


Agenda Sheet for City Council Meeting of:

8/2/2021

Date Rec'd

7/21/2021

Clerk's File #

RES 2021-0065

Renews #**Cross Ref #****Project #****Bid #****Requisition #****Submitting Dept**

CITY COUNCIL

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Agenda Item Type

Resolution

Agenda Item Name

0320 – ESTABLISHING A LIST OF CITY-SPONSORED DEVELOPMENT INCENTIVES

Agenda Wording

A resolution establishing a list of City-sponsored development incentives, as identified in the attached addendum.

Summary (Background)

A resolution adopting and implementing a list of development incentives that shall apply to qualified development and shall last for three years. These incentives are meant to promote housing development and housing stability within the City of Spokane.

Lease?

Grant related?

Public Works?

Fiscal Impact**Budget Account**

Expense \$

#

Select \$

#

Select \$

#

Select \$

#

Approvals**Council Notifications****Dept Head**

ALLERS, HANNAHLEE

Study Session\Other

6/3 Study Session

Division Director**Council Sponsor**

CM Kinnear

Finance**Distribution List****Legal**

PICCOLO, MIKE

lkinnear@spokanecity.org

For the Mayor

gbyrd@spokanecity.org

Additional Approvals**Purchasing****MANAGEMENT & BUDGET**

Approved by Spokane City Council
on: 8/2/2021

DocuSigned by:

CC56CBA4DCC84DCity clerk

RESOLUTION NO. 2021-0065

A resolution establishing a list of City-sponsored development incentives, as identified in the attached addendum.

WHEREAS, this resolution is in direct response to the ongoing local and national housing crisis; and

WHEREAS, the City of Spokane has a responsibility to promote housing stability, which is a mitigator of domestic violence and child abuse and neglect; and

WHEREAS, these incentives are meant to promote housing development in areas of the community that allow for better health outcomes; and

WHEREAS, these incentives offer an opportunity to elevate smaller and mid-size developers in our community; and

WHEREAS, the City of Spokane has previously offered a version of many of these incentives before, which were successful at that time; and

NOW, THEREFORE, BE IT RESOLVED by the Spokane City Council, that the City of Spokane shall adopt and implement the development incentives listed in the attached addendum; and

BE IT FURTHER RESOLVED that these incentives shall apply only to qualified development that occurs within one half mile of a designated Center or Corridor, with the exception of affordable single-family development that occurs in in single-family residential neighborhoods; and

BE IT FURTHER RESOLVED that these incentives shall last for three years, after which time each incentive shall be reviewed to determine whether it should continue to be offered; and

BE IT FINALLY RESOLVED that, while these incentives are offered, City staff shall dedicate time and resources to marketing their availability.

Passed by the City Council this 2nd day of August, 2021. DS

DocuSigned by:

City Clerk

Approved as to form:

DocuSigned by:

Assistant City Attorney



ADDENDUM TO RESOLUTION NO. 2021-0065

The City of Spokane shall adopt and implement the following City-sponsored development incentives as established in Resolution No. 2021-0065:

- **City Utility Connection (GFC Fee Waivers)**
 - Use American Rescue Plan (ARP) funding to revamp the GFC Fee Waiver program.
 - This program would subsidize utility hookups for vacant or underused buildings that are renovated.
 - The ARP funding used to subsidize the cost of the utility hookups should stay within the Development Services enterprise fund.
- **Projects of City-Wide Significance**
 - Re-fund this incentive program with ARP funds and ensure that there is criteria for multifamily, mixed-use, and innovative development opportunities and that these projects are weighted in existing criteria for this program.
- **Underground Infrastructure Improvement Grant**
 - Offer up to \$40,000 per project in grant reimbursement funding from ARP for new development that improves City underground infrastructure.
- **Commercial Rate Clarification for new Multi-family Development**
 - Expand the Commercial Rate Clarification to include new development in addition to conversion for five years.
- **Affordable Housing Impact Fee Reimbursement**
 - Define criteria for affordable single-family and multi-family development that would qualify for Transportation Impact Fees to be reimbursed , funded by ARP after demonstrating purchase/rental by households earning less than 120% AMI.
 - Prioritize paving of unpaved roads where affordable housing is being developed.
- **Home Ownership Limited Tax Exemption**

- Advocate in the State legislature for a five-year property tax exemption, similar to the current MFTE program, for first-time homebuyers with a household income of 120 AMI and below.
- Façade Improvement Reimbursement Grant
 - Offer a grant opportunity of up to \$50,000 funded by ARP to existing businesses or housing development that qualifies for façade improvements.
 - This grant could resemble the opportunity offered during re-construction of the North Monroe corridor.
- Home Improvement & Rehabilitation Grant
 - Offer a grant opportunity to homeowners who have a household income of 120 AMI and below for various types of home repairs.
 - This opportunity should look similar to the HUD HOME investment partnerships program except funded by ARP.
- Transportation for Livable Communities Grant
 - Offer small grants funded by ARP to community-oriented transportation projects that support walkability, transit use, and compact development patterns.
 - There are examples of similar grant opportunities in San Francisco, Atlanta, and Minneapolis.
- For Single Lot Subdivisions Reimburse Permit Fees by 50% for Each Lot if Builder Demonstrates at Least 20% of units were sold to households earning at or less than 120% of AMI.
- Reduce Permit Fees and Onsite Parking Requirements for ADU's constructed within ½ mile of a Center or Corridor.