parklet or in or on the sidewalk area adjacent to the parklet area.

D. The terms and conditions of this section are in addition and supplemental to all other City permit requirements, including, without limitation, the fire and building codes and the City's noise regulations, stated in chapter 10.08D of the Spokane Municipal Code, as applicable.

Section 10.55.070 Liquor Use and Sale

Liquor, as defined in RCW 66.04.010, as now existing or hereafter amended, may be used and sold at a streatery when authorized in both the license provided for herein and by permit of the Washington State Liquor and Cannabis Board ("LCB"), and not otherwise. Nothing in the chapter shall be construed or deemed to modify, conflict with, or allow separate conditions for alcohol use, sale, or consumption than those provided in Title 66, RCW, specifically chapter 66.20, RCW, WAC 314-03-200, and LCB Board Interim Policy BIP 06-2011 (Aug. 10, 2011). Nothing herein shall be deemed or construed to allow liquor use or consumption on a parklet as the same is defined in this chapter.

Section 10.55.080 Insurance Required

An applicant for a parklet or streatery license shall, prior to issuance of such license, provide and maintain in full force and effect while the license is in effect, public liability insurance in the amount specified by SMC 12.02.0718 to cover potential claims for bodily injury, death or disability and for property damage, which may arise from or be related to the use of the parking space(s) and sidewalk area adjacent thereto for parklet or streatery purposes, naming the City as an additional insured.

Section 10.55.090 Indemnity – License Revocation

- A. The applicant for a parklet or streatery license shall execute and deliver to the City upon a form approved by the City Attorney's Office an agreement in writing and acknowledged by the applicant, forever to hold and save the City free and harmless from any and all claims, actions or damages of every kind and description which may accrue to, or be suffered by, any persons by reason of or related to the operation of such parklet or streatery.
- B. In addition, such agreement shall contain a provision that the license is wholly of a temporary nature, that it vests no permanent right whatsoever, that upon thirty days' notice, posted on the premises, or by publication in the official newspaper of the City, or without such notice, in case the licensed use shall become dangerous or unsafe, or shall not be operated in accordance with the provisions of this title, the same may be revoked and the parklet or streatery ordered removed, and if the licensee fails to remove the parklet or streatery that the City may, in its sole discretion, remove the parklet or streatery with the costs of such removal and any related storage to be charged to the licensee.

C. Every such agreement, after it has been received in his office and numbered, and after the same has been recorded, shall be retained by the city clerk.

Section 10.55.100 Compliance – Street and Sidewalk Condition

The applicant shall comply with the terms and conditions of the parklet or streatery license issued, and shall maintain the parking space(s) and the sidewalk area adjacent thereto in a clean and safe condition for pedestrian travel, and shall immediately clear the parklet or streatery area when ordered to do so by the city engineer or other appropriate City officer such as the chief of police or fire official or their authorized representatives.

Section 10.55.110 Requirements not Cumulative

The requirements of SMC 7.02.070, obstruction of streets, and obstruction of sidewalks, shall not apply to a parklet or streatery validly licensed under this chapter, except as herein provided.

Section 10.55.120 Regulations and Design Guidelines

No later than 120 days after the effective date of this section, the city engineer shall publish regulations (including a reasonable license application fee) and design guidelines for parklets and streateries licensed under this chapter.

Section 2. That there is enacted a new section 08.02.0235 of the Spokane Municipal Code to read as follows:

Section 08.02.0235 Parklets and Streateries

- A. An annual license fee of one hundred dollars (\$100) shall be paid for operation of a parklet or streatery, as the same are defined in SMC 10.55, as long as the original approved site plan is implemented. Modifications of an approved parklet or streatery license application which extend beyond the original approved plan shall require a new review and a review fee of two hundred fifty dollars (\$250).
- B. The application fee for a license for a new parklet or streatery is fifty dollars (\$50).
- C. The review fee for an application for a new parklet or streatery license is three hundred dollars (\$300).
- D. License applicants shall post a refundable cash bond to secure removal of the parklet or streatery, at the time of application, in the amount of one thousand dollars (\$1,000).
- E. Parking meter revenue loss mitigation.
 - 1. Streatery license applications in locations requiring removal of parking meters shall be subject to the following fees:
 - a. 2-hour meter zone: \$2.09 per square foot per month

- b. 4-hour and all-day meter zones: \$2.09 per square foot per month
- c. Time-restricted free parking: \$1.05 per square foot per month
- d. Meter removal and replacement fee: \$80.
- 2. Parklet license applications in locations requiring removal of parking meters shall be subject to the following fees:
 - a. 2-hour meter zone: \$1.05 per square foot per month
 - b. 4-hour and all-day meter zones: \$1.05 per square foot per month
 - c. Meter removal and replacement fee: \$80.
- F. In addition to the annual fee, the city shall collect from the license applicant and remit to the state department of revenue the required state leasehold excise tax, as prescribed in chapter 82.29A, RCW.

PASSED by the City Council on	
	Council President
Attest:	Approved as to form:
City Clerk	Assistant City Attorney
Mayor	Date

Effective Date

Spokane City Plan Commission Findings of Fact, Conclusions, and Recommendation Proposed New Chapter to Spokane Municipal Code, Chapter 10.55 Parklets and Streateries

A recommendation from the City Plan Commission to the City Council to APPROVE proposed new chapter to the Spokane Municipal Code, *Chapter 10.55, Parklets and Streateries.*

Findings of Fact:

- A. For the past two summers, downtown Spokane has been the location of a successful pilot program for parklets. Parklets and streateries help to activate and improve the public realm, by allowing greater opportunities for people to socialize and interact with others and to activate the streetscape, leading to decreases in crime and an enhanced sense of public safety.
- B. Restauranteurs and bar owners have successfully implemented sidewalk cafes in downtown Spokane in recent years, and the desire exists to extend, in the appropriate situations and locations, sidewalk cafés into an adjacent parking space(s) (known as "streateries") in Spokane.
- **C.** The City Council intends to establish a licensing program for parklets and streateries in order to build on the successful pilot programs of the past two summers in downtown Spokane and improve the quality of life in Spokane.
- **D.** City of Spokane Comprehensive Plan, Urban Design and Historic Preservation Chapter, Goal DP4.2, Street Life states: *Promote actions designed to increase pedestrian use of streets, especially downtown, thereby creating a healthy street life in commercial areas.*
- E. City of Spokane Comprehensive Plan, Economic Development Chapter, Goal ED2.4, Mixed-Use states: Support mixed-use development that brings employment, shopping, and residential activities into shared locations that stimulate opportunities for economic activity. Policy ED 3.6, Small Businesses states: Recognize the significant contributions of small businesses to the city's economy and seek to enhance small business opportunities.
- **F.** A web site was created in early June to provide easy access to information and allow the public to comment directly through the web site.
- **G.** Written public comments were received in support of the proposal via the City's blog posts and website.
- **H.** On March 8, May 10, and July 12, 2017, the Spokane City Plan Commission held workshops to study the proposed Ordinance.
- I. On May 12, 2017, pursuant to RCW 36.70A.106, the City notified the Washington State Department of Commerce of its intent to adopt proposed changes to chapter

17C.370 SMC. On May 22, 2017, the City received an acknowledgement letter from the Department of Commerce.

- J. On July 26 and August 2, 2017, the City caused Notice of the proposed ordinance and announcement of the Plan Commission's August 9, 2017 hearing to be published in the Spokesman Review.
- **K.** On June 12, 2017, the responsible official issued a State Environmental Policy Act (SEPA) Checklist and Determination of Non-Significance for the proposed amendments to SMC chapter 17C.370. The public comment period for the SEPA determination ended on June 26, 2017.
- L. A public hearing was held before the Plan Commission on August 9, 2017.
- **M.** The following modifications to the proposed text amendment were considered by the Plan Commission at its hearing on 9, 2017:
 - In SMC Section 10.55.060, Parklet Terms and Conditions, item A.2, it was proposed to be amended to read "the applicant has the permission of the owner AND occupant, <u>if different;</u>
 - In SMC Section 10.55.065, Streatery Terms and Conditions, it was proposed to add a new item A.2 prior to the existing A.2 stating the same as the amended item A.2 in 10.55.060 above, and change the existing items 2 and 3 to now become items 3 and 4.
 - In SMC Section 10.55.060, Parklet Terms and Conditions, Item A, it was proposed to add a new item 5 to state that "no more than one parklet or streatery would be placed per block face."
 - In SMC Section 10.55.060,10.55.065, Item A, it was proposed to add a new item 5, also stating that "no more than one parklet or streatery would be placed per block face."

The Plan Commission unanimously voted to incorporate the proposed text amendments, as detailed above.

Public Testimony:

No public testimony was heard.

Conclusions:

- A. With regard as to whether the proposed ordinance, as amended, meets the approval criteria of SMC 17G.025.010(F) for text amendments to the Development Code, although this Chapter is not located in the UDC, the Plan Commission made the following findings:
 - 1. The proposed amendments are consistent with the applicable goals and policies of the City's Comprehensive Plan.
 - 2. The proposed amendments do bear a substantial relation to public health, safety, welfare, and protection of the environment.

Recommendation:

By a vote of 7 to 0, the Plan Commission recommended to the City Council the APPROVAL of the proposed new Chapter 10.55 to the Spokane Municipal Code.

Todd Beyreuther, Vice-President Spokane Plan Commission August 9, 2017

BRIEFING PAPER City of Spokane P&ED, August 28, 2017

Subject

A proposed ordinance to allow parklets and streateries to be installed in the City, by permit, between April 1 and October 31 of each year. This would be a permanent program to replace the current pilot program.

Background

Parklets and streateries have emerged as a way for cities to provide additional public gathering spaces in urban areas and, in the case of streateries, provide for additional service space and restaurant revenue during the warmer months of the year – in exchange for the use of street parking, loading areas, and/or shoulders. Parklets have been utilized successfully by many cities throughout the United States, including the Cities of Seattle, San Francisco, and Boise. The City of Spokane has successfully run two pilot projects (for a total of two years) authorizing parklets and streateries in the downtown core.

Through their installation and use, parklets and streateries have been implemented with success in multiple municipalities and have been proven to increase the vibrancy of the public realm, generate pedestrian activity, and activate new uses for streets.

During the last six months, a working group made up of staff from many departments as well as Councilmember Lori Kinnear and Council Attorney Brian McClatchey has worked to develop the proposed ordinance and the design guidelines. Significant public outreach has been undertaken, including presentations to the Community Assembly, Downtown Spokane Partnership, the Parking Advisory Committee, the Business Improvement District, and via the web and social media.

Impact

Each installed parklet or streatery would have the most immediate effect on the street and city block in which they are placed. They allow for greater pedestrian amenities – accommodating small events and other public interest features while serving as a creative focus for nearby businesses and residences. Streateries have a private component during the day that provides for greater service area for the restaurant or café that installs it and similar benefits to a parklet during those times that they are not for private use.

Negative impacts could include loss of parking revenue, obstructions to street traffic, and visibility issues. The proposed ordinance and associated materials such as the proposed Design Standards seek to minimize those negative impacts to the greatest extent practical. Parking revenue would be recompensed through the permitting process as well.

<u>Action</u>

City staff presented a draft Ordinance, design standards, and associated information to the Plan Commission on August 9, 2017. PC offered a few amendments upon recommendation by staff, which is noted in the edit draft presented to P&ED. STA has also asked for additional language to be added. The Plan Commission has made a recommendation of approval for the eventual adoption of this ordinance by the City Council, to be heard by Council at a future date, as yet to be determined but expected in late summer 2017.

Funding

Not applicable – parklets and streateries are installed by private entities, not the City.

BRIEFING PAPER City of Spokane MFTE Incentive Program / PED August 28th, 2017

Subject:

A Multi-Family Tax Exemption Conditional Contract for 9 multi-family units at 1021 W 9th.

Purpose:

Chapter 84.14 RCW authorizes the City to create a multiple family housing property tax exemption program and to certify qualified property owners for that property tax exemption. The City Council enacted Ordinance No. C-32575, which provides for the property tax exemption program for multiple housing in residential targeted areas. Pursuant to Ordinance No. C-33079, the City Council expanded the residential targeted areas. The State statute and the City ordinance require the City to approve the application regarding the tax exemption and the necessary construction requirements. The City has received an application from David Hansen for a project of 9 multi-family housing units at 1021 w 9th. The staff has reviewed the application and determined that it meets the requirements of Chapter 8.15 SMC and qualifies for the tax exemption. This contract authorizes the appropriate city official to enter into the attached Multiple Family Housing Property Tax Exemption Agreement, which will ultimately result in the issuance of a final certificate of tax exemption to be filed with the Spokane County Assessor's Office.

Details:

Nine's on 9th MFTE target area: Lower South Hill Qualifying parcels: 35193.0913, 35193.0914, 35193.0915 Units: 9 units Average Sq Ft: 1,050 sqft STA Routes: one block from Route 42 and bus stop Affordable: Affordable Rate Projected Foregone Tax Revenue over 12 Years: \$89,982

Project Area Map:



For more information contact: Ali Brast, 509-625-6638, <u>abrast@spokanecity.org</u> Planning & Development Services Department

Tax Abatement Information:

Nine's on 9th: Applicant estimates cost for new construction at \$1.2-1.3M and is estimating \$1.6-1.7M or \$184K/unit as Future Market Value (FMV).

Nine's on 9th:					Spokane '16	Property	
			Average		TCA10-15	Increase	City
			Unit FMV	FMV Project	Rate	in value	Tax Forgone
Applicant's estimated post constructi	on Future Marke	t Value (FMV)	\$ 183,333	\$ 1,650,000			
2017 City's tax rate of 4.30					0.0043		
1% increase in property value over 12	2 yrs.					209,261	
Estimate City of Spokane tax not coll	ected over 12 yrs	5.					89,982

Nine's on	9th:					
				Spokane '17	Spokane p	roperty
# of Yrs.	Taxable Value	Annual increase	increase in value	TCA10-15	tax not collected	
1	1,650,000	1%	16,500	0.0043	7,095	
2	1,666,500	1%	16,665	0.0043	7,166	
3	1,683,165	1%	16,832	0.0043	7,238	
4	1,699,997	1%	17,000	0.0043	7,310	
5	1,716,997	1%	17,170	0.0043	7,383	
6	1,734,167	1%	17,342	0.0043	7,457	
7	1,751,508	1%	17,515	0.0043	7,531	
8	1,769,023	1%	17,690	0.0043	7,607	
9	1,786,714	1%	17,867	0.0043	7,683	
10	1,804,581	1%	18,046	0.0043	7,760	
11	1,822,627	1%	18,226	0.0043	7,837	
12	1,840,853	1%	18,409	0.0043	7,916	
			209,261		89,982	

Recommendation:

Pursuant to SMC 08.15.060, the city council certifies the qualified property owner for this property tax exemption. This contract will be brought forward to City Council in the next few weeks.

BRIEFING PAPER City of Spokane MFTE Incentive Program / PED August 28th, 2017

Subject:

A Multi-Family Tax Exemption Conditional Contract for 4 attached units at 512 S Scott St.

Purpose:

Chapter 84.14 RCW authorizes the City to create a multiple family housing property tax exemption program and to certify qualified property owners for that property tax exemption. The City Council enacted Ordinance No. C-32575, which provides for the property tax exemption program for multiple housing in residential targeted areas. Pursuant to Ordinance No. C-33079, the City Council expanded the residential targeted areas. The State statute and the City ordinance require the City to approve the application regarding the tax exemption and the necessary construction requirements. The City has received an application from David Hansen for a project of 4 multi-family housing units at 512 S Scott St. The staff has reviewed the application and determined that it meets the requirements of Chapter 8.15 SMC and qualifies for the tax exemption. This contract authorizes the appropriate city official to enter into the attached Multiple Family Housing Property Tax Exemption Agreement, which will ultimately result in the issuance of a final certificate of tax exemption to be filed with the Spokane County Assessor's Office.

Details:

David Hansen MFTE target area: Lower South Hill Qualifying parcel: 35201.5354 Units: 4 units Average Sq Ft: 1,382 sqft STA Routes: 3 blocks from Route 45 and bus stops Affordable: Affordable Rate Projected Foregone Tax Revenue over 12 Years: \$21,104

Project Area Map:



For more information contact: Ali Brast, 509-625-6638, <u>abrast@spokanecity.org</u> Planning & Development Services Department

Tax Abatement Information:

Hanson Apartments: Applicant estimates cost for rehab and new construction at \$548,000 and is estimating \$592,350 as Future Market Value (FMV).

Hanson Apts:				Spokane '16	Property	
		Average		TCA10-15	Increase	City
		Unit FMV	FMV Project	Rate	in value	Tax Forgone
Applicant's estimated post construction Future Mark	et Value (FMV)	\$ 148,088	\$ 592,350			
2017 City's tax rate of 4.30				0.0043		
1% increase in property value over 8 yrs.					49,080	
Estimate City of Spokane tax not collected over 8 yrs						21,104

Hanson A	pts:					
				Spokane '17	Spokane p	property
# of Yrs.	Taxable Value	Annual increase	increase in value	TCA10-15	tax not co	llected
1	592,350	1%	5,924	0.0043	2,547	
2	598,274	1%	5,983	0.0043	2,573	
3	604,256	1%	6,043	0.0043	2,598	
4	610,299	1%	6,103	0.0043	2,624	
5	616,402	1%	6,164	0.0043	2,651	
6	622,566	1%	6,226	0.0043	2,677	
7	628,791	1%	6,288	0.0043	2,704	
8	635,079	1%	6,351	0.0043	2,731	
9	-	1%	-	0.0043	-	
10	-	1%	-	0.0043	-	
11	-	1%	-	0.0043	-	
12	-	1%		0.0043		
			49,080		21,104	

Recommendation:

Pursuant to SMC 08.15.060, the city council certifies the qualified property owner for this property tax exemption. This contract will be brought forward to City Council in the next few weeks.

City Clerk's No. _____

After Recording Return to: Office of the City Clerk 5th Floor, Municipal Building 808 West Spokane Falls Blvd. Spokane, WA 99201-3342

DOCUMENT TITLE:

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Wall Street Skywalk Permit and Agreement

ABBREVIATED LEGAL DESCRIPTION:

ASSESSOR'S PROPERTY TAX PARCEL/ACCOUNT NUMBER:

Skywalk Permit and Agreement -- Wall Street -- Rev 081417 (S1587123-2x9....docx-v2

WALL STREET SKYWALK PERMIT AND AGREEMENT

THIS SKYWALK PERMIT AND AGREEMENT ("Skywalk Permit") is granted and entered into between the CITY OF SPOKANE, a municipal corporation of the State of Washington ("City"), 600 MAIN, INC., a Washington corporation ("600"), and The 702, LLC, a Washington limited liability company ("702"). 600 and 702 are sometimes referred to herein collectively as the "Permitees."

600 is the owner and/or ground lessee of the M Building (the "M") having a Α. street addresses of 618 West Main Street in Spokane, Washington.

702 is the owner of the 702 Building ("702 Building") having a street address Β. of 702 West Main Street in Spokane, Washington.

The M and the 702 Building, which are each legally described on Exhibit A, are directly across Wall Street from one another and were previously connected by a skywalk that was removed in connection with the redevelopment of the the M.

600 has submitted an application for a Skywalk Permit for a proposed D. replacement skywalk that will connect the M and the 702 Building ("Skywalk") per plans submitted to the City's Planning Department under file number Z16-989VAR ("Application").

Ε. The City, as a city of the first class, has the power to regulate and control the use of all streets, alleys, sidewalks, thoroughfares and public ways of passage within its corporate limits. The State of Washington has expressly authorized cities of the first class to convey interests in air space over public properties pursuant to RCW 35.22.302.

F. The City's Hearing Examiner has reviewed and approved the Application consistent with the provisions of Chapter 12.02, Article III of the Spokane Municipal Code ("SMC").

G. The Permitees and the City are desirous of maintaining the Skywalk for the benefit of the City, the Permitees and users of the Skywalk system under the terms and conditions set forth in this Skywalk Permit.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the City and Permitees agree as follows:

Grant of Right to Use Air Space/Skywalk Permit. The City finds the placement 1. of the Skywalk in the airspace above Wall Street between Main Street and Spokane Falls Boulevard to connect the 702 Building and the M will: (a) enhance pedestrian convenience and circulation; (b) reduce the vehicle and pedestrian conflicts along Wall Street; and (c) not interfere with the use of the surface of the streets as a public right-of-way. It is, therefore, in the best interest of the City to permit the use of the airspace which is not inconsistent with

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the public purposes for which they were acquired, are being used, or to which they may be devoted.

In consideration for the mutual benefits to the parties and subject to the terms and conditions of this Skywalk Permit, the City grants to the Permitees the right to use that portion of the airspace over Wall Street above the street at its present grade which is described as follows:

> Over Wall Sreet at an approximate distance of [] north of the north line of Main Street to the center line of said skywalk and connecting the 702 Building and the M per plans on file approved by the City Council on [1. Spokane, Washington ("Skywalk Area").

Permitees may use the airspace to construct, operate and maintain the Skywalk for a period of twenty-five (25) years, commencing on the day this Skywalk Permit is signed by the City ("Initial Term"). Following the Initial Term, this Skywalk Permit shall automatically renew for twenty-five (25) year periods upon the same terms, until terminated as provided herein.

2. Skywalk Construction. Except as is otherwise specifically approved by the Spokane City Council and/or Spokane Hearing Examiner, 600 shall construct, maintain, repair and replace the Skywalk in full compliance with Chapter 12.02, Article III, of the SMC ("Skywalk Code"), as amended from time to time, at its sole cost and expense in accordance with approved plans and specifications on file with and approved by the Permitees, the City's Director of Planning and Development ("Approved Plans"). Aside from the Skywalk, 600 shall not make any other structural improvements or alterations in the public right-of-way without the prior written approval of 702 and the City, 600, working in concert with 702, shall be responsible for all elements of the design of the Skywalk (including, without limitation, compliance with law, functionality of design, and the structural integrity of the Skywalk), and the City's approval of 600's plans shall in no event relieve 600 of the responsibility for such design. 600 shall construct the Skywalk in accordance with all laws, rules, regulations, ordinances and requirements of governmental agencies, offices, and boards having jurisdiction. Lighting and all appurtenant entrances, stairways and structures shall be subject to the approval of the City Engineer, and shall be designed, built and maintained as not to create a hazard to vehicle or pedestrian traffic. 600 shall bear the cost of relocating traffic signals, traffic lights, public utilities and other municipal operations or functions necessitated by the construction of the Skywalk. All work performed must be done and completed in a workmanlike manner and with material (when not specifically described in the specifications in the Approved Plans or otherwise approved by the City) of the quality and appearance similar to the connecting buildings.

3. Skywalk Code. Without limiting the generality of the foregoing, this Skywalk Permit shall be governed by the provisions of Chapter 12.02, Article III, of the SMC ("Skywalk Code"), as amended from time to time. On March 8, 2017, the Hearing Examiner following a hearing and consideration of the file, record and testimony issued a decision on the Application that included a variance of the Skywalk Code to modify the Skywalk Permit and Agreement -- Wall Street Rev 081417 (S1587123-2x9.

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grade of the Skywalk to achieve proper horizontal angulation ("**HE Decision**"). Notwithstanding the Skywalk Code, this Skywalk Permit is issued subject to compliance with the findings, conclusions and decision set forth in the HE Decision, which is attached hereto as Exhibit B.

4. <u>Covenants of Permitees</u>. The Permitees hereby agree and covenant as follows.

A. The Skywalk shall be used, occupied and maintained for ingress and egress to the 702 Building and the M and for other public purposes, subject to reasonable rules and regulations agreed upon by the Permitees.

B. The Skywalk shall be open and available for use during the days and hours when the 702 Building and the M are open to the public.

C. 600 shall own the Skywalk.

D. The Skywalk shall be maintained and repaired by the Permitees in a first class condition including without limitation: (a) keeping the Skywalk clean and free of all debris at all times; (b) keeping all glass surfaces clean; (c) keeping all painted surfaces clean and in good condition; (d) making all repairs and replacements to carpet or other flooring coverings; (e) promptly repairing any damage to the Skywalk; (f) and otherwise keeping all aspects of the Skywalk in first class repair and condition consistent with that of the adjacent properties.

E. All costs of inspection, maintenance, repair, replacement, cleaning and furnishing of utilities to the Skywalk and its fixtures, furnishings and equipment shall be the responsibility of the Permitees.

F. 600 and 702 and their respective successors or assigns, shall protect, defend, save, indemnify and hold harmless the other party, its agents and employees from all claims, actions, costs, damages, or expenses of any nature whatsoever by reason of the acts or omissions of such party, its agents, contractors, licensees, invitees, or employees arising out of or in connection with this Skywalk Permit and use of the Skywalk. The duty to defend includes payment of any costs or attorney's fees, for claims or litigation commenced, arising out of, or in connection with, acts or activities related to this Skywalk Permit and the Skywalk. This obligation shall not include such claims, cost, damages, or expenses which may be caused by the negligence of either party or its agents or employees; provided that if the claims or damages are caused by or result from the concurrent negligence of (a) 600 and 702, their respective agents or employees or involves those actions covered by RCW 4.24.115, this indemnity provision shall be valid and enforceable only to the extent of the negligence of the offending party or its agents, employees, contractors, licensees or invitees.

The cross indemnity under this Section includes the obligation to indemnify for damage or loss resulting from death or injury to the other party's employees, and

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such indemnifying party accordingly hereby waives any and all immunities it now has or hereafter may have under any Industrial Insurance Act, or other worker's compensation, disability benefit or other similar act which would otherwise be applicable in the case of such a claim. This provision has been specifically negotiated.

5. Right to Remove Structure. Absent a violation of the SMC or this Skywalk Permit which would entitle the City to remove the Skywalk, or the mutual agreement of 600 and 702, neither 600 nor 702 shall have the right to remove the Skywalk from the City airspace and right-of-way; provided, however that either Permitee may, at its sole cost and expense, remove the Skywalk and replace the same in connection with the demolition and reconstruction or remodel of such Permitee's building.

Removal of Improvements Upon Non-Use or Mutual Agreement. If (i) the Skywalk is no longer used in conjunction with use of the 702 Building and the M for a continuous period of one (1) year (excepting force majeure or other acts/circumstances beyond the control of Permitees), or (ii) the Permitees mutually agree to terminate the use of the Skywalk, then in either event all rights granted under this Skywalk Permit shall cease and Permitees shall remove the Skywalk from the City's airspace and right-of-way at no cost or expense to the City leaving the airspace and right-of-way free of all buildings, structures and encroachments. Upon such termination, the Permitees shall, at their sole cost and expense in such proportions as they may agree (or if they can't agree, equally), remove the Skywalk and all associated structures and encroachments from the public airspace and repair and restore the 702 Building and the M such that upon the completion of such removal and restoration work there is no evidence on the facade of either building of the prior existence of the Skywalk. Upon removal of the Skywalk and all associated structures and encroachments under this Section, the Permitees' obligations under this Skywalk Permit shall cease.

Termination by City. In the event the City Council determines that the skywalk 7. privileges granted under this Skywalk Permit will no longer be necessary by the City for public use to protect the public health and safety upon the expiration of the Initial Term, or subsequent twenty-five (25) year term, then the City may terminate this Skywalk Permit upon expiration of such term by providing written notice to Permitees no less than twelve (12) months prior to expiration of such term. Prior to providing written notice to terminate this Skywalk Permit, the City shall have: (a) conducted a traffic study (or other reasonable engineering analysis) that finds it is necessary to use and occupy Wall Street to promote the public health and safety in a manner that conflicts with the use of the Skywalk: (b) made a reasonable engineering judgment that use of the Skywalk and Skywalk Area is inconsistent with the finding(s) set forth in subsection (a); and (c) there are no reasonable alternatives to using the Skywalk Area. The determination set forth in (a) through (c) shall be made by the City Council. Permitees shall be provided with the information and materials that relate to the above determination. It is the intent of this Section to give consideration to maintaining the use of the Skywalk by Permitees consistent with the transportation demands placed upon Wall Street. Prior to the effective date of termination, the City shall consult with Permitees and make reasonable efforts to redesign and construct Wall Street in such a manner that will reduce the impact on the 702 Building and the M. 081417 (S1587123-2x9....docx

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<u>Skywalk</u>

Permit and Agreement

For termination under this Section, the City shall, at its sole cost and expense, cause the Skywalk and all associated structures and encroachments to be removed from the public airspace and shall make reasonable efforts to repair and restore the 702 Building and the M in order to minimize evidence on the facade of either building of the prior existence of the Skywalk. If the City exercises its right to terminate the Skywalk Permit during the Initial Term pursuant to this Section, the City will compensate the Permitees for the loss of the use of the Skywalk for the remainder of the Initial Term of this Skywalk Permit on the basis of the actual construction cost amortized over the Initial Term of the Skywalk Permit; provided, there shall be no compensation if the termination occurs any time after the Initial Term. By accepting this Skywalk Permit and/or exercising the rights granted hereunder, the Permitees and their respective successors, designees and assignees, hereby agree to limit all claims for compensation to a proportionate sum to be derived under the method set forth hereinabove for determining the amount of just compensation for the loss of the use of the Skywalk, and that method shall be the sole and exclusive method for measuring the total damages and just compensation to private property resulting from such an exercise of the eminent domain power or other powers and rights by the City. Upon removal of the Skywalk and all associated structures and encroachments under this Section, the Permitees' obligations under this Skywalk Permit shall cease.

8. <u>Enforcement of Skywalk Permit Provisions by City</u>. Upon it appearing that any conditions of this Skywalk Permit or the Skywalk Code are not fully met, the City's Director of Planning and Development or other municipal official may send a written notice to Permitees specifying the apparent violation and designating a time and place for a hearing.

A. The Hearing Examiner shall on the day of hearing consider testimony and materials and thereafter issue a decision in writing. The Hearing Examiner may suspend the Skywalk Permit, condition continued Skywalk use on terms determined appropriate or take such other action as reasonable.

B. The Hearing Examiner's decision shall be issued in writing and may be appealed to the City Council upon a written notice of appeal filed with the City Clerk within the timeframes specified in §12.02.0512 of the SMC.

C. The City Council shall consider the appeal from the Hearing Examiner at its next regular meeting, and the City Council may take action as it deems appropriate under this Skywalk Permit and Chapter 12.02 of the SMC. The City Council's decision shall be the final administrative decision.

9. Indemnification. Permitees, their respective successors or assigns, shall protect, defend, save, indemnify and hold harmless City, its agents and employees from all claims, actions, costs, damages, or expenses of any nature whatsoever by reason of the acts or omissions of Permitees, their respective agents, contractors, licensees, invitees, or employees arising out of or in connection with any acts or activities related to this Skywalk Permit. Permitees further agree to defend City and its agents or employees in any litigation, including payment of any costs or attorney's fees, for any claims or action commenced arising out of or in connection with acts or activities related to this Skywalk Permit. This obligation shall not include such claims, cost, damages, or expenses which may be caused

<u>Skywalk Permit and Agreement -- Wall Street -- Rev 081417 (S1587123-2x9...docx</u> v2 Page 6 of 14 **Deleted:** such that upon the completion of such removal and restoration work there is no

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by the negligence of either the City or its agents or employees; provided that if the claims or damages are caused by or result from the concurrent negligence of (a) the City, its agents or employees and (b) Permitees, their respective agents, employees, contractors, licensees or invitees, or involves those actions covered by RCW 4.24.115, this indemnity provision shall be valid and enforceable only to the extent of the negligence of the offending Permitee or its agents, employees, contractors, licensees or invitees.

Permitees obligation to indemnify the City under this Section includes an obligation to indemnify for losses resulting from death or injury to City's employees, and Permitees accordingly hereby waive any and all immunities they now have or hereafter may have under any Industrial Insurance Act, or other worker's compensation, disability benefit or other similar act which would otherwise be applicable in the case of such a claim. This provision has been specifically negotiated.

City's Initials

600's Initials

702's Initials

10. Insurance.

Liability Insurance. The Permitees shall each, at their sole expense, Α. obtain and keep in force during all times that this Skywalk Permit is in effect commercial general liability insurance on an occurrence basis with a combined single limit of no less than One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) general aggregate, naming 702 (with respect to 600's policies) and 600 (with respect to 702's policies), the City, its officers, employees, contractors, agents, and other such persons or entities as the City may designate as additional insureds. Each policy shall contain cross liability endorsements, and shall provide coverage for liability arising out of or relating to Permitees' exercise of the privileges granted under this Skywalk Permit, including without limitation the ownership, use, and occupancy of the Skywalk, including non-owned automobile liability. At any time, if in the reasonable opinion of the City, the amount of commercial general liability insurance coverage provided for herein is not adequate, 600 and 702 shall increase its insurance coverages as required by the City.

Worker's Compensation Insurance. The Permitees shall each, at their Β. sole expense, procure and maintain workers' compensation and employer's liability insurance with a limit of no less than the amount and in form required by law. If and to the extent permitted by law either Permitee may "self-insure" with respect to workers' compensation.

Contractor's Insurance. Each Permitee shall require any contractor C. performing work for it on the Skywalk and/or in connection with this Skywalk Permit to carry and maintain, at no expense to the City or the other Permitee: (i) comprehensive general liability insurance, including contractor's liability coverage,

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contractual liability coverage, completed operations coverage, broad form property damage endorsement and contractor's protective liability coverage, to afford protection, with respect to personal injury, death or property damage of not less than One Million Dollars (\$1,000,000) per occurrence, combined single limit Two Million Dollars (\$2,000,000) aggregate; (ii) comprehensive automobile liability insurance with limits for each occurrence of not less than One Million Dollars (\$1,000,000) with respect to personal injury or death and Five Hundred Thousand Dollars (\$500,000) with respect to property damage; and (iii) worker's compensation or similar insurance in form and amounts required by law.

D. <u>Insurance Requirements</u>. All the insurance required of the Permitees under this Skywalk Permit shall: (i) be issued by insurance companies authorized to do business in the State of Washington, holding a general policy holder's rating (aka "Best Rating") of at least "A" or better; (ii) contain an endorsement requiring thirty (30) days written notice from the insurance company to all parties before cancellation, non-renewal or change in coverage, scope or amount of any policy; and (iii) be written as primary policies, not contributing with and not supplemental to any coverage that the City may carry.

E. <u>Proof of Coverage</u>. The Permitees shall furnish their insurance carriers with a copy of this Skywalk Permit to insure proper coverage. As evidence of the insurance coverages required by this Skywalk Permit, the Permitees shall furnish acceptable insurance certificates to the City when the Permitees deliver this Skywalk Permit for City Council approval. The certificates shall specify all of the parties who are additional insureds, will include applicable policy endorsements, and will include the 30-day cancellation clause. If the Permitees fail to perform any of their obligations under this Section 10, the City and/or the other Permitee (as the case may be) may perform the same and the cost thereof shall be payable upon such party's demand. The City makes no representations that the types or amounts of coverage required to be carried by the Permitees pursuant to this Section are adequate to protect Permitees. If the Permitees believe that any of such insurance coverage is inadequate, they shall obtain, at their sole cost and expense, such additional insurance coverage as they deem appropriate.

F. <u>Mutual Waiver</u>. The City and Permitees mutually release the other from any and all liability or responsibility (to the other or anyone claiming through or under them by way of subrogation or otherwise) for any loss or damage to property covered by the insurance policies as required to be carried by the parties under this Skywalk Permit or any other insurance actually carried by such party, and do hereby mutually waive all rights of subrogation in favor of any insurance carrier against the other arising out of any such loss or damage. The Permitees shall be financially responsible for all pertinent deductibles, self-insured retention's, and/or selfinsurance.

11. <u>Storm Drainage</u>. All storm drainage from the Skywalk shall be disposed of on site in a manner satisfactory to the City's Director of Utilities.

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<u>Skywalk Permit and Agreement -- Wall Street</u> v2 (S1587123-2x9....docx Page 8 of 14 12. <u>Successors and Assigns</u>. This Skywalk Permit shall be binding upon and inure to the benefit of the Permitees, and their respective successors and assigns. No assignment, conveyance or other transfer by the Permitees of the rights granted under this Skywalk Permit shall relieve the Permitees of their respective liability for the performance of all covenants, terms and conditions in this Skywalk Permit.

13. <u>Partial Invalidity</u>. If any portion or provision of this Skywalk Permit is held invalid, the validity and enforceability of the remainder of this Skywalk Permit shall not be affected thereby.

14. <u>Skywalk Code</u>. In the event of a direct conflict between the rights and privileges granted to Permitees pursuant to the HE Decision and this Skywalk Permit and any provision of the SMC Section 12.02 *et seq.*, as each may be amended from time to time, then the provisions of the HE Decision shall control, and to the extent not inconsistent with the HE Decision, the provisions of the SMC shall thereafter govern this Skywalk Permit.

15. <u>Governing Law; Venue</u>. This Skywalk Permit is to be governed by and construed in accordance with the laws of the State of Washington. The City and Permitees hereby agree that venue of any action between any of the parties relating to this Skywalk Permit will be in Spokane County, Washington.

16. <u>Signature Authority</u>. Each individual executing this instrument represents and warrants that he/she is duly authorized to execute and deliver this instrument on behalf of said entity in accordance with a duly adopted motion or resolution of the governing body in accordance with the rules or bylaws of said entity, and that this instrument is binding upon said entity in accordance with its terms.

[Signatures Follow]

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Skywalk

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Signature Page to Skywalk Permit

DATED this ____ day of _____, 2017.

CITY OF SPOKANE

Attest:

By: ____ Mayor

Approved as to Form:

City Clerk

Assistant City Attorney

600 MAIN, INC.

By: ______ Its: _____

THE 702, LLC, acting by and through its sole member, CENTENNIAL PROPERTIES, INC.

By: ______ Its: _____

Skywalk Permit and Agreement -- Wall Street -- Rev 081417 (S1587123-2x9...docxy v2 Page 10 of 14

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STATE OF WASHINGTON)

County of Spokane

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On this ______day of______, 2017, before me personally appeared, David Condon<u>and Terri Pfister</u>, to me known to be the Mayor <u>and City Clerk, respectively</u>, of the City of Spokane, a municipal corporation of the State of Washington that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of the corporation, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument on behalf of said corporation.

In witness whereof, I have hereunto set my hand and affixed my official seal the day and year first above written.

Printed Name: Notary Public in and for the State of

residing at _____ My Appointment expires _____

STATE OF WASHINGTON)

County of Spokane

)

:ss.

On this _____ day of _____, 2017, before me personally appeared, ______ of 600 Main, Inc., a Washington corporation, that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of the corporation, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument on behalf of said corporation.

In witness whereof, I have hereunto set my hand and affixed my official seal the day and year first above written.

Printed Name:

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Page 11 of 14

<u>Skywalk Permit and Agreement -- Wall Street -- Rev 081417</u> v2 Deleted: S1587123.DOCX

Notary Public in and for the State of

residing at _____ My Appointment expires

STATE OF WASHINGTON)

County of Spokane)

I

On this _____ day of ______, 2017, before me personally appeared, ______ of The 702, LLC, a Washington limited liability company, that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of the company, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument on behalf of said corporation.

:ss.

In witness whereof, I have hereunto set my hand and affixed my official seal the day and year first above written.

residing at _____ My Appointment expires

<u>Skywalk Permit and Agreement -- Wall Street -- Rev 081417 (S1587123-2x9...docx</u>v2 Page 12 of 14

<u>EXHIBIT A</u>

LEGAL DESCRIPTIONS

THE M

702 BUILDING

Skywalk Permit and Agreement -- Wall Street -- Rev 081417 (S1587123-2x9....docx_a v2

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<u>EXHIBIT B</u>

HE DECISION

[Exhibit Begins on Following Page]

Skywalk Permit and Agreement -- Wall Street -- Rev 081417 (S1587123-2x9....docxy v2

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City Clerk's No. _____

After Recording Return to: Office of the City Clerk 5th Floor, Municipal Building 808 West Spokane Falls Blvd. Spokane, WA 99201-3342

DOCUMENT TITLE:

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Howard Street Skywalk Permit and Agreement

ABBREVIATED LEGAL DESCRIPTION:

ASSESSOR'S PROPERTY TAX PARCEL/ACCOUNT NUMBER:

skywalk permit (Howard) - final showing changes (S1591939x9FC0D).docx_yv4

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HOWARD STREET SKYWALK PERMIT AND AGREEMENT

THIS SKYWALK PERMIT AND AGREEMENT ("**Skywalk Permit**") is granted and entered into between the CITY OF SPOKANE, a municipal corporation of the State of Washington ("**City**"), 600 MAIN, INC., a Washington corporation ("**600**"), and JGFH, LLC, a Washington limited liability company ("**JGFH**"). 600 and JGFH are sometimes referred to herein collectively as the "**Permitees**."

A. 600 is the owner and/or ground lessee of the M Building (the "**M**") having a street address of 618 West Main Street in Spokane, Washington.

B. JGFH is the owner of the Bennett Block Building ("**Bennett Block Building**") having a street address of 530 West Main Street in Spokane, Washington.

C. The M and the Bennett Block Building, which are each legally described on <u>Exhibit A</u>, are directly across Howard Street from one another and were previously connected by a skywalk that was removed in connection with the redevelopment of the M.

D. 600 has submitted an application for a Skywalk Permit for a proposed replacement skywalk that will connect the M and the Bennett Block Building ("**Skywalk**") per plans submitted to the City's Planning Department under file number Z_____("Application").

E. The City, as a city of the first class, has the power to regulate and control the use of all streets, alleys, sidewalks, thoroughfares and public ways of passage within its corporate limits. The State of Washington has expressly authorized cities of the first class to convey interests in air space over public properties pursuant to RCW 35.22.302.

F. The City's Hearing Examiner has reviewed and approved the Application consistent with the provisions of Chapter 12.02, Article III of the Spokane Municipal Code ("**SMC**").

G. The Permitees and the City are desirous of maintaining the Skywalk for the benefit of the City, the Permitees and users of the Skywalk system under the terms and conditions set forth in this Skywalk Permit.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the City and Permitees agree as follows:

1. <u>Grant of Right to Use Air Space/Skywalk Permit</u>. The City finds the placement of the Skywalk in the airspace above Howard Street between Main Street and Spokane Falls Boulevard to connect the Bennett Block Building and the M will: (a) enhance pedestrian convenience and circulation; (b) reduce the vehicle and pedestrian conflicts along Howard Street; and (c) not interfere with the use of the surface of the streets as a public right-of-way. It is, therefore, in the best interest of the City to permit the use of the

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airspace which is not inconsistent with the public purposes for which they were acquired, are being used, or to which they may be devoted.

In consideration for the mutual benefits to the parties and subject to the terms and conditions of this Skywalk Permit, the City grants to the Permitees the right to use that portion of the airspace over Wall Street above the street at its present grade which is described as follows:

Over Howard Street at an approximate distance of [] north of the north line of Main Street to the center line of said skywalk and connecting the Bennett Block Building and the M per plans on file approved by the City Council on [], Spokane, Washington ("**Skywalk Area**").

Permitees may use the airspace to construct, operate and maintain the Skywalk for a period of twenty-five (25) years, commencing on the day this Skywalk Permit is signed by the City ("**Initial Term**"). Following the Initial Term, this Skywalk Permit shall automatically renew for twenty-five (25) year periods upon the same terms, until terminated as provided herein.

2. Skywalk Construction. Except as is otherwise specifically approved by the Spokane City Council and/or Spokane Hearing Examiner, 600 shall construct, maintain, repair and replace the Skywalk in full compliance with Chapter 12.02. Article III, of the SMC ("Skywalk Code"), as amended from time to time, at its sole cost and expense in accordance with approved plans and specifications approved by the Permitees, and on file with the City's Director of Planning and Development ("Approved Plans"). Aside from the Skywalk, 600 shall not make any other structural improvements or alterations in the public right-of-way without the prior written approval of JGFH and the City. 600, working in concert with JGFH, shall be responsible for all elements of the design of the Skywalk (including, without limitation, compliance with law, functionality of design, and the structural integrity of the Skywalk), and the City's approval of 600's plans shall in no event relieve 600 of the responsibility for such design. 600 shall construct the Skywalk in accordance with all laws, rules, regulations, ordinances and requirements of governmental agencies, offices, and boards having jurisdiction. Lighting and all appurtenant entrances, stairways and structures shall be subject to the approval of the City Engineer, and shall be designed, built and maintained as not to create a hazard to vehicle or pedestrian traffic. 600 shall bear the cost of relocating traffic signals, traffic lights, public utilities and other municipal operations or functions necessitated by the construction of the Skywalk. All work performed must be done and completed in a workmanlike manner and with material (when not specifically described in the specifications in the Approved Plans or otherwise approved by the City) of the quality and appearance similar to the connecting buildings.

3. <u>Skywalk Code</u>. Without limiting the generality of the foregoing, this Skywalk Permit shall be governed by the provisions of Chapter 12.02, Article III, of the SMC ("**Skywalk Code**"), as amended from time to time. On ______, the Hearing Examiner following a hearing and consideration of the file, record and testimony issued a decision on the Application that included a variance of the Skywalk Code to skywalk permit (Howard) - final showing changes (S1591939x9FC0D).docx

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(S1591939x9FC0D).docx Page 3 of 14 ("HE Decision"). Notwithstanding the Skywalk Code, this Skywalk Permit is issued subject to compliance with the findings, conclusions and decision set forth in the HE Decision, which is attached hereto as Exhibit B.

4. <u>Covenants of Permitees</u>. The Permitees hereby agree and covenant as follows.

A. The Skywalk shall be used, occupied and maintained for ingress and egress to the Bennett Block Building and the M and for other public purposes, subject to reasonable rules and regulations agreed upon by the Permitees.

B. The Skywalk shall be open and available for use during the days and hours when the Bennett Block Building and the M are open to the public.

C. 600 shall own the Skywalk.

D. The Skywalk shall be maintained and repaired by <u>600</u> in a first class condition including without limitation: (a) keeping the Skywalk clean and free of all debris at all times; (b) keeping all glass surfaces clean; (c) keeping all painted surfaces clean and in good condition; (d) making all repairs and replacements to carpet or other flooring coverings; (e) promptly repairing any damage to the Skywalk; (f) and otherwise keeping all aspects of the Skywalk in first class repair and condition consistent with that of the adjacent properties.

E. All costs of inspection, maintenance, repair, replacement, cleaning and furnishing of utilities to the Skywalk and its fixtures, furnishings and equipment shall be the responsibility of 600.

5. <u>Right to Remove Structure</u>. Absent a violation of the SMC or this Skywalk Permit which would entitle the City to remove the Skywalk, or the mutual agreement of 600 and JGFH, neither 600 nor JGFH shall have the right to remove the Skywalk from the City airspace and right-of-way; provided, however, that either Permitee may, at its sole cost and expense, remove the Skywalk and replace the same in connection with the demolition and reconstruction or remodel of such Permitee's building.

6. <u>Removal of Improvements Upon Non-Use or Mutual Agreement</u>. If (i) the Skywalk is no longer used in conjunction with use of the Bennett Block Building and the M for a continuous period of one (1) year (excepting force majeure or other acts/circumstances beyond the control of Permitees), or (ii) the Permitees mutually agree to terminate the use of the Skywalk, then in either event all rights granted under this Skywalk Permit shall cease and Permitees shall remove the Skywalk from the City's airspace and right-of-way at no cost or expense to the City leaving the airspace and right-of-way free of all buildings, structures and encroachments. Upon such termination, the Permitees shall, at their sole cost and expense in such proportions as they may agree (or if they can't agree, equally), remove the Skywalk and all associated structures and encroachments from the public airspace and repair and restore the Bennett Block Building and the M such that upon

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Deleted: <#>600 and JGFH and their respective successors or assigns, shall protect, defend, save, indemnify and hold harmless the other party, its agents and employees from all claims, actions, costs, damages, or expenses of any nature whatsoever by reason of the acts or omissions of such party, its agents, contractors, licensees, invitees, or employees arising out of or in connection with this Skywalk Permit and use of the Skywalk. The duty to defend includes payment of any costs or attorney's fees, for claims or litigation commenced, arising out of, or in connection with, acts or activities related to this Skywalk Permit and the Skywalk. This obligation shall not include such claims, cost, damages, or expenses which may be caused by the negligence of either party or its agents or employees; provided that if the claims or damages are caused by or result from the concurrent negligence of (a) 600 and JGFH, their respective agents or employees or involves those actions covered by RCW 4.24.115, this indemnity provision shall be valid and enforceable only to the extent of the negligence of the offending party or its agents, employees, contractors, licensees or invitees. ¶

The cross indemnity under this Section includes the obligation to indemnify for damage or loss resulting from death or injury to the other party's employees, and such indemnifying party accordingly hereby waives any and all immunities it now has or hereafter may have under any Industrial Insurance Act, or other worker's compensation, disability benefit or other similar act which would otherwise be applicable in the case of such a claim. This provision has been specifically negotiated.

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the completion of such removal and restoration work there is no evidence on the façade of either building of the prior existence of the Skywalk. Upon removal of the Skywalk and all associated structures and encroachments under this Section, the Permitees' obligations under this Skywalk Permit shall cease.

Termination by City. In the event the City Council determines that the skywalk 7 privileges granted under this Skywalk Permit will no longer be necessary by the City for public use to protect the public health and safety upon the expiration of the Initial Term, or a subsequent twenty-five (25) year term, then the City may terminate this Skywalk Permit upon expiration of such term by providing written notice to Permitees no less than twelve (12) months prior to expiration of such term. Prior to providing written notice to terminate this Skywalk Permit, the City shall have: (a) conducted a traffic study (or other reasonable engineering analysis) that finds it is necessary to use and occupy Wall Street to promote the public health and safety in a manner that conflicts with the use of the Skywalk: (b) made a reasonable engineering judgment that use of the Skywalk and Skywalk Area is inconsistent with the finding(s) set forth in subsection (a); and (c) there are no reasonable alternatives to using the Skywalk Area. The determination set forth in (a) through (c) shall be made by the City Council. Permitees shall be provided with the information and materials that relate to the above determination. It is the intent of this Section to give consideration to maintaining the use of the Skywalk by Permitees consistent with the transportation demands placed upon Howard Street. Prior to the effective date of termination, the City shall consult with Permitees and make reasonable efforts to redesign and construct Wall Street in such a manner that will reduce the impact on the Bennett Block Building and the M.

For termination under this Section, the City shall, at its sole cost and expense, cause the Skywalk and all associated structures and encroachments to be removed from the public airspace and shall make reasonable efforts to repair and restore the Bennett Block Building and the M in order to minimize evidence on the facade of either building of the prior existence of the Skywalk. If the City exercises its right to terminate the Skywalk Permit during the Initial Term pursuant to this Section, the City will compensate the Permitees for the loss of the use of the Skywalk for the remainder of the Initial Term of this Skywalk Permit on the basis of the actual construction cost amortized over the Initial Term of the Skywalk Permit; provided, there shall be no compensation if the termination occurs any time after the Initial Term. By accepting this Skywalk Permit and/or exercising the rights granted hereunder, the Permitees and their respective successors, designees and assignees, hereby agree to limit all claims for compensation to a proportionate sum to be derived under the method set forth hereinabove for determining the amount of just compensation for the loss of the use of the Skywalk, and that method shall be the sole and exclusive method for measuring the total damages and just compensation to private property resulting from such an exercise of the eminent domain power or other powers and rights by the City. Upon removal of the Skywalk and all associated structures and encroachments under this Section, the Permitees' obligations under this Skywalk Permit shall cease.

8. <u>Enforcement of Skywalk Permit Provisions by City</u>. Upon it appearing that any conditions of this Skywalk Permit or the Skywalk Code are not fully met, the City's Director of Planning and Development or other municipal official may send a written notice to Permitees specifying the apparent violation and designating a time and place for a hearing. skywalk permit (Howard) - final showing changes (S1591939x9FC0D).docy

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A. The Hearing Examiner shall on the day of hearing consider testimony and materials and thereafter issue a decision in writing. The Hearing Examiner may suspend the Skywalk Permit, condition continued Skywalk use on terms determined appropriate or take such other action as reasonable.

B. The Hearing Examiner's decision shall be issued in writing and may be appealed to the City Council upon a written notice of appeal filed with the City Clerk within the timeframes specified in §12.02.0512 of the SMC.

C. The City Council shall consider the appeal from the Hearing Examiner at its next regular meeting, and the City Council may take action as it deems appropriate under this Skywalk Permit and Chapter 12.02 of the SMC. The City Council's decision shall be the final administrative decision.

Indemnification. Permitees, their respective successors or assigns, shall 9. protect, defend, save, indemnify and hold harmless City, its agents and employees from all claims, actions, costs, damages, or expenses of any nature whatsoever by reason of the acts or omissions of Permitees, their respective agents, contractors, licensees, invitees, or employees arising out of or in connection with any acts or activities related to this Skywalk Permit. Permitees further agree to defend City and its agents or employees in any litigation, including payment of any costs or attorney's fees, for any claims or action commenced arising out of or in connection with acts or activities related to this Skywalk Permit. This obligation shall not include such claims, cost, damages, or expenses which may be caused by the negligence of either the City or its agents or employees; provided that if the claims or damages are caused by or result from the concurrent negligence of (a) the City, its agents or employees and (b) Permitees, their respective agents, employees, contractors, licensees or invitees, or involves those actions covered by RCW 4.24.115, this indemnity provision shall be valid and enforceable only to the extent of the negligence of the offending Permitee or its agents, employees, contractors, licensees or invitees.

Permitees obligation to indemnify the City under this Section includes an obligation to indemnify for losses resulting from death or injury to City's employees, and Permitees accordingly hereby waive any and all immunities they now have or hereafter may have under any Industrial Insurance Act, or other worker's compensation, disability benefit or other similar act which would otherwise be applicable in the case of such a claim. This provision has been specifically negotiated.

City's Initials

600's Initials

JGFH's Initials

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10. Insurance.

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A. <u>Liability Insurance</u>. The Permitees shall each, at their sole expense, obtain and keep in force during all times that this Skywalk Permit is in effect

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commercial general liability insurance on an occurrence basis with a combined single limit of no less than One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) general aggregate, naming JGFH (with respect to 600's policies) and 600 (with respect to JGFH's policies), the City, its officers, employees, contractors, agents, and other such persons or entities as the City may designate as additional insureds. Each policy shall contain cross liability endorsements, and shall provide coverage for liability arising out of or relating to Permitees' exercise of the privileges granted under this Skywalk Permit, including without limitation the ownership, use, and occupancy of the Skywalk, including non-owned automobile liability. At any time, if in the reasonable opinion of the City, the amount of commercial general liability insurance coverage provided for herein is not adequate, 600 and JGFH shall increase its insurance coverages as required by the City.

B. <u>Worker's Compensation Insurance</u>. The Permitees shall each, at their sole expense, procure and maintain workers' compensation and employer's liability insurance with a limit of no less than the amount and in form required by law. If and to the extent permitted by law either Permitee may "self-insure" with respect to workers' compensation.

C. <u>Contractor's Insurance</u>. Each Permitee shall require any contractor performing work for it on the Skywalk and/or in connection with this Skywalk Permit to carry and maintain, at no expense to the City or the other Permitee: (i) comprehensive general liability insurance, including contractor's liability coverage, contractual liability coverage, completed operations coverage, broad form property damage endorsement and contractor's protective liability coverage, to afford protection, with respect to personal injury, death or property damage of not less than One Million Dollars (\$1,000,000) per occurrence, combined single limit Two Million Dollars (\$2,000,000) aggregate; (ii) comprehensive automobile liability insurance with limits for each occurrence of not less than One Million Dollars (\$1,000,000) with respect to personal injury or death and Five Hundred Thousand Dollars (\$500,000) with respect to property damage; and (iii) worker's compensation or similar insurance in form and amounts required by law.

D. <u>Insurance Requirements</u>. All the insurance required of the Permitees under this Skywalk Permit shall: (i) be issued by insurance companies authorized to do business in the State of Washington, holding a general policy holder's rating (aka "Best Rating") of at least "A" or better; (ii) contain an endorsement requiring thirty (30) days written notice from the insurance company to all parties before cancellation, non-renewal or change in coverage, scope or amount of any policy; and (iii) be written as primary policies, not contributing with and not supplemental to any coverage that the City may carry.

E. <u>Proof of Coverage</u>. The Permitees shall furnish their insurance carriers with a copy of this Skywalk Permit to insure proper coverage. As evidence of the insurance coverages required by this Skywalk Permit, the Permitees shall furnish acceptable insurance certificates to the City when the Permitees deliver this Skywalk Permit for City Council approval. The certificates shall specify all of the parties who

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are additional insureds, will include applicable policy endorsements, and will include the 30-day cancellation clause. If the Permitees fail to perform any of their obligations under this Section 10, the City and/or the other Permitee (as the case may be) may perform the same and the cost thereof shall be payable upon such party's demand. The City makes no representations that the types or amounts of coverage required to be carried by the Permitees pursuant to this Section are adequate to protect Permitees. If the Permitees believe that any of such insurance coverage is inadequate, they shall obtain, at their sole cost and expense, such additional insurance coverage as they deem appropriate.

F. <u>Mutual Waiver</u>. The City and Permitees mutually release the other from any and all liability or responsibility (to the other or anyone claiming through or under them by way of subrogation or otherwise) for any loss or damage to property covered by the insurance policies as required to be carried by the parties under this Skywalk Permit or any other insurance actually carried by such party, and do hereby mutually waive all rights of subrogation in favor of any insurance carrier against the other arising out of any such loss or damage. The Permitees shall be financially responsible for all pertinent deductibles, self-insured retention's, and/or selfinsurance.

11. <u>Storm Drainage</u>. All storm drainage from the Skywalk shall be disposed of on site in a manner satisfactory to the City's Director of Utilities.

12. <u>Successors and Assigns</u>. This Skywalk Permit shall be binding upon and inure to the benefit of the Permitees, and their respective successors and assigns. No assignment, conveyance or other transfer by the Permitees of the rights granted under this Skywalk Permit shall relieve the Permitees of their respective liability for the performance of all covenants, terms and conditions in this Skywalk Permit.

13. <u>Partial Invalidity</u>. If any portion or provision of this Skywalk Permit is held invalid, the validity and enforceability of the remainder of this Skywalk Permit shall not be affected thereby.

14. <u>Skywalk Code</u>. In the event of a direct conflict between the rights and privileges granted to Permitees pursuant to the HE Decision and this Skywalk Permit and any provision of the SMC Section 12.02 *et seq.*, as each may be amended from time to time, then the provisions of the HE Decision shall control, and to the extent not inconsistent with the HE Decision, the provisions of the SMC shall thereafter govern this Skywalk Permit.

15. <u>Governing Law; Venue</u>. This Skywalk Permit is to be governed by and construed in accordance with the laws of the State of Washington. The City and Permitees hereby agree that venue of any action between any of the parties relating to this Skywalk Permit will be in Spokane County, Washington.

16. <u>Signature Authority</u>. Each individual executing this instrument represents and warrants that he/she is duly authorized to execute and deliver this instrument on behalf of said entity in accordance with a duly adopted motion or resolution of the governing body in

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accordance with the rules or bylaws of said entity, and that this instrument is binding upon said entity in accordance with its terms.

[Signatures Follow]

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Signature Page to Skywalk Permit								
DATED this day of	, 2017. CITY OF SPOKANE							
Attest: City Clerk Approved as to Form:	By: Mayor							
Assistant City Attorney	600 MAIN, INC.							
	By: lts:							
	JGFH, LLC							
	By: Its:							

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STATE OF WASHINGTON)

County of Spokane

:ss.

)

On this _____ day of_____, 2017, before me personally appeared, David Condon and Terri Pfister, to me known to be the Mayor and City Clerk, respectively, of the City of Spokane, a municipal corporation of the State of Washington that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of the corporation, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument on behalf of said corporation.

In witness whereof, I have hereunto set my hand and affixed my official seal the day and year first above written.

Printed Name: Notary Public in and for the State of

residing at _____ My Appointment expires _____

STATE OF WASHINGTON)

permit

County of Spokane)

(Howard)

On this _____ day of _____, 2017, before me personally appeared, ______ of 600 Main, Inc., a Washington corporation, that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of the corporation, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument on behalf of said corporation.

:ss.

In witness whereof, I have hereunto set my hand and affixed my official seal the day and year first above written.

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Printed Name:

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Notary Public in and for the State of

residing at	
My Appointment expires	•

STATE OF WASHINGTON)

County of Spokane)

On this _____ day of _____, 2017, before me personally appeared, _____ of JGFH, LLC, a Washington limited liability company, that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of the company, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument on behalf of said corporation.

:ss.

In witness whereof, I have hereunto set my hand and affixed my official seal the day and year first above written.

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Printed Name: ______ Notary Public in and for the State of

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residing at _____ My Appointment expires

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<u>EXHIBIT A</u>

LEGAL DESCRIPTIONS

<u>THE M</u>

BENNETT BLOCK BUILDING

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<u>EXHIBIT B</u>

HE DECISION

[Exhibit Begins on Following Page]

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BRIEFING PAPER Development Services Center August 28, 2017

Subject:

Add 0.4 FTE for an Urban Forestry Specialist in the Development Services Center to augment existing staff in plan review and issuing permits, as well as provide support for Certificate of Occupancy inspections.

Background:

In June, Council passed an SBO converting funds from a temp/seasonal position in the Parks and Recreation Department into a new classified position to support the Urban Forestry Program. The permanent position was funded at 0.6 FTE.

This ordinance creates an additional 0.4 FTE Urban Forestry Specialist position that will provide additional support to the Development Services Center, making this a full-time position

Impact:

The increase in permit activity and the number of large, complicated projects requires a high level of coordination and inspections. This new position will be co-located part of the time with the plan review staff and will support both the existing permitting staff as well as the inspection team. With current levels of staffing, it would be difficult to provide the consistent, predictable, reliable, and timely service our customers have come to expect.

Action:

Approve a SBO for \$11,925 from the Development Services Center fund



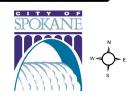


R/W Previously vacated by Ordinance No. C17505 Right-of-way Vacation Application Area

8th Right of Way Description: A portion of 7th Avenue and Chestnut Street right-of-ways north of the established 7th Avenue roadway and west of Cannon Street

The location of vacated area is an approximate representation.

THIS IS NOT A LEGAL DOCUMENT: The information shown on this map is compiled from various sources and is subject to constant revision. Information shown on this map should not be used to determine the location of facilities in relationship to property lines, section lines, streets, etc.



Right-of Way Acquisition Legal Description

A parcel of land located adjacent to in Block 50 of the plat of CANNON'S ADDITION, recorded in Volume "B" of Plats, Page 52, in the Northwest Quarter of the Southeast Quarter of Section 24, Township 25 North, Range 42 East, Willamette Meridian, Spokane County, Washington, more particularly described as follows:

Beginning at the southwest corner of Lot 6, Block 50, of the plat of CANNON'S ADDITION, from which a point on the south line of Lot 4, Block 50, of the plat of CANNON'S ADDITION, bears North 89°00'36" East, a distance of 137.80 feet, as shown on Record of Survey, recorded in Book 158 of Surveys, Page 64, records of Spokane County, Washington;

thence South 89°00'36" West, a distance of 51.36 feet to the west line of Block 8 of the plat of COEUR D' ALENE ADDITION TO SPOKANE, recorded in Volume "C" of Plats, Page 82;

thence South 01°30'18" East along the west line of Block 8 of the plat of COEUR D' ALENE ADDITION TO SPOKANE, a distance of 42.36 feet;

thence leaving the west line of Block 8 of the plat of COEUR D' ALENE ADDITION TO SPOKANE North 72°18'36" East, a distance of 95.20 feet;

thence North 80°16'21" East, a distance of 98.74 feet to the south line of Block 50 of the plat of CANNON'S ADDITION;

thence South 89°00'36" West along the south line of Block 50 of the plat of CANNON'S ADDITION, a distance of 137.80 feet to the **Point of Beginning**;

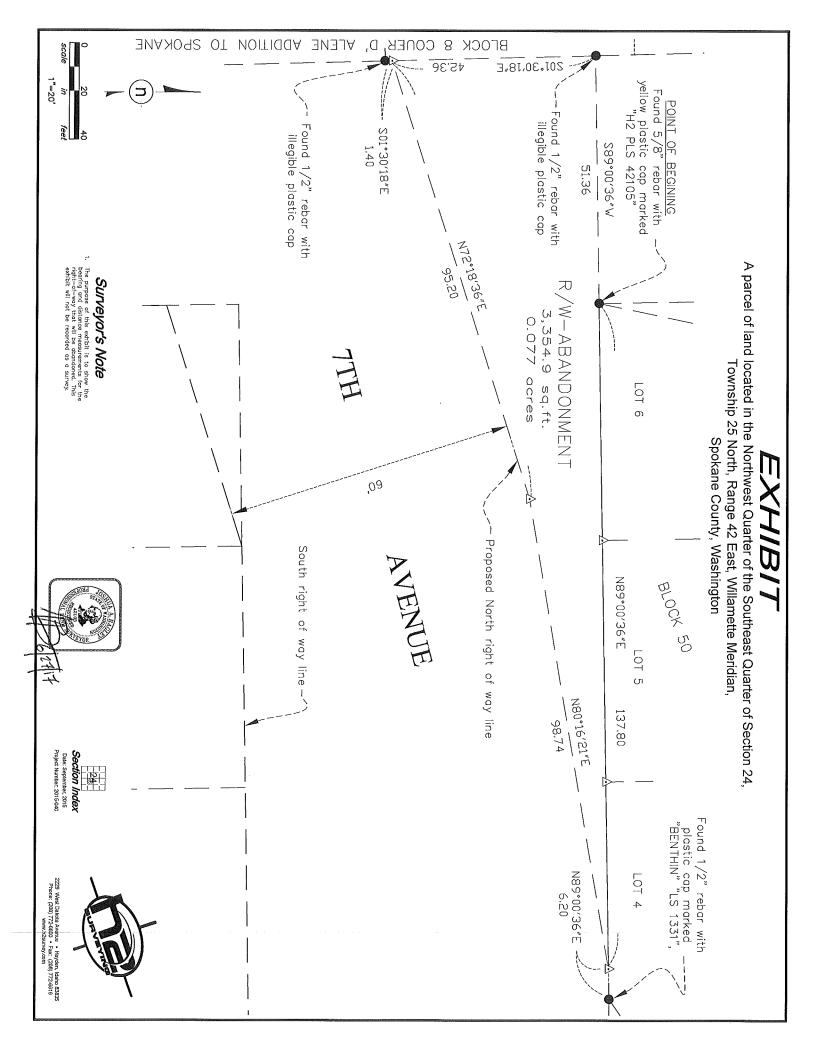
Containing 3,354.9 square feet or 0.077 acres, more or less

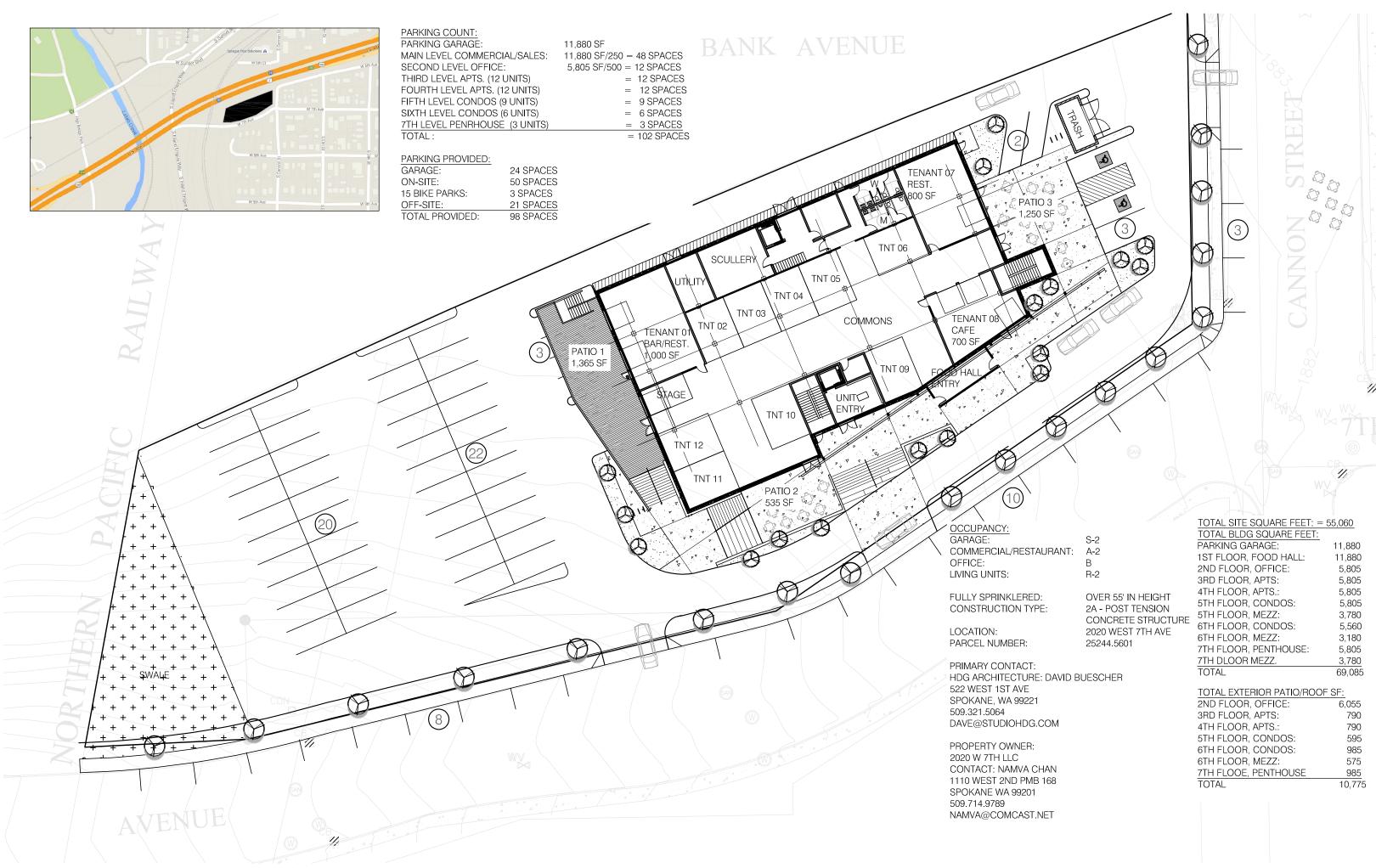
SUBJECT TO:

Existing rights-of-way and easements of record and or appearing on said above described parcel.

END OF DESCRIPTION Prepared by this office: h2 Surveying, LLC







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1" = 30'-0" * SPOKANE MIXED USE * 08.24.15

BRIEFING PAPER City of Spokane PCED 8/28/2017

<u>Subject</u>

Street vacation of a portion of 7th Avenue and Chestnut Street right-of-ways north of the established 7th Avenue roadway and west of Cannon Street as requested by Namva Chan.

Background

The City has received a petition for the vacation of the street signed by the owners of 86% of the abutting properties.

The reasons for the vacation are:

• To consolidate lots for future development.

<u>Impact</u>

All departments and private utility companies are in support of this vacation. The following requirements are to be done by the proponent that will impact legal land rights and changes to existing improvements:

- An easement, to be executed upon finalization of the vacation, to protect existing Avista Transmission Lines as agreed upon in a Memorandum of Understanding between Avista and the developer dated January 31, 2017.
- The proponent shall pay to the City of Spokane the assessed valuation for the vacated land as defined by the latest information from the County Assessor's Office. This is calculated to be \$10,413.99.00

<u>Action</u>

The Spokane City Council received a petition for the vacation of the street in the City of Spokane from owners having an interest in real estate abutting the above right-of way; staff will prepare public notice and set time and date for public hearing during a normal legislative session of City Council.

Attached:

- Map of Area to be Vacated
- Preliminary Site Plan used at a Pre-Development Conference on 9-3-15

July Finance Committee

2017 Excess Fund Balance Recommended Projects

Recreation

\$45,000	TRS Snow Chalet Repairs
<u>\$250,000</u>	Southeast Sports Field Grant Match
\$295,000	Total Recreation
RFP	
\$130,000	Fountain Café Remodel
<u>\$100,000</u>	RFP Capital Campaign – Parks Foundation Staffing
\$230,000	Total RFP
Golf	
\$25,000	Qualchan-Latah Creek Bank Stabilization Study
<u>\$20,000</u>	Indian Canyon Irrigation Design Services
\$45,000	Total Golf
Park Ops	
\$150,000	Dutch Jakes Park Grant Match
<u>\$50,000</u>	Rochester Heights Improvements - Neighborhood Match
\$200,000	Total Park Operations

\$770,000 Grand Total

BRIEFING PAPER City of Spokane Historic Preservation Department – Grant Awards Date 8/23/17

<u>Subject</u>

This briefing paper is in regards to a \$15,000 grant application that the Historic Preservation Office submitted to the state Department of Archaeology and Historic Preservation (DAHP) to hire an Historic Preservation Consultant to help create a Spokane Register of Historic Places nomination and design standards for Browne's Addition as a local historic district. *The grant application was approved and the state actually funded our office \$17,000 for the project.*

We have also received a small training grant from DAHP for \$3000 to conduct a day-long statewide commissioner and staff training on September 26, 2017. There is no match required and this was not a grant that was applied for, but rather was simply passed through to us.

Background

Each year, the Department of Archaeology and Historic Preservation is mandated to pass 10% of their federal award through to local governments in the state. This is a competitive grant process – with only around \$100,000 to grant and over 50 eligible local governments that may apply. Spokane has successfully completed a recent grant using this fund for the creation of a 2015 National Register Multiple Property Document for the City of Spokane Park System and the listing of Manito Park on the National Register of Historic Places; we also completed the 2016 survey and inventory of native stone structures throughout Spokane County; and we are currently working on the 2017 Mid-Century Modern survey and inventory project and website.

<u>Impact</u>

This project will respond to the request of the Browne's Addition Neighborhood Council to look at ways to offer some protection of the neighborhood when development happens within its boundaries. Staff has suggested that the creation of a local historic district with design guidelines would offer some management of change within the neighborhood with the added benefit of also opening the door to the Special Valuation Tax Incentive for all contributing properties within the district.

<u>Action</u>

None

<u>Funding</u> No funding required.

Traffic Calming Budget Analysis 8/21/2017

	FY 2015 (Revenue & Expenses)	FY 2016 (Revenue & Expenses) Actual Activity			FY 2017-As of 08/01/2017			FY 2018		
	FT 2013 (Revenue & Expenses)									
Revenue	Cash Balance 12/31/14	\$1,999,985								
	2015 Photo Red Revenue	\$1,467,552	2016 Photo Red Revenue Actu	ual 12/12/16	\$2,522,917	2017 Photo Red Actual Revenue Estimated to still be Collected	2017	\$1,125,254 \$374,746	2018 Photo Red Estimated Revenue	\$1,680,000
			Unspent Less Commitments ir 2015	1	\$1,388,854	Unspent Less Commitments in 20	16	\$2,323,744	Unspent Less Commitments in 2017	\$1,371,962
	Total Cash Available	\$3,467,537	Total Cash Available		\$3,911,771	Total Cash Available		\$3,823,744	otal Cash Available	\$3,051,9
xpenses										
•			Expenses Actual			Expenses (budgeted - 2017)			Expenses (budgeted - 2018)	
	ATS Contract	\$614,192	ATS Contract	Actual	\$617,968	ATS Contract		\$280,825	ATS Contract	\$280,825
	Officer Salary & Benefits	\$131,413	Officer Salary & Benefits	Actual	\$107,155	Officer Salary & Benefits		\$0	Officer Salary & Benefits	\$0
	Street Dep. Work	\$7,517	Street Dep. Work	Actual	\$4,715	Street Dep. Work		\$0	Street Dep. Work	\$0
	Reprographics & Envelopes	\$47,586	Reprographics & Envelopes	Actual	\$63,414	Reprographics & Envelopes		\$2,837	Reprographics & Envelopes	\$2,837
	Postage	\$8,832	Postage	Actual	\$10,765	Postage		\$0	Postage	\$0
	Misc	\$1,876	MuniCourt Charges	Actual	\$23,275	Misc.		\$0 \$0	Misc.	\$0 \$0
	WIGG	\$1,070	1/2 FTE Comm. Prog. Cord.	Actual	ψ20,270	Wilde.		ψΟ	MISC.	ψΟ
			Salary & Benefits	Actual	\$13,562	1/2 FTE Comm. Prog. Cord. Salar	y & Benefits	\$0	1/2 FTE Comm. Prog. Cord. Salary & Benefits	\$0
			Office Salary & Benefits (Est)) 2nd 1/2 yr		Remaining Budgeted Expenditures	2017	\$583,738	Remaining Budgeted Expenditures 2018	\$583,738
	Total expenses	\$811 416	Total Expenses		\$840 853	Total Expenses (Budgeted 2017)		\$867 400	otal Expenses (Budgeted 2018)	\$867,
raffic		vo ,			40 10,000			<i>(001)</i>		V 001
alming										
-	Cross Walk at Mission & Hamilton	\$16,520	Accounting	Actual	\$6,463	Accounting		\$4,520	Accounting	\$5,000
xpenses		AT 050	A with Observes		* =0.0			* ~~ =		
	School Zone Flashing Light	\$7,656	Audit Charges	Actual	\$736	Audit Charges		\$935		
	Accounting	\$3,407	2 Speed Radar Trailers	Actual	\$15,382					
			Misc Parts & Supplies	Actual	\$4,796	Remaining Budgeted Expenditures	2017	\$545		
			Actual FY to Date:			Actual FY to Date:			Cycle 6 – Design / Construction / CM	
	District 1	\$193,509	District 1	Actual	\$166,988	District 1	Actual	\$93,229	District 1	\$65,000
	District 2	\$567,439	District 2	Actual	\$176,954	District 2	Actual	\$116,112	District 2	\$164,000
	District 3	\$378,737	District 3	Actual	\$240,683	District 3	Actual	\$434,319	District 3	\$64,000
									Proir Year Design Costs	-\$30,000
	Total District Expense	¢1 167 060	Total District Expenses (Actua	-1)	\$610.00S	otal District Expenses (Actual)		\$642.660	btal Cycle 6	\$26
		φ1,107,200	Total District Expenses (Actua	al/	φ012,000	o dai District Expenses (Actual)		φ043,000		φ200
	Prior Years Projects Still oustanding						(a)			
	Traffic Calming Cycle 3	\$0 **	Traffic Calming Cycle 5 -Phas	-	\$117,727	Traffic Calming Cycle 5 Remaining		\$495,361		
	Traffic Calming Cycle 4** as of 3/14/17	\$0	Cycle 5 Construction Managen	nent (15%)	\$17,659	Cycle 5 Phase II Construction Ma		\$74,304		* ~~ ~~~
		Still out		o		Cycle 5 Construction Managemen	t (15%)	\$17,659	Cycle 7 Design	\$30,000
			Magnesium 20 When Flashing		* • 75 • 0	9th & Altmont Realignment		\$122,354		
			Four 20 When Flashing Ridgevi		\$27,529	Cycle 6 Design		\$30,000		
			Two 20 when Flashing Lewis &							
			Purchased 8 lights Actual Costs							
	Total Outstanding	\$0	Total Outstanding Cycle 5 & 6	5	\$162,914	Total Cycle 5 & Cycle 6 Design		\$718,222	otal Cycle 6 & Cycle 7 Design	\$29
ommitments										
						Speed Radar Trailers & Maintenar	ice	\$20,000	Speed Radar Trailers & Maintenance	\$20,000
	Operating tansfer Traffic Cop	\$100,000	Reverse Operating Transfer fr	om 2015	-\$100,000	Oper Ttr to Traffic Cop	Traffic	\$100,000	Oper Ttr to Traffic Cop Traffic	\$120,000
						50% Muni Court Commissioner		\$62,500	50% Muni Court Commissioner	\$62,500
			Oper Ttr to Traffic Cop		\$72,257	Funding of CPC in CNS Division E	Budget	\$40,000		
	•	Council Commitments \$100,000 Total Council Commitments			-\$27,743 otal Council Commitments					
	Total Council Commitments	\$100,000	Total Council Commitments		-\$27,743	otal Council Commitments		\$222,500	otal Council Commitments	\$202

School Radar Budget Analysis w/ Traffic Claming Subcommittee recommendations ^{8/22/2017}

8/22/2017								
	FY 2016 (Revenue & Expenses)		FY 2017		FY 2018			
Revenue	2016 School Radar Revenue Actual 12/31/16	\$2,008,140	2017 School Radar Actual Rev Estimated to still be Collec		\$876,027 \$171,973	2018 School Radar Estimat	ed Revenue	\$1,278,000
	Total Cash Available	\$2.008.140	Unspent Less Commitments in Total Cash Available	2016	\$1,896,236 \$2,772,263	Unspent Less Commitment Fotal Cash Available	s in 2017	\$1,721,223 \$2,999,223
Expenses		<u></u>						+= =
_	Actual Expenses (2016) ATS Contract 10/31/16 Misc. Sewer Maint Charges Poles for Beacons	\$104,748 \$3,360 \$3,796	Expenses (budgeted – 2017) ATS Contract 50% Muni Court Commissioner Audubon Park Sidewalks Remaining Budgeted Expenditu	ıres 2017	\$44,000 \$0 \$38,153 \$124,100	Expenses (budgeted – 2018 ATS Contract 50% Muni Court Commission		\$44,000 \$62,500
	Total Estimated Expenses	\$111,904	Total Expenses (Budgeted 20	17)	\$206,253	Fotal Expenses (Budgeted :	2018)	\$106,500
School			Cycle 5 School Projects - Des	ign/Construction/CM/C	Contingency	Cycle 6 School projects - [Design/Construction/ CM/Cont	tingency
Projects			Pittsburg/Sanson/North Sidev	valk	\$247,940	Hartson/Rebecca Ped Cro	ssing	\$47,150
			Audubon Park Sidewalks		\$46,847	33rd Ave. Alley (east manit		\$6,900
						17th Ave. at Franklin Elem. Longfellow/Oak Island	 20mph When Flashing 	\$43,700 \$86,250
						Driscoll/Olympic Sidewalk		\$36,800
			Total Cycle 5 Traffic Calming	School Projects	\$294,787	otal Cycle 6 Traffic Calmir	ng School Projects	\$220,800
Commitments								
			Resource Officers	Patrol		Resource Officers	Patrol	\$600,000
		\$0	Total Council Commitments		\$550,000	Total Council Commitment	8	\$600,000
	Cash Avail for FY 2017	Cash Avail for FY 2018		\$1 791 999	Cash Avail for FY 2019		\$2.071.923	