

THE CITY OF SPOKANE



ADVANCE COUNCIL AGENDA

MEETING OF MONDAY, JULY 28, 2014

MISSION STATEMENT

**TO DELIVER EFFICIENT AND EFFECTIVE SERVICES
THAT FACILITATE ECONOMIC OPPORTUNITY
AND ENHANCE QUALITY OF LIFE.**

MAYOR DAVID A. CONDON

COUNCIL PRESIDENT BEN STUCKART

COUNCIL MEMBER MICHAEL A. ALLEN

COUNCIL MEMBER CANDACE MUMM

COUNCIL MEMBER JON SNYDER

COUNCIL MEMBER MIKE FAGAN

VACANT-COUNCIL DISTRICT 3, POSITION 1

COUNCIL MEMBER AMBER WALDREF

COUNCIL CHAMBERS
CITY HALL

808 W. SPOKANE FALLS BLVD.
SPOKANE, WA 99201

CITY COUNCIL BRIEFING SESSION

Council will adopt the Administrative Session Consent Agenda after they have had appropriate discussion. Items may be moved to the 6:00 p.m. Legislative Session for formal consideration by the Council at the request of any Council Member.

SPOKANE CITY COUNCIL BRIEFING SESSIONS (BEGINNING AT 3:30 P.M. EACH MONDAY) AND LEGISLATIVE SESSIONS (BEGINNING AT 6:00 P.M. EACH MONDAY) ARE BROADCAST LIVE ON CITY CABLE CHANNEL FIVE AND STREAMED LIVE ON THE CHANNEL FIVE WEBSITE. THE SESSIONS ARE REPLAYED ON CHANNEL FIVE ON WEDNESDAYS AT 6:00 P.M. AND FRIDAYS AT 10:00 A.M.

The Briefing Session is open to the public, but will be a workshop meeting. Discussion will be limited to Council Members and appropriate Staff and Counsel. There will be an opportunity for the expression of public views on any issue not relating to the Current or Advance Agendas during the Open Forum at the beginning and the conclusion of the Legislative Agenda.

ADDRESSING THE COUNCIL

- No one may speak without first being recognized for that purpose by the Chair. Except for named parties to an adjudicative hearing, a person may be required to sign a sign-up sheet as a condition of recognition.
- Each person speaking at the public microphone shall print his or her name and address on the sheet provided at the podium and verbally identify him/herself by name, address and, if appropriate, representative capacity.
- If you are submitting letters or documents to the Council Members, please provide a minimum of ten copies via the City Clerk. The City Clerk is responsible for officially filing and distributing your submittal.
- In order that evidence and expressions of opinion be included in the record and that decorum befitting a deliberative process be maintained, modes of expression such as demonstration, banners, applause and the like will not be permitted.
- A speaker asserting a statement of fact may be asked to document and identify the source of the factual datum being asserted.

SPEAKING TIME LIMITS: Unless deemed otherwise by the Chair, each person addressing the Council shall be limited to a three-minute speaking time.

CITY COUNCIL AGENDA: The City Council Advance and Current Agendas may be obtained prior to Council Meetings from the Office of the City Clerk during regular business hours (8 a.m. - 5 p.m.). The Agenda may also be accessed on the City website at www.spokanecity.org. Agenda items are available for public review in the Office of the City Clerk during regular business hours.

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 also 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 Gita George-Hatcher at (509) 625-7083, 808 W. Spokane Falls Blvd, Spokane, WA, 99201; or ggeorge-hatcher@spokanecity.org. Persons who are deaf or hard of hearing may contact Ms. George-Hatcher at (509) 625-7083 through the Washington Relay Service at 7-1-1. Please contact us forty-eight (48) hours before the meeting date.

If you have questions, please call the Agenda Hotline at 625-6350.

BRIEFING SESSION

(3:30 p.m.)

(Council Chambers Lower Level of City Hall)

(No Public Testimony Taken)

Council Reports

Staff Reports

Committee Reports

Advance Agenda Review

Current Agenda Review

ADMINISTRATIVE SESSION

Roll Call of Council

CONSENT AGENDA

REPORTS, CONTRACTS AND CLAIMS

RECOMMENDATION

- | | | |
|---|----------------|------------------------------|
| 1. Value Blanket Orders with: | Approve
All | OPR 2014-0525
BID 4023-14 |
| a. Goodyear Commercial Tire & Service Centers (Spokane, WA) for Goodyear Duraseal Tires for Fleet Services and Solid Waste Management—Estimated annual expenditure \$116,852.50 (incl. tax). Thea Prince | | OPR 2014-0526
BID 4028-14 |
| b. Battery Systems of Spokane (Spokane, WA) for the purchase of automotive batteries on an as-needed basis—Estimated annual expenditure \$25,209.92 (incl. tax). Thea Prince | | |
| 2. Purchase agreement with Olympic Foundry (Seattle, WA) to supply 250 Sanitary and Storm Water rings and covers for Wastewater Management—\$55,333.74 (incl. tax). Dale Arnold | Approve | OPR 2014-0527
BID 4034-14 |
| 3. Low bid of IMCO General Contractors, Inc. (Ferndale, WA) for construction of Package C - Silo Digester No. 3 at Riverside Park Water Reclamation Facility—\$11,317,000. Lars Hendron | Approve | OPR 2014-0528
BID 4005-14 |

- | | | |
|---|-----------------------------------|------------------------------|
| 4. Low Bid of Inland Asphalt Co. (Spokane, WA) for Addison Street from Columbia Avenue to 525 feet north of Dalke Avenue / Calispel Street from Wellesley Avenue to Queen Avenue—\$506,800 (plus tax). An administrative reserve of \$50,680 (plus tax), will be set aside. Dan Buller | Approve | PRO 2014-0030
ENG 2013207 |
|
 | | |
| 5. Grant from the Federal Emergency Management Agency FY 2013 Assistance to Firefighters Grant Program to replace fire hoses, nozzles, saws, extrication equipment and four Thermal Imaging Cameras—\$698,604 revenue. (Relates to Emergency Budget Ordinance C35130) Art Nichols | Approve | OPR 2014-0529 |
|
 | | |
| 6. Loan Agreement & other documents with C&H Duplexes LLC (Spokane, WA) for construction of an affordable 4-bedroom house at 2808 E. Sharp—\$80,000 HOME funds (Chief Garry Park Neighborhood) Melora Sharts | Approve | OPR 2014-0530 |
|
 | | |
| 7. Report of the Mayor of pending claims and payments of previously approved obligations, including those of Parks and Library, through _____, 2014, total \$_____, with Parks and Library claims approved by their respective boards. Warrants excluding Parks and Library total \$_____. | Approve &
Authorize
Payment | CPR 2014-0002 |

EXECUTIVE SESSION

(Closed Session of Council)

(Executive Session may be held or reconvened during the 6:00 p.m. Legislative Session)

CITY COUNCIL SESSION

(May be held or reconvened following the 3:30 p.m. Administrative Session)

(Council Briefing Center)

This session may be held for the purpose of City Council meeting with Mayoral nominees to Boards and/or Commissions. The session is open to the public.

LEGISLATIVE SESSION

(6:00 P.M.)

(Council Reconvenes in Council Chamber)

WORDS OF INSPIRATION

PLEDGE OF ALLEGIANCE

ROLL CALL OF COUNCIL

ANNOUNCEMENTS

(Announcements regarding Changes to the City Council Agenda)

BOARDS AND COMMISSIONS APPOINTMENTS

(Includes Announcements of Boards and Commissions Vacancies)

APPOINTMENTS

RECOMMENDATION

Fire Code Advisory and Appeals Board: Two Confirm CPR 1991-0134 Reappointments

CITY ADMINISTRATION REPORT

COUNCIL COMMITTEE REPORTS

(Committee Reports for Finance, Neighborhoods, Public Safety, Public Works, and Planning/Community and Economic Development Committees and other Boards and Commissions)

OPEN FORUM

This is an opportunity for citizens to discuss items of interest not relating to the Current or Advance Agendas nor relating to political campaigns/items on upcoming election ballots. This Forum shall be for a period of time not to exceed thirty minutes. After all the matters on the Agenda have been acted on, unless it is 10:00 p.m. or later, the open forum shall continue for a period of time not to exceed thirty minutes. Each speaker will be limited to three minutes, unless otherwise deemed by the Chair. If you wish to speak at the forum, please sign up on the sign-up sheet located in the Chase Gallery.

LEGISLATIVE AGENDA

EMERGENCY BUDGET ORDINANCES

(Require Five Affirmative, Recorded Roll Call Votes)

Ordinances amending Ordinance No. C35062 passed the City Council November 25, 2013, and entitled, "An Ordinance adopting the Annual Budget of the City of Spokane for 2014, making appropriations to the various funds, departments and

programs of the City of Spokane government for the fiscal year ending December 31, 2014, and providing it shall take effect immediately upon passage," and declaring an emergency and appropriating funds in:

ORD C35130 Fire Improvement Fund

FROM: Federal Emergency Management Agency, \$698,604;
TO: Mach/equipment, \$175,605 and Operating Supplies, \$522,999.

(This action budgets a grant from the Federal Emergency Management Agency FY 2013 Assistance to Firefighters Grant.) (Relates to Consent Agenda No. 5.) **Art Nichols**

ORD C35131 Development Services Center Fund

From: Unreserved Fund Balance, \$74,134;
TO: Minor Equipment, \$35,734 and Contractual Services, \$38,400

(This action budgets for improvements to the Accela Permit System.)
Jan Quintrall

NO EMERGENCY ORDINANCES

RESOLUTIONS & FINAL READING ORDINANCES

(Require Four Affirmative, Recorded Roll Call Votes)

Request motion to defer RES 2014-0048 indefinitely:

RES 2014-0048 Proposal to name the newly constructed City Hall Plaza after Spokane's second mayor, James Glover. (Deferred from April 28, 2014, Agenda) **Jan Quintrall**

RES 2014-0086 Recognizing the *Emerson-Garfield Neighborhood Action Plan* as a declaration of the neighborhood's desired future condition, providing direction for neighborhood-based improvement activities, as well as neighborhood priorities involving future projects. **JoAnne Wright**

ORD C35127 (To be considered under Hearings Item H1.)

ORD C35128 Relating to the Spokane Employees' Retirement System; amending Spokane Municipal Code Sections 3.05.010, 3.05.020, 3.05.025, 3.05.030, 3.05.040, 3.05.050, 3.05.060, 3.05.070, 3.05.080, 3.05.110, 3.05.120, 3.05.130, 3.05.160, 3.05.165, 3.05.167, 3.05.170 3.05.180, 3.05.190, 3.05.200, 3.05.210, 3.05.250, 3.05.260, 3.05.270, 3.05.275 and 3.05.290; and adopting a new Section 3.05.166 to Chapter 3.05 of the Spokane Municipal Code. **Tim Dunivant**

ORD C35129 Relating to the City of Spokane Retirement and Pension Board; amending Spokane Municipal Code Sections 4.14.030, 4.14.040, 4.14.050, 4.14.060, 4.14.070 and 4.14.080. **Tim Dunivant**

NO FIRST READING ORDINANCES

NO SPECIAL CONSIDERATIONS

HEARINGS

- | | | | |
|-----|---|--------------------------------|------------|
| H1. | Final Reading Ordinance C35127 authorizing the removal of a skywalk stairway previously constructed pursuant to an easement authorized by Ordinance No. C18290. Tami Palmquist | Pass
Upon Roll
Call Vote | ORD C35127 |
|-----|---|--------------------------------|------------|
-

Motion to Approve Advance Agenda for July 28, 2014
(per Council Rule 2.1.2)

OPEN FORUM (CONTINUED)

This is an opportunity for citizens to discuss items of interest not relating to the Current or Advance Agendas nor relating to political campaigns/items on upcoming election ballots. This Forum shall be for a period of time not to exceed thirty minutes. After all the matters on the Agenda have been acted on, unless it is 10:00 p.m. or later, the open forum shall continue for a period of time not to exceed thirty minutes. Each speaker will be limited to three minutes, unless otherwise deemed by the Chair. If you wish to speak at the forum, please sign up on the sign-up sheet located in the Chase Gallery.

ADJOURNMENT

The July 28, 2014, Regular Legislative Session of the City Council is adjourned to August 11, 2014. The City Council's regularly scheduled meeting on August 4, 2014, is canceled.

NOTES

**Agenda Sheet for City Council Meeting of:**

07/28/2014

<u>Date Rec'd</u>	7/16/2014
<u>Clerk's File #</u>	OPR 2014-0525
<u>Renews #</u>	
<u>Cross Ref #</u>	
<u>Project #</u>	
<u>Bid #</u>	BID #4023-14
<u>Requisition #</u>	VB

<u>Submitting Dept</u>	FLEET SERVICES
<u>Contact Name/Phone</u>	THEA PRINCE 625-6403
<u>Contact E-Mail</u>	TPRINCE@SPOKANECITY.ORG
<u>Agenda Item Type</u>	Purchase w/o Contract
<u>Agenda Item Name</u>	5100-FLEET SERVICES PURCHASE OF DURASEAL TIRES

Agenda Wording

Value Blanket Order with Goodyear Commercial Tire & Service Centers (Spokane, WA) for Goodyear Duraseal Tires - estimated annual expenditure - \$116,852.50 including tax

Summary (Background)

On June 30, 2014 sealed bids were opened to provide the City of Spokane Fleet Services Department with Goodyear Duraseal Tires. One (1) response was received from Goodyear. These tires will be utilized on refuse collection vehicles in the Solid Waste Management Department. Testing has shown that these tires reduce the incidents of flat tires and last longer than the tires currently being used.

<u>Fiscal Impact</u>		<u>Budget Account</u>	
Expense	\$ 116,852.50	#	various
Select	\$	#	
Select	\$	#	
Select	\$	#	
<u>Approvals</u>		<u>Council Notifications</u>	
<u>Dept Head</u>	JAKUBCZAK, GENE	<u>Study Session</u>	
<u>Division Director</u>	ROMERO, RICK	<u>Other</u>	PWC - 7/14/14
<u>Finance</u>	LESESNE, MICHELE	<u>Distribution List</u>	
<u>Legal</u>	WHALEY, HUNT	Purchasing : tprince	
<u>For the Mayor</u>	SANDERS, THERESA	Fleet Services: fleetservices, gjakubczak	
<u>Additional Approvals</u>		taxes & licenses	
<u>Purchasing</u>	PRINCE, THEA		

BRIEFING PAPER
Public Works Committee
Fleet Services
July 14, 2014

Subject

Recommend award of Bid #4023-14 for the purchase of Goodyear Duraseal tires to Goodyear Commercial Tire and Service Centers for \$116,852.50 (tax incl.).

Background

This is an award of a blanket order for Goodyear Duraseal tires. These tires will be utilized on refuse collection vehicles in the Solid Waste Mgt. Dept. Testing has shown these tires reduce the incidents of flat tires and last longer than the tires currently being used.

Impact

Purchase of these tires will reduce operating costs for the Solid Waste Mgt. Dept. refuse collection vehicles.

Action

Recommend approval.

Funding

Funds are available in the Fleet Services Department budget.

**Agenda Sheet for City Council Meeting of:**

07/28/2014

Date Rec'd

7/16/2014

Clerk's File #

OPR 2014-0526

Renews #**Submitting Dept**

FLEET SERVICES

Cross Ref #**Contact Name/Phone**

THEA PRINCE 625-6403

Project #**Contact E-Mail**

TPRINCE@SPOKANECITY.ORG

Bid #

BID #4028-14

Agenda Item Type

Purchase w/o Contract

Requisition #

VB

Agenda Item Name

5100-FLEET SERVICES PURCHASE OF AUTO BATTERIES

Agenda Wording

Value Blanket Order for Automotive Batteries from Battery Systems of Spokane (Spokane, WA) for the purchase of Automotive Batteries on an "as needed" basis -estimated annual expenditure - \$25,209.92 including tax

Summary (Background)

On June 30, 2014 sealed bids were received to provide the City of Spokane with Automotive Batteries on an "as needed" basis. Six (6) responses were received with Battery Systems of Spokane being the lowest responsive bidder. This Value Blanket will have four (4) one-year optional renewals.

Fiscal Impact**Budget Account**

Expense \$ 25,209.92

various

Select \$

#

Select \$

#

Select \$

#

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

JAKUBCZAK, GENE

Study Session**Division Director**

ROMERO, RICK

Other

PWC - 7/14/14

Finance

LESESNE, MICHELE

Distribution List**Legal**

WHALEY, HUNT

Purchasing: tprince

For the Mayor

SANDERS, THERESA

Fleet Services: jskowitz & fleetservices

Additional Approvals

Fire: anichols

Purchasing

PRINCE, THEA

Taxes & Licenses

BRIEFING PAPER
Public Works Committee
Fleet Services
July 14, 2014

Subject

Recommend award of Bid #4028-14 for the purchase of automotive batteries to Battery Systems of Spokane for an estimated annual expenditure of \$25,209.92.

Background

This is an award for a contract to purchase automotive batteries as needed for the Fleet Services department.

Impact

Batteries are purchased by Fleet Services for use throughout the city of Spokane fleet of equipment.

Action

Recommend approval.

Funding

Funds are available in the Fleet Services Department budget.

BID #4028			Battery Systems of Spokane		Napa Auto Parts		Batteries Plus		Toby's Battery & Auto Electric		Interstate Batteries of E WA		Western Pterbilt	
AUTOMO														
ITEM	QUANTITY	DESCRIPTION	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
I	5	GR24F	\$ 46.93	\$ 234.65	\$ 71.58	\$ 357.90	\$ 72.44	\$ 362.20	\$ 71.96	\$ 359.80	\$ 79.76	\$ 398.80		\$0.00
	5	GR27F	\$ 57.32	\$ 286.60	\$ 71.31	\$ 356.55	\$ 92.03	\$ 460.15	\$ 65.96	\$ 329.80	\$ 80.76	\$ 403.80		\$0.00
	3	GR27F	\$ 57.32	\$ 171.96	\$ 72.23	\$ 216.69	\$ 92.03	\$ 276.09	\$ 65.96	\$ 197.88	\$ 80.76	\$ 242.28		\$0.00
	23	GR31P	\$ 70.36	\$ 1,618.28	\$ 83.78	\$ 1,926.94	\$ 77.27	\$ 1,777.20	\$ 79.96	\$ 1,839.08	\$ 91.16	\$ 2,096.67		\$0.00
	168	GR31S	\$ 70.36	\$ 11,820.48	\$ 87.07	\$ 14,627.75	\$ 77.27	\$ 12,981.35	\$ 79.96	\$ 13,433.28	\$ 89.56	\$ 15,046.08	\$ 76.43	\$ 12,840.24
	6	GR34	\$ 46.63	\$ 279.78	\$ 73.05	\$ 438.30	\$ 73.37	\$ 440.22	\$ 74.96	\$ 449.76	\$ 75.16	\$ 450.96		\$0.00
	5	GR36R	\$ 64.74	\$ 323.70	\$ 75.19	\$ 375.95	\$ 81.76	\$ 408.80	\$ 72.96	\$ 364.80	\$ 74.36	\$ 371.80		\$0.00
	7	GR4D	\$ 98.76	\$ 691.32	\$ 143.89	\$ 1,007.22	\$ 124.99	\$ 874.93	\$ 111.96	\$ 783.72	\$ 125.56	\$ 878.92		\$0.00
	9	GR58	\$ 52.14	\$ 469.26	\$ 70.56	\$ 635.04	\$ 55.86	\$ 502.74	\$ 71.96	\$ 647.64	\$ 66.36	\$ 597.24		\$0.00
	106	GR65	\$ 61.69	\$ 6,539.14	\$ 72.77	\$ 7,713.62	\$ 77.41	\$ 8,205.45	\$ 70.96	\$ 7,521.75	\$ 88.76	\$ 9,408.56		\$0.00
	20	GR78	\$ 51.18	\$ 1,023.60	\$ 61.48	\$ 1,229.59	\$ 68.61	\$ 1,372.20	\$ 71.96	\$ 1,439.19	\$ 83.96	\$ 1,679.19		\$0.00
	2	GR8D	\$ 115.90	\$ 231.80	\$ 137.81	\$ 275.62	\$ 147.82	\$ 295.64	\$ 128.96	\$ 257.92	\$ 138.36	\$ 276.72		\$0.00
	3	GR86	\$ 74.77	\$ 224.31	\$ 75.44	\$ 226.32	\$ 65.90	\$ 197.70	\$ 59.96	\$ 179.88	\$ 70.36	\$ 211.08		\$0.00
	12	GR96R	\$ 64.21	\$ 770.52	\$ 85.31	\$ 1,023.72	\$ 77.55	\$ 930.60	\$ 73.96	\$ 887.52	\$ 80.76	\$ 969.12		\$0.00
	12	YTZ14-S	\$ 43.71	\$ 524.52	\$0.00	\$0.00	\$ 55.49	\$ 665.88	\$ 39.96	\$ 479.52	\$ 114.76	\$ 1,377.12		\$0.00
II		MISCELLANEOUS BATTERIES (STATE DISCOUNT % FROM MFG LIST PRICE	45%	\$0.00		\$0.00	10%	\$0.00	20%	\$0.00	50%			
TOTAL				\$ 25,209.92		\$ 30,411.23		\$ 29,751.18		\$ 29,171.56		\$ 34,408.36		\$ 12,840.24
DELIVERY			1 day FRO		1 day FRO		24 days FRO		1 day FRO		1 day FRO		1 day FRO	
ADDITION				YES		YES		YES		YES		YES		YES

**Agenda Sheet for City Council Meeting of:**

07/28/2014

Date Rec'd

7/16/2014

Clerk's File #

OPR 2014-0527

Renews #**Submitting Dept**

WASTEWATER MANAGEMENT

Cross Ref #**Contact Name/Phone**

DALE ARNOLD 625-7900

Project #**Contact E-Mail**

DARNOLD@SPOKANECITY.ORG

Bid #

4034-14

Agenda Item Type

Purchase w/o Contract

Requisition #

RE 16954

Agenda Item Name

4310 MANHOLE RINGS AND COVERS

Agenda Wording

Purchase agreement with Olympic Foundry (Seattle,WA) to supply 250 Sanitary and Storm Water rings and covers. The cost is \$55,333.74 including sales tax. Funds for this purchase are available in Wastewater Management's 2014 Budget.

Summary (Background)

Replacing rings and covers is required to maintain sewer infrastructure throughout the City. Wastewater Management can respond quickly to emergencies and after hour issues by keeping an available inventory of rings and covers. The Purchasing Department received four bids for this purchase with Olympic Foundry being the lowest bidder.

Fiscal Impact**Budget Account**

Expense \$ 55,333.74

4310-43100-35145-54850

Select \$

#

Select \$

#

Select \$

#

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

ARNOLD, DALE

Study Session**Division Director**

ROMERO, RICK

Other

Public Works - 07/14/14

Finance

LESESNE, MICHELE

Distribution List**Legal**

WHALEY, HUNT

pdolan@spokanecity.org

For the Mayor

SANDERS, THERESA

Tax & Licenses

Additional Approvals

gkasesemeyer@spokanecity.org

Purchasing

PRINCE, THEA

sbowers@spokanecity.org

cwahl@spokanecity.org

BRIEFING PAPER
Public Works Committee
Wastewater Management
July 14, 2014

Subject

Purchase Sewer Manhole rings and covers, Storm Water rings and covers, and Catch Basin frames and grates for inventory.

Background

The Purchasing Department received four bids with Olympic Foundry being the low bidder at \$55,333.74 including sales tax.

In order to maintain sewer infrastructure throughout the City, sewer and storm water rings and covers are replaced. The lifespan of large castings in the tire lane of a major arterial is approximately 20 years. Many of the rings and covers changed in recent years have been in conjunction with Street Bond Projects.

Impact

To continue to provide Citizens with safe roadways to travel on and maintain the City Wastewater infrastructure, having rings and covers on hand is a vital part of our maintenance mission.

The stock on hand has allowed a swift response to emergencies and after hour issues. As part of our ongoing maintenance work, and as a proven cost savings for the City, it is important to maintain an available inventory.

Action

Recommend approval.

Funding

Funding is available in the department's 2014 budget.

BID TABULATION

BID #4034-14 MANHOLE RINGS AND COVERS – REBID

DUE: JUNE 7, 2014

DESCRIPTION	OLYMPIC FOUNDRY Seattle, WA	WHITE BLOCK CO, INC. Spokane, WA	WILBERT PRECAST, INC. Spokane, WA	D&L SUPPLY Moses Lake, WA
50 EA Manhole Frame and Cover - Sewer Non-Lockdown, Standard Plan #B-112, outside lettering with "SEWER", as per bid specifications	\$193.22	\$200.95	\$205.85	195.00
50 EA Manhole Frame and Cover – Sewer – Locking, 3-Point Boltdown, Standard Plan #B-112A, outside lettering with "SEWER", as per bid specifications	\$212.43	\$214.95	\$240.35	225.00
50 EA Manhole Frame and Cover - Storm Non-Lockdown, Standard Plan #B-112, outside lettering with "STORM", as per bid specifications	\$193.22	\$200.95	\$205.85	195.00
50 EA Manhole Frame and Cover – Storm – Locking, 3-Point Boltdown, Standard Plan #B-112A, outside lettering with "STORM", as per bid specifications	\$212.43	\$214.95	\$240.35	225.00
25 EA Catch Basin Frame and Grate Round, Standard Plan #B-113, as per bid specifications	\$188.71	\$200.95	\$205.85	195.00
25 EA Catch Basin Type 1 Frame and Grate with Grate Guards and Vaned Grates., Standard Plan #B-3A and Plan #B-2C, as per bid specifications	\$224.89	\$199.15	\$257.60	245.00
SUBTOTAL	\$50,905.00	\$51,592.50	\$56,206.25	\$53,000.00
SALES TAX	\$4,428.74	\$4,488.55	\$4,889.94	\$4,611.00
GRAND TOTAL	\$55,333.74	\$56,081.05	\$61,096.19	\$57,611.00

The bid request was e-mailed to 19 suppliers/plan centers, with 4 bid responses received.

PLEASE NOTE THAT THIS BID TABULATION IS NOT AN INDICATION OF AWARD RECOMMENDATION. CRITERIA, IN ADDITION TO PRICE, ARE EVALUATED TO DETERMINE RESPONSIVE BID MEETING SPECIFICATIONS AND BIDDER RESPONSIBILITY. AWARD OF BID IS MADE BY CITY COUNCIL.

**Agenda Sheet for City Council Meeting of:**

07/28/2014

Date Rec'd

7/16/2014

Clerk's File #

OPR 2014-0528

Renews #**Submitting Dept**

INTEGRATED CAPITAL MGMT

Contact Name/Phone

LARS HENDRON 625-7929

Contact E-Mail

LHENDRON@SPOKANECITY.ORG

Agenda Item Type

Contract Item

Agenda Item Name

4250 - LOW BID AWARD - IMCO GENERAL CONTRACTORS, INC.

Cross Ref #**Project #****Bid #****Requisition #**

BT

Agenda Wording

Award low bid for construction of Package C - Silo Digester No. 3 at Riverside Park Water Reclamation Facility (RPWRF) to IMCO General Contractors, Inc., of Ferndale, WA, in the amount of \$11,317,000.00.

Summary (Background)

It is recommend that the City award the contract for construction of the Package C - Silo Digester No. 3 project to the lowest bidder, IMCO General Construction, Inc., for the full bid amount of eleven million, three hundred seventeen thousand dollars (\$11,317,000) plus a 10% administrative reserve of One Million, One Hundred Thirty-One Thousand Seven Hundred dollars (\$1,131,700) for a pre-tax total of Twelve Million Four Hundred Forty-Eight Thousand Seven Hundred Dollars

Fiscal Impact

Expense \$ 4,500,000.00 2014

Expense \$ 9,031,736.90 2015

Select \$

Select \$

Budget Account

4370 43421 94000 56501 99999

4370 43421 94000 56501 99999

#

#

Approvals**Dept Head**

TAYLOR, MIKE

Division Director

ROMERO, RICK

Finance

LESESNE, MICHELE

Legal

WHALEY, HUNT

For the Mayor

SANDERS, THERESA

Council Notifications**Study Session****Other**

PWC 7/14/14

Distribution List

lhattenburg@spokanecity.org

mhughes@spokanecity.org

mtaylor@spokanecity.org

mlesesne@spokanecity.org

darnold@spokanecity.org

rromero@spokanecity.org

kbrooks@spokanecity.org

Additional Approvals**Purchasing**



Continuation of Wording, Summary, Budget, and Distribution

Agenda Wording

Summary (Background)

(\$12,448,700). Total project commitment with 8.7% sales tax is Thirteen Million, Five Hundred Thirty-One Thousand, Seven Hundred Thirty-Six and 90/100 Dollars (\$13,531,736.90).

Fiscal Impact

Select \$

Select \$

Budget Account

#

#

Distribution List

BRIEFING PAPER
Public Works Committee
Integrated Capital Management
July 14, 2014

Subject

Award low bid for construction of Package C - Silo Digester No. 3 at Riverside Park Water Reclamation Facility (RPWRF) to IMCO General Contractors, Inc., of Ferndale, WA, in the amount of \$11,317,000.00.

Background

RPWRF uses anaerobic digesters to process sewage sludge into biosolids, which are applied as fertilizer on farm fields in the region. The two steel egg-shaped digesters that entered service in 2008, following a digester collapse in 2004, have been operating without a third digester for redundancy as required by Ecology and as needed to allow the egg-shaped primary digesters to be taken out of service for inspection, maintenance, and upgrades. Digester No 3 will be a concrete silo-shaped digester to normally function as a secondary digester. Bids were received from two contractors for Package C as follows:

IMCO General Contractors, Inc.	\$11,317,000
Garco Construction, Inc.	\$13,265,000

The Engineers Estimate for Package C was \$13,684,000. IMCO's bid is 17% below the Engineer's Estimate and, upon evaluation, was determined to be responsible and responsive. IMCO has significant experience constructing water and wastewater facilities, including the recent Airway Heights Treatment Plant, and has a strong safety record. Construction of Digester No. 3 is anticipated to begin this August and Digester and be operational by the end of 2015.

Impact

Construction of Digester No. 3 supports reliable operation of the egg-shaped digesters for RPWRF compliance with biosolids regulations. Construction of Digester No. 3 complies with Ecology's requirement for redundancy.

Action

Recommend Council award the RPWRF Package C contract to IMCO General Contractors, Inc.

Funding

Funds for this project is contained in the Wastewater Mgmt Dept budget and generated through sewer rates.

		Engineer's Estimate	IMCO General Construction	Garco Construction
SCHEDULE A:				
Trench Safety Systems	1368	\$0	\$ 2,000	\$ 5,000
Cash Allowance: Misc. Maint. & Safety Equip.		\$ 25,000	\$ 25,000	\$ 25,000
Cash Allowance: DT Bldg Misc. Digester Gas & Process Piping Modifications		\$ 40,000	\$ 40,000	\$ 40,000
Cash Allowance: ESD Facility Misc. Digester Gas & Process Piping Modifications		\$ 60,000	\$ 60,000	\$ 60,000
All Other	945433	\$ 12,491,000	\$ 10,350,000	\$ 12,210,000
Total Schedule A Lump Sum Bid as shown on p. 4	946801	\$ 12,616,000	\$ 10,477,000	\$ 12,340,000
SCHEDULE B:				
Total Schedule B Lump Sum Bid as shown on p. 5	#REF!	\$ 1,068,000	\$ 840,000	\$ 925,000
Total Project Bid as shown on Page 5	#REF!	\$ 13,684,000	\$ 11,317,000	\$ 13,265,000

17.30% 3.06%

* Low line items shown in italics

Bid Review			
License Number		IMCOGI*215R1	GARCOCI928D5
Tax ID Number		1066865	26-2160084
UBI Number		600320655	602809160
WA Employment Security Dept. Number		434472003	42091000-9
WA Excise Tax Registration Number		600320655	602809160
City of Spokane Business License Number		N/A	T12054470BUS
Bid Attachments			
Addendum No. 1		23-May-14	23-May-14
Addendum No. 2		30-May-14	30-May-14
Addendum No. 3		3-Jun-14	3-Jun-14
EPA DBE Forms		Yes	Yes
Subcontractors List		Yes	Yes
Cert. of Nonsegregated Facilities		Yes	Yes
Bid Bond		Yes	Yes
Notarization for Signature		Yes	Yes

**CH2M HILL SPK PMO**

4401 N. Aubrey L. White Pkwy

Spokane, WA 99205

Mailing Address:

999 W Riverside Ave, Suite 500

Spokane, WA 99201

Tel 509.625.4695

Fax 509.252.1544

July 2, 2014

Mr. Dale Arnold, Director – Wastewater
City of Spokane
909 East Sprague Avenue
Spokane, WA 99202

Subject: RPWRF Solids Phase 2 – Package C – Silo Digester No. 3, Recommendation to
Award, City Purchasing Number: 4005-14

Dear Dale:

The bid opening for the Package C – Silo Digester No. 3 Project at the Riverside Park Water Reclamation Facility (RPWRF) was conducted on Monday, June 16, 2014, at 1:15 PM by the City purchasing department. Two bids were opened and read.

Bid Summary

<u>Contractor</u>	<u>Total Project Bid</u>
IMCO General Construction, Inc.	\$11,317,000
Garco Construction, Inc.	\$13,265,000
Engineer's Estimate	\$13,684,000

A detailed tabulation of the bids received is attached to this letter.

Bid Tabulation Evaluation

The low bid received from IMCO General Construction, Inc. is 17% lower than the Engineer's Estimate and is significant. The second lowest bid from Garco Construction, Inc. is 3% lower than the Engineer's Estimate. The gap between bids is considerable and caused concern, especially considering that Garco is a contractor with RPWRF experience.

The low bid price was discussed with Fred Simmons/IMCO, and he stated that he is comfortable with IMCO's bid and would like to proceed with the work. IMCO is very experienced with water and wastewater projects and self-performs a significant portion of the work, including the following trades: excavation, concrete, yard and process piping, steel erection, mechanical equipment installation, plumbing, and HVAC. Mr. Simmons noted that a specialty subcontractor will perform pipe welding.

Mr. Simmons was specifically asked if IMCO bid any alternatives to the digester design. He stated that IMCO did not and it is comfortable with the design. We also asked if IMCO has accounted for winter concrete placement requirements, Buy American Iron and Steel requirements, safety, and project staffing requirements. He affirmatively confirmed IMCO's bid covered all contract requirements. Mr. Simmons further stated that IMCO is looking

forward to working with and building a relationship with the City of Spokane and CH2M HILL.

CH2M HILL finds that the overall low bid amount is favorable to the City.

Evaluation of Bid Proposal

The low bidder submitted the required 5% bid bond. Close examination of the low bid revealed no significant irregularities in the proposal submitted to the City. IMCO did spell the name of Krueger Sheet Metal wrong, and we consider this an insignificant error.

IMCO General Construction, Inc. is a Washington contractor who has been in business for 36 years. It's provided references gave strong recommendations, stating that it does excellent work, has strong organization and management, and has no contractor caused project delays. IMCO's historical project change order percentages were within the normally expected range for water and wastewater treatment work.

In addition, we have checked the Washington State Department of Labor and Industries website and confirmed that IMCO's and all subcontractors' licenses are current. IMCO has a low worker's compensation ratio of 0.5339 (1.0 is considered average). Subcontractor Stanton (demolition) has WC ratio of 1.125 and Subcontractor Krueger Sheet Metal (roofing) has WC ratio of 1.36. All other subcontractors have WC ratios of 1.0 or lower. Mr. Simmons noted that IMCO has the second best safety record in the state and he will have monthly safety audits performed by his safety director.

We found no items of concern with IMCO's submitted Supplemental Bidder Responsibility Criteria form.

Escrowed bid documents were also received by the City Purchasing Department from the two lowest bidders and are ready to be reviewed in accordance with the Contract Documents.

Recommendation

Based on the above observations and conclusions, we recommend that the City award the contract for construction of the Package C - Silo Digester No. 3 project to the lowest bidder, IMCO General Construction, Inc., for the full bid amount of eleven million, three hundred seventeen thousand dollars (\$11,317,000).

Sincerely,

CH2M HILL

for Brian 

Brian Gomolski
RPWRF Construction Manager

Attachments: Bid Tabulation

c: Lars Hendron, RPWRF Program Manager/Liaison
Mike Coster, RPWRF Superintendent
Connie Wahl, City Purchasing
Hunt Whaley, City Legal

**Agenda Sheet for City Council Meeting of:**

07/28/2014

Date Rec'd

7/16/2014

Clerk's File #

PRO 2014-0030

Renews #**Submitting Dept**

ENGINEERING SERVICES

Cross Ref #**Contact Name/Phone**

DAN BULLER 625-6391

Project #

2013207

Contact E-Mail

DBULLER@SPOKANECITY.ORG

Bid #**Agenda Item Type**

Contract Item

Requisition #

CR14621

Agenda Item Name

0370 - LOW BID AWARD - INLAND ASPHALT COMPANY

Agenda Wording

Low Bid of Inland Asphalt Co.(Spokane, WA) for Addison St. from Columbia Ave. to 525 feet North of Dalke Ave./Calispel St. from Wellesley Ave. to Queen Ave. - \$506,800.00 plus tax. An administrative reserve of \$50,680.00 plus tax, will be set aside.

Summary (Background)

On July 14, 2015 bids were opened for the above project. The low bid was from Inland Asphalt Company in the amount of \$506,800.00, which is \$46,291.20 or 8.6% below the Engineer's Estimate; five other bids were received as follows: Stone Creek Land Design & Development - \$512,914.01; Shamrock Paving, Inc. - \$551,577.65; Spokane Rock Products, Inc. - \$561,854.24; MDM Construction, Inc. - \$587,613.55; and Poe Asphalt Paving, Inc. - \$595,911.95.

Fiscal Impact**Budget Account**

Expense \$ 449,536.31

3404 49736 95300 56501 99999

Expense \$ 37,579.21

4370 43354 94000 56501 99999

Expense \$ 75,213.60

4100 42490 94000 56501 15712

Select \$

#

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

TWOHIG, KYLE

Study Session**Division Director**

QUINTRALL, JAN

Other

PWC 7/14/14

Finance

LESESNE, MICHELE

Distribution List**Legal**

WHALEY, HUNT

lhattenburg@spokanecity.org

For the Mayor

SANDERS, THERESA

pdolan@spokanecity.org

Additional Approvals

mlesesne@spokanecity.org

Purchasing

jmallahan@spokanecity.org

mhughes@spokanecity.org

htrautman@spokanecity.org

kgoodman@spokanecity.org

City Of Spokane
Engineering Services Department
*** * * Bid Tabulation * * ***

Project Number: 2013207

Project Description Addison St. and Calispel St. Bond Gap

Original Date 6/26/2014 1:42:17 PM

Funding Source Local

Update Date 7/14/2014 2:12:15 PM

Preparer Jonathan Adams

Addendum

Project Number: 2013207			Engineer's Estimate		Inland Asphalt Company		Stone Creek Land Design & Development		Shamrock Paving Inc	
Item No	Bid Item Description	Estimated Quantity	Unit Price	Amount	Unit Price	Amount	Unit Price	Amount	Unit Price	Amount

Schedule Description					Tax Classification					
Schedule 01 COMMON ITEMS					Public Street Improvement					
101	REIMBURSEMENT FOR THIRD PARTY DAMAGE	1 EST	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
102	SPCC PLAN	1 LS	*****	500.00	*****	500.00	*****	300.00	*****	2,000.00
103	MOBILIZATION	1 LS	*****	36,000.00	*****	48,923.99	*****	54,728.00	*****	30,000.00
104	PROJECT TEMPORARY TRAFFIC CONTROL	1 LS	*****	20,000.00	*****	45,600.00	*****	11,890.00	*****	20,000.00
105	SPECIAL SIGNS	245 SF	20.00	4,900.00	10.00	2,450.00	11.68	2,861.60	15.00	3,675.00
106	SEQUENTIAL ARROW SIGN	800 HR	4.25	3,400.00	1.50	1,200.00	1.75	1,400.00	2.25	1,800.00
107	TYPE III BARRICADE	11 EA	75.00	825.00	35.00	385.00	40.87	449.57	50.00	550.00
108	ESC LEAD	1 LS	*****	1,000.00	*****	325.00	*****	460.00	*****	800.00
Schedule Totals				66,626.00		99,384.99		72,090.17		58,826.00

<i>Project Number:</i> 2013207			<i>Engineer's Estimate</i>		Inland Asphalt Company		Stone Creek Land Design & Development		Shamrock Paving Inc	
<i>Item No</i>	<i>Bid Item Description</i>	<i>Estimated Quantity</i>	<i>Unit Price</i>	<i>Amount</i>	<i>Unit Price</i>	<i>Amount</i>	<i>Unit Price</i>	<i>Amount</i>	<i>Unit Price</i>	<i>Amount</i>
<i>Schedule Description</i>					<i>Tax Classification</i>					
<i>Schedule 02</i> STREET ITEMS					Public Street Improvement					
201	REFERENCE AND REESTABLISH SURVEY MONUMENT	2 EA	500.00	1,000.00	400.00	800.00	290.00	580.00	450.00	900.00
202	CLASSIFICATION AND PROTECTION OF SURVEY MONUMENTS	1 LS	*****	1,500.00	*****	1,500.00	*****	1,170.00	*****	1,800.00
203	CLEARING AND GRUBBING	1 LS	*****	1,000.00	*****	246.00	*****	910.00	*****	4,500.00
204	REMOVAL OF STRUCTURE AND OBSTRUCTION	1 LS	*****	2,500.00	*****	1,903.00	*****	1,250.00	*****	1,000.00
205	REMOVE EXISTING CURB	418 LF	10.00	4,180.00	6.50	2,717.00	3.53	1,475.54	12.00	5,016.00
206	REMOVE CEMENT CONCRETE SIDEWALK AND DRIVEWAY	205 SY	12.00	2,460.00	8.00	1,640.00	8.95	1,834.75	13.00	2,665.00
207	SAWCUTTING CURB	26 EA	25.00	650.00	25.00	650.00	25.69	667.94	25.00	650.00
208	SAWCUTTING RIGID PAVEMENT	480 LFI	1.00	480.00	0.70	336.00	0.76	364.80	1.00	480.00
209	SAWCUTTING FLEXIBLE PAVEMENT	12157 LFI	0.30	3,647.10	0.25	3,039.25	0.29	3,525.53	0.35	4,254.95
210	ROADWAY EXCAVATION INCL. HAUL	852 CY	16.00	13,632.00	17.00	14,484.00	21.00	17,892.00	21.00	17,892.00
211	REMOVE UNSUITABLE FOUNDATION MATERIAL	50 CY	16.00	800.00	10.00	500.00	13.02	651.00	21.00	1,050.00
212	REPLACE UNSUITABLE FOUNDATION MATERIAL	50 CY	20.00	1,000.00	10.00	500.00	7.04	352.00	32.00	1,600.00
213	PREPARATION OF UNTREATED ROADWAY	6484 SY	2.25	14,589.00	2.33	15,107.72	1.13	7,326.92	2.75	17,831.00
214	CRUSHED SURFACING TOP COURSE	487 CY	32.00	15,584.00	35.00	17,045.00	44.07	21,462.09	32.00	15,584.00
215	CSTC FOR SIDEWALK AND DRIVEWAYS	15 CY	40.00	600.00	40.00	600.00	54.71	820.65	35.00	525.00
216	HMA CL. 1/2 IN. PG 64-28, 2 INCH THICK	7057 SY	9.00	63,513.00	8.50	59,984.50	9.93	70,076.01	9.90	69,864.30
217	HMA CL. 1/2 IN. PG 64-28, 3 INCH THICK	4381 SY	13.00	56,953.00	11.75	51,476.75	13.72	60,107.32	14.00	61,334.00
218	HMA FOR PRELEVELING CL. 3/8 IN. PG 64-28	82 TO	100.00	8,200.00	86.00	7,052.00	100.43	8,235.26	110.00	9,020.00
219	HMA FOR PAVEMENT REPAIR CL. 1/2 IN. PG 64-28, 5 1/2 INCH THICK	2104 SY	38.00	79,952.00	24.25	51,022.00	28.32	59,585.28	32.00	67,328.00

Project Number: 2013207			Engineer's Estimate		Inland Asphalt Company		Stone Creek Land Design & Development		Shamrock Paving Inc	
Item No	Bid Item Description	Estimated Quantity	Unit Price	Amount	Unit Price	Amount	Unit Price	Amount	Unit Price	Amount

Schedule Description					Tax Classification					
Schedule 02	STREET ITEMS				Public Street Improvement					
220	CRACK SEALING 1-INCH TO 3-INCH	1070 LF	2.00	2,140.00	1.90	2,033.00	2.10	2,247.00	2.00	2,140.00
221	CRACK SEALING 3-INCH TO 6-INCH	80 LF	18.00	1,440.00	9.00	720.00	20.84	1,667.20	19.00	1,520.00
222	SOIL RESIDUAL HERBICIDE	6484 SY	0.15	972.60	0.16	1,037.44	0.19	1,231.96	0.20	1,296.80
223	PAVEMENT REPAIR EXCAVATION INCL. HAUL	2104 SY	20.00	42,080.00	15.00	31,560.00	5.80	12,203.20	16.00	33,664.00
224	PLANING BITUMINOUS PAVEMENT	2300 SY	3.00	6,900.00	4.25	9,775.00	2.00	4,600.00	4.50	10,350.00
225	JOB MIX COMPLIANCE PRICE ADJUSTMENT	1 CAL	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00
226	COMPACTION PRICE ADJUSTMENT	1 EST	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00
227	ADJUST EXISTING VALVE BOX, MONUMENT OR CLEANOUT IN ASPHALT	5 EA	300.00	1,500.00	320.00	1,600.00	91.00	455.00	350.00	1,750.00
228	ADJUST EXISTING MANHOLE, CATCH BASIN, DRYWELL, OR INLET IN ASPHALT	2 EA	500.00	1,000.00	560.00	1,120.00	500.00	1,000.00	450.00	900.00
229	INLET PROTECTION	12 EA	75.00	900.00	80.00	960.00	60.00	720.00	80.00	960.00
230	TOPSOIL TYPE A, 2 INCH THICK	80 SY	7.00	560.00	10.00	800.00	7.60	608.00	25.00	2,000.00
231	SOD INSTALLATION	80 SY	9.50	760.00	12.00	960.00	5.32	425.60	15.00	1,200.00
232	REMOVE AND REPLACE EXISTING SPRINKLER HEADS AND LINES	1 LS	*****	1,200.00	*****	1,200.00	*****	910.00	*****	2,200.00
233	CEMENT CONCRETE CURB	100 LF	20.00	2,000.00	16.00	1,600.00	18.68	1,868.00	19.75	1,975.00
234	CEMENT CONC. CURB AND GUTTER	324 LF	22.00	7,128.00	21.00	6,804.00	24.54	7,950.96	24.80	8,035.20
235	CHANNELIZING DEVICES	1 EA	65.00	65.00	100.00	100.00	134.00	134.00	125.00	125.00
236	CEMENT CONC. SIDEWALK	263 SY	40.00	10,520.00	34.65	9,112.95	40.46	10,640.98	38.30	10,072.90
237	RAMP DETECTABLE WARNING	104 SF	22.00	2,288.00	21.00	2,184.00	24.52	2,550.08	20.00	2,080.00

Project Number: 2013207			Engineer's Estimate		Inland Asphalt Company		Stone Creek Land Design & Development		Shamrock Paving Inc	
Item No	Bid Item Description	Estimated Quantity	Unit Price	Amount	Unit Price	Amount	Unit Price	Amount	Unit Price	Amount

Schedule Description					Tax Classification					
Schedule 02 STREET ITEMS					Public Street Improvement					
238	SIGNING, PERMANENT	1 LS	*****	5,000.00	*****	7,100.00	*****	10,101.32	*****	9,000.00
239	PAVEMENT MARKING - DURABLE HEAT APPLIED	47 SF	12.00	564.00	10.00	470.00	14.60	686.20	14.00	658.00
240	PAVEMENT MARKING - DURABLE INLAY TAPE	1343 SF	10.00	13,430.00	8.80	11,818.40	11.09	14,893.87	10.00	13,430.00
241	PAVEMENT MARKING - PAINT	317 SF	1.00	317.00	2.00	634.00	1.17	370.89	1.50	475.50
242	WORD AND SYMBOL MARKINGS - DURABLE HEAT APPLIED	4 EA	200.00	800.00	150.00	600.00	333.00	1,332.00	300.00	1,200.00
243	CONCRETE TRAFFIC ISLAND 24 IN. WIDE	162 LF	22.00	3,564.00	15.00	2,430.00	17.52	2,838.24	25.00	4,050.00
Schedule Totals				381,367.70		329,221.01		341,720.59		396,375.65

<i>Project Number:</i> 2013207			<i>Engineer's Estimate</i>		Inland Asphalt Company		Stone Creek Land Design & Development		Shamrock Paving Inc	
<i>Item No</i>	<i>Bid Item Description</i>	<i>Estimated Quantity</i>	<i>Unit Price</i>	<i>Amount</i>	<i>Unit Price</i>	<i>Amount</i>	<i>Unit Price</i>	<i>Amount</i>	<i>Unit Price</i>	<i>Amount</i>

<i>Schedule Description</i>					<i>Tax Classification</i>					
<i>Schedule 03</i> STORM SEWER					Public Street Improvement					
301	POTHOLING	2 EA	400.00	800.00	110.00	220.00	365.00	730.00	275.00	550.00
302	REMOVE MANHOLE, CATCH BASIN OR DRYWELL	7 EA	600.00	4,200.00	230.00	1,610.00	610.00	4,270.00	500.00	3,500.00
303	CATCH BASIN TYPE 1	3 EA	2,200.00	6,600.00	2,133.00	6,399.00	2,364.00	7,092.00	2,100.00	6,300.00
304	CATCH BASIN TYPE 3	3 EA	2,500.00	7,500.00	2,148.00	6,444.00	2,515.00	7,545.00	2,300.00	6,900.00
305	MANHOLE OR DRYWELL FRAME AND COVER (LOCKABLE)	2 EA	550.00	1,100.00	795.00	1,590.00	450.00	900.00	700.00	1,400.00
306	CONNECT 8 IN. DIAMETER PIPE TO EXISTING CATCH BASIN, DRYWELL, OR MANHOLE	3 EA	300.00	900.00	360.00	1,080.00	100.00	300.00	500.00	1,500.00
307	CLEANING EXISTING DRAINAGE STRUCTURE	8 EA	300.00	2,400.00	150.00	1,200.00	115.00	920.00	225.00	1,800.00
308	TRENCH SAFETY SYSTEM	1 LS	*****	500.00	*****	450.00	*****	455.00	*****	250.00
309	CATCH BASIN DUCTILE IRON SEWER PIPE 8 IN. DIAM.	214 LF	38.00	8,132.00	36.50	7,811.00	40.68	8,705.52	45.00	9,630.00
310	TEMPORARY ADJACENT UTILITY SUPPORT	1 LS	*****	1,500.00	*****	720.00	*****	465.00	*****	300.00
<i>Schedule Totals</i>				33,632.00		27,524.00		31,382.52		32,130.00

<i>Project Number:</i> 2013207			<i>Engineer's Estimate</i>		Inland Asphalt Company		Stone Creek Land Design & Development		Shamrock Paving Inc	
<i>Item No</i>	<i>Bid Item Description</i>	<i>Estimated Quantity</i>	<i>Unit Price</i>	<i>Amount</i>	<i>Unit Price</i>	<i>Amount</i>	<i>Unit Price</i>	<i>Amount</i>	<i>Unit Price</i>	<i>Amount</i>
<i>Schedule Description</i>					<i>Tax Classification</i>					
<i>Schedule 04</i> WATER					Not Public Street Improvement					
401	POTHOLING	4 EA	400.00	1,600.00	110.00	440.00	300.00	1,200.00	275.00	1,100.00
402	DI PIPE FOR WATER MAIN 6 IN. DIAM.	1271 LF	38.00	48,298.00	32.00	40,672.00	44.71	56,826.41	35.00	44,485.00
403	TRENCH SAFETY SYSTEM	1 LS	*****	1,500.00	*****	500.00	*****	365.00	*****	700.00
404	REMOVE UNSUITABLE PIPE FOUNDATION MATERIAL	40 CY	20.00	800.00	10.00	400.00	10.66	426.40	16.00	640.00
405	REPLACE UNSUITABLE PIPE FOUNDATION MATERIAL	40 CY	32.00	1,280.00	10.00	400.00	8.87	354.80	26.00	1,040.00
406	IMPORT OR SCREEN NATIVE BEDDING	1271 LF	8.00	10,168.00	1.00	1,271.00	1.22	1,550.62	3.00	3,813.00
407	REMOVAL OF EXISTING 6 IN. DIAM. WATER MAIN	1271 LF	4.50	5,719.50	4.00	5,084.00	4.50	5,719.50	8.00	10,168.00
408	TEMPORARY ADJACENT UTILITY SUPPORT	1 LS	*****	1,000.00	*****	720.00	*****	460.00	*****	900.00
409	GATE VALVE 6 IN.	1 EA	1,100.00	1,100.00	1,183.00	1,183.00	818.00	818.00	1,400.00	1,400.00
<i>Schedule Totals</i>				71,465.50		50,670.00		67,720.73		64,246.00

<i>Project Number:</i> 2013207			<i>Engineer's Estimate</i>		Spokane Rock Products Inc		MDM Construction		Poe Asphalt Paving	
<i>Item No</i>	<i>Bid Item Description</i>	<i>Estimated Quantity</i>	<i>Unit Price</i>	<i>Amount</i>	<i>Unit Price</i>	<i>Amount</i>	<i>Unit Price</i>	<i>Amount</i>	<i>Unit Price</i>	<i>Amount</i>

<i>Schedule Description</i>					<i>Tax Classification</i>					
<i>Schedule 01</i> COMMON ITEMS					Public Street Improvement					
101	REIMBURSEMENT FOR THIRD PARTY DAMAGE	1 EST	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
102	SPCC PLAN	1 LS	*****	500.00	*****	1,000.00	*****	3,500.00	*****	500.00
103	MOBILIZATION	1 LS	*****	36,000.00	*****	38,000.00	*****	55,000.00	*****	71,000.00
104	PROJECT TEMPORARY TRAFFIC CONTROL	1 LS	*****	20,000.00	*****	46,000.00	*****	20,000.00	*****	19,345.00
105	SPECIAL SIGNS	245 SF	20.00	4,900.00	10.00	2,450.00	11.00	2,695.00	10.00	2,450.00
106	SEQUENTIAL ARROW SIGN	800 HR	4.25	3,400.00	1.50	1,200.00	2.00	1,600.00	1.50	1,200.00
107	TYPE III BARRICADE	11 EA	75.00	825.00	35.00	385.00	54.50	599.50	35.00	385.00
108	ESC LEAD	1 LS	*****	1,000.00	*****	1,500.00	*****	9,800.00	*****	500.00
<i>Schedule Totals</i>				66,626.00		90,536.00		93,195.50		95,381.00

<i>Project Number:</i> 2013207			<i>Engineer's Estimate</i>		Spokane Rock Products Inc		MDM Construction		Poe Asphalt Paving	
<i>Item No</i>	<i>Bid Item Description</i>	<i>Estimated Quantity</i>	<i>Unit Price</i>	<i>Amount</i>	<i>Unit Price</i>	<i>Amount</i>	<i>Unit Price</i>	<i>Amount</i>	<i>Unit Price</i>	<i>Amount</i>
<i>Schedule Description</i>					<i>Tax Classification</i>					
<i>Schedule 02</i> STREET ITEMS					Public Street Improvement					
201	REFERENCE AND REESTABLISH SURVEY MONUMENT	2 EA	500.00	1,000.00	400.00	800.00	437.00	874.00	400.00	800.00
202	CLASSIFICATION AND PROTECTION OF SURVEY MONUMENTS	1 LS	*****	1,500.00	*****	1,500.00	*****	1,640.00	*****	1,500.00
203	CLEARING AND GRUBBING	1 LS	*****	1,000.00	*****	1,000.00	*****	5,000.00	*****	5,000.00
204	REMOVAL OF STRUCTURE AND OBSTRUCTION	1 LS	*****	2,500.00	*****	1,300.00	*****	6,500.00	*****	10,000.00
205	REMOVE EXISTING CURB	418 LF	10.00	4,180.00	3.61	1,508.98	2.00	836.00	11.00	4,598.00
206	REMOVE CEMENT CONCRETE SIDEWALK AND DRIVEWAY	205 SY	12.00	2,460.00	9.16	1,877.80	5.00	1,025.00	12.00	2,460.00
207	SAWCUTTING CURB	26 EA	25.00	650.00	40.00	1,040.00	22.00	572.00	20.00	520.00
208	SAWCUTTING RIGID PAVEMENT	480 LFI	1.00	480.00	4.00	1,920.00	0.60	288.00	1.00	480.00
209	SAWCUTTING FLEXIBLE PAVEMENT	12157 LFI	0.30	3,647.10	0.35	4,254.95	0.25	3,039.25	0.65	7,902.05
210	ROADWAY EXCAVATION INCL. HAUL	852 CY	16.00	13,632.00	21.70	18,488.40	25.50	21,726.00	15.00	12,780.00
211	REMOVE UNSUITABLE FOUNDATION MATERIAL	50 CY	16.00	800.00	20.00	1,000.00	13.00	650.00	15.00	750.00
212	REPLACE UNSUITABLE FOUNDATION MATERIAL	50 CY	20.00	1,000.00	7.20	360.00	28.50	1,425.00	35.00	1,750.00
213	PREPARATION OF UNTREATED ROADWAY	6484 SY	2.25	14,589.00	1.15	7,456.60	2.00	12,968.00	1.45	9,401.80
214	CRUSHED SURFACING TOP COURSE	487 CY	32.00	15,584.00	46.26	22,528.62	48.00	23,376.00	31.33	15,257.71
215	CSTC FOR SIDEWALK AND DRIVEWAYS	15 CY	40.00	600.00	130.00	1,950.00	40.00	600.00	74.00	1,110.00
216	HMA CL. 1/2 IN. PG 64-28, 2 INCH THICK	7057 SY	9.00	63,513.00	9.40	66,335.80	9.30	65,630.10	9.96	70,287.72
217	HMA CL. 1/2 IN. PG 64-28, 3 INCH THICK	4381 SY	13.00	56,953.00	13.39	58,661.59	13.00	56,953.00	13.55	59,362.55
218	HMA FOR PRELEVELING CL. 3/8 IN. PG 64-28	82 TO	100.00	8,200.00	150.00	12,300.00	94.00	7,708.00	117.89	9,666.98
219	HMA FOR PAVEMENT REPAIR CL. 1/2 IN. PG 64-28, 5 1/2 INCH THICK	2104 SY	38.00	79,952.00	38.70	81,424.80	26.50	55,756.00	29.93	62,972.72

<i>Project Number:</i> 2013207			<i>Engineer's Estimate</i>		Spokane Rock Products Inc		MDM Construction		Poe Asphalt Paving	
<i>Item No</i>	<i>Bid Item Description</i>	<i>Estimated Quantity</i>	<i>Unit Price</i>	<i>Amount</i>	<i>Unit Price</i>	<i>Amount</i>	<i>Unit Price</i>	<i>Amount</i>	<i>Unit Price</i>	<i>Amount</i>

<i>Schedule Description</i>					<i>Tax Classification</i>					
<i>Schedule</i> 02	STREET ITEMS				Public Street Improvement					
220	CRACK SEALING 1-INCH TO 3-INCH	1070 LF	2.00	2,140.00	2.00	2,140.00	2.00	2,140.00	1.89	2,022.30
221	CRACK SEALING 3-INCH TO 6-INCH	80 LF	18.00	1,440.00	15.00	1,200.00	19.50	1,560.00	8.50	680.00
222	SOIL RESIDUAL HERBICIDE	6484 SY	0.15	972.60	0.15	972.60	0.15	972.60	0.17	1,102.28
223	PAVEMENT REPAIR EXCAVATION INCL. HAUL	2104 SY	20.00	42,080.00	7.50	15,780.00	28.00	58,912.00	13.22	27,814.88
224	PLANING BITUMINOUS PAVEMENT	2300 SY	3.00	6,900.00	4.00	9,200.00	2.20	5,060.00	2.00	4,600.00
225	JOB MIX COMPLIANCE PRICE ADJUSTMENT	1 CAL	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00
226	COMPACTION PRICE ADJUSTMENT	1 EST	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00
227	ADJUST EXISTING VALVE BOX, MONUMENT OR CLEANOUT IN ASPHALT	5 EA	300.00	1,500.00	93.30	466.50	166.00	830.00	225.00	1,125.00
228	ADJUST EXISTING MANHOLE, CATCH BASIN, DRYWELL, OR INLET IN ASPHALT	2 EA	500.00	1,000.00	625.00	1,250.00	442.00	884.00	580.00	1,160.00
229	INLET PROTECTION	12 EA	75.00	900.00	78.10	937.20	70.00	840.00	100.00	1,200.00
230	TOPSOIL TYPE A, 2 INCH THICK	80 SY	7.00	560.00	8.00	640.00	10.00	800.00	12.00	960.00
231	SOD INSTALLATION	80 SY	9.50	760.00	6.00	480.00	8.70	696.00	20.00	1,600.00
232	REMOVE AND REPLACE EXISTING SPRINKLER HEADS AND LINES	1 LS	*****	1,200.00	*****	1,000.00	*****	1,675.00	*****	4,000.00
233	CEMENT CONCRETE CURB	100 LF	20.00	2,000.00	16.00	1,600.00	27.00	2,700.00	24.00	2,400.00
234	CEMENT CONC. CURB AND GUTTER	324 LF	22.00	7,128.00	22.00	7,128.00	32.00	10,368.00	28.00	9,072.00
235	CHANNELIZING DEVICES	1 EA	65.00	65.00	98.50	98.50	108.00	108.00	98.50	98.50
236	CEMENT CONC. SIDEWALK	263 SY	40.00	10,520.00	36.00	9,468.00	51.50	13,544.50	36.00	9,468.00
237	RAMP DETECTABLE WARNING	104 SF	22.00	2,288.00	20.00	2,080.00	23.00	2,392.00	20.00	2,080.00

<i>Project Number:</i> 2013207			<i>Engineer's Estimate</i>		Spokane Rock Products Inc		MDM Construction		Poe Asphalt Paving	
<i>Item No</i>	<i>Bid Item Description</i>	<i>Estimated Quantity</i>	<i>Unit Price</i>	<i>Amount</i>	<i>Unit Price</i>	<i>Amount</i>	<i>Unit Price</i>	<i>Amount</i>	<i>Unit Price</i>	<i>Amount</i>

<i>Schedule Description</i>					<i>Tax Classification</i>					
<i>Schedule 02</i> STREET ITEMS					Public Street Improvement					
238	SIGNING, PERMANENT	1 LS	*****	5,000.00	*****	7,045.00	*****	7,690.00	*****	7,045.00
239	PAVEMENT MARKING - DURABLE HEAT APPLIED	47 SF	12.00	564.00	10.00	470.00	11.00	517.00	9.98	469.06
240	PAVEMENT MARKING - DURABLE INLAY TAPE	1343 SF	10.00	13,430.00	9.25	12,422.75	9.60	12,892.80	8.76	11,764.68
241	PAVEMENT MARKING - PAINT	317 SF	1.00	317.00	1.85	586.45	2.00	634.00	1.83	580.11
242	WORD AND SYMBOL MARKINGS - DURABLE HEAT APPLIED	4 EA	200.00	800.00	150.00	600.00	161.00	644.00	147.25	589.00
243	CONCRETE TRAFFIC ISLAND 24 IN. WIDE	162 LF	22.00	3,564.00	20.00	3,240.00	23.50	3,807.00	14.20	2,300.40
<i>Schedule Totals</i>				381,367.70		368,511.54		400,232.25		372,729.74

<i>Project Number:</i> 2013207			<i>Engineer's Estimate</i>		Spokane Rock Products Inc		MDM Construction		Poe Asphalt Paving	
<i>Item No</i>	<i>Bid Item Description</i>	<i>Estimated Quantity</i>	<i>Unit Price</i>	<i>Amount</i>	<i>Unit Price</i>	<i>Amount</i>	<i>Unit Price</i>	<i>Amount</i>	<i>Unit Price</i>	<i>Amount</i>

<i>Schedule Description</i>					<i>Tax Classification</i>					
<i>Schedule 03</i> STORM SEWER					Public Street Improvement					
301	POTHOLING	2 EA	400.00	800.00	375.00	750.00	419.00	838.00	250.00	500.00
302	REMOVE MANHOLE, CATCH BASIN OR DRYWELL	7 EA	600.00	4,200.00	650.00	4,550.00	451.00	3,157.00	385.00	2,695.00
303	CATCH BASIN TYPE 1	3 EA	2,200.00	6,600.00	2,550.00	7,650.00	1,755.00	5,265.00	1,600.00	4,800.00
304	CATCH BASIN TYPE 3	3 EA	2,500.00	7,500.00	2,600.00	7,800.00	1,815.00	5,445.00	1,900.00	5,700.00
305	MANHOLE OR DRYWELL FRAME AND COVER (LOCKABLE)	2 EA	550.00	1,100.00	460.00	920.00	729.00	1,458.00	600.00	1,200.00
306	CONNECT 8 IN. DIAMETER PIPE TO EXISTING CATCH BASIN, DRYWELL, OR MANHOLE	3 EA	300.00	900.00	110.00	330.00	110.00	330.00	125.00	375.00
307	CLEANING EXISTING DRAINAGE STRUCTURE	8 EA	300.00	2,400.00	120.00	960.00	147.00	1,176.00	225.00	1,800.00
308	TRENCH SAFETY SYSTEM	1 LS	*****	500.00	*****	470.00	*****	136.00	*****	1,500.00
309	CATCH BASIN DUCTILE IRON SEWER PIPE 8 IN. DIAM.	214 LF	38.00	8,132.00	41.65	8,913.10	63.00	13,482.00	42.00	8,988.00
310	TEMPORARY ADJACENT UTILITY SUPPORT	1 LS	*****	1,500.00	*****	500.00	*****	109.00	*****	6,500.00
<i>Schedule Totals</i>				33,632.00		32,843.10		31,396.00		34,058.00

<i>Project Number:</i> 2013207			<i>Engineer's Estimate</i>		Spokane Rock Products Inc		MDM Construction		Poe Asphalt Paving	
<i>Item No</i>	<i>Bid Item Description</i>	<i>Estimated Quantity</i>	<i>Unit Price</i>	<i>Amount</i>	<i>Unit Price</i>	<i>Amount</i>	<i>Unit Price</i>	<i>Amount</i>	<i>Unit Price</i>	<i>Amount</i>
<i>Schedule Description</i>			<i>Tax Classification</i>							
<i>Schedule 04</i> WATER			Not Public Street Improvement							
401	POTHOLING	4 EA	400.00	1,600.00	350.00	1,400.00	419.00	1,676.00	271.75	1,087.00
402	DI PIPE FOR WATER MAIN 6 IN. DIAM.	1271 LF	38.00	48,298.00	45.75	58,148.25	35.00	44,485.00	55.44	70,464.24
403	TRENCH SAFETY SYSTEM	1 LS	*****	1,500.00	*****	500.00	*****	135.00	*****	1,087.00
404	REMOVE UNSUITABLE PIPE FOUNDATION MATERIAL	40 CY	20.00	800.00	15.00	600.00	13.00	520.00	16.38	655.20
405	REPLACE UNSUITABLE PIPE FOUNDATION MATERIAL	40 CY	32.00	1,280.00	12.00	480.00	28.50	1,140.00	38.05	1,522.00
406	IMPORT OR SCREEN NATIVE BEDDING	1271 LF	8.00	10,168.00	1.25	1,588.75	3.00	3,813.00	4.35	5,528.85
407	REMOVAL OF EXISTING 6 IN. DIAM. WATER MAIN	1271 LF	4.50	5,719.50	4.60	5,846.60	7.80	9,913.80	6.52	8,286.92
408	TEMPORARY ADJACENT UTILITY SUPPORT	1 LS	*****	1,000.00	*****	500.00	*****	150.00	*****	2,720.00
409	GATE VALVE 6 IN.	1 EA	1,100.00	1,100.00	900.00	900.00	957.00	957.00	2,392.00	2,392.00
<i>Schedule Totals</i>				71,465.50		69,963.60		62,789.80		93,743.21

	SCHEDULE SUMMARY								
	Sched 1	Sched 2	Sched 3	Sched 4	Sched 5	Sched 6	Sched 7	Sched 8	Total
Engineer's Est	66,626.00	381,367.70	33,632.00	71,465.50	0.00	0.00	0.00	0.00	553,091.20
Inland Asphalt Compan	99,384.99	329,221.01	27,524.00	50,670.00	0.00	0.00	0.00	0.00	506,800.00
Stone Creek Land Desi	72,090.17	341,720.59	31,382.52	67,720.73	0.00	0.00	0.00	0.00	512,914.01
Shamrock Paving Inc	58,826.00	396,375.65	32,130.00	64,246.00	0.00	0.00	0.00	0.00	551,577.65
Spokane Rock Product	90,536.00	368,511.54	32,843.10	69,963.60	0.00	0.00	0.00	0.00	561,854.24
MDM Construction	93,195.50	400,232.25	31,396.00	62,789.80	0.00	0.00	0.00	0.00	587,613.55
Poe Asphalt Paving	95,381.00	372,729.74	34,058.00	93,743.21	0.00	0.00	0.00	0.00	595,911.95

Low Bid Contractor: Inland Asphalt Company

	Contractor's Bid	Engineer's Estimate	% Variance	
Schedule 01	\$99,384.99	\$66,626.00	49.17	% Over Estimate
Schedule 02	\$329,221.01	\$381,367.70	13.67	% Under Estimate
Schedule 03	\$27,524.00	\$33,632.00	18.16	% Under Estimate
Schedule 04	\$55,078.29	\$77,683.00	29.10	% Under Estimate
Bid Totals	\$511,208.29	\$559,308.70	8.60	% Under Estimate

**Agenda Sheet for City Council Meeting of:**

07/28/2014

Date Rec'd

7/16/2014

Clerk's File #

OPR 2014-0529

Renews #**Submitting Dept**

FIRE

Cross Ref #**Contact Name/Phone**

ART NICHOLS 625 7080

Project #**Contact E-Mail**

ANICHOLS@SPOKANEFIRE.ORG

Bid #**Agenda Item Type**

Contract Item

Requisition #**Agenda Item Name**

1970-ACCEPTANCE OF FEMA GRANT

Agenda Wording

Acceptance of grant from the Federal Emergency Management Agency FY 2013 Assistance to Firefighters Grant Program. Funds have been awarded to replace fire hose, nozzles, saws, extrication equipment and four Thermal Imaging Cameras.

Summary (Background)

FEMA has approved a grant to the Spokane Fire Department. The approved award amount is \$677,326 with our share of \$75,258 for a total of \$752,585.45. We have requested an amendment that we should be successful with which would make the award to \$698,604 with our share being \$77,623 for a total of \$776,226.70. The award is for purchasing new hose and nozzles for fire apparatus, new rescue equipment and rebuilding of older units, rescue bags, saws and 4 new thermal imaging cameras.

Fiscal Impact**Budget Account**

Revenue \$ 698,604

3130-93521-99999-33183

Select \$

#

Select \$

#

Select \$

#

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

WILLIAMS, BOBBY

Study Session

Public Safety 7-21-14

Division Director

WILLIAMS, BOBBY

Other**Finance**

LESESNE, MICHELE

Distribution List**Legal**

DALTON, PAT

anichols

For the Mayor

SANDERS, THERESA

korlob

Additional Approvals

bwilliams

Purchasing

jstapleton

Award Package

U.S. Department of Homeland Security
Washington, D.C. 20472



FEMA

Mr. Art Nichols
Spokane Fire Department
44 W. Riverside
Spokane, Washington 99201-0114

Re: Grant No.EMW-2013-FO-07107

Dear Mr. Nichols:

On behalf of the Federal Emergency Management Agency (FEMA) and the Department of Homeland Security (DHS), I am pleased to inform you that your grant application submitted under the FY 2013 Assistance to Firefighters Grant has been approved. FEMA's Grant Programs Directorate (GPD), in consultation with the U.S. Fire Administration (USFA), carries out the Federal responsibilities of administering your grant. The approved project costs total to \$752,585.00. The Federal share is 90 percent or \$677,327.00 of the approved amount and your share of the costs is 10 percent or \$75,258.00.

Before you request and receive any of the Federal Grant funds awarded to you, you must establish acceptance of the Grant and Grant Agreement Articles through the Assistance to Firefighters Grant Programs' (AFG) e-grant system. Please make sure you read and understand the articles as they outline the terms and conditions of your grant award. By accepting the grant, you agree not to deviate from the approved scope of work without prior written approval, via amendment request, from FEMA. Maintain a copy of these documents for your official file.

If your SF 1199A has been reviewed and approved, you will be able to request payments online. Remember, you should request funds when you have an immediate cash need.

If you have any questions or concerns regarding the process to request your grant funds, please call 1-866-274-0960.

Sincerely,

A handwritten signature in blue ink, appearing to read "B. E. Kamoie".

Brian E. Kamoie
Assistant Administrator
Grant Programs Directorate

Summary Award Memo

SUMMARY OF ASSISTANCE ACTION ASSISTANCE TO FIREFIGHTERS GRANT PROGRAM Application

INSTRUMENT: GRANT
AGREEMENT NUMBER: EMW-2013-FO-07107
GRANTEE: Spokane Fire Department
AMOUNT: \$752,585.00, Operations and Safety

Project Description

The purpose of the Assistance to Firefighters Program is to protect the health and safety of the public and firefighting personnel against fire and fire-related hazards.

After careful consideration, FEMA has determined that the recipient's project submitted as part of the recipient's application, and detailed in the project narrative as well as the request details section of the application - including budget information - was consistent with the Assistance to Firefighters Grant program's purpose and worthy of award. The recipient shall perform the work described in the approved grant application as itemized in the request details section of the application and further described in the grant application narrative. These sections of the application are made a part of these grant agreement articles by reference. The recipient may not change or make any material deviations from the approved scope of work outlined in the above referenced sections of the application without prior written approval, via amendment request, from FEMA.

Grantee Concurrence

By providing the Primary Contact's electronic signature and indicating acceptance of the award, the recipient accepts and agrees to abide by the terms and conditions of the grant as set forth in this document. Recipients agree that they will use the funds provided through the Fiscal Year 2013 Assistance to Firefighters grant in accordance with these Articles of Agreement and the program guidelines provided in the Fiscal Year 2013 Assistance to Firefighters program guidance. All documents submitted as part of the original grant application are made a part of this agreement by reference.

Period of Performance

20-JUN-14 to 19-JUN-15

Amount Awarded

The amount of the award is detailed in the attached Obligating Document for Award. The following are the budgeted estimates for object classes for this grant (including Federal share plus recipient match):

Personnel:	\$0.00
Fringe Benefits	\$0.00
Travel	\$0.00
Equipment	\$692,350.00
Supplies	\$0.00
Contractual	\$0.00
Construction	\$0.00
Other	\$60,235.00
Indirect Charges	\$0.00
Total	\$752,585.00

NEGOTIATION COMMENTS IF APPLICABLE (max 4000 characters)

The Program Office has made the following reductions to your grant:
The approved quantity of combo tools is 3 at \$5,250 each.
The approved quantity of electric/gas powered saws is 9 at \$1,500 each.
The approved cost for Sales Tax is \$60,235.
Therefore, they have recommended the award at this level:
Total budget \$752,585
Federal share \$677,327
Applicant share \$75,258

Any questions pertaining to your award package, please contact your GPD Grants Management Specialist: Katrice Hagan at Katrice.Hagan@fema.dhs.gov.

3463 characters left

System for Award Management (SAM)

Prior to requesting federal funds, all recipients are required to register their entity information in the System for Award Management (SAM.gov). As the recipient, you must register and maintain current information in SAM.gov until you submit the final financial report required under this award or receive the final payment, whichever is later. This requires that the recipient review and update the information at least annually after the initial registration, and more frequently for changes in your information. There is no charge to register in SAM.gov. Your registration must be completed on-line at <https://www.sam.gov/portal/public/SAM/>. It is your entity's responsibility to have a valid DUNS number at the time of registration.

FEMA Officials

Program Officer: The Program Specialist is responsible for the technical monitoring of the stages of work and technical performance of the activities described in the approved grant application. If you have any programmatic questions regarding your grant, please call the AFG Help Desk at 866-274-0960 to be directed to a program specialist.

Grants Assistance Officer: The Assistance Officer is the Federal official responsible for negotiating, administering, and executing all grant business matters. The Officer conducts the final business review of all grant awards and permits the obligation of federal funds. If you have any questions regarding your grant please call ASK-GMD at 866-927-5646 to be directed to a Grants Management Specialist.

Grants Operations POC: The Grants Management Specialist shall be contacted to address all financial and administrative grant business matters for this grant award. If you have any questions regarding your grant please call ASK-GMD at 866-927-5646 to be directed to a specialist.

ADDITIONAL REQUIREMENTS (IF APPLICABLE) (max 4000 characters)

The Program Office has made the following reductions to your grant:
The approved quantity of combo tools is 3 at \$5,250 each.
The approved quantity of electric/gas powered saws is 9 at \$1,500 each.
The approved cost for Sales Tax is \$60,235.
Therefore, they have recommended the award at this level:
Total budget \$752,585
Federal share \$677,327
Applicant share \$75,258

Any questions pertaining to your award package, please contact your GPD Grants Management Specialist: Katrice Hagan at Katrice.Hagan@fema.dhs.gov.

3463 characters left

Agreement Articles



FEMA

U.S. Department of Homeland Security
Washington, D.C. 20472

AGREEMENT ARTICLES

ASSISTANCE TO FIREFIGHTERS GRANT PROGRAM - Operations and Safety

GRANTEE: Spokane Fire Department

PROGRAM: Operations and Safety

AGREEMENT NUMBER: EMW-2013-FO-07107

AMENDMENT NUMBER:

TABLE OF CONTENTS

Article I	Administrative Requirements
Article II	Lobbying Prohibitions
Article III	Financial Reporting
Article IV	GPD - Trafficking Victims Protection Act of 2000
Article V	GPD - Drug-Free Workplace Regulations
Article VI	Fly America Act of 1974
Article VII	Activities Conducted Abroad
Article VIII	Acknowledgement of Federal Funding from DHS
Article IX	Copyright
Article X	Use of DHS Seal, Logo and Flags

Article XI	DHS Specific Acknowledgements and Assurances
Article XII	Civil Rights Act of 1964
Article XIII	Civil Right Act of 1968
Article XIV	Americans with Disabilities Act of 1990
Article XV	Age Discrimination Act of 1975
Article XVI	Title IX of the Education Amendments of 1972
Article XVII	Rehabilitation Act of 1973
Article XVIII	Limited English Proficiency
Article XIX	Animal Welfare Act of 1966
Article XX	Clean Air Act of 1970 and Clean Water Act of 1977
Article XXI	Protection of Human Subjects
Article XXII	National Environmental Policy Act (NEPA) of 1969
Article XXIII	National Flood Insurance Act of 1968
Article XXIV	Flood Disaster Protection Act of 1973
Article XXV	Coastal Wetlands Planning, Protection, and Restoration Act of 1990
Article XXVI	USA Patriot Act of 2001
Article XXVII	Environmental Planning and Historic Preservation Screening
Article XXVIII	Vehicle Awards

Article I - Administrative Requirements

The administrative requirements that apply to most DHS award recipients through a grant or cooperative agreement arise from two sources: - Office of Management and Budget (OMB) Circular A-102, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments (also known as the "A-102 Common Rule"), found under FEMA regulations at Title 44, Code of Federal Regulations (CFR) Part 13, "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments." - OMB Circular A-110, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations, relocated to 2 CFR Part 215. The requirements for allowable costs/cost principles are contained in the A-102 Common Rule, OMB Circular A-110 (2 CFR § 215.27), DHS program legislation, Federal awarding agency regulations, and the terms and conditions of the award. The four costs principles circulars are as follows: - OMB Circular A-21, Cost Principles for Educational Institutions, relocated to 2 CFR Part 220. - OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments, relocated to 2 CFR Part 225. - OMB Circular A-122, Cost Principles for Non-Profit Organizations, relocated to 2 CFR Part 230. – OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations.

Article II - Lobbying Prohibitions

None of the funds provided under an award may be expended by the recipient to pay any person to influence, or attempt to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any Federal action concerning the award or renewal of any Federal contract, grant, loan, cooperative agreement. These lobbying prohibitions can be found at 31 U.S.C. § 1352.

Article III - Financial Reporting

Recipients will be required to submit a semi-annual Federal Financial Report (FFR), Standard Form (SF-425) through the AFG online e-grant system. The FFR is intended to provide Federal agencies and grant recipients with a standard format and consistent reporting requirements throughout the government. The FFR is due semi-annually based on the calendar year beginning with the period after the award is made. Recipients are required to submit an FFR throughout the entire period of performance of the grant. The reporting periods for the FFR are January 1 through June 30 (report due by July 31), and July 1 through December 31 (report due by January 31). At the end of the grant's period of performance, all recipients are required to produce a final report on how the grant funding was used and the benefits realized from the award. Recipients must submit a final financial report and a final performance report within 90 days after the end of the period of performance.

Article IV - GPD - Trafficking Victims Protection Act of 2000

All recipients of financial assistance will comply with the requirements of the government-wide award term which implements Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. § 7104), located at 2 CFR Part 175. This is implemented in accordance with OMB Interim Final Guidance, Federal Register, Volume 72, No. 218, November 13, 2007. In accordance with the statutory requirement, in each agency award under which funding is provided to a private entity, Section 106(g) of the TVPA, as amended, requires the agency to include a condition that authorizes the agency to terminate the award, without penalty, if the recipient or a sub-recipient - (a) Engages in severe forms of trafficking in persons during the period of time that the award is in effect; (b) Procures a commercial sex act during the period of time that the award is in effect; or (c) Uses forced labor in the performance of the award or subawards under the award. Full text of the award term is provided at 2 CFR § 175.15.

Article V - GPD - Drug-Free Workplace Regulations

All recipients of financial assistance will comply with the requirements of the Drug-Free Workplace Act of 1988 (41 U.S.C. §701 et seq.), which requires that all organizations receiving grants from any Federal agency agree to maintain a drug-free workplace. The recipient must notify the awarding office if an employee of the recipient is convicted of violating a criminal drug statute. Failure to comply with these requirements may be cause for debarment. These regulations are codified at 2 CFR3001.

Article VI - Fly America Act of 1974

All recipients of financial assistance will comply with the requirements of the Preference for U.S. Flag Air Carriers: Travel supported by U.S. Government funds requirement, which states preference for the use of U.S. flag air carriers (air carriers holding certificates under 49 U.S.C. § 41102) for international air transportation of people and property to the extent that such service is available, in accordance with the International Air Transportation Fair Competitive Practices Act of 1974 (49 U.S.C.- 4 -§ 40118) and the interpretative guidelines issued by the Comptroller General of the United States in the March 31, 1981, amendment to Comptroller General Decision B138942.

Article VII - Activities Conducted Abroad

All recipients of financial assistance will comply with the requirements that project activities carried on outside the United States are coordinated as necessary with appropriate government authorities and that appropriate licenses, permits, or approvals are obtained.

Article VIII - Acknowledgement of Federal Funding from DHS

All recipients of financial assistance will comply with requirements to acknowledge Federal funding when issuing statements. press releases. requests for proposals. bid invitations. and other documents

describing projects or programs funded in whole or in part with Federal funds.

Article IX - Copyright

All recipients of financial assistance will comply with requirements that publications or other exercise of copyright for any work first produced under Federal financial assistance awards hereto related unless the work includes any information that is otherwise controlled by the Government (e.g., classified information or other information subject to national security or export control laws or regulations). For any scientific, technical, or other copyright work based on or containing data first produced under this award, including those works published in academic, technical or professional journals, symposia proceedings, or similar works, the recipient grants the Government a royalty-free, nonexclusive and irrevocable license to reproduce, display, distribute copies, perform, disseminate, or prepare derivative works, and to authorize others to do so, for Government purposes in all such copyrighted works. The recipient shall affix the applicable copyright notices of 17 U.S.C. § 401 or 402 and an acknowledgement of Government sponsorship (including award number) to any work first produced under an award.

Article X - Use of DHS Seal, Logo and Flags

All recipients of financial assistance must obtain DHS's approval prior to using the DHS seal(s), logos, crests or reproductions of flags or likenesses of DHS agency officials, including use of the United States Coast Guard seal, logo, crests or reproductions of flags or likenesses of Coast Guard officials.

Article XI - DHS Specific Acknowledgements and Assurances

All recipients of financial assistance must acknowledge and agree-and require any subrecipients, contractors, successors, transferees, and assignees acknowledge and agree-to comply with applicable provisions governing DHS access to records, accounts, documents, information, facilities, and staff. 1. Recipients must cooperate with any compliance review or complaint investigation conducted by DHS. 2. Recipients must give DHS access to and the right to examine and copy records, accounts, and other documents and sources of information related to the grant and permit access to facilities, personnel, and other individuals and information as may be necessary, as required by DHS regulations and other applicable laws or program guidance. 3. Recipients must submit timely, complete, and accurate reports to the appropriate DHS officials and maintain appropriate backup documentation to support the reports. 4. Recipients must comply with all other special reporting, data collection, and evaluation requirements, as prescribed by law or detailed in program guidance. 5. If, during the past three years, the recipient has been accused of discrimination on the grounds of race, color, national origin (including limited English proficiency), sex, age, disability, religion, or familial status, the recipient must provide a list of all such proceedings, pending or completed, including outcome and copies of settlement agreements to the DHS awarding office and the DHS Office of Civil Rights and Civil Liberties. 6. In the event any court or administrative agency makes a finding of discrimination on grounds of race, color, national origin (including limited English proficiency), sex, age, disability, religion, or familial status against the recipient, or the recipient settles a case or matter alleging such discrimination, recipients must forward a copy of the complaint and findings to the DHS Component and/or awarding office. The United States has the right to seek judicial enforcement of these obligations.

Article XII - Civil Rights Act of 1964

Recipients of financial assistance will comply with the requirements of Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq.), which provides that no person in the United States will, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

Article XIII - Civil Right Act of 1968

All recipients of financial assistance will comply with Title VIII of the Civil Rights Act of 1968, which prohibits recipients from discriminating in the sale, rental, financing, and advertising of dwellings, or in the provision of services in connection therewith, on the basis of race, color, national origin, religion, disability, familial status, and sex (42 U.S.C. § 3601 et seq.), as implemented by the Department of Housing and Urban Development at 24 CFR Part 100. The prohibition on disability discrimination includes the requirement that new multifamily housing with four or more dwelling units-i.e., the public and common use areas and individual apartment units (all units in buildings with elevators and ground-floor units in buildings without elevators)-be designed and constructed with certain accessible features (see 24 CFR § 100.201).

Article XIV - Americans with Disabilities Act of 1990

All recipients of financial assistance will comply with the requirements of Titles I, II, and III of the Americans with Disabilities Act, which prohibits recipients from discriminating on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12101-12213).

Article XV - Age Discrimination Act of 1975

All recipients of financial assistance will comply with the requirements of the Age Discrimination Act of 1975 (42 U.S.C. § 6101 et seq.), which prohibits discrimination on the basis of age in any program or activity receiving Federal financial assistance.

Article XVI - Title IX of the Education Amendments of 1972

All recipients of financial assistance will comply with the requirements of Title IX of the Education Amendments of 1972 (20 U.S.C. § 1681 et seq.), which provides that no person in the United States will, on the basis of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any educational program or activity receiving Federal financial assistance. These regulations are codified at 44 CFR Part 19.

Article XVII - Rehabilitation Act of 1973

All recipients of financial assistance will comply with the requirements of Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. § 794, as amended, which provides that no otherwise qualified handicapped individual in the United States will, solely by reason of the handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance. These requirements pertain to the provision of benefits or services as well as to employment.

Article XVIII - Limited English Proficiency

All recipients of financial assistance will comply with the requirements of Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin and resulting agency guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with Title VI, recipients must take reasonable steps to ensure that LEP persons have meaningful access to your programs. Meaningful access may entail providing language assistance services, including oral and written translation, where necessary. Recipients are encouraged to consider the need for language services for LEP persons served or encountered both in developing budgets and in conducting programs and activities. For assistance and information regarding LEP obligations, go to <http://www.lep.gov>.

Article XIX - Animal Welfare Act of 1966

All recipients of financial assistance will comply with the requirements of the Animal Welfare Act, as amended (7 U.S.C. §2131 et seq.), which requires that minimum standards of care and treatment be provided for vertebrate animals bred for commercial sale, used in research, transported commercially, or exhibited to the public. Recipients must establish appropriate policies and procedures for the humane care and use of animals based on the Guide for the Care and Use of Laboratory Animals and comply with the Public Health Service Policy and Government Principles Regarding the Care and Use of Animals.

Article XX - Clean Air Act of 1970 and Clean Water Act of 1977

All recipients of financial assistance will comply with the requirements of 42 U.S.C. § 7401 et seq. and Executive Order 11738, which provides for the protection and enhancement of the quality of the nation's air resources to promote public health and welfare and for restoring and maintaining the chemical, physical, and biological integrity of the nation's waters is considered research for other purposes.

Article XXI - Protection of Human Subjects

All recipients of financial assistance will comply with the requirements of the Federal regulations at 45 CFR Part 46, which requires that recipients comply with applicable provisions/law for the protection of human subjects for purposes of research. Recipients must also comply with the requirements in DHS Management Directive 026-04, Protection of Human Subjects, prior to implementing any work with human subjects. For purposes of 45 CFR Part 46, research means a systematic investigation, including research, development, testing, and evaluation, designed to develop or contribute to general knowledge. Activities that meet this definition constitute research for purposes of this policy, whether or not they are conducted or supported under a program that is considered research for other purposes. The regulations specify additional protections for research involving human fetuses, pregnant women, and neonates (Subpart B); prisoners (Subpart C); and children (Subpart D). The use of autopsy materials is governed by applicable State and local law and is not directly regulated by 45 CFR Part 46.

Article XXII - National Environmental Policy Act (NEPA) of 1969

All recipients of financial assistance will comply with the requirements of the National Environmental Policy Act (NEPA), as amended, 42 U.S.C. § 4331 et seq., which establishes national policy goals and procedures to protect and enhance the environment, including protection against natural disasters. To comply with NEPA for its grant-supported activities, DHS requires the environmental aspects of construction grants (and certain non-construction projects as specified by the Component and awarding office) to be reviewed and evaluated before final action on the application.

Article XXIII - National Flood Insurance Act of 1968

All recipients of financial assistance will comply with the requirements of Section 1306(c) of the National Flood Insurance Act, as amended, which provides for benefit payments under the Standard Flood Insurance Policy for demolition or relocation of a structure insured under the Act that is located along the shore of a lake or other body of water and that is certified by an appropriate State or local land use authority to be subject to imminent collapse or subsidence as a result of erosion or undermining caused by waves or currents of water exceeding anticipated cyclical levels. These regulations are codified at 44CFR Part 63.

Article XXIV - Flood Disaster Protection Act of 1973

All recipients of financial assistance will comply with the requirements of the Flood Disaster Protection Act of 1973, as amended (42 U.S.C. § 4001 et seq.), which provides that no Federal financial assistance to acquire, modernize, or construct property may be provided in identified flood-prone communities in the

United States, unless the community participates in the National Flood Insurance Program and flood insurance is purchased within one year of the identification. The flood insurance purchase requirement applies to both public and private applicants for DHS support. Lists of flood prone areas that are eligible for flood insurance are published in the Federal Register by FEMA.

Article XXV - Coastal Wetlands Planning, Protection, and Restoration Act of 1990

All recipients of financial assistance will comply with the requirements of Executive Order 11990, which provides that federally funded construction and improvements minimize the destruction, loss, or degradation of wetlands. The Executive Order provides that, in furtherance of Section 101(b)(3) of NEPA (42 U.S.C. § 4331(b)(3)), Federal agencies, to the extent permitted by law, must avoid undertaking or assisting with new construction located in wetlands unless the head of the agency finds that there is no practicable alternative to such construction, and that the proposed action includes all practicable measures to minimize harm to wetlands that may result from such use. In making this finding, the head of the agency may take into account economic, environmental, and other pertinent factors. The public disclosure requirement described above also pertains to early public review of any plans or proposals for new construction in wetlands. This is codified at 44 CFR Part 9.

Article XXVI - USA Patriot Act of 2001

All recipients of financial assistance will comply with the requirements of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act (USA PATRIOT Act), which amends 18 U.S.C. §§ 175-175c. Among other things, it prescribes criminal penalties for possession of any biological agent, toxin, or delivery system of a type or in a quantity that is not reasonably justified by a prophylactic, protective, bona fide research, or other peaceful purpose. The act also establishes restrictions on access to specified materials. "Restricted persons," as defined by the act, may not possess, ship, transport, or receive any biological agent or toxin that is listed as a select agent.

Article XXVII - Environmental Planning and Historic Preservation Screening

AFG funded activities (Modification to Facility or Equipment) that may require an EHP review, involving the installation or requiring renovations to facilities, including but not limited to air compressor/fill station/cascade system (Fixed) for filling SCBA, air improvement systems, alarm systems, antennas, gear dryer, generators (fixed), permanently mounted signs, renovations to facilities, sprinklers, vehicle exhaust systems (fixed) or washer/extractors are subject to FEMA's Environmental Planning and Historic Preservation (EHP) review process.

FEMA is required to consider the potential impacts to natural and cultural resources of all projects funded by FEMA grant funds, through its EHP Review process, as mandated by the National Environmental Policy Act; National Historic Preservation Act of 1966, as amended; National Flood Insurance Program regulations; and, any other applicable laws and Executive Orders.

To access the FEMA's Environmental and Historic Preservation (EHP) screening form and instructions go to our Department of Homeland Security/Federal Emergency Management Agency- website at: <https://www.fema.gov/library/viewRecord.do?id=6906>

In order to initiate EHP review of your project(s), you must complete all relevant sections of this form and submit it to the Grant Programs Directorate (GPD) along with all other pertinent project information. Failure to provide requisite information could result in delays in the release of grant funds.

Article XXVIII - Vehicle Awards

If awarded any AFG vehicle grant, you must obtain a vehicle purchase contract from the vendor or manufacturer and send it by e-mail to your AFG Regional Representative. A list of the AFG Regional Representatives and their contact information can be found on the AFG website at <http://www.fema.gov/fire-grant-contact-information>.

The grantee must include in their vehicle purchase contract specific performance requirements and penalties (penalty clause) for noncompliance with the requirements. The clause should specify a delivery date for the vehicle under contract and include a provision for a penalty for non-delivery on the specified date. Non-delivery by the contract's guaranteed date should require a penalty for non-performance of at least \$100 per day until the date that the vehicle is delivered.

It is recommended that any department/organization that will advance their own local funds to their vendor prior to receipt of the vehicle obtain a performance bond. The bond may be obtained through the vendor or a local bank.

It is required that any department/organization that will advance of Federal funds to their vendor prior to receipt of the vehicle obtain a prepayment bond. A prepayment bond may be obtained through your bank or the vendor. The cost for the bond may be included in the grant.

Grantees that fail to comply with these requirements--fail to provide the AFG with a copy of the vehicle purchase contract, or fail to obtain the necessary prepayment bond - will not be eligible for an extension of the grant's period of performance.

If you have questions about these procedures, please contact the AFG Help Desk at 1-866-274-0960, or send an email to firegrants@dhs.gov.

FEDERAL EMERGENCY MANAGEMENT AGENCY OBLIGATING DOCUMENT FOR AWARD/AMENDMENT

1a. AGREEMENT NO. EMW-2013-FO-07107	2. AMENDMENT NO. 0	3. RECIPIENT NO. 91-6001280	4. TYPE OF ACTION AWARD	5. CONTROL NO. W518706N		
6. RECIPIENT NAME AND ADDRESS Spokane Fire Department 44 W. Riverside Spokane Washington, 99201-0114	7. ISSUING OFFICE AND ADDRESS Grant Programs Directorate 500 C Street, S.W. Washington DC, 20528-7000 POC: Andrea Day	8. PAYMENT OFFICE AND ADDRESS FEMA, Financial Services Branch 500 C Street, S.W., Room 723 Washington DC, 20472				
9. NAME OF RECIPIENT PROJECT OFFICER Art Nichols	PHONE NO. 5096257080	10. NAME OF PROJECT COORDINATOR Catherine Patterson	PHONE NO. 1-866-274-0960			
11. EFFECTIVE DATE OF THIS ACTION 20-JUN-14	12. METHOD OF PAYMENT SF-270	13. ASSISTANCE ARRANGEMENT Cost Sharing	14. PERFORMANCE PERIOD From:20-JUN-14 To:19-JUN-15 Budget Period From:05-MAR-14 To:30-SEP-14			
15. DESCRIPTION OF ACTION a. (Indicate funding data for awards or financial changes)						
PROGRAM NAME ACRONYM	CFDA NO.	ACCOUNTING DATA (ACCS CODE) XXXX-XXX-XXXXX-XXXXX-XXXX-XXXX-X	PRIOR TOTAL AWARD	AMOUNT AWARDED THIS ACTION + OR (-)	CURRENT TOTAL AWARD	CUMMULATIVE NON-FEDERAL COMMITMENT
AFG	97.044	2014-M3-C111-P4310000-4101-D	\$0.00	\$677,327.00	\$677,327.00	\$75,258.00
TOTALS			\$0.00	\$677,327.00	\$677,327.00	\$75,258.00

b. To describe changes other than funding data or financial changes, attach schedule and check here.
N/A

16a. FOR NON-DISASTER PROGRAMS: RECIPIENT IS REQUIRED TO SIGN AND RETURN THREE (3) COPIES OF THIS DOCUMENT TO FEMA (See Block 7 for address)

Assistance to Firefighters Grant recipients are not required to sign and return copies of this document. However, recipients should print and keep a copy of this document for their records.

16b. FOR DISASTER PROGRAMS: RECIPIENT IS NOT REQUIRED TO SIGN

This assistance is subject to terms and conditions attached to this award notice or by incorporated reference in program legislation cited above.

17. RECIPIENT SIGNATORY OFFICIAL (Name and Title)
N/A

DATE
N/A

18. FEMA SIGNATORY OFFICIAL (Name and Title)
Andrea Day

DATE
19-JUN-14

**Agenda Sheet for City Council Meeting of:**

07/28/2014

Date Rec'd

7/16/2014

Clerk's File #

OPR 2014-0530

Renews #**Submitting Dept**

COMMUNITY, HOUSING & HUMAN

Contact Name/Phone

M SHARTS X6325

Contact E-Mail

MSHARTS@SPOKANECITY.ORG

Agenda Item Type

Contract Item

Agenda Item Name

1680 C&H DUPLEXES LLC - SHARP RESIDENCE

Cross Ref #**Project #****Bid #****Requisition #**

CR 14622

Agenda Wording

Loan Agreement & other documents with C&H Duplexes LLC (Spokane, WA) for construction of an affordable 4-bedroom house at 2808 E Sharp - \$80,000 HOME funds (Chief Garry Park neighborhood)

Summary (Background)

The City receives HOME grants from HUD for rental housing projects affordable to low-income households. The loan agreement and other documents require that the unit benefit households at or below 50% of the area median income for at least 20 years. A \$40,000 loan at 3% interest will be repaid over 20 years and a \$40,000 loan is deferred, then forgivable. Other financing includes construction and permanent loans and owner funds. Cory Colvin is the managing member of the LLC

Fiscal Impact**Budget Account**

Expense \$ 80,000 HOME funds

1710 95844 59210 54201 72002

Select \$

#

Select \$

#

Select \$

#

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

ALLARD, JERRIE

Study Session

PCED 6/2/14

Division Director

MALLAHAN, JONATHAN

Other

CHHS Board 5/16/14

Finance

LESESNE, MICHELE

Distribution List**Legal**

WHALEY, HUNT

jphillips

For the Mayor

SANDERS, THERESA

afagerland

Additional Approvals

jstapleton

Purchasing

msharts

ccolvin@colvicoinc.com

mlesesne

DRAFT

OPR #2014-_____

**CITY OF SPOKANE
C&H DUPLEXES L.L.C.**

SHARP RESIDENCE

HOME PROGRAM LOAN AGREEMENT

This HOME Program Loan Agreement (the "Loan Agreement") is made effective this ____ day of _____ 2014 ("Effective Date"), by and between the City of Spokane, Washington, a Washington municipal corporation (the "City"), whose address is City of Spokane, c/o Community, Housing and Human Services Department (the "Department"), 808 W. Spokane Falls Blvd., Room 650, Spokane, WA 99201, and C & H Duplexes L.L.C., a Washington limited liability company (the "Borrower"), whose address is P.O. Box 2682, Spokane, WA 99220. Borrower and City are together referenced as the "Parties". This Loan Agreement is part of a transaction further reflected in Promissory Note 1, Promissory Note 2 (collectively, the "Notes"), and a HOME Program Loan Covenant Agreement ("Covenant Agreement"). The City's disbursements under the Loan Agreement are further secured by a Deed of Trust of even date herewith ("Deed of Trust"). The terms of said documents are incorporated herein as if fully set forth herein, and together shall be referenced as the "Related Documents." The capitalized terms in said documents shall have the same meaning in this Loan Agreement unless the context clearly suggests otherwise. In the event of conflict in the terms of any of these documents, the terms most favorable to the City shall apply.

WITNESSETH: The Parties hereby agree to diligently fulfill the following duties and to perform the following services in accordance with all of the conditions, terms and requirements of this Loan Agreement.

I. PURPOSE

- A. The purpose of this Loan Agreement is to expand the supply of decent, safe, sanitary, and affordable housing for very low-income households pursuant to the HOME Investment Partnerships Program (24 CFR part 92 et seq., CFDA #14.239) ("HOME").
- B. To accomplish the purpose of this Loan Agreement, the City shall provide a portion of the financing for the Borrower's construction of the Sharp Residence, a four-bedroom single family residence to be constructed at 2808 E. Sharp Avenue in Spokane, WA (the "Project"). The legal description of the Project is:

INSERT LEGAL DESCRIPTION

DRAFT

Assessor's Parcel Number: 35161.1509.

Property Address: 2808 E Sharp Avenue, Spokane, WA 99202.

If abbreviated description used, add:

See Attachment 1 for the full legal description.

The Project includes one four-bedroom HOME-assisted unit.

- C. The Project is expected to conform to the estimates noted in the Proposed Budget, attached hereto as "Attachment 1" and incorporated herein. All additional costs over and above the sum noted as compensation for this Loan Agreement shall be borne by the Borrower.

II. DURATION OF THE LOAN AGREEMENT

This Loan Agreement shall commence and be effective on the Effective Date and shall terminate on the later of the end of the HOME Affordability Period or full repayment and/or forgiveness of sums due under the Notes. The City and Borrower, upon mutual agreement, shall have the power to extend the term of this Loan Agreement. Any extension shall not increase the overall dollar amount loaned by the City pursuant to this Loan Agreement.

III. AMOUNT OF LOAN

The City shall loan the Borrower a sum not to exceed EIGHTY THOUSAND AND 00/100 DOLLARS (\$80,000.00) from HOME funds, to be disbursed as provided herein, subject to the terms and conditions of this Loan Agreement and Related Documents. Loan 1 for \$40,000 will be an amortizing loan with payments of interest and principal paid over twenty years, beginning at Project Completion and to coincide with the HOME Affordability Period outlined in this Loan Agreement. Loan 2 will be for \$40,000. Payments of the interest and principal for Loan 2 will be deferred for 20 years from Project Completion, as defined in Section VIII of this Loan Agreement, with payments over the next 10 years, unless forgiven pursuant to Section XVI of this Loan Agreement. In addition, Loan 2 shall not be eligible for debt forgiveness until Loan 1 is fully repaid.

IV. PRICING

Loan 1 and Loan 2 are subject to interest on the outstanding principal balance loaned at the rate of three percent (3%) per annum, such interest commencing on the time of disbursement(s) and compounding monthly during and deferral period. For Loan 2, interest shall accrue during the City Affordability Period at the annual rate of three percent (3%), as long as the loan is outstanding. Payments shall be made pursuant to the Note and Section XV herein below. If rents for any HOME-assisted in the Project are increased above the level of the Affordability Requirements defined in this Loan Agreement or any other provisions, covenants, terms, conditions or restrictions of this Loan Agreement are not adhered to, then the rate on the

DRAFT

outstanding balance shall be increased to the prevailing prime lending rate as published in The Wall Street Journal, plus three percent (3%) for the remaining term of the loans, compounded monthly, and may be subject to accelerated repayment pursuant to XV.B. herein below.

V. SECURITY/SUPPORT

- A. Borrower shall assure and maintain the City's security position on the underlying real estate as evidenced by the Deed of Trust, which will be subordinate only to the following (if any): a construction and/or permanent loan bank loan, as shown in the Proposed Budget. The sum of all loans against the Project, including the City's, cannot exceed ninety percent (90%) of the lesser of estimated value upon completion or cost.
- B. The Affordability Requirement outlined in this Loan Agreement shall be recorded as a **covenant running with the Project**, and shall apply without regard to the term of any loan or mortgage or transfer of ownership.
- C. Borrower shall keep in force, continuously, insurance covering the Project and property legally described above, listing the City of Spokane as policy beneficiary, pursuant to Section IX of this Loan Agreement.

VI. FUNDING DISBURSEMENTS

- A. The timing and disbursement of HOME funds shall be determined by the City in its sole discretion, consistent with the provisions of this Loan Agreement. Without limiting the forgoing, funding disbursements are subject to the following conditions:
 - 1. City HOME funds shall be disbursed only after completion of all requirements imposed by the United States Department of Housing and Urban Development ("HUD"), as determined by the City in its sole discretion, and upon completion of an environmental review by the City.
 - 2. All loaned funds must be utilized within twelve (12) months from the date this Loan Agreement is executed.
 - 3. Borrower may not request disbursement of funds until needed for payment of eligible project costs, as defined by 24 CFR §92.206 and as further defined in the Program Description of the City's Multifamily Housing Program, and the amount of each request must be limited to the amount needed. Architectural, engineering, or related professional services required to prepare plans, drawings, specifications, or work write-ups may be reimbursed if they were incurred not more than 24 months before the date of this Loan Agreement. In case of a dispute between the Parties regarding when the funds shall be disbursed, the determination of the Director of the Department of Community, Housing, and Human Services of the City of Spokane ("Director") shall govern.

DRAFT

- B. Notwithstanding any other provision of this Loan Agreement, except as approved by the City, prior to the drawdown or disbursement of any City HOME funds hereunder, the Borrower shall provide documentation, in a form reasonably acceptable to the City, that the following actions have been taken to the City's satisfaction:
1. Recording of the Covenant Agreement and Deed of Trust.
 2. The Borrower has in place all applicable construction, land use, environmental, zoning permits and/or other federal, state and local governmental approvals as necessary for undertaking the activity for which the specific draw request is to be used.
 3. For projects including acquisition of land and/or buildings, an appropriate assessment of fair market value must be reviewed and approved by the City.
 4. Notwithstanding any provision in this Loan Agreement, the Borrower and the City hereto agree and acknowledge that Borrower shall not be entitled to any drawdown or disbursement of funds until satisfactory completion of environmental review and receipt by the City of a release of funds from the U.S. Department of Housing and Urban Development ("HUD") under 24 CFR Part 58. The Borrower and the City further agree that the provision of any funds to the Project shall be conditioned upon the City's determination to proceed with, modify, or cancel the project based on the results of a subsequent environmental review. The Borrower shall not spend any funds on physical or choice-limiting actions, including property acquisitions, demolition, movement, rehabilitation, conversion, repair, or construction prior to the environmental clearance as described herein. Violation of this provision may result in the denial of any funds under this Loan Agreement. The Borrower shall perform all the required mitigation measures referenced in the environmental review record completed by the City.
 5. As applicable, the Borrower shall demonstrate, to the City's satisfaction, full compliance with the minimum wage requirements set forth in Section XVIII herein below.
- D. Notwithstanding the foregoing, a retainage of ten percent (10%) of the total amount allocated under this Loan Agreement shall be held by the City until all permits have been received, final inspections are complete, a final Certificate of Occupancy is issued, the Borrower accepts the work, federal requirements are fully satisfied, and all other obligations under this Loan Agreement or related agreements are carried out to the satisfaction of the Director.

VII. INCOME DETERMINATIONS

- A. For purposes of this Loan Agreement, tenant "annual income" is defined pursuant to 24 CFR §92.203, and includes income from all persons in the household, less income adjustments pursuant to 24 CFR §5.611. An individual

DRAFT

does not qualify as a low-income family if the individual is a student who is not eligible to receive Section 8 assistance under 24 CFR §5.612.

- B. Initial tenant annual income determinations shall be made by the Borrower pursuant to 24 CFR §92.203. Subsequent tenant income determinations shall be made by the Borrower pursuant to 24 CFR §92.203 and 24 CFR §92.252(h).
- C. Rent increases and annual income recertifications shall be governed by the terms outlined in the Affordability Requirements.

VIII. AFFORDABILITY REQUIREMENTS

- A. HOME Affordability Period. The HOME Affordability Period, established pursuant to 24 CFR §92.252, is twenty years, beginning after Project Completion, as determined by the Director. "Project Completion" means that all necessary title transfer requirements and construction work have been performed; the Project complies with the requirements of 24 CFR §92, including the property standards under 24 CFR §92.251; the final drawdown of HOME funds has been disbursed for the Project; and the project completion information has been entered in the disbursement and information system established by HUD, except that with respect to rental housing project completion, for the purposes of §92.502(d), Project Completion occurs upon completion of construction and before occupancy. Repayment of the loans during the HOME Affordability Period will not extinguish the requirements of the Related Documents.
- B. City Affordability Period. The City Affordability Period is thirty years, beginning after Project Completion, as determined by the Director. The HOME Affordability Period and City Affordability Period shall run concurrently. Collectively, the two periods are hereinafter 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 the Related Documents shall apply, as long as there are funds owing under the Notes.
- C. Rent Limit. During the Affordability Period, tenant-paid rents on the HOME-assisted unit shall not exceed thirty percent (30%) of the adjusted income of a family whose annual income equals fifty percent (50%) of Spokane area median income ("AMI"), as defined by HUD and adjusted for family size, unit size by number of bedrooms, tenant-paid utilities and tenant-supplied appliances. This unit shall be a four bedroom single family residence. Should the HUD rents decline below the initial project rents, the Borrower's rents do not need to be reduced below the initial rents. A table of initial HOME rents for the Project as established by HUD is attached to this Loan Agreement as Attachment 2. The adjustment for tenant-paid utilities and tenant-supplied appliances shall be based upon the Section 8 existing housing allowance for tenant-furnished

DRAFT

utilities and other services as published annually by HUD and issued by the Spokane Housing Authority or twelve (12) months of documented actual utility costs as acceptable to the City's Community, Housing & Human Services Department.

However, any HOME-assisted unit receiving federal or state project-based rental subsidy, where the tenant pays not more than thirty percent (30%) of the household's adjusted income as a contribution toward rent, shall be limited to the maximum rent allowed under the federal or state project-based rental subsidy program.

The City will provide Borrower with information on updated HOME rent limits so that rents may be adjusted (not to exceed the maximum HOME rent limits) in accordance with this Loan Agreement and §92.252(f)(2). Owners must annually provide the City with information on rents and occupancy of HOME-assisted units to demonstrate compliance with the Affordability Requirements of this Loan Agreement. The City will review rents for compliance and approve or disapprove them every year.

- D. LIHTC Rent Clause. For tenants of low-income tax credit assisted units (if low-income housing tax credits are awarded to the Project or portions of the Project), any increases in rent associated with tenant income shall be governed solely by section 42 of the Internal Revenue Code of 1986, as amended from time to time.
- E. Upon completion of the HOME Affordability Period, if the maximum rent and income limits are exceeded, the loan will be subject to repayment at the higher interest rate as provided for in Paragraph 2 of the Notes.
- F. Income Limit. At initial occupancy, tenants of the HOME-assisted unit shall have incomes not greater than fifty percent (50%) of the Spokane area median income ("AMI") as defined by HUD. If the income of a tenant of the HOME-assisted unit increases and exceeds eighty percent (80%) of AMI, then the tenant's rent shall increase to the lesser of thirty percent (30%) of the tenant's adjusted monthly income or Fair Market Rent.
- G. Group Home Rent and Income Limit. If the Project is operated as a group home, different income and rent limits apply.
 - 1. For a period of not less than twenty (20) years, the sum of the rents paid by all tenants shall not exceed the Spokane area's Section 8 Fair Market Rent for a four- (4-) bedroom unit, as defined by HUD and adjusted for tenant-paid utilities and tenant-supplied appliances. Each tenant's rent shall be a proportionate share of the total unit rent. Rent limits include utilities but do not include food or the cost of any supportive services. Bedrooms occupied by resident supportive services providers are not counted as eligible bedrooms for rent purposes.

DRAFT

2. At initial occupancy, tenants of the HOME-assisted unit shall have incomes not greater than fifty percent (50%) of the Spokane area median income ("AMI") as defined by HUD. If any of these tenants' incomes increases and exceeds eighty percent (80%) of AMI, then the tenant's rent shall increase to the lesser of thirty percent (30%) of the tenant's adjusted monthly income or Fair Market Rent.
- H. Income Certifications. All tenants' incomes shall be recertified annually by the Borrower. Any applicable rent increases will be effective upon the next lease renewal, and are subject to thirty (30) days' written notice.
- I. Additional Affordability Requirements. The Project must comply with the affordable housing requirements of 24 CFR §92.252.
- J. Relocation. Tenants in occupancy prior to the Project are subject to the provisions of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 as amended ("URA"), 42 USC 4601 et seq. and the regulations promulgated thereunder. All relocation payments and expenses shall be borne by the Borrower.
- K. Protection of Affordability Requirements – City Purchase Option. The Affordability Requirements may terminate upon foreclosure or transfer in lieu of foreclosure at the sole election of the Director. In the event of a pending or threatened foreclosure, the City is hereby granted an option and a right of first refusal to purchase the Project before foreclosure or deed in lieu of foreclosure to preserve affordability. The City may exercise its right to purchase the Project in any reasonable manner following the City's receipt of written notice of pending or threatened foreclosure proceedings and/or a possible deed in lieu of foreclosure, which notice Borrower hereby agrees to provide to City. The purchase price shall be the assessed value of the Project at the time of the City's exercise of its purchase rights, less any financial obligations assumed by the City at the time of the City's acquisition of the Project. The City further reserves the right to revive any affordability restrictions according to the original terms of this Loan Agreement if, during the original Affordability Period (as defined herein), the owner of record before the foreclosure, or deed in lieu of foreclosure, or any entity that includes the former owner or those with whom the former owner has or had family or business ties, obtains an ownership interest in the Project or property.

IX. INSURANCE

The Borrower shall keep the Project and all improvements now existing or hereafter erected thereon continuously insured as required in the Deed of Trust, the Notes and the Covenant Agreement and this Loan Agreement, naming the City as mortgagee and/or loss payee. The insurance requirements apply during the Affordability Period, or during any such time as there are outstanding sums due under the Notes, whichever is longer.

DRAFT

X. PROPERTY STANDARDS

- A. All HOME-assisted housing under this Loan Agreement shall meet all applicable Federal, State, and local code requirements and housing quality standards, rehabilitation standards, ordinances and zoning ordinances at the time of Project completion and for the duration of the Affordability Period. Where relevant, the housing must be constructed to mitigate the impact of potential disasters (e.g., earthquakes, hurricanes, flooding, and wildfires), in accordance with applicable State and local codes, ordinances, or other State and local requirements, or such other requirements as HUD may establish).
- B. Any accessible HOME-assisted housing units under this Loan Agreement shall, for the duration of the Affordability Period, meet the accessibility requirements of 24 CFR part 8, which implements Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), and Titles II and III of the Americans with Disabilities Act (42 U.S.C. 12131-12189) implemented at 28 CFR parts 35 and 36, as applicable. Covered multifamily dwellings, as defined at 24 CFR 100.201, must also meet the design and construction requirements at 24 CFR 100.205, which implements the Fair Housing Act (42 U.S.C. 3601-3619). The foregoing shall not be interpreted as limiting Borrower's obligation to comply with accessibility requirements applicable to the Project as whole.
- C. The Borrower shall comply with the provisions of 24 CFR §92.251.

XI. ADDITIONAL MISCELLANEOUS COVENANTS

Borrower shall:

- A. Comply with the Affordability Requirements described in this Loan Agreement and Related Documents.
- B. Maintain all required insurance, including without limitation the insurance required by the deed of trust.
- C. Maintain Project financial reports, Project financial records, and provide all other information and documentation that the City may reasonably request.
- D. Make prompt payment of all taxes and financial liabilities.
- E. Not hypothecate or encumber Project assets in any way, except to the extent provided for under this Loan Agreement or as approved of by the Director in writing. The Director may withhold such approval at his/her reasonable discretion.
- F. Promptly provide (i) rent and tenant income information at initial tenant occupancy and (ii) rent, occupancy, and tenant income information annually throughout the term of this Loan Agreement, or as otherwise requested by the City. If the Project has floating HOME units, the Borrower must provide the

DRAFT

City with information regarding the unit substitution and filling vacancies so that the Project remains in compliance with HOME rental occupancy requirements.

- G. Promptly provide, upon request by the City, such documentation as is necessary (including financial statements) to enable the City to determine the financial condition and continued financial viability of the Project.
- H. During the Affordability Period, prohibit occupancy of any HOME-assisted unit by Borrower (or officer, employee, agent, elected or appointed official, or consultant of the Borrower, or immediate family member or immediate family member of an officer, employee, agent, elected or appointed official, or consultant of Borrower) whether private, for-profit or nonprofit (including a community housing development organization (CHDO) when acting as an owner, developer or sponsor).
- I. Comply with all applicable federal, state, and local regulations and requirements, including, but not limited to Uniform Administrative Requirements, Federal Labor Standards, Davis-Bacon and Related Acts, Uniform Relocation Act requirements applicable as of the date of the execution of this Loan Agreement, and the provisions of the Lead-Based Paint Poisoning Prevention Act. The City's costs to administer Davis-Bacon Federal Labor Standards, and Related Acts shall be borne by the Borrower. When Washington State prevailing wages apply, the Borrower shall comply with all State requirements under RCW 39.12 to the satisfaction of the State of Washington. When applicable, the higher of Washington State prevailing wages or Davis-Bacon wages shall apply.
- J. Comply with all HOME program project requirements pursuant to 24 CFR part 92 et seq.
- K. Maintain housing in compliance with HUD Section 8 Housing Quality Standards and local code requirements throughout the term of this Loan Agreement.
- L. Upon Project completion, the Project shall obtain a final Certificate of Occupancy, meet all licensing requirements needed to operate the facility as proposed by Borrower in its various funding applications, and meet HUD Section 8 Housing Quality Standards, minimum rehabilitation standards, and all applicable federal, state, and local codes and ordinances. New construction projects must also meet HUD, state, and local requirements relating to accessibility and disaster mitigation.
- M. Cause the HOME-assisted unit to be occupied by income-eligible households within eighteen (18) months after the Project is completed. If the HOME-assisted unit is not occupied by eligible tenants within 6 months following the date of Project Completion, Borrower shall submit to the City current marketing information and, if the City requests it, an enhanced marketing plan for leasing

DRAFT

the unoccupied unit as quickly as possible, which information the City will provide to HUD as required by 24 CFR §92.252. If any HOME-assisted unit has not been rented to eligible tenants within eighteen (18) months after the date of Project Completion, Borrower shall repay the City \$80,000/unit for each such unit within thirty (30) days of the City's written request for repayment. This reflects the proportionate per unit share of HOME funds, i.e., \$80,000 HOME dollars/one HOME units.

The Borrower shall cause the Covenant Agreement (which shall contain the foregoing covenants) to be recorded as a covenant running with the land and the Project.

XII. PROJECT TIMETABLE

- A. The Borrower agrees to complete work required in accordance with the timetable set forth in Attachment 3. Timely completion of the work is an integral and essential part of performance. The expenditure of HOME funds is subject to Federal deadlines and failure to meet deadlines could result in the loss of the Federal funds. By the acceptance and execution of this Loan Agreement, the Borrower agrees that the Project will be completed as expeditiously as possible and make every effort to ensure the project will proceed and will not be delayed. Failure to meet these deadlines can result in cancellation of this contract and revocation of HOME funds. Since it is mutually agreed that time is of the essence, the Borrower shall cause appropriate provisions to be included in all contracts or subcontracts relative to the work tasks in Attachment 3. It is intended that such provisions included in any subcontracts be, to the fullest extent permitted by law and equity, binding for the benefit of the City and enforceable by the City against the Borrower and its successors and assigns to the project or any part thereof or any interest therein.
- B. In the event the Borrower is unable to meet the above schedule or complete the above services due to delays resulting from Acts of God, untimely review and approval by the City and other governmental authorities having jurisdiction over the Project, or other delays that are not caused by the Borrower, the City shall grant a reasonable extension of time for completion of the work. It shall be the responsibility of the Borrower to notify the City promptly in writing whenever a delay is anticipated or experienced, and to inform the City of all facts and delays related to the delay.

XIII. DEFAULT

- A. The following shall be considered "Events of Default" for purposes of this Loan Agreement:
 - 1. Failure of Borrower to make any principal and interest payment within fifteen (15) days after such payment is due.

DRAFT

2. Failure to perform, observe or comply with the Affordability Requirements, Income Determinations, or any other provisions, related covenants, terms, conditions or restrictions of this Loan Agreement or any agreement relating to the Project (i.e., the occurrence of an event of default under other indebtedness secured by the Project property) or any part thereof, and failure to fully cure the same within the period of time, if any, permitted for cure and, if no period for cure is otherwise provided for, within sixty (60) days of written notice from the City of such failure, requesting the same to be remedied; provided, after a second non-compliance of any provision in a five- (5-) year period, only fourteen (14) days written notice is needed.
3. Failure to perform required maintenance or performance of any act by Borrower which would, in the City's reasonable opinion, adversely affect the value of the Project.
4. Sale, transfer, lease, or other conveyance of the Project or any portion thereof, including assumptions and subordinations, without obtaining the prior written consent of the Director.
5. Filing a voluntary or involuntary petition not dismissed within ninety (90) days after filing under the United States Bankruptcy Code by or against the Borrower.
6. Any representation, warranty or disclosure made to the City or any other Project lender which proves to be materially false or misleading as of the date made, whether or not such representation, warranty or disclosure appears in this Loan Agreement.
7. Failure to maintain and keep in force adequate amounts of insurance as is usual in the business carried on by the Borrower, or as required herein.
8. Without limiting any of the foregoing, Borrower's failure to comply with the minimum wage requirements set forth in Section XVIII of this Loan Agreement.

XIV. REMEDIES

- A. Upon the occurrence of an event of default not timely cured after notice, the City may, in addition to any other remedies which the City may have hereunder or under this Loan Agreement or by law or equity, at its option and upon written notice to the Borrower, take any or all of the following actions:
 1. Immediately terminate any further advance of loan funds.

DRAFT

2. Declare the debt incurred hereunder and under the Related Documents immediately due and payable and commence collection proceedings against the Borrower.
 3. Seek judicial appointment of a receiver.
 4. Foreclose under the security documents or instruments, judicially or non-judicially.
 5. File suit against the Borrower.
 6. Seek specific performance or injunctive relief to enforce performance of the undertakings, duties, and agreements provided in this Loan Agreement or any related security document or instrument, whether or not a remedy at law exists or is adequate.
- B. All remedies of the City provided for herein are cumulative and shall be in addition to all other rights and remedies provided by law or in equity or by this Loan Agreement. The exercise of any right or remedy by the City shall not in any way constitute a cure or waiver of default under this Loan Agreement or any other related Project agreement, or invalidate any act done pursuant to any notice of default, or prejudice the City in the exercise of any of its rights unless, in the exercise of such rights, the City realizes all amounts owed to it by the Borrower.
- C. A failure to declare or a delay in declaring a default shall not constitute a waiver of any rights or remedies or excuse any failure by the Borrower to strictly comply with its obligations under this Loan Agreement or any other related Project agreement or document.

XV. REPAYMENT

- A. Payment of principal and interest shall be deferred during the HOME Affordability Period.
- B. Following the HOME Affordability Period, and during the remaining City Affordability Period, Loan 2 may be eligible for debt forgiveness. In exchange for complying with the Affordability Requirements during that period of the City Affordability that extends beyond the HOME Affordability Period (the "Forgiveness Period"), the principal and interest of Loan 2 may be forgiven for each year of the Forgiveness Period, until it is fully forgiven or paid at the end of the Affordability Period. If, at the end of each year during Forgiveness Period, the Borrower has complied, for that year, with the Affordability Requirements of this Loan Agreement and the Covenant Agreement and is in compliance with all other provisions of this Loan Agreement and Related Documents, then the loan payments for Loan 2 shall be forgiven for that year; provided, no payments shall be forgiven for affordability periods of less than one (1) year. The amount of the annual loan forgiveness shall be the sum of twelve monthly payments; the

DRAFT

monthly payments will be in an amount sufficient to amortize the principal and interest over the remaining term of the Affordability Period. During the Affordability Period, Borrower shall notify the City in writing if, for any reason, the Project will not comply with the Affordability Requirements, at which time any and all outstanding balance would become immediately due and payable in full.

- C. If Borrower elects not to comply with the Affordability Requirements beyond the end of the HOME Affordability Period, repayment of principal and interest shall be made monthly in an amount sufficient to amortize the loan over the remaining term of the Affordability Period.
- D. Repayment during the HOME Affordability Period described in Paragraph VIII.A of this Loan Agreement shall not extinguish the Affordability Requirements.
- E. Payment of principal, interest, and fees shall be made in lawful money of the United States of America in immediately available funds to the City of Spokane, at the Community, Housing and Human Services Department, 808 W. Spokane Falls Blvd., Room 650, Spokane, WA 99201, or at such other place as the City may designate to Borrower in writing.

XVI. NONDISCRIMINATION/RENT SUBSIDY

Neither the Borrower nor any of its agents shall refuse to lease HOME-assisted units to a certificate or voucher holder under 24 CFR part 982 – Section 8 Tenant-Based Assistance: Unified Rule for Tenant-Based Assistance under the Section 8 Rental Certificate Program and the Section 8 Rental Voucher Program or to the holder of a comparable document evidencing participation in a HOME tenant-based rental assistance program because of the status of the prospective tenant as a holder of such certificate, voucher, or comparable HOME tenant-based assistance document.

XVII. FAITH-BASED ACTIVITIES AND ORGANIZATIONS

- A. Borrower, in providing services supported in whole or in part with HOME program funds, shall not discriminate against current or prospective program beneficiaries (i.e., tenants) on the basis of religion, a religious belief, or a refusal to attend or participate in a religious practice.
- B. If Borrower engages in explicitly religious activities, including activities that involve overt religious content such as worship, religious instruction, or proselytization, Borrower must perform such activities and offer such services outside of and separately in time or location, from the activities or programs financed under this Loan Agreement, and participation in any such explicitly religious activities must be voluntary for the program beneficiaries of the HUD-funded programs or services (i.e., tenants).
- C. Whether or not Borrower is a faith-based organization, it may use the loan proceeds provided under this Loan Agreement as provided under relevant

DRAFT

regulations and this Loan Agreement without impairing its independence, autonomy, expression of religious beliefs, or religious character. Borrower will retain its independence from Federal, State, and local government, and may continue to carry out its mission, including the definition, development, practice, and expression of its religious beliefs, provided that it does not use direct HOME funds to support or engage in any explicitly religious activities, including activities that involve overt religious content, such as worship, religious instruction, or proselytization, or any manner prohibited by law. Borrower may use space in their facilities to provide program-funded services, without removing or altering religious art, icons, scriptures, or other religious symbols. In addition, Borrower retains its authority over its internal governance, and it may retain religious terms in its organization's name, select its board members on a religious basis, and include religious references in its organization's mission statements and other governing documents.

- D. The loan proceeds provided to Borrower pursuant to this Loan Agreement may not be used for the acquisition, construction, or rehabilitation of structures to the extent that those structures are or will be used for explicitly religious activities. Subject to other limitations in this Loan Agreement, loan proceeds may be used for the acquisition, construction, or rehabilitation of structures only to the extent that those structures are used for conducting eligible activities under HOME regulations. When a structure is or will be used for both eligible and explicitly religious activities, HOME funds may not exceed the cost of those portions of the acquisition, construction, or rehabilitation that are attributable to eligible activities in accordance with the cost accounting requirements applicable to the HOME program. Sanctuaries, chapels, or other rooms that Borrower uses as its principal place of worship, however, are ineligible for HOME-funded improvements. Disposition of real property after the term of the loan or grant, or any change in use of the property during the term of the loan or grant, is subject to government-wide regulations governing real property disposition (see 24 CFR parts 84 and 85).
- E. This limitations in this Section XVII shall apply regardless whether the loan proceeds under this Loan Agreement includes local funds that the City has voluntarily contributed to supplement federally funded activities.

XVIII. COMPLIANCE WITH LAWS

- A. The Borrower shall comply with all HOME Program requirements as outlined in 24 CFR part 92 et seq., as may be amended from time to time.
- B. The Borrower shall comply with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d-2000d-4), the Fair Housing Act (42 U.S.C. 3601 et seq.), E.O. 11063 (3 CFR, 1959-1963 Comp., p. 652), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and HUD regulations issued pursuant thereto.

DRAFT

- C. The Borrower shall comply with the nondiscrimination and equal opportunity, disclosure requirements, debarred, suspended or ineligible contractors, and drug-free workplace, per 24 CFR §92.350.
- D. The Borrower shall comply with the affirmative marketing and minority outreach program of 24 CFR §92.351, and shall further comply with the tenant selection requirements set forth in 24 CFR §92.253(d).
- E. The Borrower shall comply with the National Environmental Policy Act of 1969, as outlined in 24 CFR §92.352 and Borrower agrees to implement City-identified conditions on safeguards to protect and enhance environmental quality or minimize adverse environmental impacts.
- F. Minimum Wages.
 - 1. Federal Labor Standards/Davis-Bacon Act ☐ Applicable ☒ Not Applicable. If the "Applicable" box is checked, the following provisions apply:
 - a. The Borrower shall pay prevailing wages, as predetermined by the Secretary of Labor pursuant to the Davis-Bacon Act (40 U.S.C. 276a-276a-5), to all laborers and mechanics employed in the development of the Project; provided, in the event the Project is subject to state minimum wage requirements, and if the state minimum wage rate exceeds the Department of Labor rate, the conflict will be resolved by applying the higher rate.
 - b. All contracts relating to the Project shall contain a provision requiring the payment of such wages, as predetermined by the Secretary of Labor under the Davis-Bacon Act, 40 USC 276(a) under wage decision [DECISION #], modification [MODIFICATION #], dated _____.
 - c. The Borrower shall pay overtime, as applicable, pursuant to the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-332).
 - d. The Borrower shall comply with all regulations issued under the Davis-Bacon Act and the Contract Work Hours and Safety Standards Act, all Federal laws and regulations pertaining to labor standards, Federal Labor Standards, HUD Handbook 1344.1 (Federal Labor Standards Compliance in Housing and Community Development Programs), and 24 CFR §92.354, as applicable.
 - e. The Borrower shall provide contracts with the prime contractor and major subcontractors as soon as these contracts are available and the contracts shall evidence compliance with Federal Labor Standards.
 - f. These prevailing wage requirements do not apply to volunteers or sweat equity pursuant to 24 CFR §92.354(a) and (b).
 - g. Borrower shall reimburse the City for all costs incurred by the City in administering Borrower's compliance with applicable Davis-Bacon, Federal Labor Standards, and Related Acts.

DRAFT

2. Labor Standards. If applicable, the Federal Labor Standards Provisions (HUD 4010) are attached as Attachment n.a..
 3. State Minimum Wage. When Washington State prevailing wages apply, the Borrower shall comply with all State requirements under RCW 39.12 to the satisfaction of the State of Washington. When applicable, the higher of Washington State prevailing wages or Davis-Bacon wages shall apply.
- G. Conflict of Interest. The Borrower shall comply with the conflict of interest provisions prescribed in 24 CFR §92.356(f). During the Affordability Period, Borrower shall prohibit occupancy of any HOME-assisted unit by Borrower (or officer, employee, agent, elected or appointed official, or consultant of the Borrower, or immediate family member or immediate family member of an officer, employee, agent, elected or appointed official, or consultant of the Borrower), whether private, for-profit or nonprofit (including a community housing development organization (CHDO) when acting as an owner, developer, or sponsor).
- H. The Borrower shall comply with the equal employment opportunities for low- and very low-income persons pursuant to 24 CFR part 135.
- I. The Borrower shall comply with the Fair Housing Act as implemented by 24 CFR parts 100-115, as applicable.

XIX. TENANT AND PARTICIPANT PROTECTIONS

- A. There must be a written lease between the tenant and the Borrower that complies with 24 CFR 92.253 (Tenant Protections and Selection) and that is for a period of not less than one year, unless by mutual agreement between the tenant and the owner a shorter period is specified.
- B. Leases between the Borrower and a tenant shall not contain any of the following provisions:
1. Agreement by the tenant to be sued, to admit guilt, or to a judgment in favor of the Borrower in a lawsuit brought in connection with the lease.
 2. Agreement by the tenant that Borrower may take, hold, or sell personal property of household members without notice to the tenant and a court decision on the rights of the Borrower and tenant. This prohibition does not apply to an agreement by the tenant concerning disposition of personal property remaining in the housing unit after the tenant has moved out of the unit. Borrower may dispose of this personal property in accordance with Washington state law.
 3. Agreement by the tenant not to hold the Borrower or the Borrower's agents legally responsible for any action or failure to act, whether intentional or negligent.

DRAFT

4. Agreement by the tenant that the Borrower may institute a lawsuit against a tenant or affecting a tenant's interests without notice to tenant.
 5. Agreement by the tenant that the Borrower 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 Borrower and tenant.
 6. Agreement by the tenant to waive any right to a trial by jury.
 7. Agreement by the tenant to waive the tenant's right to appeal, or otherwise challenge in court, a court decision in connection with the lease; and,
 8. Agreement by the tenant to pay attorney's fees or other legal costs even if the tenant wins in a court proceeding by the Borrower against the tenant. The tenant, however, may be obligated to pay costs if the tenant loses.
 9. Agreement by the tenant (other than a tenant in transitional housing) to accept supportive services that are offered.
- C. Borrower may not terminate the tenancy or refuse to renew the lease of a tenant occupying a HOME-assisted unit except for serious or repeated violation of the terms and conditions of the lease; for violation of applicable Federal, State, or local law; for completion of the tenancy period for transitional housing or failure to follow any required transitional housing supportive services plan; or for other good cause. Good cause does not include an increase in the tenant's income or refusal of the tenant to purchase the housing. To terminate or refuse to renew tenancy, Borrower must serve written notice upon the tenant specifying the grounds for the action at least thirty (30) days before the termination of tenancy.
- D. Borrower shall adopt and follow written tenant selection policies and criteria that:
1. Limit the HOME-assisted units to very low-income and low-income families;
 2. Are reasonably related to the applicants' ability to perform the obligations of the lease (i.e., to pay the rent, not to damage the housing, not to interfere with the rights and quiet enjoyment of other tenants);
 3. Limit eligibility or give a preference to a particular segment of the population if otherwise permitted in this Loan Agreement (and only if the limitation or preference is described in the City's consolidated plan).

DRAFT

- E. Borrower shall select tenants from a written waiting list in the chronological order of their application, insofar as is practicable, and give prompt written notification to any rejected applicant of the grounds for any rejection.
- F. Borrower shall not charge fees that are not customarily charged in rental housing (e.g., laundry room access fees), except that Borrower may charge: (i) reasonable application fees to prospective tenants; (ii) parking fees to tenants only if such fees are customary for rental projects in the neighborhood; and (iii) fees for services such as bus transportation or meals, as long as such services are voluntary and fees are charged for services provided.

XX. TENANT PARTICIPATION PLAN

If the Borrower is a Community Housing Development Organization ("CHDO") as defined by 24 CFR 92.2, the Borrower shall adhere to a fair lease and grievance procedure approved by the City and shall provide a plan for and follow a program of tenant participation in management decisions pursuant to 24 CFR §92.303.

XXI. UNIFORM ADMINISTRATIVE REQUIREMENTS/PROJECT REQUIREMENTS

- A. The Borrower shall comply with the applicable uniform administrative requirements of 24 CFR §92.505 if the Borrower is organized as a non-profit organization.
- B. The Borrower shall comply with all applicable Project requirements of Subpart F of 24 CFR part 92 et seq.
- C. The Borrower shall maintain all tenant and Project records for the most recent five- (5-) year period until five (5) years after the Affordability Period, terminates. The Borrower shall permit the Department, the HUD, and the Comptroller General of the United States, or their authorized representatives, access to all books, records, and papers of the Borrower pertinent to the Project. The Borrower shall keep and retain records sufficient to document invoices of all expenditures, project beneficiary data, and all other records required to be kept pursuant to 24 CFR §92.508.
- D. The Borrower shall permit the Department, HUD, the Comptroller General of the United States, or their authorized representatives, site visits at all times upon reasonable notice throughout the Affordability Period.

XXII. ASSIGNMENT

The Borrower shall not assign, transfer, subordinate or sublet any obligation of this Loan Agreement nor shall it sell or otherwise transfer any property subject to this Loan Agreement without prior written consent of the Director, who may withhold consent at his/her discretion. The provisions of this Loan Agreement shall apply to all persons or entities performing obligations set forth by this Loan Agreement, including approved persons or entities to whom or to which the Borrower assigns, transfers, or

DRAFT

sublets services as above. Such approved persons or entities shall be subject to the provisions for faith-based activities and organizations as outlined in this Loan Agreement, as applicable.

XXIII. HAZARDOUS SUBSTANCES/REPRESENTATIONS AND WARRANTIES

- A. The Borrower shall not cause or permit the presence, use, disposal, storage, or release of any "Hazardous Substances" (as defined below) on or in the Property. The Borrower shall not perform any act, nor allow, cause or permit the performance of any act, affecting the Property when such act constitutes a violation of any federal, state or local Environmental Law, ordinance or rule. As used in this provision, "Environmental Law" means federal laws, state laws and local codes, laws, and/or ordinances of the jurisdiction where the Property is located that relate to health, safety, or environmental protection.
- B. The Borrower shall promptly give the City written notice of any investigation, claim, demand, lawsuit, or other action by any governmental or regulatory agency or private party involving the Property, and any hazardous substance or Environmental Law of which the Borrower has actual knowledge. If the Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any hazardous substance affecting the Property is necessary, the Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law and shall bear all costs and expenses thereof.
- C. The Borrower hereby represents and warrants that, to the best of the Borrower's knowledge and belief, and after reasonable investigation and inquiry, the Project has never been and is not being used to make, store, handle, treat, dispose of, generate, or transport Hazardous Substances in violation of any applicable law, which Hazardous Substances have not been or will not be abated according to all applicable law and regulations related thereto prior to tenant occupancy of the rehabilitated project. To the best of Borrower's knowledge and belief, and after reasonable investigation and inquiry, there has not been a release of Hazardous Substances on, from, or near the Project, which release has not been or will not be abated to levels acceptable under all applicable law and regulations related thereto prior to tenant occupancy of the rehabilitated project. The Borrower has never received any notification, citation, complaint, violation, or notice of any kind from any person relating or pertaining to the making, storing, handling, treating, disposing, generating, transporting, or release of Hazardous Substances, for which there has not been or will not be abatement to levels acceptable under all applicable law and regulations related thereto prior to tenant occupancy. Borrower represents and warrants that any asbestos and lead-based paint found within the Project will be abated to levels acceptable under applicable law prior to tenant occupancy of the rehabilitated project. "Hazardous Substances" means (i) any "hazardous waste" as defined by the Resource Conservation and Recovery Act of 1976 (42 U.S.C. § 6901, et seq.), as amended from time to time, and regulations promulgated thereunder; (ii) any "hazardous substance" as defined by the

DRAFT

Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. § 9601, et seq.), as amended from time to time, and regulations promulgated thereunder; (iii) “oil, petroleum products and their by-products” as defined under Washington law as amended from time to time, and regulations promulgated thereunder; (iv) any “hazardous substance” as defined under Washington law, as amended from time to time, and regulations promulgated thereunder; (v) any “asbestos material” as defined under Washington law, as amended from time to time, and regulations promulgated thereunder and/or as defined by 40 C.F.R. Section 61.141, as amended from time to time; (vi) any “radon gas” in excess of levels recommended in U. S. Environmental Protection Agency Guidance Documents, as modified from time to time, or lower levels as provided by any applicable law or regulation now or hereafter in effect; (vii) any “infectious waste” as defined under Washington law, as amended from time to time, and regulations promulgated thereunder; (viii) any substance the presence of which on any property attributable to the operations of the Borrower is prohibited, restricted or regulated by any law or regulation similar to those laws, regulations and/or documents set forth above, including without limitation, polychlorinated biphenyls (“PCBs”) and lead-based paints; and (ix) any other substance which by law or regulation requires special handling in its collection, generation, storage, transportation, treatment or disposal.

XXIV. DEBARMENT AND SUSPENSION

The Borrower shall comply with the provisions of 24 CFR Part 24 that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this contract by any federal department or agency. Additionally, the Borrower shall not use, directly or indirectly, any of the funds provided by this contract to employ, award contracts to, or otherwise engage the services of, or fund any contractor/ subcontractor during any period that the contractor/subcontractor is debarred, suspended or ineligible under the provisions of 24 CFR Part 24. Using the System for Award Management (<https://www.sam.gov>), the City has determined, as of the date of this contract that the Borrower is not excluded from federal procurement and non-procurement programs. The Borrower has provided in Attachment 5 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.

XXV. ANTI-LOBBYING

Borrower certifies that, to the best of Borrower’s knowledge and belief:

- A. No Federal appropriated funds have been paid or will be paid, by or on behalf of the Borrower, 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 an employee of a Member of Congress in connection with the awarding of this loan;

DRAFT

- B. That 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 employees of Congress, or an employee of a Member of Congress in connection with this loan, Borrower shall complete and submit Standard Form-LLL "Disclosure Form to Report Lobbying" in accordance with its instruction; and
- C. Borrower shall require that the language of paragraphs A and B of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all such subrecipients shall certify and disclose accordingly.

XXVI. SEVERABILITY

The invalidity of any clause, part or provision of this Loan Agreement shall not affect the validity of the remaining portions thereof.

XXVII. NOTICES

All notices given pursuant to this Loan 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:

City of Spokane
Community, Housing and Human Services Department
808 W. Spokane Falls Blvd.
Spokane, WA 99201-3339

Cory Colvin, Manager
C & H Duplexes, LLC
P.O. Box 2682
Spokane, WA 99220

XXVIII. INDEMNIFICATION

The Borrower shall protect, defend, indemnify, and hold harmless the City, its officers, employees and agents from any and all costs, claims, judgments, and/or awards of damages, arising out of, or in any way resulting from, the negligent acts or omissions of the Borrower, its officers, employees or agents, in its performance and/or non-performance of its obligations under this Loan Agreement. The Borrower agrees that its obligations under this indemnification shall extend to any claim, demand, and/or cause of action brought by, or on behalf of, any of its employees or agents. ***This agreement to indemnify is a separate agreement, shall survive any foreclosure action, attempted transfer or the like, is a legal obligation of the***

Borrower and action may be brought thereon independently of any other remedy at law or provided for herein.

In accordance with 24 CFR §85.43, this Loan Agreement may be suspended or terminated if the Borrower materially fails to comply with any term of this Loan Agreement. This Loan Agreement may be terminated for convenience in accordance with 24 CFR §85.44.

This Loan Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the Parties have executed this Loan Agreement as of the Effective Date.

C & H DUPLEXES L.L.C.
a Washington limited liability company

STATE OF WASHINGTON)
) ss.
County of Spokane)

On this ____ day of _____, 2014, personally appeared before me **Cory S. Colvin**, to me known to be the Manager of C & H Duplexes L.L.C., a Washington limited liability company executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said person and the Borrower, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute the said instrument.

NOTARY PUBLIC, in and for the State of
Washington, residing at _____
My Commission expires _____

Loan Agreement - 23 of 30

DRAFT

for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute the said instrument.

GIVEN under my hand and official seal the day and year in this certificate above written.

NOTARY PUBLIC, in and for the State of
Washington, residing at _____
My Commission expires _____

DRAFT

DRAFT

ATTACHMENT 1

LEGAL DESCRIPTION

DRAFT

DRAFT

ATTACHMENT 2
PROPOSED BUDGET

C&H DUPLEXES L.L.C.
SHARP RESIDENCE
2808 E Sharp Avenue

Land (2014 assessed value)	15,000	Bank	35,000
Construction cost	107,155	owner	36,731
Overhead & profit	10,500		
Construction conting	3,214	City HOME funds	80,000
Sales tax	10,235		
Permits, fees, hookups	1,500		
Appraisal	450		
Architect	1,000		
Insurance/dev period utilities	550		
Construction loan interest	1,137		
Loan fees	790		
Carrying costs	200		
TOTAL	\$151,731	TOTAL	\$151,731

New construction of a Craftsman style, 2-story, 1,773 sf, 4-bedroom single-family residence. The home will have a 2-car garage, energy efficient electric heat pump, and instant-hot water tank, and irrigated landscaping.

City HOME funds may be used to architectural other professional soft costs incurred within 24 months before commitment.

DRAFT
Attachment 3

Initial Project Rents

DRAFT

DRAFT

ATTACHMENT 4

TIMETABLE

Category	Milestone/Task	Deadline Month Yr/Status
Site control	Close on property.	Completed.
Financing	Funding awarded by all lenders.	Completed.
	Construction funding documented by all lenders	August 2014.
Design/Permits	Approval of zoning, site plan, construction plans.	September 2014.
	Building permits issued.	September 2014.
Construction	Begin construction.	September 2014.
	Complete construction.	April 2015.
	Certificate of occupancy issued.	April 2015.
Financing	Refinance construction loan with permanent loan.	May 2015
Occupancy	Units occupied.	60 days from Certificate of Occupancy

DRAFT

ATTACHMENT 5

**CERTIFICATION REGARDING DEBARMENT, SUSPENSION,
INELIGIBILITY AND VOLUNTARY EXCLUSION**

1. The undersigned (i.e., signatory for the Borrower) 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.

Where the undersigned is unable to certify to any of the statements in this contract, it shall attach an explanation to this contract.

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, unless authorized by the City.
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. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, person, primary covered transaction, principal, and voluntarily excluded, as used in this exhibit, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. The undersigned may contact the City for assistance in obtaining a copy of these regulations.
5. I understand that a false statement of this certification may be grounds for termination of the contract.

<u>C & H Duplexes, LLC</u>	<u>Sharp Residence</u>
Name of Borrower (Type or Print)	Program Title (Type or Print)
<u>Cory Colvin</u>	
Name of Certifying Official (Type or Print)	Signature
<u>Manager</u>	
Title of Certifying Official (Type or Print)	Date (Type or Print)

DRAFT

DRAFT

DRAFT

make trustee the title co that issues policy

AFTER RECORDING MAIL TO:

City of Spokane
Department of Community, Housing and Human Services
808 W. Spokane Falls Blvd., Room 650
Spokane, WA 99201

OPR #2014-_____

**CITY OF SPOKANE
C&H DUPLEXES L.L.C.**

SHARP RESIDENCE

DEED OF TRUST

Grantor: C & H Duplexes L.L.C., a Washington limited liability company

Beneficiary: City of Spokane, a Washington state municipal corporation

Assessor's Parcel No.: 35161.1509

Legal Description (abbreviated):

_____, recorded in Spokane County, Washington.
(See Attachment 1 for full legal description.)

THIS DEED OF TRUST, made this _____ day of _____, 2014, by and between C & H Duplexes L.L.C., a Washington limited liability company referred to herein as GRANTOR, whose address is P.O. Box 2682, Spokane, WA 99220, _____, TRUSTEE, whose address is _____, Spokane, WA 992____ and the City of Spokane, Washington, a Washington state municipal corporation, BENEFICIARY, whose address is City of Spokane, c/o Community, Housing and Human Services Department, 808 W. Spokane Falls Blvd., Room 650, Spokane, WA 99201.

This Deed of Trust is part of a transaction further reflected in a HOME Program Loan Agreement ("Loan Agreement"), HOME Program Loan Covenant Agreement ("Covenant Agreement"), and Promissory Note 1 and Promissory Note 2, secured by this Deed of Trust. Collectively, Promissory Note 1 and Promissory Note 2 may be referred to as the "Promissory Notes." The terms of said agreements are incorporated into this Deed of Trust, and the capitalized terms in said agreements shall have the same meaning in this Deed of Trust unless the context clearly suggests otherwise. In the event of

conflict in the terms of any of these documents, the terms most favorable to Beneficiary shall apply.

WITNESSETH: Grantor hereby irrevocably grants and conveys to Trustee in trust, with power of sale, the following described real property (the "Property") in Spokane County, Washington:

INSERT LEGAL DESCRIPTION

_____, recorded in Spokane County, Washington

Assessor's Parcel Number: 35161.1509

Property Address: 2808 E Sharp Avenue, Spokane, WA 99202

See Attachment 1 for full legal description.

which real property is not used principally for agricultural or farming purposes, together with all the tenements, hereditaments, easements, fixtures and appurtenances now or hereafter thereunto belonging or in any way appertaining, and the rents, issues, and profits thereof.

This Deed of Trust is for the purpose of securing performance of each agreement of Grantor herein contained and as further contained in the Loan Agreement, Covenant Agreement, and Promissory Notes, secured by this Deed of Trust, and for the purpose of securing payment of the sum of EIGHTY THOUSAND AND NO/100 DOLLARS (\$80,000.00) with interest, in accordance with the terms of two Promissory Notes of even date herewith, payable to Beneficiary, and made by Grantor, and all renewals, modifications, and extensions thereof, and also such further sums as may be advanced or loaned by Beneficiary to Grantor, or any of his/her/their successors or assigns, together with interest thereon at such rate as shall be agreed upon. This Deed of Trust also secures to Beneficiary: (a) the payment of other sums, with interest, advanced to protect the security of this Deed of Trust; and (b) the performance of Grantor's covenants and agreements under this Deed of Trust and the Promissory Notes, Covenant Agreement and Loan Agreement of even date herewith.

GRANTOR COVENANTS that Grantor is lawfully seized of the estate hereby conveyed and has the right to grant and convey the Property that the Property is unencumbered, except for encumbrances of record. Grantor warrants and will defend the title to the Property against all claims and demands, subject to any prior encumbrances of record.

COVENANTS: Grantor and Beneficiary covenant and agree as follows:

1. PAYMENT OF PRINCIPAL AND INTEREST; PREPAYMENT AND LATE CHARGES. Grantor shall promptly pay when due the principal of and interest on the debt evidenced by the Promissory Notes and any late charges due under the Promissory Notes.

2. APPLICATION OF PAYMENTS. Unless applicable law provides otherwise, all payments received by Beneficiary under Paragraph 1 shall be applied: first, to any late

charges due under the Promissory Notes; second, to interest; and third, to principal due under the Promissory Notes.

3. CHARGES; LIENS. Grantor shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property, which may attain priority over this Deed of Trust, including utility charges, whether or not reflected in a recorded lien. Grantor shall pay these obligations on time directly to the person or entity owed payment. Grantor shall promptly furnish to Beneficiary upon request copies of all notices of amounts to be paid under this Paragraph. If Grantor makes these payments directly, Grantor shall promptly furnish to Beneficiary upon request receipts evidencing the payments. Grantor shall promptly discharge any lien which has priority over this Deed of Trust unless: (a) Grantor agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Beneficiary; (b) Grantor contests in good faith the lien in legal proceedings, or defends against enforcement of the lien in legal proceedings, which, in the Beneficiary's opinion, operate to prevent the enforcement of the lien; or (c) Grantor secures from the holder of the lien an agreement satisfactory to Beneficiary subordinating the lien to this Deed of Trust, or (d) Beneficiary has executed an agreement subordinating its interest. If Beneficiary determines that any part of the Property is subject to a lien, which may attain priority over this Deed of Trust, Beneficiary may give Grantor a notice identifying the lien. Grantor shall satisfy the lien or take one or more of the actions set forth above within ten business (10) days of the giving of the notice. Should Grantor fail to pay when due any taxes, assessments, insurance premiums, recorded or unrecorded liens, encumbrances, or other charges against the Property, Beneficiary may pay the same, and the amount so paid, with interest at the rate set forth in the Promissory Notes secured hereby, shall be added to and become a part of the debt secured in this Deed of Trust.

4. HAZARD OR PROPERTY INSURANCE. A. Grantor shall keep the improvements now existing or hereafter erected on the Property continuously insured against loss by fire, hazards included within the term "extended coverage", and any other hazards, including floods or flooding, for which the Beneficiary requires insurance. This insurance shall be maintained in the amounts and for the periods that Beneficiary requires in order to maintain adequate protection for the Property, but no act or omission by the Beneficiary shall relieve Grantor of the primary duty to procure adequate insurance. In no event shall such insurance be less than the full replacement cost of the Property (*i.e.*, 100% of replacement cost). The insurance carrier providing the insurance shall be chosen by the Grantor subject to Beneficiary's approval. All policies shall be held by the Beneficiary, and have loss payable first to the Beneficiary, as its interest may appear, and then to the Grantor. If Grantor fails to maintain coverage as described above, Beneficiary may, at Beneficiary's option, obtain coverage to protect Beneficiary's rights in the Property in accordance with Paragraph 7.

B. All insurance policies and renewals shall be acceptable to Beneficiary and shall include a standard mortgage clause. If Beneficiary requires, Grantor shall promptly give to Beneficiary all receipts of paid premiums and renewal notices. In the event of loss, Grantor shall give prompt notice to the insurance carrier and to Beneficiary. Beneficiary may make proof of loss if not made promptly by Grantor.

C. Unless Beneficiary and Grantor otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Beneficiary's security is not lessened thereby. If the restoration or repair is not economically feasible or if Beneficiary's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Deed of Trust, whether or not then due, with any excess paid to Grantor. If Grantor abandons the Property or does not answer within thirty (30) days notice from the Beneficiary that the insurance carrier has offered to settle a claim, then Beneficiary may collect the insurance proceeds. Beneficiary may, in its sole discretion, use the proceeds to restore or repair the Property or to pay sums secured by this Deed of Trust, whether or not then due. The 30-day period will begin when the notice is given. Such application of proceeds by the Beneficiary shall not cause discontinuance of any proceedings to foreclose this Deed of Trust. In the event of foreclosure, all rights of the Grantor in insurance policies then in force shall pass to the purchaser at the foreclosure sale.

D. Unless Beneficiary and Grantor otherwise agree in writing, any application of insurance proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in Paragraph 1 or change the amount of the payments. If under Paragraph 20, the Property is acquired by Beneficiary, Grantor's right to any insurance policies or proceeds resulting from damage to the Property prior to the acquisition shall pass to Beneficiary to the extent of the sums secured by this Deed of Trust immediately prior to the acquisition.

5. FLOOD INSURANCE. If the Property is located in a one hundred year FEMA Flood Zone, Grantor shall maintain flood insurance throughout the term of the Loan in an amount not less than the total amount of the Loan or the maximum amount of coverage available through the National Flood Insurance Program, furnishing proof of same upon request by Beneficiary.

6. OCCUPANCY, PRESERVATION, MAINTENANCE AND PROTECTION OF THE PROPERTY; LOAN APPLICATION; LEASEHOLDS. Grantor shall cause the Property to be occupied, established, and used as decent, safe, sanitary and affordable housing for low-income families pursuant to the HOME Investment Partnerships Program (24 CFR part 92 et seq.) throughout the term of the loan as described in the Promissory Notes and Covenant Agreement. Grantor covenants and agrees to keep the Property in good condition and repair, to permit no waste thereof, to complete any building, structure, or improvement being built now or hereafter thereon, to restore or replace promptly any building, structure, or improvement thereon which may be damaged or destroyed, and to comply with all laws, ordinances, regulations, covenants, conditions, and restrictions affecting the Property. Grantor shall be in default if any forfeiture action or proceeding, whether civil or criminal, is begun that in Beneficiary's good faith judgment could result in forfeiture of the Property or otherwise materially impair the lien created by this Deed of Trust or Beneficiary's security interest. Grantor may cure such a default and reinstate, as provided in Paragraph 17 by causing the action or proceeding to be dismissed with a ruling that, in Beneficiary's good faith determination, precludes forfeiture of Grantor's interest in the Property or other

material impairment of the lien created by this Deed of Trust or Beneficiary's security interest. Grantor shall also be in default if Grantor, during the loan application process, gave materially false or inaccurate information or statements to Beneficiary (or failed to provide Beneficiary with any material information) in connection with the loan evidenced by the Promissory Notes. If this Deed of Trust is on a leasehold, Grantor shall comply with all the provisions of the lease. If Grantor acquires fee title to the property, the leasehold and the fee title shall not merge unless Beneficiary agrees to the merger in writing.

7. PROTECTION OF BENEFICIARY'S RIGHTS IN THE PROPERTY. A. If Grantor fails to perform the covenants and agreements contained in this Deed of Trust, the Loan Agreement and/or the Covenant Agreement, or there is a legal proceeding which, in the Beneficiary's good faith judgment, may affect Beneficiary's rights in the Property (including but not limited to proceedings in bankruptcy, probate, for condemnation or forfeiture, or to enforce laws or regulations), then Beneficiary shall have the right to take whatever action it deems reasonably necessary and appropriate to protect the value of the Property and Beneficiary's rights in the Property. Although Beneficiary may take action under this Paragraph 7, Beneficiary is not obligated to do so.

B. Any amounts caused to be disbursed by Beneficiary under this Paragraph 7 shall become additional debt secured by this Deed of Trust. Unless Grantor and Beneficiary agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Promissory Notes' rate and shall be payable with interest upon notice from Beneficiary to Grantor requesting payment.

C. Grantor covenants and agrees to defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee, and to pay all costs and expenses, including the cost of title search and any and all attorney's fees actually incurred, in any such action or proceeding, and in any suit brought by Beneficiary to foreclose this Deed of Trust.

D. Grantor further covenants and agrees to pay any and all costs, fees, and expenses in connection with this Deed of Trust, including the expenses of the Trustee incurred in enforcing the obligations secured hereby and Trustee's and attorney's fees actually incurred, as provided by statute.

8. INSPECTIONS. Beneficiary or its agent may make reasonable entries upon and inspections of the Property, subject to all applicable landlord/tenant laws. Beneficiary shall give Grantor notice at least 24 hours prior to an inspection; provided, however, such right to notice does not apply to Beneficiary when acting in its regulatory capacity or when exercising its police powers.

9. CONDEMNATION. A. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property or any part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Beneficiary. In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Deed of Trust and other liens as approved by the Beneficiary, whether or not then due, with any excess paid to Grantor. In the

event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is equal to or greater than the amount of the sums secured by this Deed of Trust immediately before the taking, unless Grantor and Beneficiary otherwise agree in writing, the sums secured by this Deed of Trust shall be reduced by the amount of the proceeds multiplied by the following fraction: (i) the total amount of the sums secured immediately before the taking, divided by (ii) the fair market value of the Property immediately before the taking. Any balance shall be paid to Grantor. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is less than the amount of the sums secured immediately before the taking, unless Grantor and Beneficiary otherwise agree in writing or unless applicable law otherwise provides, the proceeds shall be applied to the sums secured by this Deed of Trust whether or not the sums are then due.

B. If the Property is abandoned by Grantor, or if, after notice by Beneficiary to Grantor that the condemnor offers to make an award or settle a claim for damages, and Grantor fails to respond to Beneficiary within thirty (30) days after the date the notice is given, Beneficiary is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Deed of Trust, whether or not then due.

C. Unless Beneficiary and Grantor otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in Paragraph 1 or change the amount of such payments.

10. GRANTOR NOT RELEASED; FORBEARANCE BY BENEFICIARY NOT A WAIVER. Extension of the time for payment or modification of amortization of the sums secured by this Deed of Trust granted by Beneficiary to any successor in interest of Grantor shall not operate to release the liability of the original Grantor or of Grantor's successors in interest. Beneficiary shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Deed of Trust by reason of any demand made by the original Grantor or Grantor's successors in interest. Any forbearance by Beneficiary in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

11. SUCCESSORS AND ASSIGNS BOUND; JOINT AND SEVERAL LIABILITY; CO-SIGNERS. The covenants and agreements of this Deed of Trust shall bind and benefit the successors and assigns of Beneficiary and Grantor, except as otherwise provided for in this Deed of Trust. Grantor's covenants and agreements shall be joint and several.

12. LOAN CHARGES. If the loan secured by this Deed of Trust is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (i) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit, and; (ii) any sums already collected from Grantor which exceeded permitted limits will be refunded to

Grantor. Beneficiary may choose to make this refund by reducing the principal owed under the Promissory Notes or by making a direct payment to Grantor. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Promissory Notes.

13. NOTICES. Grantor shall promptly give Beneficiary written notice of any and all Project defaults (regardless of whether the default is related to the financing provided by Beneficiary and the various agreements governing the terms of such financing, or whether the default is related to any of the various other parties or entities providing financing to the Project under their various agreements), investigations, claims, demands, lawsuits, licensing issues relating to the operation of the building or care facility, or other actions by any governmental or regulatory agency or private party involving the Property, and any hazardous substance or Environmental Law (as defined in Paragraph 19 of this Deed of Trust) of which Grantor has actual or constructive knowledge. Any notice provided for in this Deed of Trust shall be given pursuant to the procedures outlined in the Loan Agreement.

14. GOVERNING LAW; SEVERABILITY. This Deed of Trust shall be governed by federal law and the laws of the State of Washington. In the event that any provisions of this Deed of Trust or the Promissory Notes conflict with applicable law, such conflict shall not affect other non-conflicting provisions of this Deed of Trust or the Promissory Notes, which shall continue in full force and effect.

15. GRANTOR'S COPY. Grantor hereby acknowledges receipt of a conformed copy of the Loan Agreement, Covenant Agreement, Promissory Notes, and of this Deed of Trust.

16. TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN GRANTOR.

A. Except as provided in the Promissory Notes, if all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest of Grantor is sold or transferred and Grantor is not a natural person) without Beneficiary's prior written consent, or if any other default occurs under this Deed of Trust, the Promissory Notes, the Loan Agreement or the Covenant Agreement, Beneficiary may, at its option, require immediate payment in full of all sums secured by this Deed of Trust. However, this option shall not be exercised by Beneficiary if exercise is prohibited by federal law as of the execution date of this Deed of Trust. By accepting payment of any sum secured by this Deed of Trust after payment is due, Beneficiary does not waive the right to require prompt payment when due of all other sums so secured or to declare default for failure to so pay.

B. If Beneficiary exercises the above option, Beneficiary shall give Grantor notice of acceleration. The notice shall provide a cure period of not less than thirty (30) days from the date the notice is delivered or mailed within which Grantor must pay all sums secured by this Deed of Trust. If Grantor fails to pay these sums prior to the expiration of this period, Beneficiary may invoke any and all remedies permitted by this Deed of Trust without further notice or demand on Grantor.

17. GRANTOR'S RIGHT TO REINSTATE FOLLOWING ACCELERATION. If Grantor meets the conditions outlined in this paragraph, Grantor shall have the right to have enforcement by acceleration of this Deed of Trust discontinued at any time prior to the earlier of: (i) 10 days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Deed of Trust; or (ii) entry of a judgment enforcing this Deed of Trust. The conditions which Grantor must meet are that Grantor shall: pay Beneficiary all sums which then would be due under this Deed of Trust and the Promissory Notes as if no acceleration had occurred; cure any default of any other covenants or agreements; pay all expenses incurred in enforcing this Deed of Trust, including, but not limited to, reasonable attorneys' fees, and; take such action as Beneficiary may reasonably require to assure that the lien of this Deed of Trust, Beneficiary's rights in the Property, and Grantor's obligation to pay the sums secured by this Deed of Trust continue unchanged. Upon reinstatement by Grantor, this Deed of Trust and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration caused by Grantor's selling or transferring all or any part of the Property or any interest in it (or if a beneficial interest of Grantor is sold or transferred and Grantor is not a natural person) without Beneficiary's prior written consent.

18. NO FURTHER ENCUMBRANCES. A. For the purposes of protecting Beneficiary's security and keeping the Property free from junior and subordinate financing liens, Grantor agrees and understands that any sale, conveyance, further encumbrance (including the granting of easements and any and all other matters affecting title or other transfer of title to the Property, or any interest therein (whether voluntary or by operation of law), without Beneficiary's prior written consent, shall be an Event of Default under this Deed of Trust.

B. Notice is hereby given to all third parties that any mortgage or other Deed of Trust that they may receive against the Property without the prior written approval and acknowledgment of the Beneficiary of this Deed of Trust shall be null and void and without force or effect.

19. HAZARDOUS SUBSTANCES; REPRESENTATIONS AND WARRANTY. A. Grantor shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances (as defined in this Paragraph 19) on or in the Property, except for the presence, use, storage and disposal of reasonable quantities of such Hazardous Substances as are generally used in the ordinary course of operating, maintaining or developing properties such as the Property, all of which Indemnitor represents, warrants and covenants shall be used, stored and disposed of in accordance with commercially reasonable practices and all applicable laws. Grantor shall not perform any act, nor allow, cause or permit the performance of any act, affecting the Property when such act constitutes a violation of any federal, state, or local Environmental Law, ordinance, or rule. As used in this Paragraph 19, "Environmental Law" means federal laws, state laws and local codes, laws, and/or ordinances of the jurisdiction where the Property is located that relate to health, safety, or environmental protection.

B. Grantor shall promptly give Beneficiary written notice of any investigation, claim, demand, lawsuit, or other action by any governmental or regulatory agency or private party involving the Property, and any hazardous substance or Environmental Law of which Grantor has actual knowledge. If Grantor learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any hazardous substance affecting the Property is necessary, Grantor shall promptly take all necessary remedial actions in accordance with Environmental Law and shall bear all costs and expenses thereof.

C. The Grantor hereby represents and warrants that, to the best of the Grantor's knowledge and belief, and after reasonable investigation and inquiry, the Project has never been and is not being used to make, store, handle, treat, dispose of, generate, or transport Hazardous Substances in violation of any applicable law, which Hazardous Substances have not been or will not be abated according to all applicable law and regulations related thereto prior to tenant occupancy of the rehabilitated project. To the best of Grantor's knowledge and belief, and after reasonable investigation and inquiry, there has not been a release of Hazardous Substances on, from, or near the Property, which release has not been or will not be abated to levels acceptable under all applicable law and regulations related thereto prior to tenant occupancy of the rehabilitated project. The Grantor has never received any notification, citation, complaint, violation, or notice of any kind from any person relating or pertaining to the making, storing, handling, treating, disposing, generating, transporting, or release of Hazardous Substances, for which there has not been or will not be abatement to levels acceptable under all applicable law and regulations related thereto prior to tenant occupancy. Grantor represents and warrants that any asbestos and lead-based paint found within the Project will be abated to levels acceptable under applicable law prior to tenant occupancy of the rehabilitated project. "Hazardous Substances" means (i) any "hazardous waste" as defined by the Resource Conservation and Recovery Act of 1976 (42 U.S.C. § 6901, et seq.), as amended from time to time, and regulations promulgated thereunder; (ii) any "hazardous substance" as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. § 9601, et seq.), as amended from time to time, and regulations promulgated thereunder; (iii) "oil, petroleum products and their by-products" as defined under Washington law as amended from time to time, and regulations promulgated thereunder; (iv) any "hazardous substance" as defined under Washington law, as amended from time to time, and regulations promulgated thereunder; (v) any "asbestos material" as defined under Washington law, as amended from time to time, and regulations promulgated thereunder and/or as defined by 40 C.F.R. Section 61.141, as amended from time to time; (vi) any "radon gas" in excess of levels recommended in U. S. Environmental Protection Agency Guidance Documents, as modified from time to time, or lower levels as provided by any applicable law or regulation now or hereafter in effect; (vii) any "infectious waste" as defined under Washington law, as amended from time to time, and regulations promulgated thereunder; (viii) any substance the presence of which on any property attributable to the operations of the Grantor is prohibited, restricted or regulated by any law or regulation similar to those laws, regulations and/or documents set forth above, including without limitation, polychlorinated biphenyls ("PCBs") and lead-based

paints; and (ix) any other substance which by law or regulation requires special handling in its collection, generation, storage, transportation, treatment or disposal.

20. ACCELERATION: REMEDIES. A. Beneficiary shall give notice to Grantor, prior to acceleration, following Grantor's breach of any covenant or agreement noted in this Deed of Trust, the Loan Agreement, or the Covenant Agreement. The notice shall specify: (a) the nature of the default; (b) the action required to cure the default; (c) a date, not less than thirty (30) days from the date the notice is given to Grantor, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Deed of Trust and sale of the Property at public auction to the highest bidder, in accordance with the Deed of Trust Act of the State of Washington (RCW 61.24 or as hereafter amended). The notice shall further inform Grantor of applicable rights to reinstate after acceleration, rights to bring a court action to assert the nonexistence of a default or any other defense Grantor wishes to assert prior to acceleration and sale, and of any other matters required by applicable law to be included in the notice. If the default is not cured on or before the date specified in the notice, Beneficiary, at its option, may require immediate payment in full of all sums secured by this Deed of Trust without further demand and may invoke the power of sale and any other remedies permitted under the Loan Agreement, the Covenant Agreement, the Promissory Notes, this Deed of Trust or by applicable law. Beneficiary shall be entitled to collect from Grantor all expenses incurred in pursuing the remedies provided in this Paragraph 20, including, but not limited to, attorneys' fees and costs of title evidence.

B. If Beneficiary invokes the power of sale, Beneficiary shall give written notice to Trustee of the occurrence of an event of default. Upon instruction from the Beneficiary to do so, Trustee shall cause the trust Property to be sold, in accordance with the Deed of Trust Act of the State of Washington, at public auction to the highest bidder. Beneficiary or its designee may purchase the Property at any sale. Trustee and Beneficiary shall take such action regarding notice of sale and shall give such notices to Grantor and to other persons as applicable law may require.

C. Trustee shall deliver to the purchaser a Trustee's Deed conveying the Property without warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable Trustee's and attorneys' fees; (b) to all sums secured by this Deed of Trust; and (c) any excess to the person or persons legally entitled to it or to the clerk of the superior court of the county in which the sale took place.

D. The power of sale conferred by this Deed of Trust and by the Deed of Trust Act of the State of Washington is not an exclusive remedy. Beneficiary may cause this Deed of Trust to be foreclosed as a mortgage.

21. RECONVEYANCE. Upon payment of all sums secured by this Deed of Trust, Beneficiary shall request Trustee to reconvey the Property to the person entitled thereto and shall surrender this Deed of Trust and all Promissory Notes evidencing the debt secured by this Deed of Trust to Trustee. Trustee shall reconvey the Property

without warranty and without charge to the person or persons legally entitled to it. Such person or persons shall pay any recordation costs.

22. SUBSTITUTE TRUSTEE. In the event of the death, incapacity, disability, or resignation of Trustee, or at Beneficiary's reasonable discretion, Beneficiary may appoint in writing a successor trustee, and upon the recording of such appointment in the mortgage records of the county in which this Deed of Trust is recorded, the successor trustee shall be vested with all powers of the original trustee. The trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of an action or proceeding in which Grantor, Trustee, or Beneficiary shall be a party unless such action or proceeding is brought by the Trustee.

23. USE OF PROPERTY. The Property is not used principally for agricultural or farming purposes.

24. BINDING EFFECT. This Deed of Trust applies to, inures to the benefit of, and is binding not only on the parties hereto, but on his/her/their heirs, devisees, legatees, administrators, executors, and assigns. The term "Beneficiary" shall mean the holder and owner of the Promissory Notes secured hereby, whether or not named as Beneficiary herein.

25. ORAL AGREEMENTS OR ORAL COMMITMENTS. ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, TO EXTEND CREDIT, TO MODIFY OR AMEND ANY AGREEMENT TERMS, TO RELEASE ANY GUARANTOR, TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT OR FORBEAR FROM EXERCISING ANY REMEDIES, OR TO MAKE ANY OTHER FINANCIAL ACCOMMODATION RELATED TO THIS INSTRUMENT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

BY SIGNING BELOW, Grantor accepts and agrees to the terms and covenants contained in this Deed of Trust and in any riders executed by Grantor and recorded with it.

IN WITNESS WHEREOF, the Parties have executed this Deed of Trust as of the day and year first written above.

(THE REMAINDER OF THIS PAGE IS INTENTIONALLY BLANK.)

**C & H DUPLEXES L.L.C.,
a Washington limited liability company**

NOTARY PUBLIC, in and for the State of
Washington, residing at _____
My Commission expires _____

BENEFICIARY - CITY OF SPOKANE

By: _____
David A. Condon, Mayor

Date: _____

ATTEST:

APPROVED AS TO FORM:

By: _____
Terri L. Pfister, City Clerk

By: _____
Assistant City Attorney

Date:

STATE OF WASHINGTON)
) ss.
County of Spokane)

On this ____ day of _____, 2014, personally appeared before me **David A. Condon and Terri L. Pfister**, to me known to be the **Mayor** and **City Clerk**, respectively, of and for the City of Spokane, Washington, 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 the said instrument.

GIVEN under my hand and official seal the day and year in this certificate above written.

NOTARY PUBLIC, in and for the State of
Washington, residing at _____
My Commission expires _____

ATTACHMENT 1
LEGAL DESCRIPTION

DRAFT

Needs legal description

WHEN RECORDED RETURN TO:

CITY OF SPOKANE

COMMUNITY, HOUSING AND HUMAN SERVICES DEPARTMENT

808 W. SPOKANE FALLS BLVD., ROOM 650

SPOKANE, WASHINGTON 99201-3339

OPR #2014-_____

**CITY OF SPOKANE
C&H DUPLEXES L.L.C.**

**SHARP RESIDENCE
HOME PROGRAM LOAN COVENANT AGREEMENT**

Grantor: C & H Duplexes L.L.C.

Beneficiary: City of Spokane, a Washington state municipal corporation

Assessor's Parcel No.: 35161.1509

Legal Description (abbreviated):
needs description, recorded in Spokane County, Washington.
(See Attachment 1 for full legal description.)

This HOME Program Loan Covenant Agreement ("Covenant Agreement") is made this ____ day of _____, 2014, by and between the City of Spokane, Washington, a Washington municipal corporation (the "City"), whose address is City of Spokane, c/o Community, Housing and Human Services Department, 808 W. Spokane Falls Blvd., Room 650, Spokane, Washington 99201-3339 and C & H Duplexes L.L.C., a Washington limited liability company (the "Borrower" or "Grantor"), whose address is P.O. Box 2682, Spokane, WA 99202

I. STIPULATIONS

1. This Covenant Agreement is a condition of and part of the consideration for the financial assistance provided by the City to the Borrower for the Borrower's construction of the Sharp Residence, a 4-bedroom single family residence to be located at 2808 E. Sharp Avenue in Spokane, WA (the "Project").

2. This Covenant Agreement is part of a transaction further reflected in Promissory Note 1 and Promissory Note 2 (collectively, the "Promissory Notes") and a HOME Program Loan Agreement ("Loan Agreement") of even date herewith. The City's disbursements under the Loan Agreement are further secured by a Deed of Trust

("Deed of Trust"). The terms of said documents are incorporated herein as if fully set forth herein, and together shall be referenced as the "Related Documents." The capitalized terms in said agreements shall have the same meaning in this Covenant Agreement unless the context clearly suggests otherwise. In the event of conflict in the terms of any of these documents, the terms most favorable to the City shall apply.

3. The Project is situated in the City and County of Spokane, State of Washington, and is legally described in Attachment 1. The abbreviated legal description is:

_____, recorded in Spokane County, Washington

Assessor's Parcel Number: 35161.1509.

4. This Covenant Agreement shall be filed and recorded in the official public land records of Spokane County, Washington, and shall constitute a restriction upon the use of the property and Project described herein, subject to and in accordance with the terms of this Covenant Agreement during the Affordability Period described in Section IV herein below.

5. The covenants contained herein are to be taken and construed as **covenants running with the land** and shall pass to and be binding upon the Borrower, its successors in interest, assigns, heirs or lessees of the Project, beginning on the date this Covenant Agreement is executed. Each and every contract, deed or other instrument covering or conveying the property or Project, or any portion thereof, shall be conclusively held to have been executed, delivered and accepted subject to such covenants regardless of whether such covenants are set forth in such contract, deed or other instrument.

NOW, THEREFORE, it is hereby covenanted, that during the Affordability Period described in Section IV herein below, the Borrower agrees to the following covenants running with the land which shall bind the Borrower, its heirs, assigns, lessees and successors in interest through the Affordability Period.

II. COVENANTS

Borrower shall:

- A. Comply with the Affordability Requirements described in this Covenant Agreement and Related Documents.
- B. Maintain all required insurance, including without limitation the insurance required by the Deed of Trust.
- C. Maintain Project financial reports, Project financial records and provide all other information and documentation that the City may reasonably request.
- D. Make prompt payment of all taxes and financial liabilities.

- E. Not hypothecate or encumber Project assets in any way, except to the extent provided for under the Loan Agreement or as approved of by the Director of Community, Housing and Human Services of the City of Spokane (the "Director") in writing. The Director may withhold such approval at his/her reasonable discretion.
- F. Promptly provide (i) rent and tenant income information at initial tenant occupancy and (ii) rent, occupancy, and tenant income information annually throughout the term of the Loan Agreement or as otherwise requested by the City.
- G. Promptly provide, upon request by the City, such documentation as is necessary (including financial statements) to enable the City to determine the financial condition and continued financial viability of the Project.
- H. During the Affordability Period, prohibit occupancy of any HOME-assisted unit by Borrower (or officer, employee, agent, elected or appointed official, or consultant of the Borrower, or immediate family member or immediate family member of an officer, employee, agent, elected or appointed official, or consultant of Borrower) whether private, for-profit or nonprofit (including a community housing development organization (CHDO) when acting as an owner, developer or sponsor).
- I. Comply with all applicable federal, state, and local regulations and requirements, including, but not limited to, Uniform Administrative Requirements, Federal Labor Standards, Davis-Bacon and Related Acts, Uniform Relocation Act requirements applicable as of the date of the execution of this Covenant Agreement, and the provisions of the Lead-Based Paint Poisoning Prevention Act. City's cost to administer Davis Bacon Federal Labor Standard, and Related Acts shall be borne by the Borrower. When Washington State prevailing wages apply, the Borrower shall comply with all State requirements under RCW 39.12 to the satisfaction of the State of Washington. When applicable, the higher of Washington State prevailing wages or Davis-Bacon wages shall apply.
- J. Comply with all HOME program project requirements pursuant to 24 CFR part 92 et seq.
- K. Maintain housing in compliance with HUD Section 8 Housing Quality Standards and local code requirements throughout the term of the Loan Agreement or the extended term of the Loan Agreement.
- L. Upon Project completion, the Project shall obtain a final Certificate of Occupancy, meet all licensing requirements needed to operate the facility as proposed by Borrower in its various funding applications, and meet HUD Section 8 Housing Quality Standards, minimum rehabilitation standards, and all applicable federal, state, and local codes and ordinances. New construction

projects must also meet HUD, state, and local requirements relating to accessibility and disaster mitigation.

- M. Cause the HOME-assisted unit to be occupied by income-eligible households within eighteen (18) months after the Project is completed. If any HOME-assisted units are not occupied by eligible tenants within 6 months following the date of Project Completion, Borrower shall submit to the City current marketing information and, if the City requests it, an enhanced marketing plan for leasing the unoccupied units as quickly as possible, which information the City will provide to HUD as required by 24 CFR §92.252. If the HOME-assisted unit has not been rented to eligible tenants within eighteen (18) months after the date of Project Completion, Borrower shall repay the City \$80,000/unit for each such unit within thirty (30) days of the City's written request for repayment. This reflects the proportionate per unit share of HOME funds, i.e., \$80,000 HOME dollars/one HOME units.

The Borrower shall cause this Covenant Agreement to be recorded as a covenant running with the land and the Project.

III. INCOME DETERMINATIONS

- A. For purposes of this Covenant Agreement, tenant "annual income" is defined pursuant to 24 CFR §92.203), less income adjustments pursuant to 24 CFR §5.611. An individual does not qualify as a low-income family if the individual is a student who is not eligible to receive Section 8 assistance under 24 CFR §5.612.
- B. Initial tenant annual income determinations shall be made by the Borrower pursuant to 24 CFR §92.203. Subsequent tenant income determinations shall be made by the Borrower pursuant to 24 CFR §92.203 and 24 CFR §92.252(h).
- C. Rent increases and annual income recertifications shall be governed by the terms outlined in the Affordability Requirements.

IV. AFFORDABILITY REQUIREMENTS

- A. HOME Affordability Period. The HOME Affordability Period, established pursuant to 24 CFR §92.252, is twenty (20) years, beginning after Project completion, as determined by the Director. "Project Completion" means that all necessary title transfer requirements and construction work have been performed; the Project complies with the requirements of 24 CFR §92, including the property standards under 24 CFR §92.251; the final drawdown of HOME funds has been disbursed for the Project; and the project completion information has been entered in the disbursement and information system established by HUD, except that with respect to rental housing project completion, for the purposes of §92.502(d), project completion occurs upon completion of construction and before occupancy. Repayment of the loan during

the HOME Affordability Period will not extinguish the requirements of the Related Documents.

- B. City Affordability Period. The City Affordability Period is thirty (30) years, beginning after Project completion, as determined by the Director. The HOME Affordability Period and City Affordability Period shall run concurrently. Collectively, the two periods are hereinafter 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 the Related Documents shall apply, as long as there are funds owing under the Notes.
- C. Rent Limit. During the Affordability Period, rents on the HOME-assisted unit shall not exceed thirty percent (30%) of the adjusted income of a family whose annual income equals fifty percent (50%) of Spokane area median income (“AMI”), as defined by HUD and adjusted for family size, unit size by number of bedrooms, tenant-paid utilities and tenant-supplied appliances. This unit shall be a four-bedroom single family residence. Should the HUD rents decline below the initial project rents, the Borrower’s rents do not need to be reduced below the initial rents. A table of initial HOME rents for the Project is attached to the Loan Agreement as Attachment 2. The adjustment for tenant-paid utilities and tenant-supplied appliances is based upon the Section 8 existing housing allowance for tenant-furnished utilities and other services as published annually by HUD and issued by the Spokane Housing Authority or twelve (12) months of documented actual utility costs as acceptable to the City’s Community, Housing & Human Services Department.

However, any HOME-assisted unit receiving federal or state project-based rental assistance, where the tenant pays not more than thirty percent (30%) of the household’s adjusted income as a contribution toward rent, shall be limited to the maximum rent allowed under the federal or state project-based rental assistance program.

The City will provide Borrower with information on updated HOME rent limits so that rents may be adjusted (not to exceed the maximum HOME rent limits) in accordance with the Loan Agreement and §92.252(f)(2). Owners must annually provide the City with information on rents and occupancy of HOME-assisted units to demonstrate compliance with the Affordability Requirements of this Loan Agreement. The City will review rents for compliance and approve or disapprove them every year.

- D. LIHTC Rent Clause. For tenants of low-income tax credit assisted units (if low-income housing tax credits are awarded to the Project or portions of the Project), any increases in rent associated with tenant income shall be governed solely by section 42 of the Internal Revenue Code of 1986, as amended from time to time.

- E. Rents can be increased above the maximum limits described above after expiration of the HOME Affordability Period, but the loan will be subject to repayment at the higher interest rate as provided for in Paragraph 2 of the Promissory Notes.
- F. Income Limit. At initial occupancy, tenants of the HOME-assisted unit shall have incomes not greater than fifty percent (50%) of the Spokane area median income ("AMI") as defined by HUD. If the income of a tenant of the HOME-assisted unit increases and exceeds eighty percent (80%) of AMI, then the tenant's rent shall increase to the lesser of thirty percent (30%) of the tenant's adjusted monthly income or Fair Market Rent.
- G. Group Home Rent and Income Limit. If the Project is operated as a group home, different income and rent limits apply.
1. For a period of not less than twenty (20) years, the sum of the rents paid by all tenants shall not exceed the Spokane area's Section 8 Fair Market Rent for a four- (4-) bedroom unit, as defined by HUD and adjusted for tenant-paid utilities and tenant-supplied appliances. Each tenant's rent shall be a proportionate share of the total unit rent. Rent limits include utilities but do not include food or the cost of any supportive services. Bedrooms occupied by resident supportive services providers are not counted as eligible bedrooms for rent purposes.
 2. At initial occupancy, tenants of the HOME-assisted unit shall have incomes not greater than fifty percent (50%) of the Spokane area median income ("AMI") as defined by HUD. If any of these tenants' incomes increases and exceeds eighty percent (80%) of AMI, then the tenant's rent shall increase to the lesser of thirty percent (30%) of the tenant's adjusted monthly income or Fair Market Rent.
- H. Income Certifications. All tenants' incomes shall be recertified annually by the Borrower. Any applicable rent increases will be effective upon the next lease renewal, and are subject to thirty (30) days' written notice.
- I. Additional Affordability Requirements. The Project must comply with the affordable housing requirements of 24 CFR §92.252.
- J. Relocation. Tenants in occupancy prior to the Project are subject to the provisions of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 as amended ("URA"), 42 USC 4601 et seq. and the regulations promulgated thereunder. All relocation payments and expenses shall be borne by the Borrower.
- K. Protection of Affordability Requirements – City Purchase Option. The Affordability Requirements may terminate upon foreclosure or transfer in lieu of foreclosure at the sole election of the Director. In the event of a pending or threatened foreclosure, once applicable notice and cure periods have expired,

the City is hereby granted an option and a right of first refusal to purchase the Project before foreclosure or deed in lieu of foreclosure to preserve affordability. The City may exercise its right to purchase the Project in any reasonable manner following the City's receipt of written notice of pending or threatened foreclosure proceedings and/or a possible deed in lieu of foreclosure, which notice Borrower hereby agrees to provide to City. The purchase price shall be the assessed value of the Project at the time of the City's exercise of its purchase rights, less any financial obligations assumed by the City at the time of the City's acquisition of the Project. The City further reserves the right to revive any affordability restrictions according to the original terms of the Loan Agreement if, during the HOME Affordability Period (as defined herein), the owner of record before the foreclosure, or deed in lieu of foreclosure, or any entity that includes the former owner or those with whom the former owner has or had family or business ties, obtains an ownership interest in the Project or property.

V. DEFAULT

If a violation of any of the foregoing covenants occurs, the City may, after thirty (30) days written notice, the default meanwhile not having been cured, institute and prosecute any proceeding at law or in equity or as otherwise provided for in this Covenant Agreement, or Related Documents, to abate, prevent, or enjoin any such violation or to compel specific performance by the Borrower of its obligations hereunder, including, without limitation of other remedies, the exercise of the City's purchase rights described herein. 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 provisions hereof or to obtain relief against or recover for the continuation or repetition of such breach or violation or any similar breach or violation hereof at any later time.

ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, TO EXTEND CREDIT, TO MODIFY OR AMEND ANY AGREEMENT TERMS, TO RELEASE ANY GUARANTOR, TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT OR FORBEAR FROM EXERCISING ANY REMEDIES, OR TO MAKE ANY OTHER FINANCIAL ACCOMMODATION RELATED TO THIS AGREEMENT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

By: _____
David A. Condon, Mayor

APPROVED AS TO FORM:

By: _____
Assistant City Attorney

STATE OF WASHINGTON)
) ss.
County of Spokane)

GIVEN under my hand and official seal the day and year in this certificate above written.

NOTARY PUBLIC, in and for the State of
Washington, residing at _____
My Commission expires _____

ATTACHMENT 1
LEGAL DESCRIPTION

Tax Parcel Number: 35161.1509

Situs Address: 2808 E Sharp Avenue, Spokane, WA 99202

DRAFT

**CITY OF SPOKANE
C&H DUPLEXES L.L.C.**

SHARP RESIDENCE

PROMISSORY NOTE 1

OPR #2014-_____

Borrower: C & H Duplexes, LLC
P.O. Box 2682
Spokane, WA 99220

Lender: City of Spokane
Community, Housing and Human Services Department
808 W. Spokane Falls Blvd., Room 650
Spokane, WA 99201

Principal: \$40,000.00

Date: _____

1. PROMISE TO REPAY: FOR VALUE RECEIVED, the undersigned _____, hereinafter referred to as "Borrower", promises to repay to the order of the City of Spokane, a Washington state municipal corporation, or its successors and assigns (hereinafter called "Lender") the maximum principal sum of FORTY THOUSAND AND 00/100 DOLLARS (\$40,000.00) or so much of said sum or sums as may now or hereafter be loaned or disbursed to the Borrower by the Lender, for the purpose of providing a portion of the financing for the construction of Borrower's Sharp Residence, to be located at 2808 East Sharp Avenue in Spokane, WA (the "Project"). This Promissory Note (the "Note") is part of a transaction further reflected in Promissory Note 2, HOME Program Loan Agreement ("Loan Agreement") and HOME Program Loan Covenant Agreement ("Covenant Agreement") of even date herewith. Promissory Note 1 and Promissory Note 2 are collectively referred to as "Notes." Lender's disbursements under the Loan Agreement and the Notes are further secured by a Deed of Trust of even date herewith ("Deed of Trust"). The terms of said documents are incorporated herein as if fully set forth herein, and together shall be referenced as the "Related Documents". The capitalized terms in said Related Documents shall have the same meaning in this Note unless the context clearly suggests otherwise. In the event of conflict or ambiguity in the terms of any of these documents, the terms most favorable to Lender shall apply.

2. INTEREST: In addition to repayment of principal sums loaned, Borrower agrees to pay interest, compounded monthly, commencing on the date the money is first disbursed under the Loan Agreement, at the rate of three percent (3%) per annum. If rents for any HOME-assisted unit of the Project are raised above the level of the

DRAFT

Affordability Requirement defined in the Loan Agreement, or any other provisions, covenants, terms, conditions or restrictions of the Loan Agreement are not adhered to, then the rate on the outstanding balance shall be increased to the prevailing prime lending rate as published in The Wall Street Journal, plus three percent (3%), compounded monthly, for the period of noncompliance, as determined by the Director of Community, Housing and Human Services for the City of Spokane ("Director").

3. REPAYMENT; MATURITY:

A. 20-Year Payment Period: Principal and interest on this Note shall be payable in approximately equal amortized installments on the first day of each month (or the first business day thereafter if the first day of the month is a weekend or a holiday for the City), commencing at Project Completion (as defined paragraph VIII.A. of the Loan Agreement), in the amount required to fully amortize the outstanding principal of and accrued interest on this Note over twenty (20) years.

B. Prepayment: The Borrower may pay all or any portion of the outstanding principal of the Note at any time, without penalty. Repayment during the HOME Affordability Period, as described in the Loan Agreement, shall not extinguish the Affordability Requirements.

C. Late Charges: A late charge of thirty dollars (\$30.00) will be added to any payment received after the 10th day of the month in which it is due in addition to any other remedy.

D. Application of Payments: Payments received will first be applied to late charges, then to interest, and finally to principal.

E. Place of Payment: Payments of principal, interest, and fees shall be made in lawful money of the United States of America in immediately available funds to the City of Spokane, at the Community, Housing and Human Services Department, 808 W. Spokane Falls Blvd., Room 650, Spokane, WA 99201, or at such other place as Lender may designate in writing according to the schedule noted above.

4. THIS NOTE IS secured by the Deed of Trust of even date herewith, duly filed for record in the County of Spokane, Washington.

5. THIS LOAN IS made for the purpose of financing a portion of the costs of the construction of a four-bedroom single family residence to be located on the property described in the Deed of Trust and Loan Agreement. As a condition of receiving this loan, Borrower agrees to abide by all of the terms and conditions of the Notes, the Deed of Trust, the Loan Agreement and associated Covenant Agreement, incorporated herein by reference as if fully set forth.

6. IF THE BORROWER SHALL default in the payment of any amount due under this Note, and such default is not cured within ten (10) days after such payment is due, or if any other Event of Default occurs under the Deed of Trust, the Loan Agreement or the Covenant Agreement and such default is not cured within the cure

DRAFT

period, if any, applicable thereto, the entire unpaid principal amount of this Note, together with accrued interest, shall immediately become due and payable, at Lender's option, upon notice to the Borrower. Failure of Lender to exercise such option shall not constitute a waiver of default. If Lender exercises its option to declare the entire amount of Borrower's loan immediately due and payable as provided above, Borrower agrees to pay Lender's cost and expenses of collection, including reasonable attorney's fees and court costs. If this Note is reduced to judgment, the judgment shall bear interest at the maximum rate permissible on judgments in the State of Washington.

7. IF THE BORROWER voluntarily sells, transfers, leases or otherwise conveys the Project or any portion thereof, to any person/persons or entity/entities (the "Transferee"), other than by leasing or renting for residential tenant use as contemplated by various provisions of the Loan Agreement, or for any other incidental use (to the extent permissible under all applicable federal and state laws and regulations), an Event of Default shall occur under the terms of this Note and the Related Documents unless the Borrower obtained prior written consent of the Director. The remedies provided for Default may be exercised at the discretion of the Director. An unauthorized transfer also occurs if Borrower grants a junior security interest without obtaining the prior written consent of the Director. Any sale, transfer, leasing or other disposition of the Project in violation of this Section 7 shall not relieve the Borrower of any obligation or obligations under this Note or any Related Document. The Borrower hereby agrees that upon any sale, transfer, lease or other disposition of the Project, the Borrower shall transfer all records, accounts, electronic data or other documents pertaining to the Project, including documents related to Borrower's compliance with this Note and any Related Document, to the Transferee or its designated agent. Failure by the City to exercise any of its rights and remedies under this Note or any Related Documents shall not be construed as a waiver of any kind. The Director's written consent may be conditioned upon the following, at the Director's sole discretion:

(a) reasonable evidence satisfactory to the Director that the Borrower is not then in default under any document related to this transaction beyond any applicable grace period or cure period;

(b) an opinion of counsel for the Transferee, delivered to the City, to the effect that the Transferee (i) has assumed in writing and in full, all duties and obligations of the Borrower under this Note, the Loan Agreement and the Covenant Agreement, and (ii) that this Note and the Related Documents constitute the legal, valid and binding obligations of the Transferee;

(c) a showing that written assumption of the Transferee and/or the written agreement of the Transferee complies with all provisions of local, state and federal laws, ordinances and regulations applicable to the Borrower under this Note and Related Documents;

(d) a showing that the Borrower or the Transferee is not in arrears on any payments due and owing to the City or is in default under this Note or any of the Related Documents, beyond any applicable grace period or cure period;

(e) a showing that the Borrower or the Transferee do not have a history of instances of non-compliance with any non-monetary provision of this Note or any of

DRAFT

the Related Documents, which were not cured after notice thereof and within the applicable cure period or grace period; and/or,

(f) a showing that the Borrower or the Transferee do not have a documented history of instances of failure to make payments due and owing to the City which are not paid within a reasonable period after notice thereof.

8. THIS NOTE IS not assignable or assumable without the express written consent of the Lender.

9. EACH MAKER AND endorser of this Note hereby waives demand and presentment for payment, notice of nonpayment, protest, notice of protest, notice of dishonor, bringing of suit, and diligence in taking action to collect any amounts called for hereunder and in the handling of properties, rights or collateral at any time existing in connection herewith. Each maker and endorser expressly agrees that this Note or any payment thereunder may be extended from time to time, and consent to the acceptance of further security for this Note, including other types of security, all without in any way affecting the liability of each maker and endorser hereof. The right to plead any statutes of limitation as a defense to any demand on this Note, or any guaranty thereof or to any agreement to pay the same or to any demand secured by the Deed of Trust or other security, securing the Note, or any and all obligations or liabilities arising out of or in connection with said Note or Deed of Trust by any parties hereto is expressly waived by each and every of the makers, endorsers, guarantors or sureties.

10. SEVERABILITY: If any provision, or a part thereof, of this Note is declared by a court of competent jurisdiction to be invalid, the invalid provision or part thereof shall be stricken, with the remainder of the provision and other provisions of this Note surviving with full force and effect.

11. BORROWER RATIFIES and reaffirms all information previously submitted in Borrower's loan application or financial statement, and by signing this Note, Borrower represents and warrants to Lender that the information provided is true and correct and that there has been no adverse change in Borrower's financial condition as disclosed to Lender in Borrower's most recent application or financial statement.

12. APPLICABLE LAW AND VENUE: This Note has been issued, executed and delivered in the State of Washington and shall be governed by and construed in accordance with the laws of the State of Washington, except to the extent that the laws of the United States of America may prevail. Venue to enforce any provision shall be in the Spokane County Superior Court.

ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, TO
EXTEND CREDIT, TO MODIFY OR AMEND ANY AGREEMENT TERMS,
TO RELEASE ANY GUARANTOR, TO FORBEAR FROM ENFORCING
REPAYMENT OF A DEBT OR FORBEAR FROM EXERCISING ANY
REMEDIES, OR TO MAKE ANY OTHER FINANCIAL ACCOMMODATION

DRAFT

RELATED TO THIS NOTE ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

PRIOR TO SIGNING THIS NOTE, BORROWER HAS READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE. BORROWER AGREES TO ALL TERMS AND CONDITIONS OF THIS NOTE AND ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THIS NOTE.

IN WITNESS WHEREOF, the Borrower executed this Promissory Note on this ____ day of _____, 2014.

C & H DUPLEXES L.L.C.
a Washington limited liability company

By: _____
Cory S. Colvin, Manager

Date: _____

DRAFT

**CITY OF SPOKANE
C&H DUPLEXES L.L.C.**

SHARP RESIDENCE

PROMISSORY NOTE 2

OPR #2014-_____

Borrower: C & H Duplexes, LLC
P.O. Box 2682
Spokane, WA 99220

Lender: City of Spokane
Community, Housing and Human Services Department
808 W. Spokane Falls Blvd., Room 650
Spokane, WA 99201

Principal: \$40,000.00

Date: _____

1. PROMISE TO REPAY: FOR VALUE RECEIVED, the undersigned _____, hereinafter referred to as "Borrower", promises to repay to the order of the City of Spokane, a Washington state municipal corporation, or its successors and assigns (hereinafter called "Lender") the maximum principal sum of FORTY THOUSAND AND 00/100 DOLLARS (\$40,000.00) or so much of said sum or sums as may now or hereafter be loaned or disbursed to the Borrower by the Lender, for the purpose of providing a portion of the financing for the construction of Borrower's Sharp Residence, to be located at 2808 East Sharp Avenue in Spokane, WA (the "Project"). This Promissory Note (the "Note") is part of a transaction further reflected in Promissory Note 1, HOME Program Loan Agreement ("Loan Agreement") and HOME Program Loan Covenant Agreement ("Covenant Agreement") of even date herewith. Promissory Note 1 and Promissory Note 2 are collectively referred to as "Notes." Lender's disbursements under the Loan Agreement and the Notes are further secured by a Deed of Trust of even date herewith ("Deed of Trust"). The terms of said documents are incorporated herein as if fully set forth herein, and together shall be referenced as the "Related Documents". The capitalized terms in said Related Documents shall have the same meaning in this Note unless the context clearly suggests otherwise. In the event of conflict or ambiguity in the terms of any of these documents, the terms most favorable to Lender shall apply.

2. INTEREST: In addition to repayment of principal sums loaned, Borrower agrees to pay interest, compounded monthly, commencing on the date the money is first disbursed under the Loan Agreement, at the rate of three percent (3%) per annum. If rents for any HOME-assisted unit of the Project are raised above the level of the

DRAFT

Affordability Requirement defined in the Loan Agreement, or any other provisions, covenants, terms, conditions or restrictions of the Loan Agreement are not adhered to, then the rate on the outstanding balance shall be increased to the prevailing prime lending rate as published in The Wall Street Journal, plus three percent (3%), compounded monthly, for the period of noncompliance, as determined by the Director of Community, Housing and Human Services for the City of Spokane ("Director").

3. REPAYMENT; MATURITY:

A. Deferral Period: Payment of principal and interest shall be deferred during the HOME Affordability Period, as defined in the Loan Agreement and Covenant Agreement, so long as Borrower and the Project are in compliance with the Affordability Requirements per the terms of the Loan Agreement and Covenant Agreement together with all other provisions of this Note and Related Documents.

B. Payment Period: Principal and interest on this Note shall be payable in approximately equal amortized installments on the first day of each month (or the first business day thereafter if the first day of the month is a weekend or a holiday for the City), commencing immediately after the HOME Affordability Period ends, in the amount required to fully amortize the outstanding principal and accrued interest on this Note (including the interest accrued) during the remaining City Affordability Period, as defined in the Loan Agreement. During the Affordability Period, Borrower shall notify the City in writing if, for any reason, Borrower and/or the Project will not comply with the Affordability Requirements, at which time any remaining balance would become immediately due and payable in full.

C. Prepayment: The Borrower may pay all or any portion of the outstanding principal of the Note at any time, without penalty. Repayment during the HOME Affordability Period, as described in the Loan Agreement, shall not extinguish the Affordability Requirements.

D. Late Charges: A late charge of thirty dollars (\$30.00) will be added to any payment received after the 10th day of the month in which it is due in addition to any other remedy.

E. Application of Payments: Payments received will first be applied to late charges, then to interest, and finally to principal.

F. Place of Payment: Payments of principal, interest, and fees shall be made in lawful money of the United States of America in immediately available funds to the City of Spokane, at the Community, Housing and Human Services Department, 808 W. Spokane Falls Blvd., Room 650, Spokane, WA 99201, or at such other place as Lender may designate in writing according to the schedule noted above.

G. Potential Debt Forgiveness: Repayment shall further be subject to provisions and applicable sections of the Loan Agreement, which allows for debt forgiveness in exchange compliance with the Affordability Requirements during the

DRAFT

Forgiveness Period, as defined in the Loan Agreement, subject to conditions specified in the Loan Agreement.

4. THIS NOTE IS secured by the Deed of Trust of even date herewith, duly filed for record in the County of Spokane, Washington.

5. THIS LOAN IS made for the purpose of financing a portion of the costs of the construction of a four-bedroom single family residence to be located on the property described in the Deed of Trust and Loan Agreement. As a condition of receiving this loan, Borrower agrees to abide by all of the terms and conditions of the Notes, the Deed of Trust, the Loan Agreement and associated Covenant Agreement, incorporated herein by reference as if fully set forth.

6. IF THE BORROWER SHALL default in the payment of any amount due under this Note, and such default is not cured within ten (10) days after such payment is due, or if any other Event of Default occurs under the Deed of Trust, the Loan Agreement or the Covenant Agreement and such default is not cured within the cure period, if any, applicable thereto, the entire unpaid principal amount of this Note, together with accrued interest, shall immediately become due and payable, at Lender's option, upon notice to the Borrower. Failure of Lender to exercise such option shall not constitute a waiver of default. If Lender exercises its option to declare the entire amount of Borrower's loan immediately due and payable as provided above, Borrower agrees to pay Lender's cost and expenses of collection, including reasonable attorney's fees and court costs. If this Note is reduced to judgment, the judgment shall bear interest at the maximum rate permissible on judgments in the State of Washington.

7. IF THE BORROWER voluntarily sells, transfers, leases or otherwise conveys the Project or any portion thereof, to any person/persons or entity/entities (the "Transferee"), other than by leasing or renting for residential tenant use as contemplated by various provisions of the Loan Agreement, or for any other incidental use (to the extent permissible under all applicable federal and state laws and regulations), an Event of Default shall occur under the terms of this Note and the Related Documents unless the Borrower obtained prior written consent of the Director. The remedies provided for Default may be exercised at the discretion of the Director. An unauthorized transfer also occurs if Borrower grants a junior security interest without obtaining the prior written consent of the Director. Any sale, transfer, leasing or other disposition of the Project in violation of this Section 7 shall not relieve the Borrower of any obligation or obligations under this Note or any Related Document. The Borrower hereby agrees that upon any sale, transfer, lease or other disposition of the Project, the Borrower shall transfer all records, accounts, electronic data or other documents pertaining to the Project, including documents related to Borrower's compliance with this Note and any Related Document, to the Transferee or its designated agent. Failure by the City to exercise any of its rights and remedies under this Note or any Related Documents shall not be construed as a waiver of any kind. The Director's written consent may be conditioned upon the following, at the Director's sole discretion:

DRAFT

(a) reasonable evidence satisfactory to the Director that the Borrower is not then in default under any document related to this transaction beyond any applicable grace period or cure period;

(b) an opinion of counsel for the Transferee, delivered to the City, to the effect that the Transferee (i) has assumed in writing and in full, all duties and obligations of the Borrower under this Note, the Loan Agreement and the Covenant Agreement, and (ii) that this Note and the Related Documents constitute the legal, valid and binding obligations of the Transferee;

(c) a showing that written assumption of the Transferee and/or the written agreement of the Transferee complies with all provisions of local, state and federal laws, ordinances and regulations applicable to the Borrower under this Note and Related Documents;

(d) a showing that the Borrower or the Transferee is not in arrears on any payments due and owing to the City or is in default under this Note or any of the Related Documents, beyond any applicable grace period or cure period;

(e) a showing that the Borrower or the Transferee do not have a history of instances of non-compliance with any non-monetary provision of this Note or any of the Related Documents, which were not cured after notice thereof and within the applicable cure period or grace period; and/or,

(f) a showing that the Borrower or the Transferee do not have a documented history of instances of failure to make payments due and owing to the City which are not paid within a reasonable period after notice thereof.

8. THIS NOTE IS not assignable or assumable without the express written consent of the Lender.

9. EACH MAKER AND endorser of this Note hereby waives demand and presentment for payment, notice of nonpayment, protest, notice of protest, notice of dishonor, bringing of suit, and diligence in taking action to collect any amounts called for hereunder and in the handling of properties, rights or collateral at any time existing in connection herewith. Each maker and endorser expressly agrees that this Note or any payment thereunder may be extended from time to time, and consent to the acceptance of further security for this Note, including other types of security, all without in any way affecting the liability of each maker and endorser hereof. The right to plead any statutes of limitation as a defense to any demand on this Note, or any guaranty thereof or to any agreement to pay the same or to any demand secured by the Deed of Trust or other security, securing the Note, or any and all obligations or liabilities arising out of or in connection with said Note or Deed of Trust by any parties hereto is expressly waived by each and every of the makers, endorsers, guarantors or sureties.

10. SEVERABILITY: If any provision, or a part thereof, of this Note is declared by a court of competent jurisdiction to be invalid, the invalid provision or part thereof shall be stricken, with the remainder of the provision and other provisions of this Note surviving with full force and effect.

DRAFT

11. BORROWER RATIFIES and reaffirms all information previously submitted in Borrower's loan application or financial statement, and by signing this Note, Borrower represents and warrants to Lender that the information provided is true and correct and that there has been no adverse change in Borrower's financial condition as disclosed to Lender in Borrower's most recent application or financial statement.

12. APPLICABLE LAW AND VENUE: This Note has been issued, executed and delivered in the State of Washington and shall be governed by and construed in accordance with the laws of the State of Washington, except to the extent that the laws of the United States of America may prevail. Venue to enforce any provision shall be in the Spokane County Superior Court.

ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, TO EXTEND CREDIT, TO MODIFY OR AMEND ANY AGREEMENT TERMS, TO RELEASE ANY GUARANTOR, TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT OR FORBEAR FROM EXERCISING ANY REMEDIES, OR TO MAKE ANY OTHER FINANCIAL ACCOMMODATION RELATED TO THIS NOTE ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

PRIOR TO SIGNING THIS NOTE, BORROWER HAS READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE. BORROWER AGREES TO ALL TERMS AND CONDITIONS OF THIS NOTE AND ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THIS NOTE.

IN WITNESS WHEREOF, the Borrower executed this Promissory Note on this ____ day of _____, 2014.

C & H DUPLEXES L.L.C.
a Washington limited liability company

By: _____
Cory S. Colvin, Manager

Date: _____

BRIEFING PAPER
City of Spokane
Planning, Community & Economic Development Committee
June 2, 2014

Subject

Affordable rental housing projects, which have been allocated federal HOME funds through the Community, Housing, and Human Services Dept. and will come before City Council in 2014.

Background

The City receives federal funds from the U. S. Department of Housing and Urban Development (HUD) through its HOME Investment Partnerships Program (HOME), which is administered by the Community, Housing, and Human Services Dept. Eligible uses include the construction, rehabilitation, and acquisition of rental properties, which are affordable to low-income tenants. Eligible recipients include for-profit and non-profit housing providers and housing authorities. Some funding is restricted to non-profits designated as Community Housing Development Organizations (CHDO).

Following an RFP process and reviews by its Affordable Housing & Real Estate Portfolio subcommittee, the Community, Housing, & Human Services Board (CHHS Board) recommends four projects for allocations of HOME funds. On 4/24/14, the CHHS Board allocated CHDO set aside funds to one project and, on 5/7/14, it allocated non-CHDO funds to three projects. The four projects are included in the attached table, which shows proposed projects and projects that are currently underway. The pending projects are:

- The Boone 5-plex replaces a 5-plex that was irreparably damaged by fire. The \$125,000 in HOME funds will cover costs not covered by insurance proceeds and enable the owner to upgrade materials and meet WA State Evergreen Sustainable Development Standards. Prior funding with low-income housing tax credits limits affordability to households at or below 45% of area median income (AMI). All units will be HOME units. Spokane Housing Ventures manages the property and owns the partnership interests of the project owner, Casas Salvadas Limited Partnership.
- Liberty Park Terrace is an apartment complex with 24 two-bedroom and 24 three-bedroom units. It was constructed in 1971 with a HUD loan that has paid off. The project has project-based rental assistance. Work includes energy efficiency upgrades, exterior work, and conversion of two units to full accessibility. The \$203,007 HOME loan supplements a bank loan financed with housing bonds and 2060 funds from Spokane County. Under the City's program, 7 units will be affordable to households at or

below 30% AMI. Proclaim Liberty is a nonprofit that was formed to own the project. Liberty Park Terrace is managed by Kiemle & Hagood.

- Garfield Apartments is a 10-unit project with 2 one-bedroom, 2 two-bedroom, and 6 three-bedroom units. Of the 7 HOME units, 3 will be affordable to households at or below 30% AMI and 4 will be affordable to households at or below 50% AMI. The City loan is for \$400,000; a bank loan and owner funds will provide the remaining financing. Konstantin and Tatyana Vasilenko will own and manage the units.
- Sharp Residence is a 4-bedroom single family home that will be affordable to households at or below 50% AMI. The City loan is for \$100,000; a bank loan and owner funds will provide the remaining financing. C&H Duplexes, LLC will own and manage the house.

Impact

Three of the proposed projects will construct a total of 16 units and one will rehabilitate 48 units. The targeted income levels range from 30% to 60% of AMI. Ten of the 20 HOME units will serve households at or below 30% AMI. The HOME units include 1 studio, 4 one-bedroom units, 6 two-bedroom units, 8 three-bedroom units, and 1 four-bedroom unit. The rehabilitation project has project-based rent subsidies. All projects are in established neighborhoods with good bus service.

Action

Loan documents relating to the Boone 5-plex, Liberty Park Terrace Apartments, Garfield Apartments, and Sharp Residence will be before the Council for action before the end of the year.

Funding

The HUD program began in 1992 and the City's annual allocation of HOME funds ranged from \$1.4 to \$1.8 million from 1995 to 2011, and was reduced to under \$1 million in 2012-2014. HOME's eligible uses include: rental housing (acquisition, rehabilitation, or construction), single family housing rehabilitation, tenant-based rental assistance, and homebuyer assistance.

HOME is subject to a number of federal requirements and regulations. The catalogue of Federal Domestic Assistance Number (CFDA) is 14.239. More information is at:

<http://www.hud.gov/offices/cpd/affordablehousing/programs/home/>.

Most uses of HOME funds require a 25% match from non-federal sources. The match requirement is evaluated at the program level, not the level of each project. Thus far, the City has easily met the program match requirement.

**HOME-FUNDED RENTAL PROJECTS
PROPOSED AND UNDERWAY**

Pending (allocations recommended for approval by Community, Housing & Human Services Board)

Project name	Owner/Sponsor	Ownership type	City HOME funds	Total cost	Leverage 1 to X	Total no. of units	Unit type & approx sq ft	Cost/ unit	Cost/ sq ft	Tenant income level	Allocation date	CHHS Board approval
Sharp Residence 2808 E Sharp (Chief Garry Park)	C&H Duplexes, LLC	For-profit	\$80,000	\$151,731	0.9	1	1 4bd/1,773 sf	\$151,731	\$86	VLI-50	May-14	5/16/2014
Liberty Park Terrace 1411 E Hartson (East Central)	Proclaim Liberty	Non-profit	\$203,007	\$1,616,000	7.0	48	24 2bd/753sf 24 3bd/934sf	\$33,667	\$40	ELI, VLI-50	May-14	5/16/2014
Boone 5-plex (Casas Salvadas) 1024 W Boone (West Central)	Casas Salvadas Limited Partnership/Spokane Housing Ventures	Non-profit	\$125,000	\$593,000	3.7	5	1 0bd/263 sf 2 1bd/738 sf 2 2bd/1,136 sf	\$118,600	\$247	VLI-45	Apr-14	5/7/2014
Garfield Apts. 532 S Garfield (East Central)	Vasilenko	For-profit	\$400,000	\$651,960	0.6	10	2 1bd/671 sf 2 2bd/956 sf 6 3bd/1,186 sf	\$65,196	\$71	ELI, VLI-50, MKT	May-14	5/16/2014
Total			\$808,007	\$3,012,691	2.7	64						

Previously Approved by City Council (Underway)

Project name	Owner/Sponsor	Ownership type	City HOME funds	Total cost	Leverage 1 to X	Total no. of units	Unit type/ approx sq ft	Cost/ unit	Cost/ sq ft	Tenant income level	Allocation date	Council approval
Clare View Seniors 3214 E 44th (Southgate)	Clare View Seniors Apts LP/ Spokane Housing Ventures	Non-profit sponsor/ for-profit owner, LIHTC	\$400,000	\$1,051,214	26.6	61	10 1bd/641sf 50 2bd/870sf	\$181,167	\$166	ELI, VLI-40, LI-60	Oct-11	2012-7-47 10/1/2012
Pioneer Park Place 424 W 7th (Downtown/City Cannon)	Pioneer Park Place GP LLC/ Community Frameworks	Non-profit sponsor/ for-profit owner, LIHTC, HUD 811	\$262,000	\$6,398,220	23.4	29	20 1bd/520-690sf 8 2bd/715-720sf 1 1mgr	\$220,628	\$242	ELI, VLI-40, VLI-50, LI-60	Oct-11	2013-0073 2/4/2013
Sprague Union Terrace 1420-24 E Sprague (East Central)	Inland Empire Residential Resources	Non-profit	\$500,000	\$7,269,806	13.5	37	5 stu/400sf 29 1bd/575-585sf 3 2bd/995sf	\$196,481	\$193	ELI, VLI-50	May-11	2012-221 *6/20/2011 3/26/2012
The Delaney 242 W Riverside (Downtown)	Catholic Housing Services of Eastern Washington	Non-profit sponsor/ for-profit owner, LIHTC	\$300,000	\$7,566,586	24.2	71	70 1bd/414-440 sf 1 1mgr	\$106,572	\$133	ELI, VLI-40, VLI-60	Nov-12	2013-611 8/19/13
Lilac Plaza 7007 N Wiscumb (Nevada/Lidgerwood)	Spokane Baptist Association Homes	Non-profit sponsor/ for-profit owner, LIHTC	\$300,000	\$13,326,833	43.4	175	126 stu/360-440sf 49 1bd/470-612sf	\$76,153	\$107	ELI, VLI-50, mkt	Nov-12	2013-685 9/30/13
Luhn House 2236 W Pacific (Browne's Addition)	Volunteers of America	Non-profit	\$37,500	\$235,000	5.3	1	1 6bd/4379sf	\$235,000	\$54	ELI, VLI-50	Oct-11	minor contract 4/15/13
Total			\$1,799,500	\$45,847,659	24.5	374						

Income levels relate to Spokane area median income (AMI):

Extremely low-income (ELI)
Very low-income (VLI-45)
Very low-income (VLI-50)
Very low-income (VLI-60)
Market (MKT)

Household income at or below 30% AMI.
Household income at or below 45% AMI.
Household income at or below 50% AMI.
Household income at or below 60% AMI.
Unrestricted income.

**Agenda Sheet for City Council Meeting of:**

07/28/2014

Date Rec'd

7/16/2014

Clerk's File #

CPR 1991-0134

Renews #**Submitting Dept**

MAYOR

Cross Ref #**Contact Name/Phone**

BRANDY COTE 625-6250

Project #**Contact E-Mail**

BCOTE@SPOKANECITY.ORG

Bid #**Agenda Item Type**

Boards and Commissions

Requisition #**Agenda Item Name**

0520 APPOINTMENT OF ERIC DICKSON, FIRE CODE ADVISORY BOARD

Agenda Wording

Reappointment of Eric Dickson to serve a three year term to begin on January 1, 2014 and expire December 31, 2016.

Summary (Background)

Reappointment of Eric Dickson to serve a three year term to begin on January 1, 2014 and expire December 31, 2016.

Fiscal Impact**Budget Account**

Select \$

#

Select \$

#

Select \$

#

Select \$

#

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

WESTFALL, JENNIFER

Study Session**Division Director****Other****Finance****Distribution List****Legal**

jwestfall@spokanecity.org

For the Mayor

SANDERS, THERESA

bwilliams@spokanecity.org

Additional Approvals**Purchasing**

**Agenda Sheet for City Council Meeting of:**

07/28/2014

Date Rec'd

7/16/2014

Clerk's File #

CPR 1991-0134

Renews #**Submitting Dept**

MAYOR

Cross Ref #**Contact Name/Phone**

BRANDY COTE 625-6250

Project #**Contact E-Mail**

BCOTE@SPOKANECITY.ORG

Bid #**Agenda Item Type**

Boards and Commissions

Requisition #**Agenda Item Name**

0520 APPOINTMENT OF STEVE KUHLMAN TO THE FIRE CODE ADVISORY &

Agenda Wording

Reappointment of Steve Kuhlman to serve a three year term on the Fire Code Advisory and Appeals Board, to begin on January 1, 2014 and expire December 31, 2016.

Summary (Background)

Reappointment of Steve Kuhlman to serve a three year term on the Fire Code Advisory and Appeals Board, to begin on January 1, 2014 and expire December 31, 2016.

Fiscal Impact**Budget Account**

Select \$

#

Select \$

#

Select \$

#

Select \$

#

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

WESTFALL, JENNIFER

Study Session**Division Director****Other****Finance****Distribution List****Legal**

jwestfall@spokanecity.org

For the Mayor

SANDERS, THERESA

bwilliams@spokanecity.org

Additional Approvals**Purchasing**

**Agenda Sheet for City Council Meeting of:**

07/28/2014

Date Rec'd

7/16/2014

Clerk's File #

ORD C35130

Renews #**Submitting Dept**

FIRE

Cross Ref #**Contact Name/Phone**

ART NICHOLS 625 7080

Project #**Contact E-Mail**

ANICHOLS@SPOKANEFIRE.ORG

Bid #**Agenda Item Type**

Emergency Budget Ordinance

Requisition #

EBO

Agenda Item Name

1970-EBO-FEMA GRANT

Agenda Wording

Amending Ordinance No. C35062 and appropriating funds in the Fire Improvement Fund From: Federal Emergency Management Agency (FEMA). The amount of the award will be \$698,604.

Summary (Background)

To budget a grant from the Federal Emergency Management Agency FY 2013 Assistance to Firefighters Grant (AFG). The approved projected cost amounts to \$776,227. The Federal share is 90% or \$698,604 of the approved amount and the Fire Department's share will be 10% or \$77,623. The grant is for fire hose, nozzles, saws, rescue bags, rescue equipment and Thermal Imaging Cameras. The City match is being covered from the Asset Management-Capital Projects Fund.

Fiscal Impact**Budget Account**

Revenue \$ 698604

3130-93521-99999-33183

Expense \$ 175605

3130-93521-94000-56401

Expense \$ 522999

3130-93521-22200-53201

Expense \$ 77623

3130-93521

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

WILLIAMS, BOBBY

Study Session

Public Safety 7-21-14

Division Director

WILLIAMS, BOBBY

Other**Finance**

LESESNE, MICHELE

Distribution List**Legal**

WHALEY, HUNT

bwilliams

For the Mayor

SANDERS, THERESA

korlob

Additional Approvals

anichols

Purchasing

ORDINANCE NO C35130

An ordinance amending Ordinance No. C-35062, passed the City Council November 25, 2013, and entitled, "An ordinance adopting the Annual Budget of the City of Spokane for 2014, making appropriations to the various funds, departments, and programs of the City of Spokane government for the fiscal year ending December 31, 2014, and providing it shall take effect immediately upon passage", and declaring an emergency.

WHEREAS, subsequent to the adoption of the 2014 budget Ordinance No. C-35062, as above entitled, and which passed the City Council November 25, 2013, it is necessary to make changes in the appropriations of the Miscellaneous Grants 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 Fire Improvement Fund, and the budget annexed thereto with reference to the Fire Improvement Fund, the following changes be made:

From:	3130-93521	Fire Improvement Fund	
	99999-33183	Federal Emergency Management Agency	\$ 698,604
To:	3130-93521	Fire Improvement Fund	
	94000-56401	Mach/equipment	\$ 175,605
	3130-93521	Fire Improvement Fund	
	22200-53201	Operating Supplies	\$ 522,999

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 need to budget an Advanced Environmental Pre-permitting Grant Program, 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 the City Council _____

Council President

Attest: _____
City Clerk

Approved as to form: _____
Assistant City Attorney

Mayor

Date

Effective Date

**Agenda Sheet for City Council Meeting of:**

07/28/2014

Date Rec'd

7/16/2014

Clerk's File #

ORD C35131

Renews #**Submitting Dept**

PLANNING & DEVELOPMENT

Contact Name/Phone

JAN QUINTRALL 625-6187

Contact E-Mail

JQUINTRALL@SPOKANECITY.ORG

Agenda Item Type

Emergency Budget Ordinance

Agenda Item Name

0650 - ORDINANCE - MONITORS

Cross Ref #**Project #****Bid #****Requisition #**

EBO

Agenda Wording

An emergency budget ordinance to add \$38,400 for contractual services for improvements to the Accela Permit system, add \$20,188.70 for computer monitors for Accela electronic document review, and add \$15,545.27 for mobile computer tablets for Accela

Summary (Background)

An investment in the Accela system will bring greater functionality and efficiencies to Accela users. Electronic document review is a paperless system that will save time and money for our customers as well as staff. The improvements to Accela Citizen Access will allow for increased online transactions, which will ultimately drive down the cost of permitting. Accela Mobile Office, while a necessary upgrade, will allow inspection staff to track and result inspections quickly in the field.

Fiscal Impact**Budget Account**

Expense \$ 35,734.00

4700 30210 24100 53502

Expense \$ 38,400.00

4700 30210 24100 54201

Select \$

#

Select \$

#

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

CHESNEY, SCOTT

Study Session**Division Director**

QUINTRALL, JAN

Other

PCED 7/7/14

Finance

LESESNE, MICHELE

Distribution List**Legal**

WHALEY, HUNT

lhattenburg@spokanecity.org

For the Mayor

SANDERS, THERESA

jquintrall@spokanecity.org

Additional Approvals

schesney@spokanecity.org

Purchasing

kbecker@spokanecity.org

jwest@spokanecity.org



Continuation of Wording, Summary, Budget, and Distribution

Agenda Wording

Mobile Office implementation.

Summary (Background)

The quicker turn around on inspection results and comments grants our customers the ability move their jobs forward faster.

Fiscal Impact

Select \$

Select \$

Budget Account

#

#

Distribution List

ORDINANCE NO C35131

An ordinance amending Ordinance No. C-35062, passed the City Council November 25, 2013, and entitled, "An ordinance adopting the Annual Budget of the City of Spokane for 2014, making appropriations to the various funds, departments, and programs of the City of Spokane government for the fiscal year ending December 31, 2014, and providing it shall take effect immediately upon passage", and declaring an emergency.

WHEREAS, subsequent to the adoption of the 2014 budget Ordinance No. C-35062, as above entitled, and which passed the City Council November 25, 2013, it is necessary to make changes in the appropriations of the Development Services Center 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 Development Services Center Fund, and the budget annexed thereto with reference to the Development Services Center Fund, the following changes be made:

FROM:	4700-99999	Development Services Center Fund	
	99999-xxxxx	Unreserved Fund Balance	<u>\$ 74,134</u>
TO:	4700-30210	Development Services Center Fund	
	24100-53502	Minor Equipment	35,734
	24100-54201	Contractual Services	38,400
			<u>\$ 74,134</u>

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 need to purchase computer monitors for Accela Electronic Document Review and mobile computer tablets for Accela Mobile Office implementation and to secure consultant services for improvements to the Accela Permit System, 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 the City Council _____

Council President

Attest: _____
City Clerk

Approved as to form: _____
Assistant City Attorney

Mayor

Date

Effective Date



OFFICE OF THE CITY CLERK
808 W. SPOKANE FALLS BLVD
SPOKANE, WASHINGTON 99201-3342
509.625.6350

May 5, 2014

City Clerk File Nos.:
RES 2014-0048

COUNCIL ACTION MEMORANDUM

RE: RESOLUTION 2014-0048 APPROVING A PROPOSAL TO NAME THE NEWLY
CONSTRUCTED CITY HALL PLAZA

During the Spokane City Council's 3:30 p.m. Briefing Session held Monday, April 21, 2014, City Administrator Theresa Sanders noted that, following a conversation in PCED meeting today, staff is requesting a deferral of this matter. Business and Developer Services Division Director Jan Quintrall noted the discussion in PCED was to take the 90 days that we have and do a much more public process and get some feedback. In addition, she noted it will also give the City the opportunity to work with the Spokane Tribe to rename Glover Field and that will take away some of the confusion about calling this Glover Plaza. Council Member Mumm noted this will be a great opportunity for people to get out and actually experience the plaza once it's opened and then maybe engage people through public hearings through the Plan Commission process. Subsequently, the following action was taken:

Motion by Council Member Salvatori, seconded by Council Member Snyder, **to defer** Resolution 2014-0048 for 90 days (to July 28, 2014);
carried unanimously.

Terri L. Pfister, MMC

**Agenda Sheet for City Council Meeting of:**

04/28/2014

Date Rec'd

4/17/2014

Clerk's File #

RES 2014-0048

Renews #**Submitting Dept**

MAYOR

Contact Name/Phone

JENNIFER 509.625.6716

Contact E-Mail

JWESTFALL@SPOKANECITY.ORG

Agenda Item Type

Resolutions

Agenda Item Name

0520 GLOVER NAMING PROPOSAL

Cross Ref #**Project #****Bid #****Requisition #****Agenda Wording**

A resolution approving a proposal to name the newly constructed City Hall Plaza after Spokane's second mayor, James Glover.

Summary (Background)

Avista Utilities is near completion of the new City Hall Plaza between Avista's Post Street Substation and City Hall. Ribbon cutting for the new plaza is scheduled for May 2, 2014. In connection with the ribbon cutting, the Mayor's office received a request to name the new plaza after Spokane's second Mayor, James Glover.

Fiscal Impact**Budget Account**

Select \$

#

Select \$

#

Select \$

#

Select \$

#

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

WESTFALL, JENNIFER

Study Session**Division Director****Other****Finance**

LESESNE, MICHELE

Distribution List**Legal**

DALTON, PAT

For the Mayor

SANDERS, THERESA

Additional Approvals**Purchasing**



Continuation of Wording, Summary, Budget, and Distribution

Agenda Wording

Summary (Background)

The Mayor's office invited input from neighborhood representatives and relevant City government organizations, and copies of responses have been filed with the City Clerk along with this resolution.

<u>Fiscal Impact</u>		<u>Budget Account</u>
Select	\$	#
Select	\$	#
<u>Distribution List</u>		

RESOLUTION NO. 2014-0048

A RESOLUTION APPROVING A PROPOSAL TO NAME THE NEWLY CONSTRUCTED CITY HALL PLAZA AFTER SPOKANE'S SECOND MAYOR, JAMES GLOVER.

WHEREAS, Avista Utilities is near completion of the new City Hall Plaza between Avista's Post Street Substation and City Hall, and ribbon cutting for the new plaza is scheduled for May 2, 2014; and

WHEREAS, in connection with the ribbon cutting, the Mayor's office received a request to name the new plaza after Spokane's second Mayor, James Glover, a copy of which request is attached to this resolution as Exhibit "A"; and

WHEREAS, in accordance with the City's Administrative Policy and Procedure regarding Naming City-owned Public Buildings, Structures, and Property, after receiving this request, the Mayor's office invited input from neighborhood representatives and relevant City government organizations, and copies of responses have been filed with the City Clerk along with this resolution;

NOW, THEREFORE - - it is hereby resolved by the Spokane City Council that the new City Hall Plaza shall be named after the City of Spokane's second Mayor, James Glover.

ADOPTED by the Spokane City Council this _____ day of _____, 20____.

City Clerk

Approved as to form:

Assistant City Attorney

Exhibit "A"

April 7, 2014 Correspondence from Jim Kolva Associates

**Agenda Sheet for City Council Meeting of:**

07/28/2014

Date Rec'd

7/16/2014

Clerk's File #

RES 2014-0086

Renews #**Submitting Dept**

PLANNING & DEVELOPMENT

Contact Name/Phone

JO ANNE 625-6017

Contact E-Mail

JWRIGHT@SPOKANECITY.ORG

Agenda Item Type

Resolutions

Agenda Item Name

0650 - RESOLUTION - EMERSON-GARFIELD NEIGHBORHOOD ACTION PLAN

Agenda Wording

Recognizing the Emerson-Garfield Neighborhood Action Plan as a declaration of the neighborhood's desired future condition, providing direction for neighborhood-based improvement activities and priorities for future projects.

Summary (Background)

The Emerson-Garfield Neighborhood Action Plan is the neighborhood's vision for future local improvement activities in the neighborhood and is recognized as a written record of the neighborhood's ongoing desire and efforts to continue to build a vibrant, healthy, active, safe, and connected neighborhood for all Emerson-Garfield residents.

Fiscal Impact

Select \$

Select \$

Select \$

Select \$

Budget Account

#

#

#

#

Approvals**Dept Head**

CHESNEY, SCOTT

Division Director

QUINTRALL, JAN

Finance

LESESNE, MICHELE

Legal

RICHTMAN, JAMES

For the Mayor

SANDERS, THERESA

Council Notifications**Study Session****Other**

PCED 7/7/2014

Distribution List

lhattenburg@spokanecity.org

schesney@spokanecity.org

htrautman@spokanecity.org

mhughes@spokanecity.org

mlesesne@spokanecity.org

jwright@spokanecity.org

Additional Approvals**Purchasing**

RESOLUTION NO. 2014-0086

A RESOLUTION recognizing the attached *Emerson-Garfield Neighborhood Action Plan* as a declaration of the neighborhood's desired future condition, providing direction for neighborhood based-improvement activities, as well as neighborhood priorities involving future projects.

WHEREAS, Spokane's City Council allocated \$550,000 in funding towards Neighborhood Planning in 2007; and

WHEREAS, these funds were divided twenty-six (26) ways with each neighborhood receiving approximately \$21,150, with the exception of the Riverside Neighborhood Council, which opted out of the process; and

WHEREAS, the Emerson-Garfield neighborhood entered into its planning process in 2012 to address neighborhood issues; and

WHEREAS, the Emerson-Garfield neighborhood established a Stakeholder Committee to organize and lead the planning process; and

WHEREAS, the vision of the *Emerson-Garfield Neighborhood Action Plan* is to ensure that "Emerson-Garfield strives to be a diverse and vibrant neighborhood actively supporting a thriving business district, strong residential areas, beautiful parks, walkable amenities, and a unique historic character"; and

WHEREAS, the *Emerson-Garfield Neighborhood Action Plan* contains a significant body of work detailing the neighborhood's existing conditions, opportunities, and an outline for possible actions designed to develop a vibrant, healthy, active, and better connected neighborhood; and

WHEREAS, the *Emerson-Garfield Neighborhood Action Plan* creates a visionary document to help guide the neighborhood into the future; and

WHEREAS, the Emerson-Garfield Stakeholder Committee conducted an early, continuous, and robust public participation process (as presented and stated in the attached *Emerson-Garfield Neighborhood Action Plan*) designed to encourage all stakeholders within the neighborhood to engage in the planning process; and

WHEREAS, the Emerson-Garfield Stakeholder Committee held numerous committee meetings; mailed and electronically posted notices of upcoming open houses and workshops to residents, land owners, and business owners; held three (3) public stakeholder

open house workshops and one (1) meeting for business owners to gather input and comments; conducted on-line and mailer surveys; presented plan overviews at neighborhood council meetings and social events; and created a website to enable public understanding and participation; and

WHEREAS, the *Emerson-Garfield Neighborhood Action Plan* does not direct nor commit City resources for action or project implementation, but does document the desires of the neighborhood for City decision-makers as they consider future funding and implementation measures for City plans and projects; and

WHEREAS, on July 9, 2014, the Plan Commission voted unanimously (6-0) to recommend to the Spokane City Council that the *Emerson-Garfield Neighborhood Action Plan* be adopted by Resolution; and

WHEREAS, as prescribed in SMC 04.12.010, this Resolution does not represent a recommendation of the Plan Commission regarding a legislative action to adopt changes to the Spokane Municipal Code or the text or maps of the Comprehensive Plan; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL that the *Emerson-Garfield Neighborhood Action Plan* is recognized as a guide for future neighborhood-based improvement activities and is recognized as a written record of the neighborhood's ongoing desire and efforts to continue building a vibrant, healthy, active, safe and connected neighborhood for all Emerson-Garfield residents.

ADOPTED by the City Council this _____ day of _____, 2014.

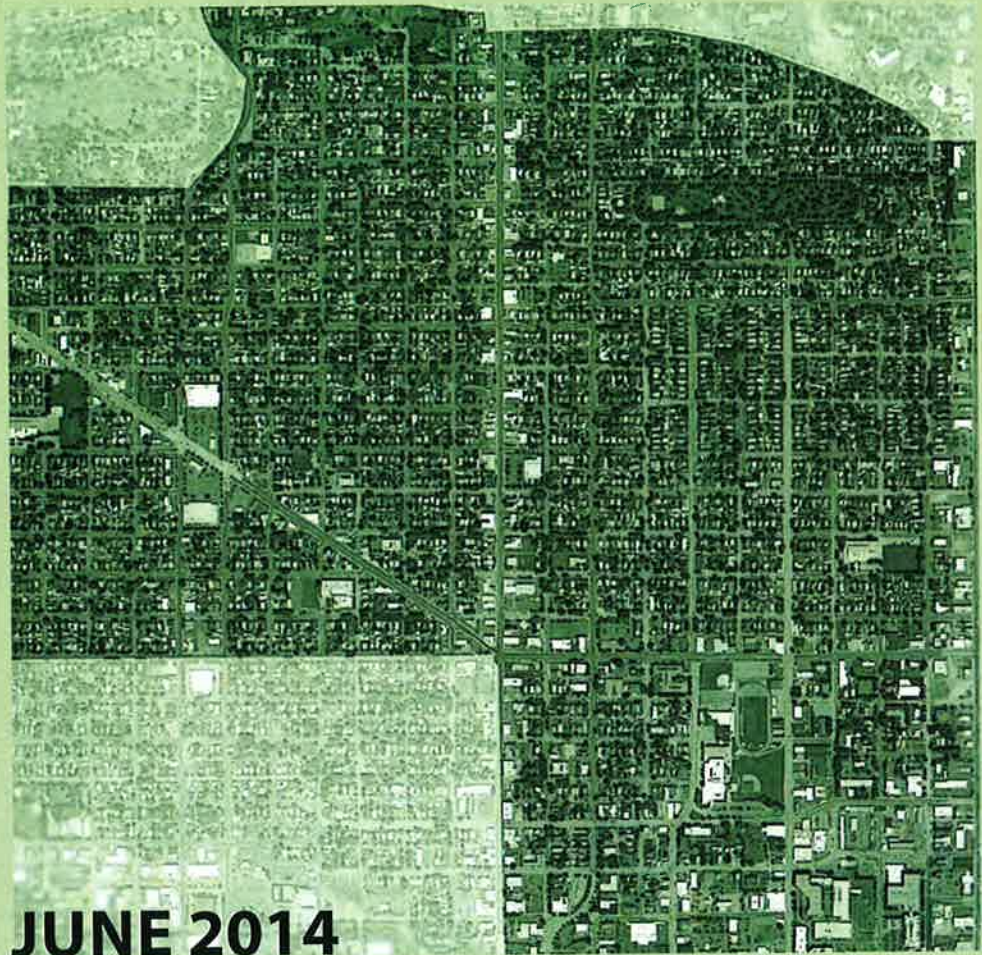
City Clerk

Approved as to form:

Assistant City Attorney

EMERSON-GARFIELD SPOKANE, WASHINGTON

NEIGHBORHOOD ACTION PLAN



prepared by:
AHBL
No. 2130433

ACKNOWLEDGEMENTS



Emerson-Garfield Neighborhood Stakeholder Group

Megan Schuyler Kennedy, Project Manager

Jan Appesland

Robin Appesland

Jay Cousins

Timothy Diko

Rose Fanger

E.J. Iannelli

Jeremiah Lee Johnson

Destry Kelly

Leigh-Anne Kelly

Chris Nichols

Patrick Maguire

Chelsea Maguire

Darbie Marlin

Jim McDonald

Teresa McGee

Jim McNeill

Jennifer Miller

Bryce Morrison

Lynda Morrison

Mitch Nichols

Melissa Parker

Edna Ripka

Jonelle Shelton

Bert Swanson

Emerson-Garfield Partners

Consultants: AHBL, Inc.

Len Zickler

Craig Andersen

Rachel Hodgson

City of Spokane: Neighborhood Planning

Scott Chesney, Director of Planning

Jo Anne Wright, Program Manager/City Planner

City of Spokane

David Condon, Mayor

City Council

Ben Stuckart, Council President

Mike Allen

Mike Fagan

Candace Mumm

Steve Salvatori

Jon Snyder

Amber Waldref

A LETTER FROM THE EMERSON-GARFIELD NEIGHBORHOOD PLANNING COMMITTEE

Dear Reader:

The action plan laid out in the following pages is the culmination of a nearly two-year effort to fairly and accurately reflect the ideals of our neighbors and fellow stakeholders as we collectively envision the future of Emerson-Garfield.

Through two public workshops geared toward neighborhood residents early in the planning process, a business outreach event for feedback to build support towards the end, and essential collaboration with the City of Spokane planning staff and our planning firm throughout, we feel confident that this document represents the desires of our neighborhood. We expect that our voice and these efforts will be respected in future developments and improvements within Emerson-Garfield by utilizing the guiding language you find here.

The basis for our planning came from problems identified and prioritized during our initial workshop, and solutions brainstormed during our second workshop. These solutions were further refined for our plan with feedback from City planning and engineering staff, the North Monroe business community, and other stakeholders with an interest in our neighborhood and its corridors.

As a committee of volunteers, we have been inspired and motivated throughout planning by the interest and participation of our neighborhood. Emerson-Garfield is home to creative, intelligent, and hard-working citizens. As such, many of the action items and priorities detailed in our plan are ones that we are completely empowered to take on ourselves through the continued organization and efforts of our Emerson-Garfield Neighborhood Council. With this document as a guide, it is our intent to fully pursue the improvements that our neighbors have prioritized and in the form they envisioned. In some cases that will mean pursuing further collaboration with the City and other stakeholders, as well as outside funding sources. Our work does not end here, but rather it takes on a new and exciting shape. We look forward to working with you.

Respectfully,



Megan Schuyler Kennedy

Vice Chair EGNC & Project Manager for Neighborhood Planning

TABLE OF CONTENTS

Acknowledgments	ii-iii
Introduction & Purpose	pages 1-3
Overview & Vision	
Purpose of the Neighborhood Action Plan	
Background & History	pages 4-8
Demographics	
Neighborhood History	
Historic Neighborhood Timeline	
Executive Summary	pages 9-10
Planning Process & Timeline	
Vision Statement	
Neighborhood Priorities	pages 11-24
Pedestrian Safety	
Neighborhood Beautification	
Business Diversity/Occupancy	
Community Resources	
Alternative & Public Transportation	
Neighborhood Life	
Monroe Street Corridor	pages 25-28
Conclusion	page 29
Sources	page 30

EMERSON-GARFIELD NEIGHBORHOOD MAP

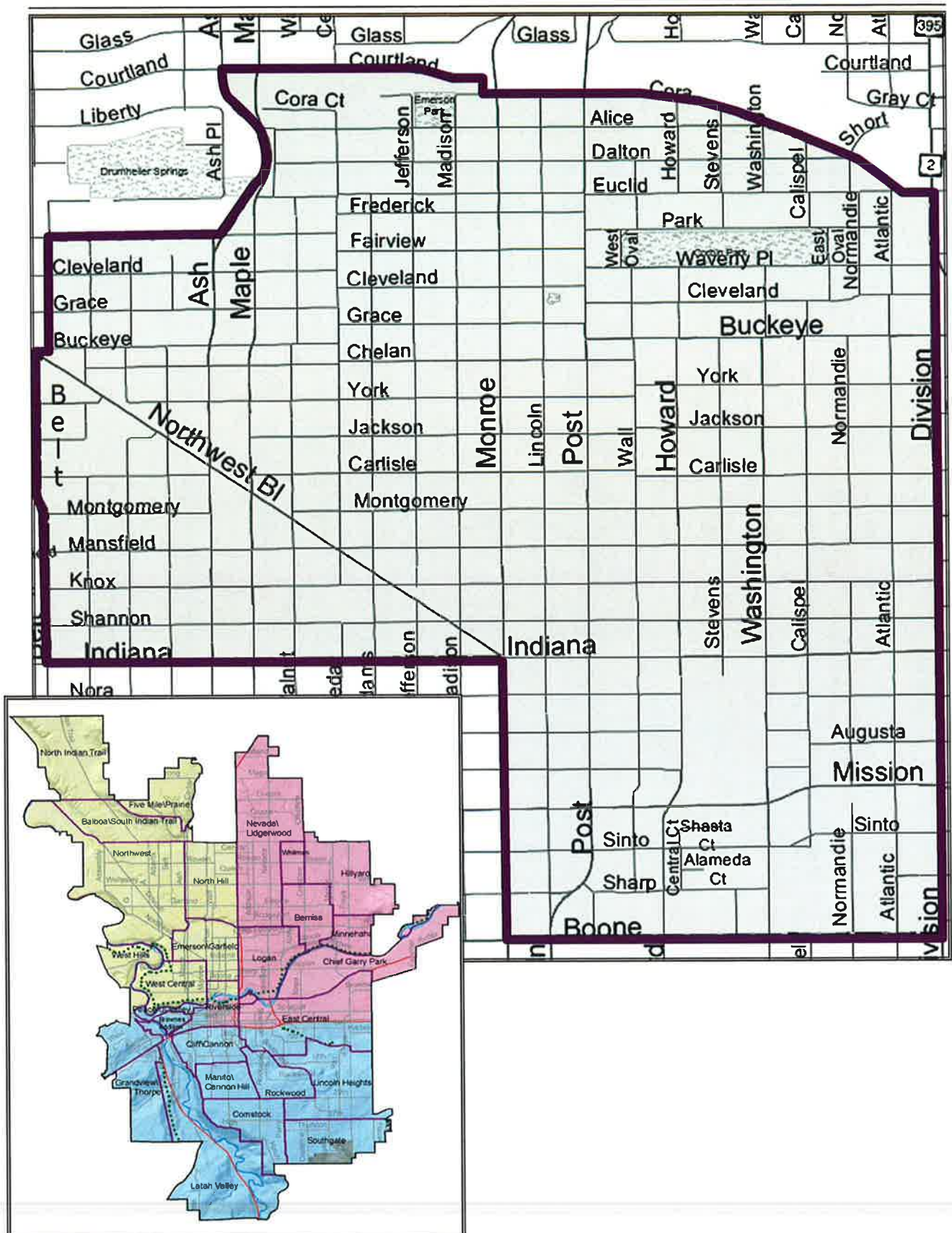


Image v: City of Spokane neighborhoods, courtesy of the City of Spokane

INTRODUCTION & PURPOSE

OVERVIEW & VISION



Image 1.1 Emerson Community Garden in Emerson-Garfield, courtesy Emerson-Garfield Neighborhood



Image 1.2 from Tracy L. Rebstock, "East View of Corbin Park," Spokane Historical, Image courtesy of the Washington State Digital Archives, Cheney, WA.



Image 1.3 Emerson-Garfield Farmers' Market 2013, courtesy of Megan Kennedy

Emerson-Garfield stands at an important crossroads toward its future. Change has come slowly to the neighborhood and many of the problems identified in previous planning efforts still remain. However, today the neighborhood is characterized by an enthusiastic and energetic group of residents committed to a strong and vibrant future. The neighborhood is consistent in its desire for improved connections, both physically and socially, improved parks and open space as well as a healthier residential and business environment. These desires are captured in the neighborhood vision statement:

"Emerson-Garfield strives to be a diverse and vibrant neighborhood actively supporting a thriving business district, strong residential areas, beautiful parks, walkable amenities, and a unique historic character."

The Action Plan that follows articulates a path to a brighter future for the neighborhood. The Emerson-Garfield Neighborhood Action Plan consists of four main sections: Background and History, Executive Summary, Neighborhood Priorities, and Monroe Street.

The Background and History section provides a more detailed look at the neighborhood from its beginnings to the current situation. People who wish to understand the neighborhood in both physical and social terms will find help in this summary. This section provides insight into the City of Spokane neighborhood planning process, a detailed description of the Emerson-Garfield Neighborhood, and a timeline of past and present planning efforts.

The Executive Summary discusses the Emerson-Garfield neighborhood planning process. This section helps the reader understand how this plan was created, what efforts were made, and why. This portion delves into greater detail on the overall neighborhood planning process, primary goals and objectives, and the determined vision statement.

Neighborhood Priorities constitute the bulk of the plan. This section contains six priorities as identified by the neighborhood. Pedestrian safety, neighborhood beautification, business diversity and occupancy, community resources, alternative and public transportation, and neighborhood connectivity and events are addressed. These alternatives are intended to be

INTRODUCTION & PURPOSE

read as identified issues associated with needs, locations, solutions, and recommendations. Property and business owners, residents, investors, developers, elected officials, and decision-making bodies should utilize this section for guidance on development.

The Monroe Street section describes the importance of the corridor to the Emerson-Garfield neighborhood as well as the City of Spokane. Monroe is central connection for transportation routes, commercial activity, and has relatively high traffic volumes.

PURPOSE OF THE NEIGHBORHOOD ACTION PLAN

The purpose of a neighborhood action plan is to identify issues of concern to the residents of the neighborhood and to devise strategies for addressing concerns. In conjunction with broader policies contained within the City of Spokane's Comprehensive Plan, a neighborhood action plan is intended to protect and enhance livability within specific neighborhoods, as well as to advance community vision and create a more livable city. More specifically, neighborhood action plans are intended to:

- Promote collaboration between the City and neighborhoods to achieve mutual goals and shared responsibility
- Create a sense of place within the community by identifying and developing the assets within each neighborhood
- Initiate change, rather than simply reacting to it, by addressing specific issues and opportunities
- Achieve sensible and coordinated project and program planning within and between all of the city's neighborhoods
- Strengthen neighborhoods

The Emerson-Garfield Neighborhood Action Plan lays the foundation for the eventual integration of neighborhood needs into the City's planning programs. The policy state-



Image 2.1 Existing bike lanes in Emerson-Garfield, courtesy of Jay Cousins



Image 2.2 Spokane runners sculpture, courtesy of Jay Cousins



Image 2.3 Workshop 1 participation: Emerson-Garfield, courtesy of AHBL

INTRODUCTION & PURPOSE



Image 3.1 Workshop 1 participation: Emerson-Garfield, courtesy of AHBL



Image 3.2 Workshop 1 participation: Emerson-Garfield, courtesy of AHBL



Image 3.3 Workshop 1 participation: Emerson-Garfield, courtesy of AHBL

ments included in the Action Plan may also be used by the neighborhood, City staff, and City Council to guide future decisions.

The Emerson-Garfield Neighborhood Action Plan is the result of a collaborative effort between the City of Spokane, residents, and business owners to help guide the future of the neighborhood.

The neighborhood identified six neighborhood priorities in a series of workshops. The first workshop took place on October 10, 2013 and saw participation from 44 people. Attendees were broken into eight working groups who identified and prioritized neighborhood issues. Additionally, each group identified locations of these issues on a neighborhood map. All eight groups presented their top six priorities. At the end of the workshop each person was given four dots, which were used to cast a visual vote on wall charts and identify the most important issues within the neighborhood.

At the second workshop, held on November 14, 2013, data compiled from the first workshop was presented. Residents were given the opportunity to provide feedback and preference on possible specific solutions. Votes from the first workshop were tallied accordingly; the result from the data was six top priorities: pedestrian safety, neighborhood beautification, business diversity and occupancy, community resources, alternative and public transportation, and neighborhood connectivity and events. At the workshop, attendees rotated through each priority station and then confirmed, added, located, and identified solutions for each priority.

The Neighborhood Planning Committee met in a series of meetings following the workshops in a collaborative effort to compose the neighborhood action plan. Meetings and work groups spent over five months working with the City of Spokane and AHBL to prepare the elements of the plan.

BACKGROUND & HISTORY

DEMOGRAPHICS

According to 2010 census data statistics, Emerson-Garfield has 9,442 residents. Historically, the neighborhood has seen a slow population increase with each census. In 1990, there were 9,135 residents; in 2000, there were 9,204 residents. The annual growth rate from 1990 to 2010 was between 0.08% and 0.25%. By 2015, Emerson-Garfield is projected to have 9,720 residents, according to a study done by Eastern Washington University students in 2012. Emerson-Garfield is 50.3% male and 49.7% female. The median age is 32.5 years.

Over 85% of the residents in Emerson-Garfield are Caucasian. Other races in the neighborhood include Native American (3.0%), Black (2.8%), Asian/Pacific Islander (2.8%), two or more races (4.9%), and other races (1.5%).

Emerson-Garfield covers 1.647 square miles. The population density as of 2010 is 5,881 people per square mile. This can be compared to the entire City of Spokane's population density of 3,638 people per square mile. Spokane's population below poverty level as of 2011 was 18.4%, whereas Emerson-Garfield was higher at 26.1%.

The 2011 median annual household income of Emerson-Garfield residents was \$34,957, compared to the City of Spokane's median income of \$39,999. The median price of rent in Emerson-Garfield, according to 2011 data, was \$545 per month, compared to Spokane's \$600 per month.

Residents in 2011 owned an average of two cars per household. Most residents travel no more than 30 minutes to work. The neighborhood has multiple arterials such as Monroe Street, Post Street, Northwest Boulevard, Maple Street, and Ash Street, which segment the neighborhood. The City of Spokane conducted a traffic flow study in 2009-2010 that illustrated the weekday traffic in a 24-hour period:

Average Daily Traffic Counts

Northwest Boulevard: 29,700
Monroe Street: 19,300
Maple Street: 15,900
Ash Street: 15,800
Washington Street: 8,200
Post Street: 6,900
Howard Street: 1,600

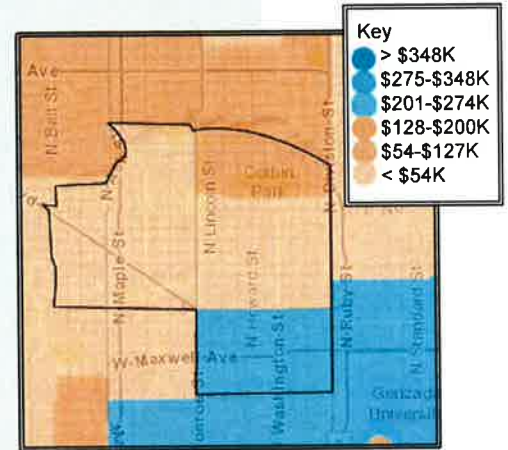


Image 4.1 from ESRI, 2013 - Emerson-Garfield Neighborhood median property values, 2013 data

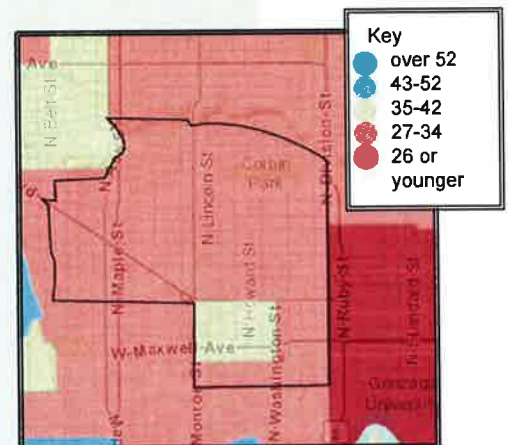


Image 4.2 from ESRI, 2013 - Emerson-Garfield Neighborhood median age, 2013 data

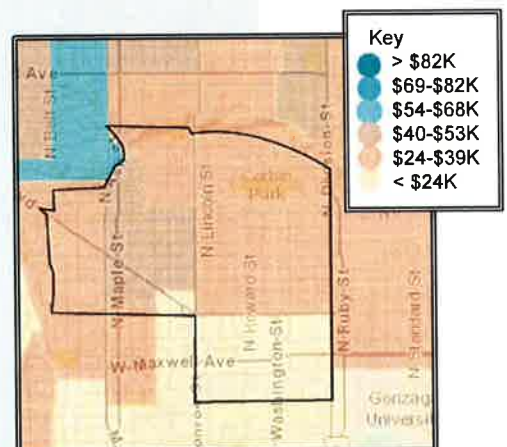


Image 4.3 from ESRI, 2013 - Emerson-Garfield Neighborhood median household income, 2013 data

BACKGROUND & HISTORY



Image 5.1 Courtesy Friends of Olmsted Parks: John C. Olmsted (1852-1920)



Image 5.2 from Tracy L. Rebstock, "Corbin Park," Spokane Historical, Image courtesy of the Washington State Digital Archives, Cheney, WA.

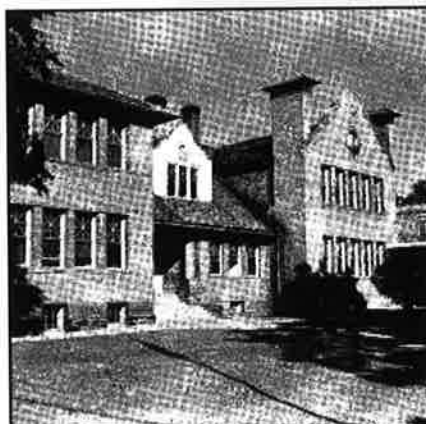


Image 5.3 from Spokane Public Schools 1889-1989 "First Class for 100 Years" - Emerson Elementary School

HISTORY OF THE EMERSON-GARFIELD NEIGHBORHOOD

Emerson-Garfield is located approximately three-quarters of a mile north of the Spokane River. Generally speaking, the neighborhood is bounded by Division to the east, Cora to the north, Belt to the west, and Boone/Nora to the south. The majority of the neighborhood was added in 1883 and 1891. Most of the homes in Emerson-Garfield are from the early 1900s. There are two historic districts in Emerson-Garfield: Corbin Park and Drumheller Springs. The Corbin Park area is known as the "brick neighborhood" and was platted around 1899. The architectural style in this area consists of Queen Anne, Bungalow, and Classic Box architecture. Corbin Park, once owned by D.C. Corbin, was a dirt horse-racing track in the late 1800s. This track was used by the Washington Idaho and Fair Association. Corbin Park was eventually purchased by the City of Spokane for one dollar in 1899. A decade later, the Olmsted Brothers came to Spokane to provide a planning framework for the many parks in the area. These landscape architects from Brookline, Massachusetts developed a master plan for Corbin Park.

Emerson-Garfield was officially established as a neighborhood in 1976 and is named after two elementary schools: Emerson Elementary and Garfield Elementary. The neighborhood therefore has an identity that is informed by its educational makeup and contains a wide range of public and private institutions, including Trinity Catholic School.

Emerson Elementary School was named after the poet Ralph Waldo Emerson. Built around the turn of the 20th century, the school was a brick building that consisted of six rooms. Just five years after being built, Emerson Elementary added 12 more rooms. In November 1977, the school built a one-of-a-kind play structure out of logs. This was the only playground for blocks at the time. However, barely eight months later, trespassers set fire to the structure.

Despite many residents' objections, Emerson Elementary was closed in 1981 and was later torn down. Today, the former school site is Emerson Park, which features a baseball field, a basketball court, picnic tables, and many playground amenities.

BACKGROUND & HISTORY

Opened in 1898, Garfield Elementary was a brick building composed of two stories and ten rooms. It hosted eight grades. Garfield Elementary was identified as a candidate for the massive school construction program in 1981; the historic school was torn down and rebuilt on the same location.

Garfield Elementary has a legacy of community engagement. In 1942, its students and teachers recycled wastepaper and sold War Stamps to support the war. Today the school is part of a citywide recycling project, collecting paper to fund a variety of school projects.

Havermale Junior High School opened its doors in 1927 and was named after Reverend Samuel Havermale, a pioneer minister who settled in Spokane. John A. Shaw was designated as the school's first principal. Shaw was known as a national expert in school finances and ran a successful institution. After Shaw's retirement in 1957, R.H. Knaack became principal and ran Havermale until 1958. Upon Knaack's retirement, the school closed its doors to the Junior High School program.

Havermale later became home to the Community School until 2014, when it was chosen as the consolidated site for the growing Spokane Public Montessori program. It will also continue to house small, project-based learning programs like the Medicine Wheel Academy.

North Central High School opened in 1908, admitting 287 students. The school had 12 rooms and 12 teachers when it first opened. School lunches cost 10 cents when the building was completed in 1909. Like Garfield Elementary, the school was rebuilt in 1981 and the old building was demolished. A modern, 40,000-square-foot wing was added to the school in 2014 to house a science and technology (STEM) program.

Today, Emerson-Garfield at large is a diverse neighborhood in close proximity to downtown Spokane. As Spokane's suburbs have expanded north, the neighborhood has seen increased traffic and the original neighborhood streets have become higher-volume traffic corridors. Arterials such as Monroe Street, Northwest Boulevard and Indiana have been widened over time to accommodate the amount of vehicle traffic. The neighborhood has struggled to establish and maintain a cohesive identity due to areas segmented by these busy arterials.



Image 6.1 from Spokane Public Schools 1889-1989
"First Class for 100 Years" - Garfield Elementary School - 5th grade class 1899



Image 6.2 from Spokane Public Schools 1889-1989
"First Class for 100 Years" - Garfield Elementary School 1902



Image 6.3 from Spokane Public Schools 1889-1989
"First Class for 100 Years" - North Central High School 1909

BACKGROUND & HISTORY



1887-1899

Corbin Park fairgrounds and racetrack owned by D.C. Corbin and operated by the Washington-Idaho Fair Association



1899

Garfield Elementary School opens

1899

Corbin plats sixteen city blocks and sells the land to the Mayor of Spokane for one dollar



1909

Audubon Elementary School opens as a four-room brick school

1967

Old Corbin Park Methodist Church becomes the Corbin Senior Center

1887

1890

1900

1910

1920

1930

1940

1950

1891

Emerson Elementary School opens, named for poet Ralph Waldo Emerson



1908

North Central High School opens



1928

Havermale Junior High erected, named after Rev. Samuel and Elizabeth Havermale, who were pioneers of the 1870s

1976

Emerson-Garfield Neighborhood is established named after two elementary schools: Emerson and Garfield Elementary

1981

Emerson Elementary School closes and is sold to the City of Spokane

1981

Garfield Elementary School reconstructed and dedicated on same site

1981

Havermale Junior High closes; however, the school continues to host various school programs and functions

BACKGROUND & HISTORY

August 3, 1982

Carnegie Library, North Monroe Branch (built 1914) registered as a National Historic property at 925 W. Montgomery Avenue



1980

Audubon Elementary School replaced with current building; the 1909 school site is currently a school playground

November 17, 1999

John A. Currie House (built 1889) registered as a Spokane Historic property, 908 W. Frederick Avenue



June 13, 2011

George & Annie Taylor House (built 1905) registered as a Spokane Historic Property at 2027 W. Shannon Ave

May 29, 2012

Eastern Washington University student analysis: Key issues, ideas, and opportunities:

1. Sidewalks/paths (i.e., pedestrian safety)
2. Vacant land, available lots
3. Monroe Street corridor
4. Connectivity
5. Neighborhood identity

November 1, 2004

Inland Casket Company Factory (built 1913) registered as a Spokane Historic property at 2320 N. Atlantic Street

1960

1970

1980

1990

2000

2010

2013



September 13, 2003

Alonzo & Louise Barnett House (built 1903) registered as a National Historic property at 902 W. Augusta Avenue

2010

The Community School, affiliated with "Big Picture Learning," takes over the old Havermale building

2013

First Emerson-Garfield Farmers' Market at Knox Presbyterian Church

July 27, 1986

Emerson-Garfield Neighborhood Design Plan adopted. The Emerson-Garfield Neighborhood Design Plan addresses the four main areas of public policy interest:

1. Land Use
2. Circulation
3. Community Facilities
4. Neighborhood Design

2014 and Beyond

Current Goals of Emerson-Garfield Neighborhood Council (EGNC):

1. Increase EGNC membership to represent the diversity of our neighborhood
2. Use more electronic communication with members, residents and businesses
3. Find ways to support our business districts, specifically, N. Monroe
4. Continue to improve our parks and provide opportunities for community-building events in Corbin and Emerson Parks
5. Align more closely with schools, churches and community organizations in our neighborhood
6. Improve safety and traffic conditions on our streets

EXECUTIVE SUMMARY

Public Meetings	Attendance	Results
Preliminary Neighborhood Planning Group Meetings August 15, 2013 September 5, 2013 September 19, 2013 (moderator training) October 7, 2013	Emerson-Garfield Neighborhood Council (EGNC) members, residents and stakeholders	<ul style="list-style-type: none"> • Scope of work finalized • Timeline for deliverables • Purpose and introduction of neighborhood action plans • Description, outline, and preparation for Workshop 1 • Moderator training
Workshop 1 October 10, 2013	44 people	<ul style="list-style-type: none"> • Conducted a neighborhood brainstorming session identifying issues and their respective locations in the neighborhood • Residents were trained as facilitators • Collected visioning sheets to gather data for a vision statement and keywords pertaining to neighborhood issues • Top six issues were presented to the group at the end of the workshop • Each participant received four prioritized dots to vote on their top priorities. The priorities were later analyzed and formed the top six priorities found in this neighborhood action plan
Preliminary Neighborhood Planning Group Meetings October 24, 2013 November 4, 2013 November 7, 2013	Emerson-Garfield Neighborhood Council (EGNC) members, residents and stakeholders	<ul style="list-style-type: none"> • Neighborhood continued to tailor three vision statement options for Emerson-Garfield • Neighborhood reviewed the results from Workshop 1 and worked with consultants, AHBL, to prepare for Workshop 2
Workshop 2 November 14, 2013	32 people	<ul style="list-style-type: none"> • Top six priority issues were solidified • Each participant had an opportunity to express additional issues, solutions, and location on the neighborhood map • Each participant had three votes at each priority station to choose their top images as an image preference study • Each participant had one vote to choose from three vision statements that best describe Emerson-Garfield Neighborhood

EXECUTIVE SUMMARY

Public Meetings	Attendance	Results
Neighborhood Planning Group Meetings December 5, 2013 January 9, 2014 February 6, 2014 March 13, 2014 April 10, 2014 May 15, 2014	Emerson-Garfield Neighborhood Council (EGNC) members, residents and stakeholders	<ul style="list-style-type: none"> Neighborhood, consultants and the City of Spokane worked together in a collaborative effort to write the neighborhood action plan
Monroe Business Outreach Event April 17, 2014		
Final Document Presentation June 12, 2014		
Presentation to Plan Commission City of Spokane Adoption of Document July 2014		



Image 10.1 Emerson-Garfield Neighborhood Planning Committee, June 2014, courtesy of Megan Kennedy

EMERSON-GARFIELD VISION STATEMENT

"Emerson-Garfield strives to be a diverse and vibrant neighborhood actively supporting a thriving business district, strong residential areas, beautiful parks, walkable amenities, and a unique historic character."

NEIGHBORHOOD PRIORITIES



Image 11.1 Monroe looking south, courtesy of Jay Cousins



Image 11.2 Northwest Boulevard current considerations, courtesy of Megan Kennedy



Image 11.3 Maple/Ash current considerations, courtesy of Megan Kennedy

PEDESTRIAN SAFETY

Pedestrian safety was identified as the neighborhood's top priority. There are many pedestrian safety concerns such as dangerous crossings, inadequate sidewalks, and accident events in the Emerson-Garfield Neighborhood. Monroe Street, Indiana Avenue, and Northwest Boulevard have been identified as high-volume traffic streets that lack pedestrian-friendly elements. Workshop participants identified potential solutions to this issue including:

- Traffic-calming measures (e.g., roundabouts)
- Increased lighting
- Additional crosswalks denoted by color or paving
- Implementation of ADA ramps
- Flashing lights at crosswalks
- Complete sidewalks
- Additional signage
- Potential boulevard improvements on N. Monroe

Improving the convenience and safety of walking and biking will not only help in the pursuit of sustainable alternatives to driving, it will greatly increase economic viability for businesses on these streets. In addition, it will unite the neighborhood through more equitable access, opening up use of its shared parks and community resources. In short, increased pedestrian safety will make the Emerson-Garfield Neighborhood an even better place to live and work.

Several traffic-calming opportunities have been identified by the neighborhood as potential action items to address pedestrian safety:

- Bump-outs
- Boulevards
- Lighted crosswalks
- Sidewalk buffer zones

PEDESTRIAN SAFETY GOALS:

Goal One: Improve lighting, signs, sidewalks, and crosswalks to make biking and walking safer at all hours.

- a. Identify highest priority areas for crosswalks
- b. Identify highest priority areas for lighting improvements

PEDESTRIAN SAFETY



Image 12.1 Hamilton Street safe crossing, courtesy of Megan Kennedy

- c. Identify highest priority areas for improved signage

Goal Two: Educate the public on pedestrian behavior and safety.

- a. Determine outreach resources; potentially partner with the police department, fire department, schools, churches, and community centers
- b. Guidance on where to cross and what to wear

Goal Three: Create a contiguous sidewalk network by identifying first- and second-priority streets for sidewalk installation or repair; identify a safe walking route through the neighborhood.

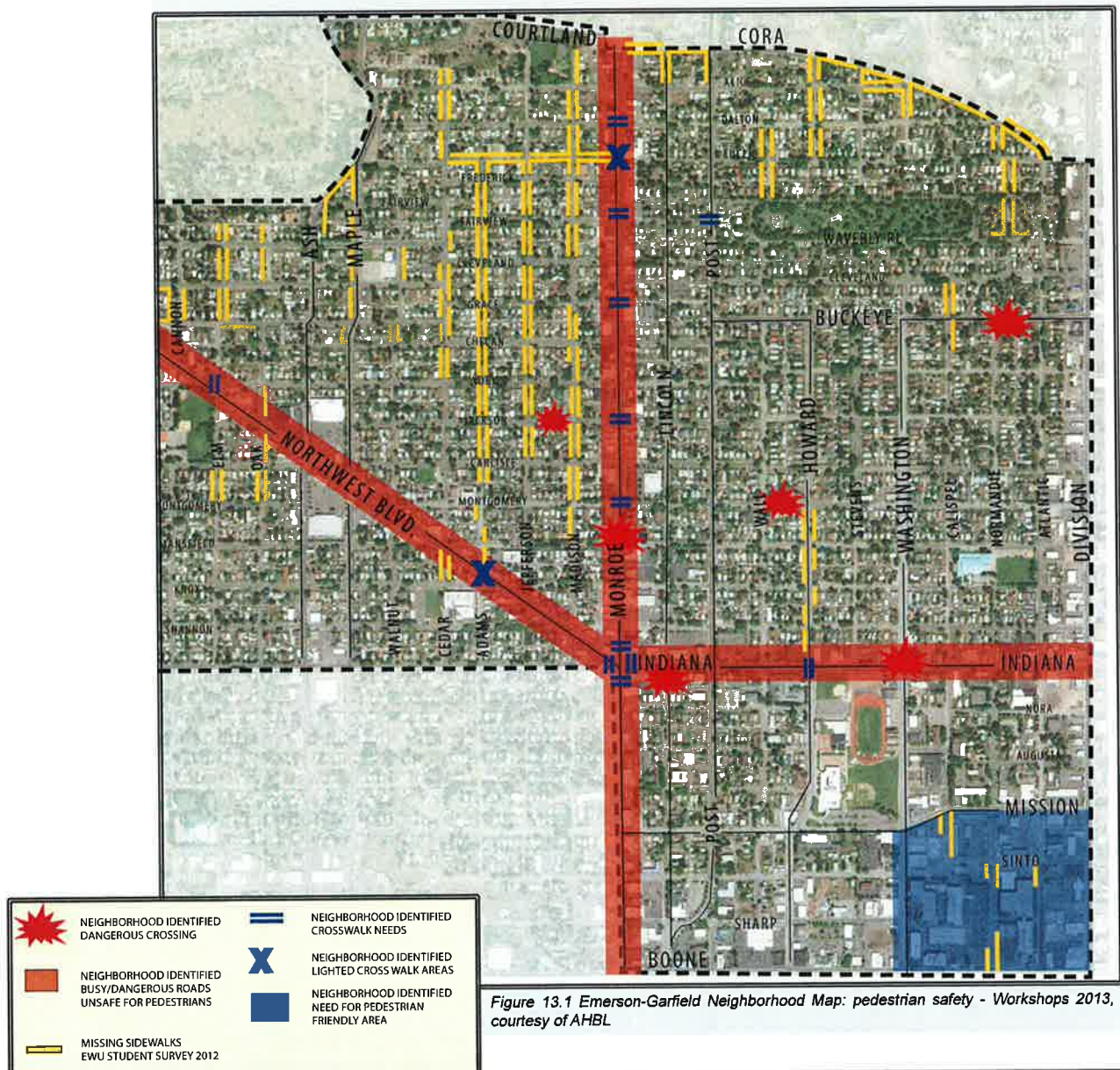
- a. Pursue possible options for Safe Routes to School (SRTS)
- b. Identify highest-priority locations for completing sidewalks by considering bus stops, schools, and community services
- c. Preliminary potential crosswalk locations include:
 - Monroe at Dalton
 - Monroe at Fairview
 - Monroe at Grace
 - Northwest Boulevard at Adams

PEDESTRIAN SAFETY

- Northwest Boulevard at Elm
- Maple/Ash at Cleveland
- Maple/Ash at York

Goal Four: Work with the City of Spokane and Spokane Transit Authority (STA) to establish accessible sidewalks, bus stops, and street crossings.

- Strategically pursue STA's Disadvantaged Business Enterprise Program
- Bring specific areas of improvement to STA's awareness



NEIGHBORHOOD PRIORITIES



Image 14.1 Street trees, Source: blog.sevenponds.com



Image 14.2 Historic Lighting in Corbin Park, Courtesy of Jay Cousins



Image 14.3 Gateway Concept, Source: www.cleveland.com

NEIGHBORHOOD BEAUTIFICATION

The Emerson-Garfield neighborhood has many attractive and welcoming assets such as its parks, quaint residential streets, schools, churches and historic properties. To recognize and augment these assets, beautification has been identified as a top priority for neighborhood improvements. The neighborhood envisions a place where streets are lined with trees and are well lit, they are enriched with art and banners, the business storefronts are cared for, and a clear neighborhood identity is formed. Communities that implement beautification strategies increase their property values, attract businesses, and establish a positive image and reputation.

PRIORITY LOCATIONS OVERVIEW:

Several arterial corridors have been identified through public participation throughout the planning process as potential opportunities for neighborhood beautification:

- Monroe Street
- Northwest Boulevard
- Indiana Street
- Post Street

NEIGHBORHOOD BEAUTIFICATION GOALS:

Goal One: Enhance the appearance of Emerson-Garfield through functional and aesthetic improvements such as street trees, planters, and historically themed streetlights.

- a. Hold “tree workshops” to educate and encourage residents about planting and caring for trees; invite knowledgeable individuals to assist
- b. Involve and establish a collaborative relationship with the North Monroe Business Association, working together to create a thriving and beautiful Monroe Street corridor
- c. Preserve and enhance historic buildings
- d. Encourage the integration of public art such as murals, sculptures, and urban furniture
- e. Explore partnering with businesses to establish sidewalk planters and improve curb appeal

NEIGHBORHOOD BEAUTIFICATION

Goal Two: Pursue potential funding opportunities for enhancing the neighborhood's appearance.

- a. Pursue neighborhood improvement grants to add defining art and entrance features at neighborhood gateways, or a City construction project that highlights the neighborhood's image
- b. Establish a Local Improvement District (LID) with the City of Spokane where necessary
- c. Contact the Washington State Department of Natural Resources regarding the Urban Forestry program for potential grant funding
- d. Explore a partnership with the City of Spokane and the Washington State Department of Ecology (Green Infrastructure Program) for grant funding to enhance the neighborhood entrance at Monroe and Cora (see Figure 16.1, Gateway concept, page 16)

Goal Three: Establish a clear entry and cohesive identity within the Emerson-Garfield Neighborhood.

- a. Gateway opportunities as identified by the neighborhood include the northern entrance on Monroe and Cora as well as the southern entrance to the neighborhood at Monroe and Indiana
- b. Integration of themed banners, signage and furnishings add a cohesive neighborhood design to create a unified identity throughout the community
- c. Utilize design standards where applicable
- d. Collaborate with adjacent neighborhoods such as North Hill, West Central, Logan, Northwest, and Riverside on projects that touch both neighborhoods

Goal Four: Improve neighborhood cleanliness and maintenance.

- a. Remove graffiti and repair vandalism
- b. Improve trash and recycling resources by making them accessible and easy to use
- c. Utilize code enforcement
- d. Partner with the wider neighborhood to expand the scope of the annual Spring Cleanup event

NEIGHBORHOOD BEAUTIFICATION



Figure 16.1 Cora & Monroe gateway plan, courtesy of AHBL

NEIGHBORHOOD PRIORITIES



Image 17.1 Boulevard Building (formerly Stewart's Hardware), courtesy of Jay Cousins



Image 17.2 Emerson-Garfield restaurants, courtesy of Jay Cousins

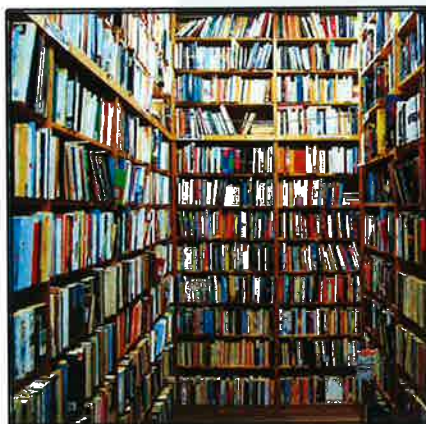


Image 17.3 Bookstore, Source: www.full-stop.net

BUSINESS DIVERSITY

The vitality of existing local businesses is of fundamental concern to the neighborhood. Although the neighborhood currently boasts several healthy and thriving businesses, there are some properties that have remained vacant for several years. Neighborhood residents clearly want to engage with the local businesses to assist and strengthen their presence. Residents have also expressed a desire to see an increased variety of neighborhood businesses. Restaurants, bookstores, coffee shops, and antique stores are of particular interest.

There are proven planning models available to assist in strengthening local businesses. One example is the Main Street program. This program was originally designed to help historic business districts achieve revitalization and a healthy shopping environment. The Main Street concepts are applicable to any business or shopping district; however, you do not have to be a participant to benefit from the Main Street experience. These concepts are outlined in the discussion that follows.

Four major concepts characterize the Main Street program. These concepts include organization, promotion, design, and economic restructuring.

Goal One: Organization

This goal is to achieve cooperation and establish consensus by building partnerships between neighborhood groups and local businesses. When everyone is working toward the same goal, the business district can be strengthened through effective management and advocacy. A good model is to establish a governing board of directors and standing committees to address specific issues affecting businesses.

Goal Two: Promotion

Promotion can take many forms, but the goal is to create a positive image to ignite community pride and improve consumer and investor confidence in the business districts. A unified approach to advertising, retail promotions, special events, and marketing campaigns will help strengthen the business districts and the image of the businesses in the eyes of the neighborhood and wider community. When a neighborhood corridor or block views itself as a Business District, it can combine forces to strengthen promotion and advertising dollars.

BUSINESS DIVERSITY

Goal Three: Design

Design involves getting business districts into peak physical shape and creating a safe, inviting environment for shoppers. This includes potential improvements like sidewalks, crosswalks, street trees, planters, and street infrastructure. Lighting and signage are also important. The concepts presented for Monroe Street exemplify the types of improvements that can be achieved through good design.

Goal Four: Economic Restructuring

Economic restructuring involves an examination of the variety of businesses in the neighborhood. The goal is to retain and expand successful businesses to provide a balanced commercial mix. This approach will sharpen the competitiveness and merchandising skills of business owners and attract new businesses and investors to the neighborhood. Also, converting vacant or underutilized commercial properties in the neighborhood will strengthen the tax base.

PRIORITY LOCATIONS OVERVIEW:

Several potential locations to improve business diversity have been identified by means of public participation throughout the planning process.

- Monroe Street
- Northwest Boulevard
- Indiana Street
- Post Street

BUSINESS DIVERSITY ACTIONS:

First, begin building support for business revitalization in the neighborhood by soliciting community input and engagement toward a revitalization effort. This effort can be achieved by the following actions:

- *Action One:* Identify and form an active group of stakeholders
- *Action Two:* Identify and examine the strengths and weaknesses of the neighborhood business districts
- *Action Three:* Build broad-based local interest and support for revitalization
- *Action Four:* Identify other successful business district revitalization efforts in the community and network with them
- *Action Five:* Identify a leadership group for the business district organization
- *Action Six:* Begin a regular schedule of organizational meetings to identify priorities and action steps

Source: The recommendations in this neighborhood priority were adapted from Main Street: National Trust for Historic Preservation: www.preservationnation.org

NEIGHBORHOOD PRIORITIES

COMMUNITY RESOURCES

Currently, the neighborhood contains a number of helpful community resources. However, Emerson-Garfield residents indicated that there is a need to streamline existing resources and make certain types of resources more readily accessible. Desired community resource improvements, as identified by residents during the two workshops, include more green spaces, a diverse community center, educational material on tenant and landlord laws, health and senior services, as well as youth activities (both organizational and infrastructural). Community resources offer positive outlets for residents, including youth, and promote self-sufficiency through education. Some of Emerson-Garfield's existing and successful community resources include Corbin Senior Activity Center, a variety of churches and schools, and Emerson and Corbin Parks. Many residents also make use of the West Central Community Center.

PRIORITY LOCATIONS OVERVIEW:

Several sites have been identified as potential opportunities for community resource development by means of public participation throughout the planning process.

- Vacant lot located at Monroe and Cora cross streets could become a green space, permaculture installation, or a bio-swale for stormwater.
- City Maintenance Yard property located on Mission and Atlantic has the potential to become a community center, outdoor adventure park, rentable garage space, or public green space.
- Boulevard Building at the intersection of Northwest Boulevard and Monroe is a gateway building and has the potential to become a more prominent mixed-use building and help define the neighborhood identity
- The vacant Albertson's building on Northwest Boulevard could be used as a community center and/or a skate park or as a new police precinct
- Carnegie Library

COMMUNITY RESOURCE GOALS:

Goal One: Turn open and unused spaces into attractive green spaces and permaculture sites.

- a. Properties identified for improvement: Gateway property at Monroe and Cora, Maple/Ash near Cora, hillside south of Courtland (or north of Alice and west of Jefferson), and City Maintenance Yard at Mission and Atlantic
- b. Continue to maintain and improve Corbin and Emerson Parks with diverse and native plants
- c. City properties that remain unused should be addressed by the neighborhood for beautification efforts (see Beautification section, p.14)

COMMUNITY RESOURCES

Goal Two: Work to create a resource/community center within Emerson-Garfield and enhance additional resource outlets.

- a. Properties identified for potential community center site: Former Albertson's building on Northwest Blvd, the City maintenance yard on Mission/Atlantic, and Carnegie Library (Historic Property, c. 1914) on Monroe
- b. Additional resources desired: Health education, youth activities, landowner/tenant resources, senior services, job skills education, and recreation opportunities
- c. Strengthen relationships with West Central Community Center, Corbin Senior Activity Center, nonprofit organizations, and schools
- d. Investigate partnership with Logan Neighborhood on the development of new dedicated community center
- e. Nurture partnerships with charitable and faith-based community service providers such as Christ Clinic, Christ Our Hope Bible Church, Knox Presbyterian, and other organizations in the neighborhood
- f. Support a possible police precinct in the neighborhood

Goal Three: Pursue partnerships to develop youth activities and services within the neighborhood.

- a. Properties identified for potential youth activities: Outdoor adventure park at the City maintenance yard, skate park with green space at former Albertson's
- b. Ideas for activity infrastructure additions: splash pad, climbing wall, Skate Park, outdoor adventure park.
- c. Seek to engage youth through activities and recreation opportunities (see Neighborhood Life section, p.23). The development of a dedicated community center would make it easier to offer new services to the demographic that is currently under-served within Emerson-Garfield but does run the risk of competing with other centers around Spokane for the limited pool of available funding
- d. Explore the creation and promotion of a scholarship program for neighborhood youth to enroll in existing activities near the neighborhood, such as those organized by the YMCA and Spokane Parks & Recreation



Image 20.1 Monroe and Cora 2013, source: Google Earth



Image 20.2 Community center example, source: www.westendnh.org



Image 20.3 City maintenance yard, source: Google Earth

NEIGHBORHOOD PRIORITIES

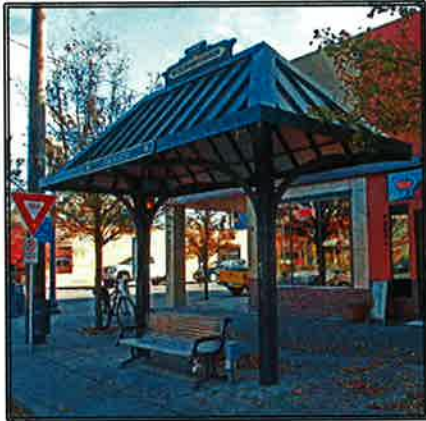


Image 21.1 Historic bus shelter, courtesy of Jay Cousins



Image 21.2 Bike lane, courtesy of Jay Cousins



Image 21.3 Complete streets example, source: safety.fhwa.dot.gov

ALTERNATIVE & PUBLIC TRANSPORTATION

Another neighborhood priority includes various improvements to the existing transportation infrastructure, especially in terms of pedestrian, bicycle, and public transit facilities. There is a general perception in the neighborhood that several arterial street crossings are particularly unsafe. This is due in part to the substandard character of sidewalks and crosswalks throughout the neighborhood. Along N. Monroe, for example, most intersections have substandard ADA ramp features.

PRIORITY LOCATIONS OVERVIEW:

Through the public workshops the neighborhood identified specific areas that are most in need of transportation updates and attention. These streets and arterials include:

- Monroe Street corridor
- Post Street
- Indiana
- Northwest Boulevard
- Howard
- Maple/Ash

TRANSPORTATION GOALS:

The realization of this overarching goal involves installing sidewalks where they do not exist, upgrading below-standard sidewalks, providing crosswalks at critical intersections, and enhancing bicycle and bus transit facilities.

Goal One: Improve neighborhood connectivity through repair and installation of sidewalks and crosswalks where needed.

Goal Two: Improve bus transit facilities on various routes in the neighborhood.

Goal Three: Identify opportunities to enhance bicycle routes and connections to and within the neighborhood.

- a. Examine a new bicycle route north/south on Madison and bicycle route connections between Division and Corbin Park
- b. Enhance rider safety throughout Emerson-Garfield

ALTERNATIVE & PUBLIC TRANSPORTATION

Goal Four: Strive to achieve "complete street" improvements along critical arterial corridors. Monroe, Indiana, Northwest Boulevard, and Maple/Ash are priorities.

Goal Five: Work with Spokane Transit Authority (STA) to identify public transit improvement opportunities.

- Action items would include the construction of bus shelters and other amenities along important routes.
- Increase the examination of high-performance transit opportunities and alternatives along the Monroe Street corridor

"Complete streets" are those which are designed for everyone to use safely whether traveling by car, foot, bicycle, bus, or train. Complete streets enhance a community through safe crossing/transportation to walkable amenities.

Source: <http://www.smartgrowthamerica.org/complete-streets/complete-streets-fundamentals>

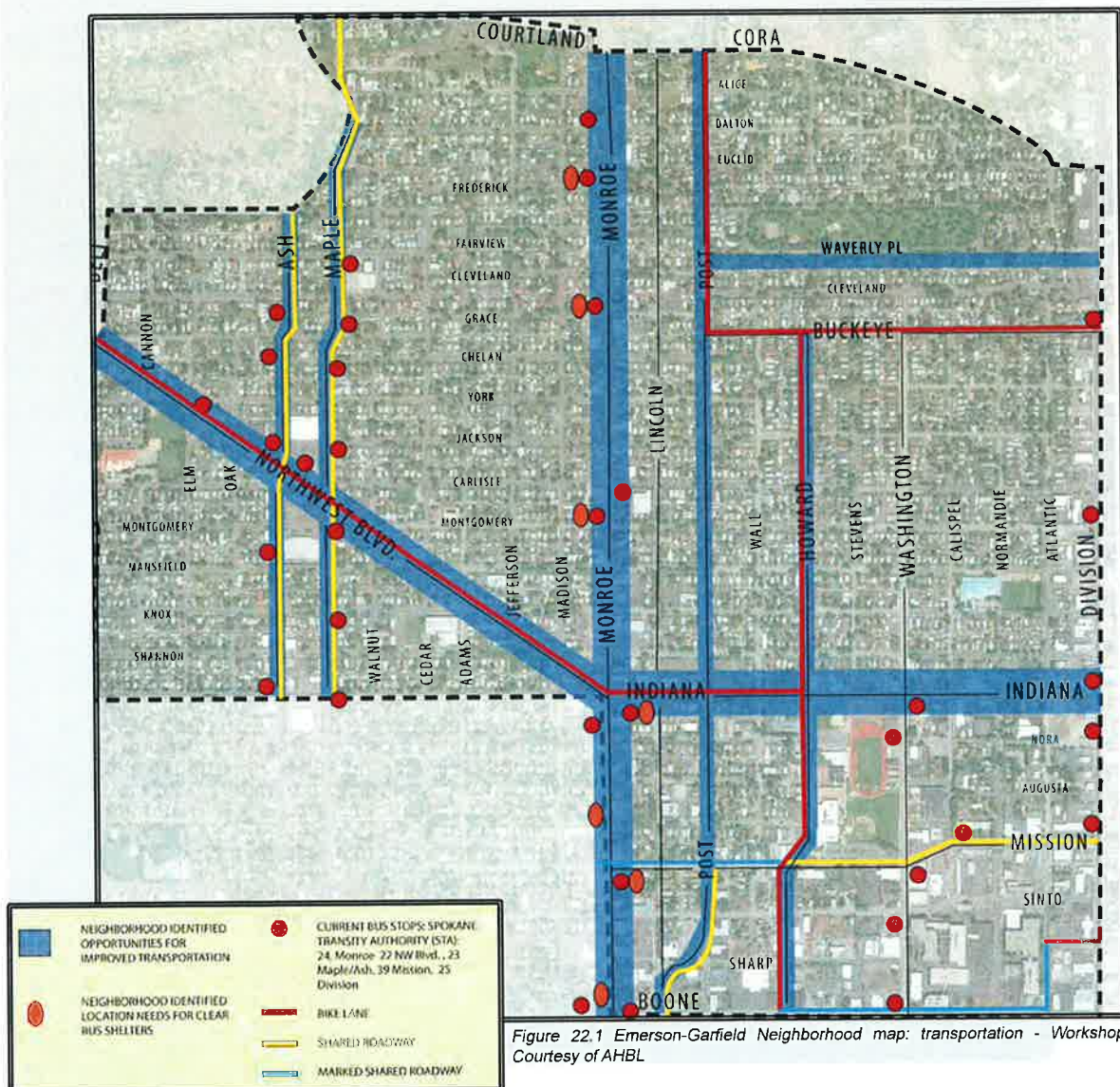


Figure 22.1 Emerson-Garfield Neighborhood map: transportation - Workshops 2013, Courtesy of AHBL

NEIGHBORHOOD PRIORITIES

NEIGHBORHOOD LIFE

The residents of Emerson-Garfield actively work together to plan and promote events in an effort to unite and entertain the neighborhood. In 2013, the Emerson-Garfield Neighborhood Council (EGNC) launched its Farmers' Market at Knox Presbyterian Church. Additionally, the neighborhood holds annual events and ongoing activities such as Spring Cleanup, a Concerts in the Park series, potlucks, and community gardens. Although there are currently many ongoing and one-time events, the neighborhood has identified additional opportunities to better serve the community. Some of these gatherings and events include block parties, art fairs, and Block Watch programs. Neighborhood events foster a friendly neighborhood atmosphere, safe areas, a mood of excitement and activity, and they also serve as outreach platforms for better neighborhood communication.



Image 23.1 Garland Street Fair, source: www.examiner.com



Image 23.2 Block party and street fair, source: www.fayettevilleflyer.com

A how-to block party guide:

1. Reach out to neighbors through traditional methods as well as social media channels.
2. Pick an applicable date after soliciting input from residents, business owners and community leaders. Or consider holding the party during an established event like the National Night Out (NNO), an initiative of the National Association of Town Watch (NATW), which is a national nonprofit organization that promotes crime prevention programs in neighborhoods and communities.
3. Choose a location for the block party, such as a street, yard, or parking lot.
4. Obtain the necessary permits.
 - a. City of Spokane: Block Party Permit Application
 - i. <http://www.spokaneengineering.org/wp-content/uploads/2010/08/Block-Party-Application-7-10.pdf>
 - ii. Permit cost is \$35.00
 - iii. The City will not provide barricades or signage.
 - b. Research and select a local barricade company to rent Type I barricades to be placed at the end of each street.
 - i. <http://www.nationalbarricadeandsign.com/products/barricades/>
 - c. Apply for a special event noise permit at least 30 days before the event. There is a non-refundable \$50.00 application fee.
5. Involve neighbors in bringing or organizing refreshments.

NEIGHBORHOOD LIFE

PRIORITY LOCATIONS OVERVIEW:

Multiple locations were identified as being suitable for events.

- The Monroe Street corridor could be utilized for street fairs, First Friday events, and art walks
- Emerson and Corbin Parks are ideal for a range of activities and events such as potlucks, regular playgroups, concerts, and much more
- Community-oriented sites such as churches, schools, and senior centers could serve as potential partners in events and activities

NEIGHBORHOOD LIFE:

Goal One: Continue to sustain and improve existing leisure activities and events such as Concerts in the Park, community gardens, Spring Cleanup, and the Emerson-Garfield Farmers' Market.

- a. Make optimal use of promotion and advertising
- b. Expand current neighborhood events to better involve and invite non-residents to experience what Emerson-Garfield has to offer

Goal Two: Initiate a Neighborhood Watch program.

Goal Three: Hold a large festival or street fair that will entice visitors to the Emerson-Garfield Neighborhood.

Goal Four: Form a subcommittee of the Emerson-Garfield Neighborhood Council (EGNC) to identify and promote programs and volunteer opportunities in the neighborhood.

Goal Five: Explore the possibility of publishing a resource directory of neighborhood residents who have skills in areas such as teaching, construction, design, and gardening as well as other services that can either be shared or bartered with the entire neighborhood.

Goal Six: Continue to invest in outreach through social media such as Facebook, blogs, Twitter, and e-newsletters as well as external committees like Building Stronger Neighborhoods.



Image 24.1 Emerson-Garfield Farmers' Market 2013, courtesy of the Emerson-Garfield Neighborhood



Image 24.2 Emerson Community Garden, courtesy of the Emerson-Garfield Neighborhood



Image 24.3 Emerson-Garfield Spring Cleanup 2013, courtesy of the Emerson-Garfield Neighborhood

MONROE STREET CORRIDOR

REVITALIZED MONROE STREET CONCEPT



Image 25.1 Potential lighting features for Monroe Street, courtesy of AHBL



Image 25.2 Enhanced crossing conditions, courtesy of AHBL



Image 25.3 Entrance to Emerson-Garfield, courtesy of AHBL

When one thinks of Emerson-Garfield, one naturally tends to think of North Monroe. Its importance to the neighborhood is illustrated by how thoroughly this street embodies the individual priority issues that are presented as sections in this action plan.

These top neighborhood priorities — namely, business diversity, pedestrian safety, beautification, public transportation, community resources, and neighborhood life — are all reflected in this central arterial that bisects the Emerson-Garfield Neighborhood. The following discusses current conditions on Monroe Street and highlights potential future improvements that could speak to the neighborhood's vision and priorities.

Monroe Street is often thought of as the commercial hub of the neighborhood. The district includes a mix of restaurants, coffee shops, and many eclectic, independently owned retail establishments. It is also the location for several neighborhood services important to the neighborhood's diverse population.

Monroe is also a vital multi-modal, north-south transportation link to and from the Emerson-Garfield Neighborhood as well as through the City of Spokane. The street carries roughly 19,300 vehicles per day. It is also one of the most important public transit routes and likewise boasts one of the highest bus riderships in the city. However, on the basis of the feedback acquired during planning workshops, it is clear that residents perceive Monroe as unsafe for pedestrians. Fatal pedestrian-vehicle accidents have added to this perception.

As a result, in 2013 the City Council directed the City's Street Department to examine accident data and traffic volumes for North Monroe. The study examined the nature of traffic accidents as well as the time of year and day such accidents had occurred. Surprisingly, the preliminary data indicated that Monroe is actually one of the safer arterial streets in Spokane. Most of the vehicular/pedestrian accidents were the result of pedestrian behavior, including jaywalking or pedestrian inattentiveness. Many accidents did occur during dusk hours, which suggests poor lighting as a potential issue.

With this in mind, a number of potential improvements to Monroe Street in particular would address some neighborhood priorities in a significant and substantial way.

MONROE STREET

Figure 26.1 Monroe Street from Indiana to Cora, potential 3-lane alternative, courtesy of AHBL



Pedestrian Safety:

Pedestrian safety can be enhanced through a range of improvements: designated and signed crosswalks, new intersection and sidewalk LED street lighting, more spacious on-street parking, wider sidewalks and ADA-compliant ramps; curb bump-outs; landscape plantings and street trees; and boulevard plantings at select locations to provide pedestrian safe zones. See Figures 26.1 (above) & 28.1 (p. 28).

Beautification:

The beauty of the street can be significantly augmented by landscaping, street trees, boulevard plantings, gateway signage, lighting, and urban furnishings. Between Indiana and Cora it might be possible to reduce the roadway to a three-lane configuration, accentuating the inherent beauty of the street in a functional, pedestrian-oriented way.

Public Transportation:

As one of the highest bus-ridership corridors, improvements to key bus shelter and crosswalk locations should be coordinated. Shelters should also reflect the historic character of the neighborhood similar to those in Browne's Addition.

MONROE STREET

Business Diversity:

The Business Diversity section discusses several steps toward encouraging a healthy and vibrant business environment. Residents expressed a desire for more shopping, restaurants, coffee houses, vintage shops, and bookstores. There is also a strong desire for residential over commercial building configurations, which is allowed under current zoning and could be further enhanced through creative form-based zoning regulations.

Community Resources:

Many community resources currently exist along the corridor that provide essential services to the neighborhood's residents. These resources should be supported and communication with providers strengthened. It is important to balance community service providers along the corridor with a strong mix of healthy businesses.

Neighborhood Life:

Neighborhood Life priorities ought to address the process of enhancing connections to and among residents and businesses through a variety of activities and events. A healthy and diverse Monroe business corridor will create opportunities for special events, outreach, and collaboration.

Future Action Steps:

It is important to remember that any improvements along arterial streets such as Monroe may require further traffic impact studies. Improvements that result in diverting traffic to other streets, new crosswalks, or mid-block pedestrian crossings may all require specific studies. As the neighborhood moves ahead with potential improvements to Monroe, there are several action steps to consider:

- *Action One:* The neighborhood should initiate further participation with local businesses. The purpose of informal meetings would be to continue to gauge interest in improvements along Monroe and the type of improvements they might support. City engineering and planning staff should be included in this outreach effort.
- *Action Two:* Identify the project costs of such improvements and how the cost will be covered. The city has recently implemented an integrated approach to street and utility improvements. This approach will result in substantial cost savings for roadway and infrastructure construction.
- *Action Three:* Identify potential funding sources, which may include but are not limited to the STA, the State Department of Ecology (via Green Infrastructure), Tax Increment Financing (TIF), and the formation of Local Improvement Districts (LID) or Business Parking Improvement Areas (BPIA). Other potential sources of funding include the Safe Routes to Schools Program (SRTS) and the City's Photo Red funding. Community Development Block Grant (CDBG) funding may or may not be available for certain future improvements. The neighborhood should monitor potential CDBG funding for improvements as guidelines for eligibility are changing.

MONROE STREET



Figure 28.1 Monroe Street, potential three-lane alternative plan, courtesy of AHBL

CONCLUSION

This neighborhood action plan provides a foundation of strategies and vision that can help guide Emerson-Garfield Neighborhood into the future. As the neighborhood works toward realizing the goals contained herein, its success in this endeavor will rest on the precise steps it decides to take.

The neighborhood priorities as identified in the plan — that is to say, pedestrian safety, neighborhood beautification, business diversity and occupancy, community resources, alternative and public transportation, and neighborhood life — outline and describe the issues, opportunities, and subsequent goals and actions. These priorities along with a dedicated section on Monroe Street define the current concerns and long-term ambitions of the Emerson-Garfield Neighborhood.

The Emerson-Garfield Neighborhood Council (EGNC) has facilitated the neighborhood's planning effort thus far, and it will now focus on the implementation and regular evaluation of the plan's goals while celebrating the successes along the way. Therefore the EGNC will continue to meet regularly to pursue action items the community wishes to undertake. Collaboration between the neighborhood council, residents, business and property owners, stakeholders, and the City of Spokane will be crucial in determining the future of the neighborhood.

EMERSON-GARFIELD VISION STATEMENT

"Emerson-Garfield strives to be a diverse and vibrant neighborhood actively supporting a thriving business district, strong residential areas, beautiful parks, walkable amenities, and a unique historic character."



Image 29.1 Emerson-Garfield Neighborhood Planning Committee, September 2013, courtesy of Megan Kennedy

SOURCES

- Cebula, Larry (2014). Spokane Historical. <http://spokanehistorical.org/>
- City-Data.com (2014). <http://www.city-data.com/neighborhood/Emerson-Spokane-WA.html>
- City of Spokane (1986). Emerson-Garfield Neighborhood Design Plan
- City of Spokane (1985). Peaceful Valley Design Plan.
- City of Spokane (2012). West Central Neighborhood Action Plan
- Dohrn, Gregg (2012). Emerson-Garfield Neighborhood Eastern Washington University Urban and Regional Planning Student Capstone Study.
- Emerson-Garfield Neighborhood Blog (2014). <http://emersongarfield.org/wp/>
- National Association of Town Watch (2014). "National Night Out"
<http://natw.org/about/>
- National Trust for Historic Preservation (2014). Main Street Four-Point Approach.
<http://www.preservationnation.org/main-street/about-main-street/the-approach/>
- Spokane Public Schools (1989). First Class for 100 Years: Spokane Public Schools School District No. 81 1889-1980.
- Smart Growth America (2014). <http://www.smartgrowthamerica.org/>
- U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI forecasts for 2010 and 2015.

**Agenda Sheet for City Council Meeting of:**

07/21/2014

Date Rec'd

7/9/2014

Clerk's File #

ORD C35128

Renews #**Submitting Dept**

RETIREMENT

Cross Ref #**Contact Name/Phone**

TIM DUNIVANT 6845

Project #**Contact E-Mail**

TDUNIVANT@SPOKANECITY.ORG

Bid #**Agenda Item Type**

First Reading Ordinance

Requisition #**Agenda Item Name**

6100 SMC 03.05 AMENDMENTS

Agenda Wording

An ordinance relating to the Spokane Employees' Retirement System; amending SMC sections 3.05.010, 3.05.020, 3.05.025, 3.05.030, 3.05.040, 3.05.050, 3.05.060, 3.05.070, 3.05.080, 3.05.110, 3.05.120, 3.05.130, 3.05.160, 3.05.165, 3.05.167, 3.05.170...

Summary (Background)

This ordinance provides for changes in the Spokane Employees' Retirement System as agreed to by the City and the bargaining units for an alternative benefit structure for those hired on or after January 1, 2015. It provides for an increase in the contribution rate by the employer and the employee from 7.75% to 8.25% effective September 1, 2014. There are also housekeeping and clarification changes made to bring the plan up to date.

Fiscal Impact**Budget Account**

Select \$

#

Select \$

#

Select \$

#

Select \$

#

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

CHILDS, BRANDON

Study Session**Division Director****Other****Finance**

LESESNE, MICHELE

Distribution List**Legal**

WHALEY, HUNT

tdunivant@spokanecity.org

For the Mayor

CODDINGTON, BRIAN

cshisler@spokanecity.org

Additional Approvals

tszambelan@spokanecity.org

Purchasing

dauenhauerl@lanepowell.com

ejacobson@spokanecity.org

mpiccolo@spokanecity.org



Continuation of Wording, Summary, Budget, and Distribution

Agenda Wording

...3.05.180, 3.05.190, 3.05.200, 3.05.210, 3.05.0250, 3.05.260, 3.05.270, 3.05.270 and 3.05.290; and adopting a new section 3.05.166 to chapter 3.05 of the Spokane Municipal Code.

Summary (Background)

Fiscal Impact

Select \$

Select \$

Budget Account

#

#

Distribution List

ORDINANCE NO. C35128

AN ORDINANCE relating to the Spokane Employees' Retirement System; amending SMC sections 3.05.010, 3.05.020, 3.05.025, 3.05.030, 3.05.040, 3.05.050, 3.05.060, 3.05.070, 3.05.080, 3.05.110, 3.05.120, 3.05.130, 3.05.160, 3.05.165, 3.05.167, 3.05.170, 3.05.180, 3.05.190, 3.05.200, 3.05.210, 3.05.250, 3.05.260, 3.05.270, 3.05.275 and 3.05.290; and adopting a new section 3.05.166 to chapter 3.05 of the Spokane Municipal Code.

The City of Spokane does ordain:

Section 1. That SMC Section 3.05.010 is amended to read as follows:

3.05.010 Purpose

The purpose of this chapter and chapter 4.14 SMC is to establish a retirement and pension system for superannuated or totally and permanently disabled ~~((officers and))~~ employees and elected officials of the City as authorized by state law.

Section 2. That SMC Section 3.05.020 is amended to read as follows:

3.05.020 Definitions

- A. "Accumulated contributions" means the sum of all normal contributions deducted from the compensation of a member, and in-lieu payments of employees' contributions by the City, standing to the credit of the member's individual account, together with interest at the actuarial assumption rate as established pursuant to SMC 4.14.070(D)(1) compounded quarterly.
- B. "Annuity" means payments derived from contributions made by a member as provided in SMC 3.05.190.
- C. "Beneficiary" means any person in receipt of a pension, annuity, retirement allowance, disability allowance, or any other benefit provided in this chapter and chapter 4.14 SMC.
- D. "Board" means "board of administration" as provided in chapter 4.14 SMC.
- E. "City" means the City of Spokane.
- F. "City service" means service by an employee rendered to the City for compensation and, for the purpose of this chapter and chapter 4.14 SMC, a member shall be considered as being in City service only while the member is receiving compensation for such service.

- G. "Compensation" means the compensation including base pay, shift differential, overtime, holiday pay, hazardous duty pay and out-of-classification pay, payable in cash, plus the monetary value, as determined by the board (~~(of administration)~~), of any allowance in lieu thereof. It shall not be reduced by salary reduction contributions to the City's cafeteria plan or Section 457 plan, or effective January 1, 2001, any qualified transportation fringe benefit plan under Internal Revenue Code section 132(f)(4). Compensation in excess of the limitations set forth in Internal Revenue Code section 401(a)(17) shall not be included in determining benefits, but this restriction does not apply to any individual who was a member prior to January 1, 1996.
- H. "Creditable service" means such City service as is evidenced by the record of normal contributions received from the employee plus prior City service if credit for same is still intact or not lost through withdrawal of accumulated contributions as provided in SMC 3.05.120. The maximum creditable service from all sources including military service is thirty (30) years under the formula in SMC 3.05.160 and thirty-five (35) years under the ~~((formula))~~ formulas in SMC 3.05.165 and SMC 3.05.166.
- I. "Employee" means any ~~((regularly appointed officer or))~~ regularly appointed employee or elected official of the City or of the Spokane public library.
- J. "Final compensation" means the annual average of the member's compensation during the highest consecutive two-year period of service for which service credit is allowed for purposes of determining retirement benefits for members described in SMC 3.05.025(A) or (B). For members described in SMC 3.05.025(C) "final compensation" means the annual average of the member's compensation during the highest consecutive three-year period of service for which service credit is allowed. ~~((#))~~ Final compensation shall not be reduced ~~((by))~~ to reflect salary reduction contributions to the City's cafeteria plan or Section 457 plan, or effective January 1, 2001, any qualified transportation fringe benefit plan under Internal Revenue Code section 132(f)(4). Compensation in excess of the limitations set forth in Internal Revenue Code section 401(a)(17) shall not be included ~~((in))~~ as final compensation when determining benefits, but this restriction does not apply to any individual who was a member prior to January 1, 1996.
- K. "Fiscal year" means any year commencing with January 1st and ending with December 31st next following.
- L. "Member" means any person included in the membership of the retirement system as provided in SMC 3.05.030.
- M. "Normal contributions" means the contributions at the rate provided for in SMC 3.05.040(A) and (B).

- N. "Pension" means payments derived from contributions made by the City as provided for in SMC 3.05.190.
- O. "Regular interest," unless changed by the board ~~((of administration))~~ as provided in SMC 4.14.070, means such rate of interest which compounded annually shall place the retirement fund on a sound actuarial basis.
- P. "Retirement allowance" means any payments made to a member or successor upon retirement for service or disability.
- Q. "Retirement fund" means "employees' retirement fund" as created and established in SMC 3.05.070 and SMC 7.08.601.
- R. "Retirement system" means "Spokane ~~((employees' retirement system))~~ Employees' Retirement System" (SERS), provided for in this chapter.

Section 3. That SMC Section 3.05.025 is amended to read as follows:

3.05.025 Benefit Formulas

- A. An employee of the City hired prior to January 1, 2009, shall be entitled to elect at the time of retirement whether to receive his benefit under the current benefit formula in SMC 3.05.160 as available therein, or to receive his benefit under the alternate benefit formula in SMC 3.05.165 as available therein. A member of the retirement system who has terminated employment prior to January 1, 2009, who has not taken a withdrawal of his accumulated contributions will remain under the benefit formula in SMC 3.05.160 and shall not be entitled to elect the alternate formula in SMC 3.05.165.
- B. The alternate benefit formula in SMC 3.05.165 shall be the exclusive benefit for employees of the City hired on or after January 1, 2009, but before January 1, 2015. The benefit formula in SMC 03.05.165 shall also apply as of January 1, 2009, to any employee who was covered by the benefit formula in SMC 3.05.160, takes a withdrawal of his accumulated contributions after termination pursuant to SMC 3.05.120(A) or (B), and is rehired on or after the applicable date in the preceding sentence, regardless of whether the employee restores his prior service under the prior benefit formula pursuant to SMC 3.05.120(C) or SMC 3.05.260. The alternate benefit formula in SMC 3.05.165 will also apply to a ~~((participant))~~ member who retired under the benefit formula in SMC 3.05.160, was rehired, and whose benefit was suspended pursuant to SMC 3.05.260.
- C. The alternate benefit formula in SMC 3.05.166 shall be the exclusive benefit for employees of the City hired on or after January 1, 2015. The benefit formula in SMC 03.05.166 shall also apply as of January 1, 2015, to any employee who was covered by the benefit formula in SMC 3.05.160 or SMC 3.05.165, takes a

withdrawal of his accumulated contributions after termination pursuant to SMC 3.05.120(A) or (B), and is rehired on or after the applicable date in the preceding sentence, regardless of whether the employee restores his prior service under the prior benefit formula pursuant to SMC 3.05.120(C) or SMC 3.05.260. The alternate benefit formula in SMC 3.05.166 will also apply to a member who retired under the benefit formula in SMC 3.05.160 or SMC 3.05.165, was rehired, and whose benefit was suspended pursuant to SMC 3.05.260.

- GD. The basic provisions of the benefit formula in SMC 3.05.160 and ~~((the))~~ alternate benefit ~~((formula))~~ formulas in SMC 3.05.165 and SMC 3.05.166 are summarized in SMC 3.05.167.

Section 4. That SMC Section 3.05.030 is amended to read as follows:

3.05.030 Membership

- A. Any new employee must become a member of the retirement system and make contributions required by SMC 3.05.040 on the date of hire, except:
1. temporary, seasonal, or new hire provisionals, as defined by the City Charter and the City civil service commission;
 2. members of the police and fire departments who are entitled to benefits under state-enacted retirement programs;
 3. participating employees hired under the Comprehensive Employment and Training Act (CETA) and United States ~~((department of labor))~~ Department of Labor (DOL). This proscription does not apply to permanent nonparticipant staff members of the City and Spokane City-County employment and training consortium or its successor. Furthermore, CETA participants whose membership was previously terminated and who received a refund of contributions may at such time as they become regular City employees redeposit refunded contributions in accordance with SMC 3.05.120;
 4. other non-City-funded employees in temporary employment programs as determined by the board.
- B. Any other ~~((elective officer))~~ employee who is an elected official may, at any time prior to the completion of five (5) years of continuous service, elect to deposit with the retirement system an amount equal to what would be or would have been the ~~((officer's))~~ elected official's normal contributions if a member of the retirement system during this period of service, with appropriate interest as determined by the board. The City matches said funds and deposits the same in the retirement fund in a manner similar to that provided for the matching of the normal contributions under the provisions of this chapter, provided that no such ~~((officer))~~ elected official shall obtain any benefits of the provisions of the retirement system except interest accruing at the rate provided for interest on

employees' normal contributions. The return of any such funds so deposited shall be governed by the provisions as to the return of normal contributions. If and when any such ~~((officer))~~ elected official becomes a member ~~((of the system))~~, the sums so deposited by this member shall be transferred to the credit of such member. Any ~~((elective officer))~~ elected official entering the retirement system under this provision shall become a member as of the date of such election and shall not be considered a member until the date of such election.

- C. The human resources department of the City has the duty to give immediate notice in writing to the board ~~((of administration))~~ of the change in status of any member within the office or department resulting from transfer, promotion, leave of absence, resignation, reinstatement, dismissal, or death. The human resources department shall furnish other information concerning any member as the board may require.
- D. Each member is subject to all the provisions of this chapter and to all the rules and regulations adopted by the board ~~((of administration))~~. Should a member withdraw accumulated contributions, die, or be retired, that member shall thereupon cease to be a member.
- E. Notwithstanding any provision of this chapter to the contrary, members who are laid off by the City and immediately rehired by the public facilities district (PFD) during the period when the City is transferring physical assets to the PFD may retain membership in the ~~((plan))~~ retirement system on such terms and conditions as may be established by the ~~((retirement))~~ board in consultation with the PFD. In no event may any other current or future PFD employee become a member of the ~~((City employees'))~~ retirement system.

Section 5. That SMC Section 3.05.040 is amended to read as follows:

3.05.040 Contributions

- A. The normal rates of contributions of members are those adopted by the board ~~((of administration))~~, subject to the approval of the city council. The rates so adopted remain in full force and effect until revised or changed by the board ~~((of administration))~~ in the manner provided in chapter 4.14 SMC.
 - 1. Contributions by Members.
Prior to January 1, 2009, each ((Each)) member ((of the retirement plan)) shall contribute six and seventy-two one-hundredths percent (6.72%) of the member's compensation. Effective January 1, 2009, the rate of contribution ((is)) was prospectively increased to seven and seventy-five hundredths percent (7.75%). Effective September 1, 2014, the rate of contribution is prospectively increased to eight and twenty-five hundredths percent (8.25%). It is contemplated that said contribution by members will, when added to the City's contribution, be enough to properly fund the retirement benefits. Although designated as employee contributions that

reduce the ~~((employee's))~~ member's salary, the City government, as the employer, shall pay such contributions to the ~~((plan))~~ retirement fund pursuant to Internal Revenue Code section 414(h). The ~~((employee))~~ member will not have an option of choosing to receive the contributed amounts directly instead of having them paid by the City government to the ~~((plan))~~ retirement fund. The ~~((picked))~~ picked-up contributions will be included as Social Security wages up to the Social Security wage base, and will also be included in calculating ~~((annual compensation for retirement))~~ the member's final compensation .

2. Contribution by the City Government.
The City government will match the in-lieu payment of the employees' contribution.
- B. Subject to the provisions of this chapter and chapter 4.14 SMC, the board ~~((of administration))~~ certifies to the head of each office or department the normal rate of contribution for each member provided for in subsection (A) of this section. The head of the department applies such rate of contribution to the compensation of each and every payroll; and each of said in-lieu amounts are paid by the director of accounting into the retirement fund, hereinafter provided for, and are credited by the board, together with regular interest, to an individual account of the member for whom the contribution was made. Regular interest is credited to each individual account at such periods as the board may determine. The City government's in-lieu payment vests for the benefit of the employee immediately upon payment into the retirement fund.
- C. The director of accounting transfers to the retirement fund an amount equal to the aggregate normal contributions as soon as administratively practicable following each payroll period.

Section 6. That SMC Section 3.05.050 is amended to read as follows:

3.05.050 Allowance for Service

- A. Determination.
1. Subject to the following and all other provisions of this chapter, including such rules and regulations as the board may adopt in pursuance thereof, the board, subject to the approval of the city council, determines and may modify allowance for service.
 2. Time during which a member is absent on leave without pay may not be allowed in computing service.
 3. Each member must file with the ~~((board))~~ retirement system such information affecting his status as a member ~~((of the retirement system))~~ as the board may require.

- B. Military Service.
Any member is given credit for any period served by him in the military service of the United States, in time of war or upon the call of the President, if at the time of such service such member was a regular employee under leave of absence. Certificate of honorable discharge from and/or documentary evidence of such service must be submitted to the board in order to obtain credit for such service.
- C. Preservation of Credits Under Contract.
The board is authorized from time to time to enter into agreements with other public retirement systems in the state relative to the mutual acceptance of members and preservation of service credits under such rules and regulations as may be necessary to carry into effect the provisions of this chapter or for its proper operation.
- D. Notwithstanding anything in this chapter to the contrary, effective December 12, 1994, contributions, benefits and service credit with respect to qualified military service will be provided in accordance with Internal Revenue Code section 414(u) ~~((of the Internal Revenue Code))~~. The board may promulgate regulations implementing this section.

Section 7. That SMC Section 3.05.060 is amended to read as follows:

3.05.060 Administration

The administration of the retirement system is vested in the board ~~((of administration))~~ as provided for in chapter 4.14 SMC.

In addition to other records and accounts, the board keeps such detailed reports and accounts as are necessary to show the financial condition of the retirement fund at all times.

Section 8. That SMC Section 3.05.070 is amended to read as follows:

3.05.070 Employees' Retirement Fund

- A. The City treasurer shall be the custodian of the retirement fund as provided in SMC 7.08.601. The retirement fund created hereby shall be a trust fund held for the exclusive benefit of the members of the ~~((Spokane employees'))~~ retirement system and their beneficiaries. Except as provided under 3.05.240(B), ~~((No))~~ no part of the corpus or income of the retirement fund shall be used for, or diverted to, purposes other than for the exclusive benefit of the members or their beneficiaries and the payment of fees and expenses of maintaining and administering the retirement system. ~~((Both))~~ All benefit formulas under SMC 3.05.160 ~~((and))~~, SMC 3.05.165 and SMC 3.05.166 are encompassed within the retirement fund without separate accounting.

- B. This section shall be interpreted to allow the following:
1. A return of the contribution to the City or its application as a credit on future contributions after the board determines that the City has paid or overpaid the contribution under a mistake of fact.
 2. The making of refunds required by law; and
 3. Termination of the retirement system and distribution of its assets to the City after all liabilities with respect to the members and their beneficiaries have been satisfied.

Section 9. That SMC Section 3.05.080 is amended to read as follows:

3.05.080 City's Contribution

There shall be paid into the retirement fund by contributions of the City the amounts necessary to pay all pensions and other benefits allowable under this chapter to members on account of prior service and minimum allowances provided for in SMC 3.05.160 ~~((and))~~, SMC 3.05.165 and SMC 3.05.166. There shall also be paid into the retirement fund by contributions of the City the amounts necessary to pay its share of disability pensions allowable under this chapter. Until the amount accumulated in the retirement fund becomes at least as large as the present value of all amounts thereafter payable from said fund, the amount annually due to the said fund under this section shall be the amount payable from said fund in the ensuing fiscal year on account of prior service, disability, and minimum allowances above referred to.

Section 10. That SMC Section 3.05.110 is amended to read as follows:

3.05.110 Administration of Social Security Act

- A. The director of accounting is designated as the officer to administer such accounting, reporting and other functions as are required for the effective operation ~~((of the plan))~~ for extending the Federal Old Age and Survivors Insurance program to members of the ~~((Spokane employees'))~~ retirement system approved by said employees on June 5, 1956. The director shall make such reports in such form and containing such information as the governor from time to time may require, and shall comply with such provisions as the governor or the secretary of health, education and welfare of the United States may from time to time find necessary to assure the correctness and verification of such reports. The governor is authorized to terminate said plan if it is found that there has been failure to comply substantially with its provisions, such termination to take effect at the expiration of such notice and on such conditions as may be provided by regulations of the governor consistent with the provisions of the Social Security Act.
- B. The director of accounting deducts from the salary of each ~~((officer and))~~ employee and elected official the amount of tax imposed by the Federal

Insurance Contributions Act, and the amount so deducted from such salaries shall be paid into the contributions fund as provided in chapter 4, Laws of Washington, extraordinary session, 1955, section 4(1). Failure to make such deductions does not relieve the ~~((officers or))~~ employees or elected officials from liability for such deductions.

Section 11. That SMC Section 3.05.120 is amended to read as follows:

3.05.120 Refund of Contributions

- A. Accumulated Contributions in Excess of One Thousand Dollars.
Should the service of a member be discontinued, except by death or retirement, and the member has accumulated contributions in excess of one thousand dollars (\$1,000), the member may elect to withdraw the member's accumulated contributions. Such payment shall be made as soon as administratively practical after the board approves the member's election, which election shall be made not later than six (6) months after the day of discontinuance. The City shall receive credit for the full amount deposited by the City in the retirement fund for such member's benefit plus interest. If a member's service is discontinued and the member leaves accumulated contributions in the retirement system, the board may, in its discretion, charge each such member reasonable administrative expenses for maintenance of the accumulated contributions.
- B. Accumulated Contributions of One Thousand Dollars or Less.
Should the service of a member be discontinued, except by reason of death, and the member has accumulated contributions of one thousand dollars (\$1,000) or less, the member shall be paid, not later than six (6) months after the day of discontinuance, the member's entire accumulated contributions.
- C. Redeposit.
Any member may redeposit in the retirement fund, within one (1) year of being rehired, an amount equal to that which the member previously withdrew therefrom, or a portion thereof, at the last termination of membership, such redeposit using the current actuarial assumed interest rate as determined by the board to be paid into the retirement fund in accordance with rules established by the board. In the event such redeposit is made by a member, an amount equal to the accumulated contributions so redeposited shall again be held for the benefit of said member, and shall no longer be included in the amounts available to meet the obligations of the City on account of benefits that have been granted or liabilities that have been assumed on account of prior service of members, and the ~~((plan))~~ retirement system shall reinstate the prior service credit, or the portion thereof, for such member, who will rejoin the ~~((plan))~~ retirement system pursuant to SMC 3.05.025(B). Effective January 1, 2009, redeposit may also be made by a direct trustee-to-trustee transfer to the retirement fund from a plan qualified under Internal Revenue Code ~~((Section))~~ sections 457(b) or 403(b) or by a direct rollover to the retirement fund from an individual retirement account or

annuity qualified under Internal Revenue Code (~~(Section)~~) section 408. The board may establish rules and procedures for acceptance of such deposits, transfers, or rollovers, including procedures to account for pre-tax transfers and rollovers and (~~(after)~~) after-tax payments.

Section 12. That SMC Section 3.05.130 is amended to read as follows:

3.05.130 Service Retirement

Retirement of members for service is made by the board as follows:

- A. Any member in the City service may voluntarily retire by filing with the (~~(board)~~) retirement system a written application, stating a desire to be retired and the effective date of retirement, which date shall not be earlier than the date on which such application is filed with the retirement system (~~(, such application to be made at least thirty days prior to date of retirement)~~).
- B. Normal Retirement Date, for members described in 3.05.25(A) and 3.05.25(B):
A member's normal retirement date is the first day of the calendar month coinciding with or next following the latest of the day on which the member has:
 - 1. attained the age of sixty-two (62), (~~(and)~~) or
 - 2. completed five (5) years of creditable service.
- C. Normal Retirement Date, for members described in 3.05.25(C):
A member's normal retirement date is the first day of the calendar month coinciding with or next following the latest of the day on which the member has:
 - 1. attained the age of sixty-five (65), or
 - 2. completed seven (7) years of creditable service.

A member is fully vested upon attaining the member's normal retirement date, provided the member remains actively employed with the City through such normal retirement date.

Section 13. That SMC Section 3.05.160 is amended to read as follows:

3.05.160 Allowance on Service Retirement

The provisions of this section (~~(apply to)~~) govern the retirement benefits of members described in SMC 3.05.025(A), including the members who were retirees prior to January 1, 2009, and those active employees as of January 1, 2009, and who affirmatively elect to receive benefits under it pursuant to SMC 3.05.025.

- A. Normal Retirement Benefit.

1. Subject to the minimum and maximum retirement benefits described in this section, a member's annual normal retirement benefit is determined by multiplying two and fifteen one-hundredths percent (2.15%) of the member's final compensation by the member's years of creditable service exclusive of qualified military service, and a benefit purchased by the contributions of the City equal to one and two-thirds percent (1-2/3%) of the final compensation multiplied by the number of years of qualified military service, not to exceed five (5) years as this type of service is otherwise defined and provided for in this chapter. In no case can the normal retirement benefit exceed sixty-four and five-tenths percent (64.5%) of final compensation.
2. A member shall be eligible to receive annual normal retirement benefits on or after the member's normal retirement date pursuant to 3.05.130(B), provided the member has made application ~~((at))~~ with the retirement ((office)) system pursuant to 3.05.130(A) and has terminated active employment with the City.

B. Accrued Retirement Benefit.

A member's annual accrued retirement benefit is determined for any date by multiplying two and fifteen one-hundredths percent (2.15%) of the member's final compensation by the member's years of credited service. In no case can the annual accrued retirement benefit exceed sixty-four and five-tenths percent (64.5%) of final compensation.

C. ~~((Vesting))~~ Vested Benefit.

1. Any member who terminates active employment with the City will be eligible to receive a service retirement allowance at the age of fifty (50), provided at time of member's termination, the member both:
 - a. has at least five (5) years of creditable service; and
 - b. elects to leave ~~((retirement accumulations))~~ member's accumulated contributions in the retirement system.
2. Every member desiring to take advantage of this vesting provision must file a request with the ~~((board of administration))~~ retirement system when terminating active employment.

D. Early Retirement.

A member may retire before the member's normal retirement date under 3.05.130(B) if the member has met all the following requirements:

1. attained the age of fifty (50); ~~((and))~~
2. applied for early retirement; ~~((and))~~
3. terminated active employment with the City; and

4. completed five (5) years of creditable service.
- E. Early Retirement Benefit.
Early retirement benefits are calculated in the same manner as normal retirement benefits.
- F. Payment of Benefits.
After retirement, normal or early retirement benefits will be payable throughout the remainder of the member's lifetime. However, if a member dies before the total of the retirement benefits paid to the member equals the member's accumulated contributions at the time of retirement, and if the member has not elected an optional form of retirement benefit in accordance with SMC 3.05.210, an amount equal to the difference between the retirement benefits paid and the member's accumulated contributions at the time of retirement will be paid to the member's beneficiary.
- G. Ad Hoc Performance Adjustment.
The board is authorized to grant discretionary annual ad hoc performance adjustments effective July 1st of each fiscal year. The rate of the performance adjustment is determined by the board based upon financial, actuarial, and other data and is limited to a maximum of a three percent (3%) adjustment in any given fiscal year. The adjustment is noncompounding and based upon a retiree's original pension amount. The board has adopted a board rule which contains further information on the necessary criteria for ad hoc performance adjustments.

Section 14. That SMC Section 3.05.165 is amended to read as follows:

3.05.165 Allowance on Service Retirement – Alternate Formula (Rule of 75)

The provisions of this section (~~((apply to new employees hired or re-hired on or after January 1, 2009, pursuant to SMC 3.05.025, and active employees as of January 1, 2009, who elect to receive benefits under it))~~) govern (a) the retirement benefits of members described in SMC 3.05.025(A) whose benefits are not governed by SMC 3.05.160 and (b) the retirement benefits of members described in 3.05.025(B).

- A. Normal Retirement Benefit.
1. A member's annual normal retirement benefit is determined by multiplying two percent (2%) of the member's final compensation by the member's years of creditable service exclusive of qualified military service, and a benefit purchased by the contributions of the City equal to one and two-thirds percent (1-2/3%) of the final compensation multiplied by the number of years of qualified military service, not to exceed five (5) years as this type of service is otherwise defined and provided for in this chapter. In no case can the normal retirement benefit exceed seventy percent (70%) of final compensation.

2. A member shall be eligible to receive annual normal retirement benefits on or after the member's normal retirement date under 3.05.130(B), provided the member has made application ~~((at))~~ with the retirement ~~((office))~~ system pursuant to 3.05.130(A) and has terminated active employment with the City.

B. Accrued Retirement Benefit.

A member's annual accrued retirement benefit is determined for any date by multiplying two percent (2%) of the member's final compensation by the member's years of credited service. In no case can the annual accrued retirement benefit exceed seventy percent (70%) of the member's final compensation.

C. Vested Benefit.

1. Any member who terminates active employment with the City will be eligible to receive a service retirement allowance at the ~~((age of sixty-two))~~ member's normal retirement date under SMC 3.05.130(B), provided that at time of termination, the member both:
 - a. has at least five (5) years of creditable service; and
 - b. elects to leave ~~((retirement accumulations))~~ member's accumulated contributions in the retirement system.
2. Every member desiring to take advantage of this vesting provision must file a request with the ~~((board))~~ retirement system when terminating active employment.

D. Retirement Benefit.

A member may retire before ~~((or after))~~ the member's normal retirement date under SMC 3.05.130(B) if as of the desired retirement date the member has attained a minimum age of fifty (50), has at least five (5) years of creditable service, and the sum of the member's age and years of creditable service total at least seventy-five (75). Solely for purposes of the "Rule of 75" in the preceding sentence, creditable service for part-time employees will be determined pursuant to regulations established by the board. An active member may also retire ~~((at normal retirement date of age sixty-two with five years of creditable service.))~~ on or after having attained the member's normal retirement date under SMC 3.05.130(B) In either case the member must apply for retirement benefits under SMC 3.05.130(A) and terminate active employment with the City in order to retire. ~~((A member who is rehired on or after January 1, 2009, whether a terminnee pursuant to SMC 3.05.120(A) or (B) or a retiree pursuant to SMC 3.05.260 must retire pursuant to the first sentence of this paragraph))~~.

E. Payment of Benefits.

After retirement, benefits will be payable throughout the remainder of the member's lifetime. However, if a member dies before the total of the retirement benefits paid to the member equals the member's accumulated contributions at the time of retirement, and if the member has not elected an optional form of retirement benefit in accordance with SMC 3.05.210, an amount equal to the difference between the retirement benefits paid and the member's accumulated contributions at the time of retirement will be paid to the member's beneficiary.

Section 15. That there is adopted a new section 3.05.166 to chapter 3.05 of the Spokane Municipal Code to read as follows:

3.05.166 Allowance on Service Retirement – Alternate Formula (Rule of 80)

The provisions of this section govern the retirement benefits of members described in SMC 3.05.025(C).

A. Normal Retirement Benefit.

1. A member's annual normal retirement benefit is determined by multiplying two percent (2%) of the member's final compensation by the member's years of creditable service exclusive of qualified military service, and a benefit purchased by the contributions of the City equal to one and two-thirds percent (1-2/3%) of the final compensation multiplied by the number of years of qualified military service, not to exceed five (5) years as this type of service is otherwise defined and provided for in this chapter. In no case can the normal retirement benefit exceed seventy percent (70%) of final compensation.
2. A member shall be eligible to receive annual normal retirement benefits on or after the member's normal retirement date under SMC 3.05.130(C), provided the member has made application with the retirement system pursuant to 3.05.130(A) and has terminated active employment with the City.

B. Accrued Retirement Benefit.

A member's annual accrued retirement benefit is determined for any date by multiplying two percent (2%) of the member's final compensation by the member's years of credited service. In no case can the annual accrued retirement benefit exceed seventy percent (70%) of the member's final compensation.

C. Vested Benefit.

Any member who terminates active employment with the City will be eligible to receive a service retirement allowance at the member's normal retirement date under SMC 3.05.130(C), provided that at time of termination, the member both:

- a. has at least seven (7) years of creditable service; and
 - b. elects to leave member's accumulated contributions in the retirement system.
2. Every member desiring to take advantage of this vesting provision must file a request with the retirement system when terminating active employment.

D. Retirement Benefit.

A member may retire before the member's normal retirement date under SMC 3.05.130(C) if as of the desired retirement date the member has attained a minimum age of fifty (50), has at least seven (7) years of creditable service, and the sum of the member's age and years of creditable service total at least eighty (80). Solely for purposes of the "Rule of 80" in the preceding sentence, creditable service for part-time employees will be determined pursuant to regulations established by the board. An active member may also retire on or after having attained the member's normal retirement date under SMC 3.05.130(C). In either case the member must apply for retirement benefits under SMC 3.05.130(A) and terminate active employment with the City.

E. Payment of Benefits.

After retirement, benefits will be payable throughout the remainder of the member's lifetime. However, if a member dies before the total of the retirement benefits paid to the member equals the member's accumulated contributions at the time of retirement, and if the member has not elected an optional form of retirement benefit in accordance with SMC 3.05.210, an amount equal to the difference between the retirement benefits paid and the member's accumulated contributions at the time of retirement will be paid to the member's beneficiary.

Section 16. That SMC Section 3.05.167 is amended to read as follows:

3.05.167 Summary of Benefits

A. Plan defaults for those retiring under SMC 3.05.160:

1. Calculation factor equals two and fifteen hundredths percent (2.15%) per year of creditable service.
2. Calculation is capped at thirty (30) years of creditable service or sixty-four and one-half percent (64.5%) of final compensation.
3. Final (~~(salary)~~) compensation based on highest two (2) consecutive years.

4. At time of retirement, employee can switch to retirement structure in subsection (B) of this section – all criteria must be met.
 5. Five (5) years vesting.
 6. ~~((Can retire at age))~~ Minimum early retirement age is fifty (50) with five (5) years creditable service.
 7. Normal retirement age is sixty-two (62) years.
 8. Disability factor is one and twenty-five hundredths percent (1.25%).
 9. Military leave factor is one and two-thirds percent (1-2/3%).
 10. Portability and vested groups in place prior to January 1, 2009, are part of these defaults.
- B. Plan defaults for those retiring under SMC 3.05.165 – Alternate Formula (Rule of 75):
1. Calculation factor equals two percent (2%) per year of creditable service.
 2. Calculation is capped at thirty-five (35) years of creditable service or seventy percent (70%) of final compensation.
 3. Final ~~((salary))~~ compensation based on highest two(2) consecutive years.
 4. “Rule of 75” (age plus years of creditable service must equal at least seventy-five (75) points).
 5. Five (5) years vesting.
 6. Minimum retirement age is fifty (50) years.
 7. Normal retirement age is sixty-two (62) years.
 8. Employee with at least five (5) years creditable service will be able to retire at sixty-two (62).
 9. No change to disability calculation.
 10. Military leave factor is one and two-thirds percent (1-2/3%) and these defaults.
 11. Portability and vested groups in place after January 1, 2009 but prior to January 1, 2015, are part of these defaults.
- C. Plan defaults for those retiring under SMC 3.05.166 – Alternate Formula (Rule of 80):
1. Calculation factor equals two percent (2%) per year of creditable service.
 2. Calculation is capped at thirty-five (35) years of creditable service or seventy percent (70%) of final compensation.
 3. Final compensation based on highest three (3) consecutive years.
 4. “Rule of 80” (age plus years of creditable service must equal at least eighty points(80).
 5. Seven (7) years vesting.
 6. Minimum early retirement age is fifty (50) years.

7. Normal retirement age is sixty-five (65) years.
8. Employee with at least seven (7) years creditable service will be able to retire at sixty-five (65).
9. No change to disability calculation.
10. Military leave factor is one and two-thirds percent (1-2/3%) and these defaults.

ED. General Plan Defaults.

1. Portability members hired or repurchasing time on or after January 1, 2009, will be part of the defaults for the "Alternate Formula" under either SMC 3.05.165 or 3.05.166, whichever coincides with their date of repurchase, and must meet the criteria in relating subsection (B or C) of this section between both systems to be eligible to retire in SERS.
2. Pensioners who are rehired by the City on or after January 1, 2009, and suspend their pensions, will be part of the defaults for the "Alternate Formula" under either SMC 3.05.165 or 3.05.166, whichever coincides with their date of rehire, as they earn time toward a second pension.
3. Employees who had previously withdrawn their retirement contributions and are rehired on or after January 1, 2009, will be part of the defaults for the "Alternate Formula" under either SMC 3.05.165 or 3.05.166, whichever coincides with their date of rehire, regardless if they buy back previous service time.

Section 17. That SMC Section 3.05.170 is amended to read as follows:

3.05.170 Payment upon Death of Member

A. Eligible to Retire.

If a member who had not retired but had named the member's spouse as the sole primary beneficiary and who was eligible to retire pursuant to SMC 3.05.160, ~~((or))~~ SMC 3.05.165 ((-)) or SMC 3.05.166 whichever applies, or who had at least thirty (30) years of creditable service dies, then the member's surviving spouse may elect to receive:

1. death benefits provided for in this section, or
2. a retirement allowance payable only for the remainder of the surviving spouse's life and equal to that which would have been received had the deceased member retired on the date of death under the provisions of Option E as provided in SMC 3.05.210, or
3. in lieu of either of the above, a lump sum cash payment not to exceed one-half of the deceased member's accumulated contributions and a retirement allowance in accordance with Option E as provided in SMC 3.05.210, but reduced proportionately by the amount of cash withdrawn

from this selection.

B. Not Eligible to Retire.

1. Repayment of Contributions.

Upon the death of any member not eligible to retire, there shall be paid to the member's estate, or to such persons as the member shall have nominated by written designation duly executed and filed with the ~~((board))~~ retirement system, the member's accumulated contribution with interest, less payments made therefrom to the member, if any. Effective January 1, 2009, a non-spouse designated beneficiary shall be permitted to elect a direct trustee to trustee transfer of such distribution to an individual retirement account established for the purposes of receiving the distribution on behalf of an individual who is a designated beneficiary and who is not the surviving spouse of the participant, which shall be treated as an inherited individual retirement account within the meaning of Internal Revenue Code section 408(d)(3)(C).

2. Death of Active Married Member.

Alternatively, upon the death of any active member who is eligible to vest in the retirement system, who is married at the time of death, and whose surviving spouse has been properly nominated as sole primary beneficiary, the surviving spouse may elect to leave the accumulated contributions in the retirement system and, on such date as the member would have been eligible, apply for and receive such retirement allowance as is allowed under retirement Option E as provided in SMC 3.05.210 as established in this chapter. Such retirement will be calculated as if the member had been eligible to retire at the time of death, and will be based upon the age of the surviving spouse at the time when the member would have been eligible to retire. Any retirement allowance calculated under this section will be based on the accumulations and earnings of the member as of the date of retirement.

Section 18. That SMC Section 3.05.180 is amended to read as follows:

3.05.180 Disability Retirement

- A. Any member while in City service may be retired by the board ~~((of administration))~~ for permanent and total disability, either ordinary or accidental, upon examination, if the member has not attained normal retirement age ~~((the age of sixty-two years))~~ but has at least five (5) years of ~~((City))~~ creditable service ~~((provided that the required five years of City service must have been credited to the member over a period of not to exceed ten years immediately preceding retirement))~~ if the member is described in SMC 3.05.025(A) or (B), or has at least seven (7) years of creditable service if the member is described in SMC 3.05.025(C), provided that the required number of years of creditable service must have been credited to the member over a period of not to exceed ten (10)

years immediately preceding member's disability retirement.

- B. Such member, within three (3) months after the discontinuance of City service, or while physically or mentally incapacitated for the performance of duty, if such incapacity has been continuous from discontinuance of City service, but not later than one (1) year after discontinuance of City service, shall be examined by a physician or surgeon appointed by the board (~~(of administration)~~) upon the application of the head of the office or department in which said member is employed, or upon application of said member or a person acting in the member's behalf, stating that the member is permanently and totally incapacitated, either physically or mentally, for the performance of duty and ought to be retired. If such medical examination shows, to the satisfaction of the board, that the member is permanently and totally incapacitated either physically or mentally for the performance of duty and ought to be retired, the board shall retire the member for disability forthwith.
- C. Any member who shall suffer accidental permanent and total disability while engaged in the City service shall be retired forthwith and shall not be required to have (~~(at least five years of City a)~~) the minimum number of years of creditable service as required for ordinary disability under SMC 3.05.180(A).
- D. The board shall secure such medical services and advice as it may deem necessary to carry out the purpose of this section and of [SMC 3.05.200](#), and shall pay for such medical services and advice such compensation as the board shall deem reasonable.

Section 19. That SMC Section 3.05.190 is amended to read as follows:

3.05.190 Allowance on Disability Retirement

- A. Upon retirement for disability (disability retirement) as hereinabove provided, so long as the disability is not due to substance abuse, willful misconduct, or violation of law (of which the board shall be the judge), a member shall receive a disability retirement allowance consisting of:
 - 1. an annuity which shall be the actuarial equivalent of the member's accumulated contributions at the time of retirement; and
 - 2. a pension purchased by the contributions of the City which, together with the annuity provided by the member's accumulated contributions, shall make the disability retirement allowance, equal to one and one-fourth percent (1.25%) of the member's final compensation (defined as appropriate based on whether the member is described in SMC 3.05.025(A), (B) or (C)), multiplied by the number of years of service which

would be creditable to the member were the member's services to continue until the member ~~((attains the age of sixty-two))~~ had attained normal retirement age (i.e. age 62 for members described in SMC 3.05.025(A) and (B), and age 65 for members described in SMC 3.05.025(C)); provided, however, the minimum disability retirement allowance shall be two thousand four hundred dollars (\$2,400) per year for duty-related causes, and one thousand two hundred dollars (\$1,200) per year for non-duty-related causes.

- B. If disability is due to substance abuse, willful misconduct or violation of law on the part of the member, the board ~~((of administration))~~ in its discretion may pay to said member in one lump sum the member's accumulated contributions in lieu of a retirement allowance, and such payment shall constitute full satisfaction of all obligations of the City to such member and, upon receipt of such payment, membership in the retirement system shall cease.
- C. Upon the death of a member while in receipt of a disability retirement allowance, the member's accumulated contributions, as they were at the date of retirement, less any annuity payments, shall be paid to the member's estate, or to such persons as the member shall have nominated by written designation duly executed and filed with the ~~((board))~~ retirement system.

Section 20. That SMC Section 3.05.200 is amended to read as follows:

3.05.200 Safeguards of Disability Retirement

- A. The board ~~((of administration))~~ may, at its pleasure, require any ~~((disability beneficiary under the age of sixty-two years))~~ member receiving a disability retirement who has not yet attained normal retirement age to undergo medical examination to be made by a physician or surgeon appointed by the board at a place to be designated by the board. Upon the basis of such examination, the board determines whether such member ~~((disability beneficiary))~~ is still totally and permanently incapacitated either mentally or physically for service in the office or department of the City where previously employed or in any other City service for which the ~~((disability beneficiary))~~ member receiving a disability retirement is qualified. If the board ~~((of administration))~~ determines that said ~~((beneficiary))~~ member is not so incapacitated, the disability retirement allowance is canceled and the ~~((beneficiary))~~ member is reinstated forthwith in the City service.
- B. Should a ~~((disability beneficiary))~~ member receiving a disability retirement re-enter the City service and be eligible for membership in the retirement system in accordance with SMC 3.05.030, any disability retirement allowance is canceled

and the ~~((beneficiary))~~ member immediately becomes a member of the retirement system. The member's individual account is credited with the member's accumulated contributions less the annuity payments paid as a disability retirement. An amount equal to the accumulated contributions so credited is again held for the benefit of said member and is no longer included in the amounts available to meet the obligations of the City on account of benefits that have been granted and on account of prior service of members. Such member receives credit for prior service in the same manner as if the member had never been retired for disability.

- C. Should any ~~((disability beneficiary under the age of sixty-two years))~~ member receiving a disability retirement who has not yet attained normal retirement age refuse to submit to medical examination, any disability retirement allowance ~~((pension))~~ may be discontinued until ~~((the disability beneficiary))~~ such member ~~((receiving a disability retirement))~~ withdraws such refusal, and should such refusal continue for one (1) year, any disability retirement allowance otherwise payable to such member may be prospectively canceled. Should ~~((said disability beneficiary))~~ such member receiving a disability retirement allowance, prior to attaining normal retirement age ~~((the age of sixty-two years))~~, engage in a gainful occupation not in City service, or should ~~((beneficiary))~~ such member re-enter the City service and be ineligible for membership in the retirement system in accordance with SMC 3.05.030, the board ~~((of administration))~~ shall reduce the amount of the member's disability retirement allowance to an amount which, when added to the compensation earned by the ~~((beneficiary))~~ member shall not exceed the amount of the final compensation adjusted for cost of living as determined by the board ~~((of administration))~~. Should the earning capacity of such ~~((beneficiary))~~ member be further altered, the board may further alter any disability retirement allowance as hereinbefore provided. When said ~~((disability beneficiary))~~ member receiving a disability retirement allowance reaches ~~((the))~~ member's normal retirement age ~~((of sixty-two years))~~, the disability retirement allowance shall be made equal to the amount upon which the ~~((beneficiary))~~ member was originally retired on account of disability, and shall not again be modified for any cause except as provided in SMC 3.05.260.
- D. Should the disability retirement allowance of any ~~((disability beneficiary))~~ member receiving a disability retirement be canceled for any cause other than re-entrance into the City service, the ~~((beneficiary))~~ member shall be paid his accumulated contributions, less annuity payments made.

Section 21. That SMC Section 3.05.210 is amended to read as follows:

3.05.210 Optional Allowance on Retirement

A member may elect to receive, in lieu of the retirement allowance provided for in SMC 3.05.160, ~~((or))~~ SMC 3.05.165 or SMC 3.05.166, its actuarial equivalent in the form of a lesser retirement allowance, payable in accordance with the terms and conditions of one of the options set forth below. Election of any option must be made by written application filed with the ~~((board of administration at least thirty days in advance of retirement as provided in SMC 3.05.130,))~~ retirement system and does not become effective unless approved by the board ~~((prior to retirement of the member))~~.

A. Option A.

The lesser retirement allowance will be payable to the member throughout the member's life, provided that if the member dies before the member receives in annuity payments referred to in SMC 3.05.160(A)(1) ~~or~~ SMC 3.05.165(A)(1) or SMC 3.05.166(A)(1) a total amount equal to the amount of accumulated contributions as it was at the date of retirement, the balance of such accumulated contributions will be paid in one sum to the member's estate or to such person as the member shall nominate by written designation duly executed and filed with the ~~((board))~~ retirement system.

B. Option B.

The lesser retirement allowance will be payable to the member throughout the member's life, provided that if the member dies before the member receives in annuity payments referred to in SMC 3.05.160(A)(1) ~~or~~ SMC 3.05.165(A)(1) or SMC 3.05.166(A)(1) a total amount equal to the amount of accumulated contributions as it was at the date of retirement, the said annuity payments resulting from accumulated contributions will be continued and paid to the member's estate or such person as the member shall nominate by written designation duly executed and filed with the ~~((board))~~ retirement system, until the total amount of annuity payments shall equal the amount of accumulated contributions as it was at the date of retirement.

C. Option C.

The member elects a "guaranteed period" of any number of years. If the member dies before the lesser retirement allowance has been paid for the number of years elected as the "guaranteed period," the lesser retirement allowance will be continued to the end of the "guaranteed period," and during such continuation be paid to the member's estate or to such person as the member shall nominate by written designation duly executed and filed with the ~~((board))~~ retirement system.

D. Option D.

The lesser retirement allowance will be payable to the member throughout life and, after the death of the member, one-half of the lesser retirement allowance shall be continued throughout the life of, and paid to, the spouse of the member, named at time of retirement, if surviving.

E. Option E.

The lesser retirement allowance will be payable to the member throughout life, and after death of the member, it shall be continued throughout the life of, and paid to, the spouse of the member named at time of retirement, if surviving.

Section 22. That SMC Section 3.05.250 is amended to read as follows:

3.05.250 Estimate Permitted

If it be impracticable for the board (~~((of administration))~~) to determine from the records the length of service, the compensation or the age of any member, the board may estimate, for the purpose of this chapter, such length of service, compensation or age.

Section 23. That SMC Section 3.05.260 is amended to read as follows:

3.05.260 Suspension of Allowance During Employment

The payment of any retirement allowance to a member who has been retired will be suspended during the time the (~~((beneficiary))~~) member is for any reason an employee of the City and until qualifying for a benefit pursuant to SMC 3.05.165 or SMC 3.05.166, provided that payment for vacation or sick leave earned in the City service prior to retirement may be made without suspension of allowance, and, provided further, that this provision does not apply to retirees who:

- A. become (~~((elective employees))~~) elected officials of the City; or
- B. enter into personal services contracts with the City; or
- C. employees who, subsequent to retirement, are rehired pursuant to the following criteria:
 - 1. The position filled is of a temporary/seasonal nature; and
 - 2. The position is filled only with the approval of the director of human resources or the mayor's office; and
 - 3. Employment is limited to nine hundred sixty (960) hours per twelve-month period; and
 - 4. The human resources office prepares an annual report to the board on the usage of retirees.
 - 5. There is a minimum of one pay period between the time an employee retires and is rehired as a temporary/seasonal employee.

Section 24. That SMC Section 3.05.270 is amended to read as follows:

3.05.270 Preliminary Cost

The city council appropriates annually from the retirement fund the amount it deems necessary for the purpose of paying the expenses of administering the retirement system and the purchase of fiduciary responsibility insurance. The board (~~(of administration)~~) annually submits to the city council its estimate of the amount necessary to pay such expenses.

Section 25. That SMC Section 3.05.275 is amended to read as follows:

3.05.275 Portability of Benefits

- A. The board (~~(of administration of the City employees' retirement system)~~) is authorized to contract with the board of administration of the Tacoma employees' retirement system and/or board of administration of the Seattle employees' retirement system (each called a "participating system") for the portability of retirement benefits of employees who are also members of the retirement systems of the cities of Tacoma and Seattle, respectively. The following terms and conditions shall apply in addition to such other requirements as may be established by rule of the board or the agreement with participating systems:
1. The member must be in the active service of a participating system on or after the effective date of the board's agreement for portability; a member retired from any of the three systems on the effective date of the ordinance codified in this chapter is not eligible.
 2. Creditable service may accrue in only one participating system at a time. A member who leaves City employment to enter military service may only receive creditable service for his military service in one of the participating systems according to its rules.
 3. A member may combine service credit in two or more participating systems for the sole purpose of determining the member's eligibility to receive a service retirement allowance, but the member may not aggregate service credit in two or more retirement systems for the purpose of determining the percentage factor to be used in calculating a service retirement allowance.
 4. A member of two or more participating systems who is eligible to retire under any system may elect to retire from all the member's systems and to receive a service retirement allowance. Each participating system shall calculate the allowance using its own criteria except that the member shall be allowed to use the member's base salary from any participating system as the compensation used in calculating the allowance. "Base salary" means the salary or wages used by the participating system during a payroll period for making contributions to the system by its members generally. It includes salary or wages paid for personal services and wages and salary deferred under the provisions of the (~~(United States)~~) Internal Revenue Code. It excludes overtime payments (except as to

service for the City of Spokane), non-money maintenance compensation and lump-sum payments for deferred annual leave, unused accumulated vacation, unused accumulated annual leave, any form of severance pay, any bonus for voluntary retirement, any other form of leave, or any similar lump-sum payment.

5. The retirement allowances shall be paid separately by each participating system. Post-retirement adjustments, if any, shall be based upon the payments made by each participating system to the member.
6. The total retirement allowances provided through portability of benefits shall not be less than the benefits payable by each participating system were there no portability.
7. A participating system may pay a member of two or more systems a lump sum in lieu of a monthly benefit if the initial monthly benefit would be less than fifty dollars.
8. If a member of two or more participating systems dies in service in any system, the surviving spouse shall receive the same benefit from each system that would have been received if the member were active in the system at the time of his death based upon service actually established in that system.
9. The terms and conditions of the board's agreement with the board of a participating system both establishes and limits the portability of benefits provided. The board's agreements may be amended from time to time or supplemented by an agreement with the State of Washington for portability with state retirement systems. If the board amends its agreement with the board of a participating system or makes modifications to provide portability with state systems, the rights, terms and conditions for portability are subject to amendment or abolition at any time before a member retires.
10. A member who:
 - a. earned retirement credit for service in a participating system,
 - b. withdrew his contributions from that system,
 - c. lost service credit by making the withdrawal, and
 - d. is now an active member of another participating systemmay restore his or her prior service credit in the participating system of his or her former municipal employer by redepositing an amount determined by the system board within one year after January 1, 1991. Any individual hired after January 1, 1992, shall be provided with a one-year period under portability to repay contributions. This does not extend the time period for those individuals in the system who have not taken advantage of the one-year "windowed" period from January 1, 1991, to December 31, 1991. The amount shall be measured by the accumulated contributions withdrawn, plus compound interest which would have accumulated on the withdrawn contributions from the date of

withdrawal until the date of his redeposit.

- B. As authorized by RCW 41.54.061 the City irrevocably elects to participate in the portability of public retirement systems as contemplated by chapter 41.54 RCW, and to pay for the additional cost it may incur as a result of the benefits provided. The eligibility of members for the portability of public retirement systems, the benefits available thereunder, the limitations (including RCW 41.54.080), and the procedures shall be as set out in chapter 41.54 RCW.
- C. The benefit formula in SMC 3.05.165 shall also apply prospectively to any ~~((employee))~~ member who was covered by the benefit formula in SMC 3.05.160, takes a withdrawal of his accumulated contributions after termination pursuant to SMC 3.05.120(A) or (B), and is rehired on or after January 1, 2009, regardless of whether the ~~((employee))~~ member restores his prior service under the prior benefit formula pursuant to portability rights under this SMC 3.05.275. Additionally, the benefit formula in SMC 3.05.166 shall also apply prospectively to any member who was covered by the benefit formula in SMC 3.05.160 or SMC 3.05.165, takes a withdrawal of his accumulated contributions after termination pursuant to SMC 3.05.120(A) or (B), and is rehired on or after January 1, 2015, regardless of whether the member restores his prior service under the prior benefit formula pursuant to portability rights under this SMC 3.05.275.

Section 26. That SMC Section 3.05.290 is amended to read as follows:

3.05.290 Compliance with Internal Revenue Code

This chapter shall be administered in a manner to comply with Internal Revenue Code of 1986, as amended ("Internal Revenue Code") requirements for government qualified plans, including but not limited to Internal Revenue Code sections 401(a)(2), (a)(7), (a)(8), (a)(9), (a)(16), (a)(17), (a)(25), and (a)(31), 414(u) and 415. The board shall promulgate regulations designed to assure compliance with such requirements which will become party of the retirement system subject to change by amendment of said regulations by the board. Upon the termination of or complete discontinuance of contributions to the retirement system, the accrued retirement benefit of each member, to the extent then funded, shall be non-forfeitable.

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 Meeting of:**

07/21/2014

Date Rec'd

7/9/2014

Clerk's File #

ORD C35129

Renews #**Submitting Dept**

RETIREMENT

Cross Ref #**Contact Name/Phone**

TIM DUNIVANT 6845

Project #**Contact E-Mail**

TDUNIVANT@SPOKANECITY.ORG

Bid #**Agenda Item Type**

First Reading Ordinance

Requisition #**Agenda Item Name**

6100 SMC 04.14 AMENDMENTS

Agenda Wording

An ordinance relating to the City of Spokane Retirement and Pension Board; amending SMC sections 4.14.030, 4.14.040, 4.14.050, 4.14.060, 4.14.070 and 4.14.080.

Summary (Background)

Housekeeping changes made to bring the plan up to date and consistent with SMC 03.05.

Fiscal Impact**Budget Account**

Select \$

#

Select \$

#

Select \$

#

Select \$

#

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

CHILDS, BRANDON

Study Session**Division Director****Other****Finance**

LESESNE, MICHELE

Distribution List**Legal**

WHALEY, HUNT

tdunivant@spokanecity.org

For the Mayor

CODDINGTON, BRIAN

cshisler@spokanecity.org

Additional Approvals

tszambelan@spokanecity.org

Purchasing

dauenhauerl@lanepowell.com

ejacobson@spokanecity.org

ORDINANCE NO. C35129

AN ORDINANCE relating to the City of Spokane Retirement and Pension Board; amending SMC sections 4.14.030, 4.14.040, 4.14.050, 4.14.060, 4.14.070 and 4.14.080.

The City of Spokane does ordain:

Section 1. That the caption Article II in Chapter 4.14 is amended to read as follows:

Article II. Spokane Employees' Retirement System Board

Section 2. That SMC section 4.14.030 is amended to read as follows:

4.14.030 Board of Administration

There is created a board of administration to (~~to~~) administer the retirement system and the retirement fund for superannuated or disabled (~~officers and~~) employees and elected officials of the City, except police and fire department employees entitled to benefits under state law (~~(, there is created a board of administration)~~).

Section 3. That SMC section 4.14.040 is amended to read as follows:

04.14.040 Membership – Selection

- A. The board (~~(of administration of the Spokane employees' retirement system)~~) consists of seven (7) members.
1. Three (3) board members are appointed by the city council.
 2. Three (3) board members are elected from employees eligible for the retirement system by (~~the~~) such eligible employees; and
 3. One (1) board member, who may not be an (~~elective~~) elected official or employee of the City, is appointed by the other six (6) board members.
- B. Terms.
1. The board members appointed by the city council serve at the pleasure of the city council.
 2. The elected employee board members serve staggered three-year terms commencing on the first Monday in July.
 3. The seventh board member serves a four-year term.
 4. A vacancy is filled and a replacement is made in the same manner as original selections, except that a vacancy in one of the elected employee positions is filled by appointment by the other two elected employee board members, which appointment is until the next annual election.

Section 4. That SMC section 4.14.050 is amended to read as follows:

4.14.050 Election

- A. The city clerk conducts an election each year to elect one employee to the board (~~((of administration))~~), and to elect an employee to an unexpired term, if any.
- B. Candidates for the board are determined by nomination in the form of a notice of nomination signed by at least twenty (20) employees of the City who are members of the retirement system.
 - 1. An employee may sign more than one nomination.
 - 2. The city clerk gives notice of the dates for filing notices of nomination and of the election by posting in a prominent place in the city clerk's office. Notices are posted at least thirty (30) days prior to the date nominations are to be received and at least thirty (30) days prior to the date of the election.
 - 3. Nominations must be received by the second Tuesday in April and the election shall be held on the second Tuesday in May.
 - 4. The city clerk causes absentee ballots to be printed and available the last week in April. Absentee ballots are accepted up to the date of election and are counted with the ballots regularly cast on election day.
- C. The city clerk causes written ballots containing the names of all persons regularly nominated to be furnished and provides ballot boxes. The city clerk may appoint any City employees as deputies to conduct the election.
 - 1. The election is held in the city clerk's office and in such other places as the city clerk may designate. The city clerk appoints two employees of the City as officials of said election, who shall be allowed their regular wages for said day, but shall receive no additional compensation therefor.
- D. Employees may vote between the hours of seven-thirty a.m. and five-thirty p.m. on the day fixed by the city clerk for the election. Each employee of the City who is a member of the retirement system is entitled to vote at said election for one person for each board position. The person receiving the highest number of votes is elected to the board.

Section 5. That SMC section 4.14.060 is amended to read as follows:

4.14.060 Officers

The board (~~((of administration))~~) elects its chairman and secretary

Section 6. That SMC section 4.14.070 is amended to read as follows:

4.14.070 Powers and Duties

- A. The board ~~((of administration))~~ administers the ~~((Spokane employees'))~~ retirement system and the retirement fund under the provisions of ordinance and the direction of the city council.
- B. The board keeps such data in such form as necessary for actuarial valuation of the fund. At least every five (5) years the board causes to be made an actuarial investigation into the mortality and service and compensation experience of retirement system members and beneficiaries, and an actuarial valuation of the assets and liabilities of the fund.
- C. The board transmits to the city council a report of the actuarial investigation and valuation and an annual report on the financial condition of the fund.
- D. With the approval of the city council, the board may:
 - 1. change the rate of interest on contributions made to the retirement fund;
 - 2. adopt mortality, service and other tables used by the retirement system for the purposes of retirement benefit calculations; and
 - 3. change the rates of contribution to the retirement fund by retirement system members based on such tables.
- E. Subject to state law, the board provides for the proper investment of the moneys in the retirement fund.
- F. The board adopts rules and regulations as necessary for the administration of the retirement system and retirement fund.
- G. The board may authorize the retirement system director to execute contracts approved by the board. The board does not require city council action to let contracts within the scope of its substantive powers, where such contracts do not impact municipal general fund monies.

Section 7. That SMC section 4.14.080 is amended to read as follows:

4.14.080 Interest of Members

No board member ~~((or employee of the board of administration))~~ may have any interest in the making of investments from the retirement fund or in the gains or profits therefrom. No board member ~~((or employee of the board))~~ may become an endorser, surety or otherwise an obligor for moneys invested in the retirement fund by the board, or borrow any of ~~((it's))~~ the retirement system's funds or deposits, or use any of ~~((it's))~~ the retirement system's moneys except as directed by the board.

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 Meeting of:**

07/21/2014

Date Rec'd

7/9/2014

Clerk's File #

ORD C35127

Renews #**Submitting Dept**

PLANNING & DEVELOPMENT

Contact Name/Phone

TAMI 625-6157

Contact E-Mail

TPALMQUIST@SPOKANECITY.ORG

Agenda Item Type

First Reading Ordinance

Agenda Item Name

0650 - ORDINANCE - SKYWALK

Cross Ref #**Project #****Bid #****Requisition #****Agenda Wording**

An ordinance authorizing the removal of a skywalk stairway previously constructed pursuant to an easement authorized by Ordinance No. C18290.

Summary (Background)

The City Council originally approved Ordinance No. C18290 and executed an easement, dated November 18, 1965, granting Parkade the right to build, construct and maintain elevated walkways, skywalks, ramps, stairways and extended eaves per approved plans, all to become dedicated to the public use. Pursuant to SMC 12.02.0518, Drusilla A. Hieber, on behalf of Parkade Inc., has submitted an application seeking to remove the exterior stairway located at the northeast corner of Main Avenue and

Fiscal Impact**Budget Account**

Neutral \$

#

Select \$

#

Select \$

#

Select \$

#

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

CHESNEY, SCOTT

Study Session**Division Director**

QUINTRALL, JAN

Other

PCED 5/19/14

Finance

LESESNE, MICHELE

Distribution List**Legal**

RICHMAN, JAMES

lhattenburg@spokanecity.org

For the Mayor

CODDINGTON, BRIAN

schesney@spokanecity.org

Additional Approvals

jquintrall@spokanecity.org

Purchasing

tpalmquist@spokanecity.org

ebrown@spokanecity.org

jrichman@spokanecity.org



Continuation of Wording, Summary, Budget, and Distribution

Agenda Wording

Summary (Background)

Howard Street, adjacent to the Bennett Block Building.

Fiscal Impact

Select \$

Select \$

Budget Account

#

#

Distribution List

BRIEFING PAPER
Skywalk Stair Removal
City of Spokane Planning & Development Department
May 19, 2014

Subject

Removal of the street access stairways connected to the existing skywalk over Main Avenue to the east of Howard Street. The stairs are located at the southeast corner of Main Avenue and Howard Street and at the northeast corner of Main Avenue and Howard Street. The skywalk connects the Parkade, the Bennett Block, and Macy's.

Purpose

The removal of physical and visual barriers is necessary to improve the pedestrian experience along Main Avenue. With the demolition of Cyrus O'Leary's encroachment and the proposal to remove Rocky Rococo's extension on the sidewalk, this additional barrier would open up the rest of the sidewalk to provide greater visibility to establishments along Main Avenue.

Background

Condition 1 of the easement granted for this skywalk by the Spokane City Council, easement C18290 (see attached), on November 18, 1965, states: "... the easement by this instrument granted shall include the right to build, construct and maintain the elevated walkways, skywalks, ramps, stairways and elevated pedestrian ways above noted shall be dedicated to the public use and shall be maintained through their life for public use."

To provide the same level of connectivity new interior stairs are currently being constructed within the Bennett Building to keep a street level pedestrian access point from Howard Street to the existing skywalk system. This meets the requirements of SMC 12.02.0474 with regards to Street Access.

Recommendation

The Spokane City Council is given the authority to approve modifications to skywalk approvals, as provided in SMC 12.02.0518.

City of Spokane
Department of Engineering Services
808 West Spokane Falls Blvd.
Spokane, WA 99201-3343
(509) 625-6700

ORDINANCE NO. C35127

An ordinance authorizing the removal of a skywalk stairway previously constructed pursuant to an easement authorized by Ordinance No. C18290.

WHEREAS, pursuant to Ordinance No. C18290, in connection with plans by Parkade, Inc. ("Parkade") to construct a parking garage, the City Council authorized the execution of easements over and across the public right-of-way in the downtown area of Spokane at or near the area between Stevens Street and Howard Street and Main Avenue; and

WHEREAS, the City subsequently executed an easement, dated November 18, 1965, granting Parkade the right to build, construct and maintain elevated walkways, skywalks, ramps, stairways and extended eaves per approved plans, all to become dedicated to the public use (the "Easement"); and

WHEREAS, pursuant to SMC 12.02.0518, Drusilla A. Hieber, as manager member, and owner of the JGFH, LLC, and as President of Parkade Inc. has submitted an application on behalf of Parkade seeking to relinquish some of the privileges the Easement grants to Parkade, namely seeking the right to remove the exterior stairway located at the northeast corner of Main Avenue and Howard Street (the "Subject Stairway"); and

WHEREAS, Parkade has provided notice to owners of record, as shown by the most recent Spokane County Assessor's record, of property located within a four-hundred-foot radius of any portion of the boundary of property connected to the Subject Stairway; and

WHEREAS, the City Council has found that, following the removal of the Subject Stairway, the skywalks authorized by Ordinance No. C18290 and the Easement will continue to have adequate pedestrian access to and from the street level, consistent with the access standards set forth in SMC 12.02.0474 and that adjacent properties will continue to enjoy access to the skywalk, consistent with SMC 12.02.0484; and

WHEREAS, pursuant to SMC 12.02.0518, a skywalk permittee may request relinquishment of skywalk permits and obligations with the approval of the City Council, subject to conditions the Council imposes; and

WHEREAS, the City Council has found that the public use, benefit and welfare will best be served by Parkade' s removal of the Subject Stairway, subject to the conditions set forth below; -- NOW, THEREFORE,

The City of Spokane does ordain:

Section 1. Subject to the conditions listed in Section 2 below, Parkade is hereby authorized to remove the Subject Stairway, having agreed to relinquish its privilege to maintain that stairway as set forth in Ordinance No. C18290 and the Easement.

Section 2. Removal of the Subject Stairway is conditioned on the following:

- A. The cost associated with the removal of the Subject Stairway shall be the sole responsibility of Parkade.
- B. Pursuant to SMC Section 12.02.0474 Street Access, Subsection B, street level pedestrian access will be provided by an internal stair case that is accessible from the public sidewalk on Howard Street.
- C. The existing skywalk façade shall be replicated in the area where the staircase access is removed to provide continuity in design and esthetics.

Section 3. Removal of the Subject Stairway shall be completed in full compliance with all local, state, and federal laws and regulations and requirements. This Ordinance is not and shall not be construed as a waiver of any conditions that might otherwise apply to removal of the Subject Stairway, or to any permits or processes associated with such permits that are required in order to lawfully remove the Subject Stairway.

Passed the City Council _____

Council President

Attest: _____
City Clerk

Approved as to Form:

Assistant City Attorney

Mayor

Date: _____

Effective Date: _____

stvac\ **Error! Bookmark not defined.** doc

HIEBER PROPERTIES

ESTABLISHED 1888

City of Spokane
Planning Services Department
City Hall 3rd floor

To Whom it may concern:

I, Drusilla A. Hieber as manager member, and owner of the JGFH, LLC submitted to the City of Spokane a General Application and Notification Map Application on June 14, 2014 and issued a check on June 16, 2014 for the amount of \$2460.00 for removal of a exterior stair that is located on the skywalk between the Bennett Block Building and The Parkade, and the Macy's Building.

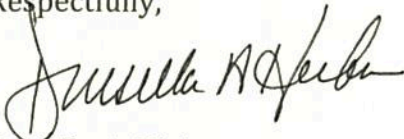
The stair location is attached to parcel number 35184.1905.

The purpose of removal of the exterior stair is a safety issue that has developed through the years, especially in the winter months. In the past years I have the stair shut down for pedestrian usage due to ice dams to the treads with the potential risk for fall. Through major renovation of the Bennett Block I have built a interior pedestrian stair less than 30 yards to the north to replace the hazardous exterior stair. Currently in construction we are enclosing the exterior elevator and stair in the rear of the Bennett Block that faces the parking lot, and park.

As President of Parkade Inc, this will not have any impact on Pedestrian traffic, or will it have any impact to Macy's do to the fact that both adjoining properties have interior access with stairs and elevators for the public to enter and exit .

I feel that it is important to keep the public safe and secured through out the skywalk system, and the removal of this stair will satisfy the safety for the pedestrian.

Respectfully,



Drusilla A. Hieber

the City Engineer shall be dedicated to the public use, including that portion of such sidewalk that shall be on private property. Such sidewalk shall be by the owner of such private property be maintained in a safe and proper manner as by the general law and city ordinances required.

Section 7. An urgency and emergency for the passage of this ordinance is hereby declared to, and does, exist and the same shall take effect and be in force immediately upon its passage.

Passed the City Council November 8, 1965.

NEAL R. FOSSEEN, Mayor.

Attest: A. A. BROWN, City Clerk.

ORDINANCE NO. C18290

An ordinance directing the execution of easements over and across the public right-of-way in the downtown area of Spokane at or near the area between Stevens Street and Howard Street and Main Avenue and declaring an emergency.

WHEREAS, Parkade, Inc., a corporation, is constructing in the City of Spokane in an area on Main Avenue between Stevens Street and Howard Street, a parking garage, and

WHEREAS, the plans and specifications on file with the City Engineer contain plans for, amongst other things, skywalks or overhead walkways whereby over and above the sidewalks and streets of the surrounding area pedestrian traffic may move to office buildings and department stores and other types of buildings, and

WHEREAS, for various reasons, the ramp garage building to be built or constructed will have overhanging eaves extending over the public right-of-way approximately 10 feet, and certain ramps and approaches, and

WHEREAS, Parkade, Inc. will establish various street plantings as a part of public beautifications and suitable lighting where the building is to be constructed and on the skywalks or walkways above noted, and

WHEREAS, such public plantings, skywalks, walkways, ramps, stairways and other matters herein described shall be to the public advantage and benefit, now therefore

The City of Spokane does ordain:

Section 1. That the appropriate city officers are hereby authorized and directed to execute an appropriate instrument granting an easement to Parkade, Inc., a corporation, its successors, designates and assignees, an easement for walkways, skywalks, stairways and ramps for access to and from a garage building to be built upon premises above noted, such skywalks, walkways, stairways and ramps to run over and across, in an elevated manner, the streets, alleys and right-of-ways of the City of Spokane in the geographic area surrounding said building as per plans and specifications on file in the office of the City Engineer of the City of Spokane heretofore filed by said Parkade, Inc., a corporation, and granting to said corporation, its successors, designates, assignees or licensees, the right to construct and maintain such walkways, skywalks, elevated pedestrian walkways, stairways and ramps as per plans and specifications above noted.

Section 2. There is also to be granted to said Parkade, Inc. an easement for the construction and maintenance of extended eaves or roof lines around said ramp garage building as set forth in the plans and specifications for said building and on file as above noted.

Section 3. The easement by this ordinance authorized shall include the right to build, construct and maintain the elevated walkways, skywalks, ramps, stairways and extended eaves above noted, but the walkways, skywalks, stairways and elevated pedestrian ways above noted shall be dedicated to the public use and shall be maintained throughout their life for such use.

Section 4. The lighting of the walkways, elevated pedestrian ways, stairways, skywalks and ramps as in the plans and specifications on file above noted shall be lighted and illuminated in a manner subject to the approval of the Traffic Engineer of the City of Spokane and shall be so designed, built and maintained as to not create traffic or pedestrian hazard.

Section 5. Said easement grant shall provide that the relocation of public facilities in the nature of traffic signals, street lights and public utilities necessitated by the construction of all of the various parts of the parking garage and appurtenances as exemplified by the plans and specifications on file as above noted shall be accomplished to the satisfaction and direction of the Traffic Engineer and the Director of Public Works and Utilities of the City of Spokane without

cost to the City of Spokane, and it shall be provided and understood that all substantial and material changes in the plans and specifications heretofore filed by Parkade, Inc., the petitioner, for the construction above noted, shall be made only with the direction and consent of the City Engineer and the approval of this Council.

Section 6. Such easement instrument shall also provide that the planting of trees and/or shrubs as indicated on the plans and specifications above noted shall be installed and maintained in a manner so as not to interfere with traffic signals, signs, street lights, public utilities or the safe movement of pedestrians and vehicles and that,

The petitioner for the easements herein granted, Parkade, Inc., a corporation, and/or its successors, designates and assignees or those who shall in any way follow it in interest, shall maintain sufficient and adequate public liability insurance for the financial protection of the public and shall at all times maintain the City of Spokane as a co-insured in its liability insurance coverage and shall maintain such insurance coverage so as to be constantly in force and in any event shall hold the City of Spokane free and clear of liability and kept harmless by reason of the building, maintenance and operation of said ramp garage and/or the appurtenant facilities and public ways above noted, and

During the course of construction of said parking garage and all its appurtenances, including the proposed walkways, skywalks, stairways and ramps, Parkade, Inc., and its agents or contractors, shall cause the City of Spokane to be a co-insured in all of its liability insurance coverage and shall further hold the City of Spokane free and clear of liability and kept harmless of all claims or damages in the course of such construction.

Section 7. The easements and permissions under this ordinance to be granted shall be in full force and effect so long as the facilities for which they are granted are operated for the use and purpose for which they have been installed and constructed, but when hereafter such facilities, for which these easements are to be granted shall cease to be used, operated and maintained as aforesaid, then the easements granted shall cease and all the rights of the petitioner, as herein set forth, shall cease as though this ordinance had not been enacted.

Section 8. An urgency and emergency for the passage of this ordinance is hereby declared to, and does, exist and the same shall take effect and be in force immediately upon its passage.

Passed the City Council November 8, 1965.

NEAL R. FOSSEEN, Mayor.

Attest: A. A. BROWN, City Clerk.

ORDINANCE NO. C18291

An ordinance ordering the paving of Normandie Street, in the City of Spokane, from Mansfield Avenue to Carlisle Avenue, establishing a local improvement district therefor, directing the levy of special assessments and providing a method of financing to pay the cost and expense of said improvement.

The City of Spokane does ordain:

Section 1. That Normandie Street, in the City of Spokane, from Mansfield Avenue to Carlisle Avenue, be improved by the paving of the same, and that such other work be done as may be necessary in connection therewith, according to the maps, plans and specifications prepared under the direction of the City Engineer of said City, and on file in the office of the said Engineer, which said maps, plans and specifications are hereby approved and adopted.

Section 2. That the cost of said improvement, including all the necessary and incidental expenses, shall be borne by and assessed against the property included in the local improvement district hereinafter established and described and in accordance with the law. The City of Spokane shall not be liable in any manner for any portion of the cost or expense of said improvement, except as herein provided.

Section 3. That there is hereby established a local improvement district to be designated as "Local Improvement District No. 5650, for Normandie Street Paving," which said district includes all of the lots, tracts and parcels of land and other property found to be specially benefited by said improvement, and described as follows:

Beginning on the center line of Mansfield Avenue equidistant from the east line of Calispel Street and the west

Skywalk # 921

Easement C-18290

Parkade, Inc.

Garage
Parking

Passage
over
the
alley

EASEMENT

THIS INDENTURE Made this 18th day of November, 1965, between the City of Spokane, a municipal corporation, hereinafter referred to as the Grantor, and Parkade, Inc., a corporation, hereinafter referred to as the Grantee;

WHEREAS, the Grantor owns and controls as a municipal corporation and a first class city of the State of Washington the right-of-way over all streets, alleys, sidewalks, thoroughfares and public ways of passage embraced within the corporate limits of said City of Spokane, and

WHEREAS, the Grantee is constructing in said City in an area on Main Avenue between Stevens Street and Howard Street a parking garage, and

WHEREAS, said Grantee has filed heretofore with the City Engineer of the Grantor certain plans and specifications covering amongst other things said parking garage and skywalks or overhead walkways whereby over and above the sidewalks and streets of the area surrounding said parking garage pedestrian traffic may move to office buildings, department stores and other types of buildings, and

WHEREAS, for various reasons the ramp garage building to be built or constructed by the grantee will have overhanging eaves extending over the Grantor's public right-of-way, as well as certain ramps and approaches, and

WHEREAS, the Grantee will establish various street plantings as a part of public beautification, together with suitable lighting in the area surrounding such garage building and on the skyways, walkways, ramps and stairways above noted, and

WHEREAS, such public plantings, skywalks, walkways, ramps, stairways and other matters herein described shall be to the public advantage and benefit and to the mutual advantage of the parties hereto, and

WHEREAS, in consideration of the substantial mutual advantages to the parties hereto, which mutual advantages are by both parties acknowledged, it has been agreed that the Grantor shall grant to the Grantee an easement as hereinafter provided upon conditions hereinafter provided.

NOW, THEREFORE, this indenture WITNESSETH:

That in consideration of said mutual advantages the Grantor hereby grants to the Grantee, its successors and assignees, full, free

C-18290

right and authority to erect such skywalks, overhead walkways, ramps, approaches and pedestrian ways as are set forth in the plans and specifications above noted, together with the extended eaves on said ramp garage building, as per the plans and specifications, together with such street plantings and suitable lighting as set forth in the plans and specifications above noted.

The Grantee hereby covenants with the Grantor that it, its successors, designates and assignees, shall abide by, during the term of this easement, the following conditions:

1. That the easement by this instrument granted shall include the right to build, construct and maintain the elevated walkways, skywalks, ramps, stairways and extended eaves above noted, but the walkways, skywalks and elevated pedestrian ways above noted shall be dedicated to the public use and shall be maintained through their life for such use.

2. The lighting of the walkways, elevated pedestrian ways, stairways, skywalks and ramps as in the plans and specifications on file above noted, shall be lighted and illuminated in a manner subject to the approval of the Traffic Engineer of the Grantor municipal corporation, and shall be so designed, built and maintained as not to create traffic or pedestrian hazard.

3. That the elevated pedestrian ways, stairways, skywalks and ramps above noted shall at no time during the life of this easement carry upon their exteriors commercial advertising, but nothing in this paragraph contained shall prohibit the Grantee or those operating by, under or through it, from making suitable and proper direction designations.

4. That the relocation of public facilities in the nature of traffic signals, street lights, and public utilities necessitated by the construction of all the various parts of the parking garage and appurtenances exemplified by the plans and specifications on file shall be accomplished to the satisfaction and direction of the Traffic Engineer and the Director of Public Works and Utilities of the City of Spokane without cost to the Grantor.

5. That the planting of trees and/or shrubs as indicated on the plans and specifications shall be installed and maintained in a manner so as not to interfere with traffic signals, signs, street lights, public utilities or the safe movement of pedestrians or vehicles.

6. That the Grantee and/or its successors, designates and assignees, or those who shall in any way follow it in interest, shall

maintain sufficient and adequate public liability insurance for the financial protection of the public, and shall at all times maintain the Grantor as a co-insured in its liability insurance coverage and shall maintain such insurance coverage so as to be constantly in force, and in any event shall hold the Grantor free and clear of liability and kept harmless by reason of the building, maintenance and/or operation of said ramp garage and/or the appurtenant facilities and public ways above noted.

7. The easement and permissions by this instrument granted shall be in full force and effect so long as the facilities for which they are granted are operated for the use and purpose for which they have been installed and constructed, but when hereafter such facilities for which this easement is granted shall cease to be used, operated and maintained as aforesaid, then the easement granted shall cease and all the rights of Grantee, its successors, designates and/or assignees shall cease as though this easement had not been granted, nor the ordinance of the Grantor, No. C18290, authorizing it had not been enacted.

IN WITNESS WHEREOF, the Grantor has this 18th day of November, 1965, caused this instrument to be executed by its appropriate officers.

CITY OF SPOKANE

By

Paul R. Jensen
Its Mayor

Attest:

aa Brown
Its City Clerk

Approved as to Form

Marion Bellender
Corporation Counsel

Approved

W. J. Sullivan
City Manager

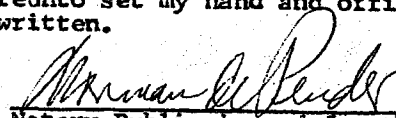
(Copy)

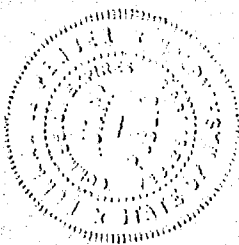
STATE OF WASHINGTON:

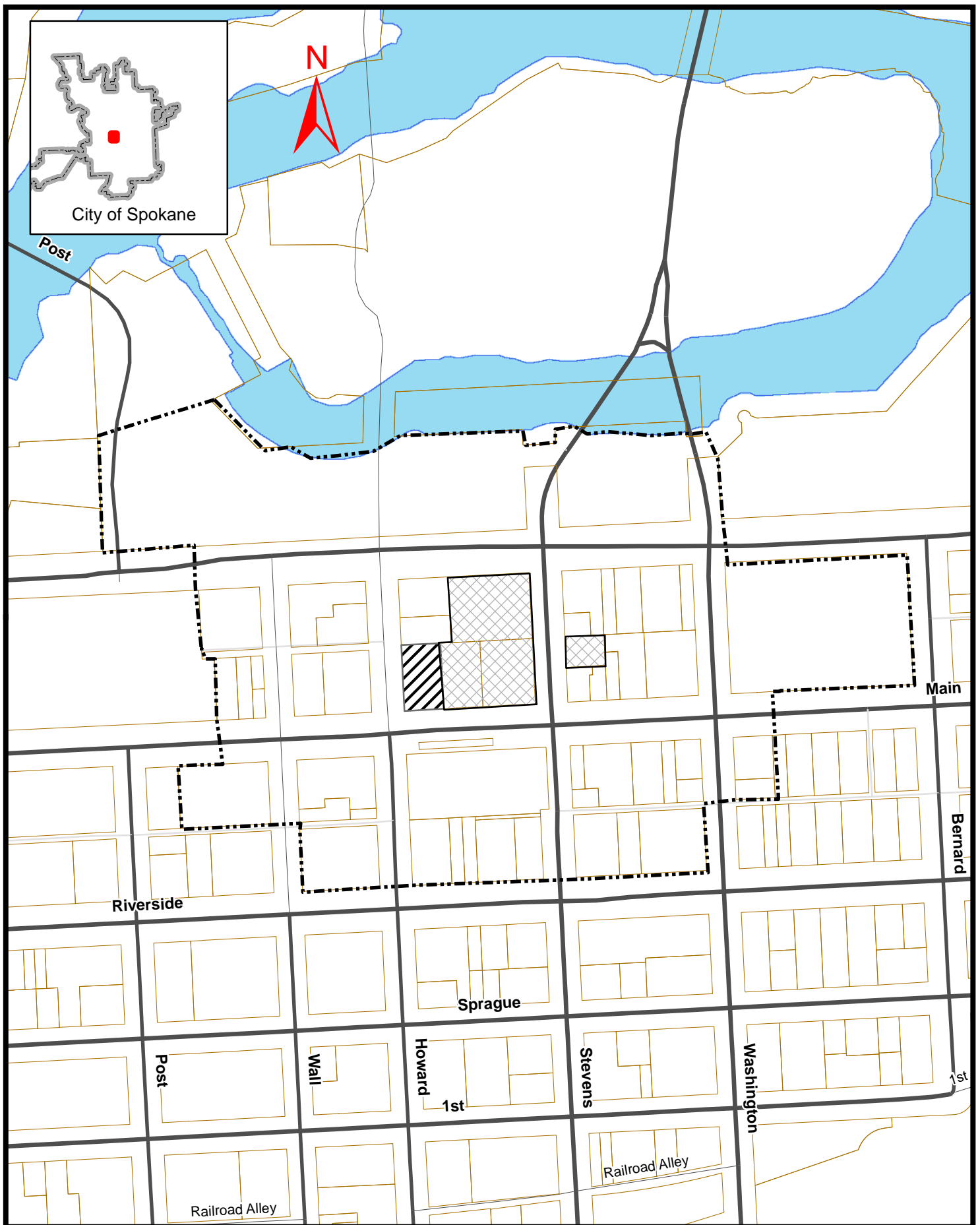
County of Spokane : ss.

On this 18 day of November, 1965, before me, the undersigned, a Notary Public in and for the State of Washington, personally appeared NEAL R. FOSSEEN and A. A. BROWN, to me known to be the Mayor 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 the day and year first above written.


Notary Public in and for the State
of Washington, residing at Spokane





	Legend		Notification district
	Parcels		Application property
	Adjacent Ownership		

APPLICANT: JGFH, LLC
PROPOSAL: Removal of skywalk stairway

Prepared by: WTC
 Date prepared: 06/17/14
 QC'd by:
 Date QC'd: