

STANDING COMMITTEE MINUTES
City of Spokane
Urban Experience Committee
City Council Chambers
September 9, 2024

Call to Order: 1:16 PM

Recording of the meeting may be viewed here: <https://vimeo.com/1007838714>

Attendance

Committee Members Present:

Council Member Michael Cathcart, Council President Betsy Wilkerson, Council Member Paul Dillon (arrived 1:21), Council Member Kitty Klitzke, Council Member Lili Navarrete, Council Member Zack Zappone, Council Member Jonathan Bingle.

Agenda Items:

Discussion

1. 4700 - MONTHLY PERMIT REPORT - TAMI PALMQUIST (10 minutes)
2. DISCUSSION ON NEXT STEPS FOR ORDINANCES DEFERRED BACK TO COMMITTEE - LILI NAVARRETE (10 minutes)
3. 0320- ORDINANCE ON SPOKANE HUMAN RIGHTS COMMISSION MEMBERSHIP - ANDRES GRAGEDA (10 minutes)
4. 1680 - SBO - CHHS HOUSING SALES TAX PROJECTS (1590 MONEY) - HEATHER PAGE (5 minutes)
5. 1680 - 2024 HOUSING RELATED SERVICES FUNDING RECOMMENDATIONS - HEATHER PAGE (5 minutes)
6. 1680 - HOPE HOUSE AMENDMENT - ARIELLE M. ANDERSON (15 minutes)
7. 1680 - FINAL TRAC ONE-MONTH EXTENSION AMENDMENT - ARIELLE M. ANDERSON (0 minutes)
8. 0320-ORDINANCE MODIFYING RENTAL REGISTRY REQUIREMENTS – ADAM MCDANIEL (10 minutes)

9. 0520 - ORDINANCE RE PRESERVATION OF SALVAGEABLE MATERIALS - ADAM MCDANIEL (10 minutes)
10. 0470 – COOKE HOUSE & GARAGE NOMINATION TO THE REGISTER OF HISTORIC PLACES - MEGAN DUVALL (5 minutes)
11. 0470 – HOTEL COLLINS NOMINATION TO THE REGISTER OF HISTORIC PLACES - MEGAN DUVALL (5 minutes)
12. 0470 – WRIGHT HOUSE & GARAGE NOMINATION TO THE REGISTER OF HISTORIC PLACES - MEGAN DUVALL (5 minutes)
13. 0320 - LETTER TO STATE OFFICIALS ON HANFORD SITE NUCLEAR WASTE SHIPMENT - JACKSON DEESE (10 minutes)
14. STANDING UPDATES AND REPORTS - (minutes)

Consent

1. 5300 – STRUCTURED COMMUNICATION SYSTEMS, INC. - NUTANIX SUPPORT
RENEWAL (INFORMATION TECHNOLOGY)
2. 0650 - SETTING ASSESSMENT ROLL HEARING FOR THE DOWNTOWN PBIA (PLANNING & ECONOMIC DEVELOPMENT)
3. 0650 – (MFTE) CONDITIONAL AGREEMENT 1009 W SHARP (PLANNING & ECONOMIC DEVELOPMENT)
4. 0650 - SETTING ASSESSMENT ROLL HEARING FOR THE EAST SPRAGUE PBIA (PLANNING & ECONOMIC DEVELOPMENT)
5. 0650 – MFTE CONDITIONAL AGREEMENT 2675 W CLARKE AVE (PLANNING & ECONOMIC DEVELOPMENT)
6. 1680 - FY2023 CONTINUUM OF CARE (COC) GRANT AGREEMENTS (COMMUNITY, HOUSING & HUMAN SERVICES)
7. 1680- CHHS ACCEPTANCE OF PY 2024 FORMULA GRANTS, HOME, ESG

(COMMUNITY, HOUSING & HUMAN SERVICES)

8. 0650 - SUSPENSION OF THE 2024 AND 2025 COMPREHENSIVE PLAN
AMENDMENT CYCLES (PLANNING & ECONOMIC DEVELOPMENT)

9. 1680 - VETS ON N. LACEY HOME PROJECT (COMMUNITY, HOUSING &
HUMAN SERVICES)

Executive session

None.

Adjournment

The meeting adjourned at 2:58 PM

Minutes prepared and submitted for publication in the September 18, 2024, issue of the Official Gazette.

Jackson Deese, Legislative Assistant

Approved by City Council on September 16, 2024.

Betsy Wilkerson
Betsy Wilkerson (Sep 17, 2024 10:26 PDT)

Betsy Wilkerson
City Council President

Attest:

Terri Pfister
Terri Pfister (Sep 17, 2024 12:06 PDT)

Terri L. Pfister
City Clerk

Urban Experience Committee Minutes 09-09-2024 (CPR 2024-0017; ABC 09-16-2024; Published 09-18-2024)


Final Audit Report


2024-09-17


| | |
|-----------------|--|
| Created: | 2024-09-17 |
| By: | Melanie Coe (mcoe@spokanecity.org) |
| Status: | Signed |
| Transaction ID: | CBJCHBCAABAA2mjmAaRHLeQbqKut4pdkiDTdC49k9jcC |


"Urban Experience Committee Minutes 09-09-2024 (CPR 2024-0017; ABC 09-16-2024; Published 09-18-2024)" History


 Document created by Melanie Coe (mcoe@spokanecity.org)
2024-09-17 - 5:23:20 PM GMT


 Document emailed to bwilkerson@spokanecity.org for signature
2024-09-17 - 5:23:47 PM GMT


 Email viewed by bwilkerson@spokanecity.org
2024-09-17 - 5:25:50 PM GMT


 Signer bwilkerson@spokanecity.org entered name at signing as Betsy Wilkerson
2024-09-17 - 5:26:01 PM GMT

 Document e-signed by Betsy Wilkerson (bwilkerson@spokanecity.org)
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 Agreement completed.
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THE CITY OF SPOKANE CITY COUNCIL URBAN EXPERIENCE COMMITTEE



AGENDA FOR 1:15 P.M. MONDAY, SEPTEMBER 9, 2024

The Spokane City Council's Urban Experience Committee meeting will be held at **1:15 PM September 9, 2024**, in Council Chambers, located on the lower level of City hall at 808 W. Spokane Falls Blvd. The meeting can also be accessed live at <https://my.spokanecity.org/citycable5/live/> and <https://www.facebook.com/spokanecitycouncil> or by calling 1-408-418-9388 and entering the access code #2484 113 1763; meeting password 0320.

The meeting will be conducted in a standing committee format. Because a quorum of the City Council may be present, the standing committee meeting will be conducted as a committee of the whole council. The Urban Experience Committee meeting is regularly held every 2nd Monday of each month at 1:15 p.m. unless otherwise posted.

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

AGENDA

- . **Call To Order**

- . **Approval of Minutes from September 9, 2024**

- . **Discussion Items**

1. 4700 - MONTHLY PERMIT REPORT - TAMI PALMQUIST (10 minutes)
2. DISCUSSION ON NEXT STEPS FOR ORDINANCES DEFERRED BACK TO COMMITTEE - LILI NAVARRETE (10 minutes)
3. 0320- ORDINANCE ON SPOKANE HUMAN RIGHTS COMMISSION MEMBERSHIP - ANDRES GRAGEDA (10 minutes)
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14. STANDING UPDATES AND REPORTS - (minutes)

- . **Consent Items**

1. 5300 – STRUCTURED COMMUNICATION SYSTEMS, INC. - NUTANIX SUPPORT RENEWAL (INFORMATION TECHNOLOGY)
2. 0650 - SETTING ASSESSMENT ROLL HEARING FOR THE DOWNTOWN PBIA (PLANNING & ECONOMIC DEVELOPMENT)
3. 0650 – (MFTE) CONDITIONAL AGREEMENT 1009 W SHARP (PLANNING & ECONOMIC DEVELOPMENT)
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9. 1680 - VETS ON N. LACEY HOME PROJECT (COMMUNITY, HOUSING & HUMAN SERVICES)

. **Executive Session**

Executive Session may be held or reconvened during any Urban Experience Committee meeting.

. **Adjournment**

. **Next Meeting**

Next Urban Experience Committee

The next meeting will be held at the regular date and time of **1:15 PM. October 14, 2024.**

AMERICANS WITH DISABILITIES ACT (ADA) INFORMATION: The City of Spokane is committed to providing equal access to its facilities, programs and services for persons with disabilities. The Spokane City Council Chamber in the lower level of Spokane City Hall, 808 W. Spokane Falls Blvd., is wheelchair accessible and is equipped with an infrared assistive listening system for persons with hearing loss. Headsets may be checked out (upon presentation of picture I.D.) at the City Cable 5 Production Booth located on the First Floor of the Municipal Building, directly above the Chase Gallery or through the meeting organizer. Individuals requesting reasonable accommodations or further information may call, write, or email Risk Management at 509.625.6221, 808 W. Spokane Falls Blvd, Spokane, WA, 99201; or m_lowmaster@spokanecity.org. Persons who are deaf or hard of hearing may contact Risk Management through the Washington Relay Service at 7-1-1. Please contact us forty-eight (48) hours before the meeting date.



Agenda Sheet for City Council:
Committee: Urban Experience **Date:** 09/09/2024
Committee Agenda type: Information Only

| | |
|-----------------------|-----------|
| Date Rec'd | 5/13/2024 |
| Clerk's File # | |
| Renews # | |
| Cross Ref # | |

| | | |
|------------------------------|------------------------------|----------------------|
| Council Meeting Date: | | Project # |
| Submitting Dept | DEVELOPMENT SERVICES CENTER | Bid # |
| Contact Name/Phone | TAMI 6157 | Requisition # |
| Contact E-Mail | TPALMQUIST@SPOKANECITY.ORG | |
| Agenda Item Type | Information Only - Committee | |
| Council Sponsor(s) | ZZAPPONE JBINGLE KKLITZKE | |
| Agenda Item Name | 4700 - MONTHLY PERMIT REPORT | |

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

Summary (Background)
 Presentation of current permit information for Development Services Center, including: (All stats are year-to-date through the end of the prior month.) - Total Building Permits Issued - Total Residential Units Issued Multi-Family Housing Units Single-Family Residences Duplexes ADUs - Housing in the Pipeline In Plan Review Scheduled for Pre-Development Multi-Family Tax Exemption Conditional Contracts - Largest Construction Valuation Projects This Year

Lease? NO Grant related? NO Public Works?

Fiscal Impact

| | |
|----------------------------------|-----|
| Approved in Current Year Budget? | N/A |
| Total Cost | \$ |
| Current Year Cost | \$ |
| Subsequent Year(s) Cost | \$ |

Narrative

| Amount | Budget Account |
|---------------|-----------------------|
| Select \$ | # |
| Select \$ | # |
| Select \$ | # |
| Select \$ | # |
| \$ | # |
| \$ | # |



Continuation of Wording, Summary, Approvals, and Distribution

Agenda Wording

Summary (Background)

| Approvals | | Additional Approvals | |
|---------------------------|--|-----------------------------|--|
| <u>Dept Head</u> | | | |
| <u>Division Director</u> | | | |
| <u>Accounting Manager</u> | | | |
| <u>Legal</u> | | | |
| <u>For the Mayor</u> | | | |

Distribution List

tpalmquist@spokanecity.org

akiehn@spokanecity.org

Committee Agenda Sheet

URBAN EXPERIENCE

| | |
|---|---|
| Submitting Department | Development Services Center |
| Contact Name & Phone | Tami Palmquist x6157 |
| Contact Email | tpalmquist@spokanecity.org |
| Council Sponsor(s) | CM Zappone, CM Bingle, CM Klitzke |
| Select Agenda Item Type | <input type="checkbox"/> Consent <input checked="" type="checkbox"/> Discussion Time Requested: 10 minutes |
| Agenda Item Name | Monthly Permit Report |
| Summary (Background) | <p>Presentation of current permit information for Development Services Center, including: (All stats are year-to-date through the end of the prior month.)</p> <ul style="list-style-type: none"> - Total Building Permits Issued - Total Residential Units Issued <ul style="list-style-type: none"> Multi-Family Housing Units Single-Family Residences Duplexes ADUs - Housing in the Pipeline <ul style="list-style-type: none"> In Plan Review Scheduled for Pre-Development Multi-Family Tax Exemption Conditional Contracts - Largest Construction Valuation Projects This Year |
| Proposed Council Action & Date: | None (Informational for Council) – September 9, 2024 |
| Fiscal Impact: | |
| Total Cost: | |
| Approved in current year budget? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A | |
| Funding Source <input type="checkbox"/> One-time <input type="checkbox"/> Recurring | |
| Specify funding source: | |
| Expense Occurrence <input type="checkbox"/> One-time <input type="checkbox"/> Recurring | |
| Other budget impacts: (revenue generating, match requirements, etc.) | |
| Operations Impacts | |
| What impacts would the proposal have on historically excluded communities? N/A | |
| How will data be collected, analyzed, and reported concerning the effect of the program/policy by racial, ethnic, gender identity, national origin, income level, disability, sexual orientation, or other existing disparities? N/A | |
| How will data be collected regarding the effectiveness of this program, policy, or product to ensure it is the right solution? N/A | |
| Describe how this proposal aligns with current City Policies, including the Comprehensive Plan, Sustainability Action Plan, Capital Improvement Program, Neighborhood Master Plans, Council Resolutions, and others? N/A | |

**Agenda Sheet for City Council:****Committee:** Urban Experience **Date:** 09/09/2024**Committee Agenda type:** Information Only**Date Rec'd**

8/29/2024

Clerk's File #**Cross Ref #****Project #****Council Meeting Date:****Submitting Dept**

CITY COUNCIL

Bid #**Contact Name/Phone**

LILI NAVARRETE 6821

Requisition #**Contact E-Mail**

LNAVARRETE@SPOKANECITY.ORG

Agenda Item Type

Information Only - Committee

Council Sponsor(s)

ZZAPPONE

Agenda Item Name

DISCUSSION ON NEXT STEPS FOR ORDINANCES DEFERRED BACK TO

Agenda Wording

This discussion item is meant to clarify what the next steps should be for two ordinances (human rights of individuals experiencing homelessness and prohibition of camping near support services) that were deferred back to committee.

Summary (Background)

On August 12, 2024 Council voted to defer two ordinances (human rights of individuals experiencing homelessness and prohibition of camping near support services) back to committee. This motion was not typical and next steps are not clearly defined in the Council Rules.

Lease? NO

Grant related? NO

Public Works?

Fiscal Impact

Approved in Current Year Budget? N/A

Total Cost

\$

Current Year Cost

\$

Subsequent Year(s) Cost

\$

Narrative**Amount****Budget Account**

Neutral

\$

#

Select

\$

#

Select

\$

#

Select

\$

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\$

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\$

#

Committee Agenda Sheet

Urban Experience Committee

| | |
|---|--|
| Committee Date | 09/09/24 |
| Submitting Department | City Council |
| Contact Name | Andres Grageda |
| Contact Email & Phone | agrageda@spokanecity.org |
| Council Sponsor(s) | CM Navarrete |
| Select Agenda Item Type | <input type="checkbox"/> Consent <input checked="" type="checkbox"/> Discussion Time Requested: 5 |
| Agenda Item Name | Discussion on Next Steps for Ordinances Deferred Back to Committee |
| Proposed Council Action | <input type="checkbox"/> Approval to proceed to Legislative Agenda <input checked="" type="checkbox"/> Information Only |
| Summary (Background) | <p>On August 12, 2024, Council voted to defer two ordinances (human rights of individuals experiencing homelessness and prohibition of camping near support services) back to committee. This motion was not typical and next steps are not clearly defined in the Council Rules. This discussion item is meant to clarify what the next steps should be.</p> <p>*use the Fiscal Impact box below for relevant financial information</p> |
| <p>Fiscal Impact</p> <p>Approved in current year budget? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A</p> <p>Total Cost: Click or tap here to enter text.</p> <p>Current year cost:</p> <p>Subsequent year(s) cost:</p> <p>Narrative: Please provide financial due diligence review, as applicable, such as number and type of positions, grant match requirements, summary type details (personnel, maintenance and supplies, capital, revenue), impact on rates, fees, or future shared revenue</p> <p>Funding Source <input type="checkbox"/> One-time <input type="checkbox"/> Recurring <input checked="" type="checkbox"/> N/A</p> <p>Specify funding source: Select Funding Source*</p> <p>Is this funding source sustainable for future years, months, etc? Click or tap here to enter text.</p> <p>Expense Occurrence <input type="checkbox"/> One-time <input type="checkbox"/> Recurring <input checked="" type="checkbox"/> N/A</p> <p>Other budget impacts: (revenue generating, match requirements, etc.)</p> | |
| <p>Operations Impacts (If N/A, please give a brief description as to why)</p> <ul style="list-style-type: none"> • What impacts would the proposal have on historically excluded communities? N/A • How will data be collected, analyzed, and reported concerning the effect of the program/policy by racial, ethnic, gender identity, national origin, income level, disability, sexual orientation, or other existing disparities? N/A | |

- How will data be collected regarding the effectiveness of this program, policy, or product to ensure it is the right solution?
N/A
- Describe how this proposal aligns with current City Policies, including the Comprehensive Plan, Sustainability Action Plan, Capital Improvement Program, Neighborhood Master Plans, Council Resolutions, and others?
N/A

Council Subcommittee Review

- Please provide a summary of council subcommittee review. If not reviewed by a council subcommittee, please explain why not.
N/A



Agenda Sheet for City Council:

Committee: Urban Experience **Date:** 09/09/2024

Committee Agenda type: Discussion

Date Rec'd

8/29/2024

Clerk's File #

Cross Ref #

Project #

Council Meeting Date: 09/23/2024

Submitting Dept

CITY COUNCIL

Bid #

Contact Name/Phone

ANDRES (509)651-0855

Requisition #

Contact E-Mail

AGRAGEDA@SPOKANECITY.ORG

Agenda Item Type

First Reading Ordinance

Council Sponsor(s)

LNAVARRETE KKLITZKE ZZAPPONE

Agenda Item Name

0320- ORDINANCE ON SPOKANE HUMAN RIGHTS COMMISSION MEMBERSHIP

Agenda Wording

An ordinance relating to the recruitment of applicants to the SHRC, amending section 4.10.020 of the Spokane Municipal Code.

Summary (Background)

This ordinance would expand the number of commissioners allowable into the SHRC from 9 to 12. The 9th position, which is currently reserved for a youth member, would change to an adult position and the three additional spots are to be filled by youth members residing in each of the three council districts.

Lease? NO

Grant related? NO

Public Works? NO

Fiscal Impact

Approved in Current Year Budget? N/A

Total Cost \$

Current Year Cost \$

Subsequent Year(s) Cost \$

Narrative

Amount

Budget Account

Neutral \$ #

Select \$ #

Select \$ #

Select \$ #

\$ #

\$ #



Agenda Sheet for City Council:

Committee: Urban Experience **Date:** 09/09/2024

Committee Agenda type: Discussion

Date Rec'd

8/29/2024

Clerk's File #

Cross Ref #

Project #

Council Meeting Date: 09/23/2024

Submitting Dept

CITY COUNCIL

Bid #

Contact Name/Phone

ANDRES (509)651-0855

Requisition #

Contact E-Mail

AGRAGEDA@SPOKANECITY.ORG

Agenda Item Type

First Reading Ordinance

Council Sponsor(s)

LNAVARRETE KKLITZKE ZZAPPONE

Agenda Item Name

0320- ORDINANCE ON SPOKANE HUMAN RIGHTS COMMISSION MEMBERSHIP

Agenda Wording

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Summary (Background)

This ordinance would expand the number of commissioners allowable into the SHRC from 9 to 12. The 9th position, which is currently reserved for a youth member, would change to an adult position and the three additional spots are to be filled by youth members residing in each of the three council districts.

Lease? NO

Grant related? NO

Public Works? NO

Fiscal Impact

Approved in Current Year Budget? N/A

Total Cost

\$

Current Year Cost

\$

Subsequent Year(s) Cost

\$

Narrative

Amount

Budget Account

Neutral

\$

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Select

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Select

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Committee Agenda Sheet

Urban Experience Committee

| | |
|---|---|
| Committee Date | 09/09/24 |
| Submitting Department | City Council |
| Contact Name | Andres Grageda |
| Contact Email & Phone | agrageda@spokanecity.org (509)651-0855 |
| Council Sponsor(s) | CM Zappone CM Klitzke CM Bingle |
| Select Agenda Item Type | <input type="checkbox"/> Consent <input checked="" type="checkbox"/> Discussion Time Requested: 5 |
| Agenda Item Name | SHRC Membership |
| Proposed Council Action | <input checked="" type="checkbox"/> Approval to proceed to Legislative Agenda <input type="checkbox"/> Information Only |
| Summary (Background) *use the Fiscal Impact box below for relevant financial information | This ordinance would expand the number of commissioners allowable into the SHRC from 9 to 12. The 9 th position, which is currently reserved for a youth member, would change to an adult position and the three additional spots are to be filled by youth members residing in each of the three council districts. |
| <p>Fiscal Impact</p> <p>Approved in current year budget? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A</p> <p>Total Cost: Click or tap here to enter text.</p> <p> Current year cost:</p> <p> Subsequent year(s) cost:</p> <p>Narrative: Please provide financial due diligence review, as applicable, such as number and type of positions, grant match requirements, summary type details (personnel, maintenance and supplies, capital, revenue), impact on rates, fees, or future shared revenue</p> <p>Funding Source <input type="checkbox"/> One-time <input type="checkbox"/> Recurring <input checked="" type="checkbox"/> N/A</p> <p>Specify funding source: Select Funding Source*</p> <p>Is this funding source sustainable for future years, months, etc? Click or tap here to enter text.</p> <p>Expense Occurrence <input type="checkbox"/> One-time <input type="checkbox"/> Recurring <input checked="" type="checkbox"/> N/A</p> <p>Other budget impacts: (revenue generating, match requirements, etc.)</p> | |
| <p>Operations Impacts (If N/A, please give a brief description as to why)</p> <ul style="list-style-type: none"> What impacts would the proposal have on historically excluded communities? The Cities official motto is “In Spokane We All Belong”. According to a 2024 article by Neilsberg Research, 20% of Spokane’s population is under the age of 18. Young people are generally less involved in their local government. This ordinance would give more of a voice to our youth and offer the SHRC the perspective of young people in Spokane. | |

- How will data be collected, analyzed, and reported concerning the effect of the program/policy by racial, ethnic, gender identity, national origin, income level, disability, sexual orientation, or other existing disparities?
No additional data will be collected based on this ordinance.
- How will data be collected regarding the effectiveness of this program, policy, or product to ensure it is the right solution?
No data will be collected. The effectiveness of this policy will be measured by whether or not the youth positions are filled and how they go on to enhance the SHRC.
- Describe how this proposal aligns with current City Policies, including the Comprehensive Plan, Sustainability Action Plan, Capital Improvement Program, Neighborhood Master Plans, Council Resolutions, and others?
Our Comprehensive Plan has an entire section titled “Commitment to Youth” which states that, “Youth are critical to the future of the city. The entire community should share in supporting their growth and development. By their involvement in civic and neighborhood activities, youth see the impact of their own actions and recognize the difference they make.” This change perfectly encapsulates that sentiment.

Council Subcommittee Review

- Please provide a summary of council subcommittee review. If not reviewed by a council subcommittee, please explain why not.
Spokane Human Rights Commission put this ordinance forward.

ORDINANCE NO. C-_____

An ordinance relating to the recruitment of applicants to the SHRC, amending section 4.10.020 of the Spokane Municipal Code.

WHEREAS, the City of Spokane Human Rights Commission (the “Commission”) is dedicated to addressing issues related to human rights, unjust discrimination, and program implementation that accounts for the needs of all residents of the City of Spokane (“the City”), and one of its nine members is designated as Youth Representative to further this mission; and

WHEREAS, the “Commitment to Youth” section of our Comprehensive Plan states that, “Youth are critical to the future of the city. The entire community should share in supporting their growth and development. By their involvement in civic and neighborhood activities, youth see the impact of their own actions and recognize the difference they make.”; and

WHEREAS, the Commission’s members who have served in the Youth Representative position have provided invaluable insight on human rights matters and have brought fresh perspectives to the Commission’s deliberations; and

WHEREAS, the Commission’s members who have served in the Youth Representative position have discharged their duties diligently and conscientiously, strengthening the quality of the Commission’s work; and

WHEREAS, the Commission has encountered difficulties recruiting applicants for and retaining members in the Youth Representative position in part due to certain requirements in SMC 4.10.020; and

WHEREAS, the Commission’s current Youth Representative is, upon information and belief, believed to be the first Youth Representative member who has ever been reappointed to a second term as Youth Representative, in part due to the requirements in SMC 4.10.020; and

WHEREAS, the Commission’s incumbent Youth Representative currently serves on the Commission’s Executive Committee as Secretary/Treasurer, exemplifies the characteristics set forth in the recitals herein, and the Commission has recommended her reappointment; and

WHEREAS, the Commission has determined that amending SMC 4.10.020 will alleviate certain difficulties the Commission has encountered in recruiting for and retaining members in the Youth Representative position, and also increase continuity and stability in its membership;

NOW THEREFORE, the City of Spokane does ordain:

Section 1. That section 4.10.020 of the Spokane Municipal Code is amended to read as follows:

Section 4.10.020 Appointment

- A. The commission consists of ~~((nine))~~twelve voting members nominated by the mayor and appointed by the city council to staggered three-year terms commencing on the date of appointment.
- B. Membership shall be composed of one member ~~((from))~~residing in each of the council districts. The remaining six positions shall be designated as at-large positions and shall be filled by qualified City residents regardless of the council district in which they reside.
- C. In addition to the nine positions set forth in Subsection (B), ~~((Two of the six at large))~~three additional positions may be filled with ~~((a))~~youth representatives, with no more than one youth representative residing in each of the council districts. The youth representative positions shall be open to any person under the age of eighteen ~~((with))~~for a term of one year commencing on the date of appointment, with the option of ~~((one-year renewal))~~reappointment to additional one-year terms if the person has not reached the age of ~~((seventeen))~~eighteen or is enrolled in high school at the time the ~~((first-year))~~previous term expires.
- ~~((B))~~D. Vacancies for all positions are filled by appointment to unexpired terms, after which the member may be reappointed to a subsequent term in the same manner.

Section 2. Severability. If any section, subsection, sentence, clause, phrase or word of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality thereof shall not affect the validity or constitutionality of any other section, subsection, sentence, clause, phrase or word of this ordinance.

Section 3. Clerical Errors. Upon approval by the city attorney, the city clerk is authorized to make necessary corrections to this ordinance, including scrivener's errors

or clerical mistakes; references to other local, state, or federal laws, rules, or regulations; or numbering or referencing of ordinances or their sections and subsections.

PASSED by the City Council on _____.

Council President

Attest:

Approved as to form:

City Clerk

Assistant City Attorney

Mayor

Date

Effective Date

**Agenda Sheet for City Council:****Committee:** Urban Experience **Date:** 09/09/2024**Committee Agenda type:** Discussion**Date Rec'd**

8/28/2024

Clerk's File #**Cross Ref #****Project #****Council Meeting Date:** 09/23/2024**Submitting Dept**

COMMUNITY, HOUSING & HUMAN

Bid #**Contact Name/Phone**

HEATHER PAGE 625-6578

Requisition #**Contact E-Mail**

HPAGE@SPOKANECITY.ORG

Agenda Item Type

Special Budget Ordinance

Council Sponsor(s)

ZZAPPONE JBINGLE KKLITZKE

Agenda Item Name

1680 - SBO - CHHS HOUSING SALES TAX PROJECTS (1590 MONEY)

Agenda Wording

CHHS is requesting approval of an SBO for \$11,800,000 in HB1590 Sales and Uses Tax Revenue funds. The purpose of these funds is to increase affordable housing opportunities for Spokane through a combination of capital and service projects.

Summary (Background)

The SBO is needed because these expenses were not budgeted during the annual budgeting process. CHHS will need the SBO approved to reimburse the individuals identified in the RFP processes, as well as the City's admin costs. Funds will be distributed through competitive RFP processes in three separate RFPs. The first RFP was released May 15, 2024, the second RFP was released May 29, 2024, and the date of release for the third RFP is still to be determined.

Lease? NO

Grant related? NO

Public Works? NO

Fiscal Impact

Approved in Current Year Budget? NO

Total Cost \$ 12,059,000

Current Year Cost \$ 12,059,000

Subsequent Year(s) Cost \$ TBD

Narrative**Amount****Budget Account**

Expense \$ 8,850,000

1595-53121-51010-54201-99999

Expense \$ 2,950,000

1595-53126-51010-54201-99999

Expense \$ 259,000

1595-53127-51030-5XXXX-99999

Select \$

#

\$

#

\$

#

Council Briefing Paper Urban Experience Committee

| Committee Date | September 9, 2024 | | | | | | | | | | | | | | |
|---|--|--------------------------|-------------------------|--|-------------|--------------------------|-------------------------|---------|-------------|-------------|-------------|----------|-------------|-------------|-----------|
| Submitting Department | Community, Housing, and Human Services | | | | | | | | | | | | | | |
| Contact Name | Heather Page | | | | | | | | | | | | | | |
| Contact Email & Phone | hpage@spokanecity.org , 6578 | | | | | | | | | | | | | | |
| Council Sponsor(s) | Zappone, Bingle, Klitzke | | | | | | | | | | | | | | |
| Select Agenda Item Type | <input checked="" type="checkbox"/> Discussion Time Requested: 5 minutes | | | | | | | | | | | | | | |
| Agenda Item Name | Special Budget Ordinance – CHHS Housing Sales Tax Projects (1590 Money) | | | | | | | | | | | | | | |
| Grant Item | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | | | | | | | | | | | | | |
| Proposed Council Action | <input checked="" type="checkbox"/> Approval to proceed to Legislative Agenda | | | | | | | | | | | | | | |
| <p>Summary</p> <p>What is the specific purpose or need for the budget adjustment?</p> <p>What changes or developments have triggered this request?</p> | <p>CHHS is requesting approval of an SBO for \$11,800,000 in HB1590 Sales and Uses Tax Revenue funds. The purpose of these funds is to increase affordable housing opportunities for Spokane through a combination of capital and service projects.</p> <p>The SBO is needed because these expenses were not budgeted during the annual budgeting process. CHHS will need the SBO approved to reimburse the individuals identified in the RFP processes, as well as the City’s admin costs.</p> <p>Seventy-five percent (75%) of the funds will be used for capital projects contributing to the development/construction/ preservation of affordable housing. Twenty-five percent (25%) of the funds will be used for service-related projects.</p> <p>Approximately thirty-three percent (33%) of the funding will be set aside specifically to address behavioral health facilities and services needs. The remaining sixty-six percent (66%) of the funds will be used for affordable housing facilities and services.</p> <table border="1" style="width: 100%; border-collapse: collapse; margin: 10px 0;"> <thead> <tr> <th></th> <th>75/25 Split</th> <th>Affordable Housing (2/3)</th> <th>Behavioral Health (1/3)</th> </tr> </thead> <tbody> <tr> <td>Capital</td> <td>\$8,850,000</td> <td>\$5,850,000</td> <td>\$3,000,000</td> </tr> <tr> <td>Services</td> <td>\$2,950,000</td> <td>\$1,955,000</td> <td>\$995,000</td> </tr> </tbody> </table> <p>Funds will be distributed through competitive RFP processes in three separate RFPs. The first RFP was released May 15, 2024, the second RFP was released May 29, 2024, and the date of release for the third RFP is still to be determined.</p> <p>The administrative costs associated with the funding is \$259,000, 2.5% of each project funded.</p> | | | | 75/25 Split | Affordable Housing (2/3) | Behavioral Health (1/3) | Capital | \$8,850,000 | \$5,850,000 | \$3,000,000 | Services | \$2,950,000 | \$1,955,000 | \$995,000 |
| | 75/25 Split | Affordable Housing (2/3) | Behavioral Health (1/3) | | | | | | | | | | | | |
| Capital | \$8,850,000 | \$5,850,000 | \$3,000,000 | | | | | | | | | | | | |
| Services | \$2,950,000 | \$1,955,000 | \$995,000 | | | | | | | | | | | | |
| Fiscal Impact | | | | | | | | | | | | | | | |

Approved in current year budget? Yes No N/A

Total Cost: \$12,059,000

Current year cost: \$12,059,000

Subsequent year(s) cost: TBD

Funding Source One-time Recurring N/A

Specify funding source: Taxes

Is this funding source sustainable for future years, months, etc? [Click or tap here to enter text.](#)

Expense Occurrence One-time Recurring N/A

Other budget impacts: (revenue generating, match requirements, etc.)

Operations Impacts (If N/A, please give a brief description as to why)

- What are the net impacts this adjustment will have on the specifically affected line items?

\$259,000 increase to City Admin expenses; \$8,850,000 increase to affordable housing contractual services; \$2,950,000 increase to affordable housing services contractual services.

- What operational changes will occur because of this adjustment?

CHHS will issue RFPs, facilitate through committee project selection and funding allocation requests, issue contracts, review and approve invoices, and provide technical support to recipients throughout the affordability period or contract term.

- What are the potential risks or consequences of not approving the budget adjustment?

The projects will not be funded if the expense budget increase does not occur. If it is not approved, the individuals in the RFP will be notified they are no longer receiving the award.

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

HB1590 projects align with the Consolidated Plan, HA Plan.

What current racial and other inequities might this special budget ordinance address?

The proposals selected for funding will provide housing and services to underserved communities through the development of affordable housing and housing related services for qualifying populations earning 60% AMI or less.

ORDINANCE NO _____

An ordinance amending Ordinance No. C36467, passed by the City Council November 27, 2023, and entitled, "An ordinance adopting the Annual Budget of the City of Spokane for 2024, making appropriations to the various funds of the City of Spokane government for the fiscal year ending December 31, 2024, and providing it shall take effect immediately upon passage," and declaring an emergency.

WHEREAS, subsequent to the adoption of the 2024 budget Ordinance No. C36467, as above entitled, and which passed the City Council November 27, 2023, it is necessary to make changes in the appropriations of the Housing Local Sales Tax Fund, which changes could not have been anticipated or known at the time of making such budget ordinance; and

WHEREAS, this ordinance has been on file in the City Clerk's Office for five days; - Now, Therefore,

The City of Spokane does ordain:

Section 1. That in the budget of the Housing Local Sales Tax Fund, and the budget annexed thereto with reference to the Fund, the following changes be made:

- 1) Increase appropriation by \$12,059,000.
 - A) Of the increased appropriation, \$11,800,000 is provided solely for contractual services.
 - B) Of the increased appropriation, \$259,000 is provided solely for the City's administrative costs, including salaries, benefits, supplies and equipment.

Section 2. It is, therefore, by the City Council declared that an urgency and emergency exists for making the changes set forth herein, such urgency and emergency arising from the recent request for proposals to spend housing sales tax funding, and because of such need, an urgency and emergency exists for the passage of this ordinance, and also, because the same makes an appropriation, it shall take effect and be in force immediately upon its passage.

Passed by the City Council on _____

Council President

Attest:

Approved as to form:

City Clerk

Assistant City Attorney

Mayor

Date

Effective Date

Continuation of Wording, Summary, and Distribution

Agenda Item Name: 1680 - 2024 HOUSING RELATED SERVICES FUNDING RECOMME

Agenda Wording (519 character max)

CHHS is requesting approval to allocate funds and to enter into legal agreements for the recommended projects.

Summary (Background) (777 character max)

The CHHS Board approved funding recommendations are included in the attached briefing paper.

Fiscal Impact

Budget Account

Select ▼ \$ #

Select ▼ \$ #

Distribution List

| | |
|----------------------|----------------------|
| <input type="text"/> | <input type="text"/> |
| <input type="text"/> | <input type="text"/> |
| <input type="text"/> | <input type="text"/> |
| <input type="text"/> | <input type="text"/> |

Save

Cancel

**Agenda Sheet for City Council:****Committee:** Urban Experience **Date:** 09/09/2024**Committee Agenda type:** Discussion**Date Rec'd**

8/27/2024

Clerk's File #**Cross Ref #****Project #****Council Meeting Date:** 09/23/2024**Submitting Dept**

COMMUNITY, HOUSING & HUMAN

Bid #**Contact Name/Phone**

HEATHER PAGE 6578

Requisition #**Contact E-Mail**

HPAGE@SPOKANECITY.ORG

Agenda Item Type

Resolutions

Council Sponsor(s)

ZZAPPONE JBINGLE KKLITZKE

Agenda Item Name

1680 - 2024 HOUSING RELATED SERVICES FUNDING RECOMMENDATIONS

Agenda Wording

The Affordable Housing Committee and CHHS Board have provided the Housing Related Services funding recommendations for 2024 HOME-ARP program and 1590 Sales and Uses Tax Revenue funds.

Summary (Background)

The Housing Related Services RFP was released May 29, 2024, and closed on July 17, 2024. A total of \$4,501,000 in funding for housing related supportive services associated with affordable housing was made available through a competitive application process. Eight application packets were recommended for funding by the Affordable Housing Committee. On September 4, 2024, the CHHS Board reviewed and approved the Affordable Housing Committee's recommendations.

Lease? NO

Grant related? YES

Public Works? NO

Fiscal Impact

Approved in Current Year Budget? YES

Total Cost \$ 2,954,451

Current Year Cost \$ 2,954,451

Subsequent Year(s) Cost \$

Narrative

Expenses for HOME-ARP funded projects will be reimbursed by HUD during grant draw process for the HOME-ARP.

Amount**Budget Account**

Expense \$ 1,779,440

1710-95657-51010-54201-99999 (HOME-ARP)

Expense \$ 1,175,011

1595-53122-51010-54201-99999 (1590)

Select \$

#

Select \$

#

Select \$

#

Select \$

#



Continuation of Wording, Summary, Approvals, and Distribution

Agenda Wording

CHHS is requesting approval to allocate funds and to enter into legal agreements for the recommended projects.

Summary (Background)

The CHHS Board approved funding recommendations are included in the attached briefing paper.

Approvals

| | |
|----------------------------------|----------------------|
| <u>Dept Head</u> | ANDERSON, ARIELLE M. |
| <u>Division Director</u> | KINDER, DAWN |
| <u>Accounting Manager</u> | ORLOB, KIMBERLY |
| <u>Legal</u> | PICCOLO, MIKE |
| <u>For the Mayor</u> | PICCOLO, MIKE |

Additional Approvals

| | |
|----------------------------|------------------|
| <u>ACCOUNTING -</u> | MURRAY, MICHELLE |
| | |
| | |
| | |
| | |

Distribution List

| | |
|-------------------------|---------------------------------|
| | hpage@spokanecity.org |
| jgammal@spokanecity.org | arielleanderson@spokanecity.org |
| dkinder@spokanecity.org | |
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| | |
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| | |
| | |

Committee Agenda Sheet

Urban Experience Committee

| | |
|--|--|
| Committee Date | September 9, 2024 |
| Submitting Department | Community, Housing, and Human Services |
| Contact Name | Heather Page |
| Contact Email & Phone | hpage@spokanecity.org ; 6578; jgammal@spokanecity.org ; 6056 |
| Council Sponsor(s) | <u>Zappone, Bingle, Klitze</u> |
| Select Agenda Item Type | <input type="checkbox"/> Consent <input checked="" type="checkbox"/> Discussion Time Requested: 5 minutes |
| Agenda Item Name | 1680- 2024 Housing Related Services Funding Recommendations |
| Proposed Council Action | <input checked="" type="checkbox"/> Approval to proceed to Legislative Agenda <input type="checkbox"/> Information Only |
| Summary (Background) *use the Fiscal Impact box below for relevant financial information | <p>On May 29, 2024, Community Housing and Human Services (CHHS), issued a Request for Proposals (RFP) for projects that increase the offering of housing related services to qualifying households connected with affordable housing. The projects selected for funding will receive either Home Investment Partnership-ARP program funds or 1590 Sales and Uses Tax Revenue funds.</p> <p>\$2,546,000 was available from HOME-ARP and \$1,955,000 was available from 1590 Sales and Uses Tax Revenue funds for the Housing Related Services funding round.</p> <p>The call for proposal was released after extensive discussions with community members, community leaders, and City of Spokane administration during the month of April 2024, culminating in meetings with the Spokane Alliance and Spokane Low Income Housing Consortium on May 3, 2024, and with the public at large on May 7, 2024. The May 7, 2024, meeting was posted publicly in the Spokesman Review, on the City’s website, through email distribution lists, and publicly noticed by City Council staff. The Housing Related Services RFP was released later than the Affordable Housing Development RFP to allow time for the vendor to build the new Housing Related Services application.</p> <p>The Housing Related Services RFP was publicly noticed in the Spokesman Review, on the City’s website, and through email distribution lists. The online posting included links to the RFP, the scoring criteria, and the application. A technical assistance workshop was provided to interested applicants on June 11, 2024. Between May 29, and July 17, 2024, eight organizations participated in individual technical assistance meetings for the RFP and application. The application closed on July 17, 2024.</p> <p>Ten applications were received. Two applications requested funding for ineligible activities in this funding round and were not considered for funding. A modified Affordable Housing Committee met on August 15, 2024, to review the averaged scores of the reviewers and to select project for funding. The Affordable Housing Committee was modified to include two members of the Housing Action Subcommittee. The following projects were recommended for funding:</p> |

- **\$1,000,000, HOME-ARP funds, Thrive International, Supportive Housing Services Project.** Project will use funding for supportive services and program administration. Project will serve all qualifying HOME-ARP populations, with a focus on homeless and at-risk of homelessness households. Thrive anticipates serving 350 households.
- **\$159,940, HOME-ARP funds, Transitions, New Leaf Project.** Transitions will use funds to provide vocational supportive services to 143 households. New Leaf will serve all HOME-ARP qualifying populations, with a focus on homeless and at-risk of homelessness households.
- **\$428,677, 1590 funds, YWCA, DV Victim Services.** YWCA will use funding for supportive services. Project will serve approximately 260 households fleeing DV, earning 60% AMI or less.
- **\$355,060, 1590 Funds, Community Frameworks, Multi-Site Housing Related Services.** Requested funding to be used on supportive services, operations/maintenance across five properties. Anticipate serving 100 households, to include households exiting homelessness, or households of disabled persons earning 60% AMI or less.
- **\$250,326, 1590 funds, Transitions, Transitional Living Center project.** Project will use funding for supportive services and operations/maintenance. The TLC will serve households exiting homelessness, at-risk of homelessness, fleeing DV and earning 60% AMI or less. TLC anticipates serving approximately 21 households.
- **\$619,500, HOME-ARP funds, Tenants Union, Tenant Education & Empowerment project.** Tenants Union will use the funding for supportive services and program administration. The project will serve all HOME-ARP qualifying populations and anticipates serving 360 individuals.
- **\$73,164, 1590 funds, VOA, Hope House Emergency Shelter.** VOA will use the funds for supportive services and program administration. They will serve homeless, and any other qualifying population earning 60% or less AMI. VOA anticipates serving 461 individuals with this funding.
- **\$67,784, 1590 funds, VOA, Young Adult Shelter.** VOA will use the funds for supportive services. They will serve homeless, and at-risk of homelessness Youth and Young Adults earning 60% or less AMI. VOA anticipates serving 292 individuals with this funding.

A total of \$2,954,451 was requested from the eight applicants. The Affordable Housing Committee recommended full funding for all eight projects. After funding the eligible projects, \$766,560 remains in HOME-ARP funding, and \$779,989 remains in 1590 funding for a future funding round.

The CHHS Board approved the Affordable Housing Committee’s recommendations on September 4, 2024.

The funding will be provided to the recipients as grants.

Fiscal Impact

Approved in current year budget? Yes No N/A

Total Cost: \$2,954,451

Current year cost: \$2,954,451

Subsequent year(s) cost: 0

Narrative: Funding includes \$1,779,440 in HOME-ARP funding, and \$1,175,011 in 1590 funding

Funding Source One-time Recurring N/A

Specify funding source: Select Funding Source*

Grants and Taxes

1710-95657-51010-54201-99999 (HOME-ARP) and 1595-53122-51010-54201-99999 (1590)

Is this funding source sustainable for future years, months, etc?

Expense Occurrence One-time Recurring N/A

Other budget impacts: (revenue generating, match requirements, etc.)

Operations Impacts (If N/A, please give a brief description as to why)

What impacts would the proposal have on historically excluded communities?

1590 funds are specifically designated to serve persons with disabilities and behavioral health disabilities, Veterans, seniors citizens, persons who are homeless/at-risk of homelessness, unaccompanied youth and young adults, and domestic violence survivors, earning 60% AMI or less. HOME-ARP funds are allocated to projects focused on serving vulnerable populations regardless of AMI.

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

For HOME-ARP projects, data will be collected per HUD's requirements. For 1590 projects data will be collected through Neighborly.

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

For HOME-ARP projects, data will be collected per HUD's requirements. For 1590 projects data will be collected through Neighborly.

Describe how this proposal aligns with current City Policies, including the Comprehensive Plan, Sustainability Action Plan, Capital Improvement Program, Neighborhood Master Plans, Council Resolutions, and others? HOME-ARP funded projects must align with the Consolidated Plan. Both HOME and 1590 funded projects aligned with multiple plans (Con Plan, HA Plan, CoC's 5-year Plan) in this funding round.

RESOLUTION

A resolution setting forth the City Council's approval and endorsement of funding for contracts for CHHS arising from the HOME-ARP program allocation, and from the 1590 Sales and Uses Tax Revenue allocation for housing related services and authorizing the execution of the applicable and appropriate contracts once formalized without further City Council action.

WHEREAS on May 3, 2024, the Community, Housing, and Human Services (CHHS) Department met with City of Spokane community members to gather public feedback on affordable housing funding priorities, and

WHEREAS on May 7, 2024, the CHHS Department held a public meeting to gather public feedback on funding priorities, and

WHEREAS, CHHS accepted applications for housing related services funding through an open, competitive process May 29, 2024-July 17, 2024; and

WHEREAS, on September 4, 2024, the CHHS Affordable Housing Committee thoroughly reviewed the applications and recommended eight projects for funding. These projects are:

1. Thrive International, Supportive Housing Services, supportive services and program administration activities.
2. Transitions, New Leaf, vocational supportive services activities
3. YWCA, DV Victim Services, supportive services activities
4. Community Frameworks, Scattered Sites, supportive services activities
5. Transitions, Transitional Living Center, supportive services, and operations/maintenance activities
6. Tenants Union, Tenant Education & Empowerment, supportive services and program administration
7. Volunteers of America Eastern WA & Northern ID, Hope House Emergency Shelter, supportive services and program administration
8. Volunteers of America Eastern WA & Northern ID, Young Adult Shelter, supportive services activities.

WHEREAS, the CHHS Board reviewed the Affordable Housing Committee's recommendations and approved the recommendations to go forward to the Spokane City Council for consideration; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Spokane formally approves and endorses the funding contracts arising from this housing related services funding round set forth in Attachment A that will be executed once formalized;

BE IT IS FURTHER RESOLVED that the City Council authorizes the administration through CHHS and any other applicable staff to execute the appropriate contracts and related documents without further action of the City Council.

ADOPTED by the City Council this _____ day of _____,
2024.

City Clerk

Approved as to form:

Assistant City Attorney

2024 HOUSING RELATED SERVICES APPLICATION TRACKING LOG

| Funding Source | Project Organization | Project Name | Project Location | Project Type | Qualifying Populations | Annual Assistance Requested | Total Amount Requested From City | Amount of Funding Recommendation | Score |
|----------------|-----------------------------------|--|---|--|---|-----------------------------|----------------------------------|----------------------------------|-------|
| HOME-ARP | Thrive International | Thrive International Supportive Housing Services Project | 110 E. 4th Ave | Supportive services, program admin | Homeless, at-risk of homelessness, any other QP that meets requirements | \$333,333 | \$1,000,000 | \$1,000,000.00 | 92 |
| HOME-ARP | Transitions | New Leaf | Scattered Sites | Vocational and supportive services | Homeless, at-risk of homelessness, any other QP that meets requirements | \$53,312 | \$159,940 | \$159,940.00 | 90 |
| 1590 | YWCA | Services for Special Populations: DV Victim Services | 930 N. Monroe | Supportive services | Households fleeing DV, 60% AMI | \$244,578 | \$428,677 | \$428,677.00 | 90 |
| 1590 | Community Frameworks | CF Multi-Site Housing-Related Services | 424 W 7th Ave, 315 W MISSION AVE, 3024 E HOFFMAN AVE. 1 S | Supportive services, ops/maintenance | Disabled, Homeless, 60% AMI | \$177,530 | \$355,060 | \$355,060.00 | 90 |
| 1590 | Transitions | TLC | 3128 N. Hemlock St | Supportive services, ops/maintenance | Exiting homelessness, at-risk of homelessness, fleeing DV, 60% AMI | \$125,163 | \$250,326 | \$250,326.00 | 88 |
| HOME-ARP | Tenants Union | Tenant Education & Empowerment in Spokane | 25 W. Main Third Floor Suite 217 | Supportive services, program admin | Will serve all QPs | \$206,500 | \$619,500 | \$619,500.00 | 86 |
| 1590 | Volunteers of America E WA & N ID | Hope House Emergency Shelter | 318 S Adams | Supportive services, program admin | Homeless, all other QPs, 60% AMI | \$36,582 | \$73,164 | \$73,164.00 | 86 |
| 1590 | Volunteers of America E WA & N ID | Young Adult Shelter | 3104 E Augusta Avenue | Supportive services | Homeless, at-risk of homelessness Youth and Young Adults, 60% AMI | \$33,892 | \$67,784 | \$67,784.00 | 85 |
| Not eligible | Providence Community Clinic | Housing is Health Care Service Expansion | 32 W 2nd Ave. | Street outreach | - | - | - | - | - |
| Not eligible | Jewels Helping Hands | Transitional housing for medically fragile individuals | 904 E. Hartson | Building acquisition, supportive services for building | - | - | - | - | - |

| | | | | | |
|----------------|--------------------|-------------|--------------------|-----------|--------------------|
| \$2,546,000 | HOME-ARP Available | \$1,779,440 | HOME-ARP Allocated | \$766,560 | HOME-ARP Remaining |
| \$1,955,000 | 1590 Available | \$1,175,011 | 1590 Allocated | \$779,989 | 1590 Remaining |
| \$4,501,000.00 | Total Available | \$2,954,451 | Total Allocated | | |

**Agenda Sheet for City Council:****Committee:** Urban Experience **Date:** 09/09/2024**Committee Agenda type:** Consent**Date Rec'd**

8/29/2024

Clerk's File #**Cross Ref #****Project #****Council Meeting Date:** 09/23/2024**Submitting Dept**

COMMUNITY, HOUSING & HUMAN

Bid #**Contact Name/Phone**

ARIELLE M. 509-564-5278

Requisition #**Contact E-Mail**

ARIELLEANDERSON@SPOKANECITY.

Agenda Item Type

Contract Item

Council Sponsor(s)

ZZAPPONE JBINGLE KKLITZKE

Agenda Item Name

1680 - FINAL TRAC ONE-MONTH EXTENSION AMENDMENT

Agenda Wording

Request to amend TRAC Contract for \$620,000 with ROW/ARPA funds.

Summary (Background)

These funds will be used to support the phaseout of TRAC throughout the month of October 2024.

Lease? NO

Grant related? YES

Public Works? NO

Fiscal Impact

Approved in Current Year Budget? NO

Total Cost \$ 620,000

Current Year Cost \$

Subsequent Year(s) Cost \$

Narrative

None. Any additional staff time will be required.

Amount**Budget Account**

Expense \$ 620,000

1540-95655-65410-54201-99999

Select \$

#

Select \$

#

Select \$

#

\$

#

\$

#



Continuation of Wording, Summary, Approvals, and Distribution

Agenda Wording

Summary (Background)

Approvals

Dept Head

ANDERSON, ARIELLE M.

Division Director

KINDER, DAWN

Accounting Manager

ORLOB, KIMBERLY

Legal

PICCOLO, MIKE

For the Mayor

PICCOLO, MIKE

Additional Approvals

ACCOUNTING -

MURRAY, MICHELLE

Distribution List

arielleanderson@spokanecity.org

dnorman@spokanecity.org

Committee Agenda Sheet

Urban Experience Committee

| | |
|---|--|
| Committee Date | September 9, 2024 |
| Submitting Department | Community, Housing, and Human Services |
| Contact Name | Arielle M Anderson |
| Contact Email & Phone | arielleanderson@spokanecity.org |
| Council Sponsor(s) | <u>Zappone, Klitzke, Bingle</u> |
| Select Agenda Item Type | <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Discussion Time Requested: 15 minutes |
| Agenda Item Name | Approval to amend TRAC Contract for one month with Commerce ROW Funding for a maximum amount of \$620,000. |
| Proposed Council Action | <input checked="" type="checkbox"/> Approval to proceed to Legislative Agenda <input type="checkbox"/> Information Only |
| Summary (Background) *use the Fiscal Impact box below for relevant financial information | <p>CHHS requests that OPR 2023-0017 be amended to include the final payment of \$620,000 for the month of October 2024 to The Salvation Army. This extension will be supported with the Commerce ROW funding.</p> <p>Extending out the TRAC contract by one-month will provide TSA and Revive an opportunity to engage in an in-depth approach to case conferencing with the community (including State agencies) to identify alternative housing solutions for participants currently staying at TRAC. As noted in the Amendment (attached) there is a timeline associated with the reduction in services and the number of participants served over the next eight (8) weeks. The Salvation Army (TSA) will facilitate a weekly meeting with providers and come prepared to discuss the folks listed on the By Names List.</p> <p>The first meeting was August 29, 2024, and we had a total of 30 agencies attend. During this meeting, there was agreement that we should strive to identify the different sub populations currently at TRAC. Specifically, identifying individuals who are medically fragile, those who are employed, those who are Young Adults, etc., would allow us to be more focused in the case management approach.</p> <p>Additionally, the hope is that the Navigation Center will be up and running by October and can provide an additional pathway for a limited number of individuals with beds while they await openings in other ES, TH or PH projects.</p> |
| Fiscal Impact Approved in current year budget? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A Total Cost: Current year cost: Subsequent year(s) cost: | |
| Narrative: The contract amount is \$620,000 to be disbursed from the ROW Commerce Funds. | |
| Funding Source <input checked="" type="checkbox"/> One-time <input type="checkbox"/> Recurring <input type="checkbox"/> N/A Specify funding source: Grant Is this funding source sustainable for future years, months, etc? This is a one-month contract extension for October 2024. | |
| Expense Occurrence <input checked="" type="checkbox"/> One-time <input type="checkbox"/> Recurring <input type="checkbox"/> N/A | |

| |
|--|
| Other budget impacts: (revenue generating, match requirements, etc.) |
| Operations Impacts (If N/A, please give a brief description as to why). <i>None.</i> |
| What impacts would the proposal have on historically excluded communities? <i>This one-month extension will provide the Community more time to effectively re-house (ES, TH or PH) our current TRAC participants.</i> |
| How will data be collected, analyzed, and reported concerning the effect of the program/policy by racial, ethnic, gender identity, national origin, income level, disability, sexual orientation, or other existing disparities? <i>We will utilize CMIS to capture outcome measurements as identified in the contract. We will also be using a By Names List (BNL) during the course of our Case Conferencing Meetings.</i> |
| How will data be collected regarding the effectiveness of this program, policy or product to ensure it is the right solution? <i>The BNL will be a useful tool to have as we work through the different sub populations and their unique needs. Further, we will continue to use CMIS for data collection purposes and to help inform us of current enrollments and any critical documentation that has been uploaded into a client's dashboard in CMIS.</i> |
| Describe how this proposal aligns with current City Policies, including the Comprehensive Plan, Sustainability Action Plan, Capital Improvement Program, Neighborhood Master Plans, Council Resolutions, and others? <i>This program aligns with the CoC's Five Year Strategic Plan to End Homelessness.</i> |



City of Spokane
CONTRACT AMENDMENT/EXTENSION
**Title: TRAC Shelter Amendment E with
The Salvation Army**

This Agreement Amendment is made and entered into by and between the **City of Spokane** as ("City"), a Washington municipal corporation, and **The Salvation Army**, a California nonprofit corporation registered to do business in Washington, whose address is 30840 Hawthorne Blvd., Rancho Palos Verdes, CA 90275 with a local business address at 222 E Indiana, Spokane, WA 99207 as ("GRANTEE").

WHEREAS the parties entered into an Agreement wherein the GRANTEE agreed to administer Services and Operate a Shelter for those experiencing homelessness at the Trent Resource and Assistance Center (TRAC); and

WHEREAS an Agreement Amendment is anticipated and is now being memorialized for this Program in this Amendment; and

WHEREAS work and time to perform has been requested by the City, thus the original Agreement needs to be formally Amended by this written document; and

WHEREAS additional funds are necessary to complete the Project, and

WHEREAS the Grantee agrees to the CMIS Terms and Conditions as attached; and

WHEREAS additional funding has been made available under the Commerce ROW Funding.

WHEREAS the parties desire to EXTEND funding FOR ONE-MONTH and MODIFY the corresponding Scope of Services; and

NOW, THEREFORE, in consideration of these terms, the parties mutually agree as follows:

1. CONTRACT DOCUMENTS.

The original Agreement, dated January 9, 2023, any previous amendments, addendums and / or extensions / renewals thereto, are incorporated by reference into this document as though written in full and shall remain in full force and effect except as provided herein.

2. EFFECTIVE DATE.

This Agreement Amendment shall become effective on October 1, 2024, and shall run through October 31, 2024. Nothing in this section shall be deemed to prohibit the City from terminating the Agreement prior to October 31, 2024, pursuant to Section 10 of this original Agreement.

3. AMENDMENT.

SECTION NO. 3 – BUDGET. The total amount City shall pay GRANTEE is increased by the amount not to exceed **SIX HUNDRED TWENTY THOUSAND AND NO/100 DOLLARS (\$620,000.00)** for everything furnished and done under this Amendment which equates to a new Total Agreement amount not to exceed **SIXTEEN MILLION EIGHT HUNDRED SIXTY-FIVE THOUSAND AND FIVE HUNDRED EIGHTY-SIX AND NO/100 DOLLARS (\$16,245,586.00)** for everything furnished and done under the original Agreement and this Amendment. This is the maximum amount to be paid under this Amendment and original Agreement and shall not be exceeded without the prior written authorization of the City, memorialized with the same formality as the original Agreement and this Amendment document. The original Agreement BUDGET chart is modified as follows (this budget chart entirely replaces the budget chart portrayed in SECTION NO. 3 {page 20} of the original Agreement):

| Category | Amount |
|--------------------------------------|-------------------------|
| SHELTER OPERATIONS 2022 | \$ 1,097,322.00 |
| SHELTER OPERATIONS 2023 | \$ 4,543,264.00 |
| SHELTER OPERATIONS AMENDMENT A | \$ 3,500,000.00 |
| SHELTER OPERATIONS AMENDMENT B | \$ 3,730,000.00 |
| SHELTER OPERATIONS AMENDMENT C | \$ 700,000.00 |
| SHELTER OPERATIONS AMENDMENT D | \$ 2,480,000.00 |
| SHELTER OPERATIONS AMENDMENT D SURGE | \$ 195,000.00 |
| SHELTER OPERATIONS AMENDMENT E | \$ 620,000.00 |
| TOTAL | \$ 16,865,586.00 |

SHELTER OPERATIONS AMENDMENT E SPENDING ALLOWABILITY

| | |
|--------------------------------|---|
| SHELTER OPERATIONS AMENDMENT E | \$620,000.00 (for the month of October 2024 only) |
|--------------------------------|---|

4. SCOPE OF SERVICES. The scope of services to be performed under this one-month extension will include the same sheltering services as in the original agreement dated January 9, 2023. This includes maintaining a 24/7 operating model, provision of meals, light case management. In addition, beginning in September of 2024, GRANTEE will decrease the number of shelter participants on a regular cadence. The reduction in numbers shall follow the agreed upon dates:

| Date | Max Bed Capacity |
|--------------|-------------------------|
| 9/1 | 225 |
| 9/9 | 200 |
| 9/16 | 175 |
| 10/1 | 125 |
| 10/15 | 75 |
| 11/1 | 0 |

The City shall monitor the numbers above on a weekly basis to ensure compliance. In addition, GRANTEE agrees to facilitate a weekly case conferencing meeting with a variety of providers that will assist in finding emergency, transitional or permanent housing solutions.

5. EXTENSION. The contract documents are hereby extended and shall run through October 31, 2024.

6. COMPENSATION. The City shall pay Grantee a maximum amount not to exceed SIX HUNDRED TWENTY THOUSAND AND NO/100 DOLLARS, (\$620,000.00), **for the entire month of October 2024**, for everything furnished and done under this Contract Amendment/Extension.

IN WITNESS WHEREOF, in consideration of the terms, conditions and covenants contained, or attached and incorporated and made a part, the parties have executed this Agreement Amendment by having legally binding representatives affix their signatures below.

| | |
|--|--|
| <p>THE SALVATION ARMY</p> <p>By: _____ <i>(signature)</i></p> <p>Print Name: _____</p> <p>Title: _____</p> <p>Date: _____</p> <p>Email: _____</p> | <p>CITY OF SPOKANE:</p> <p>By: _____ <i>(signature)</i></p> <p>Print Name: _____</p> <p>Title: _____</p> <p>Date: _____</p> |
|--|--|

| | |
|---|--|
| <p>ATTEST:</p> <p>_____ City Clerk</p> | <p>APPROVED:</p> <p>_____ Assistant City Attorney</p> |
|---|--|

Attachments that are part of this Contract Extension:

ARPA General Terms and Conditions

CMIS requirements

Attachment H

General Terms & Conditions**1. CONTRACTING WITH CURRENT OR FORMER CITY EMPLOYEES**

Specific restrictions apply to contracting with current or former City officers and employees pursuant to the Code of Ethics in chapter 1.04A of the Spokane Municipal Code. Proposers shall familiarize themselves with the requirements prior to submitting a Proposal that includes current or former City officers or employees.

2. PROPRIETARY INFORMATION / PUBLIC DISCLOSURE

All materials submitted to the City in responses to this competitive procurement shall become the property of the City. All materials received by the City are public records and are subject to being released pursuant to a valid public records request. Washington state law mandates that all documents used, received or produced by a governmental entity are presumptively public records, and there are few exemptions. Chapter 41.56 RCW. When responding to this competitive procurement, please consider that what you submit will be a public record. If you believe that some part of your response constitutes legally protected proprietary information, you **MUST** submit those portions of your response as a separate part of your response, and you **MUST** label it as "PROPRIETARY INFORMATION." If a valid public records request is then received by the City for this information, you will be given notice and a 10-day opportunity to go to court to obtain an injunction to prevent the City from releasing this part of your response. If no injunction is obtained, the City is legally required to release the records. The City will neither look for nor honor any claims of "proprietary information" that are not within the separate part of your response.

3. OWNERSHIP OF DOCUMENTS

Any and all data, reports, analyses, documents, photographs, pamphlets, plans, specifications, surveys, films or any other material created, prepared, produced, constructed, assembled, made, performed or otherwise produced by the Firm or the Firm's subcontractors or consultants for delivery to the City under this Agreement shall be the sole and absolute property of the City. Such property shall constitute "work made for hire" as defined by U.S. Copyright Act of 1976, 17 U.S.C. § 101, and the ownership of the copyright and any other intellectual property rights in such property shall vest in the City at the time of its creation. Ownership of the intellectual property includes the right to copyright, patent, and register, and the ability to transfer these rights. Material which the Firm uses to perform this Agreement, but is not created, prepared, constructed, assembled, made, performed or otherwise produced for, or paid for, by the City is owned by the Firm and is not "work made for hire" within the terms of this Agreement.

4. ACCEPTANCE PERIOD

Proposals shall remain in effect for ninety (90) days for acceptance by the City from the due date for receipt of Proposals.

5. COSTS TO PROPOSE

The City will not be liable for any costs incurred by the Proposer in preparation of a Proposal submitted in response to this RFP, in conduct of a presentation, or any other activities related to responding to this RFP.2

6. INTERLOCAL PURCHASE AGREEMENTS The City of Spokane has entered into Interlocal Purchase Agreements with other public agencies pursuant to Chapter 39.34 RCW. In submitting a response, the Proposer agrees to provide its services to other public agencies at the same contracted price, terms and conditions it is providing to the City of Spokane, contingent upon the Firm's review and approval at the time of a requested contract. The Firm's right to refuse to enter into a contract with another public agency at the time of request shall be absolute.

7. DEBRIEFING OF UNSUCCESSFUL PROPOSERS

Upon request, a debriefing conference will be scheduled with an unsuccessful Proposer. Discussion will be limited to a critique of the requesting Firm's Proposal. Debriefing conferences may be conducted in person or on the telephone.

8. MINORITY & WOMEN-OWNED BUSINESS PARTICIPATION

The City encourages participation in all of its contracts by Firms certified by the Washington State Office of Minority and Women's Business Enterprises (OMWBE). Proposers may contact OMWBE at (360)753-9693 to obtain information on certified Firms.

9. NONDISCRIMINATION

No individual shall be excluded from participation in, denied the benefit of, subjected to discrimination under, or denied employment in the administration of or in connection with this Contract because of age, sex, race, color, religion, creed, marital status, familial status, sexual orientation including gender expression or gender identity, national origin, honorably discharged veteran or military status, the presence of any sensory, mental or physical disability, or use of a service animal by a person with disabilities. The Firm agrees to comply with, and to require that all subcontractors comply with, Section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act, as applicable to the Firm.

10. BUSINESS REGISTRATION REQUIREMENT

Section 8.01.070 of the Spokane Municipal Code states that no person may engage in business with the City without first having obtained and currently being the holder of a valid annual business registration or temporary business registration as provided in this chapter. The

Firm shall be responsible for contacting the State of Washington Business License Services at <http://dor.wa.gov> or 1-360-705-6741 to obtain a business registration. If the Firm does not believe it is required to obtain a business registration, it may contact the City's Taxes and Licenses Division at 509-625-6070 to request an exemption status determination.

11. PAYMENT

Payment will be made via direct deposit/ACH except as provided by state law. A completed ACH application is required before a City Order will be issued. If the City objects to all or any portion of the invoice, it shall notify the Company and reserves the right to only pay that portion of the invoice not in dispute. In that event, the parties shall immediately make every effort to settle the disputed amount.

12. ANTI-KICKBACK

No officer or employee of the City of Spokane, having the power or duty to perform an official act or action related to this contract shall have or acquire any interest in the contract, or have solicited, 3 accepted or granted a present or future gift, favor, service or other thing of value from or to any person involved in the contract.

13. DISPUTES

This contract shall be performed under the laws of Washington State. Any litigation to enforce this contract or any of its provisions shall be brought in Spokane County, Washington.

14. TERMINATION

A. For Cause: The City or Consultant may terminate the Agreement if the other party is in material breach of this Agreement, and such breach has not been corrected to the other party's reasonable satisfaction in a timely manner. Notice of termination under this Section shall be given by the party terminating this Agreement to the other, not fewer than thirty (30) business days prior to the effective date of termination.

B. For Reasons Beyond Control of Parties: Either party may terminate this Agreement without recourse by the other where performance is rendered impossible or impracticable for reasons beyond such party's reasonable control, such as, but not limited to, an act of nature, war or warlike operation, civil commotion, riot, labor dispute including strike, walkout or lockout, except labor disputes involving the Consultant's own employees, sabotage, or superior governmental regulation or control. Notice of termination under this Section shall be given by the party terminating this Agreement to the other, not fewer than thirty (30) business days prior to the effective date of termination.

C. For Convenience: Either party may terminate this Agreement without cause, upon thirty (30) days written notice to the other party.

D. Actions upon Termination: if termination occurs not the fault of the Consultant, the Consultant shall be paid for the services properly performed prior to the actual termination date, with any reimbursable expenses then due, but such compensation shall not exceed the maximum compensation to be paid under the Agreement. The Consultant agrees this payment shall fully and adequately compensate the Consultant and all subconsultants for all profits, costs, expenses, losses, liabilities, damages, taxes, and charges of any kind (whether foreseen or unforeseen) attributable to the termination of this Agreement.

E. Upon termination, the Consultant shall provide the City with the most current design documents, contract documents, writings, and other products the Consultant has produced to termination, along with copies of all project-related correspondence and similar items. The City shall have the same rights to use these materials as if termination had not occurred; provided however, that the City shall indemnify and hold the Consultant harmless from any claims, losses, or damages to the extent caused by modifications made by the City to the Consultant's work product.

15. LIABILITY

The Firm shall indemnify, defend, and hold harmless the City, its officers, and employees from all claims, demands, or suits in law or equity arising from the Firm's negligence or breach or its obligations under the contract. The Firm's duty to indemnify shall not apply to liability caused by the sole negligence of the City, its officers, and employees. The Firm's duty to indemnify for liability arising from the concurrent negligence of the City, its officers and employees and the Firm, its officers and employees shall apply only to the extent of the negligence of the Firm, its officers and employees. The Firm's duty to indemnify shall survive 4 termination or expiration of the contract. The Firm waives, with respect to the City only, its immunity under RCW Title 51, Industrial Insurance.

16. INSURANCE COVERAGE

During the term of the contract, the Firm shall maintain in force at its own expense, each insurance coverage noted below:

A. Worker's Compensation Insurance in compliance with RCW 51.12.020, which requires subject employers to provide workers' compensation coverage for all their subject workers and Employer's Liability Insurance in the amount of \$1,000,000.

B. General Liability Insurance on an occurrence basis, with a combined single limit of not less than \$1,000,000 each occurrence for bodily injury and property damage. It shall include contractual liability coverage for the indemnity provided under this contract. It shall

provide that the City, its officers and employees are additional insureds, but only with respect to the Firm's services to be provided under this contract.

C. Automobile Liability Insurance with a combined single limit, or the equivalent of not less than \$1,000,000 each accident for bodily injury and property damage, including coverage for owned, hired and non-owned vehicles.

D. Professional Liability Insurance with a combined single limit of not less than \$1,000,000 each claim, incident, or occurrence. This is to cover damages caused by the error, omission, or negligent acts related to the professional services to be provided under this contract. The coverage must remain in effect for at least three (3) years after the contract is completed.

There shall be no cancellation, material change, reduction of limits or intent not to renew the insurance coverage(s) without forty-five (45) days written notice from the Firm or its insurer(s) to the City.

As evidence of the insurance coverages required by this contract, the Firm shall furnish acceptable insurance certificates to the City at the time it returns the signed contract. The certificate shall specify all of the parties who are additional insured, and include applicable policy endorsements, and the deductible or retention level, as well as policy limits. Insuring companies or entities are subject to City acceptance and must have a rating of A- or higher by Best. Copies of all applicable endorsements shall be provided. The Firm shall be financially responsible for all pertinent deductibles, self-insured retentions, and/or self-insurance.

SPECIFIC GRANT RELATED LANGUAGE

17. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELEGIBILITY AND VOLUNTARY EXCLUSION

A certification form will accompany the contract to be signed confirming that, to the best of its knowledge and belief, Firm, and its principals:

- A. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency.
- B. Have not within a three-year period preceding this contract been convicted or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, receiving stolen property, making false claims, or obstruction of justice.
- C. Are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification.
- D. Have not within a three-year period preceding this contract had one or more public transactions (federal, state, or local) terminated for cause or default.

18. CERTIFICATION REGARDING LOBBYING

Byrd Anti-Lobbying Amendment (31 U.S.C. 1352) – Firms who apply or bid for an award of \$100,000 or more shall file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier shall also disclose any lobbying in non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient. A Certification Form is attached and included in this Request for Proposal by reference as Attachment A “Certification Regarding Lobbying”. The Proposer is required to sign and submit this Form with Proposal. The Proposer certifies by signing and submitting this Proposal, to the best of his or her knowledge and belief, that:

A. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or any employee of a Member of Congress in connection with the awarding of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan, or cooperative agreement.

B. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

C. The Proposer also agrees by submitting his or her Proposal, that he or she shall require that the language of this certification be included in all lower tier subcontracts. Which exceed \$100,000 and that all such sub-recipients shall certify and disclose accordingly.

D. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, United States Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

19. DOMESTIC PREFERENCE

200.322 (a) As appropriate and to the extent consistent with law, the non-Federal entity should to the greatest extent practicable under a federal award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products).

20. CLEAN AIR ACT

Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), as amended – Firms and subgrants of amounts in excess of \$100,000 shall contain a provision that requires the recipient to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251 et seq.) Violations shall be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

21. CONFORMANCE WITH FEDERAL, STATE, AND LOCAL LAWS

Federal, State and Local Laws: Services of a project as a result of the use of a Firm's services including the letting of subcontracts in connection with any project work related to this RFQ may be required to conform to the applicable requirements of Federal, State and local laws and ordinances. The City stipulates that Federal funds may be involved.

22. MAINTENANCE OF RECORDS

Federal, State and Local Laws: Services of a project as a result of the use of a Firm's services including the letting of subcontracts in connection with any project work related to this RFQ may be required to conform to the applicable requirements of Federal, State and local laws and ordinances. The City stipulates that Federal funds may be involved.

23. CONFERENCE ROOMS

Conference Rooms: All space used for conferences, meetings, conventions, or training seminars funded in whole or in part with federal funds under this contract must comply with the protection and controlling guidelines of the Hotel and Motel Fire Safety Act (PL 101-391, as amended).

24. AMERICANS WITH DISABILITIES ACT INFORMATION (ADA)

Americans with Disabilities Act (42 U.S.C. 12101, et seq.). The Applicant shall comply with the provisions of the Americans with Disabilities Act, 42 U.S.C. 12101, et. seq. That Act provides a comprehensive national mandate to eliminate discrimination against individuals with disabilities. The Act may impose requirements on the Applicant in four principal ways: 1) with respect to employment; 2) with respect to the provision of public services; 3) with respect to transportation; 4) with respect to existing facilities and new construction. The City in accordance with Section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act (ADA) commits to nondiscrimination in all of its programs and activities. The Firm agrees to comply with, and to require that all subcontractors comply with, Section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act, as applicable to the Firm. Law Against Discrimination, Chapter 49.60 RCW. The Applicant shall comply with the provisions of Chapter 49.60 RCW in all activities relating to this Grant Agreement. This material can be made available in an alternate format by request through Procure Ware question tab or by calling (509) 625-6400.

25. TITLE VI STATEMENT

The City of Spokane in accordance with Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 USC 2000d to 2000d-4 and Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation issued pursuant to such Act, hereby notifies all Proposers that it will affirmatively ensure that in any contract entered into pursuant to this advertisement, disadvantaged business enterprises as defined at 49 CFR Part

26 will be afforded full opportunity to submit Proposals in response to this invitation and will not be discriminated against on the grounds of race, color, national origin, or sex in consideration for an award. Public Law 88 - 352, Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) (24 CFR Part 1). The Applicant must comply with the provisions of "Public Law 88 - 352," which refers to Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.). The law provides that no person in the United States shall, on the grounds of race, color, or national origin, be denied the benefits of, be excluded from participation in, or be subjected to discrimination under any program or activity receiving federal financial assistance.

CMIS requirements

CMIS

GRANTEE shall abide by all stipulated guidelines, rules, and/or directions, as specified in the CMIS Policies and Procedures, the Agency Partnership Agreement, the Data Quality Plan, and any subsequent agreements, entered into before, or during, the term of this Agreement.

If the GRANTEE is a designated Victim Service Provider, as defined under the Violence Against Women Act “VAWA” or the Victims of Crime Act “VOCA”, the GRANTEE must establish a comparable database that follows all HUD requirements. Upon request, the GRANTEE must provide aggregated data to fulfil contractual performance measures and validation of overall data quality within the comparable database. The CMIS Program Manager is responsible for certifying a database as “comparable”.

The GRANTEE shall enter data into the CITY Community Management Information System for every client served under this Agreement in accordance with current HUD/CMIS Data Standards, the Data Quality Plan, and other quality/completeness standards as established by the local Continuum of Care. Client records shall be submitted and updated, as required, **no less frequently than monthly on or before the 5th day of each month**. CMIS required data elements are determined by the funder and the CMIS Committee of the Continuum of Care Board.

GRANTEE shall submit a notice in the form of an email communication to City of Spokane CMIS, CMIS@spokanecity.org, on or before the 5th of the month. The email must contain the names of the projects for which data has been entered and must include a statement verifying that the data is both complete and accurate and a list of all projects reviewed for the month. All issues preventing accurate and complete data submissions in the CMIS shall be communicated through the CMIS support ticket system.

GRANTEE shall utilize the CMIS housing inventory tool to manage the occupancy of units and update unit information as occupancy, or housing inventory, changes. All unit information shall be updated within forty-eight (48) hours of an occupancy change, or at whatever frequency is determined by mutual agreement between the GRANTEE and CITY. GRANTEE staff that are responsible for maintaining and/or updating the housing inventory shall attend offered training on the use and operation of the CMIS-based housing tool and will respond promptly to questions regarding housing inventory posed by the CITY. Guidance regarding the information needed to accurately account for housing inventory for the annual submission of the Housing Inventory Court Report and for local planning purposes can be found on the CMIS website at www.spokanecmis.org.

The GRANTEE shall ensure that all applicable staff are fully trained to operate in the CMIS and the Service Prioritization Decision Assistant Tool (SPDAT) and Vulnerability Index – Service Prioritization Decision Assistant Tool (VI-SPDAT) prior to using these systems within ninety (90) days of providing services under this Agreement. GRANTEES providing permanent supportive housing and transitional will complete a SPDAT on all program participants at program entry, program exit, and if applicable, annually.

CITY CMIS staff will post the most current versions of all applicable documents, reports, and operational guidelines to www.spokanecmis.org. Communications regarding updates to the website will be distributed via e-mail to current CMIS users or those that opt-in to the CMIS listserv (those wishing to opt-in to the CMIS listserv should submit a request to CMIS@spokanecity.org).

GRANTEE will submit questions regarding participation in the CMIS, including data collection responsibilities, via the support request tool in the CMIS. Those without access to the CMIS should submit their question(s) to CMIS@spokanecity.org.

Annual Performance Report

The GRANTEE shall verify the accuracy and completeness of all data contained within the Annual Performance Report ("APR") within twenty (20) days of the termination of this Agreement. The GRANTEE shall communicate acknowledgement to the CITY that data is as accurate and complete as possible by sending notice in the form of an email communication to CMIS@spokanecity.org including the grant identifier of the project. The GRANTEE shall follow the APR process as outlined in by the CITY.

Other Reporting Requirements

GRANTEE shall submit data required for the Annual Homeless Assessment Report, Commerce Annual Report, Housing Inventory Count, the Annual Point-in-Time Count, the System Performance Measures Report, and other reporting obligations as identified by the CITY or the CMIS Committee of the CoC Board.

ATTACHMENT H

Spending and Funding Breakdown OPR 2023-0017

Expenses through June 2024

| Source / Year | 2023 | 2024 | Total | ALN # | Source | Agency | Award # |
|------------------------|------------------------|------------------------|-------------------------|--------------|---------------|--|-----------------|
| ARPA - SLFRF | \$ 2,979,348.64 | \$ 3,172,238.77 | \$ 6,151,587.41 | 21.027 | Federal | US Dept. of Treasury (Revenue Replacem | SLT-0533 |
| RoW Year 1 | \$ 2,000,000.00 | \$ - | \$ 2,000,000.00 | 21.027 | Federal | Commerce passed through Treasury | SFY23-46141-014 |
| Row Year 2 | \$ 1,725,000.00 | \$ - | \$ 1,725,000.00 | n/a | State | Wa. State Dept. of Commerce | SFY23-46141-014 |
| Row Year 3 | \$ - | \$ - | \$ - | n/a | State | Wa. State Dept. of Commerce | SFY23-46141-014 |
| Real Estate Excise Tax | \$ 1,611,497.15 | \$ - | \$ 1,611,497.15 | n/a | Local | City of Spokane | n/a |
| Criminal Justice Fund | \$ 786,644.85 | \$ - | \$ 786,644.85 | n/a | Local | City of Spokane | n/a |
| Inflationary Year 1 | \$ 324,853.36 | \$ 759,114.64 | \$ 1,083,968.00 | n/a | State | Wa. State Dept. of Commerce | 24-63336-209 |
| City of Spokane Local | \$ 443,242.00 | \$ - | \$ 443,242.00 | n/a | Local | City of Spokane | n/a |
| | \$ 9,870,586.00 | \$ 3,931,353.41 | \$ 13,801,939.41 | | | | |

Funding Sources for Remaining Budget July 2024 - October 2024

| Source | Budget | ALN # | Source | Agency | Award # |
|---------------|------------------------|--------------|---------------|-----------------------------|-----------------|
| ARPA - SLFRF | \$ 1,058,477.00 | 21.027 | Federal | US Dept. of Treasury | SLT-0533 |
| RoW Year 3 | \$ 1,616,523.00 | n/a | State | Wa. State Dept. of Commerce | SFY23-46141-014 |
| | \$ 2,675,000.00 | | | | |

***** Expenses for July through October will utilize RoW Year 3 funding first, and any unspent funding on the contract will be ARPA funding.

**Agenda Sheet for City Council:****Committee:** Urban Experience **Date:** 09/09/2024**Committee Agenda type:** Discussion**Date Rec'd**

8/29/2024

Clerk's File #**Cross Ref #****Project #****Council Meeting Date:** 09/23/2024**Submitting Dept**

MAYOR

Bid #**Contact Name/Phone**

ADAM X6779

Requisition #**Contact E-Mail**

AMCDANIEL@ SPOKANECITY.ORG

Agenda Item Type

Final Reading Ordinance

Council Sponsor(s)

PDILLON KKLITZKE ZZAPPONE

Agenda Item Name

0320-ORDINANCE MODIFYING RENTAL REGISTRY REQUIREMENTS

Agenda Wording

Ordinance streamlining process for waivers from registration fee for rental registry, limiting right to increase right or evict if landlord does not have business license or participate in the rental registry program.

Summary (Background)

Current SMC 10.57 requires creation of a rental registry and an application process for securing a waiver of the required rental registry fee for landlords offering below-market rate rentals. This ordinance streamlines the process for securing waivers by exempting properties automatically from the fee, and imposes additional restrictions on landlords who are not registered or who operate without business licenses.

Lease? NO

Grant related? NO

Public Works? NO

Fiscal Impact

Approved in Current Year Budget? N/A

Total Cost

\$

Current Year Cost

\$

Subsequent Year(s) Cost

\$

Narrative**Amount****Budget Account**

Select

\$

#

Select

\$

#

Select

\$

#

Select

\$

#

\$

#

\$

#

Committee Agenda Sheet

Urban Experience Committee

| | |
|----------------------------------|---|
| Committee Date | September 9, 2024 |
| Submitting Department | Administration |
| Contact Name | Adam McDaniel |
| Contact Email & Phone | amcdaniel@spokanecity.org , 509-625-6779 |
| Council Sponsor(s) | Dillon |
| Select Agenda Item Type | <input type="checkbox"/> Consent <input checked="" type="checkbox"/> Discussion Time Requested: 5 minutes |
| Agenda Item Name | Ordinance streamlining rental registration requirements |
| Proposed Council Action | <input checked="" type="checkbox"/> Approval to proceed to Legislative Agenda <input type="checkbox"/> Information Only |
| Summary (Background) | <p>The Spokane City Council adopted Ordinance in February 2023 establishing business license and registration requirements for residential rental properties (SMC 10.57.020). The City has engaged in extensive outreach and education about the residential rental registry requirements; however, some residential rental properties have failed to comply with this ordinance. This proposed ordinance seeks to improve compliance with the City's rental registry program by protecting residents living in unregistered residential rental properties from rent increases and eviction.</p> <p>SMC 10.57.020 also provides a waiver from the annual unit fee (\$15 per year) for units offered to low-income tenants. The current code lacks definition of "low-income" and clarity on how these waivers may be verified. This proposed ordinance will streamline the low-income unit waiver program by utilizing data from local, state, and federal affordable housing programs to determine eligibility for the annual unit fee waiver.</p> <p>SMC 10.57.040 establishes the process for cause-based and periodic inspections of residential rental housing conducting the Code Enforcement. This proposed ordinance specifies that the International Code Council's International Property Maintenance Code as the context for deficiency categories in addition to the substandard building factors found in SMC 17F.070.400.</p> |
| Fiscal Impact | <p>Approved in current year budget? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A</p> <p>Total Cost: <u>N/A</u></p> <p>Current year cost: N/A</p> <p>Subsequent year(s) cost:</p> <p>Narrative: <u>This ordinance has no financial impact.</u></p> <p>Funding Source <input type="checkbox"/> One-time <input type="checkbox"/> Recurring <input checked="" type="checkbox"/> N/A</p> <p>Specify funding source: Select Funding Source*</p> <p>Is this funding source sustainable for future years, months, etc?</p> <p>Expense Occurrence <input type="checkbox"/> One-time <input type="checkbox"/> Recurring <input checked="" type="checkbox"/> N/A</p> <p>Other budget impacts: (revenue generating, match requirements, etc.)</p> |

| |
|---|
| |
| Operations Impacts (If N/A, please give a brief description as to why) |
| <p>What impacts would the proposal have on historically excluded communities?</p> <p>This ordinance seeks to protect residents living in residential rental properties that have failed to comply with the City's residential rental registration program.</p> |
| <p>How will data be collected, analyzed, and reported concerning the effect of the program/policy by racial, ethnic, gender identity, national origin, income level, disability, sexual orientation, or other existing disparities?</p> <p>This ordinance will improve the identification of low-income housing units and should improve overall compliance with the City's residential registration program.</p> |
| <p>How will data be collected regarding the effectiveness of this program, policy or product to ensure it is the right solution?</p> <p>There may be programs providing affordable housing units not included in the waiver program under the proposed ordinance. To ensure fairness and to meet the intent of the waiver, the code may need to be updated if other programs providing affordable housing units are identified.</p> |
| <p>Describe how this proposal aligns with current City Policies, including the Comprehensive Plan, Sustainability Action Plan, Capital Improvement Program, Neighborhood Master Plans, Council Resolutions, and others?</p> <p>Spokane Municipal Code 10.57.</p> |

ORDINANCE NO _____

An ordinance streamlining rental registration requirements; amending sections 10.57.020, and 10.57.040 of the Spokane Municipal Code.

WHEREAS, the Spokane City Council adopted Ordinance C36330 in February 2023 establishing business license and registration requirements for residential rental properties; and

WHEREAS, the City of Spokane has engaged in extensive outreach and education about the residential rental registry requirements; and

WHEREAS, the City of Spokane seeks to prevent evictions and increases in rent for residents residing in properties not complying with the City's rental registry program; and

WHEREAS, Ordinance C36330 provided a waiver of the annual residential rental unit fee for units offered to low-income tenants; and

WHEREAS, the City of Spokane seeks to ensure compliance with the low-income unit waiver provision by utilizing publicly available lists of affordable housing units through local, state, and federal affordable housing programs.

NOW, THEREFORE, the City of Spokane does ordain:

Section 1. Section 10.57.020 of the Spokane Municipal Code is amended to read as follows:

Section 10.57.020 Business Licensing and Registration

- A. Pursuant to Chapter 08.01 SMC, owning, renting, or leasing real property located in the City of Spokane constitutes engaging in business in the City and requires an annual business license and registration. ~~((Beginning on January 1, 2024, no))~~ No person shall make available for rent, or rent, lease, or let, to the public any residential housing unit without registering and maintaining registration of the residential rental property at which the unit is located pursuant to subsection (C) of this section.
- B. The annual fee for registering the business activity of renting residential real property shall be the standard annual fee described in SMC 08.02.0206(A) plus an additional \$15 per residential rental unit per year. ~~((Landlords offering below market cost rentals to low income tenants may seek a waiver of the \$15 annual fee by registering with the City's affordable rental housing incentive program that will be developed by the Department of Community, Housing and Human Services.))~~ Units exempt from the annual \$15 fee are:

1. units in a federally funded property owned or operated by a public housing authority under chapter RCW 35.82.

2. units in a property that is funded through a housing assistance program under RCW 43.185.

3. affordable housing units in a property that is funded through the City's housing programs under SMC Title 08.

4. units in a property occupied by a tenant utilizing a Housing Choice Voucher or Veterans Affairs Supportive Housing (VASH) Voucher.

- C. Application for a residential rental registration shall be made to the City through a web portal established by the City of Spokane IT Department. The application shall include the applicable registration fee set forth in SMC 08.02.0206(A) and paragraph (B) of this section, including late fees if applicable, a declaration of compliance as described in subsection (G) of this section and a complete list of individual residential rental units under the applicant's ownership or control, including the street address of each unit, identification of whether the unit is offered at market rate or below market rate rent, whether the unit is occupied or unoccupied at the time of registration, and such other information as required in order to carry out the intent of this chapter.
- D. A property management company may apply for and secure the required business registration on behalf of a residential rental property owner.
- E. A residential rental registration expires on December 31st of the calendar year following registration or renewal.
- F. The residential rental registration is transferable to any person who has acquired ownership of a registered rental property for the unexpired portion of the one-year term for which it was issued.
- G. As a condition to the issuance and/or renewal of a residential rental registration, an applicant shall provide a valid declaration of compliance addressing each rental unit in the rental property prior to the issuance of a residential rental business registration. A declaration of compliance submitted under this chapter must state that each unit complies with the requirements and standards in RCW 59.18.060.
- H. Property owners or their property managers shall provide each tenant a digital link to the website established pursuant to SMC 10.57.030(B) and if the tenant doesn't have access to the internet advise them to call 311 for more information on tenant rights and responsibilities.
- I. A person may not increase the periodic or monthly housing costs charged to a tenant if the person does not have an annual City of Spokane business license

or has not complied with the requirement of registering each residential housing unit with the City of Spokane and certification that each residential housing unit complies with the requirements and standards of RCW 59.18.060.

- J. A person may not evict a tenant if the person does not have an annual City of Spokane business license or has not complied with the requirement of registering each residential rental property unit with the City of Spokane and certification that each residential rental property unit complies with the requirements and standards of RCW 59.18.060. A person complies with this section if he or she has obtained an annual business license, and the residential rental property unit is registered with the City of Spokane before entry of a court order authorizing eviction or before a writ of restitution is granted. A court may grant a continuance in an eviction action in order to give a person time to license the rental housing unit and to obtain an annual City of Spokane business license.

Section 2. Section 10.57.040 of the Spokane Municipal Code is amended to read as follows:

Section 10.57.040 Inspections

- A. The City of Spokane's Code Enforcement Department may conduct both periodic and cause-based inspections of all residential rental property that is subject to this chapter.
1. Periodic inspections: Subject to the limitations in RCW 59.18.125, the Director of Code Enforcement or designee may periodically select from registered properties containing rental housing units the properties to be inspected by Code Enforcement as long as the tenant of the residence consents or a lawful court-ordered warrant for inspection is secured. The property selection process shall be based on a methodology adopted by the Director that will further the purpose of this chapter. The inspection shall review for compliance with the standards set forth in [SMC 17F.070.400](#) and other applicable state and local statutes.
 2. In addition to periodic inspections, the Code Enforcement department is also authorized to conduct cause-based inspections, including those provided for under RCW 59.18.115. Where context is needed in addition to the deficiency categories in SMC 17F.070.400, Code Enforcement staff will utilize the latest edition of the International Code Council's International Property Maintenance Code for that context as it may apply to both periodic and cause-based inspections.

3. Code Enforcement will prioritize resources based on the level of safety sensitivity to be addressed by an inspection and available resources.
- B. No fees shall be assessed to landlords or tenants for the initial inspection authorized of this section.
1. If a deficiency is discovered during the initial inspection conducted under paragraph (A)(1) of this section, Code Enforcement may schedule a second inspection to review for remedy of the deficiency and compliance with the standards set forth in [SMC 17F.070.400](#) and other applicable state and local statutes.
 2. Upon second inspection, if the deficiency is not remedied, Code Enforcement may schedule subsequent deficiency inspections and assess fees against the residential rental unit's registrant for the additional safety inspections as established in [SMC 08.02.031\(S\)](#).
 3. Failure to pay assessed fees will bar renewal of a residential rental unit business registration.
 4. At the discretion of the Director, Code Enforcement may issue notices of violation and infraction pursuant to SMC 01.05.040 for residential rental units that do not comply with the standards set forth in [SMC 17F.070.400](#). Additionally, the Director or designee of the Director may issue a complaint to the residential rental unit's registrant pursuant to [SMC 17F.070.420](#) to proceed through a building official hearing pursuant to [chapter 17F.070 SMC](#).
 5. A repeat offender is defined as the owner of residential rental unit(s) who has a confirmed non-compliance history, including any identical or similar violations of [SMC 17F.070.400](#), Existing Building and Conservation Code, at the same site or on a different tax parcel under the same ownership, two times within a 12-month period. If an owner is found to be a repeat offender, they may be subject to a non-compliance fee of \$2,500 per violation that is not resolved by the compliance timeframe listed on the Code Enforcement Notice of Violation.
- C. Code Enforcement may utilize revenues received from business registrations pursuant to [SMC 10.57.020](#), [SMC 08.02.0206](#), and [SMC 07.08.139](#) to:
1. Create at least three additional dedicated inspector positions for residential rental housing;
 2. To develop and maintain the rental registry described in [SMC 10.57.020](#).

Section 3. Severability. If any section, subsection, sentence, clause, phrase or word of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality thereof shall not affect the validity or constitutionality of any other section, subsection, sentence, clause, phrase or word of this ordinance.

Section 4. Clerical Errors. Upon approval by the city attorney, the city clerk is authorized to make necessary corrections to this ordinance, including scrivener's errors or clerical mistakes; references to other local, state, or federal laws, rules, or regulations; or numbering or referencing of ordinances or their sections and subsections.

PASSED by the City Council on _____

Council President

Attest:

Approved as to form:

City Clerk

City Attorney

Mayor

Date

Effective Date

**Agenda Sheet for City Council:****Committee:** Urban Experience **Date:** 09/09/2024**Committee Agenda type:** Discussion**Date Rec'd**

8/29/2024

Clerk's File #**Cross Ref #****Project #****Council Meeting Date:** 09/23/2024**Submitting Dept**

MAYOR

Bid #**Contact Name/Phone**

ADAM X6779

Requisition #**Contact E-Mail**

AMCDANIEL@SPOKANECITY.ORG

Agenda Item Type

First Reading Ordinance

Council Sponsor(s)

KKLITZKE PDILLON

Agenda Item Name

0520 - ORDINANCE RE PRESERVATION OF SALVAGEABLE MATERIALS

Agenda Wording

Ordinance creating a new chapter 15.06 to SMC and requiring the preservation of salvageable materials from historic properties during demolition or deconstruction.

Summary (Background)

Under this ordinance, structures listed on the Spokane Register of Historic Place and structures that are aged 50 years or older and eligible for historic designation will be required to maximize the preservation and reuse of salvageable materials when the property owner seeks to demolish the building. The Historic Preservation Office is charged with implementing this policy and supporting property owners and applicants with guidance on preserving salvageable materials.

Lease? NO

Grant related? NO

Public Works? NO

Fiscal Impact

Approved in Current Year Budget? N/A

Total Cost

\$

Current Year Cost

\$

Subsequent Year(s) Cost

\$

Narrative**Amount****Budget Account**

Select

\$

#

Select

\$

#

Select

\$

#

Select

\$

#

\$

#

\$

#

ORDINANCE NO _____

An ordinance regarding the preservation of salvageable material; amending section 08.02.031 of the Spokane Municipal Code; adopting a new chapter 15.06 to Title 15 of the Spokane Municipal Code.

WHEREAS, historic preservation programs result in measurable economic development and community revitalization; and

WHEREAS, it is a priority of the City of Spokane to preserve and protect Spokane’s historic districts, sites, structures, and objects; and

WHEREAS, the City of Spokane Comprehensive Plan policy DP 3.12 calls for the City to “Encourage the deconstruction and reuse of historic materials and features when historic buildings are demolished”; and

WHEREAS, the implementation of a deconstruction and preservation of salvageable materials policy will ensure that reuseable materials from historical structures are preserved; and

WHEREAS, the City of Spokane Comprehensive Plan Policy CFU 5.5 calls for the City to “provide integrated, efficient, and economical solid waste management services in a manner that encourages and promotes waste reductions and recycling and minimizes environmental and public health impacts.”

WHEREAS, Mayor Brown’s Transition Team recommended that Mayor Brown should look to accelerate waste reduction efforts.

WHEREAS, the implementation of a deconstruction and preservation of salvageable materials policy will divert demolition from the waste stream and will reduce exposure and the release of toxic particulates into the air and environment.

WHEREAS, the City of Spokane Sustainability Action Plan Strategy 3 calls for the City to “promote, support, and incentivize a circular economy”; and

WHEREAS, the deconstruction and preservation of salvageable materials can create employment and economic opportunities in recycling industries and provide additional business opportunities; and

WHEREAS, SMC 15.05.020 calls for the City to reduce greenhouse gas emissions created within its boundaries; and

WHEREAS, the deconstruction and preservation of salvageable materials reduces greenhouse gas emissions by keeping the materials out of landfills.

NOW, THEREFORE, the City of Spokane does ordain:

Section 1. There is enacted a new chapter 15.06 to Title 15 of the Spokane Municipal Code to read as follows:

| | |
|----------------|---|
| Chapter 15.060 | Preservation of Salvageable Materials |
| 15.06.010 | Purpose and Findings |
| 15.06.020 | Definitions |
| 15.06.030 | Deconstruction Requirements |
| 15.06.040 | Salvageable Materials |
| 15.06.050 | Authority of Historic Preservation Office |
| 15.06.060 | Compliance |
| 15.06.070 | Exemptions |

15.06.010 Purpose and Findings

It is a priority of the City of Spokane to reduce waste by promoting, supporting, and incentivizing a circular economy. The City finds that the adoption of a policy requiring the deconstruction of certain structures can maximize the reuse of valuable building materials and reduce emissions associated with the demolition and disposal of building materials.

15.06.020 Definitions

- A. "Deconstruction" means the systematic dismantling of a structure, typically in the opposite order it was constructed, in order to maximize the salvage of materials for reuse, in preference over salvaging materials for recycling, energy recovery, sending the materials to a landfill or the City's Waste-to-Energy Facility.
- B. "Demolition" means the complete or partial removal of a structure from a site.
- C. "Period of Deconstruction" means the period beginning on the date the City issues a demolition permit with deconstruction requirements and ending on the date the City's Historic Preservation Office approves the Post-Deconstruction Form.
- D. "Post-Deconstruction Form" means an inventory of materials salvaged for reuse or for donation, as well as materials disposed of by landfill or through the Waste-to-Energy Facility, completed after the deconstruction is complete.
- E. "Pre-Deconstruction Form" means a salvage plan which includes an inventory of materials to be salvaged for reuse or donation as part of a demolition permit requiring deconstruction.
- F. "Recycling" means the processing of waste materials into new products or material feedstock for products.

G. "Reuse" means the utilization of a product or material that was previously installed for the same or similar function to extend its life cycle. Materials salvageable for reuse include but are not limited to cabinets, doors, hardware, fixtures, flooring, siding, windows, and framing lumber.

H. "Structure" means any building meeting the qualifications of SMC 15.06.030A.

15.06.030 Deconstruction Requirements

A. The deconstruction requirements of this chapter apply to demolition permit applications under SMC 17G.010.100 for structures that have been designated as historic subject to the demolition provisions of SMC 17D.100.230 and structures built 50 years ago or earlier that are eligible for listing on the Spokane Register of Historic Places as determined by the Historic Preservation Office.

B. A property owner or applicant requesting demolition of a structure subject to this chapter shall submit to the Historic Preservation Office a completed Pre-Deconstruction Form listing the targeted salvageable materials and final destinations of the salvaged material along with the required permit and application fees as enumerated in SMC Section 08.02.

C. The Historic Preservation Office shall conduct a site visit and approve the Pre-Deconstruction Form before deconstruction can begin.

D. Upon consent of the property owner or applicant, the Historic Preservation Officer or designee may conduct site inspections throughout the Period of Deconstruction to assure compliance with this chapter.

E. A Post-Deconstruction Form shall be submitted within ten (10) calendar days after completion of the deconstruction work. The Post-Deconstruction Form shall contain the following information:

1. Itemized receipt of materials and quantities donated to a nonprofit or community-based organization;
2. Itemized receipt or photographs of materials and quantities sold;
3. Itemized list and photographs of salvaged material that will be re-used or used at another site; and
4. Transaction receipts or weight tickets for all materials sent to a material recovery facility or disposal facility such as a transfer station, landfill, or the City of Spokane Waste-to-Energy Facility.

F. The Historic Preservation Office shall review and approve the Post-Deconstruction Form

and any additional materials provided to determine compliance with this chapter before the issuance of additional building permits.

G. This chapter requires compliance with all local, state, and federal laws and regulations concerning demolition, testing, abatement, and disposal for any materials containing asbestos, lead, or other hazardous materials.

H. All hauling, sorting, and disposal of materials shall be in compliance with SMC 13.02.0204 and materials designated for disposal must be hauled to a permitted facility located within Spokane County in accordance with Chapter 7.4 and 7.5 of the Spokane Regional Solid Waste Comprehensive Plan.

15.06.040 Preservation of Salvageable Materials

A. Materials shall be removed by hand to the greatest extent possible to maximize potential for reuse. Nails, screws, or other items used to secure materials in place shall be removed to the greatest extent possible to maximize potential for re-use. Heavy equipment may be used, provided heavy equipment is not used to remove or dismantle components of the structure in ways that render the building materials unsuitable for salvage.

B. The property owner or applicant may sell, donate, or re-use any materials from a deconstruction site before the materials leave the site, provided the property owner or applicant documents the disposition of materials in the Post-Deconstruction Form.

C. Materials shall be stored and covered to protect them from exposure to weather and to permeable ground contact during the period of deconstruction.

15.06.050 Authority of the Historic Preservation Office

A. The Historic Preservation Office may adopt rules and procedures necessary to implement and enforce the provisions of this chapter.

B. With consent of the property owner or applicant, the Historic Preservation Office may conduct site visits to provide assistance to a property owner or applicant and contractors complying with the provisions of this chapter.

15.06.060 Compliance

A. This chapter shall be enforced by the Historic Preservation Office under the City’s civil infraction system, pursuant to chapter [01.05 SMC](#). The Historic Preservation Office is the “code enforcement officer” as designated by [SMC 01.05.020\(B\)](#).

B. A violation of this chapter is a class 1 civil infraction.

C. Pursuant to [SMC 01.02.950\(A\)](#), the Historic Preservation Office may refer violations or imminent violations of this chapter to the city attorney for actions in Superior Court seeking declaratory or injunctive relief.

D. Failure to complete deconstruction, removal of materials, and obtain approval of the Post-Deconstruction Form within the period of deconstruction may result in the City completing the deconstruction work of the structure at the applicant or property owner’s expense.

15.06.070 Exemptions

A. A structure may be deemed unsuitable for the deconstruction provisions of this chapter by the Historic Preservation Office in consultation with the Fire Marshal, Code Enforcement, or Building Official if the structure is an imminent threat to life, safety, or property.

B. The Historic Preservation Office may exempt a structure eligible for deconstruction if it is determined that the majority of the material in the structure is not suitable for reuse.

C. A property owner or applicant may make a request for exemption by submitting a written request to the Historic Preservation Office with supporting documentation when submitting a demolition permit application. The Historic Preservation Office shall make a final determination of the exemption request appealable to the Hearing Examiner.

Section 2. That Section 08.02.031 of the Spokane Municipal Code is amended as follows:

Section 08.02.031 Building Code

A. Building Permit.

Building permit fees are based on the value of the work to be done as follows:

VALUE OF WORK

(in dollars)

FEE

(in dollars)

1 – 500

28.00

501 - 2,000

28.00 plus 3.00 for each 100 over 500

2,001 - 25,000

73.00 plus 13.00 for each 1,000 over 2,000

25,001 - 50,000

372.00 plus 10.00 for each 1,000 over 25,000

50,001 - 100,000

622.00 plus 7.00 for each 1,000 over 50,000

100,001 - 500,000

972.00 plus 5.00 for each 1,000 over 100,000

500,001 - 1,000,000

2,972.00 plus 4.00 for each 1,000 over 500,000

1,000,001 - 99,999,999

4,972.00 plus 3.00 for each 1,000 over 1,000,000

B. Valuation.

1. The value of construction for purposes of calculating the amount of the fee is determined by using the:
 - a. most current building valuation data from the International Code Council (ICC) as published and updated by the ICC twice annually;
or
 - b. contract valuation, whichever is greater.

2. "Gross area" when used in conjunction with the ICC building valuation data to determine valuation of a project is the total area of all floors, measured from the exterior face, outside dimension, or exterior column line of a building, including basements and balconies but excluding unexcavated areas.
3. The fee is based on the highest type of construction to which a proposed structure most nearly conforms, as determined by the building official.
4. For roofing permits, the value is determined to be:
 - a. one hundred fifty dollars per square for recovering roofs;
 - b. two hundred dollars per square for roofing projects when existing layers of roofing are torn off and a new layer is installed;
 - c. two hundred fifteen dollars per square for roofing projects when existing layers of roofing are torn off, new sheeting is installed, and a new layer of roof is installed;
 - d. or the contract valuation if it is greater.

C. Building Plan Review.

1. Plan review fees are sixty-five percent of the building permit fee as calculated from the table rounded up to the next whole dollar amount for:
 - a. all commercial building permits;
 - b. all industrial building permits;
 - c. all mixed use building permits; and
 - d. new multi-family residences with three or more units.
2. Plan review fees are one hundred percent of the building permit fee as calculated from the table for fast-track projects.
3. Plan review fees are twenty-five percent of the building permit fee as calculated from the table rounded up to the next whole dollar amount for new:
 - a. single-family residences; and
 - b. duplexes.

4. Plan review fees are twenty-five dollars for:
 - a. new buildings that are accessory structures for single-family residences and duplexes to include garages, pole buildings, greenhouses, sheds that require a permit, etc.; and
 - b. additions to existing single family residences and duplexes to include living space, garages, sunrooms, decks, etc.
5. Plan review fees for additional review required by changes, additions, or revisions to plans are seventy-five dollars per hour or fraction thereof.
6. The building official may elect to assess plan review for remodeling single family residences and duplexes when required. This amount will be not be higher than the twenty-five percent of the building fee as calculated in the table rounded to the nearest whole dollar charged on a new single-family residence or duplex.

D. Demolition

Demolition permit fees are:

1. Single-family residence, duplex and accessory structures: Thirty-five dollars each.
2. Other structures: Thirty-five dollars for every thousand square feet, to a maximum fee of three hundred fifty dollars.
3. The processing fee is twenty-five dollars.
4. ~~For historic landmarks and contributing buildings within an historic district or located within the Downtown Boundary Area: five hundred dollars. For any listed or contributing building within a Spokane Register Historic District or building determined to be eligible for listing on the Spokane Register of Historic Places: one thousand five hundred dollars.~~
5. All demolition permit fees received by the city are to be deposited in the historic preservation incentives fund established by [SMC 07.08.152](#).

E. Fencing.

1. The permit fee is twenty dollars per one hundred linear feet, or fraction thereof.
2. The processing fee and review fee is twenty-five dollars.

F. Grading.

1. Grading permit fees are as follow:

VOLUME

(in cubic yards)

FEE

(in dollars)

100 or less

28.00

100 - 1,000

28.00 plus 12.00 for each 100 over 100

1,001 - 10,000

136.00 plus 10.00 for each 1,000 over 1,000

10,001 - 100,000

226.00 plus 45.00 for each 10,000 over 10,000

100,001 and more

631.0 lus 25.00 for each 10,000 over 100,000

2. Grading plan review fees are as follow:

VOLUME

(in cubic yards)

FEE

(in dollars)

50 or less

None

51 – 100

20.00

101 - 1,000

25.00

1,001 - 10,000

35.00

10,001 - 100,000

35.00 plus 17.00 for each 10,000 over 10,000

100,001 - 200,000

188.00 plus 10.00 for each 10,000 over 100,000

200,001 and more

288.0 plus 5.00 for each 10,000 over 200,000

3. Failure to obtain a grading permit is a class one infraction under [SMC 1.05.150](#).
4. The processing fee is twenty-five dollars.

G. Sign Permits.

1. Sign permit fees are:
 - a. thirty dollars for each wall sign, projecting sign and incidental sign; or
 - b. seventy-five dollars for each pole sign, including billboards and off-premises signs.
2. The building services plan review fee is fifty dollars and is in addition to the sign permit fee for pole signs in excess of one hundred square feet or more than thirty feet high.
3. The planning services review fee is fifty dollars for all signs.
4. The processing fee is twenty-five dollars.

H. Factory-built Housing.

1. The installation fee for factory-built housing is fifty dollars per section.
2. A foundation or basement requires a separate building permit.
3. Decks, carports and garages require a separate building permit.
4. The development services review fee is fifty dollars.
5. The processing fee is twenty-five dollars.

I. Manufactured (Mobile) Home.

1. The installation fee for a manufactured (mobile) home is fifty dollars per section.
2. A basement requires a separate building permit.
3. Decks, carports and garages require a separate building permit.
4. The development services review fee is fifty dollars.
5. The processing fee is twenty-five dollars.

J. Temporary Structures.

Permit fees for temporary structures are:

1. One hundred dollars for the first one hundred eighty days; and
2. Five hundred dollars for the second one hundred eighty days.
3. No third session will be allowed.
4. The development services review fee is fifty dollars.
5. The processing fee is twenty-five dollars.

K. Relocation.

1. The fee for a building relocation inspection for bond determination is seventy- five dollars.
2. The development services review fee is fifty dollars.

3. The processing fee is twenty-five dollars.
4. Any repairs or alterations required for relocation are handled by various building permits and the fees for such building permits are in addition to the relocation permit fee.

L. Early Start and Fast Track Approval.

The fee for an early start or fast track building permit approval is twenty-five percent of the building permit fee rounded to the next whole dollar amount and is in addition to any other required fees.

M. Certificate of Occupancy.

1. There is no separate fee for the issuance of a certificate of occupancy following final inspection under a permit so long as the fee for the permit is at least fifty dollars; otherwise, the minimum fee for a building permit and certificate of occupancy is fifty dollars plus a twenty-five dollar processing fee.
2. The fees for the issuance of a certificate of occupancy not resulting from work done under permit are as provided in [SMC 8.02.060](#).
3. The building official will assess a fee not to exceed one hundred percent of the building permit fee for the issuance or extension of any temporary certificate of occupancy. The minimum fee will be:
 - a. two hundred twenty-five dollars plus a twenty-five dollar processing fee when the building permit fee exceeds this amount;
 - b. equal to the amount of the building permit fee when the building permit fee is less than two hundred fifty dollars.

N. Swimming Pools.

1. The building and plumbing permit fee for a swimming pool is:
 - a. seventy-five dollars for those accessory to a single-family residence; and
 - b. one hundred dollars for all others.
2. The planning services review fee is twenty-five dollars.
3. The processing fee is twenty-five dollars.

4. Mechanical, electrical and fence permits are additional.

O. Parking Lot and Site Work Permits.

The fee for a site work permit is charged in accordance with the fee table in subsection (A) of this section.

P. Reinspections.

The fee for reinspections for work that was not ready, or corrections previously identified but remain uncorrected, or site not accessible is seventy-five dollars per incident.

Q. Inspections Outside Normal Inspector Working Hours.

The fee for inspections outside normal inspector working hours is seventy-five dollars per hour or fraction of an hour. A minimum of two hours is payable at the time the request is made and before an inspection can be scheduled.

R. Work Done Without a Permit/Investigation Fees.

Where work has commenced without first obtaining the required permit(s), a work without permit fee equivalent to the greater of:

1. twice the inspection fee, or
2. the permit fee plus one hundred fifty dollars, must be paid prior to the issuance of the permit(s).

S. Safety Inspections.

The fees for safety inspections are:

1. Commercial Buildings: Seventy-five dollars per hour or fraction of an hour with a prepaid minimum of one hundred fifty dollars.
2. Single-family Residence – Electrical only: Seventy-five dollars.
3. Single-family Residence – Two or more trade categories: One hundred fifty dollars.
4. Two-family Residence: One hundred seventy-five dollars.
5. Multifamily – Three to six units: Two hundred fifty dollars.

6. Multifamily – Seven to fifty units: Two hundred fifty dollars plus twenty-five dollars for each unit over six.
7. Multifamily – Over fifty units: One thousand three hundred fifty dollars plus ten dollars for every unit over fifty.
8. Electrical Service Reconnect - Residence - Twenty-five dollars
9. Electrical Service Reconnect - Commercial - Fifty dollars
10. Processing fee: Twenty-five dollars.

T. Recording Fee Use of Public Right-of-way and Large Accessory Building Agreement.

The property owner shall be charged a pass-through fee equal to the amount assessed by Spokane County when erecting a fence, retaining wall or other structure in a public right-of-way. This is a recording fee for the acknowledged agreement whereby the property owner covenants to remove the encroachment upon notice by the City. An additional twenty-five dollar processing fee is required when a permit is not issued in conjunction with the recording.

U. Expired Permits Over Six Months.

1. Building Permits.

- a. No inspections have been made: Permits require full resubmittal, and if a commercial project, plan review. Original valuation shall be contained in description of new permit.
- b. Footings and foundations only have been inspected and approved: Minimum of seventy-five percent of the original assessed permit fee plus new processing fees. Original valuation shall be contained in description of new permit.
- c. All rough-in inspections approved: Minimum of twenty-five percent of original permit fee plus new processing fees. Original valuation shall be contained in description of new permit.
- d. Additional work done not on original permit: New valuation shall be calculated based upon either square footage if new construction, or valuation if remodel.

2. Plumbing Permits.

- a. No inspections: A full new permit for all fixtures is required.

- b. Partial inspections approved: If water tests, top outs and ground plumbing have been approved, then twenty-five percent of the original itemized permit fees plus new processing fee.

3. Mechanical Permits.

- a. No inspections: A full new permit is required.
- b. Partial inspections: If all rough-in inspections and air tests have been approved, then twenty-five percent of the original permit fee plus new processing fee.

4. Electrical Permit.

- a. No inspections: A full new permit is required.
- b. Partial inspections: If all rough-in inspections and service inspections have been approved, then twenty-five percent of the original fees plus new processing fee.

V. Processing Fee.

In addition to all of the fees identified in [SMC 8.02.031](#), the processing fee for each permit is twenty-five dollars, unless specifically stated otherwise.

W. Temporary Accessory Dwelling Unit (ADU) Fee Waivers.

- 1. In response to the ongoing local and national housing crisis, the City Council has decided to provide relief to residents and businesses by waiving all applicable fees within this section 08.02.031 associated with the construction of ADUs on lots located at least partially within ½ mile of a Center or Corridor, Context Area, or Downtown zone or CC3 zoning overlay. Distances are measured in a straight line between the zone/overlay boundary to the lot line of the site containing the development.
- 2. The fee waiver described in this subsection 08.02.031(W) shall expire at 5:00 p.m. on December 31, 2024.

X. Solar Permits.

- 1. For single-family residence, duplex, and associated accessory structure installations and modifications eligible for review under the adopted International Residential Codes.
 - a. Plan Review: seventy-five dollars

- b. SFRD Inspection Fee: one hundred fifty dollars
 - c. Electrical Service Fee: assessed in accordance with [SMC 08.02.032\(C\)\(2\)](#).
2. For all other installations and alterations.
- a. Plan Review Fee: sixty-five percent of the MFCOM Inspection Fee.
 - b. MFCOM Inspection Fee: calculated based on the table included in Section 08.02.031(A).
 - c. Electrical Service Fee: assessed in accordance with [SMC 08.02.032\(C\)\(2\)](#).
3. Additional electrical fees in accordance with [SMC 08.02.032](#).
4. Energy Storage Systems: fifty dollars.

Section 3. Severability. If any section, subsection, sentence, clause, phrase or word of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality thereof shall not affect the validity or constitutionality of any other section, subsection, sentence, clause, phrase or word of this ordinance.

Section 4. Clerical Errors. Upon approval by the city attorney, the city clerk is authorized to make necessary corrections to this ordinance, including scrivener's errors or clerical mistakes; references to other local, state, or federal laws, rules, or regulations; or numbering or referencing of ordinances or their sections and subsections.

PASSED by the City Council on _____

Council President

Attest:

Approved as to form:

City Clerk

City Attorney

Mayor

Date

Effective Date



Agenda Sheet for City Council:

Committee: Urban Experience **Date:** 09/09/2024

Committee Agenda type: Discussion

Date Rec'd

8/27/2024

Clerk's File #

Cross Ref #

Project #

Council Meeting Date: 09/23/2024

Submitting Dept

HISTORIC PRESERVATION

Bid #

Contact Name/Phone

MEGAN 6543

Requisition #

Contact E-Mail

MDUVALL@SPOKANECITY.ORG

Agenda Item Type

Contract Item

Council Sponsor(s)

JBINGLE ZZAPPONE KKLITZKE

Agenda Item Name

0470 – COOKE HOUSE & GARAGE NOMINATION TO THE REGISTER OF

Agenda Wording

The Spokane Historic Landmarks Commission reviews properties for listing on the Spokane Register of Historic Places to ensure that they meet the criteria set out in SMC 17D.100. The Cooke House & Garage at 521 W 27th Avenue was constructed in 1937

Summary (Background)

The Spokane Historic Landmarks Commission reviews properties for listing on the Spokane Register of Historic Places to ensure that they meet the criteria set out in SMC 17D.100. The Irwin and Olive Cooke House & Garage at 521 W 27th Avenue were constructed in 1937 and have been found to meet the criteria set forth for such designation, and a management agreement has been signed by the owner.

Lease? NO Grant related? NO Public Works? NO

Fiscal Impact

Approved in Current Year Budget? N/A

Total Cost \$

Current Year Cost \$

Subsequent Year(s) Cost \$

Narrative

Amount

Budget Account

| | | |
|---------|----|---|
| Neutral | \$ | # |
| Select | \$ | # |
| Select | \$ | # |
| Select | \$ | # |
| | \$ | # |
| | \$ | # |

Committee Agenda Sheet

Urban Experience Committee

| | |
|---|--|
| Committee Date | 9/9/2024 |
| Submitting Department | Historic Preservation |
| Contact Name | Megan Duvall |
| Contact Email & Phone | mduvall@spokanecity.org |
| Council Sponsor(s) | CM Zappone; CM Klitzke; CM Bingle |
| Select Agenda Item Type | <input type="checkbox"/> Consent <input checked="" type="checkbox"/> Discussion Time Requested: 5 min |
| Agenda Item Name | 0470 – IRWIN AND OLIVE COOKE HOUSE & GARAGE NOMINATION TO THE REGISTER OF HISTORIC PLACES |
| Proposed Council Action | <input checked="" type="checkbox"/> Approval to proceed to Legislative Agenda <input type="checkbox"/> Information Only |
| Summary (Background) *use the Fiscal Impact box below for relevant financial information | <p>The Spokane Historic Landmarks Commission reviews properties for listing on the Spokane Register of Historic Places to ensure that they meet the criteria set out in SMC 17D.100.</p> <p>The Irwin and Olive Cooke House & Garage at 521 W 27th Avenue were constructed in 1937 and have been found to meet the criteria set forth for such designation, and a management agreement has been signed by the owner.</p> |
| <p>Fiscal Impact</p> <p>Approved in current year budget? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A</p> <p>Total Cost: <u>0</u></p> <p>Current year cost:</p> <p>Subsequent year(s) cost:</p> <p>Narrative: <u>Property listing on the Spokane Register of Historic Places does not have a direct impact on City revenues or expenses.</u></p> <p>Funding Source <input type="checkbox"/> One-time <input type="checkbox"/> Recurring <input checked="" type="checkbox"/> N/A</p> <p>Specify funding source: Select Funding Source*</p> <p>Is this funding source sustainable for future years, months, etc? N/A</p> <p>Expense Occurrence <input type="checkbox"/> One-time <input type="checkbox"/> Recurring <input checked="" type="checkbox"/> N/A</p> <p>Other budget impacts: (revenue generating, match requirements, etc.)</p> <p>Properties listed on the Spokane Register are subject to design review in the future which does generate revenue through small fees. Tax incentives are available to listed properties and also can generate future revenue.</p> | |
| Operations Impacts (If N/A, please give a brief description as to why) | |
| <p>What impacts would the proposal have on historically excluded communities?</p> <p>This contract would have no meaningful impact on historically excluded communities.</p> | |
| <p>How will data be collected, analyzed, and reported concerning the effect of the program/policy by racial, ethnic, gender identity, national origin, income level, disability, sexual orientation, or other existing disparities?</p> <p>That specific data is not something that is collected by the Historic Preservation Department.</p> | |

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

The Historic Preservation Office's primary responsibility is to protect historic properties and neighborhoods in Spokane. The more properties that are listed on the Spokane Register, the more ability we have to offer incentives that help keep those properties viable and in use. As we list additional properties, we increase our ability to protect Spokane's historic resources.

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

SMC 04.35.010 Spokane Historic Landmarks Commission Findings and Purpose:

The City and Spokane County find that the establishment of a landmarks commission with specific duties to recognize, protect, enhance and preserve those buildings, districts, objects, sites and structures which serve as visible reminders of the historical, archaeological, architectural, educational and cultural heritage of the City and County is a public necessity.

Comprehensive Plan Goals

DP 1.1: Landmark Structures, Buildings, and Sites

Recognize and preserve unique or outstanding landmark structures, buildings, and sites.

DP 3.3: Identification and Protection of Resources

Identify historic resources to guide decision making in planning.

DP 3.11: Rehabilitation of Historic Properties

Assist and cooperate with owners of historic properties to identify, recognize, and plan for the use of their property to ensure compatibility with preservation objectives.

N 2.4: Neighborhood Improvement

Encourage revitalization and improvement programs to conserve and upgrade existing properties and buildings.

Findings of Fact and Decision for Council Review to the Nomination to the Spokane Register of Historic Places Irwin & Olive Cooke House & Garage – 521 W 27th Avenue

FINDINGS OF FACT

1. **SMC 17D.100.090: "Generally a building, structure, object, site, or district which is more than fifty years old may be designated an historic landmark or historic district if it has significant character, interest, or value as part of the development, heritage, or cultural characteristics of the city, county, state, or nation."**
 - Originally built in 1937; the Irwin & Olive Cooke House and Garage meet the age criteria for listing on the Spokane Register of Historic Places.

2. **SMC 17D.100.090: The property must qualify under one or more categories for the Spokane Register (A, B, C, D, E).**
 - The Cooke House & Garage are significant under Category C, Architecture as a fine example of the popular brick-clad Tudor Revival Cottage style built throughout America during the 1920s and 1930s.
 - The exterior of the one-and-one-half-story Cooke House features a prominent cottage-style feature at the home's north façade—a steeply pitched front-facing gable roof dominated by a sweeping curved arch, defined as a "cat-slide" roof. A second and equally prominent focal point of the home is the use of multi-color, rough-textured clinker brick that covers all four exterior elevations of the house.
 - The interior of the house features original wood-paned and lead-paned windows, interior floors made of oak hardwood floor planks, rich honey-colored gumwood woodwork, and numerous built-ins.
 - A single-story, two-car garage behind the house features a front-facing clipped gable roof, and is clad with painted clapboard siding.
 - Irwin & Olive Cooke had the house constructed in 1937 and remained there until 1958. Cooke and his brother, Eli, founded "Cooke's Nut Shop" which had several locations in Spokane as well as a candy factory on Northwest Boulevard.
 - The Cooke House & Garage are further significant as the work of Gus J. Bouten (1906-1984), a master builder and founder of the well-known Bouten Construction Company in Spokane. From the late 1920s through the middle 1940s, builder Gus J. Bouten, constructed more than 40 homes throughout Spokane. More than half of the homes he built were erected on Spokane's South Hill in the Rockwood, Manito Park, and Cannon Hill Park neighborhoods. A few other houses were erected on Spokane's north side in a variety of locations. During the 79 years from 1945 to 2024, a wide expanse of commercial construction jobs were completed by the Bouten Construction Company. The company is one of the area's largest, most well-known, and most experienced commercial construction companies headquartered in Spokane. The company's commercial construction contracts have been and continue to be with numerous hospitals, medical care centers and facilities as well as bank and business towers, convention centers, universities, and other large commercial construction contracts

3. **SMC17D.100.090: "The property must also possess integrity of location, design, materials, workmanship, and association." From NPS Bulletin 15: "Integrity is the ability of a property to convey its significance...it is not necessary for a property to retain all its historic physical features...the property must retain, however, the essential physical features that enable it to convey its historic identity."**
 - The Irwin & Olive Cooke House and Garage retains excellent integrity of location, design, materials, and workmanship to convey its historic character from the period of significance. The property is an excellent example of the Tudor Revival Cottage style that was popular throughout America from 1890 to the early 1940s. In addition, the Cooke House is architecturally significant as a product of Gus J. Bouten, a highly successful professional building contractor.

4. **Once listed, this property will be eligible to apply for incentives, including:**
 - Special Valuation (property tax abatement), Façade Improvement Grants, Spokane Register historic property

plaque, and special code considerations.

RECOMMENDATION

The Spokane Historic Landmarks Commission found the **Irwin & Olive Cooke House and Garage** eligible for listing on the Spokane Register under **Category C – Architecture as an excellent example of the Tudor Revival Cottage as well as a product of Gus Bouten, building contractor** at a public hearing on 8/21/2024.

After Recording Return to:
City of Spokane Clerk
808 W Spokane Falls Blvd
Spokane, WA 99201

NOTICE OF MANAGEMENT AGREEMENT

NOTICE IS HEREBY GIVEN that the property legally described as:

CANNON HILL PK W10FT OF L15; ALL OF L16 B31

Parcel Number(s) **35304.2014**, is governed by a Management Agreement between the City of Spokane and the Owner(s), **Jolene Delbridge for the DELBRIDGE FAMILY REVOCABLE LIVING TRUST**, of the subject property.

The Management Agreement is intended to constitute a covenant that runs with the land and is entered into pursuant to Spokane Municipal Code Chapter 6.05. The Management Agreement requires the Owner of the property to abide by the "Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings" (36 CFR Part 67) and other standards promulgated by the Historic Landmarks Commission.

Said Management Agreement was approved by the Spokane City Council on September 23, 2024. I certify that the original Management Agreement is on file in the Office of the City Clerk under File No. _____.

I certify that the above is true and correct.

Spokane City Clerk

Historic Preservation Officer



Dated: _____

Dated: 8/21/24

MANAGEMENT AGREEMENT

The Management Agreement is entered into this **21** day of **August 2024**, by and between the City of Spokane (hereinafter “City”), acting through its Historic Landmarks Commission (“Commission”), and **Jolene C. Delbridge** (hereinafter “Owner”), the owner of the property located at **521 West 27th Avenue** commonly known as the **Irwin & Olive Cooke House & Garage** in the City of Spokane.

WHEREAS, the City of Spokane has enacted Chapter 4.35 of the Spokane Municipal Code (SMC) and Spokane has enacted Chapter 1.48 of the Spokane County Code (SCC), both regarding the establishment of the Historic Landmarks Commission with specific duties to recognize, protect, enhance and preserve those buildings, districts, objects, sites and structures which serve as visible reminders of the historical, archaeological, architectural, educational and cultural heritage of the city and county is a public necessity and.

WHEREAS, both Ch. 17D.100 SMC and Ch. 1.48 SCC provide that the City/County Historic Landmarks Commission (hereinafter “Commission”) is responsible for the stewardship of historic and architecturally significant properties in the City of Spokane and Spokane County; and

WHEREAS, the City has authority to contract with property owners to assure that any owner who directly benefits by action taken pursuant to City ordinance will bind her/his benefited property to mutually agreeable management standards assuring the property will retain those characteristics which make it architecturally or historically significant;

NOW THEREFORE, -- the City and the Owner(s), for mutual consideration hereby agree to the following covenants and conditions:

1. CONSIDERATION. The City agrees to designate the Owner’s property an Historic Landmark on the Spokane Register of Historic Places, with all the rights, duties, and privileges attendant thereto. In return, the Owner(s) agrees to abide by the below referenced Management Standards for his/her property.

2. COVENANT. This Agreement shall be filed as a public record. The parties intend this Agreement to constitute a covenant that runs with the land, and that the land is bound by this Agreement. Owner intends his/her successors and assigns to be bound by this instrument. This covenant benefits and burdens the property of both parties.

3. ALTERATION OR EXTINGUISHMENT. The covenant and servitude and all attendant rights and obligations created by this Agreement may be altered or extinguished by mutual agreement of the parties or their successors or assigns. In the event Owner(s) fails to comply with the Management Standards or any City ordinances governing historic landmarks, the Commission may revoke, after notice and an opportunity for a hearing, this Agreement.

4. PROMISE OF OWNERS. The Owner(s) agrees to and promises to fulfill the following Management Standards for his/her property which is the subject of the Agreement. Owner intends to bind his/her land and all successors and assigns. The Management Standards are: "THE SECRETARY OF THE INTERIOR'S STANDARDS FOR REHABILITATION AND GUIDELINES FOR REHABILITATING HISTORIC BUILDINGS (36 CFR Part 67)." Compliance with the Management Standards shall be monitored by the Historic Landmarks Commission.

5. HISTORIC LANDMARKS COMMISSION. The Owner(s) must first obtain from the Commission a "Certificate of Appropriateness" for any action which would affect any of the following:

- (A) demolition;
- (B) relocation;
- (C) change in use;
- (D) any work that affects the exterior appearance of the historic landmark; or
- (E) any work affecting items described in Exhibit A.

6. In the case of an application for a "Certificate of Appropriateness" for the demolition of a landmark, the Owner(s) agrees to the provisions as set forth in SMC 17D100.220.

This Agreement is entered into the year and date first above written.

Owner

Owner

CITY OF SPOKANE

HISTORIC PRESERVATION OFFICER

CITY OF SPOKANE

Megan M.K. Duvall

City Administrator

ATTEST:

City Clerk

Approved as to form:

Assistant City Attorney

STATE OF _____)
) ss.
County of _____)

On this _____ day of _____, 2024, before me, the undersigned, a Notary Public in and for the State of _____, personally appeared _____, to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that _____(he/she/they) signed the same as _____ (his/her/their) free and voluntary act and deed, for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this _____ day of _____, 2024.

Notary Public in and for the State
of _____, residing at _____
My commission expires _____

STATE OF WASHINGTON)
) ss.
County of Spokane)

On this _____ day of _____, 2024, before me, the undersigned, a Notary Public in and for the State of Washington, personally appeared _____, CITY ADMINISTRATOR and TERRI L. PFISTER, to me known to be the City Administrator and the City Clerk, respectively, of the CITY OF SPOKANE, the municipal corporation that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said municipal corporation, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute said instrument and that the seal affixed is the corporate seal of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this _____ day of _____, 2024.

Notary Public in and for the State
of Washington, residing at Spokane
My commission expires _____

Attachment A

The Cooke Garage is an included historic resource in this nomination and is subject to all tenants of this agreement.

Secretary of The Interior's Standards

- 1.** A property shall be used for its historic purpose or be placed in a new use that requires minimal change to the defining characteristics of the building and its site and environment.
- 2.** The historic character of a property shall be retained and preserved. The removal of historic materials or alteration of features and spaces that characterize a property shall be avoided.
- 3.** Each property shall be recognized as a physical record of its time, place, and use. Changes that create a false sense of historical development, such as adding conjectural features or architectural elements from other buildings, shall not be undertaken.
- 4.** Most properties change over time; those changes that have acquired historic significance in their own right shall be retained and preserved.
- 5.** Distinctive features, finishes, and construction techniques or examples of craftsmanship that characterize a historic property shall be preserved.
- 6.** Deteriorated historic features shall be repaired rather than replaced. Where the severity of deterioration requires replacement of a distinctive feature, the new feature shall match the old in design, color, texture, and other visual qualities and, where possible, materials. Replacement of missing features shall be substantiated by documentary, physical, or pictorial evidence.
- 7.** Chemical or physical treatments, such as sandblasting, that cause damage to historic materials shall not be used. The surface cleaning of structures, if appropriate, shall be undertaken using the gentlest means possible.
- 8.** Significant archeological resources affected by a project shall be protected and preserved. If such resources must be disturbed, mitigation measures shall be undertaken.
- 9.** New additions, exterior alterations, or related new construction shall not destroy historic materials that characterize the property. The new work shall be differentiated from the old and shall be compatible with the massing, size, scale, and architectural features to protect the historic integrity of the property and its environment.
- 10.** New additions and adjacent or related new construction shall be undertaken in such a manner that if removed in the future, the essential form and integrity of the historic property and its environment would be unimpaired.

Spokane Register of Historic Places Nomination

*Spokane City/County Historic Preservation Office, City Hall, 3rd Floor
808 W. Spokane Falls Boulevard, Spokane, WA 99201*

1. HISTORIC NAME

Historic Name **IRWIN & OLIVE COOKE HOUSE &
GARAGE**

Common Name

2. LOCATION

Street & Number 521 W. 27th Avenue
City, State, Zip Code Spokane, WA 99203
Parcel Number 35304.2014

3. CLASSIFICATION

| Category | Ownership | Status | Present Use | |
|--|---|---|--|---|
| <input checked="" type="checkbox"/> building | <input type="checkbox"/> public | <input checked="" type="checkbox"/> occupied | <input type="checkbox"/> agricultural | <input type="checkbox"/> museum |
| <input type="checkbox"/> site | <input checked="" type="checkbox"/> private | <input type="checkbox"/> work in progress | <input type="checkbox"/> commercial | <input type="checkbox"/> park |
| <input type="checkbox"/> structure | <input type="checkbox"/> both | | <input type="checkbox"/> educational | <input type="checkbox"/> religious |
| <input type="checkbox"/> object | Public Acquisition | Accessible | <input type="checkbox"/> entertainment | <input checked="" type="checkbox"/> residential |
| | <input type="checkbox"/> in process | <input checked="" type="checkbox"/> yes, restricted | <input type="checkbox"/> government | <input type="checkbox"/> scientific |
| | <input type="checkbox"/> being considered | <input type="checkbox"/> yes, unrestricted | <input type="checkbox"/> industrial | <input type="checkbox"/> transportation |
| | | <input type="checkbox"/> no | <input type="checkbox"/> military | <input type="checkbox"/> other |

4. OWNER OF PROPERTY

Name Jolene C. Delbridge
Street & Number 521 W. 27th Avenue
City, State, Zip Code Spokane, WA 99203
Telephone Number/E-mail 509-714-4747, iamjolene@comcast.net

5. LOCATION OF LEGAL DESCRIPTION

Courthouse, Registry of Deeds Spokane County Courthouse
Street Number 1116 West Broadway
City, State, Zip Code Spokane, WA 99201
County Spokane

6. REPRESENTATION OF EXISTING SURVEYS

Title City of Spokane Historic Landmarks Survey
Date Federal___ State___ County___ Local___
Location of Survey Records Spokane Historic Preservation Office

**Spokane City/County Register of Historic Places Nomination
IRWIN & OLIVE COOKE HOUSE & GARAGE**

7. DESCRIPTION

(continuation sheets attached)

Architectural Classification

Condition

excellent

good

fair

deteriorated

ruins

unexposed

Check One

unaltered

altered

Check One

original site

moved & date

8. SPOKANE REGISTER CATEGORIES & STATEMENT OF SIGNIFICANCE

(continuation sheets attached)

Applicable Spokane Register of Historic Places Categories: Mark "x" on one or more for the categories that qualify the property for the Spokane Register listing:

A Property is associated with events that have made a significant contribution to the broad patterns of Spokane history.

B Property is associated with the lives of persons significant in our past.

C Property embodies the distinctive characteristics of a type, period, or method of construction, or represents the work of a master, or possesses high artistic values, or represents a significant and distinguishable entity whose components lack individual distinction.

D Property has yielded, or is likely to yield, information important in prehistory history.

9. MAJOR BIBLIOGRAPHICAL REFERENCES

Bibliography is found on one or more continuation sheets.

10. DIGITAL PHOTOS, MAPS, SITE PLANS, ARTICLES, ETC.

Items are found on one or more continuation sheets.

11. GEOGRAPHICAL DATA

Acreage of Property

Less than one acre.

Verbal Boundary Description

Cannon Hill Park Addition, West 10 feet of Lot 15 and all of Lot 16, Block 31.

Verbal Boundary Justification

Nominated property includes entire parcel and urban legal description.

12. FORM PREPARED BY

Name and Title

Linda Yeomans, Consultant

Organization

Historic Preservation Planning & Design

Street, City, State, Zip Code

501 West 27th Avenue, Spokane, WA 99203

Telephone Number

509-456-3828

Email Address

lindayeomans@comcast.net

Date Final Nomination Heard

August 21, 2024

Spokane City/County Register of Historic Places Nomination
IRWIN & OLIVE COOKE HOUSE & GARAGE

13. SIGNATURE(S) OF OWNER(S)

14. FOR OFFICIAL USE ONLY

Date nomination application filed: _____

Date of Landmarks Commission Hearing: _____

Landmarks Commission decision: _____

Date of City Council/Board of County Commissioners' hearing: _____

City Council/Board of County Commissioners' decision: _____

I hereby certify that this property has been listed in the Spokane Register of Historic Places based upon the action of either the City Council or the Board of County Commissioners as set forth above.

Megan Duvall
City/County Historic Preservation Officer
City/County Historic Preservation Office
Third Floor—City Hall
808 W. Spokane Falls Blvd.
Spokane, WA 99201

Date

Attest:

Approved as to form:

City Clerk

Assistant City Attorney

Spokane City/County Register of Historic Places Nomination
IRWIN & OLIVE COOKE HOUSE & GARAGE



The north façade of the Irwin & Olive Cooke House & Garage in 2023

SECTION 7: DESCRIPTION OF PROPERTY

Summary Statement

The Irwin & Olive Cooke House & Garage are significant in the area of architecture and the year they were built in 1937. The home is a fine example of the popular brick-clad Tudor Revival Cottage style built throughout America during the 1920s and 1930s. The one-and-one-half-story Cooke House features a prominent cottage-style feature at the home's north façade—a steeply pitched front-facing gable roof dominated by a sweeping curved arch, defined as a “cat-slide” roof. A second and equally prominent focal point of the home is the use of multi-color, rough-textured clinker brick that covers all four exterior elevations of the house. The Cooke House features original wood-paned and lead-paned windows, interior floors made of oak hardwood floor planks, rich honey-colored gumwood woodwork, and numerous built-ins. A single-story, two-car garage behind the house features a front-facing gambrel roof, and is clad with painted clapboard siding. Well-preserved in excellent condition, the property possesses all five aspects of historic integrity in original location, design, workmanship, materials, and association. The Cooke House & Garage are eligible for listing on the Spokane Register of Historic Places.

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CURRENT APPEARANCE

Site

The Cooke House & Garage are located in the Cannon Hill Park Addition on all of Lot 16 and the west 10 feet of Lot 15, Block 31. Sited west of South Bernard Street (a well-traveled arterial), the home faces north along West 27th Avenue, a paved city street in a residential neighborhood. The home is built on a slight grade that descends north to the front of the lot. The lot is 60 feet wide from east to west, and 127.5 feet deep from north to south. The south rear border of the lot abuts a narrow public graveled alley. Manicured grounds with lawn, evergreen and deciduous trees, shrubs and flowers surround and frame the house. The garage is located in the rear southeast corner of the lot, and is accessed by a paved driveway that follows south to the rear of the backyard from 27th Avenue along the east border of the property. A paved concrete public sidewalk is located in front of the house, and is parallel to the street at 27th Avenue. A smaller private concrete walkway curves from the home's north facade down to the public sidewalk. The Cooke House & Garage are located in the southwest quadrant of Spokane's "South Hill" area in a coveted historic residential neighborhood built from the early 1900s to 1950 between Cannon Hill Park and Comstock Park. The neighborhood is characterized by a kaleidoscope of large and modest single-family historic homes.

Cooke House Exterior

Facing north, the one-and-one-half-story Cooke House is sited in the center of Lot 16, Block 31 in the Cannon Hill Park Addition. The house follows an irregular footprint, measuring 38 feet wide from east to west, 23 feet deep from north to south along the home's west elevation, and 36 feet deep along the home's east elevation. A steeply pitched side-gabled roof clad with composition shingles covers the house. Two lower cross-gables project outward from the home's north face. A modest bargeboard outlines the roof's shallow eaves. The house is illuminated by original multi-paned windows. The foundation of the home features exposed poured concrete and original wood-sash basement windows.

The north façade of the house is prominent with a steeply pitched north-facing roof slope with two lower, front-facing cross-gables. Projecting from the northeast end of the roof's north face, the taller cross-gable features a sweeping focal-point cat-slide roof that extends west 15 feet across the home's facade. The cat-slide roof covers and protects a small inset front entrance that measures 5-feet-wide by 3-feet-deep. The gable peak in the cat-slide roof is clad with painted-wood clapboard, while the lower of the two cross-gables and the remaining walls of the home's north façade are completely clad with clinker brick. A concrete porch deck is located along the home's front entrance at the north facade. A black wrought-iron railing protects the porch and part of a concrete walkway in front of the house. An original fixed, wood-sash picture window with multiple leaded-glass panes is located east of the front entry porch while a matching picture window is located on the home's north facade west of the front entry porch. A second-floor gable-front dormer with a pair of original double-hung multi-paned wood-sash windows is located on the roof slope above the west fixed-pane picture window.

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Looking south at the northeast façade corner of the Cooke House

The *east face* of the house abuts the property's concrete driveway. At the east elevation, the gable-end roof is steeply pitched and highlighted with shallow bargeboard. The roof flares slightly outward at the rear southeast corner. The northeast corner of the roof intersects with the two aforementioned lower cross-gables at the north façade. A beveled three-sided bay at the first floor projects two feet outward from the center of the east face, and measures 6-feet-wide. The bay holds three original double-hung multi-paned wood-sash windows. A pair of double-hung, multi-paned, wood-sash windows are located at the second floor in the center of the gable peak above the first-floor center bay. A large stationary multi-pane, leaded-glass picture window is located at the first floor below the second-floor dormer.

The *west face* of the house reveals a steeply pitched side-gabled roof, clinker brick veneer cladding, an exposed concrete foundation, and a tall tapered center chimney that rises through the gable peak of the house. Two multi-paned fixed windows flank the chimney at the first floor.¹ Two narrower multi-paned double-hung windows flank the chimney at the second floor.

The *south, rear face* of the house is accentuated by a wide shed dormer in the center of the roof's south-facing slope. The dormer is covered with wood clapboard, and features three original multi-paned double-hung windows. A single multi-paned double-hung window is located at the west end of the south face, and a pair of multi-paned, double-

¹ Fixed windows do not open.

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hung windows is located in the center of the south face. An exterior door opens from the far west end of the south face, and is embellished with a multi-paned window in the upper half of the door. At ground level, a concrete stairway is located next west of the door, and descends to an exterior door that opens to a full basement beneath the house.

Cooke House Interior

The interior floor space of the Cooke House is recorded by the Spokane County Tax Assessor as having a total of 1,512 finished square feet on the combined first and second floors—the first floor has 1,062 square feet of finished space, and the second floor has 450 square feet of finished space. The basement is partially finished and holds 1,062 square feet.² Except for the ceramic-tiled kitchen and bathroom floors, all floor coverings on the first and second floors are made of oak hardwood planks laid when the house was built in 1937. Ceilings are 8 feet high. Except for painted woodwork on the first and second floors (kitchen, bathrooms, bedrooms), all interior woodwork, interior doors, and front door are made of solid honey-colored tropical gumwood on the first floor, and fir and mahogany on the second floor.



The home's rear south façade in 2024

² Spokane County Tax Assessor Records. Spokane County Courthouse, Spokane, WA.

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The front door of the Cooke House is located in the center of the north façade, and opens into a small reception hall that measures 10-feet-wide and 8-feet-deep. The front door is made of gumwood and features an arched window with multiple leaded-glass lights in the upper third of the door. Incised vertical lines in the wood face of the door simulate a board-and-batten design. An original 1937 black wrought-iron door knocker is located just below the window on the door's exterior surface, and an original 1937 black wrought-iron door knob/handle opens the door. The floor of the reception hall is made of oak hardwood planks. The trim around the floor and door is gumwood. A turned staircase is located on the south wall of the reception hall. Two steps rise to a landing, turn east, and continue to rise with more steps to the second floor. Part of the staircase is open from the first-floor reception hall up to the second floor, and is protected by a black wrought iron railing and balustrade. An original light fixture hangs from the first-floor ceiling in the reception hall.

The reception hall leads west through an arched opening to a large living room located in the west half of the first floor. The living room measures 14-feet-wide by 21-feet-deep, and extends the entire length of the home's west wall from north to south. The living room has a hardwood floor made of golden oak that matches the floor in the reception hall. The trim around the floor is made of gumwood. A coved ceiling surrounds the living room. A large leaded-glass picture window lights the living room from the north wall. The room's focal point is a large fireplace in the center of the west wall. The fireplace measures nearly 4-feet-wide and holds a firebox with a gas fireplace insert manufactured in 1997. A fireplace screen with a Tudor arch design protects the fireplace insert. The fireplace surround extends upward to the ceiling, and is covered with rough-textured plaster and brick. It narrows inward at mantel-height, and tapers to the ceiling. The hearth is made of 3-inch-square molded ceramic tiles with a matte finish. Matching matte tiles surround the firebox, and exhibit a myriad of designs, including circles, crosses, and intertwined vines.³ Two matching tall-and-narrow multi-paned 1/1 double-hung gumwood-sash windows flank the center fireplace.

From the living room's southeast corner, the room leads east through a wide-arched opening into a dining room that measures 14-feet-wide and 11-feet-deep along the rear south wall of the house. A large pair of double-hung, multi-paned gumwood windows are located in the center of the dining room's south wall. Located on the room's east wall is a built-in china cupboard made of gumwood. An interior gumwood door opens east from the dining room into an interior hallway and small breakfast room. The breakfast room features painted woodwork, a ceramic tile floor, and a beveled bay with multi-paned wood windows on the east wall. The south wall of the breakfast room opens to a long galley-style kitchen in the southeast corner of the house. The kitchen measures 11-feet in length along the east wall, and is 8-feet-wide. The floor is covered with a continuation of the ceramic tile in the breakfast room. Built-in casework is located along the kitchen's east wall, appliances are located along the west wall, and a small pantry closet is located by the back door at the south wall.

³ All of the fireplace and hearth matte ceramic tiles appear to be handmade.

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Looking west in the Cooke House through the reception hall into the living room



Looking northwest at the fireplace and living room in the Cooke House

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Looking north from the living room to the front door in the Cooke House

The interior service hallway by the breakfast room leads north to a bedroom and west to the front reception hall. The bedroom is located in the northeast corner of the first floor of the house. It measures 10-feet-wide along the north wall, and 13-feet-deep along the east wall. A multi-paned, leaded-glass picture window made of gumwood at the bedroom north wall looks out onto the front yard from the home's north façade.

The second floor features a long east/west-running hallway between a bedroom along the east wall, and a larger master bedroom along the west wall. A bathroom with a ceramic tiled floor and original bathtub/toilet is located between the bedrooms. A built-in hallway linen closet is sited next west of the bathroom. The master bedroom is located in the west half of the second floor, and measures 14-feet-wide along the north wall, and 19-feet-deep along the west wall. Two narrow multi-paned wood windows are located on the west wall of the bedroom (at the exterior of the house, the windows flank the sides of a tapered clinker brick chimney that rises past the gable peak in the west gable-end roof).

A guest bedroom is located at the east end of the hallway. The bedroom measures 19-feet-deep from north to south, and 9-feet-wide. All of the woodwork on the second floor is painted white. Except for the bathroom, the second floor features a continuation of oak hardwood floors, multi-paned wood-sash windows, an 8-foot-high ceiling, built-in storage drawers under the ceiling's eaves, and large closets.

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The Cooke House has a full basement made of concrete with concrete exterior walls. An enclosed stairway at the first floor leads from the service hallway down to the basement. The west half of the basement is finished as a family room with interior sheet-rock walls and ceiling, wall-to-wall carpet, three small original wood-sash basement windows, and an 8-foot-high ceiling. The north wall of the room is designed as a media center with built-in casework that spans the entire wall from floor to ceiling. A red brick fireplace with black grout is located on the center of the west wall between two basement windows, and features a stained wood mantel, firebox (with a gas fireplace insert), and a ceramic tile hearth. The east half of the basement is unfinished with laundry space, storage rooms, and a furnace/mechanical room. From the center of the home's south basement wall, an exterior door opens to the outside and leads up a concrete stairway to the backyard.

Garage

A one-story double-car garage in the southeast corner of the property backs south onto a graveled public alley. The garage has a north-facing gambrel gable roof and modest bargeboards with little overhang. It measures 18-feet-wide and 20-feet-deep, and is clad with painted wood clapboard siding. The garage floor features poured concrete, and the roof is covered with composition shingles that match the house. Two paneled wood overhead garage doors open from the garage's north façade.



A 1939 photograph of the Cooke House ⁴

⁴ Bouten Construction Company, Spokane, WA.

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ORIGINAL APPEARANCE & SUBSEQUENT MODIFICATIONS

A black-and-white photograph of the Cooke House taken in 1939 just after it was built shows the house looks much the same today. Well-preserved, a large majority of the interior and exterior of the Cooke House retains its original design and materials today in 2024.

Modifications to the house and garage include the following:

- 1989 Two original hinged wood carriage house doors on the north façade of the garage were replaced with two wood overhead garage doors. The kitchen was remodeled with upgraded casework, countertop, sink, built-in dishwasher, garbage disposal, and ceramic tile floor. The three-piece bathroom on the second floor was remodeled with a new ceramic tile floor and fixtures.
- 1995-96 Installed louvered shutters in the kitchen and second-floor, re-painted areas in the house.
- 1997 Gas lines and gas fireplace inserts were installed in the first floor living room and the basement recreation room. The home's electric system was upgraded. Gas lines, a gas dryer, and a gas stove were installed.
- 2001 The existing composition tile roof was replaced with a new composition tile roof.
- 2015-16 A large 80-foot-tall pine tree was damaged in a wind storm, cracked, and fell north over the house from the back yard to the front yard. It twisted towards the front of the house, punctured a large hole through the home's north façade next east of the front door, and penetrated the exterior north wall into the home's reception hall on the first floor. Damage to the dwelling initiated extensive repair work to the clinker brick exterior wall surface of the house at the north façade. Pat Carbaugh, a master bricklayer in Spokane, executed the clinker brick repair. Additional house repairs included interior and exterior painting, and new roof shingles installed along the north slopes of the house.
- 2021 All wall-to-wall carpet on the second floor was removed, exposing original hardwood oak floor planks. A new gas furnace and new whole-house air conditioner were installed in the house. Mahogany woodwork at the second floor was painted white.
- 2023-24 Protective wrought iron railings and handrails were installed outside at the home's front porch and front steps, back porch and steps, and also in the house at the entry/reception hall's staircase between the first and second floors, stairway to the basement. The first-floor powder room was updated with a new ceramic tile floor, painted walls, and a new porcelain washbasin & mirror.

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SECTION 8: STATEMENT OF SIGNIFICANCE

| | |
|-------------------------------|----------------------|
| <i>Areas of Significance</i> | <i>Architecture</i> |
| <i>Period of Significance</i> | <i>1937</i> |
| <i>Built Date</i> | <i>1937</i> |
| <i>Builder</i> | <i>Gus J. Bouten</i> |

Summary Statement

The Irwin & Olive Cooke House & Garage are eligible for listing on the Spokane Register of Historic Places under Category C for their design, construction, and builder.⁵ The period of significance is 1937, the year the house and garage were constructed. As so well-reflected by the Cooke House, the American Tudor Revival Cottage style became popular in the 1920s and 1930s when American home designs began to emulate the many small Tudor-inspired cottages built throughout Great Britain, and especially the Cotswold region of western England. The Cooke House & Garage are further significant as the work of Gus J. Bouten, a master builder and founder of the well-known Bouten Construction Company in Spokane. Bouten and his construction company custom-built the house and garage for Irwin & Olive Cooke, who owned the property for 21 years from 1937 to October 1958. Well-known in Spokane, Irwin Cooke proved his successful entrepreneurial skills when he founded a chain of “Cooke’s Nut & Candy Shops” with four shops in downtown Spokane and one shop on Spokane’s South Hill. He later erected a large building in north Spokane, which served as a “candy factory.”⁶

HISTORIC CONTEXT

Cannon Hill Park Plat

The renowned Olmsted Brothers’ Landscape Architect firm from Brookline, Massachusetts came to Spokane in 1907. They planned for a public park, called Cannon Hill Park, to be constructed south and uphill from the city’s downtown on Spokane’s South Hill, east of South Lincoln Street between Shoshone and West 19th Avenue. Built on a natural wetland, the 9-acre park was designed with two connected shallow ponds, and two arched pedestrian bridges made of native basalt stone. The ponds were surrounded by shrubs, indigenous trees and plants, and areas of manicured grassy lawn.

In 1907-08, the land surrounding the park and extending south uphill to 25th Avenue was open and available. Seizing his chance for speculative success, prominent Spokane businessman Arthur D. Jones and his real estate company purchased the land bounded by West 19th Avenue south to Shoshone Avenue, and from South Lincoln Street east to Bernard Street. They also purchased additional land south of the park from Shoshone uphill to 25th Avenue, and from South Wall Street east to Bernard Street. In 1909, the City of Spokane described the park and surrounding neighborhood plat as Cannon Hill Park.⁷

⁵ *National Register Bulletin 15*, pp 17-20. U.S. Department of the Interior, National Park Service, United States, Department of the Interior, Washington, DC.

⁶ “Candy Factory Prepared for Cooke.” *Spokesman-Review*, 26 April 1953

⁷ *Spokane County Assessor’s Plat Index*. 2003, page 12.

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In 1910, residential lots around the two ponds and surrounding parkland in the Cannon Hill Park plat were advertised “for sale” in Spokane’s *Spokesman-Review* and *Spokane Daily Chronicle* newspapers. In an October 30, 1910 *Spokesman-Review* article, Spokane land developer/builder Arthur D. Jones exclaimed that Cannon Hill Park and the surrounding residential neighborhood “did not just happen but were specifically planned.” He explained:

Unanswerable Reasons Why You Should Buy in Cannon Hill Park

The whole plan was worked out in detail before a shovelful of earth was turned.

Its graceful streets, the uniformity of its clean-cut cement work (street curbs),

its paved roadways, its elaborate system of tree planting [in parking strips],

the general tone of the district—not one improvement is lacking.

The graceful streets, curbs, concrete cross-walks, steel water mains,

complete sewers, gas, electric lights, telephones, paved streets, everything is in now.

These improvements are all paid for, all included in the price of the lot.⁸

The Arthur D. Jones & Company’s commitment to the implementation of necessary infrastructure paid off. Lot sales and home construction proved steady if not robust. A June 11, 1911 progress report in the *Spokesman-Review* made the following announcement:

“Cannon Hill Park, with its building restrictions and uniform improvements, is becoming one of the most picturesque residence sections of the city.”⁹

The park and its picturesque pond and bridges became the catalyst and anchor for the majority of the surrounding design, development, and subsequent successful settlement of the residential neighborhood around Cannon Hill Park, and later, further uphill south to 29th Avenue.

Cannon Hill Park Addition

Platted in 1910, the area south and uphill from Cannon Hill Park was officially named the “Cannon Hill Park Addition.” The addition begins along the south side of West 25th Avenue, and extends four city blocks south and uphill to the north side of West 29th Avenue between Wall and Bernard Streets. The residential neighborhood was platted with 50-foot-wide residential lots between 25th and 29th Avenues, and between Wall and Bernard Streets, and was finished with a gridwork of city streets, many of which were originally surfaced with bricks.¹⁰

⁸ *Spokesman-Review*, 30 October 1910.

⁹ *Spokesman-Review*, 11 June 1911.

¹⁰ Unfortunately due to street widening and underground sewer/plumbing repairs, a majority of the original brick-paved streets in the neighborhood have been covered multiple times over the last 100 years with a tarred “blacktop” surface that covers and/or replaces the original bricks. However, the steep hillside at South Howard Street between 21st and 22nd Avenues does retain its original brick street surface, initially laid in the early 1900s.

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Single-family residential home construction was planned and completed for the neighborhood throughout the Cannon Hill Park Addition in the 1920s, 1930s, and 1940s. The neighborhood was built and characterized with a varied collection of house styles such as Colonial, French, Spanish, and Tudor Revival Cottage in addition to Craftsman and Prairie designs.

The City of Spokane and Spokane School District 81 recognized the growing educational needs of families that were living in the Cannon Hill Park plat and Cannon Hill Park Addition. In 1926, Woodrow Wilson Public Elementary School was constructed along South Lincoln Street between West 25th and 26th Avenues. It was designed and finished as a handsome brick-and-terra-cotta school building by well-known Spokane architect Loren L. Rand.¹¹

The Cooke House

On March 23, 1937, land owner and Spokane real estate developer Arthur D. Jones & Company sold all of Lot 16 and the west ten feet of Lot 15, Block 31 in the Cannon Hill Park Addition to Spokane residents, Irwin B. & Olive N. Cooke.¹² The parcel measured 60 feet wide as it faced north along West 27th Avenue, and measured 127 feet in depth along its east and west property borders.¹³ The property was located 8 blocks south of Cannon Hill Park and its twin ponds, and 4 blocks east of Spokane's new Woodrow Wilson Public Elementary School, located between 25th and 26th Avenues.

As stated in Spokane County Warranty Deed #282527A issued on 23 March 1937 for the property at 521 West 27th Avenue, new property owners Irwin & Olive Cooke agreed to abide by the following protective neighborhood covenants listed on the warranty deed:¹⁴

1. *No building of any kind shall be erected or maintained on said lands within 30 feet of the street line in front of said land...and the same must face the street in front of the premises,*
2. *No apartment house or store or business structure of any kind shall be erected or maintained on said lands,*
3. *No dwelling shall ever be erected or permitted to remain on said land of less value than \$3000,*
4. *All buildings of every kind [except brick or stone cladding] on said lots must be painted with at least two coats of paint.*

¹¹ Spokane Public Schools. *Spokane Public Schools, School District 81, 1889-1989.*

¹² Spokane County Warranty Deed of Trust #282527A, filed March 30, 1937.

¹³ Ibid.

¹⁴ Ibid.

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5. *The above conditions and covenants shall run with the land, and compliance with the same may be forced by injunction.*

Irwin & Olive Cooke hired well-known Spokane building contractor Gus J. Bouten to construct and erect a single-family home for them on their lot sited along the south side of West 27th Avenue. Bouten's cost to construct the house for the Cooke family was \$7500. An article in the August 3, 1937 *Spokane Daily Chronicle* newspaper described the future Cooke House, which was to be erected in September:

Cooke Building Six-Room Brick

*[Mr.] I. B. Cooke of Cooke's Nut Shop is constructing
a six-room clinker brick veneer residence,*

W. 521 Twenty-Seventh Avenue, at an estimated cost of \$7500.

Gus Bouten is the contractor.

There are four rooms downstairs [on the first floor] and two bedrooms upstairs.

Double plumbing has been installed with the conventional washroom upstairs.

There is a double garage at the rear of the house.

A rumpus room...fuel, laundry,

and general utility rooms, each a separate unit, are in the full cemented basement.

The [first-floor] kitchen will be as compact as possible

but due to the careful planning and arrangement of built-ins,

it will appear larger.

Mr. Cooke expects to occupy the house sometime in September.¹⁵

Construction of the Cooke House was completed, and became the home of Irwin & Olive Cooke and their family from 1937 to 1958. The Cooke family demonstrated the highest level of homeowner care as they carefully maintained the house and its original 1937-era exterior/interior materials and design for over two decades.

Irwin B. Cooke

Irwin B. Cooke was born in Illinois, came to Spokane in 1908 where he lived for the next 50 years. In 1926, Irwin Cooke and his brother, Eli Cooke, founded "Cooke's Nut Shop" at W. 803 Riverside Avenue followed by additional shop space a few doors west at 825 Riverside Avenue in downtown Spokane. Four years later at the height of America's Great Depression, business proved surprisingly positive and productive for the Cooke brothers. With jubilation, Irwin Cooke exclaimed the following in 1930:

Our business has shown an increase every month this year

with the exception of March when the decrease was but slight.

Business volume for the year to date is 5 percent ahead of last year.¹⁶

In 1932, Cooke's Nut Shops opened a new store in downtown Spokane at W. 901 Sprague Avenue in the State Theater Building (now called The Bing Theater, SRHP).

¹⁵ *Spokane Daily Chronicle*, 3 August 1937.

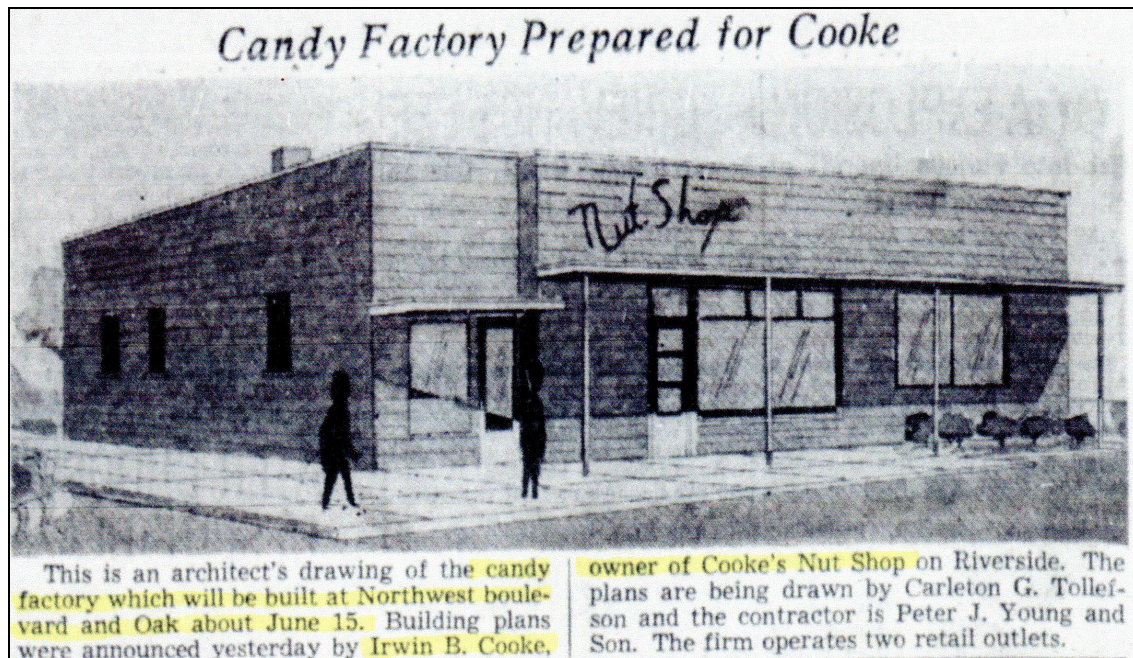
¹⁶ *Spokane Daily Chronicle*, 29 May 1930.

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Brothers Irwin and Eli H. Cooke explained they “adopted a ‘do it now’ policy to deliver the expansion when the work would give jobs to the unemployed.”¹⁷ The Irwin brothers added that the activities and work at Cooke’s “Nut Shop Number One,” located at W. 803 Riverside Avenue, will be merged with the new shop at the State Theater Building. In addition, they secured another building at N. 110 Howard Street, which maintained the “candy kitchen and main dining service for the shops.”¹⁸

Seven years later on Valentine’s Day, February 14, 1939, confectioner & nut shop owner Irwin Cooke agreed with other Spokane confectioners that Valentine’s Day 1939 proved to be one of the most successful on record. In an article printed in the *Spokane Daily Chronicle*, Cooke enthusiastically exclaimed that “heart boxes and the miniature chocolate hearts are moving very fast. Monday sales and early business today have been outstanding.”¹⁹

In the 1950s after more than 20 years in the candy business, Irwin Cooke embarked on a new project with the construction of a 1,300 square-foot candy factory to be erected as an addition to a larger established 1,500 square-foot building. On April 26, 1953, the *Spokesman-Review* newspaper issued the following architect’s drawing followed by an anticipatory statement from Irwin Cooke:



¹⁷ *Spokane Daily Chronicle*, 30 January 1932.

¹⁸ *Ibid.*

¹⁹ *Spokane Daily Chronicle*, 14 February 1939.

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*Cooke to Have Candy Factory—Nut Shop Proprietor to Build on North Side
Fronting on Northwest Boulevard, the building will have a retail sales room,
packing room, work rooms, offices, kitchen, dipping room,
cooling room, and storage facilities.
The total cost of the project is about \$30,000.²⁰*

Irwin Cooke explained that he and his son, Donald Cooke, “have been serving Spokane and the Inland Empire for the last 27 years. We feel that with the growth of the city, there is a need for additional outlets for our home-made candies.”²¹

Cooke’s Candy Factory was built and completed on Spokane’s north side. In addition, Cooke opened a fifth nut & candy shop—this one along West 30th Avenue & South Grand Boulevard on Spokane’s South Hill.

Irwin Cooke married Olive Cooke in 1920 when they were both 26 years old, and together, they raised a daughter, Barbara, and a son, Donald. Irwin Cooke was a “longtime member of the downtown Spokane Lions Club, the Manito Golf & Country Club, and the Athletic Round Table.”²² Irwin & Barbara Cooke retired to Arizona in 1958. Twelve years later in 1970, Irwin Cooke passed away at age 76.

Subsequent Homeowners

A former hearing aid specialist and owner of Acoustician Pedersen Incorporated in Spokane, Betty Jean Pedersen bought the Cooke House in 1958 for \$18,500. Katherine Watson and her husband, Charles Watson, a loan officer for Washington Mutual Bank, purchased the Cooke House for \$95,000 in 1983. Five years later in 1988, the Watsons sold the property to Earl & Marjorie Thompson for \$88,500. In May 1990, retirees from California, Joseph Sandell & Carla Bard Sandell, bought the home for \$129,950.

On June 11, 1991, current owner, Jolene Delbridge, purchased the property for \$138,000.²³ Jolene taught dental hygiene at Eastern Washington University, retiring in 2012.

ARCHITECTURAL SIGNIFICANCE

Category C

Category C of the Spokane Register of Historic Places applies to properties significant for their physical design and construction. To be eligible under Category C, a property must meet at least one or more of the following requirements:

- 1. Embody distinctive characteristics of a type, period, or method of construction*
- 2. Possess high artistic value*
- 3. Represent the work of a master*

²⁰ *Spokesman-Review*, 26 April 1953.

²¹ *Ibid.*

²² *Spokane Daily Chronicle*, 20 April 1970.

²³ City/County of Spokane Tax Assessor. Spokane City Hall, Spokane, WA.

**Spokane City/County Register of Historic Places Nomination
IRWIN & OLIVE COOKE HOUSE & GARAGE**

The Cooke House meets all three of the above-noted architecturally significant requirements as listed in *National Register Bulletin #15*.²⁴ The property is an excellent example of the Tudor Revival Cottage style that was popular throughout America from 1890 to the early 1940s. In addition, the Cooke House is architecturally significant as a product of Gus J. Bouten, a highly successful professional building contractor.

English & American Tudor Styles

Whether expressed as a grand baronial manor house or a small cozy cottage, the American Tudor Revival style was a popular design in America in the late 1800s and 1900s, and is one of the country's best-loved architectural types. The style is a revival of chosen architectural forms, features, and designs made popular during the 16th-century reign of the English Tudors, a royal family in Great Britain descended from Sir Owen Tudor, a Welshman.

English Tudor Style

The English Tudor style was adopted and developed during the 1600s through the 1800s in the British Isles, reaching a period that fostered the construction of many of England's great manor houses. Designed to render houses more livable, the style emphasized large homes with multiple leaded-glass windows and fireplaces, sturdy stone and brick masonry construction, wall projections such as oriels and bays, steep roof inclines, and elaborate carving found on exterior and interior trim.

In addition to tranquil countryside settings, the English Tudor style was employed in urban centers throughout England. One of Great Britain's most photographed cities with urban interpretations of the English Tudor style is Chester, located in Cheshire County, Western England. Curvilinear cobblestone streets and narrow alleyways radiate from the city center and are lined with tall, steeply pitched two- and three-story townhomes that feature a robust concentration of half-timbered "black-and-white" construction. Black-and-white designs were made from a crème-colored mixture of rough muddy paste made of twigs and animal hair called "wattle and daub," which was then framed by blackish-colored timbers darkened by soot, oil, and age. In addition to Chester, many "black-and-white" half-timbered structures were built in towns throughout England and the British Isles.

American Tudor Revival Style

Borrowing architectural elements from the English Tudor tradition, the American Tudor Revival style originated 200 years later as a revision of the original English Tudor design. The new American Tudor Revival style enjoyed widespread popularity throughout the United States from 1890 to 1940. Many of the first American examples tended to be architect-designed landmarks that resembled historic mansions and cottages. Spokane was no exception and the style was adopted as a favorite among many of the town's early wealthy social elite. Built in Spokane in 1889, 1897, 1910, and 1916 respectively, the Glover Mansion (West 321 Eighth Avenue), the Campbell House (West 2316 First

²⁴ *Bulletin 15, National Register Bulletin*. U.S. Department of the Interior, National Park Service, Washington DC, pp 17-20.

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Avenue), the J. P. Graves “Waikiki” House (North Waikiki Road), and the Humbird-Jewett-Gaiser Mansion (West 612 Sumner Avenue) were all designed by one of Spokane’s earliest and most revered pioneer architects, Kirtland K. Cutter. Later examples of large Tudor Revival-style homes were also architect-designed and built in Spokane, mostly across the city’s South Hill.

American Tudor Revival “Cottage” Style

“Quaint,” “charming,” and “romantic” are words used to describe smaller Tudor Revival Cottage-style homes built especially during the 1920s and 1930s across America. Resembling 17th and 18th-century hand-hewn stone dwellings and thatch-roofed cottages found in the Cotswold region of England, the American houses were built as efficient, affordable homes for modest incomes. American designers, builders, and homebuyers drew on the rustic and irregular forms of the medieval cottage—a small, usually hand-crafted dwelling characterized by an asymmetrical plan and hodgepodge of building materials. Twentieth-century false half-timbering used in gable peaks demonstrated an effort to resemble true British “black and white” designs from Cheshire, England townhomes and manor houses.

In the United States, fieldstone, slate, brick, stucco, and wood were all used in various combinations to produce 20th-century versions of “Olde English” cottages. To simulate the appearance of age, used bricks were applied as brick veneer to small frame houses. Especially favored were damaged bricks, which were discarded as non-useable, over-fired, unevenly colored bricks and brick pieces, called “clinkers.” Today, clinker bricks are rare but continue to be greatly admired and highly sought.

America’s early 20th-century version of the Olde English cottage was immensely popular with hundreds of thousands examples built throughout the country. Neighborhoods and towns were developed with Tudor Revival-style cottages and public buildings. Plans and blueprints were published in builder’s catalogues and house plan books. Artist’s renderings and conceptions were used in home decorating magazines, greeting cards, advertising logos, children’s nursery rhymes, and storybooks like *Hansel and Gretel*. Romantic Thomas Kincaid paintings and prints of homey cottages, and coffee-table books with colorful photographs of historic homes and small dwellings became popular. A book called *Storybook Style—America’s Whimsical Homes of the Twenties* pictured over 200 cottages, houses, and buildings artistically crafted in the Tudor Revival Storybook tradition.²⁵ Spokane’s historic manor houses and cottages built in the Tudor Revival style and the Storybook style have appreciated in value and continue to be a favorite among homebuyers.

²⁵ Gellner, Arrol and Douglas Keister. *Storybook Style: America’s Whimsical Homes of the Twenties*. 2001.

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IRWIN & OLIVE COOKE HOUSE & GARAGE**

Tudor Revival Cottage Style Elements

The following architectural elements distinguish the Cooke House as an excellent example of the American Tudor Revival Cottage style:

- Cooke House built in 1937 (Tudor Revival Cottage-style homes in America were popular and built during the 1920s to the early 1940s)
- 1.5-story house, full concrete basement
- Asymmetrical design
- Steeply pitched multiple front-facing gable roof
- Steeply pitched side-gabled roof
- Steeply pitched gabled facade dormer
- Prominent “cat-slide” roof at façade—popular Tudor Revival Cottage-style characteristic
- Clinker brick cladding on all four sides of home. Clinker brick is made up of “clinkers”—twice- and thrice-fired bits and pieces of broken brick fired onto plain bricks. Displaying irregular shapes, textures, colors, and attached clinkers from damage during firing, the bricks became popular across America. They were popularly revered in the 1920s and 1930s as unusual and highly decorative brick cladding, and were used specifically for Tudor Revival-style cottages and Craftsman-style homes.
- Recessed front entry
- Front entry door made of wood with vertical batten design
- Front door with arched leaded-glass window located in upper third of door
- Tall narrow double-hung windows with multi-paned glazing
- Leaded-glass original windows—tall, narrow windows and large “picture” windows
- Bay and box windows
- Open reception hall stairway
- Interior oak hardwood flooring
- Stucco fireplace surround that tapers up from floor to ceiling
- Tudor-arched fireplace screen
- Built-in dining room china cupboard
- Built-in telephone niche in hallway
- Original overhead light fixture in front door reception hall
- Black wrought iron protective railing around front porch and on the interior stairway between the first and second floors

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IRWIN & OLIVE COOKE HOUSE & GARAGE**

Gus J. Bouten, Contractor

The Cooke House well-represents the work of a master, and survives in excellent condition as one of the finest English Cottage-style Tudor Revival properties in Spokane. The house was built by master builder, Gustav Jerome Bouten, born in 1906 in Roseclare, West Flanders, Belgium. Bouten immigrated to the United States with his parents, Theodore & Augusta Bouten, in 1907 when he was a one-year-old child. The following is a summary prepared by the Bouten Construction Company in 2022:

*It began in Aberdeen, South Dakota—a modest home built by a 13-year-old
Belgian immigrant with the help of a carpenter and a laborer.*

*Gus J. Bouten, son of a master craftsman,
made his mark on the world with little more than an 8th-grade education,
a single-minded work ethic,
and a knack for building things that last.*

*Working their way westward from Detroit, Gus and his father, Theodore Bouten,
built houses across the northern plains, landing in Spokane 15 years after their
journey began. By the time they arrived, however, the housing market had stalled,
so father and son split up. Son Gus plied his trade as a carpenter throughout the
northwest, where in spite of the Great Depression,
homes were once again going up.²⁶*

From the late 1920s through the middle 1940s, young builder Gus J. Bouten, constructed more than 40 homes throughout Spokane. More than half of the homes he built were erected on Spokane’s South Hill in the Rockwood, Manito Park, and Cannon Hill Park neighborhoods. A few other houses were erected on Spokane’s north side in a variety of locations. Bouten’s superb skill and craftsmanship as a master builder honored him as a professional with a successful program of “building for the future.”²⁷ Bouten’s trademarks of meticulous craftsmanship and unsurpassed value were apparent in every home he built, including the following:²⁸

| <i>Home Address</i> | <i>First Homeowner</i> | <i>Year Built</i> |
|-----------------------|------------------------|-------------------|
| 921 East 16th Avenue | Longwell | 1940 |
| 1203 East 20th Avenue | Raupach | 1939 |
| 726 West 21st Avenue | Brown | 1941 |
| 802 West 21st Avenue | Johnson | 1937 |
| 520 West 22nd Avenue | Ingraham | 1938 |
| 607 West 22nd Avenue | Whittemore | 1937 |
| 801 West 24th Avenue | Huggett | 1936 |
| 427 West 27th Avenue | Cooke, Eli | 1938 |
| 521 West 27th Avenue | Cooke, Irwin | 1937 |
| 618 West 29th Avenue | Perry | 1936 |

²⁶ Bouten Construction Company. “History & Timeline.” 10 September 2022.

²⁷ Ibid.

²⁸ Ibid.

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| | | |
|--|------------|------|
| 2624 South Arthur St | Wakefield | 1937 |
| 2702 South Arthur St | Grilley | 1937 |
| 2024 South Bernard St | Millard | 1941 |
| 716 West Cliff Blvd | Barnett | 1937 |
| 1609 South Crest Road | | 1941 |
| 2309 South Garfield | Bailey | 1942 |
| 715 East Highland Blvd | Ainslie | 1938 |
| 2808 South Monroe | King | 1939 |
| 1121 East Overbluff | Whitehouse | 1939 |
| 1204 East Overbluff | Baker | 1939 |
| 1220 East Overbluff | Gever | 1940 |
| 1304 East Overbluff | Theis | 1939 |
| 1320 East Overbluff | Stolle | 1939 |
| 2425 East Nora Avenue | Bouten | 1939 |
| 929 East Sinto Avenue | Parmentier | 1939 |
| 2114 East Sharp Avenue | | 1937 |
| 2118 East Sharp Avenue | | 1937 |
| 216 West Sumner | McClintock | 1940 |
| 1413 North Superior | Hoge | 1937 |
| 1806 South Upper Terrace | Jennings | 1939 |
| 2114 South Wall | Morrisore | 1936 |
| 2518 North Washington | Hennessey | 1936 |
| 206 North University | Crabhill | 1937 |
| 2707 South Rhyolite Road ²⁹ | Frederick | 1927 |

After World War II in the mid-1940s, Bouten ended his former residential home construction business, and replaced it with commercial construction contracts. In 1945, the Gus J. Bouten Construction Company bid \$109,644 to build the Sacred Heart Hospital Cadet Nurse’s Training Facility in Spokane.³⁰ In 1947, the company began work on Spokane’s “Sacred Heart Hospital’s 7-story-central wing and 6-story-east wing,” the completion of which made it [at that time] the “largest privately owned hospital in the Northwest.”³¹

The year 1967 was a defining time for the company, which stepped outside of its smaller Spokane home market to work on multi-million dollar jobs. A banner year was 1969 when construction began on the largest project yet undertaken by the company. The project included “42,000 cubic yards of concrete,” an estimated “3,800 tons of reinforced steel, and more than 60 acres of plaster will go into three earthquake-resistant buildings making up the 9-story patient tower at Sacred Heart Medical Center.”³²

²⁹ Bouten Constuction Company. “Houses Built by Gus J. Bouten, 1927-1942.”

³⁰ Bouten Construction Company. “History & Timeline, 10 September 2022.”

³¹ Ibid.

³² Ibid.

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During the 79 years from 1945 to 2024, a wide expanse of commercial construction jobs were completed by the Bouten Construction Company.³³ The company is one of the area's largest, most well-known, and most experienced commercial construction companies headquartered in Spokane. The company's commercial construction contracts have been and continue to be with numerous hospitals, medical care centers and facilities as well as bank and business towers, convention centers, universities, and other large commercial construction contracts. Gus J. Bouten (1906-1984) proved his talent as one of Spokane's finest and most respected master builders.

³³ Ibid.

**Spokane City/County Register of Historic Places Nomination
IRWIN & OLIVE COOKE HOUSE & GARAGE**

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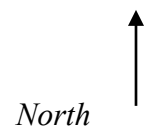
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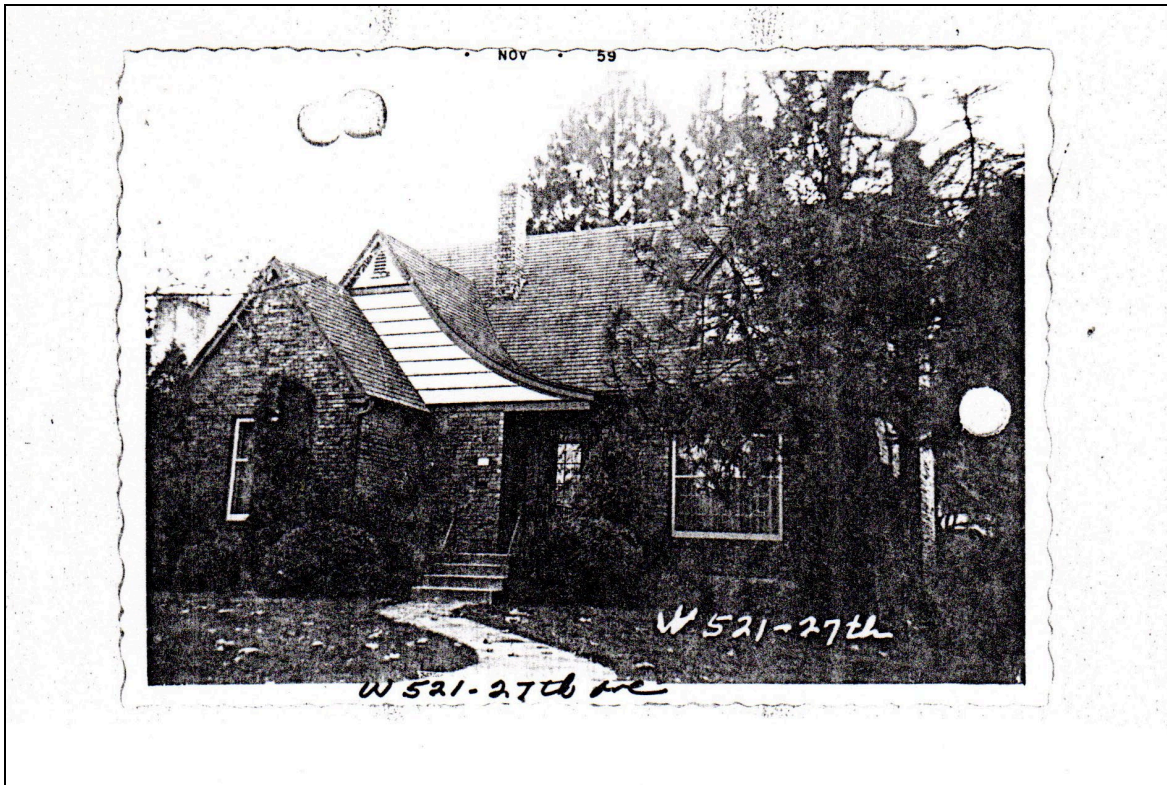


COOKE HOUSE
521 W. 27th Avenue in Spokane, WA

Source: Spokane County Tax Assessor Plat Map 2024



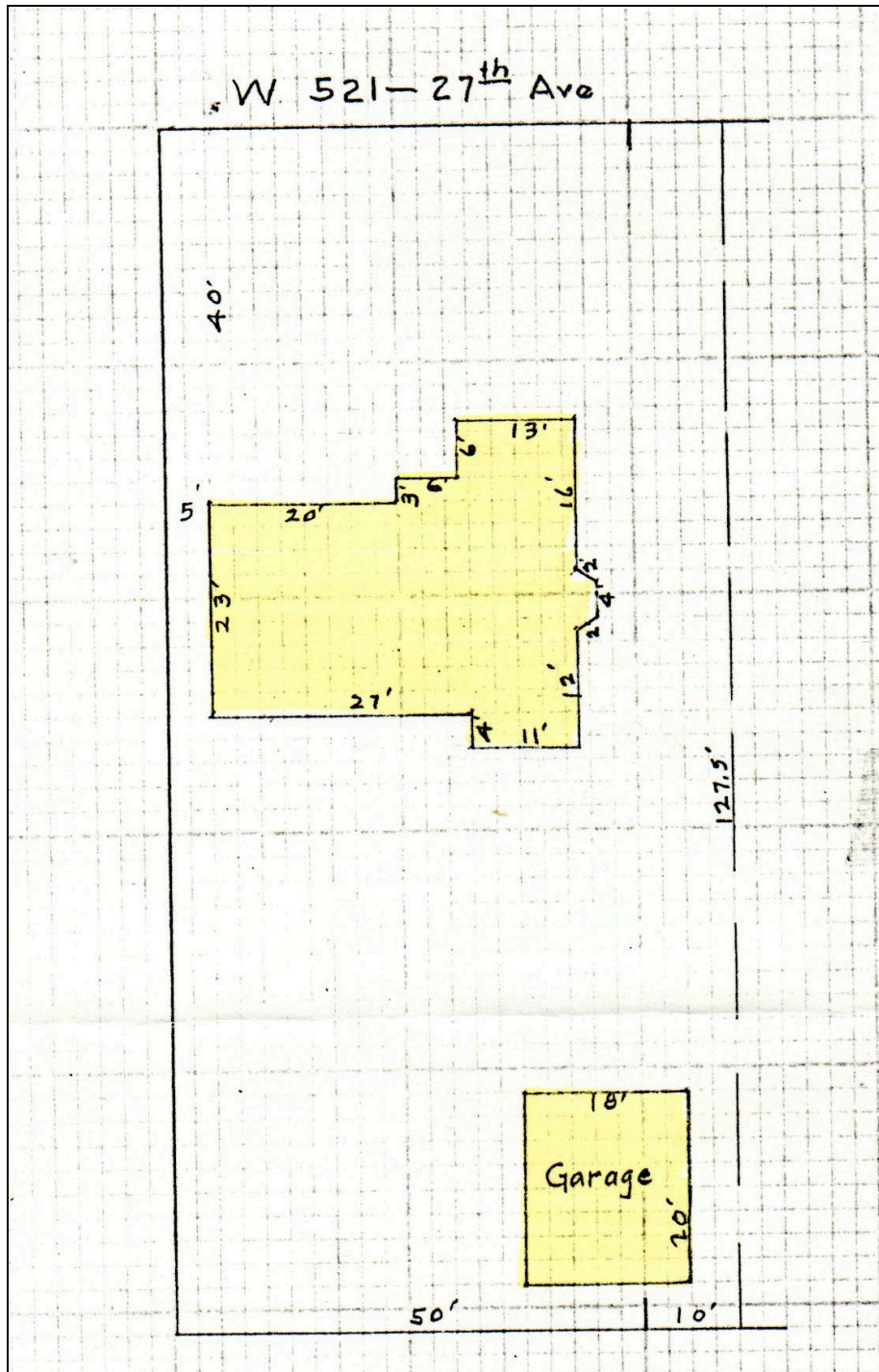
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COOKE HOUSE in 1959
521 W. 27th Avenue in Spokane, WA

*Source: Spokane County Assessors Records
Spokane, WA*

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1937 COOKE HOUSE SITE PLAN

Source: Spokane County Tax Assessor

COOKE'S TO OPEN NEW CANDY SHOP

Cooke's Nut Shops opened a new store today at W901 Sprague avenue, in the State Theater building. It will be the third in Spokane.

Eli Cooke, Irwin Cooke and E. F. Gay, proprietors of Cooke's, adopted a "do it now" policy to make the expansion when the work would give jobs to unemployed.

Cooke's Nut Shop No. 1, at W903 Riverside avenue, will remain open until March 1, then will be merged with the new shop. Shop No. 2 is at N110 Howard, where the candy kitchen and main dining service for the shops are maintained.

Eli Cooke, president of the company, will be here from Seattle for the occasion.

"Cooke's To Open New Candy Shop."

Spokane Daily Chronicle

30 January 1932

COOKE BUILDING SIX-ROOM BRICK

I. B. Cooke of Cooke's Nut shop is constructing a six-room clinker brick veneer residence at W521 Twenty-seventh at an estimated cost of \$7500. Gus Bouten is the contractor.

The house is the two-story type designed along early colonial lines. There are four rooms downstairs and two bedrooms upstairs. Double plumbing has been installed with the conventional washroom upstairs. The interior will be finished in mahogany. There is a double garage at the rear of the house.

A rumpus room, air conditioning plant, fruit, fuel, laundry and general utility rooms, each a separate unit, are in the full-cemented basement.

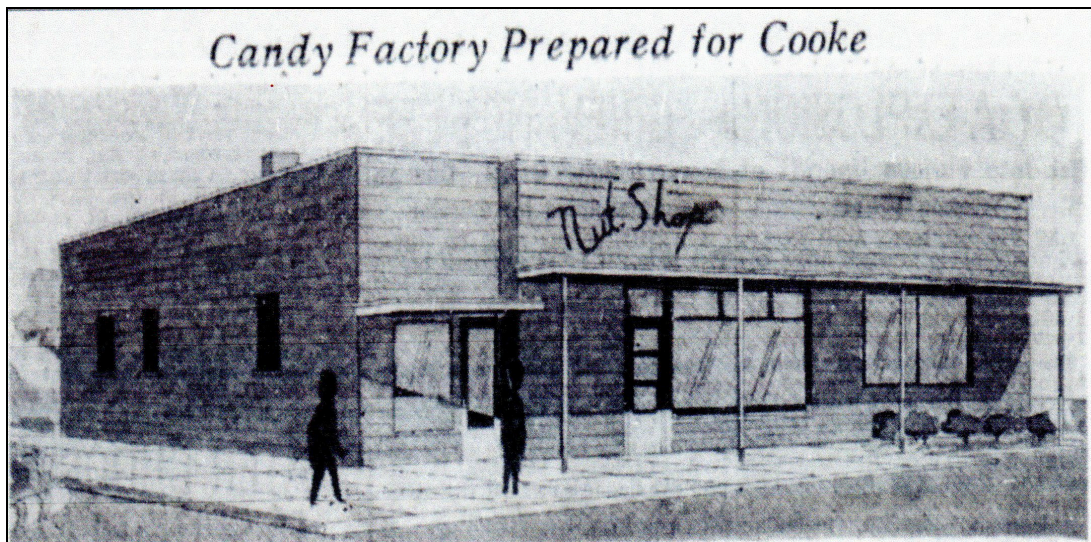
The kitchen will be as compact as is possible, but due to the careful planning and arrangement of built-ins it will appear larger. Mr. Cook expects to occupy the house some time in September.

“Cooke Building Six-Room Brick.”

Spokane Daily Chronicle

3 August 1937

Spokane City/County Register of Historic Places Nomination
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Candy Factory Prepared for Cooke

This is an architect's drawing of the candy factory which will be built at Northwest boulevard and Oak about June 15. Building plans were announced yesterday by Irwin B. Cooke,

owner of Cooke's Nut Shop on Riverside. The plans are being drawn by Carleton G. Tollefson and the contractor is Peter J. Young and Son. The firm operates two retail outlets.

COOKE TO HAVE CANDY FACTORY

**Nut Shop Proprietor to Build
on North Side**

Irwin B. Cooke, owner of Cooke's Nut Shop, 7825 Riverside, yesterday announced he will move his candy factory to Northwest boulevard and Oak about June 15.

Cooke said he has taken a long-term lease on the property. He said the downtown store will continue as the major retail sales outlet.

The site where the candy factory will be now has a one-story concrete block building with about 1500 square feet of space.

Plans are being drawn by Carleton G. Tollefson, architect for E. D. McCarthy and Associates, for a 1300 square foot addition to the present building.

The plans also include remodeling of the present structure, Tollefson said. Peter J. Young & Son, Spokane contractors, have the contract for the construction.

Total cost of the project is about \$30,000, it was estimated.

Cooke's Nut Shop was started by Irwin and Eli H. Cooke in 1926. At the death of his brother, Irwin took his son, Donald Cooke, into the business.

Long in Business

"We have been serving Spokane and the Inland Empire for the last 27 years. We feel that with the growth of the city, there is a need for additional outlets for our home-made candies," he said.

Fronting on Northwest boulevard, the building will have a retail sales room, packing room, work rooms, offices, kitchen, dipping room, cooling room and storage facilities.

The sales and packing rooms will be air conditioned, Tollefson said.

"Cooke to Have Candy Factory—Nut Shop Proprietor to Build on North Side."

Spokesman-Review

26 April 1953

Irwin B. Cooke

Irwin B. Cooke, 76, longtime co-owner and manager of Cooke's Nut & Candy Shops, died yesterday in a hospital in Sun City, Ariz. He had been hospitalized only five days, but he had been ill almost a year, his sister-in-law, Mrs. Clyde C. Rowan of Spokane, said.

Mr. Cooke had lived in Sun

Other obituaries, page 22.

City 12 years and he sold real estate there. He last visited Spokane last summer.

Born in Illinois, he came to Spokane in 1908 and lived here 50 years.

In 1926 Mr. Cooke and his brother, Eli H., who died in 1949, founded Cooke's Nut Shop here. Eli was managing two Seattle nut and candy shops at the time the firm opened the outlet at W803 Riverside, where it operated for many years.

Following World War II, Irwin Cooke's son, Donald I., joined him in the nut shop operations here. Third member of the original company was E. F. Gay, master candymaker.

In addition to the main store on Riverside, other stores at Thirtieth and Grand and at Northwest Boulevard and Jackson.

Charles R. Devine, Spokane advertising man, bought Cooke's Candy factory at W1728 Jackson in 1958 and his daughter, Barbara, purchased it in 1970, but had it less than a year, selling to William Matthews.

Mr. Cooke's wife, Olive M., survives at the home in Sun City and the son, Donald I., in Scottsdale, Ariz. Also surviving are four grandchildren, two great-grandchildren and two sisters in Sacramento. Also surviving in Spokane is a niece, Mrs. Barry K. Jones.

Mr. Cooke was a longtime member of the downtown Spokane Lions Club, the Manito Golf and Country Club and the Athletic Round Table.

"Irwin B. Cooke Obituary."

Spokane Daily Chronicle
20 April 1970

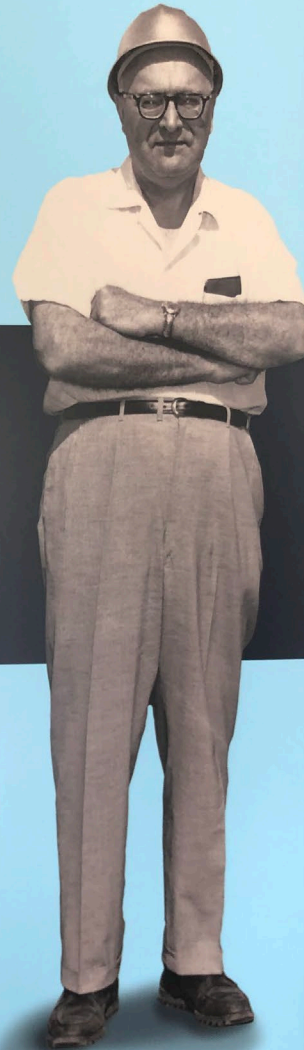
Spokane City/County Register of Historic Places Nomination
IRWIN & OLIVE COOKE HOUSE & GARAGE

Gus J. Bouten

founder and president, 1944-1971

The story of Bouten Construction Company begins in Aberdeen, South Dakota, with a modest home built by a thirteen-year-old Belgian immigrant. Armed with little more than an eighth-grade education and a single-minded work ethic, Gus J. Bouten – even then – had a knack for building things that last.

Gus and his father Theodore, a master craftsman, built homes together as they worked their way west, eventually



Considered "Mr. Hockey" by many in Spokane thanks to his longtime commitment to the sport, Gus took over ownership of the Spokane Spartans senior amateur hockey team in 1948, renaming them the Spokane Flyers. They won the national championship the following season. At left, Gus is standing second from left; at right, he's in the back row, third from left.

landing in Spokane. At the onset of World War II, Gus joined the Clyde M. Ludberg Company, where his first experience in the commercial construction industry came as general superintendent building the Ephrata Army Air Base. Gus saw a challenging yet fulfilling business for someone who had the knowledge, the skills, and the foresight to pull it off. So he did.

On March 13, 1944, Gus, along with three partners and a handful of employees from the air base job, formed Gus J. Bouten Construction Company, whose first project was a \$355 remodeling job in a South Hill home. Twenty-seven years later, Gus retired – but not before completing the \$31 million, fourteen-story Sacred Heart Medical Center.

On the Holy Family Hospital job site, 1963.

**“Gus J. Bouten, Founder and President of Bouten Construction,
1944-1971”**

Spokesman-Review, 1971

Spokane contractor Gus Bouten dies

SK 5-9-1984
Spokane building contractor Gus J. Bouten, who was "Mr. Hockey" in Spokane for several years, has died at 77.

He died Monday at St. Joseph Care Center.

Bouten founded Gus J. Bouten Construction Co. in 1946 and later built Sacred Heart Medical Center, Gonzaga Preparatory School, the Washington Mutual Building and Holy Family Hospital.

In 1980 the City Council appointed him project manager for converting the former Montgomery Ward building into what now is City Hall.

Bouten had been a vocal supporter of the Ward building project, often praising the 50-year-old building's solid construction and adaptability as a City Hall.

City Councilman Richard Gow did not favor that move, but supported Bouten's appointment, saying the contractor was "extremely well-qualified."

Gow said Tuesday night Bouten's death is a "tremendous loss."

Sacred Heart Medical Center, he said, is "a truly remarkable piece of construction."

Added Gow: "He kept the interests of the community first in his

A tribute to 'Mr. Hockey' — page 24

thoughts. On the occasions I had to meet the man and hear him, it was almost like dealing with a piece of Spokane history. He'll always be with us as long as these buildings stand."

Mike Kobluk, Spokane's entertainment facilities manager, recalls Bouten as "a very shrewd negotiator."

Clair Jones, former chairman of the Sports, Entertainment, Arts and Conventions Advisory Board (SEACAB), knew Bouten for 20 years.

"He was a very fine gentleman and a very good contractor," Jones said. "He was an exceedingly able

negotiator to negotiate favorable contracts for the hockey teams at the Coliseum.

"And I think that everyone on SEACAB wanted to see him succeed in bringing hockey back. He risked his own money to bring it back because he loved the game."

George Reitemier, chairman of SEACAB, said Bouten was "a tough guy to work with, but he was always a man of his word. He was as strong and as sturdy as those buildings."

Bouten also was an avid baseball fan and sponsored two semi-pro teams in the 1950s.

He was awarded an honorary doctorate by Great Falls College in 1983, and Mayor Jim Chase presented him an award this year for contributions to the city and hockey.

Bouten was a past president of the Associated General Contractors, a life member of Spokane Elks Lodge 228 and a member of St. Thomas More Roman Catholic Church.

Born Aug. 5, 1906, in Roulers, Belgium, he came to the United States in 1908 and to Spokane in 1923.

Survivors include his wife, Ruth M., at the home; one son, Frank J. Bouten of Spokane; one daughter, Mrs. Lawrence (Grace) Dyer of Spokane; one stepdaughter, Mrs. Richard (Carol) Wendle of Spokane; one stepson, James N. Rigsby of Spokane; two sisters, Mrs. Louis (Estelle) Schnell of Spokane and Margaret Smith of Seattle; one brother, Victor Bouten of Spokane; nine grandchildren; six stepgrandchildren; and one great-grandson.

Rosary will be recited at 7 p.m. today at Our Lady of Lourdes Roman Catholic Cathedral, W1115 Riverside.

Mass of Christian Burial will be con-celebrated at 10 a.m. Thursday at the cathedral by the Rev. Richard Smith, his nephew, and Msgr. Oakley O'Connor. Burial will follow at Holy Cross Cemetery with Hennessey-Smith Funeral Home in charge of arrangements.

"Spokane Contractor Gus Bouten Dies."

Spokesman-Review

9 May 1984

By **HOWIE STALWICK**

Staff writer *Ch. 510-1984*

Spokane hockey has lost its angel.

Gus Bouten, 77, the construction magnate who built so much of Spokane, died Monday afternoon after making certain his final construction project was complete.

Bouten built buildings out of concrete and stone. Bouten built hockey teams out of blood, sweat and tears of endearment.

The reconstruction of hockey interest in Spokane was hurried, if not accomplished entirely, by the presence and will of Bouten. He died a wealthy man, but it was his warm feeling for hockey more than his cold cash that helped make Spokane the mecca of senior amateur hockey in North America.

A gruff man with people, Bouten poured his affection into hockey. Three times he gave life to a sport that was dying in Spokane. Hockey, in return, gave life to him.

"I knew he'd go as soon as the season ended," said his daughter, Mrs. Lawrence (Grace) Dyer of Spokane. "He'd gone full circle."

"Hockey was the only thing that kept that man alive the last year. He was on death's door the last three games. But he had to go into the dressing room and see the players — his team, his boys."

"I know they gave him more than they'll ever know."

"We felt this would be his last year," said Al Rollins, the coach and general manager of the Spokane Chiefs. "He would have kept going as long as we were winning."

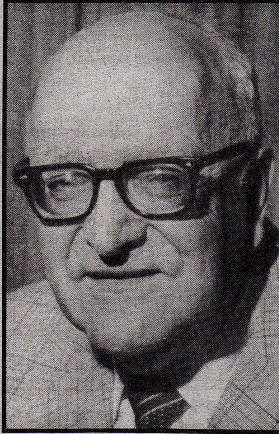
The Chiefs stopped winning last month, one step short of the Allan Cup finals. Only in 1975-76 did one of Bouten's teams go all the way, and Rollins and his players spent seven months trying to grant a dying man his final wish — another Allan Cup.

"That's what I really wanted to do for him," said Rollins sadly. "We were dedicated, and we wanted it. We tried our hardest."

Bouten asked nothing more, and demanded nothing less — from his players, or himself. He attended all but one home game last year, though he could barely see the ice and could not walk on his own.

"He was a super person," said Chiefs captain Don Burgess. "He was an honest person. He treated all persons fairly. He was part of us, part of the team."

"Most owners don't get involved.



Gus Bouten
Hockey's angel

He did. He was like one of the players."

Bouten unfailingly visited his players before and after home games. When a fall in the hospital forced him to miss the one game last season, he demanded that phone calls be made to him between periods from the dressing room.

Bouten overcame 30 years of heart problems, a near-fatal bout with cancer, two divorces and, finally, the rare brain disease (progressive supranuclear palsy) to live 77 years. In turn, this unhealthy man gave health and vitality to Spokane hockey.

Hockey was on thin ice in Spokane in 1948, 1975 and 1982. Each time, Bouten came forth, rode out some rough times, probably lost more money than he made, then exited quietly when the local team appeared stable.

The most recent such instance occurred shortly after the past season was completed, when he sold the club to Travis Garske. Bouten brought hockey back to Spokane two years ago, after the Tier One Junior team that replaced the senior amateur Flyers collapsed in a sea of red ink in the winter of 1981.

A few weeks later, Bouten had a Western International Hockey League franchise established for 1982-83.

"I'm willing to go in debt more

than six figures to save this sport for Spokane," Bouten said at the time.

The Chiefs struggled on and off the ice that first year. Dyer said her father "lost \$130,000." Rollins said the figure was "a little less than \$90,000."

No matter. It was a considerable loss even for a man of Bouten's considerable means, but he never flinched.

"He never complained a bit," said Rollins. "He just said, 'Let's get a winner.'"

"He made that money with his two hands," said Dyer, "and that's the way he wanted to spend it."

Bouten never recovered the money he lost in 1982-83, but the 1983-84 Chiefs did turn a profit, when a WIHL championship team revived hockey interest in Spokane. A city that saw its sport left to die during the 1981-82 season learned to love hockey once again, and Bouten rejoiced.

"The reason people came out this year was because of Gus Bouten," said Burgess. "After the Juniors were here, I don't think anyone could have saved hockey in this town except for Gus."

"If I had taken over, or anyone, I don't think the public would have had the same confidence," said Rollins.

Bouten had his confidence in Spokane, and hockey, rewarded this past season. Near-capacity crowds, a familiar sight at Spokane hockey games in the late 1960s and early '70s, once more filled the Coliseum.

One such throng awarded Bouten a standing ovation Jan. 7, when Mayor Jim Chase honored Bouten for bringing hockey back to Spokane. Dyer said there were times during the past season when her father "didn't realize he owned that team," but his love for hockey always was clear to him and others.

"I thank God he went with a heart attack," said Dyer. "It could have been a lot worse. That's what they think it was."

"One of the nurses said he cleared his throat, leaned back — and he was gone."

A more pleasant thought came to Dyer, and she laughed.

"He was the boss to the very end. The nurses would ask him, 'Why don't you say 'Please?'" And he'd say, 'I couldn't say 'Please' to a carpenter every time he'd go pound a nail."

"He said, 'I guess I'll always be a boss.' And that's what he was."

Bouten: Warm to cold sport

"Bouten: Warm to Cold Sport."
Spokane Daily Chronicle
10 May 1984

Spokane City/County Register of Historic Places Nomination
IRWIN & OLIVE COOKE HOUSE & GARAGE

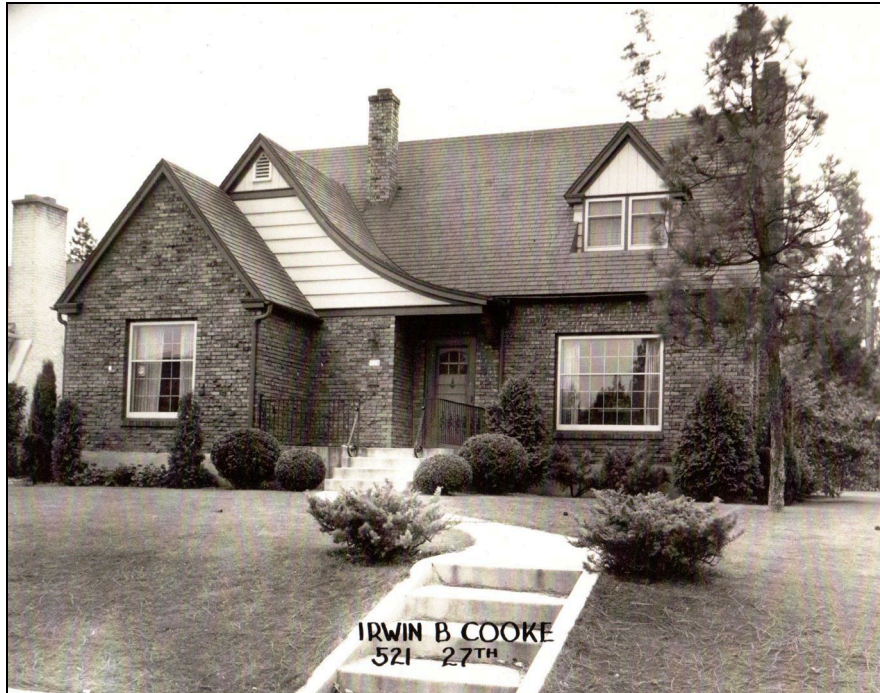


Photo 1
1939-1940 photo of the south façade of the Cooke House



Photo 2
2023 photograph of the south façade of the Cooke House

Spokane City/County Register of Historic Places Nomination
IRWIN & OLIVE COOKE HOUSE & GARAGE



Photo 3
2023 photograph of north façade and east wall along driveway of Cooke House



Photo 4
A 2024 photograph of the south rear face of the Cooke House

Spokane City/County Register of Historic Places Nomination
IRWIN & OLIVE COOKE HOUSE & GARAGE



Photo 5
A 2024 photo of the north façade of the garage behind the house



Photo 6
2024 photo facing east at the west elevation of garage

Spokane City/County Register of Historic Places Nomination
IRWIN & OLIVE COOKE HOUSE & GARAGE



Photo 7
2023 photograph of Cooke House interior, looking west into living room from the reception hall on first floor



Photo 8
2023 photograph of living room, looking at the fireplace on the west wall

Spokane City/County Register of Historic Places Nomination
IRWIN & OLIVE COOKE HOUSE & GARAGE



Photo 9
2023 photograph of living room, looking north



Photo 10
2023 photograph of living room, looking at northwest corner

Spokane City/County Register of Historic Places Nomination
IRWIN & OLIVE COOKE HOUSE & GARAGE



Photo 11
2024 photograph of dining room, looking west into living room



Photo 12
2023 photograph of the dining room, looking east into hallway to kitchen—notice the built-in gumwood china cupboard and drawers on the room's east wall

Spokane City/County Register of Historic Places Nomination
IRWIN & OLIVE COOKE HOUSE & GARAGE



13 and 14
*2023 photographs of the kitchen, looking south at the back door (top photo),
and looking north (lower photo) into the breakfast room*

Spokane City/County Register of Historic Places Nomination
IRWIN & OLIVE COOKE HOUSE & GARAGE



Photos 15 and 16
2023 photographs of built-in phone niche and interior doors on first floor—the original niche and doors are made of gumwood

Spokane City/County Register of Historic Places Nomination
IRWIN & OLIVE COOKE HOUSE & GARAGE



Photo 17
2023 photograph of the northeast corner of the first-floor bedroom



Photo 18
2023 photograph of the first-floor bedroom, looking southeast

Spokane City/County Register of Historic Places Nomination
IRWIN & OLIVE COOKE HOUSE & GARAGE



Photo 19
2023 photograph of staircase leading from reception hall on first floor to second floor

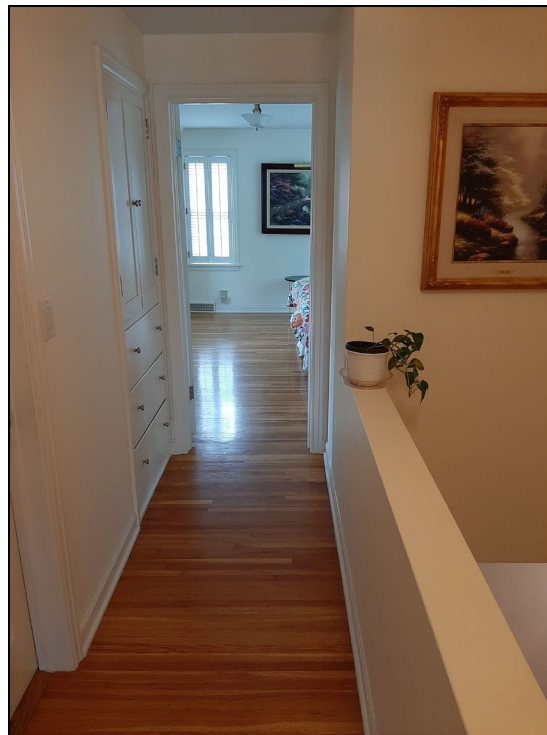


Photo 20
2023 photograph of second-floor hallway, looking west

Spokane City/County Register of Historic Places Nomination
IRWIN & OLIVE COOKE HOUSE & GARAGE



Photo 21
2023 photograph of the master bedroom on the second floor, looking northeast



Photo 22
2023 photograph of the master bedroom, looking south

Spokane City/County Register of Historic Places Nomination
IRWIN & OLIVE COOKE HOUSE & GARAGE



Photo 23
2023 photograph of basement family room



Photo 24
2023 photograph of the basement family room, looking north at entertainment center

Continuation of Wording, Summary, and Distribution

Agenda Item Name: 0470 – HOTEL COLLINS NOMINATION TO THE REGISTER OF HIST

Agenda Wording (599 character max)

has been signed by the owners.

Summary (Background) (870 character max)

Fiscal Impact

Budget Account

Select \$ #

Select \$ #

Distribution List

| | |
|----------------------|----------------------|
| <input type="text"/> | <input type="text"/> |
| <input type="text"/> | <input type="text"/> |
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| <input type="text"/> | <input type="text"/> |

Save

Cancel



Agenda Sheet for City Council:

Committee: Urban Experience **Date:** 09/09/2024

Committee Agenda type: Discussion

Date Rec'd

8/27/2024

Clerk's File #

Cross Ref #

Project #

Council Meeting Date: 09/23/2024

Submitting Dept

HISTORIC PRESERVATION

Bid #

Contact Name/Phone

MEGAN 6543

Requisition #

Contact E-Mail

MDUVALL@SPOKANECITY.ORG

Agenda Item Type

Contract Item

Council Sponsor(s)

JBINGLE ZZAPPONE KKLITZKE

Agenda Item Name

0470 – HOTEL COLLINS NOMINATION TO THE REGISTER OF HISTORIC PLACES

Agenda Wording

The Spokane Historic Landmarks Commission reviews properties for listing on the Spokane Register of Historic Places to ensure that they meet the criteria set out in SMC 17D.100. The Hotel Collins at 701 W 2nd Avenue was constructed in 1910 and has

Summary (Background)

The Spokane Historic Landmarks Commission reviews properties for listing on the Spokane Register of Historic Places to ensure that they meet the criteria set out in SMC 17D.100. The Hotel Collins at 701 W 2nd Avenue was constructed in 1910 has been found to meet the criteria set forth for such designation, and a management agreement has been signed by the owner.

Lease? NO

Grant related? NO

Public Works? NO

Fiscal Impact

Approved in Current Year Budget? N/A

Total Cost \$

Current Year Cost \$

Subsequent Year(s) Cost \$

Narrative

Property listing on the Spokane Register of Historic Places does not have a direct impact on City revenues or expenses.

Amount

Budget Account

| | | |
|---------|----|---|
| Neutral | \$ | # |
| Select | \$ | # |
| Select | \$ | # |
| Select | \$ | # |
| Select | \$ | # |
| Select | \$ | # |

Committee Agenda Sheet

Urban Experience Committee

| | |
|--|---|
| Committee Date | 9/9/2024 |
| Submitting Department | Historic Preservation |
| Contact Name | Megan Duvall |
| Contact Email & Phone | mduvall@spokanecity.org |
| Council Sponsor(s) | CM Zappone ; CM Klitzke ; CM Bingle |
| Select Agenda Item Type | <input type="checkbox"/> Consent <input checked="" type="checkbox"/> Discussion Time Requested: 5 min |
| Agenda Item Name | 0470 – HOTEL COLLINS NOMINATION TO THE REGISTER OF HISTORIC PLACES |
| Proposed Council Action | <input checked="" type="checkbox"/> Approval to proceed to Legislative Agenda <input type="checkbox"/> Information Only |
| Summary (Background) | <p>The Spokane Historic Landmarks Commission reviews properties for listing on the Spokane Register of Historic Places to ensure that they meet the criteria set out in SMC 17D.100.</p> <p>The Hotel Collins at 701 W 2nd Avenue was constructed in 1910 has been found to meet the criteria set forth for such designation, and a management agreement has been signed by the owner.</p> |
| Fiscal Impact | <p>Approved in current year budget? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A</p> <p>Total Cost: <u>0</u></p> <p>Current year cost:</p> <p>Subsequent year(s) cost:</p> <p>Narrative: <u>Property listing on the Spokane Register of Historic Places does not have a direct impact on City revenues or expenses.</u></p> <p>Funding Source <input type="checkbox"/> One-time <input type="checkbox"/> Recurring <input checked="" type="checkbox"/> N/A</p> <p>Specify funding source: Select Funding Source*</p> <p>Is this funding source sustainable for future years, months, etc? N/A</p> <p>Expense Occurrence <input type="checkbox"/> One-time <input type="checkbox"/> Recurring <input checked="" type="checkbox"/> N/A</p> <p>Other budget impacts: (revenue generating, match requirements, etc.)</p> <p>Properties listed on the Spokane Register are subject to design review in the future which does generate revenue through small fees. Tax incentives are available to listed properties and also can generate future revenue.</p> |
| Operations Impacts (If N/A, please give a brief description as to why) | |
| What impacts would the proposal have on historically excluded communities? | This contract would have no meaningful impact on historically excluded communities. |
| How will data be collected, analyzed, and reported concerning the effect of the program/policy by racial, ethnic, gender identity, national origin, income level, disability, sexual orientation, or other existing disparities? | That specific data is not something that is collected by the Historic Preservation Department. |
| How will data be collected regarding the effectiveness of this program, policy or product to ensure it is the right solution? | |

The Historic Preservation Office's primary responsibility is to protect historic properties and neighborhoods in Spokane. The more properties that are listed on the Spokane Register, the more ability we have to offer incentives that help keep those properties viable and in use. As we list additional properties, we increase our ability to protect Spokane's historic resources.

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

SMC 04.35.010 Spokane Historic Landmarks Commission Findings and Purpose:

The City and Spokane County find that the establishment of a landmarks commission with specific duties to recognize, protect, enhance and preserve those buildings, districts, objects, sites and structures which serve as visible reminders of the historical, archaeological, architectural, educational and cultural heritage of the City and County is a public necessity.

Comprehensive Plan Goals

DP 1.1: Landmark Structures, Buildings, and Sites

Recognize and preserve unique or outstanding landmark structures, buildings, and sites.

DP 3.3: Identification and Protection of Resources

Identify historic resources to guide decision making in planning.

DP 3.11: Rehabilitation of Historic Properties

Assist and cooperate with owners of historic properties to identify, recognize, and plan for the use of their property to ensure compatibility with preservation objectives.

N 2.4: Neighborhood Improvement

Encourage revitalization and improvement programs to conserve and upgrade existing properties and buildings.

Findings of Fact and Decision for Council Review to the Nomination to the Spokane Register of Historic Places Hotel Collins – 701 W 2nd Avenue

FINDINGS OF FACT

1. **SMC 17D.100.090: “Generally a building, structure, object, site, or district which is more than fifty years old may be designated an historic landmark or historic district if it has significant character, interest, or value as part of the development, heritage, or cultural characteristics of the city, county, state, or nation.”**
 - Originally built in 1910; the Hotel Collins meets the age criteria for listing on the Spokane Register of Historic Places.
2. **SMC 17D.100.090: The property must qualify under one or more categories for the Spokane Register (A, B, C, D, E).**
 - The Hotel Collins in Spokane, Washington, is a well-executed example of a Single Room Occupancy (SRO) hotel and was constructed during a period when numerous SROs were built to house a growing working-class population in the city. Completed in 1910, the Hotel Collins is significant under Category A in the area of significance of Commerce for its association with the broad patterns of commercial development in downtown Spokane.
 - It is also significant under Category C, Architecture as a representation of the SRO property type.
 - The site on which D. C. Collins had the Hotel Collins building constructed had previously been known as the Drumheller Site and had sold a number of times in the preceding decades. D.M. Drumheller had acquired the property and built a residence on it by 1885, but then sold it to Clara Price for \$5,500 in 1888. Collins purchased the property on Second and Wall for \$50,000 from a Union Trust Company trustee in 1909 with plans to build a 4-story building at a cost of around \$60,000.
 - The architect for the building was C. Harvey Smith. Charles Harvey Smith—known professionally as C. Harvey Smith—was born in Ottawa, Kansas, on May 7, 1868, to parents Hugh Andrew Smith and Rosalind Smith. He grew up in Bethany, Illinois, and briefly worked for his building contractor father after he finished high school. By the late 1880s he had moved to Spokane, though, and worked as a carpenter. By 1903 he advertised his services as an architect, aligning with the period of intense rebuilding for the central business district. He formed a brief partnership with W. W. Hyslop, then with James S. Arnot, before moving into independent practice by 1907. Smith’s work was prolific in Spokane and the surrounding region, even in neighboring Idaho.
 - George Groshoff worked as a contractor and brick mason in Spokane and the surrounding region. Born in Indiana in October of 1865, Groshoff arrived in Spokane in 1889 via St. Paul, Minnesota. He started building residences, including his own, in the Peaceful Valley neighborhood of Spokane, with three on West Main Avenue (1607, 1604, and 1608). After the 1889 fire—and the need for masonry construction—Groshoff got work building the Spokesman-Review Building and the County Courthouse. After opening his own contracting business, he built the Armory, Sacred Heart Hospital, Our Lady of Lourdes Cathedral, the Colonial and Del Rey buildings, and the Hotel Collins.
 -
3. **SMC17D.100.090: “The property must also possess integrity of location, design, materials, workmanship, and association.”** *From NPS Bulletin 15: “Integrity is the ability of a property to convey its significance...it is not necessary for a property to retain all its historic physical features...the property must retain, however, the essential physical features that enable it to convey its historic identity.”*
 - The Hotel Collins retains good integrity of location, design, materials, and workmanship to convey its historic character from the period of significance. Designed and built as an SRO, it retains a largely intact upper floor configuration, exterior architectural detailing, fenestration patterns, and intact direct walk-up stairways, and some storefronts.

4. Once listed, this property will be eligible to apply for incentives, including:

Special Valuation (property tax abatement), Façade Improvement Grants, Spokane Register historic property plaque, and special code considerations.

RECOMMENDATION

The Spokane Historic Landmarks Commission found the **Hotel Collins** eligible for listing on the Spokane Register under **Category A for its association with early SROs in downtown Spokane and Category C – Architecture as a representation of the SRO property type** at a public hearing on 8/21/2024.

After Recording Return to:
City of Spokane Clerk
808 W Spokane Falls Blvd
Spokane, WA 99201

NOTICE OF MANAGEMENT AGREEMENT

NOTICE IS HEREBY GIVEN that the property legally described as:

RAILROAD ADD L5 B34

Parcel Number(s) **35192.2204**, is governed by a Management Agreement between the City of Spokane and the Owner(s), **SCHMAUTZ, STEVE & TRESA/SCHMAUTZ FAMILY II LLC**, of the subject property, *The Hotel Collins*.

The Management Agreement is intended to constitute a covenant that runs with the land and is entered into pursuant to Spokane Municipal Code Chapter 6.05. The Management Agreement requires the Owner of the property to abide by the "Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings" (36 CFR Part 67) and other standards promulgated by the Historic Landmarks Commission.

Said Management Agreement was approved by the Spokane City Council on September 23, 2024. I certify that the original Management Agreement is on file in the Office of the City Clerk under File No. _____.

I certify that the above is true and correct.

Spokane City Clerk

Historic Preservation Officer



Dated: _____

Dated: 8/21/24

MANAGEMENT AGREEMENT

The Management Agreement is entered into this **21** day of **August 2024**, by and between the City of Spokane (hereinafter “City”), acting through its Historic Landmarks Commission (“Commission”), and **Steve & Tresa Schmautz, Schmautz Family II, LLC** (hereinafter “Owner(s)”), the owner of the property located at **701 West 2nd Avenue** commonly known as the **Hotel Collins** in the City of Spokane.

WHEREAS, the City of Spokane has enacted Chapter 4.35 of the Spokane Municipal Code (SMC) and Spokane has enacted Chapter 1.48 of the Spokane County Code (SCC), both regarding the establishment of the Historic Landmarks Commission with specific duties to recognize, protect, enhance and preserve those buildings, districts, objects, sites and structures which serve as visible reminders of the historical, archaeological, architectural, educational and cultural heritage of the city and county is a public necessity and.

WHEREAS, both Ch. 17D.100 SMC and Ch. 1.48 SCC provide that the City/County Historic Landmarks Commission (hereinafter “Commission”) is responsible for the stewardship of historic and architecturally significant properties in the City of Spokane and Spokane County; and

WHEREAS, the City has authority to contract with property owners to assure that any owner who directly benefits by action taken pursuant to City ordinance will bind her/his benefited property to mutually agreeable management standards assuring the property will retain those characteristics which make it architecturally or historically significant;

NOW THEREFORE, -- the City and the Owner(s), for mutual consideration hereby agree to the following covenants and conditions:

1. CONSIDERATION. The City agrees to designate the Owner’s property an Historic Landmark on the Spokane Register of Historic Places, with all the rights, duties, and privileges attendant thereto. In return, the Owner(s) agrees to abide by the below referenced Management Standards for his/her property.

2. COVENANT. This Agreement shall be filed as a public record. The parties intend this Agreement to constitute a covenant that runs with the land, and that the land is bound by this Agreement. Owner intends his/her successors and assigns to be bound by this instrument. This covenant benefits and burdens the property of both parties.

3. ALTERATION OR EXTINGUISHMENT. The covenant and servitude and all attendant rights and obligations created by this Agreement may be altered or extinguished by mutual agreement of the parties or their successors or assigns. In the event Owner(s) fails to comply with the Management Standards or any City ordinances governing historic landmarks, the Commission may revoke, after notice and an opportunity for a hearing, this Agreement.

4. PROMISE OF OWNERS. The Owner(s) agrees to and promises to fulfill the following Management Standards for his/her property which is the subject of the Agreement. Owner intends to bind his/her land and all successors and assigns. The Management Standards are: "THE SECRETARY OF THE INTERIOR'S STANDARDS FOR REHABILITATION AND GUIDELINES FOR REHABILITATING HISTORIC BUILDINGS (36 CFR Part 67)." Compliance with the Management Standards shall be monitored by the Historic Landmarks Commission.

5. HISTORIC LANDMARKS COMMISSION. The Owner(s) must first obtain from the Commission a "Certificate of Appropriateness" for any action which would affect any of the following:

- (A) demolition;
- (B) relocation;
- (C) change in use;
- (D) any work that affects the exterior appearance of the historic landmark; or
- (E) any work affecting items described in Exhibit A.

6. In the case of an application for a "Certificate of Appropriateness" for the demolition of a landmark, the Owner(s) agrees to meet with the Commission to seek alternatives to demolition. These negotiations may last no longer than forty-five (45) days. If no alternative is found within that time, the Commission may take up to forty-five (45) additional days to attempt to develop alternatives, and/or to arrange for the salvage of architectural artifacts and structural recording. Additional and supplemental provisions are found in City ordinances governing historic landmarks.

This Agreement is entered into the year and date first above written.

Owner

Owner

CITY OF SPOKANE

HISTORIC PRESERVATION OFFICER

CITY OF SPOKANE

Megan M.K. Duvall

City Administrator

ATTEST:

City Clerk

Approved as to form:

Assistant City Attorney

STATE OF _____)
) ss.
County of _____)

On this _____ day of _____, 2024, before me, the undersigned, a Notary Public in and for the State of _____, personally appeared _____, to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that _____(he/she/they) signed the same as _____ (his/her/their) free and voluntary act and deed, for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this _____ day of _____, 2024.

Notary Public in and for the State
of _____, residing at _____
My commission expires _____

STATE OF WASHINGTON)
) ss.
County of Spokane)

On this _____ day of _____, 2024, before me, the undersigned, a Notary Public in and for the State of Washington, personally appeared _____, CITY ADMINISTRATOR and TERRI L. PFISTER, to me known to be the City Administrator and the City Clerk, respectively, of the CITY OF SPOKANE, the municipal corporation that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said municipal corporation, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute said instrument and that the seal affixed is the corporate seal of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this _____ day of _____, 2024.

Notary Public in and for the State
of Washington, residing at Spokane
My commission expires _____

Attachment A

NONE

Secretary of The Interior's Standards

- 1.** A property shall be used for its historic purpose or be placed in a new use that requires minimal change to the defining characteristics of the building and its site and environment.
- 2.** The historic character of a property shall be retained and preserved. The removal of historic materials or alteration of features and spaces that characterize a property shall be avoided.
- 3.** Each property shall be recognized as a physical record of its time, place, and use. Changes that create a false sense of historical development, such as adding conjectural features or architectural elements from other buildings, shall not be undertaken.
- 4.** Most properties change over time; those changes that have acquired historic significance in their own right shall be retained and preserved.
- 5.** Distinctive features, finishes, and construction techniques or examples of craftsmanship that characterize a historic property shall be preserved.
- 6.** Deteriorated historic features shall be repaired rather than replaced. Where the severity of deterioration requires replacement of a distinctive feature, the new feature shall match the old in design, color, texture, and other visual qualities and, where possible, materials. Replacement of missing features shall be substantiated by documentary, physical, or pictorial evidence.
- 7.** Chemical or physical treatments, such as sandblasting, that cause damage to historic materials shall not be used. The surface cleaning of structures, if appropriate, shall be undertaken using the gentlest means possible.
- 8.** Significant archeological resources affected by a project shall be protected and preserved. If such resources must be disturbed, mitigation measures shall be undertaken.
- 9.** New additions, exterior alterations, or related new construction shall not destroy historic materials that characterize the property. The new work shall be differentiated from the old and shall be compatible with the massing, size, scale, and architectural features to protect the historic integrity of the property and its environment.
- 10.** New additions and adjacent or related new construction shall be undertaken in such a manner that if removed in the future, the essential form and integrity of the historic property and its environment would be unimpaired.

Spokane Register of Historic Places Nomination

*Spokane City/County Historic Preservation Office, City Hall, Third Floor
808 Spokane Falls Boulevard, Spokane, Washington 99201-3337*

1. Name of Property

Historic Name: Hotel Collins

And/Or Common Name: Collins Hotel, Collins Apartments

2. Location

Street & Number: 202-212 South Wall Street (701-705-1/2 West Second Avenue)

City, State, Zip Code: Spokane, WA 99201

Parcel Number: 35192.2204

3. Classification

| Category | Ownership | Status | Present Use | |
|--|---|--|--|---|
| <input checked="" type="checkbox"/> building | <input type="checkbox"/> public <input type="checkbox"/> both | <input type="checkbox"/> occupied | <input type="checkbox"/> agricultural | <input type="checkbox"/> museum |
| <input type="checkbox"/> site | <input checked="" type="checkbox"/> private | <input checked="" type="checkbox"/> work in progress | <input checked="" type="checkbox"/> commercial | <input type="checkbox"/> park |
| <input type="checkbox"/> structure | | | <input type="checkbox"/> educational | <input checked="" type="checkbox"/> residential |
| <input type="checkbox"/> object | Public Acquisition | Accessible | <input type="checkbox"/> entertainment | <input type="checkbox"/> religious |
| | <input type="checkbox"/> in process | <input checked="" type="checkbox"/> yes, restricted | <input type="checkbox"/> government | <input type="checkbox"/> scientific |
| | <input type="checkbox"/> being considered | <input type="checkbox"/> yes, unrestricted | <input type="checkbox"/> industrial | <input type="checkbox"/> transportation |
| | | <input type="checkbox"/> no | <input type="checkbox"/> military | <input type="checkbox"/> other |

4. Owner of Property

Name: SDS Realty, Inc., Attn: Steve Schmautz

Street & Number: 108 North Washington Street

City, State, Zip Code: Spokane, WA 99201

Telephone Number/E-mail: 509.939.6260/Steve@sdsrealty.com

5. Location of Legal Description

| | |
|-------------------------------|---------------------------|
| Courthouse, Registry of Deeds | Spokane County Courthouse |
| Street Number: | 1116 West Broadway |
| City, State, Zip Code: | Spokane, WA 99260 |
| County: | Spokane |

6. Representation in Existing Surveys

Title: DAHP 2018-02-01189 and 2022-09-06494

Date: 7/30/2018, 9/28/2022 Federal State County Local

Depository for Survey Records: Spokane Historic Preservation Office; WISAARD

7. Description

Architectural Classification

Condition

- excellent
- good
- fair
- deteriorated
- ruins
- unexposed

Check One

- unaltered
- altered

Check One

- original site
- moved & date _____

Narrative statement of description is found on one or more continuation sheets.

8. Spokane Register Categories and Statement of Significance

Applicable Spokane Register of Historic Places category: Mark "x" on one or more for the categories that qualify the property for the Spokane Register listing:

- A Property is associated with events that have made a significant contribution to the broad patterns of Spokane history.
- B Property is associated with the lives of persons significant in our past.
- C Property embodies the distinctive characteristics of a type, period, or method of construction, or represents the work of a master, or possesses high artistic values, or represents a significant and distinguishable entity whose components lack individual distinction.
- D Property has yielded, or is likely to yield, information important in prehistory history.
- E Property represents the culture and heritage of the city of Spokane in ways not adequately addressed in the other criteria, as in its visual prominence, reference to intangible heritage, or any range of cultural practices.

Narrative statement of significance is found on one or more continuation sheets.

9. Major Bibliographical References

Bibliography is found on one or more continuation sheets.

10. Geographical Data

Acreage of Property: Less than 1 acre (0.18)
Verbal Boundary Description: The nominated area is located in the SE ¼ of the NE ¼ of the NW ¼ of Section 19 Township 25 North, Range 23 East in Spokane County, Washington, and legally described as Lot 5 of Block 34 of the plat of the Railroad Addition, City of Spokane, Washington recorded January 20, 1881, volume "D" of Plats, page 82, Records of Spokane County, State of Washington. It is otherwise identified as within and all of tax lot 35192.2204.
Verbal Boundary Justification: Nominated property includes entire parcel and urban legal description.

11. Form Prepared By

Name and Title: Katie Pratt, Co-founder, and Spencer Howard, Co-founder
Organization: Northwest Vernacular, Inc.
Street, City, State, Zip Code: P.O. Box 456 Bremerton, WA 98337
Telephone Number: 360.813.0772
E-mail Address: spencer@nwvhp.com
Date Final Nomination Heard: 8/21/2024

12. Additional Documentation

Additional documentation is found on one or more continuation sheets.

13. Signature of Owner(s)

14. For Official Use Only:

Date nomination application filed: _____

Date of Landmarks Commission Hearing: _____

Landmarks Commission decision: _____

Date of City Council/Board of County Commissioners' hearing: _____

I hereby certify that this property has been listed in the Spokane Register of Historic Places based upon the action of either the City Council or the Board of County Commissioners as set forth above.

Megan Duvall
City/County Historic Preservation Officer
City/County Historic Preservation Office
Third Floor – City Hall
808 W. Spokane Falls Blvd.
Spokane, WA 99201

Date

Attest:

Approved as to form:

City Clerk

Assistant City Attorney

SUMMARY STATEMENT

The Hotel Collins is a three-story, two-part block form building with an L-shaped plan. The plan insets from the west property line to provide a light well and rear doorways for first floor commercial spaces. The light well does not extend through to West Second Avenue, creating the L-shaped plan. A stone foundation supports the first story cast iron post and beam (north and east facades) and the unreinforced brick masonry structure. There is an added metal fire escape at the south end of the building. Storefronts extend along the east and north facades. The building features a flat roof with perimeter parapets. Window openings have vinyl replacement sash with brick arches and subsills. The interior layout consists of first floor commercial space. A full basement provides mechanical and storage space. Apartments occupy the second and third floors. Vertical circulation consists of a central stairway (from South Wall Street) and a northwest stairway (from West Second Avenue) for apartment access, both of which are directly accessible from street level. The northwest stairway also provides roof access.

The floor layout is identical on both the second and third floors. Each floor has a main double loaded hallway, placed west of center, extending the length of the floor. A short east-to-west hallway connects to the northwest stairway. Along the east side of the main hall, unit doorways are set back at the ends of short branch hallways. At the center of each floor, the open space from former shared men's and women's bathrooms remains west across the main hallway from the central stairwell.

Significant features include the exterior facades; stone, cast iron, and brick construction; original storefronts at the south end of the east facade; fenestration; flat roof with parapet; central and northwest stairways including wood newels, balusters, steps, stringers, and railings; central, connecting, and branch hallways; apartment unit layout; interior upper floor finishes that include Douglas fir flooring, tall wood base, wainscot cap, corner moldings, wood doorway and window casings, and plaster wall and ceiling finish. The building remains in good condition and retains a high level of architectural integrity. Original design, materials and workmanship remain evident throughout the building interior and exterior, reflective of the period of construction and conveying the original single room occupancy (SRO) function. The building remains in its original location. The front east and north facades, direct walk-up stairways, and second and third floor layouts convey the key aspects of original design, association, and feeling, communicating how and why the building was used.

DESCRIPTION OF PROPERTY

The building faces north and east. The site is a single corner tax lot enabling two front street-facing facades. Most of the rear west facade is inset (4 feet 10 inches) from the property line. This provides a light well and forms the building's



Figure 1. Northeast corner.

narrow L-shaped plan. West Second Avenue extends along the front north side of the property, with South Wall Street along the front east side. A paved alley runs along the rear south side between South Wall Street and South Post Street. The Doran Building (built 1920, City of Spokane Register listed) at 707 West Second Avenue abuts the property's west side. Sidewalks extend along the north and east sides of the building. Small areaways, near the middle of the north and the east facades, extend below the sidewalk. Replacement steel framing supports the sidewalk at these locations.

The site's setting is within a narrow commercial strip located south of Spokane's central business district. The strip is bounded on the north and west by the railroad lines. North of the nominated property, the railroad lines lie between West Second and West First avenues. Interstate 90 defines the south edge. South of the nominated property, the interstate is generally between West Third and West Fourth avenues. This setting includes other similar residential and mixed-use buildings. There is a residential only apartment building (ca. 1908) across the street at 225 South Wall Street. There are several mixed-use (first floor commercial and upper story residential) buildings within a block of the nominated property. These include the apartments at 224 South Howard Street (ca. 1908), Metropole Apartments at 1781/2 South Howard Street (ca. 1901, Spokane Register listed), 608 West Second Avenue (ca. 1906), 174 South Howard Street (ca. 1923), the Boothe-McClintock Building at 165 South Post Street (ca. 1899, Spokane Register listed), and the Bump Block-Bellevue House-Hawthorne Hotel at 206 South Post Street (ca. 1890, Spokane and National Register listed).

A perimeter rubble basalt stone foundation supports the three-story cast iron and load-bearing brick masonry structure. Spread footings support the interior wood post and beam structure. Cast iron post and I-beam framing (manufactured by Union Iron Works, Spokane) comprises the first story structure along the building's east and north facades. There is a single cast iron column at the northeast corner. Load bearing brick masonry comprises the south, west, and upper stories of the east and north facades. Brick wall thickness decreases from 20 inches at the first story, stepping in approximately a brick's width (4 inches) at each story. South and west walls are common bond (tan-yellow color bricks), with the bond bricks every seventh course. East and north facades have an outer wythe of veneer brick (dark red and white) over the inner common bonded brick (red-salmon and tan-yellow colors, bond course spacing varies). Decorative brick corbeling projects at the first to second story transition (belt course) and at the parapet on the east and north facades, with returns on the south alley facade at the southeast outer building corner. The parapet consists of a frieze and projecting cornice. The belt course consists of row lock upper cornice, central raised panel, and lower row lock band. Projecting bricks at both the belt course and parapet are white. Alterations include the added metal frame at southeast corner and northeast corners for former signage; added data cables and surface-mounted conduit; the added metal fire escape with second and third story landings, a connecting metal stairway, a cantilevered lower stairway, and a metal ladder to the rooftop. The fire escape is through-bolted to the masonry wall.

The cast iron posts have tall pedestals (matching bulkhead height) with a tall recessed upper panel, and a narrow capital and architrave at the top of each post. The unfluted column (Tuscan order or similar) has a plain base and capital. This column supports the outer ends of the steel beams. The design of the posts and



Figure 2. Cast iron pedestal detail showing factory stamp.



Figure 3. East facade, cast iron post (left edge of photo) and cast iron column (right edge of photo) view.

column spacing prioritizes the equal spacing of eight (east facade) and three (north) bays (16 to 17 feet). Due to the cast iron I-beam that they carry, for load-bearing purposes the alignment between the posts and the upper story brick masonry sections is not needed. Wood posts and beams support the interior wood joist floor framing. The cast iron posts and the column remain intact.

A flat roof with perimeter parapets shelters interior spaces. There is a 3-to-4-foot tall, insulated crawl space between the third-floor ceiling and the roof. Composite sheet type roofing covers the roof and extends up the inner parapet face. Sheet metal coping extends along the top of the parapets. Multiple mechanical and plumbing vents extend up through the roof. A hipped roof replacement skylight covers the third-floor light well at the central stairway. A plywood cover with a domed replacement skylight covers the former north lightwell that extended down to the second floor. Added mechanical systems extend up through this light well. A wood frame northwest stairway enclosure above the parapet is clad with the same roofing material. A flush panel replacement metal door on the south side provides interior access. Alterations include new roofing; multiple added rooftop mechanical units and vents; a new skylight; and enclosure of the former north light well.



Figure 4. Roof, looking northwest.

Fenestration consists of regularly spaced windows on each facade and storefronts along the east and north facades. All sills consist of a cement cap applied to the rowlock brick. Interior finishes at the second and third story apartment and hallway windows consist of wood casings, stool with horns

(extensions beyond casings), apron, and a header with a lower fillet and projecting cap molding.

The front north and east facades each feature windows at the second and third stories. Second story openings each have a flat jack arch header comprised of white bricks with a prominent central key and alternating brick heights along the top of the header. There is an interior row lock segmental relieving arch behind each jack arch. The upper projecting rowlock brick band on the belt course serves as a continuous sub sill. Third story openings each have the same header as the second story but with a continuous height along the top of the header. Row lock, white brick lug sub-sills project at each opening with white brick corbels below the sub-sill at the outer edges of the masonry opening to provide a visual extension to the brick moldings. Replacement vinyl 1:1 sashes are recessed within each masonry opening. Vinyl, square profile brick moldings extend along the jambs and soffit at each opening. Alterations include replacing windows and brick moldings with vinyl.

The south facade consists of a single first story window opening flanking the south entrance, with multiple second and third story windows (along the alley and within the areaway). Openings have segmental arched, row lock brick headers.



Figure 5. Southeast corner.



Figure 6. Second and third story windows detail.

Row lock slip sub-sills project at each opening. Plywood infills the first story opening, which is also missing part of the brick sub-sill and wall below the opening. Within the upper story windows, replacement vinyl 1:1 sashes are recessed within each masonry opening. Vinyl, square profile brick moldings extend along the jambs and soffit at each opening. Alterations include replacing windows and brick moldings with vinyl and infilling the first story opening.

The west facade consists of multiple basement, first, second, and third story windows within the light well. Basement sashes are four-light, wood awning sashes with a thumb latch closure. First through third story openings have segmental arched, row lock brick headers with interior arched wood blocking infilling above window headers.

Row lock slip sub-sills project at each opening. Plywood infills the first story openings. Within the upper story windows, replacement vinyl 1:1 sashes are recessed within each masonry opening. Vinyl, square profile brick moldings extend along the jambs and soffit at each opening. Alterations include replacing



Figure 7. Light well, looking south from the third floor.

windows and brick moldings with vinyl, installing mechanical systems through and infilling basement openings, infilling the first story openings, installing interior privacy glass panels at the former shared bathroom window locations on the second and third floors, and removing interior casings and stools at first story openings.

Commercial storefronts within each bay on the north and east facades consist of low bulkheads, display windows, entrances, and transoms. Wood bulkheads at the south three bays (212, 210, and 208 storefronts) have flat fields bordered by narrow top and bottom moldings. Horizontal panels within each bulkhead are defined by narrow raised moldings. Outer bulkhead corners have corner moldings. A thick, rectangular cross section sill extends



Figure 8. 212 South Wall Street storefront, showing original design.

along the top of the bulkheads below the display windows. Wood bulkheads at the 206 storefront have wood stiles and rails around panel with beveled edges leaving the center raised. Wide sills extend above these panels. Wood bulkheads at the north four bays on the east facade and the easternmost north facade bay have been rebuilt with wide raised moldings to create the panels and wide trim boards around each panel. The two west north facade bays have replacement stucco clad bulkheads.

The interior bulkhead faces mostly consist of flush plaster. The 206 entrance has raised wood panels matching those on the exterior. Display windows consist of plate glass and replacement insulated glazing units with wood stops and thin wood mullions having a raised center bead. A narrow wood transom bar extends across each bay, with six transom lights (four at the northeast corner storefront) separated by slender wood muntins. Recessed entrance enclosures occur at 212 and 210 South Wall Street and 701 and 705 West Second Avenue. Alterations include added light fixtures mounted above each cast iron post on the east facade and associated surface-mounted conduit; the infilling of transoms and rebuilding of bulkheads and display windows at the 703 and 705 storefronts; the

rebuilding of bulkheads at the four north bays on the east facade and the 701 storefront; installation of temporary protection at some display windows; replacing plate glass with insulated glazing units at some units; and replacement mullions at 208.

Primary entrances consist of the apartment and storefront entrances and are listed below, starting with the north facade:

- 701 West Second Avenue: The recessed northeast corner entrance; a replacement single unglazed metal door with a narrow transom. A concrete walkway leads to the doorway. The canted entrance sides consist of low replacement bulkheads with replacement stucco clad upper panels. Stucco covers the soffit and upper wall portions above the transom bars. A pendant light fixture provides illumination for the entrance.
- 703 West Second Avenue (former): Alterations infilled this former doorway with display windows and a low bulkhead.

- 705 West Second Avenue: A recessed, canted entrance with a single replacement door. Temporary protection covers the entrance.

- 705 1/2 West Second Avenue: A replacement single glazed metal door with a square upper light. The original paneled transom bar remains above the doorway, along with the original two-light wood transom. Narrow wood brick moldings wrap the exterior opening. Alterations installed temporary protection over the doorway and painted out the transom.



Figure 9. 705-1/2 West Second Avenue entrance.

- 202 South Wall Street: A replacement single unglazed metal door with a narrow transom.
- 204 South Wall Street: A replacement single glazed anodized aluminum door and two-light side light. A replacement fixed transom spans the doorway and side light.
- 206 South Wall Street (former): Alterations infilled this former doorway

- with display windows and a low bulkhead.
- 208 South Wall Street (former): Alterations infilled this former doorway with display windows and a low bulkhead.
 - 210 South Wall Street: A replacement single glazed anodized aluminum door and single light side light. The recessed wood frame entrance enclosure remains on the interior, behind the added door and side light.
 - 212 South Wall Street: A recessed, canted entrance with a single glazed metal replacement door and a V-groove board soffit. Added T1-11 above an original baseboard is the exterior finish on the north side of the entrance. A concrete walkway leads to the doorway.

Secondary entrances consist of doorways from the alley and light well providing service access to commercial spaces.

- The alley entrance consists of a replacement unglazed metal door set in a replacement wood frame. Original wood brick moldings wrap around the doorway. The transom has been infilled. A concrete step transitions down to the alley. The masonry opening has a row lock brick segmental arch header. There is an added metal security door on the interior and an added exterior light above the doorway.
- Service access entrances to commercial spaces consist of paneled wood doors with transoms. Some doors are glazed and others unglazed. Each masonry opening has a row lock brick segmental arch header. Transoms have all been infilled with mechanical ducting or solid fill. Glazing at doors has been replaced with wood sheeting. Most casings have been removed. An added wood frame enclosure at the south end of the light well consists of a single door with T1-11 clad infill above to limit unauthorized access to the light well space.

Vertical Circulation

Circulation between floors within the building consist of two primary stairways, the central and northwest stairways.

- The central stairway provides access from the basement to the third floor. A direct walk-up flight, with intermediate landings, ascends from South Wall Street to the second floor. A quarter-turn stairway continues from the second to third floor. A quarter-turn stairway descends from the first floor to the basement. These flights of stairs are stacked above one another. The basement and first floor stairwells are enclosed with plaster finished walls. The second to third floor is open with paneled newels and an open



Figure 11. Central stairway looking up from the second floor at the sky light.

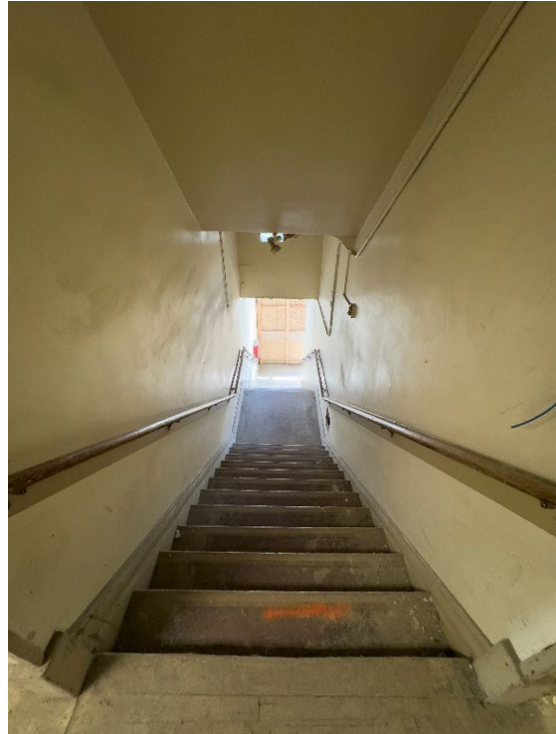


Figure 12. Central stairway, looking down from the second to the first floor.



Figure 10. Central stairway, second floor, looking north showing original materials.

baluster railing. Stringers match the baseboard design and treads and risers are wood. Round wood hand railings extend along both sides of the stairwells. Alterations cut off the end of the circle end starting step at the first floor; added a surface-mounted conduit within the stairwell; and added composite coverings over the risers and treads

- The northwest stairway provides access from the first floor to the roof. A quarter-turn stairway with intermediate landings and winders at the upper direction change provides access from West Second Avenue to the second floor. A direct flight ascends from the second to third floor. A quarter-turn flight with winders at the upper direction change provides access from the third floor to the roof. The lower flights from West Second Avenue to the second floor are placed along the building's outer west edge. The upper flights are offset west of and perpendicular to these, along the north side of the east to west hallway on each of the upper floors. These upper flights are stacked vertically. The first-floor stairwell is enclosed with plaster finished walls. The second floor, third floor, and roof access stairwells are open. Each has paneled newels, an open baluster railing, a circle end starting step, and a closed stringer.

Secondary connections between the first floor and basement include the following:

- Freight lift and short flight of stairs at the south end of the former 705 West Second Avenue space. Wood framing supports the freight lift, which has an elevator pit and cable pulley system for operation. The lift descends to a wood



Figure 13. Northwest stairway looking up from the second floor (right).

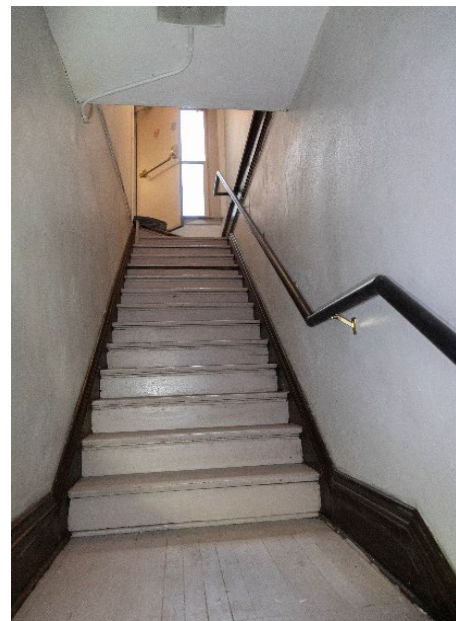


Figure 14. Northwest stairway, looking up from the 705-1/2 West Second Avenue entrance

frame flooring area originally used for storage. A door in the first floor originally opened to a steep set of open riser stairs that descended to this portion of the basement. Alterations have closed off the door and installed mechanical ducting through the space.

- Direct flight of replacement wood stairs descending from the 212 South Wall Street commercial space to a basement storage area. Replacement wood stud and gypsum board finishes enclose the stairwell at the first-floor level.
- Two direct flights of replacement wood stairs descending from the 202 South Wall Street commercial space to the basement. These are both open riser wood stairs. Alterations have closed off the openings at the first-floor level.

Basement

Interior layout consists of a central L-shaped space enclosed with rubble stone walls with general storage volumes extending to the north and south. The central stairway descends into the L-shaped space. The building's mechanical systems are located within the north portion and electrical systems in the south portion. The mechanical space has a concrete floor, with exposed soil in the remainder of



the basement. Sections of wood flooring are built out over the soil below the 212

Figure 15. Basement, northeast corner, looking north.

South Wall Street and part of the 705 West Second commercial spaces. The foundation and floor structure are exposed throughout the basement. An added wood frame partition wall with horizontal board finishes separates the 212 South Wall Street storage area from the rest of the basement. Ducting and plumbing systems run throughout the basement below the first-floor framing.

First Floor

Interior layout consists of a central rectangular entrance lobby with commercial space volumes extending to the north and south. The central volume is one bay wide and two bays deep, defined by the central stairway and the structural column layout. Wood frame, plaster-finished walls enclose the central stairway's upper flight. Replacement gypsum board wood stud walls enclose the lower flight descending to the basement. A wood frame plaster finished wall extends along the half the length of the space's south side. The north commercial volume is four bays wide and three bays deep. Added partial height offices (four) extend along the south end of the west wall. An added oriented strand board wood stud wall extends along the westernmost two storefronts at the north end of the space. The south commercial volume is three bays deep and wide, with a single bay extending along the west side of the central volume. Added restrooms occupy the southwest corner, enclosed with gypsum board finished wood stud walls.



Figure 16. First floor, looking northeast.

Matching walls enclose a small added staff and kitchenette space off the east

side of the restrooms. A ramp descends from these spaces to the north. Alterations installed multiple flooring overlays; added a surface-mounted conduit; removed the plaster ceiling; added the restrooms and offices; and added mechanical ducting.

Second Floor

Interior layout consists of a double-loaded main hallway (6 feet -2 inches wide), placed west of center, that extends the length of the floor (140 feet). A short (15 feet- 4 inches) east-to-west hallway connects to the northwest stairway. Along the east side of the hallway, unit doorways are set back from the hallway. Short (11 feet) and narrow (3 feet 6 inches) branch hallways between the units connect to the doorways from the main hallway. All but one of the hallways angle outward at the east end to create a small diamond-shaped foyer space at the two doorways. The hallway along the north side of the central stairway has a unit door at its west end and another at its east end, without a foyer space. Within the center of each floor, the open space from former shared men's and women's bathrooms remains west across the main hallway from the central stairwell. Hallway (main, connecting, and branch) finishes consist of Douglas fir flooring, painted plaster walls and ceiling, tall wood baseboards, and a wood wainscot cap. Doorways off the hallways have plinths, casings, and cornice moldings. Wood corner beads (to wainscot cap height) protect outer wall corners. Alterations include an added electrical panel enclosure (1 foot by 7 feet) on the north side of the hallway; a surface-mounted metal conduit along the walls and ceiling; added fluorescent lighting fixtures; holes in the wall from a former drop ceiling and mechanical equipment additions within the space; added metal frames at some doorways; painting of the originally stained wood trim and casings; and added textured plaster above the wainscot cap up to the former drop ceiling height.

Apartment units are deeper (around 25 feet vs. 15 feet) and wider (around 12 feet vs. approximately 10 feet) on the east side of the floor. There are 22 units on the floor. The two east side units in the northeast



Figure 17. Second floor typical branch hallway.



Figure 18. Second floor, main hallway.



Figure 19. Second floor, showing typical unit finishes.

corner are oriented towards the north facade rather than the west facade, due to the northwest stairway placement. East side units have a main front living space along the east windows, with a rear (west) bedroom and bathroom space along main hallway wall. West side units are a single studio volume without a bathroom. Unit finishes consist of Douglas fir flooring, painted plaster walls and ceiling, and tall wood baseboards. Doorways to the main and branch hallways have plinths, casings, fillet strip and header trim (without the cornice used on the hallway side). Alterations include the removal of some plaster, exposing the wood stud partition and brick masonry exterior walls; removal of some baseboard sections; removal of some casings at doorways; added flush-mounted ceiling lighting fixtures; added surface-mounted conduit at the ceilings and walls; infill of some doorways between units; and added sinks and vanities in some units; .

Third Floor

Interior layout matches the second floor. Finishes and alterations also match the second floor.



Figure 20. Third floor, main hallway.



Figure 22. Third floor, typical branch hallway.



Figure 21. Third floor, showing typical unit finishes.

ALTERATIONS

The following includes known changes to the building:

- Undated, previous alterations had combined apartment units on the east side of the main hallway to create the larger one-bedroom units, conversion of units to an office and a commons area; and conversion of one unit on the west side of the main hallway to a shared laundry room. The east side conversions involved closing off of doorways to branch hallways and opening new doorways between units. By 1998 each floor had only 19 apartments compared to the 31 units on each floor originally.
- Ca. 1956, Kirishian Carpets owner Morton Hatch hired a builder to undertake interior alterations valued at \$2,500 at the 703–705 West Second Avenue commercial spaces (permit nos. 34574, B35098). The rebuilding of the storefronts at this location is attributed to this work, which was extant by 1971 based on a historic photograph.
- 1970, the Hide Out Tavern, operating out of the 701 West Second Avenue commercial space, installed (permit B75847) plywood, T1-11, wood shingles, and small fixed windows over the northeast corner entrance and over the storefronts (transoms, display windows and bulkheads) along West Second Avenue (easternmost bay) and South Wall Street (north four bays).
- 1971, based on a historic photograph, the storefront transoms along South Wall Street had been painted out.
- 1972, the Hide Out Tavern installed new bathrooms and a dishwasher (permit no. P-1117).
- 1972, owner John Burya had the transoms and hallway windows replaced with sheet rock per Fire Department requirements (permit no. B-2872).
- 1975, south fire escape installed. This fire escape was relocated from the American Legion Building, but the lower counterbalance stairway was not installed until 1984.
- 1982, owner John Ha installed three 40-gallon Rheem gas water heaters.
- 1983, the building was reroofed by G. & L. Roofing, Inc.
- 1984, owner John Ha installed a Cleaver Brooks model three steel boiler and 100 feet of 2-inch piping.
- 1993, the Spokane Kiwanis Charities, Inc. owned the building, which had

39 low-income apartment units with ground floor commercial spaces. The upper floor apartments were rehabilitated including new electrical, plumbing, floor covering, and painting work. The uncovering and reopening of storefronts and removal of paint at the other transoms is attributed to this work, based on observation of materials and the change in first floor functions. The installation of a drop ceiling in the second and third floor hallways, along with associated mechanical equipment and the painting of stained trim, is attributed to this work. A 1982 photograph showing a former resident in one of the hallways shows the former radiators, stained trim, and plaster ceiling as being extant at that time.

- 1998–2001, remodel of the first-floor commercial space to support program offices for SNAP (homeless assistance program). Construction of the four offices on the first floor and reconfiguring of the first floor layout. This work also included relocation and rebuilding of the first floor to basement stairway in the 212 South Wall Street commercial space; closing off of windows and doors along the light well at the first floor; and installing the metal framing at the areaways.
- 2004, remodeled the northeast, 701 West Second Avenue entrance.
- 2004 remodel of the front entrance for 212 South Wall Street.
- 2015 reconfiguration of the reception, waiting, and office workstations for SNAP at the 212 South Wall Street commercial space. This work removed existing walls and relocated lighting. The first-floor southwest bathrooms and associated staff space, and enclosure of the stairway to the basement at this location, are attributed to this work based on materials and location.
- 2014 remodel of the first-floor office spaces for ongoing use by SNAP.
- 2023, cleanup of the entire building, removing previously added first floor partitions from prior office functions, and removal of the former laundry and restrooms on the second and third floors.

SUMMARY STATEMENT

The Hotel Collins in Spokane, Washington, is a well-executed example of a Single Room Occupancy (SRO) hotel and was constructed during a period when numerous SROs were built to house a growing working-class population in the city. Completed in 1910, the Hotel Collins is significant under Category A in the area of significance of Commerce for its association with the broad patterns of commercial development in downtown Spokane. It is also significant under Category C in the area of significance of Architecture as a representation of the SRO property type. The Hotel Collins was built to provide lodging for workers and retains the characteristics needed to convey its historic use as an SRO. According to the Multiple Property Document, "Single Room Occupancy Hotels in the Central Business District of Spokane, WA, 1900-1910, SROs are,

[U]nreinforced masonry structures of two or more stories, with commercial bays on the ground or street level, and the upper floors consisting primarily of single rooms without baths, with a limited number of rooms with baths.¹

The hotel's period of significance begins and ends in 1910 when the building was constructed.

HISTORIC CONTEXT

The Hotel Collins is located in the Central Business District of Spokane, WA. This neighborhood was established by the 1880s, but grew significantly with new, masonry development after the Great Fire of 1889 between 1890 and 1910.

Central Business District and the 1900s Building Boom

The area that is now known as the City of Spokane has been home to the Spokane Tribe of Indians, an Interior Salish speaking tribe, for thousands of years. The area's rivers, notably the Spokane River, were key to their way of life as they provided both food and transportation. They lived in the upper Columbia Plateau, along the shores of the Spokane and Columbia rivers and their tributaries within a territory spanning approximately 3 million acres. They hunted, fished, gathered, and traded within their lands, living a semi-nomadic lifestyle following a seasonal cycle for subsistence.² They wintered along the rivers and then set up temporary residences during the other seasons as they traveled. The arrival of White Euro-Americans in the region profoundly impacted their lifeways, particularly once the American Corps of Discovery traveled through the region in

¹ Craig Holstine, "Single Room Occupancy Hotels in the Central Business District of Spokane, WA, 1900-1910," National Register of Historic Places Multiple Property Documentation, 1993, Section E, page 1, <https://npgallery.nps.gov/NRHP/GetAsset/fdabf127-daf0-4116-9773-1eb3a0abbf8f>.

² Spokane Tribe of Indians Historic Preservation Office, "Spokane Tribal History," Spokane Tribe of Indians, accessed July 22, 2024, <https://www.spokanetribe.com/resources/dnr/preservation/history/>.

1806. White fur traders, seeking to expand the Canadian fur trade in the West, then arrived in 1810 and established a fur trading post, Spokane House, at the confluence of the Spokane and Little Spokane rivers. The Spokanes, along with other tribes, participated in trade at this post. Spokane House closed in 1825 and operations were shifted northwest near Kettle Falls in 1826.³

As more White traders, followed by missionaries and settler-colonists, arrived in the region, the U.S. Government sought to acquire more land for Americans. The Donation Land Claim Acts encouraged White settlers to move West and Territorial Governor Isaac Stevens began to negotiate with area tribes to extinguish Native title to the area's land. The Spokane Tribe was referenced but not included in the Nez Perce Treaty of 1855. After a series of armed conflicts between the U.S. Army and the Spokanes (with their allies), U.S. Army Colonel George Wright entered into a treaty with the Spokanes in exchange for cessation of all hostilities. But the treaty did not include any cessation of land and the Spokane Tribe continued to live on their ancestral land. But then in 1881, U.S. President Rutherford B. Hayes established a reservation for the Spokane Tribe through Executive Order in a location northwest of the present-day city of Spokane.⁴

Amidst these political maneuvers, White Euro-Americans moved into the region in the 1870s, establishing a sawmill and later a gristmill at the Spokane Falls with a general store opened in the late 1870s. These early beginnings of a town attracted other White settler-colonists and soon the town became a key supply and distribution point for area mining, lumber, and agricultural operations. Other stores, saloons, hotels, banks, schools and churches followed and contributed to a bustling commercial district. Spokane was then incorporated (as Spokane Falls) in 1881 with a population of 1,000. A railroad connection via the Northern Pacific arrived in 1883, cementing Spokane's status as the financial center of the Inland Empire as goods poured into the city from area mines, timber stands, and farms.⁵

The downtown district of Spokane was originally constructed of wood-frame buildings—commercial buildings, warehouses, and lodging. An 1889 fire gutted almost the entirety of the city's downtown core (32 blocks). Rebuilding efforts prioritized masonry materials and a significant building boom swept through

³ Jack and Claire Nisbet, "Spokane House, First Fur-Trading Post Constructed in the Future State of Washington, Is Closed on April 7, 1826," in *Historylink.Org*, February 22, 2017, <https://www.historylink.org/File/20296>.

⁴ Spokane Tribe of Indians, "The Spokane Tribe of Indians' Comments on the Proposed Revision to 25 C.F.R. § 151, Fee to Trust Regulations," July 2, 2018, <https://www.bia.gov/sites/default/files/dup/assets/as-ia/raca/pdf/59%20-%20Spokane%20Tribe.pdf>.

⁵ Laura Arksey, "Spokane -- Thumbnail History," in *Historylink.Org*, September 4, 2005, <https://www.historylink.org/file/7462>.

downtown. Historian Linda Yeoman describes the efforts:

Plain no-frills brick masonry constructed single room occupancy hotels were quickly erected side-by-side along downtown streets to house the influx of immigrants and people who flocked to Spokane to find jobs. In contrast, other brick and stone buildings were designed and erected as prominent, high-style commercial/business blocks, upscale apartment buildings, and luxury hotels.⁶

With this building boom, workers—including laborers, carpenters, and other tradespeople—flooded the city as construction projects meant employment opportunities. And those workers needed housing with numerous lodging and boarding houses and hotels (including SROs) constructed in the rebuild. According to historian Craig Holstine, “Nearly all of the city’s lodging facilities were lost in the Great Fire of 1889.”⁷

The construction boom in the first decade of the 20th century, according to Holstine, “accelerated property appreciation in the CBD, resulting in the sale to speculators of marginally profitable residential properties, chiefly boarding and lodging houses.”⁸ This aligns with the increasing property value of the Hotel Collins property, even prior to its construction, discussed in a subsequent section. The growth of various lodging properties in this time frame are outlined in the table below, compiled from the MPD.

Table 1. Lodging Options in the Spokane Central Business District, 1900-1910

| <i>Year</i> | No. of Lodging Houses | No. of Boarding Houses | No. of Hotels |
|-------------|------------------------------|-------------------------------|----------------------|
| 1900 | 46 | 15 | 21 |
| 1905 | 37 | 14 | 56 |
| 1910 | 68 | Approximately 19 | 126 |

Although not all hotels catered to working class populations, most of the hotels were SROs, according to the MPD.

⁶ Linda Yeoman, “Ridpath Hotel,” National Register of Historic Places nomination, 2013, 9-10, <https://npgallery.nps.gov/NRHP/GetAsset/9f0bbd56-0e12-4cac-bac1-e50aa9bef7b8>.

⁷ Holstine, “Single Room Occupancy Hotels in the Central Business District of Spokane, WA, 1900-1910,” Section E, Page 7.

⁸ Holstine, Section E, Page 12.

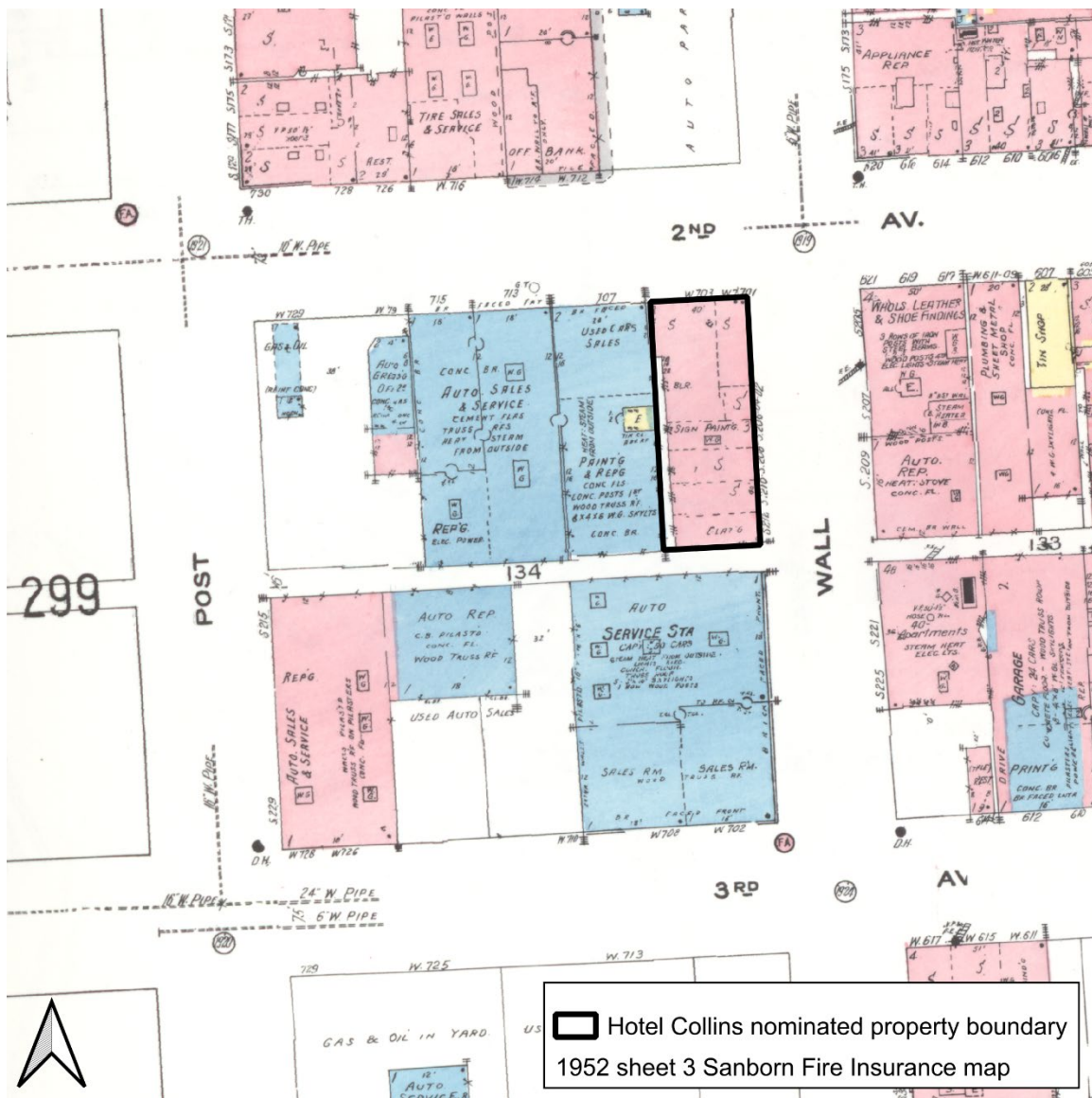


Figure 23. 1952 Sanborn Fire Insurance Map.

Despite the sheer volume of SROs built and used during the early 20th century, as a property type, they have experienced significant change since World War II. Many, along with apartment buildings, were renovated during the war as increased housing was needed for the defense industry workforce supporting nearby Fort Wright, Fairchild Air Force Base, Velox Naval Supply Depot, Baxter Hospital, and the Mead and Trent Kaiser Aluminum Company plants. SROs, in particular, were modified to add bathrooms and connect single rooms to form multiple-room apartments. Additionally, significant changes to the downtown landscape occurred in the early 1970s in preparation for the 1974 world’s fair hosted in Spokane, “Exposition ’74.” Many SROs, which had fallen into disrepair, in the central business district were leveled or else had closed. The MPD cites a

1972 survey of 197 hotels, apartments, and other residences that had once operated in the central business district. Of the 197 hotels, 44 had closed and an additional 38 had been demolished.⁹ Another survey in 1973 reported that 71 hotels and apartments (some likely SROs) had been demolished. The Hotel Collins remains as one of the extant SROs within the central business district and retained its SRO use under various ownership and management groups well into the 21st century.

STATEMENT OF SIGNIFICANCE

Daniel (D. C.) Collins

Daniel C. Collins was born in Dunmanway, County Cork, Ireland, on August 7, 1868.¹⁰ He immigrated to the United States as a young man and arrived in Spokane in 1884. He soon became involved in real estate development, particularly after the fire of 1889 that burned much of downtown. During the 1889 fire, he served as a volunteer firefighter and continued as a professional firefighter for a number of years, rising to the rank of captain with the Spokane Fire Department.¹¹ In 1891, he became a U.S. citizen.¹² He married Anna (Annie) Burke, also an Irish immigrant, in 1892.¹³ Although the 1900 census records state that Anna did not immigrate to the United States until 1899, her obituary says she arrived in Spokane Falls at the age of 16 (ca. 1887). The couple had three children: Ellen, Marie, and Daniel, Jr.¹⁴

In the early 1900s, Collins shifted careers away from firefighting to real estate investing and owning rental property. By the time of his death, he owned a number of properties in Spokane, including the Hotel Collins, the St. Helens Apartments, and apartments on Browne Street. In addition to his professional work, Collins was known for his athletic skill as an amateur boxer, even serving as a boxing instructor at



Figure 24. Photograph of Daniel Collins. Spokane Chronicle, July 21, 1933, 3.

⁹ Holstine, Section E, Page 16.

¹⁰ "Daniel Collins Taken by Death," *The Spokane Chronicle*, July 19, 1933: 3.

¹¹ *Spokane City Directory*, vol. IV (Spokane, WA: R. L. Polk & Co., Publishers, 1893), 247. City directories also list him as a pipeman and foreman.

¹² "A Busy Day," *The Spokane Chronicle*, August 12, 1891.

¹³ "Mrs. A. Collins Funeral Monday," *The Spokesman-Review*, December 20, 1936: 14.

¹⁴ United States of America, Bureau of the Census, "Thirteenth Census of the United States, 1910" (Washington, D.C.: National Archives and Records Administration, 1910), [Ancestry.com](https://www.ancestry.com). Spokane, Spokane County, Washington, Enumeration District no. 201, Sheets 3A and 3B.

Gonzaga University. He was a member of the Elks Lodge, Knights of Columbus, and St. Augustine's Catholic Church.

Hotel Collins

Built in 1910, the Hotel Collins operated as a Single Room Occupancy (SRO) hotel in downtown Spokane, under various management, well into the 2000s.

The site on which D. C. Collins had the Hotel Collins building constructed had previously been known as the Drumheller Site and had sold a number of times in the preceding decades. D.M. Drumheller had acquired the property and built a residence on it by 1885,¹⁵ but then sold it to Clara Price for \$5,500 in 1888.¹⁶ The property was then sold again in 1889 for \$16,500 before A. S. Jerard purchased it in June 1909 for \$37,500. Collins purchased the property on Second and Wall for \$50,000 from a Union Trust Company trustee. It had only just sold 10 days prior to Collins' purchase—showing the tremendous value of downtown Spokane land—with A. S. Jerard selling it to a Union Trust Company client for \$45,000.¹⁷ An article in *The Spokesman-Review* announcing the sale also commented on the value of property in the area, stating,

*The sale to Mr. Collins is another evidence of the sensational progress made by Second [A]venue property during the year, that section of the city having been unusually active, being on the market almost weekly during 1909. Building construction has followed a number of sales and the indications are that before the year closes Second avenue will be thickly dotted with substantial buildings, representing an expenditure of from \$25,000 to \$100,000 in each case.*¹⁸

That newspaper coverage also indicated that Collins already had plans for the site when he purchased it, with plans to build a 4-story building at a cost of \$60,000, with a design by architect C. Harvey Smith. Collins had previously owned and operated the Palace Hotel on Washington Street between Front Avenue and the Spokane River. That property was purchased from Collins for \$80,000 through a settlement with the Milwaukee Railroad. Shortly after purchasing the property, Collins received approval on his permit to build a 3-story brick building.¹⁹

¹⁵ "Morsels," *The Spokane Evening Review*, August 11, 1885: page 3, column 2.

¹⁶ "Drumheller Site Sells for \$50,000," *The Spokesman-Review*, February 8, 1910: 8.

¹⁷ *Ibid.*

¹⁸ *Ibid.*

¹⁹ "New Three-Story Apartment House," *The Spokane Chronicle*, February 18, 1910: 7.

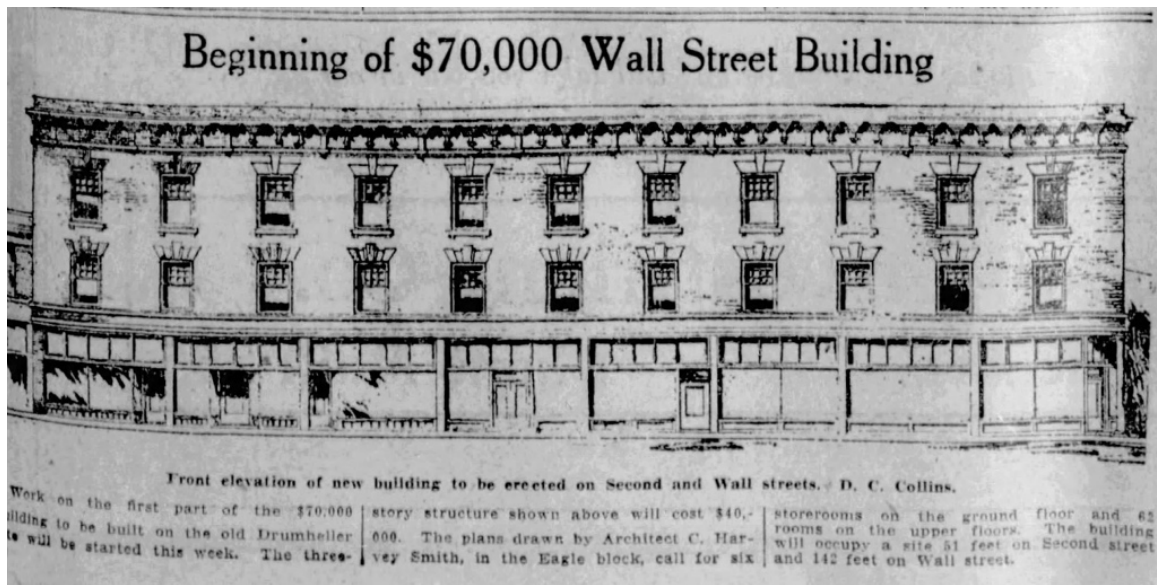


Figure 25. Drawing of the Hotel Collins. *Spokane Chronicle*, October 12, 1910, 15.

By April 1910, Collins' plans for the Drumheller site had solidified and *The Spokesman-Review* printed C. Harvey Smith's sketch of the planned 3-story building. The intent for the site had also changed to eventually house a 5-story (versus the initial four stories) building but start with a 3-story building and add the additional two stories later. The plans were outlined as follows,

*The brick to be used in the structure will be pressed brick, and for the present a temporary cornice will be used. A terra cotta cornice will be used when the two additional stories are built.*²⁰

Construction costs for the new building were estimated at \$70,000. The building was planned to have six storefronts with two floors of hotel above containing 62 rooms. Advertised features for the forthcoming building were hot and cold water taps in each room and two separate stairways. Newspaper coverage also indicated that the former Drumheller residence on the site had been removed and excavation for the new structure was underway by April of 1910.²¹ The plans to add the upper two stories to the building (floors 4 and 5) were planned for 1911.²² Contractor George Groshoff managed construction on the building.²³

The building's construction was well underway in August 1910, with a photograph of the building shell appearing in *The Spokane Chronicle*. Plans at that time were

²⁰ "Modern Building on Landmark Site," *The Spokesman-Review*, April 3, 1910.

²¹ "Modern Building on Landmark Site," *The Spokesman-Review*, April 3, 1910.

²² "St. Helen to Have \$11,000 Addition," *The Spokesman-Review*, February 19, 1910.

²³ "Rushing Work on Collins Building," *The Spokane Chronicle*, September 10, 1910.



Figure 26. Photograph of the Hotel Collins. Spokane Chronicle, August 23, 1910, 17.

to still add the upper two floors some time the following year, citing “the demand for additional room in Spokane’s business district.”²⁴

Advertisements to rent out rooms, as well as the storefronts, in the new building began to appear in newspapers by October 1910. And it appears the building was completed in late December 1910. The planned additional two stories were never constructed. By 1915, advertisements in the local papers declared the “Hotel Collins” newly furnished and remodeled and under new management. Rates were listed as \$2.50–\$5.00 a week.

²⁴ “Three-Story Building on Second Avenue to Be Completed This Fall,” *The Spokane Chronicle*, August 23, 1910.

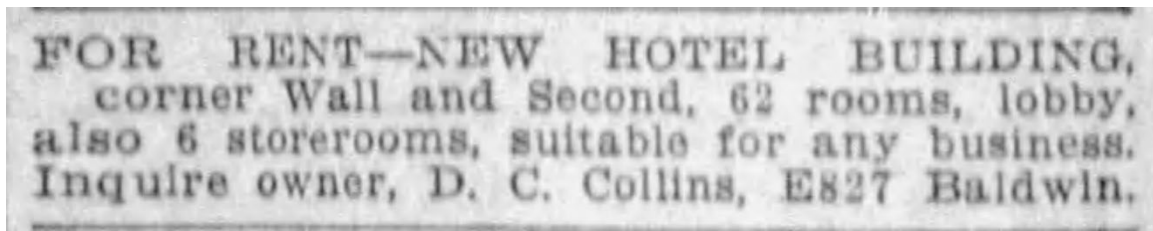


Figure 27. Newspaper advertisement for the Hotel Collins. *The Spokane Review*, October 12, 1910, 15.

Despite some interior changes, the building still exhibits much of its original hallway and room configuration on the upper floors. Where changes have occurred, the original configuration remains evident. The primary interior change has been the reduction in the number of individual rooms as units were modified over the years in alignment with trends in lower income housing. Although not a requirement under the MPD, the Hotel Collins building also retains much of its storefront character, including its distinctive original inset entrances at 212 and 210 South Wall Street and the cast iron column and inset placement of the corner storefront (previously rebuilt) at West Second Avenue and South Wall Street.



Figure 28. 1971 northeast corner view. Northwest Museum Arts + Culture, image L87-1.151-71, also published in *The Spokesman Review*, January 24, 1971, 24.

Ownership

Daniel C. (D.C.) Collins owned the Hotel Collins property from the time he purchased it in 1910 (with plans to build the 3-story building) until his death in 1933. After Collins died, ownership of the building passed to his wife, Anna Collins. After she died in 1936, her estate sold the property to E. A. Houston of Montana in 1938.²⁵ Houston purchased the hotel, which was listed as having 58 rooms, and became its operator.²⁶

It is unclear when Houston sold the property or when the real estate firm Galland & Hagood, Inc., acquired it, but by 1968 the new firm was the owner of the hotel building. Richard and Lucille G. Eoff purchased the property from Galland & Hagood, Inc., in 1968 for \$50,000.²⁷ The Eoffs then sold the property in 1971 to Anthony B. and Monica Arneson for \$72,000.²⁸

John S. and Mary Burya sold the building to Pacific National Capital Company in 1974; the building was included as part of a larger sale with two other parcels for \$260,000.²⁹ In 1979, John and Min Ha purchased the building for \$235,000.

In 1991, Spokane Kiwanis Charities purchased the property, then a 37-unit apartment complex, with plans to renovate it and offer rents ranging from \$110 to \$150 per month. The Kiwanis purchased the building for \$380,000 and all the apartment units were fully leased. The Kiwanis sold the building to Spokane Neighborhood Action Programs (later known as Spokane Neighborhood Action Partners). The current owners, Steve and Tresa Schmutz (alongside the Schmutz Family LLC) acquired the property from the nonprofit organization in 2023.

Occupancy

The building has two distinct categories of occupancy history—the commercial tenants that operated out of the ground floor storefronts and the residents who rented the SRO rooms on the upper floors.

Residential

As the building functioned historically as an SRO, which catered to a working class, and often itinerant, population, leases were frequently shorter time, with rooms available to rent by the day and even week. While this is not a complete occupancy history of the building, this summary identifies general demographic

²⁵ "City Briefs," *The Spokane Press*, February 18, 1938; "Mrs. A. Collins Funeral Monday," *The Spokesman-Review*, December 20, 1936: 14.

²⁶ "Montanan Buys Hotel," *The Spokesman-Review*, February 19, 1938: 6.

²⁷ Galland & Hagood, Inc., to Richard and Lucille Eoff, "Real Estate Contract" (December 20, 1968), Spokane County Assessor.

²⁸ Richard Eoff and Lucille Eoff to Anthony B. Arneson and Monica B. Arneson, "Sale Agreement | Escrow No. 13406" (January 15, 1971), Vol 200, Pages 1309, Spokane County Assessor.

²⁹ Burya, John S. and Mary, to Pacific National Capital Company, "Real Estate Contract: 7407110281" (June 15, 1974), Vol 200, Pages 1301-1306, Spokane County Assessor.

information of who lived in the SRO at the time of each census between 1920 and 1950.³⁰ The number of residents listed does not necessarily indicate the number of rooms within the hotel, rather just which rooms were occupied and were available when the census taker visited the building. Census sheets are included in the additional documentation section of this nomination. Over the years, the hotel has been known as Hotel Collins/Collins Hotel (1910-1920, 1934-ca. 1970, 1991-present), Marion Hotel/Hotel Marion (1921-1926), Hotel Grant/Grant Hotel (1927-1933), Collins Hotel (1934-ca. 1970), and Arneson Apartments.

The 1920 Census lists 34 individuals living in the hotel, with 31 listed at 206 South Wall Street and 3 at 208 South Wall Street. All residents were White with 21 men and 13 women. Over three-quarters of the residents were single (including those widowed and divorced), with the rest married. The age of the residents ranged from 19 to 66, with most in their 20s and 30s. One exception was May Carp, the 14-year-old daughter of Samuel and Ida Carp who were listed at 208 South Wall Street. A Jewish Russian immigrant family, the Carps owned their own tailor shop. While most residents were born in the United States, there were several, in addition to the Carps, that were immigrants. Places of origin include Germany, England, Norway, and Italy. Residents were primarily part of the working class and represented a broad range of occupations and industries. They worked in local shops (e.g., bakeries, retail), restaurants, industry (e.g., railroad), sales, and agricultural labor.³¹

The 1930 Census lists 56 individuals living in the hotel. All residents were White and the majority of them were male (43) with only 13 women living in the building. Nearly 80 percent of the building's occupants were single (including divorced or widowed). The ages of the residents ranged from 19 to 69, with most in their 20s, 30s, and 40s. Once exception was Genevieve Cochran, the 16-year-old daughter of George and Edythe Cochran. Most residents were born in the United States with a few born in other countries, including England, Canada, Italy, and Greece. Residents primarily had working class occupations and there were a range of industries represented within the building, including trades, sales, restaurant work, bookkeeping, service (e.g., barbers), and labor (with no specific industry listed).³²

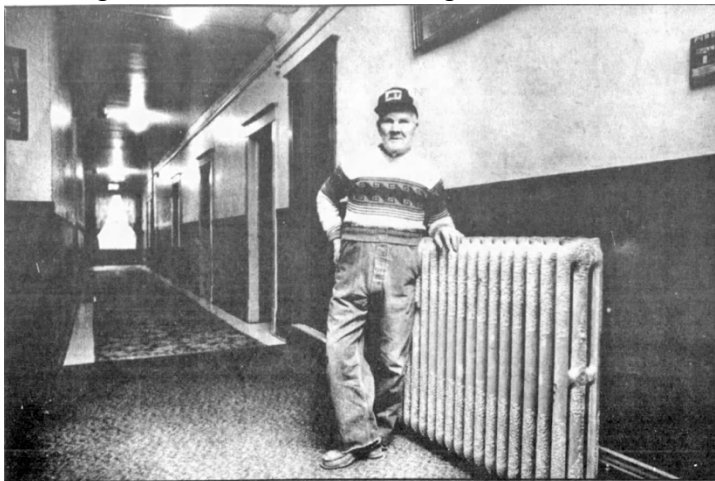
³⁰ Census records with personal information are released 72 years after they are collected and, thus, are only available through 1950 at the time of this nomination.

³¹ United States of America, Bureau of the Census, "Fourteenth Census of the United States, 1920" (Washington, D.C.: National Archives and Records Administration, 1920), [Ancestry.com](#). Spokane, Spokane County, Enumeration District No. 190, Sheets 1B and 2A.

³² United States of America, Bureau of the Census, "Fifteenth Census of the United States, 1930" (Washington, D.C.: National Archives and Records Administration, 1930), [Ancestry.com](#). Spokane, Spokane County, Enumeration District No. 32-86, Sheets 8A and 8B.

The 1940 Census lists 48 individuals living in the hotel. Of the 48 listed, 43 were lodgers and 5 were guests. All residents were White and roughly split between men (25) and women (23). Most were single (including widowed and divorced), with a few married; three married couples lived in the building. The age of residents ranged from 20 to 75, with most in their 20s, 30s, or early 40s. All lodgers were born in the United States. Two of the five guests were born outside of the United States (Norway and Canada). All residents were part of the working class, with restaurant work the number one industry listed.³³

The 1950 Census lists 62 individuals living in the hotel. Niles Giliger and his wife, Janice, are listed as the managers of the hotel. Together with their widowed daughter, Dorothy J. Brennan, they occupied rooms 7, 8, 9, and 10 in the building. All residents were White. There was a notable increase in male residents in this census record, with 48 men living in the hotel compared to only 14 women. Most residents were single (including widowed, divorced, and separated) with only a few married. The age of residents ranged from 23 to 75. All but four lodgers were born in the United States, with two from Greece, one from Russia, and one from Yugoslavia. All residents were mostly part of the working class, with a broad range of industries listed, included restaurants,



Former mental patient Mac Raymond is another resident of the Collins Hotel, Second and Wall. JIM LOTT of The Chronicle

Figure 29. 1982 interior view. Spokane Chronicle, March 2, 1982, 6.

service work, transportation (drivers), sales, and the trades (e.g., plumbing, auto mechanics). There were a few white-collar employees living in the building, including one high school English teacher and two stenographers (all women). There were also several older residents who were retired or unemployed.³⁴

Commercial

The following commercial occupancy summary stems from newspaper articles, building permits, and Polk City Directories. Reverse directories in the Polk City Directories start in 1929. The north facade of the building along West Second Avenue historically had three storefronts: 701, 703, and 705. The east facade of

³³ United States of America, Bureau of the Census, "Sixteenth Census of the United States, 1940" (Washington, D.C.: National Archives and Records Administration, 1940), Ancestry.com. Spokane, Spokane County, Enumeration District No. 41-90, Sheets 81A and 81B.

³⁴ United States Department of Commerce. Bureau of the Census, "Seventeenth Census of the United States, 1950" (Washington, D.C.: National Archives, 1950), Ancestry.com. Spokane, Spokane County, Enumeration District No. 41-160, Sheets 1 and 2.

the building along South Wall Street historically had five storefronts: 202, 206, 208, 210, and 212. The 204 South Wall Street address was largely associated with the hotel use on the upper floors, although 206 South Wall Street was also used on occasion.

The first known occupant of the **701 West Second Avenue** storefront was a grocery store, operated by Charles Eden between 1917 and 1926 and then operated as LaFace and LaFace grocery beginning in 1927. By 1935 the business also included LaFace Confectionary. The grocery was operated by Carmen and Joseph La Face. One of the members had previously worked as a confectioner in 1924 at Laface & Bombino at 802 West Second Avenue, just a block to the west, before Carmen and Joseph opened their grocery ca. 1927. From 1936 through 1938, three years after prohibition ended in Washington State, the business was listed as both a grocery store and a beer parlor. Between 1939 and 1945, Joseph LaFace operated a restaurant and beer and wine parlor from the space. Shorty's Tavern then operated from the storefront between 1947 and 1960, followed by the Hide Out Tavern between 1970 and 1986. Then in 1997, SNAP (Spokane Neighborhood Action Programs) moved into building and remodeled the commercial spaces for office use and a senior meals program.

The first known occupant of the **703 West Second Avenue** storefront was a restaurant in 1921, known as the McLeod and Dordon. Then in 1927, M.J. Badner, a tire dealer and repairer operated from this space. A tire store continued in the building until 1931, becoming the W. S. Melcher Tire Store, owned by Walter S. and Myrtle M. Melcher, in 1928. The Second Avenue location was their second store. In 1921 it was listed as Melcher Manufacturing Company. The space was listed as vacant between 1932 and 1936. Between 1937 and 1943, the Melcher Manufacturing Company operated from the space making rubber goods, sharing the space with Full Circle Retread Shop. In 1954, the space was combined with the 705 storefront.

The first known occupant of the **705 West Second Avenue** storefront was the Neilson Company in 1914, followed by the Hiline Tire Shop in 1918. The storefront shifted to restaurant use by 1923, with Thomas Keane running a restaurant in the space. The restaurant operators shifted over the years, with Robert Masse in 1924, Clarence E. and Emma R. Skelton in 1925, and Frank Grovenor (a resident of the hotel upstairs) in 1928. Ideal Café opened in the space in 1930, then the Maple Café in 1931, and then it was relisted as the Ideal Café between 1932 and 1933. Between 1940 and 1954, the Davis Electric Company operated from the space. They started with electric motors, expanded to Delco-Lights (generators and associated battery systems for electric lighting), and lighting systems, and by the 1950s were doing commercial refrigeration. By 1954 the business had expanded into the 703 West Second Avenue space as well. Then in 1956, a new long-term tenant moved into the combined 703-705

storefront, Kirishian Carpets. Onnig S. Kirishian operated the business and sold oriental rugs and carpets.³⁵

The first known occupant of the **202 South Wall Street** storefront was Ted Olson, who ran a barbershop in the space between 1931 and 1941. The space continued to operate as a barbershop for decades with William H. Glassford operating it between 1942 and 1943 and then it branded as Bill's Shop between 1945 and 1960.

The first known occupant of the **206 South Wall Street** storefront was D.C. Collins' real estate office in 1911. The space was vacant for a number of years, with the Fifer Brothers operating a business from the space in 1932. In 1936 it turned into a commercial laundry business, operating under various business names: American-French Hand Laundry (1936), Collins Cleaners (1937), and Wall Street Cleaners (1938). Independent Paper Company, a wholesale paper company, moved into the space in 1939 and stayed until 1943. A range of businesses operated from the space in subsequent years, including Kreshel and Ows, a floor coverings business (1945), R. A. Hunt Advertising Company (1947-49), Ekholm Sign Company (1952), and Rawleigh Products (1958-59).

The first known occupant of **208 South Wall Street** was Spokane Typesetting, which operated out of the space between 1930 and 1950. Then the Armstrong Mailing Service was listed at the address between 1952 and 1960. By 1954 the company was listed as the Armstrong-Hamilton Mailing and Advertising. By 1958 the company was listed as just the Hamilton Mailing and Printing company.

The first known occupant of the **210 South Wall Street** storefront was the Brown and Tooke stationery business between 1918 and 1919. They were loose leaf specialists, and provided office supplies, wedding stationery, and engraving and embossing services. The business was listed as Brown Printing Company between 1924 and 1931. A variety of businesses operated from the space in subsequent years, including Wall Street Electric company, providing electric supplies operated from the space (1937), Curtiss Insulating Company and the Johns-Manville Sales Corporation (1938-49), Dante B. Tye Insurance Company (1952-56), Beneficial Life Insurance Company and Merton D. Cook (1956), Wall Street Cleaners (1959), Spot Beauty Shop (1966), and Don Firshing (1978).

The first known occupant of the **212 South Wall Street** storefront was Century Press, owned by Frank V. Brown, between 1913 and 1916. Then John Bonhan and Company was in the space in 1919, followed by C. E. Modesitt in 1920. Harry R. Kendall ran a bottler's supply business in the storefront between 1925

³⁵ Although Kirishian Carpets no longer operates out of the nominated building, it is a legacy business in Spokane, started by Onnig Kirishian, an Armenian immigrant, in 1950 and operated by his son, Richard at 220 E Second Avenue. Michael Guilfoil, "Oriental Rug Business Remains Staple among Spokane Retailers," *The Spokesman-Review*, October 27, 2013, <https://www.spokesman.com/stories/2013/oct/27/imported-comfort/>.

and 1929. A long-term tenant moved into the space in 1929, Diamond Glass Company (glaziers), which stayed until 1960. The Clean-O-Mat Company was then listed at the address in 1971.

Architectural Context

The building was designed by Spokane-based architect C. Harvey Smith and constructed by contractor George Groshoff. Its design reflects the SRO property type.

Charles (C.) Harvey Smith, Architect³⁶

Charles Harvey Smith—known professionally as C. Harvey Smith—was born in Ottawa, Kansas, on May 7, 1868, to parents Hugh Andrew Smith and Rosalind (Minor) Smith. He grew up in Bethany, Illinois, and briefly worked for his building contractor father after he finished high school. By the late 1880s he had moved to Spokane, though, and worked as a carpenter. He married his wife, Laura Walker, ca. 1889, and they had six children: Russell, Eva, (Rosa) Gretchen, Hugh, Estella, and Ada.³⁷ By 1903 he advertised his services as an architect, aligning with the period of intense rebuilding for the central business district. He formed a brief partnership with W. W. Hyslop, then with James S. Arnot, before moving into independent practice by 1907.

Smith's work was prolific in Spokane and the surrounding region, even in neighboring Idaho. He designed numerous residential projects in Spokane as well as larger-scale commissions like the Hotel Collins, Stanton Block, and Foulner Apartments. Other projects included high schools in Chewelah, WA; Mullen, ID; and Post Falls, ID; along with the county courthouse in Twin Falls, Idaho. He died in 1942 at the age of 74.³⁸

George Groshoff, Contractor

George Groshoff worked as a contractor and brick mason in Spokane and the surrounding region. Born in Indiana in October of 1865, Groshoff arrived in Spokane in 1889 via St. Paul, Minnesota. He started building residences, including his own, in the Peaceful Valley neighborhood of Spokane, with three on West Main Avenue (1607, 1604, and 1608).³⁹ After the 1889 fire—and the need for masonry construction—Groshoff got work building the Spokesman-Review

³⁶ Michael Houser, "C. Harvey Smith," Washington State Department of Archaeology & Historic Preservation (DAHP), October 2011, <https://dahp.wa.gov/historic-preservation/research-and-technical-preservation-guidance/architect-biographies/bio-for-c-harvey-smith>.

³⁷ United States of America, Bureau of the Census, "Twelfth Census of the United States, 1900" (Washington, D.C.: National Archives and Records Administration, 1900), [Ancestry.com](https://www.familysearch.org/tree/person/details/LW5B-X6V). Spokane, Spokane County, Washington, Enumeration District No. 68, Sheet 2B; "Charles Harvey Smith (1868–1942)," Family Search, accessed July 23, 2024, <https://www.familysearch.org/tree/person/details/LW5B-X6V>.

³⁸ "Hold Harvey Smith Funeral Today," *The Spokesman-Review*, May 16, 1942: 6.

³⁹ He built the Groshoff Apartments in Spokane which are listed as a contributing property in the National Register-listed Peaceful Valley Historic District.

Building and the County Courthouse. After opening his own contracting business, he built the Armory, Sacred Heart Hospital, Our Lady of Lourdes Cathedral, the Colonial and Del Rey buildings, the Hotel Collins, as well as buildings at the Washington State College (now University) and in nearby Oakesdale and Sandpoint, Idaho. He was married to Catherine, and they had two children: George P., Jr., and Lawrence J. He died in 1921.

SROs as a Property Type

According to the MPD, "Single room occupancy hotels were, for many years after the turn of the century, one of the most common building types in Spokane's CBD [Central Business District]."⁴⁰ SROs were typically unreinforced masonry buildings, typically with red or buff bricks, and usually range in height from 3-5 stories. Built to provide affordable housing for a variety of individuals, SROs featured a stairway from street-level at the front of the building to provide direct access to the lodging on the upper stories.

There was typically a small waiting area or a manager's office at the top of the stairs at the second floor. Hallways run the length of an SRO's street-fronting facade and some SROs may have additional or connecting hallways if the building is on a corner lot (like the Hotel Collins) or have lightwells to provide more daylighting. Rooms open into the hallways and there were often transoms above the doors to provide additional ventilation.

Most SROs provided single rooms for lease, but a few had some multiple-room units. They typically did not have private baths, instead there were shared facilities on each floor. Some SROs, like the Hotel Collins, provided sinks with hot and cold running water in each room. The single rooms did not have a kitchen, instead residents would eat at the restaurants within the commercial district within a short walk of the hotel. Furniture was included with the unit, usually a bed and a wardrobe or armoire.

In *Living Downtown: The History of Residential Hotels*, Paul Groth outlines the nuanced history of SROs in contrast to other residential hotels. SROs differed from palace hotels and mid-priced hotels, which catered to the upper and middle classes, respectively, but also from the lodging and boarding houses that were much smaller and often located in someone's home. SROs, often overgeneralized as homes to itinerant workers or single men working blue collar jobs, provided affordable housing for temporary or low-income workers, but also others seeking to live downtown or find freedom not available in shared housing.⁴¹ The Hotel Collins reflects the range of individuals who chose to live in SROs as the occupancy history demonstrates the hotel housed multiple generations, both men

⁴⁰ Holstine, "Single Room Occupancy Hotels in the Central Business District of Spokane, WA, 1900-1910," Section F, Page 18.

⁴¹ Paul Groth, *Living Downtown: The History of Residential Hotels in the United States*. (Berkeley, CA: University of California Press, 1994), 8.

and women, with a variety of occupations.

Conclusion

The Hotel Collins is eligible for listing in the Spokane Register of Historic Places under Category A for its association with early SROs in the Spokane Central Business District and the rapid development of downtown and the surrounding city, as well as the need for increased housing options for the growing workforce. The property operated as an SRO for much of its history.

The Hotel Collins is eligible for listing in the Spokane Register of Historic Places under Category C as a representation of the SRO property type. Designed and built as an SRO, it retains a largely intact upper floor configuration, exterior architectural detailing, fenestration patterns, and intact direct walk-up stairways, and some storefronts. The alterations that have occurred (i.e., infilling upper floor transoms, removal of some original partition walls; adding some doors; changes to ground floor interior spaces; and window and storefront changes) are to be expected on this building type according to the MPD.

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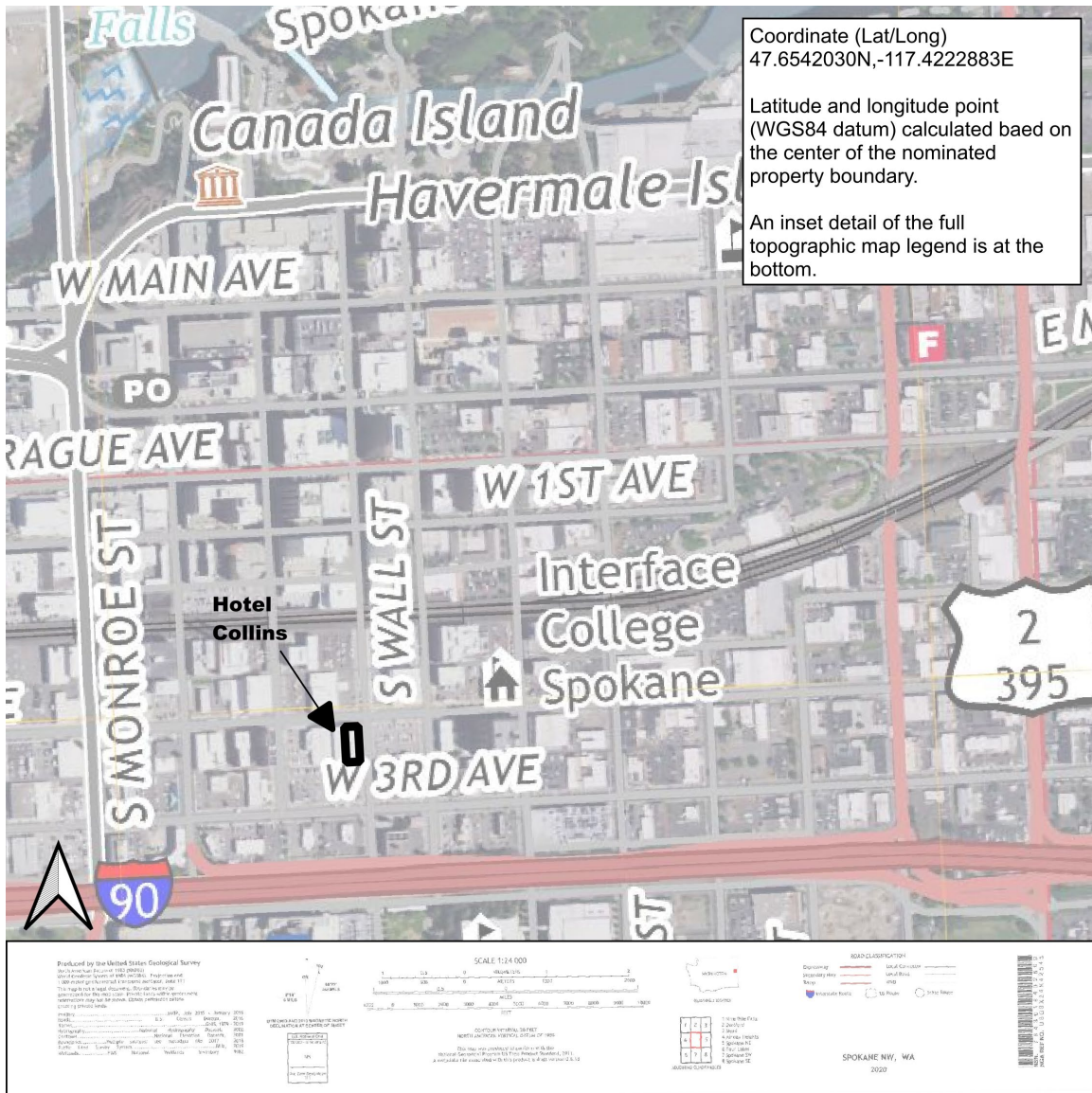


Figure 30. USGS Topographic Map.



Figure 31. Parcel Map



Fig. 33. 1910 Sanborn Fire Insurance Map

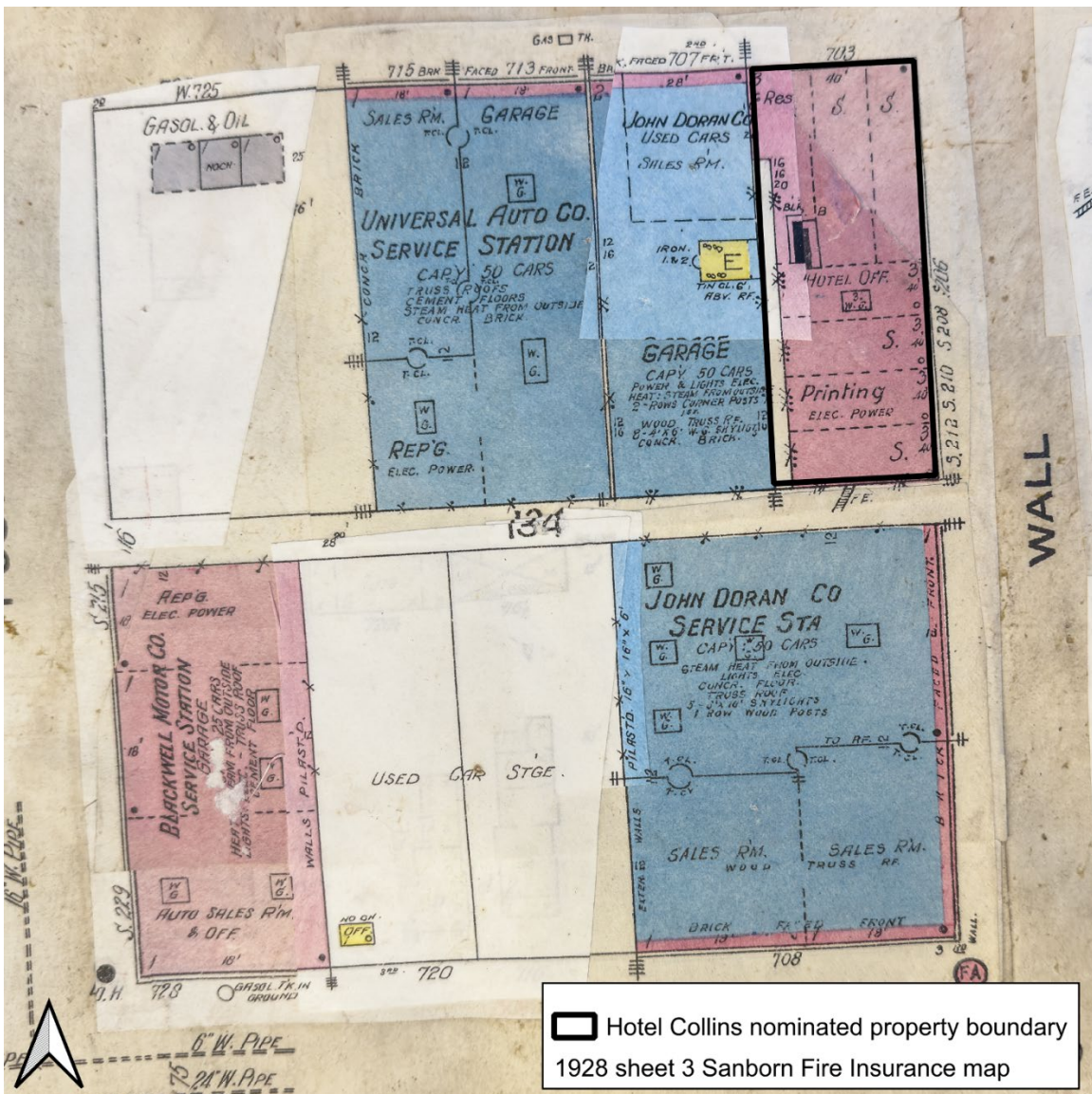


Figure 34. 1928 Sanborn Fire Insurance Map

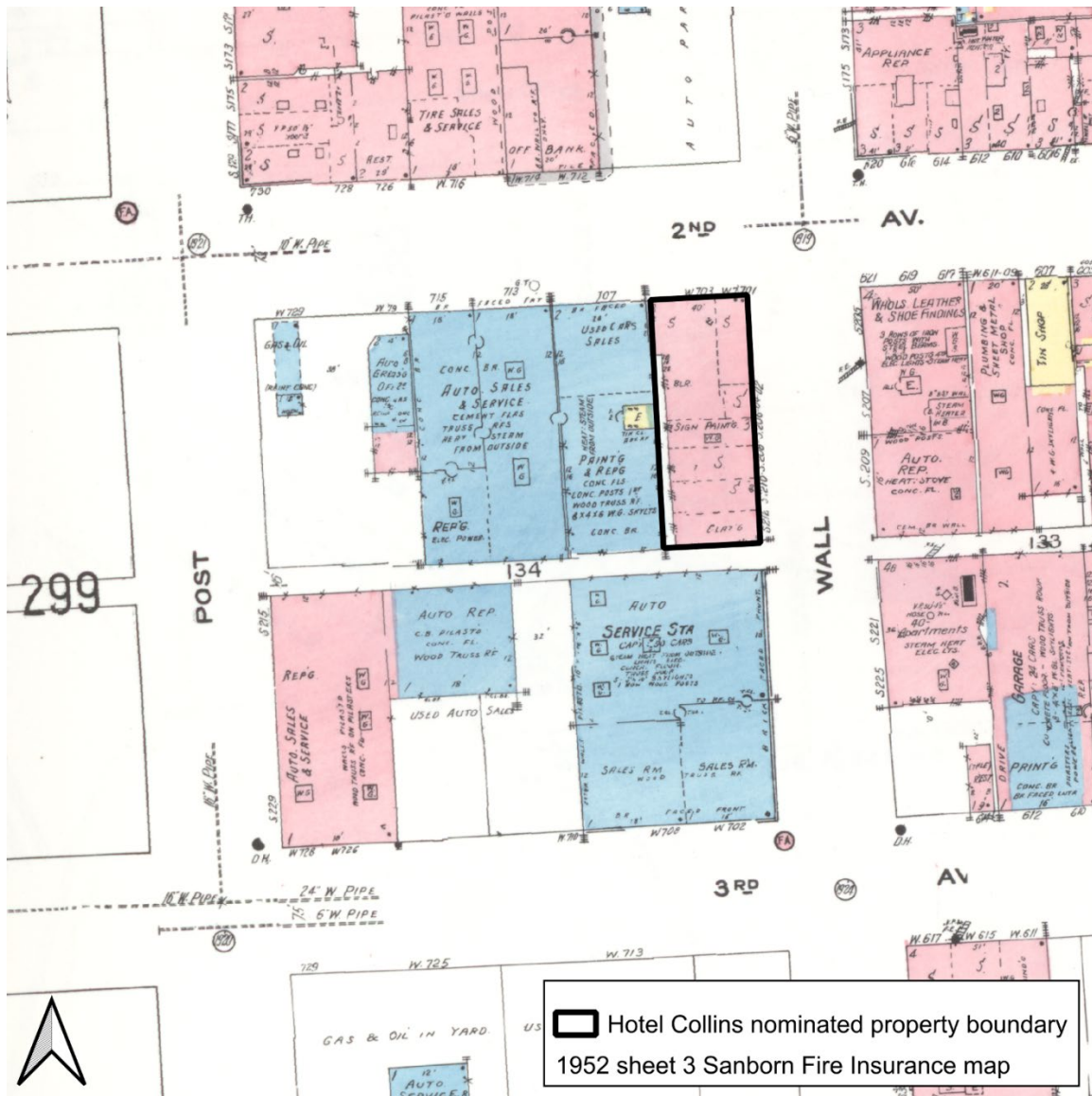


Figure 35. 1952 Sanborn Fire Insurance Map

STATE Washington COUNTY Spokane TOWNSHIP OR OTHER DIVISION OF COUNTY Spokane NAME OF INCORPORATED PLACE Spokane City WARD OF CITY X SUPERVISOR'S DISTRICT NO. 5 ENUMERATION DISTRICT NO. 190 SHEET NO. 1 B

DEPARTMENT OF COMMERCE BUREAU OF THE CENSUS (14-877) FOURTEENTH CENSUS OF THE UNITED STATES: 1920-POPULATION

ENUMERATED BY ME ON THE 2nd DAY OF January 1920 Anna Schellman ENUMERATOR

| PLACE OF BIRTH | SEX | AGE | MARRIAGE | RELATION | NAME | OCCUPATION | NATIVITY AND NATURALIZATION | | EDUCATION | | MOTHER'S NATIVITY | | OCCUPATION |
|----------------|-----|-----|----------|----------|---------------------|------------|-----------------------------|---------------------|-----------------|------------------|-------------------|---------------------|------------|
| | | | | | | | Place of birth | Year of immigration | Years of school | Years of college | Place of birth | Year of immigration | |
| 1649 | M | 30 | | Married | Baranagh, James W. | Farmer | England | 1890 | 8 | 0 | England | 1885 | 29 |
| | F | 28 | | Wife | Baranagh, Mary | Homemaker | England | 1892 | 8 | 0 | England | 1887 | 27 |
| | M | 11 | | Son | Baranagh, John | Farmer | England | 1909 | 11 | 0 | England | 1904 | 16 |
| | F | 16 | | Daughter | Baranagh, Mary E. | Homemaker | England | 1904 | 16 | 0 | England | 1900 | 20 |
| | M | 14 | | Son | Baranagh, William | Farmer | England | 1906 | 14 | 0 | England | 1902 | 18 |
| | F | 13 | | Daughter | Baranagh, Elizabeth | Homemaker | England | 1907 | 13 | 0 | England | 1903 | 17 |
| | M | 12 | | Son | Baranagh, Robert | Farmer | England | 1908 | 12 | 0 | England | 1904 | 16 |
| | F | 11 | | Daughter | Baranagh, Helen | Homemaker | England | 1909 | 11 | 0 | England | 1905 | 15 |
| | M | 10 | | Son | Baranagh, Charles | Farmer | England | 1910 | 10 | 0 | England | 1906 | 14 |
| | F | 9 | | Daughter | Baranagh, Mary | Homemaker | England | 1911 | 9 | 0 | England | 1907 | 13 |
| | M | 8 | | Son | Baranagh, William | Farmer | England | 1912 | 8 | 0 | England | 1908 | 12 |
| | F | 7 | | Daughter | Baranagh, Elizabeth | Homemaker | England | 1913 | 7 | 0 | England | 1909 | 11 |
| | M | 6 | | Son | Baranagh, Robert | Farmer | England | 1914 | 6 | 0 | England | 1910 | 10 |
| | F | 5 | | Daughter | Baranagh, Helen | Homemaker | England | 1915 | 5 | 0 | England | 1911 | 9 |
| | M | 4 | | Son | Baranagh, Charles | Farmer | England | 1916 | 4 | 0 | England | 1912 | 8 |
| | F | 3 | | Daughter | Baranagh, Mary | Homemaker | England | 1917 | 3 | 0 | England | 1913 | 7 |
| | M | 2 | | Son | Baranagh, William | Farmer | England | 1918 | 2 | 0 | England | 1914 | 6 |
| | F | 1 | | Daughter | Baranagh, Elizabeth | Homemaker | England | 1919 | 1 | 0 | England | 1915 | 5 |
| | M | 0 | | Son | Baranagh, Robert | Farmer | England | 1920 | 0 | 0 | England | 1916 | 4 |

Figure 36. 1920 Census enumeration district card. United States of America, Bureau of the Census.

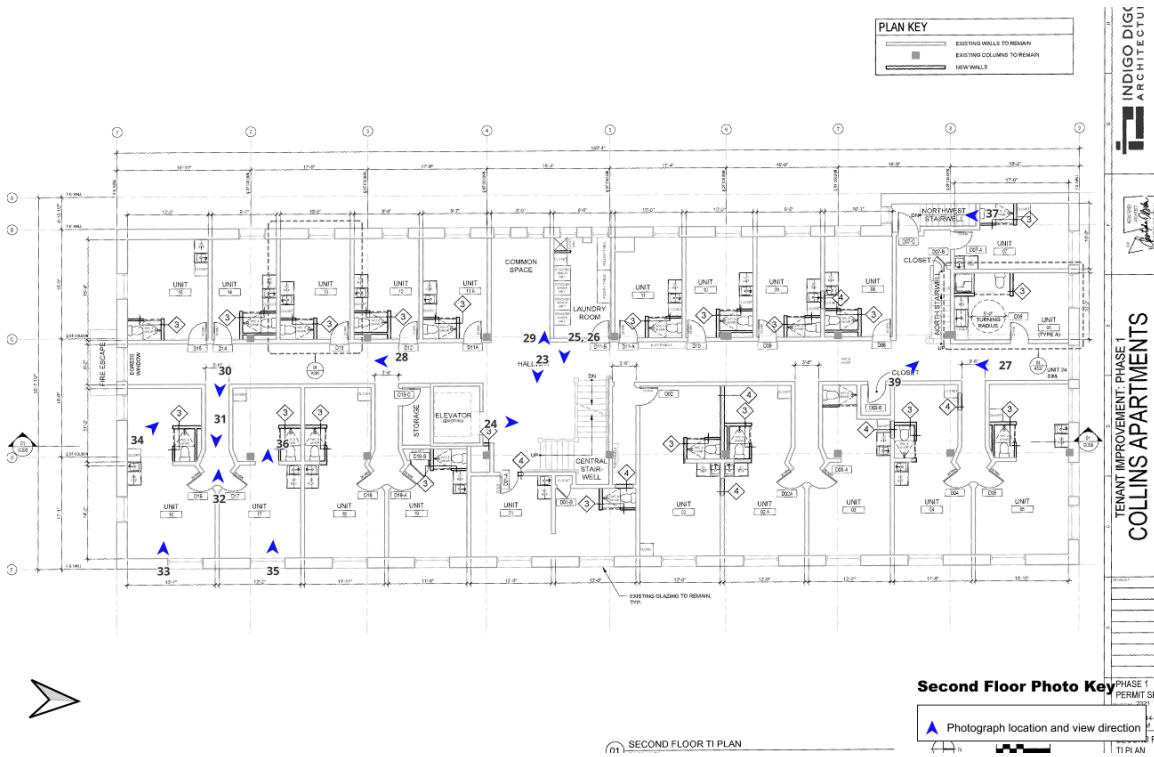
Photographs:

Name of Property: Hotel Collins
City or Vicinity: Spokane
County: Spokane **State:** WA
Photographer: Spencer Howard
Date Photographed: June 24, 2024

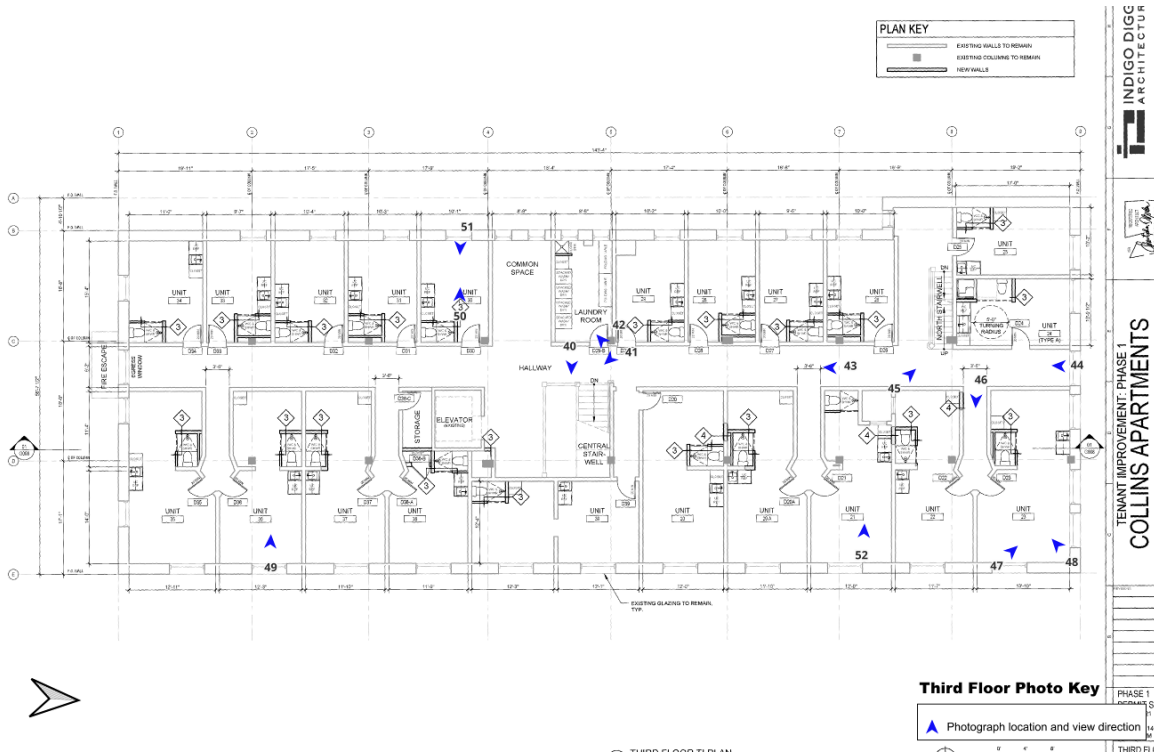
Photograph Keys:



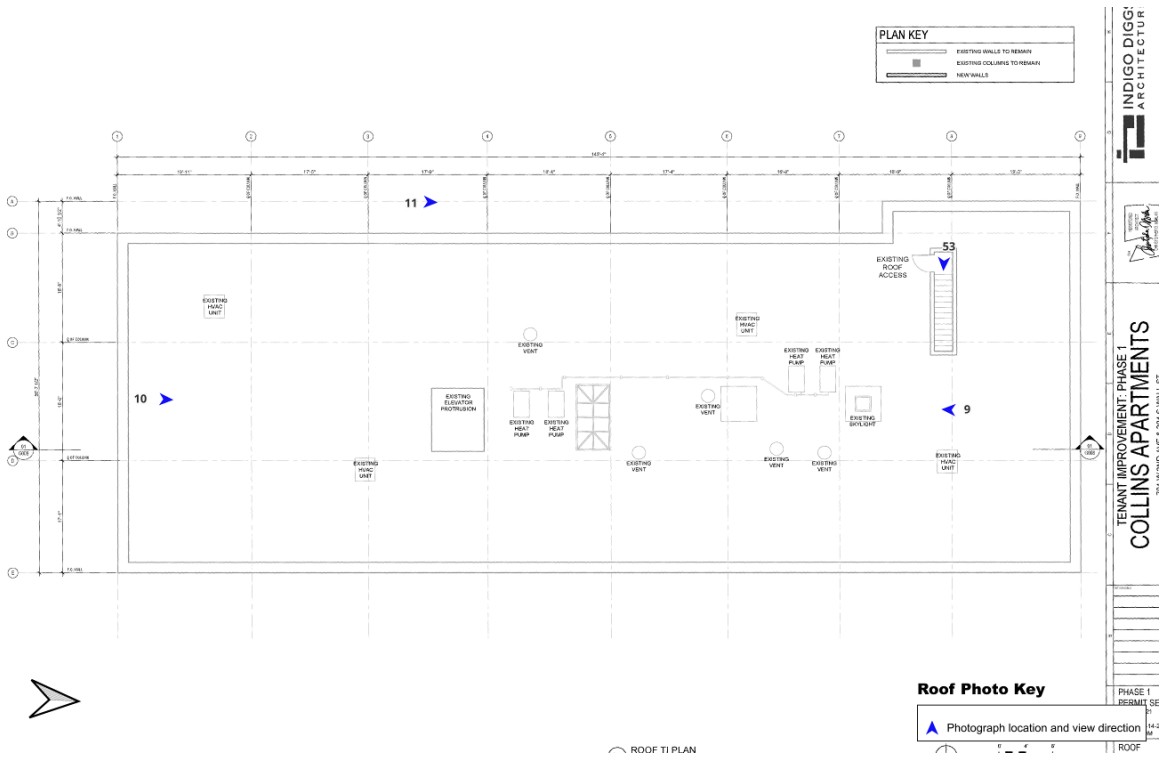
Site Photograph Key



Second Floor Photograph Key



Third Floor Photograph Key



Roof Photograph Key

Description of Photographs and number

Photo 0001. Exterior, front, north facade (West Second Avenue).



Photo 0002. Exterior, northeast corner, intersection of South Wall Street and West Second Avenue.



Photo 0003. Exterior, front east facade, South Wall Street.



Photo 0004. Exterior, southeast corner.



Photo 0005. Exterior, west facade.



Photo 0006. Exterior, storefronts along South Wall Street, looking south.



Photo 0007. Exterior, east facade storefronts, looking south.



Photo 0008. Exterior, 212 South Wall Street entrance.



Photo 0009. Roof, looking south.

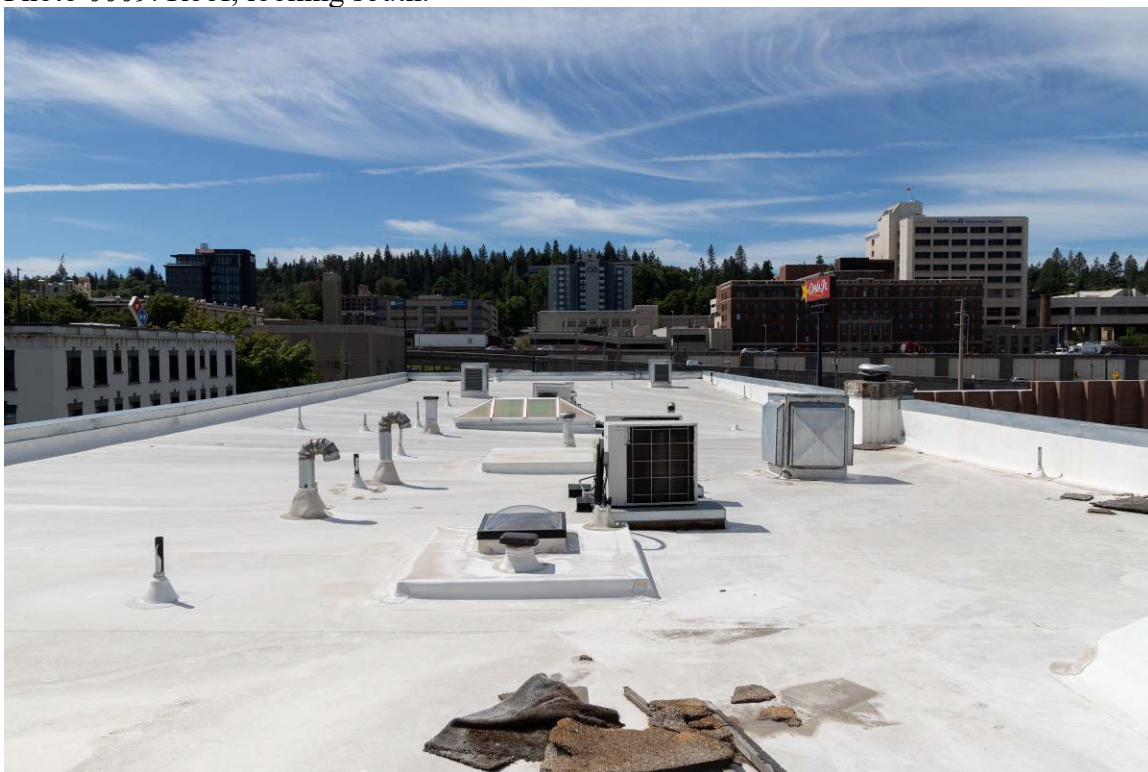


Photo 0010. Roof, looking north.



Photo 0011. Roof, light well, looking north.



Photo 0012. Basement, electrical space, looking northeast, with the areaway space in the background, right of the electrical panels.



Photo 0013. Basement, looking west towards the boiler room doorway.



Photo 0014. Basement, below the 212 South Wall Street commercial space, looking east.



Photo 0015. Basement, looking north.



Photo 0016. Basement, looking south.



Photo 0017. First floor, looking east within the 212 South Wall Street space.



Photo 0018. First floor, looking east within the 210 South Wall Street space.



Photo 0019. First floor, looking north east towards the storefronts.



Photo 0020. First floor, looking south.



Photo 0021. First floor, looking southeast towards the alley entrance (left doorway) and the two bathrooms (right doorways).



Photo 0022. First floor, central stairway, looking up from the 204 South Wall Street entrance.



Photo 0023. Second floor, central stairwell, looking east.

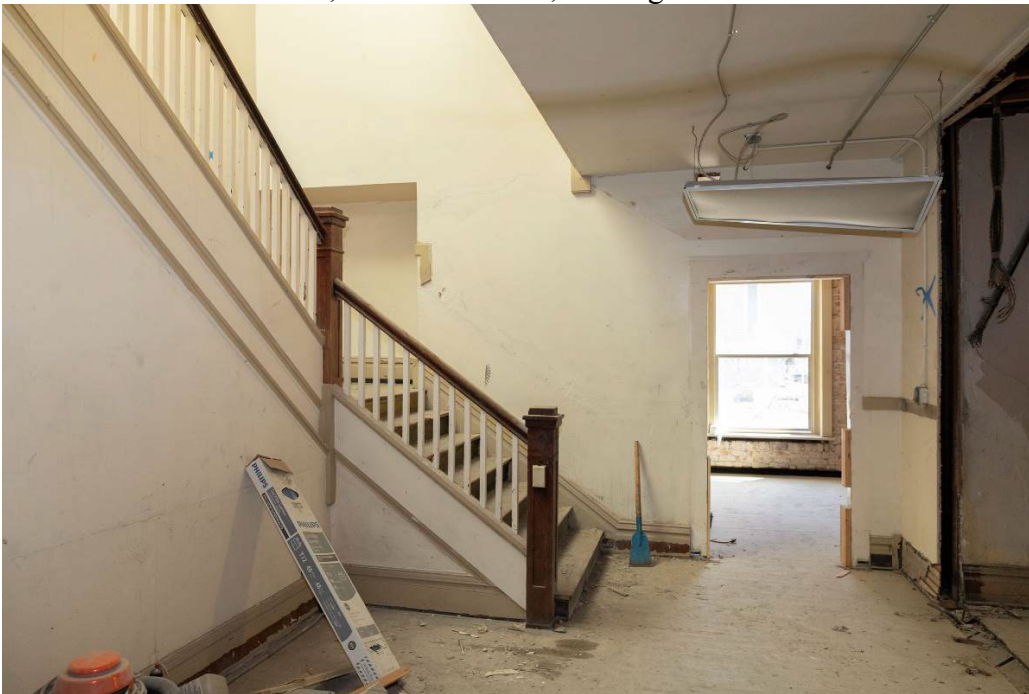


Photo 0024. Second floor, central stairwell, looking north.



Photo 0025. Second floor, central stairwell, looking east.

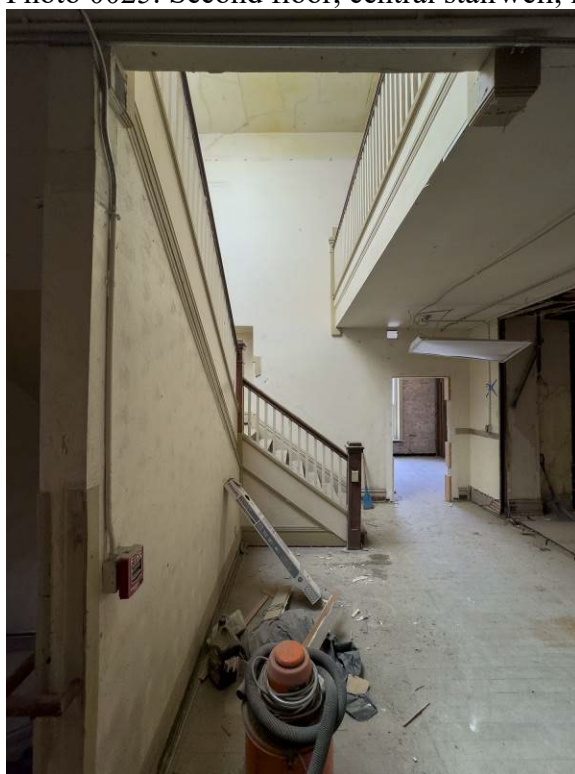


Photo 0026. Second floor, central stairwell, looking east and up.



Photo 0027. Second floor, main hallway, looking south.



Photo 0028. Second floor, main hallway, looking south.



Photo 0029. Second floor, looking west within the former shared restroom and laundry space.



Photo 0030. Second floor, typical branch hallway extending east of the main hallway.



Photo 0031. Second floor, typical branch hallway showing the angled vestibule at the unit doorways, looking east.



Photo 0032. Second floor, typical branch hallway, looking west towards the main hallway.



Photo 0033. Second floor, southeast corner unit, looking west.



Photo 0034. Second floor, southeast corner unit, looking northwest.



Photo 0035. Second floor, east side unit, looking west.

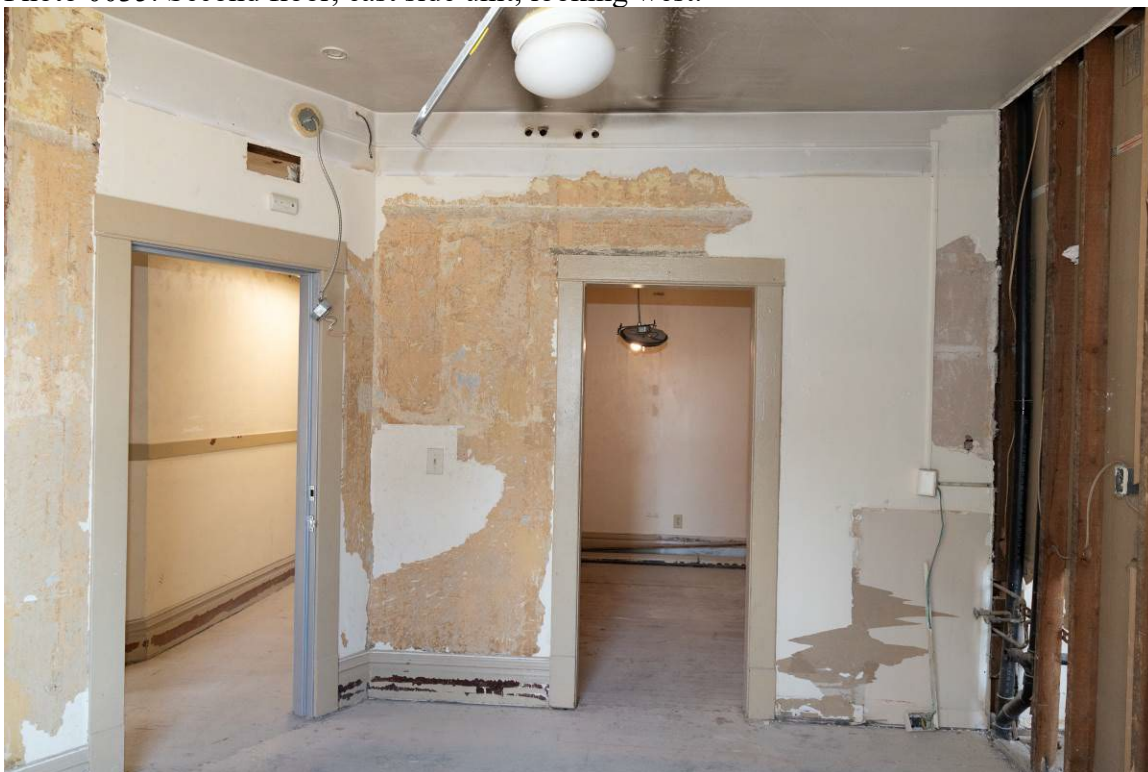


Photo 0036. Second floor, east side unit, looking west.



Photo 0037. Second floor, northwest stairwell, looking up from the intermediate landing.



Photo 0038. Second floor, northwest stairwell, down up from the intermediate landing at the 705-1/2 West Second Avenue entrance.



Photo 0039. Second floor, northwest stairway, looking northwest.



Photo 0040. Third floor, central stairwell, looking east and down.

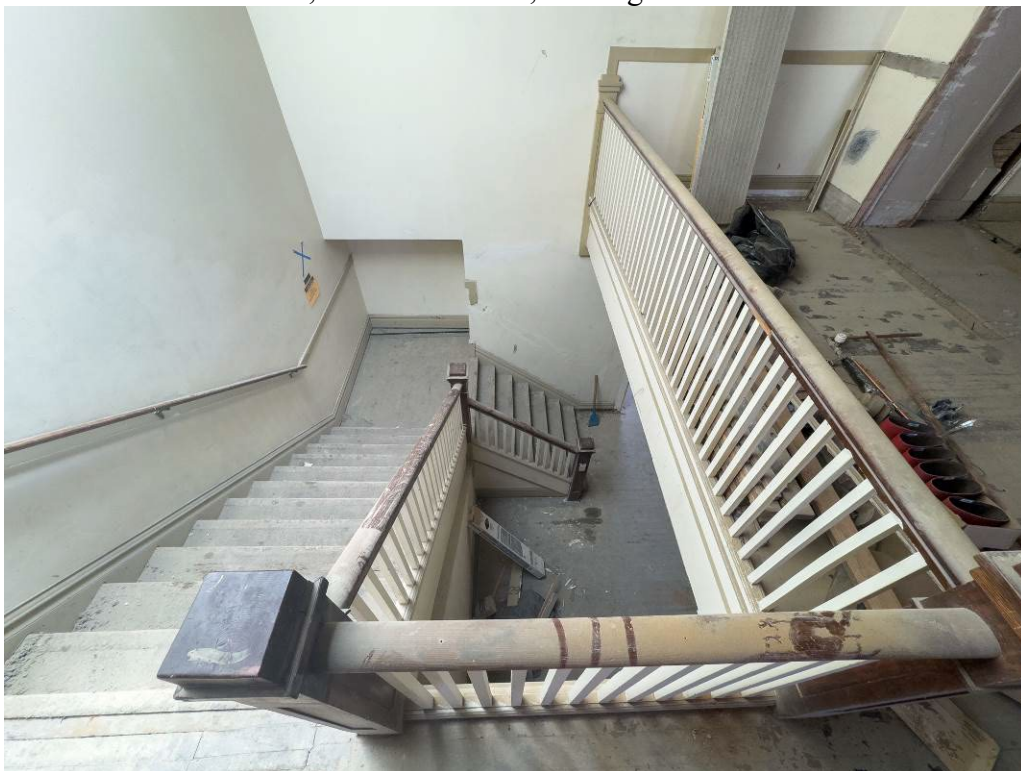


Photo 0041. Third floor, central stairwell, looking southeast.



Photo 0042. Third floor, looking southwest through the former shared bathroom space.



Photo 0043. Third floor, main hallway, looking south.



Photo 0044. Third floor, main hallway, looking south.



Photo 0045. Third floor, northwest stairway, looking northwest.



Photo 0046. Third floor, east branch hallway, looking east.



Photo 0047. Third floor, northeast corner unit, looking northwest.



Photo 0048. Third floor, northeast corner unit, looking southwest.



Photo 0049. Third floor, east unit, looking west.

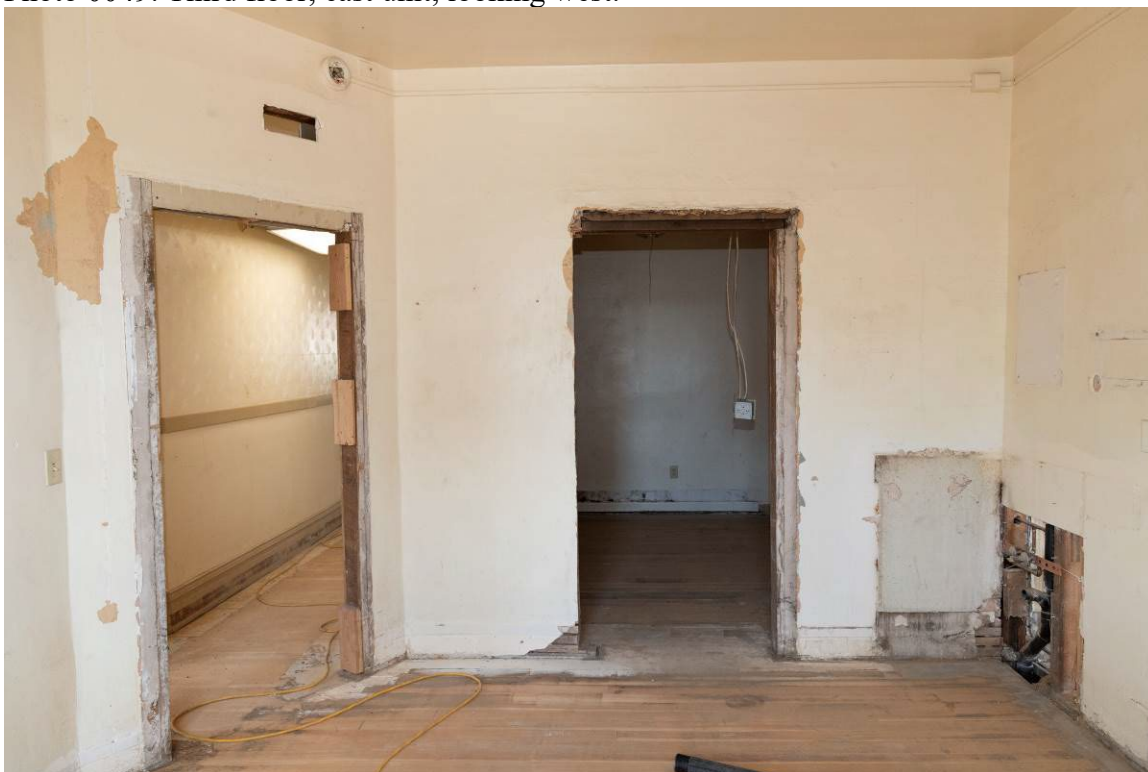


Photo 0050. Third floor, west unit, looking west.



Photo 0051. Third floor, west unit, looking east.

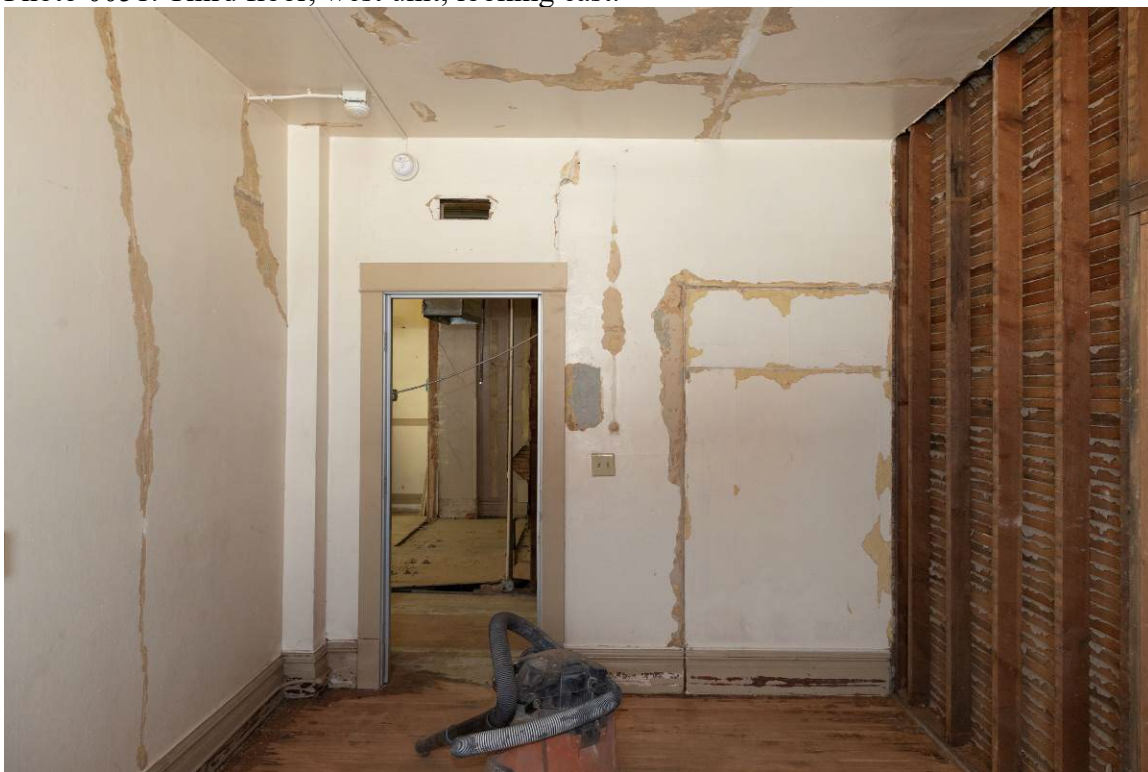


Photo 0052. Third floor east unit, looking west.



Photo 0053. Roof, stairway down to the third floor.



Continuation of Wording, Summary, and Distribution

Agenda Item Name: 0470 – WRIGHT HOUSE & GARAGE NOMINATION TO THE REGIST

Agenda Wording (479 character max)

(house) and 1915 (garage) has been found to meet the criteria set forth for such designation, and a management agreement has been signed by the owner.

Summary (Background) (870 character max)

Fiscal Impact

Budget Account

Select \$ #

Select \$ #

Distribution List

| | |
|--|--|
| | |
| | |
| | |
| | |

Save

Cancel

**Agenda Sheet for City Council:****Committee:** Urban Experience **Date:** 09/09/2024**Committee Agenda type:** Discussion**Date Rec'd**

8/27/2024

Clerk's File #**Cross Ref #****Project #****Council Meeting Date:** 09/23/2024**Submitting Dept**

HISTORIC PRESERVATION

Bid #**Contact Name/Phone**

MEGAN 6543

Requisition #**Contact E-Mail**

MDUVALL@SPOKANECITY.ORG

Agenda Item Type

Contract Item

Council Sponsor(s)

JBINGLE ZZAPPONE KKLITZKE

Agenda Item Name

0470 – WRIGHT HOUSE & GARAGE NOMINATION TO THE REGISTER OF

Agenda Wording

The Spokane Historic Landmarks Commission reviews properties for listing on the Spokane Register of Historic Places to ensure that they meet the criteria set out in SMC 17D.100. The Wright House & Garage at 507 W 14th Avenue was constructed in 1913

Summary (Background)

The Spokane Historic Landmarks Commission reviews properties for listing on the Spokane Register of Historic Places to ensure that they meet the criteria set out in SMC 17D.100. The Fred and Winifred Wright House & Garage at 507 W 14th Avenue was constructed in 1913 (house) and 1915 (garage) and has been found to meet the criteria set forth for such designation, and a management agreement has been signed by the owner.

Lease? NO

Grant related? NO

Public Works? NO

Fiscal Impact

Approved in Current Year Budget? N/A

Total Cost

\$

Current Year Cost

\$

Subsequent Year(s) Cost

\$

Narrative**Amount****Budget Account**

Select

\$

#

Select

\$

#

Select

\$

#

Select

\$

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\$

#

Committee Agenda Sheet

Urban Experience Committee

| | |
|---|---|
| Committee Date | 9/9/2024 |
| Submitting Department | Historic Preservation |
| Contact Name | Megan Duvall |
| Contact Email & Phone | mduvall@spokanecity.org |
| Council Sponsor(s) | CM Zappone; CM Klitzke; CM Bingle |
| Select Agenda Item Type | <input type="checkbox"/> Consent <input checked="" type="checkbox"/> Discussion Time Requested: 5 min |
| Agenda Item Name | 0470 – FRED AND WINIFRED WRIGHT HOUSE & GARAGE NOMINATION TO THE REGISTER OF HISTORIC PLACES |
| Proposed Council Action | <input checked="" type="checkbox"/> Approval to proceed to Legislative Agenda <input type="checkbox"/> Information Only |
| Summary (Background) *use the Fiscal Impact box below for relevant financial information | <p>The Spokane Historic Landmarks Commission reviews properties for listing on the Spokane Register of Historic Places to ensure that they meet the criteria set out in SMC 17D.100.</p> <p>The Fred and Winifred Wright House & Garage at 507 W 14th Avenue was constructed in 1913 (house) and 1915 (garage) and has been found to meet the criteria set forth for such designation, and a management agreement has been signed by the owner.</p> |
| <p>Fiscal Impact</p> <p>Approved in current year budget? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A</p> <p>Total Cost: <u>0</u></p> <p>Current year cost:</p> <p>Subsequent year(s) cost:</p> <p>Narrative: <u>Property listing on the Spokane Register of Historic Places does not have a direct impact on City revenues or expenses.</u></p> <p>Funding Source <input type="checkbox"/> One-time <input type="checkbox"/> Recurring <input checked="" type="checkbox"/> N/A</p> <p>Specify funding source: Select Funding Source*</p> <p>Is this funding source sustainable for future years, months, etc? N/A</p> <p>Expense Occurrence <input type="checkbox"/> One-time <input type="checkbox"/> Recurring <input checked="" type="checkbox"/> N/A</p> <p>Other budget impacts: (revenue generating, match requirements, etc.)</p> <p>Properties listed on the Spokane Register are subject to design review in the future which does generate revenue through small fees. Tax incentives are available to listed properties and also can generate future revenue.</p> | |
| Operations Impacts (If N/A, please give a brief description as to why) | |
| <p>What impacts would the proposal have on historically excluded communities?</p> <p>This contract would have no meaningful impact on historically excluded communities.</p> | |
| <p>How will data be collected, analyzed, and reported concerning the effect of the program/policy by racial, ethnic, gender identity, national origin, income level, disability, sexual orientation, or other existing disparities?</p> <p>That specific data is not something that is collected by the Historic Preservation Department.</p> | |

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

The Historic Preservation Office's primary responsibility is to protect historic properties and neighborhoods in Spokane. The more properties that are listed on the Spokane Register, the more ability we have to offer incentives that help keep those properties viable and in use. As we list additional properties, we increase our ability to protect Spokane's historic resources.

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

SMC 04.35.010 Spokane Historic Landmarks Commission Findings and Purpose:

The City and Spokane County find that the establishment of a landmarks commission with specific duties to recognize, protect, enhance and preserve those buildings, districts, objects, sites and structures which serve as visible reminders of the historical, archaeological, architectural, educational and cultural heritage of the City and County is a public necessity.

Comprehensive Plan Goals

DP 1.1: Landmark Structures, Buildings, and Sites

Recognize and preserve unique or outstanding landmark structures, buildings, and sites.

DP 3.3: Identification and Protection of Resources

Identify historic resources to guide decision making in planning.

DP 3.11: Rehabilitation of Historic Properties

Assist and cooperate with owners of historic properties to identify, recognize, and plan for the use of their property to ensure compatibility with preservation objectives.

N 2.4: Neighborhood Improvement

Encourage revitalization and improvement programs to conserve and upgrade existing properties and buildings.

Findings of Fact and Decision for Council Review to the Nomination to the Spokane Register of Historic Places Fred & Winifred Wright House & Garage – 507 W 14th Avenue

FINDINGS OF FACT

1. **SMC 17D.100.090: "Generally a building, structure, object, site, or district which is more than fifty years old may be designated an historic landmark or historic district if it has significant character, interest, or value as part of the development, heritage, or cultural characteristics of the city, county, state, or nation."**
 - Originally built in 1913; the Fred & Winifred Wright House and Garage meet the age criteria for listing on the Spokane Register of Historic Places.

2. **SMC 17D.100.090: The property must qualify under one or more categories for the Spokane Register (A, B, C, D, E).**
 - The Wright House & Garage are significant under Category C, Architecture as a good example of a Craftsman style bungalow. The home has a low-pitched hip roof, widely overhanging unenclosed roof eaves, exposed eave rafters, a front-facing cross-gable with decorative braces, and a center front entrance. The dwelling is clad with wood shingles, and is illuminated with original wood-sash multi-paned windows.
 - The home retains its original 1913 interior design with an open and spacious living room/dining room area, four bedrooms, oak hardwood floors, and woodwork made of smooth-grained gumwood aged to a deep honey-colored hue.
 - A single-car garage was built in 1915 behind the house in the southwest rear corner of the property, and compliments the house with its original Craftsman design and materials, low-pitched hip roof, widely overhanging eaves, exposed rafters, and original narrow-width horizontal painted wood clapboard siding.
 - The first initial homeowners and couple responsible for building the Wright House & Garage were Fred & Winifred Wright. A registered Spokane patent attorney, Fred Wright purchased residential Lot 2 on Block 4 in Spokane's South Side Cable Addition at 507 West 14th Avenue in 1909. He then hired Spokane home builder, F. E. Martin, to construct a single-family home. Construction of the house was completed in 1913 for \$3000, and was home to the Wright family for more than 7 years.
 - In 1913, the Wright House was designed and built in the Craftsman style as a one-and-one-half-story bungalow with a low-pitched hip roof, widely overhanging unenclosed roof eaves, exposed rafter tails, and a partial-width single-story covered front porch. Alterations were made to the house as stated on City of Spokane Department of Public Works building permit #92526, September 14, 1948, which described proposed work to "change porch (make smaller)." The front porch was entirely removed and replaced by a small pediment, which was built in the center of the house over the front door. In addition to removal of the front porch in 1948, the home's roof eaves were shortened, and the original exterior narrow-width horizontal wood clapboard cladding was covered with large square coursed-wood shingles. In 2023-24, a restoration of the home's original Craftsman-style roof design with widely overhanging unenclosed roof eaves and exposed roof rafters was undertaken and completed.

3. **SMC17D.100.090: "The property must also possess integrity of location, design, materials, workmanship, and association." From NPS Bulletin 15: "Integrity is the ability of a property to convey its significance...it is not necessary for a property to retain all its historic physical features...the property must retain, however, the essential physical features that enable it to convey its historic identity."**
 - Well-preserved with a high degree of integrity in original location, design, materials, workmanship, and association, the Wright House & Garage are eligible for listing on the Spokane Register of Historic Places.

4. **Once listed, this property will be eligible to apply for incentives, including:**
 - Special Valuation (property tax abatement), Façade Improvement Grants, Spokane Register historic property plaque, and special code considerations.

RECOMMENDATION

The Spokane Historic Landmarks Commission found the **Fred & Winifred Wright House and Garage** eligible for listing on the Spokane Register under **Category C – Architecture** as good examples of the **Craftsman Bungalow style** at a public hearing on 8/21/24.

After Recording Return to:
City of Spokane Clerk
808 W Spokane Falls Blvd
Spokane, WA 99201

NOTICE OF MANAGEMENT AGREEMENT

NOTICE IS HEREBY GIVEN that the property legally described as:

SOUTH SIDE CABLE L2 B4

Parcel Number(s) **35301.0402**, is governed by a Management Agreement between the City of Spokane and the Owner(s), **Donna Punahaole**, of the subject property.

The Management Agreement is intended to constitute a covenant that runs with the land and is entered into pursuant to Spokane Municipal Code Chapter 6.05. The Management Agreement requires the Owner of the property to abide by the "Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings" (36 CFR Part 67) and other standards promulgated by the Historic Landmarks Commission.

Said Management Agreement was approved by the Spokane City Council on September 23, 2024. I certify that the original Management Agreement is on file in the Office of the City Clerk under File No. _____.

I certify that the above is true and correct.

Spokane City Clerk

Historic Preservation Officer



Dated: _____

Dated: 8/21/2024

MANAGEMENT AGREEMENT

The Management Agreement is entered into this **21** day of **August 2024**, by and between the City of Spokane (hereinafter “City”), acting through its Historic Landmarks Commission (“Commission”), and **Donna Punihaole** (hereinafter “Owner”), the owner of the property located at **507 West 14th Avenue** commonly known as the **Fred & Winifred Wright House & Garage** in the City of Spokane.

WHEREAS, the City of Spokane has enacted Chapter 4.35 of the Spokane Municipal Code (SMC) and Spokane has enacted Chapter 1.48 of the Spokane County Code (SCC), both regarding the establishment of the Historic Landmarks Commission with specific duties to recognize, protect, enhance and preserve those buildings, districts, objects, sites and structures which serve as visible reminders of the historical, archaeological, architectural, educational and cultural heritage of the city and county is a public necessity and.

WHEREAS, both Ch. 17D.100 SMC and Ch. 1.48 SCC provide that the City/County Historic Landmarks Commission (hereinafter “Commission”) is responsible for the stewardship of historic and architecturally significant properties in the City of Spokane and Spokane County; and

WHEREAS, the City has authority to contract with property owners to assure that any owner who directly benefits by action taken pursuant to City ordinance will bind her/his benefited property to mutually agreeable management standards assuring the property will retain those characteristics which make it architecturally or historically significant;

NOW THEREFORE, -- the City and the Owner(s), for mutual consideration hereby agree to the following covenants and conditions:

1. CONSIDERATION. The City agrees to designate the Owner’s property an Historic Landmark on the Spokane Register of Historic Places, with all the rights, duties, and privileges attendant thereto. In return, the Owner(s) agrees to abide by the below referenced Management Standards for his/her property.

2. COVENANT. This Agreement shall be filed as a public record. The parties intend this Agreement to constitute a covenant that runs with the land, and that the land is bound by this Agreement. Owner intends his/her successors and assigns to be bound by this instrument. This covenant benefits and burdens the property of both parties.

3. ALTERATION OR EXTINGUISHMENT. The covenant and servitude and all attendant rights and obligations created by this Agreement may be altered or extinguished by mutual agreement of the parties or their successors or assigns. In the event Owner(s) fails to comply with the Management Standards or any City ordinances governing historic landmarks, the Commission may revoke, after notice and an opportunity for a hearing, this Agreement.

4. PROMISE OF OWNERS. The Owner(s) agrees to and promises to fulfill the following Management Standards for his/her property which is the subject of the Agreement. Owner intends to bind his/her land and all successors and assigns. The Management Standards are: "THE SECRETARY OF THE INTERIOR'S STANDARDS FOR REHABILITATION AND GUIDELINES FOR REHABILITATING HISTORIC BUILDINGS (36 CFR Part 67)." Compliance with the Management Standards shall be monitored by the Historic Landmarks Commission.

5. HISTORIC LANDMARKS COMMISSION. The Owner(s) must first obtain from the Commission a "Certificate of Appropriateness" for any action which would affect any of the following:

- (A) demolition;
- (B) relocation;
- (C) change in use;
- (D) any work that affects the exterior appearance of the historic landmark; or
- (E) any work affecting items described in Exhibit A.

6. In the case of an application for a "Certificate of Appropriateness" for the demolition of a landmark, the Owner(s) agrees to the provisions as set forth in SMC 17D100.220.

This Agreement is entered into the year and date first above written.

Owner

Owner

CITY OF SPOKANE

HISTORIC PRESERVATION OFFICER

CITY OF SPOKANE

Megan M.K. Duvall

City Administrator

ATTEST:

City Clerk

Approved as to form:

Assistant City Attorney

STATE OF _____)
) ss.
County of _____)

On this _____ day of _____, 2024, before me, the undersigned, a Notary Public in and for the State of _____, personally appeared _____, to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that _____ (he/she/they) signed the same as _____ (his/her/their) free and voluntary act and deed, for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this _____ day of _____, 2024.

Notary Public in and for the State
of _____, residing at _____
My commission expires _____

STATE OF WASHINGTON)
) ss.
County of Spokane)

On this _____ day of _____, 2024, before me, the undersigned, a Notary Public in and for the State of Washington, personally appeared _____, CITY ADMINISTRATOR and TERRI L. PFISTER, to me known to be the City Administrator and the City Clerk, respectively, of the CITY OF SPOKANE, the municipal corporation that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said municipal corporation, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute said instrument and that the seal affixed is the corporate seal of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this _____ day of _____, 2024.

Notary Public in and for the State
of Washington, residing at Spokane
My commission expires _____

Attachment A

The Wright Garage is an included historic resource in this nomination and is subject to all tenants of this agreement.

Secretary of The Interior's Standards

- 1.** A property shall be used for its historic purpose or be placed in a new use that requires minimal change to the defining characteristics of the building and its site and environment.
- 2.** The historic character of a property shall be retained and preserved. The removal of historic materials or alteration of features and spaces that characterize a property shall be avoided.
- 3.** Each property shall be recognized as a physical record of its time, place, and use. Changes that create a false sense of historical development, such as adding conjectural features or architectural elements from other buildings, shall not be undertaken.
- 4.** Most properties change over time; those changes that have acquired historic significance in their own right shall be retained and preserved.
- 5.** Distinctive features, finishes, and construction techniques or examples of craftsmanship that characterize a historic property shall be preserved.
- 6.** Deteriorated historic features shall be repaired rather than replaced. Where the severity of deterioration requires replacement of a distinctive feature, the new feature shall match the old in design, color, texture, and other visual qualities and, where possible, materials. Replacement of missing features shall be substantiated by documentary, physical, or pictorial evidence.
- 7.** Chemical or physical treatments, such as sandblasting, that cause damage to historic materials shall not be used. The surface cleaning of structures, if appropriate, shall be undertaken using the gentlest means possible.
- 8.** Significant archeological resources affected by a project shall be protected and preserved. If such resources must be disturbed, mitigation measures shall be undertaken.
- 9.** New additions, exterior alterations, or related new construction shall not destroy historic materials that characterize the property. The new work shall be differentiated from the old and shall be compatible with the massing, size, scale, and architectural features to protect the historic integrity of the property and its environment.
- 10.** New additions and adjacent or related new construction shall be undertaken in such a manner that if removed in the future, the essential form and integrity of the historic property and its environment would be unimpaired.

Spokane Register of Historic Places Nomination

*Spokane City/County Historic Preservation Office, City Hall, 3rd Floor
808 W. Spokane Falls Boulevard, Spokane, WA 99201*

1. HISTORIC NAME

Historic Name **FRED & WINIFRED WRIGHT HOUSE &
GARAGE**

Common Name

2. LOCATION

Street & Number 507 West 14th Avenue
City, State, Zip Code Spokane, WA 99204
Parcel Number 35301.0402

3. CLASSIFICATION

| Category | Ownership | Status | Present Use | |
|--|---|---|--|---|
| <input checked="" type="checkbox"/> building | <input type="checkbox"/> public | <input checked="" type="checkbox"/> occupied | <input type="checkbox"/> agricultural | <input type="checkbox"/> museum |
| <input type="checkbox"/> site | <input checked="" type="checkbox"/> private | <input type="checkbox"/> work in progress | <input type="checkbox"/> commercial | <input type="checkbox"/> park |
| <input type="checkbox"/> structure | <input type="checkbox"/> both | | <input type="checkbox"/> educational | <input type="checkbox"/> religious |
| <input type="checkbox"/> object | Public Acquisition | Accessible | <input type="checkbox"/> entertainment | <input checked="" type="checkbox"/> residential |
| Site | <input type="checkbox"/> in process | <input checked="" type="checkbox"/> yes, restricted | <input type="checkbox"/> government | <input type="checkbox"/> scientific |
| <input checked="" type="checkbox"/> original | <input type="checkbox"/> being considered | <input type="checkbox"/> yes, unrestricted | <input type="checkbox"/> industrial | <input type="checkbox"/> transportation |
| <input type="checkbox"/> moved | | <input type="checkbox"/> no | <input type="checkbox"/> military | <input type="checkbox"/> other |

4. OWNER OF PROPERTY

Name Donna Punihaole
Street & Number 507 West 14th Avenue
City, State, Zip Code Spokane, WA 99204
Telephone Number/E-mail 509-279-5650, donnapunihaole@yahoo.com

5. LOCATION OF LEGAL DESCRIPTION

Courthouse, Registry of Deeds Spokane County Courthouse
Street Number 1116 West Broadway
City, State, Zip Code Spokane, WA 99201
County Spokane

6. REPRESENTATION OF EXISTING SURVEYS

Title City of Spokane Historic Landmarks Survey
Date Federal ___ State ___ County ___ Local ___
Location of Survey Records Spokane Historic Preservation Office

**Spokane City/County Register of Historic Places Nomination
FRED & WINIFRED WRIGHT HOUSE & GARAGE**

7. DESCRIPTION

(continuation sheets attached)

Architectural Classification

Condition

excellent

good

fair

deteriorated

ruins

unexposed

Check One

unaltered

altered

Check One

original site

moved & date

8. SPOKANE REGISTER CATEGORIES & STATEMENT OF SIGNIFICANCE

(continuation sheets attached)

Applicable Spokane Register of Historic Places Categories: Mark "x" on one or more for the categories that qualify the property for the Spokane Register listing:

- A Property is associated with events that have made a significant contribution to the broad patterns of Spokane history.
- B Property is associated with the lives of persons significant in our past.
- C Property embodies the distinctive characteristics of a type, period, or method or construction, or represents the work of a master, or possesses high artistic values, or represents a significant and distinguishable entity whose components lack individual distinction.
- D Property has yielded, or is likely to yield, information important in prehistory history.
- E Property represents the culture and heritage of the city of Spokane in ways not adequately addressed in the other criteria, as in its visual prominence, reference to intangible heritage, or any range of cultural practices.

9. MAJOR BIBLIOGRAPHICAL REFERENCES

Bibliography is found on one or more continuation sheets.

10. DIGITAL PHOTOS, MAPS, SITE PLANS, ARTICLES, ETC.

Items are found on one or more continuation sheets.

11. GEOGRAPHICAL DATA

| | |
|-------------------------------|--|
| Acreage of Property | Less than one acre. |
| Verbal Boundary Description | South Side Cable Addition, Block 4, Lot 2. |
| Verbal Boundary Justification | Nominated property includes entire parcel and urban legal description. |

12. FORM PREPARED BY

| | |
|-------------------------------|--|
| Name and Title | Linda Yeomans, Consultant |
| Organization | Historic Preservation Planning & Design |
| Street, City, State, Zip Code | 501 West 27 th Avenue, Spokane, WA 99203 |
| Telephone Number | 509-456-3828 |
| Email Address | lindayeomans@comcast.net |
| Date Final Nomination Heard | August 21, 2024 |

Spokane City/County Register of Historic Places Nomination
FRED & WINIFRED WRIGHT HOUSE & GARAGE

13. SIGNATURE(S) OF OWNER(S)

14. FOR OFFICIAL USE ONLY

Date nomination application filed: 7/10/2024

Date of Landmarks Commission Hearing: 8/21/2024

Landmarks Commission decision: Approved

Date of City Council/Board of County Commissioners' hearing: 9/23/2024

City Council/Board of County Commissioners' decision: _____

I hereby certify that this property has been listed in the Spokane Register of Historic Places based upon the action of either the City Council or the Board of County Commissioners as set forth above.



8/21/2024

Megan Duvall

Date

City/County Historic Preservation Officer

City/County Historic Preservation Office

Third Floor—City Hall

808 W. Spokane Falls Blvd.

Spokane, WA 99201

Attest:

Approved as to form:

City Clerk

Assistant City Attorney

Spokane City/County Register of Historic Places Nomination
FRED & WINIFRED WRIGHT HOUSE & GARAGE



A 2024 photograph of the Wright House, north facade

SECTION 7: DESCRIPTION OF PROPERTY

Summary Statement

Located in the South Side Cable Addition, a historic residential neighborhood on Spokane, Washington's South Hill, the Wright House was built in 1913 as a one-and-one-half-story Craftsman-style bungalow. The home has a low-pitched hip roof, widely overhanging unenclosed roof eaves, exposed eave rafters, a front-facing cross-gable with decorative braces, and a center front entrance. The dwelling is clad with wood shingles, and is illuminated with original wood-sash multi-paned windows. The home retains its original 1913 interior design with an open and spacious living room/dining room area, four bedrooms, oak hardwood floors, and woodwork made of smooth-grained gumwood aged to a deep honey-colored hue. A single-car garage was built in 1915 behind the house in the southwest rear corner of the property, and compliments the house with its original Craftsman design and materials, low-pitched hip roof, widely overhanging eaves, exposed rafters, and original narrow-width horizontal painted wood clapboard siding. Well-preserved with a high degree of integrity in original location, design, materials, workmanship, and association, the Wright House & Garage are eligible for listing on the Spokane Register of Historic Places.

CURRENT APPEARANCE & CONDITION

Site

The Wright House & Garage were constructed on Lot 2, Block 4 in Spokane's South Side Cable Addition. Lot 2 is 50 feet wide from east to west, and 141 feet deep from north to south. The home's facade faces north to West 14th Avenue. The 1913-built house is

Spokane City/County Register of Historic Places Nomination
FRED & WINIFRED WRIGHT HOUSE & GARAGE

located in the center of the lot while the original 1915-erected garage is located behind the house in the rear southwest corner of the lot. The property is framed by manicured lawn, shrubs, and mature evergreen and deciduous trees. Homes in the South Side Cable Addition were built from 1908 to the late 1960s, and comprise a cohesive residential neighborhood with single-family dwellings that embody a variety of styles, including Tudor Revival, Colonial Revival, Prairie, Craftsman, Spanish Eclectic, and a few Minimal Traditional examples. The neighborhood is roughly bounded by South Wall Street to the west, South Division Street to the east, West 14th Avenue to the north, and West 18th Avenue to the south. The South Side Cable Addition is sited between two historic public parks that were developed in the early 1900s—Cannon Hill Park (design completed by the Olmsted Brothers Landscape Architectural firm) and Manito Park (design influenced by the Olmsted Brothers).

Wright House Exterior—Built in 1913

The Wright House measures 28 feet wide from east to west, and 42 feet deep from north to south. The residence is covered by a low-pitched hip roof with composition roof shingles and widely overhanging, unenclosed exposed roof eaves. A front-facing roof gable constructed along the north-facing slope of the hip roof is located at the east half of the home's north façade. It is clad with painted vertical boards in the gable peak. A front entrance is located in the center of the home's north façade. A small gabled pediment is centered over the front door. A concrete porch with four steps descends to a concrete brick walkway, which leads north to a concrete-paved city sidewalk. Black wrought-iron hand railings are secured to both sides of the concrete porch and steps. West of the center front porch on the north façade of the house is a box bay. From the front of the house, the box bay protrudes outward 12 inches, and measures 8 feet wide. An original large multi-paned tripartite window is located in the bay. All four exterior walls of the house are clad with painted vertical-coursed wood shingles. An original basalt rock basement foundation wall supports the house. The one-story home is illuminated with a variety of original picture, casement, and double-hung multi-paned wood-sash windows.

North Façade

The north façade of the house features a center front door and pediment, a front-facing single-story roof gable east of the front door, wood shingle siding, and a low-pitched, widely overhanging unenclosed hip roof with exposed wood eave rafters. A large multi-paned tripartite window is located in a projecting box bay west of the center front entrance. The tripartite window features a large center fixed pane with a multi-paned transom light. The window's single center pane is flanked by two matching 9/1 double-hung, multi-paned wood-sash windows. East of the door is a single 21/1 double-hung wood-sash window. All windows in the door and on the home's north façade are original 1913 units, and are in excellent well-preserved condition.

East Elevation

The east elevation of the house features a single story supported by a basalt foundation. The first-floor at the east elevation is clad with painted-wood coursed shingles. One original 21/1 double-hung wood-sash window is located next to the south end of the east

**Spokane City/County Register of Historic Places Nomination
FRED & WINIFRED WRIGHT HOUSE & GARAGE**

elevation. A similar 18/1 double-hung wood-sash window is located at the north end of the east elevation, and an 18/1 double-hung wood-sash window pair is located in the center of the east elevation. A small, tall and narrow 6/1 double-hung closet window flanks the north side of the window pair. The east elevation's low-pitched hip roof supports a low-pitched center hip-roof dormer with an east face that holds three windows. The dormer is clad with original 3-inch-by-5-inch painted wood shingle cladding.

West Elevation

The west elevation of the house at the first floor features a continuation of the home's low-pitched hip roof and widely overhanging unenclosed exposed eaves and roof rafters. The exterior west elevation is clad with painted wood coursed shingles. A center roof dormer with a row of three windows projects from the center of the west roof slope, and matches the dormer on the east roof slope. The exterior wall surface of the dormer is clad with 3-inch-by-5-inch painted wood shingles. A large brick chimney is located just north of center on the west elevation, and rises past the north edge of the roof and dormer. The chimney is tapered with a step design along its north side. Each chimney step is capped with a large cut-basalt stone. Two original matching multi-paned windows flank the chimney. At the first floor, a wide box bay that matches the box bay on the home's north façade, projects from the house next south of the brick chimney. The box bay features a tripartite window like the tripartite window on the home's north façade. All windows on the first floor are protected with original removable wood-sash storm windows.

South Rear Elevation

The south rear elevation of the house shows a continuation of the home's low-pitched hip roof, widely unenclosed overhanging roof eaves, exposed roof rafters, and painted coursed-wood shingle siding. A rear entrance door is located at the southwest corner of the home's rear elevation. The door opens outward to a concrete porch with four steps that descend to a concrete patio. The porch and steps are protected by a black iron railing. A contemporary large wood deck with horizontal wood railings is attached to the rear of the house next east of the concrete porch and porch steps. A large contemporary picture window is located next east of the rear entrance. With a view of the rear deck and the backyard, an original tall, narrow, 5/1 multi-paned wood-sash window is located just east of center at the rear south elevation of the house.

Wright Garage—Built in 1915

Spokane City/County Tax Assessor Field Book Data Sheets list the construction date for the Wright Garage as 1915, two years after the house was built.¹ The single-car garage measures 13 feet wide, 19 feet deep, and rises one story in height. It faces north towards the south rear elevation of the house, and is accessed by a concrete-paved driveway. The garage reveals original materials and Craftsman-style design features that match those of the house, including a shallow-pitched hip roof with widely overhanging unenclosed roof eaves covered with composition roof shingles. The exterior walls of the garage are clad

¹ Spokane City/County Tax Assessor Field Book. Spokane County Courthouse, Spokane, WA.

Spokane City/County Register of Historic Places Nomination
FRED & WINIFRED WRIGHT HOUSE & GARAGE



2024 photograph of Wright Garage

with circa-1915 painted narrow horizontal clapboard siding. A metal overhead garage door at the north façade was installed after 2011, and opens to an unfinished interior with an original concrete foundation floor. The interior floor space of the garage measures 247 square feet.²

Wright House Interior

The interior of the Wright House is well-preserved with an intact original interior design, windows, oak flooring, and smooth golden-hued gumwood woodwork. With 1,222 square feet of interior space, the first floor features a living room, dining room, kitchen, three bedrooms, and a bathroom. A 400 square-foot attic is finished with one bedroom and closet. A full concrete and basalt stone basement contains 1,198 square feet, and is unfinished.³

The home's center front door opens from the north façade of the house into a first-floor living room. The front door is original and is made of solid gumwood with 12 narrow, divided vertical lights. The living room ceiling is 8 feet in height and the floor is covered with original narrow planks of solid oak hardwood. The woodwork is original and is made of smooth golden-colored gumwood like the front door. Located in the northwest corner of the house, the living room extends from the center front door to the west wall. The north wall in the living room features a large box bay window framed by an arched opening. The

² Ibid.

³ Spokane City/County Tax Assessor. Spokane County Courthouse, Spokane, WA.

Spokane City/County Register of Historic Places Nomination
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bay extends 12 inches outward. An original multi-paned wood-sash tripartite window is located in the center of the box bay. The window has a fixed wood-sash center picture pane with an overhead horizontal transom window of 14 small divided lights. Two tall, narrow 9/1 windows flank the center picture window. A fireplace is centered on the living room's west wall. It is framed with an original gumwood mantel, gumwood pilasters, and a ceramic tile hearth. A field tile fireplace surround finished with select art tiles manufactured by the Claycraft and the Muresque companies frame the firebox.⁴ The fireplace is flanked by two original matching multi-paned 1/1 wood-sash windows.



2024 photograph looking north into the living room, and a small bedroom/library behind French doors in the northwest corner of the house



2024 photograph of living room's west wall with fireplace

⁴ The Heritage Foundation—Fireplace Tile Identification. 2014.

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*2024 photograph looking south into the dining room
(kitchen in the background)*



*2024 photograph of the kitchen, looking northwest through a kitchen
pass-through into the dining room*

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A wide entrance arch leads south from the living room into a formal dining room. A large tripartite window that matches the window in the living room's north-wall box bay is located in the dining room's west-wall box bay. The window has a large center fixed-pane with a horizontal transom of 14 divided lights. The center pane is flanked by two tall, narrow 12/1 wood-sash windows. Dining room woodwork is made of gumwood, the floor is made of solid oak, and the ceiling is 8 feet high. The south wall of the dining room features a wood bracket-supported, arched pass-through that opens into a kitchen. Next west of the south-wall pass-through in the dining room is a solid gumwood door that opens to the kitchen. A second gumwood door in the dining room opens from the room's southeast corner into a center service hallway.

A kitchen is located in the southwest corner of the first floor. It features a Marmoleum floor covering, painted walls, an 8-foot ceiling, and counter space surrounded by upper and lower built-in painted-wood cupboards and cabinets. A wood-sash casement window with divided lights is located above a counter-top sink. An interior door in the northeast corner of the kitchen opens into the interior service hallway. Another interior door on the kitchen's east wall opens to a stairway that leads up to an attic. A paneled exterior door with four upper lights opens from the rear southwest corner of the room to an exterior concrete porch and steps at the exterior south rear elevation of the house.

Solid gumwood French doors with multiple lights open from the east wall of the living room to a small bedroom located in the northeast corner of the house. The bedroom is finished with a continuation of solid gumwood woodwork. A large 21/1 multi-paned wood-sash window is located on the north wall. A narrow door on the room's south wall opens to a closet.

A door in the closet's south wall opens to a center bedroom built on the home's east wall. A window pair with two 20/1 wood-sash window units are centered on the bedroom's east wall. The bedroom's opposite west wall supports a large wall-to-wall built-in linen/wardrobe closet. Unlike the gumwood-finished small bedroom in the northeast corner of the house, the center east wall bedroom is finished with painted woodwork. The bedroom floor is made of a continuation of the home's original hardwood oak flooring.

The east-wall center bedroom opens south to an interior service hall, and a full east-wall bathroom. The 2024-updated bathroom holds new porcelain fixtures, including a bathtub, wash basin, toilet, and ceramic tile-covered walls and floor. The interior service hall continues south to a bedroom located in the rear southeast corner of the house. Two wood-sash windows with multiple lights illuminate the corner bedroom with one window on the east wall and one window on the south wall. All of the woodwork in the east-wall bedroom, southeast corner bedroom, bathroom, linen closet, and the service hallway is painted white enamel.

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Looking northeast into the center east wall's bedroom

(the interior doorway pictured in the photograph leads north from the east wall bedroom into a small bedroom in the northwest front corner of the house)



Looking into the rear southeast corner bedroom on the first-floor



Looking west at the finished attic

An interior door on the kitchen's east wall opens to a stairway that ascends to a finished attic. The attic features one large open room with a sloped ceiling that follows the slope of the home's shallow-pitched hip roof. Two identical tripartite windows with center panes flanked by 1/1 double-hung windows illuminate the west and east walls of the attic.⁵ A 5-panel walnut-stained fir door on the attic's north wall opens north to a finished closet. A matching 5-panel door is located on the south wall, and opens to the staircase located between the attic and kitchen. The finished attic includes electrical service, two tripartite windows, painted walls/ceilings, and walnut-stained fir floors and interior doors. A basement is reached by a stairway accessed in the interior servicer hall. The basement is unfinished and includes a large mechanical, storage, and laundry area, and a wine cellar.

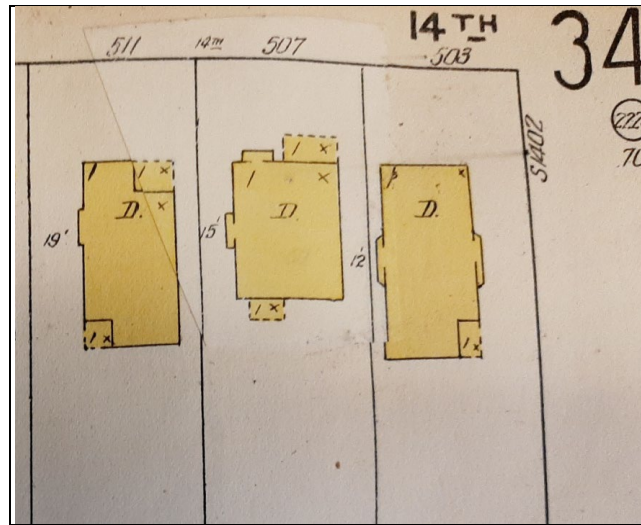
ORIGINAL APPEARANCE & SUBSEQUENT MODIFICATIONS

In 1913, the Wright House was designed and built in the Craftsman style as a one-and-one-half-story bungalow with a low-pitched hip roof, widely overhanging unenclosed roof eaves, exposed rafter tails, and a partial-width single-story covered front porch. As shown on the following *1910 Sanborn Fire Insurance Map*, the covered front porch was built on the east half of the dwelling's north-facing façade.⁶

⁵ Except for vinyl sash, the windows are exact duplicates of the original windows, which were too damaged to repair.

⁶ *1910 Sanborn Fire Insurance Map*. Spokane Central Library, Spokane, WA.

Spokane City/County Register of Historic Places Nomination
FRED & WINIFRED WRIGHT HOUSE & GARAGE



***The Wright House, 507 West 14th Avenue, as depicted on a
1910 Sanborn Fire Insurance Map in circa 1913
(map corrected through 1923)***

Alterations were made to the house as stated on City of Spokane Department of Public Works building permit #92526, September 14, 1948, which described proposed work to “change porch (make smaller).” The front porch was entirely removed and replaced by a small pediment, which was built in the center of the house over the front door.



2024 photograph of front door pediment at 507 W. 14th Avenue

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In addition to removal of the front porch in 1948, the home's roof eaves were shortened and the original exterior narrow-width horizontal wood clapboard cladding was covered with large square coursed-wood shingles.⁷ The city of Spokane Department of Public Works building permit stated the cost of the 1948 proposed "alteration" to "change porch, cut down size of eaves, and re-roof" the house to be "\$1500."⁸ The above-noted alterations were completed in 1948-49.

In 2023-24, a restoration of the home's original Craftsman-style roof design with widely overhanging unenclosed roof eaves and exposed roof rafters was undertaken and completed. The home's roof was recovered with new composition roof shingles, and the exterior of the house was repainted.

Property Modifications⁹

- 1912 Permit #4224—December 1912—new residence--\$3,000—bldg. permit
- Permit #1275—December 1912—sewer permit
- Permit #3374—December 1912—water division permit
- 1929 Swanson Electric Company
- 1933 Maxwell & Frank—heater motor, James Smyth—oil burner
- 1937 Heater
- 1939 Range electric
- 1948 Permit #92526—November 1948—house alterations—C. M. Joslin
- 1967 Permit #34,492—July 1967—American Standard furnace—Joseph Floyd
- Permit #12404—July 1967—gas line service
- 1973 Permit #E-4774—January 1973—electrical permit—Joseph Floyd
- Permit P-3343—September 1973—plumbing
- 1977 Permit M-10367—June 1977—fuel damper
- 1988 Permit #72821—September 1988—side sewer permit—Joseph Floyd
- 2011-16 Replaced water heater, furnace, air conditioner, gas fireplace insert, kitchen floor, countertops, backsplash, light fixtures, stairway carpet, interior and exterior of house repaired and repainted, original storm windows repaired.
- 2023-24 Roof eaves restored and repainted to original 1913 design and size with widely overhanging unenclosed eaves supported by exposed roof rafters and brackets, house re-roofed with new composition roof shingle

⁷ City of Spokane Building Permit #92526; September 14, 1948.

⁸ Ibid.

⁹ City of Spokane building permits dated 1912-2024, Spokane City Hall, 3rd Floor.

SECTION 8: STATEMENT OF SIGNIFICANCE

| | |
|--------------------------------|--------------------------------|
| <i>Area of Significance</i> | <i>Architecture</i> |
| <i>Periods of Significance</i> | <i>1913 and 1915</i> |
| <i>Built Date</i> | <i>1913 house, 1915 garage</i> |
| <i>Architect</i> | <i>Unknown</i> |
| <i>Builder/Contractor</i> | <i>F. E. Martin</i> |

SUMMARY STATEMENT

The Wright House was constructed at 507 West 14th Avenue in the South Side Cable Addition on Spokane’s South Hill in 1913. Two years later in 1915, a detached single-car garage was built behind the house. The Wright House & Garage are eligible for listing on the Spokane Register of Historic Places under Category C for architectural significance as fine examples of popular historic bungalow home and garage forms interpreted and finished in the Craftsman style. The property’s period of significance is 1913-1915, the time in which the Wright House & Garage were built. The first initial homeowners and couple responsible for building the Wright House & Garage were Fred & Winifred Wright. A registered Spokane patent attorney, Fred Wright purchased residential Lot 2 on Block 4 in Spokane’s South Side Cable Addition at 507 West 14th Avenue in 1909. He then hired Spokane home builder, F. E. Martin, to construct a single-family home. Construction of the house was completed in 1913 for \$3000, and was home to the Wright family for more than 7 years. The property was sold in 1920.

HISTORIC CONTEXT

South Side Cable Addition

Before the recording of its final platting on March 1891, the South Side Cable Addition—sometimes called the “Manito Plateau” on Spokane’s South Hill, was populated with rocky ridges and basalt outcroppings, wild shrubs/grasses, trees, and small animals before the onset of people, roads, and houses.¹⁰ Although development of the area was very slow due to a nationwide economic depression in the 1890s, the early 1900s witnessed an end to the depression with reinvigorated construction. In 1906-1908, successful Spokane real estate developers Harl Cook, Jay P. Graves, Arthur D. Jones, and William Kiernan turned their eyes to the Manito Plateau and began investing hundreds of thousands of dollars towards developing the land for domestic residential use. Water and sewer lines were laid, electric service was installed, street trees were planted, sidewalks were paved, and roads were graded. From designs created for Spokane by the nationally famous Olmsted Brothers Landscape Architecture firm, the city developed a system of public parks, boulevards, and green spaces especially in residential areas. These included Cliff Park, Cannon Hill Park, Manito Park, West 21st Avenue Boulevard, and South Manito Boulevard (boulevards were also known as parkways). Elementary schools and churches were erected, and electric street car lines were installed, traversing the neighborhoods and efficiently connecting residential suburbs on the Manito Plateau to downtown Spokane. Jay P. Graves developed

¹⁰ Spokane County Courthouse, Spokane, WA.

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the Rockwood Neighborhood (listed as a National Register Historic District in 1997), and the neighborhood around Manito Park. Arthur Jones developed the area around Cannon Hill Park, Harl Cook developed the Cliff Park neighborhood, and William H. Kiernan developed the South Side Cable Addition, which lies between Cannon Hill Park and Manito Park.

The South Side Cable Addition is roughly bounded by West 14th Avenue to the north, Cannon Hill Park and Manito Park to the south, South Wall Street to the west, and South Division Street to the east. Most of the addition was owned by William Kiernan and his development and real estate businesses known as the Western Trust & Investment Company and the Kiernan Land Company. Kiernan's land company created and enacted early land-use controls while his Western Trust & Investment Company marketed land parcels to potential buyers for residential development.

To promote appropriate architectural continuity, housing quality, and prescribed land use, the Kiernan Land Company created and penned early land-use controls, called "covenants."¹¹ Kiernan's land-use covenants "ran with the land" as directed in warranty deeds, and held the following restrictions:

1. *All residences constructed must cost at least \$2500 (a 1908 value),*
2. *All residence construction must be of a "modern style of architecture,"*
3. *No outhouses or barns allowed or used as residence dwellings,*
4. *No building erected and used for business purposes of any kind.¹²*

The covenants proved to be positive for the development of the South Side Cable Addition, especially as a variety of architects, builders, and craftsmen erected single-family homes in a variety of styles and sizes. Today, the neighborhood holds prominence as a well-designed and well-preserved community.

William Kiernan placed advertisements in the Spokane *Spokesman-Review* newspaper, including the following in 1910:

***More Business and Professional Men Have Bought Lots in
SOUTH SIDE CABLE ADDITION
than in Any Other Addition in the City.***

*Businessmen and professional men are discriminating buyers.
An addition must have the attractive features, must be on sale at right prices,
and must be improved with substantial improvements, or such will not buy.
The Western Trust & Investment Company.¹³*

Such tantalizing advertisements and the area's natural amenities with planned infrastructure beckoned bankers and businessmen, lawyers and lumbermen, merchants and

¹¹ Spokane County public records. Spokane County Courthouse, Spokane, WA.

¹² Ibid.

¹³ *Spokesman-Review*, 26 June 1910.

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miners, and others who eventually purchased lots in the South Side Cable Addition and surrounding neighborhoods on the Manito Plateau. Local architects and builders designed and built homes for new property owners with forms and styles that ranged from large and small bungalows and boxy foursquares to a variety of architectural styles, including Colonial Revival, Tudor, Mission, Prairie, Spanish Eclectic, Italian Renaissance, Craftsman, and Minimal Traditional.

Fred & Winifred Wright--First Homeowners of the Property, 1909-1920

In 1909, Fred R. Wright purchased Lot 2, Block 4 in the South Side Cable Addition at Spokane street address 507 West 14th Avenue, two blocks south of Cliff Park on Spokane's South Hill. Three years later in August 1912, Fred married Winifred Northrop. They commissioned Spokane building contractor F. E. Martin to construct a one-story, single-family, Craftsman-style bungalow for them. Dated December 3, 1912 by the Spokane Department of Public Works, a Spokane building permit was approved for construction with an estimated value of \$3000 to build the house.¹⁴ The home was erected and city sewer applications, water inspections, and permits for necessary fixtures ensued as the Wright family prepared to move into their new home in 1913. In 1915, they built a one-car garage similar in design to the house in the rear southwest corner of the property.

Fred Wright worked in Spokane as a registered patent attorney, and later expanded his legal opportunities to include real estate and insurance.¹⁵ He grew his law practice in different buildings at different times in downtown Spokane with offices in the Eagle Block, Hyde Block, and the Peyton Block, where his business was known as "Wright & Company." In 1913 and 1915, Fred & "Winnie" were blessed with two children, Winston and Eileen.¹⁶ In 1915, the following advertisement was issued in the "help needed" section of the *Spokesman-Review* newspaper:

***WANTED: GIRL TO ASSIST WITH HOUSEWORK
For room and board. West 507-14th Avenue, Phone Riverside 1918L***

As their family grew, Charles & Winifred Wright purchased and moved to a larger residence in 1920 and sold their home at 507 West 14th Avenue.

Subsequent Homeowners, 1920-1952

In 1920, Charles & Cora Chase purchased the house and property at West 14th Avenue. Charles worked as a credit manager for the International Harvester Company in Spokane, and was promoted to the company's Spokane office manager in the 1930s.

Charles & Jennie Joslin purchased the property in 1939. Charles Joslin worked as a road and highway contractor. In 1948, their son, C. Morten Joslin, an engineer and chief supervisor for C. W. Joslin & Sons Highway Construction Company in Spokane, bought

¹⁴ City of Spokane City Hall, building permit #4224, 3 December 1912.

¹⁵ *Spokesman-Review*, "Patent Lawyers." 12 June 1913.

¹⁶ *Spokesman-Review*, "City and County Records Births." 10 June 1913. *Spokane Daily Chronicle*, 12 February 1914. *Spokesman-Review*, "City and County Births." 21 March 1915.

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the Wright House & Garage along with his wife, Margaret Joslin. They applied for a building permit from the City of Spokane in September 1948 to make alterations to the house. “\$1500” was the value listed to complete the following work ascribed by the City of Spokane: “change porch (make smaller), cut down size of eaves, and re-roof” the house.¹⁷ The alterations were made, and the work was approved by the City of Spokane.¹⁸

Joseph & Mary Jane Floyd, property homeowners, 1983-1991

In 1952, the Joslin family sold their house on West 14th Avenue to Palouse ranchers, Walter & Mary Stelzer. Although the Stelzers resided in the St. John, Washington area, they bought the West 14th Avenue house in Spokane as a “city home” to be shared with their large family. Their daughter, Mary Jane Stelzer, married Joseph Floyd, and together, the Floyds purchased the Spokane house. Joseph Floyd worked different jobs at different times as a shop man and welder for Miller & Poston Manufacturing in Spokane, and for the Anderson & Miller Company and later, Alumax Welding.

Norman & Claudia Havercroft purchased the Wright House & Garage for \$58,000 in October 1991. Bernard & Mary Milligan bought the property in 1994 for \$105,900. Four years later in 2000, they sold the house for \$115,000 to Lorelei Randazzo. Gary & Stacy Gonzales bought the property in 2005 for \$187,900.

Donna Punihaole, current property owner, 2011-2024

Donna Punihaole purchased the Wright House & Garage on April 15, 2011 for \$202,000. Donna was born in Los Angeles, California, joined the United States Army in 1985, was stationed for many years in Hanau, Germany, and developed a keen interest and appreciation for the historic architecture she enjoyed while in Germany and Europe. Donna retired in 2012 to Spokane, Washington, and purchased the Wright House. She noticed alterations made to the home, which are listed on a 1948 Spokane building permit, and began planning to restore the property to its original design.¹⁹ In 2023-25 Donna hired a professional contractor, who reroofed and restored the home’s original hip roof with 3-foot-deep unenclosed eaves and exposed eave rafters.²⁰

ARCHITECTURAL SIGNIFICANCE

Category C

Craftsman Style and Bungalow Form

The Arts & Crafts Movement began in England around 1850, and became popular when “Gustav Stickley made it the title of his magazine, *The Craftsman*, which he published between 1901 and 1916.”²¹ The term “Craftsman style” was used to describe home design with low-slung nearly ground-hugging roofs, simple square-cut generous-sized woodwork, multi-paned windows, open home interiors, built-in furniture/storage units, decorative arts,

¹⁷ City of Spokane building permit, Department of Public Works, #92526, 14 September 1948.

¹⁸ The 1948-alterations to the original roof were reversed in 2023-24, culminating in a total roof rehabilitation with a new roof that matches the size and design of the original 1913 roof.

¹⁹ Ibid.

²⁰ *Authentic Restoration Services*. Brian Westmoreland. Spokane, WA. 509-270-7030.

²¹ Duchscherer, Paul, 1995.

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and a more relaxed way of life. Described as a “one with nature” life style, the Craftsman aesthetic espoused “natural” building materials such as wood shingles, indigenous stone or river rock, smooth brick and textured clinker brick, stucco, wrought iron, and leaded and beveled glass. Horizontal orientation was accentuated instead of the vertical lines so popular in former Queen Anne-style homes of the late 1800s.

Beginning in 1900, a one or one-and-one-half-story house form with a low-pitched roof and partial or full covered front porch became popular as it replaced anything and everything tall and “Victorian” from the Queen Anne period of the late 1800s. The Wright House & Garage well-illustrate the Craftsman style, which was used to clad and embellish bungalow house and garage forms that were popular throughout the United States from about 1900 to 1930. Common features of the bungalow house form and the Craftsman style include a one-story or one-and-one-half-story dwelling covered with a medium-to-low-pitched front gable roof with wide unenclosed eave overhangs, exposed roof rafters, and decorative beams, braces and brackets.²² Porches are partial or full-width and are supported by square or tapered porch piers, posts, pillars or columns. Covered porches are expansive and sometimes support large areas that are used as “outdoor living rooms.” Enclosed porch walls are common. A combination of two, three or four siding materials and styles are found, including narrow-width clapboard siding, shingle siding, stucco and brick or stone, or both. Tudor Revival and/or Swiss Chalet style influence is sometimes seen with the addition of decorative false half-timbering and stucco infill in gable peaks and gable fields. Exterior walls may be flared at the lower edge of the wall (mimicking a low-slung look). Multi-colored textured clinker brick (oftentimes with cobbles and pieces of basalt rock) is found on mostly landmark examples. Windows are double-hung designs, and sometimes feature multi-paned lights in various designs and materials in stationary upper sashes (wood or leaded with stained glass lights). Interiors are commonly open and spacious with built-in furniture, including window seats, bookcases, buffets/hutches, drop-leaf desks, telephone niches, linen closets, breakfast room tables/bench seats, and fireplace mantels and surrounds. Built-in furniture, wood floors, and woodwork are made of selected oak, fir, and maple, and are finished in ebony-hues or golden honey-hues handrubbed to deep, rich patinas—espousing the idea of “hand-crafted woodwork” in hand-crafted houses.

The Wright House & Garage well-depict the bungalow form and the Craftsman style through the following characteristics:

- 1913 (house) and 1915 (garage) built dates correspond to the bungalow form’s reign of popularity and the Craftsman style’s period of construction in 1900-1930
- One-and-one-half-story house and one-story garage
- Low-slung hip roof
- Protruding low-pitched façade porch gable
- Widely overhanging unenclosed roof eaves
- Exposed rafters

²² McAlester, Lee & Virginia, 1989.

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- Roof brackets
- Wide bargeboards
- Wood shingle cladding on house
- Narrow horizontal wood cladding on garage
- Unusual brick-and-basalt rock-stepped exterior chimney
- Spacious, open interior floorplan
- Solid oak hardwood floors
- Honey-hued solid gumwood woodwork and fireplace mantel
- Original gumwood multi-paned windows
- Original multi-paned gumwood interior French doors
- Original 1913 multi-paned oak front door with original lights
- Original walnut-stained fir doors and woodwork in attic
- Box bays, located at the north façade and west elevation of the house, support original multi-paned gumwood windows

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FRED & WINIFRED WRIGHT HOUSE & GARAGE**

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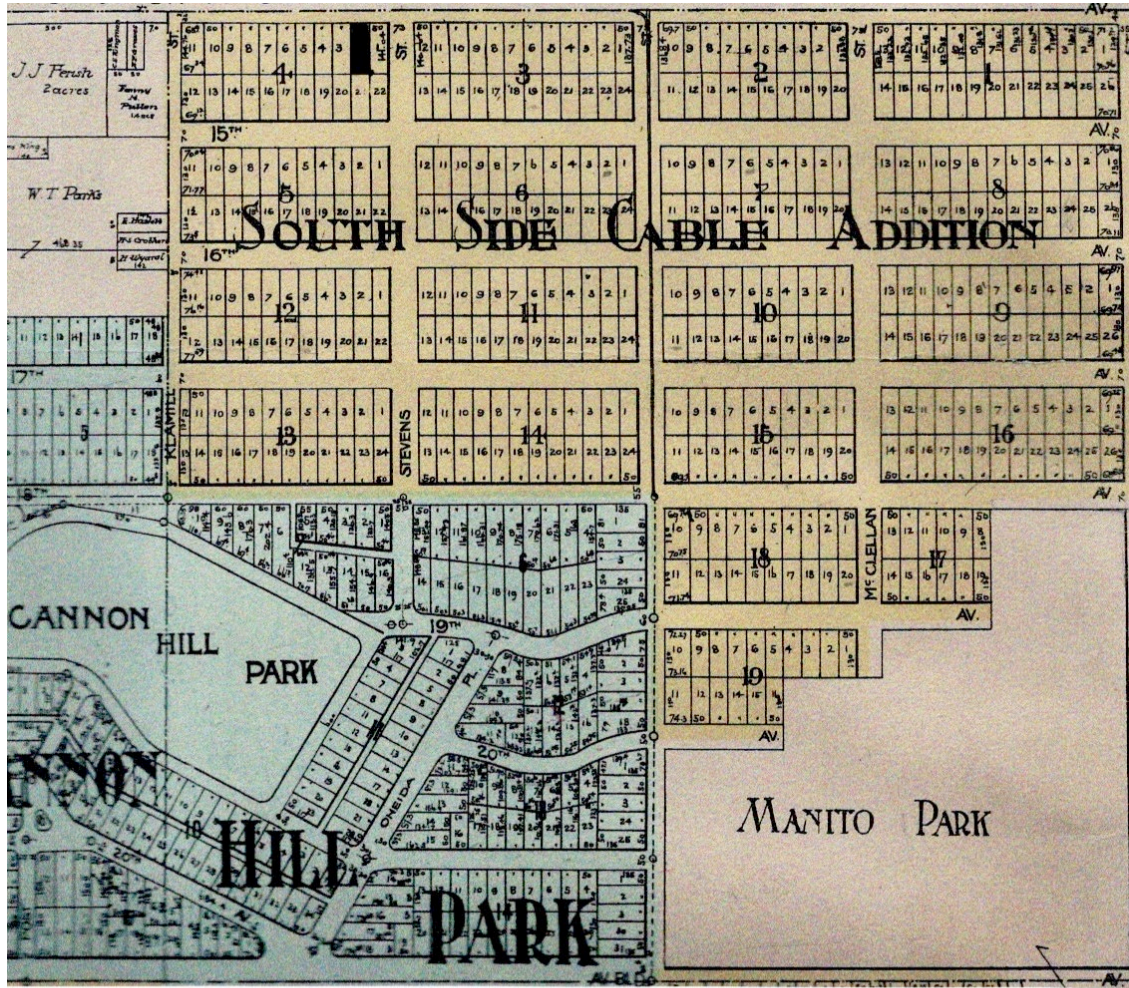
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FRED & WINIFRED WRIGHT HOUSE & GARAGE

north



1912 George A. Ogle Map
of the

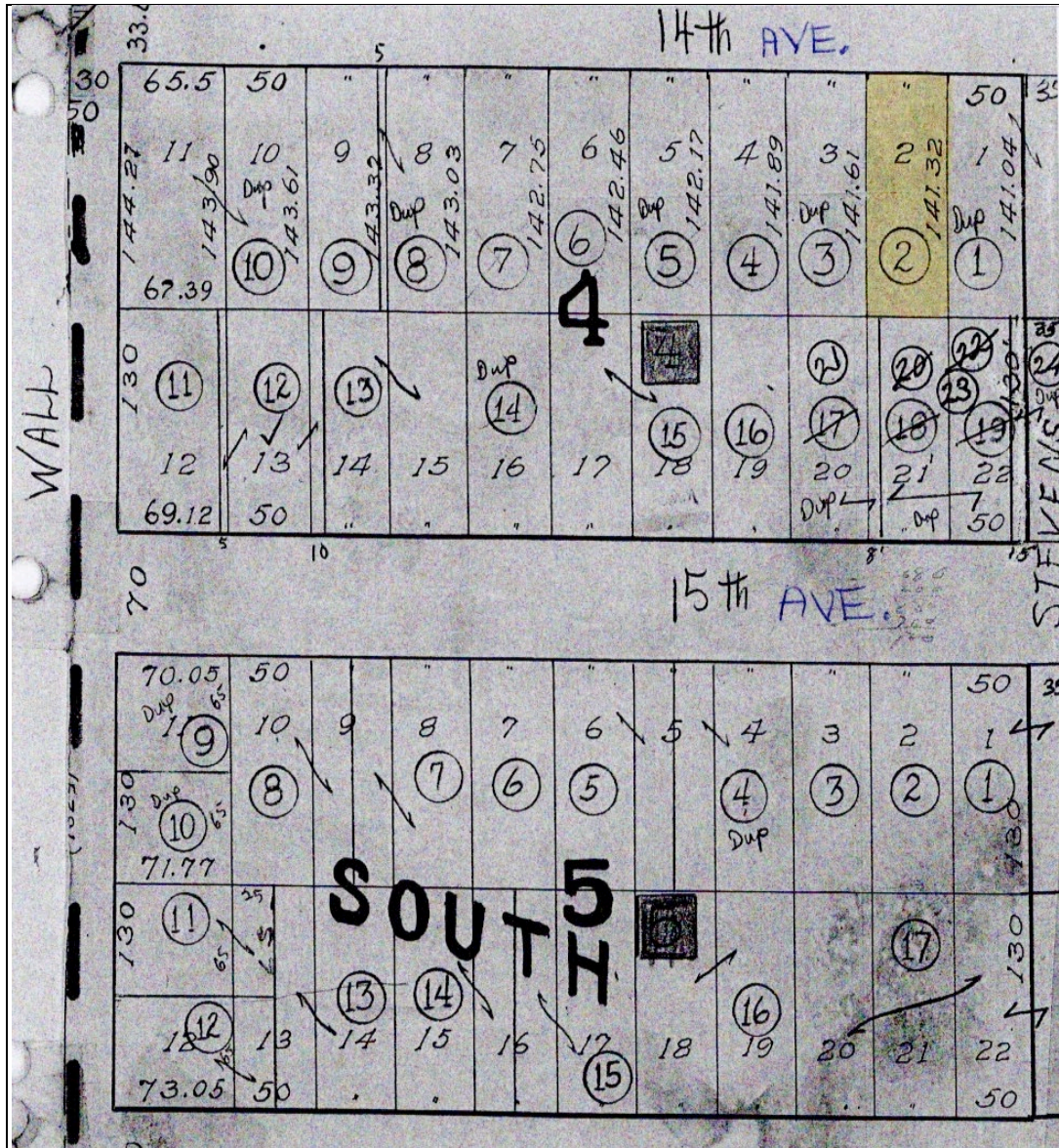
SOUTH SIDE CABLE ADDITION

**Wright House
507 West 14th Avenue, Spokane, WA 99203**

The plat map shows the South Side Cable Addition's Block 4, Lot 2 colored with black ink infill

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north



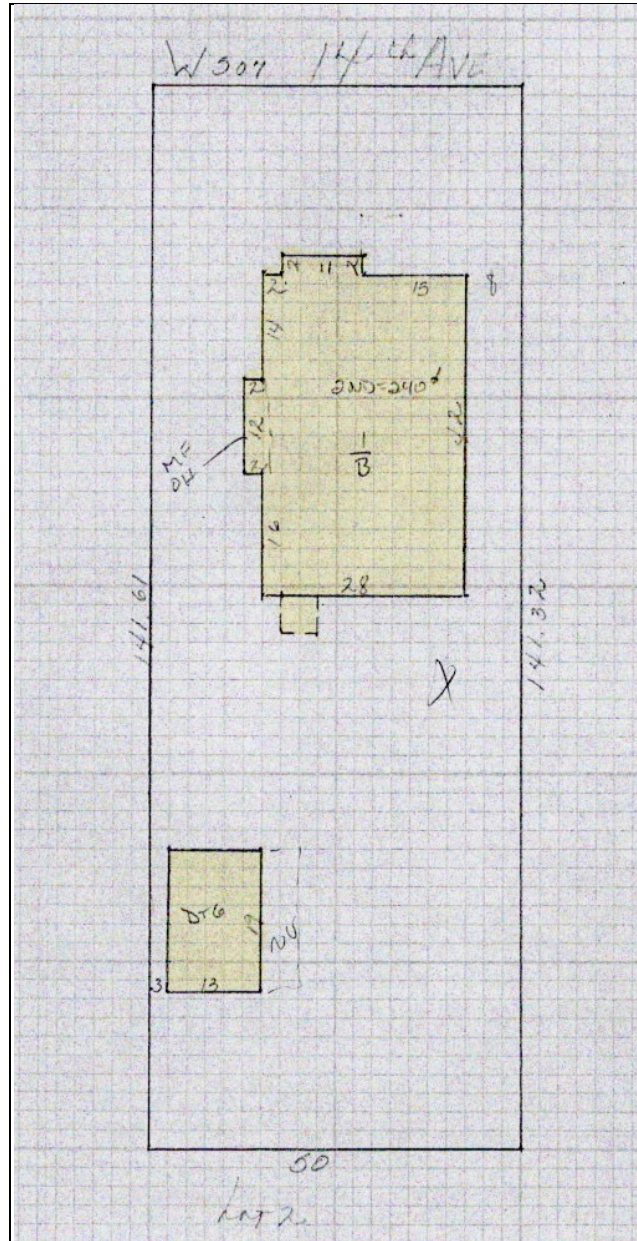
SPOKANE COUNTY PLAT MAP

**Wright House
 507 West 14th Avenue**

South Side Addition, Lot 2, Block 4 is indicated with yellow ink

Spokane City/County Register of Historic Places Nomination
FRED & WINIFRED WRIGHT HOUSE & GARAGE

north



1950 SITE PLAN

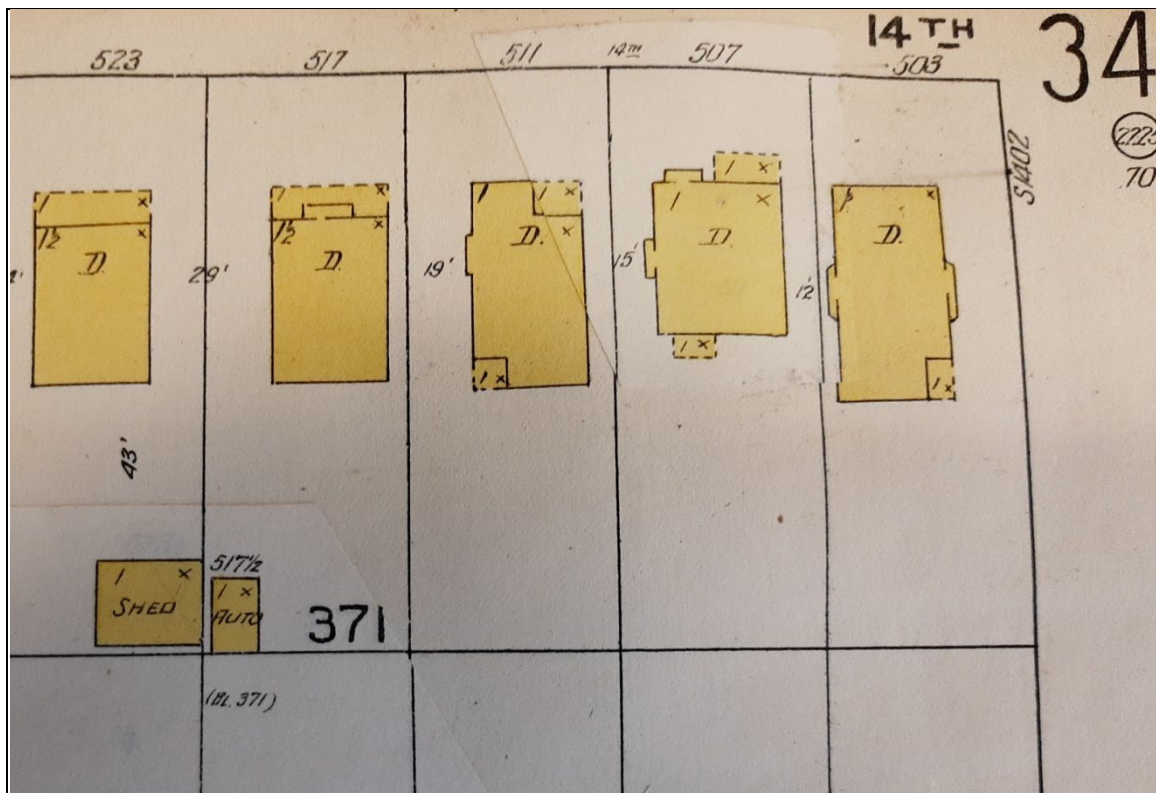
Wright House—507 West 14th Avenue

Notice the original 1913 front porch, which was built on the north façade of the house, is missing.

This site plan was drawn in 1949, after the porch was removed.

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north



1910

(corrected in 1924)

SANBORN FIRE INSURANCE MAP

Wright House

507 West 14th Avenue

- 1) A footprint drawing of the Wright House at 507 W. 14th Avenue is shown on the above-printed Sanborn Fire Insurance Map.
- 2) The number "1" is printed on the map at the northeast corner of the house, and on both the front and back porches. The "1" indicates the house and porches were one-story in height (when this map was drawn, the attic and basement in the Wright House were completely unfinished).
- 3) The large capital "D" in the center of the house drawing indicates a "dwelling."
- 4) The home's original covered north front porch was removed and replaced in 1948-1949 with a center front gabled pediment over the home's original front door.

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Photo 1

A 2024 photograph, looking south at the north facade of the Wright House



Photo 2

A 2024 photograph of the north facade of the Wright House

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Photo 3
A 2024 photograph of the east elevation of the house, looking north



Photo 4
2024 photo of west elevation of house, looking north

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Photo 5
2024 photo of south rear elevation of house and attached wood deck



Photo 6
2024 photo of c. 1915 garage, looking southwest behind house

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Photo 7
2024 photo of garage's eaves at south façade and west elevation



Photo 8
2024 photo of living room, looking north

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Photo 9
2024 photo of living room, looking west



Photo 10
2024 photo, looking southwest into dining room from living room

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Photo 11
2024 photo of small bedroom/library in the northeast corner of house, looking east



Photo 12
2024 photo of east wall bedroom, looking northeast

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Photo 13
2024 photo of southeast master bedroom, looking southeast



Photo 14
2024 photo looking northeast at interior service hall on first floor

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Photo 15
2024 photo of kitchen, looking west



Photo 16
2024 photo of kitchen, looking northwest

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Photo 17
2024 photograph of original vinyl that covered the kitchen floor in 1913



Photo 18
2024 photograph of finished attic space, looking west at windows
(notice open doorway that leads down a staircase to kitchen)

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Photo 19
2024 photograph of unfinished basement



Photo 20
2024 photograph of basement wine storage

**Agenda Sheet for City Council:****Committee:** Urban Experience **Date:** 09/09/2024**Committee Agenda type:** Discussion**Date Rec'd**

9/4/2024

Clerk's File #**Cross Ref #****Project #****Council Meeting Date:** 09/23/2024**Submitting Dept**

CITY COUNCIL

Bid #**Contact Name/Phone**

JACKSON DEESE 6718

Requisition #**Contact E-Mail**

JDEESE@SPOKANECITY.ORG

Agenda Item Type

Special Considerations

Council Sponsor(s)

ZZAPPONE

Agenda Item Name

0320 - LETTER TO STATE OFFICIALS ON HANFORD SITE NUCLEAR WASTE

Agenda Wording

LETTER TO GOVERNOR INSLEE, DEPUTY ENERGY SECRETARY TURK, AND EPA REGIONAL ADMINSTRATOR SIXKILLER ASKING FOR MORE PUBLIC COMMENT AND LOCAL ENGAGEMENT IN RELATION TO THE SHIPMENT OF NUCLEAR WASTE THROUGH THE CITY OF SPOKANE.

Summary (Background)

LETTER TO GOVERNOR INSLEE, DEPUTY ENERGY SECRETARY TURK, AND EPA REGIONAL ADMINSTRATOR SIXKILLER ASKING FOR MORE PUBLIC COMMENT AND LOCAL ENGAGEMENT IN RELATION TO THE SHIPMENT OF NUCLEAR WASTE THROUGH THE CITY OF SPOKANE.

Lease? NO

Grant related? NO

Public Works? NO

Fiscal Impact

Approved in Current Year Budget? N/A

Total Cost

\$

Current Year Cost

\$

Subsequent Year(s) Cost

\$

Narrative**Amount****Budget Account**

Neutral

\$

#

Select

\$

#

Select

\$

#

Select

\$

#

\$

#

\$

#



Spokane City Council

808 W. Spokane Falls Blvd.
Spokane, WA 99201-3335
(509) 625-6255

August 30, 2024

The Honorable David Turk
Deputy Secretary
U.S. Department of Energy
1000 Independence Ave. SW
Washington, D.C. 20585

The Honorable Jay Inslee
Governor
State of Washington
PO Box 40002
Olympia, WA 98504

Mr. Casey Sixkiller
Regional Administrator, Region 10
U.S. Environmental Protection Agency
1200 Sixth Ave, Suite 155
Seattle, WA 98102

The Honorable Cathy McMorris Rodgers
U.S. Representative (WA-05)
2188 Rayburn House Office Building
45 Independence Ave SW
Washington, D.C. 20515

Dear Governor Inslee, Representative McMorris Rodgers, Deputy Secretary Turk and Regional Administrator Sixkiller:

The undersigned members of the Spokane City Council write to express both support and concern for the "Holistic Negotiations Agreement" (hereafter "Draft Agreement") modifying the Hanford Nuclear Waste Site Tri-Party Agreement and Consent Decree. The Spokane City Council supports the proposal insofar as it sets forth significant risk reductions. However, the Council is concerned about the limited, to non-existent, public information campaign surrounding the Draft Agreement's plan to transport liquid Nuclear Waste through the City of Spokane. This lack of information, and the implied lack of consideration for the health and well-being of citizens of Spokane, is alarming and risks undermining the important work to reduce the environmental impacts of the Hanford Site itself.

After four years of confidential negotiations between the U.S. Department of Energy, the U.S. Environmental Protection Agency, and the Washington Department of Ecology, the Draft Agreement has been released for review and comment in anticipation of completing final terms in late fall. Terms of the Draft Agreement appear to leave out issues important to this Council and afford little opportunity for formal comment from the general public, Tribes, or the City of Spokane. These issues are as follows:

1. Treatment of Waste Prior to Transport. Terms of the current Draft Agreement leave open the question whether liquid tank waste will be solidified into a "cake" form prior to transport to a final disposal site in Texas or Utah, or if that

solidification process will occur after transport. Our understanding is that the U.S. Department of Energy will be studying this issue and reaching a determination later this year without any obligation for further input or concurrence. The City of Spokane has significant concerns about the inherent risk of the transport of liquid waste, and the Council encourages the parties commit now to an open and transparent process when making this critical decision for implementing that does not materially alter the contemplated timelines. Frankly, it is the position of this Council that liquid waste is not a suitable option for this endeavor.

2. Means of Transport. The Spokane City Council also encourages you to seriously consider the potential ramifications of transporting liquid nuclear waste via Interstate 90 through highly populated and traveled regions of our state and city. The Department of Energy has not outlined a process for public comment or consultation with local partners, which is alarming for a plan of this scale and magnitude. We find this lack of process wholly unacceptable regardless of the final form of the waste. While this Council understands and agrees with the approach of the Draft Agreement to provide time for further study and refinement of the transportation elements of this proposal, there needs to be quality consideration for all options, particularly regarding the inherent risk of liquid spills and associated health impacts to the residents of Spokane, the local ecology, and the groundwater aquifer that supports our drinking water.
3. Spokane Municipal Code. As of December 21, 2022, it is the stated position of the City of Spokane, as expressed in Spokane Municipal Code Chapter 18.09, to disallow the development and production of nuclear weapons and, more important, to limit the exposure of our residents to high-level nuclear waste within City limits. It is our obligation to ensure that this ordinance of the City of Spokane is taken into account when planning for the transport of nuclear waste from the Hanford Site.
4. NEPA/SEPA. It is the understanding of this Council that there has been little to no updating of the Environmental Impact Statement for this endeavor. If this is correct, we object and encourage you to change course to consider the full impacts of processing and transporting this waste, especially given the change in scientific understanding about radioactive exposure, particularly to women and

Messrs. Turk, Sixkiller and Inslee
August 30, 2024
Page 3

children, since the last Environmental Impact Assessment was completed during the transport of waste to the Hanford Site.

Commented [CW1]: An environmental impact statement is different than an environmental impact assessment, isn't it. What exactly has been done on this project regarding environmental assessment? I think this section needs to be more precise to be at all persuasive.

While we have concerns about the Draft Agreement, Spokane City Council is grateful for the important work you have done so far, and we assure you that the City of Spokane is ready to partner with you to ensure our communities benefit from an open, transparent, and meaningful process for finalizing the Draft Agreement. We look forward to future discussions on this topic.

Sincerely,

Betsy Wilkerson, Council President

Kitty Klitzke, Council Member, Dist. 3

Paul Dillon, Council Member, Dist. 2

Michael Cathcart, Council Member, Dist. 1

Lili Navarrete, Council Member, Dist. 2

Zack Zappone, Council Member, Dist. 3

Jonathan Bingle, Council Member, Dist. 1

UE Committee Board and Commission Updates:

- Housing Action Subcommittee
 - *Navarrete*
- Neighborhood Council Workgroup
 - *Cathcart, Dillon, Klitzke*
- CHHS Board
 - *Dillon, Navarrete*
- Community Assembly
 - *Wilkerson*
- Comp Plan Amendments Docketing Committee
 - *Klitzke, Bingle, Zappone*
- Human Rights Commission
 - *Navarrete*
- Plan Commission & Plan Commission Transportation Subcommittee
 - *Klitzke*
- Public Partnership (City, SPS, Parks, Library)
 - *Cathcart, Zappone*
- Downtown Spokane BID Board
 - *Bingle*

- Downtown Spokane Partnership
 - *Cathcart*
- East Sprague Board (Liaison)
 - *Dillon*
- GMA Steering Committee of Elected Officials
 - *Cathcart, Klitzke, Dillon*
- Launch NW
 - *Cathcart, Zappone*
- Library Board
 - *Dillon*
- Park Board & Park Board Executive Committee
 - *Bingle*
- Priority Spokane
 - *Dillon*
- Regional Homeless Authority
 - *Bingle, Dillon*
- Spokane Arts
 - *Dillon*

UE Committee Council Staff Updates:

- Housing and Homelessness Initiative Manager
 - *Nicolette Ocheltree*



Agenda Sheet for City Council:

Committee: Urban Experience **Date:** 09/09/2024

Committee Agenda type: Consent

Date Rec'd

8/22/2024

Clerk's File #

OPR 2019-0586

Cross Ref #

Project #

Council Meeting Date: 09/23/2024

Submitting Dept

INFORMATION TECHNOLOGY

Bid #

Contact Name/Phone

LAZ MARTINEZ 625-6979

Requisition #

CR26524

Contact E-Mail

LMARTINEZ@SPOKANECITY.ORG

Agenda Item Type

Contract Item

Council Sponsor(s)

ZZAPPONE JBINGLE KKLITZKE

Agenda Item Name

5300 – STRUCTURED COMMUNICATION SYSTEMS, INC. - NUTANIX SUPPORT

Agenda Wording

Renewal contract with Structured Communication Systems, Inc.(Clackamas, OR), for one year of licensing, maintenance & support for Nutanix environment in City Hall's Datacenter. Term from 10/13/24 to 10/12/25. Total cost is \$54,003.40, plus sales tax.

Summary (Background)

Nutanix is the hardware platform for 76 virtual servers at City Hall, plus failover resources for an additional 179 production servers. Utilizing GSA Contract # 47QSWA18D008F. The 2019 contracted support amount was \$217,405.04 for 5 years.

Lease? NO Grant related? NO Public Works? NO

Fiscal Impact

Approved in Current Year Budget? YES

Total Cost \$ \$54,003.40, plus appl tax

Current Year Cost \$ \$54,003.40

Subsequent Year(s) Cost \$

Narrative

Nutanix is the hardware platform for 76 virtual servers at City Hall, plus failover resources for an additional 179 production servers.

Amount

Budget Account

Expense \$ \$58,863.71

5300-73500-18850-54804-99999

Select \$

#

Select \$

#

Select \$

#

\$

#

\$

#



Continuation of Wording, Summary, Approvals, and Distribution

Agenda Wording

Summary (Background)

Approvals

| | |
|----------------------------------|---------------|
| <u>Dept Head</u> | MARTINEZ, LAZ |
| <u>Division Director</u> | MARTINEZ, LAZ |
| <u>Accounting Manager</u> | BUSTOS, KIM |
| <u>Legal</u> | HARRINGTON, |
| <u>For the Mayor</u> | PICCOLO, MIKE |

Additional Approvals

| | |
|--------------------------|-------------------|
| <u>PURCHASING</u> | NECHANICKY, JASON |
| | |
| | |
| | |
| | |

Distribution List

| | |
|--|--|
| Casey Richmond - crichmond@structured.com | Accounting - ywang@spokanecity.org |
| Contract Accounting - ddaniels@spokanecity.org | Legal - mharrington@spokanecity.org |
| Purchasing - cwahl@spokanecity.org | IT - itadmin@spokanecity.org |
| Tax & Licenses | Cylas Engeland - cengeland@spokanecity.org |
| Craig Schurter - cschurter@structured.com | |
| | |
| | |
| | |

Committee Agenda Sheet

Urban Experience Committee

| | |
|---|--|
| Committee Date | 9/9/2024 |
| Submitting Department | IT |
| Contact Name | Laz Martinez |
| Contact Email & Phone | lmartinez@spokanecity.org & 625-6979 |
| Council Sponsor(s) | <u>CM Zappone, CM Bingle, CM Klitzke</u> |
| Select Agenda Item Type | <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Discussion |
| Agenda Item Name | 5300 – Structured Communication Systems, Inc. - Nutanix Renewal |
| Proposed Council Action | <input checked="" type="checkbox"/> Approval to proceed to Legislative Agenda <input type="checkbox"/> Information Only |
| Summary (Background) | <p>Renewal contract with Structured Communication Systems, Inc, for one year of licensing, maintenance, and support for the Nutanix environment in our secondary Datacenter at City Hall. Contract renewal term of 1 year, 10/13/2024 through 10/12/2025, for a total cost of \$54,003.40 plus applicable sales tax. Nutanix is the hardware platform for 76 virtual servers at City Hall, plus failover resources for an additional 179 production servers. Utilizing GSA Contract # 47QSWA18D008F. The 2019 contracted support amount was \$217,405.04 for 5 years.</p> <p>*use the Fiscal Impact box below for relevant financial information</p> |
| <p>Fiscal Impact</p> <p>Approved in current year budget? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p> <p>Total Cost: <u>\$54,003.40 + tax</u></p> <p> Current year cost: \$54,003.40 + tax</p> <p> Subsequent year(s) cost:</p> <p>Narrative: Nutanix is the hardware platform for 76 virtual servers at City Hall, plus failover resources for an additional 179 production servers.</p> <p>Funding Source <input type="checkbox"/> One-time <input checked="" type="checkbox"/> Recurring <input type="checkbox"/> N/A</p> <p>Specify funding source: Select Funding Source*</p> <p>Is this funding source sustainable for future years, months, etc? Click or tap here to enter text.</p> <p>Expense Occurrence <input type="checkbox"/> One-time <input checked="" type="checkbox"/> Recurring <input type="checkbox"/> N/A</p> <p>Other budget impacts: (revenue generating, match requirements, etc.)</p> | |
| Operations Impacts (If N/A, please give a brief description as to why) | |
| What impacts would the proposal have on historically excluded communities? | |
| Not applicable – IT Licensing and Support | |
| How will data be collected, analyzed, and reported concerning the effect of the program/policy by racial, ethnic, gender identity, national origin, income level, disability, sexual orientation, or other existing disparities? | |
| Not applicable – IT Licensing and Support | |
| How will data be collected regarding the effectiveness of this program, policy or product to ensure it is the right solution? | |

All server infrastructure devices are routinely tracked and managed. ITSD also routinely evaluates the effectiveness of the incumbent vendor and analyzes other vendors' solutions for improvements and cost advantages over the current solution.

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

This service aligns with the Sustainable Resources strategic initiative based on sound financial objectives, and quality customer service by providing a stable, current, redundant and resilient network infrastructure.



City of Spokane

CONTRACT RENEWAL
Title: NUTANIX HYPERCONVERGED
SERVER/STORAGE INFRASTRUCTURE
PURCHASE AND ANNUAL SUPPORT

This Contract Renewal without additional cost is made and entered into by and between the **CITY OF SPOKANE** as ("City"), a Washington municipal corporation, and **STRUCTURED COMMUNICATION SYSTEMS, INC.**, whose address is 9200 SE Sunnybrook Blvd., Suite 300, Clackamas, Oregon 97015, as ("Company"), individually hereafter referenced as a "Party", and together as the "Parties".

WHEREAS, the parties entered into a Contract wherein the Company agreed to provide the City with a Nutanix Hyperconverged Server/Storage Infrastructure purchase and five (5) year's annual support; and

WHEREAS, the original Contract needs to be formally renewed by this written Contract Renewal Document.

NOW, THEREFORE, in consideration of these terms, the parties mutually agree as follows:

1. CONTRACT DOCUMENTS.

The Contract, dated August 28, 2019 and August 30, 2019, any previous amendments, addendums and / or extensions / renewals thereto, are incorporated by reference into this document as though written in full and shall remain in full force and effect except as provided herein.

2. EFFECTIVE DATE.

This Contract Renewal shall become effective on October 13, 2024 and shall run through October 12, 2025.

3. COMPENSATION.

The City shall pay an amount not to exceed **FIFTY-FOUR THOUSAND THREE AND 40/100 DOLLARS (\$54,003.40)**, plus applicable sales tax, in accordance with Company's Renewal Quote, for everything furnished and done under this Contract Renewal. This is the maximum amount to be paid under this Renewal, and shall not be exceeded without the prior written authorization of the City, memorialized with the same formality as the original Contract and this Renewal document.

4. DEBARMENT AND SUSPENSION.

The Company has provided its certification that it is in compliance with and shall not contract with individuals or organizations which are debarred, suspended, or otherwise excluded from or ineligible from participation in Federal Assistance Programs under Executive Order 12549 and "Debarment and Suspension", codified at 29 CFR part 98.

IN WITNESS WHEREOF, in consideration of the terms, conditions and covenants contained, or attached and incorporated and made a part, the parties have executed this Contract Renewal by having legally-binding representatives affix their signatures below.

STRUCTURED COMMUNICATION SYSTEMS, INC.

CITY OF SPOKANE

By _____
Signature Date

By _____
Signature Date

Type or Print Name

Type or Print Name

Title

Title

Attest:

Approved as to form:

City Clerk

Assistant City Attorney

Attachments that are part of this Agreement:

- Certificate of Debarment
- Company's Renewal Quote

**CERTIFICATION REGARDING DEBARMENT, SUSPENSION,
INELIGIBILITY AND VOLUNTARY EXCLUSION**

1. The undersigned (i.e., signatory for the Subrecipient / Contractor / Consultant) certifies, to the best of its knowledge and belief, that it and its principals:
 - a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;
 - b. Have not within a three-year period preceding this contract been convicted or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, receiving stolen property, making false claims, or obstruction of justice;
 - c. Are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and,
 - d. Have not within a three-year period preceding this contract had one or more public transactions (federal, state, or local) terminated for cause or default.

2. The undersigned agrees by signing this contract that it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction.

3. The undersigned further agrees by signing this contract that it will include the following clause, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions:

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transactions

1. The lower tier contractor certified, by signing this contract that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
2. Where the lower tier contractor is unable to certify to any of the statements in this contract, such contractor shall attach an explanation to this contract.

4. I understand that a false statement of this certification may be grounds for termination of the contract.

| | |
|---|--|
| _____ Name of Subrecipient / Contractor / Consultant (Type or Print) | _____ Program Title (Type or Print) |
| _____ Name of Certifying Official (Type or Print) | _____ Signature |
| _____ Title of Certifying Official (Type or Print) | _____ Date (Type or Print) |

Company Name: City of Spokane

Contact: Dan Williams

Email: dwilliams@spokanecity.org

Phone: 509.625.6460

Account Executive: Craig Schurter

23403 East Mission Ave., Suite 216 - Spokane, WA 99019 - 509.926.3601

Toll Free 800.881.0962 - Order Fax 888.729.0997



| Line Item | Part Number | Description | Serial Number | Start Date | End Date | Qty. | Unit List Price | Unit Sale Price | Ext. Sale Price |
|-----------|-------------|-------------|---------------|------------|----------|------|-----------------|-----------------|-----------------|
|-----------|-------------|-------------|---------------|------------|----------|------|-----------------|-----------------|-----------------|

City of Spokane - Nutanix Renewal 2024-2025**Pricing per GSA Contract # 47QSWA18D008F, with Additional Discounting**

| | | | | | | | | | |
|---|----------------------|--|--|-------------------|-------------------|-----|------------|------------|-------------|
| 1 | R-L-CORES-ULT-PRD | Subscription Renewal, Acropolis (AOS) Ultimate Software License & Production Software Support Service for 1 CPU core | <u>19SW000111025</u> <u>LIC-00791476</u> | <u>10/13/2024</u> | <u>10/12/2025</u> | 144 | \$3,259.00 | \$291.44 | \$41,967.36 |
| 2 | R-L-FLASHTIB-ULT-PRD | Subscription Renewal, Acropolis (AOS) Ultimate Software License & Production Software Support Service for 1 TiB of flash | <u>19SW000111025</u> <u>LIC-00791477</u> | <u>10/13/2024</u> | <u>10/12/2025</u> | 56 | \$967.00 | \$83.37 | \$4,668.72 |
| 3 | RS-HW-PRD-T4 | 24/7 Production Level HW Renewal Support for Nutanix appliance - For Tier 4 product for 1 year NX-8155-G7-HY | <u>19SM5A410359</u> <u>19SM5A410335</u> <u>19SM5A410346</u> <u>19SM5A410358</u> | <u>10/13/2024</u> | <u>10/12/2025</u> | 4 | \$5,000.00 | \$1,841.83 | \$7,367.32 |

Grand Total**\$54,003.40**Prepared by: Rachel Temple for Craig Schurter

Please contact the person listed above at Structured for any questions regarding this quotation.

| Line Item | Part Number | Description | Serial Number | Start Date | End Date | Qty. | Unit List Price | Unit Sale Price | Ext. Sale Price |
|-----------|-------------|-------------|---------------|------------|----------|------|-----------------|-----------------|-----------------|
|-----------|-------------|-------------|---------------|------------|----------|------|-----------------|-----------------|-----------------|

Notes:

- Client acknowledges and agrees that the by signing this quotation, issuing a purchase order referencing this quotation, or otherwise accessing or utilizing the solution outlined in this quotation that the Structured Communication Systems, Inc. Standard Terms and Conditions, which can be found at <http://www.structured.com/terms/>, apply to this and all quotations. Further, the Client acknowledges and agrees that the use, title, interest, rights and warranties associated with the solution outlined in this quotation are governed by the applicable manufacturer end-user license agreement, software license agreement, subscription agreement, warranty terms and/or maintenance/support contract.
- Prices do not include shipping charges. All shipping charges are FOB origin and will be added at time of invoice. Prices do not include Sales Tax. Sales tax rates are an estimate and are subject to change. Rates are dictated by the state into which the solution is being shipped. Freight may be taxable, depending upon state regulations. Please note that pricing outlined in this quotation does not include tariffs or any other international or national tax or duty (if any) that may be levied against some or all of the products by the applicable manufacturer at the time of procurement by Structured for the benefit of the Client. As such, any such tariffs, taxes or duties are the sole responsibility of the Client and will be passed through by Structured to the Client at the time of invoicing.
- Net 20 day terms are available with approved credit. Structured will accept pre-payment or Visa/MasterCard without approved credit; please note that all credit card transaction will also incur a three percent (3%) transaction fee. All quotes and proposals are calculated using US Dollars.
- Quotes are valid for 30 days. Structured reserves the right to adjust prices at any time according to manufacturer price changes or material changes in circumstances that affect the scope of services proposed herein. In the event that the expiration date has been exceeded, please contact your Account Representative for an updated quote.
- Remit To Address:** 9200 SE Sunnybrook Blvd., Suite 300, Clackamas OR, 97015

This quotation contains information that is privileged and confidential. The information contained in this quotation is intended only for use of the person to whom it is addressed. If the reader of this quotation is not (1) the intended recipient or (2) the employee or agent responsible to deliver it to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited.

WHEN PLACING YOUR ORDER, PLEASE FAX OR EMAIL TO: 888-729-0997 or orders@structured.com

Please fill out all of the below information to ensure that your order is processed as efficiently as possible.

Signature: _____ Date: _____

Shipping Address:

Street:
City, ST Zip:
Contact:
Phone:
Email:

Billing Address:

Preferred Shipping Method: Ground _____ 2nd Day _____ Overnight _____
Date Needed:

Customer Reference / Purchase Order Number: _____

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< Business Lookup

License Information:

[New search](#) [Back to results](#)

Entity name: STRUCTURED COMMUNICATION SYSTEMS, INC.

Business name: STRUCTURED COMMUNICATION SYSTEMS INC

Entity type: [Profit Corporation](#)

UBI #: 601-478-854

Business ID: 001

Location ID: 0003

Location: Active

Location address: 9200 SE SUNNYBROOK BLVD
STE 300
CLACKAMAS OR 97015-5765

Mailing address: 9200 SE SUNNYBROOK BLVD
STE 300
CLACKAMAS OR 97015-5765

Excise tax and reseller permit status: [Click here](#)

Secretary of State status: [Click here](#)

Endorsements

| Endorsements held at this locati | License # | Count | Details | Status | Expiration date | First issuance d |
|---|--------------|-------|---------|--------|-----------------|------------------|
| Bainbridge Island General Business - Non-Resident | | | | Active | Dec-31-2024 | Feb-12-2020 |
| Castle Rock General Business - Non-Resident | 888.0 | | | Active | Dec-31-2024 | May-08-2019 |
| Spokane General Business - Non-Resident | T12088451BUS | | | Active | Dec-31-2024 | Oct-15-2012 |

Governing People May include governing people not registered with Secretary of State

| Governing people | Title |
|------------------|-------|
| FOWLER, RONALD | |

Registered Trade Names

| Registered trade names | Status | First issued |
|------------------------|--------|--------------|
| | | |

| Registered trade names | Status | First issued |
|--|--------|--------------|
| STRUCTURED COMMUNICATION SYSTEMS, INC. | Active | Jan-25-2008 |

[View Additional Locations](#)

The Business Lookup information is updated nightly. Search date and time: 1/5/2024 2:27:12 PM

Contact us

How are we doing?

Take our survey!

Don't see what you expected?

Check if your browser is supported





CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

1/4/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must have **ADDITIONAL INSURED** provisions or be endorsed. If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

| PRODUCER (OR) Heffernan Insurance Brokers 5100 S Macadam Ave., Suite 440 Portland OR 97239 License#: 0564249 STRUCOM-01 | CONTACT NAME: PHONE (A/C, No, Ext): 503-226-1320 FAX (A/C, No): 503-226-1478 E-MAIL ADDRESS: | | | | | | | | | | | | | |
|---|--|-------------------------------|--------|---|-------|---|-------|---------------------------------------|-------|---|-------|--|-------|---|
| | <table border="1"> <thead> <tr> <th>INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> </thead> <tbody> <tr> <td>INSURER A : Massachusetts Bay Insurance Company</td> <td>22306</td> </tr> <tr> <td>INSURER B : Allmerica Financial Benefit Insurance Company</td> <td>41840</td> </tr> <tr> <td>INSURER C : Hanover Insurance Company</td> <td>22292</td> </tr> <tr> <td>INSURER D : The Hanover Insurance Company</td> <td>22292</td> </tr> <tr> <td>INSURER E : Philadelphia Indemnity Insurance Company</td> <td>18058</td> </tr> <tr> <td>INSURER F : Hiscox Insurance Company Inc.</td> <td>10200</td> </tr> </tbody> </table> | INSURER(S) AFFORDING COVERAGE | NAIC # | INSURER A : Massachusetts Bay Insurance Company | 22306 | INSURER B : Allmerica Financial Benefit Insurance Company | 41840 | INSURER C : Hanover Insurance Company | 22292 | INSURER D : The Hanover Insurance Company | 22292 | INSURER E : Philadelphia Indemnity Insurance Company | 18058 | INSURER F : Hiscox Insurance Company Inc. |
| INSURER(S) AFFORDING COVERAGE | NAIC # | | | | | | | | | | | | | |
| INSURER A : Massachusetts Bay Insurance Company | 22306 | | | | | | | | | | | | | |
| INSURER B : Allmerica Financial Benefit Insurance Company | 41840 | | | | | | | | | | | | | |
| INSURER C : Hanover Insurance Company | 22292 | | | | | | | | | | | | | |
| INSURER D : The Hanover Insurance Company | 22292 | | | | | | | | | | | | | |
| INSURER E : Philadelphia Indemnity Insurance Company | 18058 | | | | | | | | | | | | | |
| INSURER F : Hiscox Insurance Company Inc. | 10200 | | | | | | | | | | | | | |
| INSURED Structured Communication Systems, Inc. 9200 SE Sunnybrook Blvd., Ste 300 Clackamas OR 97015 | | | | | | | | | | | | | | |

COVERAGES

CERTIFICATE NUMBER: 1707014633

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

| INSR LTR | TYPE OF INSURANCE | ADDL INSD | SUBR WVD | POLICY NUMBER | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS |
|-------------|--|-----------|----------|---|----------------------------------|----------------------------------|---|
| A | <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> WA STOP GAP <input checked="" type="checkbox"/> \$1MM/\$1MM/\$1MM GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER: | Y | Y | ZD2J26951301 | 1/1/2024 | 1/1/2025 | EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$ |
| B | <input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY | | Y | AW3J26960801 | 1/1/2024 | 1/1/2025 | COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$ |
| C | <input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 0 | | | UH2J26951701 | 1/1/2024 | 1/1/2025 | EACH OCCURRENCE \$ 8,000,000 AGGREGATE \$ 8,000,000 Prod/Comp Ops Agg \$ 8,000,000 |
| B B | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below | | | W22J21659101 WM2J26954001 | 1/1/2024 1/1/2024 | 1/1/2025 1/1/2025 | <input type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000 |
| D E F | Tech E&O and Cyber Excess Tech E&O \$5M XS \$5M Employee Dishonesty | | | LH2J26958201 PHSD1845631 UC2469029724 | 1/1/2024 1/1/2024 1/1/2024 | 1/1/2025 1/1/2025 1/1/2025 | Aggregate Limit \$5,000,000 Aggregate Limit \$5,000,000 Limit \$1000000 |

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Excluded Individual, Worker's Compensation Policy #W22J21659101: Ronald Fowler
 RE: As per contract or agreement on file with insured. The City of Spokane, its agents, officers and employees are included as an additional insured (primary and non-contributory) on the General Liability policy per the attached endorsement, if required. Waiver of Subrogation is included on the General Liability and Auto Liability policies per the attached endorsement, if required.

CERTIFICATE HOLDER**CANCELLATION**

City of Spokane
 808 W. Spokane Falls Blvd.
 Spokane WA 99201-3316

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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14. AUTO LOAN PHYSICAL DAMAGE EXTENSION

The following is added to **SECTION III - PHYSICAL DAMAGE COVERAGE, C. Limit Of Insurance** provision:

When a "loss" results in a total loss to a covered auto you own for which a Loss Payee is designated in this policy, the most we will pay for "loss" in any one "accident" is the greater of:

1. The actual cash value of the damaged or stolen property as of the time of the "loss"; or
2. The outstanding balance of the initial loan, less any amounts for taxes, overdue payments, overdue payment charges, penalties, interest, any charges for early termination of the loan, costs for Credit Life Insurance, Health, Accident or Disability Insurance purchased with the loan, and carry-over balances from previous loans.

15. AUTO LEASE PHYSICAL DAMAGE EXTENSION

The following is added to **SECTION III - PHYSICAL DAMAGE COVERAGE, C. Limit Of Insurance** provision:

If, because of damage, destruction or theft of a covered "auto", which is a long-term leased "auto", the lease agreement between you and the lessor is terminated, "we" will pay the difference between the amount paid under paragraph **C. LIMIT OF INSURANCE 1.** or **2.** and the amount due at the time of "loss" under the terms of the lease agreement applicable to the leased "auto" which you are required to pay: less any fees to dispose of the auto; any overdue payments; financial penalties

imposed under a lease for excessive use, abnormal wear and tear or high mileage; security deposits not refunded by the lessor; cost for extended warranties, Credit Life Insurance, Health, Accident or Disability Insurance purchased with the loan; and carry over balances from previous leases.

This coverage applies only to the initial lease for the covered "auto" which has not previously been leased. This coverage is excess over all other collectible insurance.

SECTION IV - CONDITIONS

16. DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS

The following is added to **SECTION IV - BUSINESS AUTO CONDITIONS, A. Loss Conditions, 2. Duties In The Event Of Accident, Claim, Suit Or Loss:**

- d. Knowledge of any "accident", claim, "suit" or "loss" will be deemed knowledge by you when notice of such "accident", claim, "suit" or "loss" has been received by:

- (1) You, if you are an individual;
- (2) Any partner or insurance manager if you are a partnership; or
- (3) An executive officer or insurance manager if you are a corporation.

17. BLANKET WAIVER OF SUBROGATION

Paragraph **5. Transfer Of Rights Of Recovery Against Others To Us, SECTION IV - BUSINESS AUTO CONDITIONS, A. Loss Conditions** is replaced by the following:

5. **Transfer Of Rights Of Recovery
Against Others To Us**

If any person or organization to or for whom we make payment under this Coverage Form has rights to recover damages from another, which have not been waived through the execution of an "insured contract", written agreement, or permit, prior to the "accident" or "loss" giving rise to the payment, those rights to recover damages from another are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after the "accident" or "loss" to impair them.

18. **UNINTENTIONAL FAILURE TO
DISCLOSE INFORMATION**

The following is added to **SECTION IV BUSINESS AUTO CONDITIONS. B. General Conditions**, paragraph 2. **Concealment, Misrepresentation Or Fraud:**

Your unintentional error in disclosing, or failure to disclose, any material fact existing after the effective date of this Coverage Form shall not prejudice your rights under this Coverage Form. However, this provision does not affect our right to collect additional premium or exercise our right of cancellation or nonrenewal.

19. **HIRED AUTO - WORLDWIDE
COVERAGE**

The following is added to **SECTION IV - Business Auto Conditions, B. General Conditions**, paragraph 7. **Policy Period, Coverage Territory** provision:

- e. Outside the coverage territory described in a., b., c., and d. above for an "accident" or "loss" resulting from the use of a covered "auto" you hire, without a driver, or your employee hires without a driver, at your direction, for the purpose of conducting your business, for a period of 30 days or less, provided the suit is brought within The United States of America or its territories or possessions.

SECTION V - DEFINITIONS

20. **MENTAL ANGUISH**

Paragraph C. "**Bodily injury**", **SECTION V - DEFINITIONS** is replaced by the following:

- C. "Bodily injury" means bodily injury, sickness or disease sustained by a person including death or mental anguish resulting from any of these.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMERCIAL GENERAL LIABILITY BROADENING ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SUMMARY OF COVERAGES

| | | |
|-----|---|----------|
| 1. | Additional Insured by Contract, Agreement or Permit | Included |
| 2. | Additional Insured – Primary and Non-Contributory | Included |
| 3. | Blanket Waiver of Subrogation | Included |
| 4. | Bodily Injury Redefined | Included |
| 5. | Broad Form Property Damage – Borrowed Equipment, Customers Goods & Use of Elevators | Included |
| 6. | Knowledge of Occurrence | Included |
| 7. | Liberalization Clause | Included |
| 8. | Medical Payments – Extended Reporting Period | Included |
| 9. | Newly Acquired or Formed Organizations - Covered until end of policy period | Included |
| 10. | Non-owned Watercraft | 51 ft. |
| 11. | Supplementary Payments Increased Limits | |
| | - Bail Bonds | \$2,500 |
| | - Loss of Earnings | \$1000 |
| 12. | Unintentional Failure to Disclose Hazards | Included |
| 13. | Unintentional Failure to Notify | Included |

This endorsement amends coverages provided under the Commercial General Liability Coverage Part through new coverages, higher limits and broader coverage grants.

1. Additional Insured by Contract, Agreement or Permit

The following is added to **SECTION II – WHO IS AN INSURED**:

Additional Insured by Contract, Agreement or Permit

- a. Any person or organization with whom you agreed in a written contract, written agreement or permit that such person or organization to add an additional insured on your policy is an additional insured only with respect to liability for "bodily injury", "property damage", or "personal and advertising injury" caused, in whole or in part, by your acts or omissions, or the acts or omissions of those acting on your behalf, but only with respect to:

- (1) "Your work" for the additional insured(s) designated in the contract, agreement or permit;
- (2) Premises you own, rent, lease or occupy; or
- (3) Your maintenance, operation or use of equipment leased to you.
- b. The insurance afforded to such additional insured described above:
- (1) Only applies to the extent permitted by law; and
- (2) Will not be broader than the insurance which you are required by the contract, agreement or permit to provide for such additional insured.

- (3) Applies on a primary basis if that is required by the written contract, written agreement or permit.
 - (4) Will not be broader than coverage provided to any other insured.
 - (5) Does not apply if the "bodily injury", "property damage" or "personal and advertising injury" is otherwise excluded from coverage under this Coverage Part, including any endorsements thereto.
- c. This provision does not apply:
- (1) Unless the written contract or written agreement was executed or permit was issued prior to the "bodily injury", "property damage", or "personal injury and advertising injury".
 - (2) To any person or organization included as an insured by another endorsement issued by us and made part of this Coverage Part.
 - (3) To any lessor of equipment:
 - (a) After the equipment lease expires; or
 - (b) If the "bodily injury", "property damage", "personal and advertising injury" arises out of sole negligence of the lessor
 - (4) To any:
 - (a) Owners or other interests from. whom land has been leased which takes place after the lease for the land expires; or
 - (b) Managers or lessors of premises if:
 - (i) The occurrence takes place after you cease to be a tenant in that premises; or
 - (ii) The "bodily injury", "property damage", "personal injury" or "advertising injury" arises out of structural alterations, new construction or demolition operations performed by or on behalf of the manager or lessor.
 - (5) To "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or the failure to render any professional services.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" or the offense which caused the "personal and

advertising injury" involved the rendering of or failure to render any professional services by or for you.

- d. With respect to the insurance afforded to these additional insureds, the following is added to **SECTION III – LIMITS OF INSURANCE**:

The most we will pay on behalf of the additional insured for a covered claim is the lesser of the amount of insurance:

- 1. Required by the contract, agreement or permit described in Paragraph a.; or
- 2. Available under the applicable Limits of Insurance shown in the Declarations.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

2. Additional Insured – Primary and Non-Contributory

The following is added to **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, Paragraph 4. **Other insurance:**

Additional Insured – Primary and Non-Contributory

If you agree in a written contract, written agreement or permit that the insurance provided to any person or organization included as an Additional Insured under **SECTION II – WHO IS AN INSURED**, is primary and non-contributory, the following applies:

If other valid and collectible insurance is available to the Additional Insured for a loss covered under Coverages **A** or **B** of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary to other insurance that is available to the Additional Insured which covers the

Additional Insured as a Named Insured. We will not seek contribution from any other insurance available to the Additional Insured except:

- (1) For the sole negligence of the Additional Insured;
- (2) When the Additional Insured is an Additional Insured under another primary liability policy; or
- (3) when **b.** below applies.

If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in **c.** below.

b. Excess Insurance

(1) This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis:

- (a) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";
- (b) That is Fire insurance for premises rented to the Additional Insured or temporarily occupied by the Additional Insured with permission of the owner;
- (c) That is insurance purchased by the Additional Insured to cover the Additional Insured's liability as a tenant for "property damage" to premises rented to the Additional Insured or temporarily occupied by the Additional with permission of the owner; or
- (d) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion g. of **SECTION I – COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY.**

(2) When this insurance is excess, we will have no duty under Coverages A or B to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

(3) When this insurance is excess over other Insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (a) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (b) The total of all deductible and self insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each

insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first. If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers

3. Blanket Waiver of Subrogation

The following is added to **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, Paragraph 8. **Transfer Of Rights Of Recovery Against Others To Us:**

We waive any right of recovery we may have against any person or organization with whom you have a written contract that requires such waiver because of payments we make for damage under this coverage form. The damage must arise out of your activities under a written contract with that person or organization. This waiver applies only to the extent that subrogation is waived under a written contract executed prior to the "occurrence" or offense giving rise to such payments.

4. Bodily Injury Redefined

SECTION V – DEFINITIONS, Definition 3. "bodily injury" is replaced by the following:

3. "Bodily injury" means bodily injury, sickness or disease sustained by a person including death resulting from any of these at any time. "Bodily injury" includes mental anguish or other mental injury resulting from "bodily injury".

5. Broad Form Property Damage – Borrowed Equipment, Customers Goods, Use of Elevators

a. **SECTION I – COVERAGES, COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, Paragraph 2. **Exclusions** subparagraph j. is amended as follows:

Paragraph (4) does not apply to "property damage" to borrowed equipment while at a jobsite and not being used to perform operations.

Paragraphs (3), (4) and (6) do not apply to "property damage" to "customers goods" while on your premises nor do they apply to the use of elevators at premises you own, rent, lease or occupy.

b. The following is added to **SECTION V – DEFINITIONS:**

24. "Customers goods" means property of your customer on your premises for the purpose of being:

- a. worked on; or
- b. used in your manufacturing process.
- c. The insurance afforded under this provision is excess over any other valid and collectible property insurance (including deductible) available to the insured whether primary, excess, contingent

6. Knowledge of Occurrence

The following is added to **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, Paragraph **2. Duties in the Event of Occurrence, Offense, Claim or Suit**:

- e. Notice of an "occurrence", offense, claim or "suit" will be considered knowledge of the insured if reported to an individual named insured, partner, executive officer or an "employee" designated by you to give us such a notice.

7. Liberalization Clause

The following is added to **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**:

Liberalization Clause

If we adopt any revision that would broaden the coverage under this Coverage Form without additional premium, within 45 days prior to or during the policy period, the broadened coverage will immediately apply to this Coverage Part.

8. Medical Payments – Extended Reporting Period

- a. **SECTION I – COVERAGES, COVERAGE C – MEDICAL PAYMENTS**, Paragraph **1. Insuring Agreement**, subparagraph **a.(3)(b)** is replaced by the following:
 - (b) The expenses are incurred and reported to us within three years of the date of the accident; and
- b. This coverage does not apply if **COVERAGE C – MEDICAL PAYMENTS** is excluded either by the provisions of the Coverage Part or by endorsement.

9. Newly Acquired Or Formed Organizations

SECTION II – WHO IS AN INSURED, Paragraph **3.a.** is replaced by the following:

- a. Coverage under this provision is afforded until the end of the policy period.

10. Non-Owned Watercraft

SECTION I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, Paragraph **2. Exclusions**, subparagraph **g.(2)** is replaced by the following:

g. Aircraft, Auto Or Watercraft

(2) A watercraft you do not own that is:

- (a) Less than 51 feet long; and
- (b) Not being used to carry persons or property for a charge;

This provision applies to any person who, with your consent, either uses or is responsible for the use of a watercraft.

11. Supplementary Payments Increased Limits

SECTION I – SUPPLEMENTARY PAYMENTS COVERAGES A AND B, Paragraphs **1.b.** and **1.d.** are replaced by the following:

1.b. Up to \$2,500 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

1.d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$1000 a day because of time off from work.

12. Unintentional Failure to Disclose Hazards

The following is added to **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, Paragraph **6. Representations**:

We will not disclaim coverage under this Coverage Part if you fail to disclose all hazards existing as of the inception date of the policy provided such failure is not intentional.

13. Unintentional Failure to Notify

The following is added to **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, Paragraph **2. Duties in the Event of Occurrence, Offense, Claim or Suit**:

Your rights afforded under this policy shall not be prejudiced if you fail to give us notice of an "occurrence", offense, claim or "suit", solely due to your reasonable and documented belief that the "bodily injury" or "property damage" is not covered under this policy.

ALL OTHER TERMS, CONDITIONS, AND EXCLUSIONS REMAIN UNCHANGED.



Agenda Sheet for City Council:

Committee: Urban Experience **Date:** 09/09/2024

Committee Agenda type: Discussion

Date Rec'd

8/25/2024

Clerk's File #

Cross Ref #

Project #

Council Meeting Date: 09/23/2024

Submitting Dept

PLANNING & ECONOMIC

Bid #

Contact Name/Phone

AMANDA BECK 6414

Requisition #

Contact E-Mail

ABECK@SPOKANECITY.ORG

Agenda Item Type

Resolutions

Council Sponsor(s)

JBINGLE ZZAPPONE KKLITZKE

Agenda Item Name

0650 - SETTING ASSESSMENT ROLL HEARING FOR THE DOWNTOWN PBIA

Agenda Wording

Resolution setting assessment roll hearing for the Downtown Parking and Business Improvement Area

Summary (Background)

To finance the programs authorized in the Downtown PBIA, the City levies an annual special assessment upon businesses, real properties, multi-family residential, and mixed-use projects within the district. This Resolution provides that the Assessment Roll Hearing shall be held before the City Council at the December 2, 2024, meeting. All ratepayers will be provided notice of assessments and the hearing date and be given an opportunity to make comments and/or objections.

Lease? NO

Grant related? NO

Public Works? NO

Fiscal Impact

Approved in Current Year Budget? N/A

Total Cost

\$

Current Year Cost

\$

Subsequent Year(s) Cost

\$

Narrative

Amount

Budget Account

Select

\$

#

Select

\$

#

Select

\$

#

Select

\$

#

\$

#

\$

#



Continuation of Wording, Summary, Approvals, and Distribution

Agenda Wording

Summary (Background)

Approvals

| | |
|----------------------------------|---------------------|
| <u>Dept Head</u> | GARDNER, SPENCER |
| <u>Division Director</u> | MACDONALD, STEVEN |
| <u>Accounting Manager</u> | ORLOB, KIMBERLY |
| <u>Legal</u> | SCHOEDEL, ELIZABETH |
| <u>For the Mayor</u> | PICCOLO, MIKE |

Additional Approvals

| | |
|--|--|
| | |
| | |
| | |
| | |
| | |

Distribution List

| | |
|------------------------------|-----------------------------|
| Ecameron@downtownspokane.org | tstripes@spokanecity.org |
| lbeattie@spokanecity.org | BIDinfo@downtownspokane.org |
| abeck@spokanecity.org | sgardener@spokanecity.org |
| smacdonald@spokanecity.org | akiehn@spokanecity.org |
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RESOLUTION NO. 2024-__

A RESOLUTION SETTING THE ASSESSMENT ROLL HEARING FOR THE DOWNTOWN PARKING AND BUSINESS IMPROVEMENT AREA (BUSINESS IMPROVEMENT DISTRICT – BID) AND PROVIDING NOTICE OF THE 2025 ASSESSMENTS TO BUSINESS AND PROPERTY OWNERS.

WHEREAS, pursuant to the laws of Washington State and City Ordinance C32923, as codified and amended in Chapter 04.31 SMC, the City Council intends to hold a hearing on the assessments levied upon businesses and properties within the Downtown Parking and Business Improvement Area (PBIA); and

WHEREAS, through this Resolution, the City Council intends to provide notice that there will be a hearing upon the assessment roll prepared under the above identified ordinance.

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE SPOKANE CITY COUNCIL:

1. Notice is hereby given that the assessment rolls for businesses and properties prepared under Ordinance C32923, as codified and amended in Chapter 04.31 SMC, will be on file in the Office of the City Clerk on November 1, 2024, and are open for public inspection.
2. The City Council has fixed December 2, 2024 at 6:00 p.m., or as soon thereafter as practicable in the City Council Chambers of the Municipal Building, W. 808 Spokane Falls Blvd., Spokane, Washington, as the time and place for hearing upon said assessment rolls.
3. The City Council declares its intent to impose special assessment in a manner that measures special benefits from each of the purposes set forth in Ordinance C32923, as codified and amended in Chapter 04.31 SMC. The special assessments will finance the PBIA (BID) budgets and programs approved by the City Council.
4. All persons who may desire to object to the assessment roll shall make their objections in writing and file them with the City Clerk at or prior to the date fixed for the hearing.

At the time and place fixed, and at such other times as the hearing may be continued to, the City Council will consider the assessment roll as a board of equalization for the purpose of considering objections or comments made thereto, or any part thereof, and may correct, revise, raise, lower, change or modify such roll, or any part thereof, or set aside such roll and order that such assessment be

made de novo, or take such other action as the circumstances may warrant, including confirmation of the assessment rolls.

This is the only hearing held on the assessment roll, and it will be final unless appealed according to Chapter 04.31 SMC.

5. The City's Finance, Treasury and Administration Department is directed to mail, at least fifteen days before the date fixed for hearing, a notice to the businesses and property owners identified in the assessment rolls setting forth the date and time of public hearing, including the amount of special assessment.
6. The City clerk is directed to publish notice of the hearing on the assessment rolls in the Official Gazette for two consecutive weeks, the last publication being fifteen days before the date fixed for public hearing.

ADOPTED by the City Council this ____ day of September, 2024.

City Clerk

Approved as to form:

City Attorney

Committee Agenda Sheet

Urban Experience Committee

| | |
|--|--|
| Committee Date | September 9, 2024 |
| Submitting Department | Planning and Economic Development |
| Contact Name | Amanda Beck |
| Contact Email & Phone | abeck@spokanecity.org ; x6414 |
| Council Sponsor(s) | CMs Zappone, Bingle, and Klitzke |
| Select Agenda Item Type | <input type="checkbox"/> Consent <input checked="" type="checkbox"/> Discussion Time Requested: 5 minutes |
| Agenda Item Name | 2025 Special Assessment for Downtown PBIA |
| Proposed Council Action | <input checked="" type="checkbox"/> Approval to proceed to Legislative Agenda <input type="checkbox"/> Information Only |
| Summary (Background) | <p>The Downtown parking and business improvement district (PBIA, commonly referred to as the Downtown BID) was established in 1995 to provide a variety of programs and services in the downtown district, including security ambassadors, marketing and promotions, parking and transportation programs, maintenance services, special events, and economic development support. The Downtown Spokane Partnership (DSP) administers and operates these programs through a contract with the City of Spokane. The BID collects an annual assessment from businesses and property owners within the district to provide funding for programs and services.</p> <p>Chapter 04.31 SMC sets forth the annual process for assessing and collecting assessments from ratepayers within the district. The annual process includes the following steps:</p> <ul style="list-style-type: none"> • City Council sets an assessment roll hearing date by resolution; • City staff and the BID manager prepare the annual assessment roll based on tax assessment information from the Spokane County Assessor's Office and formulas established in Chapter 04.31C SMC; • City staff provide mailed notice to property owners and identified on the assessment roll at least fifteen days prior to the hearing; • The City Council approves an assessment roll at the hearing; • City staff carry out billing and collection of annual assessment payments. |
| <p>Fiscal Impact</p> <p>Approved in current year budget? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p> <p>Total Cost: <u>No direct costs are associated with this action</u></p> <p>Current year cost:</p> <p>Subsequent year(s) cost:</p> <p>Narrative: <u>The City collects the annual assessment on behalf of the ratepayers; DSP provides services in line with the budget and management plan approved by City Council, and then invoices the City to pay for those services. There are limited direct costs as our economic development partner conducts the work on behalf of the City.</u></p> <p>Funding Source <input type="checkbox"/> One-time <input type="checkbox"/> Recurring <input checked="" type="checkbox"/> N/A</p> <p>Specify funding source: Program revenue</p> <p>Is this funding source sustainable for future years, months, etc? Yes, a PBIA is set up to fund specific services for its geographic area above and beyond the baseline services provided by the City.</p> | |

Expense Occurrence One-time Recurring N/A

Other budget impacts:

Operations Impacts (If N/A, please give a brief description as to why)

What impacts would the proposal have on historically excluded communities?

In administering the BID contract, the Downtown Spokane Partnership is tasked with assisting existing and potential businesses that want to be located with the Downtown BID, and this can include women and minority owned businesses that benefit from an entity that manages district-wide marketing and events to attract customers that support local Spokane businesses. Ratepayer Board positions are designated by geography, business, and property type to ensure that a variety of interests are well represented and guide decision making for the BID. This includes utilizing the Security Ambassadors to complete additional vehicle and e-bike patrols to monitor for possible mobility issues so that business owners, employees, and visitors are better able to access downtown.

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

DSP, the BID contract manager, completes an annual management plan as part of the annual special assessment process, which includes information on how the BID serves rate payers. No specific information is broken down by racial, gender identity, or other metrics at this time. Feedback from ratepayers to the Downtown BID Ratepayer Board is one avenue through which both the City and DSP knows if ratepayers believe they are receiving services commensurate with the collected special assessment.

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

Hosted events, grants to new businesses, and response calls from Clean & Green and the Security Ambassadors teams, which are detailed in the BID management plan, provide data for effectiveness of the Downtown BID. The ability to maintain, or expand, services as funded through the special assessments would be a positive indicator that the BID is self-sufficient and appropriately servicing ratepayers.

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

Programs administered by the DSP support several strategies in the recently updated [Spokane Downtown Plan](#), such as energize streets and alleys that are activated for pedestrians (Live by Five, 509 Day, Welcome Back to Downtown) and supporting existing and emerging businesses downtown (Strategy LWP2.3). The Downtown BID aligns with the vision and values of Comprehensive Plan Chapter 7, [Economic Development](#), and policy ED 1.2. This resolution sets the hearing for the ordinance that confirms and approves the special assessment for 2024, thereby ensuring the Downtown BID has the funds to provide ratepayer services established in their contract which supports economic development focused specifically on downtown, a cultural and commercial regional hub.

**Agenda Sheet for City Council:****Committee:** Urban Experience **Date:** 09/09/2024**Committee Agenda type:** Consent**Date Rec'd**

8/23/2024

Clerk's File #**Cross Ref #****Project #****Council Meeting Date:** 09/23/2024**Submitting Dept**

PLANNING & ECONOMIC

Bid #**Contact Name/Phone**

AMANDA BECK 6414

Requisition #**Contact E-Mail**

ABECK@SPOKANECITY.ORG

Agenda Item Type

Contract Item

Council Sponsor(s)

ZZAPPONE KKLITZKE JBINGLE

Agenda Item Name

0650 – (MFTE) CONDITIONAL AGREEMENT 1009 W SHARP

Agenda Wording

Multiple Family Housing Property Tax Exemption Conditional Agreement with INTERROWORKS, LLC, for the future construction of approximately 40 units, at Parcel Number(s) 35182.3201 commonly known as 1009 W SHARP

Summary (Background)

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. SMC 08.15 Multiple-family Housing Property Tax Exemption outlines the City of Spokane MFTE Program and project eligibility.

Lease? NO

Grant related? NO

Public Works? NO

Fiscal Impact

Approved in Current Year Budget? N/A

Total Cost

\$

Current Year Cost

\$

Subsequent Year(s) Cost

\$

Narrative**Amount****Budget Account**

Select

\$

#

Select

\$

#

Select

\$

#

Select

\$

#

\$

#

\$

#



Continuation of Wording, Summary, Approvals, and Distribution

Agenda Wording

Summary (Background)

Approvals

Dept Head

GARDNER, SPENCER

Division Director

MACDONALD, STEVEN

Accounting Manager

ORLOB, KIMBERLY

Legal

HARRINGTON,

For the Mayor

PICCOLO, MIKE

Additional Approvals

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PLANNING & ECONOMIC DEVELOPMENT

MFTE Committee Briefing Paper

Urban Experience

| | |
|---|--|
| Submitting Department | Planning and Economic Development |
| Contact Name & Phone | Amanda Beck, 509-625-6414 |
| Contact Email | abeck@spokanecity.org |
| Council Sponsor(s) | |
| Select Agenda Item Type | <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Discussion Time Requested: _____ |
| Agenda Item Name | 0650 – Multi-Family Tax Exemption (MFTE) Conditional Agreement |
| Summary (Background) | <p>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. SMC <u>08.15</u> Multiple-family Housing Property Tax Exemption outlines the City of Spokane MFTE Program and project eligibility.</p> <p>Staff has determined that the 40 Unit Apartment Development Conditional application meets the Project Eligibility defined in SMC <u>08.15.040</u> and is located in a previously adopted Residential Target Areas identified in SMC <u>08.15.030</u>.</p> <p>Once the project is constructed, the applicant intends to finalize as a <u>8-year Market Rate Exemption</u>.</p> <p>This Conditional Agreement authorizes the appropriate city official to enter into the Multiple Family Housing Property Tax Exemption Conditional 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 post construction.</p> |
| Proposed Council Action & Date: | <p>Approve the MFTE Conditional Agreement for the <u>40 Unit Apartment Development</u> at <u>September 23 City Council Meeting</u>.</p> <p>Project Details: The applicant applied for a Conditional MFTE Agreement for <u>40 units</u>, at <u>1009 W SHARP AVE SPOKANE, WA</u></p> <ul style="list-style-type: none"> • Property is zoned <u>R2</u> and the proposed use is allowed. • Estimated Construction Costs: <u>4200000</u> • Located in the <u>West Central</u> neighborhood. |
| Fiscal Impact: | |
| Approved in current year budget? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A |
| Total Cost: <u>\$0</u> | |
| Current year cost: | |
| Subsequent year(s) cost: | |
| Narrative: | <u>The Mutli-Family Tax Exemption program has no direct impact on City revenues or expenses.</u> |
| Funding Source | <input type="checkbox"/> One-time <input type="checkbox"/> Recurring <input checked="" type="checkbox"/> N/A |
| Specify funding source: | |
| Is this funding source sustainable for future years, months, etc? N/A | |

| | | | |
|--------------------|-----------------------------------|------------------------------------|---|
| Expense Occurrence | <input type="checkbox"/> One-time | <input type="checkbox"/> Recurring | <input checked="" type="checkbox"/> N/A |
|--------------------|-----------------------------------|------------------------------------|---|

Other budget impacts: (revenue generating, match requirements, etc.)

Operation Impacts

What impacts would the proposal have on historically excluded communities?

SMC 08.15 Multi- Family Housing Property Tax Exemption

A. The purposes of this chapter are to:

1. encourage more multi-family housing opportunities, including affordable housing opportunities, within the City;
2. stimulate the construction of new multifamily housing and the rehabilitation of existing vacant and underutilized buildings for multi-family housing;
3. increase the supply of mixed-income multifamily housing opportunities within the City;
4. accomplish the planning goals required under the Growth Management Act, chapter 36.70A RCW, as implemented from time to time by the City's current and future comprehensive plans;
5. promote community development, neighborhood revitalization, and availability of affordable housing;
6. preserve and protect buildings, objects, sites and neighborhoods with historic, cultural, architectural, engineering or geographic significance located within the City; and
7. encourage additional housing in areas that are consistent with planning for public transit systems.

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

RCW 84.14.100

Report—Filing—Department of commerce audit or review—Guidance to cities and counties. (Expires January 1, 2058.)

(1) Thirty days after the anniversary of the date of the certificate of tax exemption and each year for the tax exemption period, the owner of the rehabilitated or newly constructed property, or the qualified nonprofit or local government that will assure permanent affordable homeownership for at least 25 percent of the units for properties receiving an exemption under RCW 84.14.021, must file with a designated authorized representative of the city or county an annual report indicating the following:

- (a) A statement of occupancy and vacancy of the rehabilitated or newly constructed property during the twelve months ending with the anniversary date;
- (b) A certification by the owner that the property has not changed use and, if applicable, that the property has been in compliance with the affordable housing requirements as described in RCW 84.14.020 since the date of the certificate approved by the city or county;
- (c) A description of changes or improvements constructed after issuance of the certificate of tax exemption; and
- (d) Any additional information requested by the city or county in regards to the units receiving a tax exemption.

(2) **All cities or counties, which issue certificates of tax exemption for multiunit housing that conform to the requirements of this chapter, must report annually by April 1st of each year, beginning in 2007, to the department of commerce. A city or county must be in compliance with the reporting requirements of this section to offer certificates of tax exemption for multiunit housing authorized in this chapter. The report must include the following information:**

- (a) The number of tax exemption certificates granted;
- (b) The total number and type of units produced or to be produced;
- (c) The number, size, and type of units produced or to be produced meeting affordable housing requirements;
- (d) The actual development cost of each unit produced;
- (e) The total monthly rent or total sale amount of each unit produced;
- (f) The annual household income and household size for each of the affordable units receiving a tax exemption and a summary of these figures for the city or county; and
- (g) The value of the tax exemption for each project receiving a tax exemption and the total value of tax exemptions granted.

(3)(a) The department of commerce must adopt and implement a program to effectively audit or review that the owner or operator of each property for which a certificate of tax exemption has been issued, except for those properties receiving an exemption that are owned or operated by a nonprofit or for those properties receiving an exemption from a city or county that operates an independent audit or review program, is offering the number of units at rents as committed to in the approved application for an exemption and that the tenants are being properly screened to be qualified for an income-restricted unit. The audit or review program must be adopted in consultation with local governments and other stakeholders and may be based on auditing a percentage of income-restricted units or properties annually. A private owner or operator of a property for which a certificate of tax exemption has been issued under this chapter, must be audited at least once every five years.

(b) If the review or audit required under (a) of this subsection for a given property finds that the owner or operator is not offering the number of units at rents as committed to in the approved application or is not properly screening tenants for income-restricted units, the department of commerce must notify the city or county and the city or county must impose and collect a sliding scale penalty not to exceed an amount calculated by subtracting the amount of rents that would have been collected had the owner or operator complied with their commitment from the amount of rents collected by the owner or operator for the income-restricted units, with consideration of the severity of the noncompliance. If a subsequent review or audit required under (a) of this subsection for a given property finds continued substantial noncompliance with the program requirements, the exemption certificate must be canceled pursuant to **RCW 84.14.110**.

(c) The department of commerce may impose and collect a fee, not to exceed the costs of the audit or review, from the owner or operator of any property subject to an audit or review required under (a) of this subsection.

(4) The department of commerce must provide guidance to cities and counties, which issue certificates of tax exemption for multiunit housing that conform to the requirements of this chapter, on best practices in managing and reporting for the exemption programs authorized under this chapter, including guidance for cities and counties to collect and report demographic information for tenants of units receiving a tax exemption under this chapter.

(5) This section expires January 1, 2058.

[2021 c 187 § 5; 2012 c 194 § 9; 2007 c 430 § 10; 1995 c 375 § 13.]

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

Title 08 Taxation and Revenue

Chapter 08.15 Multiple-family Housing Property Tax Exemption

Section 08.15.100 Annual Certification and Affordability Certification

Within thirty days of the anniversary of the date the final certificate of tax exemption was recorded at the County and each year thereafter, for the tax exemption period, the property owner shall file a certification with the director, verified upon oath or affirmation, which shall contain such information as the director may deem necessary or useful, and shall include the following information:

1. A statement of occupancy and vacancy of the multi-family units during the previous year.
2. A certification that the property has not changed use and, if applicable, that the property has been in compliance with the affordable housing requirements as described in **SMC 8.15.090** since the date of filing of the final certificate of tax exemption, and continues to be in compliance with the contract with the City and the requirements of this chapter; and

3. If the property owner rents the affordable multi-family housing units, the property owner shall file with the City a report indicating the household income of each initial tenant qualifying as low and moderate-income in order to comply with the twenty percent requirement of **SMC 8.15.090(A)(2)(b)** and RCW 84.14.020(1)(ii)(B).

a. The reports shall be on a form provided by the City and shall be signed by the tenants.

b. Information on the incomes of occupants of affordable units shall be included with the application for the final certificate of tax exemption, and shall continue to be included with the annual report for each property during the exemption period.

4. A description of any improvements or changes to the property made after the filing of the final certificate or last declaration, as applicable.

B. Failure to submit the annual declaration may result in cancellation of the tax exemption.

Date Passed: Monday, August 21, 2017

Effective Date: Saturday, October 7, 2017

ORD C35524 Section 8

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

Comprehensive Plan Land Use Policies:

LU 1.4 Higher Density Residential Uses

LU 3.5 Mix of Uses in Centers

LU 4.2 Land Uses That Support Travel Options and Active Transportation

LU 4.6 Transit-Supported Development

Comprehensive Plan Housing Policies:

H 1.9 Mixed-Income Housing

H 1.4 Use of Existing Infrastructure

H 1.10 Lower-Income Housing Development Incentives

H 1.11 Access to Transportation

H 1.18 Distribution of Housing Options

Comprehensive Plan Economic Development Policies:

ED 2.4 Mixed-Use

ED 7.4 Tax Incentives for Land Improvement

Council Subcommittee Review:

Please provide a summary of council subcommittee review. If not reviewed by council subcommittee, please explain why not.

All Mutli-Family Tax Exemption conditional agreement applications appear before the Urban Experience committee on the consent agenda for approval to appear on the next available legislative consent agenda.



PLANNING & ECONOMIC DEVELOPMENT MULTIPLE FAMILY HOUSING PROPERTY TAX EXEMPTION AGREEMENT

THIS CONDITIONAL AGREEMENT is between the City of Spokane, a Washington State municipal corporation, as “City”, and INTERROWORKS, LLC, as “Owner/Taxpayer” whose business address is 2618 W SINTO AVE SPOKANE, WA 99201-2900.

WITNESSETH:

WHEREAS, the City has, pursuant to the authority granted to it by Chapter 84.14 RCW, designated various residential targeted areas for the provision of a limited property tax exemption for new and rehabilitated multiple family residential housing; and

WHEREAS, the City has, through Chapter 8.15 SMC, enacted a program whereby property owner/taxpayers may qualify for a Final Certificate of Tax Exemption which certifies to the Spokane County Assessor that the Owner/Taxpayer is eligible to receive the multiple family housing property tax exemption; and

WHEREAS, the Owner/Taxpayer is interested in receiving the multiple family property tax exemption for new multiple family residential housing units in a residential targeted area; and

WHEREAS, the Owner/Taxpayer has submitted to the City a complete conditional application form for no fewer than a total of four new multiple family permanent residential housing units to be constructed on property legally described as:

BINGAMANS ADD PT OF L1-2 B16 N108.5FT OF L1&2 EXC E8 FT OF N75FT OF L1

Assessor’s Parcel Number(s) **35182.3201**,

commonly known as

1009 W SHARP AVE SPOKANE, WA.

WHEREAS, this property is located in the **Spokane Targeted Investment Area** and is eligible to seek a Final Certificate of Tax Exemption post construction under the **8-year Market Rate Exemption**, as defined in SMC 08.15.090.

WHEREAS, the City has determined that the improvements will, if completed as proposed, satisfy the requirements for a Final Certificate of Tax Exemption; -- NOW, THEREFORE,

The City and the Owner/Taxpayer do mutually agree as follows:

1. The City agrees to issue the Owner/Taxpayer a Conditional Agreement subsequent to the City Council’s approval of this agreement.

2. The project must comply with all applicable zoning requirements, land use requirements, design review recommendations and all building, fire, and housing code requirements contained in the Spokane Municipal Code at the time a complete application for a building permit is received. However, if the proposal includes rehabilitation or demolition in preparation for new construction, the residential portion of the building shall fail to comply with one or more standards of applicable building or housing codes, and the rehabilitation improvements shall achieve compliance with the applicable building and construction codes.

3. If the property proposed to be rehabilitated is not vacant, the Owner/Taxpayer shall provide each existing tenant with housing of comparable size, quality and price and a reasonable opportunity to relocate. At the time of an application for a Conditional Agreement, the applicant provided a letter attesting and documenting how the existing tenant(s) were/will be provided comparable housing and opportunities to relocate.

(a). The existing residential tenant(s) are to be provided housing of a comparable size and quality at a rent level meeting the Washington State definition of affordable to their income level. Specifically, RCW 84.14.010 defines “affordable housing” as residential housing that is rented by a person or household whose monthly housing costs, including utilities other than telephone, do not exceed thirty (30) percent of the household’s monthly income. The duration of this requirement will be the length of the tenant’s current lease plus one year.

4. The Owner/Taxpayer intends to construct on the site, approximately **40** new multiple family residential housing units substantially as described in their application filed with and approved by the City. In no event shall such construction provide fewer than a total of four multiple family permanent residential housing units.

5. The Owner/Taxpayer agrees to complete construction of the agreed-upon improvements within three years from the date the City issues this Conditional Agreement or within any extension granted by the City.

6. The Owner/Taxpayer agrees, upon completion of the improvements and upon issuance by the City of a temporary or permanent certificate of occupancy, to file an application for a Final Certificate of Tax Exemption with the City’s Planning and Economic Development Department, which will require the following:

(a) a statement of the actual development cost of each multiple family housing unit, and the total expenditures made in the rehabilitation or construction of the entire property;

(b) a description of the completed work and a statement that the rehabilitation improvements or new construction of the Owner/Taxpayer’s property qualifies the property for the exemption;

(c) a statement that the project meets the affordable housing requirements, if applicable; and

(d) a statement that the work was completed within the required three-year period or any authorized extension of the issuance of the conditional certificate of tax exemption.

7. The City agrees, conditioned on the Owner/Taxpayer's successful completion of the improvements in accordance with the terms of this Conditional Agreement and on the Owner/Taxpayer's filing of application for the Final Certificate of Exemption with the materials described in Paragraph 6 above, to file a Final Certificate of Tax Exemption with the Spokane County Assessor indicating that the Owner/Taxpayer is qualified for the limited tax exemption under Chapter 84.14 RCW.

8. The Owner/Taxpayer agrees, that once a Final Certificate of Tax Exemption is issued, to comply with all Annual Reporting requirements set forth in SMC 8.15.100 and contained in the annual report form provided by the City. Thirteen (13) months following the first year of the exemption beginning and every year thereafter, the Owner/Taxpayer will complete and file the appropriate Annual Report required by the terms of their Final Certificate of Tax Exemption with the City's Planning and Economic Development Department. The Annual Report is a declaration verifying upon oath and indicating the following:

(a) a statement of occupancy, use of the property/unit, income and rents for qualifying 12-year and 20-year and vacancy of the multi-family units during the previous year;

(b) a certification that the property has not changed to a commercial use or been used as a transient (short-term rental) basis and, if applicable, that the property has been in compliance with the affordable housing income and rent requirements as described in SMC 8.15.090 since the date of the filing of the Final Certificate of Tax Exemption, and continues to be in compliance with this Agreement and the requirements of SMC Chapter 8.15;

(c) for affordable multi-family housing units, information providing the household income, rent and utility cost, of each qualifying as low and moderate-income, which shall be reported on a form provided by the City and signed by the tenants; and

(d) a description of any improvements or changes to the property made after the filing of the final certificate or last declaration.

9. The parties acknowledge that the units, including any owner-occupied units are to be used and occupied for multifamily permanent residential occupancy and use. The parties further acknowledge that the certificate of occupancy issued by the City is for multifamily residential units. The Owner/Taxpayer acknowledges and agrees that the units shall be used primarily for multi-family housing for permanent residential occupancy as defined in SMC 8.15.020 and RCW 84.14.010 and any business activities shall only be incidental and ancillary to the residential occupancy. Any units that are converted from multi-family housing for permanent residential occupancy shall be reported to the City of Spokane's Planning and Economic Development Department and the Spokane County Assessor's Office and removed from eligibility for the tax exemption within 60 days. If the removal of the ineligible unit or units causes the number of units to drop below the number of units required for tax exemption eligibility, the remaining units shall be removed from eligibility pursuant to state law.

10. The Owner/Taxpayer will have the right to assign its rights under this Agreement. The Owner/Taxpayer agrees to notify the City promptly of any transfer of Owner/Taxpayer's ownership interest in the Site or in the improvements made to the Site under this Agreement.

11. The City reserves the right to cancel the Final Certificate of Tax Exemption should the Owner/Taxpayer, its successors and assigns, fail to comply with any of the terms and conditions of this Agreement or of SMC Chapter 8.15.

12. No modifications of this Conditional Agreement shall be made unless mutually agreed upon by the parties in writing.

13. The Owner/Taxpayer acknowledges its awareness of the potential tax liability involved if and when the property ceases to be eligible for the incentive provided pursuant to this agreement. Such liability may include additional real property tax, penalties and interest imposed pursuant to RCW 84.14.110. The Owner/Taxpayer further acknowledges its awareness and understanding of the process implemented by the Spokane County Assessor's Office for the appraisal and assessment of property taxes. The Owner/Taxpayer agrees that the City is not responsible for the property value assessment imposed by Spokane County at any time during the exemption period.

14. In the event that any term or clause of this Conditional Agreement conflicts with applicable law, such conflict shall not affect other terms of this Agreement, which can be given effect without the conflicting term or clause, and to this end, the terms of this Conditional Agreement are declared to be severable.

15. The parties agree that this Conditional Agreement, requires the applicant to file an application for the Final Certificate of Tax Exemption post the construction of the multiple family residential housing units referenced above and that the Final Certificate of Tax Exemption shall be subject to the applicable provisions of Chapter 84.14 RCW and Chapter 8.15 SMC that exist at the time this agreement is signed by the parties. The parties may agree to amend this Conditional Agreement requirements as set forth when the applicant applies for the Final Certificate of Tax Exemption based upon applicable amendments and additions to Chapter 84.14 RCW or Chapter 8.15 SMC if the requirements change between the issuance of the Conditional Agreement and the Application for Final Tax Exemption has been submitted.

16. Nothing in this Agreement shall permit or be interpreted to permit either party to violate any provision of Chapter 84.14 RCW or Chapter 8.15 SMC

17. This Agreement is subject to approval by the City Council.

DATED this _____ day of _____ 20 _____

CITY OF SPOKANE

INTERROWORKS, LLC

By:

By:

Interim City Administrator, Garrett Jones

Its:

Attest:

Approved as to form:

City Clerk

Assistant City Attorney

**Agenda Sheet for City Council:****Committee:** Urban Experience **Date:** 09/09/2024**Committee Agenda type:** Discussion**Date Rec'd**

8/23/2024

Clerk's File #**Cross Ref #****Project #****Council Meeting Date:** 09/23/2024**Submitting Dept**

PLANNING & ECONOMIC

Bid #**Contact Name/Phone**

AMANDA BECK 6414

Requisition #**Contact E-Mail**

ABECK@SPOKANECITY.ORG

Agenda Item Type

Resolutions

Council Sponsor(s)

JBINGLE ZZAPPONE KKLITZKE

Agenda Item Name

0650 - SETTING ASSESSMENT ROLL HEARING FOR THE EAST SPRAGUE PBIA

Agenda Wording

A resolution setting the assessment roll hearing to confirm and approve the 2025 special assessment rates within the East Sprague Parking and Business Improvement Area.

Summary (Background)

To finance the programs authorized in the East Sprague PBIA, the City levies an annual special assessment upon businesses, real properties, multi-family residential, and mixed-use projects within the district. This Resolution provides that the Assessment Roll Hearing shall be held before the City Council at the December 2, 2024, meeting. All ratepayers will be provided notice of assessments and the hearing date and be given an opportunity to make comments and/or objections.

Lease? NO

Grant related? NO

Public Works? NO

Fiscal Impact

Approved in Current Year Budget? N/A

Total Cost

\$

Current Year Cost

\$

Subsequent Year(s) Cost

\$

Narrative**Amount****Budget Account**

Neutral

\$

#

Select

\$

#

Select

\$

#

Select

\$

#

\$

#

\$

#



Continuation of Wording, Summary, Approvals, and Distribution

Agenda Wording

Summary (Background)

Approvals

Dept Head

GARDNER, SPENCER

Division Director

MACDONALD, STEVEN

Accounting Manager

ORLOB, KIMBERLY

Legal

SCHOEDEL, ELIZABETH

For the Mayor

PICCOLO, MIKE

Additional Approvals

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RESOLUTION NO. 2024-__

A RESOLUTION SETTING THE ASSESSMENT ROLL HEARING FOR THE EAST SPRAGUE PARKING AND BUSINESS IMPROVEMENT AREA (BUSINESS IMPROVEMENT DISTRICT – BID) AND PROVIDING NOTICE OF THE 2025 ASSESSMENTS TO PROPERTY OWNERS.

WHEREAS, pursuant to the laws of Washington State and City Ordinance C35377, as codified and amended in Chapter 04.31C SMC, the City Council intends to hold a hearing on the assessments levied upon properties within the East Sprague Parking and Business Improvement Area (PBIA); and

WHEREAS, through this Resolution, the City Council intends to provide notice that there will be a hearing upon the assessment roll prepared under the above identified ordinance.

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE SPOKANE CITY COUNCIL:

1. Notice is hereby given that the assessment rolls for properties prepared under Ordinance C35377, as codified and amended in Chapter 04.31C SMC, will be on file in the Office of the City Clerk on November 1, 2024, and are open for public inspection.
2. The City Council has fixed December 2, 2024, at 6:00 p.m., or as soon thereafter as practicable in the City Council Chambers of the Municipal Building, W. 808 Spokane Falls Blvd., Spokane, Washington, as the time and place for hearing upon said assessment rolls.
3. The City Council declares its intent to impose special assessment in a manner that measures special benefits from each of the purposes set forth in Ordinance C35377, as codified and amended in Chapter 04.31C SMC. The special assessments will finance the PBIA (BID) budgets and programs approved by the City Council.
4. All persons who may desire to object to the assessment roll shall make their objections in writing and file them with the City Clerk at or prior to the date fixed for the hearing.

At the time and place fixed, and at such other times as the hearing may be continued to, the City Council will consider the assessment roll as a board of equalization for the purpose of considering objections or comments made thereto, or any part thereof, and may correct, revise, raise, lower, change or modify such roll, or any part thereof, or set aside such roll and order that such assessment be

made de novo, or take such other action as the circumstances may warrant, including confirmation of the assessment rolls.

This is the only hearing held on the assessment roll, and it will be final unless appealed according to Chapter 04.31C SMC.

5. The City's Finance, Treasury and Administration Department is directed to mail, at least fifteen days before the date fixed for hearing, a notice to the businesses and property owners identified in the assessment rolls setting forth the date and time of public hearing, including the amount of special assessment.
6. The City Clerk is directed to publish notice of the hearing on the assessment rolls in the Official Gazette for two consecutive weeks, the last publication being fifteen days before the date fixed for public hearing.

ADOPTED by the City Council this ____ day of September, 2024.

City Clerk

Approved as to form:

City Attorney

Committee Agenda Sheet

Urban Experience Committee

| | |
|---|--|
| Committee Date | September 9, 2024 |
| Submitting Department | Planning and Economic Development |
| Contact Name | Amanda Beck |
| Contact Email & Phone | abeck@spokanecity.org ; x6414 |
| Council Sponsor(s) | CMs Zappone, Bingle, and Klitzke |
| Select Agenda Item Type | <input type="checkbox"/> Consent <input checked="" type="checkbox"/> Discussion Time Requested: 5 minutes |
| Agenda Item Name | 2025 Special Assessment for East Sprague PBIA |
| Proposed Council Action | <input checked="" type="checkbox"/> Approval to proceed to Legislative Agenda <input type="checkbox"/> Information Only |
| Summary (Background) | <p>The East Sprague parking and business improvement district (PBIA, commonly referred to as the ESBID) was established in 2016 to provide a variety of programs and services in the East Sprague/Sprague Union business district, including cleaning and greening, neighborhood beautification, district branding and marketing, and safety services. The East Sprague Business Association (ESBA) administers and operates these programs through a contract with the City of Spokane. The BID collects an annual special assessment from property owners within the district to provide funding for programs and services, as outlined in Chapter 04.31C SMC.</p> <p>Chapter 04.31C SMC sets forth the annual process for assessing and collecting assessments from ratepayers within the district. The annual process includes the following steps:</p> <ul style="list-style-type: none"> • City Council sets an assessment roll hearing date by resolution; • City staff and the BID manager prepare the annual assessment roll based on tax assessment information from the Spokane County Assessor's Office and formulas established in Chapter 04.31C SMC; • City staff provide mailed notice to property owners identified on the assessment roll at least fifteen days prior to the hearing; • The City Council approves an assessment roll at the hearing; • City staff carry out billing and collection of annual assessment payments. |
| <p>Fiscal Impact</p> <p>Approved in current year budget? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A</p> <p>Total Cost: <u>No direct costs are associated with this action</u></p> <p>Current year cost:</p> <p>Subsequent year(s) cost:</p> <p>Narrative: <u>The City collects the annual assessment on behalf of the ratepayers; ESBA provides services in line with the approved budget and management plan approved by City Council, and then invoices the City to pay for those services. There are limited direct costs to the City as our economic development partner conducts the work on behalf of the City.</u></p> <p>Funding Source <input type="checkbox"/> One-time <input type="checkbox"/> Recurring <input checked="" type="checkbox"/> N/A</p> <p>Specify funding source: Program revenue</p> | |

Is this funding source sustainable for future years, months, etc? Yes, a PBIA is set up to fund specific services for its geographic area above and beyond the baseline services provided by the City.

Expense Occurrence One-time Recurring N/A

Other budget impacts: (revenue generating, match requirements, etc.)

Operations Impacts (If N/A, please give a brief description as to why)

What impacts would the proposal have on historically excluded communities?

In administering the BID contract, ESBA is tasked with assisting existing and potential businesses that want to be located with the East Sprague BID, and this can include women and minority owned businesses that benefit from an entity that can manage district-wide marketing and events to attract customers that support local Spokane businesses.

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

ESBA, the BID contract manager, completes an annual management plan as part of the annual special assessment process, which includes information on how the BID serves rate payers. No specific information is broken down by racial, gender identity, or other metrics at this time. Feedback from ratepayers to the ESBA Ratepayer Board is one avenue through which both the City and ESBA knows if ratepayers believe they are receiving services commensurate with the collected special assessment.

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

Effectiveness of the proposed changes would be collected annually during the special assessment process, and as analyzed in the annual management plan ESBA completes as the BID contract manager. The ability to maintain, or expand, services as funded through the special assessments would be a positive indicator that the BID is self-sufficient.

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

The creation and continuation of the East Sprague BID achieves a large goal from the 2014 East Sprague Targeted Investment Pilot (TIP) Advisory Board’s Implementation Plan, in alignment with the recommendations from the Smart Growth America technical assistance grant report on how to achieve an economically vibrant neighborhood through targeted public and private investments. This resolution sets the hearing for the ordinance that confirms and approves the special assessment for 2025, thereby ensuring the ESBA has the funds to provide ratepayer services established in their contract which supports economic development focused specifically on the East Sprague area, in alignment with the vision and values of Comprehensive Plan Chapter 7, [Economic Development](#), and policy ED 1.2.



Agenda Sheet for City Council:

Committee: Urban Experience **Date:** 09/09/2024

Committee Agenda type: Consent

Date Rec'd

8/23/2024

Clerk's File #

Cross Ref #

Project #

Council Meeting Date: 09/23/2024

Submitting Dept

PLANNING & ECONOMIC

Bid #

Contact Name/Phone

AMANDA BECK 6414

Requisition #

Contact E-Mail

ABECK@SPOKANECITY.ORG

Agenda Item Type

Contract Item

Council Sponsor(s)

ZZAPPONE JBINGLE KKLITZKE

Agenda Item Name

0650 – MFTE CONDITIONAL AGREEMENT 2675 W CLARKE AVE

Agenda Wording

Multiple Family Housing Property Tax Exemption Conditional Agreement with WALTERS,BRIAN/LENNICK,BRANDON, for the future construction of approximately 213 units, at Parcel Number(s) 25136.2079 commonly known as 2675 W CLARKE AVE.

Summary (Background)

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. SMC 08.15 Multiple-family Housing Property Tax Exemption outlines the City of Spokane MFTE Program and project eligibility.

Lease? NO Grant related? NO Public Works? NO

Fiscal Impact

Approved in Current Year Budget? N/A

Total Cost \$

Current Year Cost \$

Subsequent Year(s) Cost \$

Narrative

Amount

Budget Account

| | | |
|--------|----|---|
| Select | \$ | # |
| Select | \$ | # |
| Select | \$ | # |
| Select | \$ | # |
| | \$ | # |
| | \$ | # |



Continuation of Wording, Summary, Approvals, and Distribution

Agenda Wording

Summary (Background)

Approvals

Dept Head

GARDNER, SPENCER

Division Director

MACDONALD, STEVEN

Accounting Manager

ORLOB, KIMBERLY

Legal

HARRINGTON,

For the Mayor

PICCOLO, MIKE

Additional Approvals

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PLANNING & ECONOMIC DEVELOPMENT

MFTE Committee Briefing Paper

Urban Experience

| | |
|---|--|
| Submitting Department | Planning and Economic Development |
| Contact Name & Phone | Amanda Beck, 509-625-6414 |
| Contact Email | abeck@spokanecity.org |
| Council Sponsor(s) | |
| Select Agenda Item Type | <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Discussion Time Requested: _____ |
| Agenda Item Name | 0650 – Multi-Family Tax Exemption (MFTE) Conditional Agreement |
| Summary (Background) | <p>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. SMC 08.15 Multiple-family Housing Property Tax Exemption outlines the City of Spokane MFTE Program and project eligibility.</p> <p>Staff has determined that the Split Rock Complex Conditional application meets the Project Eligibility defined in SMC 08.15.040 and is located in a previously adopted Residential Target Areas identified in SMC 08.15.030.</p> <p>Once the project is constructed, the applicant intends to finalize as a 8-year Market Rate Exemption.</p> <p>This Conditional Agreement authorizes the appropriate city official to enter into the Multiple Family Housing Property Tax Exemption Conditional 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 post construction.</p> |
| Proposed Council Action & Date: | <p>Approve the MFTE Conditional Agreement for the <u>Split Rock Complex</u> at the September 23 City Council Meeting.</p> <p>Project Details: The applicant applied for a Conditional MFTE Agreement for 30 units, at 2675 W CLARKE AVE SPOKANE, WA</p> <ul style="list-style-type: none"> Property is zoned R1 and the proposed use is allowed. Estimated Construction Costs: \$4,500,000 Located in the Peaceful Valley neighborhood. |
| Fiscal Impact: | |
| Approved in current year budget? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A |
| Total Cost: \$0 | |
| Current year cost: | |
| Subsequent year(s) cost: | |
| Narrative: | <u>The Multi-Family Tax Exemption program has no direct impact on City revenues or expenses.</u> |
| Funding Source | <input type="checkbox"/> One-time <input type="checkbox"/> Recurring <input checked="" type="checkbox"/> N/A |
| Specify funding source: | |
| Is this funding source sustainable for future years, months, etc? | N/A |

| | | | |
|--------------------|-----------------------------------|------------------------------------|---|
| Expense Occurrence | <input type="checkbox"/> One-time | <input type="checkbox"/> Recurring | <input checked="" type="checkbox"/> N/A |
|--------------------|-----------------------------------|------------------------------------|---|

Other budget impacts: (revenue generating, match requirements, etc.)

Operation Impacts

What impacts would the proposal have on historically excluded communities?

SMC 08.15 Multi- Family Housing Property Tax Exemption

A. The purposes of this chapter are to:

1. encourage more multi-family housing opportunities, including affordable housing opportunities, within the City;
2. stimulate the construction of new multifamily housing and the rehabilitation of existing vacant and underutilized buildings for multi-family housing;
3. increase the supply of mixed-income multifamily housing opportunities within the City;
4. accomplish the planning goals required under the Growth Management Act, chapter 36.70A RCW, as implemented from time to time by the City's current and future comprehensive plans;
5. promote community development, neighborhood revitalization, and availability of affordable housing;
6. preserve and protect buildings, objects, sites and neighborhoods with historic, cultural, architectural, engineering or geographic significance located within the City; and
7. encourage additional housing in areas that are consistent with planning for public transit systems.

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

RCW 84.14.100

Report—Filing—Department of commerce audit or review—Guidance to cities and counties. (Expires January 1, 2058.)

(1) Thirty days after the anniversary of the date of the certificate of tax exemption and each year for the tax exemption period, the owner of the rehabilitated or newly constructed property, or the qualified nonprofit or local government that will assure permanent affordable homeownership for at least 25 percent of the units for properties receiving an exemption under RCW 84.14.021, must file with a designated authorized representative of the city or county an annual report indicating the following:

- (a) A statement of occupancy and vacancy of the rehabilitated or newly constructed property during the twelve months ending with the anniversary date;
- (b) A certification by the owner that the property has not changed use and, if applicable, that the property has been in compliance with the affordable housing requirements as described in RCW 84.14.020 since the date of the certificate approved by the city or county;
- (c) A description of changes or improvements constructed after issuance of the certificate of tax exemption; and
- (d) Any additional information requested by the city or county in regards to the units receiving a tax exemption.

(2) **All cities or counties, which issue certificates of tax exemption for multiunit housing that conform to the requirements of this chapter, must report annually by April 1st of each year, beginning in 2007, to the department of commerce. A city or county must be in compliance with the reporting requirements of this section to offer certificates of tax exemption for multiunit housing authorized in this chapter. The report must include the following information:**

- (a) The number of tax exemption certificates granted;
- (b) The total number and type of units produced or to be produced;
- (c) The number, size, and type of units produced or to be produced meeting affordable housing requirements;
- (d) The actual development cost of each unit produced;
- (e) The total monthly rent or total sale amount of each unit produced;
- (f) The annual household income and household size for each of the affordable units receiving a tax exemption and a summary of these figures for the city or county; and
- (g) The value of the tax exemption for each project receiving a tax exemption and the total value of tax exemptions granted.

(3)(a) The department of commerce must adopt and implement a program to effectively audit or review that the owner or operator of each property for which a certificate of tax exemption has been issued, except for those properties receiving an exemption that are owned or operated by a nonprofit or for those properties receiving an exemption from a city or county that operates an independent audit or review program, is offering the number of units at rents as committed to in the approved application for an exemption and that the tenants are being properly screened to be qualified for an income-restricted unit. The audit or review program must be adopted in consultation with local governments and other stakeholders and may be based on auditing a percentage of income-restricted units or properties annually. A private owner or operator of a property for which a certificate of tax exemption has been issued under this chapter, must be audited at least once every five years.

(b) If the review or audit required under (a) of this subsection for a given property finds that the owner or operator is not offering the number of units at rents as committed to in the approved application or is not properly screening tenants for income-restricted units, the department of commerce must notify the city or county and the city or county must impose and collect a sliding scale penalty not to exceed an amount calculated by subtracting the amount of rents that would have been collected had the owner or operator complied with their commitment from the amount of rents collected by the owner or operator for the income-restricted units, with consideration of the severity of the noncompliance. If a subsequent review or audit required under (a) of this subsection for a given property finds continued substantial noncompliance with the program requirements, the exemption certificate must be canceled pursuant to **RCW 84.14.110**.

(c) The department of commerce may impose and collect a fee, not to exceed the costs of the audit or review, from the owner or operator of any property subject to an audit or review required under (a) of this subsection.

(4) The department of commerce must provide guidance to cities and counties, which issue certificates of tax exemption for multiunit housing that conform to the requirements of this chapter, on best practices in managing and reporting for the exemption programs authorized under this chapter, including guidance for cities and counties to collect and report demographic information for tenants of units receiving a tax exemption under this chapter.

(5) This section expires January 1, 2058.

[2021 c 187 § 5; 2012 c 194 § 9; 2007 c 430 § 10; 1995 c 375 § 13.]

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

Title 08 Taxation and Revenue

Chapter 08.15 Multiple-family Housing Property Tax Exemption

Section 08.15.100 Annual Certification and Affordability Certification

Within thirty days of the anniversary of the date the final certificate of tax exemption was recorded at the County and each year thereafter, for the tax exemption period, the property owner shall file a certification with the director, verified upon oath or affirmation, which shall contain such information as the director may deem necessary or useful, and shall include the following information:

1. A statement of occupancy and vacancy of the multi-family units during the previous year.
2. A certification that the property has not changed use and, if applicable, that the property has been in compliance with the affordable housing requirements as described in **SMC 8.15.090** since the date of filing of the final certificate of tax exemption, and continues to be in compliance with the contract with the City and the requirements of this chapter; and

3. If the property owner rents the affordable multi-family housing units, the property owner shall file with the City a report indicating the household income of each initial tenant qualifying as low and moderate-income in order to comply with the twenty percent requirement of **SMC 8.15.090(A)(2)(b)** and RCW 84.14.020(1)(ii)(B).

a. The reports shall be on a form provided by the City and shall be signed by the tenants.

b. Information on the incomes of occupants of affordable units shall be included with the application for the final certificate of tax exemption, and shall continue to be included with the annual report for each property during the exemption period.

4. A description of any improvements or changes to the property made after the filing of the final certificate or last declaration, as applicable.

B. Failure to submit the annual declaration may result in cancellation of the tax exemption.

Date Passed: Monday, August 21, 2017
Effective Date: Saturday, October 7, 2017
ORD C35524 Section 8

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

Comprehensive Plan Land Use Policies:

- LU 1.4 Higher Density Residential Uses
- LU 3.5 Mix of Uses in Centers
- LU 4.2 Land Uses That Support Travel Options and Active Transportation
- LU 4.6 Transit-Supported Development

Comprehensive Plan Housing Policies:

- H 1.9 Mixed-Income Housing
- H 1.4 Use of Existing Infrastructure
- H 1.10 Lower-Income Housing Development Incentives
- H 1.11 Access to Transportation
- H 1.18 Distribution of Housing Options

Comprehensive Plan Economic Development Policies:

- ED 2.4 Mixed-Use
- ED 7.4 Tax Incentives for Land Improvement

Council Subcommittee Review:

Please provide a summary of council subcommittee review. If not reviewed by council subcommittee, please explain why not.

All Multi-Family Tax Exemption conditional agreement applications appear before the Urban Experience committee on the consent agenda for approval to appear on the next available legislative consent agenda.



PLANNING & ECONOMIC DEVELOPMENT MULTIPLE FAMILY HOUSING PROPERTY TAX EXEMPTION AGREEMENT

THIS CONDITIONAL AGREEMENT is between the City of Spokane, a Washington State municipal corporation, as “City”, and WALTERS, BRIAN/LENNICK, BRANDON, as “Owner/Taxpayer” whose business address is 4041 W OSAGE WAY SPOKANE, WA 99208.

WITNESSETH:

WHEREAS, the City has, pursuant to the authority granted to it by Chapter 84.14 RCW, designated various residential targeted areas for the provision of a limited property tax exemption for new and rehabilitated multiple family residential housing; and

WHEREAS, the City has, through Chapter 08.15 SMC, enacted a program whereby property owner/taxpayers may qualify for a Final Certificate of Tax Exemption which certifies to the Spokane County Assessor that the Owner/Taxpayer is eligible to receive the multiple family housing property tax exemption; and

WHEREAS, the Owner/Taxpayer is interested in receiving the multiple family property tax exemption for new multiple family residential housing units in a residential targeted area; and

WHEREAS, the Owner/Taxpayer has submitted to the City a complete conditional application form for no fewer than a total of four new multiple family permanent residential housing units to be constructed on property legally described as:

LOTS 39 THROUGH 45, BLOCK 4 OF BENNETTS ADDITION, ACCORDING TO PLAT THEREOF RECORDED IN VOLUME “C” OF PLATS, PAGE 10, IN THE CITY OF SPOKANE, COUNTY OF SPOKANE, STATE OF WASHINGTON;

TOGETHER WITH LOTS 1 THROUGH 5, BLOCK 40, BROWN’S SECOND ADDITION TO THE CITY OF SPOKANE, AS PER PLAT THEREOF RECORDED IN VOLUME ”C” OF PLATS, PAGE 72, IN THE CITY OF SPOKANE, COUNTY OF SPOKANE, STATE OF WASHINGTON,

ALSO, TOGETHER WITH THAT PORTION OF THE NORTH HALF OF VACATED LINTON AVENUE PER CITY OF SPOKANE ORDINANCE NO. C36093, LYING SOUTHERLY OF SAID LOTS 39 THROUGH 45 OF BENNETTS ADDITION;

ALSO, TOGETHER WITH THE SOUTH HALF OF VACATED LINTON AVENUE PER CITY OF SPOKANE ORDINANCE NO. C36093 LYING NORTHERLY OF LOTS 2 THROUGH 5, BLOCK 40, OF SAID BROWN’S ADDITION;

ALSO, TOGETHER WITH THE EAST HALF OF VACATED WEST AVENUE PER CITY OF SPOKANE ORDINANCE NO. C36093 ADJOINING SAID LOT 45, BLOCK 4 OF BENNETTS ADDITION, SAID LOT 5, BLOCK 40, BROWN’S SECOND ADDITION TO THE CITY OF

SPOKANE AND ADJOINING THAT PORTION OF VACATED LINTON AVENUE BETWEEN SAID LOTS 45 AND LOT 5.

Assessor's Parcel Number(s) **25136.2079.**,

commonly known as

2675 W CLARKE AVE SPOKANE, WA.

WHEREAS, this property is located in the **Spokane Targeted Investment Area.** and is eligible to seek a Final Certificate of Tax Exemption post construction under the **8-year Market Rate Exemption.** as defined in SMC 08.15.090.

WHEREAS, the City has determined that the improvements will, if completed as proposed, satisfy the requirements for a Final Certificate of Tax Exemption; -- NOW, THEREFORE,

The City and the Owner/Taxpayer do mutually agree as follows:

1. The City agrees to issue the Owner/Taxpayer a Conditional Agreement subsequent to the City Council's approval of this agreement.
2. The project must comply with all applicable zoning requirements, land use requirements, design review recommendations and all building, fire, and housing code requirements contained in the Spokane Municipal Code at the time a complete application for a building permit is received. However, if the proposal includes rehabilitation or demolition in preparation for new construction, the residential portion of the building shall fail to comply with one or more standards of applicable building or housing codes, and the rehabilitation improvements shall achieve compliance with the applicable building and construction codes.
3. If the property proposed to be rehabilitated is not vacant, the Owner/Taxpayer shall provide each existing tenant with housing of comparable size, quality and price and a reasonable opportunity to relocate. At the time of an application for a Conditional Agreement, the applicant provided a letter attesting and documenting how the existing tenant(s) were/will be provided comparable housing and opportunities to relocate.
 - (a). The existing residential tenant(s) are to be provided housing of a comparable size and quality at a rent level meeting the Washington State definition of affordable to their income level. Specifically, RCW 84.14.010 defines "affordable housing" as residential housing that is rented by a person or household whose monthly housing costs, including utilities other than telephone, do not exceed thirty (30) percent of the household's monthly income. The duration of this requirement will be the length of the tenant's current lease plus one year.
4. The Owner/Taxpayer intends to construct on the site, approximately **30** new multiple family residential housing units substantially as described in their application filed with and approved by the City. In no event shall such construction provide fewer than a total of four multiple family permanent residential housing units.
5. The Owner/Taxpayer agrees to complete construction of the agreed-upon

improvements within three years from the date the City issues this Conditional Agreement or within any extension granted by the City.

6. The Owner/Taxpayer agrees, upon completion of the improvements and upon issuance by the City of a temporary or permanent certificate of occupancy, to file an application for a Final Certificate of Tax Exemption with the City's Planning and Economic Development Department, which will require the following:

(a) a statement of the actual development cost of each multiple family housing unit, and the total expenditures made in the rehabilitation or construction of the entire property;

(b) a description of the completed work and a statement that the rehabilitation improvements or new construction of the Owner/Taxpayer's property qualifies the property for the exemption;

(c) a statement that the project meets the affordable housing requirements, if applicable; and

(d) a statement that the work was completed within the required three-year period or any authorized extension of the issuance of the conditional certificate of tax exemption.

7. The City agrees, conditioned on the Owner/Taxpayer's successful completion of the improvements in accordance with the terms of this Conditional Agreement and on the Owner/Taxpayer's filing of application for the Final Certificate of Exemption with the materials described in Paragraph 6 above, to file a Final Certificate of Tax Exemption with the Spokane County Assessor indicating that the Owner/Taxpayer is qualified for the limited tax exemption under Chapter 84.14 RCW.

8. The parties acknowledge that the units, including any owner-occupied units are to be used and occupied for multifamily permanent residential occupancy and use. The parties further acknowledge that the certificate of occupancy issued by the City is for multifamily residential units. The Owner/Taxpayer acknowledges and agrees that the units shall be used primarily for multi-family housing for permanent residential occupancy as defined in SMC 8.15.020 and RCW 84.14.010 and any business activities shall only be incidental and ancillary to the residential occupancy. Any units that are converted from multi-family housing for permanent residential occupancy shall be reported to the City of Spokane's Planning and Economic Development Department and the Spokane County Assessor's Office and removed from eligibility for the tax exemption within 60 days. If the removal of the ineligible unit or units causes the number of units to drop below the number of units required for tax exemption eligibility, the remaining units shall be removed from eligibility pursuant to state law.

9. The Owner/Taxpayer will have the right to assign its rights under this Agreement. The Owner/Taxpayer agrees to notify the City promptly of any transfer of Owner/Taxpayer's ownership interest in the Site or in the improvements made to the Site under this Agreement.

10. The City reserves the right to cancel the Final Certificate of Tax Exemption should the Owner/Taxpayer, its successors and assigns, fail to comply with any of the terms and conditions of this Agreement or of SMC Chapter 8.15.

11. No modifications of this Conditional Agreement shall be made unless mutually agreed upon by the parties in writing.

12. The Owner/Taxpayer acknowledges its awareness of the potential tax liability involved if and when the property ceases to be eligible for the incentive provided pursuant to this agreement. Such liability may include additional real property tax, penalties and interest imposed pursuant to RCW 84.14.110. The Owner/Taxpayer further acknowledges its awareness and understanding of the process implemented by the Spokane County Assessor's Office for the appraisal and assessment of property taxes. The Owner/Taxpayer agrees that the City is not responsible for the property value assessment imposed by Spokane County at any time during the exemption period.

13. In the event that any term or clause of this Conditional Agreement conflicts with applicable law, such conflict shall not affect other terms of this Agreement, which can be given effect without the conflicting term or clause, and to this end, the terms of this Conditional Agreement are declared to be severable.

14. The parties agree that this Conditional Agreement, requires the applicant to file an application for the Final Certificate of Tax Exemption post the construction of the multiple family residential housing units referenced above and that the Final Certificate of Tax Exemption shall be subject to the applicable provisions of Chapter 84.14 RCW and Chapter 8.15 SMC that exist at the time this agreement is signed by the parties. The parties may agree to amend this Conditional Agreement requirements as set forth when the applicant applies for the Final Certificate of Tax Exemption based upon applicable amendments and additions to Chapter 84.14 RCW or Chapter 8.15 SMC if the requirements change between the issuance of the Conditional Agreement and the Application for Final Tax Exemption has been submitted.

15. Nothing in this Agreement shall permit or be interpreted to permit either party to violate any provision of Chapter 84.14 RCW or Chapter 8.15 SMC

16. This Agreement is subject to approval by the City Council.

DATED this _____ day of _____ 20 _____

CITY OF SPOKANE

WALTERS, BRIAN/LENNICK, BRANDON

By:

By:

Interim City Administrator, Garrett Jones

Its:

Attest:

Approved as to form:

City Clerk

Assistant City Attorney

Continuation of Wording, Summary, and Distribution

Agenda Item Name: 1680 - FY2023 CONTINUUM OF CARE (COC) GRANT AGREEMEN

Agenda Wording (630 character max)

Summary (Background) (870 character max)

Fiscal Impact

Budget Account

Expen ▾ \$98,580.00 #1541-95575-65430-52991-99999 (

Expen ▾ \$403,025.50 #1541-95575-65430-54992-99999 (

Distribution List

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Save

Cancel



Agenda Sheet for City Council:

Committee: Urban Experience **Date:** 09/09/2024

Committee Agenda type: Consent

Date Rec'd

8/29/2024

Clerk's File #

Cross Ref #

Project #

Council Meeting Date: 09/23/2024

Submitting Dept

COMMUNITY, HOUSING & HUMAN

Bid #

Contact Name/Phone

JON KLAPP 6036

Requisition #

Contact E-Mail

JKLAPP@SPOKANECITY.ORG

Agenda Item Type

Contract Item

Council Sponsor(s)

ZZAPPONE JBINGLE KKLITZKE

Agenda Item Name

1680 - FY2023 CONTINUUM OF CARE (COC) GRANT AGREEMENTS

Agenda Wording

CHHS is seeking approval to accept FY 2023 Program awards from the U.S. Department of Housing and Urban Development (HUD) and approval to enter into subrecipient agreements with the awarded grantees.

Summary (Background)

The Department of Housing and Urban Development requires that each year the Spokane/Spokane County Regional Continuum of Care competes nationally through the HUD Continuum of Care program for renewal funding for HUD-funded projects that support housing and services for people experiencing homelessness. Youth Homeless Demonstration Programs are also an inclusion of this funding award.

Lease? NO

Grant related? YES

Public Works? NO

Fiscal Impact

Approved in Current Year Budget? YES

Total Cost

\$ N/A

Current Year Cost

\$

Subsequent Year(s) Cost

\$

Narrative

Amount

Budget Account

Revenue \$ 6,333,005.00

1541-95575-99999-33114

Expense \$ 5,501,399.50

1541-95575-65410-54201-99999 (Subs)

Expense \$ 20,000.00

1541-95575-65430-54999-99999 (Board Planning)

Expense \$ 310,000.00

1541-95575-65430-51991-99999 (City Admin)

Expense \$ 98,580.00

1541-95575-65430-52991-99999 (City Admin)

Expense \$ 403,025.50

1541-95575-65430-54992-99999 (City Admin)



Continuation of Wording, Summary, Approvals, and Distribution

Agenda Wording

Summary (Background)

Approvals

| | |
|----------------------------------|----------------------|
| <u>Dept Head</u> | ANDERSON, ARIELLE M. |
| <u>Division Director</u> | KINDER, DAWN |
| <u>Accounting Manager</u> | ORLOB, KIMBERLY |
| <u>Legal</u> | PICCOLO, MIKE |
| <u>For the Mayor</u> | JONES, GARRETT |

Additional Approvals

| | |
|----------------------------|------------------|
| <u>ACCOUNTING -</u> | MURRAY, MICHELLE |
| | |
| | |
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| mmorisson@spokanecity.org | dkinder@spokanecity.org |
| kclifton@spokanecity.org | |
| | |
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| | |

Committee Agenda Sheet

Urban Experience Committee

| | |
|--|--|
| Committee Date | September 9, 2024 |
| Submitting Department | Community, Housing, and Human Services |
| Contact Name | Jon Klapp |
| Contact Email & Phone | ijklapp@spokanecity.org |
| Council Sponsor(s) | <u>Klitzke, Zappone, Bingle</u> |
| Select Agenda Item Type | <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Discussion Time Requested: |
| Agenda Item Name | FY2023 Continuum of Care (CoC) Grant Agreements |
| Proposed Council Action | <input checked="" type="checkbox"/> Approval to proceed to Legislative Agenda <input type="checkbox"/> Information Only |
| Summary (Background) *use the Fiscal Impact box below for relevant financial information | <p>The Department of Housing and Urban Development (HUD) requires the Spokane/Spokane County Regional Continuum of Care to compete nationally through the HUD Continuum of Care (CoC) program for renewal funding for projects funded by HUD that support housing and services for people experiencing homelessness.</p> <p>CoCs are required to review and rank renewal and new projects submitted for funding through a local competition process. The CHHS Department as the collaborative applicant for the CoC, announced Spokane’s local competition for renewal and new projects in July of 2023. Following this, project applications went through a review process consisting of staff review for compliance with HUD’s notice of funding (including Housing First priority adherence), followed by CoC RFP and Evaluation Committee evaluation of project performance and Housing First adherence scoring. Rankings and funding recommendations for projects were developed by this committee, then were considered by the CoC board who voted on the funding allocation and project rankings for projects.</p> <p>Two allocation portions of this project, CoC Planning and UFA Costs, are utilized by the City as Collaborative applicant to fund the administrative operations of the CoC program, including staffing and coordination dedicated to the support of the CoC’s programs and system. Another allocation, City of Spokane HMIS, is used for the administration and staffing of the CMIS/HMIS system used to manage information/data in the CoC.</p> <p>The City of Spokane’s CHHS Department is contracted with the CoC through 12/31/2027 to serve as the Collaborative Applicant in submitting funding applications to HUD, administering sub-recipient contracts, and providing other support efforts on behalf of the CoC. In fulfillment of that role, CHHS requests approval to accept HUD CoC awards, as referenced herein, and to enter into sub-recipient agreements with the award grantees.</p> <p>HUD award letter, the CoC’s priority ranking of projects, and a list of the funded projects are attached.</p> |
| Fiscal Impact Approved in current year budget? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A Total Cost: Current year cost: N/A Subsequent year(s) cost: N/A Funding Source <input type="checkbox"/> One-time <input checked="" type="checkbox"/> Recurring <input type="checkbox"/> N/A Specify funding source: Grant - HUD | |

Expense Occurrence One-time Recurring N/A

Other budget impacts: (revenue generating, match requirements, etc.) CoC HUD-funded projects are required to provide a match contribution equal to 25% of the total project's budget. All awarded projects have submitted match letters committing to the match requirement

Operations Impacts (If N/A, please give a brief description as to why). *As noted above, there will be minimal costs with this associated amendment. Concurrent with the phase out plan, Hope House will continue to operate the Emergency Shelter model for a portion of the year, thus, where the contract will change slightly, it will have a de minimis impact.*

What impacts would the proposal have on historically excluded communities? *The CoC continually looks for strategies to increase services to historically excluded communities. Many of these communities are present in Spokane's homeless population at a higher rate than in Spokane's non-homeless population. In alignment with HUD priorities, CoC programs are required to address ways in which their services can address disproportionality of these communities' homelessness within the region.*

How will data be collected, analyzed, and reported concerning the effect of the program/policy by racial, ethnic, gender identity, national origin, income level, disability, sexual orientation, or other existing disparities? *Data is collected through the CoC's CMIS/HMIS data system and is reviewed in accordance with the reporting requirements regarding racial, ethnic, gender identity, national origin, income level, disability, sexual orientation, or other existing disparate demographic groups.*

How will data be collected regarding the effectiveness of this program, policy or product to ensure it is the right solution? *Data is collected through the CoC's CMIS/HMIS data system and is reviewed in accordance with the CoC and HUDs performance metric standards. This information is used to inform ranking of projects during renewal/new application periods, as well as to provide ongoing awareness and accountability for performance. Projects failing to meet performance standards may receive reduced or diverted funding and may be ranked lower during application review cycles.*

Describe how this proposal aligns with current City Policies, including the Comprehensive Plan, Sustainability Action Plan, Capital Improvement Program, Neighborhood Master Plans, Council Resolutions, and others? *The City actively participated in the development of the 5 year strategic plan to end homelessness which provides the framework, including performance and prioritization expectations, for projects contained within this grant award.*



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-7000

OFFICE OF ASSISTANT SECRETARY
FOR COMMUNITY PLANNING AND DEVELOPMENT

February 26, 2024

Ms. Dawn Kinder
Director, Neighborhood, Housing and Human Services
City of Spokane
808 W. Spokane Falls Blvd.
Spokane, WA 99201

Dear Ms. Kinder:

Congratulations! I am delighted to inform you of the funding for your project(s) under HUD's Notice of Funding Opportunity (NOFO) for Fiscal Year (FY) 2023 Continuum of Care Competition and Renewal or Replacement of Youth Homeless Demonstration Program Grants for a total of \$6,333,005.

The CoC Program is an important part of HUD's mission. CoCs around the country will continue to improve the lives of men, women, and children through their local planning efforts and through the direct housing and service programs funded under the FY 2023 CoC Program Competition. Projects like those of your organization, funded through the CoC program, continue to demonstrate their value by improving accountability and performance every year.

The enclosure provides details about your organization's award(s) including: the name(s) of the individual project(s); the project number(s); and the specific amount(s) of the obligation(s) for each project. HUD field office staff will notify you when they are available to process grant agreements; once all conditions are satisfied and the grant agreement is executed, your organization can expend funds.

HUD commends your organization's work and encourages it to continue to strive for excellence in the fight to end homelessness.

Sincerely,

A handwritten signature in black ink, appearing to read "Marion McFadden".

Marion McFadden
Principal Deputy Assistant Secretary
Office of Community Planning and Development

Enclosure

WA0109U0T022316

WA0109 Catholic Charities SMS TH FY 2023

\$67,755

WA0111U0T022316

WA0111 VOA PSH off Site FY 2023

\$364,518

WA0126U0T022316

WA0126 VOA Alexandria's House FY 2023

\$76,201

WA0130U0T022316

WA0130 VOA Samaritan 05-06 FY 2023

\$849,735

WA0288U0T022310

WA0288 Catholic Charities RRH for Families FY 2023

\$524,687

WA0329U0T022308

WA0329 City of Spokane HMIS Project FY 2023

\$197,468

WA0330U0T022308

WA0330 SNAP Singles Homeless Coordinated Assessment FY 2023

\$205,963

WA0331U0T022308

WA0331 SNAP RRH for Households without Children FY 2023

\$201,004

WA0353U0T022308

WA0353 YWCA RRH for DV Survivors for Households with Children FY 2023

\$360,191

WA0373U0T022307

WA0373 Catholic Charities Homeless Families Coordinated Assessment FY 2023

\$207,018

WA0374U0T022307

WA0374 Catholic Charities PSH Consolidation FY 2023

\$223,013

WA0418U0T022305

WA0418 Catholic Charities PSH II FY 2023

\$229,890

WA0420U0T022305

WA0420 YWCA RRH for Survivors of DV FY 2023

\$362,360

WA0457U0T022303

WA0457 VOA Hope House 2.0 PSH FY 2023

\$188,400

WA0511U0T022302

WA0511 VOA PSH Scattered Sites FY 2023

\$226,689

WA0512U0T022302

WA0512 Catholic Charities PSH Support Rent FY 2023

\$212,650

WA0525U0T022301

YHDP TH/RRH Application FY2023

\$892,736

WA0526U0T022301

YHDP Host Homes Application FY2023

\$77,214

WA0527U0T022301

YHDP SSO Application FY2023

\$189,450

WA0529U0T022301

YHDP Youth CE Application FY2023

\$128,782

WA0594U0T022300

YWCA Coordinated Entry DV Bonus FY2023

\$118,977

WA0595U0T022300

City of Spokane UFA Costs FY 2023

\$160,614

WA0596U0T022300

City of Spokane CoC Planning FY 2023

\$267,690

Total Amount: **\$6,333,005**

| Population | Number | Type | Average | Staff | Total | ARD |
|-------------------------------|--------|-------------------|---------|-------|-------|--------------------------------------|
| System (HMIS) | WA0329 | HMIS | 0 | | | \$ 197,468 |
| YHDP | WA0525 | Joint TH & PH-RHH | 0 | | | \$ 845,492 |
| YHDP | WA0526 | SSO | 0 | | | \$ 77,214 |
| YHDP | WA0527 | SSO | 0 | | | \$ 189,450 |
| YHDP | WA0529 | CE | 0 | | | \$ 128,782 |
| <i>1st Renewal</i> PSH (VOA) | WA0511 | PSH | 58 | 38 | 96 | \$ 206,648 |
| <i>1st Renewal</i> PSH (CCEW) | WA0512 | PSH | 36 | 43 | 79 | \$ 204,154 |
| System | WA0330 | CE | 53 | 38 | 91 | \$ 119,345 |
| System | WA0373 | CE | 46 | 43 | 89 | \$ 207,018 |
| Chronic | WA0374 | PSH | 64 | 43 | 106 | \$ 219,869 |
| Chronic | WA0111 | PSH | 68 | 38 | 106 | \$ 316,746 |
| Chronic | WA0418 | PSH | 63 | 43 | 105 | \$ 226,746 |
| Chronic | WA0130 | PSH | 66 | 38 | 104 | \$ 756,463 |
| Families | WA0288 | Joint TH & PH-RHH | 62 | 42 | 104 | \$ 479,759 |
| Families - DV | WA0353 | RRH | 58 | 43 | 101 | \$ 330,899 |
| Families & Singles - DV | WA0420 | RRH | 57 | 43 | 100 | \$ 333,068 |
| Families | WA0109 | TH | 63 | 36 | 99 | \$ 67,755 |
| Pregnant & Parenting Youth | WA0126 | TH | 60 | 37 | 97 | \$ 76,201 |
| | | | | | | \$ 4,983,076 Total |
| | | | | | | \$ 5,022,978 Tier 1 Threshold |
| Chronic | WA0457 | PSH | 50 | 38 | 88 | \$ 183,156 |
| Singles | WA0331 | RRH | 42 | 39 | 81 | \$ 187,576 |
| <i>NEW</i> SSO-CE (YWCA) | NEW | CE (DV Bonus) | 53 | 43 | 95 | \$ 148,722 |
| <i>NEW</i> SSO-CE (SNAP) | NEW | CE | 48 | 42 | 89 | \$ 78,744 |

The RFP and Evaluation committee recommends:

Tier 1:

- \$1,651,739 for unranked YHDP and 1st year renewal projects.
- \$42,000 reallocated from WA0373 Families CE System project to WA0330 Singles CE System project based on the greater funding needs of the decentralized singles system.
- After required HUD prioritizations, the RFP Committee recommends prioritizing System CE projects, then ranking the remaining projects based on total score.

New Projects

The RFP Committee recommends funding both the CE Expansion Project and CE DV Bonus Funds Project

| State | CoC Number | CoC Name | Organization Name | Project or Award Name | FY 2023 Amount |
|------------|------------|---------------------------|-------------------|--|----------------|
| Washington | WA-502 | Spokane City & County CoC | City of Spokane | City of Spokane CoC Planning FY 2023 | \$267,690 |
| Washington | WA-502 | Spokane City & County CoC | City of Spokane | City of Spokane UFA Costs FY 2023 | \$160,614 |
| Washington | WA-502 | Spokane City & County CoC | City of Spokane | WA0109 Catholic Charities SMS TH FY 2023 | \$67,755 |
| Washington | WA-502 | Spokane City & County CoC | City of Spokane | WA0111 VOA PSH off Site FY 2023 | \$364,518 |
| Washington | WA-502 | Spokane City & County CoC | City of Spokane | WA0126 VOA Alexandria's House FY 2023 | \$76,201 |
| Washington | WA-502 | Spokane City & County CoC | City of Spokane | WA0130 VOA Samaritan 05-06 FY 2023 | \$849,735 |
| Washington | WA-502 | Spokane City & County CoC | City of Spokane | WA0288 Catholic Charities RRH for Families FY 2023 | \$524,687 |
| Washington | WA-502 | Spokane City & County CoC | City of Spokane | WA0329 City of Spokane HMIS Project FY 2023 | \$197,468 |
| Washington | WA-502 | Spokane City & County CoC | City of Spokane | WA0330 SNAP Singles Homeless Coordinated Assessment Expansion FY 2023 | \$86,618 |
| Washington | WA-502 | Spokane City & County CoC | City of Spokane | WA0330 SNAP Singles Homeless Coordinated Assessment FY 2023 | \$119,345 |
| Washington | WA-502 | Spokane City & County CoC | City of Spokane | WA0331 SNAP RRH for Households without Children FY 2023 | \$201,004 |
| Washington | WA-502 | Spokane City & County CoC | City of Spokane | WA0353 YWCA RRH for DV Survivors for Households with Children FY 2023 | \$360,191 |
| Washington | WA-502 | Spokane City & County CoC | City of Spokane | WA0373 Catholic Charities Homeless Families Coordinated Assessment FY 2023 | \$207,018 |
| Washington | WA-502 | Spokane City & County CoC | City of Spokane | WA0374 Catholic Charities PSH Consolidation FY 2023 | \$223,013 |
| Washington | WA-502 | Spokane City & County CoC | City of Spokane | WA0418 Catholic Charities PSH II FY 2023 | \$229,890 |
| Washington | WA-502 | Spokane City & County CoC | City of Spokane | WA0420 YWCA RRH for Survivors of DV FY 2023 | \$362,360 |
| Washington | WA-502 | Spokane City & County CoC | City of Spokane | WA0457 VOA Hope House 2.0 PSH FY 2023 | \$188,400 |
| Washington | WA-502 | Spokane City & County CoC | City of Spokane | WA0511 VOA PSH Scattered Sites FY 2023 | \$226,689 |
| Washington | WA-502 | Spokane City & County CoC | City of Spokane | WA0512 Catholic Charities PSH Support Rent FY 2023 | \$212,650 |
| Washington | WA-502 | Spokane City & County CoC | City of Spokane | YWCA Coordinated Entry DV Bonus FY2023 | \$118,977 |
| Washington | WA-502 | Spokane City & County CoC | City of Spokane | YHDP Host Homes Application FY2023 | \$77,214 |
| Washington | WA-502 | Spokane City & County CoC | City of Spokane | YHDP SSO Application FY2023 | \$189,450 |
| Washington | WA-502 | Spokane City & County CoC | City of Spokane | YHDP TH/RRH Application FY2023 | \$892,736 |
| Washington | WA-502 | Spokane City & County CoC | City of Spokane | YHDP Youth CE Application FY2023 | \$128,782 |

Committee Agenda Sheet

Urban Experience Committee

| | |
|---|--|
| Committee Date | 9/9/2024 |
| Submitting Department | Community, Housing, and Human Services |
| Contact Name | Melissa Morrison |
| Contact Email & Phone | mmorrison@spokanecity.org6009 |
| Council Sponsor(s) | <u>Zappone, Bingle, Klitze</u> |
| Select Agenda Item Type | <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Discussion Time Requested: |
| Agenda Item Name | 1680- CHHS Acceptance of PY 2024 Formula Grants, HOME, ESG |
| Proposed Council Action | <input checked="" type="checkbox"/> Approval to proceed to Legislative Agenda <input type="checkbox"/> Information Only |
| Summary (Background) | Each Year HUD allocates Emergency Solution Grant (ESG) funds and HOME Investment Partnership (HOME) funds to the City of Spokane in its role as a participating jurisdiction. The PY2024 HOME allocation is \$1,161,022.07. The PY 2024 ESG allocation is \$274,772. These formula grant funds may be utilized within the City boundaries of Spokane to meet program objectives and requirements as outlined by 24 CFR 92 for HOME, and 24 CFR 576 for ESG. HUD requires the City of Spokane to sign and return the grant agreements by 9/25/2024. |
| *use the Fiscal Impact box below for relevant financial information | |
| Fiscal Impact Approved in current year budget? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A Total Cost: \$1,435,794.07 Current year cost: \$1,435,794.07 Subsequent year(s) cost: | |
| Narrative: <u>Grants funds from HUD.</u> | |
| Funding Source <input type="checkbox"/> One-time <input checked="" type="checkbox"/> Recurring <input type="checkbox"/> N/A Specify funding source: Grant Is this funding source sustainable for future years, months, etc? This is yearly formula grant from HUD | |
| Expense Occurrence <input checked="" type="checkbox"/> One-time <input type="checkbox"/> Recurring <input type="checkbox"/> N/A | |
| Other budget impacts: (revenue generating, match requirements, etc.) | |
| Operations Impacts Positions are already in place. | |
| What impacts would the proposal have on historically excluded communities? ESG funding serves extremely low-income households, homeless individuals, or those at-risk of homelessness. HOME funding serves households at 30%, 50% and 60% AMI, those considered extremely low-income and low-income. | |
| How will data be collected, analyzed, and reported concerning the effect of the program/policy by racial, ethnic, gender identity, national origin, income level, disability, sexual orientation, or other existing disparities? Data is collected and reported as per HUD's requirements. | |
| How will data be collected regarding the effectiveness of this program, policy or product to ensure it is the right solution? Data is collected and reported as per HUD's requirements. | |
| Describe how this proposal aligns with current City Policies, including the Comprehensive Plan, Sustainability Action Plan, Capital Improvement Program, Neighborhood Master Plans, Council Resolutions, and others? | |

These funding sources must align with the 2020-2024 Consolidated Plan.

Funding Approval/Agreement

Emergency Solutions Grants Program
 Subtitle B of Title IV of the McKinney-Vento Homeless Assistance Act,
 42 U.S.C. 11371 et seq.
 Assistance Listing Number 14.231

U.S. Department of Housing and Urban Development
 Office of Community Planning and Development

| | | |
|--|---|--|
| 1. Recipient Name and Address SPOKANE, CITY OF 808 W SPOKANE FALLS BLVD SPOKANE, WA 99201-0017 | | 2. Unique Federal Award Identification Number: E-24-MC-53-0006 |
| | | 3. Tax Identification Number: 916001280 |
| | | 4. Unique Entity Identifier: PDNCLY8MYJN3 |
| 5. Fiscal Year (yyyy): 2024 | | |
| 6. Previous Obligation (Enter "0" for initial Fiscal Year allocation) | | \$ 0 |
| 7. Amount of Funds Obligated or Deobligated by This Action (+ or -) | | \$274,772 |
| 8. Total Amount of Federal Funds Obligated | | \$274,772 |
| 9. Total Required Match | | \$274,772 |
| 10. Total Amount of Federal Award Including Match | | \$549,544 |
| 11. Start Date of Recipient's Program Year (07/01/2024) | 12. Date HUD Received Recipient's Consolidated Plan Submission (06/20/2024) | 13. Period of Performance and Budget Period Start Date/ Federal Award Date (the date listed in Box 19 for initial Fiscal Year allocation) 8/30/2024 |
| 14. Type of Agreement (check applicable box) <input checked="" type="checkbox"/> Initial Agreement (Purpose #1 – Initial Fiscal Year allocation) <input type="checkbox"/> Amendment (Purpose #2 – Deobligation of funds) <input type="checkbox"/> Amendment (Purpose #3 – Obligation of additional funds) | | 15. Specific Conditions <input type="checkbox"/> Not applicable <input checked="" type="checkbox"/> Attached 16. Period of Performance and Budget Period End Date (24 months after the date listed in Box 13) 8/29/2026 |

General Terms and Conditions: This Agreement between the U.S. Department of Housing and Urban Development (HUD) and the Recipient is made pursuant to the authority of Subtitle B of Title IV of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11371 et seq.) and is subject to the applicable appropriations act for the specified Fiscal Year. The Recipient's Consolidated Plan submissions (including the Recipient's approved annual Action Plan and any amendments completed in accordance with 24 CFR Part 91), the Emergency Solutions Grants Program regulations at 24 CFR Part 576 (as now in effect and as may be amended from time to time), and this Agreement, including any specific conditions HUD applies under 2 CFR 200.208, constitute part of this Agreement. Subject to the terms and conditions of this Agreement, HUD will make the funds for the specified Fiscal Year available to the Recipient upon execution of this Agreement by the Recipient and HUD. The Recipient must complete the Addendum to Agreement "Recipient Indirect Cost Rate(s)" and return it to HUD with this Agreement. The addendum HUD receives from the Recipient will be incorporated into and made part of this Agreement, provided that the rate information is consistent with the applicable requirements under 2 CFR part 200. The Recipient must immediately notify HUD upon any change in the Recipient's indirect cost rate, so that HUD can amend the Agreement to reflect the change if necessary. The funds may be used for costs incurred before the Budget Period under the conditions specified in HUD Notice CPD-24-01 or another prior written approval by HUD, or if the Recipient is not covered by Notice CPD-24-01, under the condition that the costs are otherwise allowable and were incurred on or after the date listed in box 11, the date listed in box 12, or 90 calendar days before the date in box 13 (whichever is later). The Recipient agrees to assume responsibility for environmental review, decision making, and action under 24 CFR Part 58; except that if the Recipient is a state and distributes funds to a unit of general local government, the Recipient must require the unit of general local government to assume that responsibility and must comply with the state's responsibilities under 24 CFR 58.4. To the extent authorized by applicable law, HUD may, by its execution of an amendment, deobligate funds under this Agreement without the Recipient's execution of the amendment or other consent. The Recipient must comply with the applicable requirements at 2 CFR part 200, as may be amended from time to time. Where any previous or future amendments to 2 CFR part 200 replace or renumber sections of part 200 that are cited specifically in 24 CFR part 576, activities carried out under the grant after the effective date of the part 200 amendments will be governed by the part 200 requirements as replaced or renumbered by the part 200 amendments. The Recipient must comply with the Award Term in Appendix A to 2 CFR Part 25, "System for Award Management and Universal Identifier Requirements," and the Award Term in Appendix A to 2 CFR Part 170, "Reporting Subaward and Executive Compensation Information." If the amount in Box 8 exceeds \$500,000, the Recipient must comply with Appendix XII to 2 CFR part 200—Award Term and Condition for Recipient Integrity and Performance Matters. The Recipient must comply with the requirements of the Build America, Buy America (BABA) Act, 41 USC 8301 note, and all applicable rules and notices, as may be amended, if applicable to the Recipient's infrastructure project. Pursuant to HUD's Notice, "Public Interest Phased Implementation Waiver for FY 2022 and 2023 of Build America, Buy America Provisions as Applied to Recipients of HUD Federal Financial Assistance" (88 FR 17001), any funds obligated by HUD on or after the applicable listed effective dates, are subject to BABA requirements, unless excepted by a waiver. Despite any requirements that provide otherwise, youth aged 24 and under who seek assistance (including shelter, services or rental assistance) shall not be required to provide third-party documentation that they meet the homeless definition in 24 CFR 576.2 as a condition for receiving assistance, and unaccompanied youth aged 24 and under (or families headed by youth aged 24 and under) who have an unsafe primary nighttime residence and no safe alternative to that residence shall be considered homeless for purposes of assistance provided by any private nonprofit organization whose primary mission is to provide services to youth aged 24 and under and families headed by youth aged 24 and under. Any person who becomes aware of the existence or apparent existence of fraud, waste or abuse of any HUD award must report such incidents to both the HUD official responsible for the award and to HUD's Office of Inspector General (OIG). HUD OIG is available to receive allegations of fraud, waste, and abuse related to HUD programs via its hotline number (1-800-347-3735) and its online hotline form. The Recipient

**Addendum # 1 to Agreement # E-24-MC-53-0006
Recipient's Indirect Cost Rate(s)**

As the duly authorized representative of the Recipient, I certify that the Recipient:

- Will not use an indirect cost rate to calculate and charge indirect costs under the grant.
- Will calculate and charge indirect costs under the grant by applying a *de minimis* rate as provided by 2 CFR 200.414(f), as may be amended from time to time.
- Will calculate and charge indirect costs under the grant using the indirect cost rate(s) listed below, and each rate listed is included in an indirect cost rate proposal developed in accordance with the applicable appendix to 2 CFR part 200 and, *if required*, was approved by the cognizant agency for indirect costs.

| Agency/department/major function | Indirect cost rate | Type of Direct Cost Base |
|----------------------------------|--------------------|--------------------------|
| | 98.17 % | |
| | % | |
| | % | |

Name of Authorized Official:

Signature:

X

Date (mm/dd/yyyy):

/ /

Title:

Instructions for the Recipient's Authorized Representative:

You must mark the one (and only one) checkbox above that best reflects how the Recipient's indirect costs will be calculated and charged under the grant. Do not include indirect cost rate information for subrecipients.

The table following the third box must be completed only if that box is checked. When listing a rate in the table, enter both the percentage amount (e.g., 10%) and the type of direct cost base to be used. For example, if the direct cost base used for calculating indirect costs is Modified Total Direct Costs, then enter "MTDC" in the "Type of Direct Cost Base" column.

If using the Simplified Allocation Method for indirect costs, enter the applicable indirect cost rate and type of direct cost base in the first row of the table.

If using the Multiple Allocation Base Method, enter each major function of the organization for which a rate was developed and will be used under the grant, the indirect cost rate applicable to that major function, and the type of direct cost base to which the rate will be applied.

If the Recipient is a government and more than one agency or department will carry out activities under the grant, enter each agency or department that will carry out activities under the grant, the indirect cost rate(s) for that agency or department, and the type of direct cost base to which each rate will be applied.

To learn more about the indirect cost requirements, see 2 CFR part 200, subpart E, and Appendix VII to Part 200.

Funding Approval and HOME Investment Partnerships Agreement

Title II of the National Affordable Housing Act
Assistance Listings #14.239 – HOME Investment Partnerships Program

| | | | |
|---|--|--|--|
| 1. Grantee Name (must match the name associated with 3b.) and Address Spokane, City of 808 W Spokane Falls Blvd Spokane, WA 99201-0017 | | 2. Grant Number (Federal Award Identification Number (FAIN)) M24-MC530201 | |
| | | 3a Tax Identification Number 916001280 | 3b. Unique Entity Identifier (formerly DUNS) PDNCLY8MYJN3 |
| | | 4. Appropriation Number 86 4/7 0205 | 5. Budget Period Start and End Date FY 2024 through FY 2032 |
| 6. Previous Obligation (Enter "0" for initial FY allocation) | | | \$0.00 |
| a. Formula Funds | | \$ | |
| 7. Budget Approved by the Federal Awarding Agency/Current Transaction (+ or -) | | | \$1,161,022.07 |
| a. Formula Funds | | \$1,161,022.07 | |
| 1. CHDO (For deobligations only) | | \$ | |
| 2. Non- CHDO (For deobligations only) | | \$ | |
| 8. Revised Obligation | | | \$ |
| a. Formula Funds | | \$ | |
| 9. Special Conditions (check applicable box) <input type="checkbox"/> Not applicable <input checked="" type="checkbox"/> Attached | | 10. Federal Award Date (HUD Official's Signature Date) 8/30/2024 | |
| 11. Indirect Cost Rate* See Addendum | | 12. Period of Performance Start and End Date Date in Box #10 - 09/30/2033 | |

This Agreement between the Department of Housing and Urban Development (HUD) and the Grantee is made pursuant to the authority of the HOME Investment Partnerships Act (42 U.S.C. 12701 et seq.). The Grantee's approved Consolidated Plan submission/Application, the HUD regulations at 24 CFR Part 92 (as is now in effect and as may be amended from time to time) and this HOME Investment Partnership Agreement, form HUD-40093, including any special conditions, constitute part of this Agreement. Subject to the provisions of this Agreement, HUD will make the funds for the Fiscal Year specified, available to the Grantee upon execution of this Agreement by the parties. All funds for the specified Fiscal Year provided by HUD by formula reallocation are covered by this Agreement upon execution of an amendment by HUD, without the Grantee's execution of the amendment or other consent. HUD's payment of funds under this Agreement is subject to the Grantee's compliance with HUD's electronic funds transfer and information reporting procedures issued pursuant to 24 CFR 92.502. To the extent authorized by HUD regulations at 24 CFR Part 92, HUD may, by its execution of an amendment, deobligate funds previously awarded to the Grantee without the Grantee's execution of the amendment or other consent. The Grantee agrees that funds invested in affordable housing under 24 CFR Part 92 are repayable when the housing no longer qualifies as affordable housing. Repayment shall be made as specified in 24 CFR Part 92. The Grantee agrees to assume all of the responsibility for environmental review, decision making, and actions, as specified and required in regulation at 24 CFR 92.352 and 24 CFR Part 58.

The Grantee must comply with the applicable requirements at 2 CFR part 200 that are incorporated by the program regulations, as may be amended from time to time. Where any previous or future amendments to 2 CFR part 200 replace or renumber sections of part 200 that are cited specifically in the program regulations, activities carried out under the grant after the effective date of the part 200 amendments will be governed by the 2 CFR part 200 requirements as replaced or renumbered by the part 200 amendments.

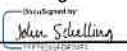
The Grantee must use the Grant Funds only for costs (including indirect costs) that meet the applicable requirements in 2 CFR part 200 (including appendices). The Grantee must complete the Addendum to Agreement Grantee Indirect Cost Rate(s) (Addendum) and return it to HUD with this Agreement. The Addendum will be incorporated into and made part of this Agreement, if, and only if, the rate information provided by Grantee in the Addendum is consistent with the applicable requirements under 2 CFR part 200. The Grantee must immediately notify HUD upon any change in the Grantee's indirect cost rate, so that HUD can amend the Agreement to reflect the change if necessary.

The Grantee shall comply with requirements established by the Office of Management and Budget (OMB) concerning the Universal Numbering System and System for Award Management (SAM) requirements in Appendix I to 2 CFR part 200, and the Federal Funding Accountability and Transparency Act (FFATA) in Appendix A to 2 CFR part 170.

The Period of Performance for the funding assistance shall begin on the date specified in item 12 and shall end on September 1st of the 6th fiscal year after the expiration of the period of availability for obligation. Funds remaining in the account will be cancelled and thereafter not available for obligation or expenditure for any purpose. Per 31 U.S.C. 1552. The Grantee shall not incur any obligations to be paid with such assistance after the end of the Period of Performance.

The Grantee must comply with the requirements of the Build America, Buy America (BABA) Act, 41 U.S.C. 8301 note, and all applicable rules and notices, as may be amended, if applicable to the Grantee's infrastructure project. Pursuant to HUD's Notice, "Public Interest Phased Implementation Waiver for FY 2022 and 2023 of Build America, Buy America Provisions as Applied to Recipients of HUD Federal Financial Assistance" (88 FR 17001) [2023-05698.pdf \(govinfo.gov\)](#), any funds obligated by HUD on or after the applicable listed effective dates, are subject to BABA requirements, unless excepted by a waiver.

Waste, Fraud, Abuse, and Whistleblower Protections: Any person who becomes aware of the existence or apparent existence of fraud, waste or abuse of any HUD award must reports such incidents to both the HUD official responsible for the award and to HUD's Office of Inspector General (OIG). HUD OIG is available to receive allegations of fraud, waste, and abuse related to HUD programs via its hotline number (1-800-347-3735) and its online hotline form. You must comply with 41 U.S.C. § 4712, which includes informing your employees in writing of their rights and remedies, in the predominant native language of the workforce. Under 41 U.S.C. § 4712, employees of a government contractor, subcontractor, grantee, and subgrantee- as well as personal services contractor- who make a protected disclosure about a Federal grant or contract cannot be discharged, demoted, or otherwise discriminated against as long as they reasonably believe the information they disclose is evidence of: 1. Gross mismanagement of a contract or grant; 2. Waste of Federal funds; 3. Abuse of authority relating to a Federal contract or grant; 4. Substantial and specific danger to public health and safety; or 5. Violations of law, rule, or regulation related to a Federal contract or grant.

| | | | |
|---|--|---|------------------------------|
| 13. For the U.S. Department of HUD (Name and Title of Authorized Official) John D. Schelling, CPD Director | | 14. Signature  | 15. Date 8/30/2024 |
| 16. For the Grantee (Name and Title of Authorized Official) | | 17. Signature | 18. Date / / |

Initial Agreement

Amendment #

20. Funding Information: *HOME*

| Source of Funds | Appropriation Code | PAS Code | Amount |
|------------------------|---------------------------|-----------------|----------------|
| 2024 | 86 4/7 0205 | HMF (N) | \$1,159,726.50 |
| 2023 | 86 3/6 0205 | HMF (M) | \$1,295.57 |

Supplement to Agreement M24-MC530201

Grantee Indirect Cost Rate(s)

As the duly authorized representative of the Grantee, I certify that the Grantee:

- Will not use an indirect cost rate to calculate and charge indirect costs under the grant.
- Will calculate and charge indirect costs under the grant by applying a *de minimis* rate as provided by 2 CFR 200.414(f), as may be amended from time to time.
- Will calculate and charge indirect costs under the grant using the indirect cost rate(s) listed below, and each rate listed is included in an indirect cost rate proposal developed in accordance with the applicable appendix to 2 CFR part 200 and, *if required*, was approved by the cognizant agency for indirect costs.

| Agency/department/major function | Indirect cost rate | Type of Direct Cost Base |
|----------------------------------|--------------------|--------------------------|
| | 98.17 % | |
| | % | |
| | % | |

Instructions for the Grantee’s Authorized Representative:

You must mark the one (and only one) checkbox above that best reflects how the Grantee’s indirect costs will be calculated and charged under the grant. Do not include indirect cost rate information for subrecipients.

Name of Authorized Official:

Signature:
 X

Date (mm/dd/yyyy):

Title:

//

The table following the third box must be completed only if that box is checked. When listing a rate in the table, enter both the percentage amount (e.g., 10%) and the type of direct cost base to be used. For example, if the direct cost base used for calculating indirect costs is Modified Total Direct Costs, then enter “MTDC” in the “Type of Direct Cost Base” column.

If using the Simplified Allocation Method for indirect costs, enter the applicable indirect cost rate and type of direct cost base in the first row of the table.

If using the Multiple Allocation Base Method, enter each major function of the organization for which a rate was developed and will be used under the grant, the indirect cost rate applicable to that major function, and the type of direct cost base to which the rate will be applied.

If the Grantee is a government and more than one agency or department will carry out activities under the grant, enter each agency or department that will carry out activities under the grant, the indirect cost rate(s) for that agency or department, and the type of direct cost base to which each rate will be applied.

To learn more about the indirect cost requirements, see 2 CFR part 200, subpart E; Appendix IV to Part 200 (for nonprofit organizations); and Appendix VII to Part 200 (for state and local governments).

General Instructions: This Agreement is used for one of three purposes: 1) the initial Agreement between HUD and the Participating Jurisdiction (PJ) that obligates HOME formula funds; 2) the initial Agreement between HUD and the PJ/entity that obligates Community Housing Development Organization (CHDO) competitive reallocation funds; 3) the amendment to the Agreement that deobligates an amount of a PJ/entity's HOME funds previously obligated because of a reduction of funds by HUD.

For all initial Agreements - The Agreement (HUD-40093) must have an original or electronic signature by the appropriate HUD official, who is usually the Community Planning and Development (CPD) Director in the Field Office. After the HUD official signs the Agreement, it must be sent to the jurisdiction (or entity) for signature. The jurisdiction (or entity) must sign or electronically sign the Agreement and should retain a copy for its records. The jurisdiction (or entity) must return the signed Agreement to the HUD Field Office. The HUD Field Office must forward the executed Agreement to the CFO National Accounting Center for recording and retain a copy for the Field Office files.

For amendments to the Agreement that deobligate funds because of a reduction by HUD - after notification from the Headquarters' Office of Affordable Housing (OAHP) to proceed, the Agreement (HUD-40093) must be signed or electronically signed by the appropriate HUD official, who is usually the CPD Director in the Field Office. **It is not** necessary to have the jurisdiction sign the form. (Also, please See #8 below) The Field Office should send one copy to the jurisdiction (or entity) for its records. Forward the HUD signed amendment to the CFO National Accounting Center to initiate the deobligation. Email a copy to Headquarters, OAHP, Financial and Information Services Division so that Headquarters can track the deobligation. Retain a copy for the Field Office files.

1. **Participant Name and Address.** The participating jurisdiction's (or entity's) name and address as shown in Box 4 of Standard Form 424.
2. **Grant Number.** The applicable grant number assigned by the HUD for the PJ/entity that corresponds to the fiscal year source of funds for this transaction.
- 3a. **Tax Identification Number. Enter the Tax (Employer).** Identification Number (TIN) shown in Box 8b of Standard Form 424. For jurisdictions (or entities) that are already participating in the HOME Program, this must be the TIN associated

with the jurisdiction (or entity) for the HOME Program.

- 3b. **Unique Entity Identifier.** The identifier required for SAM registration to uniquely identify business entities shown in Box 8c of Standard Form 424 (formerly known as DUNS). For jurisdictions (or entities) that are already participating in the HOME Program, this must be the Unique Entity Identifier associated with the jurisdiction (or entity) for the HOME Program.

4. **Appropriation Number.** The Appropriation Number from the HUD-185 sub-assigning funds for the Fiscal Year source of funds for this transaction.

5. **Budget Start and End Date.** Indicate the fiscal years of funds for this transaction.

6. **Previous Obligation.** Enter the total amount of funds that have been previously obligated for this participant for this FY source of funds.

- a. **Formula Funds.** Enter the total amount of formula funds previously obligated to the participant. If this is the funding approval form for the participant's initial allocation for the fiscal year, the amount will be "0". If this is a funding approval form for reallocating or deobligating funds, enter the amount from Box 7 of the previously submitted form HUD-40093 for the FY identified in Box 5.

- b. **Community Housing Development Organization (CHDO) Competitive Reallocation.** Enter the amount of funds previously obligated to the PJ/entity by competition for CHDOs. If this is a funding approval form for reallocating or deobligating funds previously allocated by competition for CHDOs, enter the amount from Box 7 of the previously submitted form HUD-40093 for the FY identified in Box 5.

7. **Current Transaction.** Enter the total amount of funds for this action. Indicate a deobligation either by placing parentheses around the amount deobligated or a minus sign before the amount deobligated.

- a. **Formula Funds.** Of the amount indicated in Box 7, indicate the amount that is for formula funds. If this is a formula fund deobligation, show the distribution of that amount of funds in Box 7a.1 CHDO funds and/or Box 7a.2 non-CHDO funds.

1. **CHDO.** Of the amount indicated in Box 7a, indicate the amount that is CHDO funds. If none, enter "0." Note: If this is a CHDO competitive reallocation, enter the amount in 7b.

Instructions for Completing the Funding Approval and HOME Investment Partnerships Agreement

-
2. **Non-CHDO.** Of the amount indicated in Box 7a, indicate the amount that is Non-CHDO funds. If none, enter "0".
- b. **CHDO Competitive Reallocation or Deobligation.** Of the amount indicated in Box 7, indicate the amount that is reallocated or deobligated from the CHDO competition funds.
8. **Revised Obligation.** Enter the total amount of funds available to the jurisdiction (or entity) after this transaction (Box 6 plus/minus Box 7). Most grants have several source years of funds, therefore, the funding information in #20 must be filled out with the applicable source year of funds and amounts to be deobligated.
- a. **Formula Funds.** Enter the total amount of formula funds available to the participating jurisdiction after this transaction (Box 6a plus/minus Box 7a).
- b. **CHDO Competitive Reallocation.** Enter the total amount of funds available to the PJ/entity as a competitive reallocation for CHDOs after this transaction (Box 6b plus/minus Box 7b).
9. **Special Conditions.** If applicable, check the box and attach any special conditions that are part of the Agreement.
10. **Federal Award Date.** This is the date of obligation which is the **initial date of the HUD Authorized Official's signature** (Box 15) This date of the initial obligation does not change regardless of the Agreement being amended for a deobligation because of a reduction by HUD.
11. **Indirect Cost Rate.** If funding assistance will be used for payment of indirect costs pursuant to 2 CFR 200, Subpart E-Cost Principles, complete the Addendum to Agreement Grantee (Indirect Cost Rate(s), including the name of the department/agency, its indirect cost rate (including if the de minimis rate is charged per 2 § CFR 200.414(f)), and the direct cost base to which the rate will be applied (for example, Modified Total Direct Costs (MTCD)). If the rate information provided by Recipient in the Addendum is consistent with the applicable requirements in 2 CFR Part 200, the Addendum will be incorporated into and made part of the Agreement. The Recipient also shall provide HUD with a revised schedule if changes occur, and shall become incorporated herein upon HUD's amendment to the Agreement. If there are more than four agencies/departments carrying out activities with the Funding Assistance, attach a list with the additional agencies/departments that will carry out activities with the Funding Assistance. Do not include indirect cost rates for subrecipients.
12. **Period of Performance.** Performance begins on the **initial date of the HUD Authorized Official's signature** (Box 15 and Box 10) and ends on September 30th¹ of the 6th fiscal year after the expiration of the period of availability for obligation.
13. **For the U.S. Department of HUD (Name and Title of Authorized Official).** Enter the name and title of the HUD official who is authorized to sign the Agreement on behalf of HUD. This is usually the Field Office CPD Director.
14. **Signature.** The authorized HUD official signs the Agreement here.
15. **Date.** Enter the date the authorized HUD official signed the form. In the case of initial agreements. This is also the same date as the **Federal Award Date**, date of obligation (Box 10).
16. **For the Participating Jurisdiction/Entity (Name and Title of Authorized Office).** Enter the name and title of the official authorized to sign on behalf of the participating jurisdiction/entity. This is not required if the Agreement is being amended for a deobligation because of a reduction by HUD.
17. **Signature of PJ/Entity Official.** The PJ/entity official signs the Agreement here. This is not required if the Agreement is being amended for a deobligation because of a reduction by HUD.
18. **Date.** Enter the date the PJ/Entity official signs the Agreement. This is not required if the Agreement is being amended for a deobligation because of a reduction by HUD.

Instructions for Completing the Funding Approval and HOME Investment Partnerships Agreement

19. Type of Agreement. Check either Initial Agreement or Amendment #. If an amendment, indicate the amendment number.

20. Funding Information. For each source year of funding, the following information is provided: Source year of Funds, Appropriation Code, PAS Code (with fiscal year indicator code), and amount.

Continuation of Wording, Summary, and Distribution

Agenda Item Name: 0650 - SUSPENSION OF THE 2024 AND 2025 COMPREHENSIVE

Agenda Wording (630 character max)

Summary (Background) (286 character max)

Plan no later than April 2026.

The work required to prepare and consider such an update, both by city staff and the general public is extensive and would be overly complicated by the acceptance and processing of individual small private applications typically allowed by Spokane Municipal Code (SMC) 17G.020.

When the City took applications in October 2023 for processing in 2024, staff undertook efforts to announce to all concerned and potentially interested members of the public that such a pause in the application process might occur to accommodate the periodic update.

Fiscal Impact

Budget Account

Select ▼ \$ #

Select ▼ \$ #

Distribution List

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| <input type="text"/> | <input type="text"/> |

Save

Cancel



Agenda Sheet for City Council:

Committee: Urban Experience **Date:** 09/09/2024

Committee Agenda type: Discussion

Date Rec'd

8/28/2024

Clerk's File #

Cross Ref #

Project #

Council Meeting Date: 09/23/2024

Submitting Dept

PLANNING & ECONOMIC

Bid #

Contact Name/Phone

SPENCER 6097

Requisition #

Contact E-Mail

SGARDNER@SPOKANECITY.ORG

Agenda Item Type

Final Reading Ordinance

Council Sponsor(s)

JBINGLE ZZAPPONE KKLITZKE

Agenda Item Name

0650 - SUSPENSION OF THE 2024 AND 2025 COMPREHENSIVE PLAN

Agenda Wording

An ordinance suspending the acceptance of annual applications for amendments to the city's comprehensive plan until completion of the city's mandated periodic comprehensive plan update, expected to be completed and adopted in 2026.

Summary (Background)

A proposed ordinance suspending the Comprehensive Plan Amendment application cycle for the next two years. This would postpone the application period in October 2024 and in October 2025. Pausing the application process for minor Comprehensive Plan Amendments will allow staff and the public to focus on the update of the Comprehensive Plan required by State law. According to the requirements of GMA (RCW 36.70A) the City must prepare and adopt a review and update of the entire Comprehensive

Lease? NO

Grant related? NO

Public Works? NO

Fiscal Impact

Approved in Current Year Budget? N/A

Total Cost

\$

Current Year Cost

\$

Subsequent Year(s) Cost

\$

Narrative

Amount

Budget Account

Select

\$

#

Select

\$

#

Select

\$

#

Select

\$

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Select

\$

#

Select

\$

#



Continuation of Wording, Summary, Approvals, and Distribution

Agenda Wording

Summary (Background)

Plan no later than April 2026. The work required to prepare and consider such an update, both by city staff and the general public is extensive and would be overly complicated by the acceptance and processing of individual small private applications typically allowed by Spokane Municipal Code (SMC) 17G.020. When the City took applications in October 2023 for processing in 2024, staff undertook efforts to announce to all concerned and potentially interested members of the public that such a pause in the application process might occur to accommodate the periodic update.

Approvals

| | |
|----------------------------------|---------------------|
| <u>Dept Head</u> | MACDONALD, STEVEN |
| <u>Division Director</u> | MACDONALD, STEVEN |
| <u>Accounting Manager</u> | ORLOB, KIMBERLY |
| <u>Legal</u> | SCHOEDEL, ELIZABETH |
| <u>For the Mayor</u> | PICCOLO, MIKE |

Additional Approvals

| | |
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Distribution List

| | |
|-------------------------|---------------------------|
| | sgardner@spokanecity.org |
| tblack@spokanecity.org | kfreibott@spokanecity.org |
| mkapaun@spokanecity.org | akiehn@spokanecity.org |
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Committee Agenda Sheet

Urban Experience

| | |
|---|---|
| Submitting Department | Planning & Economic Development |
| Contact Name & Phone | Spencer Gardner, 509.625.6097 |
| Contact Email | sgardner@spokanecity.org |
| Council Sponsor(s) | CM Zappone, CM Bingle |
| Select Agenda Item Type | <input type="checkbox"/> Consent <input checked="" type="checkbox"/> Discussion Time Requested: <u>10 mins</u> |
| Agenda Item Name | Proposed Ordinance to Suspend accepting applications for Comprehensive Plan Amendments in 2024 and 2025 |
| Summary (Background) | <p>A proposed ordinance suspending the Comprehensive Plan Amendment application cycle for the next two years. This would postpone the application period in October 2024 <i>and</i> in October 2025.</p> <p>Pausing the application process for minor Comprehensive Plan Amendments will allow staff and the public to focus on the update of the Comprehensive Plan required by State law. According to the requirements of GMA (RCW 36.70A) the City must prepare and adopt a review and update of the entire Comprehensive Plan no later than April 2026.</p> <p>The work required to prepare and consider such an update, both by city staff and the general public is extensive and would be overly complicated by the acceptance and processing of individual small private applications typically allowed by Spokane Municipal Code (SMC) 17G.020.</p> <p>When the City took applications in October 2023 for processing in 2024, staff undertook efforts to announce to all concerned and potentially interested members of the public that such a pause in the application process might occur to accommodate the periodic update.</p> |
| Proposed Council Action & Date: | An Ordinance, proposed to be adopted by September 30, 2024 |
| Fiscal Impact: Total Cost: <u>\$0</u> Approved in current year budget? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A Funding Source <input type="checkbox"/> One-time <input type="checkbox"/> Recurring Specify funding source: Expense Occurrence <input type="checkbox"/> One-time <input type="checkbox"/> Recurring Other budget impacts: (revenue generating, match requirements, etc.) | |
| Operations Impacts: What impacts would the proposal have on historically excluded communities? <i>This proposal would result in any private requests to amend the comprehensive plan, including requests for changes to the Land Use Plan Map (LU1), to wait two additional years for consideration. While this could delay certain land use/rezone requests, the preparation of the major update to the</i> | |

Comprehensive Plan must include (per state law) consideration and reduction of negative impacts to historically excluded communities.

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

As required by SMC 17G.020 and RCW 36.70A, the preparation and consideration of the major update to the Comprehensive Plan must include an exploration of existing data, public engagement and input. An Environmental Impact Statement is anticipated to be conducted.

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

Following the development of the major update itself, criteria for measuring its effectiveness will be considered.

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

This proposal to pause the private amendments to the Comprehensive Plan for 2024 and 2025 allows focus to be given to the required major update to the Comprehensive Plan.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF SPOKANE, WASHINGTON, SUSPENDING THE ACCEPTANCE OF ANNUAL APPLICATIONS FOR AMENDMENTS TO THE CITY'S COMPREHENSIVE PLAN UNTIL COMPLETION OF THE CITY'S MANDATED PERIODIC COMPREHENSIVE PLAN UPDATE, EXPECTED TO BE COMPLETED AND ADOPTED IN 2026.

WHEREAS, pursuant to Chapter 36.70A RCW ("GMA"), the City's Comprehensive Plan and development regulations are subject to continuing review and evaluation by the City; and

WHEREAS, GMA also requires the City to establish procedures and a schedule whereby updates, proposed amendments, or revisions of the Comprehensive Plan are considered by the City no more frequently than once every year; and

WHEREAS, the annual process is guided by a number of principles including (i) keeping the plan responsive to the community, (ii) honoring the community's long-term investment in the Comprehensive Plan through neighborhood planning processes, (iii) encouraging development that enables the entire community to prosper and reinforces a senses of place and feeling of community, in an ecologically, economically and socially sustainable manner, and (iv) requiring that proposed amendments result in a net benefit to the general public; and

WHEREAS, the City presently has and will continue to have significant resources devoted to the periodic update to the Comprehensive Plan required by RCW 36.70A.130, including the preparation and public engagement required for a comprehensive plan update required by RCW 36.70A.140; and

WHEREAS, amendments to the Comprehensive Plan under consideration would likely include changes to the maps and policies of the plan; and

WHEREAS, the vast majority of applications for private amendments to the Comprehensive Plan in the past have likewise proposed changes to the policies and maps of the plan; and

WHEREAS, the consideration and processing of private requests to amend the Comprehensive Plan while the City also studies and prepares changes and updates to the Comprehensive Plan would unnecessarily cause confusion and potential conflicts with the resulting major update; and

WHEREAS, the City informed interested parties, applicants, and the public that pausing the Comprehensive Plan Amendment process during the major update might be necessary when advertising the open application period for 2023/2024; and

WHEREAS, the City Council considered this Ordinance suspending acceptance of applications and processing of annual site-specific comprehensive plan amendment applications at a duly noted public hearing on **September XX, 2024**, and received public testimony from interested parties, considered all the written and oral arguments and testimony; and

WHEREAS, the City Council finds that suspending the acceptance and processing of annual comprehensive plan amendment requests is necessary for the immediate preservation of the public peace, health, or safety and for the immediate support of City government and its existing public institutions; and

WHEREAS, pursuant to WAC 197-11-800(19), the adoption of this ordinance is exempt from the requirements of a threshold determination under the State Environmental Policy Act; and

WHEREAS, the City Council adopts the foregoing as its findings of fact, justifying its adoption of this ordinance; now, therefore

THE CITY COUNCIL OF THE CITY OF SPOKANE, WASHINGTON, DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. Suspend. Chapter 17G.020 of the Spokane Municipal Code is suspended for the 2024 and 2025 cycle of annual comprehensive plan amendment and accompanying rezone requests. This suspension does not preclude out-of-cycle amendments, if an emergency exists, new territory is annexed into the City, or to resolve a truly obvious mapping error or an appeal of a comprehensive plan filed with the growth management hearings board or with the court. The annual review process will resume with the 2026/2027 annual comprehensive plan amendments and accompanying rezone requests as outlined in Chapter 17G.020 SMC.

Section 2. Pending Applications. If any pending 2023/2024 annual amendment proposals (i.e., applications submitted under Chapter 17G.020 SMC on or before October 31, 2023) cannot, for any reason, be processed before December 31, 2024 in the current cycle of consideration, or are otherwise postponed/deferred to the next applicable amendment cycle, such proposals/applications will be deferred until the 2026/2027 annual amendment cycle.

ADOPTED BY THE CITY COUNCIL ON September 12, 2024.

Council President

Attest:

Approved as to form:

City Clerk

Assistant City Attorney

Mayor

Date

Effective Date

**NOTICE OF CITY COUNCIL PUBLIC HEARING
PROPOSED ORDINANCE TO SUSPEND THE COMPREHENSIVE
PLAN AMENDMENT CYCLE FOR 2024 AND 2025
(Proposed Ordinance C_____)**

Notice is hereby given that there will be a public hearing before the City of Spokane City Council on **Monday, September 30, at 6:00 p.m.** in the City Council Chambers, Lower Level of City Hall, 808 West Spokane Falls Boulevard, Spokane, Washington. This hearing may be continued to a later date. This public hearing is for an ordinance suspending the 2024/2025 and 2025/2026 Comprehensive Plan Amendment cycles to accommodate development of a periodic review and update of the Comprehensive Plan, required by the Growth Management Act (RCW 36.70A). The amendment cycle will likely resume in fall 2026, at which point applications for amendments from the public would again be accepted.

Written comments and oral testimony at the public hearings for these proposed actions will be made part of the public record. **Only persons submitting written comments and persons testifying at a hearing may appeal a decision of the City Council.**

Any person may submit written comments on the proposed action to sgardner@spokanecity.org or call for additional information at:

*Planning & Development Department
Attn: Spencer Gardner, Planning Director
808 West Spokane Falls Boulevard
Spokane, WA 99201-3329
Phone (509) 625-6500
sgardner@spokanecity.org*

More information on the process: The City Council will be briefed on the proposed ordinance on Monday, 16 at 3:30 PM. There is no public testimony at the briefing. A 1st reading of the ordinance will occur on Monday, September 23, 2024. A final reading and hearing for the ordinance will occur on the evening of Monday, September 30, 2024 at 6:00 PM. Public testimony will be taken at both the first reading and hearing. The public may also submit written comment to the City Council at citycouncil@spokanecity.org. The City Council may continue this public hearing to a following meeting at their discretion.

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

Continuation of Wording, Summary, and Distribution

Agenda Item Name: 1680 - VETS ON N. LACEY HOME PROJECT

Agenda Wording (630 character max)

Summary (Background) (664 character max)

The affordability period is 40 years. The HOME Investment Partnership funds invested by the City is \$1,500,000. CHHS is requesting approval of the contract documents associated with this funding allocation.

Fiscal Impact

Budget Account

Select \$ #

Select \$ #

Distribution List

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Agenda Sheet for City Council:

Committee: Urban Experience **Date:** 09/09/2024

Committee Agenda type: Consent

Date Rec'd

8/27/2024

Clerk's File #

Cross Ref #

Project #

Council Meeting Date: 09/23/2024

Submitting Dept

COMMUNITY, HOUSING & HUMAN

Bid #

Contact Name/Phone

HEATHER PAGE 6578

Requisition #

CR26667

Contact E-Mail

HPAGE@SPOKANECITY.ORG

Agenda Item Type

Contract Item

Council Sponsor(s)

ZZAPPONE JBINGLE KKLITZKE

Agenda Item Name

1680 - VETS ON N. LACEY HOME PROJECT

Agenda Wording

Council approval of the contract documents associated with OPR 2023-1228, the funding approval for the Vets on N. Lacey HOME funded affordable housing project.

Summary (Background)

On November 27, 2023 City Council approved the 2023 HOME Investment Partnership Program funding recommendations. One of the projects approved for funding was the Vets on N. Lacey project. The project consists of new construction of 12 units of affordable rental housing. There will be 12 one-bedroom units. The Project provides: twelve (12) units serving households of up to 30% AMI. The Project will have eight (8) City HOME-assisted units serving the following: eight(8) 1-bedroom units at 30% AMI.

Lease? NO

Grant related? YES

Public Works? NO

Fiscal Impact

Approved in Current Year Budget? YES

Total Cost \$ 1,500,000

Current Year Cost \$ 1,500,000

Subsequent Year(s) Cost \$

Narrative

HUD grant funds are used to fund this award.

Amount

Budget Account

Expense \$ 1,500,000

1710-95579-51010-54201-99999

Select \$

#

Select \$

#

Select \$

#

Select \$

#

Select \$

#

Committee Agenda Sheet

Urban Experience Committee

| | |
|--|---|
| Committee Date | September 9, 2024 |
| Submitting Department | Community, Housing, and Human Services |
| Contact Name | John Gammal, Heather Page |
| Contact Email & Phone | jgammal@spokanecity.org ; hpage@spokanecity.org |
| Council Sponsor(s) | <u>Zappone, Bingle, Klitze</u> |
| Select Agenda Item Type | <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Discussion Time Requested: |
| Agenda Item Name | 1680- Approval of Contract Documents related to OPR 2023-1228 Vets on N. Lacey |
| Proposed Council Action | <input checked="" type="checkbox"/> Approval to proceed to Legislative Agenda <input type="checkbox"/> Information Only |
| Summary (Background) | <p>On November 27, 2023 City Council approved the 2023 HOME Investment Partnership Program funding recommendations. One of the projects approved for funding was VOA's Vets on N. Lacey project. The project consists of new construction of 12 units of affordable rental housing. There will be 12 one-bedroom units. The Project provides: twelve (12) units serving households of up to 30% AMI. The Project will have eight (8) City HOME-assisted units serving the following: eight (8) 1-bedroom units at 30% AMI. The affordability period is 40 years. The HOME Investment Partnership funds invested by the City is \$1,500,000. CHHS is requesting approval of the contract documents associated with this funding allocation.</p> <p>*use the Fiscal Impact box below for relevant financial information</p> |
| <p>Fiscal Impact</p> <p>Approved in current year budget? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p> <p>Total Cost: <u>1,500,000</u></p> <p> Current year cost: 1,500,000</p> <p> Subsequent year(s) cost:</p> <p>Narrative: <u>Use of Hud HOME funds to fund affordable housing activity.</u></p> <p>Funding Source <input type="checkbox"/> One-time <input checked="" type="checkbox"/> Recurring <input type="checkbox"/> N/A</p> <p>Specify funding source: Grant HUD HOME Investment Partnerships Program funds</p> <p>Is this funding source sustainable for future years, months, etc? Click or tap here to enter text.</p> <p>Expense Occurrence <input checked="" type="checkbox"/> One-time <input type="checkbox"/> Recurring <input type="checkbox"/> N/A</p> <p>Other budget impacts: (revenue generating, match requirements, etc.)</p> | |
| Operations Impacts (If N/A, please give a brief description as to why) | |
| What impacts would the proposal have on historically excluded communities? | |
| Vets on N Lacey will provide affordable housing to extremely-low-income Veterans in Spokane. | |
| How will data be collected, analyzed, and reported concerning the effect of the program/policy by racial, ethnic, gender identity, national origin, income level, disability, sexual orientation, or other existing disparities? | |

CHHS will collect and report basic demographic data on recipients of these funding sources as outlined in their contractual agreements.

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

CHHS utilizes performance-based contracting to ensure the objectives of each proposal are being met in accordance with performance measures as outlined in each contractual agreement. Additionally, the HOME program operates under HUD's oversight and performance metrics are reported yearly through the CAPER.

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

The HOME funding recommendations align with the five-year Consolidated Plan and move the City forward in meeting its goals of increasing new affordable housing inventory.

AFTER RECORDING RETURN TO:

City of Spokane,
Community, Housing and Human Services Department
808 W. Spokane Falls Blvd.
Spokane, WA 99201

HOME PROGRAM AGREEMENT

GRANTOR: VOA N. LACEY, LLC

GRANTEE: CITY OF SPOKANE, WASHINGTON

ABBREVIATED LEGAL: PTN LT 25, BLK 26 MORGAN'S ACRE PARK ADD TO HILLYARD

Additional legal on Exhibit A of document

ASSESSOR'S ACCOUNT NO.: 36331.0159

RELATED DOCUMENT(S): N/A

HOME PROGRAM AGREEMENT

THIS HOME PROGRAM AGREEMENT (the "HOME Agreement") entered into this ____ day of October, 2024 (the "Effective Date"), by and between the City of Spokane, Washington, a political subdivision of the State of Washington, through its Community, Housing and Human Services Department (the "City"), whose address is 808 West Spokane Falls Boulevard, Spokane, WA 99201 and VOA N. Lacey, LLC, a Washington limited liability company, whose address is C/o Kiemle & Hagood Company, 601 West Main, Suite 400, Spokane WA 99201, (the "Owner"), and is part of the consideration for the financial assistance provided by the City to Owner, for the purpose of new construction of 12 units of affordable rental housing known as Vets on N. Lacey (the "Project"). There will be 12 one-bedroom units. The Project provides: twelve units serving households of up to 30% AMI, located at 6208 N Lacey Street in Spokane, WA 99208 and as legally described in Exhibit A attached hereto and incorporated herein by reference as though fully set forth.

WITNESSETH:

WHEREAS, the Owner desires to acquire and operate the Project which is located in the City of Spokane WA; and

WHEREAS, the City is authorized by the Constitution and laws of the State of Washington to make loans to the owners and developers of low-income rental housing, and desires to increase the supply of affordable housing within the City of Spokane; and

WHEREAS, the City proposes to a make a secured loan to the Owner in the principal amount of \$1,500,000.00, using HOME Investment Partnership Program (Catalog of Federal Domestic Assistance Number 14.239) funds (the "City Loan") to provide permanent financing for the Project, which City Loan will be evidenced by a City Promissory Note and Loan Agreement and secured by a City Deed of Trust from the Owner to a trustee for the benefit of the City as described below; and

WHEREAS, the Owner agrees to abide by all of the regulations associated with the HOME Investment Partnerships Program (Catalog of Federal Domestic Assistance Number 14.239) and the terms and conditions stated in this HOME Program Agreement.

WHEREAS, the Owner represents and warrants that they are currently duly licensed to perform all activities that it will perform pursuant to this HOME Agreement. Owner shall maintain all necessary licenses and certifications for the term of this HOME Agreement. Owner shall provide a copy of its current business license upon execution of this HOME Agreement, and within thirty (30) days of any renewals occurring throughout the duration of this HOME Agreement.

WHEREAS, to the extent that Owner has any employees, Owner shall perform a Washington State Patrol criminal background check on all employees. Owner shall also provide assurance that all current or prospective employees, interns or volunteers who will or may have unsupervised access to children under the age of sixteen (16), expectant mothers, developmentally disabled persons and vulnerable adults shall have background checks conducted in accordance with RCW 43.43.830-845.

NOW, THEREFORE, the Owner does hereby impose upon the Project the following covenants, restrictions, charges and easements, which shall run with the land and shall be binding and burden the Project and all portions thereof pursuant to the terms hereof.

SECTION 1. DEFINITIONS

Unless otherwise expressly provided herein or unless the context clearly requires otherwise, the terms defined above shall have the meanings set forth above. Capitalized terms not defined herein shall bear the meaning given them in the City Loan Documents in which they appear. The following terms shall have the respective meanings set forth below for the purposes of this HOME Agreement and all City Loan Documents, unless otherwise specified herein.

- i. “Act of Bankruptcy of the Owner” means the filing of a petition in bankruptcy or commencement of a bankruptcy, insolvency or similar action at law or equity.
- ii. “Affordability Period” means (i) for HOME affordability requirements, a period of time not less than 20 years, beginning after Project Completion (the “HOME Affordability Period”) and (ii) for City affordability requirements, 40 years, beginning after Project Completion, as determined by the Director (the “City Affordability Period”). The HOME Affordability Period and City Affordability Period shall run concurrently. Collectively, the two periods are referred to as the “Affordability Period.” Upon expiration of the HOME Affordability Period, the City Affordability Period shall continue, but HUD will no longer monitor compliance with Affordability Requirements, unless the City Affordability Period is coterminous with the HOME Affordability Period. The requirements of the Affordability Period and other conditions of other loan documents apply, if there are funds owing under the note.
- iii. “Business Day” means a day other than a Saturday, a Sunday or a day on which banks in the City of Spokane are authorized or obligated by law or executive order to close.
- iv. “Community Housing Development Organization” means a private non-profit, community-based organization that has staff with the capacity to develop affordable housing for the community it serves.
- v. “City” means the City of Spokane, Washington organized and existing under the laws of the State of Washington.
- vi. “City Deed of Trust” means the City Deed of Trust, Security Agreement, and Assignment of Leases and Rents of even date herewith, granting a mortgage on and security interest in, the land, subsequently erected buildings, structures, appliances and equipment comprising the Project, executed and delivered by the Owner to a trustee in trust for the benefit of the City, securing the repayment of the obligations of the Owner to the City under the other City Loan Documents.
- vii. “City Loan” means the loan evidenced by the Promissory Note and Loan Agreement and secured by the City Deed of Trust from the Owner, to provide financing for the construction of the Project.
- viii. “City Loan Agreement” means the Promissory Note and Loan Agreement executed by the Owner to evidence the principal amount of the City Loan.
- ix. “City Loan Documents” means this HOME Agreement, the City Promissory Note and Loan Agreement, City Deed of Trust, Certificate and Indemnity Regarding Hazardous Substances and UCC-1 Financing Statement and Exhibits.
- x. “Event of Default” means any of the events described as an event of default in the City Loan Documents.
- xi. “Fixed” means HOME units initially designated as HOME-assisted units remain designated as HOME-assisted units for the entire Affordability Period—regardless of if the unit becomes

- vacant or when an existing tenant becomes over-income.
- xii. “Floating” means HOME units initially designated as HOME-assisted, can change or “float” among all comparable units within the same HOME-assisted rental property, as properties are vacated and/or tenants’ incomes go over-income. Units may change during the Affordability Period as long as the total number of HOME-assisted units in the project remains constant.
 - xiii. “Funding Requisition” means the requisition form requesting disbursement of moneys from the City in the form mutually agreed to by the parties.
 - xiv. “HOME Agreement” means this Restrictive Covenant and HOME Agreement as supplemented and amended from time to time.
 - xv. “HOME-assisted unit” shall mean each of the eight (8) units which are designated as “Home Assisted” for purpose of the Home Investment Partnership Program to be rented by Qualified Tenants. The HOME-assisted units shall be “floating.”
 - xvi. “HOME Program Rent Limits” means rent that does not exceed 30 percent of the annual income of a family whose income does not exceed 30 percent of the area median income as determined by HUD in eight (8) units. HUD provides the HOME rent limits which include adjustments for the number of bedrooms in the unit, average occupancy per unit and adjusted income assumptions, pursuant to 24 CFR §92.252.
 - xvii. “HOME Rental Agreement” means a written contract between the Owner and each Tenant of a HOME-assisted unit.
 - xviii. “HOME Tenant” means an individual or family resident of a HOME-assisted unit who is party to a HOME Rental Agreement, as described in this HOME Agreement.
 - xix. “Income Determination and Verification” means that the owner will determine initially and annually thereafter, the annual household income and assets according to the 24 CFR Part 5 definition of annual income to ensure each individual or family is income eligible to occupy a HOME-assisted unit. Income documentation shall be in a form consistent with HOME requirements as stated in the HUD *Technical Guide for Determining Income and Allowances Under the HOME Program*.
 - xx. “Owner” means VOA N. Lacey, LLC, a Washington limited liability company, and its successors and assigns.
 - xxi. “Person” means any natural person, firm, partnership, association, corporation, limited liability company, limited partnership, trust or public body.
 - xxii. “Project” means the real property legally described in Exhibit A hereto and all buildings, structures, fixtures, equipment and appliances (whether permanently attached or not), and other improvements now or hereafter constructed or installed upon said real property.
 - xxiii. “Project Completion” means the point in time when all title transfer requirements are met, construction is complete, property standards are met, final drawdown of HOME funds are disbursed for the project, and Project Completion information is entered into IDIS. For rental projects: completion occurs upon completion of construction but before occupancy.
 - xxiv. “Qualified Tenants” means the following: eight (8) households with gross annual household incomes at the time of Initial Occupancy that does not exceed thirty percent (30%) of the area median income for the Spokane Metropolitan Statistical Area, adjusted for family size, as defined from time to time by the United States Department of Housing and Urban Development (“HUD”).

- xxv. “State” means the State of Washington.
- xxvi. “Transferee” means the person, to whom the Owner sells, transfers to or disposes of the Project or any portion thereof (other than by leasing, renting or contracting for tenant use of a HOME-assisted unit as contemplated in this HOME Agreement).

SECTION 2. USE OF FUNDS

A. Project Description/Address

- i. The Owner shall use the City Loan for new construction of rental housing located in the City of Spokane, Washington, identified as parcel numbers 36331.0159 and 36331.0134 and as legally described in Exhibit A.
- ii. The HOME Investment Partnership Program funds invested by the City in the Project will be in the principal amount of \$1,500,000.00. The use of the City Loan is to provide permanent financing for new construction and development costs, as stated in the attached budget (Exhibit C).
- iii. The Project shall consist of new construction of 12 units of affordable rental housing. There will be 12 one-bedroom units. The Project provides: twelve (12) units serving households of up to 30% AMI. The Project will have eight (8) City HOME-assisted units serving the following: eight (8) 1-bedroom units at 30% AMI.
- iv. The City HOME-assisted units shall be floating units. With the floating designation, the units originally designated as HOME-assisted may change during the Affordability Period as long as the total number of HOME-assisted units in the project remains constant. The HOME-assisted units must remain comparable to the non-assisted units over the period of affordability in terms of size, features, and shall not be geographically segregated from other units in the Project.

B. Project Construction/Timeline

- i. Construction of this Project shall comply with: the Washington State Building Code Act, RCW 19.27 and local building codes; housing codes; licensing requirements; International Energy Conservation Code (IECC); Section 504 of the Rehabilitation Act of 1973; Fair Housing Act, 42 U.S.C. 3606-3619; Site and Neighborhood Standards found at 24 CFR §983.6 (b); the Model Energy Code referenced in §92.251(a)(1); and other requirements regarding the condition of the structure and the operation of the Project. The Project must also maintain compliance with the physical standards of 24 CFR 92.251 and be operated consistent with applicable tenant protection, affirmative marketing, and fair housing requirements of Subpart F of 24 CFR 92 throughout the Project’s HOME Affordability Period.
- ii. The Project shall be constructed according to the plans and specifications as submitted and incorporated by reference. Any and all changes to the plans and specifications will need to be forwarded to the City for review and approval prior to implementation. Failure to provide the City with changes and or implementation of changes prior to receiving approval may result in delayed or withheld payments of HOME funds from the City.
- iii. The Project shall be constructed according to the timeline submitted and approved by the City and is attached to this Agreement as Exhibit B. Failure to complete various stages of construction according to the timeline may result in delayed or withheld payments of HOME funds from the City.

SECTION 3. AFFORDABILITY

A. HOME Affordability Period

- i. The HOME-assisted units must meet the affordability requirements for not less than 20 years from the date of Project Completion. (See definition of Project Completion) The City will provide the start and end date of the Project's Affordability Period in writing to the Owner. The affordability requirements apply without regard to the term of the loan or transfer of ownership, except that the affordability requirements may terminate upon foreclosure or transfer in lieu of foreclosure for the purposes of clearing the title. If upon foreclosure the Project no longer meets the affordability requirements under the HOME Program, the Owner shall be required to repay the total amount of the HOME investment to the City. The affordability restrictions shall be revived according to the original terms if, during the original Affordability Period, the Owner of record before the foreclosure, or deed in lieu of foreclosure, or any entity that includes the former Owner(s) or those with whom the former Owner(s) has or has family or business ties, obtains an ownership interest in the Project or property. In the event of foreclosure or deed in lieu of foreclosure, City reserves the right, but not the obligation, of first refusal or other preemptive rights to purchase the property to preserve affordability pursuant to 24 CFR 92.252(e).

B. Securing Affordability

- i. The Owner hereby declares its express intent that, during the term of this HOME Agreement, the covenants and restrictions set forth herein shall be deemed covenants running with the land and shall pass to and be binding upon the Owner's successors in title, including any purchaser, grantee or lessee of any portion of the Project and any other person or entity having any right, title or interest therein and upon the respective heirs, executors, administrators, devisees, successors and assigns of any purchaser, grantee or lessee of any portion of the Project and any other person or entity having any right, title or interest therein. Each and every contract, deed or other instrument hereafter executed covering or conveying the Project or any portion thereof or interest therein shall contain an express provision making such conveyance subject to the covenants and restrictions, contained herein; provided, however, that any such contract, deed or other instrument shall conclusively be held to have been executed, delivered and accepted subject to such covenants, regardless of whether or not such covenants are set forth or incorporated by reference in such contract, deed or other instrument.

C. Rents and Utility Allowances

- i. Initially and annually thereafter, the Owner shall determine the household income of each individual or family residing in a City HOME-assisted unit according to 24 CFR Part 5. The Part 5 definition of annual income is the gross amount of income of all adult household members that is anticipated to be received during the coming 12-month period including income from assets. The purpose of this determination is to ensure that the household is income eligible at the time of move in and continues to be eligible throughout their occupancy of a HOME-assisted unit for the remainder of the Affordability Period. It also ensures that the income targeting of the Project is met. That means qualified tenants reside in eight (8) HOME-assisted units with rent that does not exceed 30 percent of the annual income of the family whose income does not exceed 30 percent of the area median income at initial lease up.
- ii. The City shall provide the Owner with the initial maximum HOME Rent and Income Limits applicable at time of lease up of the project and is attached as Exhibit D. For the eight (8) City HOME-assisted units subject to the maximum rent limitations for which a tenant is paying utilities. The Owner shall use the HUD Utility Schedule Model (HUSM) to determine a

project's annual utility allowance or otherwise determine a project's utility allowance based upon the utilities used at the project. Web access to HUSM can be accessed at: <https://www.huduser.gov/portal/datasets/husm/uam.html>. The maximum rent a tenant can be charged initially is: the applicable current HOME Rent for a 1-bedroom unit at 30%, which is \$550.00 minus the applicable utility allowance for tenant paid utilities.

- iii. Regardless of changes in Fair Market Rents (FMR) and median incomes over time, the HOME rents for the Project are not required to be lower than the HOME rents in effect at the time of the Project commitment. The City will provide the owners(s) with information on updated HOME rent and income limits on an annual basis during the Affordability Period so that rents may be adjusted upon review and approval by the City in accordance with procedures outlined in this Agreement.
- iv. Prior to implementing initial rents and utility allowances in the HOME-assisted units and for any increases in rents of the HOME-assisted units after the initial lease up period, the Owner must receive written approval from the City. The notification must be submitted in writing by the Owner to the City for review. The City will provide written notification of approval or denial. For any approved rent increases after initial occupancy, the Owner must provide each tenant written notification no less than 30-days prior to the beginning of the month in which the increase is intended to be implemented, subject to the provisions in the lease agreements. Generally, the Owner cannot increase the rent during the initial lease period.
- v. A qualified tenant shall continue to be so qualified, until the annual Income Determination and Verification reflects that the HOME-assisted tenant's income exceeds 80% of the applicable Area Median Income. Once it is determined that a HOME-assisted tenant's income exceeds 80 percent of the applicable Area Median Income, then the tenant must pay as rent, 30 percent of the family's adjusted income. Additionally, in those HOME-assisted units designated as floating, tenants who no longer qualify as low-income are not required to pay rent in an amount that exceeds the market rent for comparable, unassisted units. See, 24 CFR §92.252 (i)(2). Once a tenant's income exceeds 80 percent of the applicable Area Median Income, that unit will no longer be considered HOME-assisted and the next available unit will be designated as a HOME-assisted unit and will be leased to an income qualified tenant to replace the unit lost by the over income tenant and to maintain, to the extent possible, eight (8) HOME-assisted units in the Project at all times during the Affordability Period.

SECTION 4. PROJECT REQUIREMENTS

A. Tenant Selection

- i. When selecting tenants for occupancy in HOME-assisted units, the Owner shall not apply selection criteria to a potential tenant that is more burdensome than selection criteria applied to any other tenant or potential tenant.
- ii. Owners are prohibited from charging fees that are not customarily charged in rental housing such as laundry room access fees, and other fees. However, Owners may charge reasonable application fees to prospective tenants, may charge parking fees to tenants only if such fees are customary for rental housing projects in the neighborhood; and may charge fees for services such as bus transportation or meals, as long as such services are voluntary. (§92.504(c)(3)(xi).
- iii. The Owner must develop and submit a Tenant Selection Policy to the City, for approval, prior to engaging in any screening efforts.
- iv. The Owner(s) must adopt written tenant selection policies and criteria that:
 - 1) Are consistent with the purpose of providing housing for extremely and very low-income

families;

- 2) Are reasonably related to program eligibility and the applicants' ability to perform the obligations of the lease;
- 3) Provide for selection of tenants from a written waiting list in the chronological order of their application, insofar as is practicable; and
- 4) Give prompt written notification to any rejected applicant of the grounds for any rejection. (§92.253(d))

Notwithstanding the foregoing subsection 3) above, an additional requirement shall be for the any apartment units which will have project-based HUD-VASH rental assistance. Tenants to occupy those units must be approved for eligibility by the VA. If one of those apartment units goes vacant and the next household on the waitlist is not or no longer eligible, the Owner must either pass over them or remove them from the waitlist.

- v. Under the Violence Against Women Act, (VAWA) the Owner must provide the Notice of Occupancy Rights and Certification - forms (HUD-5380 and HUD-5382) at the time an applicant is admitted to a HOME-assisted unit or denied approval of a HOME-assisted unit based on the Owner's tenant selection policy and criteria. The Notice and Certification must also be provided at the time of eviction from a HOME-assisted unit (§92.359).
- vi. Under VAWA, the owner is further obligated to develop an emergency transfer plan that meets the requirements found at 24 CFR §5.2005(e) and is approved by the City. The Owner may use HUD's Model Emergency Transfer Plan – HUD -5381 as a template. If the Owner determines that a tenant is qualified under the emergency transfer plan, and a safe unit is not immediately available, the Owner must immediately notify the City so a list of properties including HOME-assisted units can be provided to the tenant. The City may also provide service provider referrals to assist in facilitating emergency transfers to safe and available units.
- vii. The Owner must comply with the City's Affirmative Marketing Policy throughout the Affordability Period. Attached to this Agreement as Exhibit E.
- viii. Throughout the Affordability Period, the Owner shall affirmatively market the HOME-assisted units as said units become vacant, and at least annually, the Owner shall notify community agencies in Spokane City of the availability of HOME-assisted unit(s).
- ix. The Project shall be operated and managed in a manner consistent with the Washington State Residential Landlord-Tenant Act and the Project Management Plan, including any amendments thereto, provided by the Owner to the City and as approved by the City by executing this HOME Agreement.
- x. The Owner shall not discriminate in the rental of units on the basis of race, creed, color, sex, sexual orientation, national origin, religion, marital status, familial status, age, disability, or source of income, including the receipt of public assistance or housing assistance; provided, that the Owner may take such actions as may be necessary to qualify for or maintain its qualification for the exemption that relates to housing for older persons under the Fair Housing Amendments Act of 1988 and 24 CFR Part 100, Subpart E.
- xi. In the event that the Owner, for its own convenience or to accomplish compliance with this HOME Agreement, relocates a Tenant within the Project, the Owner shall pay the reasonable moving and relocation expenses, if any, incurred as a result of the relocation.
- xii. If at any time during the Affordability Period, the Owner is unable to rent, lease or contract for occupancy the HOME-assisted units to qualified tenants, the Owner shall hold the HOME-assisted unit(s) vacant until qualified tenant(s) occupies said HOME-assisted units.

B. Lease Agreements

- i. Owner shall enter into a Lease Agreement with each tenant occupying a HOME-assisted unit. The term of the lease shall not be for less than one (1) year unless otherwise mutually agreed upon with the tenant.
- ii. The Owner shall not terminate the tenancy or refuse to renew the lease except for allowable reasons such as but not limited to: serious and repeated violation of the terms and conditions of the lease; violating Federal, state or local law; or other good cause. The lease shall state that the tenant shall be given at least 30-days written notice specifying the grounds for the termination or refusal to renew the lease.
- iii. The lease shall clearly state the allowable HOME rent and that rent may be adjusted in accordance with tenant income changes and as a result of changes in rent limits issued by HUD and provided by the City. The lease shall state that the tenant will receive 30-days written notice prior to increasing the rent.
- iv. The Owner shall attach the HOME Lease addendum as provided by Spokane City.
- v. The Owner is prohibited from including the following clauses in the lease agreement:

Agreement to be sued – Agreement by the tenant to be sued, admit guilt, or consent to judgment in favor of the Owner in a lawsuit brought in connection with the lease.

Agreement regarding treatment of the property – Agreement by the tenant that the Owner may take, hold or sell personal property of the household members without notice to the tenant and a court decision on the rights of the parties. The prohibition does not apply to an agreement by the tenant concerning disposition of personal property in accordance with state law.

Agreement excusing the Owner from responsibility – Agreement by the tenant not to hold the Owner or Owner agents legally responsible for actions or failure to act, whether intentional or negligent.

Waiver of notice – Agreement by the tenant that the Owner may institute a lawsuit without notice to the tenant.

Waiver of legal proceedings - Agreement by the tenant that the Owner may evict the tenant or household members without instituting a civil court proceeding in which the tenant has the opportunity to present a defense or before a court decision on the rights of the parties.

Waiver of a jury trial – Agreement by the tenant to waive any right to a jury trial.

Waiver of right to appeal a court decision – Agreement by the tenant to waive the tenant’s right to appeal or otherwise challenge in court a decision to connection with the lease.

Agreement to pay legal costs, regardless of outcome – Agreement by the tenant to pay attorney fees or other legal costs even if the tenant wins the court proceeding by the Owner against the tenant. The tenant, however, may be obligated to pay costs if the tenant loses.

SECTION 5. CHDO PROVISIONS (Not Applicable)

SECTION 6. OTHER FEDERAL REQUIREMENTS

A. Conflict of Interest

- i. The Owner, developer or sponsor of the Project that has been assisted with HOME funds,

whether private, for-profit, or non-profit shall not occupy a City HOME-assisted unit in the Project without express written permission from the City. In addition, no officer, employee, agent, or consultant of the Owner, developer, or sponsor may occupy a City HOME-assisted unit. This provision does not include an employee or agent of the Owner, developer of the Project who occupies a housing unit as project manager or maintenance worker.

- ii. If Applicable, the Owner, developer, or sponsor of the Project who has exercised any functions or responsibilities with respect to this activity, which has been assisted with HOME funds, or are in a position to participate in a decision making process or gain inside information with regard to this activity, may not obtain a financial interest or benefit from the this activity, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds thereunder, either for themselves or those with whom they have family or business ties, during their tenure or for one year after.

B. Anti-Lobbying

- i. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with awarding of any Federal contract, the making of any Federal Grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification or any Federal contract, grant, loan or cooperative agreement.
- ii. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or employee of a Member of Congress in connection with this Federal contract, grant loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LL, "Disclosure Form to report Lobbying", in accordance with its instructions.

C. Compliance with Federal, State and Local laws

The Owner shall comply with all applicable federal, state and local laws, rules and regulations, as well as pertinent local ordinances regardless of whether a requirement, statute, regulation, or ordinance is specifically cited herein, and all amendments thereto that are in effect when this HOME Agreement is signed, or that come into effect during the term of this HOME Agreement including, but not limited to:

1. Federal Statutes:

- (i) Americans with Disabilities Act;
- (ii) The Fair Housing Act (42 USC 3601-3620) and The Fair Housing Amendments Act of 1988;
- (iii) Architectural Barriers Act of 1968;
- (iv) Housing and Community Development Act of 1974 and Housing and Community Development Act of 1992, Title X, including the "Barney Frank Amendments" Section 104 (d);
- (v) Civil Rights Act of 1964 (42 USC 2000 d et. Seq.), and Civil Rights Act of 1968;
- (vi) Age Discrimination Act of 1975 (42 USC 6101);
- (vii) Housing and Urban Development Act of 1968;
- (viii) Uniform Relocation and Real Property Acquisition Policies Act of 1970;

- (ix) Rehabilitation Act of 1973;
- (x) Davis-Bacon Act, and related acts;
- (xi) Contract Work Hours and Safety Standards Act;
- (xii) Copeland (Antikick back) Act (40 USC 276 c);
- (xiii) Fair Labor Standards Act of 1938;
- (xiv) Flood Disaster Protection Act of 1973;
- (xv) National Environmental Policies Act of 1969 (42 USC 4321);
- (xvi) Stewart B. McKinney Homeless Assistance Act.
- (xvii) Violence Against Women Act

2. Federal Regulations and Executive Orders:

- (i) 24 CFR Part 1, 24 CFR Part 5, 24 CFR Part 35, 24 CFR Part 58, 24 CFR 85, 24 CFR Part 92, 24 CFR Part 92.350, 24 CFR Part 92.504(c)(3), 24 CFR Part 100-115, 24 CFR Part 146;
- (ii) 29 CFR 1910.1200, 29 CFR Part 1926.62;
- (iii) 49 CFR Part 24;
- (iv) Executive Order 11063 as amended by Executive Order 12259; and
- (v) Executive Order 11246.

3. State Statutes:

- (i) Washington State Environmental Policy Act;
- (ii) Washington State Worker’s Compensation Industrial Insurance Act;
- (iii) Washington State Fair Housing Laws; and
- (iv) Washington State Landlord/Tenant Act.

SECTION 7. FUNDS DISBURSMENT

A. Payment Requests and Change Orders

- i. If applicable, payment requests shall be submitted to the City and shall include an inspection report that supports satisfactory completion of work according to the construction schedule. The City must have a Signature Authorization Form and W-9 Form on file prior to any disbursements to the Project. The City will provide the Owner with the necessary forms for payment requests.
- ii. Draws for HOME funds will be paid out on a pro-rata basis. The Developer may not request disbursement of funds under this HOME Agreement until funds are needed for the payment of eligible costs. The amount of each request must be limited to the amount needed. (§92.504(c)(3)(viii).
- iii. Documentation to support the application of HOME funds and any other draw requests from other funders must also be included in the draw request.
- iv. Change orders must be written and address their completeness and appropriateness and their effect on the budget and timeframe. Change orders will be evaluated for their impact on the project cost, schedule, and scope of work before they will be approved by the City. Change orders must be submitted to the City for approval and include AIA Form G709.
- v. The City will hold back up to 10% of the total HOME funds awarded to the Project as retainage. Retainage will be held for up to 30-days after completion of the project or until the City is provided with satisfactory evidence that the project has received a Certificate of Occupancy

and all final punch list items have been completed.

B. Repayment of Funds

Any and all City HOME funds invested in the project must be repaid to the City if the project does not meet the affordability requirements for the period specified in §92.252 or §92.254 as applicable.

SECTION 8. REPORTING AND RECORD MAINTENANCE

A. Reporting During the Development Process

The Owner shall prepare and submit a progress report on a monthly basis throughout the Development Process. The monthly progress report shall include: The percentage of work completed during the reporting period; The total funds expended; findings of any state or local agency inspections; identify marketing efforts; identify potential qualified tenants.

B. Reporting During the Occupancy Phase

- i. The Owner shall prepare and submit a progress report on a monthly basis throughout the Occupancy Phase. At a minimum it will include: The unit number; the bedroom size; the household size; household income level; amount of rent and tenant-paid utilities; and dates of the income certification and occupancy.
- ii. The Owner shall prepare and submit to the City, within 30-days of lease-up of the City HOME-assisted units, the HOME Completion Report as provided by the City of Spokane.

C. Reporting During the Affordability Period

- i. Throughout the Affordability Period, on or before the annual anniversary date of the Effective Date, the Owner shall provide to the City a current rent ledger identifying the City HOME-assisted units.
- ii. The Owner shall submit on an annual basis, the project financial statements to include at a minimum: The property's gross rent potential; actual rent collections; tenants accounts receivable; accounts payable; beginning and ending cash balance; number of and reason for vacancies; and units off-line and the reason.
- iii. The City reserves the right to request additional information when deemed necessary to assess compliance with the terms of the HOME Program and the projects viability.
- iv. The City reserves the right to change the specific record-keeping requirements with proper notice to the Owner. Such action shall not require an amendment to this Agreement.

D. Record Keeping Throughout the Affordability Period

- i. The Owner shall maintain accounts and records, including personnel, property, financial rent and utility allowance records, and other such documentation and records as may be reasonably required by the City to ensure proper accounting for City Loan funds and compliance with this HOME Agreement.
- ii. Tenant files shall include all documentation necessary to demonstrate that each occupied City HOME-assisted unit is occupied by a Qualified Tenant. Such records shall include but not be limited to the HOME Tenant's application, initial Income Determination and Verification documents, subsequent Income Determination and Verification documents, and the HOME

Tenant's HOME Rental Agreement.

- iii. The Owner shall permit any duly authorized representative of the City to inspect, during regular business hours, the books and records of the Owner pertaining to the incomes of Qualified Tenants who are residing in or have resided in the Project, the rents charged to such Tenants, and to inspect the City HOME-assisted units as may be necessary for monitoring, provided that prior notice shall be given to such Tenants prior to such inspection. The Owner shall protect the confidentiality of information concerning such Tenants and the privacy of such Tenants consistent with federal and state law.
- iv. Owner shall notify the City, in writing, of the location used by Owner, of the books, records and documents required under this section and shall notify the City in writing of any changes in location within ten (10) days of any such relocation.

E. Record Retention Period

- i. The Owner shall retain the Projects records for at least six (6) years after the Project Completion; except those records of individual tenant income verifications, project rents and inspections, must be retained for the most recent 6-year period, until 6-years after the Affordability Period terminates.
- ii. The Owner shall retain the HOME Agreement for 6-years after the Agreement terminates.
- iii. If any litigation, claim, negotiation, audit, monitoring, inspection, or other action has been started before the expiration of the required record retention period, records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the required period, whichever is later.
- iv. The Owner shall protect the confidentiality of this information and the tenants' privacy consistent with applicable federal and state law.

SECTION 9. UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS

A. Requirements

The Owner must have financial management systems in place that comply with 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements.

B. Cost Principles – 2 CFR Part 200 Subpart E

- i. The Owner is responsible for the efficient and effective administration of the Federal award through the application of sound management practices.
- ii. The Owner assumes responsibility for administering Federal funds in a manner consistent with underlying agreements, program objectives, and the terms and conditions of the Federal award.
- iii. The Owner, in recognition of its own unique combination of staff, facilities, and experience, has the primary responsibility for employing whatever form of sound organization and management techniques may be necessary in order to assure proper and efficient administration of the Federal award.
- iv. The application of these cost principles should require no significant changes in the internal accounting policies and practices of the Owner. However, the accounting practices of the Owner must be consistent with these cost principles and support the accumulation of costs as required by the principles and must provide for adequate documentation to support costs charged to the Federal award.

C. Internal Controls – 2 CFR Part 200.303

The Owner must have financial management systems in place that comply with the following standards:

- i. Accurate, current, and complete disclosure of the financial results of the Project.
- ii. Records that identify adequately all sources and uses of Federal funds provided for the Project.
- iii. Effective control over accountability for all funds, property and other assets. The Owner must adequately safeguard all such assets and assure they are used solely for authorized purposes.
- iv. Maintain accounting records including costs accounting records that are supported by source documentation.
- v. Ensure that the separation of duties is adequate so that no one individual has authority over a financial transaction from beginning to end.
- vi. Control over assets, blank forms and confidential documents so that these documents are limited to authorized personnel only.
- vii. Promptly report deviations from the budget and program plans, and request approval for budget and program plan revisions.
- viii. Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the Owner is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- ix. Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- x. Evaluate and monitor the Owners compliance with statutes, regulations and the terms and conditions of Federal awards.
- xi. Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.
- xii. Take reasonable measures to safeguard protected personally identifiable information and other information the Federal awarding agency or pass-through entity designates as sensitive or the non-Federal entity considers sensitive consistent with applicable Federal, state, local, and tribal laws regarding privacy and obligations of confidentiality.

D. Audit - 2 CFR Part 200.501

- i. If the Owner expends \$750,000 or more during the Owners fiscal year in Federal awards must have a single audit conducted in accordance with 2 CFR Part 200.514 The Owner shall submit the completed audit and audit report to the City within 30 days of completion.

If the Owner expends less than \$750,000 during the non-Federal entity's fiscal year in Federal awards is generally exempt from Federal audit requirements for that year, but records must be available for

review or audit by appropriate officials of the Federal agency, pass-through entity, and Government Accountability Office (GAO).

SECTION 10. ENFORCEMENT PROVISIONS

- i. The Owner shall exercise reasonable diligence to comply with the requirements of this HOME Agreement. The Owner shall cooperate with the City or its agent in the evaluation of Owner compliance with the City Loan Documents, including but not limited to this HOME Agreement, the City Loan, and the City Deed of Trust, and make available all information reasonably required by any such evaluation process. The results and records of said evaluations shall be maintained and disclosed in accordance with chapter 42.56 RCW.
- ii. The City will monitor the Project by: conducting an audit of the rents charged in the City HOME-assisted units; examining the documents received from the Owner pursuant to Section 7 of this HOME Agreement; and conducting an on-site inspection of the Project on a periodic basis, but no less than annually. Failure on the part of the City to monitor the Project in accordance with the provisions of this paragraph does not constitute a waiver of the Owner's obligations under this HOME Agreement.
- iii. Owner shall provide right of access to its facilities, including those of any subcontractor, to the City and or HUD at all reasonable times in order to monitor and evaluate the Owner's compliance with the loan documents. The City shall provide reasonable notice of any City or HUD monitoring or evaluation, unless the City has reason to believe that the Project or any portion thereof presents an unsafe environment, or the Owner is otherwise not in compliance with this HOME Agreement. The City shall monitor the Owner and/or the Project for compliance with the loan documents at least annually, or more frequently within the sole discretion of the City. Owner shall make available to the City and HUD all records, books or pertinent information which Owner shall have kept or caused to be kept pertaining to the loan documents and as required by law. Owner shall also furnish such progress reports, schedules, financial and costs reports, and other such program or fiscal data reasonably required to evaluate the Owner's compliance with the loan documents.
- iv. Owner shall respond timely and accurately to requests from the City to provide information necessary to respond to inquiries from HUD and/or its authorized representatives.
- v. Owner shall notify the City in advance of any formal inspections, audits, accreditation or program reviews conducted by an entity other than the City, including but not limited to the City of Spokane, HUD or its authorized agent, and shall provide to the City copies of said review, including any final written plan of correction or other written response, within thirty (30) days of receipt by the Owner.
- vi. The benefits of this HOME Agreement and the terms, conditions and requirements imposed upon the Owner through this HOME Agreement may be enforced by the City and its successors and assigns, during the term of this HOME Agreement whether or not the City Loan is paid in full.

SECTION 11. RECORDATION; AMENDMENTS; TERMINATION

A. Recordation

This HOME Agreement shall be recorded with the Spokane County Auditor's office immediately upon signatures of all of the parties hereto being affixed pursuant to the terms of this HOME Agreement.

B. Amendments

The mutual concurrence of both parties shall be necessary to amend this written agreement. Regulatory requirements shall not be amended.

C. Termination

This HOME Agreement shall terminate upon the earliest of: At the end of the Affordability Period; upon an involuntary loss of the Project as provided in Section 17 hereof; or upon an Event of Default and foreclosure sale in accordance with the Loan Agreement.

SECTION 12. NO CONFLICT WITH OTHER DOCUMENTS

The Owner represents and warrants that except for the City of Spokane Loan Documents and the subordination agreement to which it relates, the Owner has not executed and will not execute any other agreement with provisions contradictory to, or in opposition with, the provisions contained herein, and that in any event, except for the City of Spokane Loan Documents, the requirements of this HOME Agreement are paramount and controlling as to the rights and obligations herein set forth and supersede any other requirements in conflict herewith.

SECTION 13. SEVERABILITY

The invalidity of any clause, part or provision of this HOME Agreement shall not affect the validity of the remaining portions thereof.

SECTION 14. DURATION

This HOME Agreement shall commence and be effective upon Project Completion and shall terminate on the end date of the HOME Affordability Period. (see Section 3) The City and Owner, upon mutual agreement, shall have the power to extend the term of this HOME Agreement. Any extension shall not increase the overall dollar amount loaned by the City pursuant to the City Loan Agreement.

SECTION 15. NOTICES

All notices to be given pursuant to this HOME Agreement shall be in writing and shall be deemed given when mailed by certified or registered mail, return receipt requested, to the parties hereto at the addresses set forth below, or to such other place as a party may from time to time designate in writing:

Owner: VOA N. Lacey, LLC
C/o Kiemle & Hagood Company
601 W Main Ave., Suite 400
Spokane, WA 99201

City: City of Spokane, Washington
Community Housing and
Human Services Department
Attn: Heather Page
808 W. Spokane Falls Blvd.
Spokane, WA 99201

SECTION 16. REMEDIAL ACTION

A. Events of Non-Compliance

- i. Any circumstance that negatively impacts the tenants' customary and intended use of the HOME-assisted units.
- ii. Owner has failed to comply with any of the terms of the City Loan Documents.
- iii. Owner has failed to develop, produce, and/or deliver to the City any of the statements, reports, data, accountings, claims, and/or documentation described herein, in compliance with the provisions of this HOME Agreement.
- iv. Owner has failed to resolve any noncompliance to the terms of the City Loan Documents by the Owner, to the satisfaction of the City within prescribed time frames.

B. Corrective Action

- i. In the event of any Event of Non-Compliance, the Owner shall correct any such noncompliance within thirty (30) days after the earlier of the date that such noncompliance is first discovered by the Owner (or would have been discovered by the exercise of reasonable diligence) or the date on which the Owner receives notice of such noncompliance from the City.
- ii. If correction of the noncompliance is expected to extend beyond thirty (30) days, then the Owner shall immediately develop and implement a corrective action plan ("Corrective Action Plan") that resolves noncompliance. A Corrective Action Plan shall include a brief description of the noncompliance, the specific steps to be taken to correct the situation, a timetable for performance of specified corrective actions steps, a description of the proposed monitoring to be performed to ensure that the steps are taken, and a description of the proposed monitoring to be performed that will reflect the resolution of the situation.
Corrective Action Plans developed by the Owner must be submitted to the City no later than thirty (30) days after the earlier of the date that an Event of Non-Compliance is first discovered by the Owner (or would have been discovered by the exercise of reasonable diligence) or of receipt from the City of the notice of the Event of Non-Compliance by the Owner. The City may, within its sole discretion, extend or reduce the time allowed for corrective action depending upon the nature of the situation and the existence of an emergency as determined by the City. Corrective Action Plans shall be subject to approval by the City, which may accept the plan as submitted, accept the plan with specified modifications, or reject the plan.

C. Remedies

If an Event of Non-Compliance is not cured as specified above, the City in its sole discretion may:

- i. Require modification of any policies or procedures of the Owner relating to the fulfillment of its obligations pursuant to the City Loan Documents;
- ii. Charge a monetary re-inspection fee to the Owner and/or its principals in an amount determined by the City and calculated to compensate the City for any action necessary to ensure compliance with the City Loan Documents and to provide an incentive to the Owner to cease the reported noncompliance;
- iii. The City may initiate remedial action; and/or if the Owner shall fail to observe or perform any covenant, condition or agreement contained herein on its part to be observed or performed, and if such noncompliance is not corrected as provided for in this section, then such noncompliance shall be considered an "Event of Default."

D. Remedies for Event of Default

- i. In the event of an Event of Default under any of the provisions hereof, and in addition to all other remedies provided in the City Deed of Trust, the City may institute and prosecute any proceeding at law or in equity to abate, prevent or enjoin any such violation or attempted violation, it being recognized that the beneficiaries of the Owner's obligations hereunder, cannot be adequately compensated by monetary damages in the event of the Owner's default, but that the City may attempt to recover monetary damages caused by such violation or attempted violation.
- ii. The City shall be entitled to cause the Owner to pay to the City as liquidated damages an amount equal to all monies received by the Owner with respect to (i) City HOME-assisted units which were knowingly or negligently rented to persons who are determined not to be Qualified Tenants provided, that such amount shall not exceed the aggregate of such Qualified Tenants' monthly fees for six months, or (ii) rents charged to Qualified Tenants in excess of applicable rent levels. The liquidated damages shall total one and a half (1.5) times all such monies received by the Owner if the City reasonably determines that the noncompliance in this subsection was willful. Payments from this subsection shall not reduce the amount due under the City Loan. Those Tenants who were required and did pay excess rents for their City HOME-assisted units will be entitled to a rebate of the excess amount of their rents paid. This paragraph shall not apply to monies so collected

from and after the date the City declares an Event of Default unless the Owner cures such Event of Default and reinstates the City Loan, in which case this paragraph shall remain applicable, and the rents collected shall belong to the City as liquidated damages. This paragraph shall not apply under circumstances described in Section 16 of this HOME Agreement.
- iii. No delay in enforcing the provisions hereof as to any breach or violation shall impair, damage or waive the right of any party entitled to enforce the same or obtain relief against or recover for the continuation or repetition of such breach or violation or any similar breach or violation thereof at any later time or times.
- iv. The Owner hereby agrees to pay, indemnify and hold the City harmless from any and all costs, expenses and fees, including all reasonable attorneys' fees which may be incurred by the City in enforcing or reasonably attempting to enforce this HOME Agreement following any Event of Default on the part of the Owner hereunder whether the same shall be enforced by suit or otherwise; together with all costs, fees and expenses which may be incurred in connection with any amendment to this HOME Agreement or otherwise by the City at the request of the Owner. The agreement to indemnify is a separate agreement, and shall survive any foreclosure action, attempted transfer or the like and action may be brought thereon independently of any other remedy provided for herein.

SECTION 17. INVOLUNTARY LOSS/FORCLOSURE

- i. This HOME Agreement shall cease to apply to the Project in the event of involuntary noncompliance caused by fire, seizure, requisition, foreclosure, transfer of title by deed in lieu of foreclosure, condemnation, or damage or destruction of the Project that renders it substantially unusable for its intended purpose. Notwithstanding the above sentence, this HOME Agreement will continue to apply to the Project if this HOME Agreement is expressly assumed in writing by a recorded assumption agreement by a Purchaser at foreclosure sale or by another transferee of the Project.
- ii. Upon foreclosure or transfer in lieu of foreclosure, the restrictive covenants as described herein shall remain in full force and effect, and the home assisted units shall be occupied in accordance

with Section 4 above. Said covenant shall continue in effect for the statutory minimum period of affordability of twenty (20) years after Project Completion as required by HUD. Project Completion is established when the required Project Completion information and beneficiary data are complete, accurate and entered into the HUD Integrated Disbursement and Information System.

SECTION 18. GOVERNING LAW AND VENUE

This HOME Agreement shall be governed by the laws of the State of Washington. By executing this HOME Agreement and by using the terms herein, the parties make no representation as to the applicability of chapter 59.18 RCW to the Owner. In the event of a lawsuit involving this HOME Agreement, venue shall lie in Spokane County.

SECTION 19. EXHIBIT NARRATIVE

Any exhibits, attachments or addenda referred to herein and/or attached to this HOME Agreement and any amendments hereto, are incorporated herein as if set forth in full.

SECTION 20. SALE OR CONVEYANCE OF THE PROJECT

- i. Except as provided herein, if the Owner voluntarily sells, leases conveys or otherwise transfers the Project or any portion thereof, other than by leasing for Tenant use as contemplated hereunder, or for any other incidental use, to the extent permissible under all applicable federal and state laws and regulations, granting a security interest junior to the City Deed of Trust, or a transfer of the Project, without first obtaining the written consent of the City, it shall be deemed an Event of Default under the terms of this HOME Agreement, and the remedies provided for such default in Section 13 herein may be exercised. The City's consent to such a transfer shall not be unreasonably withheld and may be conditioned upon: Reasonable evidence satisfactory to the City that the Owner is not then in default hereunder beyond any applicable grace period or cure period; reasonable evidence satisfactory to the City that the Owner has paid or will pay all fees owing under the Loan Agreement; an opinion of counsel for the Transferee, in a form satisfactory to the City and delivered to the City, stating that the Transferee has assumed in writing and in full all duties and obligations of the Owner under this HOME Agreement and that this HOME Agreement, constitutes a legal, valid and binding obligation upon the Transferee; a written agreement between the Transferee and the City, in a form satisfactory to the City, that the Transferee accepts and agrees to the terms of this HOME Agreement and that the City has authority to enforce this HOME Agreement against the Transferee; the written assumption of the Transferee stating that the Transferee shall comply with all provisions of state and federal law applicable to the Owner under this HOME Agreement; the Transferee is not now in arrears on any payments of fees due and owing to the City or in default under any HOME Agreement between the Transferee and the City, beyond any applicable grace period or cure period; the Transferee has no history of repeated instances of noncompliance with non-monetary provisions of any HOME Agreement which are not cured after notice thereof and within the applicable cure period or grace period; and the Transferee has no history of repeated instances of failure to pay fees due and owing to the City which are not paid within a reasonable period after notice thereof.
- ii. No sale, transfer or other disposition of the Project shall release the Owner or the Project of obligations under this HOME Agreement without the prior express and written agreement of the City.
- iii. Upon a City approved sale, transfer or other disposition of the Project subject to this Section, the Owner shall transfer to the Transferee or its designated agent, all records, accounts,

electronic data or other documents pertaining to Owner's compliance with this HOME Agreement.

SECTION 21. DEBARMENT, SUSPENSION or INELIGIBILITY

- i. By signature of this HOME Agreement, the Owner hereby certifies that neither the Owner nor their respective officers, directors, shareholders, partners or members are subject to debarment, suspension or determination of ineligibility by HUD, and acknowledge that the City is relying upon this declaration in entering into this HOME Agreement with the Owner.
- ii. By signature of this HOME Agreement, the Owner agrees to perform debarment and suspension checks on all contractors and subcontractors prior to entering into contracts and will provide documentation to the City prior to any HOME funds being disbursed. The Owner will use the System for Award Management (SAM). The website is: <https://www.sam.gov/portal/SAM/#1>.

SECTION 22. MISCELLANEOUS

- i. Further Documentation. Owner shall execute, acknowledge, and deliver upon reasonable request by the City any document, which the City reasonably deems necessary or desirable to evidence or effectuate the rights herein conferred or to implement or consummate the purposes and intents hereof.
- ii. Headings. The headings contained in this HOME Agreement are for convenience only and do not in any way limit or affect the terms and provisions hereof.
- iii. Calculation of Time Periods. Unless otherwise specified, in calculating any period of time described in this HOME Agreement, the day of the act or event after which the designated period of time begins to run is not to be included and the last day of the period so computed is to be included, unless such last day is a Saturday, Sunday, or City holiday, in which case the last day of the period shall be the next business day. The final day of any such period shall be deemed to end at 5 o'clock p.m., Pacific Time.
- iv. Gender and Grammar. Wherever appropriate in this HOME Agreement, the singular shall be deemed to refer to the plural and the plural to the singular, and pronouns of certain genders shall be deemed to include either or both of the other genders. Unless the context clearly requires otherwise, words of masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the similar number shall be construed to include correlative words of the plural number and vice versa. This HOME Agreement and all the terms and provisions hereof shall be construed to effectuate the purposes set forth herein and to sustain the validity hereof.
- v. The terms and phrases used in the recitals of this HOME Agreement have been included for convenience of reference only, and the meaning, construction and interpretation of all such terms and phrases for purposes of this HOME Agreement shall be determined by references to this Section 1.
- vi. Counterparts. This HOME Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.
- vii. Project publicity. The Owner will include the equal housing opportunity logo on any and all marketing materials, news releases and signage. The Owner will identify Spokane City,

Community, Housing and Human Services Department as a funding source in all news releases and signage.

SECTION 23. HUD PROVISIONS

- i. Not Applicable.

SIGNATURES BEGIN ON THE NEXT PAGE

Approved as to form:

By: _____
Megan Kapaun,
City of Spokane, Office of the City Attorney

EXHIBIT A
LEGAL DESCRIPTION

LOT 24 AND THE SOUTH 46 FEET OF LOT 25, BLOCK 26, MORGAN'S ACRE PARK ADDITION TO HILLYARD, AS PER PLAT RECORDED IN VOLUME "K" OF PLATS, PAGE 3, RECORDS OF SPOKANE COUNTY, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS;

BEGINNING AT THE SOUTHWEST CORNER OF LOT 24, BLOCK 26, BEING HEREINABOVE DESCRIBED;

THENCE ALONG THE WEST LINE OF SAID BLOCK 26, NORTH 02°23'58" WEST 146.00 FEET TO THE NORTHWEST CORNER OF SAID SOUTH 46 FEET OF LOT 25, BEING HEREINABOVE DESCRIBED;

THENCE ALONG THE NORTH LINE OF SAID SOUTH 46 FEET OF LOT 25, NORTH 87°22'02" EAST 200.00 FEET TO THE NORTHEAST CORNER OF SAID SOUTH 46 FEET OF LOT 25;

THENCE ALONG THE EAST LINE OF SAID LOTS 24 AND 25, SOUTH 02°23'58" EAST 146.00 FEET TO THE SOUTHEAST CORNER OF SAID LOT 24;

THENCE ALONG THE SOUTH LINE OF SAID LOT 24, SOUTH 87°22'02" EAST 200.00 FEET TO THE SAID POINT OF BEGINNING OF THIS DESCRIPTION;

SITUATE IN THE CITY OF SPOKANE, COUNTY OF SPOKANE, STATE OF WASHINGTON.

**EXHIBIT B
DEVELOPMENT TIMELINE**

[see attached]

EXHIBIT C
DEVELOPMENT BUDGET & SOURCES AND USES

[see attached]

| Vets on N Lacey | | | | | | |
|---|---------------------|---------------------|-------------------|---------------------|---------------------|------------------|
| Date of Budget | 6/19/2024 | | Source: | Source: | Source: | Source: |
| | | Sources total | FHLB AHP | City HOME | WA HTF | Deferred Dev Fee |
| Acquisition Costs: | | | | | | |
| Land | \$ 55,000 | \$ 55,000 | | | \$ 55,000 | |
| Existing Structures | \$ 285,000 | \$ 285,000 | | | \$ 285,000 | |
| Liens | | \$ - | | | | |
| Closing, Title & Recording Costs | \$ 5,000 | \$ 5,000 | | | \$ 5,000 | |
| SUBTOTAL | \$ 345,000 | \$ 345,000 | \$ - | \$ - | \$ 345,000 | \$ - |
| Construction: | | | | | | |
| Demolition | \$ 62,300 | \$ 62,300 | \$ 6,100 | \$ 6,100 | \$ 50,100 | |
| New Building | \$ 1,600,000 | \$ 1,600,000 | \$ 213,500 | \$ 610,700 | \$ 775,800 | |
| Contractor Profit | \$ 97,700 | \$ 97,700 | | | \$ 97,700 | |
| Contractor Overhead | \$ 117,200 | \$ 117,200 | | | \$ 117,200 | |
| New Construction Contingency | \$ 228,200 | \$ 228,200 | \$ 52,200 | \$ 138,200 | \$ 37,800 | |
| Site Work / Infrastructure | \$ 416,800 | \$ 416,800 | | \$ 416,800 | | |
| Sales Tax | \$ 229,100 | \$ 229,100 | \$ 26,500 | \$ 105,500 | \$ 97,100 | |
| Bond Premium | \$ 48,900 | \$ 48,900 | \$ 17,600 | | \$ 31,300 | |
| Equipment and Furnishings | \$ 21,700 | \$ 21,700 | \$ 21,700 | | | |
| Other: Builder's risk insurance | \$ 13,300 | \$ 13,300 | | | \$ 13,300 | |
| SUBTOTAL | \$ 2,835,200 | \$ 2,835,200 | \$ 337,600 | \$ 1,277,300 | \$ 1,220,300 | \$ - |
| Soft Costs: | | | | | | |
| Architect | \$ 184,000 | \$ 184,000 | \$ 20,000 | \$ 42,000 | \$ 122,000 | |
| Engineering | \$ 26,500 | \$ 26,500 | | \$ 14,500 | \$ 12,000 | |
| Legal - Real Estate | \$ 10,500 | \$ 10,500 | | | \$ 10,500 | |
| Developer Fee | \$ 140,716 | \$ 140,716 | | \$ 58,507 | \$ 32,209 | \$ 50,000 |
| Project Management / Dev. Con | \$ 252,584 | \$ 252,584 | \$ 29,600 | \$ 60,193 | \$ 162,791 | |
| Soft Cost Contingency | \$ 12,400 | \$ 12,400 | \$ 11,800 | \$ 600 | | |
| SUBTOTAL | \$ 626,700 | \$ 626,700 | \$ 61,400 | \$ 175,800 | \$ 339,500 | \$ 50,000 |
| Pre-Development / Bridge Financing | | | | | | |
| Bridge Loan Interest | \$ 14,000 | \$ 14,000 | | | \$ 14,000 | |
| SUBTOTAL | \$ 14,000 | \$ 14,000 | \$ - | \$ - | \$ 14,000 | \$ - |
| Permanent Financing | | | | | | |
| Permanent Loan Legal | \$ 5,300 | \$ 5,300 | | \$ 5,300 | | |
| SUBTOTAL | \$ 5,300 | \$ 5,300 | \$ - | \$ 5,300 | \$ - | \$ - |
| Capitalized Reserves | | | | | | |
| Operating Reserves | | \$ - | | | | |
| Replacement Reserves | \$ 9,600 | \$ 9,600 | | | \$ 9,600 | |
| Other: Operating Deficit Reserv | \$ 31,600 | \$ 31,600 | | \$ 31,600 | | |
| SUBTOTAL | \$ 41,200 | \$ 41,200 | \$ - | \$ 31,600 | \$ 9,600 | \$ - |

| Other Development Costs | | | | | | | | | | | | |
|--------------------------------|-----------------|-----------|--------|-----------|--------|---------|--------|-----------|--------|-----------|--------|--------|
| Insurance | \$ | 17,600 | \$ | 17,600 | | \$ | 17,600 | | | | | |
| Relocation (from Form 4) | \$ | 10,000 | \$ | 10,000 | \$ | 1,000 | \$ | 9,000 | | | | |
| Permits, Fees & Hookups | \$ | 53,000 | \$ | 53,000 | | | \$ | 53,000 | | | | |
| Accounting/Audit | \$ | 5,000 | \$ | 5,000 | | \$ | 1,000 | \$ | 4,000 | | | |
| | SUBTOTAL | \$ | 85,600 | \$ | 85,600 | \$ | 1,000 | \$ | 10,000 | \$ | 74,600 | \$ |
| Total Development Cost: | \$ | 3,953,000 | \$ | 3,953,000 | | | | | | | | |
| Total Sources: | | | \$ | 3,953,000 | \$ | 400,000 | \$ | 1,500,000 | \$ | 2,003,000 | \$ | 50,000 |

**EXHIBIT D
SPOKANE CITY HOME PROGRAM INCOME AND RENTS**

SOURCE: HUD

MSA: SPOKANE, WA

EFFECTIVE DATE: JUNE 01, 2024

FY 2024 MEDIAN INCOME: \$97,900

| 2024 INCOME LIMITS | | | | | | | | | |
|---|---------------|----------|------------|----------|----------|-----------|-----------|-----------|-----------|
| | | 1 PERSON | 2 PERSON | 3 PERSON | 4 PERSON | 5 PERSON | 6 PERSON | 7 PERSON | 8 PERSON |
| AREA MEDIAN INCOME | (100% AMI) | \$68,500 | \$78,300 | \$88,100 | \$97,900 | \$105,800 | \$113,600 | \$121,400 | \$129,200 |
| LOW- INCOME | (80% AMI) | \$54,800 | \$62,650 | \$70,500 | \$78,300 | \$84,550 | \$90,850 | \$97,100 | \$103,400 |
| PROJECT SPECIFIC | (60% AMI) | \$41,100 | \$46,980 | \$52,860 | \$58,740 | \$63,480 | \$68,160 | \$72,840 | \$77,520 |
| VERY LOW- INCOME | (50% AMI) | \$34,250 | \$39,150 | \$44,050 | \$48,950 | \$52,900 | \$56,800 | \$60,700 | \$64,600 |
| PROJECT SPECIFIC | (40% AMI) | \$27,400 | \$31,320 | \$35,240 | \$39,160 | \$42,320 | \$45,440 | \$48,560 | \$51,680 |
| PROJECT SPECIFIC | (35% AMI) | \$23,970 | \$27,400 | \$30,830 | \$34,260 | \$37,030 | \$39,760 | \$42,490 | \$45,220 |
| EXTREMELY LOW- INCOME | (30% AMI) | \$20,550 | \$23,500 | \$26,450 | \$29,350 | \$31,700 | \$34,050 | \$36,400 | \$38,750 |
| 2024 RENT LIMITS | | | | | | | | | |
| | | SRO● | EFFICIENCY | 1 BR | 2 BR | 3 BR | 4 BR | 5 BR | 6 BR |
| FAIR ARKET RENT (FMR)** | | 667 | 890 | 1012 | 1304 | 1835 | 2131 | 2451 | 2770 |
| 30 OF 65 RENT (HIGH HOME RENT) | | | *890 | *1012 | *1304 | 1470 | 1621 | 1770 | 1919 |
| 30 OF 60 RENT | | | *890 | *1012 | *1304 | 1527 | 1704 | 1879 | 2055 |
| 30 OF 50 RENT (LOW HOME RENT) | | | 856 | 917 | 1101 | 1273 | 1420 | 1566 | 1713 |
| 30 OF 40 RENT | | | 685 | 734 | 881 | 1018 | 1136 | 1253 | 1370 |
| 30 OF 35 RENT | | | 599 | 642 | 770 | 891 | 994 | 1096 | 1199 |
| 30 OF 30 RENT | | | 513 | 550 | 661 | 763 | 851 | 939 | 1027 |

●HOME rent for an SRO is 75% of the Efficiency Fair Market Rent.

*Calculate AMI for a more than 9-person household by adding 8% for each member over 4-person AMI (e.g., 9person is 140% of 4-person AMI).

**Although HUD's rent calculation exceeds FMR for this unit, HOME regulations do not allow rents to exceed FMR. Consequently, this rent is capped at FMR.

***Calculate FMR for more than 4 Br by adding 15% to the 4 Br FMR for each additional Br size (e.g., 6 Br FMR is 130% of 4 Br FMR).

**EXHIBIT E
AFFIRMATIVE MARKETING POLICY AND PROCEDURES**

HOME Agreement

WBE/MBE OUTREACH

A. Affirmative Marketing Policy and Procedures

In accordance with 24 CFR § 92.351, HOME Investment Partnership Program Rule, and in furtherance of Spokane City's commitment to non-discrimination and equal opportunity in housing, Spokane City has established policies and procedures to affirmatively market HOME assisted housing under the HOME Investment Partnership Program. These policies are intended to further the objectives of Title VIII of the Civil Rights Act of 1969, and Executive Order 116063.

Spokane City is committed to the principle that all individuals should have available to them an equal opportunity for housing choices regardless of their race, color, religion, familial status, sex, national origin or handicap.

Spokane City will carry out its Affirmative Marketing Policy through this affirmative marketing plan, which is designed specifically for its HOME Partnership Program. Procedures for informing subrecipients, the public, potential tenants and property owners about fair housing and affirmative marketing policies and the availability of vacant units, are included in the Policy. The plan also includes procedures for special outreach to encourage access to HOME assisted housing by minorities and women.

In addition, the plan describes methods to assess the success of affirmative marketing efforts and includes measures to take corrective action if desired results are not achieved. Records will be kept of all affirmative marketing activities, assessments and corrective measures taken.

Spokane City's Affirmative Marketing Procedures include the following steps and requirements.

1. Methods for informing the public

Spokane City will inform the public, including subrecipient organizations and potential tenants, about Fair Housing laws and Affirmative Marketing Policies using the following methods. (subrecipient organizations will be required to carry out these actions in accordance with provisions contained in agreements with the City).

- All public service announcements and informational flyers will contain a statement regarding the City's fair housing policies. Such announcements will be distributed to all local media of general audience.
- All paid advertisements will include the equal housing slogan and/or logo.
- Any posters, flyers and correspondence about the Program and forms used will include the equal housing slogan and/or logo.
- Special marketing outreach will be provided to organizations and groups which are representative of minorities, women, single-headed households and persons with disabilities by distributing flyers, correspondence, housing availability notices and posters.

2. Property Owner Requirements, Procedures and Practices

In accordance with 24 CFR §92.253(e)(4), property owners will be required to follow approved written tenant selection policies which provide for the selection of tenants from a written waiting list in the chronological order of their application, insofar as is practicable. Tenant selection policies will further require owners to provide prompt written notification to any rejected applicant of the grounds for any rejection. Notwithstanding these tenant selection policy requirements, the following procedures and requirements must be met by all participating owners, and subrecipients as applicable.

- Prior to receiving financial assistance approval from the City, property owners will be required to sign a statement certifying commitment to abide by the City's affirmative marketing policies. This written policy will be provided, accompanied by a verbal explanation.
- Application materials used by owners for marketing housing opportunities will be required to include a statement regarding the City's fair housing policies and the equal housing logo.
- All advertisements used by owners to market the housing vacancies and availability or waiting list opportunities will be required to exhibit the Fair Housing Logo and/or a statement regarding Fair Housing/Equal Opportunity.
- Property owners will be required to notify Spokane Housing Authority and prescribed community organizations of the availability of housing for occupancy, waiting list opportunities emphasizing the HOME Program's commitment to Fair Housing/Equal Opportunity.

3. Record Keeping

- Spokane City or its subrecipients and participating property owners will be required to keep all records which document actions taken to affirmatively market units and an assessment of the results of such efforts, including information on race, ethnic origin, gender, and single-headed households, of all applicants for and tenants selected for the housing.
- Owners will be required to keep and submit when requested a contact log of all persons to whom vacant units are shown which includes, names, addresses and phone numbers as well as visually or verbally obtained race, ethnic, gender and familial status information and the results of the showing, particularly any reasons known for tenants not submitting applications.
- Owners will be required to maintain a file of all letters of rejection as required by the tenant selection policies.
- Copies of all promotional announcements, flyers, posters, articles, etc. used in the HOME Program, with notations regarding distribution, will be kept on file with owners, the City or its subrecipients.

4. Assessments and Corrective Actions

The City and its subrecipients will be responsible for the compilation of data on Affirmative Marketing actions, including information on minority, gender and familial or handicap status participation and performance analysis. Reporting and evaluation will take place on a regular schedule as the individual monitoring process warrants with some reports due monthly and an overview assembled and reviewed prior to the annual review. Evaluation/corrective actions may include:

- Random call-backs to individuals from the contact log who were shown the housing but did not submit an application to determine reason(s).
- Compare the percentage of housing applications received from minorities to the percentage of minorities in the area from census data. If the percentage of applications from minorities is substantially less than the percentage of minorities listed in the census data, then corrective actions may be taken. Corrective actions would include additional requirements for further outreach/marketing.
- Compare the percentage of minority tenants residing in HOME assisted units with the percentage of Spokane City's minority population. If the percentage of minority tenants is smaller than the City percentage, census tracts will be analyzed to better determine areas to target supplemental promotional efforts. Then, promotional efforts will be increased in these tracts/areas - especially to organizations serving minority populations.
- Check owner compliance with affirmative marketing requirements. If there is lack of performance, it will be discussed with the owner. If there is clear non-compliance with the law, the owner may be disqualified from further HOME Program participation.
- Review tenant data to identify any under representation from particular groups such as single-headed households, families with children, handicapped, etc.

B. Minority and Women Business Outreach Program

The following is the statement of policies and procedures to be followed by Spokane City to meet the HOME Program requirements for a Minority and Women Business Outreach Program, in accordance with 24 CFR § 92.351 and § 85.36(e). These policies and procedures are intended to meet the requirements of Executive Orders 11625 and 12625 (concerning Minority Business Enterprise) and 12138 (concerning Women's Business Enterprise).

Spokane City is committed to a good faith, comprehensive and continuing effort to promote the inclusion of minority and women's business enterprises in the HOME Program and all other housing programs under its auspices.

It is Spokane City's intent to establish and oversee a minority outreach program to ensure the inclusion, to the maximum extent possible, of minorities and women, and entities owned by minorities and women, including, without limitation, real estate firms, construction firms and appraisal firms, management firms, financial institutions, underwriters, accountants, investment banking firms and providers of legal services, and all contracts entered into by the City for the procurement of property and services to provide affordable housing under applicable federal law.

Spokane City will take all necessary affirmative steps to assure that minority firms and women's business enterprises are used when possible.

If there are no minority or women's businesses available locally, this will be documented and the City, its subrecipients, property owners and contractors will have met the obligations of this policy and procedure.

Affirmative steps to comply with federal requirements shall include:

- a. Authorizing the Housing and Community Development Department and appointing the Housing and Community Development Manager or his/her designee to oversee the Minority/Women's Business Outreach Program.
- b. Placing a statement of public policy and commitment in the local newspaper and including the statement in appropriate correspondence and program documents. Using the local media to market and promote contract and business opportunities for minority and women's business enterprises.
- c. Placing qualified minority and women's businesses on solicitation lists, including a description of capabilities, services, supplies and/or products. This inventory will be provided to all subrecipients and property owners receiving funds and/or assistance under the HOME Program along with written instructions for implementing affirmative steps.
- d. Assuring that minority and women's businesses are solicited whenever they are potential sources. Agreements with the City will require subrecipients and property owners to solicit minority and women's businesses when contracting for goods and services.
- e. Dividing total requirements, when economically feasible, into smaller tasks and quantities to permit maximum participation by small and minority business and women's businesses. Subrecipient agreements and agreements with property owners will include this requirement.
- f. Establishing delivery or performance schedules, wherever possible, which encourage participation by minority and women's owned businesses. Subrecipient agreements and agreements with property owners will include this requirement.
- g. Using the services and assistance of the Minority Business Development Agency of the Department of Commerce, Spokane Minority Supplier Development Council, Spokane Area Economic Development Council - Minority Services, Minority Services Northwest, Inland Minority Contractor's Association and the Washington State Office of Minority and Women's Business Enterprise, to develop the inventory lists pursuant to number 3 above and to help perform outreach and capacity building activities.
- h. Requiring prime contractors to require all subcontractors to take appropriate affirmative steps listed above in this policy and procedure.
- i. For all housing activities using Spokane City HOME funds or other federal funds received from Spokane City, requiring subrecipients, contractors and/or property owners to keep records of bids requested, received and awarded and whether or not the firm or enterprise is a minority or women's business enterprise, and to provide forms and instructions as needed.
- j. Assessing performance and taking corrective actions as needed. Spokane City or its subrecipients will be responsible for collecting and compiling data on minority and women's business participation. Subrecipients will submit reports to the City as requested.

Performance will be analyzed by reviewing affirmative steps taken and results of steps taken. If performance is not satisfactory, the subrecipient, owner or contractor will be required to explain deficiencies and non-compliance. If necessary, corrective actions will be taken, including sanctions and/or penalties allowed under local, state and federal law.

C. Equal Opportunity

It is the policy of Spokane City that no person shall on the grounds of race, color, national origin, religion, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or part with HOME funds. This applies to all beneficiaries, potential beneficiaries, applicants, property owners, businesses, organizations and the public in the provision of all forms of assistance, be it property rehabilitation, homebuyer assistance or tenant based rental assistance.

In addition, Spokane City will make funds available in accordance with the requirements of all applicable laws and regulations including the Fair Housing Act, Age Discrimination Act prohibitions against age, Rehabilitation Act prohibitions against handicapped discrimination and Section 3 of the HUD Act of 1968 regarding training opportunities and contracts for work for low-income residents.

AFTER RECORDING RETURN TO:

City of Spokane,
Community, Housing and Human Services Department
808 W. Spokane Falls Blvd.
Spokane, WA 99201

**CITY DEED OF TRUST,
SECURITY AGREEMENT AND
ASSIGNMENT OF LEASES AND RENTS**

GRANTOR/BORROWER: VOA N. LACEY, LLC

GRANTEE/ LENDER: CITY OF SPOKANE, WASHINGTON

GRANTEE/ TRUSTEE: SPOKANE COUNTY TITLE COMPANY

ABBREVIATED LEGAL: PTN LT 25, BLK 26 MORGAN'S ACRE PARK ADD TO
HILLYARD

Additional legal on Exhibit A of document

ASSESSOR'S ACCOUNT NO.: 36331.0159

RELATED DOCUMENT(S): N/A

**CITY DEED OF TRUST, SECURITY AGREEMENT
AND ASSIGNMENT OF LEASES AND RENTS**

THIS CITY DEED OF TRUST, SECURITY AGREEMENT AND ASSIGNMENT OF LEASES AND RENTS (the "City Deed of Trust") is granted this ___ day of October, 2024, by VOA N. LACEY, LLC, a Washington limited liability company ("Grantor"), whose mailing address is c/o Kiemle & Hagood Company, 601 West Main, Suite 400, Spokane WA 99201 as Grantor and debtor hereunder, to Spokane County Title Company ("Trustee"), whose address is 1010 N. Normandie, Suite 100, Spokane, WA 99201, for the benefit of the City of Spokane, State of Washington, a political subdivision of the State of Washington, through its Community, Housing and Human Services Department (the "Beneficiary"), as Beneficiary and secured party hereunder, whose address is c/o Community, Housing and Human Services Department, 808 W. Spokane Falls Blvd, Spokane, WA 99201.

WITNESSETH:

Grantor does hereby irrevocably GRANT, BARGAIN, SELL, and CONVEY TO TRUSTEE IN TRUST, WITH POWER OF SALE, that certain real property in the City of Spokane, State of Washington, described in Exhibit "A", attached hereto and by this reference incorporated herein, together with any and all buildings, structures and improvements now or hereafter erected on or attached to the property, including but not limited to, the fixtures, attachments, equipment, machinery, appliances, and other articles on, in or attached to the property or to such buildings, structures and improvements, all of which are collectively called the "Project." The real property described in Exhibit A together with the after-described Personal Property shall be referred herein as the "Property";

Together With all interests, estate or other claims, both in law and in equity, which Grantor now has or may hereafter acquire in the Property;

Together With all easements, rights-of-way and rights used in connection therewith or as a means of access thereto, and all tenements, hereditaments and appurtenances thereof and thereto, and all water rights and shares of stock evidencing the same;

Together With all right, title and interest of Grantor, now owned or hereafter acquired, in and to any land lying within the right-of-way of any street, open or proposed, adjoining the Property; and any and all sidewalks, alleys, and strips and gores of land adjacent to or used in connection with the Property;

Together With all right, title and interest of Grantor in and to all personal property (the "Personal Property") now or hereafter owned by Grantor and now or at any time hereafter located on or at the Property or used in connection therewith, including,

but not limited to, all goods, machinery, tools, insurance proceeds, equipment (including fire sprinklers and alarm systems, office air conditioning, heating, refrigerating, electronic monitoring, window or structural cleaning rigs, maintenance, and all other equipment of every kind), lobby and all other indoor and outdoor furniture, rugs, carpets, and other floor coverings, all inventory related to Grantor's operation of the Property and any business operated thereon by Grantor, draperies, drapery rods and brackets, awnings, window shades, venetian blinds, curtains, lamps, chandeliers and other lighting fixtures, and office maintenance and other supplies and all proceeds thereof and all rights of Grantor as lessee of any Personal Property;

Together With all right, title, and interest of Grantor in the funds deposited pursuant to Section 1.06;

Together With all the estate, interest, right, title, other claim or demand which Grantor now has or may hereafter acquire in the Project, including all unearned premiums under insurance policies now or hereafter obtained by Grantor, claims or demands with respect to the proceeds of insurance, all proceeds of the conversion, voluntary or involuntary of any of the Project described above into cash or other liquidated claims, including proceeds of hazard, title and other insurance and proceeds received pursuant to any sales or rental agreements of Grantor in respect to the Project, all refunds or rebates of taxes or assessments on the Project, all rights of action in respect of the Project and all judgments, damages, awards, settlements and compensation (including interest thereon), heretofore or hereafter made to the present and subsequent owners of any property or rights described or encumbered hereby for any injury to or decrease in value thereof for any reason, or by any governmental or other lawful authority for the taking by eminent domain, condemnation or by any proceeding or purchase in lieu of all or any part of the Project, including, without limitation, any awards resulting from a change of grade of streets and awards for severance damages.

Together With any and all existing and future leases (including subleases thereof), whether written or oral, rental agreements and all future agreements for use and occupancy, and any and all extensions, renewals and replacements thereof, upon all or relating to any part of the Property (hereinafter collectively referred to as the "Leases.")

Together With the immediate and continuing right to collect and receive all of the rents, fees, charges, accounts, income, receipts, revenues, issues, profits and other income or other payments of any nature now due or which may become due or to which Grantor may now or shall hereafter (including any income of any nature coming due during any redemption period) become entitled to or may make demand or claim for, arising or issuing from or out of the Leases or from or out of the Project or any part thereof, including but not limited to, fees, charges, accounts or other payments for the use or occupancy of rooms and other public facilities, minimum rents, additional rents, percentage rents, parking or common area maintenance contributions, tax and insurance contributions, deficiency rents and liquidated damages following default in any Lease, all

accounts receivable and general intangibles related to Grantor's operation of the Project and any business operated thereon by Grantor and all proceeds thereof, and all proceeds payable under any policy of insurance covering loss of rents resulting from untenability caused by destruction or damage to the Property, together with any and all rights and claims of any kind which Grantor may have against any tenant under the Leases or any subtenants or occupants of the Property, and all proceeds payable as a result of a tenant's exercise of an option to purchase the Property, all proceeds derived from the termination or rejection of any Lease in a bankruptcy or other insolvency proceeding, and all proceeds from any rights or claims of any kind that Grantor may have against tenant under the Leases or any occupants of the Property (all such monies, rights and claims described in this paragraph being hereinafter called "Cash Collateral"), excepting there from, any sums which by the express provisions of any of the Leases are payable directly to any governmental authority or to any other person, firm or corporation other than the landlord under the Leases.

The entire estate, property, and interest of the Project hereby conveyed to Trustee may hereafter be referred to as the "Trust Estate."

FOR THE PURPOSE OF SECURING:

1. Payment of indebtedness in the total principal amount of **ONE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$1,500,000.00)**, evidenced by that certain Promissory Note and Loan Agreement of even date herewith (the "City Note") executed by Grantor, which has been delivered to, and is payable to, the order of Beneficiary and which, by this reference, is made a part hereof, and any and all modifications, extensions and renewals thereof. The interest rate, payment terms, and the indebtedness evidenced thereby may be adjusted, renewed, or renegotiated without affecting the priority of this City Deed of Trust.

2. Payment of all sums which may become due from Grantor or advances by Beneficiary or its successor, with interest thereon at the City Note Rate (as defined herein), which include, but are not limited to, fire and other hazard insurance and taxes upon the Property, according to the terms of this City Deed of Trust; payment by the Grantor of all reasonable attorney fees and costs incurred by the Trustee or Beneficiary in foreclosing this City Deed of Trust or realizing upon any of the collateral for the obligations which this City Deed of Trust secures; payment by Grantor of all reasonable attorney fees and costs incurred by Trustee or Beneficiary in defending the priority or validity of this City Deed of Trust or the title to the Property; payment by Grantor of all sums advanced by Beneficiary to or on behalf of Grantor for the purpose of clearing encumbrances or defects from the title to the Property where Beneficiary, in good faith, believes such encumbrances to be superior to the lien of the Deed of Trust, including, without limitation, payment of ad valorem taxes and mechanics' or materialmen's liens which may have gained priority over the lien of this City Deed of Trust; payment by Grantor of all reasonable attorney fees and costs incurred by Trustee

or Beneficiary in any bankruptcy proceedings or any reorganization or arrangement proceeding under the Bankruptcy Act affecting Grantor or this City Deed of Trust, and payment of all other sums advanced by Beneficiary to protect the Trust Estate, with interest thereon at the City Note Rate.

3. Payment of all other sums, with interest thereon, which may hereafter be loaned to Grantor, their successors or assigns, by Beneficiary, when evidenced by a promissory note or notes reciting that they are secured by this City Deed of Trust.

4. Payment of all of the obligations of Grantor under any loan agreement between Grantor and Beneficiary related to the loan evidenced by the City Note.

5. Performance of all of the obligations under the HOME Program Agreement (the "HOME Program Agreement") of even date herewith.

This City Deed of Trust, the City Note, and the HOME Program Agreement and any other instrument given to evidence or further secure the payment and performance of any obligation secured hereby may hereafter be referred to as the "Loan Documents." All matters described in clauses 1 through 5 above are hereinafter collectively referred to as the "Obligations."

ARTICLE I
COVENANTS AND
AGREEMENTS OF GRANTORS

Grantor hereby covenant and agree:

1.01 Maintenance of the Property. The Property shall be maintained in good condition at all times. Grantor shall promptly make all necessary repairs, replacements and renewals so that the value of the Property shall be maintained. Grantor shall not commit or permit any waste on the Property. Grantor shall comply with all laws, ordinances, regulations and private restrictions affecting the Property. Grantor shall operate the Property in such manner as to prevent deterioration of the land and improvements including fences and retaining ponds, except for reasonable wear and tear from proper use. Grantor shall not demolish or remove any improvements from the Property without the prior written consent of the Beneficiary.

1.02 Required Insurance. Grantor shall at all times provide, maintain, and keep in force, or cause to be provided, maintained and kept in force, the following policies of insurance:

- (a) Insurance against loss or damage to the buildings and

improvements situated on the Property (the "Improvements") by fire and any of the risks covered by insurance of the type now known as "broad form of extended coverage," in an amount not less than one hundred percent (100%) of the full replacement cost of the Improvements (exclusive of the cost of excavations, foundations, and footings below the lowest basement floor), and with not more than Five Thousand and No/100 Dollars (\$5,000.00) deductible from the loss payable for any casualty. The policies of insurance carried in accordance with this subparagraph (a) shall contain the "Replacement Cost Endorsement",

(b) Insurance against loss or damage to the Personal Property by fire and other risks covered by insurance of the type now known as "broad form of extended coverage";

(c) Such other insurance and in such amounts as may, from time to time, be reasonably required by Beneficiary against the same or other hazards, including, without limitation, business interruption insurance or insurance covering loss of rents and flood insurance where applicable; and

(d) All policies of insurance required by the terms of this City Deed of Trust shall contain an endorsement or agreement by the insurer that any loss shall be payable in accordance with the terms of such policy notwithstanding any act or negligence of Grantor which might otherwise result in forfeiture of said insurance and the further agreement of the insurer waiving all rights of set-off, counterclaim, or deductions against Grantor.

(e) All policies of insurance shall be issued by companies and in amounts in each company satisfactory to Beneficiary. All policies of insurance shall have attached thereto a lender's loss payable endorsement for the benefit of Beneficiary in form satisfactory to Beneficiary. Grantor shall furnish Beneficiary with a certificate of insurance of all policies of required insurance. If Beneficiary consents to Grantor providing any of the required insurance through blanket policies carried by Grantor and covering more than one (1) location, then Grantor shall furnish Beneficiary with a certificate of insurance for each such policy setting forth the coverage, the limits of liability, the name of the carrier, the policy number, and the expiration date.

(f) At least thirty (30) days prior to the expiration of each such policy, Grantor shall furnish Beneficiary with evidence satisfactory to Beneficiary of the payment of premium and the re-issuance of a policy continuing insurance in force as required by this City Deed of Trust. All such policies shall contain a provision that such policies will not be canceled or materially amended, which term shall include any reduction in the scope or limits of coverage, without at least thirty (30) days' prior written notice to Beneficiary. In the event Grantor fails to provide, maintain, keep in force or deliver and furnish to Beneficiary the policies or certificates of insurance required by this section Beneficiary may procure such insurance or single-interest insurance for such risks

covering Beneficiary's interest, and Grantor will pay all premiums thereon promptly upon demand by Beneficiary and, until such payment is made by Grantor, the amount of all such premiums shall be secured by this City Deed of Trust.

(g) In the event of loss, Grantor shall immediately notify Beneficiary, who may make proof of loss if it is not made promptly by Grantor. Proceeds shall be paid directly to Beneficiary who may compromise with any insurance company and make a final settlement that shall be binding upon Grantor. Any such insurance proceeds shall be paid to Beneficiary and applied in Beneficiary's discretion either to repayment of the obligations secured hereby or to pay for repairs or replacements necessitated by such casualty or condemnation.

1.03 Assignment of Policies Upon Foreclosure. In the event of foreclosure of this City Deed of Trust or other transfer of title or assignment of the Trust Estate in extinguishment, in whole or in part, of the debt secured hereby, all right, title, and interest of Grantor in and to all policies of insurance required by Section 1.02 shall inure to the benefit of and pass to the successor in interest to Grantor or the purchaser or grantee of the Trust Estate.

1.04 Indemnification; Subrogation; Waiver of Offset.

(a) If, without itself having been negligent, Beneficiary is made a party defendant to any litigation concerning this City Deed of Trust or the Trust Estate or any part thereof or interest therein, or the occupancy thereof by Grantor, then Grantor shall indemnify, defend, and hold Beneficiary harmless from all liability, loss, cost, or damage, by reason of said litigation, including reasonable attorney's fees and expenses incurred by Beneficiary in any such litigation, whether or not any such litigation is prosecuted to judgment.

(b) Grantor waives any and all right to claim or recover against Beneficiary, its officers, employees, agents, and representatives, for loss of or damage to Grantor, the Trust Estate, Grantor's property, or the property of others under Grantor's control from any cause insured against or required to be insured against by the provisions of this City Deed of Trust.

(c) All sums payable by Grantor hereunder and all obligations secured hereby shall be paid without counterclaim, set off, deduction, or defense and without abatement, suspension, deferment, diminution, or reduction; and the obligations and liabilities of Grantor hereunder shall in no way be released, discharged, or otherwise affected (except as expressly provided herein) by reason of (i) any damage to or destruction of or any condemnation or similar taking of the Trust Estate or any part thereof; (ii) any restriction or prevention of or interference with any use of the Trust Estate or any part thereof; (iii) any title defect or encumbrance or any eviction from the Property or the Improvements or any part thereof by title paramount or otherwise; (iv)

any bankruptcy, insolvency, reorganization, composition, adjustment, dissolution, liquidation, or other like proceeding relating to Beneficiary, or any action taken with respect to this City Deed of Trust by any trustee or receiver of Beneficiary, or by any court, in any such proceeding; (v) any claim which Grantor have or might have against Beneficiary; (vi) any default or failure on the part of Beneficiary to perform or comply with any of the terms hereof or of any other agreement with Grantor; or (vii) any other occurrence whatsoever, whether similar or dissimilar to the foregoing and whether or not Grantor shall have notice or knowledge of any of the foregoing. Except as expressly provided herein, Grantor waive all rights now or hereafter conferred by statute or otherwise to any abatement, suspension, deferment, diminution, or reduction of any sum secured hereby and payable by Grantor. Nothing in this paragraph shall, however, be construed as a waiver or release by Grantor of any claim, cause of action, or right which Grantor may now or hereafter have against Beneficiary.

1.05 Taxes and Liens. Grantor shall pay before they become delinquent all taxes and assessments levied against or on account of the Trust Estate and shall pay as due all claims for work done on or for services rendered or material furnished to the Property. Special assessments shall be paid currently, without deferral, unless the lien for deferred assessments is subordinate to the interest of Beneficiary under this City Deed of Trust, or Beneficiary gives its prior written consent to the deferral. Grantor shall maintain the Trust Estate free of any liens having priority over or equal to the interest of Beneficiary under this City Deed of Trust except for "Permitted Encumbrances" as defined in Section 1.09, the lien of taxes and assessments not delinquent, and except as hereinafter otherwise provided. Grantor may withhold payment of any tax, assessment or claim in connection with a good faith dispute over the obligation to pay, so long as Beneficiary's interest in the trust estate is not jeopardized. If a lien arises or is filed as a result of nonpayment, Grantor shall within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after Grantor has notice of the filing, secure the discharge of the lien or deposit with Beneficiary cash or a sufficient corporate surety bond or other security satisfactory to Beneficiary in an amount sufficient to discharge the lien plus any costs, attorney fees, or other charges that could accrue as a result of a foreclosure or sale under the lien. The assessor or tax collector of the county in which the Property is located is authorized to deliver to Beneficiary a written statement of the property taxes assessed or owing at any time.

1.06 Reserves. Any time after the occurrence of an event of default, as provided for in Section 4.01, Beneficiary may require Grantor to maintain reserves for payment of taxes (including special assessments and other charges against the Trust Estate by governmental or quasi-governmental bodies) or premiums on property insurance or both. The reserves shall be created by payment each month to Beneficiary of an amount determined by Beneficiary to be sufficient to produce by the date they are due amounts equal to the estimated taxes and insurance premiums to be paid. If at the time that payments are to be made the reserve for either taxes or insurance premiums is insufficient, Grantor shall upon demand pay such additional sum as Beneficiary shall

determine to be necessary to cover the required payment. If Grantor desires to carry a package of insurance that includes coverage in addition to that required under this City Deed of Trust, Beneficiary may at its option establish and administer a reserve for that purpose. In such event the premium attributable to the required insurance coverage shall be quoted separately, and Beneficiary may permit Grantor to furnish a certificate of insurance rather than deposit the policy as required above. If at any time Beneficiary holds an insufficient amount in the insurance reserve to cover the premium for the entire package policy, Beneficiary may, at its discretion, pay only that portion of the premium attributable to the required insurance coverage.

If the policy does not permit such partial payment, Beneficiary may use the reserve funds for the premium on a new, separate policy providing the required insurance coverage and allow the package policy to lapse. Beneficiary shall not charge a service charge for collecting reserves and paying taxes and insurance premiums. The reserves shall not constitute a trust. Grantor agrees that Beneficiary may commingle reserve funds with other funds of Beneficiary and need not invest them for the benefit of Grantor. Grantor agrees that Beneficiary need not pay Grantor interest on reserves, unless applicable statutes require payment of interest notwithstanding any contrary agreement.

1.07 Expenditures by Beneficiary. If Grantor shall fail to comply with any provision of the City Loan Documents, Beneficiary may, at its option, on Grantor's behalf, and with subsequent notice to Grantor, take such actions as are allowed by this City Deed of Trust and any amount that it reasonably expends in so doing shall be payable on demand with interest at the rate specified in the City Note (the "Note Rate") from the date of expenditure. Failure to repay such expenditure and interest thereon on demand will, at Beneficiary's option, constitute an event of default hereunder; or Beneficiary may, at its option, commence an action against Grantor for the recovery of such expenditure and interest thereon, and in such event Grantor agrees to pay, in addition to the amount of such expenditure, all costs and expenses incurred in such action, together with a reasonable attorney's fee at trial and on appeal.

1.08 Utilities. Grantor shall pay or cause to be paid when due all utility charges which are incurred by Grantor for the benefit of the Trust Estate or which may become a charge or lien against the Trust Estate for gas, electricity, water or sewer services furnished to the Trust Estate and all other assessments or charges of a similar nature, whether public or private, affecting the Trust Estate or any portion thereof, whether or not such assessments or charges are liens thereon.

1.09 Warranty; Defense of Title. Grantor warrants that Grantor holds merchantable title to the Property in fee simple, free of all encumbrances other than the encumbrances described on Exhibit "B" attached hereto. Those encumbrances listed on Exhibit "B" are defined as "Permitted Encumbrances". Grantor warrants and will forever defend the title against the claims, other than Permitted Encumbrances, of all persons. In the event any action or proceeding is commenced that questions Grantor's title or the

interest of Beneficiary under this City Deed of Trust, Grantor shall defend the action at Grantor's expense. If any Permitted Encumbrance is a lien, Grantor shall pay any sums and do any other acts necessary to prevent a default hereunder or prevent any action or condition which with the lapse of time, the giving of notice, or any other action of a creditor, would be a default or enable any creditor to declare a default or foreclose any Permitted Encumbrance which is a lien.

1.10 Damages and Insurance and Condemnation Proceeds.

(a) Grantor hereby absolutely and irrevocably assigns to Beneficiary, and authorizes the payor to pay to Beneficiary, the following claims, causes of action, awards, payments, and rights to payment:

(i) All awards of damages and all other compensation payable directly or indirectly because of a condemnation, proposed condemnation or taking for public or private use which affects all or part of the Property or any interest in it; and

(ii) All other awards, claims, and causes of action, arising out of any warranty affecting all or any part of the Property, or for damage or injury to or decrease in value of all or part of the Property or any interest in it; and

(iii) All proceeds of any insurance policies payable because of loss sustained to all or part of the Property, whether or not such insurance policies are required by Beneficiary; and

(iv) All interest which may accrue on any of the foregoing.

(b) Grantor shall immediately notify Beneficiary in writing if:

(i) Any damage occurs or any injury or loss is sustained to all or any part of the Property, or any action or proceeding relating to any such damage, injury, or loss is commenced; or

(ii) Any offer is made, or any action or proceeding is commenced, which relates to any actual or proposed condemnation or taking of all or part of the Property.

(c) If Beneficiary chooses to do so, Beneficiary may in its own name appear in or prosecute any action or proceeding to enforce any cause of action based on warranty, or for damage, injury, or loss to all or part of the Property, and Beneficiary may make any compromise or settlement of the action or proceeding with respect to its rights and/or interests. Beneficiary, if it so chooses, may participate in any action or proceeding relating to condemnation or taking of all or part of the Property, and may join Grantor in adjusting any loss covered by insurance.

(d) All proceeds of these assigned claims and all other property and

rights which Grantor may receive or be entitled to shall be paid to Beneficiary. In each instance, Beneficiary shall apply such proceeds first toward reimbursement of all of Beneficiary's costs and expenses of recovering the proceeds, including reasonable attorneys' fees. If, in any instance, each and all of the following conditions are satisfied in Beneficiary's reasonable judgment, Beneficiary shall permit Grantor to use the balance of such proceeds (the "Net Claims Proceeds") to pay costs of repairing or reconstructing the Property in the manner described below:

(i) The plans and specifications, cost breakdown, construction contract, construction schedule, contractor and payment and performance bond for the work of repair or reconstruction shall all be reasonably acceptable to Beneficiary; and

(ii) Beneficiary shall receive evidence reasonably satisfactory to it that after repair or reconstruction, the Property would be at least as valuable as it was immediately before the damage or condemnation occurred; and

(iii) The Net Claims Proceeds (together with the net proceeds of any rental interruption insurance and reasonably projected rental receipts during the repair or reconstruction period) shall be sufficient in Beneficiary's determination to pay for the total cost of repair or reconstruction, including all associated development costs and interest and other sums projected to be payable on the Obligations until the repair or reconstruction is complete; or Grantor shall provide its own funds in an amount equal to the difference between the Net Claims Proceeds and a reasonable estimate, made by Grantor and found acceptable by Beneficiary, of the total cost of repair or reconstruction; and

(iv) Unless otherwise agreed to by Beneficiary, Beneficiary shall receive evidence satisfactory to it that, after the repair or reconstruction is complete, (1) all non-residential leases acceptable to Beneficiary will continue (or a replacement therefor reasonably satisfactory to Beneficiary immediately commences); and (2) the Property will continue to operate in substantially the same manner, and will generate the same debt service coverage as immediately before the damage or condemnation occurred; and

(v) Beneficiary shall be satisfied that the repair or reconstruction can be completed prior to the maturity date of the Note; and

(vi) No default or Event of Default (as defined in the applicable City Loan Document, subject to applicable notice and cure periods) shall have occurred and be continuing under the City Loan Documents.

If Beneficiary finds that such conditions have been met, Beneficiary shall hold the Net Claims Proceeds, and any funds which Grantor is required to provide, in an interest-bearing account and shall disburse them to Grantor to pay costs of repair or reconstruction upon presentation of evidence reasonably satisfactory to Beneficiary that

repair or reconstruction has been completed satisfactorily and lien-free; provided, however, if requested by Grantor, Beneficiary shall make partial progress payments of Net Claims Proceeds from time to time, provided that (1) such shall not be more frequently or for smaller amounts than Beneficiary approves in its sole and absolute discretion, (2) for each such disbursement, Beneficiary shall receive a disbursement request package including a written draw request, all in form and substance and containing such items, acceptable to Beneficiary in its sole and absolute discretion, together with such information and documentation relating thereto as Beneficiary requests to evidence the progress of construction and payment and lien releases relating thereto, all as determined by Beneficiary in its sole and absolute discretion. However, if Beneficiary finds that one or more of such conditions have not been satisfied, Beneficiary may apply the Net Claims Proceeds to pay or prepay some or all of the Obligations in such order and proportions as Beneficiary in its sole and absolute discretion may choose.

(e) Grantor hereby specifically, unconditionally, and irrevocably waives all rights of a property owner granted under applicable law, which provides for allocation of condemnation proceeds between a property owner and a lienholder, and any other law or successor statute of similar import.

1.11 Inspections. Upon at least 48 hours written notice to Grantor, Beneficiary, its agents, representatives and workmen, are authorized to enter upon the Property at any reasonable time for the purpose of inspecting the same and for the purpose of performing any of the acts it is authorized to perform under the terms of any of the City Loan Documents.

1.12 No Waiver. By accepting payment of any obligation secured hereby after its due date, Beneficiary does not waive its right either to require prompt payment when due of all other obligations secured hereby or to declare default for failure so to pay.

1.13 Accounting. Grantor will keep and maintain or will cause to be kept and maintained in accordance with sound accounting practice accurate and proper books of record and account relating to the Property. Grantor shall permit Beneficiary to examine the books of account and other records of Grantor, to discuss the affairs, finances and accounts of Grantor and to be informed as to the same by Grantor, all at such reasonable times and intervals as Beneficiary may desire. At the request of Beneficiary, Grantor will, at its own cost and expense, furnish to Beneficiary within one hundred eighty (180) days after the end of each fiscal year, annual financial statements of Grantor and copies of the balance sheet and operating statements relating to the Property for such year, in reasonable detail and in form and substance satisfactory to Beneficiary. In the event Grantor fails to furnish any of the financial statements herein required, Beneficiary may cause an audit to be made of Grantor's books and records, at Grantor's sole cost and expense.

1.14 Use of Property. The Property is not used primarily for farming or

agricultural purposes.

ARTICLE II
SECURITY AGREEMENT

2.01 Creation of Security Interest. For the purpose of securing all obligations of Grantor contained in the City Loan Documents, Grantor hereby grants to Beneficiary a security interest in the Trust Estate, including but not limited to, the Personal Property and the Cash Collateral.

2.02 Warranties, Representations and Covenants of Grantor. Grantor hereby warrants and covenants as follows:

(a) Except for the Permitted Encumbrances, Grantor is and, as to portions of the Personal Property and Cash Collateral to be acquired after the date hereof, will be the sole owner of the Personal Property and Cash Collateral, free from any adverse lien, security interest, encumbrance or adverse claims thereon of any kind whatsoever. Grantor will notify Beneficiary of, and will defend the Personal Property and Cash Collateral against, all claims and demands of all persons at any time claiming the same or any interest therein.

(b) The Personal Property will be kept on or at the Property and Grantor will not remove the Personal Property from the Property without the prior written consent of Beneficiary, except such portions or items of Personal Property which are consumed or worn out in ordinary usage, all of which shall be promptly replaced by Grantor with an article of equal suitability owned by Grantor free and clear of any lien or security interest except the Permitted Encumbrances.

(c) Except for Permitted Transfers as defined in the Loan Agreement, Grantor will not lease, sell, convey or in any manner transfer the Personal Property and Cash Collateral without the prior written permission of the Beneficiary.

(d) Grantor maintains a place of business in the State of Washington, and Grantor will immediately notify Beneficiary in writing of any change in its place of business.

(e) At the request of Beneficiary, Grantor will join Beneficiary in executing one or more financing statements and renewals and amendments thereof pursuant to the Uniform Commercial Code of Washington in form satisfactory to Beneficiary, and will pay the cost of filing the same in all public offices wherever filing is deemed by Beneficiary to necessary or desirable.

(f) All covenants and obligations of Grantor contained herein relating to the Trust Estate shall be deemed to apply to the Personal Property and Cash

Collateral, whether or not expressly referred to herein.

(g) This City Deed of Trust constitutes a security agreement as that term is used in the Uniform Commercial Code of Washington.

(h) Grantor will comply with all requirements of the City Loan Agreement and the HOME Program Agreement.

ARTICLE III
ASSIGNMENT OF LEASES AND RENTS

3.01 Assignment. Grantor hereby assigns to Beneficiary and grants to Beneficiary a security interest in all Leases and Cash Collateral as security for performance of all obligations of Grantor contained in the City Loan Documents.

3.02 Representations and Warranties. Grantor represents and warrants as follows:

(a) Grantor has good right, title and interest in and to the Leases and Cash Collateral and good right to assign the same, and that no other person has any right, title or interest therein, except for the Permitted Encumbrances.

(b) Grantor has duly and punctually performed all and singular the material terms, covenants, conditions and warranties of the Leases on Grantor's part to be kept, observed and performed.

(c) The existing Leases, if any, are valid and, except as disclosed to Beneficiary, unmodified and are in full force and effect,

(d) None of the Cash Collateral due and issuing from the Property or from any part thereof has been collected for any period in excess of one (1) month from the date hereof, and that payment of any of same has not otherwise been anticipated, waived, released, discounted, set off or otherwise discharged or compromised.

(e) Grantor has not received any funds or deposits from any tenant for which credit has not already been made on account of accrued Cash Collateral.

(f) None of the tenants under any existing Leases is in default of any of the material terms thereof.

3.03 Covenants of Performance. Grantor covenants, promises and agrees as follows:

(a) Grantor shall observe, perform, and discharge, duly and punctually, all of the material obligations of the Leases on the part of Grantor to be kept,

observed and performed; and shall give prompt notice to Beneficiary of any failure on the part of Grantor to observe, perform or discharge same.

(b) Grantor shall enforce the performances of each and every material obligation, term covenant, condition and agreement in the Leases by any tenant to be performed, and shall notify Beneficiary of the occurrence of any material default under the Leases.

(c) Grantor shall appear in and defend any action or proceeding arising under, occurring out of or in any manner connected with the Leases or the obligations, duties, or liabilities of Grantor or any tenant thereunder at the expense of Grantor.

3.04 Prior Approval for Actions Affecting Leases. Grantor, without the prior written consent of Beneficiary, which shall not be unreasonably withheld, further covenants and agrees as follows:

(a) Grantor shall not receive or collect any Cash Collateral from any present or future tenant of the Property or any part thereof for a period of more than two (2) months in advance (whether in cash or by promissory note) nor pledge, transfer, mortgage, grant a security interest in, or otherwise encumber or assign future payments of Cash Collateral, except for the Permitted Encumbrances.

(b) Grantor shall not lease any part of the Property for non-residential purposes.

3.05 License to Collect Cash Collateral. As long as there shall exist no default by Grantor in the payment of any indebtedness secured hereby or in the observance and performance of any other obligation, term, covenant or condition or warranty herein or in the City Note or contained in the Leases, Grantor shall have the right under a license granted hereby (but limited as provided herein) to collect, but not prior to accrual, all of the Cash Collateral arising from or out of said Leases or any renewals, extensions and replacements thereof, or from or out of the Property or any part thereof. Grantor shall receive such Cash Collateral and hold the Cash Collateral, together with the right and license herein granted, as a trust fund to be applied, and Grantor hereby covenants to so apply them firstly to the payment of taxes and assessments upon the Property before penalty or interest is due thereon; secondly to the costs of operations, insurance, maintenance and repairs required by the terms of this City Deed of Trust; thirdly to satisfaction of all obligations under the Leases; fourthly to the payment of interest, principal and any other sums becoming due under Permitted Encumbrances; and fifthly, to the payment of interest, principal and any other sums becoming due under the City Note and City Loan Documents, before using any part of the same for any other purposes. Upon the conveyance by Grantor and its successors and assigns of Grantor's interest in the Property, all right, title, interest and powers granted under the license

aforsaid shall automatically pass to and may be exercised by each subsequent owner.

ARTICLE IV
REMEDIES UPON DEFAULT

4.01 Events of Default. Any of the following events shall be deemed an event of default hereunder:

(a) Default shall be made in the payment of any installment of principal or interest on the City Note or any other sums secured hereby when due and such default continues for ten (10) days after written notice of default; or

(b) Grantor shall file a voluntary petition in bankruptcy or such a petition shall be filed against Grantor and is not dismissed within ninety (90) days after filing; or if Grantor shall file any petition or answer seeking or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief for itself under any present or future federal, state or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtors; or Grantor shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of Grantor or of all or any part of the Trust Estate, or of any or all of the royalties, revenues, rents, issues or profits thereof, or shall make any general assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts generally as they become due; or

(c) A court of competent jurisdiction shall enter an order, judgment or decree approving a petition filed against Grantor seeking any reorganization, dissolution or similar relief under any present or future federal, state or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtors, and such order, judgment or decree shall remain unabated and unstayed for an aggregate of sixty (60) days (whether or not consecutive) from the first date of entry thereof; or any trustee, receiver or liquidator of Grantor or of all or any part of the Trust Estate, or of any or all of the royalties, revenues, rents, issues or profits thereof, shall be appointed without the consent or acquiescence of Grantor and such appointment shall remain unvacated and unstated for an aggregate of sixty (60) days (whether or not consecutive); or

(d) A notice of lien, levy, or assessment is filed or a writ of execution or attachment or any similar process is issued or levied with respect to all or a part of the Trust Estate or any judgment involving monetary damages shall be entered against Grantor and become a lien on the Trust Estate or any portion thereof or interest therein and Grantor fails, within thirty (30) days, to satisfy or have the same released or to deposit with Beneficiary cash or sufficient corporate surety bond or other security satisfactory to Beneficiary in an amount sufficient to discharge the lien, levy, assessment, writ or similar process or judgment plus any costs, attorney's fees or other charges that could accrue as a result of a foreclosure or sale under the lien, levy, assessment, writ or similar process or judgment;

(e) There has occurred a breach of or default under any term, covenant, agreement, condition, provision, representation, or warranty contained in any of the City Loan Documents or any part thereof, not referred to in this Section 4.01, but subject to any applicable cure period specified in the City Loan Documents; provided, however, that if no cure period is specified, Grantor shall have a period of thirty (30) days after written notice of the breach or default within which to cure the breach or default (provided, however, that if the breach or default is reasonably susceptible of cure but not within such 30-day period, then no breach or default shall be deemed to exist so long as Grantor commences such cure within the 30-day period and diligently and in good faith continuously pursues such cure to completion within sixty (60) days).

(f) There has been any conveyance of the Property or transfer of stock or interests in Grantor in violation of Section 4.04 of this Deed of Trust.

(g) If the City Loan Documents evidence or secure a construction loan, any of the following events shall also be deemed an event of default hereunder (capitalized terms not otherwise defined herein shall have the meanings given to them in the City Loan Documents):

(i) The dissolution, liquidation, bankruptcy, reorganization or insolvency, voluntary or involuntary, of the general contractor for the Project or architect for the Project and the failure of Grantor to find and contract with a replacement reasonably satisfactory to Beneficiary within a reasonable time thereafter.

(ii) Title to the Property is not satisfactory to Beneficiary by reason of any defect (even though the same may have existed at the time of any prior advance of the loan proceeds) except the Permitted Encumbrances and those matters affecting title which have at any time been consented to in writing by Beneficiary, and such defect has not been corrected within ninety (90) days after notice to Grantor or no title insurance company will insure any disbursement to be secured by this Deed of Trust as a valid lien on the Property subject only to the Permitted Encumbrances and those matters affecting title which have at any time been consented to in writing by Beneficiary.

(iii) Grantor does not construct the Project substantially in accordance with all material aspects of the Plans and Drawings and all applicable laws, rules, regulations and requirements now existing or hereafter enacted, adopted or promulgated of all governmental authorities having jurisdiction over the Property, or Grantor fails to file with the appropriate departments of any governmental authority having jurisdiction over the Property amended or supplemental Plans and Drawings if required by law, or Grantor fails to furnish to Beneficiary written certificates issued by such departments approving the Plans and Drawings.

(iv) Grantor fails to comply with any requirement of any government authority having jurisdiction over the Property within the time required by such authority after notice in writing of such requirement shall have been given to Grantor.

4.02 Rights and Remedies on Default. Upon the occurrence of any event of default hereunder and at any time thereafter, Beneficiary may exercise any one or more of the following rights and remedies:

(a) Withhold further disbursement of proceeds of the City Loan that is evidenced by the City Note.

(b) The right at its option by notice to Grantor to declare the entire indebtedness secured hereby immediately due and payable provided, however, that no default under Section 6.1 of the City Loan Agreement shall allow the Beneficiary to declare the entire indebtedness secured hereby immediately due and payable unless or until a written Notice of Default is received as provided in Section 6.2(a) of the City Loan Agreement and the Grantor has failed to cure the default within the period of time provided for under the City Loan Agreement.

(c) Subject to the Section 4.03 below, Beneficiary may exercise any remedy available at law or in equity, including, but not limited to an action for judicial or non-judicial foreclosure of the Property in accordance with applicable Washington law.

4.03 Lien Priority. This City Deed of Trust shall be in a subordinate lien position on the Property subject only to the Permitted Encumbrances in a senior lien position.

4.04 Due on Sale or Increase in Interest Rate on Sale. Grantor agrees and acknowledges that the indebtedness evidenced by the City Note is personal to Grantor, and that Grantor's personal responsibility and /or control of the Property is a material inducement to Beneficiary to agree to enter into this transaction. Except for Permitted Sales and Permitted Transfers as defined in the City Loan Agreement, any conveyance of the whole or any part of the Property, whether by deed, contract, further encumbrance, lease of the same (other than a lease of any portion of the space in the improvements on the Property in the ordinary course of business without an option to purchase) or otherwise without Beneficiary's prior written consent, or any transfer of general partnership interests in Grantor without Beneficiary's prior written consent, shall be deemed to increase the risk of Beneficiary, and Beneficiary or other holder may declare the entire unpaid balance immediately due and payable, or, at its sole option, it may consent to such conveyance or transfer in writing and may increase the interest rate on the City Note, change the maturity date of the City Note, modify the loan terms or impose whatever other conditions it shall deem necessary to compensate it for such

increased risk. Any increase in interest shall entitle the holder to increase monthly payments on the loan evidenced by the City Note so as to retire the obligation within the original stipulated time. In the event Grantor shall request the consent of Beneficiary in accordance with the provisions of this Section 4.04, Grantor shall deliver a written request to Beneficiary, together with such information as Beneficiary may reasonably request regarding such conveyance or transfer and shall allow Beneficiary thirty (30) days to evaluate such request. In the event Beneficiary approves such conveyance or transfer, Grantor shall pay Beneficiary a processing fee in an amount to be determined by Beneficiary but in no event less than Five Hundred Dollars (\$500.00) to compensate Beneficiary for its costs in processing such request. Consent as to any one transaction shall not be deemed to be a waiver of the right to require consent to any further or successive transaction. The execution and delivery by the Grantor of any joint venture agreement, partnership agreement, declaration of trust, option agreement, or other instrument whereunder any other person or corporation may become entitled, directly or indirectly, to the possession or enjoyment of the Property, or the income or other benefits derived or to be derived therefrom, shall in each case be deemed to be a conveyance or transfer for the purposes of this section, and shall require the prior written consent of Beneficiary.

Beneficiary's consent may be conditioned upon: (i) reasonable evidence satisfactory to Beneficiary that no uncured event of default exists; and (ii) if the proposed transfer is of the Property or of an interest in the Property or, if applicable, involves the admission of a new general partner in Grantor, (A) an opinion of counsel for the proposed transferee of the Property or the new general partner (in either such case, the "Transferee"), delivered to Beneficiary, to the effect that the Transferee has assumed in writing and in full all duties and obligations of Grantor under the City Loan Documents and that this Deed of Trust and the other City Loan Documents constitute legal, valid and binding obligations of the Transferee; (B) if the Grantor or an affiliate of the Grantor was the property manager, a determination by Beneficiary that the Transferee or an affiliate of the Transferee has the capacity to assume responsibility for the management of the Property, and (C) with regard to any project of the Transferee financed by Beneficiary, that the Transferee is not in arrears on any payments of amounts due and owing to Beneficiary or in default under any deed of trust, note, or other agreement entered into between Transferee and Beneficiary as to any such project.

In the event ownership of the Property or any portion thereof becomes vested in a person other than Grantor herein named, Beneficiary may, without notice to Grantor herein named, whether or not Beneficiary has given written consent to such change in ownership, deal with such successor or successors in interest with reference to this Deed of Trust and the obligations secured hereby, in the same manner as with Grantor herein named, without in any way vitiating or discharging Grantor's liability hereunder or the obligations hereby secured.

In addition to the requirements of this Section 4.04, Grantor shall not voluntarily sell or

transfer the Property or any portion thereof except in compliance with Section 18 of the HOME Program Agreement and Section 3.3 of the City Loan Agreement.

4.05 Attorney(s) Fees. In the event suit, action, or arbitration proceeding is instituted to enforce any of the terms of this City Deed of Trust the prevailing party shall be entitled to recover from the other party such sum as the court or arbitrator may adjudge reasonable as attorney fees at arbitration, trial, on any appeal, and in any bankruptcy proceeding. All reasonable expenses incurred by Beneficiary that are necessary at any time in Beneficiary's reasonable opinion for the protection of its interest or the enforcement of its rights, including without limitation, the cost of searching records, obtaining title reports, surveyors' reports, demanding payment, attorneys' opinions, or title insurance, whether or not any court action is involved, shall become a part of the indebtedness secured hereby, payable on demand, and shall bear interest at the Note Rate from the date of expenditure until paid.

4.06 Limited Recourse. In the event of a default by the Grantor under this City Deed of Trust, the Beneficiary's sole remedy shall be limited to exercising its rights under Article V of the City Loan Agreement and under this City Deed of Trust, including foreclosure and exercises of the power of sale or other rights granted thereunder, subject to the provisions of Paragraph 4.03 of this City Deed of Trust. Notwithstanding any other provision of the City Note or of the City Loan Agreement between Grantor and the Beneficiary, and in the absence of circumstances giving rise to director liability under RCW 23B.08.320, the City hereby fully acknowledges, covenants and agrees that its recourse for obtaining from Grantor satisfaction of the obligations of Grantor under this City Deed of Trust is absolutely and strictly limited to the Project. If actions are necessary to collect such obligations, no such action shall seek recovery from assets of the Grantor, other than the assets constituting the Project for which this City Deed of Trust was issued. If it is necessary to name Grantor in any proceeding in respect of such obligations, pleading shall expressly set forth the limited nature of the proceedings against Grantor and the Beneficiary agrees not to seek the imposition of any "personal" judgment or other claim against Grantor, except for purposes of realizing the benefits and value of the assets of the Project. Except for the limited extent necessary to enforce the interests of the Beneficiary in and to the assets of the Project, no recourse at law or in equity may be had under this Deed of Trust and the Beneficiary will not seek money damages. The limitations on the liability of the Grantor under this paragraph shall not limit the City's ability to seek recovery from Grantor for damages or expenses incurred by the City resulting from damages or deficiencies resulting from theft, waste, fraud, misuse of rents or any material misrepresentation by Grantor in connection with the City Loan Documents.

ARTICLE V
MISCELLANEOUS

5.01 Governing Law. This Deed of Trust shall be governed by the laws of the State of Washington. In the event that any provision or clause of any of the City Loan Documents conflicts with applicable laws, such conflicts shall not affect other provisions of such City Loan Documents which can be given effect without the conflicting provision, and to this end the provisions of the City Loan Documents are declared to be severable.

5.02 Modification. This instrument cannot be waived, changed, discharged or terminated orally, but only by an instrument in writing signed by the party against whom enforcement of any waiver, change, discharge or termination is sought.

5.03 Inspections and Appraisals. Beneficiary or its agents may enter upon the Property at any reasonable times to inspect or appraise it, whether or not any default exists hereunder. If Grantor refuses to permit such inspection or appraisal, Beneficiary may specifically enforce performance of this provision. Grantor agrees to pay the cost of all appraisals and appraisal reviews required by Beneficiary in its sole discretion (a) to comply with (i) any applicable statute or regulation, or (ii) the request or directive (whether or not having the force of law) of any regulatory authority with jurisdiction over Beneficiary, (b) to comply with Beneficiary's policies concerning appraisals, or (c) at any time after the occurrence of an event of default. All such appraisal and appraisal review costs shall become a part of the indebtedness secured hereby and shall be payable on demand, together with interest thereon at the Note Rate.

5.04 Notices. Whenever Beneficiary, Grantor or Trustee shall desire to give or serve any notice, demand, request or other communication with respect to this Deed of Trust, each such notice, demand, request or other communication shall be in writing and shall be effective only if the same is delivered by personal service or mailed by registered or certified mail, postage prepaid, return receipt requested, addressed to the address set forth at the beginning of this City Deed of Trust. Any communication which is mailed as provided above shall be deemed delivered 72 hours after mailing. Any party may at any time change its address for such notices by delivering or mailing to the other parties hereto, as aforesaid, a notice of such change.

5.05 Captions. The captions or headings at the beginning of each section hereof are for the convenience of the parties and are not a part of this City Deed of Trust.

5.06 Invalidity of Certain Provisions. If the lien of this Deed of Trust is invalid or unenforceable as to any part of the debt, or if the lien is invalid or unenforceable as to any part of the Trust Estate, the unsecured or partially unsecured portion of the debt shall be completely paid prior to the payment of the remaining and

secured or partially secured portion of the debt, and all payments made on the debt, whether voluntary or under foreclosure or other enforcement action or procedure, shall be considered to have been first paid on and applied to the full payment of that portion of the debt which is not secured or fully secured by the lien of this City Deed of Trust. Further, the invalidity or unenforceability of any portion or provision of this City Deed of Trust shall in no way affect the validity or enforceability of the remainder hereof.

5.07 Subrogation. To the extent that proceeds of the City Note are used to pay any outstanding lien, charge or prior encumbrance against the Trust Estate, such proceeds have been or will be advanced by Beneficiary at Grantor's request and Beneficiary shall be subrogated to any and all rights and liens owed by any owner or holder of such outstanding liens, charges and prior encumbrances, irrespective of whether such liens, charges or encumbrances are released.

5.08 No Merger. If both the Lessor and Lessee estates under any lease or portion thereof which constitutes a part of the Trust Estate shall at any time become vested in one owner, this City Deed of Trust and the lien created hereby shall not be destroyed or terminated by application of the doctrine of merger and, in such event, Beneficiary shall continue to have and enjoy all of the rights and privileges of Beneficiary as to the separate estates. In addition, upon the foreclosure of the lien created by this City Deed of Trust on the Trust Estate pursuant to the provisions hereof, any leases or subleases then existing and created by Grantor shall not be destroyed or terminated by application of the law of merger or as a matter of law or as a result of such foreclosure unless Beneficiary or any purchaser at any such foreclosure sale shall so elect. No act by or on behalf of Beneficiary or any such purchaser shall constitute a termination of any lease or sublease unless Beneficiary or such purchaser shall give written notice thereof to such tenant or subtenant.

5.09 Hazardous Substances.

(a) Grantor represents and warrants to Beneficiary that Grantor obtained a Phase I Environmental Assessment Report dated February 23, 2023 of the Property from Budinger & Associates. Except as may be disclosed therein, Grantor has no actual knowledge that hazardous or toxic waste or substances are being stored on, or have been stored or used on, the Property or any adjacent property in violation of any applicable statute, regulation or ordinance. Grantor agrees to provide written notice to Beneficiary if Grantor becomes aware that the Property or any adjacent property is being or has been contaminated with hazardous or toxic waste or substances. Grantor will not cause nor permit any activities on the Property that directly or indirectly could result in the Property or any other property becoming contaminated with hazardous or toxic waste or substances in violation of any applicable statute, regulation or ordinance.

For purposes of this City Deed of Trust, the term "hazardous or toxic waste or substances" means any substance or material defined or designated as hazardous or toxic

wastes, hazardous or toxic material, a hazardous, toxic or radioactive substance or other similar term by any applicable federal, state or local statute, regulation or ordinance now or hereafter in effect, including without limitation the statutes listed below:

Federal Resource Conservation and Recovery Act of 1979, 42 U.S.C. Section 6901 et seq.

Federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. Section 9601 et seq.

Federal Clean Air Act, 42 U.S.C. Sections 7401-7626.

Federal Water Pollution Control Act, Federal Clean Water Act of 1977, 33 U.S.C. Section 1251 et seq.

Federal Insecticide, Fungicide, and Rodenticide Act, 7 U.S.C. Section 135 et seq.

Federal Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq.

Federal Safe Drinking Water Act, 42 U.S.A. Section 300(f) et seq.

Washington Water Pollution Control Act, RCW Chapter 90.48.

Washington Clear Air Act, RCW Chapter 70.94.

Washington Solid Waste Management Act, RCW Chapter 70.95.

Washington Hazardous Waste Disposal Act, RCW Chapter 70.105.

Washington Hazardous Waste Regulation Act, RCW Chapter 70.105A.

Washington Nuclear Energy and Radiation Act, RCW Chapter 98.

Washington Radioactive Waste Storage and

Transportation Act, RCW Chapter 70.99.

(b) Grantor will indemnify and hold Beneficiary harmless from and against any and all claims, demands, damages, costs, expenses, losses, liens, liabilities, penalties, fines and lawsuits and other proceedings, (including attorneys fees), arising directly or indirectly from or out of, or in any way connected with (i) the material inaccuracy of the certifications contained herein or in the City Loan Documents, (ii) any activities on the Property during Grantor's ownership, possession or control of the Property which directly or indirectly result in the Property or any other property becoming contaminated with hazardous or toxic waste or substances, (iii) the discovery of hazardous or toxic waste or substances on the Property, or the discovery of hazardous or toxic waste or substances on any other property caused by activities on the Property, or (iv) the clean-up of hazardous or toxic waste or substances from the Property or the clean-up of hazardous or toxic waste or substances from any other property caused by activities on the Property.

(c) Beneficiary and its representatives may enter the Property at any time for the purpose of conducting an environmental audit, committing only such injury to the Property as may be necessary to conduct the environmental audit. Beneficiary shall not be required to remedy any such injury or compensate Grantor therefore. Grantor shall cooperate in all respects in the performance of the audit. Grantor shall pay the costs of any environmental audit if either a default exists under this Deed of Trust at the time Beneficiary arranges to have the audit performed or the audit reveals a default pertaining to hazardous or toxic wastes or substances. If Grantor refuses to permit Beneficiary or its representatives to conduct an environmental audit on the Property, Beneficiary may specifically enforce performance of this provision.

5.10 Handicapped Access.

(a) Grantor agrees that Grantor and the Property shall comply with the applicable requirements of the Americans with Disabilities Act of 1990, the Fair Housing Amendments Act of 1988, all federal, state and local laws and ordinances related to disabled access, and all statutes, rules, regulations, and orders of governmental bodies and regulatory agencies or orders or decrees of any court adopted or enacted with respect thereto including, without limitation, the Americans with Disabilities Act Accessibility Guidelines for Buildings and Facilities, as now existing or hereafter amended or adopted (collectively "Access Laws"). As a condition precedent to the obligation of Beneficiary to disburse any funds with respect to the loan secured hereby, Beneficiary may require a certificate of Access Law compliance and indemnification in a form reasonably acceptable to Beneficiary. Beneficiary may also require a certificate of Access Law compliance from an architect, engineer, or other third party acceptable to Beneficiary.

(b) Notwithstanding any limits set forth herein or in any other document on Grantor's obligation to obtain Beneficiary's approval of alterations of the Property, Grantor shall not alter or permit any tenant or other person to alter the Property in any

manner which would increase Grantor's responsibilities for compliance with the Access Laws without the Prior written approval of Beneficiary. Beneficiary may require a certificate of compliance with the Access Laws from an architect, engineer, or other person acceptable to Beneficiary.

(c) Grantor agrees to give prompt notice to Beneficiary of any claims of violations of any Access Laws and of the commencement of any proceedings or investigations which relate to compliance with any of the Access Laws.

(d) Grantor shall indemnify, defend, and hold harmless Beneficiary from and against any and all claims, demands, damages, costs, expenses, losses, liabilities, penalties, fines, and other proceedings, including without limitation reasonable attorneys fees and expenses arising directly or indirectly from or out of or in any way connected with any failure of the Property to comply with any of the Access Laws. The obligations and liabilities of Grantor under this section shall survive any termination, satisfaction, assignment, judicial or non-judicial foreclosure proceeding, or delivery of a deed in lieu of foreclosure.

5.11 Venue & Jurisdiction. In any action arising out of or in connection with this Deed of Trust or any other City Loan Documents, all parties hereto irrevocably consent to the personal jurisdiction of the Superior Court of Spokane County, Washington.

[Remainder of page intentionally left blank]

NOTICE TO SIGNERS: FOR RECORDING PURPOSES, DO NOT ENCROACH
YOUR SIGNATURE IN THE ONE-INCH MARGIN

GRANTOR:

VOA N. LACEY, LLC,
a Washington limited liability company

By: Volunteers of America Eastern Washington and Northern Idaho,
a Washington nonprofit corporation, its sole member

By: _____
Fawn Schott
Chief Executive Officer

Approved as to form:

By: _____
Megan Kapaun
City of Spokane, Office of the City Attorney

VOA N. Lacey
Deed of Trust

EXHIBIT A

LEGAL DESCRIPTION

LOT 24 AND THE SOUTH 46 FEET OF LOT 25, BLOCK 26, MORGAN'S ACRE PARK ADDITION TO HILLYARD, AS PER PLAT RECORDED IN VOLUME "K" OF PLATS, PAGE 3, RECORDS OF SPOKANE COUNTY, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS;

BEGINNING AT THE SOUTHWEST CORNER OF LOT 24, BLOCK 26, BEING HEREINABOVE DESCRIBED;
THENCE ALONG THE WEST LINE OF SAID BLOCK 26, NORTH 02°23'58" WEST 146.00 FEET TO
THE NORTHWEST CORNER OF SAID SOUTH 46 FEET OF LOT 25, BEING HEREINABOVE DESCRIBED;
THENCE ALONG THE NORTH LINE OF SAID SOUTH 46 FEET OF LOT 25, NORTH 87°22'02" EAST
200.00 FEET TO THE NORTHEAST CORNER OF SAID SOUTH 46 FEET OF LOT 25;
THENCE ALONG THE EAST LINE OF SAID LOTS 24 AND 25, SOUTH 02°23'58" EAST 146.00 FEET
TO THE SOUTHEAST CORNER OF SAID LOT 24;
THENCE ALONG THE SOUTH LINE OF SAID LOT 24, SOUTH 87°22'02" EAST 200.00 FEET TO THE
SAID POINT OF BEGINNING OF THIS DESCRIPTION;

SITUATE IN THE CITY OF SPOKANE, COUNTY OF SPOKANE, STATE OF WASHINGTON.

EXHIBIT B
PERMITTED ENCUMBRANCES/LIENS

[see attached]

Promissory Note and Loan Agreement

By and Between

CITY OF SPOKANE, WASHINGTON

and

VOA N. Lacey, LLC
a Washington limited liability company

PROMISSORY NOTE AND LOAN AGREEMENT

THIS PROMISSORY NOTE AND LOAN AGREEMENT (the “City Loan Agreement”) is entered into effective as of October ____, 2024 by and between the City of Spokane, Washington, a political subdivision of the State of Washington (the “City”) and VOA N. Lacey, LLC, a Washington limited liability company (the “Borrower”) (together, the “Parties”).

WITNESSETH:

WHEREAS, the City is authorized by the Constitution and the laws of the State of Washington to make loans to the owners and developers of low income rental housing, and desires to increase the supply of affordable housing within the City of Spokane; and

WHEREAS, the Borrower owns the real property described in the attached Exhibit “A” and the improvements located thereon located on 6208 N Lacey Street in Spokane WA (the “Land and Improvements”) which consists of new construction of 12 units of affordable rental housing consisting of twelve (12) one-bedroom units. The Project provides: twelve (12) units serving households of up to 30% AMI. The Borrower also owns all personal property (the "Personal Property") now or at any time hereafter located on or at the Property (defined below) or used in connection therewith, including, all facilities, fixtures, machinery, apparatus, installations, goods, furniture, equipment, inventory, and other properties (including without limitation all heating, ventilating, air conditioning, plumbing and electrical equipment, all elevators and escalators, all sprinkler systems, all engines and motors, all lighting, laundry, cleaning, fire prevention and fire extinguishing equipment, all ducts and compressors, all refrigerators, stoves, and other appliances, attached cabinets, partitions, rugs, carpets and draperies, all building materials and supplies, and all construction forms, tools, and equipment) now or hereafter located in or used or procured for use in connection with the Property, together with all contracts, agreements, permits, plans, specifications, drawings, surveys, engineering reports, and other work products relating to the construction of the existing or any future improvements on the Property, and any and all in, to, or under any architects’ contracts or construction contracts relating to the construction of the existing or any future improvements on the Property, and any performance and/or payment bonds issued in connection therewith, together with all trademarks, trade names, copyrights, computer software, and other intellectual property used by Debtor in connection with the Property, together with any and all rights of Debtor without limitation to make claim for, collect, receive, and receipt for any and all rents, income, revenues, issues, royalties, and profits, including mineral, oil, and gas rights and profits, insurance proceeds, condemnation awards, and other moneys payable or receivable from or on account of any of the Property, including interest thereon, or to enforce all other provisions of any agreement (including those referred to above) affecting or relating to any of the Property, together with any and all rights of Debtor in any and all accounts, rights to payment, contract rights, chattel paper, documents, instruments, licenses, contracts, agreements, and general intangibles relating to any of the Property, including, without limitation, income and profits derived from the operation of any business on the Property or attributable to services that occur or are provided on the Property or generated from the use and operation of the Property, and together with all books and records of Borrower relating to the foregoing in any form and all computer

software necessary or useful to reading such books and records, and together with proceeds of any of the foregoing. The Land and Improvements and Personal Property are collectively referred to as “Property”; and

WHEREAS, the City proposes to make a loan to the Borrower in the principal amount of One Million Five Hundred Thousand Dollars (\$1,500,000), (the “City Loan”), to provide permanent financing for the construction of the Project, which loan from the City will be evidenced by this City Promissory Note and Loan Agreement (the “City Loan Agreement”) and secured by that certain Deed of Trust, Security Agreement, and Assignment of Leases and Rents (the “City Deed of Trust”) from the Borrower to a trustee in trust for the benefit of the City; and

WHEREAS, eight (8) units of the Project are supported by the City Loan and the rents charged in those eight (8) HOME-assisted “floating” units shall not exceed the HOME Program Rent Limits established by the HOME Program Agreement; and

WHEREAS, the Borrower is not relying on the City for any financial support of the Project in excess of the City Loan, the total amount of which will not exceed the sum of ONE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$1,500,000.00); and

WHEREAS, the Parties are induced to enter into this City Loan Agreement solely by the terms and the conditions below and the City has made no representations to any other parties concerning the Borrower’s capacity or ability to consummate the transactions described herein; and

WHEREAS, the City and the Borrower have executed and delivered a HOME Program Agreement of even date herewith, (the “HOME Program Agreement” which collectively with this City Loan Agreement and the City Deed of Trust are referred to as the “City Loan Documents”), pursuant to which the Borrower agrees to construct and operate the Project in accordance with certain requirements of the City for a period of forty (40) years from the date of the completion of the Project.

NOW, THEREFORE, in consideration of the promises and the mutual covenants and undertakings set forth herein, the Parties hereto agree as follows:

ARTICLE I **PROMISSORY NOTE**

1.1 **Preamble.** The Borrower promises to pay to the order of the City at its office in Spokane, Washington or as such other place or places to such other party as the City may designate, the principal sum of ONE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$1,500,000.00) or so much thereof as may be advanced, in lawful money of the United States of America, all as provided for in this City Loan Agreement.

The City Loan shall be advanced by the City in accordance with the terms of this City Loan Agreement to pay those expenses related to the City Loan and the Project that are described in the Sources and Uses, attached hereto as Exhibit “B” and incorporated herein by this reference.

1.2 Repayment Terms. The City Loan of \$1,500,000.00 shall be subject to the following repayment terms:

The City Loan shall have a term of 480 months (the "Maturity Date") beginning on the date of initial disbursement. Interest shall accrue at 1% per annum simple, non-compounding interest on the outstanding principal balance. Commencing on the first day of the first month following initial disbursement and for 180 months, payments of interest-only shall be payable in monthly installments at 1% per annum simple, non-compounding interest on the outstanding principal balance. Commencing on the first day of the first month following the 180-month interest-only period, payments of principal and interest shall be payable in monthly installments in an amount necessary to fully amortize the outstanding principal balance at a 1% per annum simple, non-compounding interest rate in equal monthly payments as calculated over a 360 month amortization period. The final monthly payment of principal and interest shall be in an amount sufficient to bring the remaining balance of principal and interest owed to zero at the Maturity Date.

Payments shall be made in lawful money of the United States of America to the City of Spokane, c/o Community Housing and Human Services Department, 808 W. Spokane Falls Blvd., Spokane, WA 99201.

1.3 Events of Default. Subject to any notice provisions under Section 6.1(a), if the Borrower fails to pay when due, the principal and accrued interest on the City Loan or there occurs an "Event of Default" under and as such term is defined in this City Loan Agreement or the HOME Program Agreement, the principal balance and all accrued interest on this City Loan, shall at the option of the City be immediately due and payable. If this City Loan is placed in the hands of an attorney or attorneys for collection, or if suit is filed hereon, if proceedings are had in bankruptcy, probate, receivership, reorganization, arrangement or other judicial proceedings for the establishment or collection of any amount called for hereunder, or if proceedings are had for the foreclosure of the City Deed of Trust or for protecting or sustaining the lien or priority of the City Deed of Trust, the Borrower shall pay to the holder hereof all reasonable costs of collection, including reasonable attorneys' fees.

All past due or delinquent installments of principal or of interest on this City Loan shall bear interest commencing on the date any such delinquent payment was due and continuing for so long as the default continues, regardless of whether or not there has been an acceleration of the City Loan, equal to 12% per annum or the maximum provided for by law (the "Default Rate").

1.4 Waivers. The Borrower and all endorsers, guarantors and all persons or entities who may become liable for all or any part of the obligations evidenced by this City Loan, jointly and severally waive diligence, presentment, protest and demand, and also notice of protest, demand, non-payment, dishonor or maturity and also recourse to suretyship defenses generally; and consent to any and all renewals, extensions and modifications of the terms of this City Loan or any other City Loan Document, including the time for payment, and agree any such renewal,

extension or modification or the release or substitution of any security for the indebtedness evidenced by this City Loan or any other indulgences, shall not affect the liability of said parties for the indebtedness evidenced by this City Loan. Any such renewal or extensions, renewals, modifications, releases or indulgences may be made without notice to such parties

1.5 Reserved.

1.6 Security. The City Loan is secured by the City Deed of Trust of even date herewith encumbering the Property, the Project and present and subsequent improvements thereon located in City of Spokane, Washington. Unless otherwise specified in this City Loan Agreement, all notices given pursuant to this City Loan Agreement must be in writing and will be effectively given if given in accordance with the terms of this City Loan Agreement.

1.7 Commercial Purpose. The Borrower hereby represent that this City Loan is for commercial use and not for personal, family or household purposes.

1.8 General. This City Loan shall be binding upon the Borrower and its beneficiaries, heirs, assigns and successors in interest. If Borrower consists of more than one person or entity, all such persons and entities shall be jointly and severally liable for Borrower's obligations hereunder. This City Loan Agreement is governed by and shall be construed in accordance with the laws of the State of Washington. Each person or entity executing this City Loan Agreement consents to the non-exclusive personal jurisdiction and venue of the courts of the State of Washington and the United States federal courts located therein, in any action relating to or arising out of the enforcement or interpretation of this City Loan or any other City Loan Document. Each such person or entity further agrees not to assert in any such action that the proceeding has been brought in an inconvenient forum.

1.9 Dispute Resolution. Any dispute relating to this City Loan Agreement, whether in contract or in tort, shall be settled by a court of competent jurisdiction. The venue for any such proceeding shall be in Spokane, Washington. Nothing in this paragraph shall limit in any way any right the City or other holder from exercising any of the following remedies, in order or concurrently (a) self-help remedies such as set off; (b) judicial or non-judicial foreclosure against the assets of the Project; and (c) provisional remedies including injunction, appointment of receiver, attachment, claim and delivery of replevin.

1.10 Survival of HOME Program Agreement. When the City Loan has been paid in full, this City Loan Agreement shall be canceled and have no further force or effect. Such cancellation shall not, however, affect Borrower's liability or obligations under the HOME Program Agreement.

1.11 Reserved.

1.12 HUD Approval. Any and all terms of the City Loan Documents shall be subject to the approval of the United States of America, acting by and through the Secretary of Housing and Urban Development (“HUD”) and the City agrees to abide by HUD’s determination related to

the City Loan Documents.

ARTICLE II

DEFINITIONS AND INTERPRETATION

2.1 Definitions.

This Agreement and all the terms and provisions hereof shall be construed to effectuate the purposes set forth herein and to sustain the validity hereof. Capitalized terms not defined herein shall bear the meaning given them in the HOME Program Agreement.

Unless the context clearly requires otherwise, words of masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the similar number shall be construed to include correlative words of the plural number and vice versa.

The titles and headings of the articles and sections of this Agreement have been inserted for convenience of reference only and are not to be considered a part hereof, and shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given effect in construing this Agreement or any provision hereof or in ascertaining intent if any question of intent should arise.

ARTICLE III

OBLIGATIONS OF THE BORROWER

3.1 City Loan; Priority. The Borrower hereby (i) accepts the City Loan from the City upon the terms and conditions set forth herein, and (ii) agrees to have the proceeds of the City Loan applied in accordance with the provisions of this City Loan Agreement. The City Loan and the lien of the City Deed of Trust will be in a subordinate priority monetary lien position. If applicable, refinancing of all or any part of any loan secured by a mortgage which is senior to the City's Deed of Trust, including reasonable and necessary costs associated with said refinancing shall not be considered a sale, transfer or conveyance as described in Section 3.3 herein or an Event of Default as described in Section 6.1 herein and shall not accelerate the full repayment of the City Loan, as long as such refinancing of all or any part of such senior loan does not require the City to modify the terms of its City Loan Documents or otherwise extend the term of the City Loan.

3.2 City Loan Repayment. The City Loan shall be evidenced by this City Loan Agreement, which shall be executed and delivered by the Borrower to the City. To secure Borrower's obligation to repay the City Loan, the Borrower has granted to the City security interests in the Project pursuant to the terms of the City Deed of Trust, and the Borrower hereby consents to and grants the City all of its rights and remedies under the City Deed of Trust and the HOME Program Agreement upon the occurrence of an Event of Default hereunder or thereunder in accordance with its terms, subject to the terms of the Subordination Agreement(s), if any.

The Borrower shall make payment to the City, as repayment of the City Loan or costs and expenses reasonably incurred by the City in connection with the enforcement of this City Loan Agreement, in accordance with Sections 1.2 and Section 6.5 of this Loan Agreement.

3.3 Sale of Project. If the Borrower sells, conveys or otherwise transfers the Project other than by a Permitted Sale (defined below), during the term of the HOME Program Agreement, the Net Sales Proceeds of any such transfer shall be calculated. Net Sales Proceeds shall be the purchase price paid to Borrower for such transfer or sale less:

- (a) Any indebtedness, other than the indebtedness on the City Loan, secured by a lien on the Project;
- (b) The reasonable costs expended in the transfer of the Project, including legal fees; and
- (c) Any amount of principal, interest or other obligation that is outstanding on the City Loan.

The purchase price paid upon any sale shall be applied to pay the above costs and indebtedness in the order listed.

Upon sale of the Project, the Borrower shall pay to the City from the Net Sales Proceeds an amount to be determined by multiplying the Net Sales Proceeds by the "Return Fraction." The numerator of the Return Fraction shall be the sum of the outstanding principal and interest remaining on the City Loan, including reasonable costs incurred by the City in making or servicing its City Loan. The denominator of the Return Fraction shall be the total acquisition, development and rehabilitation costs of the Project in accordance with any redevelopment plan for the Project approved by the City and any capital improvements made to the Project by the Borrower. The City hereby fully acknowledges that in no event shall the Return Fraction exceed a value of one (1).

"Permitted Sale" as used in this Section 3.3 shall be defined as those sales or transfers of the real property interest (or portion thereof) in the Project as provided for in Section 18 of the HOME Program Agreement. The term "Permitted Sale" shall not include those "Permitted Transfers" which are described and governed by Section 6.9 herein.

3.4 Prepayment. Prepayment of the City Loan shall be permitted at any time but shall not affect, discharge, or otherwise negate Borrower's obligation under the terms of the HOME Program Agreement.

3.5 Insurance; Maintenance and Repair; Condemnation Proceeds. The Borrower agrees to insure the Project or cause the Project to be insured during the term of this City Loan Agreement for such amounts and for such occurrences as are required under the City Deed of Trust, as such requirements may be amended from time to time. The City shall have no responsibility for monitoring, reviewing or receiving insurance policies related to the Project.

The Borrower further agrees to maintain the Project, or cause the Project to be maintained, during the term of this City Loan Agreement (i) in a reasonably safe condition; (ii) in good repair and in good operating condition, ordinary wear and tear excepted, making from time to time all necessary repairs thereto and renewals and replacements thereto; (iii) compliance with the physical standards of 24 CFR 92.251 and be operated consistent with applicable tenant protection, affirmative marketing, and fair housing requirements of Subpart F of 24 CFR 92 throughout the Project's HOME Affordability Period, and (iv) in compliance with all applicable local and state building and energy codes.

So long as the Borrower is not in default on the City Loan the City shall hold all proceeds of insurance or condemnation awards and shall, as directed by the City Deed of Trust, within 180 days of the loss, use such proceeds to repair or replace the Project or reimburse the Borrower therefore; provided, that the City may retain from such proceeds the amount of its fees and costs incurred in the collection thereof. Any insurance or condemnation proceeds that the City does not use to repair or replace the Project or reimburse the Borrower therefore shall be allocated via the method described for a transfer of the Project in Section 3.3 of this City Loan Agreement.

3.6 Borrower to Maintain its Existence. The Borrower agrees that during the term of this City Loan Agreement it will continue to be duly qualified to do business in the State, and will neither dispose of all or substantially all of its assets nor consolidate with nor merge into another entity, unless (i) the acquirer of its assets or the entity with which it shall consolidate or into which it shall merge shall be an entity organized and existing under the laws of the United States of America or one of the States of the United States of America and shall be qualified and admitted to do business in this State; (ii) such acquiring or remaining entity shall satisfy any additional requirements set forth in the HOME Program Agreement; (iii) such acquiring or remaining entity shall assume in writing all of the obligations of the Borrower under the City Loan Documents, subject to all of the limitations of liability applicable to the Borrower; and (iv) the City shall have provided prior written consent to such disposition, consolidation or merger and the Borrower shall have furnished within 10 days after any such action notice thereof to the City.

3.7 Cooperation in Enforcement of HOME Program Agreement. The Borrower hereby covenants and agrees as follows:

- (a) to comply with all provisions of the HOME Program Agreement;
- (b) to advise the City in writing promptly upon learning of any default with respect to the covenants, obligations and agreements of the Borrower set forth in the HOME Program Agreement;
- (c) upon written direction by the City to cooperate fully and promptly with the City in enforcing the terms and provisions of the HOME Program Agreement; and
- (d) to file in accordance with the time limits established by the HOME Program Agreement all reports and certificates required thereunder.

3.8 Third Party Rights. The obligations of each party to this City Loan Agreement shall inure solely to the benefit of the other parties. No persons shall be a third-party beneficiary of this Agreement.

3.9 Approval of Management Plan. By execution of this City Loan Agreement, the City hereby approves the management plan for operation of the Project previously submitted by Borrower to the City (the "Management Plan"). Such Management Plan describes: Borrower's management philosophy; Borrower's previous experience in managing client populations similar to those expected for the Project; key staff positions involved in managing the Project, including job descriptions and a program for staff training; an affirmative marketing strategy; procedures for collecting late payment of rent and preventing and repairing damage to units; a long-term maintenance plan and a schedule of regular maintenance tasks; a strategy for filling vacancies; and procedures for responding to suggestions and complaints from neighbors and Tenants regarding the Project.

3.10 Books and Records. Upon at least 48 hours written notice to Borrower, Borrower hereby covenants to permit the City or its duly authorized representatives access (wherever located) during normal business hours to the books and records of the Borrower pertaining to the City Loan and the Project, and to make such books and records available for audit and inspection, at reasonable times and under reasonable conditions to the City of Spokane and their duly authorized representatives. Upon request, Borrower covenant to provide any and all financial information regarding the Borrower and the Project, including but not limited to Project information and income tax returns.

3.11 Evidence of Construction and Development Costs. Borrower shall maintain clear and legible copies of all contracts, invoices, statements, receipts, cancelled cheques, and such other documents and records as may be necessary to support and prove the costs of acquisition, rehabilitation, refinancing and/or development of the Project for which payment was made from the funds provided to Borrower pursuant to the City Loan. Said documentation shall be available to the City upon routine monitoring or upon request for review and/or copying by the City.

3.12 Application of OMB Circulars. OMB (Office of Management and Budget) Circular A-122 *Cost Principles* regarding allowable costs, and Circular A-133 *Audit Requirements* regarding the independent audit, shall apply to the City Loan and to all funds disbursed hereunder.

3.13 Independent Audit. For each fiscal year of the Borrower, Borrower shall have an independent fiscal audit conducted of its financial statement and condition, regarding the performance of the City Loan Agreement and delineating HOME program funds disbursed to Borrower pursuant to the City Loan. Borrower's audit shall be in compliance with OMB Circular A-133.

Borrower shall submit its audit report, including any "Management Letter" and/or all other correspondences referred to in the audit report, along with Borrower's response to the audit and corrective action plan, if any, no later than 150 days after the end of Borrower's fiscal year. The independent auditor's working papers shall be made available for City review, upon request

by City.

Failure to engage auditors and provide proof of such engagement within six (6) months of the receipt of the Certificate of Occupancy of the Project shall be considered an Event of Default.

3.14 Notice of Certain Events. Borrower hereby covenants to advise the City of any occurrence of an Event of Default and the actions being taken or proposed to be taken to cure such Event of Default. In addition, the Borrower hereby covenants to advise the City promptly in writing of the occurrence of any non-compliance to the terms of the City Loan Documents or of the occurrence of an Act of Bankruptcy of the Borrower.

3.15 Indemnification of the City. Borrower shall indemnify, hold harmless and defend the City, and its respective commissioners, officers, members, directors, officials, agents and employees and each of them from and against: (i) any and all claims by or on behalf of any person arising from any cause whatsoever in connection with the acceptance and administration of this City Loan Agreement, the HOME Program Agreement, the City Deed of Trust, the financing of the Project or the making of the City Loan, other than claims established to be occasioned by the gross negligence or willful misconduct of the City or its respective officers or employees; (ii) any and all claims arising from any act or omission of the Borrower or any of its agents, servants, employees or licensees, in connection with the City Loan or the Project except in connection with the Borrower's failure to satisfy monetary obligations under the City Loan Documents; and (iii) all reasonable costs, counsel fees, or liabilities incurred in connection with any such claim or proceeding brought thereon. In the event that any action or proceeding is brought against the City, or any of its commissioners, officers, members, directors, officials or employees, with respect to which indemnity may be sought hereunder, the Borrower, upon written notice from the indemnified party, shall assume the investigation and defense thereof, including the employment of counsel selected by the indemnified party and the payment of all expenses related thereto; provided, if the City is adjudicated negligent by a court of competent jurisdiction in a final non reversible judgment, the City shall then reimburse Borrower for such costs of defense, and, provided further, that no settlement of a claim or proceeding against an indemnified party shall occur without the consent of such party; provided, that such selection of counsel shall not become effective without the consent of the Borrower, which consent shall not be unreasonably withheld. The rights of the City under this Section 3.15 and under Section 3.2 hereof shall survive final payment of the City Loan. For indemnification purposes, the City shall have the right to proceed directly against any and all assets of the Borrower, or any of its respective successors or assigns, or any general partner of the Borrower or any of the general partner's respective successors or assigns.

3.16 Design of Project. To the best of the Borrower's knowledge, the design, construction and operation of the Project as described herein do not and will not conflict with any zoning, water or air pollution or other ordinance, order, law or regulation applicable thereto; the Borrower has caused the Project to be designed in accordance with all the applicable federal, state and local laws or ordinances (including rules and regulations) relating to zoning, building, safety, and environmental quality; and the Borrower has not failed to obtain (or will obtain when required) and maintain in effect any licenses, permits, franchises or other governmental authorizations necessary for the operation and conduct of the Project.

3.17 Hazardous Materials. Of even date herewith, Borrower has executed that certain Certificate and Indemnity Regarding Hazardous Substances (the “HazMat Certificate”) setting forth certain representations, warranties, and covenants by Borrower to the City. The City is hereby authorized but not required to enter the Project, including the interior of any structures, at reasonable times, for the purpose of inspecting the Project to ascertain the accuracy of all such representations, warranties and covenants in the HazMat Certificate.

3.18 Payment of Taxes. Borrower shall file or cause to be filed all federal, state and local tax returns or information returns which are required to be filed with respect to the Project and of which Borrower has knowledge. The Borrower shall pay all taxes and assessments, general or special, including, without limitation, all ad valorem taxes, concerning or in any way related to the Project, or any part thereof, and any other governmental charges and impositions whatsoever, foreseen or unforeseen, and all utility and other charges and assessments; provided, however, that the Borrower reserves the right to contest in good faith the legality of any tax or governmental charge concerning or in any way related to the Project.

3.19 No Untrue Statement. Neither this City Loan Agreement or other City Loan Documents nor any other document, certificate or statement furnished to the City by or on behalf of the Borrower, contains to the best of its knowledge any untrue statement of a material fact or omits a material fact necessary in order to make the statement contained herein and therein, in light of the circumstance under which made, not misleading or incomplete as of the date hereof and as of closing. It is specifically understood by Borrower that all such statements, representations and warranties shall be deemed to have been relied upon by the City as an inducement to make the City Loan, and that if any such statements, representations and warranties were materially incorrect at the time they were made or as of the date of closing, the City may consider any such misrepresentation an Event of Default.

3.20 Borrower’s Compliance with Covenants. If applicable, the Borrower agrees to deliver to the City, a Borrower’s Annual Certification, on or before 30 days after the date of this City Loan Agreement and in each succeeding year on or before the anniversary date of this City Loan Agreement during the entire City imposed 40-year affordability period as required by the HOME Program Agreement. Borrower further agrees to deliver to the City all documents required under the HOME Program Agreement.

ARTICLE IV

OBLIGATIONS OF THE CITY

4.1 Amount and Source of City Loan. The City Loan of \$1,500,000.00 shall be from HOME Investment Partnership Program (Catalog of Federal Domestic Assistance Number 14.239) funds.

4.2 Funding Process For Loan Proceeds. Funding of the City Loan shall be made by the City pursuant to the Sources and Uses attached hereto as Exhibit B and incorporated herein by reference as though fully set forth.

If some or all of the City Loan funds are disbursed for acquisition or refinancing of the Property, the City may deliver such funds to an escrow agent acceptable to the City for disbursement when all conditions of the City's escrow instructions are satisfied.

If some or all of the City Loan funds are disbursed for rehabilitation or development, such disbursement shall be initiated by Borrower submitting to City (i) a Funding Requisition in the amount indicated by the Sources and Uses, Exhibit B, and (ii) documentation supporting the expenditure of the funds being requested, including but not limited to a budget summary, cash outlay report (identifying all rehabilitation/development budget items), and the identity of the specific source of the funds identified for payment, as required by the City.

Upon receipt of the Funding Requisition, the City shall review said Funding Requisition and accompanying supporting documents. The City in its sole discretion may inspect the progress at the Project site prior to approval of disbursement. Upon verification of the expenditures of requested funds and of progress of project rehabilitation/development, the City shall disburse to the Borrower funds in the amount of the Funding Requisition or such portion thereof that the City deems appropriate based upon the progress of rehabilitation or construction. In no event shall the total disbursements of the City Loan proceeds exceed the City Loan amount allocable to such rehabilitation/construction as provided for in Exhibit B. Unless good cause exists, as stated in writing by City and delivered to the Borrower pursuant to the terms hereof, disbursement of funds by City shall be made no later than 14 business days following receipt of the request for disbursement by the City.

- 4.3 Compliance with Usury Laws. Notwithstanding any other provision of this City Loan Agreement, it is agreed and understood that in no event shall this City Loan Agreement, with respect to other instruments of indebtedness, be construed as requiring the Borrower or any other Person to pay interest and other costs or considerations in an amount in excess of the maximum amount of interest allowed under any applicable law.

If the payment of the principal amount of the City Loan or other evidence of indebtedness, is accelerated, that portion of any interest payment in excess of the maximum legal rate of interest, if any, provided for in this City Loan Agreement or related documents shall be canceled automatically as of the date of such acceleration.

The provisions of this Section 4.3 shall prevail over any other provision of this Agreement.

ARTICLE V

REPRESENTATIONS AND WARRANTIES

- 5.1 Representations, Warranties and Covenants of the Borrower. The Borrower represents, as of the date hereof, and warrants and covenants that:

- (a) The Borrower has full legal right, power and authority under its Articles of Incorporation, Bylaws, Limited Partnership Agreement and/or Operating Agreement and the laws of the State of Washington (i) to enter into the City Loan Documents, (ii) to perform its obligations under City Loan Documents, and (iii) to consummate the transactions contemplated by the City Loan Documents.
- (b) The Borrower has duly authorized (i) the execution and delivery of the City Loan Documents, (ii) the performance by the Borrower of their obligations under the City Loan Documents, and (iii) the consummation of the transactions contemplated by the City Loan Documents.
- (c) This City Loan Agreement has been duly executed and delivered by the Borrower and constitutes a legal, valid and binding obligation of the Borrower, enforceable in accordance with its terms, except as limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws or judicial decisions affecting the rights of creditors generally and by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law). Upon the execution and delivery thereof, each of the City Loan Documents will constitute legal, valid and binding obligations of the Borrower, enforceable in accordance with their terms, except as limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws or judicial decision affecting creditors' rights generally and by general principles of equity.
- (d) To the best knowledge of Borrower, the execution and delivery of the City Loan Documents, the performance by the Borrower of their obligations hereunder and thereunder, and the consummation of the transactions contemplated hereby and thereby do not and will not violate any law, regulation, rule or ordinance or any order, judgment or decree of any federal, state or local court, and do not and will not conflict with or constitute a material breach of, or a material default under, the Borrower's Articles of Incorporation, Bylaws, Limited Partnership and/or Operating Agreement or any document, instrument or commitment to which the Borrower is a party or by which the Borrower or any of the Project are bound.
- (e) To the best knowledge of the Borrower, there is no action, suit, proceeding, inquiry or investigation by or before any court, governmental agency or public board or body pending against the Borrower or threatened against the Borrower which (i) affects or questions the validity or enforceability of the City Loan Documents, or (ii) questions the power or authority of the Borrower to carry out the transactions contemplated by, or to perform its obligations contemplated by, or the perform its obligations under the City Loan Documents, or the powers of the Borrower to own, acquire, construct, equip, own, operate or lease the Project.
- (f) To the best knowledge of the Borrower, the Borrower is not in material default under any document, instrument or commitment to which the Borrower is a party or to which

it or any of the Project is subject which default would or could materially affect the ability of the Borrower to carry out its obligations under the City Loan Documents.

- (g) Any certificate signed by a Borrower Representative and delivered pursuant to the City Loan Documents shall be deemed a representation and warranty by the Borrower as to the statements made therein.
- (h) In the event the allocable portion of the City Loan proceeds is not sufficient to complete the construction of the Project, the Borrower will furnish any additional moneys necessary to complete the construction of the Project.
- (i) Neither the City Loan documents, nor any document, certificate or statement (including but not limited to information and estimates with respect to the Project or the refinancing thereof) furnished to the City or on behalf of the Borrower, contains to the best knowledge of the Borrower any untrue statement of a material fact or omits to state a material fact necessary in order to make the statement contained herein and therein not misleading or incomplete as of the date hereof. It is specifically understood by the Borrower that all such statements, representations and warranties shall be deemed to have been relied upon by the City as an inducement to acquire the City Loan, and that if any such statements, representations and warranties were materially incorrect and the time they were made or as of the date of closing, the City may consider any such misrepresentation or breach an Event of Default hereunder.

5.2 Representation and Warranties of the City. The City represents and warrants as follows:

- (a) The City is a political subdivision organized and existing under its and under the laws of the State of Washington, duly authorized to perform its obligations under this City Loan Agreement.
- (b) To the knowledge of the City of Spokane, no litigation, action, proceedings, inquiry or investigation before any court or governmental body is pending or, to the best knowledge of the City of Spokane, threatened against the City of Spokane, which would affect adversely the City's ability to enter into or perform its duties under this Agreement.

ARTICLE VI
EVENTS OF DEFAULT AND REMEDIES

6.1 Events of Default. Each of the following shall be an "Event of Default":

- (a) the Borrower shall fail to pay or cause to be paid on the required dates any principal or interest due under this City Loan Agreement and ten (10) Business Days have elapsed after notice of such event has been given; or

- (b) the Borrower shall fail to pay or cause to be paid amounts required to be paid to the City under Section 3.2 of this City Loan Agreement, and ten (10) Business Days have elapsed after notice of such event has been given: or
- (c) the Borrower hereto shall fail to perform or observe any of its other obligations, covenants or agreements contained in this Agreement, including a failure to repay any amounts which have been previously paid but are recovered, attached or enjoined pursuant to any insolvency, receivership, liquidation or similar proceedings; or
- (d) the Borrower shall fail to perform required maintenance or the Borrower take other action which, in the reasonable judgment of the City, would imperil the value of the Project; or
- (e) an Event of Default shall occur under any other City Loan Document other than this City Loan Agreement, including the City Deed of Trust or HOME Program Agreement; or
- (f) any representation or warranty of the Borrower to this City Loan Agreement shall be determined by City to have been materially false when made.

6.2 Notice of Default and Opportunity to Cure. No default under Section 6.1 (c), (d), (e), or (f), hereof shall constitute an Event of Default until (a) the City shall give notice to the Borrower of such default specifying the same and stating that such notice is a “Notice of Default”; and (b) the Borrower shall have had 60 days after receipt of such notice to correct the default arising under Section 6.1 (c), (d), (e), or (f); provided, however, that if the default stated in the notice is of such a nature that it can not be corrected within 60 days, such default shall not constitute an Event of Default hereunder so long as (i) the applicable party institutes corrective action within said 60 days and diligently pursues such action until the default is corrected, and (ii) the City consents to such extension beyond the aforesaid 60 day-period, pursuant to the HOME Program Agreement at Section 10.

6.3 Reserved.

6.4 Remedies. Whenever an Event of Default hereof shall have happened and be continuing, the following remedial steps may be taken:

- (a) Subject to provisions of Section 6.2 above, immediately upon the occurrence of any Event of Default, the City may declare all amounts due under this City Loan Agreement to be immediately due and payable.
- (b) Subject to the provisions of Section 6.2, the City may take whatever action at law or in equity may appear necessary or desirable to collect the payments required to be made by the Borrower under this City Loan Agreement, or to enforce performance and observance of any obligation or agreement of the Borrower under the City Loan Documents. It is recognized by all Parties that the beneficiaries of the Borrower’s

obligations under the City Loan Documents cannot be adequately compensated by monetary damages in the event of the Borrower's default. It is therefore recognized by all Parties that the City is entitled to equitable remedies, including specific performance, in addition to remedies at law. In no event, however, shall the City be obligated to take any such action which in its opinion will or might cause it to expend time or money or otherwise incur liability unless and until indemnity satisfactory to it has been furnished.

Any amounts collected as payments made on the City Loan, or applicable to such payments, and any other amounts which would be applicable to payment of principal of, premium, if any, and interest on the City Loan collected pursuant to action taken under this Section shall be applied in accordance with the provisions of the City Loan Documents.

6.5 Attorney's Fees and Costs. If an Event of Default occurs and if the City should employ attorneys or incur expenses for the enforcement of any obligation or agreement of the Borrower contained herein, the Borrower on demand will pay to the City the reasonable fees of such attorneys; and the reasonable costs so incurred, including, without limitation, reasonable fees and costs of court appeals.

6.6 No Remedy Exclusive. No remedy herein conferred upon or reserved to the City is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this City Loan Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the City to exercise any remedy reserved to it in this Article VI, it shall not be necessary to give any notice, other than such notice as may be herein expressly required.

6.7 No Additional Waiver Implied by One Waiver. In the event any agreement or covenant contained in this City Loan Agreement should be breached by the Borrower and thereafter waived by the City, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

6.8 Limited Recourse. In the event of a default by the Borrower under this City Loan Agreement, the City's sole remedy shall be limited to exercising its rights under Article VI of this City Loan Agreement and under the City Deed of Trust, including foreclosure and exercises of the power of sale or other rights granted thereunder, subject to the provisions of the Subordination Agreement or Intercreditor Agreement, if any, to be executed by the City and Borrower, except as stated in the HOME Program Agreement, Section 15. Notwithstanding any other provision of this City Loan Agreement between Borrower and the City, and in the absence of circumstances giving rise to director liability under RCW 23B.08.320, the City hereby fully acknowledges, covenants and agrees that its recourse for obtaining from Borrower satisfaction of the obligations of Borrower under this City Loan Agreement is absolutely and strictly limited to the Project. If actions are necessary to collect such obligations, no such action shall seek

If to the Borrower: VOA N. Lacey, LLC
 C/o Kiemle & Hagood Company
 907 W. Riverside Avenue
 Spokane, WA 99201

The parties may designate any different addresses to which subsequent notices, certificates, documents or other communications shall be sent.

7.3 Assignments. This City Loan Agreement may not be assigned by any party without the prior written consent of all parties hereto, which consent shall not be unreasonably withheld; provided that the Borrower may assign to any transferee or any surviving or resulting corporation its rights under this City Loan Agreement as provided by Section 3.6 hereof.

7.4 Severability. If any provision of this Agreement shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative, or unenforceable to any extent whatever.

7.5 Amendments, Changes and Modifications. Except as otherwise provided in this City Loan Agreement, this City Loan Agreement may not be amended, changed, modified, altered or terminated without the written consent of all the parties hereto.

7.6 Governing Law. This City Loan Agreement shall be governed exclusively by and construed in accordance with the applicable laws of the State of Washington.

7.7 Term of Agreement. This City Loan Agreement shall be in full force and effect from the date hereof until such time as the City Loan shall have been fully paid, unless this City Loan Agreement expressly provides otherwise. Time is of the essence in this City Loan Agreement.

7.8 Survival of Agreement. All agreements, representations and warranties made herein shall survive the making of the City Loan.

7.9 Non-Business Days. Any payment or act required to be done or made on a day that is not a business day shall be done or made on the next succeeding day that is a business day with the same force and effect as if it had been done on the date originally scheduled for such payment or act.

7.10 Further Instruments; Authority. Borrower agrees to execute such further instruments, not specifically referred to herein, as may be necessary, in the reasonable opinion of the City to consummate the transaction contemplated or to further evidence or perfect any security for the City Loan provided for herein. Borrower shall provide to the City, at its request, upon execution or delivery of any documents or instruments required hereunder, evidence of the authority of the person executing or delivering such instrument to do so, which evidence of authority shall be in the form of board resolutions, partnership agreements or other evidence acceptable to the City of Spokane, as appropriate.

7.11 Parties to Act Reasonably. When the consent, approval, determination or authorization of any party to this City Loan Agreement is required, such party will act reasonably in deciding whether to provide such consent, approval, determination or authorization and will not unreasonably withhold or delay such decision or such consent, approval, determination or authorization.

7.12 Conflict of Documents. In the event the provisions of this City Loan Agreement conflict with any other City Loan Document, the provisions of this City Loan Agreement will control.

7.13 Venue & Jurisdiction. In any action arising out of or in connection with this City Loan Agreement or any other City Loan Documents, all parties hereto irrevocably consent to the personal jurisdiction of the Superior Court of Spokane County, Washington.

7.14 Counterparts. This City Loan Agreement may be executed in counterparts, each taken together with the other counterparts shall constitute one instrument, binding and enforceable against each signatory to any counterpart instrument. Any facsimile signature shall be accepted as an original if containing a copy of the original signature notwithstanding that the original has not been received.

7.15 USA Patriot Act Notice. The City hereby notifies Borrower that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Act"), the City is required to obtain, verify and record information that identifies Borrower, which information includes the name and address of Borrower and other information that will allow Lender to identify Borrower in accordance with the Act.

7.16 Oral Agreements Not Enforceable. **ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, TO EXTEND CREDIT OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.**

IN WITNESS WHEREOF, the parties have executed this Promissory Note and Loan Agreement effective as of the date first set forth above.

BORROWER: VOA N. LACEY, LLC,
a Washington limited liability company

By: Volunteers of America Eastern Washington and Northern Idaho,
a Washington nonprofit corporation, its sole member

By: _____
Fawn Schott
Chief Executive Officer

CITY: CITY OF SPOKANE, WASHINGTON:

By: _____
Garrett Jones,
Interim City Administrator,
City of Spokane

Date: _____

Approved as to form:

By: _____
Megan Kapaun,
City of Spokane, Office of the City Attorney

EXHIBIT A

LEGAL DESCRIPTION

LOT 24 AND THE SOUTH 46 FEET OF LOT 25, BLOCK 26, MORGAN'S ACRE PARK ADDITION TO HILLYARD, AS PER PLAT RECORDED IN VOLUME "K" OF PLATS, PAGE 3, RECORDS OF SPOKANE COUNTY, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS;

BEGINNING AT THE SOUTHWEST CORNER OF LOT 24, BLOCK 26, BEING HEREINABOVE DESCRIBED;

THENCE ALONG THE WEST LINE OF SAID BLOCK 26, NORTH 02°23'58" WEST 146.00 FEET TO THE NORTHWEST CORNER OF SAID SOUTH 46 FEET OF LOT 25, BEING HEREINABOVE DESCRIBED;

THENCE ALONG THE NORTH LINE OF SAID SOUTH 46 FEET OF LOT 25, NORTH 87°22'02" EAST 200.00 FEET TO THE NORTHEAST CORNER OF SAID SOUTH 46 FEET OF LOT 25;

THENCE ALONG THE EAST LINE OF SAID LOTS 24 AND 25, SOUTH 02°23'58" EAST 146.00 FEET TO THE SOUTHEAST CORNER OF SAID LOT 24;

THENCE ALONG THE SOUTH LINE OF SAID LOT 24, SOUTH 87°22'02" EAST 200.00 FEET TO THE SAID POINT OF BEGINNING OF THIS DESCRIPTION;

SITUATE IN THE CITY OF SPOKANE, COUNTY OF SPOKANE, STATE OF WASHINGTON.

EXHIBIT B

DEVELOPMENT BUDGET & SOURCES AND USES

[see attached]

| Vets on N Lacey | | | | | | | |
|---|-----------------|---------------|--------------|------------|--------------|------------------|-----------|
| Date of Budget | 6/19/2024 | | Source: | Source: | Source: | Source: | |
| | | Sources total | FHLB AHP | City HOME | WA HTF | Deferred Dev Fee | |
| Acquisition Costs: | | | | | | | |
| Land | \$ 55,000 | \$ 55,000 | | | \$ 55,000 | | |
| Existing Structures | \$ 285,000 | \$ 285,000 | | | \$ 285,000 | | |
| Liens | | \$ - | | | | | |
| Closing, Title & Recording Costs | \$ 5,000 | \$ 5,000 | | | \$ 5,000 | | |
| | SUBTOTAL | \$ 345,000 | \$ 345,000 | \$ - | \$ - | \$ 345,000 | \$ - |
| Construction: | | | | | | | |
| Demolition | \$ 62,300 | \$ 62,300 | \$ 6,100 | \$ 6,100 | \$ 50,100 | | |
| New Building | \$ 1,600,000 | \$ 1,600,000 | \$ 213,500 | \$ 610,700 | \$ 775,800 | | |
| Contractor Profit | \$ 97,700 | \$ 97,700 | | | \$ 97,700 | | |
| Contractor Overhead | \$ 117,200 | \$ 117,200 | | | \$ 117,200 | | |
| New Construction Contingency | \$ 228,200 | \$ 228,200 | \$ 52,200 | \$ 138,200 | \$ 37,800 | | |
| Site Work / Infrastructure | \$ 416,800 | \$ 416,800 | | \$ 416,800 | | | |
| Sales Tax | \$ 229,100 | \$ 229,100 | \$ 26,500 | \$ 105,500 | \$ 97,100 | | |
| Bond Premium | \$ 48,900 | \$ 48,900 | \$ 17,600 | | \$ 31,300 | | |
| Equipment and Furnishings | \$ 21,700 | \$ 21,700 | \$ 21,700 | | | | |
| Other: Builder's risk insurance | \$ 13,300 | \$ 13,300 | | | \$ 13,300 | | |
| | SUBTOTAL | \$ 2,835,200 | \$ 2,835,200 | \$ 337,600 | \$ 1,277,300 | \$ 1,220,300 | \$ - |
| Soft Costs: | | | | | | | |
| Architect | \$ 184,000 | \$ 184,000 | \$ 20,000 | \$ 42,000 | \$ 122,000 | | |
| Engineering | \$ 26,500 | \$ 26,500 | | \$ 14,500 | \$ 12,000 | | |
| Legal - Real Estate | \$ 10,500 | \$ 10,500 | | | \$ 10,500 | | |
| Developer Fee | \$ 140,716 | \$ 140,716 | | \$ 58,507 | \$ 32,209 | \$ 50,000 | |
| Project Management / Dev. Cor | \$ 252,584 | \$ 252,584 | \$ 29,600 | \$ 60,193 | \$ 162,791 | | |
| Soft Cost Contingency | \$ 12,400 | \$ 12,400 | \$ 11,800 | \$ 600 | | | |
| | SUBTOTAL | \$ 626,700 | \$ 626,700 | \$ 61,400 | \$ 175,800 | \$ 339,500 | \$ 50,000 |
| Pre-Development / Bridge Financing | | | | | | | |
| Bridge Loan Interest | \$ 14,000 | \$ 14,000 | | | \$ 14,000 | | |
| | SUBTOTAL | \$ 14,000 | \$ 14,000 | \$ - | \$ - | \$ 14,000 | \$ - |
| Permanent Financing | | | | | | | |
| Permanent Loan Legal | \$ 5,300 | \$ 5,300 | | \$ 5,300 | | | |
| | SUBTOTAL | \$ 5,300 | \$ 5,300 | \$ - | \$ 5,300 | \$ - | \$ - |
| Capitalized Reserves | | | | | | | |
| Operating Reserves | | \$ - | | | | | |
| Replacement Reserves | \$ 9,600 | \$ 9,600 | | | \$ 9,600 | | |
| Other: Operating Deficit Reserv | \$ 31,600 | \$ 31,600 | | \$ 31,600 | | | |
| | SUBTOTAL | \$ 41,200 | \$ 41,200 | \$ - | \$ 31,600 | \$ 9,600 | \$ - |

| Other Development Costs | | | | | | |
|--------------------------------|---------------------|---------------------|-------------------|---------------------|---------------------|------------------|
| Insurance | \$ 17,600 | \$ 17,600 | | | \$ 17,600 | |
| Relocation (from Form 4) | \$ 10,000 | \$ 10,000 | \$ 1,000 | \$ 9,000 | | |
| Permits, Fees & Hookups | \$ 53,000 | \$ 53,000 | | | \$ 53,000 | |
| Accounting/Audit | \$ 5,000 | \$ 5,000 | | \$ 1,000 | \$ 4,000 | |
| SUBTOTAL | \$ 85,600 | \$ 85,600 | \$ 1,000 | \$ 10,000 | \$ 74,600 | \$ - |
| Total Development Cost: | \$ 3,953,000 | \$ 3,953,000 | | | | |
| Total Sources: | | \$ 3,953,000 | \$ 400,000 | \$ 1,500,000 | \$ 2,003,000 | \$ 50,000 |