

**CITY COUNCIL MEETINGS
RULES – PUBLIC DECORUM**

Strict adherence to the following rules of decorum by the public will be observed and adhered to during City Council meetings, including open forum, public comment period on legislative items, and Council deliberations:

- 1. No Clapping!**
- 2. No Cheering!**
- 3. No Booing!**
- 4. No public outbursts!**
- 5. Three-minute time limit for comments made during open forum and public testimony on legislative items!**
- 6. No person shall be permitted to speak at open forum more often than once per month.**

In addition, please silence your cell phones when entering the Council Chambers!

Further, keep the following City Council Rules in mind:

Rule 2.2 OPEN FORUM

- D. The open forum is a limited public forum; all matters discussed in the open forum shall relate to the affairs of the City and items not currently on the current or advance Council agendas. No person shall be permitted to speak in open forum regarding items on the current or advance agendas, pending hearing items, or initiatives or referenda in a pending election. Individuals speaking during the open forum shall address their comments to the Council President and shall not use profanity, engage in obscene speech, or make personal comment or verbal insults about any individual.
- E. To encourage wider participation in open forum and a broad array of public comment and varied points of view from residents of the City of Spokane, no person shall be permitted to speak at the first open forum more often than once per calendar month. Any person may speak at the second open forum if they have not yet spoken in that meeting's first open forum. There is no limit on the number of regular legislative agenda items on which a member of the public may testify, such as legislative items, special consideration items, hearing items, and other items before the City Council and requiring Council action that are not adjudicatory or administrative in nature, as specified in Rules 5.3 and 5.4.

Rule 2.7 SERVICE ANIMALS AT CITY COUNCIL MEETINGS

- B. Service animals must, at all times while present in a City Council meeting, be harnessed, leashed, or tethered, unless these devices interfere with the service animal's work or the individual's disability prevents using these devices, in which case, the individual must maintain control of the animal through voice, signal, or other effective controls.

Rule 5.3 PARTICIPATION OF MEMBERS OF THE PUBLIC IN COUNCIL MEETINGS

- A. Members of the public may address the Council regarding items on the Council's legislative agenda, special consideration items, hearing items, and other items before the City Council requiring Council action that are not adjudicatory or administrative in nature. This rule shall not limit the public's right to speak during the open forum.
- B. No member of the public 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 and provide their city of residence as a condition of recognition. In order for a Council member to be recognized by the Chair for the purpose of obtaining the floor, the Council member shall either raise a hand or depress the call button on the dais until recognized by the Council President.
- C. Each person speaking at the public microphone shall verbally identify themselves by name, city of residence, and, if appropriate, representative capacity.
- D. Each speaker shall follow all written and verbal instructions so that verbal remarks are electronically recorded and documents submitted for the record are identified and marked by the Clerk.
- E. In order that evidence and expressions of opinion be included in the record and that decorum befitting a deliberative process be maintained, no modes of expression not provided by these rules, including but not limited to demonstrations, banners, signs, applause, profanity, vulgar language, or personal insults will be permitted.
- F. A speaker asserting a statement of fact may be asked to document and identify the sources of the factual datum being asserted.
- G. When addressing the Council, members of the public shall direct all remarks to the Council President and shall confine remarks to the matters that are specifically before the Council at that time.

- H. When any person, including members of the public, City staff, and others, are addressing the Council, Council members shall observe the same decorum and process, as the rules require among the members inter se. That is, a Council member shall not engage the person addressing the Council in colloquy, but shall speak only when granted the floor by the Council President. All persons and/or Council members shall not interrupt one another. The duty of mutual respect set forth in Rule 1.2 and the rules governing debate set forth in Robert's Rules of Order, newly revised, shall extend to all speakers before the City Council. The City Council Policy Advisor and/or City Attorney shall, with the assistance of Council staff, assist the Council President to ensure that all individuals desiring to speak shall be identified, appropriately recognized, and provided the opportunity to speak.

Rule 5.4 PUBLIC TESTIMONY REGARDING LEGISLATIVE AGENDA ITEMS – TIME LIMITS

- A. The City Council shall take public testimony on all matters included on its legislative agenda, with those exceptions stated in Rule 5.4(B). Public testimony shall be limited to the final Council action. Public testimony shall be limited to three (3) minutes per speaker, unless, at their discretion, the Chair determines that, because of the number of speakers signed up to testify, less time will be needed for each speaker in order to accommodate all speakers. The Chair may allow additional time if the speaker is asked to respond to questions from the Council.
- B. No public testimony shall be taken on items on the Council's consent agenda, amendments to legislative agenda items, or procedural, parliamentary, or administrative matters of the Council, including amendments to these Rules.
- C. For legislative or hearing items that may affect an identifiable individual, association, or group, the following procedure may be implemented:
1. Following an assessment by the Chair of factors such as complexity of the issue(s), the apparent number of people indicating a desire to testify, representation by designated spokespersons, etc., the Chair shall, in the absence of objection by the majority of the Council present, impose the following procedural time limitations for taking public testimony regarding legislative matters:
 - a. There shall be up to fifteen (15) minutes for staff, board, or commission presentation of background information, if any.
 - b. The designated representative of the proponents of the issue shall speak first and may include within their presentation the testimony of expert witnesses, visual displays, and any other reasonable methods of presenting the case. Up to thirty (30) minutes shall be granted for the proponent's presentation. If there be more than one designated representative, they shall allocate the allotted time between or among themselves.
 - c. Following the presentation of the proponents of the issue, three (3) minutes shall be granted for any other person not associated with the designated representative of the proponents who wishes to speak on behalf of the proponent's position.
 - d. The designated representative, if any, of the opponents of the issue shall speak following the presentation of the testimony of expert witnesses, visual displays, and any other reasonable methods of presenting the case. The designated representative(s) of the opponents shall have the same amount of time which was allotted to the proponents.
 - e. Following the presentation by the opponents of the issue, three (3) minutes shall be granted for any other person not associated with the designated representative of the opponents who wishes to speak on behalf of the opponents' position.
 - f. Up to ten (10) minutes of rebuttal time shall be granted to the designated
 2. In the event the party or parties representing one side of an issue has a designated representative and the other side does not, the Chair shall publicly ask the unrepresented side if they wish to designate one or more persons to utilize the time allotted for the designated representative. If no such designation is made, each person wishing to speak on behalf of the unrepresented side shall be granted three (3) minutes to present their position, and no additional compensating time shall be allowed due to the fact that the side has no designated representative.
 3. In the event there appears to be more than two groups wishing to advocate their distinct positions on a specific issue, the Chair may grant the same procedural and time allowances to each group or groups, as stated previously.
- D. The time taken for staff or Council member questions and responses there to shall be in addition to the time allotted for any individual or designated representative's testimony.

THE CITY OF SPOKANE



ADVANCE COUNCIL AGENDA

MEETING OF MONDAY, JANUARY 6, 2020

MISSION STATEMENT

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

MAYOR NADINE WOODWARD

COUNCIL PRESIDENT BREEAN BEGGS

COUNCIL MEMBER KATE BURKE

COUNCIL MEMBER LORI KINNEAR

COUNCIL MEMBER KAREN STRATTON

COUNCIL MEMBER MICHAEL CATHCART

COUNCIL MEMBER CANDACE MUMM

COUNCIL MEMBER (VACANT)

**CITY 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 THURSDAYS 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 during the Open Forum at the beginning and the conclusion of the Legislative Agenda on any issue not relating to the Current or Advance Agendas, pending hearing items, or initiatives or referenda in a pending election.

ADDRESSING THE COUNCIL

- No member of the public 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 and provide their city of residence 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 entrance and verbally identify themselves by name, city of residence 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, no modes of expression including but not limited to demonstrations, banners, signs, applause, profanity, vulgar language or personal insults will 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 Human Resources at 509.625.6383, 808 W. Spokane Falls Blvd, Spokane, WA, 99201; or msteinolfson@spokanecity.org. Persons who are deaf or hard of hearing may contact Human Resources through the Washington Relay Service at 7-1-1. Please contact us forty-eight (48) hours before the meeting date.

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)

Roll Call of Council

Council Reports

Staff Reports

Committee Reports

Advance Agenda Review

Current Agenda Review

ADMINISTRATIVE SESSION**CONSENT AGENDA****REPORTS, CONTRACTS AND CLAIMS****RECOMMENDATION**

- | | | | |
|----|---|----------------|------------------------------|
| 1. | Low Bid of Inland Asphalt Company (Spokane Valley, WA) for the Spokane Arterial Street Preservation Project-North (Phase 2)—\$1,453,000. An administrative reserve of \$145,300, which is 10% of the contract price, will be set aside.
Dan Buller | Approve | OPR 2020-0003
ENG 2018143 |
| 2. | Value Blanket with Helfrich Brothers Boiler Works, Inc., (Lawrence, MA) for the purchase of superheater tube panels for the Waste to Energy Facility from January 1, 2020 through August 1, 2021—not to exceed \$2,300,000 (excl. tax)
Chris Averyt | Approve | OPR 2020-0004
ITB 5195-19 |
| 3. | Value Blankets for 2020 for purchases, without bringing each purchase over the City Purchase Limit (\$50,000) to City Council for approval, from: | Approve
All | |
| | a. Software House International, Inc. for software products including maintenance and support subscriptions/upgrades—\$1,200,000 (plus tax). | | OPR 2020-0005 |

- | | | | |
|------------------------|--|------------------------------------|---------------|
| b. | Dell Marketing L.P. (Dell Financial, L.L.C.) for PC, laptop, and mobile data hardware equipment—\$750,000 (plus tax). | | OPR 2020-0006 |
| c. | CDW Government (Vernon Hills, IL) for technology equipment (hardware and software)—\$100,000 (plus tax). | | OPR 2020-0007 |
| Michael Sloon | | | |
| 4. | Accept Office of Public Defense Grant GRT20025 from the Washington State Office of Public Defense for use in the Public Defender's Office, from January 1, 2020 through December 31, 2021—\$96,975 in 2020 and \$96,975 in 2021. Total Revenue: \$193,950. | Approve | OPR 2020-0008 |
| Nicholas Antush | | | |
| 5. | Multiple Family Housing Property Tax Exemption Agreements with: | Approve
All | |
| a. | Wall Project, LP for 24 new multi-family housing units through the conversion of existing upper floor commercial space located at 120 N Wall, Parcel Number 35184.2511. | | OPR 2020-0009 |
| b. | 608 E 7th, LLC for 4 new units to replace the dilapidated single family home, Parcel Number 35203.1227. | | OPR 2020-0010 |
| Kris Becker | | | |
| 6. | Contract Amendment and Extension with Passport Labs, Inc. (Charlotte, NC) for mobile payment for parking program and digital permit platform for Parking Services from January 20, 2020 through January 31, 2021—\$110,000 (of which \$4,000 covers fees for the remainder of the 2019-2020 year). | Approve | OPR 2018-0029 |
| Kris Becker | | | |
| 7. | Report of the Mayor of pending: | Approve &
Authorize
Payments | |
| a. | Claims and payments of previously approved obligations, including those of Parks and Library, through _____, 2019, total \$_____, with Parks and Library claims approved by their respective boards. Warrants excluding Parks and Library total \$_____. | | CPR 2019-0002 |
| b. | Payroll claims of previously approved obligations through _____, 2019: \$_____. | | CPR 2019-0003 |
| 8. | City Council Meeting Minutes: _____, 2019. | Approve
All | CPR 2019-0013 |

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)

NO BOARDS AND COMMISSIONS APPOINTMENTS

ADMINISTRATIVE 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 fifteen 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.

Note: No person shall be permitted to speak at the first Open Forum more often than once per calendar month. Any person may speak at the second open forum if they have not yet spoken in that meeting's first open forum. (Council Rule 2.2.E)

LEGISLATIVE AGENDA

NO SPECIAL BUDGET ORDINANCES

EMERGENCY ORDINANCES

(Require Five Affirmative, Recorded Roll Call Votes)

ORD C35878 Concerning City of Spokane fire hydrant fees, permits and use; amending sections 13.04.130, 13.04.1904, 13.04.1918, and 13.04.2024 of the Spokane Municipal Code, and declaring an emergency. (Council Sponsor: Council President Beggs)

Dan Kegley

RESOLUTIONS & FINAL READING ORDINANCES

(Require Four Affirmative, Recorded Roll Call Votes)

RES 2020-0001 Approving a Development Agreement between the City and School Yard
OPR 2020-0011 Billy, LLC relating to certain public infrastructure costs. (Council Sponsor: Council Member Stratton)

Teri Stripes

RES 2020-0002 Approving a Development Agreement between the City and The Falls,
OPR 2020-0012 LLC relating to certain public infrastructure costs. (Council Sponsor: Council Member Stratton)

Teri Stripes

RES 2020-0003 Approving the appointment of Kris Becker as Director of Development Services, Code Enforcement and Parking for the City of Spokane. (Council Sponsor: Council President Beggs)

Chris Cavanaugh

RES 2020-0004 Approving the appointment of Dustin Bender as Solid Waste Management Director for the City of Spokane. (Council Sponsor: Council President Beggs)

Chris Cavanaugh

RES 2020-0005 Approving the appointment of Clint Harris as Director of Streets Department for the City of Spokane. (Council Sponsor: Council President Beggs)

Chris Cavanaugh

RES 2020-0006 Approving the appointment of Paul Ingiosi as Budget Director for the City of Spokane. (Council Sponsor: Council President Beggs)

Chris Cavanaugh

RES 2020-0007 Approving the appointment of Garrett Jones as Director of Parks & Recreation for the City of Spokane. (Council Sponsor: Council President Beggs)

Chris Cavanaugh

- RES 2020-0008** Approving the appointment of Timothy Sigler as Director of Community, Housing and Human Services for the City of Spokane. (Council Sponsor: Council President Beggs)

Chris Cavanaugh

FIRST READING ORDINANCES

(No Public Testimony Will Be Taken)

- ORD C35879** Of the City Council of the City of Spokane, Spokane County, Washington amending ordinance No. C34032 in order to revise the description of the public improvements, extend the apportionment period, amend the intergovernmental agreement, and providing for other matters properly related thereto. (Council Sponsor: Council Member Stratton)

Council Member Stratton

FURTHER ACTION DEFERRED

SPECIAL CONSIDERATIONS

(If there are items listed you wish to speak on, please sign your name on the sign-up sheets in the Chase Gallery.)

RECOMMENDATION

- S1.** Requesting the write off of uncollected utility A/R Approve OPR 2020-0013
 balances that are over 5.5 years old -- \$450,925.
 Corin Morse

NO HEARINGS

Motion to Approve Advance Agenda for January 6, 2020
(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. 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 fifteen 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.

Note: Any person may speak at the second open forum if they have not yet spoken in that meeting's first open forum. (Council Rule 2.2.E).

ADJOURNMENT

The January 6, 2020, Regular Legislative Session of the City Council is adjourned to January 13, 2020.

NOTES

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

01/06/2020

Date Rec'd	12/9/2019
Clerk's File #	OPR 2020-0003
Renews #	
Cross Ref #	
Project #	2018143
Bid #	
Requisition #	CR 21267

Submitting Dept	ENGINEERING SERVICES
Contact Name/Phone	DAN BULLER 625-6391
Contact E-Mail	DBULLER@SPOKANECITY.ORG
Agenda Item Type	Report Item
Agenda Item Name	0370 – LOW BID AWARD - INLAND ASPHALT COMPANY

Agenda Wording

Low Bid of Inland Asphalt Company of Spokane Valley, WA for the Spokane Arterial Street Preservation Project-North (Phase 2) in the amount of \$1,453,000.00. An administrative reserve of \$145,300.00, which is 10% of the contract price, will be set aside. (Chief Garry Park, Logan and Nevada Heights Neighborhood Councils)

Summary (Background)

On December 9, 2019 bids were opened for the above project. The low bid was from Inland Asphalt Company in the amount of \$1,453,000.00 which is \$251,241.00 or 14.75% under the Engineer's Estimate; two other bids were received as follows: Shamrock Paving, Inc., - \$1,777,777.00 and Poe Asphalt Paving, Inc., - \$2,228,992.60.

<u>Fiscal Impact</u>		Grant related? YES	<u>Budget Account</u>	
		Public Works? YES		
Expense	\$	470,558.18	#	3200 95128 95300 56501 86102
Expense	\$	1,127,741.82	#	3200 95128 95300 56501 86102
Select	\$		#	
Select	\$		#	
<u>Approvals</u>			<u>Council Notifications</u>	
<u>Dept Head</u>		TWOHIG, KYLE	<u>Study Session</u>	
<u>Division Director</u>		SIMMONS, SCOTT M.	<u>Other</u>	PSCHC 12/2/19
<u>Finance</u>		ORLOB, KIMBERLY	<u>Distribution List</u>	
<u>Legal</u>		ODLE, MARI	eraea@spokanecity.org	
<u>For the Mayor</u>		ORMSBY, MICHAEL	publicworksaccounting@spokanecity.org	
<u>Additional Approvals</u>			kgoodman@spokanecity.org	
<u>Purchasing</u>		PRINCE, THEA	htrautman@spokanecity.org	
<u>GRANTS &</u>		STOPHER, SALLY	aduffey@spokanecity.org	
			dbuller@spokanecity.org	

Briefing Paper

Public Health and Safety Committee

Division & Department:	Engineering Services; Public Works
Subject:	Spokane Street Preservation – North Phase 2
Date:	December 2, 2019
Contact (email & phone):	Dan Buller (dbuller@spokanecity.org , 625-6391)
City Council Sponsor:	
Executive Sponsor:	Scott Simmons
Committee(s) Impacted:	PIES
Type of Agenda item:	<input checked="" type="checkbox"/> Consent <input type="checkbox"/> Discussion <input type="checkbox"/> Strategic Initiative
Alignment: (link agenda item to guiding document – i.e., Master Plan, Budget, Comp Plan, Policy, Charter, Strategic Plan)	The grind and overlay streets in this project are in the 6 year street plan
Strategic Initiative:	Innovative Infrastructure
Deadline:	
Outcome: (deliverables, delivery duties, milestones to meet)	Informational - background information for committee review
Background/History: <ul style="list-style-type: none"> Mission Avenue and Nevada Street are in need of pavement treatment to preserve pavement life. 	
Executive Summary: <ul style="list-style-type: none"> Mission Avenue from Greene Street to Trent Avenue is to receive a grind & overlay. Nevada Street from North Foothills Avenue to Frances Avenue to receive a chip seal. Mission Avenue work is to be done in 2020. Nevada Street work is to be done in 2021. Mission Avenue will remain open during construction. Due to the nature of chip sealing, Nevada Street will be closed to all traffic for up to five (5) days. 	
Budget Impact: Approved in current year budget? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A Annual/Reoccurring expenditure? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A If new, specify funding source: Other budget impacts: (revenue generating, match requirements, etc.)	
Operations Impact: Consistent with current operations/policy? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A Requires change in current operations/policy? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A Specify changes required: Known challenges/barriers:	

Mission Ave. – Greene St. to Trent Ave.





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

Project Number: 2018143

Project Description Spokane Arterial Street Preservation Project - North
 (Phase 2)

Original Date 7/26/2019 7:16:43 AM

Funding Source Federal

Update Date 12/9/2019 1:45:32 PM

Preparer Rich Proszek

Addendum

Project Number: 2018143			Engineer's Estimate		Inland Asphalt Company		Shamrock Paving Inc		Poe Asphalt Paving	
Item No	Bid Item Description	Est. Qty	Unit Price	Amount	Unit Price	Amount	Unit Price	Amount	Unit Price	Amount

Schedule Description

Tax Classification

Schedule 01

Street Improvements

Sales tax shall be included in unit prices

101	ADA FEATURES SURVEYING	1 LS	*****	3,000.00	*****	8,400.00	*****	4,000.00	*****	2,500.00
102	REIMBURSEMENT FOR THIRD PARTY DAMAGE	1 EST	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
103	SPCC PLAN	1 LS	*****	2,200.00	*****	500.00	*****	1,000.00	*****	3,130.00
104	POTHOLING	10 EA	450.00	4,500.00	320.00	3,200.00	550.00	5,500.00	375.00	3,750.00
105	PUBLIC LIAISON REPRESENTATIVE	1 LS	*****	35,000.00	*****	11,530.00	*****	27,000.00	*****	51,700.00
106	REFERENCE AND REESTABLISH SURVEY MONUMENT	11 EA	550.00	6,050.00	645.00	7,095.00	550.00	6,050.00	625.00	6,875.00
107	CLASSIFICATION AND PROTECTION OF SURVEY MONUMENTS	1 LS	*****	4,400.00	*****	5,400.00	*****	5,000.00	*****	5,000.00
108	MOBILIZATION	1 LS	*****	155,000.00	*****	100,543.10	*****	165,349.80	*****	245,000.00
109	PROJECT TEMPORARY TRAFFIC CONTROL - MISSION	1 LS	*****	30,000.00	*****	49,300.00	*****	68,000.00	*****	151,850.00
110	PROJECT TEMPORARY TRAFFIC CONTROL - NEVADA	1 LS	*****	80,000.00	*****	49,000.00	*****	130,000.00	*****	215,000.00
111	SPECIAL SIGNS	728 SF	20.00	14,560.00	10.75	7,826.00	15.00	10,920.00	12.50	9,100.00
112	SEQUENTIAL ARROW SIGN	4100 HR	5.00	20,500.00	1.08	4,428.00	1.10	4,510.00	1.25	5,125.00
113	PORTABLE CHANGEABLE MESSAGE SIGN	4100 HR	7.00	28,700.00	2.96	12,136.00	1.75	7,175.00	3.45	14,145.00
114	TYPE III BARRICADE	230 EA	50.00	11,500.00	37.50	8,625.00	37.00	8,510.00	43.00	9,890.00

<i>Project Number:</i> 2018143		<i>Engineer's Estimate</i>			Inland Asphalt Company		Shamrock Paving Inc		Poe Asphalt Paving	
<i>Item No</i>	<i>Bid Item Description</i>	<i>Est. Qty</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> Street Improvements					Sales tax shall be included in unit prices					
115	CLEARING AND GRUBBING	1 LS	*****	16,500.00	*****	3,230.00	*****	17,000.00	*****	4,000.00
116	TREE ROOT TREATMENT	1 EA	650.00	650.00	730.00	730.00	750.00	750.00	845.00	845.00
117	TREE PROTECTION ZONE	7 EA	350.00	2,450.00	285.00	1,995.00	300.00	2,100.00	330.00	2,310.00
118	TREE PRUNING	30 EA	350.00	10,500.00	226.00	6,780.00	250.00	7,500.00	260.00	7,800.00
119	REMOVAL OF STRUCTURE AND OBSTRUCTION	1 LS	*****	12,000.00	*****	1,615.00	*****	8,500.00	*****	2,250.00
120	REMOVE EXISTING CURB	900 LF	11.00	9,900.00	14.89	13,401.00	21.00	18,900.00	18.75	16,875.00
121	REMOVE CEMENT CONCRETE SIDEWALK AND DRIVEWAY	550 SY	16.00	8,800.00	40.33	22,181.50	37.00	20,350.00	52.00	28,600.00
122	REMOVE MANHOLE, CATCH BASIN OR DRYWELL	8 EA	700.00	5,600.00	457.00	3,656.00	1,350.00	10,800.00	560.00	4,480.00
123	SAWCUTTING CURB	42 EA	40.00	1,680.00	25.00	1,050.00	40.00	1,680.00	28.00	1,176.00
124	SAWCUTTING RIGID PAVEMENT	1100 LFI	1.40	1,540.00	0.81	891.00	1.25	1,375.00	0.94	1,034.00
125	SAWCUTTING FLEXIBLE PAVEMENT	11400 LFI	0.80	9,120.00	0.27	3,078.00	0.40	4,560.00	0.30	3,420.00
126	REMOVE UNSUITABLE FOUNDATION MATERIAL	20 CY	22.00	440.00	30.11	602.20	26.00	520.00	47.00	940.00
127	REPLACE UNSUITABLE FOUNDATION MATERIAL	20 CY	34.00	680.00	21.51	430.20	15.00	300.00	47.00	940.00
128	CONTROLLED DENSITY FILL	10 CY	170.00	1,700.00	177.43	1,774.30	275.00	2,750.00	205.00	2,050.00
129	CSTC FOR SIDEWALK AND DRIVEWAYS	32 CY	150.00	4,800.00	190.00	6,080.00	130.00	4,160.00	87.00	2,784.00
130	ASPHALT EMULSION CRS-2P	60 TO	700.00	42,000.00	845.00	50,700.00	820.00	49,200.00	885.00	53,100.00
131	ASPHALT FOR FOG SEAL	20 TO	575.00	11,500.00	520.00	10,400.00	615.00	12,300.00	1,650.00	33,000.00
132	AGG. FOR BST FA-2	54110 SY	1.90	102,809.00	1.82	98,480.20	2.60	140,686.00	3.40	183,974.00
133	AGG. FOR BST FA-3	19420 SY	2.10	40,782.00	2.00	38,840.00	4.40	85,448.00	2.40	46,608.00

<i>Project Number:</i> 2018143			<i>Engineer's Estimate</i>		Inland Asphalt Company		Shamrock Paving Inc		Poe Asphalt Paving	
<i>Item No</i>	<i>Bid Item Description</i>	<i>Est. Qty</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> Street Improvements					Sales tax shall be included in unit prices					
134	ADDITIONAL BROOMING	24 HR	150.00	3,600.00	242.00	5,808.00	285.00	6,840.00	245.00	5,880.00
135	ASPHALT EMULSION CRS - 2P COST PRICE ADJUSTMENT	5000 EST	1.00	5,000.00	1.00	5,000.00	1.00	5,000.00	1.00	5,000.00
136	ASPHALT FOR FOG SEAL COST PRICE ADJUSTMENT	5000 EST	1.00	5,000.00	1.00	5,000.00	1.00	5,000.00	1.00	5,000.00
137	HMA CL. 1/2 IN. PG 70-28, 2 INCH THICK	28540 SY	10.50	299,670.00	9.30	265,422.00	9.25	263,995.00	8.65	246,871.00
138	HMA FOR PRELEVELING CL. 3/8 IN. PG 64-28	1600 TO	100.00	160,000.00	92.00	147,200.00	92.00	147,200.00	81.00	129,600.00
139	HMA FOR PAVEMENT REPAIR CL. 1/2 IN. PG 70-28/, 4 INCH THICK	450 SY	50.00	22,500.00	38.00	17,100.00	37.00	16,650.00	40.00	18,000.00
140	HMA FOR PAVEMENT REPAIR CL. 1/2 IN. PG 70-28, 6 INCH THICK	650 SY	60.00	39,000.00	28.00	18,200.00	46.00	29,900.00	57.00	37,050.00
141	HMA FOR TRANSITION, CL. 1/2 IN. PG 64-28, 2 INCH THICK	55 SY	40.00	2,200.00	29.00	1,595.00	60.00	3,300.00	192.00	10,560.00
142	CRACK SEALING	47000 LF	0.90	42,300.00	0.81	38,070.00	0.80	37,600.00	0.94	44,180.00
143	CRACK SEALING 1-INCH TO 3-INCH	3000 LF	2.00	6,000.00	1.61	4,830.00	1.60	4,800.00	1.90	5,700.00
144	PAVEMENT REPAIR EXCAVATION INCL. HAUL	1100 SY	33.00	36,300.00	18.22	20,042.00	36.00	39,600.00	23.50	25,850.00
145	PLANING BITUMINOUS PAVEMENT - 2 INCH DEPTH	28540 SY	2.50	71,350.00	2.80	79,912.00	3.00	85,620.00	2.70	77,058.00
146	JOB MIX COMPLIANCE PRICE ADJUSTMENT	1 EST	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00
147	COMPACTION PRICE ADJUSTMENT	15000 EST	1.00	15,000.00	1.00	15,000.00	1.00	15,000.00	1.00	15,000.00
148	COMMERCIAL CONCRETE	10 CY	350.00	3,500.00	350.00	3,500.00	330.00	3,300.00	850.00	8,500.00
149	CATCH BASIN TYPE 1	2 EA	2,500.00	5,000.00	3,000.00	6,000.00	2,500.00	5,000.00	3,500.00	7,000.00
150	CATCH BASIN TYPE 2	6 EA	3,800.00	22,800.00	3,775.00	22,650.00	2,600.00	15,600.00	4,375.00	26,250.00
151	RETROFIT SURFACE INLET CATCH BASIN WITH FRAME & VANED GRATE	1 EA	800.00	800.00	1,010.00	1,010.00	800.00	800.00	1,150.00	1,150.00

<i>Project Number:</i> 2018143			<i>Engineer's Estimate</i>		Inland Asphalt Company		Shamrock Paving Inc		Poe Asphalt Paving	
<i>Item No</i>	<i>Bid Item Description</i>	<i>Est. Qty</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> Street Improvements					Sales tax shall be included in unit prices					
152	RETROFIT SURFACE INLET CATCH BASIN WITH FRAME & BI-DIRECTIONAL VANED GRATE	3 EA	800.00	2,400.00	1,010.00	3,030.00	800.00	2,400.00	1,150.00	3,450.00
153	MANHOLE OR DRYWELL FRAME AND COVER (LOCKABLE)	32 EA	825.00	26,400.00	1,210.00	38,720.00	850.00	27,200.00	1,400.00	44,800.00
154	VALVE BOX AND COVER	34 EA	500.00	17,000.00	860.00	29,240.00	575.00	19,550.00	1,100.00	37,400.00
155	CLEANING EXISTING DRAINAGE STRUCTURE	15 EA	400.00	6,000.00	240.00	3,600.00	275.00	4,125.00	300.00	4,500.00
156	REMOVE UNSUITABLE PIPE FOUNDATION MATERIAL	10 CY	25.00	250.00	30.00	300.00	26.00	260.00	47.00	470.00
157	REPLACE UNSUITABLE PIPE FOUNDATION MATERIAL	10 CY	33.00	330.00	21.50	215.00	35.00	350.00	47.00	470.00
158	IMPORTED BACKFILL	10 CY	35.00	350.00	21.50	215.00	25.00	250.00	47.00	470.00
159	TRENCH SAFETY SYSTEM	1 LS	*****	2,200.00	*****	1,180.00	*****	3,200.00	*****	1,350.00
160	CATCH BASIN DUCTILE IRON SEWER PIPE 8 IN. DIAM.	134 LF	65.00	8,710.00	82.00	10,988.00	75.00	10,050.00	118.00	15,812.00
161	CONNECT 8 IN. DIAMETER PIPE TO EXISTING CATCH BASIN, DRYWELL, OR MANHOLE	3 EA	800.00	2,400.00	940.00	2,820.00	400.00	1,200.00	1,050.00	3,150.00
162	CONNECT 8 IN. DIAM. SEWER PIPE TO EXISTING SEWER PIPE	5 EA	500.00	2,500.00	1,010.00	5,050.00	525.00	2,625.00	1,175.00	5,875.00
163	TEMPORARY ADJACENT UTILITY SUPPORT	1 LS	*****	5,000.00	*****	1,075.00	*****	1,725.00	*****	1,250.00
164	ESC LEAD	1 LS	*****	2,000.00	*****	1,530.00	*****	19,200.00	*****	620.00
165	INLET PROTECTION	42 EA	100.00	4,200.00	177.00	7,434.00	100.00	4,200.00	200.00	8,400.00
166	TOPSOIL TYPE A, 2 INCH THICK	85 SY	12.00	1,020.00	5.00	425.00	6.00	510.00	31.00	2,635.00
167	HYDROSEEDING	85 SY	6.00	510.00	5.40	459.00	7.00	595.00	25.00	2,125.00
168	REMOVE AND REPLACE EXISTING SPRINKLER HEADS AND LINES	1 LS	*****	10,000.00	*****	1,075.00	*****	1,500.00	*****	10,600.00
169	CEMENT CONCRETE CURB	1000 LF	25.00	25,000.00	25.80	25,800.00	25.50	25,500.00	85.00	85,000.00

<i>Project Number:</i> 2018143			<i>Engineer's Estimate</i>		Inland Asphalt Company		Shamrock Paving Inc		Poe Asphalt Paving	
<i>Item No</i>	<i>Bid Item Description</i>	<i>Est. Qty</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> Street Improvements					Sales tax shall be included in unit prices					
170	CEMENT CONC. CURB AND GUTTER	165 LF	30.00	4,950.00	32.40	5,346.00	32.00	5,280.00	85.00	14,025.00
171	CEMENT CONCRETE DRIVEWAY	56 SY	70.00	3,920.00	62.00	3,472.00	62.00	3,472.00	150.00	8,400.00
172	CHANNELIZING DEVICES	42 EA	75.00	3,150.00	129.00	5,418.00	130.00	5,460.00	150.00	6,300.00
173	MONUMENT FRAME AND COVER	4 EA	550.00	2,200.00	645.00	2,580.00	800.00	3,200.00	3,000.00	12,000.00
174	CEMENT CONC. SIDEWALK	550 SY	65.00	35,750.00	51.50	28,325.00	51.00	28,050.00	112.50	61,875.00
175	RAMP DETECTABLE WARNING	168 SF	30.00	5,040.00	26.00	4,368.00	26.00	4,368.00	175.00	29,400.00
176	TRAFFIC SIGNAL SYSTEM RETROFIT	1 LS	*****	1,000.00	*****	2,800.00	*****	3,000.00	*****	3,250.00
177	SIGNING, PERMANENT, CONTRACTOR MANUFACTURED SIGNS	1 LS	*****	6,000.00	*****	6,450.00	*****	6,500.00	*****	7,500.00
178	REMOVAL OF EXISTING PAVEMENT MARKINGS	6627 SF	5.00	33,135.00	1.60	10,603.20	1.60	10,603.20	1.80	11,928.60
179	PAVEMENT MARKING - DURABLE HEAT APPLIED	3728 SF	10.00	37,280.00	8.85	32,992.80	9.00	33,552.00	10.00	37,280.00
180	PAVEMENT MARKING - PAINT	6635 SF	1.00	6,635.00	1.90	12,606.50	0.60	3,981.00	0.60	3,981.00
181	WORD AND SYMBOL MARKINGS - DURABLE HEAT APPLIED	18 EA	200.00	3,600.00	135.00	2,430.00	130.00	2,340.00	155.00	2,790.00
182	PERMANENT DOT LANE MARKER 4X6	1178 EA	5.00	5,890.00	4.00	4,712.00	4.00	4,712.00	4.50	5,301.00
183	PERMANENT DOT LANE MARKERS 8X8	90 EA	6.00	540.00	5.60	504.00	8.00	720.00	6.50	585.00
184	TEMPORARY PAVEMENT MARKING	1 LS	*****	20,000.00	*****	7,000.00	*****	21,000.00	*****	8,100.00
<i>Schedule Totals</i>				1,704,241.00		1,453,000.00		1,777,777.00		2,228,992.60

	SCHEDULE SUMMARY								
	Sched 1	Sched 2	Sched 3	Sched 4	Sched 5	Sched 6	Sched 7	Sched 8	Total
Engineer's Est	1,704,241.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,704,241.00
Inland Asphalt Compan	1,453,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,453,000.00
Shamrock Paving Inc	1,777,777.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,777,777.00
Poe Asphalt Paving	2,228,992.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,228,992.60

Low Bid Contractor: Inland Asphalt Company

	Contractor's Bid	Engineer's Estimate	% Variance	
Schedule 01	\$1,453,000.00	\$1,704,241.00	14.74	% Under Estimate
Bid Totals	\$1,453,000.00	\$1,704,241.00	14.74	% Under Estimate



Agenda Sheet for City Council Meeting of:
01/06/2020

<u>Date Rec'd</u>	12/4/2019
<u>Clerk's File #</u>	OPR 2020-0004
<u>Renews #</u>	

<u>Submitting Dept</u>	SOLID WASTE DISPOSAL	<u>Cross Ref #</u>	
<u>Contact Name/Phone</u>	CHRIS AVERYT 625-6540	<u>Project #</u>	
<u>Contact E-Mail</u>	CAVERYT@SPOKANECITY.ORG	<u>Bid #</u>	ITB 5195-19
<u>Agenda Item Type</u>	Purchase w/o Contract	<u>Requisition #</u>	VALUE BLANKET
<u>Agenda Item Name</u>	4490 VALUE BLANKET FOR THE PURCHASE OF SUPERHEATER TUBE PANELS		

Agenda Wording

Value Blanket with Helfrich Brothers Boiler Works, Inc., of Lawrence, MA, for the purchase of superheater tube panels for the Waste to Energy Facility. Term from Jan. 1, 2020 to August 1, 2021 for a total cost not to exceed \$2,300,000.00 (excl. tax)

Summary (Background)

The superheater section of a boiler increases the temperature of steam and dries it out; increasing the energy realized in the turbine generator. High temps, and corrosion causes wear on the boiler tubes, requiring periodic replacement. This is currently scheduled in the capital plan for one superheater replacement in 2020 and one in 2021. Helfrich Brothers Boiler Works was the lowest cost responsible bidder to ITB 5195-19 for the purchase of these tubes. Installation to be bid separately.

<u>Fiscal Impact</u>	Grant related? NO	<u>Budget Account</u>
	Public Works? NO	
Expense	\$ 2,300,000.00	# 4490-44900-94000-56401
Select	\$	#
Select	\$	#
Select	\$	#

<u>Approvals</u>		<u>Council Notifications</u>	
<u>Dept Head</u>	CONKLIN, CHUCK	<u>Study Session</u>	PIES 12/16/19
<u>Division Director</u>	SIMMONS, SCOTT M.	<u>Other</u>	
<u>Finance</u>	KECK, KATHLEEN	<u>Distribution List</u>	
<u>Legal</u>	ODLE, MARI	mdorgan@spokanecity.org	
<u>For the Mayor</u>	ORMSBY, MICHAEL	jsalstrom@spokanecity.org	
<u>Additional Approvals</u>		tprince@spokanecity.org	
<u>Purchasing</u>	PRINCE, THEA	caveryt@spokanecity.org	
		rrinderle@spokanecity.org	

Briefing Paper

Public Infrastructure, Environment and Sustainability Committee

Division & Department:	Public Works Division; Solid Waste Disposal
Subject:	Value Blanket for the Purchase of Superheater Tube Panels at the WTE
Date:	December 16, 2019
Contact (email & phone):	Chris Averyt, caveryt@spokanecity.org , 625-6540
City Council Sponsor:	
Executive Sponsor:	Scott Simmons, Director, Public Works
Committee(s) Impacted:	Public Infrastructure, Environment and Sustainability Committee
Type of Agenda item:	<input checked="" type="checkbox"/> Consent <input type="checkbox"/> Discussion <input type="checkbox"/> Strategic Initiative
Alignment:	
Strategic Initiative:	Innovative Infrastructure-Sustainability of the WTE Operations
Deadline:	
Outcome:	Council approval of the purchase of superheater boiler tubes.
<p><u>Background/History:</u></p> <p>The superheater section of a boiler increases the temperature of the steam and dries it out; increasing the amount of energy realized in the turbine generator. High temperatures, corrosion, and erosion in the boiler causes wear on the boiler tubes, requiring periodic replacement. This periodic replacement is currently scheduled in the six year capital plan for one superheater replacement in 2020 and one in 2021.</p> <p>On November 18, 2019 bidding closed on ITB 5195-19 for the fabrication of these superheater tube panels. There were three responses to the bid, of which Helfrich Brothers Boiler Works, Inc., of Lawrence, MA was the lowest cost responsible bidder.</p> <p>This order will be a value blanket for the off-site fabrication of these tubes with the first delivery in April of 2020 and additional tubes to be delivered in March of 2021. The installation of these tubes will be bid out separately. The total cost of the value blanket will be \$2,300,000.00 (excl. tax) and span from Jan. 1 2020 through August 1, 2021.</p>	
<p><u>Executive Summary:</u></p> <ul style="list-style-type: none"> Value blanket for the purchase of superheater boiler tubes. Tubes for the first boiler to be delivered no later than April 1, 2020 and the second boiler tubes no later than March 1, 2021. Total cost not to exceed \$2,300,000.00 (excl. tax) and span from Jan. 1, 2020 through Aug. 1, 2021. Installation of tubes to be bid out as a separate project. 	
<p><u>Budget Impact:</u></p> <p>Approved in current year budget? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p> <p>Annual/Reoccurring expenditure? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A</p> <p>If new, specify funding source:</p> <p>Other budget impacts: (revenue generating, match requirements, etc.)</p>	
<p><u>Operations Impact:</u></p> <p>Consistent with current operations/policy? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p> <p>Requires change in current operations/policy? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A</p> <p>Specify changes required:</p> <p>Known challenges/barriers:</p>	

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

01/06/2020

Date Rec'd

12/9/2019

Clerk's File #

OPR 2020-0005

Renews #**Submitting Dept**

INNOVATION & TECHNOLOGY

Contact Name/Phone

MICHAEL 625-6468

Contact E-Mail

MSLOON@SPOKANECITY.ORG

Agenda Item Type

Purchase w/o Contract

Agenda Item Name

5300 SHI VALUE BLANKET 2020

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

VALUE BLANKET

Agenda Wording

Approval to purchase software products including maintenance and support subscriptions/upgrades from Software House International, Inc., (SHI) without bringing each purchase over the City Purchase Limit (\$50,000.00) to City Council for approval.

Summary (Background)

Washington State DES currently provides NASPO Valuepoint Master agreements for previously negotiated pricing and established contracts with pricing advantages for other government agencies to utilize. The City of Spokane Innovation and Technology Services Division utilizes this opportunity whenever possible. We will utilize Master Agreement No. ADSP016-130651, Washington State Master Contract No. 06016 with Software House International Corp. for various software purchases.

Fiscal Impact

Grant related? NO

Public Works? NO

Budget Account

Expense \$ 1,200,000 plus tax and shipping

Various Accounts

Select \$

#

Select \$

#

Select \$

#

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

SLOON, MICHAEL

Study Session

Sustainable Res 12/16/19

Division Director

FINCH, ERIC

Other**Finance**

BUSTOS, KIM

Distribution List**Legal**

ODLE, MARI

Accounting - ywang@spokanecity.org

For the Mayor

ORMSBY, MICHAEL

Contract Accounting - aduffey@spokanecity.org

Additional Approvals

Legal - modle@spokanecity.org

Purchasing

WAHL, CONNIE

Purchasing - cwahl@spokanecity.org

IT - itadmin@spokanecity.org

Tax & Licenses

Ben Callahan - ben_callahan@shi.com



Continuation of Wording, Summary, Budget, and Distribution

Agenda Wording

January 1, 2020, through December 31, 2020. Requesting \$1,200,000, plus tax and shipping.

Summary (Background)

2019 SHI Value Blanket contract was limited to Microsoft and Adobe. For 2020, ITSD intends to expand purchasing authorization to VMware, Azure, Bluebeam, Autoturn, DocuSign, Microcall, Symantec, Nuance, Netscout, Mindjet, Tenable, Netmotion, KnowBe4, Microsoft Premier, Smarsh, and other necessary software for which SHI provides best pricing.

Fiscal Impact

Select \$

Select \$

Budget Account

#

#

Distribution List

Briefing Paper

Finance, Administration and Sustainable Resources Committee

Division & Department:	Innovation and Technology Services Division
Subject:	Software House International, Inc. (SHI) Value Blanket
Date:	December 9, 2019
Author (email & phone):	Theresa Pellham, tpellham@spokanecity.org , 625-6948
City Council Sponsor:	
Executive Sponsor:	Eric Finch and Michael Sloon
Committee(s) Impacted:	Finance, Administration and Sustainable Resources Committee
Type of Agenda item:	<input checked="" type="checkbox"/> Consent <input type="checkbox"/> Discussion <input type="checkbox"/> Strategic Initiative
Alignment: (link agenda item to guiding document – i.e., Master Plan, Budget, Comp Plan, Policy, Charter, Strategic Plan)	ITSD – Value Blanket Utilizing various budget accounts.
Strategic Initiative:	Sustainable Resources
Deadline:	December 31, 2019
Outcome: (deliverables, delivery duties, milestones to meet)	Approval to purchase software products including maintenance and support subscriptions/upgrades from Software House International, Inc., (SHI) without bringing each purchase over the City Purchase Limit (\$50,000.00) to City Council for approval.
Background/History: <p>Washington State DES currently provides NASPO Valuepoint Master agreements for previously negotiated pricing and established contracts with pricing advantages for other government agencies to utilize. The City of Spokane Innovation and Technology Services Division utilizes this opportunity whenever possible. We will utilize Master Agreement No. ADSP016-130651, Washington State Master Contract No. 06016 with Software House International Corp. for various software purchases.</p> <p>2019 SHI Value Blanket contract was limited to Microsoft and Adobe. For 2020, ITSD intends to expand purchasing authorization to VMware, Azure, Bluebeam, Autoturn, DocuSign, Microcall, Symantec, Nuance, Netscout, Mindjet, Tenable, Netmotion, KnowBe4, Microsoft Premier, Smarsh, and other necessary software for which SHI provides best pricing.</p>	
Executive Summary: <ul style="list-style-type: none"> Approval to purchase software products including maintenance and support subscriptions/upgrades from Software House International, Inc., (SHI) without bringing each purchase over the City Purchase Limit (\$50,000.00) to City Council for approval. January 1, 2020, through December 31, 2020. Requesting \$1,200,000, plus tax and shipping. 	
Budget Impact: Approved in current year budget? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Annual/Reoccurring expenditure? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If new, specify funding source: Other budget impacts: (revenue generating, match requirements, etc.)	
Operations Impact: Consistent with current operations/policy? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Requires change in current operations/policy? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Specify changes required: Known challenges/barriers:	

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

01/06/2020

Date Rec'd

12/9/2019

Clerk's File #

OPR 2020-0006

Renews #**Submitting Dept**

INNOVATION & TECHNOLOGY

Contact Name/Phone

MICHAEL 625-6468

Contact E-Mail

MSLOON@SPOKANECITY.ORG

Agenda Item Type

Purchase w/o Contract

Agenda Item Name

5300 DELL VALUE BLANKET 2020

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

VALUE BLANKET

Agenda Wording

Approval to purchase PC, laptop, and mobile data hardware equipment from Dell Marketing L.P. (Dell Financial, L.L.C.) without bringing each purchase over the City Purchase Limit (\$50,000.00) to City Council for approval.

Summary (Background)

The City of Spokane currently utilizes Dell Marketing L.P. (Dell Financial, L.L.C.) (Austin, TX) for PC, laptop, and mobile data hardware equipment purchases for various departments. The purpose of the new equipment is for efficiencies, improved service, high-speed connectivity, future capacity, and aligns with the City of Spokane's standard for PC, laptop, and mobile data equipment and deployment.

Fiscal Impact

Grant related? NO

Public Works? NO

Budget Account

Expense \$ 750,000 plus tax and shipping

Various Accounts

Select \$

#

Select \$

#

Select \$

#

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

SLOON, MICHAEL

Study Session

Sustainable Res 12/16/19

Division Director

FINCH, ERIC

Other**Finance**

BUSTOS, KIM

Distribution List**Legal**

ODLE, MARI

Accounting - ywang@spokanecity.org

For the Mayor

ORMSBY, MICHAEL

Contract Accounting - aduffey@spokanecity.org

Additional Approvals

Legal - modle@spokanecity.org

Purchasing

WAHL, CONNIE

Purchasing - cwahl@spokanecity.org

IT - itadmin@spokanecity.org

Tax & Licenses

Charles Anglin - Charles.Anglin@dell.com



Continuation of Wording, Summary, Budget, and Distribution

Agenda Wording

January 1, 2020, through December 31, 2020. Requesting \$750,000.00, plus tax and shipping.

Summary (Background)

We are increasing the amount to support the new Desktop Replacement Program initiative that is fully funded by capital replacement funds. The City of Spokane Innovation and Technology Services Division has utilized Washington State Contract #05815-003/MNWNC-108 for its selection of Dell Marketing L.P. (Dell Financial, L.L.C.).

Fiscal Impact

Select \$

Select \$

Budget Account

#

#

Distribution List

Briefing Paper

Finance, Administration and Sustainable Resources Committee

Division & Department:	Innovation and Technology Services Division
Subject:	Dell Marketing L.P. (Dell Financial, L.L.C.) Value Blanket
Date:	December 2, 2019
Author (email & phone):	Theresa Pellham, tpellham@spokanecity.org , 625-6948
City Council Sponsor:	
Executive Sponsor:	Eric Finch and Michael Sloon
Committee(s) Impacted:	Finance, Administration and Sustainable Resources Committee
Type of Agenda item:	<input checked="" type="checkbox"/> Consent <input type="checkbox"/> Discussion <input type="checkbox"/> Strategic Initiative
Alignment: (link agenda item to guiding document – i.e., Master Plan, Budget, Comp Plan, Policy, Charter, Strategic Plan)	ITSD – Value Blanket Utilizing various budget accounts
Strategic Initiative:	Innovative Infrastructure
Deadline:	December 31, 2019
Outcome: (deliverables, delivery duties, milestones to meet)	Approval to purchase PC, laptop, and mobile data hardware equipment from Dell Marketing L.P. (Dell Financial, L.L.C.) without bringing each purchase over the City Purchase Limit (\$50,000.00) to City Council for approval.
Background/History: The City of Spokane currently utilizes Dell Marketing L.P. (Dell Financial, L.L.C.) (Austin, TX) for PC, laptop, and mobile data hardware equipment purchases for various departments. The purpose of the new equipment is for efficiencies, improved service, high-speed connectivity, future capacity, and aligns with the City of Spokane's standard for PC, laptop, and mobile data equipment and deployment. We are increasing the amount to support the new Desktop Replacement Program initiative that is fully funded by capital replacement funds. The City of Spokane Innovation and Technology Services Division has utilized Washington State Contract #05815-003/MNWNC-108 for its selection of Dell Marketing L.P. (Dell Financial, L.L.C.).	
Executive Summary: <ul style="list-style-type: none"> Approval to purchase PC, laptop, and mobile data hardware equipment from Dell Marketing L.P. (Dell Financial, L.L.C.) without bringing each purchase over the City Purchase Limit (\$50,000.00) to City Council for approval. January 1, 2020, through December 31, 2020. Requesting \$750,000.00, plus tax and shipping. Current 2019 - \$550,000.00, plus tax and shipping. 	
Budget Impact: Approved in current year budget? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Annual/Reoccurring expenditure? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If new, specify funding source: Other budget impacts: (revenue generating, match requirements, etc.)	
Operations Impact: Consistent with current operations/policy? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Requires change in current operations/policy? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Specify changes required: Known challenges/barriers:	

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

01/06/2020

Date Rec'd

12/9/2019

Clerk's File #

OPR 2020-0007

Renews #**Submitting Dept**

INNOVATION & TECHNOLOGY

Contact Name/Phone

MICHAEL 625-6468

Contact E-Mail

MSLOON@SPOKANECITY.ORG

Agenda Item Type

Purchase w/o Contract

Agenda Item Name

5300 CDW-G VALUE BLANKET 2020

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

VALUE BLANKET

Agenda Wording

Approval to purchase technology equipment (hardware and software) from CDW Government (Vernon Hills, IL), without bringing each purchase over the City Purchase Limit (\$50,000.00) to City Council for approval.

Summary (Background)

The City of Spokane currently utilizes CDW-G for hardware and software purchases for various departments. The City of Spokane Innovation and Technology Services Division has utilized the King County Directors' Association (KCDA) Agreement #AEPA 018-A for its selection of CDW-G.

Fiscal Impact

Grant related? NO

Public Works? NO

Budget Account

Expense \$ 100,000 plus tax and shipping

Various Accounts

Select \$

#

Select \$

#

Select \$

#

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

SLOON, MICHAEL

Study Session

Sustainable Res 12/16/19

Division Director

FINCH, ERIC

Other**Finance**

BUSTOS, KIM

Distribution List**Legal**

ODLE, MARI

Accounting - ywang@spokanecity.org

For the Mayor

ORMSBY, MICHAEL

Contract Accounting - aduffey@spokanecity.org

Additional Approvals

Legal - modle@spokanecity.org

Purchasing

WAHL, CONNIE

Purchasing - cwahl@spokanecity.org

IT - itadmin@spokanecity.org

Tax & Licenses

Maurice Dixon - maudixo@cdwg.com



Continuation of Wording, Summary, Budget, and Distribution

Agenda Wording

Requesting \$100,000.00 plus tax and shipping. January 1, 2020, through December 31, 2020.

Summary (Background)

In addition, the following contracts will be used to procure the reasonable pricing: HP products through National IPA CO-OP Contract #2018011-01; Panasonic NVP computer equipment through WA State Contract #05815-011 (MNWNC-124); various hardware/software through GSA Federal Contract #47QTCA18D004K, Schedule 70.

Fiscal Impact

Select \$

Select \$

Budget Account

#

#

Distribution List

Briefing Paper

Finance, Administration and Sustainable Resources Committee

Division & Department:	Innovation and Technology Services Division
Subject:	CDW Government (CDW-G) Value Blanket
Date:	December 9, 2019
Author (email & phone):	Theresa Pellham, tpellham@spokanecity.org , 625-6948
City Council Sponsor:	
Executive Sponsor:	Eric Finch and Michael Sloon
Committee(s) Impacted:	Finance, Administration and Sustainable Resources Committee
Type of Agenda item:	<input checked="" type="checkbox"/> Consent <input type="checkbox"/> Discussion <input type="checkbox"/> Strategic Initiative
Alignment: (link agenda item to guiding document – i.e., Master Plan, Budget, Comp Plan, Policy, Charter, Strategic Plan)	ITSD – Value Blanket Utilizing various budget accounts.
Strategic Initiative:	Sustainable Resources
Deadline:	December 31, 2019
Outcome: (deliverables, delivery duties, milestones to meet)	Approval to purchase technology equipment (hardware and software) from CDW Government (Vernon Hills, IL), without bringing each purchase over the City Purchase Limit (\$50,000.00) to City Council for approval.
Background/History: The City of Spokane currently utilizes CDW-G for hardware and software purchases for various departments. The City of Spokane Innovation and Technology Services Division has utilized the King County Directors' Association (KCDA) Agreement #AEPA 018-A for its selection of CDW-G. In addition, the following contracts will be used to procure the reasonable pricing: HP products through National IPA CO-OP Contract #2018011-01; Panasonic NVP computer equipment through WA State Contract #05815-011 (MNWNC-124); various hardware/software through GSA Federal Contract #47QTCA18D004K, Schedule 70.	
Executive Summary: <ul style="list-style-type: none"> Approval to purchase technology equipment (hardware and software) from CDW Government (Vernon Hills, IL) without bringing each purchase over the City Purchase Limit (\$50,000.00) to City Council for approval. January 1, 2020, through December 31, 2020. Requesting \$100,000.00, plus tax and shipping. Current 2019 - \$175,000.00, plus tax and shipping. 	
Budget Impact: Approved in current year budget? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Annual/Reoccurring expenditure? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If new, specify funding source: Other budget impacts: (revenue generating, match requirements, etc.)	
Operations Impact: Consistent with current operations/policy? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Requires change in current operations/policy? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Specify changes required: Known challenges/barriers:	

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

01/06/2020

Date Rec'd

11/26/2019

Clerk's File #

OPR 2020-0008

Renews #**Submitting Dept**

PUBLIC DEFENDER

Cross Ref #**Contact Name/Phone**

NICHOLAS ANTUSH 835-5987

Project #**Contact E-Mail**

NANTUSH@SPOKANECITY.ORG

Bid #**Agenda Item Type**

Contract Item

Requisition #**Agenda Item Name**

0700 - 2020-21 OFFICE OF PUBLIC DEFENSE GRANT

Agenda Wording

Approval to accept a grant from the Washington State Office of Public Defense (OPD). OPD Grant GRT20025 is for \$193,950 for use in Public Defense. The grant period is 1/1/2020 through 12/31/2021.

Summary (Background)

The City of Spokane has received grant funding to provide public defense services at daily inmate first appearance hearings.

Fiscal Impact

Grant related? YES

Public Works? NO

Budget Account

Revenue \$ 96,975 - 2020

0700-95559-99999-33412-99999

Revenue \$ 96,975 - 2021

0700-95559-99999-33412-99999

Select \$

#

Select \$

#

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

ANTUSH, NICHOLAS

Study Session

UD 12/9/19

Division Director**Other****Finance**

BUSTOS, KIM

Distribution List**Legal**

PICCOLO, MIKE

rkokot@spokanecity.org

For the Mayor

ORMSBY, MICHAEL

llok@spokanecity.org

Additional Approvals

sstopher@spokanecity.org

Purchasing

kknox@spokanecity.org

**GRANTS &
CONTRACT MGMT**

STOPHER, SALLY

BRIEFING PAPER
City of Spokane
OPD Grant Acceptance-URBAN DEVELOPMENT Committee
Date 11/27/19

Subject

The City of Spokane has received a grant award from the State Office of Public Defense (OPD), for use in 2020-2021 in the amount of \$193,950. We seek the Council's support to approve the Grant Agreement. We have received funds from OPD for several years.

Background

The State Office of Public Defense (OPD) has funds under RCW 10.101 for municipalities in Washington State for improvements in local defender services. The City Public Defender's use the funds to partially fund a Public Defender II position so that an attorney is present to represent clients at daily inmate first appearance dockets and to cover caseload so that attorneys can be present and represent people in three courtrooms at weekly out-of-custody arraignment and bench warrant recall dockets. The City Public Defender will also use a portion of these funds on Investigation Services to ensure full representation of our clients.

Impact

This grant allows the City Public Defender's Office to operate within the per-attorney annual caseload limits, and meet the constitutional requirements, including proper investigation, of representing persons at all critical stages of the proceedings.

Action

We request your support by accepting this grant award.

Funding

OPD will provide funds in the amount of \$193,950 and the City will provide funds from the General Fund, already budgeted, for the additional personnel costs of a Public Defender II, for an attorney to work from January 1, 2020 through December 31, 2021, and also to supplement funding for Investigator Services during that time.

FACE SHEET

WASHINGTON STATE OFFICE OF PUBLIC DEFENSE

1. Grantee City of Spokane 824 N Monroe St Spokane, WA 99201	2. Grantee Representative Kathy Knox Public Defender 824 N Monroe St Spokane, WA 99201
3. Office of Public Defense (OPD) 711 Capitol Way South, Suite 106 PO Box 40957 Olympia, WA 98504-0957	4. OPD Representative Katrin Johnson Managing Attorney Office of Public Defense 711 Capitol Way South, Suite 106 PO Box 40957 Olympia, WA 98504-0957
5. Grant Amount \$193,950.00	6. Grant Period January 1, 2020 through December 31, 2021
7. Grant Purpose The Chapter 10.101 RCW city grants are competitive grants for the purpose of improving the quality of public defense services in Washington municipalities. (<u>See</u> Chapter 10.101 RCW.)	
The Office of Public Defense (OPD) and Grantee, as defined above, acknowledge and accept the terms of this Grant Agreement and attachments and have executed this Grant Agreement on the date below to start January 1, 2020 and end December 31, 2021. The rights and obligations of both parties to this Grant are governed by this Grant Agreement and the following other documents incorporated by reference: Special Terms and Conditions of the City Grant Agreement, General Terms and Conditions of City Grant Agreement, and Exhibits A, B, and C.	
FOR THE GRANTEE _____ Name, Title _____ Date	FOR OPD _____ Joanne I. Moore, Director _____ Date

SPECIAL TERMS AND CONDITIONS OF THE CITY GRANT AGREEMENT

1. GRANT MANAGEMENT

The Representative for each of the parties shall be responsible for and shall be the contact person for all communications regarding the performance of this Grant.

- a. The Representative for OPD and their contact information are identified on the Face Sheet of this Grant.
- b. The Representative for the Grantee and their contact information are identified on the Face Sheet of this Grant.

2. GRANT AWARD AMOUNT

The Grantee is awarded one hundred ninety-three thousand, nine hundred fifty and 00/100 Dollars (\$193,950.00) to be used for the purpose(s) described in the USE OF GRANT FUNDS below. One-half of the award amount shall be disbursed to Grantee in January, 2020 for use during calendar year 2020. The remaining one-half shall be disbursed to Grantee in January, 2021 for use during calendar year 2021.

3. PROHIBITED USE OF GRANT FUNDS (as adopted in OPD Policy County/City Use of State Public Defense Funding)

- a. Grant funds cannot be used to supplant local funds that were being spent on public defense prior to the initial disbursement of state grant funds.
- b. Grant funds cannot be spent on purely administrative functions or billing costs.
- c. Grant funds cannot be used for cost allocation.
- d. Grants funds cannot be used for indigency screening costs.
- e. Grant funds cannot be used for city or court technology systems or administrative equipment.
- f. Grant funds cannot be used for city attorney time, including advice on public defense contracting.

4. USE OF GRANT FUNDS

- a. Grantee agrees to use the grant funds for the following:
 - i. Representation at first appearance calendars, and
 - ii. Investigation services.
- b. Grantee agrees to obtain OPD's written permission before funds are used for any purpose other than those listed in Section 4a above.
- c. Grantee agrees to use the first disbursement of funds in calendar year 2020, and the second disbursement of funds in calendar year 2021. If Grantee is unable to use the funds in the year for which the funds are disbursed, the Grantee agrees to notify OPD to determine what action needs to be taken.
- d. Grantee agrees to deposit the grant check within fourteen days of receipt.

5. OVERSIGHT

- a. Grantee agrees to submit written reports to OPD. The first report shall be submitted to OPD no later than June 1, 2020 using the template found in Exhibit A. The second report shall be submitted to OPD no later than December 1, 2020 using the template found in Exhibit B. The

third report shall be submitted to OPD no later than June 1, 2021 using the template found in Exhibit C. Where indicated, reports must be submitted along with the Grantee City's public defense attorneys' contracts, certifications of compliance, and other required documentation.

- b. Over the duration of the grant term, OPD may conduct site visits for purposes of addressing improvements to public defense and ensuring the use of grant funds for their specified purposes. At OPD's request, Grantee will assist in scheduling such site visits and inviting appropriate attendees such as, but not limited to: public defense attorneys, judicial officers, and city representatives.

6. **ORDER OF PRECEDENCE**

In the event of an inconsistency in this Grant, the inconsistency shall be resolved by giving precedence in the following order:

- Applicable federal and state of Washington statutes, regulations, and court rules
- Special Terms and Conditions Of the City Grant
- General Terms and Conditions of the City Grant

GENERAL TERMS AND CONDITIONS OF THE CITY GRANT AGREEMENT

1. ALL WRITINGS CONTAINED HEREIN

This Grant contains all the terms and conditions agreed upon by the parties. No other understandings, oral or otherwise, regarding the subject matter of this Grant shall be deemed to exist or to bind any of the parties hereto.

2. AMENDMENTS

This Grant may be amended by mutual agreement of the parties. Such amendment shall not be binding unless it is in writing and signed by personnel authorized to bind each of the parties.

3. AMERICANS WITH DISABILITIES ACT (ADA) OF 1990, PUBLIC LAW 101-336, also referred to as the "ADA" 29 CFR Part 35.

The Grantee must comply with the ADA, which provides comprehensive civil rights protection to individuals with disabilities in the areas of employment, public accommodations, state and local government services, and telecommunications.

4. ASSIGNMENT

Neither this Grant, nor any claim arising under this Grant, shall be transferred or assigned by the Grantee without prior written consent of OPD.

5. ATTORNEY'S FEES

Unless expressly permitted under another provision of the Grant, in the event of litigation or other action brought to enforce Grant terms, each party agrees to bear its own attorneys fees and costs.

6. CONFORMANCE

If any provision of this Grant violates any statute or rule of law of the state of Washington, it is considered modified to conform to that statute or rule of law.

7. ETHICS/CONFLICTS OF INTEREST

In performing under this Grant, the Grantee shall assure compliance with the Ethics in Public Service, Chapter 42.52 RCW and any other applicable court rule or state or federal law related to ethics or conflicts of interest.

8. GOVERNING LAW AND VENUE

This Grant shall be construed and interpreted in accordance with the laws of the state of Washington, and the venue of any action brought hereunder shall be in the Superior Court for Thurston County.

9. INDEMNIFICATION

To the fullest extent permitted by law, the Grantee shall indemnify, defend, and hold harmless the state of Washington, OPD, all other agencies of the state and all officers, agents and employees of the state, from and against all claims or damages for injuries to persons or property or death arising out of or incident to the performance or failure to perform the Grant.

10. LAWS

The Grantee shall comply with all applicable laws, ordinances, codes, regulations, court rules, policies of local and state and federal governments, as now or hereafter amended.

11. NONCOMPLIANCE WITH NONDISCRIMINATION LAWS

During the performance of this Grant, the Grantee shall comply with all federal, state, and local nondiscrimination laws, regulations and policies. In the event of the Grantee's non-compliance or refusal to comply with any nondiscrimination law, regulation or policy, this Grant may be rescinded, canceled or terminated in whole or in part.

12. RECAPTURE

In the event that the Grantee fails to perform this Grant in accordance with state laws, federal laws, and/or the provisions of the Grant, OPD reserves the right to recapture funds in an amount to compensate OPD for the noncompliance in addition to any other remedies available at law or in equity.

13. RECORDS MAINTENANCE

The Grantee shall maintain all books, records, documents, data and other evidence relating to this Grant. Grantee shall retain such records for a period of six (6) years following the end of the grant period. If any litigation, claim or audit is started before the expiration of the six (6) year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been finally resolved.

14. RIGHT OF INSPECTION

At no additional cost all records relating to the Grantee's performance under this Grant shall be subject at all reasonable times to inspection, review, and audit by OPD, the Office of the State Auditor, and state officials so authorized by law, in order to monitor and evaluate performance, compliance, and quality assurance under this Grant. The Grantee shall provide access to its facilities for this purpose.

15. SEVERABILITY

If any provision of this Grant or any provision of any document incorporated by reference shall be held invalid, such invalidity shall not affect the other provisions of this Grant that can be given effect without the invalid provision, if such remainder conforms to the requirements of law and the fundamental purpose of this Grant and to this end the provisions of this Grant are declared to be severable.

16. WAIVER

Waiver of any default or breach shall not be deemed to be a waiver of any subsequent default or breach. Any waiver shall not be construed to be a modification of the terms of this Grant unless stated to be such in writing.

Exhibit A

Washington State Office of Public Defense Public Defense Improvement Program City Grant Report #1

All City grant recipients are required to submit a completed copy of this report, along with corresponding documentation, to the Washington State Office of Public Defense by June 1, 2020.

City: _____

Date Completed: _____

Contact Name: _____

Title: _____

Mailing Address: _____

Phone: _____

Email Address: _____

Section I: Public Defense Expenditures/Budget

1.1 In 2019, the city paid indigent defense expenses as follows:

	City Funds	Chapter 10.101 RCW State Grant Funds	Other Funds
Attorney salaries and benefits, contract and conflict attorney compensation	\$	\$	\$
Investigators, experts, interpreters, social workers, and other professional services	\$	\$	\$
Other public defense expenses	\$	\$	\$
Total	\$	\$	\$

1.2 For 2020, the city has *budgeted* indigent defense expenses as follows:

	City Funds	Chapter 10.101 RCW State Grant Funds	Other Funds
Attorney salaries and benefits, contract and conflict attorney compensation	\$	\$	\$
Investigators, experts, interpreters, social workers, and other professional services	\$	\$	\$
Other public defense expenses	\$	\$	\$
Total	\$	\$	\$

1.3 What amount of the 2020 state grant funds has been spent so far? _____ \$

Section II: Case Assignments

2.1 In 2019, attorneys providing indigent defense representation had the following caseloads:

Fill in section 2.1(a) if the city has a public defender agency or contracts with a county public defender agency or non-profit public defense firm. Fill in section 2.1(b) for list appointments or contracts with private attorneys.

a. Cities using public defender agencies.

Number of cases assigned to public defender agency (not including conflict counsel):

Number of probation violations and other miscellaneous post sentencing hearings assigned:

Number of full-time-equivalent public defenders:

Average per-attorney caseload, if available:

b. Cities using list appointments or contracts with private firms.

Number of cases assigned to public defense attorneys:

Number of probation violations and other miscellaneous post sentencing hearings assigned:

Number of attorneys with public defense contracts or on court's appointment list:

Section III: Grant Funds

3.1 Permissible Use(s) of Grant Funds (See Section 4 of Grant Agreement <i>Special Terms and Conditions</i>):	
3.2 Description of How Grant Funds Have Been Used to Date:	
3.3 Plans for Utilizing Remaining Funds by End of Calendar Year (If Applicable):	
3.4 Description of Impact State Funds Have Had on Local Public Defense Services:	

Section IV: Attachments and Tables

- 4.1** If the city has public defense contracts, fill out the Table of Public Defense Contracts (*Table I*), and provide a copy of each *current contract* in alphabetical order by attorney name. If possible, please provide scanned copies of contracts, by CD or email attachment. Failure to provide current contracts could result in an incomplete report.
- 4.2** If the court appoints public defense attorneys from a list, provide the name of each attorney and the compensation paid per case or per hour in the Table of List-Appointed Public Defense Attorneys (*Table II*).
- 4.3** If the City has adopted any new public defense policies, ordinances, or resolutions within the last year, please attach them to this report.
- 4.4** Provide copies of attorneys' 2020 second quarter Certificates of Compliance.

Table I: Public Defense Contracts and Subcontracts Currently in Effect (2020)

Name of attorney/firm (If firm, please identify (1) the total number of attorney FTEs handling public defense cases, and (2) the name of each attorney handling public defense cases)	Number of misdemeanor/ gross misdemeanor cases anticipated for the attorney/firm in 2020	Method and rate of payment (per case/per hour, etc.)	Conflict cases only? Yes/No

Table II: List-Appointed Public Defense Attorneys (2020)

Name of attorney/firm (If firm, please identify (1) the total number of attorney FTEs handling public defense cases, and (2) the name of each attorney handling public defense cases)	Method and rate of payment (per case/per hour, etc.)	Number of cases assigned

Exhibit B

Washington State Office of Public Defense Public Defense Improvement Program City Grant Report #2

*All City grant recipients are required to submit a completed copy of this report to the Washington State Office of Public Defense by December 1, 2020.
Failure to timely submit this report could delay disbursement of 2021 grant funds.*

City:	
--------------	--

Report Date:	
---------------------	--

Contact – Name/Title:	
Email:	
Phone:	
Address:	

1. As of the date of this report, the city has paid indigent defense expenses as follows in 2020:

	City Funds	Chapter 10.101 RCW State Grant Funds	Other Funds
Attorney salaries and benefits, contract and conflict attorney compensation	\$	\$	\$
Investigators, experts, interpreters, social workers, and other professional services	\$	\$	\$
Other public defense expenses	\$	\$	\$
Total	\$	\$	\$

Will all 2020 grant funds be expended by the end of the calendar year?

Yes _____ No _____ Unsure _____

2. Permissible Use(s) of Grant Funds (See Section 4 of Grant Agreement <i>Special Terms and Conditions</i>):	
3. Description of How Grant Funds Have Been Used in 2020:	
4. Plans for 2021 Grant Funds:	
5. Description of Impact State Funds Have Had on Local Public Defense Services	

Exhibit C

Washington State Office of Public Defense Public Defense Improvement Program City Grant Report #3

All City grant recipients are required to submit a completed copy of this report, along with all public defense attorneys' 2021 quarterly Certificates of Compliance to the Washington State Office of Public Defense by June 1, 2021.

City:	
--------------	--

Report Date:	
---------------------	--

Contact – Name/Title:	
Email:	
Phone:	
Address:	

1. For 2021, the city has *budgeted* indigent defense expenses as follows:

	City Funds	Chapter 10.101 RCW State Grant Funds	Other Funds
Attorney salaries and benefits, contract and conflict attorney compensation	\$	\$	\$
Investigators, experts, interpreters, social workers, and other professional services	\$	\$	\$
Other public defense expenses	\$	\$	\$
Total	\$	\$	\$

2. What amount of the 2021 state grant funds has been spent so far? _____ \$

3. Permissible Use(s) of Grant Funds (See Section 4 of Grant Agreement <i>Special Terms and Conditions</i>)	
4. Description of How Grant Funds Have Been Used to Date:	
5. Plans for Utilizing Remaining Funds by End of Calendar Year (If Applicable)	
6. Description of Impact State Funds Have Had on Local Public Defense Services	

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

01/06/2020

<u>Date Rec'd</u>	12/11/2019
<u>Clerk's File #</u>	OPR 2020-0009
<u>Renews #</u>	
<u>Cross Ref #</u>	
<u>Project #</u>	
<u>Bid #</u>	
<u>Requisition #</u>	

<u>Submitting Dept</u>	DEVELOPER SERVICES CENTER
<u>Contact Name/Phone</u>	ALI BRAST 6638
<u>Contact E-Mail</u>	ABRAST@SPOKANECITY.ORG
<u>Agenda Item Type</u>	Contract Item
<u>Agenda Item Name</u>	4700- MFTE FOR 120 N WALL

Agenda Wording

Multiple Family Housing Property Tax Exemption Agreement with Wall Project, LP for 24 new multi-family housing units through the conversion of existing upper floor commercial space located at 120 N Wall, Parcel Number 35184.2511.

Summary (Background)

RCW Chapter 84.14 authorized the City to create a multiple family housing property tax exemption program and to certify qualified property owners for that property tax exemption. The City Council Enacted Ordinance No. C-32575, which provides for the property tax exemption program for multiple housing in residential targeted areas. Pursuant to Ordinance No. C-33079, the City Council expanded the residential targeted areas.

<u>Fiscal Impact</u>	Grant related? NO	<u>Budget Account</u>
	Public Works? NO	
Neutral	\$	#
Select	\$	#
Select	\$	#
Select	\$	#

<u>Approvals</u>		<u>Council Notifications</u>	
<u>Dept Head</u>	WEST, JACQUE	<u>Study Session</u>	PIES 11/25/19
<u>Division Director</u>	CORTRIGHT, CARLY	<u>Other</u>	
<u>Finance</u>	HUGHES, MICHELLE	<u>Distribution List</u>	
<u>Legal</u>	PICCOLO, MIKE	abrast@spokanecity.org	
<u>For the Mayor</u>	SANDERS, THERESA	kbecker@spokanecity.org	
Additional Approvals		jwest@spokanecity.org	
<u>Purchasing</u>		ccortright@spokanecity.org	
		korlob@spokanecity.org	
		dnorman@spokanecity.org	

MULTIPLE FAMILY HOUSING PROPERTY TAX EXEMPTION AGREEMENT

THIS AGREEMENT is between the City of Spokane, a Washington State municipal corporation, as "City", and Wall Project LLC, as "Owner" whose business address is 120 N Wall St, Spokane, WA 99201.

W I T N E S S E T H:

WHEREAS, The City has, pursuant to the authority granted to it by Chapter 84.14 RCW, designated various residential targeted areas for the provision of a limited property tax exemption for new and rehabilitated multiple family residential housing; and

WHEREAS, The City has, through SMC Chapter 8.15, enacted a program whereby property owners may qualify for a Final Certificate of Tax Exemption which certifies to the Spokane County Assessor that the Owner is eligible to receive the multiple family housing property tax exemption; and

WHEREAS, The Owner is interested in receiving the multiple family property tax exemption for new multiple family residential housing units in a residential targeted area; and

WHEREAS, The Owner has submitted to the City a complete application form for no fewer than a total of four new multiple family permanent residential housing units to be constructed on property legally described as:

RES & ADD SPOKANE FALLS S50.72' OF LT 2 & S30' OF LT 3 B LK14

Assessor's Parcel Number(s) 35184.2511, commonly known as 120 N Wall St.

WHEREAS, The City has determined that the improvements will, if completed as proposed, satisfy the requirements for a Final Certificate of Tax Exemption; -- NOW, THEREFORE,

The City and the Owner do mutually agree as follows:

1. The City agrees to issue the Owner a Conditional Certificate of Acceptance of Tax Exemption subsequent to the City Council's approval of this agreement.

2. The project must comply with all applicable zoning requirements, land use requirements, design review recommendations and all building, fire, and housing code requirements contained in the Spokane Municipal Code at the time a complete application for a building permit is received. However, if the proposal includes rehabilitation or demolition in preparation for new construction, the residential portion of the building shall fail to comply with one or more standards of applicable building or housing codes, and the rehabilitation improvements shall achieve compliance with the applicable building and construction codes.

3. If the property proposed to be rehabilitated is not vacant, the Owner shall provide each existing tenant with housing of comparable size, quality and price and a reasonable opportunity to relocate.

4. The Owner intends to construct on the site, approximately 24 new multiple family residential housing units substantially as described in their application filed with and approved by the City. In no event shall such construction provide fewer than a total of four multiple family permanent residential housing units.

5. The Owner agrees to complete construction of the agreed-upon improvements within three years from the date the City issues the Conditional Certificate of Acceptance of Tax Exemption or within any extension granted by the City.

6. The Owner agrees, upon completion of the improvements and upon issuance by the City of a temporary or permanent certificate of occupancy, to file with the City's Business & Development Services Department the following:

(a) a statement of the actual development cost of each multiple family housing unit, and the total expenditures made in the rehabilitation or construction of the entire property;

(b) a description of the completed work and a statement that the rehabilitation improvements or new construction of the Owner's property qualifies the property for the exemption;

(c) a statement that the project meets the affordable housing requirements, if applicable; and

(d) a statement that the work was completed within the required three-year period or any authorized extension of the issuance of the conditional certificate of tax exemption.

7. The City agrees, conditioned on the Owner's successful completion of the improvements in accordance with the terms of this Agreement and on the Owner's filing of the materials described in Paragraph 6 above, to file a Final Certificate of Tax Exemption with the Spokane County Assessor indicating that the Owner is qualified for the limited tax exemption under Chapter 84.14 RCW.

8. The Owner agrees, within 30 days following the first anniversary of the County's filing of the Final Certificate of Tax Exemption and each year thereafter for a period of eight years, to file a declaration with the City's Business and Development Services Department, verified upon oath and indicating the following:

(a) a statement of occupancy and vacancy of the multiple family units during the previous year;

(b) a certification that the property has not changed use and, if applicable, that the property has been in compliance with the affordable housing requirements as described in SMC 8.15.090 since the date of the filing of the Final Certificate of Tax Exemption, and continues to be in compliance with this Agreement and the requirements of SMC Chapter 8.15; and

(c) a description of any improvements or changes to the property made after the filing of the final certificate or last declaration.

9. The parties acknowledge that the units are to be used and occupied for multifamily residential use. The parties further acknowledge that the certificate of occupancy issued by the City is for multifamily residential units. The Owner acknowledges and agrees that the units shall be used primarily for residential occupancy and any business activities shall only be incidental and ancillary to the residential occupancy.

10. If the Owner converts to another use any of the multiple family residential housing units constructed under this Agreement, or if applicable, if the owner intends to discontinue compliance with the affordable housing requirements as described in SMC 8.15.090 or any other condition to exemption, the Owner shall notify the Spokane County Assessor and the City's Business and Development Services Department within 60 days of such change in use.

11. The Owner will have the right to assign its rights under this Agreement. The Owner agrees to notify the City promptly of any transfer of Owner's ownership interest in the Site or in the improvements made to the Site under this Agreement.

12. The City reserves the right to cancel the Final Certificate of Tax Exemption should the Owner, its successors and assigns, fail to comply with any of the terms and conditions of this Agreement or of SMC Chapter 8.15.

13. No modifications of this Agreement shall be made unless mutually agreed upon by the parties in writing.

14. The Owner acknowledges its awareness of the potential tax liability involved if and when the property ceases to be eligible for the incentive provided pursuant to this agreement. Such liability may include additional real property tax, penalties and interest imposed pursuant to RCW 84.14.110. The Owner further acknowledges its awareness and understanding of the process implemented by the Spokane County Assessor's Office for the appraisal and assessment of property taxes. The Owner agrees that the City is not responsible for the property value assessment imposed by Spokane County at any time during the exemption period.

15. In the event that any term or clause of this Agreement conflicts with applicable law, such conflict shall not affect other terms of this Agreement, which can be given effect without the conflicting term or clause, and to this end, the terms of this Agreement are declared to be severable.

16. Nothing in this Agreement shall permit or be interpreted to permit either party to violate any provision of Chapter 84.14 RCW or SMC Chapter 8.15.

17. This Agreement is subject to approval by the City Council.

DATED this _____ day of _____, 2019

CITY OF SPOKANE

Wall Project LLC/Jordan Tampien

By: _____

By: _____

Mayor, David A. Condon

Its: _____

Attest:

Approved as to form:

City Clerk

Assistant City Attorney

STATE OF WASHINGTON)
) ss.
County of Spokane)

On this _____ day of _____, 2019, before me, the undersigned, a Notary Public in and for the State of Washington, personally appeared DAVID A. CONDON and TERRI L. PFISTER, 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 this _____ day of _____, 2019.

Notary Public in and for the State
of Washington, residing at Spokane

My commission expires _____

STATE OF WASHINGTON)
) ss.
County of Spokane)

On this _____ day of _____, 2019, before me, the undersigned, a Notary Public in and for the State of Washington, personally appeared _____, to me known to be the person who executed the within and foregoing instrument, and acknowledged the said instrument to be his/her free and voluntary act and deed, for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this _____ day of _____, 2019.

Notary Public in and for the State
of Washington, residing at Spokane

My commission expires _____

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

01/06/2020

<u>Date Rec'd</u>	12/10/2019
<u>Clerk's File #</u>	OPR 2020-0010
<u>Renews #</u>	
<u>Cross Ref #</u>	
<u>Project #</u>	
<u>Bid #</u>	
<u>Requisition #</u>	

<u>Submitting Dept</u>	DEVELOPER SERVICES CENTER
<u>Contact Name/Phone</u>	ALI BRAST 6638
<u>Contact E-Mail</u>	ABRAST@SPOKANECITY.ORG
<u>Agenda Item Type</u>	Contract Item
<u>Agenda Item Name</u>	4700- MFTE FOR 608 E 7TH AVE

Agenda Wording

Multiple Family Housing Property Tax Exemption Agreement with 608 E 7th, LLC for 4 new units to replace the dilapidated single family home, Parcel Number 35203.1227.

Summary (Background)

RCW Chapter 84.14 authorized the City to create a multiple family housing property tax exemption program and to certify qualified property owners for that property tax exemption. The City Council Enacted Ordinance No. C-32575, which provides for the property tax exemption program for multiple housing in residential targeted areas. Pursuant to Ordinance No. C-33079, the City Council expanded the residential targeted areas.

<u>Fiscal Impact</u>	Grant related? NO	<u>Budget Account</u>
	Public Works? NO	
Neutral	\$	#
Select	\$	#
Select	\$	#
Select	\$	#

<u>Approvals</u>		<u>Council Notifications</u>	
<u>Dept Head</u>	WEST, JACQUE	<u>Study Session</u>	PIES 11/25/19
<u>Division Director</u>	CORTRIGHT, CARLY	<u>Other</u>	
<u>Finance</u>	HUGHES, MICHELLE	<u>Distribution List</u>	
<u>Legal</u>	PICCOLO, MIKE	abrast@spokanecity.org	
<u>For the Mayor</u>	SANDERS, THERESA	kbecker@spokanecity.org	
<u>Additional Approvals</u>		jwest@spokanecity.org	
<u>Purchasing</u>		ccortright@spokanecity.org	
		korlob@spokanecity.org	
		dnorman@spokanecity.org	

MULTIPLE FAMILY HOUSING PROPERTY TAX EXEMPTION AGREEMENT

THIS AGREEMENT is between the City of Spokane, a Washington State municipal corporation, as "City", and 608 E 7th Ave, LLC, as "Owner" whose business address is 1214 W Chaucer Ave.

W I T N E S S E T H:

WHEREAS, The City has, pursuant to the authority granted to it by Chapter 84.14 RCW, designated various residential targeted areas for the provision of a limited property tax exemption for new and rehabilitated multiple family residential housing; and

WHEREAS, The City has, through SMC Chapter 8.15, enacted a program whereby property owners may qualify for a Final Certificate of Tax Exemption which certifies to the Spokane County Assessor that the Owner is eligible to receive the multiple family housing property tax exemption; and

WHEREAS, The Owner is interested in receiving the multiple family property tax exemption for new multiple family residential housing units in a residential targeted area; and

WHEREAS, The Owner has submitted to the City a complete application form for no fewer than a total of four new multiple family permanent residential housing units to be constructed on property legally described as:

MORGANS G H HAMS LT 8 BLK 2

Assessor's Parcel Number(s) **35203.1227**, commonly known as 608 E 7th Ave.

WHEREAS, The City has determined that the improvements will, if completed as proposed, satisfy the requirements for a Final Certificate of Tax Exemption; -- NOW, THEREFORE,

The City and the Owner do mutually agree as follows:

1. The City agrees to issue the Owner a Conditional Certificate of Acceptance of Tax Exemption subsequent to the City Council's approval of this agreement.

2. The project must comply with all applicable zoning requirements, land use requirements, design review recommendations and all building, fire, and housing code requirements contained in the Spokane Municipal Code at the time a complete application for a building permit is received. However, if the proposal includes rehabilitation or demolition in preparation for new construction, the residential portion of the building shall fail to comply with one or more standards of applicable building or housing codes, and the rehabilitation improvements shall achieve compliance with the applicable building and construction codes.

3. If the property proposed to be rehabilitated is not vacant, the Owner shall provide each existing tenant with housing of comparable size, quality and price and a reasonable opportunity to relocate.

4. The Owner intends to construct on the site, approximately 4 new multiple family residential housing units substantially as described in their application filed with and approved by the City. In no event shall such construction provide fewer than a total of four multiple family permanent residential housing units.

5. The Owner agrees to complete construction of the agreed-upon improvements within three years from the date the City issues the Conditional Certificate of Acceptance of Tax Exemption or within any extension granted by the City.

6. The Owner agrees, upon completion of the improvements and upon issuance by the City of a temporary or permanent certificate of occupancy, to file with the City's Business & Development Services Department the following:

(a) a statement of the actual development cost of each multiple family housing unit, and the total expenditures made in the rehabilitation or construction of the entire property;

(b) a description of the completed work and a statement that the rehabilitation improvements or new construction of the Owner's property qualifies the property for the exemption;

(c) a statement that the project meets the affordable housing requirements, if applicable; and

(d) a statement that the work was completed within the required three-year period or any authorized extension of the issuance of the conditional certificate of tax exemption.

7. The City agrees, conditioned on the Owner's successful completion of the improvements in accordance with the terms of this Agreement and on the Owner's filing of the materials described in Paragraph 6 above, to file a Final Certificate of Tax Exemption with the Spokane County Assessor indicating that the Owner is qualified for the limited tax exemption under Chapter 84.14 RCW.

8. The Owner agrees, within 30 days following the first anniversary of the County's filing of the Final Certificate of Tax Exemption and each year thereafter for a period of twelve years, to file a declaration with the City's Business and Development Services Department, verified upon oath and indicating the following:

(a) a statement of occupancy and vacancy of the multiple family units during the previous year;

(b) a certification that the property has not changed use and, if applicable, that the property has been in compliance with the affordable housing requirements as described in SMC 8.15.090 since the date of the filing of the Final Certificate of Tax Exemption, and continues to be in compliance with this Agreement and the requirements of SMC Chapter 8.15; and

(c) a description of any improvements or changes to the property made after the filing of the final certificate or last declaration.

9. The parties acknowledge that the units are to be used and occupied for multifamily residential use. The parties further acknowledge that the certificate of occupancy issued by the City is for multifamily residential units. The Owner acknowledges and agrees that the units shall be used primarily for residential occupancy and any business activities shall only be incidental and ancillary to the residential occupancy.

10. If the Owner converts to another use any of the multiple family residential housing units constructed under this Agreement, or if applicable, if the owner intends to discontinue compliance with the affordable housing requirements as described in SMC 8.15.090 or any other condition to exemption, the Owner shall notify the Spokane County Assessor and the City's Business and Development Services Department within 60 days of such change in use.

11. The Owner will have the right to assign its rights under this Agreement. The Owner agrees to notify the City promptly of any transfer of Owner's ownership interest in the Site or in the improvements made to the Site under this Agreement.

12. The City reserves the right to cancel the Final Certificate of Tax Exemption should the Owner, its successors and assigns, fail to comply with any of the terms and conditions of this Agreement or of SMC Chapter 8.15.

13. No modifications of this Agreement shall be made unless mutually agreed upon by the parties in writing.

14. The Owner acknowledges its awareness of the potential tax liability involved if and when the property ceases to be eligible for the incentive provided pursuant to this agreement. Such liability may include additional real property tax, penalties and interest imposed pursuant to RCW 84.14.110. The Owner further acknowledges its awareness and understanding of the process implemented by the Spokane County Assessor's Office for the appraisal and assessment of property taxes. The Owner agrees that the City is not responsible for the property value assessment imposed by Spokane County at any time during the exemption period.

15. In the event that any term or clause of this Agreement conflicts with applicable law, such conflict shall not affect other terms of this Agreement, which can be given effect without the conflicting term or clause, and to this end, the terms of this Agreement are declared to be severable.

16. Nothing in this Agreement shall permit or be interpreted to permit either party to violate any provision of Chapter 84.14 RCW or SMC Chapter 8.15.

17. This Agreement is subject to approval by the City Council.

DATED this _____ day of _____, 2019

CITY OF SPOKANE

608 E 7th Ave, LLC

By: _____

By: _____

Mayor, David A. Condon

Its: _____

Attest:

Approved as to form:

City Clerk

Assistant City Attorney

STATE OF WASHINGTON)
) ss.
County of Spokane)

On this _____ day of _____, 2019, before me, the undersigned, a Notary Public in and for the State of Washington, personally appeared DAVID A. CONDON and TERRI L. PFISTER, 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 this _____ day of _____, 2019.

Notary Public in and for the State
of Washington, residing at Spokane

My commission expires _____

STATE OF WASHINGTON)
) ss.
County of Spokane)

On this _____ day of _____, 2019, before me, the undersigned, a Notary Public in and for the State of Washington, personally appeared _____, to me known to be the person who executed the within and foregoing instrument, and acknowledged the said instrument to be his/her free and voluntary act and deed, for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this _____ day of _____, 2019.

Notary Public in and for the State
of Washington, residing at Spokane

My commission expires _____

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

01/06/2020

Date Rec'd

12/4/2019

Clerk's File #

OPR 2018-0029

Renews #**Submitting Dept**

DEVELOPER SERVICES CENTER

Contact Name/Phone

KRIS BECKER 6392

Contact E-Mail

KBECKER@SPOKANECITY.ORG

Agenda Item Type

Contract Item

Agenda Item Name

1460- PARKING- MOBILE PAY BY PHONE PARKING SERVICES AND E-PERMIT

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

CR 21271

Agenda Wording

Contract Amendment and Extension with Passport Labs, Inc. in Charlotte, North Carolina for mobile payment for parking program and digital permit platform for Parking Services. \$4,000 will cover fees for for the remainder of the the 2019-2020 Year.

Summary (Background)

The City has been using Passport Parking App to allow parkers to pay on-street with a mobile device since Jan 2018. The original contract, OPR 2018-0029, was for \$34,400. The City pays \$.10 for each completed parking transaction. App use has increased, thus a need to add money to the contract & additional monies to cover projected use in the upcoming year. The City also anticipates using the e-permit system & is adding additional monies for expected e-permit use over the next year.

Fiscal Impact

Grant related? NO

Public Works? NO

Budget Account

Expense \$ 4,000

1460-21200-21710-54201-99999

Expense \$ 106,000

1460-21200-21710-54201-99999

Select \$

#

Select \$

#

Approvals**Dept Head**

BECKER, KRIS

Division Director

CORTRIGHT, CARLY

Finance

KECK, KATHLEEN

Legal

PICCOLO, MIKE

For the Mayor

ORMSBY, MICHAEL

Council Notifications**Study Session**

Finance & Admin

Other**Distribution List**

maggie.patterson@passportinc.com

maria.reid@passportinc.com

Additional Approvals**Purchasing**

jray@spokanecity.org

tkruger@spokanecity.org

kbecker@spokanecity.org

jwest@spokanecity.org

ccortright@spokanecity.org



Continuation of Wording, Summary, Budget, and Distribution

Agenda Wording

Summary (Background)

The original contract allowed for 3, one year renewals, this would be the first renewal and expire on January 31, 2021.

Fiscal Impact

Select **\$**

Select **\$**

Budget Account

#

#

Distribution List

cwheeler@spokanecity.org

cbrazington@spokanecity.org

jlargent@spokanecity.org

korlob@spokanecity.org

dnorman@spokanecity.org



City of Spokane

**CONTRACT AMENDMENT/EXTENSION
1 OF 3**

**Title: MOBILE PAY BY PHONE PARKING
SERVICES AND E-PERMIT SYSTEM**

This Contract Amendment/Extension including additional compensation is made and entered into by and between the **CITY OF SPOKANE**, as ("City") and **PASSPORT LABS, INC.**, whose address is, 128 S Tryon Street, Suite 2200, Charlotte, North Carolina, 28202 as ("Company"), individually hereafter referenced as a "party", and together as the "parties".

WHEREAS, the parties entered into an Agreement for the Company agreed to provide all services and licensed software necessary for mobile payments for the City's parking program and digital permit platform; and,

WHEREAS, the fee schedule set forth the in Section 3 of the original contract did not provide for sales tax and did not provide for fees to compensate for a growing customer base; and

WHEREAS, the customer base of the mobile payment service is growing in popularity and the use of mobile payment allows for faster, safer, and more efficient collection of payments made at City parking meters; and,

WHEREAS, the initial contract provided for 3 additional one-year extensions, with this being the 1st of those extension; thus the original Contract needs to be formally Amended and Extended by this written document; and

NOW, THEREFORE, in consideration of the mutual promises made herein and other valuable consideration, the parties hereto now amend the original agreement as follows:

1. CONTRACT DOCUMENTS.

The original Contract, dated January 17, 2018 and February 8, 2018, any previous amendments, addendums and/or extensions/renewals thereto, are incorporated by reference into this document as though written in full and shall remain in full force and effect except as provided herein.

2. EFFECTIVE TERM.

This Contract Extension shall become effective on January 20, 2020 and shall run through January 31, 2021.

3. COMPENSATION.

The City shall pay an additional amount to cover fees for Mobile Payment for Parking Program "MPP" not to exceed **FOUR THOUSAND AND NO/100 DOLLARS (\$4,000.00)** for the remainder of the current 2018-2020 term, and **EIGHTY SIX THOUSAND AND NO/100 DOLLARS (\$86,000.00)** for the 2020-2021 term, for a total of **NINETY THOUSAND AND NO/100 DOLLARS (\$90,000.00)** for both terms. The City shall pay Company \$850.00 per month for up to 1,000 active permits per month, and \$1.00 each month for each active permit in excess of 1,000 active permits per month for the Digital Permit Platform "DPP". Fees estimated for DPP are TWENTY THOUSAND AND NO/100 DOLLARS (\$20,000.00) for the 2020-2021 term. This is a total of **ONE HUNDRED TEN THOUSAND AND NO/100 DOLLARS (\$110,000)** for everything furnished and done under this Contract Amendment/Extension.

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

PASSPORT LABS, INC.

CITY OF SPOKANE

By _____
Signature Date

By _____
Signature Date

Type or Print Name

Type or Print Name

Title

Title

Attest:

Approved as to form:

City Clerk

Assistant City Attorney

Washington State Department of Revenue

[Home](#) [Services](#) > [Business Lookup](#) > [PASSPORT LABS, INC](#)

License Information:

[New search](#) [Back to results](#)

Entity name: PASSPORT LABS, INC.

Business name: PASSPORT LABS, INC

Entity type: [Profit Corporation](#)

UBI #: 604-098-954

Business ID: 001

Location ID: 0001

Location: Active

Location address: 128 S TRYON ST
STE 2200
CHARLOTTE NC 28202-5007

Mailing address: 128 S TRYON ST
STE 2200
CHARLOTTE NC 28202-5007

Excise tax and reseller permit status: [Click here](#)

Secretary of State status: [Click here](#)

Endorsements

Endorsements held at this location	License #	Count	Details	Status	Expiration date	First issuance
Bellingham General Business	066387			Active		Aug-20-2019
Spokane General Business				Active	Dec-31-2020	Mar-09-2017



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

04/01/2019

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must have **ADDITIONAL INSURED** provisions or be endorsed. If **SUBROGATION** IS **WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Embroker Insurance Services LLC 24 Shotwell St. San Francisco CA 94103		CONTACT NAME: Michael Sullivan PHONE (A/C, No. Ext): (844)436-2765 E-MAIL ADDRESS: certificates@embroker.com FAX (A/C, No):	
INSURED Passport Labs, Inc. 128 S Tryon St #2200 Charlotte NC 28202		INSURER(S) AFFORDING COVERAGE INSURER A: Ace Property & Casualty Insurance Company of Am INSURER B: Chubb Indemnity Insurance Company INSURER C: Hudson Specialty Insurance Company INSURER D: INSURER E: INSURER F:	
		NAIC # 20699C 12777 37079	

COVERAGES**CERTIFICATE NUMBER:** 5390**REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	Y		D39434672	04/01/2019	04/01/2020	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY	Y		D39434672	04/01/2019	04/01/2020	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$	<input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE	Y	UMBNCND394348301-002	04/01/2019	04/01/2020	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input checked="" type="checkbox"/> Y	N/A	71760642	04/01/2019	04/01/2020	<input checked="" type="checkbox"/> PER STATUTE E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
C	Tech E&O and Cyber			EMT126124	10/01/2018	10/01/2019	Aggregate 10,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

City of Spokane is listed as Additional Insured on the General Liability as per written contract.

CERTIFICATE HOLDER**CANCELLATION**

City of Spokane 808 W. Spokane Falls Blvd. Spokane WA 99201	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
---	---

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

01/06/2020

Date Rec'd

12/16/2019

Clerk's File #

ORD C35878

Renews #**Submitting Dept**

WATER & HYDROELECTRIC SERVICES

Cross Ref #**Contact Name/Phone**

DAN KEGLEY 625-7821

Project #**Contact E-Mail**

DKEGLEY@SPOKANECITY.ORG

Bid #**Agenda Item Type**

Emergency Ordinance

Requisition #**Agenda Item Name**

4100 - EMERGENCY ORDINANCE FIRE HYDRANT FEES, PERMITS AND USE

Agenda Wording

An ordinance concerning City of Spokane fire hydrant fees, permits and use; amending sections 13.04.130, 13.04.1904, 13.04.1918, and 13.04.2024 of the Spokane Municipal Code, and declaring an emergency.

Summary (Background)

The City of Spokane maintains and operates approximately 7,500 water hydrants within the designated water service area. Water usage from these hydrants by permitted individuals and companies amounts to approximately 1.5 billion gallons of water use each years. It is of paramount importance to the City of Spokane to manage access to its water hydrants to ensure safe, reliable water is available for all customers.

Fiscal Impact

Grant related? NO

Public Works? NO

Budget Account

Select \$

#

Select \$

#

Select \$

#

Select \$

#

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

KEGLEY, DANIEL

Study Session**Division Director**

SIMMONS, SCOTT M.

Other

PIES 12/16/19

Finance

ALBIN-MOORE, ANGELA

Distribution List**Legal**

SCHOEDEL, ELIZABETH

aalbinmoore@spokanecity.org

For the Mayor

ORMSBY, MICHAEL

eschoedel@spokanecity.org

Additional Approvals

dkegley@spokanecity.org

Purchasing

Briefing Paper

Public Infrastructure, Environment and Sustainability Committee

Division & Department:	Public Works Division
Subject:	Hydrant Permit Program revisions
Date:	12/10/19
Author (email & phone):	Dan Kegley dkegley@spokanecity.org 625-7840
City Council Sponsor:	Breean Beggs
Executive Sponsor:	Scott Simmons
Committee(s) Impacted:	Public Infrastructure, Environment and Sustainability Committee
Type of Agenda item:	<input type="checkbox"/> Consent <input checked="" type="checkbox"/> Discussion <input type="checkbox"/> Strategic Initiative
Alignment: (link agenda item to guiding document – i.e., Master Plan, Budget, Comp Plan, Policy, Charter, Strategic Plan)	Strategic Plan
Strategic Initiative:	Water System Resiliency
Deadline:	
Outcome: (deliverables, delivery duties, milestones to meet)	Approval of an ordinance to update the City's Hydrant Permit Program.

Background/History:
 A proposal to update the City's hydrant permit program and hydrant use policies to support the Water Department's mission of providing safe, clean, and reliable drinking water to customers. The new program is designed to enhance hydrant security, ensure use of necessary equipment to protect the water supply, and appropriately account for water use. The program also is designed to complement additional hydrant security measures that are being evaluated, including the installation of hydrant locks and water fill stations.

Executive Summary:

- Update SMC with Ordinance revisions for water hydrant permits
- Communicate to affected members of the community (contractors)
- Require use of water department provided and approved equipment
- Meter water use for all hydrant permits

Budget Impact:
 Approved in current year budget? ☐ Yes ☒ No
 Annual/Reoccurring expenditure? ☐ Yes ☒ No
 If new, specify funding source: Water Rates
 Other budget impacts: (revenue generating, match requirements, etc.)

Operations Impact:
 Consistent with current operations/policy? ☒ Yes ☐ No
 Requires change in current operations/policy? ☒ Yes ☐ No
 Specify changes required:
 Known challenges/barriers:

ORDINANCE NO. C35878

An ordinance concerning City of Spokane fire hydrant fees, permits and use; amending sections 13.04.130, 13.04.1904, 13.04.1918, and 13.04.2024 of the Spokane Municipal Code, and declaring an emergency.

WHEREAS, the City of Spokane has the legal authority to operate a water system (RCW 35.92.010) and a sewerage and solid waste disposal system (RCW 35.92.020); and

WHEREAS, the City of Spokane maintains and operates approximately 7,500 water hydrants within the designated water service area. Water usage from these hydrants by permitted individuals and companies amounts to approximately 1.5 billion gallons of water use each year; and

WHEREAS, the City of Spokane has authority to set rates for all consumptive use of water; and

WHEREAS, there have been recent incidents of use of a water hydrant which resulted in contamination of the drinking water system; and

WHEREAS, it is of paramount importance to the City of Spokane to manage access to its water hydrants to ensure safe, reliable water is available for all customers; and

WHEREAS, time is of the essence to adopt the proposed ordinance changes, as contractors will start applying for hydrant permits shortly after the first of the calendar year.

NOW THEREFORE, the City of Spokane does ordain:

Section 1. That SMC section 13.04.130 is amended to read as follows:

Section 13.04.130 Use of Fire Hydrants – Permits, Stop Valves and Stopcock

- A. Use of a fire hydrant is allowed in very limited circumstances following written application and written approval by the director of the Water and Hydro-electric Department or their designee, in the form of a Hydrant Permit. Hydrant permits will only be issued to an approved hydrant. Use of multiple hydrants with a single permit is unlawful. To change the location of a permitted hydrant the Water and Hydro-electric Services Department must be notified 24 hours in advance.
- B. It is unlawful for any person, except when duly authorized by the director, ~~((and except a member of the fire department,))~~ to open, operate, close, turn on, turn off, interfere with, attach any pipe or hose to or connect anything with any fire hydrant, stop valve or stopcock belonging to the City.

- C. Any person, other than employees of the City ((f))Fire ((d))Department or City Public Works Division, requiring the use of any hydrant, stopcock or valve belonging to the City must make written application for the same in advance to the director. ~~((The director shall then send a hydrant inspector to open such hydrant, stopcock or valve, and the time of such inspector shall be charged to the person making application for the use of such hydrant, stopcock or valve.))~~
- D. ~~((Should it be necessary for the inspector to remain at the hydrant, stopcock or valve until the person using the same has secured the necessary supply of water, the full time consumed by the inspector shall be charged to the person securing such service. The director may require a deposit in advance as a condition for supply of such water.))~~ The director may also permit following submittal of a written application and written approval, qualified plumbers, licensed and bonded in accordance with state laws, to open and shut the street cock in order to make the necessary repairs or to test their work.((, and in)) In every such case such persons shall leave the stop cock as they found it. They shall be responsible for any damage, losses or liabilities of the City or third parties arising from their acts, errors or omissions.

Section 2. That SMC section 13.04.1904 amended to read as follows:

Section 13.04.1904 Stealing Water

No person may take water or permit water to be taken from the water supply of the City through any means unauthorized by the water and hydroelectric services department, or use or permit the use of said water without making payment for the service. Any unauthorized connection will be assessed a fine up to one thousand (\$1,000) dollars per day. Three or more violations in the calendar year, will result in treble fines per violation per day

Section 3. That SMC section 13.04.1918 is amended to read as follows:

Section 13.04.1918 Obstructing Fire Hydrants

No person may:

- A. obstruct the access to any fire hydrant by placing around, thereon, or within twenty feet thereof, any stone, brick, lumber, dirt, rubbish or other material; or
- B. open or operate any fire hydrant; or
- C. draw or attempt to draw water therefrom; or
- D. willfully or carelessly injure the same; or
- E. fill up or cover over any valve box; or

F. in any manner tamper with or injure the same.

Section 4. That SMC section 13.04.2024 is amended to read as follows:

Section 13.04.2024 Hydrant Fees, Consumption Charges and Fines

Hydrant fees are as follows:

A. Hydrant Permit Fees.

1. Annual Hydrant permit fee((daily)): Five Hundred dollars (\$500.00) per year ((Fifty dollars (\$50.00)))

2. Hydrant meter and backflow device deposit: One Thousand Five Hundred (\$1,500). Required for all hydrant permits. ((permit monthly: Two hundred dollars (\$200.00))).

((3.Hydrant permit yearly: Four hundred fifty dollars (\$450.00).

4.Hydrant permit where meter is needed to measure water use: Six hundred dollars (\$600.00) meter deposit.

5.Valve rental fee daily: Thirty-five dollars (\$35.00).

6.Valve rental fee monthly: Seventy-five dollars (\$75.00).))

B. Hydrant Flow Tests: Two hundred eighty-five dollars (\$285.00).

C. Hydrant Construction Estimates: Three hundred seventy-five dollars (\$375.00).

D. Damages ((Other Charges)).

1. Damage to a meter or backflow device will result in a forfeit of the deposit, or Fifteen Hundred dollars (\$1,500). ((Three hundred seventy-five dollars (\$375.00) for each hydrant disk that is not returned at the time the hydrant permit expires.))

2. Repair of any damage to the hydrant as a result of negligence will be billed to the permit holder. Deposit may be forfeited if not paid. ((Fifty dollar (\$50.00) replacement charge for any lost or stolen hydrant disk.))

((3.Seventy-five dollars (\$75.00) for any hydrant wrench not returned upon hydrant permit expiration.

~~4. Hydrant gate valves may be rented from the water and hydroelectric services department for a maximum of thirty calendar days.~~

~~a. Daily rental fee is Thirty-five dollars (\$35.00).~~

~~b. Monthly rental fee is Seventy-five dollars (\$75.00).~~

~~5. Two hundred fifty dollar (\$250.00) refundable deposit is required for all valve rentals. Failure to return the hydrant valve or failure to return it within the thirty-day time frame will result in forfeiture of the deposit.~~

~~6. Three hundred seventy-five dollar (\$375.00) fine for anyone using a hydrant, other than for fire protection, without purchasing a hydrant permit and without using the hydrant disk.))~~

E. Consumption Charges.

1. The Outside City Rate to Other Purveyors listed in SMC 13.04.2014, in effect at the time of usage will be applied.

a. All water usage from a hydrant shall be measured by required meter, as outlined above.

b. Failure to use required meter, will be considered a violation of this chapter and may result in civil or criminal enforcement to include without limitation, fees, fines, restitution and/or referral for prosecution.

F. Fines:

Any person other than employees of the City Fire Department or City Public Works Division connected to or accessing hydrants without an approved Hydrant Permit will be assessed a fine up to one thousand (\$1,000) dollars per day. Subsequent violations may result in increased penalties and forfeiture of future eligibility to obtain a hydrant permit.

Section 5. Emergency. This ordinance is necessary for the immediate preservation of the public health and safety of the public and public water supply system.

PASSED by the City Council on _____.

Council President

Attest:

Approved as to form:

City Clerk

Assistant City Attorney

Mayor

Date

Effective Date

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:**

01/06/2020

<u>Date Rec'd</u>	10/14/2019
<u>Clerk's File #</u>	RES 2020-0001
<u>Renews #</u>	
<u>Cross Ref #</u>	OPR 2020-0011
<u>Project #</u>	
<u>Bid #</u>	
<u>Requisition #</u>	CR 21088

<u>Submitting Dept</u>	PLANNING
<u>Contact Name/Phone</u>	TERI STRIPES 625-6597
<u>Contact E-Mail</u>	TSTRIPES
<u>Agenda Item Type</u>	Resolutions
<u>Agenda Item Name</u>	0650 - APPROVING SCHOOL YARD BULLY,LLC REIMBURSEMENT AGREEMENT

Agenda Wording

A RESOLUTION APPROVING A DEVELOPMENT AGREEMENT BETWEEN THE CITY AND SCHOOL YARD BILLY, LLC RELATING TO CERTAIN PUBLIC INFRASTRUCTURE COSTS.

Summary (Background)

The Project Review Committee's recommendation regarding SCHOOL YARD BILLY, LLC incentive application was approved on August 12. Staff prepared a development agreement with SCHOOL YARD BILLY, LLC, setting forth the terms and conditions for the \$163,665 incentive.

<u>Fiscal Impact</u>	Grant related? NO Public Works? NO	<u>Budget Account</u>
Expense	\$ 163,655	# 1920 30210 58700 54201 99999
Select	\$	#
Select	\$	#
Select	\$	#
<u>Approvals</u>		<u>Council Notifications</u>
<u>Dept Head</u>	TRAUTMAN, HEATHER	<u>Study Session</u>
<u>Division Director</u>	CORTRIGHT, CARLY	<u>Other</u> Requested Urban Experience, but mtg was cancelled
<u>Finance</u>	ORLOB, KIMBERLY	<u>Distribution List</u>
<u>Legal</u>	RICHMAN, JAMES	tstripes@spokanecity.org
<u>For the Mayor</u>	ORMSBY, MICHAEL	gcooley@spokanecity.org
<u>Additional Approvals</u>		lmeuler@spokanecity.org
<u>Purchasing</u>		jrichman@spokanecity.org
		korlob@spokanecity.org
		sbishop@spokanecity.org

Briefing Paper

Urban Experience Committee

Division & Department:	Business & Neighborhood Services, Planning & Development
Subject:	McKinley and The Falls Projects of Citywide Significance and future Development Agreement
Date:	12/9/2019
Contact (email & phone):	Gavin Cooley
City Council Sponsor:	
Executive Sponsor:	Gavin Cooley
Committee(s) Impacted:	Urban Experience and Finance
Type of Agenda item:	<input checked="" type="checkbox"/> Consent <input type="checkbox"/> Discussion <input type="checkbox"/> Strategic Initiative
Alignment: (link agenda item to guiding document – i.e., Master Plan, Budget, Comp Plan, Policy, Charter, Strategic Plan)	Aligns with the Strategic Plan by providing investment in a project of citywide significance.
Strategic Initiative:	Urban Experience – Projects of Citywide Significance Incentive
Deadline:	10/9/2019
Outcome: (deliverables, delivery duties, milestones to meet)	<p>Projects of Citywide Significance Development Agreements to be drafted for providing strategic investment reimbursement for eligible public improvement costs related to the redevelopment of two projects.</p> <ul style="list-style-type: none"> • McKinley School for up to \$163,655 • The Falls for up to \$300,000
<p>Background/History: The Falls and McKinley both applied for a development incentive pursuant to the City's Projects of Citywide Significance Incentive Policy. Based on the findings of public benefits expected to result from the Project, Staff is recommending that the Project Review Committee recommended a financial incentive to be awarded to the Project and applied to eligible public improvement costs related to the Project, as outlined in Admin 0650-16-02. Council will be asked to approve the Development Agreement following the Project Review Committee's recommendation of an incentive Allowable limit of this incentive falls under \$350,000 and the Committee's scoring and recommendation will be within the allowable limits. Reasoning for the final incentive will be clearly defined in the Development Agreement prior to reimbursement.</p>	
<p>Executive Summary:</p> <ul style="list-style-type: none"> • Staff has completed with the Project Review Committee's review, scoring, and recommendation of incentive amount for the future Development Agreements for both Projects. Attached are the complete project details, Staff Report, and Committee approvals for both Projects. • Following this briefing staff will proceed to prepare a Development Agreement for Council Approval with Robert Brewster and The Falls LLC setting terms and conditions under which the incentive will be applied. • The Projects will cause both direct and indirect public benefits and can reasonably be expected to stimulate economic growth and create new jobs. • The City's incentive will be applied on a reimbursement basis to the eligible public realm improvements. 	
<p>Budget Impact:</p> <p>Approved in current year budget? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p> <p>Annual/Reoccurring expenditure? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A</p> <p>If new, specify funding source:</p> <p>Other budget impacts: (revenue generating, match requirements, etc.)</p>	

Operations Impact:

Consistent with current operations/policy?

☒ Yes ☐ No ☐ N/A

Requires change in current operations/policy?

☐ Yes ☒ No ☐ N/A

RESOLUTION NO. 2020-0001

A RESOLUTION APPROVING A DEVELOPMENT AGREEMENT BETWEEN THE CITY AND SCHOOL YARD BILLY, LLC RELATING TO CERTAIN PUBLIC INFRASTRUCTURE COSTS.

WHEREAS, the McKinley School project is an adaptive reuse of a historic neighborhood iconic building in the East Central neighborhood, Sprague Union Business District and Sprague Target Investment Area. The project is described in the application and related attachments as consist of a four story mixed-use building with 36,000SF of office, 10,000SF of restaurant/bar/retail space.. (the "Project"), SCHOOL YARD BILLY, LLC applied for a development incentive pursuant to the City's Projects of Citywide Significance Incentive Policy. Based on the findings of public benefits expected to result from the Project, and in order to induce SCHOOL YARD BILLY, LLC to rehabilitate McKinley, the Project Review Committee recommended a financial incentive of \$163,665 be awarded to the Project and applied to eligible public improvement costs related to the Project, as outlined in Admin 0650-16-02.

WHEREAS, the City Council accepted the Project Review Committee's recommendation regarding SCHOOL YARD BILLY, LLC incentive application on _____ at the Urban Experience Committee meeting. Staff proceeded to prepare a development agreement with SCHOOL YARD BILLY, LLC, setting forth the terms and conditions under which the \$163,655 incentive will be applied to eligible public improvements costs related to the Project, subject to final approval by Council as outlined in Admin 0650-16-02.

WHEREAS, pursuant to RCW 35.21.703, Washington's legislature has declared that it shall be in the public purpose for all cities to engage in economic development activities.

WHEREAS, Chapter 36.70A RCW, commonly known as the Growth Management Act, includes as a planning goal the encouragement of economic development and the promotion of economic opportunity for all citizens of the state.

WHEREAS, pursuant to other provisions of State law, including chapter 39.89 RCW relating to community revitalization financing, and RCW 82.02.050-.090 relating to certain development impact fees, Washington cities are authorized to participate in the cost of financing public improvements where the cities' participation will encourage private investment in the surrounding area and are further authorized, pursuant to Chapter 36.70B RCW, to enter into development agreements obligating party to fund or provide infrastructure.

WHEREAS, the Project will cause both direct and indirect public benefits and can reasonably be expected to make a significant difference in stimulating economic growth and the creation of new jobs within the City. In addition to a direct benefit to the City in terms of increased sales and property tax revenues, indirect benefits include encouraging

the revitalization and utilization of historic and older commercial buildings in the City's core, providing a mixed-use development that brings employment, and shopping activities into Spokane's west end, and contributes to the public realm by providing additional street level amenities.

WHEREAS, Development Agreements are specifically authorized by RCW 36.70B.170 through .210 and Chapter 17A.060 SMC as a proper exercise of the City's police power;

WHEREAS, the Project is consistent with the requirements of the City's Comprehensive Plan and applicable development regulations;

NOW, THEREFORE - - it is hereby resolved by the Spokane City Council;

1. The foregoing recitals and the contents of the attached Development Agreement are hereby adopted as the Council's findings in support of this Resolution.
2. The Development Agreement is hereby approved and the Mayor is hereby authorized to execute it on behalf of the City.

ADOPTED by the Spokane City Council this _____ day of _____, 2020.

City Clerk

Approved as to form:

Assistant City Attorney

Exhibit A

Development Agreement

DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT is between the CITY OF SPOKANE, a Washington State municipal corporation, as "City", and SCHOOL YARD BILLY LLC, as "Developer", collectively referred to as the "Parties".

Recitals

A. Developer owns property located 120 N MAGNOLIA ST, Parcel Number 35163.3001, in Spokane, Washington (the "Property"). A legal description of the Property is set forth in Exhibit A.

B. The Developer proposes the construction of The McKinley School project is an adaptive reuse of a historic neighborhood iconic building in the East Central neighborhood, Sprague Union Business District and Sprague Target Investment Area. The project will consist of a four story mixed-use building with 36,000SF of office, 10,000SF of restaurant/bar/retail space (the "Project").

C. The McKinley School project will be developed on one parcel of 108,750 square feet (2.5 acre) parcel located at 120 N MAGNOLIA ST. The parcel contains a Historic building and due to its designation the Historic Landmarks is involved in its rehabilitation.

The project site and surrounding area are located in an area commonly referred to as the "Sprague Union Business District" of East Sprague and is in the Sprague Target Area. Surrounding area includes the East Central Neighborhood.

The area is attracting increased interest since the City identified and invested in it as the Sprague Targeted Investment Pilot project. The project will be served by STA's HPT with 15 minute service. The McKinley School project will be the first massive Historic Preservation project in the Sprague Union District where many smaller historic rehabs have occurred recently. The project will be served by STA's HPT with 15 minute bus service, and At four stories, the McKinley School project will is taller than many of the buildings in the immediate vicinity and stands as a historic icon for the neighborhood.

D. The Project is compatible and consistent with the countywide planning policies adopted pursuant to RCW 36.70A.210 and the City of Spokane Comprehensive Plan and development regulations adopted under Chapter 36.70A RCW and Title 17 of the Spokane Municipal Code. Developer and the City acknowledge that development of the Project will promote economic development as contemplated by RCW 35.21.703, will encourage further private development to include increasing fair market value of real

property in the vicinity of the Project, and is consistent with and carries out the purposes of RCW 36.70B.170.

E. In connection with plans to develop the Project, Developer applied for a development incentive pursuant to the City's Projects of Citywide Significance Incentive Policy. Based on the findings of public benefits expected to result from the Project, and in order to induce Developer to develop the Project, the Project Review Committee recommended, a financial incentive of \$163,665, one hundred sixty three thousand, six hundred and sixty-five dollars be awarded to the Project consistent with the Admin 0650-16-02.

F. Following the Project Review Committee's recommendation, staff negotiated a development agreement with Developer setting forth the terms and conditions under which the \$163,665, one hundred sixty three thousand, six hundred and sixty-five dollar incentive will be paid to the Developer, subject to final approval by Council as outlined in Admin 0650-16-02.

G. Pursuant to RCW 35.21.703, Washington's legislature has declared that it shall be in the public purpose for all cities to engage in economic development activities.

H. Chapter 36.70A RCW, commonly known as the Growth Management Act, includes as a planning goal the encouragement of economic development and the promotion of economic opportunity for all citizens of the state.

I. Pursuant to other provisions of State law, including chapter 39.89 RCW relating to community revitalization financing, and RCW 82.02.050-.090 relating to certain development impact fees, Washington cities are authorized to participate in the cost of financing public improvements where the cities' participation will encourage private investment in the surrounding area and are further authorized, pursuant to Chapter 36.70B RCW, to enter into development agreements that obligate a party to fund or provide infrastructure.

J. The Project will cause both direct and indirect public benefits and can reasonably be expected to make a significant difference in stimulating economic growth and the creation of new jobs within the City.

NOW, THEREFORE, in consideration of the mutual terms, covenants and conditions set forth herein, and for other good and valuable consideration, including the significant public benefits that are anticipated as a result of Developer's construction of the Project, the parties agree:

1. Definitions. For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise required:

(a) "Applicable Rules" means those provisions set forth in the City of Spokane Comprehensive Plan and Title 17 of the Spokane Municipal Code. Applicable Rules shall

not include any requirements set forth in any of the following: the Americans With Disabilities Act, Chapter 19.27 RCW – the State Building Code, and building, fire, plumbing or electrical codes explicitly adopted by the City, and fees (to include utility connection fees) associated with the development of land.

(b) “Subsequent Project Approvals” means all Project approvals required by law or City policy after approval of this Agreement to construct the Project including, but not limited to, clearing and grading permits, preliminary and final subdivision approval, binding site plan approval, building permits and occupancy permits (as applicable), as defined by state law and local ordinance.

2. Construction of the Project.

(a) Developer Covenants. Developer shall, at no cost or expense to the City, diligently perform and fully complete development and construction of the Project according to approved plans and permits, and in compliance with the Applicable Rules. Provided all such development and construction shall be subject to Subsequent Project Approvals. The Project shall remain subject to all Subsequent Project Approvals required to complete the Project. Subsequent Project Approvals shall be made pursuant to the Applicable Rules and this Agreement. Developer shall obtain all required permits prior to commencing construction of the Project. Except as expressly set forth herein, this Agreement shall not be construed as a waiver of any of the conditions of development or use of the Property, nor shall this Agreement relieve Developer from Developer’s obligations to comply with rules and regulations applicable to the Property and Developer’s development of the same, and to secure such authorizations and permits as may be imposed as a condition of any work being performed on the Property. Provided, further, the parties agree, as provided for in RCW 36.70B.170(4), that the City reserves the authority, regardless of the definition of Applicable Rules in this Agreement, to impose new or different regulations during the term of this Agreement to the extent required by a serious threat to the public health and safety.

(b) Public Benefits. As part of the Project, Developer will make significant public dedications and investment in public infrastructure to include utilities and other improvements, all of which will provide a public benefit to the City’s residents and visitors.

(c) Reservations of Authority. Notwithstanding any other provision of this Agreement, the following shall apply to the development of the Property, provided however, that nothing in this Agreement shall diminish Developer’s rights for vesting by submission of a complete building permit application pursuant to RCW 19.27.095.

(i) Procedural regulations which are not substantive relating to hearing bodies, petitions, applications, notices, findings, records, hearings, reports, recommendations, appeals and any other matter of procedure.

(ii) Regulations governing construction standards and specifications as follows: the Washington State Building Code, Uniform Plumbing Code, National Electrical

Code, and International Fire Code as may be amended except as they relate to standards modified by the City in the Approval.

(iii) Taxes, fees or assessments (including mitigation fees) which apply uniformly throughout the City or within a defined area of benefit which includes the Property.

3. Term. This Agreement shall commence on the date it is fully executed by the Developer and the City and shall be deemed terminated and of no further effect upon the occurrence of (i) mutual agreement of the parties, or (ii) three (3) years from the date of execute of this Agreement by all the parties hereto.

4. Public Improvements. The Project will include the following public improvements within the public right-of-way (the "Improvements" or "Public Improvements"):

of water, sewer, fire, power, streetscape improvements, and street trees.

5. Construction of the Public Improvements. Developer shall cause the Public Improvements to be completed, in their entirety. The costs of the Improvements include but are not limited to costs of design, construction, permitting (which includes inspection and review fees from the City), insurance, bonds, professional fees (including attorney fees) and other reasonable costs incurred in the performance of this Agreement. The City shall not be responsible for design, construction, permitting and any other costs with respect to the Public Improvements in excess of the NTE Amount set forth in Section 6 herein below.

(a) Developer shall engage engineers or other professionals to design the Public Improvements in a manner consistent with the procedures and requirements set forth in Chapter 39.80 RCW. See Exhibit B.

(b) All subcontractors (or a general contractor in lieu of multiple subcontractors) awarded a contract for work performed on the Public Improvements shall be selected by Developer or by a project manager on Developer's behalf, through a competitive bidding process with all qualified bids considered, which process shall be substantially similar to that used by the City for public works bidding, consistent with chapter 39.04 RCW. See Exhibit B. As a condition of the City's liability for or payment of any amounts to Developer pursuant to this Agreement, payment for all labor in connection with the Public Improvements shall be on the basis of the State Prevailing Wage for each appropriate job classification. Developer shall pay or cause to be paid to all workers, laborers and mechanics employed to perform the construction of the Improvements not less than the prevailing rates of wages, as may then be determined by the Washington State Department of Labor and Industries for the particular craft in the particular geographic area. All payments for labor will be based on approved Affidavit of Wages Paid. Developer and any of its contractors/subcontractors involved in constructing the Public Improvements shall, as a condition of the City's payment to Developer of any amounts

under this Agreement, comply with the following: Developer and all contractors and subcontractors will submit a "Statement of Intent to Pay Prevailing Wages" certified by the industrial statistician of the Department of Labor and Industries, prior to any payments and each voucher claim submitted by a contractor or subcontractor for payment on a project estimate shall state that the prevailing wages have been paid in accordance with the "Statement(s) of Intent to Pay Prevailing Wages" on file with the City. Upon completion of the Public Improvements, the contractor and subcontractors must submit an "Affidavit of Wages Paid" certified by the industrial statistician.

(d) In all contracts for the Public Improvements, Developer shall require contractors, or the general contractor and its subcontractors, to maintain all project information, records, and documents for a period of not less than six years from the date of Developer's final acceptance of the work, and the City shall have a right to direct audit of such information, records, and documents.

(e) Developer shall obtain payment and performance bonds to, respectively, guarantee payment of laborers, suppliers, materialmen, taxes and penalties and performance of the Public Improvements as generally set forth in RCW Chapter 39.08 (the "**Bonds**"). The Bonds shall be issued in an amount equal to the agreed amount to be paid for the Improvements and list the City of Spokane as obligee. In the event of a default (defined herein) by the Developer (including its contractor retained to construct the Improvements), Obligee may execute on the Bonds for the purpose of paying amounts due pursuant to RCW 39.08.010 and causing the Public Improvements to be completed using the bond proceeds and any other funds available to the City pursuant to this Agreement.

(f) Upon completion of the Public Improvements, Developer shall provide the City an accounting of the actual costs associated with the Public Improvements in a form determined by Developer consistent with its cost accounting practices and approved by the City as compatible with the requirements of the Washington State Auditor for audit purposes. The City shall within thirty (30) calendar days after receipt of the cost accounting, notify Developer in writing whether the City accepts, denies or requests modification of the accounting; providing, however, that in the event Developer does not receive a timely written response from the City within such time, then the actual costs associated with the Public Improvements shall be conclusively deemed accepted and approved. In the event the City refuses to accept any portion of the Public Improvements or denies or requests modification to the accounting, the City shall specify the basis for the decision and the City and Developer shall timely, diligently, and in good faith, attempt to resolve the matter expeditiously. In the event that on the date designated for payment and reimbursement there is not resolved and if within ninety (90) calendar days of City receipt of notification there remain unresolved any issues relating to actual costs, then the City shall pay to Developer the actual costs requested by Developer for the Public Improvements less the amounts unresolved, which shall be placed in an interest bearing escrow set aside account designated by Developer. The amount in dispute shall then be submitted to binding arbitration, using the services and subject to the rules of the Judicial Arbitration and Mediation Service. If an arbitrator determines that Developer prevails in the accounting dispute, Developer shall be entitled to immediate disbursement of the

escrow set aside and interest accrued therein, in the amount determined by the arbitrator. Notwithstanding the foregoing, in no case shall the City's payment obligation to the Developer exceed the NTE Amount.

6. City Payment to Developer. In consideration of the significant public benefits anticipated to result from Developer's construction of the Project, subject to the terms and conditions of this agreement, and following Developer's completion of the Project, including the Public Improvements, the City shall pay Developer an amount not to exceed one hundred sixty three thousand, six hundred and sixty-five Dollars \$163,665 through the Projects of Citywide Significance program (the "NTE Amount"). The actual payment amount will be based upon the costs shown in Developer's invoices submitted to the City, subject to the NTE Amount. The City will make payments to Developer, within sixty (60) days after the receipt of Developer's application for payment, subject to the City's approval of the completed Public Improvements as substantially in accord with City standards, and subject to compliance with the terms of this agreement. Without limiting any of the foregoing, Developer's application for payment shall be subject to review by the City's Engineering Services Department for the purpose of confirming reasonable prices for materials, equipment rentals and labor.

7. Inspection of Cost Records. Developer and its contractors and subcontractors shall keep available for inspection by City representatives the cost records and accounts pertaining to this agreement.

8. Actual Material Costs. The City's payment for any/all materials or equipment rentals under this agreement shall be on the basis of the actual cost incurred by Developer, its contractors and subcontractors, without any mark up. All payments for materials will be based on approved quantities as verified by City inspectors, and receipt of actual and verified material payment by Developer, its contractors and subcontractors, as the case may be.

9. Indemnity & Hold Harmless. Developer shall indemnify, defend, and hold the City, its officers, agents, and employees harmless from all loss and liability for any claim by any person, or for any injury or property damage resulting from, or by reason of, this Agreement and/or the construction of the Public Improvements, unless caused directly or indirectly by the City's negligence or intentional misconduct.

To the extent necessary to enforce Developer's indemnification obligations hereunder, Developer hereby agrees to waive immunity under Title 51 RCW. This provision has been specifically negotiated.

Developer's Initials

City's Initials

10. Insurance. At all times prior to City's approval of the completed Public Improvements, Developer shall cause to be maintained in force at Developer's own expense, each insurance noted below.

(a) Commercial general liability insurance with a combined single liability limit of not less than \$1,000,000 each occurrence and \$2,000,000 aggregate for Bodily Injury and Property Damage. It shall include, at least, Independent Contractors, Products and Completed Operations, Contractual Liability and Personal Injury Liability for the indemnity provided under this agreement. It shall provide that the City, its officers, employees, contractors, agents, and such other persons or entities as the City may designate are additional insureds, but only with respect to the construction of the Public Improvements.

(b) There shall be no cancellation, material change, reduction of limits or intent not to renew the insurance coverage(s) without 30 days written notice from Developer or its insurer(s) to the City.

(c) Developer shall require any contractor working on the Public Improvements pursuant to this agreement to carry and maintain, at no expense to City: (a) comprehensive general liability insurance, including contractor's liability coverage, contractual liability coverage, completed operations coverage, broad form property damage endorsement and contractor's protective liability coverage, to afford protection, with respect to personal injury, death or property damage of not less than \$1,000,000 per occurrence, combined single limit/\$2,000,000 aggregate; (b) comprehensive automobile liability insurance with limits for each occurrence of not less than \$1,000,000 with respect to personal injury or death and \$500,000 with respect to property damage; and (c) Worker's Compensation or similar insurance in form and amounts required by law.

(d) All the insurance required under this agreement shall be written as primary policies, not contributing with and not supplemental to the coverage that City may carry.

(e) Developer shall furnish its insurance carriers with a copy of this agreement to insure proper coverage. As evidence of the insurance coverages required by this agreement, Developer shall furnish acceptable insurance certificates to the City at the time this agreement is executed. The certificates shall specify all of the parties who are additional insured, will include applicable policy endorsements, and will include the 30-day cancellation clause. If Developer fails to perform any of its obligations under this Section 8, the City may perform the same and may deduct such expenditures from its reimbursements to Developer under this agreement. The City makes no representations that the types or amounts of coverage required to be carried by Developer pursuant to this Section are adequate to protect Developer. If Developer believes that any of such insurance coverage is inadequate, Developer will obtain, at Developer's sole cost and expense, such additional insurance coverage as Developer deems appropriate.

11. Additional Terms.

(a) Waiver. No officer, employee, agent or otherwise of either party has the power, right or authority to waive any of the conditions or provisions of this agreement. No waiver of any breach of this agreement shall be held to be a waiver of any other or subsequent breach. All remedies afforded in this agreement or a law shall be taken and construed as cumulative, that is, in addition to every other remedy provided herein or by law. Failure of either party to enforce at any time any of the provisions of this agreement or to require at any time performance by the other of any provision hereof, shall in no way be construed to be a waiver of such provisions, nor in any way affect the validity of this agreement or any part hereof, or the right of the party entitled to performance to hereafter enforce each and every such provision. Either party's failure to insist upon the strict performance of any provision of this agreement or to exercise any right based upon breach hereof or the acceptance of any performance during such breach, shall not constitute a waiver of any right under this agreement.

(b) Modification. No modification or amendment to this agreement shall be valid until the same is reduced to writing, in the form of an amendment, and executed with the same formalities as this present agreement.

(c) Assignment. Neither party may assign or transfer in whole or in part, its interest in this agreement without the express written consent of the other party.

(d) Compliance with Laws. The Parties hereto specifically agree to observe Federal, State and local laws, ordinances and regulations, to the extent that they may have any bearing on either providing any money under the terms of this agreement or the services actually provided under the terms of this agreement. This agreement shall not be construed or interpreted as a waiver of any conditions or requirements applicable to the Project. The City reserves the right to impose new or different regulations to the extent required by a serious threat to public health and safety.

(e) Nondiscrimination. No individual shall be excluded from participation in, denied the benefit of, subjected to discrimination under, or denied employment in the administration of or in connection with this agreement because of age, sex, race, color, religion, creed, marital status, familial status, sexual orientation, national origin, honorably discharged veteran or military status, the presence of any sensory, mental or physical disability, or use of a service animal by a person with disabilities.

(f) Anti-Kickback. No officer or employee of the Parties, having the power or duty to perform an official act or action related to this agreement, shall have or acquire any interest in this agreement, or have solicited, accepted or granted a present or future gift, favor, service, or other thing of value from or to any person involved in this agreement.

(g) Notices. All notices called for or provided for in this agreement shall be in writing and must be served on any of the Parties either personally or by certified mail. Notices sent by certified mail shall be deemed served when deposited in the United States mail, postage prepaid.

(h) Venue Stipulation. This agreement has and shall be construed as having been made and delivered in the State of Washington, and the laws of the State of Washington shall be applicable to its construction and enforcement of this agreement or any provision hereto shall be instituted only in the courts of competent jurisdiction within Spokane County, Washington.

(i) Headings. The article headings in this agreement have been inserted solely for purposes of convenience and ready reference. In no way do they purport to, and shall not be deemed to, define, limit, or extend the scope or intent of the articles to which they appertain.

(j) All Writings Contained Herein. This agreement contains all the terms and conditions agreed upon by the Parties. No other understandings, oral or otherwise, regarding the subject matter of this agreement shall be deemed to exist or to bind any of the Parties hereto. The Parties have read and understand all of this agreement, and now state that no representation, promise, or agreement not expressed in this document has been made to induce the Parties to execute the same.

(k) Relationship of the Parties. The Parties intend that an independent contractor relationship will be created by this agreement. The City is interested only in the results that could be achieved and the conduct and control of all work and services provided by Developer will be solely with Developer. No agent, employee, servant or otherwise of Developer hereto shall be deemed to be an employee, agent, servant, or otherwise of the City for any purpose, and the employees of Developer are not entitled to any of the benefits that the City provides for City employees. Developer will solely and entirely be responsible for its acts and the acts of its agents, employees, servants, subcontractors, or otherwise, during the performance of this agreement. Nothing herein shall create a contractual relationship or privity between the City and any contractors engaged by Developer.

[Signature Page Follows]

Dated: _____

CITY OF SPOKANE

By: _____

Title: _____

Attest:

Approved as to form:

City Clerk

Assistant City Attorney

Dated: _____

DEVELOPER

SCHOOL YARD BILLY LLC

By: _____

Its: _____

Exhibit A

Legal Description of Property

Parcel Number: 35163.3001

Site Address: 120 N MAGNOLIA ST

Assessor Description

SUB OF SEC 16 BLK 69

Exhibit B

PROCUREMENT PROCESS SUMMARY

1. Selection of Engineering Team.

(a) Developer shall obtain engineering services from persons and firms through a written request that describes the general scope and nature of the Improvement. The request shall seek Statement of Qualifications/Proposals ("**Proposals**") for the engineering services. The Developer shall evaluate the Proposals submitted by firms, conduct discussions with one or more firms regarding the required services, and select the most highly qualified firm.

(b) Developer shall retain the selected firm to prepare design documents for the Improvements.

2. Construction Services.

Following completion of the design documents, the developer shall solicit bids from contractors/subcontractors to construct the Improvements. Contractors/subcontractors who submit the lowest responsible bids, based upon the reasonable discretion of the developer, shall be selected for the work. The developer may self-perform work provided the developer provides the work at costs equal to or below bid amounts received from contractors/subcontractors.

3. Prevailing Wages and Retainage.

Prevailing wages shall be paid laborers and a 5% retainage shall be withheld from the NTE Amount according to state law.

McKinley School

Projects of Citywide Significance

Staff Report and Recommendation

August 1, 2019



Staff

Teri Stripes
Planning Services
Economic Development Section

Applicant

Robert Brewster & Steve DeWalt
518 W Riverside Ave
Spokane, WA 99201

Owner:

SCHOOL YARD BILLY LLC
1157 FEDERAL AVE E,
SEATTLE, WA, 98102-4314

Introduction

The City of Spokane's Projects of Citywide Significance program is designed to help incent and encourage significant private development projects that add lasting value to the City and achieve measurable positive impacts by bringing new livable wage jobs, generating tax revenue, and advancing the community's visions. The program was created by Spokane City Council, Resolution 2015-0101 and follows the Projects of Citywide Significance Incentive Policy administrative procedures contained within City of Spokane Administrative Policy and Procedure, Admin 0650-16-02.

Project Description

The McKinley School project is an adaptive reuse of a historic neighborhood iconic building in the East Central neighborhood, Sprague Union Business District and Sprague Target Investment Area. The project will consist of a four story mixed-use building with 36,000SF of office, 10,000SF of restaurant/bar/retail space. At four stories, the McKinley School project will be taller than many of the buildings in the immediate vicinity and stands as a historic icon for the neighborhood. Due to its designation the Historic Landmarks is involved in its rehabilitation.

Location & Context

The McKinley School project will be redeveloped on a parcel of 108,750SF (2.5 acres), located at the northwest corner of Napa and Riverside. The parcel contains a non-historic low-rise, tilt up concrete building that was developed as a warehouse; the intent is to demo this structure for a housing in the future.

The project site and surrounding area are located in an area commonly referred to as the Sprague Target Investment Area and the Sprague Union District. The area is also an Employment Center identified in the Comprehensive Plan

The area is attracting increased interest since the City identified and invested in it as the Sprague Targeted Investment Pilot project. The project will be served by STA's HPT with 15 minute service. The McKinley School project will be the first massive Historic Preservation project in the Sprague Union District where many smaller historic rehabs have occurred recently.

Other Incentive Awards or Programs Available to the Project

The McKinley School, by virtue of its location in the Sprague Target Investment Area is eligible for and could receive City incentives in addition to the Projects of Citywide Incentive. The following provides a summary of these incentives which combined could total up to **\$1,387,665** of additional incentive benefit value. When known actual values (jobs, retail sales, utility use) are used. However, because they are unknown at this time staff has used the best available information to estimate the value of the incentives to the project.

The additional incentives may include:

- Historic Preservation Special Valuation –provides a property tax exemption for 10 years on eligible renovation cost. For \$9,000,000 in eligible rehab the owner could realize a savings of approximately **\$1,224,000** over the 10 years.
- The General Facility Charge (GFC) Waivers - waives system development charges for new sewer and water connections –benefit value is dependent on size and number of new or upgraded connections. *** If new services are needed—it's unknown at this time if they are.

Financial Partnership Portfolio Evaluation Matrix

Project Based Incremental Revenue

This category measures the project's contribution to City revenue and potential return on investment. To receive any points in this category, a project must generate a three-year total incremental revenue value of at least \$250,000. Projects with between \$250,000 and \$499,999 in three-year total incremental revenue receive 15 points. The three-year total incremental City revenue resulting from the project is estimated at \$318,324. Therefore, **15 points are awarded to the project in this category.**

Job Creation

Using industry standards and the applicant's pro forma detail staff has estimated that overall 325 jobs are likely to be provided. 250 of which will likely have salaries at or above living wage (>130% median per capita income evaluation criteria. The remaining jobs will be in restaurant, bar, and retail positions and likely at minimum wage. Resulting in **50 points being awarded in the Job Creation category.**

Comp Plan, Design and the Environment

The project qualifies under the following criteria:

- | | |
|--|----------|
| • Brownfield remediation | 5 points |
| • Innovative/Exemplary site design | 5 points |
| • Enhanced Public Amenities (City CSO tank) | 5 points |
| • Neighborhood or Subarea improvements | 5 points |
| • Low Impact Development Standards | 5 points |
| • Green building (reuse of existing structure) | 5 points |
| • Mixed Use development | 5 points |
| • Historic Preservation | 5 points |
| • Adaptive Reuse | 5 points |
| • Blight Removal | 5 points |
| • Housing (Future) | 5 points |

Total Category Score:

55 points

Industry Cluster Advancement

The proposed use is part of two identified priority industry clusters. With the anticipated Brewery or Distillery use along with the McMenamin's type tourism attraction the project covers both the Manufacturing and Tourism Industry Clusters. **The resulting category score is the maximum of 10 points.**

Geographic Priority Areas

The project is located in the Sprague Target Incentive Area. **The resulting category score is 10 points.**

Special Considerations Bonus

None. *** Special Consideration Points will not change the incentive amount recommended.

Total Project Matrix Score: 140 points.

Incentive Value Calculations

The project's total matrix score (140 points) and 3-year revenue return to the City (\$318,324) are used to calculate the incentive value for the project as shown in the Table I below. By scoring at the top category (85+ points) the project warrants a base incentive of **\$100,000** plus **20%** of the three-year revenue (\$63,665) for a total incentive value of **\$163,665**.

Table I. Matrix Score

Values-Based Score	140			
Revenue (3-Year)	\$ 318,324			
Point Score:	Base Incentive	ROI Multiplier	ROI-Based Incentive	Total Incentive
85+	\$100,000	20%	\$63,665	\$163,665
70	\$80,000	15%	\$47,749	\$127,749
55	\$60,000	10%	\$31,832	\$91,832
40	\$40,000	5%	\$15,916	\$55,916
<40	\$0	0%	\$0	\$0

Recommendation

Staff finds that the project will provide significant community and public benefits as described in the application and supplemental materials and therefore as a project of Citywide Significance warrants the City's investment of \$163,665 towards public improvements pursuant to the Projects of Citywide Significance Incentive Policy.

When considered with the other incentives or assistance, the project may have already received or could receive in the future including the 10 year Historic Special Valuation, GFC waivers and the \$1,224,000, the total incentive package for the project is estimated at **\$1,387,665**, which is equivalent to 15% of the \$9 million project construction cost.

Next Steps

This recommendation will be forwarded to the Project Review Committee who will review the recommendation and make a final determination of project score and level of financial partnership eligibility. Based on that determination, staff will brief City Council at an Urban Experience committee meeting and prepare a development agreement setting forth the terms and conditions under which the financial incentive value will be applied to eligible public improvements costs related to the project.

The final development agreement will be forwarded to the Spokane City Council for approval by resolution and signature by the Mayor. The determination of financial incentive value and corresponding development agreement shall have no force or affect whatsoever unless and until the development agreement is approved by the Spokane City Council and signed by the Mayor.

Authority

**City of Spokane Administrative Policy and Procedure, Admin 0650-16-02
Projects of Citywide Significance Incentive Policy**

Section 5.0 Policy: Individual projects which include new investment and physical improvements to real property which equal or exceed \$5 million in value can provide significant City wide public benefits. Such public benefits include: bringing new living wage jobs to the community; generating new property, sales and utility tax revenues; improving the community through the advancement or implementation of existing community plans including the Comprehensive Plan and neighborhood plans; protecting or improving the environment and conserving natural and historic resources; advancing State and regional industry cluster growth and regional economic development plans; and investing in targeted investment areas such as downtown Spokane, identified centers and corridors and target investment areas identified in the City's Economic Development strategy. In order to provide for an equitable and transparent process for the use

of financial incentives to encourage investments which provide significant public benefits to the City as described above, the Spokane City Council has adopted Resolution 2015-0101 which provides for an evaluation matrix allowing evaluation of a project's public benefits which are reasonably likely to accrue as a result of successful completion and intended operation of the project. The evaluation will be made using the standardized evaluation matrix attached as exhibit "A" hereto in accordance with the policies and procedures described herein.

Procedure

6.1 Application: Application for a financial incentive will be made on forms provided by the City of Spokane and shall contain all information and details required and necessary for a review of the project and evaluation of the public benefits associated thereto.

6.2 Determination of Qualification: Within 10 business days of receipt of a complete application, the Staff Technical Support Team will evaluate the application and make a determination that: the project is a qualified project with a public benefit and may be considered for a financial incentive; that additional information is needed to make the determination; or, that the project does not qualify for a financial incentive under this program. Such determination will be made in writing.

6.3 Evaluation of Qualified Projects: Qualified projects will be forwarded to the Project Review Committee for evaluation according to the evaluation matrix. The committee members will be provided copies of the application and any supplemental information provided by the applicant and a technical memorandum prepared by the Staff Technical Support Team. The report will include analysis of the project application and assessment of the public benefits that may result. Each project review committee member will use the application and technical memorandum to score the project against the evaluation matrix. The committee member's total scores will be summed and divided by the number of committee members providing a score to determine the project's average and final score.

6.4 Determination of Financial Incentive Value: The project's total score and other relevant data will be used to determine the financial incentive value based on the annually adopted project funding schedule and subject to availability of funds at the time of award. Determination of financial incentive value is not a guarantee of availability of funds or of an actual cash value of a project's eligible public improvement costs. Once a determination of financial incentive value is made, the determination and project score are final.

6.5 Development Agreement: Upon completion of the determination of financial incentive value, the project proponent and Staff Technical Support Team shall prepare a development agreement setting forth the terms and conditions under which the financial incentive value will be applied to eligible public improvements costs related to the project.

6.6 City Council Approval: The determination of financial incentive value and corresponding development agreement shall have no force or effect whatsoever unless and until the development agreement is approved by the Spokane City Council and signed by the Mayor.

McKinley School Project

PROJECT REVIEW COMMITTEE RECOMMENDATION

Evaluation Matrix Score: 140

Incentive Value: \$163,665

Pursuant to the Projects of Citywide Significance Incentive Policy, the Project Review Committee, hereby:

- ☐ Accepts and concurs with the staff recommendations, evaluation matrix score and determination of financial incentive value, and adopts these recommendations as our own findings for the reasons stated.
- ☐ Accepts and concurs with the staff recommendations, evaluation matrix score and determination of financial incentive value, and adopts these recommendations as our own findings for the reasons stated, with the following modifications:

Project Review Committee Members:



Ben Stuckart, City Council President

8/12/19

Date:

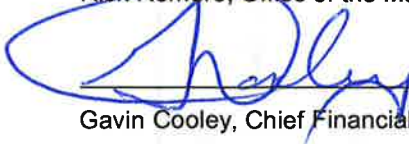


Candace Mumm, City Council

8/12/19

Date:

Rick Romero, Office of the Mayor



Gavin Cooley, Chief Financial Officer

Date:

8/12/19

Date:

cc: Heather Trautman, Director, Planning
Applicant

Projects of Citywide Significance			
Financial Partnership Portfolio Evaluation	Points Possible		
		Score	
Project Based Incremental Revenue			
City Property Tax, Sales Tax (Retail and Construction), Utility Taxes, Utility Revenues			
Incremental Revenue:			
3 year total incremental revenue:			
Exceeds \$1 million - 30 points			
Between \$750,000 and \$999,999 - 25 points			
Between \$500,000 and \$749,999 - 20 points			
Between \$250,000 and \$499,999 - 15 points ***\$318,324 from ROI Analysis			
Max group score possible	30	15	
Job Creation			
Number of new jobs			
Greater than 100 - 10 point ***~250 professionals and ~75 Restaurant, Bar, and Retail @ minimum wage			
75 to 99 - 8 points			
50 to 74 - 6 points			
25 to 49 - 4 points			
1 to 24 - 2 points			
Living Wage Job creation Multiplier (>130%Median Per Capita Income)			
80% to 100% of new jobs - 6X			
60% to 79% of new jobs - 5X *** ~250 jobs at average \$37/hr "going to be the \$35,000 - \$120,000 range"			
40% to 59% of new jobs - 4X			
20% to 39% of new jobs - 3X			
10% to 19% of new jobs - 2X			
Less than 10% of new jobs - 1X			
Max group score possible	60	50	
Comp Plan, Design and the Environment			
Brownfield redevelopment - 5 points ***remediated asbestos and will be remediating more (roof shingle tiles)			
Innovative or exemplary site design - 5 points *** mature trees to create a park-like feeling, in addition to creating outdoor spaces			
Design includes enhanced public amenities - 5 points			
Project Includes Neighborhood or Sub-Area improvements - 5 points			
Incorporation of Low Impact Development standards - 5 points			
Incorporation of adopted green building standards - 5 points			
Transit Oriented Development - 5 points			
Mixed Use Development - 5 - Points			
Mixed Income Development - 5 points			
Historic Preservation - 5 points			
Adaptive reuse - 5 points			
Blight removal - 5 points			
Housing - 5 points *** future Housing Plans of ~160 units new construction on site			
Max group score possible	65	55	
Industry Cluster Advancement			
Manufacturing - 10 points ***brewery or distillery			
Aerospace/Aviation - 10 points			
Technology (Biotech, medical, IT, etc) - 10 points			
Tourism - 10 points ***marketing this project to visitors of Spokane, similar to how McMenamin's			
Max group score possible	10	10	
Geographic Priority Areas			
Located in a C&C or Downtown - 10 points			
Located in a target investment area - 10 points			
Infill location with existing infrastructure capacity - 10 points			
Max group score possible	10	10	
TOTAL SCORE POSSIBLE	175	140	
"Special Considerations" Bonus - 10 points *** Special Consideration Points will not changes the incentive amount.			
(Can be added to total score when warranted in consideration of special public benefit factors not addressed above.)			
Per capita income \$27,682 est. \$13/hr. (ACS 2017)			
130% of per capita income is \$35,987 annually and approximately \$17.5/hour			

Stripes, Teri

From: Stripes, Teri
Sent: Tuesday, July 30, 2019 1:48 PM
To: 'Steve DeWalt'; Rob Brewster
Subject: RE: McKinley Projects of Citywide Significance Incentive
Attachments: Copy of Copy of 2019 McKinley Financial Eval matrix.pdf

Follow Up Flag: Follow up
Flag Status: Flagged

Values Based Score	140			
Revenue (3-Year) \$	318,324			
Point Score:	Race Incentive	RCH Multiplier	RCH-Race Incentive	Total Incentive
85+	\$100,000	20%	\$63,665	\$163,665
70+	\$80,000	15%	\$47,743	\$127,743
55	\$60,000	10%	\$32,822	\$92,822
40	\$40,000	5%	\$15,376	\$55,376
<40	\$0	0%	\$0	\$0

Steve the changes in the "values based scoring" don't actually change the amount of tax revenue back to the City. So though the score went up, that doesn't change the amount of the incentive. The only thing that would significantly impact the total incentive now would be if you didn't pursue Historic Special Valuation, which would be silly. It is a massive incentive and the PCS incentive could in no way replace what you would give up. Acknowledging the project's added benefits in the scoring and the staff report will really highlight what a great project McKinley is.

P.S. Choose Spokane ChooseSpokane.org



Teri Stripes | City of Spokane | Planning & Development Services
509.625.6597 | fax 509.625.6013 | tstripes@spokanecity.org



"I've learned that people will forget what you said, people will forget what you did, but people will never forget how you made them feel." ~Maya Angelou

From: Steve DeWalt <steve.l.dewalt@gmail.com>
Sent: Thursday, July 25, 2019 2:35 PM
To: Rob Brewster <rob.brewster@gmail.com>
Cc: Stripes, Teri <tstripes@spokanecity.org>
Subject: Re: McKinley Projects of Citywide Significance Incentive

[CAUTION - EXTERNAL EMAIL - Verify Sender]

Hi Teri,

Thanks for sending over this information. We have a few questions.

We don't quite understand where the \$381k revenue number is being generated from. Can you clarify?

Realistically, our retail job creation will be closer to 75 employees (half of the 150 stated in the matrix). 250 for professionals is about right since we have a significant amount of office space.

Brownfield Redevelopment: Would our project qualify since we have remediated asbestos and will be remediating more (roof shingle tiles)? We're also working to purchase the Beck's Radiator site which has contaminated soils - that will be remediated also.

Innovative Site Design: Our plan includes the planting of mature trees to create a park-like feeling, in addition to creating outdoor spaces for the restaurants and ultimately residential construction that will happen on the western portion of the site.

Is a brewery or distillery considered a Manufacturing activity?

Tourism: We anticipate being very engaged in marketing this project to visitors of Spokane, similar to how McMenamin's on the westside of the state and Oregon pull visitors from all over to their projects. McKinley is going to be a destination that can help bolster Spokane's image.

Thanks,
Steve

On Wed, Jul 24, 2019 at 11:06 PM Rob Brewster <rob.brewster@gmail.com> wrote:

Thanks for your help Teri! Steve and I will review this tomorrow.

On Jul 24, 2019, at 2:10 PM, Stripes, Teri <tstripes@spokanecity.org> wrote:

Rob,

Based upon the details below, your application, current property assessments, and assuming you'll take Special Valuation property tax credits in the future. I've come up with the following as an additional incentive for Projects of Citywide Significance of \$163,665.

This will be above the Special Valuation and any GFCs that have been waived. If you'd look over the attached score sheet and the table below and let me know if you agree with what I've come up with, I'll then turn this into a staff report (similar to the sample one I sent you) for the review committee's approval or changes.

<image006.png>

P.S. Choose Spokane ChooseSpokane.org

<image002.jpg>

Teri Stripes | City of Spokane | Planning & Development Services
509.625.6597 | fax 509.625.6013 | tstripes@spokanecity.org

<image003.png> <image004.png> <image005.png>

"I've learned that people will forget what you said, people will forget what you did, but people will never forget how you made them feel." ~Maya Angelou

From: Rob Brewster <rob.brewster@gmail.com>
Sent: Thursday, July 11, 2019 11:56 AM
To: Stripes, Teri <tstripes@spokanecity.org>
Cc: Steve DeWalt <steve.l.dewalt@gmail.com>
Subject: Re: McKinley Projects of Citywide Significance Incentive

[CAUTION - EXTERNAL EMAIL - Verify Sender]

Here are some answers. Let me know what else you need.

On Jul 9, 2019, at 4:51 PM, Stripes, Teri <tstripes@spokanecity.org> wrote:

Steve, I returned your call but your mailbox is full and couldn't accept my voicemail.

To work on the economic analysis, I need to understand a little of what your business plan is.

- How many square feet of office, retail, restaurant, and/or housing.

the total building sf is 46,000 sf. There is roughly 12,000 sf office on 4, 12,000 sf on 3, 6,000 sf of office on 2 and 6,000 sf of retail, and 10,000 sf of retail on the lower level.

- How many employees you are projecting for which use and the retail sales per square foot you are projecting. If you have a tenant lined up maybe they know how many tables or how many sales per square foot and their salary scale...

Easily 150 in the restaurants and bars. The office space would be another 200-300.

- What will the wages of the employees be.

Restaurantes minimum wage typically. The others are going to be the \$35,000 - \$120,000 range. depends on the office use

You can look to the attached staff report for the Wonder Building to see examples of the projections that are needed.

Then if you have utility costs built into your per forma send that my way too.

We estimate that we'd have about \$2 per sf for utilities.

I also need to know if you are still planning on housing and how many units.

We want to do housing on the same site. We are planning 4 buildings with about 40 units per building.

I need to know that you'll be able to plan on bidding out the right-of-way work and paying state prevailing wages – see the attached development agreement for those contract requirements.

We'd have to do that on public right of way, right?

P.S. Choose Spokane ChooseSpokane.org

<image001.jpg>

Teri Stripes | City of Spokane | Planning & Development Services
509.625.6597 | fax 509.625.6013 | tstripes@spokanecity.org

<image002.png> <image003.png> <image004.png>

"I've learned that people will forget what you said, people will forget what you did, but people will never forget how you made them feel." ~Maya Angelou

From: Stripes, Teri

Sent: Tuesday, July 9, 2019 7:30 AM

To: Robert C. Brewster Jr. <rob.brewster@gmail.com>; 'Steve DeWalt' <steve.l.dewalt@gmail.com>

Subject: FW: McKinley Projects of Citywide Significance Incentive

Rob and Steve, I need to know, ASAP, if you will be providing the extra details needed for me to proceed with the Projects of Citywide Significance Incentive economic analysis or if you've decided that the incentive is not applicable to your project.

P.S. Choose Spokane ChooseSpokane.org

<image001.jpg>

Teri Stripes | City of Spokane | Planning & Development Services
509.625.6597 | fax 509.625.6013 | tstripes@spokanecity.org

<image002.png> <image003.png> <image004.png>

"I've learned that people will forget what you said, people will forget what you did, but people will never forget how you made them feel." ~Maya Angelou

From: Stripes, Teri

Sent: Monday, June 24, 2019 7:54 AM

To: 'Steve DeWalt' <steve.l.dewalt@gmail.com>; Robert C. Brewster Jr. <rob.brewster@gmail.com>

Subject: RE: McKinley Projects of Citywide Significance Incentive

The Project of Citywide Significance you applied for is above and beyond all the other incentives and only requires state prevailing wages on the eligible public right of way improvements. Here is a short list of what's eligible for partial reimbursement in the right-of-way: engineering and design, permits, water, sewer, sidewalk, street trees, curb cuts, public art, pedestrian lighting, paving...

This project will be eligible for

- Historic tax credit – Special Valuation
- GFC Waiver for Water, Sewer, Fire line taps (automatic when permits are pulled)
- Urban Utility Installation Assistance – up to \$40,000 in utility right-of-way assistance (requires an application and prevailing wages too)

Projects of Citywide Significance (PCS) projects are scored based upon the returned community value and tax revenue value, then the above mentioned incentives considered are not duplicated by the PCS award. Please see the attached Wonder Building Staff report it is similar to what McKinley may expect.

To properly evaluate and score McKinley we'll need to work closely, so I can understand the types of jobs, wages, the amount of retail sales the project may generate, and what the utility usages may be. These are all projection and assumptions but they do need to be based upon your plans and pro forma if possible.

Once, I have some of those numbers, I'm able to conduct the economic analysis on my end, write a staff report and make recommendations, like you see in the attached Wonder Building report. Then we will enter into a Development Agreement (term is 3yrs) Development Agreement template is attached.

Let me know if you want to proceed with the PCS incentive ASAP please. Your application was received fourth in line (funding is expired), but there are others who want to use the incentive if you cannot.

P.S. Choose Spokane ChooseSpokane.org

<image001.jpg>

Teri Stripes | City of Spokane | Planning & Development Services
509.625.6597 | fax 509.625.6013 | tstripes@spokanecity.org

<image002.png> <image003.png> <image004.png>

"I've learned that people will forget what you said, people will forget what you did, but people will never forget how you made them feel." ~Maya Angelou

From: Steve DeWalt <steve.l.dewalt@gmail.com>

Sent: Thursday, June 20, 2019 2:35 PM

To: Robert C. Brewster Jr. <rob.brewster@gmail.com>

Cc: Stripes, Teri <tstripes@spokanecity.org>

Subject: Re: McKinley Projects of Citywide Significance Incentive

Teri,

We are trying to understand the scope of these incentives. We don't want to unnecessarily trigger prevailing wage on the project if the incentives are small. We don't know what the trigger points are. Do you?

Are the incentives beyond the property tax abatement (which doesn't trigger prevailing wage)? Do they include utility connections? Sidewalks? We would like to have the sidewalks updated around the rest of the site if possible. We will

also have to have a lot of parking onsite - are there incentives to pay for onsite parking?

Thanks for the help!

Steve

On Jun 20, 2019, at 2:26 PM, Robert C. Brewster Jr.
<rob.brewster@gmail.com> wrote:

When's the deadline for this?

On Jun 12, 2019, at 7:11 AM, Stripes, Teri
<tstripes@spokanecity.org> wrote:

For any public right-of-way work, which is the only work we can put the partial reimbursement towards. Depending upon the projects score here is a short list of what's eligible for partial reimbursement in the right-of-way: engineering and design, permits, water, sewer, sidewalk, street trees, curb cuts, public art, pedestrian lighting, paving ...

P.S. Choose Spokane ChooseSpokane.org

<image001.jpg>

Teri Stripes | City of Spokane | Planning & Development Services

509.625.6597 | fax 509.625.6013

| tstripes@spokanecity.org

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"I've learned that people will forget what you said, people will forget what you did, but people will never forget how you made them feel." ~Maya Angelou

From: Rob Brewster <rob.brewster@gmail.com>

Sent: Tuesday, June 11, 2019 5:20 PM

To: Stripes, Teri <tstripes@spokanecity.org>

Subject: Re: McKinley Projects of Citywide Significance Incentive

Do you know if prevailing wage would be required for the entire project? What's the potential value of the incentive?

Thanks!

Rob

On Jun 11, 2019, at 7:49 AM, Stripes, Teri
<tstripes@spokanecity.org> wrote:

Steve and Rob, I cannot move the application forward for economic analysis and scoring without the additional details I requested back in May. If this information is not readily available or you cannot meet the prevailing wage requirement can you please let me know so another project can be considered for the incentive instead...

Thanks

Teri

P.S. Choose

Spokane ChooseSpokane.org

<image001.jpg>

Teri Stripes | City of Spokane | Planning & Development Services

509.625.6597 | fax 509.625.6013

| tstripes@spokanecity.org

<image002.png> <image003.png> <image004.png>

"I've learned that people will forget what you said, people will forget what you did, but people will never forget how you made them feel."~Maya Angelou

From: Stripes, Teri

Sent: Thursday, May 16, 2019 11:50 AM

To: 'Steve DeWalt'

<steve.l.dewalt@gmail.com>;

'rob.brewster@gmail.com'

<rob.brewster@gmail.com>

Subject: FW: Projects of Citywide Significance Incentive

Importance: High

Have you gotten any of the details I request in my message below? Or, do you have any questions?

Let me know,

Teri

P.S. Choose

Spokane ChooseSpokane.org

<image001.jpg>

Teri Stripes | City of Spokane | Planning & Development Services

509.625.6597 | fax 509.625.6013

| tstripes@spokanecity.org

<image002.png> <image003.png> <image004.png>

"I've learned that people will forget what you said, people will forget what you did, but people will never forget how you made them feel."~Maya Angelou

From: Stripes, Teri
Sent: Thursday, May 9, 2019 8:21 AM
To: 'Steve DeWalt'
<steve.l.dewalt@gmail.com>;
'rob.brewster@gmail.com'
<rob.brewster@gmail.com>
Subject: Projects of Citywide
Significance Incentive
Importance: High

Steve and Rob,
I'm going to begin the economic positioning analysis on the applications received by the 4/30/2019 due date. Your application was the fourth received. The program's remaining funds are finite and applications will be awarded in the order of received. The economic positioning analysis determines the value of the award. I have attached an example staff report and contract from a similar project. Are you still planning on housing? Today's analysis now adds points in the scoring for housing that the example did not include, so I've also attached the new scoring sheet. This score sheet helps inform the economic positioning.

If you have a project pro forma that speaks to your employees (site management) and tenant employees, utility costs, property taxes (including Historic tax credits and Special Valuation Incentive), retail sales projection, etc. please send it. It will give me some actual projections to use in the analysis instead of using industry standards.

Because your project is already under construction, I do want to call out that for the public right-of-way work to be

eligible for this incentive you will be required to document that laborers working on the eligible ROW improvements are paid Prevailing Wage. This is a critical requirement so let me know right away if that is not possible.

If by chance applications 1-3 exhaust the existing funding, I'll let you know.

Thank you,
Teri

**P.S. How are
you #hackingwashington?**

<image001.jpg>

Teri Stripes | City of Spokane | Planning &
Development Services
509.625.6597 | fax 509.625.6013
| tstripes@spokanecity.org

<image002.png> <image003.png> <image004.png>

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<2019 Financial Eval matrix.pdf>

<PCS Staff Report Packet_Wonder Building_8-16-2017.pdf>

<CLK - OPR - Agenda Contracts - 5-29-2018.pdf>

<PCS Staff Report_Wonder Bread BuildingP_8-16-2017_Signed_Scanned.pdf><Development Agreement Template (12-21-2018).docx>

<2019 McKinley Financial Eval matrix.pdf>

Parcel Information



Data As Of: 8/9/2019

Parcel Number: 35163.3001
 Site Address: 120 N MAGNOLIA ST

Parcel Image



Owner Name: SCHOOL YARD BILLY, LLC
 Address: 1157 FEDERAL AVE E, SEATTLE, WA, 98102-4314

Taxpayer Name: SCHOOL YARD BILLY LLC
 Address: 1157 FEDERAL AVE E, SEATTLE, WA, 98102-4314

Site Address

Parcel Type	Site Address	City	Land Size	Size Desc.	Description	Tax Year	Tax Code Area	Status
R	120 N MAGNOLIA ST	SPOKANE	108750	Square Feet	Storage/Dist Warehouse	2019	0010	Active

Assessor Description
 SUB OF SEC 16 BLK 69

Appraisal

Parcel Class	Appraiser	Neighborhood Code	Neighborhood Name	Neighborhood Desc	Appraiser Name	Appraiser Phone
51 Wholesale	110	501340	AS340		Samantha	477-5910

Assessed Value

Tax Year	Taxable	Total Value	Land	Dwelling/Structure	Current Use Land	Personal Prop.
2019	847,690	847,690	244,690	603,000	0	0
2018	836,590	836,590	244,690	591,900	0	0
2017	648,690	648,690	244,690	404,000	0	0
2016	638,690	638,690	244,690	394,000	0	0
2015	635,190	635,190	244,690	390,500	0	0

Characteristics

Dwelling/ Structure	Year Built	Gross Living Area	Size	Type	House Type	Roof Material	Heat	Cool	Bedroom	Half Bath	Full Bath
Manufactured Home	1988	NA	0 SF	01 Double Wide	Comp eh medium	Forced hot air	None	0	0	0	1
Commercial/ Structure	Appraiser	Year Built	Year Remodeled	Main Floor Size	Number of Floors						
WHSESTOR	115	1988	0	24,501	2						
WHSESTOR	115	1971	0	9,800	1						
Fencing - Chain Link	115	1971	0	1,190							
Industrial Type Canopy	115	1971	0	1,400							
Industrial Type Canopy	115	1971	0	864							
Loading Dock	115	1971	0	1,400							
Loading Dock	115	1971	0	864							
Land Number	Soil ID	Acres	Sq Ft	Frontage	Depth	Lot(s)					
1	ID15	2.50	108,750	0	0	0					

Sales

Sale Date	Sale Price	Sale Instrument	Excise Number	parcel
01/04/2017	103,000.00	Easement	201702789	35163.3001
08/17/2016	950,000.00	Statutory Warranty Deed	201612711	35163.3001
11/04/1995	0.00	MULTIPLE COMMERCIAL SALE		35163.3001

Property Taxes

Taxes are due April 30th and October 31st

Total Charges Owning: \$42,847.84

Tax Year	Charge Type	Annual Charges	Remaining Charges Owning
Total Taxes for 2019		10,218.49	10,218.49
2019	AVV Property Tax	10,110.27	10,110.27
2019	Interest & Penalties	101.17	101.17
2019	Soil Conservation Principal CNSV1	5.25	5.25
2019	Weed Control Principal WCWEED1	1.80	1.80
Total Taxes for 2018		14,407.90	14,407.90
2018	AVV Property Tax	11,612.38	11,612.38
2018	Interest & Penalties	2,798.47	2,798.47
2018	Soil Conservation Principal CNSV1	5.25	5.25
2018	Weed Control Principal WCWEED1	1.80	1.80
Total Taxes for 2017		12,033.29	12,033.29
2017	AVV Property Tax	8,841.10	8,841.10
2017	Interest & Penalties	3,185.14	3,185.14
2017	Soil Conservation Principal CNSV1	5.25	5.25
2017	Weed Control Principal WCWEED1	1.80	1.80
Total Taxes for 2016		10,640.13	6,188.17
2016	AVV Property Tax	8,896.88	4,448.44
2016	Interest & Penalties	1,736.20	1,736.20
2016	Soil Conservation Principal CNSV1	5.25	2.63
2016	Weed Control Principal WCWEED1	1.80	0.90

Tax Receipts

Tax Year	Receipt Number	Receipt Date	Receipt Amount
2016	6800881	04/28/2016	4,451.96

Disclaimer

We are pleased to give you online access to the Assessor's Office and Treasurer's Office property tax and valuation information. While we make every effort to produce and publish the most current and accurate information possible, portions of this information may not be current or correct. Neither Spokane County, the Assessor, nor the Treasurer makes any warranty, express or implied, with regard to the accuracy, reliability, or timeliness of information in this system, and shall not be held liable for losses caused by using this information. Any person or entity that relies on any information obtained from this system, does so at his or her own risk. Please feel free to contact us about any error you discover or to give comments and suggestions. Call the Assessor's Office at (509) 477-3698 or the Treasurer's Office at (509) 477-4713.

RCW 42.56.070 (9) prohibits the release of lists of individuals requested for commercial purposes. The requester expressly represents that no such use of any such list will be made by the user or its transferee(s) or vendee(s). I understand, acknowledge, and accept the statements above, and agree to adhere to the prohibitions listed in RCW 42.56.070 (9).

CITY OF SPOKANE —
PLANNING & DEVELOPMENT SERVICES DEPARTMENT
Application for Citywide Significant Incentives

NOTE TO APPLICANT: Please answer each question completely. If more space is needed, attach additional paper. If you have any questions about this application, do not understand the questions, or need additional information regarding regulations or policies of the City of Spokane, city staff will be happy to assist you.

Applicant: Robert Brewster & Steve DeWalt Relation to Property Owner Manager
Applicant's Address 518 W Riverside Ave, Spokane, WA 99201
Applicant's Phone # (206) 304-3964 Applicant's email address rob@iudevelopment.com
Property Owner(s) Schoolyard Billy, LLC steve@iudevelopment.com
Property Owner's Mailing Address 2200 6th Ave, Ste 1250, Seattle, WA, 98101

Will the existing owners be the owner/operator of the property and/or business following construction ☒ yes ☐ no

If not, who is the project being developed for? _____

Property Address: 120 N Magnolia Street, Spokane, WA Parcel number(s): 35163.3001

Legal Description (Attach additional sheets if needed): Block 69, Amended Map of School Section 16, Township 25 North, Range 43 East of the Willamette Meridian, According to Plat recorded in Volume "D" of Plats, Page 100, in the City of Spokane, Spokane County, Washington.

PROJECT INFORMATION

Project Name: McKinley School Date Application Completed: 4/30/2019

[] New Construction: # of square feet: 46,000 # of stories 4

[X] Rehabilitation of Existing Structure: # existing square feet: 46,000 # additional square feet added: 0

What was the prior use? School and storage facility How many prior employees? Unknown

Were there prior retail sales? No.

Type of development ☒ Manufacturing ☒ Office ☒ Retail ☐ Housing ☒ Mixed use ☐ Other

Other description _____

If retail or mixed use with retail, do you have a verifiable estimate on the projected annual retail sales? ☐ yes ☒ no

If yes, what is the estimate and how can it be verified? _____

If no, provide an average annual sales per square foot estimate, using published industry data for the retail sector nearest to the type proposed. "ICSC - Shopper Spending and Sales/Sqft - Annual Report" www.icsc.org What is that estimate? _____
Limited-service Restaurant: \$300 - \$400 / sf / year

Estimated total expenditures in the rehabilitation or construction of the entire project: \$ 9,000,000

Description of project(s)' basic features and any other unique features that relate to the evaluation matrix criteria (Attach additional sheets if necessary): Adaptive renovation of the historic McKinley elementary school.
The four-story building is a prominent element of the surrounding neighborhood.

Est. Construction to begin (date) September 2019 Construction completion March 2021

☒ "Before" photos provided electronically.

☒ Site and building plans provided electronically

Will the construction of the project be phased? ☒ no ☐ yes If yes, what will be constructed in each phase and when?

JOB CREATION

How many fulltime permanent employment positions will the project create? (list the fields and the number of jobs in each field)

Retail (restaurant, coffee, etc): 20 estimated positions

Office: 250 est. positions based on office sqft (~24,000 sf office + possible coworking)

Manufacturing (coffee roasting, brewing, etc): 6 - 10 estimated positions

What will be the hourly and/or annual wages of each position be? If you don't have verifiable job and wage information for the business(s) to be located in the project, then use the latest published data from the Washington State Employment Securities Department Occupational Employment and Wage Estimates for the Spokane MSA.

<https://fortress.wa.gov/esd/employmentdata/reports-publications/occupational-reports/occupational-employment-and-wage-estimates>.

Retail: \$15 / hour and higher. Office: \$35,000 to \$80,000 annually.

Manufacturing: \$25 to \$35 / hour.

AFFIRMATION

Initial each statement below:

SD As owner(s) of the property described in this application, I hereby declare under penalty of perjury under the laws of the State of Washington that this application for Incentives and any accompanying documents have been examined by me and that they are true, correct, and complete to the best of my knowledge.

SD The applicant acknowledges that completing and submitting this application is not a guarantee of any specific financial incentive.

SD This application will be used by staff to determine if a project meets the definition of a "Project of Citywide Significance." Additional information may be required for review of project qualifications for incentives.

SD Any incentive that the applicant may receive will require a Development Agreement between the Applicant and the City that will not be valid until it is approved by City Council and signed by the Mayor.

SD Following the approval of the Development Agreement, the original is required to be recorded at the County. At that time, the recording fees for the filing and recording of "Development Agreement" will need to be paid to the City of Spokane by the Applicant.

Signed at SPOKANE, Washington, this 30th day of APRIL 2019.

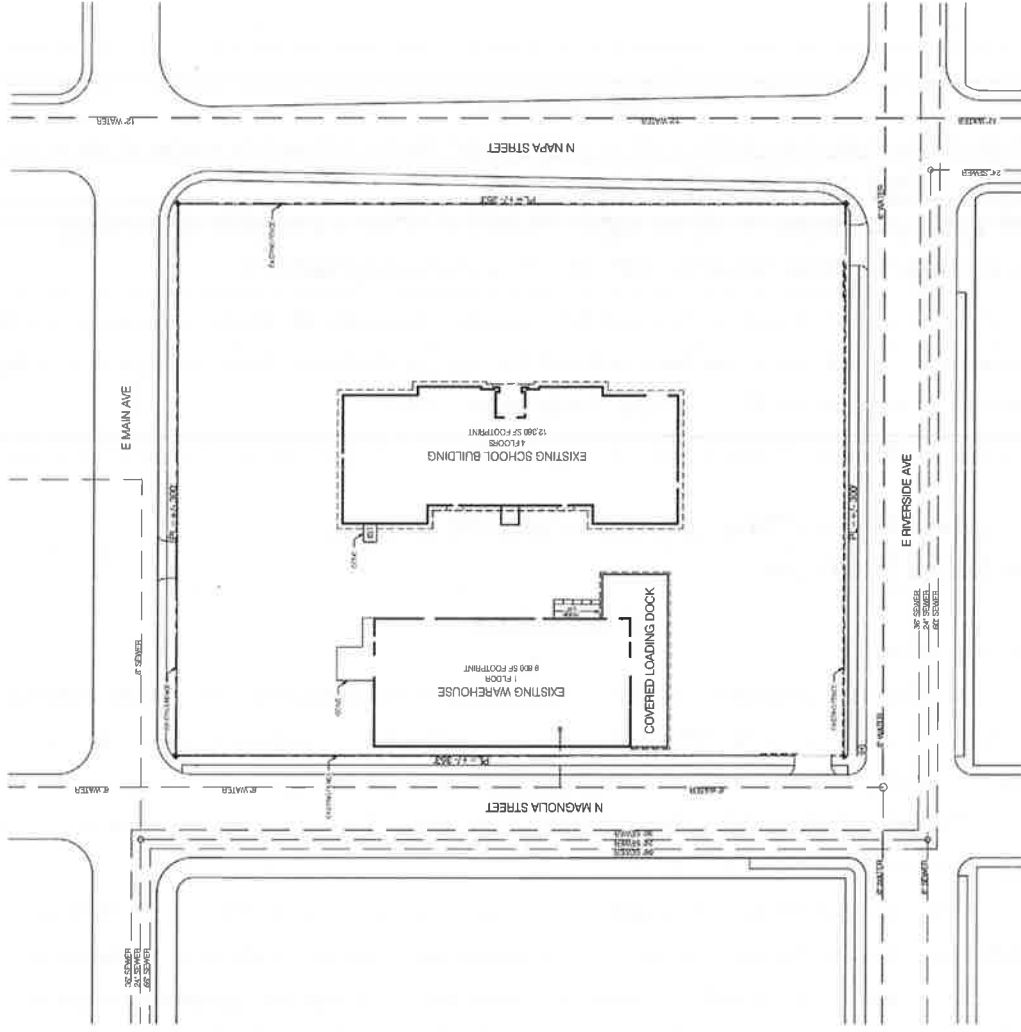
Signature(s) of all Owner(s) and Contract Purchaser(s)

Sam DeWalt

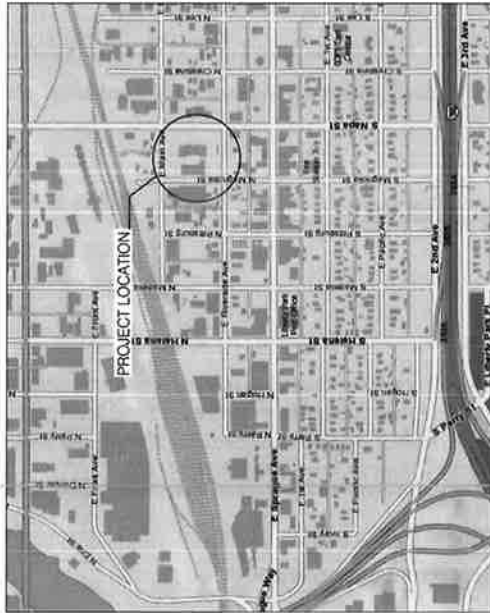
Project of Citywide Significance: A single private development project which entails the development, construction or physical improvement to real property located within the City of Spokane which equals or exceeds \$5 million in value, not including the value of the property itself, for which there is evidence that such project will provide significant public benefits as such term is defined in the Administrative Policy adopted by Council Resolution 2016-0036.

For Staff Use Only:

- | | |
|---|--|
| <input type="checkbox"/> Application signed by owner(s) and contract purchaser(s) | <input type="checkbox"/> Site/Building plans received electronically |
| <input type="checkbox"/> Before photos received electronically | <input type="checkbox"/> Zoning |
| <input type="checkbox"/> GIS Map | <input type="checkbox"/> Right-of-way requirements |
| <input type="checkbox"/> Utility requirements | <input type="checkbox"/> SEPA |
| <input type="checkbox"/> Study requirements | <input type="checkbox"/> Taxable value |
| <input type="checkbox"/> Assessed value | <input type="checkbox"/> Age of existing structures |
| <input type="checkbox"/> Plan/District implementation | <input type="checkbox"/> State and Federal incentives |



EXISTING SITE PLAN
NOTE: ALL SITE MEASUREMENTS ARE APPROXIMATE AND ARE FOR ILLUSTRATIVE PURPOSES ONLY. IN NO WAY DOES THIS DOCUMENT REPRESENT OR CONSTITUTE LAND SURVEY.
SEE CIVIL ENGINEERING PLAN FOR PROPOSED SITE MODIFICATIONS.



VICINITY MAP

PROJECT TEAM

ARCHITECT

STUDIO TRISKELE
8333 NORTH ATWOOD DRIVE
HAYDEN, IDAHO 83835
CONTACT: SCOTT BALLARD, AIA
208.640.4292

BUILDING OWNER

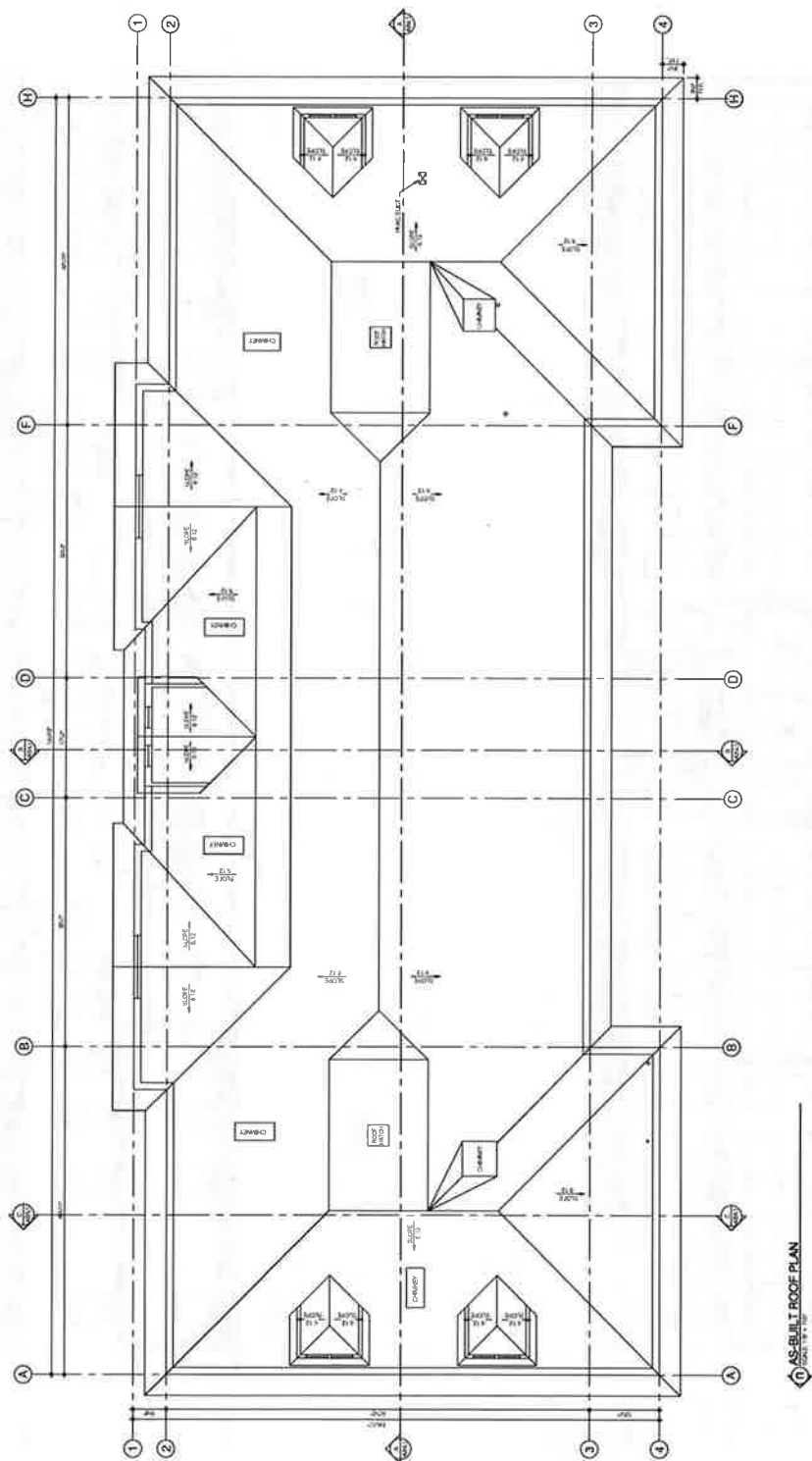
INTERURBAN DEVELOPMENT
1157 FEDERAL AVENUE EAST
SEATTLE, WASHINGTON 98102
CONTACT: ROB BREWSTER
ROB@INTERURBANDEVELOPMENT.COM

[illegible]

McKinley School
117 NORTH NAPA STREET
SPOKANE, WA 99202
PARCEL #: 35163.3001

PROJ. #	16-0029
DRAWN BY	J
CHECKED BY	-
DATE	8.15.16

AB2.4

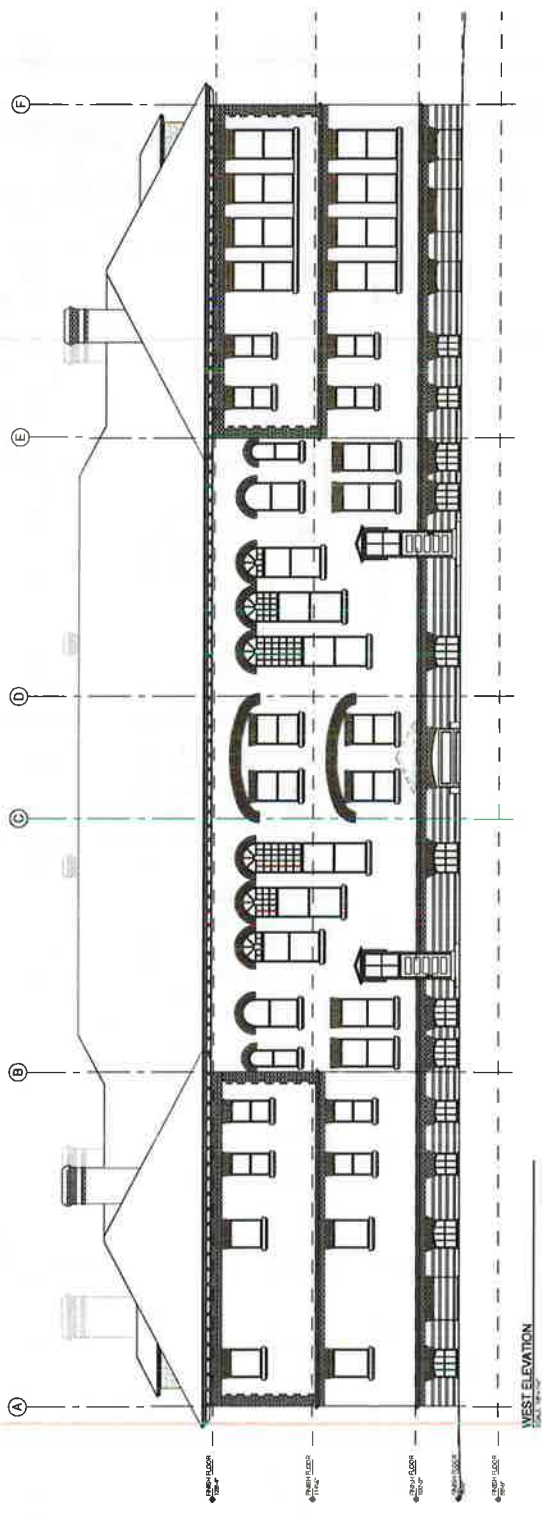
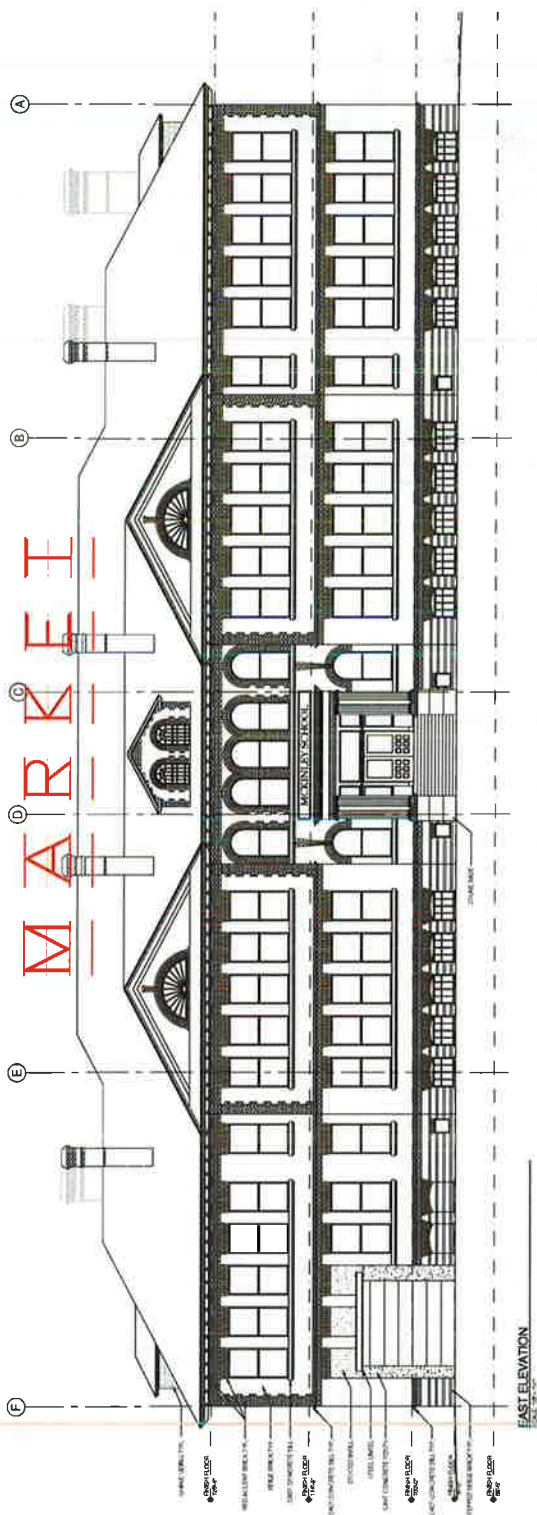


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McKinley School
117 NORTH NAPA STREET
SPOKANE, WA 99202
PARCEL #:35163.3001

PROJ. #	10.000
DRAWN	L
CHECKED	
DATE	8.12.14

AB3.1

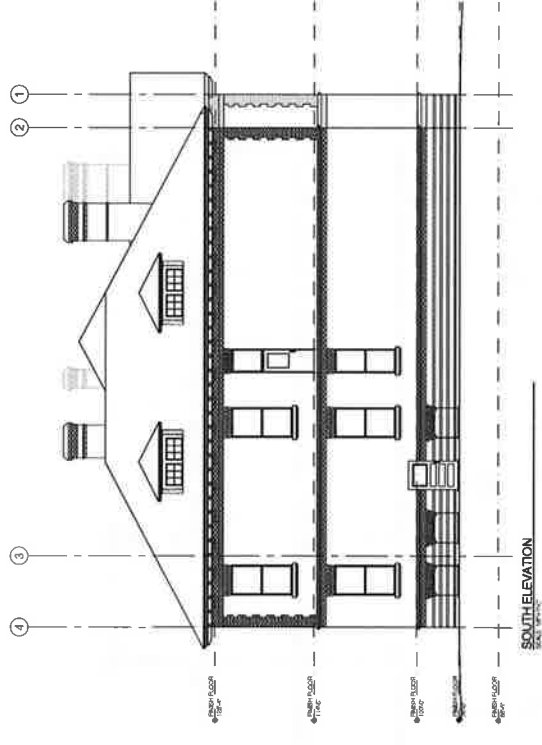
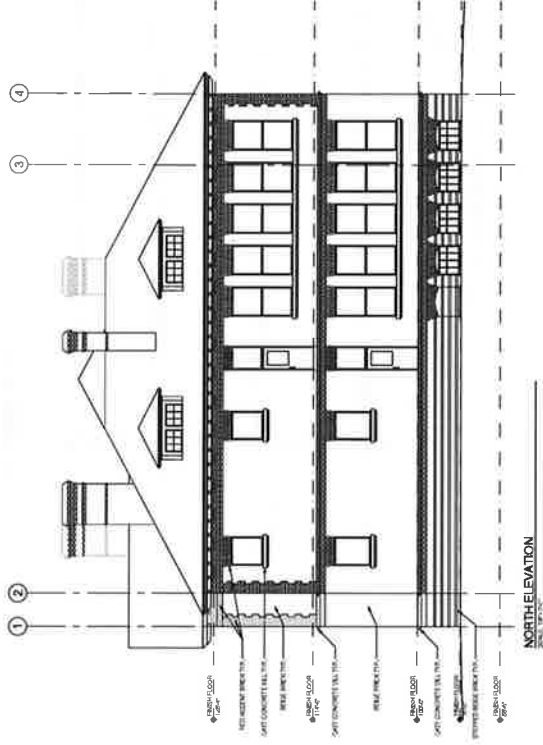


NO.	DATE	DESCRIPTION
1	01/15/2021	PRELIMINARY
2	02/10/2021	REVISED
3	03/05/2021	REVISED
4	04/01/2021	REVISED
5	05/01/2021	REVISED
6	06/01/2021	REVISED
7	07/01/2021	REVISED
8	08/01/2021	REVISED
9	09/01/2021	REVISED
10	10/01/2021	REVISED
11	11/01/2021	REVISED
12	12/01/2021	REVISED

McKinley School
 117 NORTH NAPA STREET
 SPOKANE, WA 99202
 PARCEL #: 35163.3001

PROJECT	DATE	BY	CHKD
AB3.2	01/15/2021	JL	JS
AB3.2	02/10/2021	JL	JS
AB3.2	03/05/2021	JL	JS
AB3.2	04/01/2021	JL	JS
AB3.2	05/01/2021	JL	JS
AB3.2	06/01/2021	JL	JS
AB3.2	07/01/2021	JL	JS
AB3.2	08/01/2021	JL	JS
AB3.2	09/01/2021	JL	JS
AB3.2	10/01/2021	JL	JS
AB3.2	11/01/2021	JL	JS
AB3.2	12/01/2021	JL	JS

AB3.2
 AS-BUILT ELEVATIONS
 ELEVATIONS



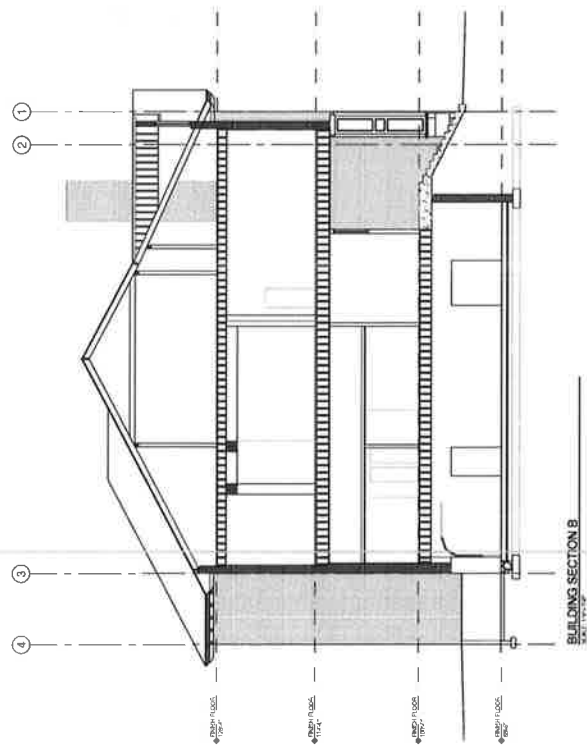
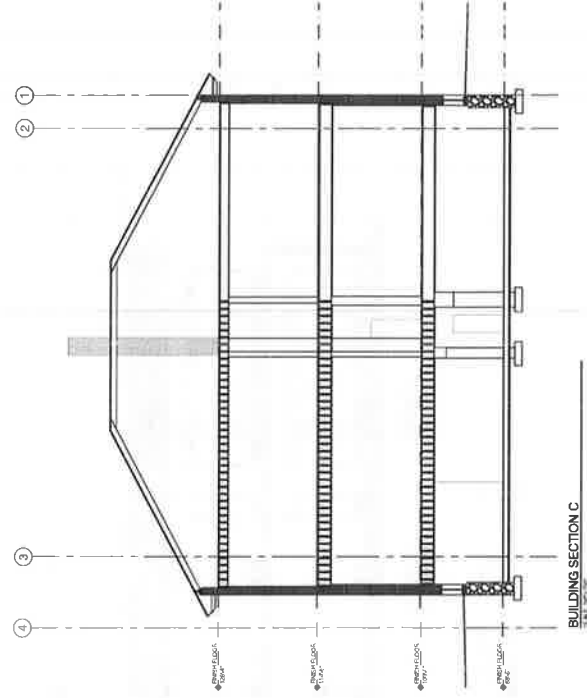
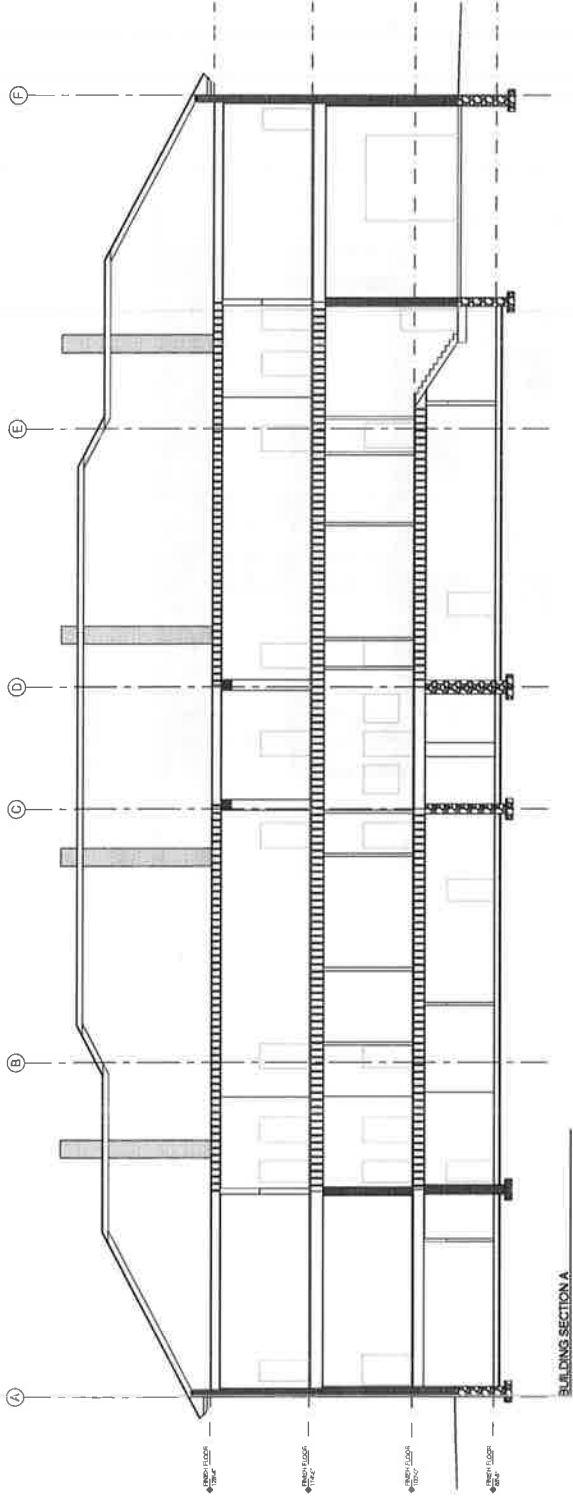
NO.	DESCRIPTION	DATE	BY	CHKD
1	ISSUED FOR PERMIT	04/15/18	MM/LL	MM/LL
2	REVISIONS			
3				
4				
5				
6				
7				
8				
9				
10				

PROJECT: McKinley School
 117 NORTH NAPA STREET
 SPOKANE, WA 99202
 PARCEL #: 35163.3001

DATE: 04/15/18	BY: MM/LL
DATE: 04/15/18	BY: MM/LL

AB4.1

AS-BUILT SECTIONS



AS-BUILT BASEMENT FLOOR PLAN
SCALE: 1/8" = 1'-0"

[illegible]

Mckinley School
117 NORTH NAPA STREET
SPOKANE, WA 99202
PARCEL #:35163.3001

PROJ. #	14,000
ISSUING	U
CHECKED	✓
DATE	8/15/94

AB2.0

AS-BUILT FLOOR PLAN
BASEMENT



NO.	REVISION	DATE
1	ISSUED FOR PERMIT	08.15.18
2	ISSUED FOR PERMIT	08.15.18
3	ISSUED FOR PERMIT	08.15.18
4	ISSUED FOR PERMIT	08.15.18
5	ISSUED FOR PERMIT	08.15.18
6	ISSUED FOR PERMIT	08.15.18
7	ISSUED FOR PERMIT	08.15.18
8	ISSUED FOR PERMIT	08.15.18
9	ISSUED FOR PERMIT	08.15.18
10	ISSUED FOR PERMIT	08.15.18
11	ISSUED FOR PERMIT	08.15.18
12	ISSUED FOR PERMIT	08.15.18
13	ISSUED FOR PERMIT	08.15.18
14	ISSUED FOR PERMIT	08.15.18
15	ISSUED FOR PERMIT	08.15.18
16	ISSUED FOR PERMIT	08.15.18
17	ISSUED FOR PERMIT	08.15.18
18	ISSUED FOR PERMIT	08.15.18
19	ISSUED FOR PERMIT	08.15.18
20	ISSUED FOR PERMIT	08.15.18

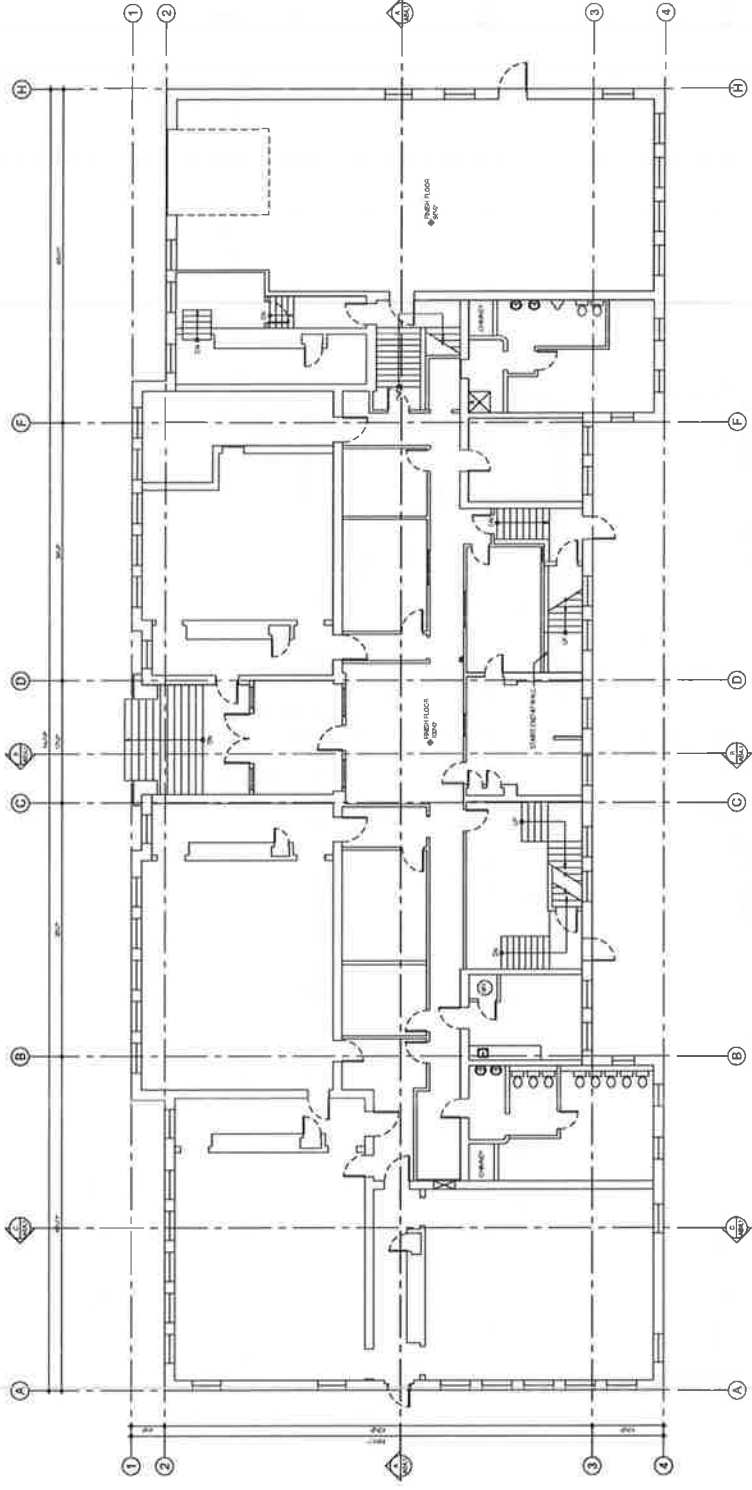
PROJECT
 MCKINLEY SCHOOL
 117 NORTH NAPA STREET
 SPOKANE, WA 99202
 PARCEL #: 35163.3001

PROJECT	MCKINLEY SCHOOL
DATE	08.15.18
DESIGNED BY	STUDIO TANGELE
CHECKED BY	STUDIO TANGELE

AB2.1

AS-BUILT FLOOR PLAN
 FIRST FLOOR

First-floor As-built



AS-BUILT FIRST FLOOR PLAN

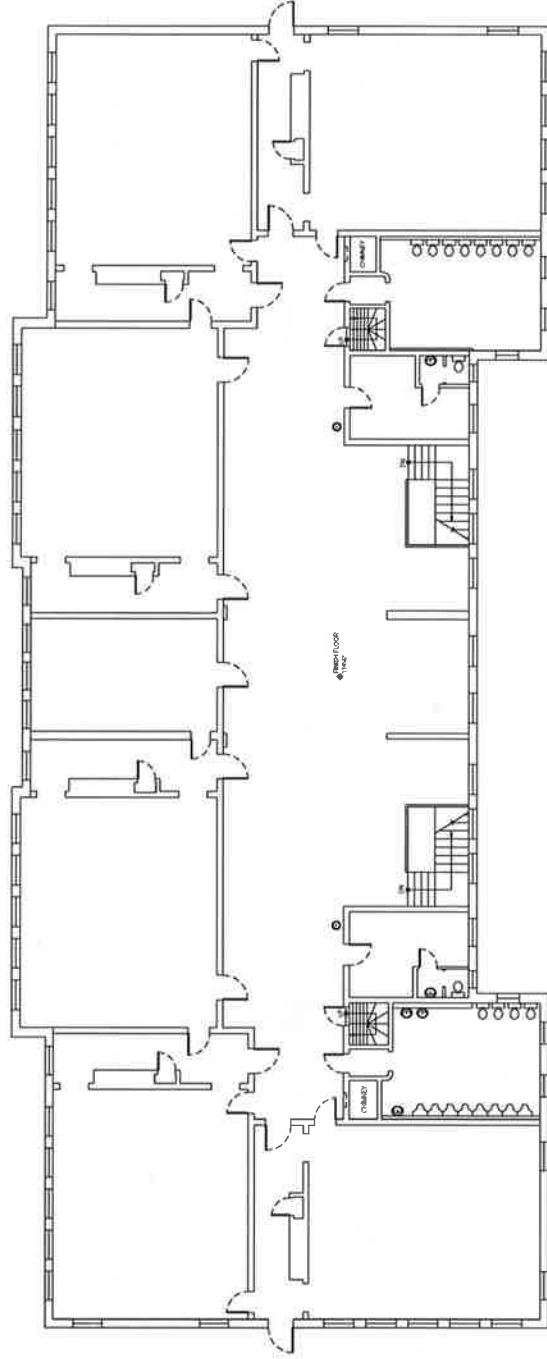
NO.	REVISION	DATE
1	ISSUED FOR PERMIT	08/14/18
2	REVISED PER COMMENTS	08/14/18
3	REVISED PER COMMENTS	08/14/18
4	REVISED PER COMMENTS	08/14/18
5	REVISED PER COMMENTS	08/14/18
6	REVISED PER COMMENTS	08/14/18
7	REVISED PER COMMENTS	08/14/18
8	REVISED PER COMMENTS	08/14/18
9	REVISED PER COMMENTS	08/14/18
10	REVISED PER COMMENTS	08/14/18
11	REVISED PER COMMENTS	08/14/18
12	REVISED PER COMMENTS	08/14/18
13	REVISED PER COMMENTS	08/14/18
14	REVISED PER COMMENTS	08/14/18
15	REVISED PER COMMENTS	08/14/18
16	REVISED PER COMMENTS	08/14/18
17	REVISED PER COMMENTS	08/14/18
18	REVISED PER COMMENTS	08/14/18
19	REVISED PER COMMENTS	08/14/18
20	REVISED PER COMMENTS	08/14/18

McKinley School
 117 NORTH NAPA STREET
 SPOKANE, WA 99202
 PARCEL #: 36163.3001
 PROJECT: 23306

DATE	10/03/18
SCALE	1" = 12'-0"
DATE	08/14/18
DATE	08/14/18

AB2.2
 AS-BUILT FLOOR PLAN
 SECOND FLOOR

Second-floor As-built



10 AS-BUILT SECOND FLOOR PLAN
 CONTINUED

AS-BUILT ATTIC FLOOR PLAN
SCALE: 1/8" = 1'-0"

McKinley School
117 NORTH NAPA STREET
SPOKANE, WA 99202
PARCEL #: 35163.3001

PROJ. # 15.000
DRAWING 1
CHECKED: 3.15.14
DATE:

AB2.3

AS-BUILT FLOOR PLAN
ATRC



STUDIO TRUSKELE
Architecture / Planning
Clear & Honest. 2000+.

Scott Ballard Architects
203.944.4000
ballard@scottballard.com

[illegible]

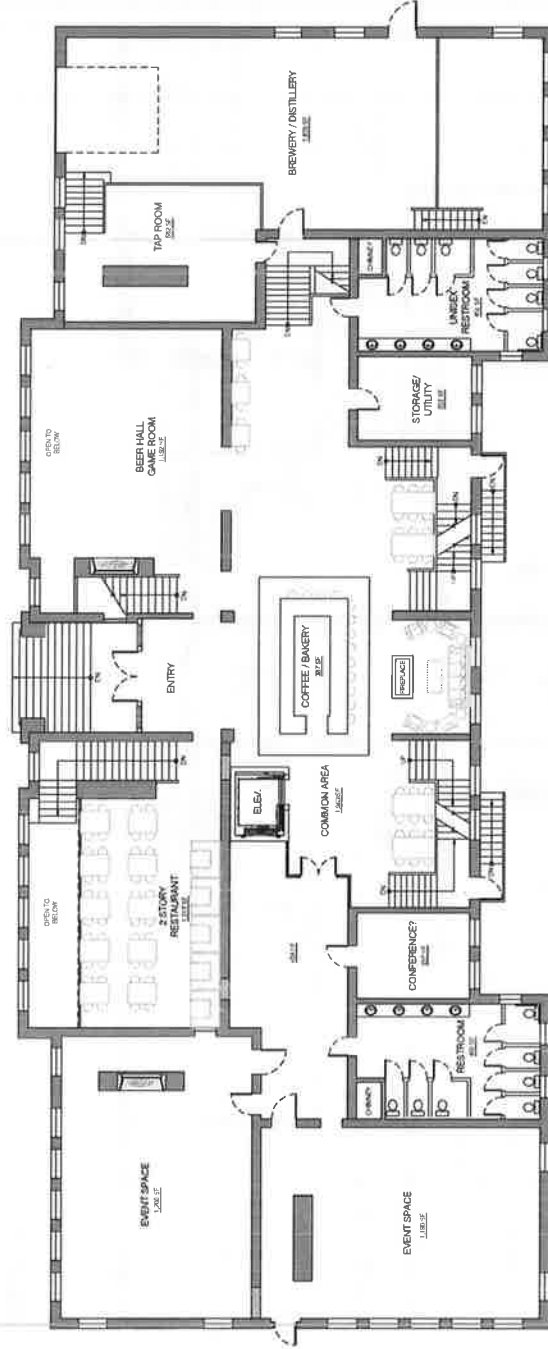
[illegible]

McKinley School
117 NORTH NAPA STREET
SPOKANE, WA 99202
PARCEL #:35163.3001

A2.0

**BASEMENT
FLOOR PLAN**

First-floor Test-fit



1. FIRST FLOOR PLAN



REVISION	DATE	BY	DESCRIPTION
1	10/10/17	JK	ISSUED FOR PERMIT
2	10/10/17	JK	ISSUED FOR PERMIT
3	10/10/17	JK	ISSUED FOR PERMIT
4	10/10/17	JK	ISSUED FOR PERMIT
5	10/10/17	JK	ISSUED FOR PERMIT
6	10/10/17	JK	ISSUED FOR PERMIT
7	10/10/17	JK	ISSUED FOR PERMIT
8	10/10/17	JK	ISSUED FOR PERMIT
9	10/10/17	JK	ISSUED FOR PERMIT
10	10/10/17	JK	ISSUED FOR PERMIT

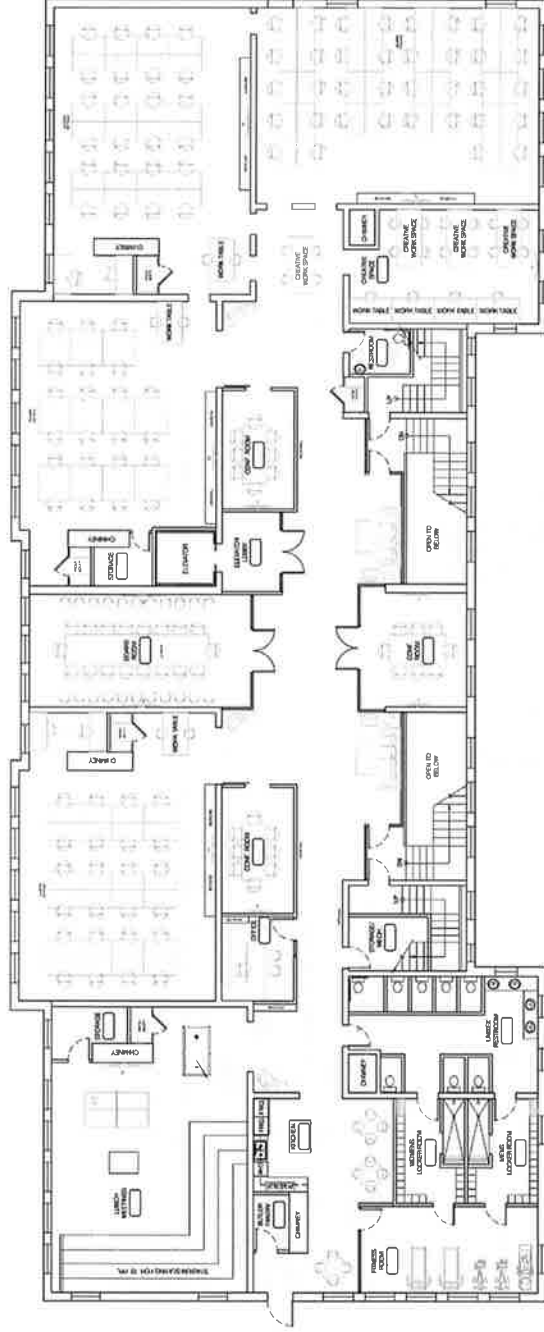
PROJECT:
McKinley School
117 NORTH NAPA STREET
SPOKANE, WA 99202
PARCEL #: 35163.3001

REVISION	DATE	BY	DESCRIPTION
1	10/10/17	JK	ISSUED FOR PERMIT
2	10/10/17	JK	ISSUED FOR PERMIT
3	10/10/17	JK	ISSUED FOR PERMIT
4	10/10/17	JK	ISSUED FOR PERMIT
5	10/10/17	JK	ISSUED FOR PERMIT
6	10/10/17	JK	ISSUED FOR PERMIT
7	10/10/17	JK	ISSUED FOR PERMIT
8	10/10/17	JK	ISSUED FOR PERMIT
9	10/10/17	JK	ISSUED FOR PERMIT
10	10/10/17	JK	ISSUED FOR PERMIT

A2.1

FIRST FLOOR
FLOOR PLAN

Second-floor Test-fit



SCHEMATIC SECOND FLOOR PLAN



NO.	REVISION	DATE
1	ISSUED FOR PERMIT	11.15.17
2	ISSUED FOR PERMIT	11.15.17
3	ISSUED FOR PERMIT	11.15.17
4	ISSUED FOR PERMIT	11.15.17
5	ISSUED FOR PERMIT	11.15.17
6	ISSUED FOR PERMIT	11.15.17
7	ISSUED FOR PERMIT	11.15.17
8	ISSUED FOR PERMIT	11.15.17
9	ISSUED FOR PERMIT	11.15.17
10	ISSUED FOR PERMIT	11.15.17

McKinley School
117 NORTH NAPA STREET
SPOKANE, WA 99202
PARCEL #: 35163.3001

NO.	REVISION	DATE
1	ISSUED FOR PERMIT	11.15.17
2	ISSUED FOR PERMIT	11.15.17
3	ISSUED FOR PERMIT	11.15.17
4	ISSUED FOR PERMIT	11.15.17
5	ISSUED FOR PERMIT	11.15.17
6	ISSUED FOR PERMIT	11.15.17
7	ISSUED FOR PERMIT	11.15.17
8	ISSUED FOR PERMIT	11.15.17
9	ISSUED FOR PERMIT	11.15.17
10	ISSUED FOR PERMIT	11.15.17

A2.2

SECOND FLOOR

WORK STATIONS = 110
SECOND FLOOR = 12,360 SF

ATTIC FLOOR PLAN

THIRD FLOOR

PROJECT:

A2.3

[illegible]



Agenda Sheet for City Council Meeting of:
01/06/2020

Date Rec'd	10/14/2019
Clerk's File #	RES 2020-0002
Renews #	
Cross Ref #	OPR 2020-0012
Project #	
Bid #	
Requisition #	CR PENDING

Submitting Dept	PLANNING
Contact Name/Phone	TERI STRIPES 625-6597
Contact E-Mail	TSTRIPES@SPOKANECITY.ORG
Agenda Item Type	Resolutions
Agenda Item Name	0650 - APPROVING THE FALLS, LLC REIMBURSEMENT AGREEMENT

Agenda Wording

A RESOLUTION APPROVING A DEVELOPMENT AGREEMENT BETWEEN THE CITY AND The Falls, LLC RELATING TO CERTAIN PUBLIC INFRASTRUCTURE COSTS.

Summary (Background)

The Project Review Committee's recommendation regarding The Falls, LLC RELATING incentive application was approved on August 12. Staff prepared a development agreement with The Falls, LLC RELATING, setting forth the terms and conditions for the \$300,000 incentive.

<u>Fiscal Impact</u>		Grant related? NO	<u>Budget Account</u>
		Public Works? NO	
Expense	\$ 300,000		# 1920 30210 58700 54201 99999
Select	\$		#
Select	\$		#
Select	\$		#
<u>Approvals</u>		<u>Council Notifications</u>	
<u>Dept Head</u>	TRAUTMAN, HEATHER	<u>Study Session</u>	
<u>Division Director</u>	CORTRIGHT, CARLY	<u>Other</u>	Urban Experience 12/9
<u>Finance</u>	ORLOB, KIMBERLY	<u>Distribution List</u>	
<u>Legal</u>	RICHMAN, JAMES	tstripes@spokanecity.org	
<u>For the Mayor</u>	ORMSBY, MICHAEL	lmeuler@spokanecity.org	
<u>Additional Approvals</u>		gcooley@spokanecity.org	
<u>Purchasing</u>		jrichman@spokanecity.org	
		korlob@spokanecity.org	

Briefing Paper

Urban Experience Committee

Division & Department:	Business & Neighborhood Services, Planning & Development
Subject:	McKinley and The Falls Projects of Citywide Significance and future Development Agreement
Date:	12/9/2019
Contact (email & phone):	Gavin Cooley
City Council Sponsor:	
Executive Sponsor:	Gavin Cooley
Committee(s) Impacted:	Urban Experience and Finance
Type of Agenda item:	<input checked="" type="checkbox"/> Consent <input type="checkbox"/> Discussion <input type="checkbox"/> Strategic Initiative
Alignment: (link agenda item to guiding document – i.e., Master Plan, Budget, Comp Plan, Policy, Charter, Strategic Plan)	Aligns with the Strategic Plan by providing investment in a project of citywide significance.
Strategic Initiative:	Urban Experience – Projects of Citywide Significance Incentive
Deadline:	10/9/2019
Outcome: (deliverables, delivery duties, milestones to meet)	<p>Projects of Citywide Significance Development Agreements to be drafted for providing strategic investment reimbursement for eligible public improvement costs related to the redevelopment of two projects.</p> <ul style="list-style-type: none"> • McKinley School for up to \$163,655 • The Falls for up to \$300,000
<p>Background/History: The Falls and McKinley both applied for a development incentive pursuant to the City's Projects of Citywide Significance Incentive Policy. Based on the findings of public benefits expected to result from the Project, Staff is recommending that the Project Review Committee recommended a financial incentive to be awarded to the Project and applied to eligible public improvement costs related to the Project, as outlined in Admin 0650-16-02. Council will be asked to approve the Development Agreement following the Project Review Committee's recommendation of an incentive Allowable limit of this incentive falls under \$350,000 and the Committee's scoring and recommendation will be within the allowable limits. Reasoning for the final incentive will be clearly defined in the Development Agreement prior to reimbursement.</p>	
<p>Executive Summary:</p> <ul style="list-style-type: none"> • Staff has completed with the Project Review Committee's review, scoring, and recommendation of incentive amount for the future Development Agreements for both Projects. Attached are the complete project details, Staff Report, and Committee approvals for both Projects. • Following this briefing staff will proceed to prepare a Development Agreement for Council Approval with Robert Brewster and The Falls LLC setting terms and conditions under which the incentive will be applied. • The Projects will cause both direct and indirect public benefits and can reasonably be expected to stimulate economic growth and create new jobs. • The City's incentive will be applied on a reimbursement basis to the eligible public realm improvements. 	
<p>Budget Impact:</p> <p>Approved in current year budget? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p> <p>Annual/Reoccurring expenditure? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A</p> <p>If new, specify funding source:</p> <p>Other budget impacts: (revenue generating, match requirements, etc.)</p>	

Operations Impact:

Consistent with current operations/policy?

☒ Yes ☐ No ☐ N/A

Requires change in current operations/policy?

☐ Yes ☒ No ☐ N/A

RESOLUTION NO. 2020-0002

A RESOLUTION APPROVING A DEVELOPMENT AGREEMENT BETWEEN THE CITY AND The Falls, LLC RELATING TO CERTAIN PUBLIC INFRASTRUCTURE COSTS.

WHEREAS, The Falls project is a proposed redevelopment project on the North Bank of downtown consisting of a 25 story mixed-use building with 124 residential units and 10,000SF +/- of restaurant/retail space. The project is described in the application and related attachments as a mixed-use residential tower containing 24 residential condominiums, 100 apartments, market rate project with amenities such as subterranean parking garage, and street level commercial space/restaurant (10,000SF). (the "Project"), The Falls, LLC applied for a development incentive pursuant to the City's Projects of Citywide Significance Incentive Policy. Based on the findings of public benefits expected to result from the Project, and in order to induce The Falls, LLC to construct, the Project Review Committee recommended a financial incentive of \$300,000 be awarded to the Project and applied to eligible public improvement costs related to the Project, as outlined in Admin 0650-16-02.

WHEREAS, the City Council accepted the Project Review Committee's recommendation regarding The Falls, LLC incentive application on _____ at the Urban Experience Committee meeting. Staff proceeded to prepare a development agreement with The Falls, LLC, setting forth the terms and conditions under which the \$300,000 incentive will be applied to eligible public improvements costs related to the Project, subject to final approval by Council as outlined in Admin 0650-16-02.

WHEREAS, pursuant to RCW 35.21.703, Washington's legislature has declared that it shall be in the public purpose for all cities to engage in economic development activities.

WHEREAS, Chapter 36.70A RCW, commonly known as the Growth Management Act, includes as a planning goal the encouragement of economic development and the promotion of economic opportunity for all citizens of the state.

WHEREAS, pursuant to other provisions of State law, including chapter 39.89 RCW relating to community revitalization financing, and RCW 82.02.050-.090 relating to certain development impact fees, Washington cities are authorized to participate in the cost of financing public improvements where the cities' participation will encourage private investment in the surrounding area and are further authorized, pursuant to Chapter 36.70B RCW, to enter into development agreements obligating party to fund or provide infrastructure.

WHEREAS, the Project will cause both direct and indirect public benefits and can reasonably be expected to make a significant difference in stimulating economic growth and the creation of new jobs within the City. In addition to a direct benefit to the City in terms of increased sales and property tax revenues, indirect benefits include encouraging

the revitalization and utilization of historic and older commercial buildings in the City's core, providing a mixed-use development that brings employment, and shopping activities into Spokane's west end, and contributes to the public realm by providing additional street level amenities.

WHEREAS, Development Agreements are specifically authorized by RCW 36.70B.170 through .210 and Chapter 17A.060 SMC as a proper exercise of the City's police power;

WHEREAS, the Project is consistent with the requirements of the City's Comprehensive Plan and applicable development regulations;

NOW, THEREFORE - - it is hereby resolved by the Spokane City Council;

1. The foregoing recitals and the contents of the attached Development Agreement are hereby adopted as the Council's findings in support of this Resolution.
2. The Development Agreement is hereby approved and the Mayor is hereby authorized to execute it on behalf of the City.

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

City Clerk

Approved as to form:

Assistant City Attorney

Exhibit A

Development Agreement

DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT is between the CITY OF SPOKANE, a Washington State municipal corporation, as "City", and The Falls, LLC, as "Developer", collectively referred to as the "Parties".

Recitals

A. Developer owns property located 829 W BROADWAY AVE, Parcel Number 35183.0021, in Spokane, Washington (the "Property"). A legal description of the Property is set forth in Exhibit A.

B. The Developer proposes the construction of The "The Falls" project is a proposed redevelopment project on the North Bank of downtown consisting of a 25 story mixed-use building with 124 residential units and 10,000SF +/- of restaurant/retail space. The project is described in the application and related attachments as a mixed-use residential tower containing 24 residential condominiums, 100 apartments, market rate project with amenities such as subterranean parking garage, and street level commercial space/restaurant (10,000SF). (the "Project").

C. The _ Falls project will be developed on one parcel of 98,127 square feet (2.25 acre) parcel located at 829 W BROADWAY AVE. The parcel is vacant land following the demolition of the old YWCA.

The project site and surrounding area are located in an area commonly referred to as the "North Bank" of Downtown and is in the North Bank Target Area. Surrounding area includes the Downtown, Kendal Yards, and Riverside, West Central, and Emerson Garfield Neighborhoods.

The area is attracting recent development: the Wonder Building to the north, the newly planned sports complex to the northeast, and the North Bank Riverfront Park redevelopment. The project will be served by STA's several bus routes, and at 25 stories, the "The Falls" project will be taller than the buildings in the immediate vicinity and will provide opportunities for views in all directions and commanding stunning views east and west of the Spokane River.

D. The Project is compatible and consistent with the countywide planning policies adopted pursuant to RCW 36.70A.210 and the City of Spokane Comprehensive Plan and development regulations adopted under Chapter 36.70A RCW and Title 17 of the Spokane Municipal Code. Developer and the City acknowledge that development of the Project will promote economic development as contemplated by RCW 35.21.703, will encourage further private development to include increasing fair market value of real

property in the vicinity of the Project, and is consistent with and carries out the purposes of RCW 36.70B.170.

E. In connection with plans to develop the Project, Developer applied for a development incentive pursuant to the City's Projects of Citywide Significance Incentive Policy. Based on the findings of public benefits expected to result from the Project, and in order to induce Developer to develop the Project, the Project Review Committee recommended, a financial incentive of \$300,000, three hundred thousand dollars be awarded to the Project consistent with the Admin 0650-16-02.

F. Following the Project Review Committee's recommendation, staff negotiated a development agreement with Developer setting forth the terms and conditions under which the \$300,000, three hundred thousand dollars incentive will be paid to the Developer, subject to final approval by Council as outlined in Admin 0650-16-02.

G. Pursuant to RCW 35.21.703, Washington's legislature has declared that it shall be in the public purpose for all cities to engage in economic development activities.

H. Chapter 36.70A RCW, commonly known as the Growth Management Act, includes as a planning goal the encouragement of economic development and the promotion of economic opportunity for all citizens of the state.

I. Pursuant to other provisions of State law, including chapter 39.89 RCW relating to community revitalization financing, and RCW 82.02.050-.090 relating to certain development impact fees, Washington cities are authorized to participate in the cost of financing public improvements where the cities' participation will encourage private investment in the surrounding area and are further authorized, pursuant to Chapter 36.70B RCW, to enter into development agreements that obligate a party to fund or provide infrastructure.

J. The Project will cause both direct and indirect public benefits and can reasonably be expected to make a significant difference in stimulating economic growth and the creation of new jobs within the City.

NOW, THEREFORE, in consideration of the mutual terms, covenants and conditions set forth herein, and for other good and valuable consideration, including the significant public benefits that are anticipated as a result of Developer's construction of the Project, the parties agree:

1. Definitions. For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise required:

(a) "Applicable Rules" means those provisions set forth in the City of Spokane Comprehensive Plan and Title 17 of the Spokane Municipal Code. Applicable Rules shall not include any requirements set forth in any of the following: the Americans With

Disabilities Act, Chapter 19.27 RCW – the State Building Code, and building, fire, plumbing or electrical codes explicitly adopted by the City, and fees (to include utility connection fees) associated with the development of land.

(b) “Subsequent Project Approvals” means all Project approvals required by law or City policy after approval of this Agreement to construct the Project including, but not limited to, clearing and grading permits, preliminary and final subdivision approval, binding site plan approval, building permits and occupancy permits (as applicable), as defined by state law and local ordinance.

2. Construction of the Project.

(a) Developer Covenants. Developer shall, at no cost or expense to the City, diligently perform and fully complete development and construction of the Project according to approved plans and permits, and in compliance with the Applicable Rules. Provided all such development and construction shall be subject to Subsequent Project Approvals. The Project shall remain subject to all Subsequent Project Approvals required to complete the Project. Subsequent Project Approvals shall be made pursuant to the Applicable Rules and this Agreement. Developer shall obtain all required permits prior to commencing construction of the Project. Except as expressly set forth herein, this Agreement shall not be construed as a waiver of any of the conditions of development or use of the Property, nor shall this Agreement relieve Developer from Developer’s obligations to comply with rules and regulations applicable to the Property and Developer’s development of the same, and to secure such authorizations and permits as may be imposed as a condition of any work being performed on the Property. Provided, further, the parties agree, as provided for in RCW 36.70B.170(4), that the City reserves the authority, regardless of the definition of Applicable Rules in this Agreement, to impose new or different regulations during the term of this Agreement to the extent required by a serious threat to the public health and safety.

(b) Public Benefits. As part of the Project, Developer will make significant public dedications and investment in public infrastructure to include utilities and other improvements, all of which will provide a public benefit to the City’s residents and visitors.

(c) Reservations of Authority. Notwithstanding any other provision of this Agreement, the following shall apply to the development of the Property, provided however, that nothing in this Agreement shall diminish Developer's rights for vesting by submission of a complete building permit application pursuant to RCW 19.27.095.

(i) Procedural regulations which are not substantive relating to hearing bodies, petitions, applications, notices, findings, records, hearings, reports, recommendations, appeals and any other matter of procedure.

(ii) Regulations governing construction standards and specifications as follows: the Washington State Building Code, Uniform Plumbing Code, National Electrical

Code, and International Fire Code as may be amended except as they relate to standards modified by the City in the Approval.

(iii) Taxes, fees or assessments (including mitigation fees) which apply uniformly throughout the City or within a defined area of benefit which includes the Property.

3. Term. This Agreement shall commence on the date it is fully executed by the Developer and the City and shall be deemed terminated and of no further effect upon the occurrence of (i) mutual agreement of the parties, or (ii) three (3) years from the date of execute of this Agreement by all the parties hereto.

4. Public Improvements. The Project will include the following public improvements within the public right-of-way (the "Improvements" or "Public Improvements"):

of water, sewer, fire, power, streetscape improvements, street trees and connections to the Centennial Trail, as well as connections to Riverfront park

5. Construction of the Public Improvements. Developer shall cause the Public Improvements to be completed, in their entirety. The costs of the Improvements include but are not limited to costs of design, construction, permitting (which includes inspection and review fees from the City), insurance, bonds, professional fees (including attorney fees) and other reasonable costs incurred in the performance of this Agreement. The City shall not be responsible for design, construction, permitting and any other costs with respect to the Public Improvements in excess of the NTE Amount set forth in Section 6 herein below.

(a) Developer shall engage engineers or other professionals to design the Public Improvements in a manner consistent with the procedures and requirements set forth in Chapter 39.80 RCW. See Exhibit B.

(b) All subcontractors (or a general contractor in lieu of multiple subcontractors) awarded a contract for work performed on the Public Improvements shall be selected by Developer or by a project manager on Developer's behalf, through a competitive bidding process with all qualified bids considered, which process shall be substantially similar to that used by the City for public works bidding, consistent with chapter 39.04 RCW. See Exhibit B. As a condition of the City's liability for or payment of any amounts to Developer pursuant to this Agreement, payment for all labor in connection with the Public Improvements shall be on the basis of the State Prevailing Wage for each appropriate job classification. Developer shall pay or cause to be paid to all workers, laborers and mechanics employed to perform the construction of the Improvements not less than the prevailing rates of wages, as may then be determined by the Washington State Department of Labor and Industries for the particular craft in the particular geographic area. All payments for labor will be based on approved Affidavit of Wages Paid. Developer and any of its contractors/subcontractors involved in constructing the Public

Improvements shall, as a condition of the City's payment to Developer of any amounts under this Agreement, comply with the following: Developer and all contractors and subcontractors will submit a "Statement of Intent to Pay Prevailing Wages" certified by the industrial statistician of the Department of Labor and Industries, prior to any payments and each voucher claim submitted by a contractor or subcontractor for payment on a project estimate shall state that the prevailing wages have been paid in accordance with the "Statement(s) of Intent to Pay Prevailing Wages" on file with the City. Upon completion of the Public Improvements, the contractor and subcontractors must submit an "Affidavit of Wages Paid" certified by the industrial statistician.

(d) In all contracts for the Public Improvements, Developer shall require contractors, or the general contractor and its subcontractors, to maintain all project information, records, and documents for a period of not less than six years from the date of Developer's final acceptance of the work, and the City shall have a right to direct audit of such information, records, and documents.

(e) Developer shall obtain payment and performance bonds to, respectively, guarantee payment of laborers, suppliers, materialmen, taxes and penalties and performance of the Public Improvements as generally set forth in RCW Chapter 39.08 (the "**Bonds**"). The Bonds shall be issued in an amount equal to the agreed amount to be paid for the Improvements and list the City of Spokane as obligee. In the event of a default (defined herein) by the Developer (including its contractor retained to construct the Improvements), Obligee may execute on the Bonds for the purpose of paying amounts due pursuant to RCW 39.08.010 and causing the Public Improvements to be completed using the bond proceeds and any other funds available to the City pursuant to this Agreement.

(f) Upon completion of the Public Improvements, Developer shall provide the City an accounting of the actual costs associated with the Public Improvements in a form determined by Developer consistent with its cost accounting practices and approved by the City as compatible with the requirements of the Washington State Auditor for audit purposes. The City shall within thirty (30) calendar days after receipt of the cost accounting, notify Developer in writing whether the City accepts, denies or requests modification of the accounting; providing, however, that in the event Developer does not receive a timely written response from the City within such time, then the actual costs associated with the Public Improvements shall be conclusively deemed accepted and approved. In the event the City refuses to accept any portion of the Public Improvements or denies or requests modification to the accounting, the City shall specify the basis for the decision and the City and Developer shall timely, diligently, and in good faith, attempt to resolve the matter expeditiously. In the event that on the date designated for payment and reimbursement there is not resolved and if within ninety (90) calendar days of City receipt of notification there remain unresolved any issues relating to actual costs, then the City shall pay to Developer the actual costs requested by Developer for the Public Improvements less the amounts unresolved, which shall be placed in an interest bearing escrow set aside account designated by Developer. The amount in dispute shall then be submitted to binding arbitration, using the services and subject to the rules of the Judicial Arbitration and Mediation Service. If an arbitrator determines that Developer prevails in

the accounting dispute, Developer shall be entitled to immediate disbursement of the escrow set aside and interest accrued therein, in the amount determined by the arbitrator. Notwithstanding the foregoing, in no case shall the City's payment obligation to the Developer exceed the NTE Amount.

6. City Payment to Developer. In consideration of the significant public benefits anticipated to result from Developer's construction of the Project, subject to the terms and conditions of this agreement, and following Developer's completion of the Project, including the Public Improvements, the City shall pay Developer an amount not to exceed three hundred thousand Dollars \$300,000 through the Projects of Citywide Significance program (the "NTE Amount"). The actual payment amount will be based upon the costs shown in Developer's invoices submitted to the City, subject to the NTE Amount. The City will make payments to Developer, within sixty (60) days after the receipt of Developer's application for payment, subject to the City's approval of the completed Public Improvements as substantially in accord with City standards, and subject to compliance with the terms of this agreement. Without limiting any of the foregoing, Developer's application for payment shall be subject to review by the City's Engineering Services Department for the purpose of confirming reasonable prices for materials, equipment rentals and labor.

7. Inspection of Cost Records. Developer and its contractors and subcontractors shall keep available for inspection by City representatives the cost records and accounts pertaining to this agreement.

8. Actual Material Costs. The City's payment for any/all materials or equipment rentals under this agreement shall be on the basis of the actual cost incurred by Developer, its contractors and subcontractors, without any mark up. All payments for materials will be based on approved quantities as verified by City inspectors, and receipt of actual and verified material payment by Developer, its contractors and subcontractors, as the case may be.

9. Indemnity & Hold Harmless. Developer shall indemnify, defend, and hold the City, its officers, agents, and employees harmless from all loss and liability for any claim by any person, or for any injury or property damage resulting from, or by reason of, this Agreement and/or the construction of the Public Improvements, unless caused directly or indirectly by the City's negligence or intentional misconduct.

To the extent necessary to enforce Developer's indemnification obligations hereunder, Developer hereby agrees to waive immunity under Title 51 RCW. This provision has been specifically negotiated.

Developer's Initials

City's Initials

10. Insurance. At all times prior to City's approval of the completed Public Improvements, Developer shall cause to be maintained in force at Developer's own expense, each insurance noted below.

(a) Commercial general liability insurance with a combined single liability limit of not less than \$1,000,000 each occurrence and \$2,000,000 aggregate for Bodily Injury and Property Damage. It shall include, at least, Independent Contractors, Products and Completed Operations, Contractual Liability and Personal Injury Liability for the indemnity provided under this agreement. It shall provide that the City, its officers, employees, contractors, agents, and such other persons or entities as the City may designate are additional insureds, but only with respect to the construction of the Public Improvements.

(b) There shall be no cancellation, material change, reduction of limits or intent not to renew the insurance coverage(s) without 30 days written notice from Developer or its insurer(s) to the City.

(c) Developer shall require any contractor working on the Public Improvements pursuant to this agreement to carry and maintain, at no expense to City: (a) comprehensive general liability insurance, including contractor's liability coverage, contractual liability coverage, completed operations coverage, broad form property damage endorsement and contractor's protective liability coverage, to afford protection, with respect to personal injury, death or property damage of not less than \$1,000,000 per occurrence, combined single limit/\$2,000,000 aggregate; (b) comprehensive automobile liability insurance with limits for each occurrence of not less than \$1,000,000 with respect to personal injury or death and \$500,000 with respect to property damage; and (c) Worker's Compensation or similar insurance in form and amounts required by law.

(d) All the insurance required under this agreement shall be written as primary policies, not contributing with and not supplemental to the coverage that City may carry.

(e) Developer shall furnish its insurance carriers with a copy of this agreement to insure proper coverage. As evidence of the insurance coverages required by this agreement, Developer shall furnish acceptable insurance certificates to the City at the time this agreement is executed. The certificates shall specify all of the parties who are additional insured, will include applicable policy endorsements, and will include the 30-day cancellation clause. If Developer fails to perform any of its obligations under this Section 8, the City may perform the same and may deduct such expenditures from its reimbursements to Developer under this agreement. The City makes no representations that the types or amounts of coverage required to be carried by Developer pursuant to this Section are adequate to protect Developer. If Developer believes that any of such insurance coverage is inadequate, Developer will obtain, at Developer's sole cost and expense, such additional insurance coverage as Developer deems appropriate.

11. Additional Terms.

(a) Waiver. No officer, employee, agent or otherwise of either party has the power, right or authority to waive any of the conditions or provisions of this agreement. No waiver of any breach of this agreement shall be held to be a waiver of any other or subsequent breach. All remedies afforded in this agreement or a law shall be taken and construed as cumulative, that is, in addition to every other remedy provided herein or by law. Failure of either party to enforce at any time any of the provisions of this agreement or to require at any time performance by the other of any provision hereof, shall in no way be construed to be a waiver of such provisions, nor in any way affect the validity of this agreement or any part hereof, or the right of the party entitled to performance to hereafter enforce each and every such provision. Either party's failure to insist upon the strict performance of any provision of this agreement or to exercise any right based upon breach hereof or the acceptance of any performance during such breach, shall not constitute a waiver of any right under this agreement.

(b) Modification. No modification or amendment to this agreement shall be valid until the same is reduced to writing, in the form of an amendment, and executed with the same formalities as this present agreement.

(c) Assignment. Neither party may assign or transfer in whole or in part, its interest in this agreement without the express written consent of the other party.

(d) Compliance with Laws. The Parties hereto specifically agree to observe Federal, State and local laws, ordinances and regulations, to the extent that they may have any bearing on either providing any money under the terms of this agreement or the services actually provided under the terms of this agreement. This agreement shall not be construed or interpreted as a waiver of any conditions or requirements applicable to the Project. The City reserves the right to impose new or different regulations to the extent required by a serious threat to public health and safety.

(e) Nondiscrimination. No individual shall be excluded from participation in, denied the benefit of, subjected to discrimination under, or denied employment in the administration of or in connection with this agreement because of age, sex, race, color, religion, creed, marital status, familial status, sexual orientation, national origin, honorably discharged veteran or military status, the presence of any sensory, mental or physical disability, or use of a service animal by a person with disabilities.

(f) Anti-Kickback. No officer or employee of the Parties, having the power or duty to perform an official act or action related to this agreement, shall have or acquire any interest in this agreement, or have solicited, accepted or granted a present or future gift, favor, service, or other thing of value from or to any person involved in this agreement.

(g) Notices. All notices called for or provided for in this agreement shall be in writing and must be served on any of the Parties either personally or by certified mail. Notices sent by certified mail shall be deemed served when deposited in the United States mail, postage prepaid.

(h) Venue Stipulation. This agreement has and shall be construed as having been made and delivered in the State of Washington, and the laws of the State of Washington shall be applicable to its construction and enforcement of this agreement or any provision hereto shall be instituted only in the courts of competent jurisdiction within Spokane County, Washington.

(i) Headings. The article headings in this agreement have been inserted solely for purposes of convenience and ready reference. In no way do they purport to, and shall not be deemed to, define, limit, or extend the scope or intent of the articles to which they appertain.

(j) All Writings Contained Herein. This agreement contains all the terms and conditions agreed upon by the Parties. No other understandings, oral or otherwise, regarding the subject matter of this agreement shall be deemed to exist or to bind any of the Parties hereto. The Parties have read and understand all of this agreement, and now state that no representation, promise, or agreement not expressed in this document has been made to induce the Parties to execute the same.

(k) Relationship of the Parties. The Parties intend that an independent contractor relationship will be created by this agreement. The City is interested only in the results that could be achieved and the conduct and control of all work and services provided by Developer will be solely with Developer. No agent, employee, servant or otherwise of Developer hereto shall be deemed to be an employee, agent, servant, or otherwise of the City for any purpose, and the employees of Developer are not entitled to any of the benefits that the City provides for City employees. Developer will solely and entirely be responsible for its acts and the acts of its agents, employees, servants, subcontractors, or otherwise, during the performance of this agreement. Nothing herein shall create a contractual relationship or privity between the City and any contractors engaged by Developer.

[Signature Page Follows]

Dated: _____

CITY OF SPOKANE

By: _____

Title: _____

Attest:

Approved as to form:

City Clerk

Assistant City Attorney

Dated: _____

DEVELOPER

The Falls, LLC

By: _____

Its: _____

Exhibit A

Legal Description of Property

Parcel Number: 35183.0021

Site Address: 829 W BROADWAY AVE

ALL THAT PORTION OF BLOCK 13 RESURVEY AND EXTENSION OF POSTS ADDITION, ACCORDING TO PLAT RECORDED IN VOLUME "A" OF PLATS AT PAGE(S) 21, AND OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 18, TOWNSHIP 25 NORTH, RANGE 43 EAST, W.M., IN SPOKANE COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SAID BLOCK 13, THENCE SOUTH ALONG THE WEST LINE THEREOF AND SAID LINE EXTENDED FOR A DISTANCE OF 377.57 FEET; THENCE NORTH 89°57'30" EAST 181 FEET; THENCE NORTHEASTERLY TO A POINT OF INTERSECTION WITH A LINE DRAWN NORTH 89°57'30" EAST FROM A POINT IN THE WEST LINE OF SAID BLOCK 13 EXTENDED SOUTHERLY 242.57 FEET FROM THE NORTHWEST CORNER OF SAID BLOCK 13; THENCE NORTH 41°27' EAST 57.37 FEET; THENCE NORTH 56°28'30" EAST 71.94 FEET; THENCE NORTH 0°21' WEST TO THE SOUTHEAST CORNER OF LOT 1 OF SAID BLOCK 13; THENCE NORTH ALONG THE EAST LINE OF SAID BLOCK 13 TO THE NORTHEAST CORNER THEROF; THENCE WEST ALONG THE NORTHLINE THEREOF TO THE POINT OF BEGINNING.

TOGETHER WITH THAT PORTION OF VACATED POST STREET VACATED BY THE CITY OF SPOKANE ORDINANCE NO. C18978 LYING SOUTH OF THE SOUTH LINE OF BROADWAY AVENUE, EXTENDED EAST, AND NORTH OF THE SPOKANE RIVER, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF BLOCK 13, RESURVEY AND EXTENSION OF POST'S ADDITION; THENCE SOUTH ALONG THE EAST LINE OF SAID BLOCK 13, 120 FEET TO THE SOUTH LINE OF SAID BLOCK AND ADDITION; THENCE EAST ALONG THE SOUTH LINE OF SAID ADDITION 33.55 FEET TO THE EAST LINE OF SAID ADDITION; THENCE NORTH ALONG THE EAST LINE OF SAID ADDITION 120.01 FEET TO THE SOUTH LINE OF BROADWAY AVENUE EXTENDED EAST; THENCE WEST ALONG THE EXTENDED SOUTH LINE OF BROADWAY AVENUE 34.93 FEET MORE OR LESS TO THE POINT OF BEGINNING.

Exhibit B

PROCUREMENT PROCESS SUMMARY

1. Selection of Engineering Team.

(a) Developer shall obtain engineering services from persons and firms through a written request that describes the general scope and nature of the Improvement. The request shall seek Statement of Qualifications/Proposals ("**Proposals**") for the engineering services. The Developer shall evaluate the Proposals submitted by firms, conduct discussions with one or more firms regarding the required services, and select the most highly qualified firm.

(b) Developer shall retain the selected firm to prepare design documents for the Improvements.

2. Construction Services.

Following completion of the design documents, the developer shall solicit bids from contractors/subcontractors to construct the Improvements. Contractors/subcontractors who submit the lowest responsible bids, based upon the reasonable discretion of the developer, shall be selected for the work. The developer may self-perform work provided the developer provides the work at costs equal to or below bid amounts received from contractors/subcontractors.

3. Prevailing Wages and Retainage.

Prevailing wages shall be paid laborers and a 5% retainage shall be withheld from the NTE Amount according to state law.

"The Falls"

Projects of Citywide Significance

Staff Report and Recommendation

August 1, 2019



Staff

Teri Stripes
Planning Services
Economic Development Section

Applicant

The Falls, LLC
829 W. Main Ave.
Spokane, WA 99201

Owner:
The Falls, LLC
PO Box 3949
Spokane, WA 99220

Introduction

The City of Spokane's Projects of Citywide Significance program is designed to help incent and encourage significant private development projects that add lasting value to the City and achieve measurable positive impacts by bringing new livable wage jobs, generating tax revenue, and advancing the community's visions. The program was created by Spokane City Council, Resolution 2015-0101 and follows the Projects of Citywide Significance Incentive Policy administrative procedures contained within City of Spokane Administrative Policy and Procedure, Admin 0650-16-02.

Project Description

The "The Falls" project is a proposed redevelopment project on the North Bank of downtown consisting of a 25 story mixed-use building with 124 residential units and 10,000SF +/- of restaurant/retail space. The project is described in the application and related attachments as a mixed-use residential tower containing 24 residential condominiums, 100 apartments, market rate project with amenities such as subterranean parking garage, and street level commercial space/restaurant (10,000SF). At 25 stories, the "The Falls" project will be taller than the buildings in the immediate vicinity and will provide opportunities for views in all directions and commanding stunning views east and west of the Spokane River. Due to its location within on the North Bank of downtown and because the development required demolition of an existing structure, elements of the project were reviewed by the Historic Landmarks Commission and will be by Design Review Board as well.

Location & Context

The "The Falls" project will be developed on one parcel of 98,127 square feet (2.25 acres), located at the southeast corner of Lincoln and Broadway. The parcels contained a non-historic (or contributing) low-rise building that was developed as a YWCA.

The project site and surrounding area are located in an area commonly referred to as the "North Bank" of downtown. The surrounding area includes the revitalizing Kendall Yards, the historically rehabilitated Wonder Building, the Spokane Arena and the soon to be Sports Complex, and the north entrance to Riverfront Spokane.

Other Incentive Awards or Programs Available to the Project

The "The Falls" Building, by virtue of its location on the North Bank Target Investment Area it is eligible for and could receive City incentives in addition to the Projects of Citywide Incentive. The following provides a summary of these incentives which combined could total up to **\$1,443,097** of additional incentive benefit value. When known actual values (jobs, retail sales, utility use) are used. However, because they are unknown at this time staff has used the best available information to estimate the value of the incentives to the project.

The additional incentives may include:

- Multifamily Tax Exemption (MFTE) –provides a property tax exemption for 8 or 12 years on new multifamily housing units. For a 124 unit project, the owner could realize a savings of approximately **\$1,433,097** over the 8 years the property is enrolled (using an assumed exempt value of \$121,094 per dwelling unit – the actual value may be more or less as determined by the Spokane County Assessor and whether the project ultimately qualifies for the 8 or 12 year exemption.
- The General Facility Charge (GFC) Waivers - waives system development charges for new sewer and water connections –benefit value is dependent on size and number of new or upgraded connections. Example: Multi-family 6-inch water tap **\$18,108** plus sewer tap **\$35,265**.
- The Urban Utility Installation Program - provides up to **\$10,000** for water and/or sewer line upgrades associated with redevelopment of a vacant land.

Financial Partnership Portfolio Evaluation Matrix

Project Based Incremental Revenue

This category measures the project's contribution to City revenue and potential return on investment. To receive any points in this category, a project must generate a three-year total incremental revenue value of at least \$250,000. Projects with over \$1,000,000 in three-year total incremental revenue receive 30 points. The three-year total incremental City revenue resulting from the project is estimated at \$1,159,277. Therefore, **30 points are awarded to the project in this category.**

Job Creation

Using pro forma projections from the applicant's application. Twenty-seven of the 107 jobs created will likely have salaries at or above a living wage of \$35,987 annually (approximately \$17.5/hour). Resulting in **30points being awarded in the Job Creation category.**

Comp Plan, Design and the Environment

The project qualifies under the following criteria:

- | | |
|---|----------|
| • Brownfield Redevelopment (asbestos abatement) | 5 points |
| • Innovate or exemplary site design | 5 points |
| • Enhance public amenities (shore line interaction) | 5 points |
| • Neighborhood or Subarea improvements | 5 points |
| • Low Impact Development standards | 5 points |
| • Adopted green building standards | 5 points |
| • Mixed Use development | 5 points |
| • Blight Removal | 5 points |
| • Housing | 5 points |

Total Category Score:

45 points

Industry Cluster Advancement

The proposed use is not a part of an identified priority industry cluster. **The resulting category score is 0 points.**

Geographic Priority Areas

The project is located in the Downtown Target Incentive Area. **The resulting category score is 10 points.**

Special Considerations Bonus

None.

Total Project Matrix Score: 115 points.

Incentive Value Calculations

The project's total matrix score (115 points) and 3-year revenue return to the City (\$1,159,277) are used to calculate the incentive value for the project as shown in the Table I below. By scoring at the top category (85+ points) the project warrants a base incentive of **\$100,000** plus **20%** of the three-year revenue (\$231,855) for a total incentive value of **\$331,855** – however the incentive limit for Projects of Citywide Significance is **\$300,000**.

Table I. Matrix Score

Values-Based Score	115			
Revenue (3-Year)	\$ 1,159,277			
* PCS Incentive Award Maximum is \$300,000				
Point Score:	Base Incentive	ROI Multiplier	ROI-Based Incentive	Total Incentive
85+	\$100,000	20%	\$231,855	\$331,855
70	\$80,000	15%	\$173,892	\$253,892
55	\$60,000	10%	\$115,928	\$175,928
40	\$40,000	5%	\$57,964	\$97,964
<40	\$0	0%	\$0	\$0

Recommendation

Staff finds that the project will provide significant community and public benefits as described in the application and supplemental materials and therefore as a project of Citywide Significance warrants the City's investment of \$300,000 towards public improvements pursuant to the Projects of Citywide Significance Incentive Policy.

When considered with the other incentives or assistance, the project may have already received or could receive in the future including the 8 year MFTE exemption, GFC waivers and the Urban Utility Installation program incentives which have been estimated to provide a benefit value of up to **\$1,443,097**, the total incentive package for the project is estimated at **\$1,743,097** which is equivalent to 2.3% of the \$75 million project construction cost.

Next Steps

This recommendation will be forwarded to the Project Review Committee who will review the recommendation and make a final determination of project score and level of financial partnership eligibility. Based on that determination, staff will brief City Council at an Urban Experience committee meeting and prepare a development agreement setting forth the terms and conditions under which the financial incentive value will be applied to eligible public improvements costs related to the project.

The final development agreement will be forwarded to the Spokane City Council for approval by resolution and signature by the Mayor. The determination of financial incentive value and corresponding development agreement shall have no force or affect whatsoever unless and until the development agreement is approved by the Spokane City Council and signed by the Mayor.

Authority

City of Spokane Administrative Policy and Procedure, Admin 0650-16-02
Projects of Citywide Significance Incentive Policy

Section 5.0 Policy: Individual projects which include new investment and physical improvements to real property which equal or exceed \$5 million in value can provide significant City wide public benefits. Such public benefits include: bringing new living wage jobs to the community; generating new property, sales and utility tax revenues; improving the community through the advancement or implementation of existing community plans including the Comprehensive Plan and neighborhood plans; protecting or improving the environment and conserving natural and historic resources; advancing State and regional industry cluster growth and regional economic development plans; and investing in targeted investment areas such as downtown Spokane, identified centers and corridors and target investment areas identified in the City's Economic Development strategy. In order to provide for an equitable and transparent process for the use of financial incentives to encourage investments which provide significant public benefits to the City as

described above, the Spokane City Council has adopted Resolution 2015-0101 which provides for an evaluation matrix allowing evaluation of a project's public benefits which are reasonably likely to accrue as a result of successful completion and intended operation of the project. The evaluation will be made using the standardized evaluation matrix attached as exhibit "A" hereto in accordance with the policies and procedures described herein.

Procedure

6.1 Application: Application for a financial incentive will be made on forms provided by the City of Spokane and shall contain all information and details required and necessary for a review of the project and evaluation of the public benefits associated thereto.

6.2 Determination of Qualification: Within 10 business days of receipt of a complete application, the Staff Technical Support Team will evaluate the application and make a determination that: the project is a qualified project with a public benefit and may be considered for a financial incentive; that additional information is needed to make the determination; or, that the project does not qualify for a financial incentive under this program. Such determination will be made in writing.

6.3 Evaluation of Qualified Projects: Qualified projects will be forwarded to the Project Review Committee for evaluation according to the evaluation matrix. The committee members will be provided copies of the application and any supplemental information provided by the applicant and a technical memorandum prepared by the Staff Technical Support Team. The report will include analysis of the project application and assessment of the public benefits that may result. Each project review committee member will use the application and technical memorandum to score the project against the evaluation matrix. The committee member's total scores will be summed and divided by the number of committee members providing a score to determine the project's average and final score.

6.4 Determination of Financial Incentive Value: The project's total score and other relevant data will be used to determine the financial incentive value based on the annually adopted project funding schedule and subject to availability of funds at the time of award. Determination of financial incentive value is not a guarantee of availability of funds or of an actual cash value of a project's eligible public improvement costs. Once a determination of financial incentive value is made, the determination and project score are final.

6.5 Development Agreement: Upon completion of the determination of financial incentive value, the project proponent and Staff Technical Support Team shall prepare a development agreement setting forth the terms and conditions under which the financial incentive value will be applied to eligible public improvements costs related to the project.

6.6 City Council Approval: The determination of financial incentive value and corresponding development agreement shall have no force or effect whatsoever unless and until the development agreement is approved by the Spokane City Council and signed by the Mayor.

"The Falls" Building Project
PROJECT REVIEW COMMITTEE RECOMMENDATION

Evaluation Matrix Score: 115

Incentive Value: \$300,000

Pursuant to the Projects of Citywide Significance Incentive Policy, the Project Review Committee, hereby:

- ☐ Accepts and concurs with the staff recommendations, evaluation matrix score and determination of financial incentive value, and adopts these recommendations as our own findings for the reasons stated.
- ☐ Accepts and concurs with the staff recommendations, evaluation matrix score and determination of financial incentive value, and adopts these recommendations as our own findings for the reasons stated, with the following modifications:

Project Review Committee Members:



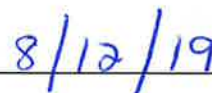
Ben Stuckart, City Council President



Date:



Candace Mumm, City Council



Date:

Rick Romero, Office of the Mayor



Gavin Cooley, Chief Financial Officer

Date:



Date:

cc: Heather Trautman, Director, Planning
Applicant

<div> <div>\$</div> <div>Financial Incentive Plan</div> </div>	Projects of Citywide Significance	
	Financial Partnership Portfolio Evaluation	Points Possible
Project Based Incremental Revenue		Score
City Property Tax, Sales Tax (Retail and Construction), Utility Taxes, Utility Revenues		
Incremental Revenue:		
3 year total incremental revenue:		
Exceeds \$1 million - 30 points *** 1,159,277		30
Between \$750,000 and \$999,999 - 25 points		
Between \$500,000 and \$749,999 - 20 points		
Between \$250,000 and \$499,999 - 15 points		
Max group score possible	30	30
Job Creation		
Number of new jobs		
Greater than 100 - 10 points *** 107 Employees		
75 to 99 - 8 points		
50 to 74 - 6 points		
25 to 49 - 4 points		
1 to 24 - 2 points		
Living Wage Job creation Multiplier (>130%Median Per Capita Income)		
80% to 100% of new jobs - 6X		
60% to 79% of new jobs - 5X		
40% to 59% of new jobs - 4X		
20% to 39% of new jobs - 3X *** ~25% 27 at or above \$35,987 annually and approximately \$17.5/hour		30
10% to 19% of new jobs - 2X		
Less than 10% of new jobs - 1X		
Max group score possible	60	30
Comp Plan, Design and the Environment		
Brownfield redevelopment - 5 points ***Asbestos abatement		5
Innovative or exemplary site design - 5 points ***parking garage		5
Design includes enhanced public amenities - 5 points ***shoreline interaction		5
Project Includes Neighborhood or Sub-Area improvements - 5 points		5
Incorporation of Low Impact Development standards - 5 points		5
Incorporation of adopted green building standards -5 points		5
Transit Oriented Development - 5 points		
Mixed Use Development - 5 - Points		5
Mixed Income Development - 5 points		
Historic Preservation - 5 points		
Adaptive reuse - 5 points		
Blight removal - 5 points		5
Housing - 5 points		5
Max group score possible	65	45
Industry Cluster Advancement		
Manufacturing - 10 points		
Aerospace/Aviation - 10 points		
Technology (Biotech, medical, IT, etc) - 10 points		
Tourism - 10 points		
Max group score possible	10	
Geographic Priority Areas		
Located in a C&C or Downtown - 10 points		10
Located in a target investment area - 10 points		yes max
Infill location with existing infrastructure capacity - 10 points		yes max
Max group score possible	10	10
TOTAL SCORE POSSIBLE	175	115
"Special Considerations" Bonus - 10 points		
(Can be added to total score when warranted in consideration of special public benefit factors not addressed above.)		
Per capita income \$27,682 est. \$13/hr. (ACS 2017)		
130% of per capita income is \$35,987 annually and approximately \$17.5/hour		

From: [Ed Lukas](#)
To: [Stripes, Teri](#)
Subject: RE: Falls PCS Application supporting docs
Date: Wednesday, July 31, 2019 10:20:37 AM
Attachments: [image002.png](#)
[image009.png](#)
[image011.png](#)
[image012.png](#)
[image013.png](#)
[image014.png](#)
[image015.png](#)
[Falls 2019 Financial Eval matrix.pdf](#)

[CAUTION - EXTERNAL EMAIL - Verify Sender]

Looks good to me, Teri.

Thank you!



Ed Lukas
Real Estate Transaction Director
Office [509.789.8641](#)
[LBStoneProperties.com](#)
2800 E. Main Ave.
PO Box 3949
Spokane, WA 99220

From: Stripes, Teri [<mailto:tstripes@spokanecity.org>]
Sent: Wednesday, July 31, 2019 10:13 AM
To: Ed Lukas <Ed@LBStoneProperties.com>
Subject: RE: Falls PCS Application supporting docs

Please review below and attached and let me know if you have any concerns.

Values-Based Score	115			
Revenue (3-Year)	\$ 1,159,277			
* PCS Incentive Award Maximum is \$300,000				
Point Score	Base Incentive	ROI Multiplier	ROI-Based Incentive	Total Incentive
85+	\$100,000	20%	\$231,855	\$331,855
70	\$80,000	15%	\$173,892	\$253,892
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40	\$40,000	5%	\$57,964	\$97,964
<40	\$0	0%	\$0	\$0

P.S. Choose Spokane [ChooseSpokane.org](#)



Teri Stripes | City of Spokane | Planning & Development Services
509.625.6597 | fax 509.625.6013 | tstripes@spokanecity.org



"I've learned that people will forget what you said, people will forget what you did, but people will never forget how you made them feel." ~Maya Angelou

From: Stripes, Teri
Sent: Wednesday, July 31, 2019 8:06 AM
To: 'Ed Lukas' <Ed@LBStoneProperties.com>
Subject: RE: Falls PCS Application supporting docs

Ed let's chat about your estimates on the MFTE... We use this calculator below and it is based upon all projects/units currently exempt affordable – market rate, apartments – condos ... but your units are going to be on the high-end so I would expect your exempt values to be greater and your savings greater than even my calculations. Let me know if you'd object to my using the calculator we normally use or if you feel more comfortable using your numbers

Also have you estimated the value of the non-exempt portions of the project? I don want to under value the commercial or land value changes.

2019 Levy Rate Multi-Family Tax Exemption MFTE Estimated Savings Calculator	
Enter number of units in your project	124
*Average Property Value Exempt per unit	\$121,094
Estimated Property Tax saved per project annually	\$179,137
Enter the number of years of MFTE (8 or 12)	8
Estimated Property Tax saved during the term of exemption	\$1,433,097
<i>Once a project has met programmatic criteria the owner can expect to save approximately \$1,600 on their tax bill for every \$120,00 of Exempt Assessed Value on the housing portions of the property</i>	
<i>*Average Property Value Exempt per unit is based on the average of all</i>	

P.S. Choose Spokane ChooseSpokane.org



Teri Stripes | City of Spokane | Planning & Development Services
509.625.6597 | fax 509.625.6013 | tstripes@spokanecity.org



"I've learned that people will forget what you said, people will forget what you did, but people will never forget how you made them feel." ~Maya Angelou

From: Ed Lukas <Ed@LBStoneProperties.com>
Sent: Wednesday, July 24, 2019 4:56 PM
To: Stripes, Teri <tstripes@spokanecity.org>
Subject: RE: Falls PCS Application supporting docs

[CAUTION - EXTERNAL EMAIL - Verify Sender]

Ahhh, I misspoke... I had talked to the county assessor, Elizabeth Johnson, to get that information about the parking. Elizabeth was the one who told me about the need for them to be tied together to qualify.

I just try to give you credit for everything!

From: Stripes, Teri [<mailto:tstripes@spokanecity.org>]
Sent: Wednesday, July 24, 2019 4:52 PM
To: Ed Lukas <Ed@LBStoneProperties.com>
Subject: RE: Falls PCS Application supporting docs

I'll review tomorrow, but you should contact the county assessor to see how they would assess the parking and not rely on my guess. The City has no control on what the assessor does.

P.S. Choose Spokane ChooseSpokane.org



From: Ed Lukas <Ed@LBStoneProperties.com>
Sent: Wednesday, July 24, 2019 4:44 PM
To: Stripes, Teri <tstripes@spokanecity.org>
Subject: RE: Falls PCS Application supporting docs

Ed Lukas

Value of MFTE - Tower 1 - The Falls development						
Three residential components...						
		# of Units / Stalls	Square Footage	MFTE Savings Value (\$) per Unit	MFTE Savings Value (\$) per SF	Total
1	Apartments	101	87,035	\$ 4,220	\$ 4.90	\$ 426,220
2	Residential Condos	23	63,912	\$ 21,500	\$ 7.73	\$ 494,000
3	Parking	150	63,841	\$ 650	\$ 1.53	\$ 97,500
					Grand total	\$ 1,017,720
Notes:						
1. Assuming \$13 millage rate for taxes in 2021 (rate is \$11.93 currently in 2019)						
2. Excluding non-exempt land value from the calculated benefit. Values based on new construction only.						
3. There will be 200 parking spaces in the subterranean garage. 50 of them have been allocated in the residential condo numbers shown above. The remaining 150 will be allocated amongst the apartments and condo unit owners who want to have more than 1 or 2 stalls offered in their initial						
4. Excludes non-residential commercial condominium unit at street level						

From: Stripes, Teri [<mailto:tstripes@spokanecity.org>]
Sent: Thursday, July 18, 2019 8:25 AM
To: Ed Lukas <Ed@LBStoneProperties.com>
Subject: FW: Falls PCS Application supporting docs

Restaurant methodology (below) I've used before – you can use it and tailor it to fit your project.

For the restaurant/bar space I've used ICC Mall's Sales per square foot and halved it for a standalone building (see attached). So for your project I estimate the Restaurant sales at \$268.5 PSF - I'm also using the entire 7,200 sqft in the calculations because the methodology takes into account both the front-of-house (FOH) and back-of-house (BOH) operations. So annual restaurant sales of \$1,933,200.

For the Restaurant Employees

200 seats

50 = 4 tops

FOH Staff per shift 10

BOH staff per shift 4

Support & Management staff 4

And I'm assuming two shifts so 36 employees in total. The mean wages for Spokane: food service \$13.05/hr and Management \$49.67/hr. I'm assuming an 80:20 ratio on management/chefs and servers so seven employees above the Living Wage Job creation Multiplier (>130%Median Per Capita Income).

P.S. Choose Spokane ChooseSpokane.org



Teri Stripes | City of Spokane | Planning & Development Services
509.625.6597 | fax 509.625.6013 | tstripes@spokanecity.org



"I've learned that people will forget what you said, people will forget what you did, but people will never forget how you made them feel." ~Maya Angelou

From: Stripes, Teri
Sent: Tuesday, July 9, 2019 7:34 AM
To: Ed Lukas <Ed@LBStoneProperties.com>
Subject: RE: Falls PCS Application supporting docs

Ed, we need to get moving on the Falls PCS details for conducting economic analysis. (see the earlier communications below). The analysis and the subsequent staff reports should have been completed back in June.

P.S. Choose Spokane ChooseSpokane.org



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509.625.6597 | fax 509.625.6013 | tstripes@spokanecity.org



"I've learned that people will forget what you said, people will forget what you did, but people will never forget how you made them feel." ~Maya Angelou

From: Stripes, Teri <tstripes@spokanecity.org>

Sent: Tuesday, June 11, 2019 7:39 AM

To: Ed Lukas <Ed@LBStoneProperties.com>; Economic Development Contacts <eraedc@spokanecity.org>

Subject: Falls PCS Application supporting docs

Ed, where are we in gathering the additional details for the Falls' PCS economic positioning and analysis?

P.S. Choose Spokane ChooseSpokane.org



Teri Stripes | City of Spokane | Planning & Development Services
509.625.6597 | fax 509.625.6013 | tstripes@spokanecity.org



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"I've learned that people will forget what you said, people will forget what you did, but people will never forget how you made them feel." ~Maya Angelou

From: Ed Lukas <Ed@LBStoneProperties.com>

Sent: Thursday, May 9, 2019 8:13 AM

To: Stripes, Teri <tstripes@spokanecity.org>; Economic Development Contacts <eraedc@spokanecity.org>

Subject: RE: Projects of Citywide Significance Incentive

Thanks, Teri. I'll talk with the team to get the information together.

The quick answer on the short-term/hotel stay question is no. Tower 1 will have for sale condominiums, apartments, ground floor retail, and subterranean parking to service the residential units. Future towers may include a hotel component.

Ed

From: Stripes, Teri [<mailto:tstripes@spokanecity.org>]

Sent: Thursday, May 09, 2019 7:59 AM

To: Ed Lukas <Ed@LBStoneProperties.com>; Economic Development Contacts <eraedc@spokanecity.org>

Subject: Projects of Citywide Significance Incentive

Importance: High

Ed,

I'm going to begin the economic positioning analysis on the applications received by the 4/30/2019 due date. Your Falls Tower application was the first received. The program's remaining funds are finite and applications will be awarded in the order received. The economic positioning analysis determines the value of the award. I have attached an example staff report and contract from a similar project. Today's analysis now add points in the scoring for housing that the example did not include, so I've also attached the new scoring sheet. This score sheet helps inform the economic positioning.

If you have project pro forma that speaks to your projected staff, utility costs, property taxes, retail sales projection, etc. please send it. It will give me some actual projections to use in the analysis instead of using industry standards.

Will any of the housing units be used for short-term/hotel stay? If so, those units will have a different economic impact than those for housing. Let me know how many units of floors and if you have a different pro forma for them.

Thank you,
Teri

P.S. How are you [#hackingwashington](#)?



Teri Stripes | City of Spokane | Planning & Development Services
509.625.6597 | fax 509.625.6013 | tstripes@spokanecity.org



"I've learned that people will forget what you said, people will forget what you did, but people will never forget how you made them feel." ~Maya Angelou

Parcel Information



Data As Of: 5/9/2019

Parcel Number: 35183.0021
 Site Address: 829 W BROADWAY AVE

Parcel Image



Owner Name: FALLS, LLC
 Address: PO BOX 3949, SPOKANE, WA, 99220-3949

Taxpayer Name: FALLS, LLC
 Address: PO BOX 3949, SPOKANE, WA, 99220-3949

Site Address	Parcel Type	Site Address	City	Land Size	Size Desc.	Description	Tax Year	Tax Code Area	Status
829 W BROADWAY AVE	R	829 W BROADWAY AVE	SPOKANE	98127	Square Feet	Other cult,entertnmt, & rec	2019	0012	Active

Assessor Description

18-25-43 PT OF NE1/4 OF SW1/4; BEG AT NW COR BLK 13 RES & EXT OF POSTS ADD TH 6377.57FT TH N89DEG 57MIN 30SDS E181FTTH NELY TO PT 202FT E OF E LN OF LINCOLN ST TH N41DEG 27MIN E57.3 7FT TH N56DEG 28 1/2MIN E71.94FT TH N0DEG 2 1/2MIN W159.78FT TO NE COR LT 1 BLK 13 RES & EXT OF POSTS ADD THW300FT TO PO B INC W1/2 VAC POST ST E OF & ADJ

Appraisal

Parcel Class	Appraiser	Neighborhood Code	Neighborhood Name	Neighborhood Desc	Appraiser Name	Appraiser Phone
79 Other Cultural	120	500700	AS700		Elizabeth	477-5916

Assessed Value

Tax Year	Taxable	Total Value	Land	Dwelling/Structure	Current Use Land	Personal Prop.
2019	2,849,560	2,849,560	2,747,560	102,000	0	0
2018	2,847,260	2,847,260	2,747,560	99,700	0	0
2017	2,799,790	2,799,790	2,698,490	101,300	0	0
2016	2,798,790	2,798,790	2,698,490	100,300	0	0
2015	2,798,690	2,798,690	2,698,490	100,200	0	0

Characteristics	Appraiser	Year Built	Year Remodeled	Main Floor Size	Number of Floors	
Commercial/ Structure	66	1980	0	36,000		
Paving						
Land Number	Soil ID	Acreage	Sq Ft	Frontage	Depth	Lot(s)
1	CO13	2.25	98,127	0	0	0

Sale	Sale Price	Sale Instrument	Excise Number	parcel
12/01/2010	3,200,000.00	Statutory Warranty Deed	201012820	35183.0021

Property Taxes

Taxes are due April 30th and October 31st

Total Charges Owning: \$16,996.60

Tax Year	Charge Type	Annual Charges	Remaining Charges Owning
	Total Taxes for 2019	33,993.20	16,996.60
2019	AVV Property Tax	33,986.28	16,993.14
2019	Soil Conservation Principal CNSV1	5.12	-2.56
2019	Weed Control Principal WCWEED1	1.80	0.90
	Total Taxes for 2018	39,528.64	0.00
2018	AVV Property Tax	39,521.72	0.00
2018	Soil Conservation Principal CNSV1	5.12	0.00
2018	Weed Control Principal WCWEED1	1.80	0.00
	Total Taxes for 2017	38,185.73	0.00
2017	AVV Property Tax	38,158.81	0.00
2017	Soil Conservation Principal CNSV1	5.12	0.00
2017	Weed Control Principal WCWEED1	1.80	0.00
	Total Taxes for 2016	38,993.77	0.00
2016	AVV Property Tax	38,986.85	0.00
2016	Soil Conservation Principal CNSV1	5.12	0.00
2016	Weed Control Principal WCWEED1	1.80	0.00

Tax Receipts

Tax Year	Receipt Number	Receipt Date	Receipt Amount
2019	7987163	05/03/2019	16,996.60
2018	7776044	11/02/2018	19,764.32
2018	7601090	05/01/2018	19,764.32
2017	7397884	11/01/2017	19,082.87
2017	7239985	05/02/2017	19,082.86
2016	7031289	11/01/2016	19,496.89
2016	6877377	05/05/2016	19,496.88

Disclaimer

We are pleased to give you online access to the Assessor's Office and Treasurer's Office property tax and valuation information. While we make every effort to produce and publish the most current and accurate information possible, portions of this information may not be current or correct. Neither Spokane County, the Assessor, nor the Treasurer makes any warranty, express or implied, with regard to the accuracy, reliability, or timeliness of information in this system, and shall not be held liable for losses caused by using this information. Any person or entity that relies on any information obtained from this system, does so at his or her own risk. Please feel free to contact us about any error you discover or to give comments and suggestions. Call the Assessor's Office at (509) 477-3698 or the Treasurer's Office at (509) 477-4713.

RCW 42.56.070 (9) prohibits the release of lists of individuals requested for commercial purposes. The requester expressly represents that no such use of any such list will be made by the user or its transferee(s) or vendee(s). I understand, acknowledge, and accept the statements above, and agree to adhere to the prohibitions listed in RCW 42.56.070 (9).

**CITY OF SPOKANE —
PLANNING & DEVELOPMENT SERVICES DEPARTMENT
Application for Citywide Significant Incentives**

NOTE TO APPLICANT: Please answer each question completely. If more space is needed, attach additional paper. If you have any questions about this application, do not understand the questions, or need additional information regarding regulations or policies of the City of Spokane, city staff will be happy to assist you.

Applicant: Ed Lukas Relation to Property Owner Authorized Agent/RE Director
Applicant's Address PO Box 3949, Spokane, WA 99220
Applicant's Phone # 509-789-8641 Applicant's email address ed@lbstoneproperties.com
Property Owner(s) The Falls, LLC, a Washington Limited Liability Company
Property Owner's Mailing Address PO Box 3949, Spokane, WA 99220
Will the existing owners be the owner/operator of the property and/or business following construction ☒ yes ☐ no
If not, who is the project being developed for? _____
Property Address: 829 W. Broadway Avenue Parcel number(s): 35183.0021
Legal Description (Attach additional sheets if needed): See attached.

PROJECT INFORMATION

Project Name: The Falls Date Application Completed: 3/27/19
☒ New Construction: # of square feet: 250,000 # of stories 25
[] Rehabilitation of Existing Structure: # existing square feet: _____ # additional square feet added: _____
What was the prior use? _____ How many prior employees? _____
Were there prior retail sales? _____
Type of development ☐ Manufacturing ☐ Office ☐ Retail ☐ Housing ☒ Mixed use ☐ Other
Other description _____
If retail or mixed use with retail, do you have a verifiable estimate on the projected annual retail sales? ☐ yes ☒ no
If yes, what is the estimate and how can it be verified? _____

If no, provide an average annual sales per square foot estimate, using published industry data for the retail sector nearest to the type proposed. "ICSC - Shopper Spending and Sales/Sqft - Annual Report" www.icsc.org What is that estimate? \$4,000,000
10,000 sf retail space. Assume full service restaurant at \$400 sales/sf. Source: Baker Tilly, Restaurant
Benchmarks.

Estimated total expenditures in the rehabilitation or construction of the entire project: \$ 75,000,000
Description of project(s)' basic features and any other unique features that relate to the evaluation matrix criteria (Attach additional sheets if necessary): Mixed use residential tower containing 25 residential condominiums, 100 apartments, 10,000 sf street level commercial space, subterranean garage. Tower is one of three planned.
Est. Construction to begin (date) Fall 2019 Construction completion Summer 2021
☒ "Before" photos provided electronically. ☒ Site and building plans provided electronically

Will the construction of the project be phased? ☐ no ☒ yes If yes, what will be constructed in each phase and when?
Phase 1 is a 250,000 sf tower at southern end of site, along Lincoln street. Phase 2 and Phase 3 are
future residential towers at corner of Lincoln/Broadway Ave and along Broadway Ave. Construction
start dates for phases 2 and 3 are to be determined.

JOB CREATION

How many fulltime permanent employment positions will the project create? (list the fields and the number of jobs in each field)
Total employees = 107. Property management = 6, security services = 16, and restaurant = 85.

What will be the hourly and/or annual wages of each position be? If you don't have verifiable job and wage information for the
business(s) to be located in the project, then use the latest published data from the Washington State Employment Securities
Department Occupational Employment and Wage Estimates for the Spokane MSA.

<https://fortress.wa.gov/esd/employmentdata/reports-publications/occupational-reports/occupational-employment-and-wage-estimates>.

Property management = \$86k /yr. Restaurant... hosts = \$27k /yr, chef = \$55k /yr, cooks = \$31k /yr, wait staff = \$35k /yr.
Security = \$38k /yr.

AFFIRMATION

Initial each statement below:

LBH As owner(s) of the property described in this application, I hereby declare under penalty of perjury under
the laws of the State of Washington that this application for Incentives and any accompanying documents have been
examined by me and that they are true, correct, and complete to the best of my knowledge.

LBH The applicant acknowledges that completing and submitting this application is not a guarantee of any
specific financial incentive.

LBH This application will be used by staff to determine if a project meets the definition of a "Project of
Citywide Significance." Additional information may be required for review of project qualifications for incentives.

LBH Any incentive that the applicant may receive will require a Development Agreement between the
Applicant and the City that will not be valid until it is approved by City Council and signed by the Mayor.

LBH Following the approval of the Development Agreement, the original is required to be recorded at the
County. At that time, the recording fees for the filing and recording of "Development Agreement" will need to be paid to the
City of Spokane by the Applicant.

Signed at _____, Washington, this _____ day of _____ 20____.

Signature(s) of all Owner(s) and Contract Purchaser(s)

LBH MGR
Project of Citywide Significance: A single private development project which entails the development, construction or
physical improvement to real property located within the City of Spokane which equals or exceed \$5 million in value, not
including the value of the property itself, for which there is evidence that such project will provide significant public
benefits as such term is defined in the Administrative Policy adopted by Council Resolution 2016-0036.

For Staff Use Only:

- | | |
|---|--|
| <input type="checkbox"/> Application signed by owner(s) and contract purchaser(s) | <input type="checkbox"/> Site/Building plans received electronically |
| <input type="checkbox"/> Before photos received electronically | <input type="checkbox"/> Zoning |
| <input type="checkbox"/> GIS Map | <input type="checkbox"/> Right-of-way requirements |
| <input type="checkbox"/> Utility requirements | <input type="checkbox"/> SEPA |
| <input type="checkbox"/> Study requirements | <input type="checkbox"/> Taxable value |
| <input type="checkbox"/> Assessed value | <input type="checkbox"/> State and Federal incentives |
| <input type="checkbox"/> Plan/District implementation | <input type="checkbox"/> Age of existing structures |

Citywide Significant Incentive Application

Applicant: Ed Lukas on behalf of property owner, The Falls, LLC

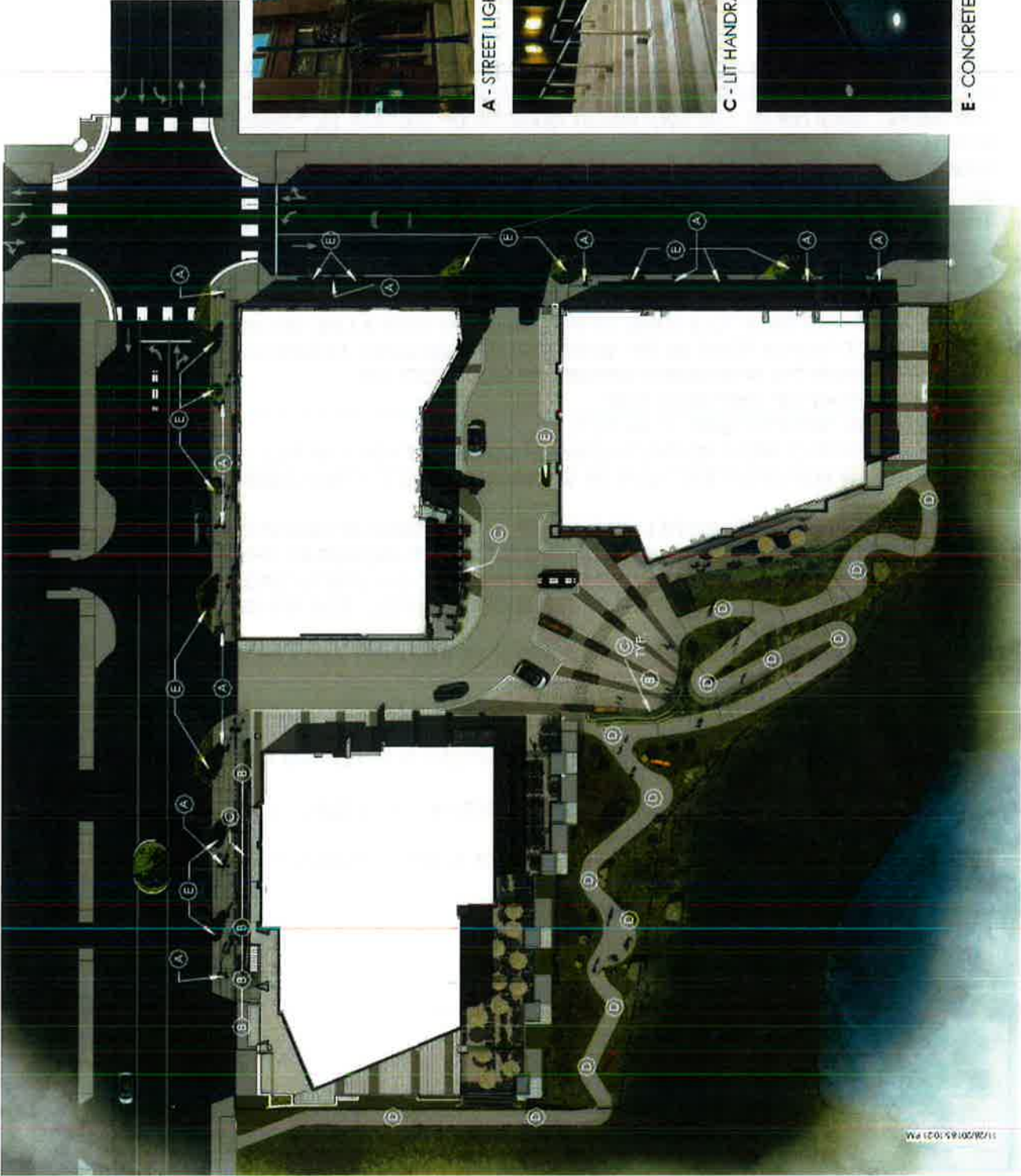
Project Name: The Falls

Street Address: 829 W. Broadway Avenue, Spokane

Date: March 27, 2019

Attachment: Legal Description

ALL THAT PORTION OF BLOCK 13 OF RESURVEY AND EXTENSION OF POSTS ADDITION, ACCORDING TO PLAT RECORDED IN VOLUME "A" OF PLATS AT PAGE(S) 21, AND OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 18, TOWNSHIP 25 NORTH, RANGE 43 EAST, W.M., IN SPOKANE COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS: BEGINNING AT THE NORTHWEST CORNER OF SAID BLOCK 13, THENCE SOUTH ALONG THE WEST LINE THEREOF AND SAID LINE EXTENDED FOR A DISTANCE OF 377.57 FEET; THENCE NORTH 89°57'30" EAST 181 FEET; THENCE NORTHEASTERLY TO A POINT OF INTERSECTION WITH A LINE DRAWN NORTH 89°57'30" EAST FROM A POINT IN THE WEST LINE OF SAID BLOCK 13 EXTENDED SOUTHERLY 242.57 FEET FROM THE NORTHWEST CORNER OF SAID BLOCK 13; THENCE NORTH 41°27' EAST 57.37 FEET; THENCE NORTH 56°28'30" EAST 71.94 FEET; THENCE NORTH 0°21' WEST TO THE SOUTHEAST CORNER OF LOT 1 OF SAID BLOCK 13; THENCE NORTH ALONG THE EAST LINE OF SAID BLOCK 13 TO THE NORTHEAST CORNER THEREOF; THENCE WEST ALONG THE NORTH LINE THEREOF TO THE POINT OF BEGINNING. TOGETHER WITH THAT PORTION OF VACATED POST STREET VACATED BY THE CITY OF SPOKANE ORDINANCE NO. C18978 LYING SOUTH OF THE SOUTH LINE OF BROADWAY AVENUE, EXTENDED EAST, AND NORTH OF THE SPOKANE RIVER, MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT THE NORTHEAST CORNER OF BLOCK 13, RESURVEY AND EXTENSION OF POST'S ADDITION; THENCE SOUTH ALONG THE EAST LINE OF SAID BLOCK 13, 120 FEET TO THE SOUTH LINE OF SAID BLOCK AND ADDITION; THENCE EAST ALONG THE SOUTH LINE OF SAID ADDITION 33.55 FEET TO THE EAST LINE OF SAID ADDITION; THENCE NORTH ALONG THE EAST LINE OF SAID ADDITION 120.01 FEET TO THE SOUTH LINE OF BROADWAY AVENUE EXTENDED EAST; THENCE WEST ALONG THE EXTENDED SOUTH LINE OF BROADWAY AVENUE 34.93 FEET MORE OR LESS TO THE POINT OF BEGINNING.
APN: 35183.0021



A - STREET LIGHT



B - BUILDING SCENCE



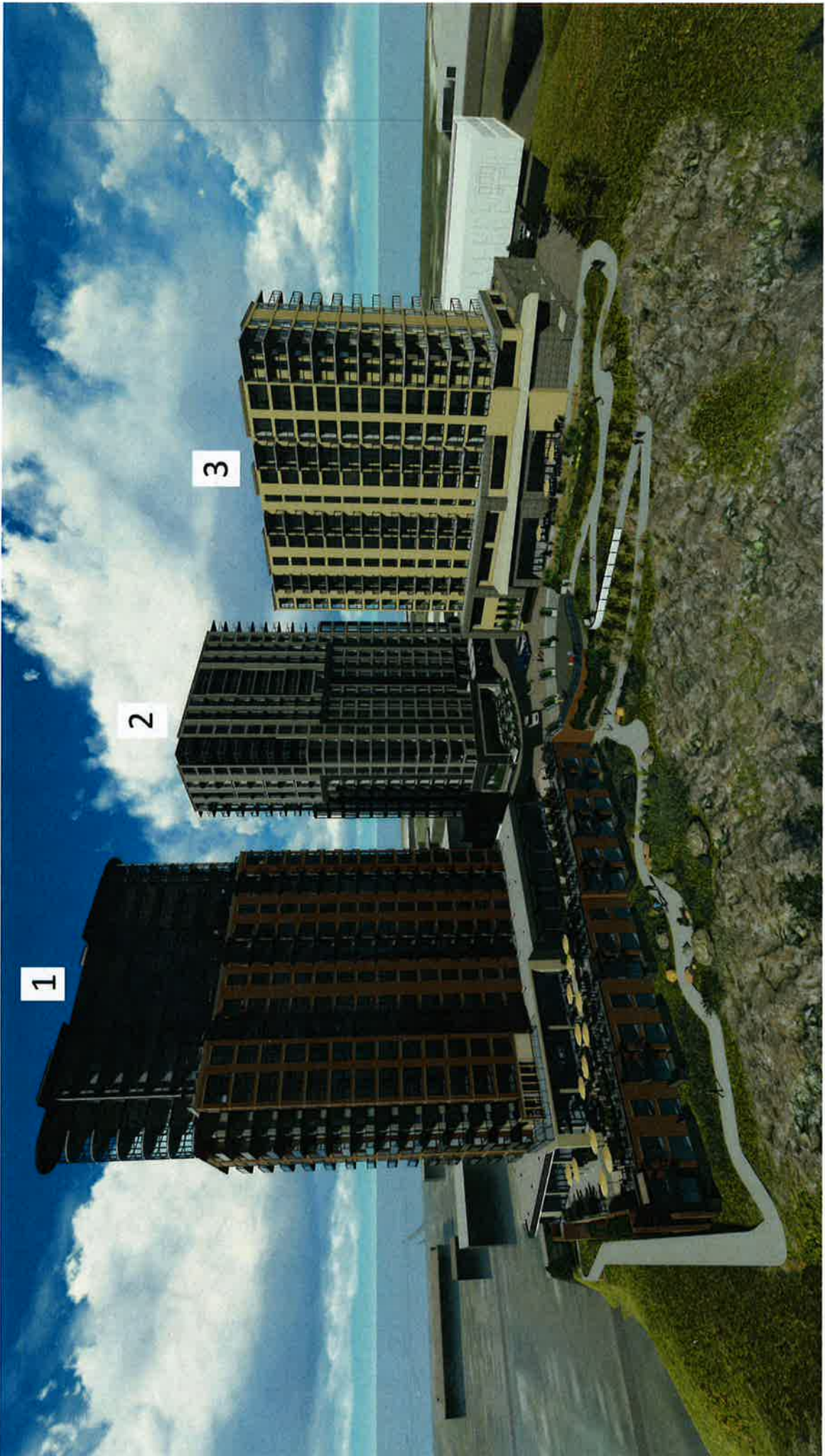
C - LIT HANDRAIL



D - SITE BOLLARD

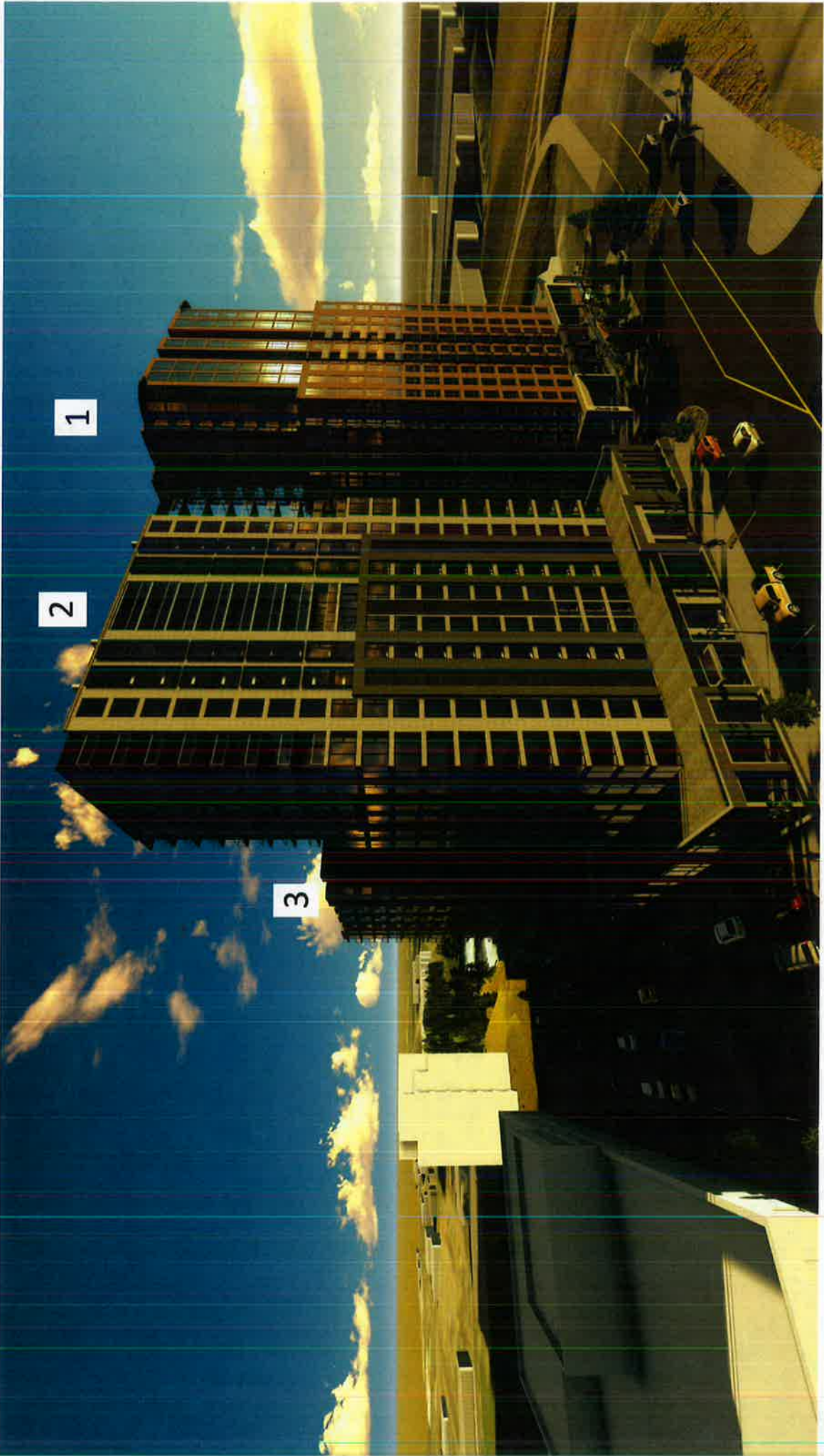


E - CONCRETE GROUND/TREE LIGHT









ALL THAT PORTION OF BLOCK 13 RESURVEY AND EXTENSION OF POSTS ADDITION, ACCORDING TO PLAT RECORDED IN VOLUME "A" OF PLATS AT PAGE(S) 21, AND OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 18, TOWNSHIP 25 NORTH, RANGE 43 EAST, W.M., IN SPOKANE COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SAID BLOCK 13, THENCE SOUTH ALONG THE WEST LINE THEREOF AND SAID LINE EXTENDED FOR A DISTANCE OF 377.57 FEET; THENCE NORTH $89^{\circ}57'30''$ EAST 181 FEET; THENCE NORTHEASTERLY TO A POINT OF INTERSECTION WITH A LINE DRAWN NORTH $89^{\circ}57'30''$ EAST FROM A POINT IN THE WEST LINE OF SAID BLOCK 13 EXTENDED SOUTHERLY 242.57 FEET FROM THE NORTHWEST CORNER OF SAID BLOCK 13; THENCE NORTH $41^{\circ}27'$ EAST 57.37 FEET; THENCE NORTH $56^{\circ}28'30''$ EAST 71.94 FEET; THENCE NORTH $0^{\circ}21'$ WEST TO THE SOUTHEAST CORNER OF LOT 1 OF SAID BLOCK 13; THENCE NORTH ALONG THE EAST LINE OF SAID BLOCK 13 TO THE NORTHEAST CORNER THEREOF; THENCE WEST ALONG THE NORTHLINE THEREOF TO THE POINT OF BEGINNING.

TOGETHER WITH THAT PORTION OF VACATED POST STREET VACATED BY THE CITY OF SPOKANE ORDINANCE NO. C18978 LYING SOUTH OF THE SOUTH LINE OF BROADWAY AVENUE, EXTENDED EAST, AND NORTH OF THE SPOKANE RIVER, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF BLOCK 13, RESURVEY AND EXTENSION OF POST'S ADDITION; THENCE SOUTH ALONG THE EAST LINE OF SAID BLOCK 13, 120 FEET TO THE SOUTH LINE OF SAID BLOCK AND ADDITION; THENCE EAST ALONG THE SOUTH LINE OF SAID ADDITION 33.55 FEET TO THE EAST LINE OF SAID ADDITION; THENCE NORTH ALONG THE EAST LINE OF SAID ADDITION 120.01 FEET TO THE SOUTH LINE OF BROADWAY AVENUE EXTENDED EAST; THENCE WEST ALONG THE EXTENDED SOUTH LINE OF BROADWAY AVENUE 34.93 FEET MORE OR LESS TO THE POINT OF BEGINNING.

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

01/06/2020

<u>Date Rec'd</u>	12/26/2019
<u>Clerk's File #</u>	RES 2020-0003
<u>Renews #</u>	
<u>Cross Ref #</u>	
<u>Project #</u>	
<u>Bid #</u>	
<u>Requisition #</u>	

<u>Submitting Dept</u>	HUMAN RESOURCES
<u>Contact Name/Phone</u>	CHRIS CAVANAUGH 6383
<u>Contact E-Mail</u>	CCAVANAUGH@SPOKANECITY.ORG
<u>Agenda Item Type</u>	Resolutions
<u>Agenda Item Name</u>	0620 RESOLUTION APPOINTING THE FOLLOWING DIRECTORS

Agenda Wording

Resolution appointing **Kris Becker**, Bender, Harris, Ingiosi, Jones and Sigler to the following positions.

Summary (Background)

Kris Becker to Director of Development Services, Code Enforcement and Parking; Dustin Bender to SWMD Director; Clint Harris to Streets Director; Garrett Jones to Parks & Recreation Director; Paul Ingiosi to Budget Director; Timothy Sigler to Director of CHHS

<u>Fiscal Impact</u>	Grant related? NO	<u>Budget Account</u>
	Public Works? NO	
Select \$		#
Select \$		#
Select \$		#
Select \$		#

<u>Approvals</u>	<u>Council Notifications</u>
<u>Dept Head</u>	CAVANAUGH, CHRISTINE
<u>Division Director</u>	CAVANAUGH, CHRISTINE
<u>Finance</u>	HUGHES, MICHELLE
<u>Legal</u>	DALTON, PAT
<u>For the Mayor</u>	ORMSBY, MICHAEL
<u>Additional Approvals</u>	
<u>Purchasing</u>	

RESOLUTION 2020-0003

A Resolution approving the appointment of Kris Becker as Director of Development Services, Code Enforcement and Parking for the City of Spokane.

WHEREAS, Section 24 of the City Charter provides that the Mayor shall have the power to appoint department heads subject to the approval of the City Council; and

WHEREAS, Section 5.2.6 of the City Council Rules of Procedure states that approval of appointment of department heads shall be by Resolution; and

WHEREAS, after full consideration, Mayor Nadine Woodward has appointed Ms. Becker as Director of Development Services, Code Enforcement and Parking for the City of Spokane --

NOW, THEREFORE,

BE IT RESOLVED by the City Council for the City of Spokane that it hereby approves the appointment of Kris Becker as Director of Development Services, Code Enforcement and Parking for the City of Spokane.

ADOPTED BY THE CITY COUNCIL ON __ ____, 2020.

City Clerk

Approved as to form:

Assistant City Attorney

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

01/06/2020

<u>Date Rec'd</u>	12/26/2019
<u>Clerk's File #</u>	RES 2020-0004
<u>Renews #</u>	
<u>Cross Ref #</u>	
<u>Project #</u>	
<u>Bid #</u>	
<u>Requisition #</u>	

<u>Submitting Dept</u>	HUMAN RESOURCES
<u>Contact Name/Phone</u>	CHRIS CAVANAUGH 6383
<u>Contact E-Mail</u>	CCAVALAUGH@SPOKANECITY.ORG
<u>Agenda Item Type</u>	Resolutions
<u>Agenda Item Name</u>	0620 RESOLUTION APPOINTING THE FOLLOWING DIRECTORS

Agenda Wording

Resolution appointing Becker, **Dustin Bender**, Harris, Ingiosi, Jones and Sigler to the following positions.

Summary (Background)

Kris Becker to Director of Development Services, Code Enforcement and Parking; Dustin Bender to SWMD Director; Clint Harris to Streets Director; Garrett Jones to Parks & Recreation Director; Paul Ingiosi to Budget Director; Timothy Sigler to Director of CHHS

<u>Fiscal Impact</u>	Grant related? NO	<u>Budget Account</u>
	Public Works? NO	
Select	\$	#
Select	\$	#
Select	\$	#
Select	\$	#

<u>Approvals</u>		<u>Council Notifications</u>	
<u>Dept Head</u>	CAVANAUGH, CHRISTINE	<u>Study Session</u>	
<u>Division Director</u>	CAVANAUGH, CHRISTINE	<u>Other</u>	
<u>Finance</u>	HUGHES, MICHELLE	<u>Distribution List</u>	
<u>Legal</u>	DALTON, PAT		
<u>For the Mayor</u>	ORMSBY, MICHAEL		
<u>Additional Approvals</u>			
<u>Purchasing</u>			

RESOLUTION 2020-0004

A Resolution approving the appointment of Dustin Bender as Solid Waste Management Director for the City of Spokane.

WHEREAS, Section 24 of the City Charter provides that the Mayor shall have the power to appoint department heads subject to the approval of the City Council; and

WHEREAS, Section 5.2.6 of the City Council Rules of Procedure states that approval of appointment of department heads shall be by Resolution; and

WHEREAS, after full consideration, Mayor Nadine Woodward has appointed Mr. Bender as Solid Waste Management Director for the City of Spokane --

NOW, THEREFORE,

BE IT RESOLVED by the City Council for the City of Spokane that it hereby approves the appointment of Dustin Bender as Solid Waste Management Director for the City of Spokane.

ADOPTED BY THE CITY COUNCIL ON _____, 2020.

City Clerk

Approved as to form:

Assistant City Attorney

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

01/06/2020

Date Rec'd

12/26/2019

Clerk's File #

RES 2020-0005

Renews #Submitting Dept

HUMAN RESOURCES

Cross Ref #Contact Name/Phone

CHRIS CAVANAUGH 6383

Project #Contact E-Mail

CCAVANAUGH@SPOKANECITY.ORG

Bid #Agenda Item Type

Resolutions

Requisition #Agenda Item Name

0620 RESOLUTION APPOINTING THE FOLLOWING DIRECTORS

Agenda WordingResolution appointing Becker, Bender, **Clint Harris**, Ingiosi, Jones and Sigler to the following positions.Summary (Background)

Kris Becker to Director of Development Services, Code Enforcement and Parking; Dustin Bender to SWMD Director; Clint Harris to Streets Director; Garrett Jones to Parks & Recreation Director; Paul Ingiosi to Budget Director; Timothy Sigler to Director of CHHS

Fiscal Impact

Grant related? NO

Budget Account

Public Works? NO

Select \$

#

Select \$

#

Select \$

#

Select \$

#

ApprovalsCouncil NotificationsDept Head

CAVANAUGH, CHRISTINE

Study SessionDivision Director

CAVANAUGH, CHRISTINE

OtherFinance

HUGHES, MICHELLE

Distribution ListLegal

DALTON, PAT

For the Mayor

ORMSBY, MICHAEL

Additional ApprovalsPurchasing

RESOLUTION 2020-0005

A Resolution approving the appointment of Clint Harris as Director of Streets Department for the City of Spokane.

WHEREAS, Section 24 of the City Charter provides that the Mayor shall have the power to appoint department heads subject to the approval of the City Council; and

WHEREAS, Section 5.2.6 of the City Council Rules of Procedure states that approval of appointment of department heads shall be by Resolution; and

WHEREAS, after full consideration, Mayor Nadine Woodward has appointed Mr. Harris as Director of Streets Department for the City of Spokane --

NOW, THEREFORE,

BE IT RESOLVED by the City Council for the City of Spokane that it hereby approves the appointment of Clint Harris as Director of Streets Department for the City of Spokane.

ADOPTED BY THE CITY COUNCIL ON _____, 2020.

City Clerk

Approved as to form:

Assistant City Attorney

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

01/06/2020

<u>Date Rec'd</u>	12/26/2019
<u>Clerk's File #</u>	RES 2020-0006
<u>Renews #</u>	
<u>Cross Ref #</u>	
<u>Project #</u>	
<u>Bid #</u>	
<u>Requisition #</u>	

<u>Submitting Dept</u>	HUMAN RESOURCES
<u>Contact Name/Phone</u>	CHRIS CAVANAUGH 6383
<u>Contact E-Mail</u>	CCAVALAUGH@SPOKANECITY.ORG
<u>Agenda Item Type</u>	Resolutions
<u>Agenda Item Name</u>	0620 RESOLUTION APPOINTING THE FOLLOWING DIRECTORS

Agenda Wording

Resolution appointing Becker, Bender, Harris, **Paul Ingiosi**, Jones and Sigler to the following positions.

Summary (Background)

Kris Becker to Director of Development Services, Code Enforcement and Parking; Dustin Bender to SWMD Director; Clint Harris to Streets Director; Garrett Jones to Parks & Recreation Director; Paul Ingiosi to Budget Director; Timothy Sigler to Director of CHHS

<u>Fiscal Impact</u>	Grant related? NO	<u>Budget Account</u>
	Public Works? NO	
Select	\$	#
Select	\$	#
Select	\$	#
Select	\$	#

<u>Approvals</u>	<u>Council Notifications</u>
<u>Dept Head</u>	CAVALAUGH, CHRISTINE
<u>Division Director</u>	CAVALAUGH, CHRISTINE
<u>Finance</u>	HUGHES, MICHELLE
<u>Legal</u>	DALTON, PAT
<u>For the Mayor</u>	ORMSBY, MICHAEL
<u>Additional Approvals</u>	
<u>Purchasing</u>	

RESOLUTION 2020-0006

A Resolution approving the appointment of Paul Ingiosi as Budget Director for the City of Spokane.

WHEREAS, Section 24 of the City Charter provides that the Mayor shall have the power to appoint department heads subject to the approval of the City Council; and

WHEREAS, Section 5.2.6 of the City Council Rules of Procedure states that approval of appointment of department heads shall be by Resolution; and

WHEREAS, after full consideration, Mayor Nadine Woodward has appointed Mr. Ingiosi as Budget Director for the City of Spokane --

NOW, THEREFORE,

BE IT RESOLVED by the City Council for the City of Spokane that it hereby approves the appointment of Paul Ingiosi as Budget Director for the City of Spokane.

ADOPTED BY THE CITY COUNCIL ON _____, 2020.

City Clerk

Approved as to form:

Assistant City Attorney

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

01/06/2020

<u>Date Rec'd</u>	12/26/2019
<u>Clerk's File #</u>	RES 2020-0007
<u>Renews #</u>	
<u>Cross Ref #</u>	
<u>Project #</u>	
<u>Bid #</u>	
<u>Requisition #</u>	

<u>Submitting Dept</u>	HUMAN RESOURCES
<u>Contact Name/Phone</u>	CHRIS CAVANAUGH 6383
<u>Contact E-Mail</u>	CCAVALAUGH@SPOKANECITY.ORG
<u>Agenda Item Type</u>	Resolutions
<u>Agenda Item Name</u>	0620 RESOLUTION APPOINTING THE FOLLOWING DIRECTORS

Agenda Wording

Resolution appointing Becker, Bender, Harris, Ingiosi, **Garret Jones** and Sigler to the following positions.

Summary (Background)

Kris Becker to Director of Development Services, Code Enforcement and Parking; Dustin Bender to SWMD Director; Clint Harris to Streets Director; Garrett Jones to Parks & Recreation Director; Paul Ingiosi to Budget Director; Timothy Sigler to Director of CHHS

<u>Fiscal Impact</u>	Grant related? NO	<u>Budget Account</u>
	Public Works? NO	
Select	\$	#
Select	\$	#
Select	\$	#
Select	\$	#

<u>Approvals</u>		<u>Council Notifications</u>	
<u>Dept Head</u>	CAVANAUGH, CHRISTINE	<u>Study Session</u>	
<u>Division Director</u>	CAVANAUGH, CHRISTINE	<u>Other</u>	
<u>Finance</u>	HUGHES, MICHELLE	<u>Distribution List</u>	
<u>Legal</u>	DALTON, PAT		
<u>For the Mayor</u>	ORMSBY, MICHAEL		
<u>Additional Approvals</u>			
<u>Purchasing</u>			

RESOLUTION 2020-0007

A Resolution approving the appointment of Garrett Jones as Director of Parks & Recreation for the City of Spokane.

WHEREAS, Section 24 of the City Charter provides that the Mayor shall have the power to appoint department heads subject to the approval of the City Council; and

WHEREAS, Section 5.2.6 of the City Council Rules of Procedure states that approval of appointment of department heads shall be by Resolution; and

WHEREAS, after full consideration, Mayor Nadine Woodward has appointed Mr. Jones as Director of Parks & Recreation for the City of Spokane --

NOW, THEREFORE,

BE IT RESOLVED by the City Council for the City of Spokane that it hereby approves the appointment of Garrett Jones as Director of Parks & Recreation for the City of Spokane.

ADOPTED BY THE CITY COUNCIL ON _____, 2020.

City Clerk

Approved as to form:

Assistant City Attorney

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

01/06/2020

<u>Date Rec'd</u>	12/26/2019
<u>Clerk's File #</u>	RES 2020-0008
<u>Renews #</u>	
<u>Cross Ref #</u>	
<u>Project #</u>	
<u>Bid #</u>	
<u>Requisition #</u>	

<u>Submitting Dept</u>	HUMAN RESOURCES
<u>Contact Name/Phone</u>	CHRIS CAVANAUGH 6383
<u>Contact E-Mail</u>	CCAVALAUGH@SPOKANECITY.ORG
<u>Agenda Item Type</u>	Resolutions
<u>Agenda Item Name</u>	0620 RESOLUTION APPOINTING THE FOLLOWING DIRECTORS

Agenda Wording

Resolution appointing Becker, Bender, Harris, Ingiosi, Jones and **Timothy Sigler** to the following positions.

Summary (Background)

Kris Becker to Director of Development Services, Code Enforcement and Parking; Dustin Bender to SWMD Director; Clint Harris to Streets Director; Garrett Jones to Parks & Recreation Director; Paul Ingiosi to Budget Director; Timothy Sigler to Director of CHHS

<u>Fiscal Impact</u>	Grant related? NO	<u>Budget Account</u>
	Public Works? NO	
Select \$		#
Select \$		#
Select \$		#
Select \$		#

<u>Approvals</u>	<u>Council Notifications</u>
<u>Dept Head</u>	<u>Study Session</u>
<u>Division Director</u>	<u>Other</u>
<u>Finance</u>	<u>Distribution List</u>
<u>Legal</u>	
<u>For the Mayor</u>	
<u>Additional Approvals</u>	
<u>Purchasing</u>	

RESOLUTION 2020-0008

A Resolution approving the appointment of Timothy Sigler as Director of Community, Housing and Human Services for the City of Spokane.

WHEREAS, Section 24 of the City Charter provides that the Mayor shall have the power to appoint department heads subject to the approval of the City Council; and

WHEREAS, Section 5.2.6 of the City Council Rules of Procedure states that approval of appointment of department heads shall be by Resolution; and

WHEREAS, after full consideration, Mayor Nadine Woodward has appointed Mr. Sigler as Director of Community, Housing and Human Services for the City of Spokane --

NOW, THEREFORE,

BE IT RESOLVED by the City Council for the City of Spokane that it hereby approves the appointment of Timothy Sigler as Director of Community, Housing and Human Services for the City of Spokane.

ADOPTED BY THE CITY COUNCIL ON _____, 2020.

City Clerk

Approved as to form:

Assistant City Attorney

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

01/06/2020

Date Rec'd

12/17/2019

Clerk's File #

ORD C35879

Renews #**Submitting Dept**

CITY COUNCIL

Cross Ref #**Contact Name/Phone**

KAREN STRATTON 625-6291

Project #**Contact E-Mail**

KSTRATTON@SPOKANECITY.ORG

Bid #**Agenda Item Type**

First Reading Ordinance

Requisition #**Agenda Item Name**

0320 - AMENDMENT OF WEST QUADRANT TIF DISTRICT EXPIRATION AND PROJECT LIST

Agenda Wording

An ordinance amending ordinance No. C34032 in order to revise the description of the public improvements, extend the apportionment period, amend the intergovernmental agreement, and providing for other matters properly related thereto.

Summary (Background)

This ordinance extends the West Quadrant TIF expiration date to 2047 in order to allow the TIF district to capture property value increases that did not occur during the "Great Recession." At the same time, the project list connected to the WQTIF is amended to direct the share of the TIF revenue generated by the Kendall Yards development directly to specific projects located within a portion of the West Central neighborhood. The related intergovernmental agreement is also amended accordingly.

Fiscal Impact

Grant related? NO

Budget Account

Public Works? NO

Expense \$ TBD - revenues diverted from GF # various

Select \$ #

Select \$ #

Select \$ #

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

MCCLATCHEY, BRIAN

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

UD Comm., 12-9-2019

Finance

HUGHES, MICHELLE

Distribution List**Legal**

PICCOLO, MIKE

For the Mayor

ORMSBY, MICHAEL

Additional Approvals**Purchasing**

ORDINANCE NO. C35879

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SPOKANE, SPOKANE COUNTY, WASHINGTON, AMENDING ORDINANCE NO. C34032 IN ORDER TO REVISE THE DESCRIPTION OF THE PUBLIC IMPROVEMENTS; EXTEND THE APPORTIONMENT PERIOD; AMEND THE INTERGOVERNMENTAL AGREEMENT; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO.

**CITY OF SPOKANE
Spokane County, Washington**

**INCREMENT AREA NO. 2007-1
(West Quadrant Increment Area)**

THE CITY OF SPOKANE DOES ORDAIN;

WHEREAS, the City of Spokane, Spokane County, Washington, (the “City”), is a first-class charter city duly incorporated and operating under the laws of the state of Washington (the “State”) and the City Charter;

WHEREAS, the City is authorized by chapter 39.89 RCW (the “Act”) to establish an Increment Area within the boundaries of the City and to finance public improvements using community revitalization financing to encourage private development within such Increment Area;

WHEREAS, the City Council (the “Council”), by Ordinance No. C34032, formed an Increment Area designated as the “West Quadrant Increment Area” (the “Increment Area”) to encourage private development and further approved a Reimbursement Agreement with a developer;

WHEREAS, a copy of Ordinance No. C34032 is attached hereto and incorporated herein as Exhibit “A” and shall remain in full force and effect except as amended below;

WHEREAS, the Council by Ordinance No. C34758 adopted on August 8, 2011, approved the Amended and Restated Reimbursement Agreement with a successor developer, which Amended and Restated Reimbursement Agreement will expire by its terms on December 31, 2032;

WHEREAS, the Council now desires to amend the description of the Public Improvements, extend the Apportionment Period, and amend the Intergovernmental Agreement to provide for a dedicated source of revenue to fully or partially fund construction of Public Improvements by the City within the West Central Area (defined herein) upon the expiration of the Amended and Restated Reimbursement Agreement;

NOW, THEREFORE, IT IS FURTHER ORDAINED as follows:

Section 1. Definitions. Capitalized terms used in this Ordinance shall have the meanings given to them in Ordinance No. C34032, and if not defined therein, shall have the meanings given to them in chapter 39.89 RCW.

Section 2. Amendment to Section 2 of Ordinance No. C34032. Section 2 of Ordinance No. C34032 is hereby amended to provide as follows:

Section 2. Description of Plan for Public Improvements. It is the intention of the City that certain public improvements, including but not limited to those Public Improvements which are generally described below, be constructed and installed within the Increment Area:

(a) Publicly-owned street and road improvements, including: approximately 40,000 linear feet of streets and curbs; striping and signage; utility sleeves or similar facilities that will serve publicly owned utilities; approximately 14,000 linear feet of street landscaping (including trees and irrigation improvements); traffic signals; and improvements to Maple Street and Monroe Street, with an estimated cost of \$5,188,489.

(b) Publicly-owned water system improvements, including approximately: 15,060 lineal feet of water mains (including valves and fittings); 158 domestic water service lines (to the extent such lines are in the public domain); 158 building fire service lines (to the extent such lines are in the public domain); and 43 fire hydrants, with an estimated cost of \$2,382,300; provided fixtures and appurtenances required to connect private development to the public water system shall not be considered Kendall Yards Sub-Area Public Improvements.

(c) Publicly-owned sewer system improvements, including approximately: 1,800 lineal feet of sanitary sewer interceptors (including pipe in diameters of up to 72 inches); 15,060 lineal feet of sanitary sewer mains; 158 sanitary sewer service lines (to the extent such lines are in the public domain); and 60 sanitary sewer manholes, with an estimated cost of \$3,602,600; provided fixtures and appurtenances required to connect private development to the publicly owned sewer system shall not be considered Kendall Yards Sub-Area Public Improvements.

(d) Publicly-owned storm water and drainage management systems, including: approximately 18,031 lineal feet of storm sewer pipe; approximately 75 storm sewer manholes; approximately 151 storm water catch basins; approximately 26 Type 2 drywells; drainage swales (including landscaping for such swales); and storm water treatment vaults, with an estimated cost of \$4,416,205; provided, infrastructure and appurtenances required to address on-site storm water requirements shall not be considered Kendall Yards Sub-Area Public Improvements.

(e) Publicly-owned sidewalks, including street furnishings installed along the sidewalk (e.g., benches, trash receptacles, bicycle racks and planter pots), with an estimated cost of \$8,050,000. The parties shall address responsibility for maintenance of street furnishings installed along the sidewalk (other than benches and bicycle racks) in a separate agreement to the extent such street furnishings are to be Kendall Yards Sub-Area Public Improvements.

(f) Streetlights, with an estimated cost of \$1,970,000.

(g) Publicly-owned park facilities and recreational area improvements, including: an extension of the Centennial Trail extending approximately 7,300 lineal feet (with an approximately 20-foot wide drivable surface and an additional 10' of landscape planting and/or re-vegetation); approximately eight (8) public riverfront plazas/parks (each of which is projected to be approximately 6,000 square feet in area); and improvements to the trail and landscaping in the existing Veterans Park at the intertie with the Centennial Trail, with an estimated cost of \$5,263,162.

(h) Site preparation for the aforementioned improvements, including demolition, excavating, grading, installing temporary erosion control improvements, with estimated costs of \$7,200,000.

(i) Designing, engineering, planning and permitting for the aforementioned improvements, with estimated costs of \$4,650,000; provided, the Public Improvement Costs relating to designing, engineering, planning, and permitting the Kendall Yards Sub-Area Public Improvements shall comply with Public Works Laws relating to the design, engineering, and permitting of the same and shall be limited to ten percent (10%) of the total Public Improvement Cost of the Kendall Yards Sub-Area Public Improvements, and any design, engineering, planning and permitting costs in excess of said ten percent (10%) limitation shall not be considered "Public Improvement Costs" for purposes of this Reimbursement Agreement.

~~(j) ((Publicly-owned streetscape improvements related to West Central Neighborhood, Comprehensive Plan West Broadway Neighborhood Center; Broadway, Ash to Chestnut, 4 blocks, including decorative concrete or paver sidewalks, trees, period lighting, permanent street furniture, bike and pedestrian infrastructure, underground utilities, median construction and infrastructure for future streetcar route, with an estimated cost of \$2,500,000.))~~The Neighborhood Public Improvements shall be those as defined by RCW 39.89.020(4). In the event Chapter 39.89 RCW is amended to include affordable housing as a public improvement that may be financed with tax allocation revenues, the Neighborhood Public Improvements may also include affordable housing.

~~((k) —Publicly-owned intersection improvements related to Emerson Garfield and West Central Neighborhoods, Comprehensive Plan Monroe Corridor; Cora to Boone, 6-10, including NW Blvd, Boone, and others to be identified in N Monroe community design process (gateway locations): bumpouts, pavement treatment, trees, lighting, underground utilities as needed and feasible, pedestrian amenities, with an estimated cost of \$3,000,000.~~

~~(l) — Publicly-owned traffic-calming improvements on Elm, Cannon, and Chestnut 3 blocks, Bridge to Dean, including trees, crosswalk treatments, street furniture, lighting, bike and pedestrian infrastructure and improvements, with an estimated cost of \$900,000.~~

~~(m) — Publicly-owned streetscape intersection enhancements related to West Central Neighborhood, Comprehensive Plan Maxwell & Elm Employment Center; Chestnut to Maple, 5 blocks, on Sinto including sidewalks, bumpouts, trees and crosswalk treatments, with an estimated cost of \$1,500,000.~~

~~(n) — Demolition and reconstruction related to Riverside Neighborhood; Post Street Bridge for pedestrians, with an estimated \$750,000 towards total cost.~~

~~(o) — Publicly-owned streetscape improvements related to Riverside Neighborhood, Comprehensive Plan Regional Center; Bridge Street, Monroe to Post 1 block, including enhancements, lighting and street furniture, with an estimated cost of \$300,000.~~

~~(p) — Publicly-owned infrastructure improvements related to Riverside Neighborhood; Potential Bridge Street public market incubator site, but limited to upgrade of water and sewer to current commercial and industrial standards, and underground utilities where appropriate, with an estimated \$500,000 towards total cost.~~

~~(q) — Publicly-owned infrastructure improvements related to West Central Neighborhood, Maxwell & Elm Employment Center; incubator site(s), but limited to upgrade of water and sewer to current commercial and industrial standards, with an estimated \$750,000 towards total cost.~~

~~(r) — Publicly-owned Streetscape enhancements for West Central Neighborhood; Broadway to Nora, Maple and Ash, 4-6 blocks, including sidewalks, bumpouts, trees, crosswalk treatment, and benches/bus shelters, with an estimated cost of \$1,800,000.~~

~~(s) — Publicly-owned north bank trail enhancements for Riverside Neighborhood; Centennial Trail at Monroe Street Bridge, with an estimated cost of \$175,000.~~

~~(t) — Publicly-owned streetscape improvements for Riverside Neighborhood; Monroe to Central, Broadway to Mallon 4-6 blocks, including trees, crosswalk treatments, street furniture, lighting, bike and pedestrian infrastructure and improvements and underground utilities where appropriate, with estimated cost of \$1,800,000.~~

~~(u) — Publicly-owned streetscape and infrastructure improvements related to Riverside Neighborhood; Howard to Washington, N. River Bank to Dean, 2 blocks, including upgrade of water and sewer to current commercial and industrial standards, underground utilities where needed and as feasible, with an estimated \$850,000 towards total cost.~~

~~(v) — Public access to West Central Neighborhood, Lower Crossing, including parking, bike, pedestrian, and trail enhancements, with an estimated cost of \$750,000.~~

~~(x) — Crossover reconfiguration analysis and engineering Riverside, Lincoln-Monroe, with an estimated cost of \$175,000.))~~

(k) Publicly-owned parking facilities, including surface parking lots, street parking improvements, covered parking facilities and/or multiple-floor parking facilities, adjacent to the campus of the County Courthouse, with an estimated cost of \$5,000,000.

(l) Publicly-owned sidewalks, including street furnishings installed along the sidewalk (e.g., benches, trash receptacles, bicycle racks and planter pots), adjacent to the campus of the County Courthouse, with an estimated cost of \$200,000.

(m) Street lights, adjacent to the campus of the County Courthouse, with an estimated cost of \$100,000.

(n) Publicly-owned park/recreational facilities, including pocket parks and public plazas (each of which is projected to be approximately 6,000 square feet in area), adjacent to the campus of the County Courthouse, with an estimated cost of \$100,000.

The public improvements described in paragraphs (a) through (i) are hereinafter referred to as the “Kendall Yards Sub-Area Public Improvements,” the public improvements described in paragraphs (j) ~~((through (w)))~~ are hereinafter referred to as the “Neighborhood Public Improvements” and the public improvements described in paragraphs ~~(x)~~(k) through ~~(aa)~~(n) are hereinafter referred to as the “County Public Improvements.” All components and portions of the Kendall Yards Sub-Area Public Improvements shall be constructed and installed in accordance with the maps, plans, and specifications to be approved by the City.

Section 3. Amendment to Section 5 of Ordinance No. C34032. Section 5 of Ordinance No. C34032 is hereby amended to provide as follows:

“Section 5. Apportionment Period. The apportionment of Regular Property Taxes shall begin as of January 1, 2008, the calendar year following the enactment of this Ordinance. The City estimates that the apportionment of Regular Property Taxes pursuant to RCW 39.89.070 shall continue until the earlier of: (1) such time as the Incremental Revenues are no longer necessary or obligated to pay Public Improvement Costs; or (2) December 31, ~~((2032))~~ 2047. Provided, all Pledged Tax Allocation Revenues (as that term is defined in the Amended and Restated Reimbursement Agreement by and between the City of Spokane and North Gorge Residential Partners, LLC, dated August 22, 2011) collected from the Kendall Yards Sub-Area from January 1, 2033 up to and including December 31, 2047 shall be applied to pay for Neighborhood Public Improvements within the West Central Neighborhood, being that area of the Increment Area south of Maxwell Street, west of Monroe Street, excluding any land located in the Kendall Yards Sub-Area.

Section 4. Amendment to Section 9. of Ordinance No. C34032. Section 9 of Ordinance No. C34032 is hereby amended to provide as follows:

Section 9. ~~((Ratification of Prior Approval of))~~ Amendment to Intergovernmental Agreement. ~~((Under the County Resolution, the County has executed and delivered the Intergovernmental Agreement and agreed to the proposed Increment Area and the use of community revitalization financing by the City to finance the Public Improvements and encourage private development within the Increment Area as contemplated under RCW 39.89.030(4) and 39.89.050(1). The Council hereby ratifies and confirms its prior authorization and approval of the Intergovernmental Agreement pursuant to OPR 07-399 approved and executed on May 14, 2007 and the execution and delivery the Intergovernmental Agreement, as approved and in the form attached hereto as **Exhibit C**, by the Authorized Representative.))~~ The Council hereby authorizes and approves the First Amendment of Intergovernmental Agreement Between the City of Spokane, Washington and Spokane County, Washington Authorizing Community Revitalization Financing in Connection With the West Quadrant Increment Area in substantially the form presented to the Council in connection with the consideration of this Ordinance, and attached hereto as **Exhibit A**, with any nonmaterial changes thereto that one or more of the Authorized Representatives shall deem appropriate and in the interest of the City. The Council hereby further authorizes and directs any Authorized Representative to finalize, execute and deliver such Amended Intergovernmental Agreement.

Section 5. Referendum. This Ordinance is subject to the Referendum procedure specified in Section 83 of the City Charter.

Section 6. Ratification. All actions not inconsistent with the provisions of this Ordinance heretofore taken by the Council and the Council's employees in connection with the improvements to the Increment Area are hereby and in all respects ratified, approved and confirmed.

PASSED and ENACTED by the City of Spokane, Spokane County, Washington, on January __, 2020.

CITY OF SPOKANE
Spokane County, Washington.

Ben Stuckart, Council President

David Condon, Mayor

ATTEST:

Terri L. Pfister, City Clerk

(S E A L)

Effective Date

Approved As To Form:

Assistant City Attorney

CERTIFICATION

Terri L. Pfister, the City Clerk of the City of Spokane, Spokane County, Washington, hereby certifies that the foregoing Ordinance is a full, true, and correct copy of an Ordinance duly passed and adopted at a regular meeting of the City Council of the City of Spokane, duly and regularly held at the regular meeting place thereof on January __, 2020, of which meeting all members of such Council had due notice and at which a majority thereof was present; and that at such meeting such Ordinance was adopted by the following vote:

AYES, and in favor thereof, Council members:

NAYS, Council members:

ABSENT, Council members:

ABSTAIN, Council members:

I further certify that I have carefully compared the same with the original Ordinance on file and of record in my office; that such Ordinance is a full, true, and correct copy of the original Ordinance adopted at such meeting; and that such Ordinance has not been amended, modified, or rescinded since the date of its adoption, and is now in full force and effect

IN WITNESS WHEREOF, I have set my hand and affixed the official seal of such City on January __, 2020.

CITY OF SPOKANE, WASHINGTON

Terri L. Pfister, City Clerk

(S E A L)

Exhibit “A”

Copy of Ordinance C34032

**FIRST AMENDMENT OF INTERGOVERNMENTAL AGREEMENT BETWEEN
THE CITY OF SPOKANE, WASHINGTON AND SPOKANE COUNTY, WASHINGTON
AUTHORIZING COMMUNITY REVITALIZATION FINANCING IN CONNECTION
WITH THE WEST QUADRANT INCREMENT AREA**

This First Amendment (the “Amendment”) is made and entered into as of the dates set forth below, by the CITY OF SPOKANE, WASHINGTON (the “City”), and SPOKANE COUNTY, WASHINGTON (the “County”), hereinafter referred to as the “Parties.”

RECITALS

WHEREAS, the Parties previously entered into an agreement titled “Intergovernmental Agreement Between the City of Spokane, Washington and Spokane County, Washington Authorizing Community Revitalization Financing in Connection with the West Quadrant Increment Area,” a copy of which is attached hereto as Exhibit “A” (the “Agreement”);

WHEREAS, the Parties wish to amend the Agreement by extending its duration through December 31, 2047;

NOW, THEREFORE, in consideration of the mutual promises contained herein, and the benefits to be realized by each party and by the general public from the creation of the Increment Area, the City and the County agree as follows:

1. Agreement. The Intergovernmental Agreement Between the City of Spokane, Washington and Spokane County, Washington Authorizing Community Revitalization Financing in Connection with the West Quadrant Increment Area, a copy of which is attached as Exhibit “A”, and any previous amendment and/or extensions/renewals, thereto, are incorporated by reference into this document as though written in full and shall remain in full force and effect except as provided herein (the “Agreement”).

2. Extension. Section 4 of the Agreement is amended as follows:

4. Chapter 39.34 RCW Required Provisions.

(a) *Purpose*. See Section 1 above.

(b) *Duration*. This Agreement shall continue until the earlier of: (i) such time as the tax allocation revenues (as defined in RCW 39.89.020(8)) are no longer necessary or obligated to pay the costs of any of the public improvements as set forth in Section 2 of the City Ordinance, as amended by Ordinance _____; or (ii) December 31, ~~((2032))~~2047.

(c) *Organization of Separate Entity and Its Powers*. See Section 3 above. No separate legal entity is necessary in conjunction with this Agreement.

(d) *Responsibilities of the Parties*. See provisions above.

(e) *Agreement to be Filed.* The City shall file this Agreement with its City Clerk, The County shall file this Agreement with the County Auditor or alternatively list the Agreement on the County's website.

(f) *Financing.* See Section 2 above.

(g) *Termination.* This Agreement may not be terminated any earlier than as provided in paragraph (b) above.

(h) *Property Upon Termination.* Title to all property acquired by any party in the performance of this Agreement shall remain with the acquiring party upon termination of this Agreement.

5. Severability. If any provision of this Amendment shall be held to be invalid, illegal or unenforceable, such invalidity, illegality or unenforceability shall not affect any other provisions of this Amendment, but this Amendment shall be construed as if such invalid, illegal or unenforceable provisions had never been contained herein.

6. Counterpart. The parties may sign this Amendment in one or more counterparts hereto and each counterpart shall be treated as an original.

7. Binding Effect. Both parties have full power and authority to execute and deliver this Amendment and to perform their respective obligations under this Amendment. This Amendment constitutes a valid and binding obligation of the County and the City and is enforceable in accordance with its provisions.

8. Governing Law. This Amendment shall be construed in accordance with and governed by the laws of the State.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties have executed the Agreement and it shall be effective as of the last date of execution below.

Executed this ____ day of January, 2020, by:

CITY OF SPOKANE
Spokane County, Washington

David Condon, Mayor

ATTEST:

Approved as to form:

Terri L. Pfister, City Clerk

Assistant City Attorney

(SEAL)

Executed this ____ day of _____, 20____, by:

SPOKANE COUNTY, WASHINGTON

Mary L. Kuney, Chair

Al French, Vice Chair

Josh Kerns, Commissioner

ATTEST:

Ginna Vasquez, Clerk to the Board of
County Commissioners

(S E A L)

[Signature Page to Intergovernmental Cooperation Agreement]

Exhibit “A”

Copy of Intergovernmental Agreement Between the City of Spokane, Washington and Spokane County, Washington Authorizing Community Revitalization Financing in Connection With the West Quadrant Increment Area

ORDINANCE NO. C34032

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SPOKANE, SPOKANE COUNTY, WASHINGTON, DESIGNATING AN INCREMENT AREA WITHIN ITS BOUNDARIES; DESCRIBING THE PUBLIC IMPROVEMENTS PROPOSED TO BE FINANCED IN WHOLE OR IN PART WITH THE USE OF COMMUNITY REVITALIZATION FINANCING; DESCRIBING THE BOUNDARIES OF THE INCREMENT AREA; ESTIMATING THE COST OF PUBLIC IMPROVEMENTS AND THE PORTION TO BE FINANCED USING COMMUNITY REVITALIZATION FINANCING; ESTIMATING THE TIME DURING WHICH REGULAR PROPERTY TAXES ARE TO BE APPORTIONED; PROVIDING THE DATE WHEN APPORTIONMENT OF THE REGULAR PROPERTY TAXES WILL COMMENCE; MAKING FINDINGS CONCERNING THE FINANCING OF PUBLIC IMPROVEMENTS USING COMMUNITY REVITALIZATION FINANCING; AUTHORIZING AND APPROVING A REIMBURSEMENT AGREEMENT AND AN INTERGOVERNMENTAL AGREEMENT; DESIGNATING AN AUTHORIZED REPRESENTATIVE; DECLARING AN URGENCY AND EMERGENCY; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO.

**CITY OF SPOKANE
Spokane County, Washington**

**INCREMENT AREA NO. 2007-1
(West Quadrant Increment Area)**

THE CITY OF SPOKANE DOES ORDAIN:

WHEREAS, the City of Spokane, Spokane County, Washington, (the "City") is a first class charter City duly incorporated and operating under the laws of the State of Washington and the Charter of the City;

WHEREAS, the City is authorized by Chapter 39.89 RCW (the "Act") to establish an Increment Area within the boundaries of the City and to finance public improvements using community revitalization financing to encourage private development within said Increment Area;

WHEREAS, the City Council (the "Council") desires to form an Increment Area, to be designated as the "West Quadrant Increment Area" (the "Increment Area" as defined below) to encourage private development; and

WHEREAS, the Council finds that the construction of certain public improvements within the Increment Area will encourage private development and increase the fair market value of real property within the Increment Area; and

WHEREAS, the proposed plan for public improvements must be consistent with the county-wide planning policy adopted by Spokane County, Washington (the "County") and with the City's Comprehensive Plan and development regulations adopted under the Growth Management Act; and

WHEREAS, the Act requires that the City enter into written agreements with taxing districts within the Increment Area approving the use of community revitalization financing; and

WHEREAS, pursuant to RCW 39.89.030(4) and RCW 39.89.050(1), the County adopted Resolution No. 2007-0393 on May 8, 2007 (the "County Resolution"), authorizing the execution and delivery of an Intergovernmental Agreement for the West Quadrant Increment Area (the "Intergovernmental Agreement") approving of and agreeing to the use of community revitalization financing, and has now executed and delivered the Intergovernmental Agreement; and

WHEREAS, the Act requires that the City hold a public hearing on the proposed financing of the public improvements within an Increment Area in whole or in part using community revitalization financing; and

WHEREAS, pursuant to Resolution No. 2007-0044 adopted by the City Council on April 30, 2007, the City caused to be published on May 4, 2007, such date being at least ten (10) days before the public hearing, notice in The Spokesman Review, a legal newspaper of general circulation within the proposed Increment Area, setting forth the date, time, and place of the Council's public hearing on this Ordinance, and further caused such notice to be posted in at least six (6) conspicuous public places located in the proposed Increment Area; and

WHEREAS, pursuant to RCW 39.89.030 the City may finance the public improvements within the Increment Area; and

WHEREAS, the City anticipates constructing certain public improvement within the Increment Area and using community revitalization financing to finance a portion of the costs of such public improvements (the "Neighborhood Public Improvements"); and

WHEREAS, pursuant to the Intergovernmental Agreement, the City and the County have agreed that certain public improvements within the Increment Area will be constructed by or at the direction of the County (the "County Public Improvements") and that a portion of the costs of the County Public Improvements will be financed through the use of community revitalization financing; and

WHEREAS, pursuant to the Intergovernmental Agreement, the City and the County have agreed that Incremental Revenues (as defined below) generated within the Increment Area but outside of the Kendall Yards Sub-Area shall be used to finance a portion of the costs of the Neighborhood Public Improvements and the County Public Improvements; and

WHEREAS, the City has received a proposal from Kendall Yards Development, Inc. (the "Developer") requesting that the City finance a portion of the costs of certain public improvements through community revitalization financing in connection with development by

the Developer of residential and commercial improvements on property located within that portion of the Increment Area that is within the Kendall Yards Sub-Area (as defined below); and

WHEREAS, the Developer and the City have negotiated the terms of a Reimbursement Agreement (the "Reimbursement Agreement") between the Developer and the City, under which the Developer agrees to, among other things, finance and construct certain public improvements that are located within the Kendall Yards Sub-Area of the Increment Area (the "Kendall Yards PUD Public Improvements") and the City agrees to reimburse the Developer for all or a portion of the eligible costs of such public improvements with Incremental Revenues (as defined below) generated within the Kendall Yards Sub-Area located within the Increment Area, subject to receipt of such revenues and the satisfaction of the terms and conditions set forth in the Reimbursement Agreement; and

WHEREAS, the Council desires to authorize and approve the Reimbursement Agreement, the Intergovernmental Agreement (collectively, the "Agreements") and to designate the Mayor, the Chief Operating Officer, the Chief Financial Officer or their designee as the authorized representative (the "Authorized Representative") to execute such Agreements;

NOW, THEREFORE, IT IS FURTHER ORDAINED as follows:

Section 1. Definitions. In addition to those terms defined in the Recitals above, as used in this Ordinance, the following terms have the meanings provided in this section.

"Increment Area" shall mean the Increment Area as that term is defined by RCW 39.89.020(9) and shall refer to the West Quadrant Increment Area established by this Ordinance, a description of which is attached as Schedule 1 to Exhibit A hereto.

"Incremental Revenues" shall mean those Tax Allocation Revenues as that term is defined by RCW 39.89.020(8) that are received by the City and available to finance the Public Improvements.

"Kendall Yards Sub-Area" shall mean that area within the Increment Area that is generally bounded by Monroe Street on the east, Ide Avenue and Ohio Avenue on the south, Summit Boulevard on the west and Bridge Avenue and College Avenue on the north, a description of which is attached as Schedule 2 to Exhibit A hereto.

"Public Improvement Costs" has the meaning specified for such phrase in RCW 39.89.020(5).

"Public Improvements" has the meaning specific for such phrase in RCW 39.89.020(4) and shall include those public improvements described in Section 2 of this Ordinance as the Kendall Yards Sub-Area Public Improvements, the Neighborhood Public Improvements and the County Public Improvements.

Capitalized terms used in this Ordinance that are not defined above shall have the meaning given to such terms in Chapter 39.89 RCW.

Section 2. Description of Plan for Public Improvements. It is the intention of the City that certain public improvements, including but not limited to those Public Improvements which are generally described below, be constructed and installed within the Increment Area:

(a) Publicly-owned street and road improvements, including: approximately 40,000 linear feet of streets and curbs; striping and signage; utility sleeves or similar facilities that will serve publicly owned utilities; approximately 14,000 linear feet of street landscaping (including trees and irrigation improvements); traffic signals; and improvements to Maple Street and Monroe Street, with an estimated cost of \$5,188,489.

(b) Publicly-owned water system improvements, including approximately: 15,060 lineal feet of water mains (including valves and fittings); 158 domestic water service lines (to the extent such lines are in the public domain); 158 building fire service lines (to the extent such lines are in the public domain); and 43 fire hydrants, with an estimated cost of \$2,382,300; provided fixtures and appurtenances required to connect private development to the public water system shall not be considered Kendall Yards Sub-Area Public Improvements.

(c) Publicly-owned sewer system improvements, including approximately: 1,800 lineal feet of sanitary sewer interceptors (including pipe in diameters of up to 72 inches); 15,060 lineal feet of sanitary sewer mains; 158 sanitary sewer service lines (to the extent such lines are in the public domain); and 60 sanitary sewer manholes, with an estimated cost of \$3,602,600; provided fixtures and appurtenances required to connect private development to the publicly owned sewer system shall not be considered Kendall Yards Sub-Area Public Improvements.

(d) Publicly-owned storm water and drainage management systems, including: approximately 18,031 lineal feet of storm sewer pipe; approximately 75 storm sewer manholes; approximately 151 storm water catch basins; approximately 26 Type 2 drywells; drainage swales (including landscaping for such swales); and storm water treatment vaults, with an estimated cost of \$4,416,205; provided, infrastructure and appurtenances required to address on-site storm water requirements shall not be considered Kendall Yards Sub-Area Public Improvements.

(e) Publicly-owned sidewalks, including street furnishings installed along the sidewalk (*e.g.*, benches, trash receptacles, bicycle racks and planter pots), with an estimated cost of \$8,050,000. The parties shall address responsibility for maintenance of street furnishings installed along the sidewalk (other than benches and bicycle racks) in a separate agreement to the extent such street furnishings are to be Kendall Yards Sub-Area Public Improvements.

(f) Streetlights, with an estimated cost of \$1,970,000.

(g) Publicly-owned park facilities and recreational area improvements, including: an extension of the Centennial Trail extending approximately 7,300 lineal feet (with an approximately 20-foot wide drivable surface and an additional 10' of landscape planting and/or re-vegetation); approximately eight (8) public riverfront plazas/parks

(each of which is projected to be approximately 6,000 square feet in area); and improvements to the trail and landscaping in the existing Veterans Park at the intertie with the Centennial Trail, with an estimated cost of \$5,263,162.

(h) Site preparation for the aforementioned improvements, including demolition, excavating, grading, installing temporary erosion control improvements, with estimated costs of \$7,200,000.

(i) Designing, engineering, planning and permitting for the aforementioned improvements, with estimated costs of \$4,650,000; provided, the Public Improvement Costs relating to designing, engineering, planning, and permitting the Kendall Yards Sub-Area Public Improvements shall comply with Public Works Laws relating to the design, engineering, and permitting of the same and shall be limited to ten percent (10%) of the total Public Improvement Cost of the Kendall Yards Sub-Area Public Improvements, and any design, engineering, planning and permitting costs in excess of said ten percent (10%) limitation shall not be considered "Public Improvement Costs" for purposes of this Reimbursement Agreement.

(j) Publicly-owned streetscape improvements related to West Central Neighborhood, Comprehensive Plan West Broadway Neighborhood Center; Broadway, Ash to Chestnut, 4 blocks, including decorative concrete or paver sidewalks, trees, period lighting, permanent street furniture, bike and pedestrian infrastructure, underground utilities, median construction and infrastructure for future streetcar route, with an estimated cost of \$2,500,000.

(k) Publicly-owned intersection improvements related to Emerson Garfield and West Central Neighborhoods, Comprehensive Plan Monroe Corridor; Cora to Boone, 6-10, including NW Blvd, Boone, and others to be identified in N Monroe community design process (gateway locations): bumpouts, pavement treatment, trees, lighting, underground utilities as needed and feasible, pedestrian amenities, with an estimated cost of \$3,000,000.

(l) Publicly-owned traffic calming improvements on Elm, Cannon, and Chestnut 3 blocks, Bridge to Dean, including trees, crosswalk treatments, street furniture, lighting, bike and pedestrian infrastructure and improvements, with an estimated cost of \$900,000.

(m) Publicly-owned streetscape intersection enhancements related to West Central Neighborhood, Comprehensive Plan Maxwell & Elm Employment Center; Chestnut to Maple, 5 blocks, on Sinto including sidewalks, bumpouts, trees and crosswalk treatments, with an estimated cost of \$1,500,000.

(n) Demolition and reconstruction related to Riverside Neighborhood; Post Street Bridge for pedestrians, with an estimated \$750,000 towards total cost.

(o) Publicly-owned streetscape improvements related to Riverside Neighborhood, Comprehensive Plan Regional Center; Bridge Street, Monroe to Post 1

block, including enhancements, lighting and street furniture, with an estimated cost of \$300,000.

(p) Publicly-owned infrastructure improvements related to Riverside Neighborhood; Potential Bridge Street public market incubator site, but limited to upgrade of water and sewer to current commercial and industrial standards, and underground utilities where appropriate, with an estimated \$500,000 towards total cost.

(q) Publicly-owned infrastructure improvements related to West Central Neighborhood, Maxwell & Elm Employment Center; incubator site(s), but limited to upgrade of water and sewer to current commercial and industrial standards, with an estimated \$750,000 towards total cost.

(r) Publicly-owned Streetscape enhancements for West Central Neighborhood; Broadway to Nora, Maple and Ash, 4-6 blocks, including sidewalks, bumpouts, trees, crosswalk treatment, and benches/bus shelters, with an estimated cost of \$1,800,000.

(s) Publicly-owned north bank trail enhancements for Riverside Neighborhood; Centennial Trail at Monroe Street Bridge, with an estimated cost of \$175,000.

(t) Publicly-owned streetscape improvements for Riverside Neighborhood; Monroe to Central, Broadway to Mallon 4-6 blocks, including trees, crosswalk treatments, street furniture, lighting, bike and pedestrian infrastructure and improvements and underground utilities where appropriate, with estimated cost of \$1,800,000.

(u) Publicly-owned streetscape and infrastructure improvements related to Riverside Neighborhood; Howard to Washington, N. River Bank to Dean, 2 blocks, including upgrade of water and sewer to current commercial and industrial standards, underground utilities where needed and as feasible, with an estimated \$850,000 towards total cost.

(v) Public access to West Central Neighborhood, Lower Crossing, including parking, bike, pedestrian, and trail enhancements, with an estimated cost of \$750,000.

(w) Crossover reconfiguration analysis and engineering Riverside, Lincoln-Monroe, with an estimated cost of \$175,000.

(x) Publicly-owned parking facilities, including surface parking lots, street parking improvements, covered parking facilities and/or multiple-floor parking facilities, adjacent to the campus of the County Courthouse, with an estimated cost of \$5,000,000.

(y) Publicly-owned sidewalks, including street furnishings installed along the sidewalk (e.g., benches, trash receptacles, bicycle racks and planter pots), adjacent to the campus of the County Courthouse, with an estimated cost of \$200,000.

(z) Street lights, adjacent to the campus of the County Courthouse, with an estimated cost of \$100,000.

(aa) Publicly-owned park/recreational facilities, including pocket parks and public plazas (each of which is projected to be approximately 6,000 square feet in area), adjacent to the campus of the County Courthouse, with an estimated cost of \$100,000.

The public improvements described in paragraphs (a) through (i) are hereinafter referred to as the “Kendall Yards Sub-Area Public Improvements,” the public improvements described in paragraphs (j) through (w) are hereinafter referred to as the “Neighborhood Public Improvements” and the public improvements described in paragraphs (x) through (aa) are hereinafter referred to as the “County Public Improvements.” All components and portions of the Kendall Yards Sub-Area Public Improvements shall be constructed and installed in accordance with the maps, plans, and specifications to be approved by the City.

Section 3. Estimated Cost. Public Improvement Costs shall include, without limitation but only to the extent permitted by the Act, the cost of design, planning, acquisition, site preparation, construction, improvement and installation of the Public Improvements, together with the following ancillary costs:

- (a) the costs of relocating utilities as a result of the Public Improvements;
- (b) the costs of financing, including interest during construction, legal and other professional services, taxes, insurance, principal and interest costs on indebtedness incurred by the Developer and the County to finance public improvements, and any costs incurred by the City in connection with obligations incurred by the City in financing the Public Improvements;
- (c) the costs incurred by the Spokane County Assessor (the “Assessor”) to:
 - (i) revalue real property for the purpose of determining the tax allocation base value that is in excess of costs incurred by the Assessor in accordance with the revaluation plan under Chapter 84.41 RCW; and
 - (ii) the costs of apportioning the taxes and complying with applicable law; and
- (d) other administrative costs reasonably necessary and related to these costs, including such costs incurred prior to the adoption of this Ordinance.

The total estimated Public Improvement Costs for the Public Improvements that may be financed using community revitalization financing is hereby declared to be approximately Sixty Three Million Eight Hundred Seventy Two Thousand Seven Hundred and Fifty Six and No/100 Dollars (\$63,872,756.00). The City estimates that only a portion of such estimated Public Improvement Costs will be financed using community revitalization financing. The amount of such Public Improvement Costs financed using community revitalization financing shall be limited to and subject to the terms and conditions of the Reimbursement Agreement and the Intergovernmental Agreement.

Section 4. Increment Area Boundaries. The boundaries of the Increment Area are set forth in Schedule 1 to **Exhibit A**, attached hereto and incorporated herein by reference.

Section 5. Apportionment Period. The apportionment of Regular Property Taxes shall begin as of January 1, 2008, the calendar year following the enactment of this Ordinance. The City estimates that the apportionment of Regular Property Taxes pursuant to RCW 39.89.070 shall continue until the earlier of: (1) such time as the Incremental Revenues are no longer necessary or obligated to pay Public Improvement Costs; or (2) December 31, 2032.

Section 6. Tax Allocation Revenue. The City shall use Incremental Revenues to pay Public Improvement Costs, including but not limited to amounts used to pay for Neighborhood Public Improvements and amounts payable under the Reimbursement Agreement and the Intergovernmental Agreement. Provided, the potential use of Community Development Block Grant funds as referenced in the City's notices pursuant to the Act shall be limited to Neighborhood Public Improvements, as defined herein, and no such funds shall be available or used to pay for Kendall Yards Sub-Area Public Improvements or County Public Improvements.

Section 7. Community Revitalization Financing. Pursuant to RCW 39.89.030, the City may finance the Public Improvement Costs in whole or in part using Incremental Revenues. Incremental Revenues will be applied to Public Improvement Costs only in accordance with this Ordinance and pursuant to the terms and conditions set forth in the Reimbursement Agreement and the Intergovernmental Agreement.

Section 7.1. Advisory Board. The Council hereby directs the Authorized Representatives to prepare a proposal for consideration by Council to establish an advisory board to provide oversight and direction with respect to the financing, construction and priority of Neighborhood Public Improvements. Such proposal shall be provided to Council for consideration within thirty (30) days of the effective date of this Ordinance.

Section 8. Reimbursement Agreement. The Council hereby authorizes and approves the Reimbursement Agreement in substantially the form presented to the Council in connection with its consideration of this Ordinance, and attached hereto as **Exhibit B**, with any nonmaterial changes thereto that one or more of the Authorized Representatives shall deem appropriate and in the interest of the City. The Council hereby further authorizes and directs the Authorized Representative to finalize, execute and deliver said Reimbursement Agreement.

Section 9. Ratification of Prior Approval of Intergovernmental Agreement. Under the County Resolution, the County has executed and delivered the Intergovernmental Agreement and agreed to the proposed Increment Area and the use of community revitalization financing by the City to finance the Public Improvements and encourage private development within the Increment Area as contemplated under RCW 39.89.030(4) and 39.89.050(1). The Council hereby ratifies and confirms its prior authorization and approval of the Intergovernmental Agreement pursuant to OPR 07-399 approved and executed on May 14, 2007 and the execution and delivery the Intergovernmental Agreement, as approved and in the form attached hereto as **Exhibit C**, by the Authorized Representative.

Section 10. Findings. The Council hereby makes the following findings:

(a) That the Public Improvements are expected to encourage private development within the Increment Area and to increase the fair market value of real property within the Increment Area.

(b) That the private development that is anticipated to occur within the Increment Area as a result of the Public Improvements will be consistent with the countywide planning policy adopted by the County under RCW 36.70A.210 and the City's Comprehensive Plan and the development regulations adopted under Chapter 36.70A RCW.

(c) That the expenditures for the Public Improvements represent necessary and legitimate expenses of the City for public improvements and public improvement costs.

(d) That the taxing districts, in the aggregate, that levy at least seventy-five percent of the regular property tax within which the Increment Area is located have approved of and agreed to the use of community revitalization financing for the Public Improvements, as contemplated by RCW 39.89.030(4) and 39.89.050(1).

(e) That the Increment Area does not include any fire protection districts or any portions thereof.

(f) That this Ordinance satisfies all conditions of RCW 39.89.030.

Section 11. Referendum. This Ordinance is subject to the Referendum procedure specified in Section 83 of the Charter of the City.

Section 12. Effective Date. The Council hereby finds and determines that the creation of the Increment Area at this time will benefit the City due to the current state of public and private improvements within the proposed Increment Area boundaries. In making such finding and determination, the Council has given consideration to the purposes of the Act and the potential for economic development as a result of the formation of the Increment Area. In order to maximize future economic development within the Increment Area and the Incremental Revenues generated within the Increment Area to finance the Public Improvements it is essential to proceed immediately with the formation of the Increment Area and to enter into the Reimbursement Agreement and the Intergovernmental Agreement in connection therewith. Based upon said facts, an emergency and urgency is declared and found to exist as necessary for the immediate support of City government and its existing public institutions. Based upon said emergency and urgency, this Ordinance shall be effective immediately upon its passage.

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PASSED and ENACTED by the City of Spokane, Spokane County, Washington, on May 14, 2007.

CITY OF SPOKANE
Spokane County, Washington.



Joe Shogan
Joe Shogan, Council President

Dennis Hession
Dennis Hession, Mayor

20
5/21/07

RECEIVED
05.21.07
CITY CLERK'S OFFICE
SPOKANE, WA

ATTEST:

Terri L. Pfister
Terri L. Pfister
City Clerk

05.14.07
EFFECTIVE DATE

Approved As To Form:

James Richman
James Richman, Assistant City Attorney

CERTIFICATION

Terri L. Pfister, the Clerk of the City of Spokane, Spokane County, Washington, hereby certifies that the foregoing Ordinance is a full, true, and correct copy of an Ordinance duly passed and adopted at a regular meeting of the City Council of the City of Spokane, duly and regularly held at the regular meeting place thereof on May 14, 2007 of which meeting all members of said Council had due notice and at which a majority thereof was present; and that at said meeting said Ordinance was adopted by the following vote:

AYES, and in favor thereof, Council members:

6

(Council President Shogan, Council Members Crow, French, McLaughlin, Stark and Verner)

NAYS, Council members:

1

(Council Member Apple voting "NO")

ABSENT, Council members:

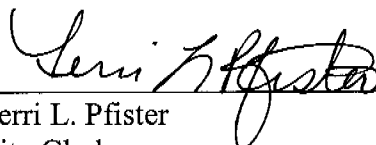
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ABSTAIN, Council members:

0

I further certify that I have carefully compared the same with the original Ordinance on file and of record in my office; that said Ordinance is a full, true, and correct copy of the original Ordinance adopted at said meeting; and that said Ordinance has not been amended, modified, or rescinded since the date of its adoption, and is now in full force and effect.

IN WITNESS WHEREOF, I have set my hand and affixed the official seal of said City on May 29, 2007.



Terri L. Pfister
City Clerk



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

01/06/2020

Date Rec'd

12/9/2019

Clerk's File #

OPR 2020-0013

Renews #**Submitting Dept**

PUBLIC WORKS

Cross Ref #**Contact Name/Phone**

CORIN MORSE 625.6855

Project #**Contact E-Mail**

CMORSE@SPOKANECITY.ORG

Bid #**Agenda Item Type**

Special Considerations

Requisition #**Agenda Item Name**

5200 UNCOLLECTABLE UTILITY BALANCES OVER 5.5 YEARS OLD

Agenda Wording

Requesting the write off of uncollected utility A/R balances that are over 5.5 years old -- \$450,925

Summary (Background)

There are 174 utility accounts that have been identified as having uncollected balances over 5.5 years old. These aged balances are dated between 1999-2013 and amount to \$450,925, which includes \$153,504 in late fees. With the implementation of the city's new UIS system, it is important to write those balances off and avoid transferring that inactive data into the new system. The process of identifying aged uncollected accounts will continue on a yearly basis moving forward.

Fiscal Impact

Grant related? NO

Public Works? NO

Budget Account

Select \$

#

Select \$

#

Select \$

#

Select \$

#

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

CONKLIN, CHUCK

Study Session

PIES 12-16-19

Division Director

SIMMONS, SCOTT M.

Other**Finance**

ALBIN-MOORE, ANGELA

Distribution List**Legal**

SCHOEDEL, ELIZABETH

cmorse@spokanecity.org

For the Mayor

ORMSBY, MICHAEL

ssimmons@spokanecity.org

Additional Approvals

eschoedel@spokanecity.org

Purchasing

rhulvey@spokanecity.org

ACCOUNTING

HUGHES, MICHELLE

acline@spokanecity.org

mfeist@spokanecity.org

mhughes@spokanecity.org

Briefing Paper

City Council Briefing

Division & Department:	Public Works, Utility Billing
Subject:	Uncollectable Balances >5.5 Years
Date:	December 3, 2019
Author (email & phone):	Corin Morse (cmorse@spokanecity.org) or 625.6855
City Council Sponsor:	
Executive Sponsor:	Scott Simmons
Committee(s) Impacted:	Sustainable Resource Committee
Type of Agenda item:	<input checked="" type="checkbox"/> Consent <input type="checkbox"/> Discussion <input type="checkbox"/> Strategic Initiative
Alignment:	Utilities Charge Off Policy
Strategic Initiative:	Aged Balances – Data Integrity – Billing System Conversion (UIS)
Deadline:	December 31, 2019
Outcome:	Reduction of uncollectable balances of >5.5 Years

Background/History:

The UIS Billing System Project began July, 2019. An important step towards successful implementation is to evaluate aged and inactive data to avoid transferring to the new system. The data evaluation process has identified 174 accounts aged >5.5 years that should be written off as uncollectable. Some balances date back to 1999 when the City converted to our current billing system, C-Star. This evaluation will continue on a yearly basis and is expected to be a fraction of the total today. Below is a breakdown of balances dated between 1999 to 2013 and uncollected.

***As of Q3/2019: UB billed an average of \$17.6mm per month.**

SERVICE TYPE	TOT >5.5 YRS
ICM	\$ 2,325
RDISP (CODE ENF)	\$ 25,938
REF	\$ 53,411
REFWO	\$ 22,307
SEWER	\$ 88,985
STORMWATER	\$ 12,658
WATER	\$ 91,797
UTIL (FEES)	\$ 153,504
TOTAL UNCOLLECTABLE	\$ 450,925
UTIL (FEES)	\$ (153,504)
TOTAL A/R >5.5 Years	\$ 297,421

*174 Accounts

Executive Summary:

The integrity of data moving into the new billing system is vital to implementation.

Budget Impact:

Approved in current year budget? ☐ Yes ☒ No

Annual/Reoccurring expenditure? ☐ Yes ☒ No

If new, specify funding source:

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

Operations Impact:

Consistent with current operations/policy?

☒

Yes

☐

No

Requires change in current operations/policy?

☐

Yes

☒

No

Specify changes required: