

**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

- 2.2.4 The open forum is a limited public forum and all matters discussed shall relate to affairs of the City. No person may use the open forum to speak on such matters and in such a manner as to violate the laws governing the conduct of municipal affairs. No person shall be permitted to speak on matters related to the current or advance agendas, potential or pending hearing items, or ballot propositions for a pending election. Individuals speaking during the open forum shall address their comments to the Council President and shall not make personal comment or verbal insults about any individual.
- 2.2.6 In an effort to encourage wider participation in open forum so that the Council can hear a wide array of citizen comment, no person shall be permitted to speak at open forum more often than once per month. However, this limitation has no effect on the public comment rules concerning items on the Council's current 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, as specified in Rules 5.3 and 5.4.

Rule 5.4 Public Testimony Regarding Legislative Agenda Items – Time Limits

- 5.3.1 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.
- 5.3.2 No one may speak without first being recognized for that purpose by the Chair. Except for named parties to an adjudicative hearing, a person may be required to sign a sign-up sheet and provide his or her address 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.
- 5.3.3 Each person speaking at the public microphone shall verbally identify him(her)self by name and, if appropriate, representative capacity.
- 5.3.4 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.
- 5.3.5 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, applause, profanity, vulgar language, or personal insults will be permitted.
- 5.3.6 A speaker asserting a statement of fact may be asked to document and identify the source of the factual datum being asserted.
- 5.3.7 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.
- 5.3.8 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* shall extend to all speakers before the City Council. The council president pro-tem shall be charged with the task of assisting the council president to insure that all individuals desiring to speak, be they members of the public, staff or council members, shall be identified and provided the opportunity to speak.

THE CITY OF SPOKANE



CURRENT COUNCIL AGENDA

MEETING OF MONDAY, JULY 24, 2017

MISSION STATEMENT

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

MAYOR DAVID A. CONDON

COUNCIL PRESIDENT BEN STUCKART

COUNCIL MEMBER BREEAN BEGGS

COUNCIL MEMBER LORI KINNEAR

COUNCIL MEMBER KAREN STRATTON

COUNCIL MEMBER MIKE FAGAN

COUNCIL MEMBER CANDACE MUMM

COUNCIL MEMBER AMBER WALDREF

CITY COUNCIL BRIEFING CENTER
CITY HALL

808 W. SPOKANE FALLS BLVD.
SPOKANE, WA 99201

City of Spokane Guest Wireless access for Council Chambers for July 24, 2017:

User Name: **COS Guest**

Password: **pk6Hucry**

Please note the space in user name. Also, both user name and password are case sensitive

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 on any issue not relating to the Current or Advance Agendas during the Open Forum at the beginning and the conclusion of the Legislative Agenda.

ADDRESSING THE COUNCIL

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

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

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

AMERICANS WITH DISABILITIES ACT (ADA) INFORMATION: The City of Spokane is committed to providing equal access to its facilities, programs and services for persons with disabilities. The Council Briefing Center 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.) through the meeting organizer. Individuals requesting reasonable accommodations or further information may call, write, or email Human Resources at 509.625.6363, 808 W. Spokane Falls Blvd, Spokane, WA, 99201; or jjackson@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 Briefing Center Lower Level of City Hall)

(No Public Testimony Taken)

Council Reports

Staff Reports

Committee Reports

Advance Agenda Review

Current Agenda Review

ADMINISTRATIVE SESSION

Roll Call of Council

CONSENT AGENDA

REPORTS, CONTRACTS AND CLAIMS

RECOMMENDATION

- | | | |
|--|----------------|------------------------------|
| 1. Annual Supply of Backflow Prevention Devices from Keller Supply Co. (Spokane, WA) for Water & Hydroelectric Services—\$160,000 (incl. tax). | Approve | OPR 2017-0488
BID 4366-17 |
| 2. Purchases for the Fleet Services Department of: | Approve
All | |
| a. one Tymco Street Sweeper from PacWest Machinery (Spokane, WA)—\$285,763.20 (incl. tax). | | OPR 2017-0489 |
| b. seven dump trucks from Kenworth Sales (Spokane, WA)—\$1,620,461.54 (incl. tax). | | OPR 2017-0490 |
| 3. Contract with AssetWorks (Wayne, PA) for annual support and upgrades of Fleet Services (M-5) Equipment System Software from October 1, 2017 through September 30, 2018—\$75,483.92 (incl. tax). | Approve | OPR 2016-0794 |
| 4. Multiple Family Housing Property Tax Exemption Agreement with Konstantin and Tatyana Vasilenko for | Approve | OPR 2017-0491 |

four attached multi-family housing units located at 1808 East 1st Avenue.

- | | | |
|---|------------------------------------|------------------------------|
| 5. Loan Agreement & other documents with Transitions LIHTC LLC (Spokane, WA) for construction of 24 housing units at 2140 & 2176 West Fairview Ave—\$650,000 HOME funds. (Audubon/Downriver Neighborhood) | Approve | OPR 2017-0492 |
| 6. Low bid of Bacon Concrete, Inc., (Spokane, WA) for 2017 Street Maintenance Curb Ramp projects—\$608,292. An administrative reserve of \$60,829.20, which is 10% of the contract price, will be set aside. (Multiple Neighborhoods) | Approve | PRO 2017-0024
ENG 2017042 |
| 7. Contract Amendment with Cerium Networks Inc. (Spokane, WA) to increase funds to upgrade network equipment and improve security, utilizing the Cerium Networks, Inc. (Spokane, WA) from January 1, 2017 through December 31, 2017—\$203,338.55. Total Contract Amount: \$350,000. | Approve | OPR 2014-0008 |
| 8. Report of the Mayor of pending: | Approve &
Authorize
Payments | CPR 2017-0002 |
| a. Claims and payments of previously approved obligations, including those of Parks and Library, through July 14, 2017, total \$4,731,145.86, with Parks and Library claims approved by their respective boards. Warrants excluding Parks and Library total \$4,479,824.53. | | |
| b. Payroll claims of previously approved obligations through July 15, 2017: \$6,946,237.39. | | CPR 2017-0003 |
| 9. City Council Meeting Minutes: July 10, 2017 and July 13, 2017. | Approve
All | CPR 2017-0013 |

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 Briefing Center)

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 thirty minutes. Each speaker will be limited to three minutes, unless otherwise deemed by the Chair. If you wish to speak at the forum, please sign up on the sign-up sheet located at the meeting.

Note: No person shall be permitted to speak at Open Forum more often than once per month (Council Rule 2.2.6).

LEGISLATIVE AGENDA

NO SPECIAL BUDGET ORDINANCES

NO EMERGENCY ORDINANCES

RESOLUTIONS & FINAL READING ORDINANCES

(Require Four Affirmative, Recorded Roll Call Votes)

- RES 2017-0059 Setting hearing before the City Council for August 28, 2017 for the vacation of Elm Street from the north line of 5th Avenue to the south line of the railroad right-of-way, as requested by Avista.
- RES 2017-0060 Expressing the intention of the City Council to designate residential targeted areas, amend SMC 8.15.030 and to set a public hearing on July 31, 2017.
- RES 2017-0061 (To be considered under Hearings Item H1.c.)
- ORD C35515 (To be considered under Hearings Item H1.b.)

FIRST READING ORDINANCES

(No Public Testimony Will Be Taken)

- ORD C35523 Amending Ordinance C27459 vacating Jenkins Street from 136.5 feet west of Monroe Street to Monroe Street, in the City of Spokane.
- ORD C35524 Relating to multiple-family housing property tax exemption; amending sections SMC 8.02.0695, 8.15.020, 8.15.030, 8.15.040, 8.15.050, 8.15.060, 8.15.080, 8.15.090, 8.15.100, 8.15.110, and 8.15.120; and repealing SMC section 8.15.130 of the Spokane Municipal Code.
- ORD C35525 Relating to water, wastewater, stormwater and solid waste rates and the creation of Senior or Disabled Person Residential Customer Credit for utility services for low income senior and disabled property owners rate section in the Spokane Municipal Code, adopting a new Chapter 13.11 to Title 13 of the Spokane Municipal Code; and setting an effective date.

Request motion to accept Revised versions of the following Ordinances (ORD C35526 through ORD C35530) as filed on July 20, 2017:

Ordinances relating to the rates of public utilities and services:

- ORD C35526 Amending SMC sections 13.02.0560, 13.02.0562, 13.02.0563 and 13.02.0568; to chapter 13.02 of the Spokane Municipal Code; and setting an effective date.

- ORD C35527** Amending SMC sections 13.10.010, and 13.10.030 to chapter 13.10; sections 13.035.500, and 13.035.600; to chapter 13.035 of the Spokane Municipal Code; and setting an effective date.
- ORD C35528** Amending SMC sections 13.03.1004, 13.03.1006, 13.03.1008, 13.03.1010, 13.03.1012, 13.03.1014, 13.03.1016, 13.03.1018, 13.03.1020, 13.03.1022; and 13.03.1226; to chapter 13.03 of the Spokane Municipal Code; and setting an effective date.
- ORD C35529** Amending SMC sections 13.04.2002, 13.04.2004, 13.04.2005, 13.04.2008, 13.04.2010, 13.04.2012, 13.04.2014, 13.04.2015, 13.04.2016, and 13.04.2019; of the Spokane Municipal Code; and setting an effective date.
- ORD C35530** Amending SMC sections 13.02.0502, 13.02.0504, 13.02.0506, 13.02.0508, 13.02.0510, 13.02.0512, 13.02.0514, 13.02.0516, 13.02.0518, 13.02.0520, 13.02.0528, 13.02.0530, 13.02.0552, and 13.02.0554; to chapter 13.02 of the Spokane Municipal Code; and setting an effective date.

FURTHER ACTION DEFERRED

SPECIAL CONSIDERATIONS

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

RECOMMENDATION

Request motion to accept Revised versions of following MOUs (OPR 2017-0461 and OPR 2017-0462) as filed on July 18, 2017:

- | | | |
|------------|---|------------------------|
| S1. | Memorandums of Understanding for the operation of transportation network company services in the City of Spokane with: | Approve
All |
| | a. Lyft (San Francisco, CA), through December 31, 2017—\$12,500 revenue. | OPR 2017-0461 |
| | b. Rasier (the company that operates Uber) (Seattle, WA), through December 31, 2017—\$10,000 revenue. | OPR 2017-0462 |

(Deferred from the July 17, 2017, Agenda)

HEARINGS

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

RECOMMENDATION

- | | | | |
|------------|--|-----------------------------|----------------------|
| H1. | a. Hearing on Proposed Initiative No. 2016-6 petitions filed on behalf of Todd F. Eklof, sponsor, regarding prohibition of oil and coal shipment by rail. | Council
Decision | LGL 2016-0036 |
|------------|--|-----------------------------|----------------------|

- | | | |
|---|---------------------------------|---------------|
| b. Final Reading Ordinance C35515 relating to prohibition against rail car owners allowing the use of their rail cars to transport highly flammable oil and uncovered coal through specific areas of the City of Spokane that pose an essentially local hazard not currently provided for in federal railway safety regulations; adopting a new section to chapter 10.08 of the Spokane Municipal Code. | Pass or
Defer to
Voters | ORD C35515 |
|
 | | |
| c. Resolution 2017-0061 requesting the Spokane County Auditor to hold a Special Election on November 7, 2017 in conjunction with the scheduled General Election to submit to the voters of the City of Spokane a proposition regarding an amendment to the Spokane Municipal Code relating to the prohibition of oil and coal shipment by rail. | Adopt
Upon Roll
Call Vote | RES 2017-0061 |
-

OPEN FORUM (CONTINUED)

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

Note: No person shall be permitted to speak at Open Forum more often than once per month (Council Rule 2.2.6).

ADJOURNMENT

The July 24, 2017, Regular Legislative Session of the City Council is adjourned to July 31, 2017.

NOTES



Agenda Sheet for City Council Meeting of:
07/24/2017

Date Rec'd	7/5/2017
Clerk's File #	OPR 2017-0488
Renews #	
Cross Ref #	
Project #	
Bid #	BID #4366-17
Requisition #	VB

Submitting Dept	WATER & HYDROELECTRIC SERVICES
Contact Name/Phone	LOREN SEARL 625-7851
Contact E-Mail	LSEARL@SPOKANECITY.ORG
Agenda Item Type	Purchase w/o Contract
Agenda Item Name	4100 - WATER PURCHASE OF BACKFLOW PREVENTION DEVICES

Agenda Wording

Annual Supply of Backflow Prevention Devices from Keller Supply Co. (Spokane, WA) for the City of Spokane Water & Hydroelectric Services - \$160,000.00 including taxes

Summary (Background)

Sealed bids were opened on Monday, June 12, 2017 to provide the Water and Hydroelectric Services department with an annual supply of various styles and sizes of backflow prevention devices on an as needed basis throughout one (1) year. Five (5) bids were received; Keller Supply Co. came in as the lowest bidder. This value blanket shall be valid for a one (1) year period with the option for annual renewals up to a total term of five (5) years at the discretion of the City and subject to mutual agreement.

<u>Fiscal Impact</u>		<u>Budget Account</u>	
Expense	\$ 160,000.00	#	various
Select	\$	#	
Select	\$	#	
Select	\$	#	
<u>Approvals</u>		<u>Council Notifications</u>	
<u>Dept Head</u>	KEGLEY, DANIEL	<u>Study Session</u>	
<u>Division Director</u>	SIMMONS, SCOTT M.	<u>Other</u>	PWC 6/26/17
<u>Finance</u>	CLINE, ANGELA	<u>Distribution List</u>	
<u>Legal</u>	SCHOEDEL, ELIZABETH	tprince	
<u>For the Mayor</u>	DUNIVANT, TIMOTHY	sjohnson	
<u>Additional Approvals</u>		taxes & licenses	
<u>Purchasing</u>	PRINCE, THEA		

BRIEFING PAPER
Public Works Committee
Water & Hydroelectric Services
June 26, 2017

Subject

A value blanket for the purchase of backflow prevention devices in various styles and sizes from Keller Supply Co. (Spokane, WA) in the amount of \$160,000.00.

Background

Sealed bids were opened on Monday, June 12, 2017 to provide the Water and Hydroelectric Services department with an annual supply of various styles and sizes of backflow prevention devices on an as needed basis throughout one (1) year. Five (5) bids were received; Keller Supply Co. came in as the lowest bidder. This value blanket shall be valid for a one (1) year period with the option for annual renewals up to a total term of five (5) years at the discretion of the City and subject to mutual agreement.

Impact

This order supports backflow prevention devices as needed by the Water and Hydroelectric Services department for new construction and the replacement of obsolete devices over a one (1) year period.

Action

Recommend approval.

Funding

All funding for this purchase will be from the Water and Hydroelectric Services department funds.



Agenda Sheet for City Council Meeting of:
07/24/2017

Date Rec'd	7/5/2017
Clerk's File #	OPR 2017-0489
Renews #	
Cross Ref #	
Project #	
Bid #	HGAC BUY
Requisition #	RE #18569

Submitting Dept	FLEET OPERATIONS
Contact Name/Phone	STEVE RIGGS 625-7706
Contact E-Mail	SRIGGS@SPOKANECITY.ORG
Agenda Item Type	Purchase w/o Contract
Agenda Item Name	5100 - FLEET PURCHASE OF STREET SWEEPER

Agenda Wording

Purchase of one (1) Tymco Street Sweeper from PacWest Machinery (Spokane, WA) for the City of Spokane Fleet Services Department - \$285,763.20 including taxes

Summary (Background)

The street sweeper is being purchased using an Interlocal Agreement with Houston-Galveston Area Council of Government (HGAC) - Although all bids are competed for national purchase, all purchases will be made through the local Tymco dealer, PacWest Machinery. This is a replacement unit for the Street Department.

<u>Fiscal Impact</u>		<u>Budget Account</u>	
Expense	\$ 285,763.20	#	5110-71700-94000-56413
Select	\$	#	
Select	\$	#	
Select	\$	#	
<u>Approvals</u>		<u>Council Notifications</u>	
<u>Dept Head</u>	RIGGS, STEVEN	<u>Study Session</u>	
<u>Division Director</u>	SIMMONS, SCOTT M.	<u>Other</u>	PWC 6/16/17
<u>Finance</u>	HUGHES, MICHELLE	<u>Distribution List</u>	
<u>Legal</u>	WHALEY, HUNT	tprince	
<u>For the Mayor</u>	DUNIVANT, TIMOTHY	sriggs	
<u>Additional Approvals</u>		taxes & licenses	
<u>Purchasing</u>	PRINCE, THEA		

BRIEFING PAPER
Public Works Committee
Fleet Services
June 26th, 2017

Subject

Purchase of one Street Sweeper.

Background

Purchase of one street sweeper from PacWest Machinery in Spokane off of the HGAC contract for the Street Department for \$285,763.20.

Impact

This sweeper will replace a similar unit that has reached the end of its economic life.

Action

Recommend approval.

Funding

Funds are available in the Street Department replacement fund.



Agenda Sheet for City Council Meeting of:
07/24/2017

Date Rec'd	7/5/2017
Clerk's File #	OPR 2017-0490
Renews #	
Cross Ref #	
Project #	
Bid #	NJPA CONTRACT
Requisition #	RE #18604, 05, 06

Submitting Dept	FLEET OPERATIONS
Contact Name/Phone	STEVE RIGGS 625-7706
Contact E-Mail	SRIGGS@SPOKANECITY.ORG
Agenda Item Type	Purchase w/o Contract
Agenda Item Name	5100 - FLEET PURCHASE OF SEVEN DUMP TRUCKS

Agenda Wording

Purchase of seven (7) dump trucks from Kenworth Sales (Spokane, WA) for the City of Spokane Fleet Services - \$1,620,461.54 including tax

Summary (Background)

The Cabs & Chassis are being purchased using an Interlocal Agreement with National Joint Powers Alliance (NJPA) The Dump Bodies are being purchased off a Lakes Highway District competed bid with Kenworth Sales. Four (4) of these dump trucks are for Street; two (2) are for Wastewater and one (1) is for Water. These are all replacement units.

<u>Fiscal Impact</u>	<u>Budget Account</u>
Expense \$ 226,821.08	# 4100-42490-94000-56404
Expense \$ 774,331.74	# 5110-71700-94000-56413
Expense \$ 453,642.16	# 4310-43113-94000-56404
Select \$	#

<u>Approvals</u>		<u>Council Notifications</u>	
<u>Dept Head</u>	RIGGS, STEVEN	<u>Study Session</u>	
<u>Division Director</u>	SIMMONS, SCOTT M.	<u>Other</u>	PWC 6/26/17
<u>Finance</u>	HUGHES, MICHELLE	<u>Distribution List</u>	
<u>Legal</u>	WHALEY, HUNT	tprince	
<u>For the Mayor</u>	DUNIVANT, TIMOTHY	sriggs	
<u>Additional Approvals</u>		taxes & licenses	
<u>Purchasing</u>	PRINCE, THEA		

BRIEFING PAPER
Public Works Committee
Fleet Services
June 26th, 2017

Subject

Purchase of seven dump trucks, four for the Street Department, two for the Wastewater Department, and one for the Water Department for a total of \$1,620,461.54.

Background

Through a combined, in-depth strategic sourcing effort with Fleet, Streets, Wastewater, and Water, which included operators, technicians, and management; we have found a quality, turn-key, product with Spokane-based Kenworth Sales. The cab and chassis are to be purchased on NJPA contract and the dump bodies will be purchased off of a Lakes Highway District contract out of Hayden, Idaho.

Impact

These dump trucks will replace similar units that have reached the end of their economic life.

Action

Recommend approval.

Funding

Funds are available in the Street Department replacement fund, and Wastewater and Water Department's budget.



Agenda Sheet for City Council Meeting of:
07/24/2017

Date Rec'd	6/26/2017
Clerk's File #	OPR 2016-0794
Renews #	
Cross Ref #	
Project #	
Bid #	
Requisition #	CR 18248

Submitting Dept	INNOVATION & TECHNOLOGY SERVICES
Contact Name/Phone	MICHAEL SLOON 625-6468
Contact E-Mail	MSLOON@SPOKANECITY.ORG
Agenda Item Type	Contract Item
Agenda Item Name	5300 - ASSETWORKS M-5 FLEET

Agenda Wording

Contract with AssetWorks for annual support and upgrades of Fleet Services (M-5) Equipment System Software. October 1, 2017 through September 30, 2018 for \$75,483.92

Summary (Background)

The City of Spokane has been using Assetworks since 1993 for the M-5 equipment management system. The M-5 equipment system software has been continually enhanced based on the City's enterprise needs and requirements. The M-5 equipment system software provides Fleet Services with corrections for any defect in the software, unlimited telephone /e-mail support, report writing and all updates and enhancements as they become available. 2016 - \$80,519.36

<u>Fiscal Impact</u>		<u>Budget Account</u>	
Expense	\$ 75,483.92	#	5300-73300-18850-54820-99999
Select	\$	#	
Select	\$	#	
Select	\$	#	
<u>Approvals</u>		<u>Council Notifications</u>	
<u>Dept Head</u>	SLOON, MICHAEL	<u>Study Session</u>	Finance Com 7/17
<u>Division Director</u>	FINCH, ERIC	<u>Other</u>	
<u>Finance</u>	ORLOB, KIMBERLY	<u>Distribution List</u>	
<u>Legal</u>	WHALEY, HUNT	Accounting - kkeck@spokanecity.org	
<u>For the Mayor</u>	SANDERS, THERESA	Contract Accounting - jsalstrom@spokanecity.org	
<u>Additional Approvals</u>		Legal - hwhaley@spokanecity.org	
<u>Purchasing</u>		Purchasing - cwahl@spokanecity.org	
		IT - itadmin@spokancity.org	
		Taxes & Licenses	

BRIEFING PAPER
City of Spokane
Innovation and Technology Services Division
July 17, 2017

Subject

Contract with AssetWorks for annual support and upgrades of Fleet Services (M-5) Equipment System Software.

October 1, 2017 through September 30, 2018 for \$75,483.92

Background

The City of Spokane has been using Assetworks since 1993 for the M-5 equipment management system. The M-5 equipment system software has been continually enhanced based on the City's enterprise needs and requirements. The M-5 equipment system software provides Fleet Services with corrections for any defect in the software, unlimited telephone /e-mail support, report writing and all updates and enhancements as they become available.

2016 - \$80,519.36

Impact

Without this yearly maintenance contract, the Fleet Services (M-5) Equipment System Software used by the City of Spokane would not be supported by the vendor and the City would not be able to benefit from the future enhancements and upgrades.

Action

City ITSD recommends approval.

Funding

5300-73300-18850-54820 Software Maintenance

AssetWORKS

MAINTENANCE RENEWAL

998 Old Eagle School Road | Suite 1215 | Wayne PA 19087-1805
Tel (858) 452-0458 Fax (858) 452-0478

Number 8366 M5 MNT17

TO: City of Spokane
FROM: AssetWorks LLC
DATE: June 23, 2017
RE: FleetFocus M5 Maintenance and Support Renewal

Prices valid through September 30, 2018

Annual Software Maintenance and Support for period 10/1/2017 - 9/30/2018

FleetFocus M5	\$	58,758.79
Crystal reports	\$	1,258.06
FuelFocus software	\$	9,361.75
Includes product updates and enhancements, unlimited email and telephone support for 12 months		
Subtotal, Current Maintenance, not including tax and options	\$	69,378.60

OPTIONAL MAINTENANCE BUNDLES

Users Conference Admission

☐ Quantity @ \$1,150.00/person

Management Review

☐ Check here to receive a quote

AssetWorks will perform onsite assessment relating maintenance practices to available system functionality to optimize organizational performance. This review will be scheduled at a mutually convenient time.

Upgrade Assistance

☐ \$4,000.00

AssetWorks will provide technical assistance to your organization to complete the upgrade to the next version. This assistance will be scheduled at a mutually convenient time. For details, please contact AssetWorks.

For Visa, MasterCard, and American Express payments, add 4%:

REMIT TO:

WA Sales Tax: 8.8000% \$ 6,105.32

CHECKS

AssetWorks
PO Box 202525
Dallas TX 75320-2525

GRAND TOTAL DUE, \$ US

75,483.92

EFT, ACH, OR DIRECT DEPOSIT

Wells Fargo, 8601 N. Scottsdale Rd., Scottsdale AZ 85253
ABA # 122105278
Account # 5076434348

US Tax ID # 98-0358175

Canada GST/HST # 834113896 RT0001

If you require a separate invoice, complete this form and return it by email or fax; AssetWorks will issue an invoice as you instruct below. If your organization requires us to reference a purchase order number on our invoice, we must receive that PO by email to Kimberly.Hamiter@AssetWorks.com or by fax to (858) 452-0478. **Do not mail POs to our remittance address.**

Terms

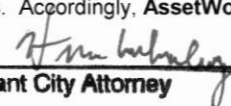
This maintenance renewal is issued pursuant to the terms of the current AssetWorks contract with your organization. The parties will continue to be bound by those terms during any renewal period unless otherwise agreed by both parties through a signed amendment. Notification of termination of maintenance is required 90 days prior to annual renewal date.

SOLE SOURCE

FleetFocus is proprietary property of AssetWorks LLC and protected by law. Another party cannot alter, modify, change, manipulate or provide maintenance for this product without infringing upon AssetWorks' ownership rights. Accordingly, **AssetWorks is the sole source for software, maintenance and services of its products.**

I, the undersigned, accept this maintenance renewal as described above.

Approved as to form:


Assistant City Attorney

Name: _____ Title: _____

Signature: _____ Date: _____

[] PO REQUIRED: # _____ [] NO PO REQUIRED [] WILL PAY BY QUOTE - NO SEPARATE INVOICE NEEDED

[] Please MAIL invoice to: _____

[] Please E-MAIL invoice to: _____

→ If you have any questions, please contact Kimberly Hamiter at (858) 866-9022 or Kimberly.Hamiter@AssetWorks.com. **Thank You!** ←



Agenda Sheet for City Council Meeting of:
07/24/2017

Date Rec'd	7/7/2017
Clerk's File #	OPR 2017-0491
Renews #	

Submitting Dept	DEVELOPER SERVICES CENTER	Cross Ref #	
Contact Name/Phone	ALI BRAST 625-6638	Project #	
Contact E-Mail	ABRAST@SPOKANECITY.ORG	Bid #	
Agenda Item Type	Contract Item	Requisition #	
Agenda Item Name	4700 MULTI FAMILY HOUSING - 1808 EAST 1ST AVENUE		

Agenda Wording

Multiple Family Housing Property Tax Exemption Agreement with Konstantin and Tatyana Vasilenko for four attached multi-family housing units located at 1808 East 1st Avenue, Parcel Number 35212.1003.

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>	<u>Budget Account</u>
Select \$	#
Select \$	#
Select \$	#
Select \$	#

<u>Approvals</u>		<u>Council Notifications</u>	
<u>Dept Head</u>	BECKER, KRIS	<u>Study Session</u>	
<u>Division Director</u>	MALLAHAN, JONATHAN	<u>Other</u>	PED 7/10/17
<u>Finance</u>	DOVAL, MATTHEW	<u>Distribution List</u>	
<u>Legal</u>	WHALEY, HUNT	abrast@spokanecity.org	
<u>For the Mayor</u>	DUNIVANT, TIMOTHY	sbishop@spokanecity.org	
<u>Additional Approvals</u>		mpiccolo@spokanecity.org	
<u>Purchasing</u>		jmallahan@spokanecity.org	
		htrautman@spokanecity.org	
		mhughes@spokanecity.org	

BRIEFING PAPER
City of Spokane
MFTE Incentive Program / PED
July 10, 2017

Subject:

A Multi-Family Tax Exemption Conditional Contract for 4 attached units at 1808 E 1st Ave

Purpose:

Chapter 84.14 RCW authorizes the City to create a multiple family housing property tax exemption program and to certify qualified property owners for that property tax exemption. The City Council enacted Ordinance No. C-32575, which provides for the property tax exemption program for multiple housing in residential targeted areas. Pursuant to Ordinance No. C-33079, the City Council expanded the residential targeted areas. The State statute and the City ordinance require the City to approve the application regarding the tax exemption and the necessary construction requirements. The City has received an application from Konstantin Vasilenko for a project of 4 multi-family housing units at 1808 E 1st Ave. The staff has reviewed the application and determined that it meets the requirements of Chapter 8.15 SMC and qualifies for the tax exemption. This contract authorizes the appropriate city official to enter into the attached Multiple Family Housing Property Tax Exemption Agreement, which will ultimately result in the issuance of a final certificate of tax exemption to be filed with the Spokane County Assessor's Office.

Details:

Konstantin Vasilenko

MFTE target area: Sprague

Qualifying parcel: 35212.1003

Units: 4 units

Average Sq Ft: 1,050 sqft

STA Routes: 1 Block from Route 90 and Bus Stop

Affordable: Affordable Rate

Projected Foregone Tax Revenue over 8 Years: \$17,463

Project Area Map:



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

Tax Abatement Information:

1st Ave Townhomes: Applicant estimates cost for rehab and new construction at \$320,215, and is using those costs as a Future Market Value (FMV).

1st Ave Townhomes:	Average Unit FMV	Spokane '16 TCA10-15 Rate	FMV Project	Property Increase in value	City Tax Forgone
Applicant's estimated post construction Future Market Value (FMV)	\$ 80,054		\$ 320,215		
2017 City's tax rate of 4.30		0.0043			
1% increase in property value over 12 yrs.				40,611	
Estimate City of Spokane tax not collected over 12 yrs.					17,463

1st Ave Townhomes:					Spokane '17 TCA10-15	Spokane property tax not collected
# of Yrs.	Taxable Value	Annual increase	increase in value			
1	320,215	1%	3,202		0.0043	1,377
2	323,417	1%	3,234		0.0043	1,391
3	326,651	1%	3,267		0.0043	1,405
4	329,918	1%	3,299		0.0043	1,419
5	333,217	1%	3,332		0.0043	1,433
6	336,549	1%	3,365		0.0043	1,447
7	339,915	1%	3,399		0.0043	1,462
8	343,314	1%	3,433		0.0043	1,476
9	346,747	1%	3,467		0.0043	1,491
10	350,214	1%	3,502		0.0043	1,506
11	353,717	1%	3,537		0.0043	1,521
12	357,254	1%	3,573		0.0043	1,536
			40,611			17,463

Recommendation:

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

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

**MULTIPLE FAMILY HOUSING PROPERTY
TAX EXEMPTION AGREEMENT**

THIS AGREEMENT is between the City of Spokane, a Washington State municipal corporation, as "City", and Konstantin and Tatyana Vasilenko, as "Owner" whose business address is 14 East Mission Avenue #3, Spokane, WA 99202.

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:

WADSWORTH&MCDONALDS L2 B10

Assessor's Parcel Number(s) 35212.1003, commonly known as 1808 East 1st Avenue.

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 four 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 _____, 2017

CITY OF SPOKANE

By: _____

Mayor, David A. Condon

Attest:

City Clerk

Konstantin & Tatyana Vasilenko

By: _____

Its: _____

Approved as to form:

Assistant City Attorney

STATE OF WASHINGTON)
) ss.
County of Spokane)

On this _____ day of _____, 2017, 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 _____, 2017.

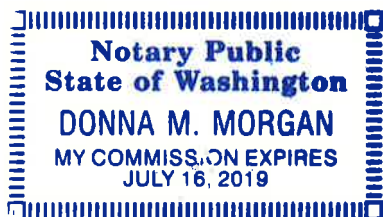
Notary Public in and for the State
of Washington, residing at Spokane

My commission expires _____

STATE OF WASHINGTON)
) ss.
County of Spokane)

On this 28th day of June, 2017, before me, the undersigned, a Notary Public in and for the State of Washington, personally appeared Konstantin + Tatyana Vasilenko, 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 28th day of June, 2017.



Donna Morgan

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

My commission expires 7-16-19



Agenda Sheet for City Council Meeting of:
07/24/2017

Date Rec'd	10/24/2016
Clerk's File #	OPR 2017-0492
Renews #	
Cross Ref #	
Project #	
Bid #	
Requisition #	18290000

Submitting Dept	HOUSING & HUMAN SERVICES
Contact Name/Phone	M SHARTS X6840
Contact E-Mail	MSHARTS@SPOKANECITY.ORG
Agenda Item Type	Contract Item
Agenda Item Name	1680 - TRANSITIONS LIHTC LLC - 2140 & 2176 W FAIRVIEW AVE

Agenda Wording

Loan Agreement & other documents with Transitions LIHTC LLC (Spokane) for construction of 24 housing units at 2140 & 2176 W Fairview Ave - \$650,000 HOME funds (Audubon/Downriver neighborhood) Transitional Programs for Women is manager of LLCs owner

Summary (Background)

The City receives HOME grants from HUD for rental housing projects affordable to low-income households. The loan agreement requires that 10 units benefit households at or below 30% of area median income (AMI) for at least 20 years. The 3% loan will be deferred 20 years and payable over the next 10. Loan may be forgivable, if Transitions becomes the owner. Funding sources include tax credit equity, WA State, Federal Home Loan Bank, grants, donations.

<u>Fiscal Impact</u>		<u>Budget Account</u>	
Expense	\$ 427,519.53 2015 HOME	#	1710-95845-51010-54201-99999
Expense	\$ 222,480.47 2016 HOME	#	1710-95846-51010-54201-99999
Select	\$	#	
Select	\$	#	
<u>Approvals</u>		<u>Council Notifications</u>	
<u>Dept Head</u>	KEENAN, KELLY	<u>Study Session</u>	CHE 6/5/17
<u>Division Director</u>	MALLAHAN, JONATHAN	<u>Other</u>	
<u>Finance</u>	SCHEIDEGGER, SUZI	<u>Distribution List</u>	
<u>Legal</u>	WHALEY, HUNT	sscheideger, mdoval, nbond, swilson, sstopher,	
<u>For the Mayor</u>	DUNIVANT, TIMOTHY	cbrown, kkeenan, dkinder, msharts	
<u>Additional Approvals</u>		erice-sauer@help4women.org	
<u>Purchasing</u>		gingers@communityframeworks.org	
		johnnc@communityframeworks.org	

PROPOSED BUDGET

TRANSITIONS LIHTC LLC
Permanent Supportive Housing

Land assessed value	\$287,190	Low Inc Housng Tax Credit	\$4,282,094
Closing/title/recording	10,000	Renewable energy tax credit	52,428
Construction	3,549,741	State HTF - Net zero funds	700,000
Construction conting (10%)	354,974	State Housing Trust Fund	50,000
Sales tax	308,827	Federal Home Loan Bank	216,000
Permits, fees, hookups	93,362	Donations	600,000
Equipment & furnishings	100,000	Land donation	287,190
Energy efficiency upgrades	610,616	City HOME funds	650,000
Appraisal/market study	9,500		
Architect	300,244		
Engineering	72,000		
Environmental/geotech/survey	15,573		
Legal – real estate	50,000		
Soft cost contingency	24,000		
Construction inspections	16,000		
Construction loan fees/exp	22,250		
Construction loan legal	10,000		
Construction loan interest	35,234		
Leaseup interest	68,424		
LIHTC fees	49,486		
LIHTC owner's title policy	15,000		
City loan fees	2,000		
Bridge loan fees	3,500		
State HTF fees	15,000		
Insurance	15,000		
Impact/mitigation	11,952		
Development period utilities	2,500		
Nonprofit donation	15,000		
Accounting/audit	23,000		
Marketing/leasing	5,000		
Carrying costs/lease-up reserve	12,339		
Operating reserves	130,000		
Developer fee	600,000		
TOTAL	\$6,837,712	TOTAL	\$6,837,712

The project includes the construction of 24 cottage homes and a shared building for resident use with an office, meeting rooms, laundry, and kitchen. The homes are expected to include 5 studios, 4 1-bedroom, 12 2-bedroom and 3 3-bedroom units. Six units will be handicap accessible. The building and site design must meet the City's cottage homes ordinance, which affects design, parking, screening, etc. The buildings will be wood frame. Features for energy efficiency and low maintenance include low-e windows, high density insulation, vinyl plank or tile flooring, fiberglass reinforced paneling and wainscot and floor drains in bathrooms. The State's Evergreen Standard is required by State funds and low-income housing tax credits.

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OPR #2017-_____

**CITY OF SPOKANE
TRANSITIONS LIHTC LLC**

PERMANENT SUPPORTIVE HOUSING

HOME PROGRAM LOAN AGREEMENT

This HOME Program Loan Agreement (the "Loan Agreement") is made effective this ____ day of _____ 2017 ("Effective Date"), by and between the City of Spokane, Washington, a Washington municipal corporation (the "City"), whose address is **City of Spokane**, c/o Community, Housing, and Human Services Department (the "Department"), 808 W. Spokane Falls Blvd., Room 650, Spokane, WA 99201, and **Transitions LIHTC LLC**, a Washington limited liability company (the "Borrower"), whose address is c/o Transitional Programs for Women, 3128 North Hemlock Street, Spokane, WA 99205. Borrower and City are together referenced as the "Parties". This Loan Agreement is part of a transaction further reflected in a Promissory Note (the "Note") and a HOME Program Loan Covenant Agreement ("Covenant Agreement"). The City's disbursements under the Loan Agreement are further secured by a Deed of Trust of even date herewith ("Deed of Trust"). The terms of said documents are incorporated herein as if fully set forth herein, and together shall be referenced as the "Related Documents." The capitalized terms in said documents shall have the same meaning in this Loan Agreement unless the context clearly suggests otherwise. In the event of conflict in the terms of any of these documents, the terms most favorable to the City shall apply.

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

I. PURPOSE

- A. The purpose of this Loan Agreement is to expand the supply of decent, safe, sanitary, and affordable housing for very low-income households pursuant to the HOME Investment Partnerships Program (24 CFR part 92 et seq., CFDA #14.239) ("HOME").
- B. To accomplish the purpose of this Loan Agreement, the City shall use HOME funds to provide a portion of the financing for the Borrower's construction of the Permanent Supportive Housing project, which includes twenty-four (24) homes to be constructed at 2140 & 2176 West Fairview Avenue in Spokane, WA (the "Project"). The legal description of the Project is:

Lts. 1-14, Blk. 1, Alta Vista Add., & vacated alley, in Spokane
County, WA

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Assessor's Parcel Number: 25122.0102 & 25122.0103

Property Address: 2140 & 2176 West Fairview Avenue, Spokane,
WA 99205

See Attachment 1 for the full legal description.

The Project includes ten (10) HOME-assisted units, including two studios, two 1-bedroom units, five 2-bedroom units, and 1 3-bedroom unit. Borrower shall provide the City with the address (e.g., street address and house number) of each HOME assisted unit no later than the time of initial occupancy. The units will be "floating" HOME units, which means that the units originally designated as HOME-assisted may change over time, but the number of HOME-assisted units, for purposes of this Loan Agreement and Related Documents, shall never be less than the number designated in this section, and any replacement units must be comparable in size, features, and number of bedrooms to those units originally identified as HOME-assisted in this section.

Upon completion, at least two (2) units in the project shall be accessible to individuals with mobility impairments and one (1) additional unit(s) shall be accessible to individuals with sensory impairments pursuant to the requirements of Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794).

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

II. DURATION OF THE LOAN AGREEMENT

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

III. AMOUNT OF LOAN

The City shall loan the Borrower a sum not to exceed **SIX HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS (\$650,000.00)** from HOME funds, to be disbursed as provided herein, subject to the terms and conditions of this Loan Agreement and Related Documents.

IV. PRICING

This loan is subject to interest on the outstanding principal balance loaned at the rate of three percent (3%) per annum, such interest commencing on the time of disbursement(s) and compounding monthly during the during the loan term. Payments shall be made pursuant to the Note and Section XV herein below. If rents

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for any HOME-assisted in the Project are increased above the level of the Affordability Requirements defined in this Loan Agreement or any other provisions, covenants, terms, conditions or restrictions of this Loan Agreement are not adhered to, then the rate on the outstanding balance shall be increased to the prevailing prime lending rate as published in The Wall Street Journal, plus three percent (3%) for the remaining term of the loan, compounded monthly, and may be subject to accelerated repayment pursuant to XV.B. herein below.

V. SECURITY/SUPPORT

- A. Borrower shall assure and maintain the City's security position on the underlying real estate as evidenced by the Deed of Trust, which will be subordinate only to the following: covenants, use restrictions, and deeds of trust from the Washington State Housing Finance Commission, the Washington State Department of Commerce, and an interim construction lender. The City's loan deed of trust will be in a lien position superior to any deferred developer fee loan, or other loans with parties related to the ownership or development of the project. The sum of all loans against the Project, including the City's, cannot exceed ninety percent (90%) of the lesser of estimated value upon completion or cost.
- B. The Affordability Requirement outlined in this Loan Agreement shall be recorded as a **covenant running with the land**, and shall apply without regard to the term of any loan or mortgage or transfer of ownership. The Covenant Agreement shall be superior to financial liens.
- C. Borrower shall keep in force, continuously, insurance covering the Project and property legally described above, listing the City of Spokane as policy beneficiary, pursuant to Section IX of this Loan Agreement.

VI. FUNDING DISBURSEMENTS

- A. The timing and disbursement of HOME funds shall be determined by the City in its sole discretion, consistent with the provisions of this Loan Agreement. Without limiting the foregoing, funding disbursements are subject to the following conditions:
 - 1. City HOME funds shall be disbursed only after completion of all requirements imposed by the United States Department of Housing and Urban Development ("HUD"), as determined by the City in its sole discretion, and upon completion of an environmental review by the City.
 - 2. All funds lent under this Agreement must be utilized by December 31, 2019.
 - 3. Borrower may not request disbursement of funds until needed for payment of eligible project costs, as defined by 24 CFR §92.206 and as further defined in the Program Description of the City's Multifamily

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Housing Program, and the amount of each request must be limited to the amount needed. Architectural, engineering, or related professional services required to prepare plans, drawings, specifications, or work write-ups may be reimbursed if they were incurred not more than 24 months before the date of this Loan Agreement. In case of a dispute between the Parties regarding when the funds shall be disbursed, the determination of the Director of the Department of Community, Housing, and Human Services of the City of Spokane ("Director") shall govern.

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

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fully satisfied, and all other obligations under this Loan Agreement or related agreements are carried out to the satisfaction of the Director.

VII. INCOME DETERMINATIONS

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

VIII. AFFORDABILITY REQUIREMENTS

- A. HOME Affordability Period. The HOME Affordability Period, established pursuant to 24 CFR §92.252, is twenty (20) years, beginning after Project Completion, as determined by the Director. “Project Completion” means that all necessary title transfer requirements and construction work have been performed; the Project complies with the requirements of 24 CFR §92, including the property standards under 24 CFR §92.251; the final drawdown of HOME funds has been disbursed for the Project; and the project completion information has been entered in the disbursement and information system established by HUD, except that with respect to rental housing project completion, for the purposes of §92.502(d), Project Completion occurs upon completion of construction and before occupancy. Repayment of the loan during the HOME Affordability Period will not extinguish the requirements of the Related Documents.
- B. City Affordability Period. The City Affordability Period is thirty (30) years, beginning after Project Completion, as determined by the Director. The HOME Affordability Period and City Affordability Period shall run concurrently. Collectively, the two periods are hereinafter referred to as the “Affordability Period.” Upon expiration of the HOME Affordability Period, the City Affordability Period shall continue, but HUD will no longer monitor compliance with Affordability Requirements, unless the City Affordability Period is coterminous with the HOME Affordability Period. The requirements of the Affordability Period and other conditions of the Related Documents shall apply, as long as there are funds owing under the Note.
- C. Rent Limit. During the Affordability Period, rents on the ten HOME–assisted units shall not exceed thirty percent (30%) of the adjusted income of a family whose annual income equals thirty percent (30%) of Spokane area median

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income ("AMI"), as defined by HUD and adjusted for family size, unit size by number of bedrooms, tenant-paid utilities and tenant-supplied appliances. These units shall include two (2) studio units, two (2) one-bedroom units, five two-bedroom units and one (1) three-bedroom unit. Should the HUD rents decline below the initial project rents, the Borrower's rents do not need to be reduced below the initial rents. A table of initial HOME rents for the Project as established by HUD is attached to this Loan Agreement as Attachment 3. The adjustment for tenant-paid utilities and tenant-supplied appliances is subject to 24 CFR §92.252. New HUD requirements include that the adjustment for tenant-paid utilities and tenant-supplied appliances be based on the HUD Utility Schedule Model, twelve (12) months of documented actual utility costs as acceptable to the City's Community, Housing & Human Services Department, or other methods as determined by HUD. Currently, the HUD Utility Schedule Model can be found at: <http://huduser.org/portal/resources/utimodel.html>. HUD may clarify the new requirements to allow the use (in some circumstances) of the prior requirement, which used the Section 8 existing housing allowance for tenant-furnished utilities and other services as published annually by HUD and issued by the Spokane Housing Authority or twelve (12) months of documented actual utility costs as acceptable to the City's Community, Housing & Human Services Department.

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

The City will provide Borrower with information on updated HOME rent limits so that rents may be adjusted (not to exceed the maximum HOME rent limits exclusive of rent paid through project-based subsidies) in accordance with this Loan Agreement and 24 CFR §92.252(f)(2). The Borrower must annually provide the City with information on rents and occupancy of HOME-assisted units to demonstrate compliance with the Affordability Requirements of this Loan Agreement. The City will review rents for compliance and approve or disapprove them every year. The Borrower must provide tenants of HOME-assisted units written notification of rent increases no less than 30 days prior to the beginning of the month in which the increase is intended to be implemented, subject to the provisions of a tenant's lease agreement, pursuant to 24 CFR §92.252(f)(3).

- D. LIHTC Rent Clause. For tenants of low-income tax credit assisted units (if low-income housing tax credits are awarded to the Project or portions of the Project), any increases in rent associated with tenant income shall be governed solely by section 42 of the Internal Revenue Code of 1986, as amended from time to time.
- E. Upon completion of the HOME Affordability Period, if the maximum rent and income limits described in this Section VIII are exceeded during the City

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Affordability Period, the loan will be subject to repayment at the higher interest rate as provided for in Paragraph 2 of the Promissory Note.

- F. Income Limit. At initial occupancy, tenants of the ten (10) HOME-assisted units shall have incomes not greater than thirty percent (30%) of the Spokane area median income ("AMI") as defined by HUD. If any of these tenants' incomes increases to a level exceeding fifty percent (50%) of AMI, then the next available HOME-assisted unit shall be made available to families at or below thirty percent (30%) of AMI. If the income of a tenant of a HOME-assisted unit increases and exceeds eighty percent (80%) of AMI, then the tenant's rent shall increase to the lesser of thirty percent (30%) of the tenant's adjusted monthly income or Fair Market Rent, subject to paragraph VIII.D hereof.
- G. Income Certifications. All tenants' incomes shall be recertified annually by the Borrower except that Borrower must also verify tenants' incomes every sixth (6th) year of the affordability period. Any applicable rent increases will be effective upon the next lease renewal, and are subject to thirty (30) days' written notice.
- H. Additional Affordability Requirements. The Project must comply with the affordable housing requirements of 24 CFR §92.252.
- I. Relocation. Tenants in occupancy prior to the Project are subject to the provisions of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 as amended ("URA"), 42 USC 4601 et seq. and the regulations promulgated thereunder. All relocation payments and expenses shall be borne by the Borrower.
- J. Protection of Affordability Requirements – City Purchase Option. The Affordability Requirements will not terminate upon foreclosure or transfer in lieu of foreclosure. Upon any such foreclosure or transfer in lieu of foreclosure, (1) the first sentence of Section VIII.C shall be deemed to read, without further action by any party, "During the Affordability Period, rents (exclusive of rent paid through project-based subsidies) on the ten (10) HOME-assisted units shall not exceed thirty percent (30%) of the adjusted income of a family whose annual income equals sixty percent (60%) of Spokane area median income ("AMI"), as defined by HUD and adjusted for family size, unit size by number of bedrooms, tenant-paid utilities and tenant-supplied appliances"; and (2) each reference to "thirty percent (30%)" and "fifty percent (50%)" in the first two sentences of Section VIII.F shall be deemed, without further action by any party, to be a reference to "sixty percent (60%)". (UNDER DISCUSSION: NEEDS ADJUSTMENT TO CONFORM TO 92.252(B)). Pursuant to 24 CFR §92.252(e)(3), the City further reserves the right to revive any affordability restrictions according to the original terms of this Loan Agreement if, during the HOME Affordability Period (as defined herein), the owner of record before the foreclosure, or deed in lieu of foreclosure, or any entity that includes the former owner or those with whom the former owner has or had family or business ties, obtains an ownership interest in the Project or property.

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IX. INSURANCE

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

X. PROPERTY STANDARDS

- A. All HOME-assisted housing under this Loan Agreement shall meet the requirements of 24 CFR §92.251, which includes all applicable Federal, State and local code requirements and housing quality standards, and construction standards, ordinances and zoning ordinances at the time of Project completion and for the duration of the Affordability Period. Where relevant, the housing must be constructed to mitigate the impact of potential disasters (e.g., earthquakes, hurricanes, flooding, and wildfires), in accordance with applicable State and local codes, ordinances, or other State and local requirements, or such other requirements as HUD may establish. The standards under 24 CFR §92.251 were modified in 2013 and implementation awaits further clarification from HUD, at this time.
- B. Any accessible HOME-assisted housing units under this Loan Agreement shall, for the duration of the Affordability Period, meet the accessibility requirements of 24 CFR part 8, which implements Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), and Titles II and III of the Americans with Disabilities Act (42 U.S.C. 12131-12189) implemented at 28 CFR parts 35 and 36, as applicable. Covered multifamily dwellings, as defined at 24 CFR 100.201, must also meet the design and construction requirements at 24 CFR 100.205, which implements the Fair Housing Act (42 U.S.C. 3601-3619). The foregoing shall not be interpreted as limiting Borrower's obligation to comply with accessibility requirements applicable to the Project as whole.
- C. The Borrower shall comply with the provisions of 24 CFR §92.251.

XI. ADDITIONAL MISCELLANEOUS COVENANTS

Borrower shall:

- A. Comply with the Affordability Requirements described in this Loan Agreement and Related Documents.
- B. Maintain all required insurance, including without limitation the insurance required by the Deed of Trust.

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- C. Maintain Project financial reports, Project financial records, and provide all other information and documentation that the City may reasonably request.
- D. Make payment of all taxes and financial liabilities prior to delinquency.
- E. Not hypothecate or encumber Project assets in any way, except to the extent provided for under this Loan Agreement or as approved of by the Director in writing. The Director may withhold such approval at his/her reasonable discretion.
- F. Promptly provide (i) rent and tenant income information at initial tenant occupancy and (ii) rent, occupancy, and tenant income information annually throughout the term of this Loan Agreement, in accordance with this Loan Agreement, or as otherwise requested by the City. If the Project has floating HOME units, the Borrower must provide the City with information regarding the unit substitution and filling vacancies so that the Project remains in compliance with HOME rental occupancy requirements.
- G. Promptly provide, upon request by the City, such documentation as is necessary (including financial statements) to enable the City to determine the financial condition and continued financial viability of the Project.
- H. During the Affordability Period, prohibit occupancy of any HOME-assisted unit by Borrower (or officer, employee, agent, elected or appointed official, or consultant of the Borrower, or immediate family member or immediate family member of an officer, employee, agent, elected or appointed official, or consultant of Borrower) whether private, for-profit or nonprofit, (including a community housing development organization ("CHDO") when acting as an owner, developer or sponsor).
- I. Comply with all applicable federal, state, and local regulations and requirements, including, but not limited to Uniform Administrative Requirements, Federal Labor Standards, Davis-Bacon and Related Acts, Uniform Relocation Act requirements applicable as of the date of the execution of this Loan Agreement, and the provisions of the Lead-Based Paint Poisoning Prevention Act. Davis Bacon and other requirements may apply due to other funding, but will not be monitored by the City unless required under the City's funding. The City's costs to administer Davis-Bacon Federal Labor Standards, and Related Acts shall be borne by the Borrower. When Washington State prevailing wages apply, the Borrower shall comply with all State requirements under RCW 39.12 to the satisfaction of the State of Washington. When applicable, the higher of Washington State prevailing wages or Davis-Bacon wages shall apply.
- J. Comply with all HOME program project requirements pursuant to 24 CFR part 92 et seq.

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- K. Maintain housing in compliance with the property standards of 24 CFR §92.251 and local code requirements throughout the term of this Loan Agreement.
- L. Upon Project completion, the Project shall obtain a final Certificate of Occupancy, meet all licensing requirements needed to operate the facility as proposed by Borrower in its various funding applications, and meet the property standards of 24 CFR §92.251, minimum rehabilitation standards, and all applicable state and local codes and ordinances. New construction projects must also meet HUD, state, and local requirements relating to accessibility and disaster mitigation.
- M. Cause each of the ten (10) HOME-assisted units to be occupied by income-eligible households within eighteen (18) months after the Project is completed. If any HOME-assisted units have not been occupied by eligible tenants within 6 months following the date of Project Completion, Borrower shall submit to the City current marketing information and, if the City requests it, an enhanced marketing plan for leasing the unoccupied units as quickly as possible, which information the City will provide to HUD as required by 24 CFR §92.252. If any HOME-assisted unit has not been rented to eligible tenants within eighteen (18) months after the date of Project Completion, Borrower shall repay the City \$65,000.00/unit for each such unit within thirty (30) days of the City's written request for repayment. This reflects the proportionate per unit share of HOME funds, i.e., \$650,000 HOME dollars/ten HOME units. The number of HOME-assisted units required hereunder shall be reduced in proportion to the amounts so repaid.

The Borrower shall cause the Covenant Agreement (which shall contain the foregoing covenants) to be recorded as a covenant running with the land, which shall be superior to financial liens.

Borrower shall pay at loan closing all costs associated with the negotiation, documentation and closing of the loan, including without limitation title premiums escrow fees, recording fees, appraisal fees and City's attorneys' fees.

XII. PROJECT TIMETABLE

- A. The Borrower agrees to complete work required in accordance with the timetable set forth in Attachment 4. Timely completion of the work is an integral and essential part of performance. The expenditure of HOME funds is subject to Federal deadlines and failure to meet deadlines could result in the loss of the Federal funds. By the acceptance and execution of this Loan Agreement, the Borrower agrees that the Project will be completed as expeditiously as possible and make every effort to ensure the project will proceed and will not be delayed. Failure to meet these deadlines can result in cancellation of this contract and revocation of HOME funds. Since it is mutually agreed that time is of the essence, the Borrower shall cause appropriate provisions to be included in all contracts or subcontracts relative to the work tasks in Attachment 4. It is intended that such provisions included in

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any subcontracts be, to the fullest extent permitted by law and equity, binding for the benefit of the City and enforceable by the City against the Borrower and its successors and assigns to the project or any part thereof or any interest therein.

- B. In the event the Borrower is unable to meet the above schedule or complete the above services due to delays resulting from Acts of God, untimely review and approval by the City and other governmental authorities having jurisdiction over the Project, or other delays that are not caused by the Borrower, the City shall grant a reasonable extension of time for completion of the work. It shall be the responsibility of the Borrower to notify the City promptly in writing whenever a delay is anticipated or experienced, and to inform the City of all facts and delays related to the delay.

XIII. DEFAULT

A. The following shall be considered "Events of Default" for purposes of this Loan Agreement:

1. Failure of Borrower to make any principal and interest payment within fifteen (15) days after such payment is due.
2. Failure to perform, observe or comply with the Affordability Requirements, Income Determinations, or any other provisions, related covenants, terms, conditions or restrictions of this Loan Agreement or any agreement relating to the Project (i.e., the occurrence of an event of default under other indebtedness secured by the Project property) or any part thereof, and failure to fully cure the same within the period of time, if any, permitted for cure and, if no period for cure is otherwise provided for, within sixty (60) days of written notice from the City of such failure, requesting the same to be remedied; provided, after a second non-compliance of any provision in a five- (5-) year period, only fourteen (14) days written notice is needed.
3. Failure to perform required maintenance or performance of any act by Borrower which would, in the City's reasonable opinion, adversely affect the value of the Project which violation is not cured within thirty (30) days of written notice.
4. Except as otherwise permitted under this Loan Agreement, the sale, transfer, lease, or other conveyance of the Project or any portion thereof, including assumptions and subordinations, without obtaining the prior written consent of the Director.
5. Filing a voluntary or involuntary petition not dismissed within ninety (90) days after filing under the United States Bankruptcy Code by or against the Borrower.

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6. Any representation, warranty, or disclosure made to the City or any other Project lender which proves to be materially false or misleading as of the date made, whether or not such representation, warranty, or disclosure appears in this Loan Agreement.
7. Failure to maintain and keep in force adequate amounts of insurance as as required herein.
8. Without limiting any of the foregoing, Borrower's failure to comply with the minimum wage requirements set forth in Section XVIII of this Loan Agreement.

XIV. REMEDIES

- A. Upon the occurrence of an event of default not timely cured after notice, the City may, in addition to any other remedies which the City may have hereunder or under this Loan Agreement or by law or equity, at its option and upon written notice to the Borrower and its investor member, take any or all of the following actions:
 1. Immediately terminate any further advance of loan funds.
 2. Declare the debt incurred hereunder and under the Related Documents immediately due and payable and commence collection proceedings against the Borrower.
 3. Seek judicial appointment of a receiver.
 4. Foreclose under the security documents or instruments, judicially or non-judicially.
 5. File suit against the Borrower.
 6. Seek specific performance or injunctive relief to enforce performance of the undertakings, duties, and agreements provided in this Loan Agreement or any related security document or instrument, whether or not a remedy at law exists or is adequate.
- B. All remedies of the City provided for herein are cumulative and shall be in addition to all other rights and remedies provided by law or in equity or by this Loan Agreement. The exercise of any right or remedy by the City shall not in any way constitute a cure or waiver of default under this Loan Agreement or any other related Project agreement, or invalidate any act done pursuant to any notice of default, or prejudice the City in the exercise of any of its rights unless, in the exercise of such rights, the City realizes all amounts owed to it by the Borrower.

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- C. A failure to declare or a delay in declaring a default shall not constitute a waiver of any rights or remedies or excuse any failure by the Borrower to strictly comply with its obligations under this Loan Agreement or any other related Project agreement or document.
- D. As long as PNC Real Estate Tax credit Capital Fund 65, LLC, a Delaware limited liability company ("Investor Member") or an affiliate thereof remains the investor member of Borrower, if a default occurs under this Loan Agreement or any other related document, and the City intends to exercise any of its remedies on account of such default, then prior to the initiation of any remedy by the City on account of such default, then City at the same time as it delivers notice to the Borrower shall deliver written notice of such default to the Investor Member at the address specified in Section XXVII . The City shall accept cure of the defaults by the Investor Member within the cure periods, if any, provided in this Loan Agreement or any other related document, and in any event, shall not exercise any rights to accelerate or foreclose with respect to this Loan until Investor Member has been given the notice (but not the obligation) to remedy any default forming the basis with respect to such remedy.
- E. Notwithstanding anything to the contrary herein, the Borrower, its members, officers, directors, employees, agents and contractors shall have no personal liability for payment of the indebtedness evidenced hereby or performance of the covenants set forth in this Loan Agreement and in the Related Documents and the sole recourse of the City shall be confined to the exercise of its rights under this Loan Agreement and the Related Documents, provided that nothing shall diminish the Borrower's liability for damages or deficiencies resulting from theft, waste, fraud, material misrepresentation and misuse of rents.

XV. REPAYMENT

- A. Deferral Period: No payments of principal or interest shall be due during the HOME Affordability Period, except as required in Section XVB of this Agreement, so long as Borrower and the Project are in compliance with the Affordability Requirements per the terms of this Loan Agreement and Covenant Agreement together with all other provisions of this Note and Related Documents.
- B. Mandatory Partial Repayment: Within seven days after the Borrower receives capital contributions from the Investor Member on account of a federal tax rate adjuster, the Borrower shall pay the full amount of said capital contribution to the City, which prepayment shall be allocable to reduce the principal amount of the loan.
- C. Payment Period: Following the HOME Affordability Period, and during the remainder of the City Affordability Period, principal and interest due under the Note shall be repayable in approximately equal amortized installments of principal and interest on the first day of each month (or the first business day thereafter if the first day of the month is a weekend or a holiday for the City), in

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the amount required to fully amortize the principal and accrued interest during the remaining term of the City Affordability Period.

- D. Notification of Non-Compliance: During the Affordability Period, Borrower shall notify the City in writing if, for any reason, the Project will not comply with the Affordability Requirements, at which time any and all outstanding balance would become immediately due and payable in full.
- E. Prepayment: The Borrower may repay all or any portion of the outstanding principal of the Loan at any time, without penalty. Repayment during the HOME Affordability Period described in Paragraph VIII.A of this Loan Agreement shall not extinguish the Affordability Requirements.
- F. Late Charges: A late charge of thirty dollars (\$30.00) will be added to any payment received after the 10th day of the month in which it is due in addition to any other remedy.
- G. Application of Payments: Payments received will first be applied to late charges, then to interest, and finally to principal.
- H. Place of Payment: Payment of principal, interest, and fees shall be made in lawful money of the United States of America in immediately available funds to the City of Spokane, at the Community, Housing, and Human Services Department, 808 W. Spokane Falls Blvd., Room 650, Spokane, WA 99201, or at such other place as the City may designate to Borrower in writing.

XVI. NONDISCRIMINATION/RENT SUBSIDY

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

XVII. FAITH-BASED ACTIVITIES AND ORGANIZATIONS

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

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religious activities must be voluntary for the program beneficiaries of the HUD-funded programs or services (i.e., tenants).

- C. Whether or not Borrower is a faith-based organization, it may use the loan proceeds provided under this Loan Agreement as provided under relevant regulations and this Loan Agreement without impairing its independence, autonomy, expression of religious beliefs, or religious character. Borrower will retain its independence from Federal, State, and local government, and may continue to carry out its mission, including the definition, development, practice, and expression of its religious beliefs, provided that it does not use direct HOME funds to support or engage in any explicitly religious activities, including activities that involve overt religious content, such as worship, religious instruction, or proselytization, or any manner prohibited by law. Borrower may use space in its facilities to provide program-funded services, without removing or altering religious art, icons, scriptures, or other religious symbols. In addition, Borrower retains its authority over its internal governance, and it may retain religious terms in its organization's name, select its board members on a religious basis, and include religious references in its organization's mission statements and other governing documents.
- D. The loan proceeds provided to Borrower pursuant to this Loan Agreement may not be used for the acquisition, construction, or rehabilitation of structures to the extent that those structures are or will be used for explicitly religious activities. Subject to other limitations in this Loan Agreement, loan proceeds may be used for the acquisition, construction, or rehabilitation of structures only to the extent that those structures are used for conducting eligible activities under HOME regulations. When a structure is or will be used for both eligible and explicitly religious activities, HOME funds may not exceed the cost of those portions of the acquisition, construction, or rehabilitation that are attributable to eligible activities in accordance with the cost accounting requirements applicable to the HOME program. Sanctuaries, chapels, or other rooms that Borrower uses as its principal place of worship, however, are ineligible for HOME-funded improvements. Disposition of real property after the term of the loan or grant, or any change in use of the property during the term of the loan or grant, is subject to government-wide regulations governing real property disposition (see 24 CFR parts 84 and 85).
- E. This limitations in this Section XVII shall apply regardless whether the loan proceeds under this Loan Agreement includes local funds that the City has voluntarily contributed to supplement federally funded activities.

XVIII. COMPLIANCE WITH LAWS

- A. The Borrower shall comply with all HOME Program requirements as outlined in 24 CFR part 92 et seq., as may be amended from time to time.
- B. The Borrower shall comply with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d-2000d-4), the Fair Housing Act (42 U.S.C. 3601 et seq.), E.O.

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11063 (3 CFR, 1959-1963 Comp., p. 652), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and HUD regulations issued pursuant thereto.

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

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- g. Borrower shall reimburse the City for all costs incurred by the City in administering Borrower's compliance with applicable Davis-Bacon, Federal Labor Standards, and Related Acts.
 2. Labor Standards. If applicable, the Federal Labor Standards Provisions (HUD 4010) are attached as Attachment _n.a._.
 3. State Minimum Wage. When Washington State prevailing wages apply, the Borrower shall comply with all State requirements under RCW 39.12 to the satisfaction of the State of Washington. When applicable, the higher of Washington State prevailing wages or Davis-Bacon wages shall apply. When Washington State prevailing wages apply, the contractor and all subcontractors will submit a "Statement of Intent to Pay Prevailing Wages" certified by the industrial statistician of the State Department of Labor and Industries, prior to any payments. The "Statement of Intent to Pay Prevailing Wages" shall include: (1) the contractor's registration number; and (2) the prevailing rate of wage for each classification of workers entitled to prevailing wages under RCW 39.12.020 and the number of workers in each classification. Each voucher claim submitted by the contractor 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. Prior to the payment of funds held under chapter 60.28 RCW, the contractor and subcontractors must submit an "Affidavit of Wages Paid" certified by the industrial statistician.
- G. Conflict of Interest. The Borrower shall comply with the conflict of interest provisions prescribed in 24 CFR §92.356(f). During the Affordability Period, Borrower shall prohibit occupancy of any HOME-assisted unit by Borrower (or officer, employee, agent, elected or appointed official, or consultant of the Borrower, or immediate family member or immediate family member of an officer, employee, agent, elected or appointed official, or consultant of the Borrower), whether private, for-profit or nonprofit (including a community housing development organization (CHDO) when acting as an owner, developer, or sponsor).
- H. The Borrower shall comply with the equal employment opportunities for low- and very low-income persons pursuant to 24 CFR part 135.
- I. The Borrower shall comply with the Fair Housing Act as implemented by 24 CFR parts 100-115, as applicable.

XIX. TENANT AND PARTICIPANT PROTECTIONS

- A. There must be a written lease between the tenant and the Borrower that complies with 24 CFR 92.253 (Tenant Protections and Selection) and that is for a period of not less than one year, unless by mutual agreement between the tenant and the Borrower a shorter period is specified.

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B. Leases between the Borrower and a tenant shall not contain any of the following provisions:

1. Agreement by the tenant to be sued, to admit guilt, or to a judgment in favor of the Borrower in a lawsuit brought in connection with the lease.
2. Agreement by the tenant that Borrower may take, hold, or sell personal property of household members without notice to the tenant and a court decision on the rights of the Borrower and tenant. This prohibition does not apply to an agreement by the tenant concerning disposition of personal property remaining in the housing unit after the tenant has moved out of the unit. Borrower may dispose of this personal property in accordance with Washington state law.
3. Agreement by the tenant not to hold the Borrower or the Borrower's agents legally responsible for any action or failure to act, whether intentional or negligent.
4. Agreement by the tenant that the Borrower may institute a lawsuit against a tenant or affecting a tenant's interests without notice to tenant.
5. Agreement by the tenant that the Borrower may evict the tenant or household members without instituting a civil court proceeding in which the tenant has the opportunity to present a defense, or before a court decision on the rights of the Borrower and tenant.
6. Agreement by the tenant to waive any right to a trial by jury.
7. Agreement by the tenant to waive the tenant's right to appeal, or otherwise challenge in court, a court decision in connection with the lease.
8. Agreement by the tenant to pay attorney's fees or other legal costs even if the tenant wins in a court proceeding by the Borrower against the tenant. The tenant, however, may be obligated to pay costs if the tenant loses.
9. Agreement by the tenant (other than a tenant in transitional housing) to accept supportive services that are offered.

C. Borrower may not terminate the tenancy or refuse to renew the lease of a tenant occupying a HOME-assisted unit except for serious or repeated violation of the terms and conditions of the lease; for violation of applicable Federal, State, or local law; for completion of the tenancy period for transitional housing or failure to follow any required transitional housing supportive services plan; or for other good cause. Good cause does not include an increase in the tenant's income or refusal of the tenant to purchase the housing. To terminate or refuse to renew tenancy, Borrower must serve written notice upon the tenant specifying the

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grounds for the action at least thirty (30) days before the termination of tenancy.

- D. Borrower shall adopt and follow written tenant selection policies and criteria that:
1. Limit the HOME-assisted units to very low-income and low-income families;
 2. Are reasonably related to the applicants' ability to perform the obligations of the lease (i.e., to pay the rent, not to damage the housing, not to interfere with the rights and quiet enjoyment of other tenants);
 3. Limit eligibility or give a preference to a particular segment of the population if otherwise permitted in this Loan Agreement (and only if the limitation or preference is described in the City's Consolidated Plan).
- E. Borrower shall select tenants from a written waiting list in the chronological order of their application, insofar as is practicable, and give prompt written notification to any rejected applicant of the grounds for any rejection.
- F. Borrower shall not charge fees that are not customarily charged in rental housing (e.g., laundry room access fees), except that Borrower may charge: (i) reasonable application fees to prospective tenants; (ii) parking fees to tenants only if such fees are customary for rental projects in the neighborhood; and (iii) fees for services such as bus transportation or meals, as long as such services are voluntary and fees are charged for services provided.

XX. TENANT PARTICIPATION PLAN

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

XXI. UNIFORM ADMINISTRATIVE REQUIREMENTS/PROJECT REQUIREMENTS

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

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expenditures, project beneficiary data, and all other records required to be kept pursuant to 24 CFR §92.508.

- D. The Borrower shall permit the Department, HUD, the Comptroller General of the United States, or their authorized representatives, site visits at all times upon reasonable notice throughout the Affordability Period.

XXII. TRANSFER/ASSIGNMENT

The Borrower shall not assign, transfer, subordinate or sublet any obligation of this Loan Agreement nor shall it sell or otherwise transfer any property subject to this Loan Agreement (other than by leasing or renting for residential tenant use as contemplated by various provisions of the Loan Agreement, or for any other incidental use (to the extent permissible under all applicable federal and state laws and regulations)) without prior written consent of the Director, who may withhold consent at his/her discretion. The provisions of this Loan Agreement shall apply to all persons or entities performing obligations set forth by this Loan Agreement, including approved persons or entities to whom or to which the Borrower assigns, transfers, or sublets services as above. Such approved persons or entities shall be subject to the provisions for faith-based activities and organizations as outlined in this Loan Agreement, as applicable. Notwithstanding any other provision of this Loan Agreement or the Related Documents, the Director's consent will not be required for any of the following transactions ("Permitted Transfers"):

- A. The transfer by Investor Member, as investor member of the Borrower as provided for in that certain First Amended and Restated Operating Agreement of Borrower dated on or about the date hereof ("Borrower's Governing Agreement"), of its equity interests in Borrower to one or more Affiliates (as defined in Borrower's Governing Agreement) of Investor Member, subject to any and all requirements for such a transfer set forth in Borrower's Governing Agreement and so long as Investor Member or its Affiliate is not relieved of its obligation to make capital contributions to Borrower required under the terms of Borrower's Governing Agreement;
- B. The transfer of interests within Investor Member;
- C. The removal by Investor Member or its Affiliate of a managing member or manager of Borrower for cause in accordance with the terms of Borrower's Governing Agreement, and the replacement of such removed managing member or manager with an Affiliate, with the special limited member designated in the Borrowers Governing Agreement, or with an individual or entity, not an Affiliate, who or which is reasonably acceptable to the City and meets the requirements of Paragraph XXIV regarding suspension and debarment;
- D. Execution and/or exercise of a purchase option and/or right of first refusal agreement by Borrower's managing member or manager and/or

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its Affiliate to be exercised following expiration of the fifteen-year "compliance period" as defined in and determined in accordance with Section 42(i) of the Internal Revenue Code of 1986 (the "Code"), or any corresponding provision or provisions of succeeding law; and

- E. Recording of the Washington State Housing Finance Commission's ("WSHFC") Regulatory Agreement (Extended Use Agreement), as required by Section 42 of the Code.

XXIII. HAZARDOUS SUBSTANCES/REPRESENTATIONS AND WARRANTIES

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

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lead-based paint found within the Project will be abated to levels acceptable under applicable law prior to tenant occupancy of the project. "Hazardous Substances" means (i) any "hazardous waste" as defined by the Resource Conservation and Recovery Act of 1976 (42 U.S.C. § 6901, et seq.), as amended from time to time, and regulations promulgated thereunder; (ii) any "hazardous substance" as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. § 9601, et seq.), as amended from time to time, and regulations promulgated thereunder; (iii) "oil, petroleum products and their by-products" as defined under Washington law as amended from time to time, and regulations promulgated thereunder; (iv) any "hazardous substance" as defined under Washington law, as amended from time to time, and regulations promulgated thereunder; (v) any "asbestos material" as defined under Washington law, as amended from time to time, and regulations promulgated thereunder and/or as defined by 40 C.F.R. Section 61.141, as amended from time to time; (vi) any "radon gas" in excess of levels recommended in U. S. Environmental Protection Agency Guidance Documents, as modified from time to time, or lower levels as provided by any applicable law or regulation now or hereafter in effect; (vii) any "infectious waste" as defined under Washington law, as amended from time to time, and regulations promulgated thereunder; (viii) any substance the presence of which on any property attributable to the operations of the Borrower is prohibited, restricted or regulated by any law or regulation similar to those laws, regulations and/or documents set forth above, including without limitation, polychlorinated biphenyls ("PCBs") and lead-based paints; and (ix) any other substance which by law or regulation requires special handling in its collection, generation, storage, transportation, treatment or disposal.

XXIV. DEBARMENT AND SUSPENSION

The Borrower shall comply with the provisions of 24 CFR Part 24 that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this contract by any federal department or agency. Additionally, the Borrower shall not use, directly or indirectly, any of the funds provided by this contract to employ, award contracts to, or otherwise engage the services of, or fund any contractor/ subcontractor during any period that the contractor/subcontractor is debarred, suspended or ineligible under the provisions of 24 CFR Part 24. Using the System for Award Management (<https://www.sam.gov>), the City has determined, as of the date of this contract that the Borrower is not excluded from federal procurement and non-procurement programs. The Borrower has provided in Attachment 5 its certification that it is in compliance with and shall not contract with individuals or organizations which are debarred, suspended, or otherwise excluded from or ineligible from participation in Federal Assistance Programs under Executive Order 12549 and "Debarment and Suspension", codified at 29 CFR part 98.

XXV. ANTI-LOBBYING

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

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- A. No Federal appropriated funds have been paid or will be paid, by or on behalf of the Borrower, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of this loan;
- B. That if any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employees of Congress, or an employee of a Member of Congress in connection with this loan, Borrower shall complete and submit Standard Form-LLL "Disclosure Form to Report Lobbying" in accordance with its instruction; and
- C. Borrower shall require that the language of paragraphs A and B of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all such subrecipients shall certify and disclose accordingly.

XXVI. SEVERABILITY

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

XXVII. NOTICES

All notices given pursuant to this Loan Agreement shall be in writing and shall be deemed given when mailed by certified or registered mail, return receipt requested, to the Parties hereto at the addresses set forth below, or to such other place as a Party may from time to time designate in writing:

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

Transitions LIHTC LLC
c/o Transitional Programs for Women
1328 North Hemlock Street
Spokane, WA 99205
Attn: Edie Rice-Sauer

Investor Member:
c/o PNC Real Estate
121 SW Morrison, Suite 1300
Portland, OR 97204
Attn: Fund Manager

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XXVIII. INDEMNIFICATION

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

XXIX. TERMINATION

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

XXX. CERTAIN CITY REPRESENTATIONS

The City represents and warrants to the Borrower that none of the money used by the City to make this loan is or will be derived, directly or indirectly, from any obligation the interest on which is exempt from tax under Section 103 of the Code.

XXXI. EXECUTION IN COUNTERPARTS

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

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

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

(THE REMAINDER OF THIS PAGE IS INTENTIONALLY BLANK.)

**TRANSITIONS LIHTC LLC,
a Washington limited liability company**

By: Transitional Programs for Women,
a Washington nonprofit corporation, its manager

Date: _____

On this ____ day of _____, 2017, personally appeared before me Edie A. Rice-Sauer, to me known to be the Executive Director of Transitional Programs for Women, a Washington nonprofit corporation, which is the manager of Transitions Manager LLC, a Washington limited liability company, which is the managing member of Transitions LIHTC LLC, a Washington limited liability company, that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of the Grantor, for the uses and purposes therein mentioned, and on oath stated that said person was authorized to execute the said instrument.

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

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CITY OF SPOKANE

By: _____
David A. Condon, Mayor

Date: _____

ATTEST:

APPROVED AS TO FORM:

By: _____
Terri L. Pfister, City Clerk

By: _____
Assistant City Attorney

Date: _____

STATE OF WASHINGTON)
) ss.
County of Spokane)

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

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

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

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ATTACHMENT 1

LEGAL DESCRIPTION

PARCEL A:

Lots 5, 6, 7, 8, 9 and 10, Block 1; Together with the West 16.28 feet of Lots 4 and 11, Block 1, Alta Vista Addition, as per plat thereof recorded in Volume "A" of Plats, Page(s) 171, records of Spokane County;

Together with the vacated alley adjoining said Lots 5 through 10, Block 1 and adjoining the West 16.28 feet of Lots 4 and 11, Block 1.

Situate in the County of Spokane, State of Washington.

PARCEL B:

Lots 1, 2, 3, 4, 11, 12, 13 and 14, Block 1, Alta Vista Addition, as per plat thereof recorded in Volume "A" of Plats, Page(s) 171, records of Spokane County;

EXCEPT the West 16.28 feet of Lots 4 and 11, Block 1;

Together with the vacated alley adjoining said Lots 1, 2, 3, 4, 11, 12, 13 and 14, Block 1.

Situate in the County of Spokane, State of Washington.

Tax Parcel No.: 25122.0102 and 25122.0103

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ATTACHMENT 2
PROPOSED BUDGET

TRANSITIONS LIHTC LLC
Permanent Supportive Housing

Land assessed value	\$287,190	Low Inc Housng Tax Credit	\$4,282,094
Closing/title/recording	10,000	Renewable energy tax credit	52,428
Construction	3,549,741	State HTF - Net zero funds	700,000
Construction conting (10%)	354,974	State Housing Trust Fund	50,000
Sales tax	308,827	Federal Home Loan Bank	216,000
Permits, fees, hookups	93,362	Donations	600,000
Equipment & furnishings	100,000	Land donation	287,190
Energy efficiency upgrades	610,616	City HOME funds	650,000
Appraisal/market study	9,500		
Architect	300,244		
Engineering	72,000		
Environmental/geotech/survey	15,573		
Legal – real estate	50,000		
Soft cost contingency	24,000		
Construction inspections	16,000		
Construction loan fees/exp	22,250		
Construction loan legal	10,000		
Construction loan interest	35,234		
Leaseup interest	68,424		
LIHTC fees	49,486		
LIHTC owner's title policy	15,000		
City loan fees	2,000		
Bridge loan fees	3,500		
State HTF fees	15,000		
Insurance	15,000		
Impact/mitigation	11,952		
Development period utilities	2,500		
Nonprofit donation	15,000		
Accounting/audit	23,000		
Marketing/leasing	5,000		
Carrying costs/lease-up reserve	12,339		
Operating reserves	130,000		
Developer fee	600,000		
TOTAL	\$6,837,712	TOTAL	\$6,837,712

The project includes the construction of 24 cottage homes and a shared building for resident use with an office, meeting rooms, laundry, and kitchen. The homes are expected to include 5 studios, 4 1-bedroom, 12 2-bedroom and 3 3-bedroom units. Six units will be handicap accessible. The building and site design must meet the City's cottage homes ordinance, which affects design, parking, screening, etc. The buildings will be wood frame. Features for energy efficiency and low maintenance include low-e windows, high density insulation, vinyl plank or tile flooring, fiberglass reinforced paneling and wainscot and floor drains in bathrooms. The State's Evergreen Standard is required by State funds and low-income housing tax credits.

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Attachment 3
Initial Project Rents

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ATTACHMENT 4

TIMETABLE

PLEASE COMPLETE. ADD STEPS AS NEEDED. GIVE A MINOR CUSHION ON DEADLINES AS A LITTLE SLIPPAGE FROM PLAN IS OKAY.

Category	Milestone/Task	Deadline Month Yr/Status
Site control	Close on property.	Completed.
Financing	Funding awarded by all lenders.	April, 2017
	Funding documented by all lenders	August, 2017
Design/Permits	Approval of zoning, site plan, construction plans.	June, 2017
	Building permits issued.	August, 2017
Construction	Begin construction.	August, 2017
	Complete construction.	August, 2018
	Certificate of occupancy issued.	August, 2018
Occupancy	Units occupied.	60 days from Certificate of Occupancy

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ATTACHMENT 5

CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION

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

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

2. The undersigned agrees by signing this contract that it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the City.
3. The undersigned further agrees by signing this contract that it will include the following clause, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions:

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transactions

1. The lower tier contractor certified, by signing this contract that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
2. Where the lower tier contractor is unable to certify to any of the statements in this contract, such contractor shall attach an explanation to this contract.
4. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, person, primary covered transaction, principal, and voluntarily excluded, as used in this exhibit, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. The undersigned may contact the City for assistance in obtaining a copy of these regulations.
5. I understand that a false statement of this certification may be grounds for termination of the contract.

<u>Transitions LIHTC LLC</u>	<u>Permanent Supportive Housing</u>
Name of Borrower (Type or Print)	Program Title (Type or Print)
<u>Edie A. Rice-Sauer</u>	
Name of Certifying Official (Type or Print)	Signature
<u>Executive Director</u>	
Title of Certifying Official (Type or Print)	Date (Type or Print)

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**CITY OF SPOKANE
TRANSITIONS LIHTC LLC**

PERMANENT SUPPORTIVE HOUSING

PROMISSORY NOTE

OPR #2017-_____

Borrower: Transitions LIHTC LLC
c/o Transitional Programs for Women
6128 North Hemlock Street
Spokane, WA 99205

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

Principal: \$650,000.00

Date: _____

1. **PROMISE TO REPAY:** FOR VALUE RECEIVED, the undersigned, **Transitions LIHTC LLC**, a Washington limited liability company, hereinafter referred to as "Borrower", promises to repay to the order of the **City of Spokane**, a Washington state municipal corporation, or its successors and assigns (hereinafter called "Lender") the maximum principal sum of **SIX HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS (\$650,000.00)** or so much of said sum or sums as may now or hereafter be loaned or disbursed to the Borrower by the Lender, for the purpose of providing a portion of the financing for the Borrower's Permanent Supportive Housing project, to be located at 2140 & 2146 West Fairview Avenue in Spokane, WA (the "Project"). This Promissory Note (the "Note") is part of a transaction further reflected in a HOME Program Loan Agreement ("Loan Agreement") and HOME Program Loan Covenant Agreement ("Covenant Agreement") of even date herewith. Lender's disbursements under the Loan Agreement and the Note are further secured by a Deed of Trust of even date herewith ("Deed of Trust"). The terms of said documents are incorporated herein as if fully set forth herein, and together shall be referenced as the "Related Documents". The capitalized terms in said Related Documents shall have the same meaning in this Note unless the context clearly suggests otherwise. In the event of conflict or ambiguity in the terms of any of these documents, the terms most favorable to Lender shall apply.

2. **INTEREST:** In addition to repayment of principal sums loaned, Borrower agrees to pay interest, compounded monthly, commencing on the date the money is first disbursed under the Loan Agreement, at the rate of three percent (3%) per annum. If

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

3. **REPAYMENT; MATURITY:**

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

B. **Payment Period:** Principal and interest on this Note shall be payable in approximately equal amortized installments on the first day of each month (or the first business day thereafter if the first day of the month is a weekend or a holiday for the City of Spokane), commencing immediately after the HOME Affordability Period ends, in the amount required to fully amortize the outstanding principal and accrued interest on this Note (including the interest accrued) during the remaining City Affordability Period, as defined in the Loan Agreement. During the Affordability Period, Borrower shall notify the City in writing if, for any reason, Borrower and/or the Project will not comply with the Affordability Requirements, at which time any remaining balance would become immediately due and payable in full. This Note shall mature on the earlier of (i) the thirtieth (30th) anniversary of the date of Project Completion, and (ii) December 31, 2049

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

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

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

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

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

5. THIS LOAN IS made for the purpose of financing a portion of the costs of the construction of the Permanent Supportive Housing project on the property described in the Deed of Trust and Loan Agreement. As a condition of receiving this loan, Borrower agrees to abide by all of the terms and conditions of this Note, the Deed of Trust, the Loan Agreement and associated Covenant Agreement, incorporated herein by reference as if fully set forth.

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

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

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

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

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

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

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

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

Notwithstanding any other provision of this Note or the Related Documents, the Director's consent will not be required for any of the following transactions ("Permitted Transfers"):

A. The transfer by PNC Real Estate Tax credit Capital Fund 65, LLC, a Delaware limited liability company ("Tax Credit Investor"), as investor member of the Borrower as provided for in that certain First Amended and Restated Operating Agreement of Borrower dated on or about the date hereof ("Borrower's Governing Agreement"), of its equity interests in Borrower to one or more Affiliates (as defined in Borrower's Governing Agreement) of Tax Credit Investor, subject to any and all requirements for such a transfer set forth in Borrower's Governing Agreement and so long as Tax Credit Investor or its Affiliate is not relieved of its obligation to make capital contributions to Borrower required under the terms of Borrower's Governing Agreement;

B. The transfer of interests within Tax Credit Investor;

C. The removal by Tax Credit Investor or its Affiliate of a managing member or manager of Borrower for cause in accordance with the terms of Borrower's Governing Agreement, and the replacement of such removed managing member or manager with an Affiliate, with the special limited member designated in the Borrower's Governing Agreement, or with an individual or entity, not an Affiliate, who or which is reasonably acceptable to the City and meets the requirements of Paragraph XXIV of the Loan Agreement regarding suspension and

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debarment;

D. Execution and/or exercise of a purchase option and/or right of first refusal agreement by Borrower's managing member or manager and/or or its Affiliate to be exercised following expiration of the fifteen-year "compliance period" as defined in and determined in accordance with Section 42(i) of the Internal Revenue Code of 1986 (the "Code"), as amended from time to time, or any corresponding provision or provisions of succeeding law; and

E. Recording of the Washington State Housing Finance Commission's ("WSHFC") Regulatory Agreement (Extended Use Agreement), as required by Section 42 of the Code.

8. THIS NOTE IS not assignable or assumable without the express written consent of the Lender, except for the transfer of the Property to Transitions Manager LLC or Transitional Programs for Women, as provided in Paragraph 7.

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

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

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

12. APPLICABLE LAW AND VENUE: This Note has been issued, executed and delivered in the State of Washington and shall be governed by and construed in accordance with the laws of the State of Washington, except to the extent that the laws

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of the United States of America may prevail. Venue to enforce any provision shall be in the Spokane County Superior Court.

13. NONRECOURSE. Notwithstanding anything to the contrary herein, Borrower, its partners, officers, directors, employees, agents and contractors shall have no personal liability for payment of the indebtedness evidenced by this Note or performance of the covenants set forth in the Loan Agreement and in the Related Documents, and the sole recourse of the City shall be confined to the exercise of its rights under the Loan Agreement and the Related Documents, provided that nothing shall diminish Borrower's liability for damages or deficiencies resulting from theft, waste, fraud, material misrepresentation and misuse of rents.

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

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

IN WITNESS WHEREOF, the Borrower has caused this Promissory Note to be executed effective on the date first set forth above.

TRANSITIONS LIHTC LLC,
a Washington limited liability company

By: Transitions Manager LLC,
a Washington limited liability company, its managing member

By: Transitional Programs for Women,
a Washington nonprofit corporation, its manager

By: _____
Edie A. Rice-Sauer, Executive Director

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AFTER RECORDING MAIL TO:

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

OPR #2017-_____

**CITY OF SPOKANE
TRANSITIONS LIHTC LLC**

PERMANENT SUPPORTIVE HOUSING

DEED OF TRUST

Grantor: Transitions LIHTC LLC, a Washington limited liability company

Beneficiary: City of Spokane, a Washington state municipal corporation

Assessor's Parcel No.: 25122.0102 & 25122.0103

Legal Description (abbreviated):

Lts. 1-14, Blk. 1, Alta Vista Add., & vacated alley, in Spokane County,
WA

(See Attachment 1 for full legal description.)

THIS DEED OF TRUST, made this _____ day of _____, 2017, by and between **Transitions LIHTC LLC**, a Washington limited liability company, referred to herein as GRANTOR, whose address is c/o Transitions, 3128 North Hemlock Street, Spokane, WA 99205, **Stewart Title Guaranty Company**, as TRUSTEE, whose address is 1420 Fifth Avenue, Ste 440, Seattle, WA 98101 and the **City of Spokane**, Washington, a Washington state municipal corporation, as BENEFICIARY, whose address is City of Spokane, c/o Community, Housing, and Human Services Department, 808 West Spokane Falls Boulevard, Room 650, Spokane, WA 99201.

This Deed of Trust is part of a transaction further reflected in a HOME Program Loan Agreement ("Loan Agreement"), HOME Program Loan Covenant Agreement ("Covenant Agreement"), and Promissory Note, secured by this Deed of Trust. The terms of said agreements are incorporated into this Deed of Trust, and the capitalized terms in said agreements shall have the same meaning in this Deed of Trust unless the context clearly suggests otherwise. In the event of conflict in the terms of any of these documents, the terms most favorable to Beneficiary shall apply.

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

Lts. 1-14, Blk. 1, Alta Vista Add., & vacated alley, in Spokane County,
WA
Assessor's Parcel Numbers: 25133.0102 & 25122.0103
Property Address: 2140 & 2176 West Fairview Avenue, Spokane, WA
99205

See Attachment 1 for full legal description.

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

This Deed of Trust is for the purpose of securing performance of each agreement of Grantor herein contained and as further contained in the Loan Agreement, Covenant Agreement, and Promissory Note, secured by this Deed of Trust, and for the purpose of securing payment of the sum of **SIX HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS (\$650,000.00)** with interest, in accordance with the terms of a Promissory Note of even date herewith, payable to Beneficiary, and made by Grantor, and all renewals, modifications, and extensions thereof, and also such further sums as may be advanced or loaned by Beneficiary to Grantor, or any of his/her/their successors or assigns, together with interest thereon at such rate as shall be agreed upon. This Deed of Trust also secures to Beneficiary: (a) the payment of other sums, with interest, advanced to protect the security of this Deed of Trust; and (b) the performance of Grantor's covenants and agreements under this Deed of Trust and the Promissory Note, Covenant Agreement and Loan Agreement of even date herewith.

GRANTOR COVENANTS that Grantor is lawfully seized of the estate hereby conveyed and has the right to grant and convey the Property that the Property is unencumbered, except for encumbrances of record. Grantor warrants and will defend the title to the Property against all claims and demands, subject to any prior encumbrances of record and encumbrances listed in the Recording Priority and Subordination Agreement recorded of even date herewith.

COVENANTS: Grantor and Beneficiary covenant and agree as follows:

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

2. APPLICATION OF PAYMENTS. Unless applicable law provides otherwise, all payments received by Beneficiary under Paragraph 1 shall be applied: first, to any late charges due under the Promissory Note; second, to interest; and third, to principal due under the Promissory Note.

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

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

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

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

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

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

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

process, gave materially false or inaccurate information or statements to Beneficiary (or failed to provide Beneficiary with any material information) in connection with the loan evidenced by the Promissory Note. If this Deed of Trust is on a leasehold, Grantor shall comply with all the provisions of the lease. If Grantor acquires fee title to the property, the leasehold and the fee title shall not merge unless Beneficiary agrees to the merger in writing.

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

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

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

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

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

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

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

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

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

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

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

12. LOAN CHARGES. If the loan secured by this Deed of Trust is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (i) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit, and; (ii) any sums already collected from Grantor which exceeded permitted limits will be refunded to Grantor. Beneficiary may choose to make this refund by reducing the principal owed under the Promissory Note or by making a direct payment to Grantor. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Promissory Note.

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

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

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

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

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

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

17. GRANTOR'S RIGHT TO REINSTATE FOLLOWING ACCELERATION. If Grantor meets the conditions outlined in this paragraph, Grantor shall have the right to have enforcement by acceleration of this Deed of Trust discontinued at any time prior to the earlier of: (i) 10 days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained

in this Deed of Trust; or (ii) entry of a judgment enforcing this Deed of Trust. The conditions which Grantor must meet are that Grantor shall: pay Beneficiary all sums which then would be due under this Deed of Trust and the Promissory Note as if no acceleration had occurred; cure any default of any other covenants or agreements; pay all expenses incurred in enforcing this Deed of Trust, including, but not limited to, reasonable attorneys' fees, and; take such action as Beneficiary may reasonably require to assure that the lien of this Deed of Trust, Beneficiary's rights in the Property, and Grantor's obligation to pay the sums secured by this Deed of Trust continue unchanged. Upon reinstatement by Grantor, this Deed of Trust and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration caused by Grantor's selling or transferring all or any part of the Property or any interest in it (or if a beneficial interest of Grantor is sold or transferred and Grantor is not a natural person) without Beneficiary's prior written consent.

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

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

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

B. Grantor shall promptly give Beneficiary written notice of any investigation, claim, demand, lawsuit, or other action by any governmental or regulatory agency or private party involving the Property, and any hazardous substance or Environmental Law of which Grantor has actual knowledge. If Grantor learns, or is notified by any

governmental or regulatory authority, that any removal or other remediation of any hazardous substance affecting the Property is necessary, Grantor shall promptly take all necessary remedial actions in accordance with Environmental Law and shall bear all costs and expenses thereof.

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

20. ACCELERATION: REMEDIES. A. Beneficiary shall give notice to Grantor and its investor member, prior to acceleration, following Grantor's breach of any covenant or agreement noted in this Deed of Trust, the Loan Agreement, or the Covenant Agreement. The notice shall specify: (a) the nature of the default; (b) the action

required to cure the default; (c) a date, not less than thirty (30) days from the date the notice is given to Grantor, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Deed of Trust and sale of the Property at public auction to the highest bidder, in accordance with the Deed of Trust Act of the State of Washington (RCW 61.24 or as hereafter amended). The notice shall further inform Grantor of applicable rights to reinstate after acceleration, rights to bring a court action to assert the nonexistence of a default or any other defense Grantor wishes to assert prior to acceleration and sale, and of any other matters required by applicable law to be included in the notice. If the default is not cured on or before the date specified in the notice (or, if later, by the date specified in the Loan Agreement), Beneficiary, at its option, may require immediate payment in full of all sums secured by this Deed of Trust without further demand and may invoke the power of sale and any other remedies permitted under the Loan Agreement, the Covenant Agreement, the Promissory Note, this Deed of Trust or by applicable law. Beneficiary shall be entitled to collect from Grantor all expenses incurred in pursuing the remedies provided in this Paragraph 20, including, but not limited to, attorneys' fees and costs of title evidence. If Grantor's investor member makes any such payment or otherwise cures of a default, Beneficiary will accept such action as curing such default on the same basis as if such payment or cure were made directly by Borrower.

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

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

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

21. RECONVEYANCE. Upon payment of all sums secured by this Deed of Trust, Beneficiary shall request Trustee to reconvey the Property to the person entitled thereto and shall surrender this Deed of Trust and all Promissory Notes evidencing the debt secured by this Deed of Trust to Trustee. Trustee shall reconvey the Property without warranty and without charge to the person or persons legally entitled to it. Such person or persons shall pay any recordation costs.

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

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

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

25. NONRECOURSE PROVISION. Notwithstanding anything to the contrary herein, Borrower, its partners, officers, directors, employees, agents and contractors shall have no personal liability for payment of the indebtedness secured or evidenced hereby or performance of the covenants set forth in this Deed of Trust, the Loan Agreement, the Covenant Agreement or the Promissory Note, and the sole recourse of the Beneficiary shall be confined to the exercise of its rights under this Deed of Trust, the Loan Agreement, the Covenant Agreement and the Promissory Note, provided that nothing shall diminish Borrower's liability for damages or deficiencies resulting from theft, waste, fraud, material misrepresentation and misuse of rents.

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

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

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

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BENEFICIARY - CITY OF SPOKANE

By: _____
David A. Condon, Mayor

Date: _____

ATTEST:

APPROVED AS TO FORM:

By: Terri L. Pfister, City Clerk

By: _____
Assistant City Attorney

Date: _____

STATE OF WASHINGTON)
) ss.
County of Spokane)

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

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

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

ATTACHMENT 1
LEGAL DESCRIPTION

PARCEL A:

Lots 5, 6, 7, 8, 9 and 10, Block 1; Together with the West 16.28 feet of Lots 4 and 11, Block 1, Alta Vista Addition, as per plat thereof recorded in Volume "A" of Plats, Page(s) 171, records of Spokane County;

Together with the vacated alley adjoining said Lots 5 through 10, Block 1 and adjoining the West 16.28 feet of Lots 4 and 11, Block 1.

Situate in the County of Spokane, State of Washington.

PARCEL B:

Lots 1, 2, 3, 4, 11, 12, 13 and 14, Block 1, Alta Vista Addition, as per plat thereof recorded in Volume "A" of Plats, Page(s) 171, records of Spokane County;

EXCEPT the West 16.28 feet of Lots 4 and 11, Block 1;

Together with the vacated alley adjoining said Lots 1, 2, 3, 4, 11, 12, 13 and 14, Block 1.

Situate in the County of Spokane, State of Washington.

Tax Parcel No.: 25122.0102 and 25122.0103

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WHEN RECORDED RETURN TO:

CITY OF SPOKANE

COMMUNITY, HOUSING AND HUMAN SERVICES DEPARTMENT

808 W. SPOKANE FALLS BLVD., ROOM 650

SPOKANE, WASHINGTON 99201-3339

OPR #2017-_____

**CITY OF SPOKANE
TRANSITIONS LIHTC LLC**

PERMANENT SUPPORTIVE HOUSING

HOME PROGRAM LOAN COVENANT AGREEMENT

Grantor: Transitions LIHTC LLC

Beneficiary: City of Spokane, a Washington state municipal corporation

Assessor's Parcel No.: 25122.0102 & 25122.0103

Legal Description (abbreviated):

Lts. 1-14, Blk. 1, Alta Vista Add., & vacated alley, in Spokane
County, WA

(See Attachment 1 for full legal description.)

This HOME Program Loan Covenant Agreement ("Covenant Agreement") is made this ____ day of _____, 2017, by and between the **City of Spokane**, Washington, a Washington municipal corporation (the "City"), whose address is City of Spokane, c/o Community, Housing and Human Services Department, 808 W. Spokane Falls Blvd., Room 650, Spokane, Washington 99201-3339 and **Transitions LIHTC LLC**, a Washington limited liability company (the "Borrower" or "Grantor"), whose address is c/o Transitional Programs for Women, 3128 North Hemlock Street, Spokane, WA 99205.

I. STIPULATIONS

1. This Covenant Agreement is a condition of and part of the consideration for the financial assistance provided by the City to the Borrower for the Borrower's construction of the Permanent Supportive Housing project, which includes twenty-four homes to be constructed at 2140 & 2176 West Fairview Avenue in Spokane, WA (the "Project"). Ten of the twenty-four units will be HOME-assisted.

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2. This Covenant Agreement is part of a transaction further reflected in a Promissory Note ("Promissory Note") and a HOME Program Loan Agreement ("Loan Agreement") of even date herewith. The City's disbursements under the Loan Agreement are further secured by a Deed of Trust ("Deed of Trust" and, collectively with the Promissory Note and the Loan Agreement, the "Related Documents"). The capitalized terms in said agreements shall have the same meaning in this Covenant Agreement unless the context clearly suggests otherwise. In the event of conflict in the terms of any of these documents, the terms most favorable to the City shall apply.

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

Lts. 1-14, Blk. 1, Alta Vista Add., & vacated alley, in Spokane County, WA
Assessor's Parcel Numbers: 25122.0102 & 25122.0103.

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

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

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

II. COVENANTS

Borrower shall:

- A. Comply with the Affordability Requirements described in this Covenant Agreement and Related Documents.
- B. Maintain all required insurance, including without limitation the insurance required by the Deed of Trust.

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- C. Maintain Project financial reports, Project financial records and provide all other information and documentation that the City may reasonably request.
- D. Make payment of all taxes and financial liabilities prior to delinquency.
- E. Not hypothecate or encumber Project assets in any way, except to the extent provided for under the Loan Agreement or as approved of by the Director of Community, Housing and Human Services of the City of Spokane (the "Director") in writing. The Director may withhold such approval at his/her reasonable discretion.
- F. Promptly provide (i) rent and tenant income information at initial tenant occupancy and (ii) rent, occupancy, and tenant income information annually throughout the term of the Loan Agreement, in accordance with the Loan Agreement, or as otherwise requested by the City. If the Project has floating HOME units, the Borrower must provide the City with information regarding the unit substitution and filling vacancies so that the Project remains in compliance with HOME rental occupancy requirements.
- G. Promptly provide, upon request by the City, such documentation as is reasonably necessary (including financial statements) to enable the City to determine the financial condition and continued financial viability of the Project.
- H. During the Affordability Period, prohibit occupancy of any HOME-assisted unit by Borrower (or officer, employee, agent, elected or appointed official, or consultant of the Borrower, or immediate family member or immediate family member of an officer, employee, agent, elected or appointed official, or consultant of Borrower) whether private, for-profit or nonprofit (including a community housing development organization (CHDO) when acting as an owner, developer or sponsor).
- I. Comply with all applicable federal, state and local regulations and requirements, including, but not limited to, Uniform Administrative Requirements, Federal Labor Standards, Davis-Bacon and Related Acts, Uniform Relocation Act requirements applicable as of the date of the execution of this Covenant Agreement, and the provisions of the Lead-Based Paint Poisoning Prevention Act. Davis Bacon and other requirements may apply due to other funding, but will not be monitored by the City unless required under the City's funding. City's cost to administer Davis Bacon Federal Labor Standard, and Related Acts shall be borne by the Borrower. When Washington State prevailing wages apply, the Borrower shall comply with all State requirements under RCW 39.12 to the satisfaction of the State of Washington. When applicable, the higher of Washington State prevailing wages or Davis-Bacon wages shall apply.
- J. Comply with all HOME program project requirements pursuant to 24 CFR part 92 et seq.

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- K. Maintain housing in compliance with the property standards of 24 CFR §92.251 and local code requirements throughout the term of the Loan Agreement.
- L. Upon Project Completion (as defined in Section IV.A), the Project shall obtain a final Certificate of Occupancy, meet all licensing requirements needed to operate the facility as proposed by Borrower in its various funding applications, and meet the property standards of 24 CFR §92.251, minimum rehabilitation standards, and all applicable federal, state and local codes and ordinances. New construction projects must also meet HUD, state, and local requirements relating to accessibility and disaster mitigation.
- M. Cause each of the ten (10) HOME-assisted units to be occupied by income-eligible households within eighteen (18) months after the Project is completed. If any HOME-assisted units are not occupied by eligible tenants within 6 months following the date of Project Completion, Borrower shall submit to the City current marketing information and, if the City requests it, an enhanced marketing plan for leasing the unoccupied units as quickly as possible, which information the City will provide to HUD as required by 24 CFR §92.252. If any HOME-assisted unit has not been rented to eligible tenants within eighteen (18) months after the date of Project Completion, Borrower shall repay the City \$65,000/unit for each such unit within thirty (30) days of the City's written request for repayment. This reflects the proportionate per unit share of HOME funds, i.e., \$650,000 HOME dollars/ten HOME units. The number of HOME-assisted units required hereunder shall be reduced in proportion to the amounts so repaid.

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

Borrower shall pay at loan closing all costs associated with the negotiation, documentation and closing of the loan, including without limitation title premiums escrow fees, recording fees, appraisal fees and City's reasonable attorneys' fees.

III. INCOME DETERMINATIONS

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

IV. AFFORDABILITY REQUIREMENTS

- A. HOME Affordability Period. The HOME Affordability Period, established pursuant to 24 CFR §92.252, is twenty (20) years, beginning after Project Completion, as determined by the Director. “Project Completion” means that all necessary title transfer requirements and construction work have been performed; the Project complies with the requirements of 24 CFR §92, including the property standards under 24 CFR §92.251; the final drawdown of HOME funds has been disbursed for the Project; and the project completion information has been entered in the disbursement and information system established by HUD, except that with respect to rental housing project completion, for the purposes of §92.502(d), Project Completion occurs upon completion of construction and before occupancy. Repayment of the loan during the HOME Affordability Period will not extinguish the requirements of the Related Documents.
- B. City Affordability Period. The City Affordability Period is thirty (30) years, beginning after Project Completion, as determined by the Director. The HOME Affordability Period and City Affordability Period shall run concurrently. Collectively, the two periods are hereinafter referred to as the “Affordability Period.” Upon expiration of the HOME Affordability Period, the City Affordability Period shall continue, but HUD will no longer monitor compliance with affordability requirements, unless the City Affordability Period is coterminous with the HOME Affordability Period. The requirements of the Affordability Period and other conditions of the Related Documents shall apply, as long as there are funds owing under the Note.
- C. Rent Limit. During the Affordability Period, rents on the ten HOME-assisted units shall not exceed thirty percent (30%) of the adjusted income of a family whose annual income equals thirty percent (30%) of Spokane area median income (“AMI”), as defined by HUD and adjusted for family size, unit size by number of bedrooms, tenant-paid utilities and tenant-supplied appliances. These units shall include two (2) studio units, two (2) one-bedroom units, five two-bedroom units and one (1) three-bedroom unit. Should the HUD rents decline below the initial project rents, the Borrower’s rents do not need to be reduced below the initial rents. A table of initial HUD rents for the Project is attached to the Loan Agreement as Attachment 3. The adjustment for tenant-paid utilities and tenant-supplied appliances is subject to §92.252. New HUD requirements include that the adjustment for tenant-paid utilities and tenant-supplied appliances be based on the HUD Utility Schedule Model, twelve (12) months of documented actual utility costs as acceptable to the City’s Community, Housing & Human Services Department, or other methods as determined by HUD. Currently, the HUD Utility Schedule Model can be found at: <http://huduser.org/portal/resources/utlmodel.html>. HUD may clarify the new requirements to allow the use (in some circumstances) of the prior requirement, which used the Section 8 existing housing allowance for tenant-furnished utilities and other services as published annually by HUD and issued

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by the Spokane Housing Authority or twelve (12) months of documented actual utility costs as acceptable to the City's Community, Housing & Human Services Department.

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

The City will provide Borrower with information on updated HOME rent limits so that rents may be adjusted (not to exceed the maximum HOME rent limits exclusive of rent paid through project-based subsidies) in accordance with this Covenant Agreement and 24 CFR §92.252(f)(2). The Borrower must annually provide the City with information on rents and occupancy of HOME-assisted units to demonstrate compliance with the Affordability Requirements of this Covenant Agreement. The City will review rents for compliance and approve or disapprove them every year. The Borrower must provide tenants of HOME-assisted units written notification of rent increases no less than 30 days prior to the beginning of the month in which the increase is intended to be implemented, subject to the provisions of a tenant's lease agreement, pursuant to 24 CFR §92.252(f)(3).

- D. LIHTC Rent Clause. For tenants of low-income tax credit assisted units (if low-income housing tax credits are awarded to the Project or portions of the Project), any increases in rent associated with tenant income shall be governed solely by section 42 of the Internal Revenue Code of 1986, as amended from time to time.
- E. Upon completion of the HOME Affordability Period, if the maximum rent and income limits are exceeded during the remaining City Affordability Period, the loan will be subject to repayment at the higher interest rate as provided for in Paragraph 2 of the Promissory Note.
- F. Income Limit. At initial occupancy, tenants of the ten (10) HOME-assisted units shall have incomes not greater than thirty percent (30%) of the Spokane area median income ("AMI") as defined by HUD. If any of these tenants' incomes increases to a level exceeding fifty percent (50%) of AMI, then the next available HOME-assisted unit shall be made available to families at or below thirty percent (30%) of AMI. If the income of a tenant of a HOME-assisted unit increases and exceeds eighty percent (80%) of AMI, then the tenant's rent shall increase to the lesser of thirty percent (30%) of the tenant's adjusted monthly income or Fair Market Rent, subject to paragraph IV.D hereof.
- G. Income Certifications. All tenants' incomes shall be recertified annually by the Borrower except that Borrower must also verify tenants' incomes every sixth (6th) year of the affordability period. Any applicable rent increases will be

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effective upon the next lease renewal, and are subject to thirty (30) days' written notice.

- H. Additional Affordability Requirements. The Project must comply with the affordable housing requirements of 24 CFR §92.252.
- I. Relocation. Tenants in occupancy prior to the Project are subject to the provisions of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 as amended ("URA"), 42 USC 4601 et seq. and the regulations promulgated thereunder. All relocation payments and expenses shall be borne by the Borrower.
- J. Protection of Affordability Requirements – City Purchase Option. The Affordability Requirements will not terminate upon foreclosure, or transfer in lieu of foreclosure, by any lender with a deed of trust (or mortgage) to which the Deed of Trust is subordinate. Upon any such foreclosure or transfer in lieu of foreclosure, (1) the first sentence of Section IV.C shall be deemed to read, without further action by any party, "During the Affordability Period, rents (exclusive of rent paid through project-based subsidies) on the ten (10) HOME-assisted units shall not exceed thirty percent (30%) of the adjusted income of a family whose annual income equals sixty percent (60%) of Spokane area median income ("AMI"), as defined by HUD and adjusted for family size, unit size by number of bedrooms, tenant-paid utilities and tenant-supplied appliances"; and (2) each reference to "thirty percent (30%)" and "fifty percent (50%)" in the first two sentences of Section IV.F shall be deemed, without further action by any party, to be a reference to "sixty percent (60%)". DISCUSS, NEEDS TO COMPLY WITH HOME RULES. Pursuant to 24 CFR 92. §92.252(e)(3), the City further reserves the right to revive any affordability restrictions according to the original terms of the Loan Agreement if, during the HOME Affordability Period (as defined herein), the owner of record before the foreclosure, or deed in lieu of foreclosure, or any entity that includes the former owner or those with whom the former owner has or had family or business ties, obtains an ownership interest in the Project or property.

V. DEFAULT

If a violation of any of the foregoing covenants occurs, the City may, after thirty (30) days written notice to Borrower and its investor member (at the address set forth in the Loan Agreement), the default meanwhile not having been cured, institute and prosecute any proceeding at law or in equity or as otherwise provided for in this Covenant Agreement, or Related Documents, to abate, prevent, or enjoin any such violation or to compel specific performance by the Borrower of its obligations hereunder, including, without limitation of other remedies, the exercise of the City's purchase rights described herein. No delay in enforcing the provisions hereof as to any breach or violation shall impair, damage or waive the right of any party entitled to enforce the provisions hereof or to obtain relief against or recover for the continuation or repetition of such breach or violation or any similar breach or violation hereof at any later time.

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

**TRANSITIONS LIHTC LLC,
a Washington limited liability company**

Date: _____

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

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CITY OF SPOKANE

By: _____
David A. Condon, Mayor

Date: _____

ATTEST:

APPROVED AS TO FORM:

By: _____
Terri L. Pfister, City Clerk

By: _____
Assistant City Attorney

Date: _____

STATE OF WASHINGTON)
) ss.
County of Spokane)

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

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

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

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ATTACHMENT 1

LEGAL DESCRIPTION

PARCEL A:

Lots 5, 6, 7, 8, 9 and 10, Block 1; Together with the West 16.28 feet of Lots 4 and 11, Block 1, Alta Vista Addition, as per plat thereof recorded in Volume "A" of Plats, Page(s) 171, records of Spokane County;

Together with the vacated alley adjoining said Lots 5 through 10, Block 1 and adjoining the West 16.28 feet of Lots 4 and 11, Block 1.

Situate in the County of Spokane, State of Washington.

PARCEL B:

Lots 1, 2, 3, 4, 11, 12, 13 and 14, Block 1, Alta Vista Addition, as per plat thereof recorded in Volume "A" of Plats, Page(s) 171, records of Spokane County;

EXCEPT the West 16.28 feet of Lots 4 and 11, Block 1;

Together with the vacated alley adjoining said Lots 1, 2, 3, 4, 11, 12, 13 and 14, Block 1.

Situate in the County of Spokane, State of Washington.

Tax Parcel No.: 25122.0102 and 25122.0103

Situs Address: 2140 & 2176 West Fairview Avenue, Spokane, WA 99205

DRAFT

RECORDED AT THE REQUEST OF
AND AFTER RECORDING RETURN TO:

Jeffrey C. Nave
Foster Pepper PLLC
618 West Riverside Ave., Suite 300
Spokane, WA 99201

PRIORITY AND SUBORDINATION AGREEMENT

Grantors: (1) Transitions LIHTC LLC;
(2) Banner Bank;
(3) Transitional Programs for Women;
(4) City of Spokane, Washington;
(5) Washington State Department of Commerce;
(6) Washington State Housing Finance Commission

Grantees: (1) Washington State Housing Finance Commission;
(2) Washington State Department of Commerce;
(3) City of Spokane, Washington;
(4) Transitional Programs for Women;
(5) Banner Bank;
(6) Transitions LIHTC LLC

Abbrev. Legal Descr.: Lts. 1-14, Blk. 1, Alta Vista Add., & vacated alley, in Spokane County, WA
Additional legal description in Exhibit "A" of document.

Assessor's Tax Parcel: 25122.0102 and 25122.0103

Reference Numbers: _____ (WSHFC Extended Use Agreement)
_____ (Commerce Covenant Agreement)
_____ (City Regulatory Agreement)
_____ (Commerce Assignment)
_____ (Commerce Deed of Trust)
_____ (City Deed of Trust)
_____ (Sponsor Deed of Trust)
_____ (AHP Covenant Agreement)
_____ (AHP Deed of Trust)

PRIORITY AND SUBORDINATION AGREEMENT

This PRIORITY AND SUBORDINATION AGREEMENT (this “Agreement”) is dated for reference purposes as of _____, 2017, by and among the following parties (collectively, the “Parties”): TRANSITIONS LIHTC LLC, a Washington limited liability company (the “Company”); BANNER BANK (the “Bank”); TRANSITIONAL PROGRAMS FOR WOMEN, a Washington nonprofit corporation (the “Sponsor”); CITY OF SPOKANE, WASHINGTON, a municipal corporation of the State of Washington (the “City”); the DEPARTMENT OF COMMERCE, a department of the State of Washington (“Commerce”); and the WASHINGTON STATE HOUSING FINANCE COMMISSION, a public body corporate and politic of the State of Washington (the “Commission”). Each of Commerce, the City and the Sponsor is referred to as a “Lender.”

RECITALS

A. Company’s Interest as Fee Owner. The Company is the owner of a tract of land located in Spokane County, Washington, legally described on Exhibit A hereto (together with all improvements now or hereafter thereon and all appurtenances, the “Property”), which real property is to be developed using a combination of public and private funds from various sources. Depending upon the context, the term “Project” shall herein refer to (1) the construction of an apartment complex consisting of 24 dwelling units on the Property, or (2) the apartment complex so constructed.

B. Instruments to be Recorded Against the Property. Various parties providing loans, grants or other advances or contributions to assist in the financing of the Project have required as conditions that the Company execute and record against the Property certain instruments in the nature of covenants and agreements restricting the leasing, operation and/or management of the Property, and/or deeds of trust and other financing instruments securing the performance of certain monetary and other obligations.

C. Commission’s Interest. The Company has obtained financing for the Project through the use of Low Income Housing Tax Credits (“LIHTC”). In connection with the LIHTC, the Company has executed a Regulatory Agreement (Extended Use Agreement) with the Commission (the “Extended Use Agreement”), recorded under Spokane County recording no. _____.

D. Commerce’s Interest. Commerce and the Sponsor have entered into a Housing Trust Fund Contract Number _____ (the “Commerce Loan Agreement”) which sets forth the terms and conditions under which Commerce has agreed to lend the Company up to \$750,000 of [HOME][Housing Trust Fund] money (the “Commerce Loan”). The Commerce Loan is evidenced by a Promissory Note (the “Commerce Note”), made by the Sponsor to the order of Commerce. Pursuant to that certain Assignment, Assumption and Consent Agreement (the “Commerce Assignment”), executed by the Sponsor as assignor, the Company as assignee and consented to by Commerce, as recorded under Spokane County recording no. _____, the Sponsor has assigned its rights and the Company has

assumed the Sponsor's obligations under the Commerce Loan Agreement and Commerce Note. The Company's obligation to repay the Commerce Note is secured by, among other security documents, a Deed of Trust in favor of [Stewart Title Guaranty Company], as trustee, and Commerce as beneficiary, recorded under Spokane County recording no. _____ (the "Commerce Deed of Trust"), encumbering the Company's fee interest in the Property. In addition, the Company executed that certain Low Income Housing Covenant Agreement recorded under Spokane County recording no. _____ (the "Commerce Covenant Agreement"). All documents identified in this paragraph, and any documents executed by the Company in connection therewith, are collectively referred to as the "Commerce Documents."

E. City's Interest. The City and the Company have entered into a HOME Program Loan Agreement (the "City Loan Agreement") which sets forth the terms and conditions under which the City has agreed to lend the Company up to \$650,000 (the "City Loan") to finance the Project. The City Loan is evidenced by a Promissory Note (the "City Note"), made by the Company to the order of the City. Repayment of the City Note is secured by, among other security documents, a Deed of Trust in favor of [Stewart Title Guaranty Company], as trustee, and the City as beneficiary, recorded under Spokane County recording no. _____ (the "City Deed of Trust"), encumbering the Company's fee interest in the Property. In addition, the City and the Company entered into a HOME Program Loan Covenant Agreement recorded under Spokane County recording no. _____ (the "City Regulatory Agreement"). All documents identified in this paragraph, and any documents executed by the Company in connection therewith, are collectively referred to as the "City Documents."

F. The Sponsor's Interest as Lender—Sponsor Loan. The Sponsor and the Company have entered into a Sponsor Loan Agreement (the "Sponsor Loan Agreement") which sets forth the terms and conditions under which the Sponsor has agreed to lend the Company up to \$[937,190] (the "Sponsor Loan") to finance the Project. The Sponsor Loan is evidenced by a Promissory Note (the "Sponsor Note"), made by the Company to the order of the Sponsor. Repayment of the Sponsor Note is secured by, among other security documents, a Deed of Trust, Assignment of Rents and Leases, Security Agreement and Fixture Filing in favor of [Stewart Title Guaranty Company], as trustee, and the Sponsor as beneficiary, recorded under Spokane County recording no. _____ (the "Sponsor Deed of Trust"), encumbering the Company's fee interest in the Property. All documents identified in this paragraph, and any documents executed by the Company in connection therewith, are collectively referred to as the "Sponsor Loan Documents."

G. Bank's Interest as FHLB Member. The Federal Home Loan Bank of Des Moines, the Bank and the Sponsor have entered into an Affordable Housing Program Agreement for Rental Project (Direct Subsidy), dated as of [November 11, 2015], pursuant to which a \$216,000 grant of Affordable Housing Program funds is being made to the Sponsor. In connection with said grant, the Bank, the Company and the Sponsor entered into an

Agreement for Covenants and Restrictions recorded under Spokane County recording no. _____ (the "AHP Covenant Agreement").

H. The Sponsor's Interest as Lender—AHP Loan. The Sponsor and the Company have entered into an AHP Re-Loan Loan Agreement (the "AHP Loan Agreement") which sets forth the terms and conditions under which the Sponsor has agreed to lend the Company up to \$[216,000] (the "AHP Loan") to finance the Project. The AHP Loan is evidenced by a Promissory Note (the "AHP Note"), made by the Company to the order of the Sponsor. Repayment of the AHP Note is secured by, among other security documents, a Subordinate Deed of Trust, Assignment of Rents and Leases, Security Agreement and Fixture Filing in favor of [Stewart Title Guaranty Company], as trustee, and the Sponsor as beneficiary, recorded under Spokane County recording no. _____ (the "AHP Deed of Trust"), encumbering the Company's fee interest in the Property. All documents identified in this paragraph, and any documents executed by the Company in connection therewith, are collectively referred to as the "AHP Loan Documents."

I. The Sponsor's Interest as Optionee. The Sponsor is also the grantee of a purchase option and right of first refusal with respect to the Company's interest in the Property pursuant to the Company's Amended and Restated Operating Agreement dated as of _____, 2017 (the "Option"). The Option is not recorded.

J. Purpose. The Parties desire to provide herein for the relative priority of the various covenants, deeds of trust, and other instruments to be recorded in connection with the Project, and to undertake certain covenants with respect to the subordination of the priority of their interests under recorded instruments in their favor to certain other instruments which may be put of record hereafter, as more particularly provided herein.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual agreements and undertakings herein contained, the Parties agree as follows:

1. **Priorities.** Regardless of the time each Party's interest in or lien on the Property was or shall be created or recorded, such interests and liens have and shall have the following priorities:

(a) First Priority. The Extended Use Agreement shall have first priority. The liens, rights and interests of the Parties created under documents with a lesser priority as established in this Agreement are hereby made subordinate and subject to the rights and interests of Commission under the Extended Use Agreement. Subject to the terms of the Extended Use Agreement, the Extended Use Agreement shall survive foreclosure of any lien with a lesser priority as established in this Agreement and shall be binding upon any person that acquires the Property by means of such foreclosure or deed in lieu thereof or that is a successor to one who acquires the Property by such means, for so long as such person shall retain an interest in the Property.

(b) Second Priority. The Commerce Covenant Agreement shall have second priority. The liens, rights and interests of the Parties created under documents with a lesser priority as established in this Agreement are hereby made subordinate and subject to the rights and interests of Commerce under Commerce Covenant Agreement. Subject to the terms of the Commerce Covenant Agreement, the Commerce Covenant Agreement shall survive judicial or non-judicial foreclosure or deed in lieu thereof of any lien with a lesser priority as established in this Agreement and shall be binding upon any person that acquires the Property by means of such foreclosure or deed in lieu thereof or that is a successor to one who acquires the Property by such means, for so long as such person shall retain an interest in the Property.

(c) Third Priority. The City Regulatory Agreement shall have third priority. The liens, rights and interests of the Parties created under documents with a lesser priority as established in this Agreement are hereby made subordinate and subject to the rights and interests of the City under the City Regulatory Agreement; *provided*, subject to the terms of the City Regulatory Agreement, the City Regulatory Agreement shall survive any foreclosure, trustee's sale, or deed in lieu thereof under any of the deeds of trust described below and shall be binding upon any person that acquires the Property by means of such foreclosure or deed in lieu thereof or that is a successor to one who acquires the Property by such means, for so long as such person shall retain an interest in the Property.

(d) Fourth Priority. The Commerce Deed of Trust shall be fourth in priority. The liens, rights and interests of the Parties created under documents with a lesser priority as established in this Agreement are hereby made subordinate and subject to the rights and interests of Commerce under the Commerce Deed of Trust.

(e) Fifth Priority. The City Deed of Trust shall be fifth in priority. The liens, rights and interests of the Parties created under documents with a lesser priority as established in this Agreement are hereby made subordinate and subject to the rights and interests of the City under the City Deed of Trust.

(f) Sixth Priority. The Sponsor Deed of Trust shall be sixth in priority. The liens, rights and interests of the Parties created under documents with a lesser priority as established in this Agreement are hereby made subordinate and subject to the rights and interests of the Sponsor under the Sponsor Deed of Trust.

(g) Seventh Priority. The AHP Covenant Agreement shall be seventh in priority. The liens, rights and interests of the Parties created under documents with a lesser priority as established in this Agreement are hereby made subordinate and subject to the rights and interests of the Bank under the AHP Covenant Agreement.

(h) Eighth Priority. The AHP Deed of Trust shall be eighth in priority. The liens, rights and interests of any Party created under documents with a lesser priority as established in this Agreement are hereby made subordinate and subject to the rights and interests of the Sponsor under the AHP Deed of Trust.

For purposes of this Section, the lien or interest with “lesser priority” is the one with the higher numerical designation, so that, for example, “fourth priority” is a “lesser priority” than “third priority.”

Any right of the Sponsor or any other party to acquire the Property or any part thereof pursuant to any option or right of first refusal, including the Option, in any of the documents described in this Section or otherwise, is hereby made subject and subordinate to each of the liens and interests described above in this Section.

The Parties agree that the Lenders do not have any obligation to each other to advance funds or to see to the application of their respective loan proceeds and that any application of such proceeds contrary to the terms of any loan documents shall not defeat the subordinations granted herein in whole or in part.

The Parties agree that except for such obligations as the Company may have to other Parties hereto pursuant to agreements with such Parties (i) the Parties do not have any obligations to each other to advance funds or to see to the application of their respective loan proceeds, (ii) any application of such proceeds contrary to the terms of any loan documents shall not defeat the subordinations granted herein in whole or in part, and (iii) nothing contained in this Agreement shall impair the right of any Party to pursue any right or remedy available to it in any of the agreements, covenants, regulatory agreements, deeds of trust or options referenced herein.

Notwithstanding any other provisions of this Agreement, the priorities established hereunder shall not apply to nor affect the security position of any security agreement or pledge of cash accounts or other property to which only one Party hereto has been granted a security interest.

2. Cross-Defaults. Any default under the Commerce Documents, the City Documents or the Sponsor Loan Documents, after notice of default shall have been given thereunder, that is not cured or waived within the applicable cure period set forth therein, shall constitute an event of default under the other Lenders’ loan documents, at the option of such other Lenders (“Cross-Default”). Unless and until there shall be a Cross-Default under this Section, each Lender agrees not to accelerate indebtedness of the Company or seek remedies under loan documents against the Company or the Property (other than the withholding of further disbursement of loan proceeds until such default or breach is cured or the enforcement by an action to compel specific performance of the instruments described in Paragraphs 1(a) through 1(c), inclusive, of this Agreement) based solely upon a breach or default by the Company under another Lender’s documents described herein, other than a default in the payment of money. The foregoing shall not constitute a waiver, defense, limitation or estoppel to any other breach or default under any Lender’s documents. If at any time the Company cures any default that results in a Cross-Default to the satisfaction of the Lender under whose Documents such default originally occurred, any Cross-Default arising as a result thereof under the other Lender’s Documents shall be deemed cured and such other Lender’s loan shall be retroactively reinstated as if such Cross-Default had never occurred.

3. Subordinate Lenders' Agreement to Standstill.

(a) For so long as the Commerce Loan is outstanding, the City and the Sponsor agree, for the benefit of Commerce and its successors and assigns, that if a default occurs and is continuing under documents other than the Commerce Documents, the City and the Sponsor will not, without Commerce's prior written consent, accelerate their respective loans, commence foreclosure proceedings with respect to the Property, collect rents, appoint (or seek the appointment of) a receiver or institute any other enforcement action (other than an action to compel specific performance with respect to defaults other than payment defaults) with respect to the Property.

(b) After the Commerce Loan has been paid in full, so long as the City Loan is outstanding, the Sponsor agrees, for the benefit of the City and its successors and assigns, that if a default occurs and is continuing under the Sponsor Loan Documents or the AHP Loan Documents, the Sponsor will not, without the City's prior written consent, accelerate its loans, commence foreclosure proceedings with respect to the Property, collect rents, appoint (or seek the appointment of) a receiver or institute any other enforcement action (other than an action to compel specific performance with respect to defaults other than payment defaults) with respect to the Property.

4. Reliance. It is understood by the Parties hereto that the Bank, Commerce, the City and the Commission would not enter into their respective documents described in the recitals hereto without this Agreement. The Company and the Sponsor consent to all terms hereof.

5. Miscellaneous.

(a) Entire Agreement. This Agreement constitutes the entire agreement among the Parties with respect to the priority of each Party's liens and interests in the Property described herein and all prior understandings and agreements on that subject are superseded hereby.

(b) Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington.

(c) Notices. All notices to be given pursuant to this Agreement shall be in writing and shall be deemed given when hand-delivered within normal business hours, when actually received by facsimile transmission during normal business hours, or two (2) business days after deposit in the U.S. mail, postage prepaid, (one (1) business day if sent by overnight courier) to the Parties hereto at the addresses set forth below, or to such other place as a Party may from time to time designate by notice to the other Parties. No transferee or successor of a Party hereto shall be entitled to notices or opportunity to cure defaults hereunder unless notice of the transfer is given in accordance with this subsection.

DRAFT

Bank: Banner Bank
54 Rainier Avenue South
Renton, Washington 98055
Attention: _____

Company: Transitions LIHTC LLC
c/o Transitional Programs for Women
3128 North Hemlock Street
Spokane, WA 99205
Attention: Executive Director

With a copy to: Columbia Housing SLP Corporation
121 S.W. Morrison Street, Suite 1300
Portland, Oregon 97204-3143

Sponsor: Transitional Programs for Women
3128 North Hemlock Street
Spokane, WA 99205
Attention: Executive Director

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

Commerce: Washington State Department of Commerce
Housing Trust Fund
1011 Plum Street SE
P.O. Box 42525
Olympia, Washington 98504-2525
Attention: Contracts/Fiscal Group

Commission: Washington State Housing Finance Commission
1000 Second Avenue, Suite 2700
Seattle, Washington 98104
Attention: Executive Director

(d) Successors; Assignment. This Agreement is for the benefit of the Parties other than the Company (and their respective successors and assigns), and not for the benefit of the Company. Any provision hereof may be waived or modified by agreement of such other Parties (or by any two or more of them, if the other(s) are unaffected thereby) without the consent of the Company and without affecting the priority of the liens and interests of the Parties. The heirs, administrators, assigns and successors-in-interest of the Parties shall be bound by this Agreement. This Agreement may be assigned by a Party only as a part of an assignment of such Party's documents described in this Agreement.

(e) Amendment. This Agreement may be amended only by a writing signed by the Parties hereto, but this clause shall not impair the validity of any further agreements among fewer than all of the Parties hereto as among themselves.

(f) Counterparts. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and whether or not all Parties execute each counterpart.

(g) Completion of Recording Information. If this Agreement is signed without completion of certain recording information called for above, any title insurance company acting on the instructions of any Party is hereby authorized to insert such information prior to recording this Agreement.

(h) Consent to Other Parties' Documents. By executing this Agreement, each Party hereby acknowledges and consents to the execution of, and, where appropriate, the recording of, the documents described in the Recitals herein.

[Signature Pages Follow.]

IN WITNESS WHEREOF, the parties hereto have entered into this Priority and Subordination Agreement as of the day and year first above written.

WASHINGTON STATE HOUSING FINANCE
COMMISSION, a public body of the State of
Washington

By: _____

Name: _____

Title: _____

COMMISSION ACKNOWLEDGMENT

[illegible]

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the _____ of WASHINGTON STATE HOUSING FINANCE COMMISSION, a public body of the State of Washington, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated this _____ day of _____, 2017.

(Signature of Notary)

(Legibly Print or Stamp Name of Notary)

Notary public in and for the State of Washington
residing at _____

My appointment expires _____

DRAFT

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement as of the day and year first written above.

DEPARTMENT OF COMMERCE,
a department of the State of Washington

By: _____
Name: Diane Klontz
Title: Assistant Director, Community Services
and Housing Division

DEPARTMENT ACKNOWLEDGMENT

[illegible]

I certify that I know or have satisfactory evidence that Diane Klontz is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the Assistant Director, Community Services and Housing Division, of the Department of Commerce, a department of the State of Washington, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated this _____ day of _____, 2017.

(Signature of Notary)

(Legibly Print or Stamp Name of Notary)

Notary public in and for the State of Washington
residing at _____

My appointment expires _____

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement as of the day and year first written above.

By: _____
Name: David A. Condon
Title: Mayor

(Space above reserved for City Seal)

ATTEST:

APPROVED AS TO FORM:

By: _____
Name: Terri L. Pfister
Title: City Clerk

By: _____
Name: James Richman
Title: Assistant City Attorney

CITY ACKNOWLEDGMENT

STATE OF WASHINGTON)
COUNTY OF SPOKANE) ss.

On this _____ day of _____, 2017, personally appeared before me David A. Condon and Terri L. Pfister, to me known to be the Mayor and the City Clerk, respectively, of and for the City of Spokane, Washington, the municipal corporation that executed the within and foregoing instrument, and each 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 he/she was authorized to execute the said instrument.

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

(Signature of Notary)

(Legibly Print or Stamp Name of Notary)

Notary public in and for the State of Washington
residing at _____
My appointment expires _____

DRAFT

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement as of the day and year first written above.

TRANSITIONAL PROGRAMS FOR WOMEN,
a Washington nonprofit corporation

Edie A. Rice-Sauer
Executive Director

TRANSITIONAL PROGRAMS FOR WOMEN ACKNOWLEDGEMENT

STATE OF WASHINGTON)
) ss.
COUNTY OF SPOKANE)

I certify that I know or have satisfactory evidence that Edie A. Rice-Sauer is the person who appeared before me, and said person acknowledged that she signed this instrument, on oath stated that she was authorized to execute the instrument and acknowledged it as the Executive Director of Transitional Programs for Women, a Washington nonprofit corporation, to be the free and voluntary act and deed of such entity for the uses and purposes mentioned in the instrument.

Dated this _____ day of _____, 2017.

(Signature of Notary)

(Legibly Print or Stamp Name of Notary)

Notary public in and for the State of Washington
residing at _____

My appointment expires _____

DRAFT

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement as of the day and year first written above.

TRANSITIONS LIHTC LLC, a Washington
limited liability company

By: Transitions Manager LLC, a Washington
limited liability company, its managing
member

By: Transitional Programs for Women, a
Washington nonprofit corporation, its
manager

Edie A. Rice-Sauer, Executive Director

COMPANY ACKNOWLEDGEMENT

STATE OF WASHINGTON)
) ss.
COUNTY OF SPOKANE)

I certify that I know or have satisfactory evidence that Edie A. Rice-Sauer is the person who appeared before me, and said person acknowledged that she signed this instrument, on oath stated that she was authorized to execute the instrument and acknowledged it as the Executive Director of Transitional Programs for Women, the Washington nonprofit corporation that is the manager of Transitions Manager LLC, the Washington limited liability company that is the managing member of Transitions LIHTC LLC, a Washington limited liability company, to be the free and voluntary act and deed of such entity for the uses and purposes mentioned in the instrument.

Dated this _____ day of _____, 2017.

(Signature of Notary)

(Legibly Print or Stamp Name of Notary)

Notary public in and for the State of Washington
residing at _____

My appointment expires _____

DRAFT

EXHIBIT A

LEGAL DESCRIPTION

The property is described as follows:

PARCEL A:

Lots 5, 6, 7, 8, 9 and 10, Block 1; Together with the West 16.28 feet of Lots 4 and 11, Block 1, Alta Vista Addition, as per plat thereof recorded in Volume "A" of Plats, Page(s) 171, records of Spokane County;

Together with the vacated alley adjoining said Lots 5 through 10, Block 1 and adjoining the West 16.28 feet of Lots 4 and 11, Block 1.

Situate in the County of Spokane, State of Washington.

PARCEL B:

Lots 1, 2, 3, 4, 11, 12, 13 and 14, Block 1, Alta Vista Addition, as per plat thereof recorded in Volume "A" of Plats, Page(s) 171, records of Spokane County;

EXCEPT the West 16.28 feet of Lots 4 and 11, Block 1;

Together with the vacated alley adjoining said Lots 1, 2, 3, 4, 11, 12, 13 and 14, Block 1.

Situate in the County of Spokane, State of Washington.

Placeholder for potential additional document
to assign note to Transitions at a future date.

BRIEFING PAPER
City of Spokane – City Council CHE
Community, Housing, & Human Services Department
Multifamily Housing Program Update
June 5, 2017

Subject

Review of affordable rental housing projects, which have been allocated federal HOME funds through the Community, Housing, and Human Services (CHHS) Dept. and will come before City Council in 2017. The attached table includes projects awaiting Council approval and projects that are underway.

Background

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

Following an RFP process and review by its Affordable Housing subcommittee, the CHHS Board recommends projects for allocations of HOME funds. The documents for the Transitions' cottage homes project are underway. It is expected to close on financing in August 2017. SNAP's Resident Court project uses funds received from the repayment of HOME funds for a SNAP-owned project that did not meet its minimum affordability period. The prior project was in the path of the North/South Freeway and WA DOT purchased it before the HOME period was met. The funds need to be reinvested with a CHDO and Resident Court has needs. Five other projects have been documented and are underway or will be underway soon. IERR recently requested an increase of \$45,500 to its \$280,000 allocation for the Special Skills duplex. This is to cover increased project costs due to the removal of a previously undetected foundation and costs have increased since its application over a year ago. The increase is not included in the attached table.

Impact

The two pending projects include a total of 66 units and will come before the Council this summer. Transitions is developing twenty-four of the 66 units as new cottage homes for previously homeless households. A unique funding source for this project is targeted funds from the State Legislature to significantly improve the energy efficiency of some units. Ten of the 24 units will be HOME units targeting households at or below 30% of area median income (AMI). SNAP's investment in Resident Court will extend the life and affordability of this

43-unit, occupied project, which was built in 1974. The City invested \$307,500 in HOME funds when SNAP acquired Resident Court in 2000. These funds will be used for major systems and some unit updates. The project still has restrictions under prior state and City funding. This will extend the City period of affordability for all units.

Projects previously approved by Council have 89 units, of which 48 will be new or returning to the rental market and 41 are existing, occupied units. The Madelia and Scott projects are well underway. Scott project will be done before summer's end and Madelia is expected to be complete in December 2017. The Special Skills duplex and 1st Avenue fourplex are in the early stages. Hifumi En is in the bidding process and the rehabilitation work should start within a month.

Action

Loan documents for the Transitions and Resident Court projects will be before Council this summer.

Funding

The HUD program began in 1992 and the City's annual allocation of HOME funds ranged from \$1.4 to \$1.8 million from 1995 to 2011, and was reduced to under \$1 million in 2012-2017. HOME's eligible uses include: rental housing (acquisition, rehabilitation, or construction), single family housing rehabilitation, tenant-based rental assistance, and homebuyer assistance.

HOME is subject to a number of federal requirements and regulations. The catalogue of Federal Domestic Assistance Number (CFDA) is 14.239. More information is at: <http://www.hud.gov/offices/cpd/affordablehousing/programs/home/>.

Most uses of HOME funds require a 25% match from non-federal sources. The match requirement is evaluated at the program level, not the level of each project. The City has sufficient accumulated match to meet current and many years of future required match.

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

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

Project name	Owner/Sponsor	Ownership type	City HOME funds	Total cost	Leverage 1 to X	Total no. of units	Unit type & approx sq ft	Cost/ unit	Cost/ sq ft	Tenant income level	AH Committee Allocation	CHHS Board approval
Resident Court 1203 W 5th (Downtown) Buses: 42 (0 ft.)	Spokane Neighborhood Action Partners	Non-profit CHDO	\$250,000	\$250,000	0.0	43	25 stu/273-421 sf 11 1bd/480 sf 6 2bd/804-818 sf 1 2bd mgr/818sf	\$5,814	\$9	ELI, VLI-50	n.a.	n.a.
Transitions Permanent Supportive Housing N Hemlock (Audubon-Downriver) Buses: 33 (.2 mi), 23 (.3 mi)	Transitions	Non-profit	\$650,000	\$6,837,712	9.5	24	5 stu/416 sf 4 1bd/540 sf 12 2bd/650 sf 3 3bd/950 sf	\$284,905	\$384	ELI, VLI-50	10/13/15	11/4/15
Total			\$900,000	\$7,087,712	6.9	67						

Previously Approved by City Council (Underway)

Project name	Owner/Sponsor	Ownership type	City HOME funds	Total cost	Leverage 1 to X	Total no. of units	Unit type & approx sq ft	Cost/ unit	Cost/ sq ft	Tenant income level	Allocation date	Council approval
1 South Madelia 1 & 51 S Madelia (East Central) Buses: 90	1 South Madelia LLC/ Community Frameworks	For-profit owner/Non-profit sponsor, LIHTC	\$300,000	\$9,064,665	29.2	36	6 1bd/552 sf 11 2bd/768-1028 18 3bd/1209-1219 1 2 bd mgr	\$251,796	\$301	ELI, VLI-40, VLI-50, LI-60	10/13/15	2016-0487 6/20/16
611 S Scott 611 S Scott (East Central) Buses: 2 & 45	Vasilenko	For profit	\$395,000	\$528,358	0.3	6	2 2bd/820 sf 3 3bd/1100 sf 1 3bd/1900 sf	\$88,060	\$77	ELI, VLI-50	5/3/16	2016-0489 6/20/16
Special Skills Duplex 2418 E 4th (East Central) Buses: 94 (blocks), 90 (5 blocks)	Inland Empire Residential Resources	Non-profit CHDO	\$280,000	\$281,500	0.0	2	1 2bd/1248 sf 1 3bd/1248 sf	\$140,750	\$113	ELI	5/3/16	2016-0488 6/20/16
1808 E 1st 1808 E First (East Central) Bus: 90	Basalt Rock, LLC/Vasilenko	For profit	\$180,000	\$320,215	0.8	4	3 2bd/1000 sf 1 3bd/1824 sf	\$80,054	\$66	ELI, VLI-50	5/3/16	2016-0821 11/7/16
Hifumi En Apartments 926 E 8th Ave (East Central) Bus: 45 (2 blocks)	Spokane Housing Authority	Public housing authority	\$330,000	\$422,419	0.3	41	11 HOME units 41 1bd/550sf	\$38,402	\$70	ELI, VLI-50	10/11/16	2017-352 5/22/17
Total			\$1,485,000	\$10,617,157	6.1	89						

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

- Extremely low-income (ELI)
- Very low-income (VLI-45)
- Very low-income (VLI-50)
- Low-income (LI-60)
- Market (MKT)
- Household income at or below 30% AMI.
- Household income at or below 45% AMI.
- Household income at or below 50% AMI.
- Household income at or below 60% AMI.
- Unrestricted income.



Agenda Sheet for City Council Meeting of:
07/24/2017

Date Rec'd	7/12/2017
Clerk's File #	PRO 2017-0024
Renews #	
Cross Ref #	
Project #	2017042
Bid #	
Requisition #	BT

Submitting Dept	ENGINEERING SERVICES
Contact Name/Phone	DAN BULLER 625-6391
Contact E-Mail	DBULLER@SPOKANECITY.ORG
Agenda Item Type	Contract Item
Agenda Item Name	0370 - LOW BID AWARD - BACON CONCRETE, INC.

Agenda Wording

Low bid of Bacon Concrete, Inc., Spokane, WA for 2017 Street Maintenance Curb Ramp projects - \$608,292.00. An administrative reserve of \$60,829.20, which is 10% of the contract price will be set aside. (Multiple Neighborhood Councils)

Summary (Background)

On July 10, 2017 bids were opened for the above project. The low bid was from Bacon Concrete, Inc. in the amount of \$608,292.00, which is \$44,105.00 or 7.82% over the Engineer's Estimate. Two other bids were received as follows: Cameron-Reilly, LLC - \$695,371.00 and William Winkler Company - \$704,821.45.

<u>Fiscal Impact</u>	<u>Budget Account</u>
Expense \$ 238,650.50	# 1100 21700 42300 54850 86023
Expense \$ 430,470.70	# 3200 49828 42800 54201 86023
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>	Public Works 4/24/17
<u>Finance</u>	HUGHES, MICHELLE	<u>Distribution List</u>	
<u>Legal</u>	WHALEY, HUNT	Engineering Admin	
<u>For the Mayor</u>	DUNIVANT, TIMOTHY	kbustos@spokanecity.org	
<u>Additional Approvals</u>		kschmitt@spokanecity.org	
<u>Purchasing</u>		jlargent@spokanecity.org	
		mhughes@spokanecity.org	
		dbuller@spokanecity.org	
		greg@baconconcrete.com	

BRIEFING PAPER
Public Works Committee
Engineering Services
April 24, 2017

Subject:

Street Maintenance Curb Ramp project (2017042)

Background:

This project upgrades curb ramps on streets where the Street Department will do grind and overlay work in 2017. The locations are shown on the attached exhibits.

The project is scheduled to begin approximately in June and be completed August.

Public Impact:

This work will require lane closures in some locations and have no effect on traffic in other locations.

Action:

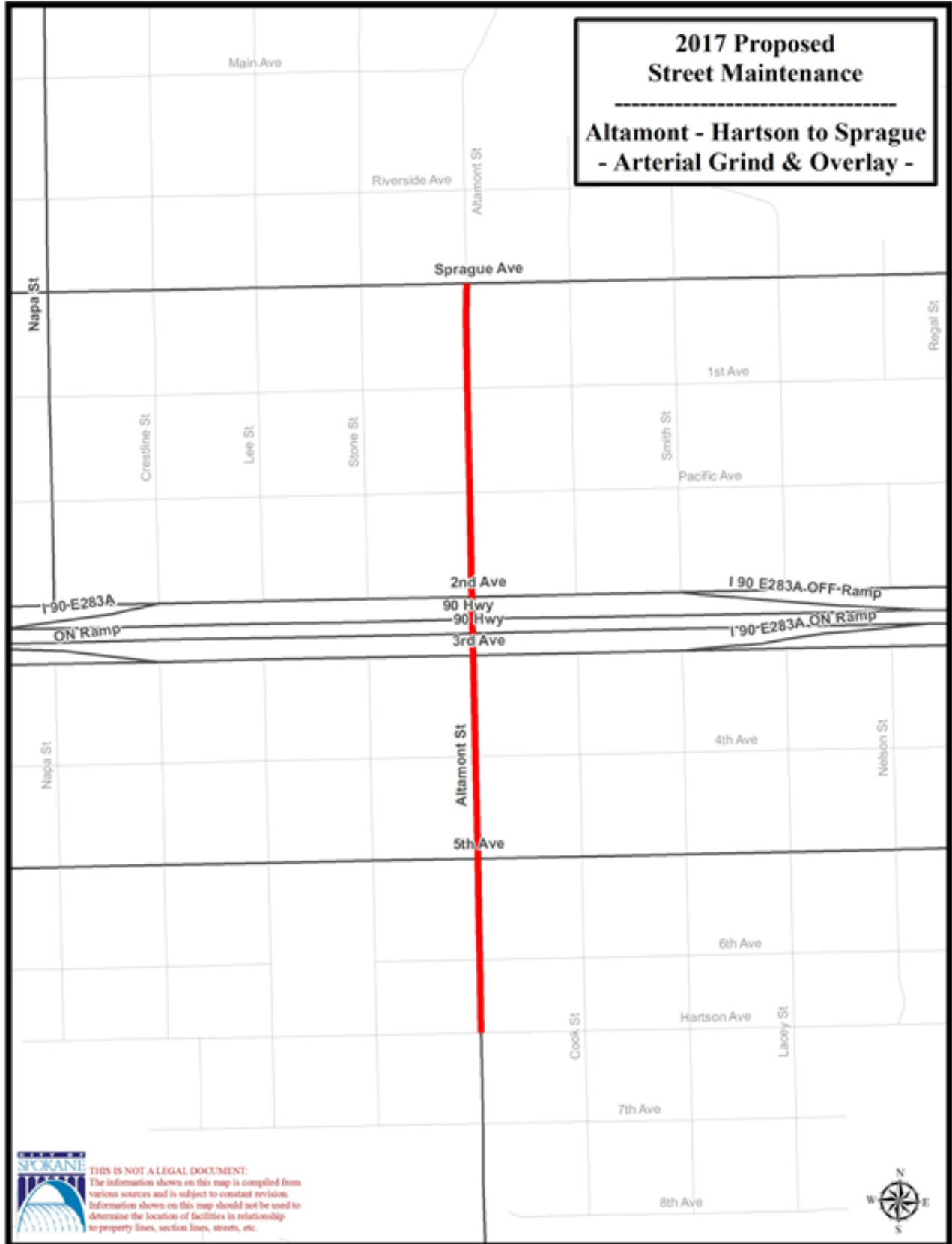
This background information is provided for council consideration. The preliminary Engineer's Estimate for this project is approximately \$525,000. This project will advertise in mid May with bid opening in early June. We plan to put this project on council advanced agenda shortly thereafter.

Funding

Project is funded with Street Department funds.

**2017 Proposed
Street Maintenance**

**Altamont - Hartson to Sprague
- Arterial Grind & Overlay -**



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

**2017 Proposed
Street Maintenance**

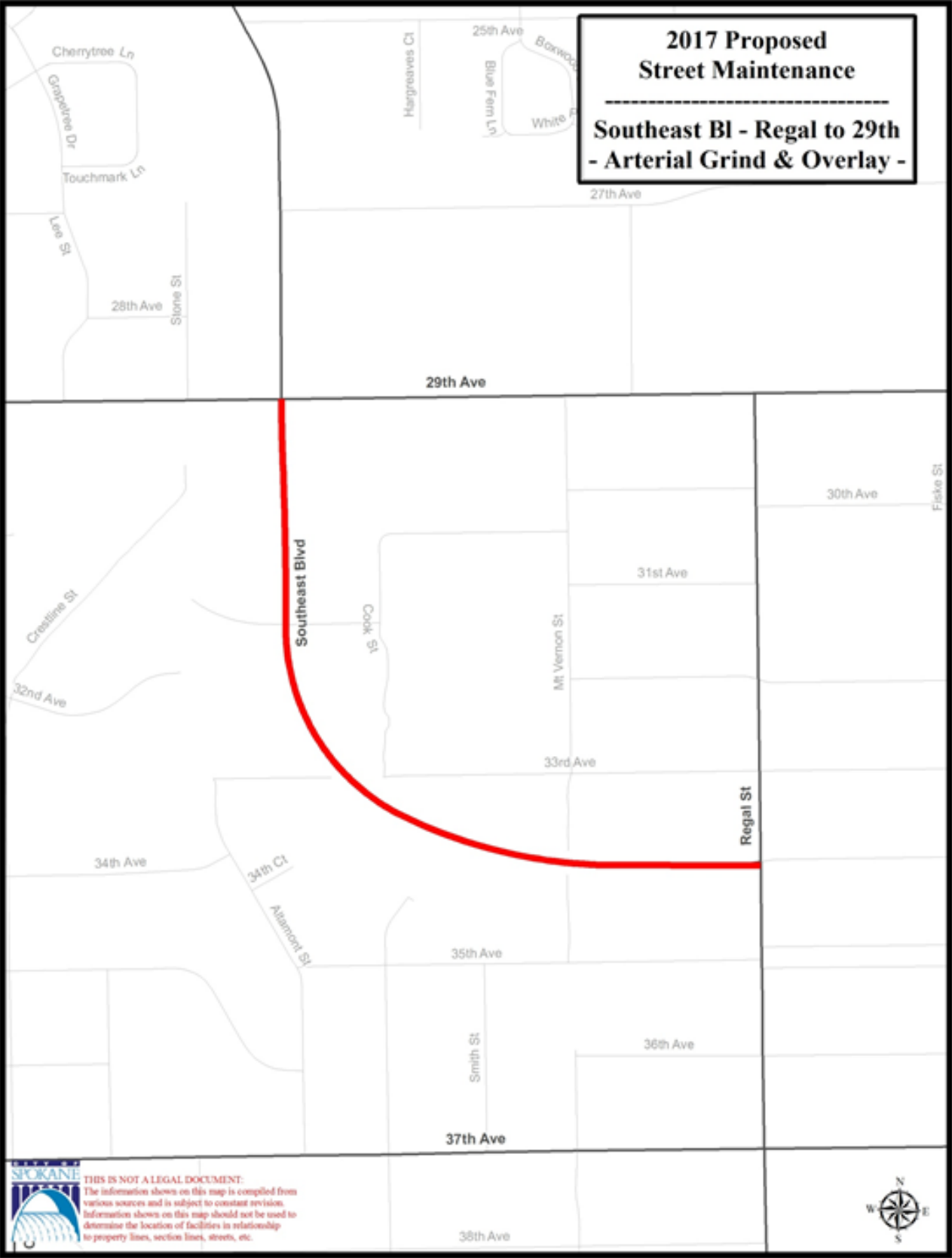
**Assembly - Rowan to Francis
- Arterial Grind & Overlay -**

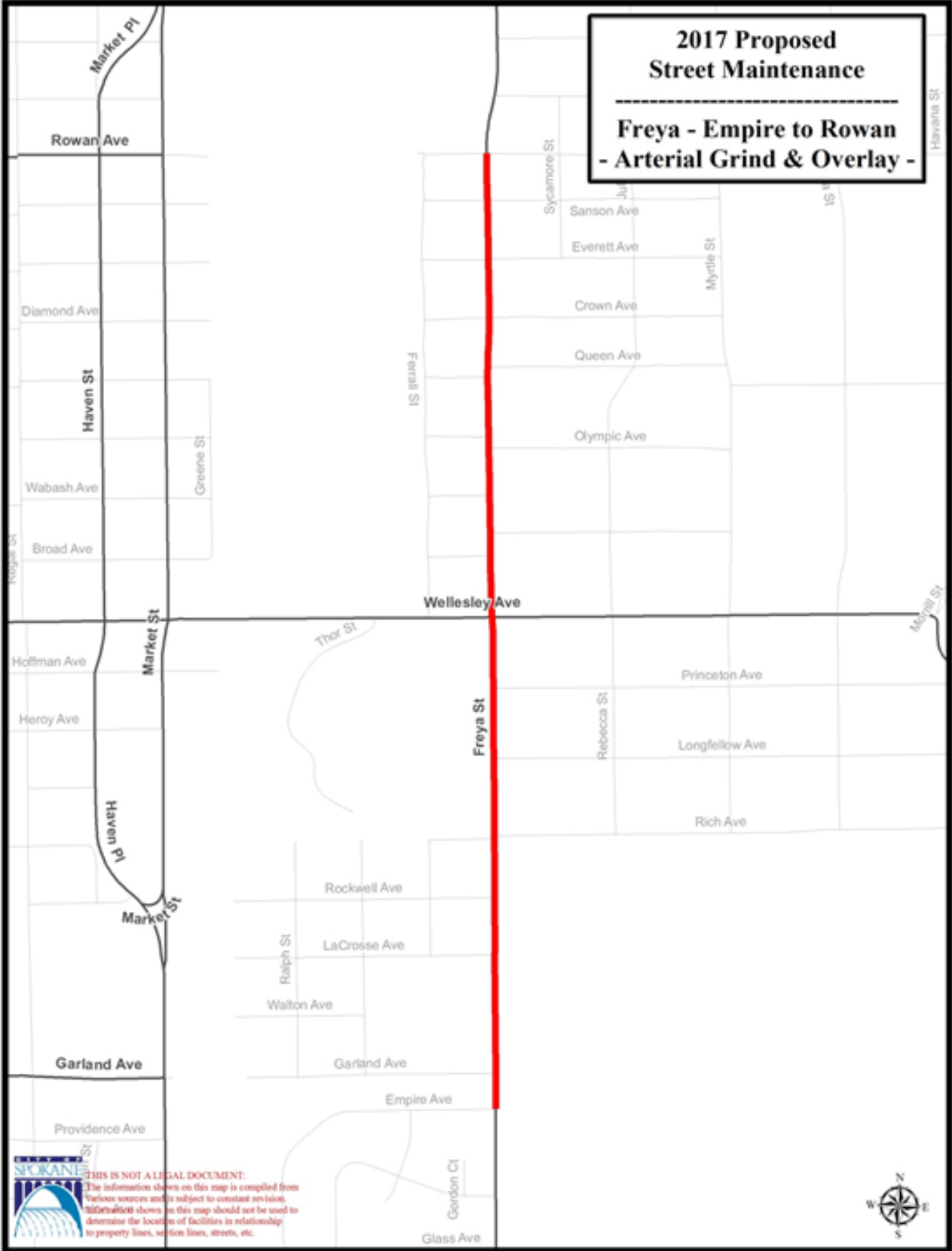


2017 Proposed Street Maintenance

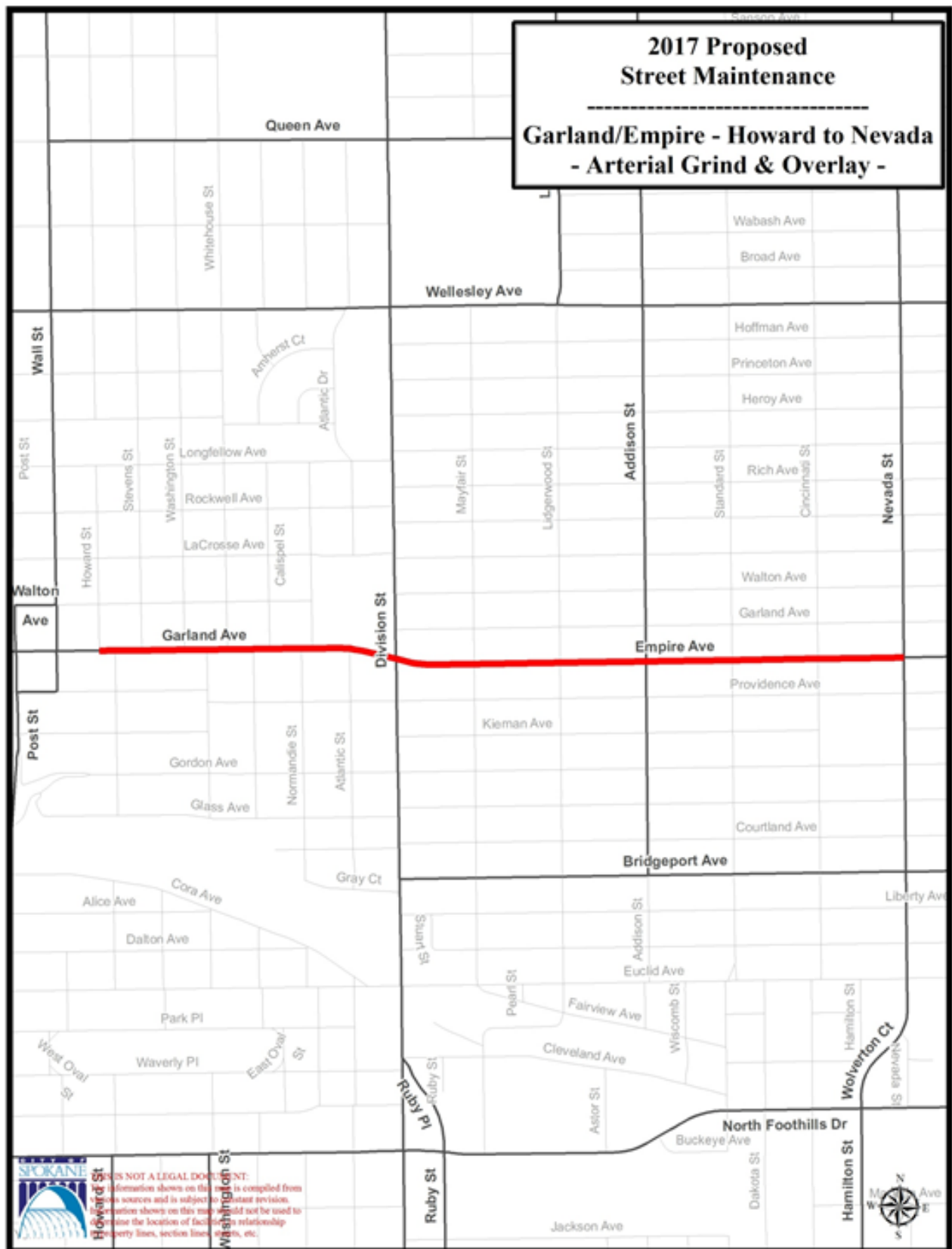
Maxwell Av - Maple to Washington - Arterial Grind & Overlay -





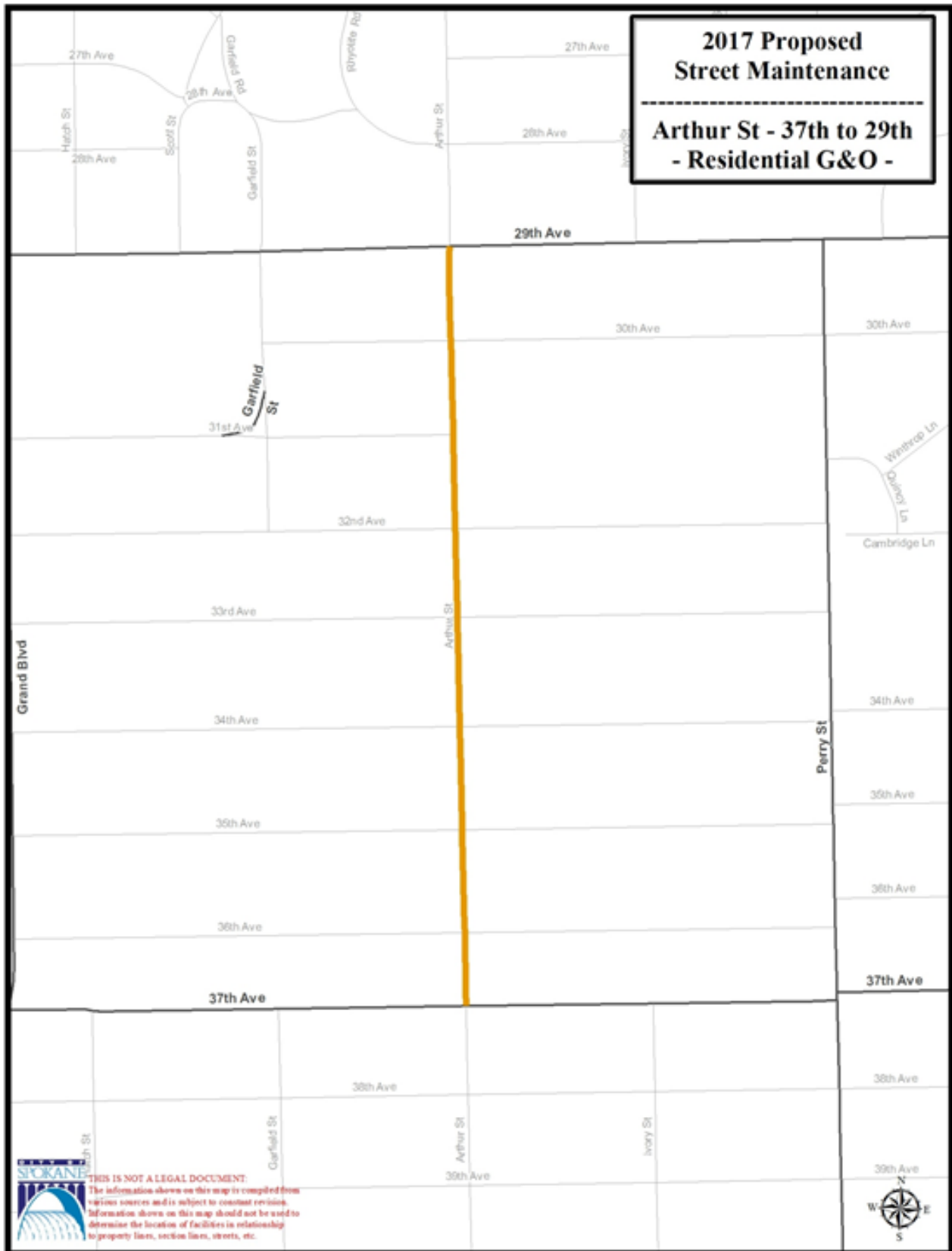


**Garland/Empire - Howard to Nevada
- Arterial Grind & Overlay -**



2017 Proposed Street Maintenance

Arthur St - 37th to 29th
- Residential G&O -



Dalke - Addison to Nevada
- Residential G&O -



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

Project Number: 2017042

Project Description 2017 Street Maintenance Curb Ramp Project

Original Date 5/23/2017 11:09:50 AM

Funding Source Local

Update Date 7/10/2017 1:39:26 PM

Preparer Rashel Richard

Addendum

Project Number: 2017042			Engineer's Estimate		Bacon Concrete Inc		Cameron-Reilly LLC		William Winkler Company	
Item No	Bid Item Description	Estimated Quantity	Unit Price	Amount	Unit Price	Amount	Unit Price	Amount	Unit Price	Amount

Schedule Description					Tax Classification					
Schedule 01 COMMON ITEMS					Sales tax shall be included in unit prices					
101	REIMBURSEMENT FOR THIRD PARTY DAMAGE	1 EST	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
102	SPCC PLAN	1 LS	*****	500.00	*****	1,000.00	*****	750.00	*****	500.00
103	CLASSIFICATION AND PROTECTION OF SURVEY MONUMENTS	1 LS	*****	3,000.00	*****	5,000.00	*****	4,500.00	*****	300.00
104	MOBILIZATION	1 LS	*****	15,000.00	*****	45,000.00	*****	40,450.00	*****	46,580.00
105	PROJECT TEMPORARY TRAFFIC CONTROL	1 LS	*****	30,000.00	*****	20,000.00	*****	30,000.00	*****	25,000.00
106	MATERIAL ON HAND, TREE PROTECTION	1 LS	*****	1,000.00	*****	1,200.00	*****	1,500.00	*****	1,000.00
107	ESC LEAD	1 LS	*****	500.00	*****	1,200.00	*****	750.00	*****	640.00
Schedule Totals				50,001.00		73,401.00		77,951.00		74,021.00

<i>Project Number:</i> 2017042			<i>Engineer's Estimate</i>		Bacon Concrete Inc		Cameron-Reilly LLC		William Winkler Company	
<i>Item No</i>	<i>Bid Item Description</i>	<i>Estimated Quantity</i>	<i>Unit Price</i>	<i>Amount</i>	<i>Unit Price</i>	<i>Amount</i>	<i>Unit Price</i>	<i>Amount</i>	<i>Unit Price</i>	<i>Amount</i>
<i>Schedule Description</i>					<i>Tax Classification</i>					
<i>Schedule 02</i> STREET MAINTENANCE					Sales tax shall be included in unit prices					
201	REFERENCE AND REESTABLISH SURVEY MONUMENT	5 EA	400.00	2,000.00	550.00	2,750.00	500.00	2,500.00	440.00	2,200.00
202	MINIMUM SET UP FEE	3 EA	500.00	1,500.00	650.00	1,950.00	1,000.00	3,000.00	750.00	2,250.00
203	SEQUENTIAL ARROW SIGN	200 HR	4.00	800.00	5.00	1,000.00	3.00	600.00	5.00	1,000.00
204	FLAGGERS	100 HR	55.00	5,500.00	54.00	5,400.00	65.00	6,500.00	65.00	6,500.00
205	CLEARING AND GRUBBING	1 LS	*****	1,000.00	*****	6,000.00	*****	7,500.00	*****	6,000.00
206	AIR OR HYDRO EXCAVATION	3 EA	550.00	1,650.00	600.00	1,800.00	900.00	2,700.00	700.00	2,100.00
207	REMOVE TREE CLASS II	1 EA	500.00	500.00	900.00	900.00	1,500.00	1,500.00	1,000.00	1,000.00
208	REMOVE TREE CLASS III	1 EA	800.00	800.00	2,000.00	2,000.00	3,000.00	3,000.00	2,350.00	2,350.00
209	TREE PRUNING	5 EA	300.00	1,500.00	250.00	1,250.00	600.00	3,000.00	500.00	2,500.00
210	REMOVE EXISTING CURB	1174 LF	9.00	10,566.00	11.00	12,914.00	10.00	11,740.00	6.50	7,631.00
211	REMOVE CEMENT CONCRETE SIDEWALK AND DRIVEWAY	899 SY	15.00	13,485.00	15.00	13,485.00	15.00	13,485.00	7.15	6,427.85
212	SAWCUTTING CURB	70 EA	35.00	2,450.00	30.00	2,100.00	50.00	3,500.00	32.50	2,275.00
213	SAWCUTTING RIGID PAVEMENT	2400 LFI	1.00	2,400.00	1.50	3,600.00	1.25	3,000.00	1.08	2,592.00
214	CONTROLLED DENSITY FILL	3 CY	85.00	255.00	100.00	300.00	175.00	525.00	110.00	330.00
215	CSTC FOR SIDEWALK AND DRIVEWAYS	75 CY	75.00	5,625.00	80.00	6,000.00	100.00	7,500.00	60.00	4,500.00
216	HMA FOR PAVEMENT REPAIR CL. 1/2 IN. PG 70-28, 6 INCH THICK	331 SYI	60.00	19,860.00	16.00	5,296.00	25.00	8,275.00	27.80	9,201.80
217	PAVEMENT REPAIR EXCAVATION INCL. HAUL	331 SY	40.00	13,240.00	30.00	9,930.00	45.00	14,895.00	12.00	3,972.00
218	CEMENT CONCRETE CURB WALL	65 LF	60.00	3,900.00	60.00	3,900.00	75.00	4,875.00	80.00	5,200.00
219	INLET PROTECTION	20 EA	50.00	1,000.00	90.00	1,800.00	100.00	2,000.00	45.00	900.00

<i>Project Number:</i> 2017042			<i>Engineer's Estimate</i>		Bacon Concrete Inc		Cameron-Reilly LLC		William Winkler Company	
<i>Item No</i>	<i>Bid Item Description</i>	<i>Estimated Quantity</i>	<i>Unit Price</i>	<i>Amount</i>	<i>Unit Price</i>	<i>Amount</i>	<i>Unit Price</i>	<i>Amount</i>	<i>Unit Price</i>	<i>Amount</i>
<i>Schedule Description</i>					<i>Tax Classification</i>					
<i>Schedule 02</i> STREET MAINTENANCE					Sales tax shall be included in unit prices					
220	SOD INSTALLATION	75 SY	15.00	1,125.00	20.00	1,500.00	20.00	1,500.00	8.00	600.00
221	4 IN. PVC IRRIGATION SLEEVE	120 LF	5.00	600.00	10.00	1,200.00	10.00	1,200.00	20.00	2,400.00
222	REMOVE AND REPLACE EXISTING SPRINKLER HEADS AND LINES	1 LS	*****	3,000.00	*****	6,000.00	*****	12,500.00	*****	3,400.00
223	CEMENT CONCRETE CURB	1900 LF	25.00	47,500.00	26.00	49,400.00	27.00	51,300.00	35.55	67,545.00
224	CEMENT CONC. SIDEWALK	980 SY	50.00	49,000.00	60.00	58,800.00	65.00	63,700.00	82.30	80,654.00
225	RAMP DETECTABLE WARNING	344 SF	20.00	6,880.00	20.00	6,880.00	20.00	6,880.00	25.00	8,600.00
226	CLAY TILE	100 EA	5.00	500.00	12.00	1,200.00	20.00	2,000.00	210.00	21,000.00
227	SIGNING, PERMANENT	1 LS	*****	7,800.00	*****	9,600.00	*****	9,500.00	*****	11,340.00
<i>Schedule Totals</i>				204,436.00		216,955.00		248,675.00		264,468.65

<i>Project Number:</i> 2017042			<i>Engineer's Estimate</i>		Bacon Concrete Inc		Cameron-Reilly LLC		William Winkler Company	
<i>Item No</i>	<i>Bid Item Description</i>	<i>Estimated Quantity</i>	<i>Unit Price</i>	<i>Amount</i>	<i>Unit Price</i>	<i>Amount</i>	<i>Unit Price</i>	<i>Amount</i>	<i>Unit Price</i>	<i>Amount</i>
<i>Schedule Description</i>					<i>Tax Classification</i>					
<i>Schedule 03</i> LEVY					Sales tax shall be included in unit prices					
301	REFERENCE AND REESTABLISH SURVEY MONUMENT	5 EA	400.00	2,000.00	550.00	2,750.00	550.00	2,750.00	440.00	2,200.00
302	MINIMUM SET UP FEE	4 EA	500.00	2,000.00	650.00	2,600.00	1,000.00	4,000.00	750.00	3,000.00
303	FLAGGERS	350 HR	55.00	19,250.00	54.00	18,900.00	65.00	22,750.00	65.00	22,750.00
304	CLEARING AND GRUBBING	1 LS	*****	1,000.00	*****	6,000.00	*****	7,500.00	*****	6,000.00
305	AIR OR HYDRO EXCAVATION	3 EA	550.00	1,650.00	600.00	1,800.00	1,000.00	3,000.00	700.00	2,100.00
306	REMOVE TREE CLASS II	1 EA	500.00	500.00	900.00	900.00	1,500.00	1,500.00	1,000.00	1,000.00
307	REMOVE TREE CLASS III	1 EA	800.00	800.00	2,000.00	2,000.00	2,500.00	2,500.00	2,350.00	2,350.00
308	TREE PRUNING	5 EA	300.00	1,500.00	250.00	1,250.00	650.00	3,250.00	500.00	2,500.00
309	REMOVE EXISTING CURB	1655 LF	9.00	14,895.00	11.00	18,205.00	10.00	16,550.00	6.50	10,757.50
310	REMOVE CEMENT CONCRETE SIDEWALK AND DRIVEWAY	1309 SY	15.00	19,635.00	15.00	19,635.00	15.00	19,635.00	7.50	9,817.50
311	SAWCUTTING CURB	134 EA	35.00	4,690.00	30.00	4,020.00	45.00	6,030.00	32.50	4,355.00
312	SAWCUTTING RIGID PAVEMENT	3000 LFI	1.00	3,000.00	1.50	4,500.00	1.00	3,000.00	1.08	3,240.00
313	CONTROLLED DENSITY FILL	3 CY	85.00	255.00	100.00	300.00	200.00	600.00	110.00	330.00
314	CSTC FOR SIDEWALK AND DRIVEWAYS	106 CY	75.00	7,950.00	80.00	8,480.00	100.00	10,600.00	60.00	6,360.00
315	HMA FOR PAVEMENT REPAIR CL 1/2 IN. PG 70-28, 6 IN THICK	441 SYI	60.00	26,460.00	16.00	7,056.00	25.00	11,025.00	27.80	12,259.80
316	PAVEMENT REPAIR EXCAVATION INCL. HAUL	441 SY	40.00	17,640.00	30.00	13,230.00	45.00	19,845.00	12.00	5,292.00
317	CEMENT CONCRETE CURB WALL	144 LF	60.00	8,640.00	60.00	8,640.00	75.00	10,800.00	80.00	11,520.00
318	INLET PROTECTION	20 EA	50.00	1,000.00	90.00	1,800.00	100.00	2,000.00	25.00	500.00
319	SOD INSTALLATION	75 SY	15.00	1,125.00	20.00	1,500.00	20.00	1,500.00	8.00	600.00

<i>Project Number:</i> 2017042			<i>Engineer's Estimate</i>		Bacon Concrete Inc		Cameron-Reilly LLC		William Winkler Company	
<i>Item No</i>	<i>Bid Item Description</i>	<i>Estimated Quantity</i>	<i>Unit Price</i>	<i>Amount</i>	<i>Unit Price</i>	<i>Amount</i>	<i>Unit Price</i>	<i>Amount</i>	<i>Unit Price</i>	<i>Amount</i>

<i>Schedule Description</i>					<i>Tax Classification</i>					
<i>Schedule 03</i> LEVY					Sales tax shall be included in unit prices					
320	4 IN. PVC IRRIGATION SLEEVE	120 LF	5.00	600.00	10.00	1,200.00	10.00	1,200.00	20.00	2,400.00
321	REMOVE AND REPLACE EXISTING SPRINKLER HEADS AND LINES	1 LS	*****	3,000.00	*****	4,800.00	*****	20,000.00	*****	2,640.00
322	CEMENT CONCRETE CURB	3000 LF	25.00	75,000.00	26.00	78,000.00	27.00	81,000.00	35.50	106,500.00
323	CEMENT CONC. SIDEWALK	1400 SY	50.00	70,000.00	60.00	84,000.00	65.00	91,000.00	82.30	115,220.00
324	RAMP DETECTABLE WARNING	608 SF	20.00	12,160.00	20.00	12,160.00	20.00	12,160.00	25.00	15,200.00
325	SIGNING, PERMANENT	1 LS	*****	15,000.00	*****	14,210.00	*****	14,550.00	*****	17,440.00
<i>Schedule Totals</i>				309,750.00		317,936.00		368,745.00		366,331.80

Project Number *2017042* *2017 Street Maintenance Curb Ramp Project*

	<i>SCHEDULE SUMMARY</i>								
	<i>Sched 1</i>	<i>Sched 2</i>	<i>Sched 3</i>	<i>Sched 4</i>	<i>Sched 5</i>	<i>Sched 6</i>	<i>Sched 7</i>	<i>Sched 8</i>	<i>Total</i>
<i>Engineer's Est</i>	50,001.00	204,436.00	309,750.00	0.00	0.00	0.00	0.00	0.00	564,187.00
Bacon Concrete Inc	73,401.00	216,955.00	317,936.00	0.00	0.00	0.00	0.00	0.00	608,292.00
Cameron-Reilly LLC	77,951.00	248,675.00	368,745.00	0.00	0.00	0.00	0.00	0.00	695,371.00
William Winkler Compa	74,021.00	264,468.65	366,331.80	0.00	0.00	0.00	0.00	0.00	704,821.45

Low Bid Contractor: Bacon Concrete Inc

	<i>Contractor's Bid</i>	<i>Engineer's Estimate</i>	<i>% Variance</i>	
<i>Schedule 01</i>	\$73,401.00	\$50,001.00	46.80	% Over Estimate
<i>Schedule 02</i>	\$216,955.00	\$204,436.00	6.12	% Over Estimate
<i>Schedule 03</i>	\$317,936.00	\$309,750.00	2.64	% Over Estimate
<i>Bid Totals</i>	\$608,292.00	\$564,187.00	7.82	% Over Estimate



Agenda Sheet for City Council Meeting of:
07/24/2017

Date Rec'd	7/12/2017
Clerk's File #	OPR 2014-0008
Renews #	
Cross Ref #	VB300801
Project #	
Bid #	
Requisition #	VB MASTER

Submitting Dept	INNOVATION & TECHNOLOGY
Contact Name/Phone	MICHAEL 625-6468
Contact E-Mail	MSLOON@SPOKANECITY.ORG
Agenda Item Type	Contract Item
Agenda Item Name	5300 - CERIUM NETWORK VALUE BLANKET

Agenda Wording

Authorization to increase funds to upgrade network equipment to improve security, utilizing the Cerium Networks, Inc. Value Blanket (VB300801). Total additional requested: \$203,338.55 (\$44,727.66 + \$158,610.89)

Summary (Background)

Cerium currently provides network equipment that is compatible with our voices and data application requirements, and security for all City departments. The purpose has been set up to improve efficiencies, service, connectivity and future capacity. This aligns with the City's standards 2017- \$350,000 2016- \$350,000

Fiscal Impact		Budget Account	
Expense	\$ 203,338.55	#	Various
Select	\$	#	
Select	\$	#	
Select	\$	#	
Approvals		Council Notifications	
Dept Head	SLOON, MICHAEL	Study Session	Fin Com 7/17
Division Director	FINCH, ERIC	Other	
Finance	DOVAL, MATTHEW	Distribution List	
Legal	WHALEY, HUNT	Accounting - kkeck@spokanecity.org	
For the Mayor	DUNIVANT, TIMOTHY	Contract Accounting - jsalstrom@spokanecity.org	
Additional Approvals		Legal - hwhaley@spokanecity.org	
Purchasing	WAHL, CONNIE	Purchasing - cwahl@spokanecity.org	
		IT - itadmin@spokancity.org	
		Taxes & Licenses	

Briefing Paper
City of Spokane
Innovation and Technology Services Department
Budget Allocation Request
July 17, 2017

Subject

Authorization to increase funds to upgrade network equipment to improve security, utilizing the Cerium Networks, Inc. Value Blanket (VB300801).
Total additional requested: \$203,338.55 (\$44,727.66 + \$158,610.89)

January 1, 2017 through December 31, 2017 \$350,000

Background

Cerium currently provides network equipment that is compatible with our voices and data application requirements, and security for all City departments. The purpose has been set up to improve efficiencies, service, connectivity and future capacity. This aligns with the City's standards

2017- \$350,000

2016- \$350,000

Impact if additional budget allocation not approved

Without this yearly approval to purchase, the ITSD Department would be required to bring any purchase over the city Purchase limit (\$49,000) to City Council for Approval for each piece of equipment purchased.

Funding (if available)

Various Accounts



Cerium Networks
1636 West 1st Avenue
Spokane, WA 99201
 800-217-0933
csc@ceriumnetworks.com

QUOTE

Project # CERQ73780

Date 06/14/17

Sales Rep. Jeff Lynch

jlynch@ceriumnetworks.com

Sold To:

City of Spokane
 Dan Wordell
 808 W. Spokane Falls Blvd.
 Spokane, WA 99201

Ship To:

City of Spokane
 Dan Wordell
 808 W. Spokane Falls Blvd.
 Spokane, WA 99201

Spokane Location:

1636 West 1st Avenue
 Spokane, WA 99201
 800-217-0933

Ln #	Qty	Description	Purchase Price/Unit	Purchase Price/Total
1	1	CISCO-NPV AR233 (14-19), WA CONTRACT #01114	\$0.00	\$0.00
2				
3		Cisco 2100 Series Firepower Appliance		
4	1	Cisco Firepower 2120 Master Bundle	\$0.00	\$0.00
5	2	Cisco Firepower 2120 NGFW Appliance, 1U	\$11,897.03	\$23,794.06
6	2	AC Power Cord (North America) C13 NEMA 515P 2.1m	\$0.00	\$0.00
7	2	Cisco Firepower Threat Defense software v6.2.1 for FPR2100	\$0.00	\$0.00
8	2	Firepower 2000 Series SSD for FPR-2110/2120	\$0.00	\$0.00
9	2	Firepower 2000 Series SSD Slot Carrier	\$0.00	\$0.00
10	2	Cisco FPR2120 Threat Defense Threat, Malware and URL License	\$0.00	\$0.00
11	2	Cisco FPR2120 Threat Defense Threat, Malware and URL 3Y Subs	\$14,562.63	\$29,125.26
12	2	SNTC-8X5XNBD Cisco Firepower 2120 NGFW Appliance, 1U - Expires 12/31/2018	\$2,118.57	\$4,237.14
13		SubTotal		\$57,156.46
14				
15		Cisco Firepower Manager Center Appliance		
16	2	Cisco Firepower Management Center 2500 Chassis	\$36,589.53	\$73,179.06
17	4	Cisco AC Power Supply 770W for FMC	\$0.00	\$0.00
18	4	Power Cord, 125VAC 13A NEMA 5-15 Plug, North America	\$0.00	\$0.00
19	2	Cisco Firepower Management Center Software v6.2	\$0.00	\$0.00
20	2	Cisco FMC X520-DA2 10 Gbps 2 port NIC	\$0.00	\$0.00
21	2	Cisco FMC 12G SAS Modular Raid Controller	\$0.00	\$0.00
22	8	Cisco FMC 600GB 12GB 10K 2.5" SAS	\$0.00	\$0.00
23	2	Cisco FMC 32GB SD Card Module	\$0.00	\$0.00
24	16	Cisco 8GB DDR4-2400-MHz RDIMM/PC4-19200/single rank/x4/1.2v	\$0.00	\$0.00
25	2	Enable RAID 5 Setting	\$1.00	\$2.00
26	4	Cisco 2.10 GHz E5-2620 v4/85W 8C/20MB Cache/DDR4 2133MHz	\$0.00	\$0.00

Ln #	Qty	Description	Purchase Price/Unit	Purchase Price/Total
27	2	Cisco FMC 12Gbps SAS 1GB FBWC Cache module (Raid 0/1/5/6)	\$0.00	\$0.00
28	2	SNTC-8X5XNBD Cisco Firepower Management Center 2500 - Expires 12/31/2018	\$9,770.61	\$19,541.22
29		SubTotal		\$92,722.28
30				
31		Cisco ASA 5516X - Remote Access VPN		
32	2	ASA 5516-X with FirePOWER services, 8GE, AC, 3DES/AES	\$3,567.03	\$7,134.06
33	2	AC Power Cord (North America), C13, NEMA 5-15P, 2.1m	\$0.00	\$0.00
34	2	ASA 9.6 Software image for ASA 5506/5508/5516 series	\$0.00	\$0.00
35	2	Cisco FirePOWER Software v5.4.1 for ASA 5500-X	\$0.00	\$0.00
36	2	Cisco ASA5516 Control License	\$0.00	\$0.00
37	2	ASA 5516-X SSD	\$0.00	\$0.00
38	2	ASA 5500 Strong Encryption License (3DES/AES)	\$0.00	\$0.00
39	2,000	Cisco AnyConnect Plus Term License, Total Authorized Users	\$0.00	\$0.00
40	2,000	Cisco AnyConnect Plus License, 3YR, 1000-2499 Users	\$2.25	\$4,500.00
41	2	SNTC-8X5XNBD ASA 5516-X with FirePOWER services, 8GE - Expires 12/31/2018	\$952.04	\$1,904.08
42		SubTotal		\$13,538.14
43				
44	-1	Trade In:	\$17,634.81	-\$17,634.81
		ASA 5550 Serial: JMX1336L1EV		
		ASA 5550 Serial: JMX1336L1F3		
		ASA 5540 Serial: JMX1536X0KY		
		ASA 5540 Serial: JMX1536X0KZ		
		881 Serial: FTX14278001		
		881 Serial: FTX15268004		
		881 Serial: FTX1427800M		
		881 Serial: FTX141482X5		
		881 Serial: FTX14278005		
		PIX Firewall Serial: 88810091591		
		PIX Firewall Serial: 88806231931		
45		SubTotal		-\$17,634.81
46				
47	1	ESTIMATED SALES TAX	\$12,828.82	\$12,828.82
			Subtotal	\$158,610.89

Any professional services pricing is budgetary and based on the current equipment configuration. A formal Design Assurance review and signed Scope of Project is required prior to final pricing delivery and contract acceptance.



Cerium Networks
1636 West 1st Avenue
Spokane, WA 99201
 800-217-0933
csc@ceriumnetworks.com

QUOTE

Project # CERQ74837

Date 07/10/17

Sales Rep. Jeff Lynch

jlynch@ceriumnetworks.com

Sold To:

City of Spokane
 Phillip Jenkins
 808 W. Spokane Falls Blvd.
 7th Floor - City Hall
 Spokane, WA 99201

Ship To:

City of Spokane
 Phillip Jenkins
 808 W. Spokane Falls Blvd.
 7th Floor - City Hall
 Spokane, WA 99201

Spokane Location:

1636 West 1st Avenue
 Spokane, WA 99201
 800-217-0933

Ln #	Qty	Description	Purchase Price/Unit	Purchase Price/Total
1	1	CISCO-NPV AR233 (14-19), WA CONTRACT #01114	\$0.00	\$0.00
2				
3	2	Catalyst 4500 X 16 Port 10G IP Base Fron	\$9,520.00	\$19,040.00 ✓
4	2	Catalyst 4500X 750W AC front to back coo	\$1,190.00	\$2,380.00 ✓
5	2	Catalyst 4500X 750W AC front to back coo	\$1,190.00	\$2,380.00
6	2	Catalyst 4500X Network Module Blank	\$0.00	\$0.00
7	4	NEMA 5 15 to IEC C15 8ft US	\$0.00	\$0.00
8	2	CAT4500 X Universal Crypto Image	\$0.00	\$0.00
9	2	IP Base to Ent. Services license for 16	\$2,380.00	\$4,760.00
10	2	Catalyst 4500 2GB SD Memory Card	\$297.50	\$595.00
11	2	SNTC 24X7X4 Catalyst 4500 X 16 Port 10G - Expires 12/31/2018	\$2,215.63	\$4,431.26
12		SubTotal		\$33,586.26
13				
14	2	10GBASE ER SFP Module	\$5,950.00	\$11,900.00
15		SubTotal		\$11,900.00
16	-1	Trade in:	\$4,376.28	-\$4,376.28 ✓
		- 4507 - 1		
		- WS-X4515 x2		
		- WS-X4306GB x1		
		- WS-x4148-RJ45V x3		
		- 4507 - 2		
		- WS-X4515 x2		
		- WS-x4148-RJ45V x5		
17		SubTotal		-\$4,376.28
18				
19	1	ESTIMATED SALES TAX	\$3,617.68	\$3,617.68

Ln #	Qty	Description	Purchase Price/Unit	Purchase Price/Total
			Subtotal	\$44,727.66

Any professional services pricing is budgetary and based on the current equipment configuration. A formal Design Assurance review and signed Scope of Project is required prior to final pricing delivery and contract acceptance.



Agenda Sheet for City Council Meeting of:
07/24/2017

Date Rec'd	7/20/2017
Clerk's File #	CPR 2017-0002
Renews #	
Cross Ref #	
Project #	
Bid #	
Requisition #	

Submitting Dept	ACCOUNTING
Contact Name/Phone	LEONARD DAVIS 625-6028
Contact E-Mail	LDAVIS@SPOKANECITY.ORG
Agenda Item Type	Claim Item
Agenda Item Name	5600-CLAIMS-2017

Agenda Wording

Report of the Mayor of pending claims & payments of previously approved obligations through: 7/14/17.
Total:\$ 4,731,145.86 with Parks & Library claims being approved by their respective boards. Claims excluding
Parks & Library Total:\$ 4,479,824.53

Summary (Background)

Pages 1-24 Check numbers: 539128 - 539207 ACH payment numbers: 39645 - 39840 On file for review in City
Clerks Office: 24 Page listing of Claims NOTE:

<u>Fiscal Impact</u>	<u>Budget Account</u>
Expense \$ 4,479,824.53	# Various
Select \$	#
Select \$	#
Select \$	#

<u>Approvals</u>		<u>Council Notifications</u>	
<u>Dept Head</u>	BUSTOS, KIM	<u>Study Session</u>	
<u>Division Director</u>	DUNIVANT, TIMOTHY	<u>Other</u>	
<u>Finance</u>	DAVIS, LEONARD	<u>Distribution List</u>	
<u>Legal</u>	DALTON, PAT		
<u>For the Mayor</u>	DUNIVANT, TIMOTHY		
<u>Additional Approvals</u>			
<u>Purchasing</u>			

REPORT: PG3620
SYSTEM: FMSAP
USER: MANAGER
RUN NO: 28

APPROVAL FUND SUMMARY

DATE: 07/17/17
TIME: 08:14
PAGE: 1

FUND	FUND NAME	AMOUNT
0100	GENERAL FUND	809,694.74
1100	STREET FUND	25,893.13
1200	CODE ENFORCEMENT FUND	500.00
1400	PARKS AND RECREATION FUND	315.06
1450	UNDER FREEWAY PARKING FUND	2,117.64
1460	PARKING METER REVENUE FUND	8,224.07
1540	HUMAN SERVICES GRANTS FUND	19,804.30
1541	CONTINUUM OF CARE	0.00
1560	FORFEITURES & CONTRIBUTION FND	22,048.22
1590	HOTEL/MOTEL TAX FUND	367,122.79
1620	PUBLIC SAFETY & JUDICIAL GRANT	0.00
1630	COMBINED COMMUNICATIONS CENTER	801.07
1640	COMMUNICATIONS BLDG M&O FUND	1,972.17
1690	COMM DEVELOPMENT BLOCK GRANTS	0.00
1695	CDBG REVOLVING LOAN FUND	38,155.43
1710	HOME PROGRAM	0.00
1910	CRIMINAL JUSTICE ASSISTANCE FD	19,510.57
1970	FIRE/EMS FUND	23,411.38
3200	ARTERIAL STREET FUND	790,850.37
4100	WATER DIVISION	221,911.36
4250	INTEGRATED CAPITAL MANAGEMENT	395,966.16
4300	SEWER FUND	28,101.71
4340	WATER/WW REVENUE BOND FUND	1,141,650.12
4480	SOLID WASTE FUND	1,849.41
4490	SOLID WASTE DISPOSAL	16,712.62
4700	DEVELOPMENT SVCS CENTER	2,445.78
5100	FLEET SERVICES FUND	85,832.07
5200	PUBLIC WORKS AND UTILITIES	618.77
5300	IT FUND	9,797.22
5400	REPROGRAPHICS FUND	7,816.80
5600	ACCOUNTING SERVICES	4,602.00
5800	RISK MANAGEMENT FUND	24,470.98
5830	EMPLOYEES BENEFITS FUND	322,357.69
5900	ASSET MANAGEMENT FUND OPS	65,554.25
5901	ASSET MANAGEMENT FUND CAPITAL	1,939.58
6070	FIREFIGHTERS' PENSION FUND	10,428.54
6080	POLICE PENSION FUND	6,832.62
6960	SALARY CLEARING FUND NEW	515.91
TOTAL:		4,479,824.53

REPORT: PG3630
SYSTEM: FMSAP
USER: MANAGER
RUN NO: 28

DATE: 07/17/17
TIME:
PAGE: 1

HONORABLE MAYOR
AND COUNCIL MEMBERS

07/17/17
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PROCESSING OF VOUCHERS RESULTS IN CLAIMS AS FOLLOWS:

0020 - NONDEPARTMENTAL

DOWNTOWN SPOKANE PARTNERSHIP	PROFESSIONAL SERVICES ACH PMT NO. - 80039698	25,000.00
RANDALL & DANSKIN PS	LEGAL SERVICES CHECK NO. - 00539133	3,493.75
STEVENS CLAY PS	LEGAL SERVICES ACH PMT NO. - 80039684	7,084.80
SUMMIT LAW GROUP PLLC	LEGAL SERVICES ACH PMT NO. - 80039685	769.50
TOTAL FOR 0020 - NONDEPARTMENTAL		36,348.05

0100 - GENERAL FUND

3M CO VFZ3825	GRANT CASH PASS THRU ACCOUNT ACH PMT NO. - 80039645	30,000.00
CATHOLIC CHARITIES	GRANT CASH PASS THRU ACCOUNT ACH PMT NO. - 80039719	46,518.38
CLARKS CLEANERS 159 S DIVISION	DEPOSIT - RESTITUTION CHECK NO. - 00539165	25.00
GENERAL STORE 2424 N DIVISION	DEPOSIT - RESTITUTION CHECK NO. - 00539166	50.00
GOODWILL INDUSTRIES OF THE INLAND NORTHWEST	GRANT CASH PASS THRU ACCOUNT ACH PMT NO. - 80039734	135,635.04
KONSTANTIN & TATYANA VASILENKO	GRANT CASH PASS THRU ACCOUNT CHECK NO. - 00539139	95,059.12
PAR ACCEPTANCE 1718 W BROADWAY	DEPOSIT-REFUNDS IN PROGRESS CHECK NO. - 00539168	15.00
PISTOLE 523 W SPRAGUE	DEPOSIT - RESTITUTION CHECK NO. - 00539169	164.72
SAMOL TEAL 219 6TH AVE N	DEPOSIT-REFUNDS IN PROGRESS CHECK NO. - 00539170	136.00
SNAP FINANCIAL ACCESS	GRANT CASH PASS THRU ACCOUNT ACH PMT NO. - 80039760	8,599.37
SPOKANE COUNTY PROSECUTING ATTORNEY	COUNTY CRIME VICTIM & WITNESS CHECK NO. - 00539135	1,620.37
SPOKANE HOUSING AUTHORITY DBA NE WASHINGTON HOUSING	GRANT CASH PASS THRU ACCOUNT ACH PMT NO. - 80039762	9,477.69
SPOKANE NEIGHBORHOOD ACTION PARTNERS	GRANT CASH PASS THRU ACCOUNT ACH PMT NO. - 80039759	56,276.10

HONORABLE MAYOR
AND COUNCIL MEMBERS

07/17/17
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PROCESSING OF VOUCHERS RESULTS IN CLAIMS AS FOLLOWS:

THE SALVATION ARMY	GRANT CASH PASS THRU ACCOUNT ACH PMT NO. - 80039753	1,847.40
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TRANSITIONS DBA TRANSITIONAL PROGRAMS FOR WOMEN	GRANT CASH PASS THRU ACCOUNT ACH PMT NO. - 80039767	9,699.74
US BANK TRAVEL CARD	TRAVEL CARD ADVANCE PYMT ACH PMT NO. - 80039689	40,026.05
USONA DEVELOPMENT LLC	GRANT CASH PASS THRU ACCOUNT ACH PMT NO. - 80039770	4,444.90
VOLUNTEERS OF AMERICA OF EASTERN WA & N IDAHO	GRANT CASH PASS THRU ACCOUNT ACH PMT NO. - 80039773	32,226.05
WA STATE TREASURER	DEPOSIT-STATE BLDG CODE FEE CHECK NO. - 00539141	2,502.00
WOMENS & CHILDRENS FREE RESTAURANT	GRANT CASH PASS THRU ACCOUNT ACH PMT NO. - 80039704	19,669.15

TOTAL FOR 0100 - GENERAL FUND	493,992.08
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0230 - CIVIL SERVICE

COPIERS NORTHWEST INC	OPERATING RENTALS/LEASES ACH PMT NO. - 80039797	228.95
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TOTAL FOR 0230 - CIVIL SERVICE	228.95
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0300 - HUMAN SERVICES

COMMUNITY HEALTH ASSOCIATION OF SPOKANE	CONTRACTUAL SERVICES ACH PMT NO. - 80039656	8,002.30
FRONTIER BEHAVIORAL HEALTH	CONTRACTUAL SERVICES ACH PMT NO. - 80039665	12,358.36
SPOKANE NEIGHBORHOOD ACTION PARTNERS	CONTRACTUAL SERVICES ACH PMT NO. - 80039759	3,528.13
THE SALVATION ARMY	CONTRACTUAL SERVICES ACH PMT NO. - 80039753	779.50
TRANSITIONS DBA TRANSITIONAL PROGRAMS FOR WOMEN	CONTRACTUAL SERVICES ACH PMT NO. - 80039767	7,075.32
VOLUNTEERS OF AMERICA OF EASTERN WA & N IDAHO	CONTRACTUAL SERVICES ACH PMT NO. - 80039773	25,143.65
YFA CONNECTIONS	CONTRACTUAL SERVICES ACH PMT NO. - 80039778	1,673.33

TOTAL FOR 0300 - HUMAN SERVICES	58,560.59
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HONORABLE MAYOR
AND COUNCIL MEMBERS

07/17/17
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PROCESSING OF VOUCHERS RESULTS IN CLAIMS AS FOLLOWS:

0320 - COUNCIL

ALLIED ENVELOPE	PRINTING/BINDING/REPRO ACH PMT NO. - 80039710	84.12
CANDACE MUMM	OTHER TRANSPORTATION EXPENSES ACH PMT NO. - 80039782	28.00

DOWNTOWN SPOKANE VENTURES ASSC	CONTRACTUAL SERVICES	
dba UNIVERSITY DISTRICT	ACH PMT NO. - 80039822	10,000.00

TOTAL FOR 0320 - COUNCIL		10,112.12
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0330 - PUBLIC AFFAIRS/COMMUNICATIONS

VERIZON WIRELESS BELLEVUE	IT/DATA SERVICES	
	ACH PMT NO. - 80039690	40.01

TOTAL FOR 0330 - PUBLIC AFFAIRS/COMMUNICATIONS		40.01
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0350 - COMMUNITY CENTERS

EAST CENTRAL COMMUNITY ORGANIZATION	CONTRACTUAL SERVICES	
	ACH PMT NO. - 80039729	28,703.83

SOUTHWEST SPOKANE COMMUNITY CENTER	CONTRACTUAL SERVICES	
	ACH PMT NO. - 80039761	3,091.71

TOTAL FOR 0350 - COMMUNITY CENTERS		31,795.54
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0370 - ENGINEERING SERVICES

AASHTO 2	PROFESSIONAL SERVICES	
	ACH PMT NO. - 80039647	4,730.00

COPIERS NORTHWEST INC	OPERATING RENTALS/LEASES	
	ACH PMT NO. - 80039722	119.21

T-MOBILE	CELL PHONE	
	CHECK NO. - 00539137	324.34

TOTAL FOR 0370 - ENGINEERING SERVICES		5,173.55
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0410 - FINANCE

VERIZON WIRELESS BELLEVUE	CELL PHONE	
	ACH PMT NO. - 80039690	173.07

TOTAL FOR 0410 - FINANCE		173.07
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HONORABLE MAYOR
AND COUNCIL MEMBERS

07/17/17
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PROCESSING OF VOUCHERS RESULTS IN CLAIMS AS FOLLOWS:

0430 - GRANTS MANAGEMENT

SALLY STOPER	AIRFARE	
	ACH PMT NO. - 80039785	576.60

SALLY STOPER	LODGING	
	ACH PMT NO. - 80039785	631.80

SALLY STOPER	PER DIEM	
	ACH PMT NO. - 80039785	168.00

TOTAL FOR 0430 - GRANTS MANAGEMENT		1,376.40
0450 - COMM & NEIGHBHD SVCS DIVISION		
SPOKANE NEIGHBORHOOD ACTION PARTNERS	CONTRACTUAL SERVICES ACH PMT NO. - 80039759	235.13
TOTAL FOR 0450 - COMM & NEIGHBHD SVCS DIVISION		235.13
0470 - HISTORIC PRESERVATION		
COWLES PUBLISHING COMPANY DBA THE SPOKESMAN-REVIEW	ADVERTISING ACH PMT NO. - 80039723	97.77
TOTAL FOR 0470 - HISTORIC PRESERVATION		97.77
0500 - LEGAL		
ABM JANITORIAL SERVICES SOUTH SOUTH CENTRAL INC dba	PROFESSIONAL SERVICES ACH PMT NO. - 80039708	1,297.00
ARCHBRIGHT INC	LEGAL SERVICES ACH PMT NO. - 80039649	250.00
AVISTA UTILITIES	UTILITY LIGHT/POWER SERVICE ACH PMT NO. - 80039715	961.14
AVISTA UTILITIES	UTILITY NATURAL GAS ACH PMT NO. - 80039715	54.91
A-1 SERVICE	PROFESSIONAL SERVICES CHECK NO. - 00539174	695.00
COPIERS NORTHWEST INC	OPERATING RENTALS/LEASES ACH PMT NO. - 80039797	372.07
EASTERN WASHINGTON ATTORNEY SERVICES INC	LEGAL SERVICES CHECK NO. - 00539202	100.00
INLAND ELEVATOR LLC	PROFESSIONAL SERVICES ACH PMT NO. - 80039739	767.63
HONORABLE MAYOR AND COUNCIL MEMBERS		07/17/17 PAGE 6
PROCESSING OF VOUCHERS RESULTS IN CLAIMS AS FOLLOWS:		
LEGAL DEPT IMPREST FUND	JUDGEMENTS/DAMAGES CHECK NO. - 00539181	290.00
SPOKANE COUNTY TREASURER	TELEPHONE ACH PMT NO. - 80039816	178.88
VERIZON WIRELESS BELLEVUE	IT/DATA SERVICES ACH PMT NO. - 80039823	80.02
VIC B LINDEN AND SONS SIGN ADVERTISING INC	MINOR EQUIPMENT ACH PMT NO. - 80039772	68.48
TOTAL FOR 0500 - LEGAL		5,115.13

0560 - MUNICIPAL COURT

COPIERS NORTHWEST INC	OPERATING RENTALS/LEASES ACH PMT NO. - 80039797	930.51
DEVRIES INFORMATION MANAGEMENT	MISC SERVICES/CHARGES ACH PMT NO. - 80039662	12.72
SPOKANE MUNICIPAL COURT PUBLIC SAFETY BUILDING	BANK FEES CHECK NO. - 00539136	34.47
UNIVERSAL PROTECTION SERVICE DBA ALLIED UNIVERSAL SECURITY	ALARM/SECURITY SERVICES ACH PMT NO. - 80039702	133.56
WA STATE TREASURER	AUTO THEFT PREVENTION CHECK NO. - 00539141	6,929.06
WA STATE TREASURER	BLOOD/BREATH TEST FEE CHECK NO. - 00539141	284.21
WA STATE TREASURER	DEATH INVESTIGATIONS CHECK NO. - 00539141	249.58
WA STATE TREASURER	HIGHWAY SAFETY CHECK NO. - 00539141	395.73
WA STATE TREASURER	JIS ACCOUNT CHECK NO. - 00539141	18,089.43
WA STATE TREASURER	PSEA (SHB 1869) CHECK NO. - 00539141	27,292.13
WA STATE TREASURER	PSEA3 CHECK NO. - 00539141	837.66
WA STATE TREASURER	SCHOOL ZONE SAFETY CHECK NO. - 00539141	500.60
WA STATE TREASURER	SPECIAL ASSESSMENT CHECK NO. - 00539141	49,658.04
WA STATE TREASURER	TRAUMATIC BRAIN INJ/TRAUMA CHECK NO. - 00539141	5,059.27

HONORABLE MAYOR
AND COUNCIL MEMBERS

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PROCESSING OF VOUCHERS RESULTS IN CLAIMS AS FOLLOWS:

WA STATE TREASURER	VEHICLE LICENSE FRAUD CHECK NO. - 00539141	6.95
WA STATE TREASURER	WSP HIGHWAY CHECK NO. - 00539141	1,412.22

TOTAL FOR 0560 - MUNICIPAL COURT

111,826.14

0620 - HUMAN RESOURCES

NAVEX GLOBAL INC	PROFESSIONAL SERVICES ACH PMT NO. - 80039672	4,437.24
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TOTAL FOR 0620 - HUMAN RESOURCES

4,437.24

0650 - PLANNING SERVICES

COWLES PUBLISHING COMPANY DBA THE SPOKESMAN-REVIEW	ADVERTISING ACH PMT NO. - 80039723	271.12
DENNIS DELLWO	OTHER TRANSPORTATION EXPENSES CHECK NO. - 00539177	99.40
MICHAEL D BAKER	OTHER TRANSPORTATION EXPENSES ACH PMT NO. - 80039718	99.40
MICHAEL D BAKER	PARKING/TOLLS (LOCAL) ACH PMT NO. - 80039697	17.50
WALKER MACY LLC	CONTRACTUAL SERVICES ACH PMT NO. - 80039839	3,828.62
TOTAL FOR 0650 - PLANNING SERVICES		4,316.04

0680 - POLICE

ALLIED SAFE & VAULT CO INC DBA ALLIED FIRE AND SECURITY	OPERATING SUPPLIES ACH PMT NO. - 80039646	38.64
CENTURYLINK	ALARM/SECURITY SERVICES CHECK NO. - 00539128	212.46
CENTURYLINK	TELEPHONE CHECK NO. - 00539128	436.91
COOK SECURITY GROUP	ALARM/SECURITY SERVICES ACH PMT NO. - 80039796	120.00
COPIERS NORTHWEST INC	EQUIPMENT REPAIRS/MAINTENANCE ACH PMT NO. - 80039658	97.92
DIVINES TOWING/DIV OF DIVINE CORP	TOWING EXPENSE ACH PMT NO. - 80039728	141.44

HONORABLE MAYOR
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07/17/17
PAGE 8

PROCESSING OF VOUCHERS RESULTS IN CLAIMS AS FOLLOWS:

EVERGREEN STATE TOWING LLC DBA SPOKANE VALLEY TOWING	TOWING EXPENSE ACH PMT NO. - 80039730	88.40
GALLS LLC	CLOTHING ACH PMT NO. - 80039800	1,856.22
GALLS LLC	OPERATING SUPPLIES ACH PMT NO. - 80039800	382.70
GALLS LLC	PROTECTIVE GEAR/CLOTHING ACH PMT NO. - 80039800	223.09
GRAINGER INC	OPERATING SUPPLIES ACH PMT NO. - 80039801	30.60
LEXIS-NEXIS RISK & ANALYTICS GROUP ACCURINT-ACCT 1189340	BACKGROUND CHECKS ACH PMT NO. - 80039804	76.70
MICHAEL J CARR	OTHER TRANSPORTATION EXPENSES ACH PMT NO. - 80039779	8.00
NEXTEL COMMUNICATIONS	MOBILE BROADBAND CHECK NO. - 00539131	455.64

SAN DIEGO POLICE EQUIP CO INC	AMMUNITION	
	ACH PMT NO. - 80039754	6,240.55
SENSKE PEST CONTROL	LANDSCAPE/GROUNDS MAINT	
SENSKE LAWN & TREE CARE	ACH PMT NO. - 80039756	229.57
VERIZON WIRELESS BELLEVUE	CELL PHONE	
	ACH PMT NO. - 80039703	14,300.91
VERIZON WIRELESS BELLEVUE	MOBILE BROADBAND	
	ACH PMT NO. - 80039703	14,805.76
VERIZON WIRELESS BELLEVUE	SMART PHONES, IPAD, TABLETS	
	ACH PMT NO. - 80039703	100.00-
TOTAL FOR 0680 - POLICE		39,645.51

0700 - PUBLIC DEFENDER

ALLIED ENVELOPE	OFFICE SUPPLIES	
	ACH PMT NO. - 80039710	38.97
AVISTA UTILITIES	UTILITY LIGHT/POWER SERVICE	
	ACH PMT NO. - 80039715	961.15
AVISTA UTILITIES	UTILITY NATURAL GAS	
	ACH PMT NO. - 80039715	54.91
A-1 SERVICE	LAUNDRY/JANITORIAL SERVICES	
	CHECK NO. - 00539161	660.00
COPIERS NORTHWEST INC	OPERATING RENTALS/LEASES	
	ACH PMT NO. - 80039797	317.64

HONORABLE MAYOR
AND COUNCIL MEMBERS

07/17/17
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PROCESSING OF VOUCHERS RESULTS IN CLAIMS AS FOLLOWS:

FRANCIS ADEWALE	PARKING/TOLLS (LOCAL)	
	CHECK NO. - 00539160	37.00
KATHERINE S KNOX	PARKING/TOLLS (LOCAL)	
	ACH PMT NO. - 80039706	37.00
LARRY TANGEN	LEGAL SERVICES	
	ACH PMT NO. - 80039701	334.75
TED PULVER	LEGAL SERVICES	
DBA PULVER INVESTIGATIONS	ACH PMT NO. - 80039700	780.00
TOTAL FOR 0700 - PUBLIC DEFENDER		3,221.42

0750 - ECONOMIC DEVELOPMENT

NATIONAL COUNCIL FOR COM DEV	CONTRACTUAL SERVICES	
NATIONAL DEVELOPMENT COUNCIL	ACH PMT NO. - 80039833	3,000.00
TOTAL FOR 0750 - ECONOMIC DEVELOPMENT		3,000.00

1100 - STREET FUND

ANTHONY HEYWOOD	PERMITS/OTHER FEES CHECK NO. - 00539179	410.00
AT & T MOBILITY	MINOR EQUIPMENT CHECK NO. - 00539173	6,271.99
AT & T MOBILITY	PROFESSIONAL SERVICES CHECK NO. - 00539173	9,260.00
BRIAN CLOUSE	PERMITS/OTHER FEES CHECK NO. - 00539162	359.00
CENTURYLINK	TELEPHONE CHECK NO. - 00539175	240.63
COPIERS NORTHWEST INC	OPERATING RENTALS/LEASES ACH PMT NO. - 80039797	509.95
JOSEPH WRIGHT	PERMITS/OTHER FEES CHECK NO. - 00539186	285.00
NORTH SPOKANE IRRIGATION DIST #8	PUBLIC UTILITY SERVICE CHECK NO. - 00539182	23.51
SHAMROCK MANUFACTURING INC	OTHER REPAIRS/MAINT SUPPLIES ACH PMT NO. - 80039678	4,287.58
VERIZON WIRELESS BELLEVUE	CELL PHONE ACH PMT NO. - 80039771	863.97
WESTERN STATES ASPHALT LLC	OTHER REPAIRS/MAINT SUPPLIES ACH PMT NO. - 80039775	3,381.50

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PROCESSING OF VOUCHERS RESULTS IN CLAIMS AS FOLLOWS:

TOTAL FOR 1100 - STREET FUND		25,893.13
1200 - CODE ENFORCEMENT FUND		

WALTER L WAGNER 548 E HOFFMAN AVE	DEMOLITION LIENS CHECK NO. - 00539171	500.00
TOTAL FOR 1200 - CODE ENFORCEMENT FUND		500.00
1400 - PARKS AND RECREATION FUND		

COPIERS NORTHWEST INC	OPERATING RENTALS/LEASES ACH PMT NO. - 80039797	315.06
TOTAL FOR 1400 - PARKS AND RECREATION FUND		315.06
1450 - UNDER FREEWAY PARKING FUND		

AVISTA CORPORATION	UTILITY LIGHT/POWER SERVICE ACH PMT NO. - 80039651	2,117.64
TOTAL FOR 1450 - UNDER FREEWAY PARKING FUND		2,117.64

1460 - PARKING METER REVENUE FUND

CENTURYLINK	TELEPHONE CHECK NO. - 00539175	109.26
COPIERS NORTHWEST INC	OPERATING RENTALS/LEASES ACH PMT NO. - 80039797	89.79
PARKEON INC	CONTRACTUAL SERVICES ACH PMT NO. - 80039750	570.00
PASSPORT PARKING INC	BANK FEES ACH PMT NO. - 80039834	1,407.20
PCS MOBILE	IT/DATA SERVICES ACH PMT NO. - 80039751	4,243.20
VERIZON WIRELESS BELLEVUE	CELL PHONE ACH PMT NO. - 80039771	1,674.44
VERIZON WIRELESS BELLEVUE	IT/DATA SERVICES ACH PMT NO. - 80039771	80.02
WA STATE DEPT OF REVENUE	CONTRACTUAL SERVICES -	50.16

TOTAL FOR 1460 - PARKING METER REVENUE FUND	8,224.07
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PROCESSING OF VOUCHERS RESULTS IN CLAIMS AS FOLLOWS:

1540 - HUMAN SERVICES GRANTS FUND

CATHOLIC CHARITIES	CONTRACTUAL SERVICES ACH PMT NO. - 80039719	55,638.90
CATHOLIC CHARITIES	GRANT CASH PASS THRU ACCOUNT ACH PMT NO. - 80039719	46,518.38-
GOODWILL INDUSTRIES OF THE INLAND NORTHWEST	CONTRACTUAL SERVICES ACH PMT NO. - 80039734	135,635.04
GOODWILL INDUSTRIES OF THE INLAND NORTHWEST	GRANT CASH PASS THRU ACCOUNT ACH PMT NO. - 80039734	135,635.04-
SPOKANE NEIGHBORHOOD ACTION PARTNERS	CONTRACTUAL SERVICES ACH PMT NO. - 80039759	56,276.10
SPOKANE NEIGHBORHOOD ACTION PARTNERS	GRANT CASH PASS THRU ACCOUNT ACH PMT NO. - 80039759	56,276.10-
THE SALVATION ARMY	CONTRACTUAL SERVICES ACH PMT NO. - 80039753	1,847.40
THE SALVATION ARMY	GRANT CASH PASS THRU ACCOUNT ACH PMT NO. - 80039753	1,847.40-
TRANSITIONS DBA TRANSITIONAL PROGRAMS FOR WOMEN	CONTRACTUAL SERVICES ACH PMT NO. - 80039767	6,914.09
TRANSITIONS DBA TRANSITIONAL PROGRAMS FOR WOMEN	GRANT CASH PASS THRU ACCOUNT ACH PMT NO. - 80039767	2,629.17-
VOLUNTEERS OF AMERICA OF EASTERN WA & N IDAHO	CONTRACTUAL SERVICES ACH PMT NO. - 80039773	6,996.25

VOLUNTEERS OF AMERICA OF EASTERN WA & N IDAHO	GRANT CASH PASS THRU ACCOUNT ACH PMT NO. - 80039691	597.39-
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TOTAL FOR 1540 - HUMAN SERVICES GRANTS FUND	19,804.30
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1541 - CONTINUUM OF CARE

TRANSITIONS DBA TRANSITIONAL PROGRAMS FOR WOMEN	CONTRACTUAL SERVICES ACH PMT NO. - 80039767	530.25
TRANSITIONS DBA TRANSITIONAL PROGRAMS FOR WOMEN	GRANT CASH PASS THRU ACCOUNT ACH PMT NO. - 80039767	530.25-
VOLUNTEERS OF AMERICA OF EASTERN WA & N IDAHO	CONTRACTUAL SERVICES ACH PMT NO. - 80039773	23,584.31
VOLUNTEERS OF AMERICA OF EASTERN WA & N IDAHO	GRANT CASH PASS THRU ACCOUNT ACH PMT NO. - 80039773	23,584.31-
TOTAL FOR 1541 - CONTINUUM OF CARE	0.00	

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PROCESSING OF VOUCHERS RESULTS IN CLAIMS AS FOLLOWS:

1560 - FORFEITURES & CONTRIBUTION FND

3M CO VFZ3825	MACHINERY/EQUIPMENT ACH PMT NO. - 80039645	16,436.96
GALLS LLC	PROTECTIVE GEAR/CLOTHING ACH PMT NO. - 80039666	4,021.26
PORTER LEE CORPORATION	SOFTWARE MAINTENANCE ACH PMT NO. - 80039675	1,350.00
SPOKANE COUNTY SUPERIOR COURT	LEGAL SERVICES CHECK NO. - 00539172	240.00
TOTAL FOR 1560 - FORFEITURES & CONTRIBUTION FND	22,048.22	

1590 - HOTEL/MOTEL TAX FUND

SPOKANE LILAC FESTIVAL ASSN	CONTRACTUAL SERVICES ACH PMT NO. - 80039682	10,000.00
SPOKANE PUBLIC FACILITIES DISTRICT	IG PAYMENT FROM FED/STATE/LOCL ACH PMT NO. - 80039683	357,122.79
TOTAL FOR 1590 - HOTEL/MOTEL TAX FUND	367,122.79	

1620 - PUBLIC SAFETY & JUDICIAL GRANT

3M CO VFZ3825	GRANT CASH PASS THRU ACCOUNT ACH PMT NO. - 80039645	30,000.00-
3M CO VFZ3825	MACHINERY/EQUIPMENT ACH PMT NO. - 80039645	30,000.00

TOTAL FOR 1620 - PUBLIC SAFETY & JUDICIAL GRANT 0.00

1630 - COMBINED COMMUNICATIONS CENTER

MUNICIPAL EMERGENCY SERVICES CLOTHING
DEPOSITORY ACCOUNT ACH PMT NO. - 80039747 801.07

TOTAL FOR 1630 - COMBINED COMMUNICATIONS CENTER 801.07

1640 - COMMUNICATIONS BLDG M&O FUND

SPOKANE CITY TREASURER PUBLIC UTILITY SERVICE
CHECK NO. - 00539183 1,204.49

SPOKANE CITY TREASURER STORMWATER FEES
CHECK NO. - 00539183 358.32

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PROCESSING OF VOUCHERS RESULTS IN CLAIMS AS FOLLOWS:

SPOKANE CITY TREASURER UTIL GARBAGE/WASTE REMOVAL
CHECK NO. - 00539183 409.36

TOTAL FOR 1640 - COMMUNICATIONS BLDG M&O FUND 1,972.17

1690 - COMM DEVELOPMENT BLOCK GRANTS

SNAP FINANCIAL ACCESS CONTRACTUAL SERVICES
ACH PMT NO. - 80039760 8,599.37

SNAP FINANCIAL ACCESS GRANT CASH PASS THRU ACCOUNT
ACH PMT NO. - 80039760 8,599.37-

TRANSITIONS DBA TRANSITIONAL CONTRACTUAL SERVICES
PROGRAMS FOR WOMEN ACH PMT NO. - 80039767 6,540.32

TRANSITIONS DBA TRANSITIONAL GRANT CASH PASS THRU ACCOUNT
PROGRAMS FOR WOMEN ACH PMT NO. - 80039767 6,540.32-

USONA DEVELOPMENT LLC GRANT CASH PASS THRU ACCOUNT
ACH PMT NO. - 80039770 4,444.90-

USONA DEVELOPMENT LLC REGISTRATION/SCHOOLING
ACH PMT NO. - 80039770 4,444.90

VOLUNTEERS OF AMERICA OF CONTRACTUAL SERVICES
EASTERN WA & N IDAHO ACH PMT NO. - 80039691 8,044.35

VOLUNTEERS OF AMERICA OF GRANT CASH PASS THRU ACCOUNT
EASTERN WA & N IDAHO ACH PMT NO. - 80039691 8,044.35-

WOMENS & CHILDRENS FREE CONTRACTUAL SERVICES
RESTAURANT ACH PMT NO. - 80039704 19,669.15

WOMENS & CHILDRENS FREE GRANT CASH PASS THRU ACCOUNT
RESTAURANT ACH PMT NO. - 80039704 19,669.15-

TOTAL FOR 1690 - COMM DEVELOPMENT BLOCK GRANTS 0.00

1695 - CDBG REVOLVING LOAN FUND

AVISTA UTILITIES	UTILITY LIGHT/POWER SERVICE ACH PMT NO. - 80039715	18.32
AVISTA UTILITIES	UTILITY NATURAL GAS ACH PMT NO. - 80039715	17.58
SPOKANE NEIGHBORHOOD ACTION PARTNERS	CONTRACTUAL SERVICES ACH PMT NO. - 80039759	38,119.53
TOTAL FOR 1695 - CDBG REVOLVING LOAN FUND		38,155.43

1710 - HOME PROGRAM

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PROCESSING OF VOUCHERS RESULTS IN CLAIMS AS FOLLOWS:

KONSTANTIN & TATYANA VASILENKO	CONTRACTUAL SERVICES CHECK NO. - 00539139	95,059.12
KONSTANTIN & TATYANA VASILENKO	GRANT CASH PASS THRU ACCOUNT CHECK NO. - 00539139	95,059.12-
SPOKANE HOUSING AUTHORITY DBA NE WASHINGTON HOUSING	CONTRACTUAL SERVICES ACH PMT NO. - 80039762	9,477.69
SPOKANE HOUSING AUTHORITY DBA NE WASHINGTON HOUSING	GRANT CASH PASS THRU ACCOUNT ACH PMT NO. - 80039762	9,477.69-
TOTAL FOR 1710 - HOME PROGRAM		0.00

1910 - CRIMINAL JUSTICE ASSISTANCE FD

WA ASSN OF SHERIFFS & POLICE CHIEFS	STATE OF WASHINGTON CHECK NO. - 00539140	19,510.57
TOTAL FOR 1910 - CRIMINAL JUSTICE ASSISTANCE FD		19,510.57

1970 - FIRE/EMS FUND

ACTION APPAREL	CLOTHING ACH PMT NO. - 80039709	220.08
ALSCO DIVISION OF ALSCO INC	LAUNDRY/JANITORIAL SERVICES ACH PMT NO. - 80039791	226.84
ARROW INTERNATIONAL	SAFETY SUPPLIES ACH PMT NO. - 80039713	285.53
CENTURYLINK	TELEPHONE CHECK NO. - 00539175	215.94
CW NIELSEN MFG CORP	CLOTHING ACH PMT NO. - 80039724	341.36
GALLS LLC	CLOTHING ACH PMT NO. - 80039800	1,414.23
GENERAL FIRE EXTINGUISHER SERVICE INC	EQUIPMENT REPAIRS/MAINTENANCE CHECK NO. - 00539178	37.43

GORDON TRUCK CENTERS INC DBA PACIFIC TRUCK CENTERS	VEHICLE REPAIRS/MAINT ACH PMT NO. - 80039735	235.91
KELLY J SMITH	OTHER TRANSPORTATION EXPENSES ACH PMT NO. - 80039784	148.00
M SCHRODER LLC DBA ROUSE'S TOWING & RECOVERY	VEHICLE REPAIRS/MAINT ACH PMT NO. - 80039813	57.92
MUNICIPAL EMERGENCY SERVICES DEPOSITORY ACCOUNT	CLOTHING ACH PMT NO. - 80039747	9,715.89

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PROCESSING OF VOUCHERS RESULTS IN CLAIMS AS FOLLOWS:

NORCO INC	SAFETY SUPPLIES ACH PMT NO. - 80039748	1,745.34
SPOKANE CITY TREASURER	PUBLIC UTILITY SERVICE CHECK NO. - 00539183	946.39
SPOKANE CITY TREASURER	STORMWATER FEES CHECK NO. - 00539183	153.56
SPOKANE CITY TREASURER	UTIL GARBAGE/WASTE REMOVAL CHECK NO. - 00539183	175.44
STERICYCLE INC STERICYCLE OF WA (BC)	HAZARDOUS WASTE DISPOSAL ACH PMT NO. - 80039764	1,867.61
TACOMA SCREW PRODUCTS INC ATTN: ACCOUNTS RECEIVABLE	VEHICLE REPAIR & MAINT SUPPLY ACH PMT NO. - 80039820	76.48
UNIFIRE POWER BLOWERS INC	EQUIPMENT REPAIRS/MAINTENANCE ACH PMT NO. - 80039769	440.82
UNIFIRE POWER BLOWERS INC	FIRE EQUIPMENT ACH PMT NO. - 80039769	168.64
UNIFIRE POWER BLOWERS INC	PERSONAL PROTECTIVE EQUIPMENT ACH PMT NO. - 80039769	603.84
VERIZON WIRELESS BELLEVUE	CELL PHONE ACH PMT NO. - 80039703	32.53
VERIZON WIRELESS BELLEVUE	IT/DATA SERVICES ACH PMT NO. - 80039703	20.01
WINGFOOT COMMERCIAL TIRE SYSTEMS LLC DBA GOODYEAR TIRE	VEHICLE REPAIR & MAINT SUPPLY ACH PMT NO. - 80039825	4,281.59

TOTAL FOR 1970 - FIRE/EMS FUND

23,411.38

3200 - ARTERIAL STREET FUND

BNSF RAILWAY COMPANY	CONSTRUCTION OF FIXED ASSETS ACH PMT NO. - 80039654	27,453.89
CAMERON-REILLY LLC	CONSTRUCTION OF FIXED ASSETS ACH PMT NO. - 80039786	535,448.87
CPM DEVELOPMENT CORP DBA INLAND ASPHALT COMPANY	CONSTRUCTION OF FIXED ASSETS ACH PMT NO. - 80039669	133,861.07

CPM DEVELOPMENT CORP DBA INLAND ASPHALT COMPANY	OTHER REPAIRS/MAINT SUPPLIES ACH PMT NO. - 80039669	54,272.47
MURPHY BROTHERS INC	CONSTRUCTION OF FIXED ASSETS ACH PMT NO. - 80039787	16,479.96
PARAMETRIX INC DBA TAYLOR ENGINEERING INC	CONSTRUCTION OF FIXED ASSETS ACH PMT NO. - 80039766	3,580.00

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PROCESSING OF VOUCHERS RESULTS IN CLAIMS AS FOLLOWS:

SHAMROCK MANUFACTURING INC	OTHER REPAIRS/MAINT SUPPLIES ACH PMT NO. - 80039678	19,754.11
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TOTAL FOR 3200 - ARTERIAL STREET FUND	-----	790,850.37
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4100 - WATER DIVISION

ACTION MATERIALS	PAVING REPAIRS/MAINTENANCE ACH PMT NO. - 80039788	16,113.70
ARAMARK UNIFORM SERVICES AUS WEST LOCKBOX	LAUNDRY/JANITORIAL SERVICES ACH PMT NO. - 80039792	447.70
AVISTA UTILITIES	UTILITY LIGHT/POWER SERVICE ACH PMT NO. - 80039652	201,035.32
AVISTA UTILITIES	UTILITY NATURAL GAS ACH PMT NO. - 80039652	267.15
CENTURYLINK	TELEPHONE CHECK NO. - 00539128	725.36
COPIERS NORTHWEST INC	OPERATING RENTALS/LEASES ACH PMT NO. - 80039797	452.78
DANIEL MURPHY 5016 S DEARBORN DR	REFUNDS CHECK NO. - 00539204	1,287.00
FEDERAL EXPRESS CORP/DBA FEDEX	POSTAGE ACH PMT NO. - 80039663	5.47
HASKINS STEEL CO INC	REPAIR & MAINTENANCE SUPPLIES ACH PMT NO. - 80039737	422.67
INLAND POWER & LIGHT CO	UTILITY LIGHT/POWER SERVICE ACH PMT NO. - 80039670	401.74
KELLY PATRICK	PERMITS/OTHER FEES ACH PMT NO. - 80039707	335.00
MARK STEWART PO BOX 19511	REFUNDS CHECK NO. - 00539167	125.99
RAY TURF FARMS INC	REPAIR & MAINTENANCE SUPPLIES ACH PMT NO. - 80039812	143.62
STANDARD DIGITAL PRINT CO INC DBA STANDARD PRINTWORKS	PRINTING/BINDING/REPRO ACH PMT NO. - 80039763	147.86

TOTAL FOR 4100 - WATER DIVISION	-----	221,911.36
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4250 - INTEGRATED CAPITAL MANAGEMENT

CPM DEVELOPMENT CORP DBA	CONSTRUCTION OF FIXED ASSETS	
INLAND ASPHALT COMPANY	ACH PMT NO. - 80039669	12,312.41

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PROCESSING OF VOUCHERS RESULTS IN CLAIMS AS FOLLOWS:

IMCO GENERAL CONSTRUCTION INC	CONSTRUCTION OF FIXED ASSETS	
	ACH PMT NO. - 80039802	369,593.60
KARA HEATHERLY	LOCAL MILEAGE	
	ACH PMT NO. - 80039705	90.95
LEMBECK APPRAISAL & CONSULTING INC	CONSTRUCTION OF FIXED ASSETS	
	ACH PMT NO. - 80039744	5,000.00
LSB CONSULTING ENGINEERS PLLC	CONSTRUCTION OF FIXED ASSETS	
	ACH PMT NO. - 80039745	755.00
MURPHY BROTHERS INC	CONSTRUCTION OF FIXED ASSETS	
	ACH PMT NO. - 80039787	6,262.44
SPOKANE COUNTY TREASURER	CONSTRUCTION OF FIXED ASSETS	
	ACH PMT NO. - 80039681	1,826.76
TRINDERA ENGINEERING	CONSTRUCTION OF FIXED ASSETS	
	ACH PMT NO. - 80039838	125.00

TOTAL FOR 4250 - INTEGRATED CAPITAL MANAGEMENT	395,966.16
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4310 - SEWER MAINTENANCE DIVISION

AVISTA UTILITIES	UTILITY LIGHT/POWER SERVICE	
	ACH PMT NO. - 80039793	100.45
COPIERS NORTHWEST INC	OPERATING RENTALS/LEASES	
	ACH PMT NO. - 80039797	270.10
STANDARD DIGITAL PRINT CO INC	PRINTING/BINDING/REPRO	
DBA STANDARD PRINTWORKS	ACH PMT NO. - 80039763	124.16

TOTAL FOR 4310 - SEWER MAINTENANCE DIVISION	494.71
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4320 - RIVERSIDE PARK RECLAMATION FAC

AVISTA UTILITIES	HEATING SUPPLIES	
	ACH PMT NO. - 80039793	931.09
AVISTA UTILITIES	UTILITY LIGHT/POWER SERVICE	
	ACH PMT NO. - 80039793	15,902.47
AVISTA UTILITIES	UTILITY NATURAL GAS	
	ACH PMT NO. - 80039793	4,404.24
COPIERS NORTHWEST INC	OPERATING RENTALS/LEASES	
	ACH PMT NO. - 80039797	222.81
DALLY ENVIRONMENTAL LLC	OTH DUES/SUBSCRIPTNS/MEMBERSHP	
	ACH PMT NO. - 80039661	2,306.97
FEDERAL EXPRESS CORP/DBA FEDEX	POSTAGE	
	ACH PMT NO. - 80039663	470.79

PROCESSING OF VOUCHERS RESULTS IN CLAIMS AS FOLLOWS:

K & L GATES LLP RCAC	PROFESSIONAL SERVICES ACH PMT NO. - 80039743	225.00
POINTE PEST CONTROL	CONTRACTUAL SERVICES ACH PMT NO. - 80039809	1,463.36
VERIZON WIRELESS BELLEVUE	TELEPHONE ACH PMT NO. - 80039690	869.60
WA STATE DEPT OF ECOLOGY	OTH DUES/SUBSCRIPTNS/MEMBERSHP ACH PMT NO. - 80039692	50.00
TOTAL FOR 4320 - RIVERSIDE PARK RECLAMATION FAC		26,846.33

4340 - WATER/WW REVENUE BOND FUND

CAMERON-REILLY LLC	CONSTRUCTION OF FIXED ASSETS ACH PMT NO. - 80039786	17,137.49
ESVELT ENVIRONMENTAL ENGINEERING	CONSTRUCTION OF FIXED ASSETS CHECK NO. - 00539203	27,330.28
GROUNDWATER SOLUTIONS INC dba GSI WATER SOLUTIONS INC	CONSTRUCTION OF FIXED ASSETS ACH PMT NO. - 80039830	5,501.75
LSB CONSULTING ENGINEERS PLLC	CONSTRUCTION OF FIXED ASSETS ACH PMT NO. - 80039745	15,415.00
MURRAYSMITH INC	CONSTRUCTION OF FIXED ASSETS ACH PMT NO. - 80039832	589.89
MWH CONSTRUCTORS INC & SLAYDEN CONSTRUCTION GROUP INC	CONSTRUCTION OF FIXED ASSETS ACH PMT NO. - 80039806	1,066,085.71
STRATA GEOTECHNICAL ENGINEERIN AND MATERIAL TESTING INC	CONSTRUCTION OF FIXED ASSETS ACH PMT NO. - 80039765	510.00
TRINDERA ENGINEERING	CONSTRUCTION OF FIXED ASSETS ACH PMT NO. - 80039768	9,080.00
TOTAL FOR 4340 - WATER/WW REVENUE BOND FUND		1,141,650.12

4370 - SEWER CONSTRUCTION FUND

K & L GATES LLP RCAC	PROFESSIONAL SERVICES ACH PMT NO. - 80039743	760.67
TOTAL FOR 4370 - SEWER CONSTRUCTION FUND		760.67

4490 - SOLID WASTE DISPOSAL

COPIERS NORTHWEST INC	OPERATING RENTALS/LEASES ACH PMT NO. - 80039797	202.66
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PROCESSING OF VOUCHERS RESULTS IN CLAIMS AS FOLLOWS:

GRAYMONT CAPITAL INC.	CHEMICAL/LAB SUPPLIES ACH PMT NO. - 80039668	16,240.80
NORCO INC	CONTRACTUAL SERVICES ACH PMT NO. - 80039673	16.53
NORCO INC	OPERATING SUPPLIES ACH PMT NO. - 80039673	252.63
TOTAL FOR 4490 - SOLID WASTE DISPOSAL		16,712.62

4500 - SOLID WASTE COLLECTION

AVISTA UTILITIES	UTILITY NATURAL GAS ACH PMT NO. - 80039652	287.74
COPIERS NORTHWEST INC	OPERATING RENTALS/LEASES ACH PMT NO. - 80039797	665.53
DESIGNER DECAL INC	PRINTING/BINDING/REPRO ACH PMT NO. - 80039726	384.06
VERIZON WIRELESS BELLEVUE	CELL PHONE ACH PMT NO. - 80039823	512.08
TOTAL FOR 4500 - SOLID WASTE COLLECTION		1,849.41

4700 - DEVELOPMENT SVCS CENTER

BARTON ROOFING 5423 E UNION	PERMIT REFUNDS PAYABLE CHECK NO. - 00539164	65.00
KENNETH W LANDRUS	ADVISORY TECHNICAL SERVICE ACH PMT NO. - 80039781	60.00
NORTHWEST FENCE COMPANY INC	PROFESSIONAL SERVICES ACH PMT NO. - 80039749	1,684.96
ROBERT W KAUL	ADVISORY TECHNICAL SERVICE ACH PMT NO. - 80039780	120.00
SPOKANE CITY TREASURER PERMITS & INSPECTION SERVICES	DEPOSIT-MISCELLANEOUS DEPOSITS CHECK NO. - 00539184	105.00
STANDARD DIGITAL PRINT CO INC DBA STANDARD PRINTWORKS	PRINTING/BINDING/REPRO ACH PMT NO. - 80039763	62.07
TENA RISLEY	ADVISORY TECHNICAL SERVICE ACH PMT NO. - 80039783	120.00
TERRENCE F CONWELL	ADVISORY TECHNICAL SERVICE CHECK NO. - 00539176	60.00
YAKOV BANAR 6528 PINEBURR CT	PERMIT REFUNDS PAYABLE CHECK NO. - 00539180	168.75

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PROCESSING OF VOUCHERS RESULTS IN CLAIMS AS FOLLOWS:

TOTAL FOR 4700 - DEVELOPMENT SVCS CENTER 2,445.78

5100 - FLEET SERVICES FUND

AVISTA UTILITIES	COMPRESSED NATURAL GAS FUEL ACH PMT NO. - 80039652	13,920.60
AVISTA UTILITIES	UTILITY LIGHT/POWER SERVICE ACH PMT NO. - 80039652	2,776.70
AVISTA UTILITIES	UTILITY NATURAL GAS ACH PMT NO. - 80039652	176.03
CITY SERVICE VALCON LLC	MOTOR FUEL-OUTSIDE VENDOR ACH PMT NO. - 80039655	49,098.01
COPIERS NORTHWEST INC	OPERATING RENTALS/LEASES ACH PMT NO. - 80039797	216.58
D & W SUPPLIES INC D & W TIRE DEALERS SUPPLIES	OTHER REPAIRS/MAINT SUPPLIES CHECK NO. - 00539129	320.89
GORDON TRUCK CENTERS INC DBA PACIFIC TRUCK CENTERS	OTHER REPAIRS/MAINT SUPPLIES ACH PMT NO. - 80039667	334.69
PACWEST MACHINERY LLC	OTHER REPAIRS/MAINT SUPPLIES ACH PMT NO. - 80039674	4,010.37
SEWER EQUIPMENT CO OF AMERICA	OTHER REPAIRS/MAINT SUPPLIES ACH PMT NO. - 80039677	1,298.79
SIX ROBBLEES INC	OTHER REPAIRS/MAINT SUPPLIES CHECK NO. - 00539134	2,639.05
SOLID WASTE SYSTEMS INC	OTHER REPAIRS/MAINT SUPPLIES ACH PMT NO. - 80039680	3,364.53
WENDLE FORD NISSAN ISUZU	EQUIPMENT REPAIRS/MAINTENANCE CHECK NO. - 00539142	1,247.39
WESTERN STATES EQUIPMENT CO	EQUIPMENT REPAIRS/MAINTENANCE ACH PMT NO. - 80039693	6,428.44

TOTAL FOR 5100 - FLEET SERVICES FUND 85,832.07

5200 - PUBLIC WORKS AND UTILITIES

DEVRIES INFORMATION MANAGEMENT	CONTRACTUAL SERVICES ACH PMT NO. - 80039798	220.00
WCP SOLUTIONS	PRINTING/BINDING/REPRO ACH PMT NO. - 80039774	398.77

TOTAL FOR 5200 - PUBLIC WORKS AND UTILITIES 618.77

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PROCESSING OF VOUCHERS RESULTS IN CLAIMS AS FOLLOWS:

5300 - IT FUND

ARAMARK UNIFORM SERVICES AUS WEST LOCKBOX	LAUNDRY/JANITORIAL SERVICES ACH PMT NO. - 80039712	1.52
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CENTURYLINK	TELEPHONE	
	CHECK NO. - 00539128	4,432.34
DEVRIES INFORMATION MANAGEMENT	CONTRACTUAL SERVICES	
	ACH PMT NO. - 80039727	8.48
DUSTY FREDRICKSON	OTHER TRANSPORTATION EXPENSES	
	CHECK NO. - 00539163	431.02
T-MOBILE	CELL PHONE	
	CHECK NO. - 00539185	59.50
VERIZON WIRELESS BELLEVUE	CELL PHONE	
	ACH PMT NO. - 80039690	868.32
XEROX CORPORATION	OPERATING RENTALS/LEASES	
	ACH PMT NO. - 80039826	3,996.04
TOTAL FOR 5300 - IT FUND		9,797.22
5400 - REPROGRAPHICS FUND		
ARAMARK UNIFORM SERVICES	LAUNDRY/JANITORIAL SERVICES	
AUS WEST LOCKBOX	ACH PMT NO. - 80039712	23.39
COPIERS NORTHWEST INC	OPERATING RENTALS/LEASES	
	ACH PMT NO. - 80039797	7,793.41
TOTAL FOR 5400 - REPROGRAPHICS FUND		7,816.80
5600 - ACCOUNTING SERVICES		
BANK OF NEW YORK MELLON	BANK FEES	
CORPORATE TRUST DEPARTMENT	ACH PMT NO. - 80039795	250.00
THALES CONSULTING INC	SOFTWARE MAINTENANCE	
	ACH PMT NO. - 80039687	4,000.00
WA STATE DEPT OF REVENUE	SOFTWARE MAINTENANCE	
	-	352.00
TOTAL FOR 5600 - ACCOUNTING SERVICES		4,602.00
5800 - RISK MANAGEMENT FUND		
ALTERNATIVE SERVICE CONCEPTS	INSURANCE ADMINISTRATION	
LLC/ASC	ACH PMT NO. - 80039696	24,470.98
HONORABLE MAYOR		07/17/17
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PROCESSING OF VOUCHERS RESULTS IN CLAIMS AS FOLLOWS:		
TOTAL FOR 5800 - RISK MANAGEMENT FUND		24,470.98
5830 - EMPLOYEES BENEFITS FUND		
A W REHN & ASSOCIATES	CONTRACTUAL SERVICES	
	CHECK NO. - 00539158	726.00

A W REHN & ASSOCIATES	INSURANCE ADMINISTRATION CHECK NO. - 00539201	896.00
ALLIANT INSURANCE SERVICES INC	CONTRACTUAL SERVICES ACH PMT NO. - 80039790	4,750.00
KAISER FOUNDATION HEALTH PLAN OF WASHINGTON	INSURANCE CLAIMS ACH PMT NO. - 80039831	134,248.67
KEPRO ACQUISTIONS, INC	PROFESSIONAL SERVICES ACH PMT NO. - 80039699	5,439.00
PREMERA BLUE CROSS OR SPOKANE CITY TREASURER	INSURANCE CLAIMS ACH PMT NO. - 80039810	140,227.59
UNITED STATES TREASURY DEPT OF THE TREASURY	ADVISORY TECHNICAL SERVICE CHECK NO. - 00539205	8,018.48
WASHINGTON DENTAL SERVICE OR CITY OF SPOKANE	INSURANCE ADMINISTRATION ACH PMT NO. - 80039840	2,433.73
WASHINGTON DENTAL SERVICE OR CITY OF SPOKANE	INSURANCE CLAIMS ACH PMT NO. - 80039840	25,618.22
TOTAL FOR 5830 - EMPLOYEES BENEFITS FUND		322,357.69

5900 - ASSET MANAGEMENT FUND OPS

ARAMARK UNIFORM SERVICES AUS WEST LOCKBOX	LAUNDRY/JANITORIAL SERVICES ACH PMT NO. - 80039648	145.24
AVISTA CORPORATION	UTILITY LIGHT/POWER SERVICE ACH PMT NO. - 80039651	17,653.57
AVISTA CORPORATION	UTILITY NATURAL GAS ACH PMT NO. - 80039651	145.26
DELL MARKETING LP %DELL USA LP	OFFICE SUPPLIES ACH PMT NO. - 80039725	98.18
DESIGN SOURCE INC	CONTRACTUAL SERVICES ACH PMT NO. - 80039829	931.73
FIKES NORTHWEST INC/DIV OF VIKING LOGIC INC	BUILDING REPAIRS/MAINTENANCE ACH PMT NO. - 80039732	284.55
GRAINGER INC	OPERATING SUPPLIES ACH PMT NO. - 80039736	1,780.31

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PROCESSING OF VOUCHERS RESULTS IN CLAIMS AS FOLLOWS:

SPOKANE ARTS FUND	CONTRACTUAL SERVICES ACH PMT NO. - 80039836	44,166.66
VERIZON WIRELESS BELLEVUE	CELL PHONE ACH PMT NO. - 80039771	268.73
VERIZON WIRELESS BELLEVUE	IT/DATA SERVICES ACH PMT NO. - 80039771	80.02

TOTAL FOR 5900 - ASSET MANAGEMENT FUND OPS	65,554.25
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5901 - ASSET MANAGEMENT FUND CAPITAL

PROFORCE LAW ENFORCEMENT	PROTECTIVE GEAR/CLOTHING	
PROFORCE MARKETING INC	CHECK NO. - 00539132	1,939.58

TOTAL FOR 5901 - ASSET MANAGEMENT FUND CAPITAL	1,939.58
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6200 - FIREFIGHTERS' PENSION FUND

ALLIANT INSURANCE SERVICES INC	INSURANCE ADMINISTRATION	
	ACH PMT NO. - 80039790	1,665.00

PREMERA BLUE CROSS OR	SERVICE REIMBURSEMENT	
SPOKANE CITY TREASURER	ACH PMT NO. - 80039810	7,445.54

UNITED STATES TREASURY	INSURANCE ADMINISTRATION	
DEPT OF THE TREASURY	CHECK NO. - 00539205	503.98

VAUGHN S YOUNG	SERVICE REIMBURSEMENT	
DBA GUARDIAN ANGEL HOME CARE	CHECK NO. - 00539130	814.02

TOTAL FOR 6200 - FIREFIGHTERS' PENSION FUND	10,428.54
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6300 - POLICE PENSION

ALLIANT INSURANCE SERVICES INC	INSURANCE ADMINISTRATION	
	ACH PMT NO. - 80039790	1,665.00

PREMERA BLUE CROSS OR	SERVICE REIMBURSEMENT	
SPOKANE CITY TREASURER	ACH PMT NO. - 80039810	4,776.64

UNITED STATES TREASURY	INSURANCE ADMINISTRATION	
DEPT OF THE TREASURY	CHECK NO. - 00539205	390.98

TOTAL FOR 6300 - POLICE PENSION	6,832.62
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6960 - SALARY CLEARING FUND NEW

VALLEY EMPIRE COLLECTION	VALLEY EMPIRE COLLECTION	
	CHECK NO. - 00539138	515.91

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PROCESSING OF VOUCHERS RESULTS IN CLAIMS AS FOLLOWS:

TOTAL FOR 6960 - SALARY CLEARING FUND NEW	515.91
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TOTAL CLAIMS	4,479,824.53
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CHECK #	VENDOR	CITY	LIBRARY	PARKS
	USE TAX AMOUNTS	402.16	42.94	295.47
00539128	CENTURYLINK	5,807.07		
00539129	D & W SUPPLIES INC	320.89		
00539130	VAUGHN S YOUNG	814.02		
00539131	NEXTEL COMMUNICATIONS	455.64		
00539132	PROFORCE LAW ENFORCEMENT	1,939.58		
00539133	RANDALL & DANSKIN PS	3,493.75		
00539134	SIX ROBBLEES INC	2,639.05		
00539135	SPOKANE COUNTY PROSECUTING	1,620.37		
00539136	SPOKANE MUNICIPAL COURT	34.47		
00539137	T-MOBILE	324.34		
00539138	VALLEY EMPIRE COLLECTION	515.91		
00539139	KONSTANTIN & TATYANA VASILEN	95,059.12		
00539140	WA ASSN OF SHERIFFS & POLICE	19,510.57		
00539141	WA STATE TREASURER	113,216.88		
00539142	WENDLE FORD NISSAN ISUZU	1,247.39		
00539143	ADVANCED FIRE SYSTEMS INC			260.03
00539144	CENTURYLINK			50.95
00539145	COMCAST			66.52
00539146	COMMUNITY COLLEGES OF SPOKAN			240.10
00539147	GENERAL FIRE EXTINGUISHER			444.49
00539148	JENSEN DISTRIBUTION SERVICES			221.90
00539149	ELIZABETH HUNDEBY			125.00
00539150	EVERETT SKUBINNA			119.00
00539151	MICHELLE MORIN-MACHI			79.00
00539152	SUSTAINABLE PEST MANAGEMENT			75.00
00539153	MATTHEW NIEMEIER			36.70
00539154	SPENCER LEE			16.91
00539155	DAVID ARTHUR MORIN			440.64
00539156	SPOKANE REGIONAL HEALTH DIST			190.00
00539157	T-MOBILE			103.53
00539158	A W REHN & ASSOCIATES	726.00		
00539159	A W REHN & ASSOCIATES	888.00		
00539160	FRANCIS ADEWALE	37.00		
00539161	A-1 SERVICE	660.00		
00539162	BRIAN CLOUSE	359.00		
00539163	DUSTY FREDRICKSON	431.02		
00539164	BARTON ROOFING	65.00		
00539165	CLARKS CLEANERS	25.00		
00539166	GENERAL STORE	50.00		
00539167	MARK STEWART	125.99		
00539168	PAR ACCEPTANCE	15.00		
00539169	PISTOLE	164.72		
00539170	SAMOL TEAL	136.00		
00539171	WALTER L WAGNER	500.00		
00539172	SPOKANE COUNTY SUPERIOR COUR	240.00		
00539173	AT & T MOBILITY	15,531.99		
00539174	A-1 SERVICE	695.00		
00539175	CENTURYLINK	565.83		
00539176	TERRENCE F CONWELL	60.00		
00539177	DENNIS DELLWO	99.40		
00539178	GENERAL FIRE EXTINGUISHER	37.43		
00539179	ANTHONY HEYWOOD	410.00		

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CHECK #	VENDOR	CITY	LIBRARY	PARKS
00539180	YAKOV BANAR	168.75		
00539181	LEGAL DEPT IMPREST FUND	290.00		
00539182	NORTH SPOKANE IRRIGATION	23.51		
00539183	SPOKANE CITY TREASURER	3,247.56		
00539184	SPOKANE CITY TREASURER	105.00		
00539185	T-MOBILE	59.50		
00539186	JOSEPH WRIGHT	285.00		
00539187	ABADAN REPROGRAPHICS			5.44
00539188	ASPEN NURSERY LLC			1,906.45
00539189	BUNKER STEEL BUILDINGS INC			43,773.91
00539190	CORRECTIONAL INDUSTRIES			176.47
00539191	CROP PRODUCTION SERVICES			140.36
00539192	FROSTY ICE/DIV OF R PLUM COR			78.30
00539193	GRAHAM CONSTRUCTION AND			10,000.00
00539194	HORIZON DISTRIBUTORS			4,474.96
00539195	LAND EXPRESSIONS LLC			1,668.26
00539196	THE PEPSI BOTTLING GROUP			464.00
00539197	S & S ARTS & CRAFTS/DIV OF			285.20
00539198	KELLY CHADWICK			2,322.88
00539199	WESTERN STATES CONSTRUCTION			3,078.42
00539200	WILLIAMS INLAND DISTRIBUTORS			275.50
00539201	A W REHN & ASSOCIATES	8.00		
00539202	EASTERN WASHINGTON ATTORNEY	100.00		
00539203	ESVELT ENVIRONMENTAL	27,330.28		
00539204	DANIEL MURPHY	1,287.00		
00539205	UNITED STATES TREASURY	8,913.44		
00539206	COLE INFORMATION SERVICES		487.95	
00539207	HILLYARD SENIOR ACTIVITY CTR			6,666.66
80039645	3M CO	46,436.96		
80039646	ALLIED SAFE & VAULT CO INC D	38.64		
80039647	AASHTO 2	4,730.00		
80039648	ARAMARK UNIFORM SERVICES	145.24		
80039649	ARCHBRIGHT INC	250.00		
80039650	AUTO-RAIN SUPPLY INC			40.78
80039651	AVISTA CORPORATION	19,916.47		
80039652	AVISTA UTILITIES	218,618.88		
80039653	BARR-TECH LLC			239.53
80039654	BNSF RAILWAY COMPANY	27,453.89		
80039655	CITY SERVICE VALCON LLC	49,098.01		
80039656	COMMUNITY HEALTH ASSOCIATION	8,002.30		
80039657	STEVE CONNER			5,935.55
80039658	COPIERS NORTHWEST INC	97.92		
80039659	CREEK AT QUALCHAN GOLF COURS			9,154.71
80039660	ALBERT A BERGER			231.00
80039661	DALLY ENVIRONMENTAL LLC	2,306.97		
80039662	DEVRIES INFORMATION MANAGEME	12.72		
80039663	FEDERAL EXPRESS CORP/DBA FED	476.26		
80039664	FIKES NORTHWEST INC/DIV OF	142.21		
80039665	FRONTIER BEHAVIORAL HEALTH	12,358.36		
80039666	GALLS LLC	4,021.26		
80039667	GORDON TRUCK CENTERS INC DBA	334.69		
80039668	GRAYMONT CAPITAL INC.	16,240.80		
80039669	CPM DEVELOPMENT CORP DBA	200,445.95		

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CHECK #	VENDOR	CITY	LIBRARY	PARKS
80039670	INLAND POWER & LIGHT CO	401.74		228.88

80039671	ELIZABETH A PIKE		1,050.00
80039672	NAVEX GLOBAL INC	4,437.24	
80039673	NORCO INC	269.16	
80039674	PACWEST MACHINERY LLC	4,010.37	
80039675	PORTER LEE CORPORATION	1,350.00	
80039676	SANDBAGGERS CLUB LLC		2,441.51
80039677	SEWER EQUIPMENT CO OF AMERIC	1,298.79	
80039678	SHAMROCK MANUFACTURING INC	24,041.69	
80039679	SPOKANE NEIGHBORHOOD ACTION	21,235.94	
80039680	SOLID WASTE SYSTEMS INC	3,364.53	
80039681	SPOKANE COUNTY TREASURER	1,826.76	1,947.77
80039682	SPOKANE LILAC FESTIVAL ASSN	10,000.00	
80039683	SPOKANE PUBLIC FACILITIES	357,122.79	
80039684	STEVENS CLAY PS	7,084.80	
80039685	SUMMIT LAW GROUP PLLC	769.50	
80039686	T & T GOLF MANAGEMENT INC		9,070.92
80039687	THALES CONSULTING INC	4,000.00	
80039688	URBAN ART COOP		498.40
80039689	US BANK TRAVEL CARD	40,026.05	
80039690	VERIZON WIRELESS BELLEVUE	2,863.40	
80039691	VOLUNTEERS OF AMERICA OF	43,636.73	
80039692	WA STATE DEPT OF ECOLOGY	50.00	
80039693	WESTERN STATES EQUIPMENT CO	6,428.44	
80039694	WILDROSE LTD dba		112.44
80039695	XO COMMUNICATIONS INC		109.61
80039696	ALTERNATIVE SERVICE CONCEPTS	24,470.98	
80039697	MICHAEL D BAKER	17.50	
80039698	DOWNTOWN SPOKANE PARTNERSHIP	25,000.00	
80039699	KEPRO ACQUISITIONS, INC	5,439.00	
80039700	TED PULVER	780.00	
80039701	LARRY TANGEN	334.75	
80039702	UNIVERSAL PROTECTION SERVICE	133.56	
80039703	VERIZON WIRELESS BELLEVUE	28,934.37	
80039704	WOMENS & CHILDRENS FREE	19,669.15	
80039705	KARA HEATHERLY	90.95	
80039706	KATHERINE S KNOX	37.00	
80039707	KELLY PATRICK	335.00	
80039708	ABM JANITORIAL SERVICES SOUT	1,297.00	
80039709	ACTION APPAREL	220.08	
80039710	ALLIED ENVELOPE	123.09	
80039711	ALSCO DIVISION OF ALSCO INC		52.65 28.09
80039712	ARAMARK UNIFORM SERVICES	24.91	
80039713	ARROW INTERNATIONAL	285.53	
80039714	AUTO-RAIN SUPPLY INC		44.75
80039715	AVISTA UTILITIES	2,068.01	
80039716	A-L COMPRESSED GASES		117.50
80039717	BACON CONCRETE INC		18,075.12
80039718	MICHAEL D BAKER	99.40	
80039719	CATHOLIC CHARITIES	55,638.90	
80039720	CITY SERVICE VALCON LLC		8,733.96
80039721	CONCESSION SUPPLY/DIV OF		4,832.76
80039722	COPIERS NORTHWEST INC	119.21	

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80039723	COWLES PUBLISHING COMPANY	368.89		
80039724	CW NIELSEN MFG CORP	341.36		
80039725	DELL MARKETING LP	98.18		
80039726	DESIGNER DECAL INC	384.06		
80039727	DEVRIES INFORMATION MANAGEME	8.48		

80039728	DIVINES TOWING/DIV OF	141.44		
80039729	EAST CENTRAL COMMUNITY	28,703.83		
80039730	EVERGREEN STATE TOWING LLC	88.40		
80039731	EXPRESS NAME TAGS & MORE, IN		9.36	
80039732	FIKES NORTHWEST INC/DIV OF	142.34		
80039733	GALLS LLC	871.26		
80039734	GOODWILL INDUSTRIES OF THE	135,635.04		
80039735	GORDON TRUCK CENTERS INC DBA	235.91		
80039736	GRAINGER INC	1,780.31		
80039737	HASKINS STEEL CO INC	422.67		
80039738	HELENA CHEMICAL CO			89.76
80039739	INLAND ELEVATOR LLC	767.63		
80039740	INTERLINE BRANDS INC dba		28.72	
80039741	IVARY ENTERPRISES INC			6,346.85
80039742	TERRANCE ORLAND JORDAHL			150.00
80039743	K & L GATES LLP	985.67		
80039744	LEMBECK APPRAISAL & CONSULTI	5,000.00		
80039745	LSB CONSULTING ENGINEERS PLL	16,170.00		
80039746	MODERN DESIGN & SITE FURNISH			2,932.00
80039747	MUNICIPAL EMERGENCY SERVICES	10,516.96		
80039748	NORCO INC	1,745.34		
80039749	NORTHWEST FENCE COMPANY INC	1,684.96		
80039750	PARKEON INC	570.00		
80039751	PCS MOBILE	4,243.20		
80039752	RIVER CITY GLASS INC		1,692.93	
80039753	THE SALVATION ARMY	2,626.90		
80039754	SAN DIEGO POLICE EQUIP CO IN	6,240.55		
80039755	SCHOLASTIC BOOK FAIRS INC		2,334.61	
80039756	SENSKE PEST CONTROL	229.57		
80039757	SHARP-LINE INDUSTRIES INC			512.84
80039758	SIMPLIT PARTNERS			1,459.33
80039759	SPOKANE NEIGHBORHOOD ACTION	76,922.95		
80039760	SNAP FINANCIAL ACCESS	8,599.37		
80039761	SOUTHWEST SPOKANE COMMUNITY	3,091.71		
80039762	SPOKANE HOUSING AUTHORITY	9,477.69		
80039763	STANDARD DIGITAL PRINT CO IN	334.09		
80039764	STERICYCLE INC	1,867.61		
80039765	STRATA GEOTECHNICAL ENGINEER	510.00		
80039766	PARAMETRIX INC DBA	3,580.00		
80039767	TRANSITIONS DBA TRANSITIONAL	21,059.98		
80039768	TRINDERA ENGINEERING	9,080.00		
80039769	UNIFIRE POWER BLOWERS INC	1,213.30		
80039770	USONA DEVELOPMENT LLC	4,444.90		
80039771	VERIZON WIRELESS BELLEVUE	2,179.62		
80039772	VIC B LINDEN AND SONS	68.48		
80039773	VOLUNTEERS OF AMERICA OF	20,131.83		
80039774	WCP SOLUTIONS	398.77		
80039775	WESTERN STATES ASPHALT LLC	3,381.50		

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80039776	WHEELER INDUSTRIES INC			1,958.40
80039777	WILDROSE LTD dba			161.02
80039778	YFA CONNECTIONS	1,673.33		
80039779	MICHAEL J CARR	8.00		
80039780	ROBERT W KAUL	120.00		
80039781	KENNETH W LANDRUS	60.00		
80039782	CANDACE MUMM	28.00		
80039783	TENA RISLEY	120.00		
80039784	KELLY J SMITH	148.00		

80039785	SALLY STOPER	1,376.40		
80039786	CAMERON-REILLY LLC	552,586.36		
80039787	MURPHY BROTHERS INC	22,742.40		
80039788	ACTION MATERIALS	16,113.70		
80039789	AHBL INC			2,700.00
80039790	ALLIANT INSURANCE SERVICES I	8,080.00		
80039791	ALSCO DIVISION OF ALSCO INC	226.84		
80039792	ARAMARK UNIFORM SERVICES	447.70		
80039793	AVISTA UTILITIES	21,182.91		
80039794	BAKER & TAYLOR BOOKS		730.76	
80039795	BANK OF NEW YORK MELLON	250.00		
80039796	COOK SECURITY GROUP	120.00		
80039797	COPIERS NORTHWEST INC	12,587.84		
80039798	DEVRIES INFORMATION MANAGEME	220.00		
80039799	EAST CENTRAL COMMUNITY			3,483.33
80039800	GALLS LLC	3,004.98		
80039801	GRAINGER INC	30.60		
80039802	IMCO GENERAL CONSTRUCTION IN	369,593.60		
80039803	INGRAM LIBRARY SERVICES LLC		256.56	
80039804	LEXIS-NEXIS RISK & ANALYTICS	76.70		
80039805	MIDWEST TAPE		8,612.31	
80039806	MWH CONSTRUCTORS INC &	1,066,085.71		
80039807	NORTHEAST YOUTH CENTER			11,628.17
80039808	PEAK 7 ADVENTURES			248.00
80039809	POINTE PEST CONTROL	1,463.36		
80039810	PREMERA BLUE CROSS OR	152,449.77		
80039811	PROJECT JOY			2,580.83
80039812	RAY TURF FARMS INC	143.62		
80039813	M SCHRODER LLC	57.92		
80039814	SINTO SENIOR CENTER			6,434.17
80039815	SOUTHSIDE SENIOR ACTIVITY CT			8,859.00
80039816	SPOKANE COUNTY TREASURER	178.88		
80039817	SPOKANE SOFTBALL UMPIRE ASSO			4,176.48
80039818	STEVEN A MEEK ARCHITECTS			2,051.83
80039819	STRATA INC			2,166.50
80039820	TACOMA SCREW PRODUCTS INC	76.48		
80039821	TMD TECHNOLOGIES GROUP LLC			389.50
80039822	DOWNTOWN SPOKANE VENTURES AS	10,000.00		
80039823	VERIZON WIRELESS BELLEVUE	592.10		
80039824	WESTERN EXTERMINATOR COMPANY			680.00
80039825	WINGFOOT COMMERCIAL TIRE	4,281.59		
80039826	XEROX CORPORATION	3,996.04		
80039827	STEVE CONNER			6,104.46
80039828	CREEK AT QUALCHAN GOLF COURS			8,570.25

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CHECK #	VENDOR	CITY	LIBRARY	PARKS
80039829	DESIGN SOURCE INC	931.73		
80039830	GROUNDWATER SOLUTIONS INC	5,501.75		
80039831	KAISER FOUNDATION HEALTH PLA	134,248.67		
80039832	MURRAYSMITH INC	589.89		
80039833	NATIONAL COUNCIL FOR COM DEV	3,000.00		
80039834	PASSPORT PARKING INC	1,407.20		
80039835	SANDBAGGERS CLUB LLC			2,986.48
80039836	SPOKANE ARTS FUND	44,166.66		
80039837	T & T GOLF MANAGEMENT INC			19,428.01
80039838	TRINDERA ENGINEERING	125.00		
80039839	WALKER MACY LLC	3,828.62		
80039840	WASHINGTON DENTAL SERVICE OR	28,051.95		

4,479,824.53	14,248.79	237,072.54
		=====
CITYWIDE TOTAL:		4,731,145.86

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

07/24/2017

Date Rec'd

7/19/2017

Clerk's File #

CPR 2017-0003

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

ACCOUNTING

Contact Name/Phone

KIM BUSTOS 6034

Contact E-Mail

KBUSTOS@SPOKANECITY.ORG

Agenda Item Type

Claim Item

Agenda Item Name

5600-ACCOUNTING-PAYROLL

Agenda Wording

Report of the Mayor of pending payroll claims of previously approved obligations through: July 15, 2017.
Payroll check #545509 through check #545719 \$6,946,237.39

Summary (Background)

N/A

Fiscal Impact**Budget Account**

Expense \$ 6,946,237.39

N/A

Select \$

#

Select \$

#

Select \$

#

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

BUSTOS, KIM

Study Session**Division Director**

DUNIVANT, TIMOTHY

Other**Finance**

DAVIS, LEONARD

Distribution List**Legal**

DALTON, PAT

For the Mayor

DUNIVANT, TIMOTHY

Additional Approvals**Purchasing**

PAYROLL RECAP BY FUND
PAY PERIOD ENDING JULY 15, 2017

FUND	FUND NAME	TOTAL
0100	GENERAL FUND	
0030	POLICE OMBUDSMAN	7,080.03
0230	CIVIL SERVICE	24,790.53
0260	CITY CLERK	14,344.80
0320	COUNCIL	32,685.00
0330	PUBLIC AFFAIRS / COMMUNICATIONS	22,208.00
0370	ENGINEERING SERVICES	179,140.35
0410	FINANCE	38,384.80
0430	GRANTS MNGMT & FINANCIAL ASSIST	9,950.40
0450	CD/HS DIVISION	10,198.50
0470	HISTORIC PRESERVATION	4,072.91
0500	LEGAL	118,456.78
0520	MAYOR	25,000.00
0550	NEIGHBORHOOD SERVICES	12,249.40
05601	MUNICIPAL COURT	100,625.82
05602	PARKING VIOLATIONS	0.00
0570	OFFICE OF HEARING EXAMINER	6,458.40
0620	HUMAN RESOURCES	22,835.21
0650	PLANNING SERVICES	47,977.41
0680	POLICE	1,519,649.30
0690	PROBATION SERVICES	33,124.02
0700	PUBLIC DEFENDERS	79,109.00
0750	ECONOMIC DEVELOPMENT	5,713.80
	TOTAL GENERAL FUND	2,314,054.46

FUND	FUND NAME	TOTAL
1100	STREET	249,932.69
1200	CODE ENFORCEMENT	31,553.00
1300	LIBRARY	182,228.88
1390	URBAN FORESTRY FUND	0.00
1400	PARKS AND RECREATION	386,352.41
1460	PARKING METER	35,818.43
1510	LAW ENFORCEMENT INFO SYSTEM FUND	3,718.60
1620	PUBLIC SAFETY & JUDICIAL GRANT	33,953.96
1630	COMBINED COMMUNICATIONS CENTER	66,027.16
1680	CD/HS	47,806.01
1840	WIA ADMINISTRATIVE COST POOL	0.00
1970	EMS FUND	1,428,700.84
4100	WATER	384,713.71
4250	INTEGRATED CAPITAL FUND	36,039.61
4300	SEWER	481,458.89
4480	REFUSE	287,551.47
4490	SOLID WASTE	261,956.97
4600	GOLF	59,077.28
4700	GENERAL SERVICES FUND	126,262.06
5100	FLEET SERVICE	107,839.78
5200	PUBLIC WORKS & UTILITY FUND	62,543.37
5300	MIS	151,153.52
5400	REPROGRAPHICS	7,803.20
5600	ACCOUNTING SERVICES	89,299.21
5700	MY SPOKANE	20,471.37
5810	WORKER'S COMPENSATION	16,273.80
5830	SELF-FUNDED MEDICAL/DENTAL	10,191.27
5900	ASSET MANAGEMENT	21,987.68
6060	CITY RETIREMENT	10,047.41
6750	REGIONAL PLAN	31,420.35
	TOTAL	6,946,237.39

MINUTES OF SPOKANE CITY COUNCIL

Monday, July 10, 2017

BRIEFING SESSION

The Briefing Session of the Spokane City Council held on the above date was called to order at 3:30 p.m. in the Council Briefing Center in the Lower Level of the Municipal Building, 808 West Spokane Falls Boulevard, Spokane, Washington.

Roll Call

On roll call, Council President Stuckart and Council Members Beggs, Fagan, Kinnear, and Stratton were present. Council Member Waldref entered the meeting at 3:31 p.m. and Council Member Mumm entered the meeting at 3:32 p.m.

Finance and Administration Division Director Tim Dunivant, City Council's Policy Advisor Brian McClatchey, and City Clerk Terri Pfister were also present.

Advance Agenda Review

The City Council received an overview from staff on the July 17, 2017, Advance Agenda items.

Final Reading Ordinance C35519 Relating to Climate Change, Global Warming, and the City of Spokane's Sustainability Action Plan

Motion by Council Member Kinnear, seconded by Council Member Beggs, **to substitute** Ordinance C35519 (with the hard copy before City Council, as distributed by Council Member Kinnear, as sponsor); **carried 6-1 (Council Member Fagan "no")**.

Action to Approve July 17, 2017, Advance Agenda

Following staff reports and Council inquiry and discussion regarding the July 17, 2017, Advance Agenda items, the City Council took the following action (pursuant to Council Rule 2.1.2):

Motion by Council Member Fagan, seconded by Council Member Waldref, **to approve** the Advance Agenda for Monday, July 17, 2017; **carried unanimously**.

ADMINISTRATIVE SESSION

Current Agenda Review

The City Council received an overview from staff on the July 10, 2017, Current Agenda (since the July 3, 2017, regularly scheduled meeting was canceled).

Memorandums of Understanding for Operation of Transportation Network Company Services [Lyft and Rasier (the company that operates Uber)] (OPR 2017-0461 / OPR 2017-0462)

Motion by Council Member Beggs, seconded by Council Member Mumm, **to defer** Memorandums of Understanding for the operation of transportation network company services in the City of Spokane with (a) Lyft and (b) Rasier (the company that operates Uber); **carried unanimously**.

Special Budget Ordinance C35517 Appropriating Additional Funding for Ongoing Library Needs

Motion by Council Member Fagan, seconded by Council Member Waldref, **to defer** Special Budget Ordinance C35517—appropriating additional funding for various ongoing Library needs— for one week (to July 17, 2017); **carried unanimously**.

Action to Approve July 10, 2017, Current Agenda

Following staff reports and Council inquiry and discussion regarding the July 10, 2017, Advance Agenda items, the City Council took the following action (pursuant to Council Rule 2.1.2):

Motion by Council Member Beggs, seconded by Council Member Waldref, **to approve** the Current Agenda for Monday, July 10, 2017 (as amended); **carried unanimously**.

CONSENT AGENDA

Upon Unanimous Voice Vote (in the affirmative) the City Council approved Staff Recommendations for the following:

Value Blanket Orders for:

- a. the purchase of Ballistic Body Armor from Galls LLC, DBA, Blumenthal Uniforms Co. (Spokane, WA) for the Police Department utilizing NASPO Contract #07115—\$105,000. (OPR 2017-0459)
- b. miscellaneous cleaning supplies, safety supplies and consumable products from Fastenal (Spokane, WA) for Fire Department facilities utilizing NIPA Contract #R142101—\$460,000. (OPR 2017-0460)

Interlocal Agreement between the City and Spokane County regarding formation of a Public Development Authority for the West Plains/Airport Area. (Related to ORD C35522) (OPR 2017-0463)

Addendum to Value Blanket Order with Linn Machine and Manufacturing, Inc. (Spokane Valley, WA) to refurbish additional metal refuse/recycling containers and roll off

boxes—estimated additional expenditure \$100,000 (incl. tax). (OPR 2016-0649; BID 4254-16)

Value Blanket Order Extension No. 1 with Linn Machine and Manufacturing, Inc. (Spokane Valley, WA) to refurbish metal refuse/recycling containers and roll off boxes from September 1, 2017 through August 31, 2018—estimated annual expenditure \$300,000 (incl. tax). (OPR 2016-0649; BID 4254-16)

Contract Amendment/Extension with Trindera Engineering (Coeur d'Alene, ID) for electrical design, bid phase and construction support adding additional work from June 1, 2017 through April 1, 2019—\$22,017.50. Total Contract Amount: \$52,017.50. (OPR 2016-0674; ENG 2010087)

Low Bids of:

- a. Cameron-Reilly, LLC (Spokane, WA) for Lincoln Gateway—\$199,999.99. An administrative reserve of \$20,000, which is 10% of the contract price, will be set aside. (Riverside Neighborhood) (PRO-2017-0021; ENG 2016156)
- b. T. LaRiviere Equipment & Excavation, Inc., (Athol, Idaho) for Ridgeview and Regal-Bemiss-Shaw Pedestrian Safety—\$1,625,096.68. An administrative reserve of \$162,509.67, which is 10% of the contract price, will be set aside. (North Hill Nevada/Lidgerwood and Bemiss Neighborhood) (PRO 2017-0022; ENG 2013160; ENG 2015116)
- c. Inland Asphalt Company (Spokane, WA) for 2017 Residential Grind & Overlay Projects—\$1,430,615. An administrative reserve of \$143,061.50, which is 10% of the contract price, will be set aside. (Various Neighborhoods) (PRO 2017-0023; ENG 2017044)

Contract Amendment No. 7 amending the current City and County Wastewater Management Agreement from July 1, 2017 through October 31, 2017—\$350,550. (OPR 1981-1053)

Contract Extension with Loomis US for armored car services to accommodate 7 day/week pickup at the Waste to Energy Facility and 6 aquatic centers for the Parks Department from January 1, 2017 through December 31, 2018—\$15,900. Total Contract Amount: \$53,000 (OPR 2017-0197)

Contract with WM Winkler Co. (Newman Lake, WA) for Off-Street Parking Lot Repair and Maintenance from July 1, 2017 through November 1, 2017—\$200,000. (OPR 2017-0464)

Interlocal Procurement Agreement with Central Pierce Fire & Rescue to allow the City and Central Pierce Fire & Rescue to piggyback on each other's properly competed bids/contracts. (OPR 2017-0465)

Modifications of Promissory Note and HOME Program Loan Agreement with Inland Empire Residential Resources (Spokane, WA) to extend construction completion four months from June 2017 to October 2017 and increase loan amount—\$45,500. Total Loan Amount: \$325,500. (OPR 2016-0488)

Report of the Mayor of pending:

- a. Claims and payments of previously approved obligations, including those of Parks and Library, through June 30, 2017, total \$15,390,973.66 (Check Nos. 538418-538879; ACH Payment Nos. 38879-39467), with Parks and Library claims approved by their respective boards. Warrants excluding Parks and Library total \$12,034,316.30. (CPR 2017-0002)
- b. Payroll claims of previously approved obligations through July 1, 2017: \$6,953,217.31 (Payroll Check Nos. 545277-545506). (CPR 2017-0003)

City Council Meeting Minutes: June 19, 2017, June 22, 2017 and June 26, 2017. (CPR 2017-0013)

Council Recess/Executive Session

The City Council adjourned at 4:16 p.m. No Executive Session was held. The City Council reconvened again at 6:01 p.m. for the Regular Legislative Session.

LEGISLATIVE SESSION

Pledge of Allegiance

The Pledge of Allegiance was led by Council President Stuckart.

Roll Call

Council President Stuckart and Council Members Beggs, Fagan, Kinnear, Mumm, Stratton, and Waldref were present.

City Council's Policy Advisor Brian McClatchey and City Clerk Terri Pfister were also present.

BOARDS AND COMMISSIONS APPOINTMENTS

Hotel Advisory Commission (CPR 2004-0017)

Upon Unanimous Voice Vote (in the Affirmative), the City Council **approved** (and thereby confirmed) the reappointment of Travis Tramp to the Hotel Advisory Commission for a three-year term, from June 9, 2017 to June 9, 2020.

[Clerical Note: Appointments to the Spokane Housing Authority Board (one appointment) (CPR 1981-0487) and Plan Commission (two appointments) (CPR 1981-0295) were not made. The Plan Commission appointments were moved to the July 17, 2017, Agenda. The Spokane Housing Authority Board appointment is moved to a later date yet to be determined.]

COUNCIL COMMITTEE REPORTS

Public Works Committee

Council Member Waldref reported on the Public Works Committee meeting held earlier today (July 10, 2017). Minutes of the Public Works Committee meeting are filed with the City Clerk's Office and are available for review following approval by the Public Works Committee.

Planning, Community, and Economic Development (PCED)

Council Member Mumm reported on the PCED Committee meeting held earlier today (July 10, 2017). Minutes of the PCED Committee meeting are filed with the City Clerk's Office and are available for review following approval by the PCED Committee.

ADMINISTRATIVE REPORTS

Presentation on Riverfront Park and Pavilion

Chris Wright, Park Board President, introduced the presentation on where the Park Board is on Riverfront Park as a whole and the Pavilion in particular. He advised a design team was hired a few months ago to look at the Pavilion and present the Park Board with some options for reimagining it, realigning it, and putting it to good use. He noted the team the Park Board retained consists of Garco Construction and NAC Architects, a progressive design build team. The design team has 120 days to come up with a plan or design that works. Mr. Wright noted we are midpoint in that process. The team came to the Park Board and provided an interim report. One of the things that came out of the interim discussion was the whole issue of the cover; whether we should cover the Pavilion. Mr. Wright requested the City Council to watch the presentation closely. He suggested that once the team gets through the presentation the City Council will find that they are going to forget about the cover and start thinking about the possibilities that they have. Mr. Wright noted there will be an open house tomorrow and the public will have a chance to come in and comment on the presentation, in addition to what they will see tonight. He further noted the Park Board will take it up Thursday at the Park Board meeting and public testimony is welcome at that point. The Park Board will decide whether or not to approve this interim report. He further noted the final decision will not be made until September; and so there will be a lot of opportunity for input, both from the City Council and the public.

Council President Stuckart expressed his concern that the Park Board a few weeks ago was going to vote on not covering the Pavilion and that is when the concerns started coming up from the public. Mr. Wright indicated the only thing the Park Board is really deciding at this point is against an Expo '74 type cover, and he indicated he didn't think

there is support on the Park Board for that. He noted there are many things the Park Board likes about the design so far – the elevation option, the illumination option, the connection with the river, and the things that are still being worked on are the shading and weather protection. He indicated the Board at this point is probably not interested in a canvas cover like there was in Expo. Council President Stuckart indicated he would watch the presentation and then he would like to have a (further) discussion because the Mayor and he put a lot of political capital into the campaign and he wrote an editorial that said there will be a cover of some sort; and that was promised to the voters.

Mr. Wright introduced Clancy Welsh with Garco Construction and Keith Holmes with NAC Architects who jointly walked the City Council through the presentation and responded to Council inquiries and further Council commentary and discussion was held, along with commentary from the presenters.

OPEN FORUM

Kelly Cruz remarked on Ordinance C35513 which was passed as an emergency ordinance relating to retail marijuana outlets and processors. He stated the discussion that night was about an arcade and the infringement and the marijuana business moving in. He spoke about the Christian Youth Theater, an after-school theater arts training program for students ages 4-18, which had to move because they were invaded by a marijuana processor. He stated his angst is that a marijuana shop has been put within 500 feet of the Christian Youth Theater which probably will now have to look for another location which he surmised will be outside the City of Spokane. He requested the City Council amend the ordinance or create a new one and have a moratorium over the next six months on the licensing of any marijuana business in the City until we can decide what's best for our youth.

Frank Chiappetta stated he has been collecting signatures as it pertains to getting a marketplace in Spokane like Pikes Place. He indicated he would like Spokane to be more of a place than just basketball, Pig Out in the Park, Hoopfest, or Bloomsday. He stated he'd like to have people come here all year round and experience some of the best artists in Spokane.

Katherine Shellhorne remarked that she recently bought a duplex and rents out the top and lives in the bottom and expressed concern regarding her utility bill. She stated she's paying a \$120 in extra charges because her unit is being billed like much larger units. Council President Stuckart indicated one of the Council Members will get back to Ms. Shellhorne.

Laura Carder stated it was her understanding the City Council would be talking about the Paris Agreement and inquired if it is on the agenda tonight. Council President Stuckart noted first reading of the ordinance is tonight and final reading is next week and requested Ms. Carder to come back next week.

LEGISLATIVE AGENDA

SPECIAL BUDGET ORDINANCES

Special Budget Ordinance C35518

Subsequent to receiving public testimony from one individual and the opportunity for Council commentary, the following action was taken:

Upon Unanimous Roll Call Vote, the City Council **passed Ordinance C35518** amending Ordinance No. C35457 passed by the City Council November 28, 2016, and entitled, "An Ordinance adopting the Annual Budget of the City of Spokane for 2017, making appropriations to the various funds, departments and programs of the City of Spokane government for the fiscal year ending December 31, 2017, and providing it shall take effect immediately upon passage," and declaring an emergency and appropriating funds in:

Parks Fund

FROM: Reserve for Budget Adjustment, \$7,479;

TO: Various Accounts, same amount.

(This action allows for implementation of quarterly classification and pay adjustments in accordance with approved union agreements and City policies, and as approved by management.)

Special Budget Ordinance C35517 is deferred to July 17, 2017, Agenda (See section of minutes under 3:30 p.m. Briefing Session).

There were no **Emergency Ordinances**.

RECOGNITION OF CITY PLANNER JO ANNE WRIGHT

Council President Stuckart recognized City Planner Jo Anne Wright and stated her last day will be Friday (July 14). He noted the Comp Plan amendment process was just finished, which Jo Anne has been working hard on for years, and she has been an instrumental part of the City of Spokane in numerous projects that we have all worked on. He asked the audience and City Council to give Jo Anne a hand for all her years of service and public service. The audience provided applause for Jo Anne.

RESOLUTIONS

Resolution 2017-0056

Subsequent to a presentation by City Planner Jo Anne Wright and Chief Garry Park Co-Chair Colleen Gardner, Council discussion and commentary, and public testimony, the following action was taken:

Upon Unanimous Roll Call Vote, the City Council **adopted Resolution 2017-0056** recognizing the attached *Chief Garry Park Neighborhood Action Plan* as a declaration of the neighborhood's desired future condition, providing direction for neighborhood based-improvement activities, as well as neighborhood priorities involving future projects.

Resolution 2017-0057

Subsequent to the opportunity for public testimony, with no individuals requesting to speak, the following action was taken:

Upon Unanimous Roll Call Vote, the City Council **adopted Resolution 2017-0057** approving settlement of Donna M. Strickler, et vir. v. St. Andrews Court, LLC, et al., Superior Court Cause No. 2016-02-04390-3, arising out of an incident on or about June 23, 2015—\$70,000.

There were no **Final Reading Ordinances**.

FIRST READING ORDINANCES

The following ordinances were read for the First Time with further action deferred:

- ORD C35519** Relating to climate change, global warming, and the City of Spokane's Sustainability Action Plan; renaming Title 15; and enacting a new chapter 15.05 to the Spokane Municipal Code.
- ORD C35520** Relating to the building code; amending SMC sections 17F.050.010, 17F.050.090 and 17F.050.200.
- ORD C35521** Amending Ordinance C-14765 vacating Rich Avenue, in the City of Spokane from Market Street to Haven Street and Longfellow Avenue from Market Street to Haven Street.
- ORD C35522** Creating the West Plains/Airport Area Public Development Authority and approving its charter and bylaws. [Relates to Consent Agenda Item #3 (OPR 2017-0463)].

Deferral of the Final Reading of Ordinance C35521

Motion by Council Member Fagan, seconded by Council Member Waldref, **to defer indefinitely** Final Reading of Ordinance C35521 (and bring it back when staff indicates it's ready to come back as a final reading); **carried unanimously**.

There were no **Special Considerations**.

There were no **Hearings**.

SECOND OPEN FORUM

Dick Edwards expressed concern regarding the West Plains Airport PDA. Council President Stuckart indicated the matter is on the agenda next week and so no testimony will be taken today.

ADJOURNMENT

There being no further business to come before the City Council, the Regular Legislative Session of the Spokane City Council adjourned at 7:23 p.m.

Minutes prepared and submitted for publication in the July 19, 2017, issue of the *Official Gazette*.

Terri Pfister
Spokane City Clerk

Approved by Spokane City Council on _____, 2017.

Ben Stuckart
City Council President

STUDY SESSION MEETING MINUTES
SPOKANE CITY COUNCIL
Thursday, July 13, 2017

A Special Meeting of the Spokane City Council was held on the above date at 3:32 p.m. in the City Council Briefing Center, Lower Level – City Hall, 808 West Spokane Falls Boulevard, Spokane, Washington. Council President Stuckart and Council Members Beggs, Kinnear, Mumm and Waldref were present. Council Members Fagan and Stratton were absent.

The following topics were discussed:

- Board & Commission Interviews
- Joint Council & Plan Commission Discussion

The meeting was open to the public but was conducted in a study session format. No public testimony was taken and discussion was limited to appropriate officials and staff.

The meeting adjourned at 4:41 p.m.

Minutes prepared and submitted for publication in the July 26, 2017, issue of the Official Gazette:

Terri L. Pfister, MMC
Spokane City Clerk

Approved by City Council on _____, 2017.

Ben Stuckart
City Council President



Agenda Sheet for City Council Meeting of:
07/24/2017

Date Rec'd	7/11/2017
Clerk's File #	RES 2017-0059
Renews #	

Submitting Dept	DEVELOPER SERVICES CENTER	Cross Ref #	
Contact Name/Phone	ELDON BROWN 625-6305	Project #	
Contact E-Mail	EBROWN@SPOKANECITY.ORG	Bid #	
Agenda Item Type	Resolutions	Requisition #	
Agenda Item Name	4700 - RESOLUTION FOR VACATION OF ELM STREET NEAR 5TH AVENUE		

Agenda Wording

Resolution setting hearing before the City Council for August 28, 2017 for the vacation of Elm Street from the north line of 5th Avenue to the south line of the railroad right-of-way, as requested by Avista.

Summary (Background)

A petition was submitted representing 100% of the abutting property. Staff requests that City Council set a public hearing on the vacation petition.

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

<u>Approvals</u>		<u>Council Notifications</u>	
<u>Dept Head</u>	BECKER, KRIS	<u>Study Session</u>	
<u>Division Director</u>	MALLAHAN, JONATHAN	<u>Other</u>	PED 7-10-17
<u>Finance</u>	DOVAL, MATTHEW	<u>Distribution List</u>	
<u>Legal</u>	RICHMAN, JAMES	edjohnson@spokanecity.org	
<u>For the Mayor</u>	DUNIVANT, TIMOTHY	sbishop@spokanecity.org	
<u>Additional Approvals</u>		ebrown@spokanecity.org	
<u>Purchasing</u>		htrautman@spokanecity.org	

RESOLUTION 2017-0059

WHEREAS, on June 13, 2017, the Spokane City Council received a petition for the vacation of Elm Street from the north line of 5th Avenue to the south line of the railroad right-of-way, in the City of Spokane from owners having an interest in real estate abutting the above right-of-way; and

WHEREAS, it was determined that the petition was signed by the owners of more than two-thirds of the property abutting Elm Street from the north line of 5th Avenue to the south line of the railroad right-of-way, in the City of Spokane; and

WHEREAS, the City Council desires to set a time and date through this resolution to hold a public hearing on the petition to vacate the above property in the City of Spokane;

NOW, THEREFORE,

The City Council does hereby resolve the following:

That hearing on the petition to vacate Elm Street from the north line of 5th Avenue to the south line of the railroad right-of-way, in the City of Spokane will be held in front of the City Council at 6:00 P.M. or as soon thereafter as possible on **August 28, 2017**, and the City Clerk of the City of Spokane is instructed to proceed with all proper notice according to State law.

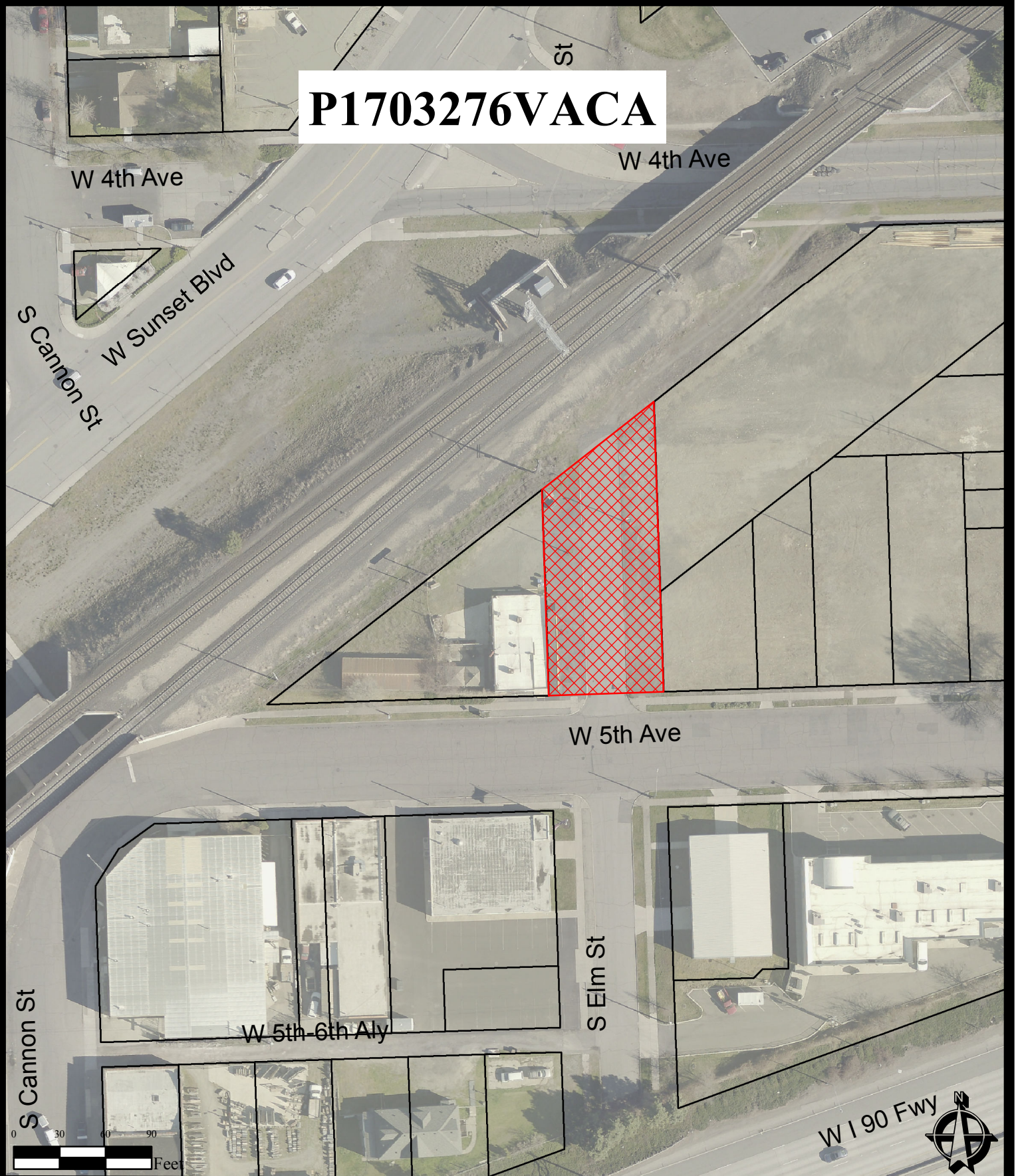
ADOPTED by the Spokane City Council, this _____ day of _____, 2017.

City Clerk

Approved as to form:

Assistant City Attorney

P1703276VACA



Right of Way Description:

**Vacation of Elm Street from the north line
of 5th Avenue to the south line of the railroad rw**

Legend



Vacation Area

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





**CITY OF SPOKANE
PLANNING & DEVELOPMENT**

808 West Spokane Falls Blvd, Spokane WA 99201-3343
(509) 625-6300 FAX (509) 625-6822

**STREET VACATION REPORT
07/05/17**

LOCATION: Elm Street – 5th Ave to the RR right-of-way

PROPONENT: Avista

PURPOSE: To expand their downtown campus

HEARING: August 28, 2017

REPORTS:

AVISTA UTILITIES – No comments.

COMCAST – Comcast has reviewed the vacation request and have no problem with the vacation.

CENTURYLINK – CenturyLink has a few aerial drops in this area. We are good with vacating the area just need access to our poles.

XO COMMUNICATIONS – XO Comm is clear of this location, other than that we have no comment.

ASSET MANAGEMENT - CAPITAL PROGRAMS – No comments.

FIRE DEPARTMENT – No Objection

INLAND POWER & LIGHT - Inland Power & Light has no facilities in the proposed area to be vacated.

INTEGRATED CAPITAL MANAGEMENT - No comments.

NEIGHBORHOOD SERVICES - No comments.

PARKS DEPARTMENT - No comments.

PLANNING & DEVELOPMENT – DEVELOPER SERVICES – No Concerns

PLANNING & DEVELOPMENT – TRAFFIC DESIGN – No comments.

PLANNING & DEVELOPMENT – PLANNING – No comments.

POLICE DEPARTMENT - No comments.

SOLID WASTE MANAGEMENT - No comments.

STREET DEPARTMENT – No objections

WASTEWATER MANAGEMENT - No comments.


WATER DEPARTMENT - No comments.

BICYCLE ADVISORY BOARD - No comments.

RECOMMENDATION: That the petition be granted and a vacating ordinance be prepared subject to the following conditions:

1. Unless their facilities are moved out of the vacation area, an easement as requested by Century Link, shall be retained to protect existing utilities.
2. Adequate emergency vehicle access shall be maintained to existing and future buildings.
3. The proponent shall pay to the City of Spokane the assessed valuation for the vacated land as defined by the latest information from the County Assessor's Office. This is calculated to be \$93,819.85 and is to be deposited to Budget Account #3200 49199 99999 39510.
4. The plans for termination and closure must be submitted and accepted by Planning and Development, prior to construction, and the improvements must be satisfactorily constructed before final vacation approval.
5. That the final reading of the vacation be held in abeyance until all of the above conditions are met and that the above conditions are met by December 31, 2018.

Eldon Brown, P.E.
Principal Engineer – Planning & Development





Agenda Sheet for City Council Meeting of:
07/24/2017

Date Rec'd	6/29/2017
Clerk's File #	RES 2017-0060
Renews #	

Submitting Dept	PLANNING	Cross Ref #	
Contact Name/Phone	TERI STRIPES 625-6597	Project #	
Contact E-Mail	TSTRIPES@SPOKANECITY.ORG	Bid #	
Agenda Item Type	Resolutions	Requisition #	
Agenda Item Name	0650 - MFTE RESIDENTIAL TARGETED AREAS RESOLUTION		

Agenda Wording

A RESOLUTION EXPRESSING THE INTENTION OF THE CITY COUNCIL TO DESIGNATE RESIDENTIAL TARGETED AREAS, AMEND SMC 8.15.030, AND TO SET A PUBLIC HEARING

Summary (Background)

The MFTE Update Committee's Proposals for SMC changes to the Multiple Family Housing Tax Exemption Incentive: • expands boundaries for the incentive. Now aligns with developable infill lands-where zoning allows Multifamily housing • increases the income levels from very low incomes to affordable, qualify for the 12 year exemption (from 50% of Area Median Income to Up to 115% of AMI) • changes the application fee structure

<u>Fiscal Impact</u>	<u>Budget Account</u>
Neutral \$	#
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>
	Plan Commission 6/28/17 & PED 7/10/17

<u>Finance</u>	HUGHES, MICHELLE	<u>Distribution List</u>
<u>Legal</u>	PICCOLO, MIKE	lkey@spokanecity.org
<u>For the Mayor</u>	DUNIVANT, TIMOTHY	tstripes@spokanecity.org
<u>Additional Approvals</u>		mpiccolo@spokanecity.org
<u>Purchasing</u>		abrast@spokanecity.org
		sbishop@spokancity.org

RESOLUTION NO. 2017-0060

A RESOLUTION EXPRESSING THE INTENTION OF THE CITY COUNCIL TO DESIGNATE RESIDENTIAL TARGETED AREAS, AMEND SMC 8.15.030 AND TO SET A PUBLIC HEARING

WHEREAS, Chapter 84.14 RCW authorizes cities to enact multifamily housing property tax incentive programs by designating residential targeted areas within urban centers; and

WHEREAS, the City of Spokane exercised its authority under Chapter 84.14 RCW by enacting Ordinance No. C32575, codified as Chapter 8.15 SMC, which provides a property tax incentive for multifamily housing in urban centers by establishing a methodology for granting such incentives and designating the urban centers and residential targeted areas; and

WHEREAS, the City Council has subsequently revised the designated residential targeted areas; and

WHEREAS, the multifamily housing property tax incentive program is set to expire on December 31, 2017 unless extended by the City Council; and

WHEREAS, the City Council has performed an extensive review of the entire multifamily housing property tax incentive program, including the designation of the residential targeted areas, as part of its legislative deliberation as to whether the program should be renewed; and

WHEREAS, the City Council desires to modify and designate new boundaries for the residential targeted areas by amending SMC 8.15.030 to include the eligible properties set forth in this resolution and the accompanying ordinance; and

WHEREAS, the City Council will also adopt new application fees by amending SMC 8.2.0695 in the accompanying ordinance; and

WHEREAS, RCW 84.14.040 requires public notice and a hearing before the City designates residential targeted areas.

NOW, THEREFORE, it is resolved by the City Council that it is the intent of the City of Spokane to designate those residential targeted areas identified below and as generally identified in Attachment A:

1. Downtown
2. University District
3. South University District
4. Kendall Yards

5. Monroe Corridor
6. Market Corridor
7. Division Corridor
8. Hamilton/Nevada Corridor
9. East Sprague Targeted Investment Pilot
10. Lower South Hill

IT IS FURTHER RESOLVED that the City of Spokane shall conduct a public hearing on July 31, 2017 beginning at 6:00 pm at the City Council Chambers at City Hall, West 808 Spokane Falls Blvd., Spokane, Washington, to take public testimony and consider the designation of the targeted areas as set forth above.

IT IS FURTHER RESOLVED that the City Council shall also consider adoption of an ordinance to amend SMC 8.15.030 amend the residential targeted areas within ORD C _____ and subsequent to the hearing called for in this resolution.

PASSED BY THE CITY COUNCIL ON _____, 2017.

Council President

Attest:

Approved as to form:

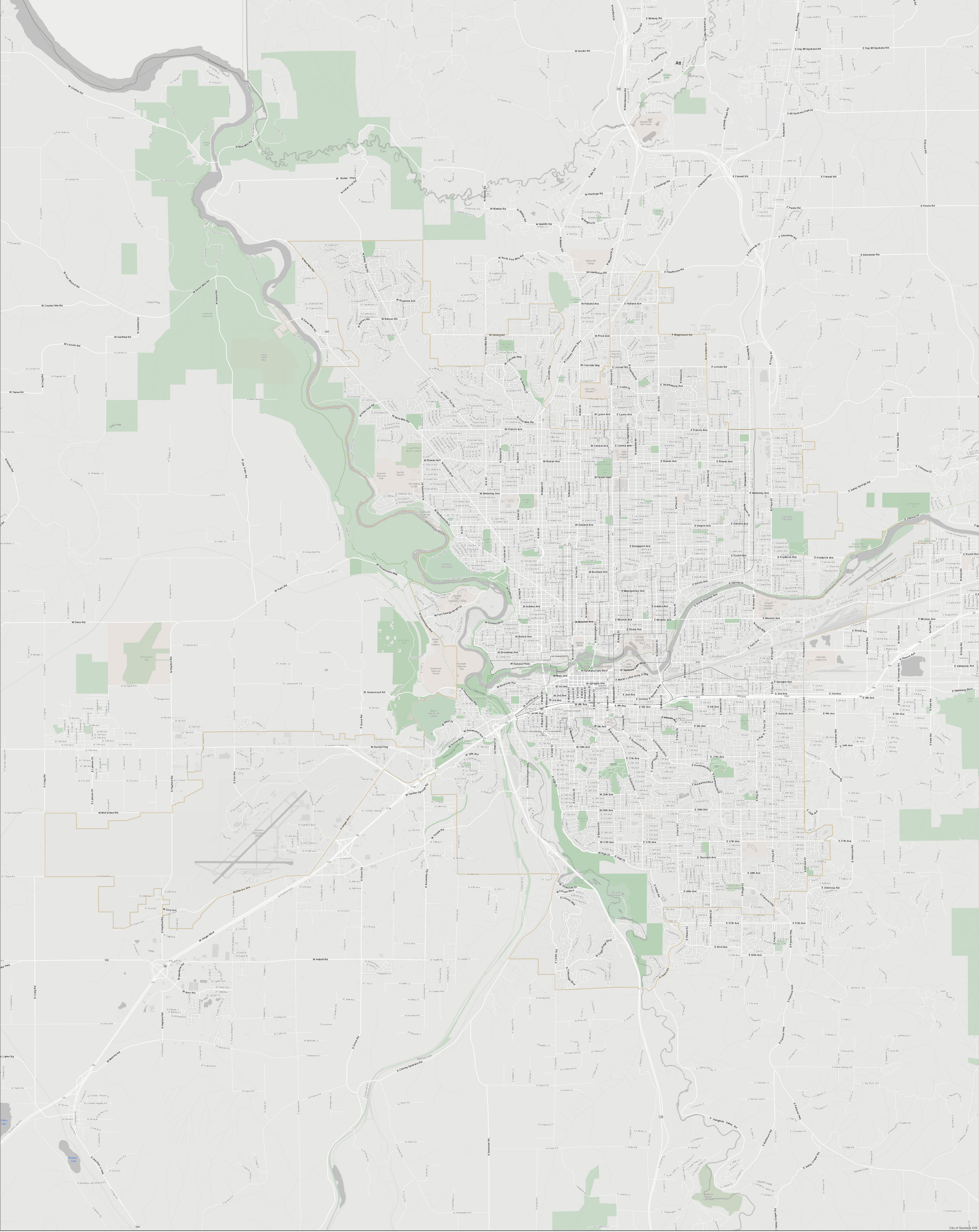
City Clerk

Assistant City Attorney

Mayor

Date

Effective Date





Agenda Sheet for City Council Meeting of:
07/24/2017

Date Rec'd	7/11/2017
Clerk's File #	ORD C35523
Renews #	
Cross Ref #	
Project #	
Bid #	
Requisition #	

Submitting Dept	DEVELOPER SERVICES CENTER
Contact Name/Phone	ELDON BROWN 625-6305
Contact E-Mail	EBROWN@SPOKANECITY.ORG
Agenda Item Type	First Reading Ordinance
Agenda Item Name	4700 - ORDINANCE AMENDING C27459

Agenda Wording

An ordinance amending C-27459 vacating Jenkins Street from 136.5 west of Monroe Street to Monroe Street.

Summary (Background)

City Council passed the vacation Ordinance on May 29, 1984. At that time an easement was retained to protect a sewer line servicing the health district, as well as a service line for Avista. Since that time the sewer line has been relocated and Avista no longer has facilities in the right-of-way.

<u>Fiscal Impact</u>		<u>Budget Account</u>	
Neutral	\$	#	
Select	\$	#	
Select	\$	#	
Select	\$	#	
<u>Approvals</u>		<u>Council Notifications</u>	
<u>Dept Head</u>	BECKER, KRIS	<u>Study Session</u>	
<u>Division Director</u>	MALLAHAN, JONATHAN	<u>Other</u>	PED 6-5-17
<u>Finance</u>	DOVAL, MATTHEW	<u>Distribution List</u>	
<u>Legal</u>	RICHMAN, JAMES	sbishop@spokanecity.org	
<u>For the Mayor</u>	DUNIVANT, TIMOTHY	ebrown@spokanecity.org	
<u>Additional Approvals</u>		edjohnson@spokanecity.org	
<u>Purchasing</u>		htrautman@spokanecity.org	

City of Spokane
Department of Engineering Services
808 West Spokane Falls Blvd.
Spokane, WA 99201-3343
(509) 625-6700

ORDINANCE NO. C35523

An ordinance amending Ordinance C27459 vacating Jenkins Street from 136.5 feet west of Monroe Street to Monroe Street, in the City of Spokane.

WHEREAS, a petition for the vacation of Jenkins Street from 136.5 feet west of Monroe Street to Monroe Street has been filed with the City Clerk representing 91.6 percent of the abutting property owners, and a hearing has been held on this petition before the City Council as provided by RCW 35.79; and

WHEREAS, the City Council has found that the public use, benefit and welfare will best be served by the vacation of said public wat; now Therefore,

The City of Spokane does ordain:

Section 1. That Jenkins Street from 136.5 feet west of Monroe Street to Monroe Street is hereby vacated.

~~Section 2. An easement is reserved and retained over the entire vacated area for the existing sanitary sewer in Jenkins Street and for existing services of Washington Water Power Company and no building or other obstruction shall be erected or placed within the vacated area without prior written consent of the Director of Public Works.~~

Passed by City Council, May 29, 1984.

Passed the City Council _____

Council President

Attest: _____
City Clerk

Approved as to Form:

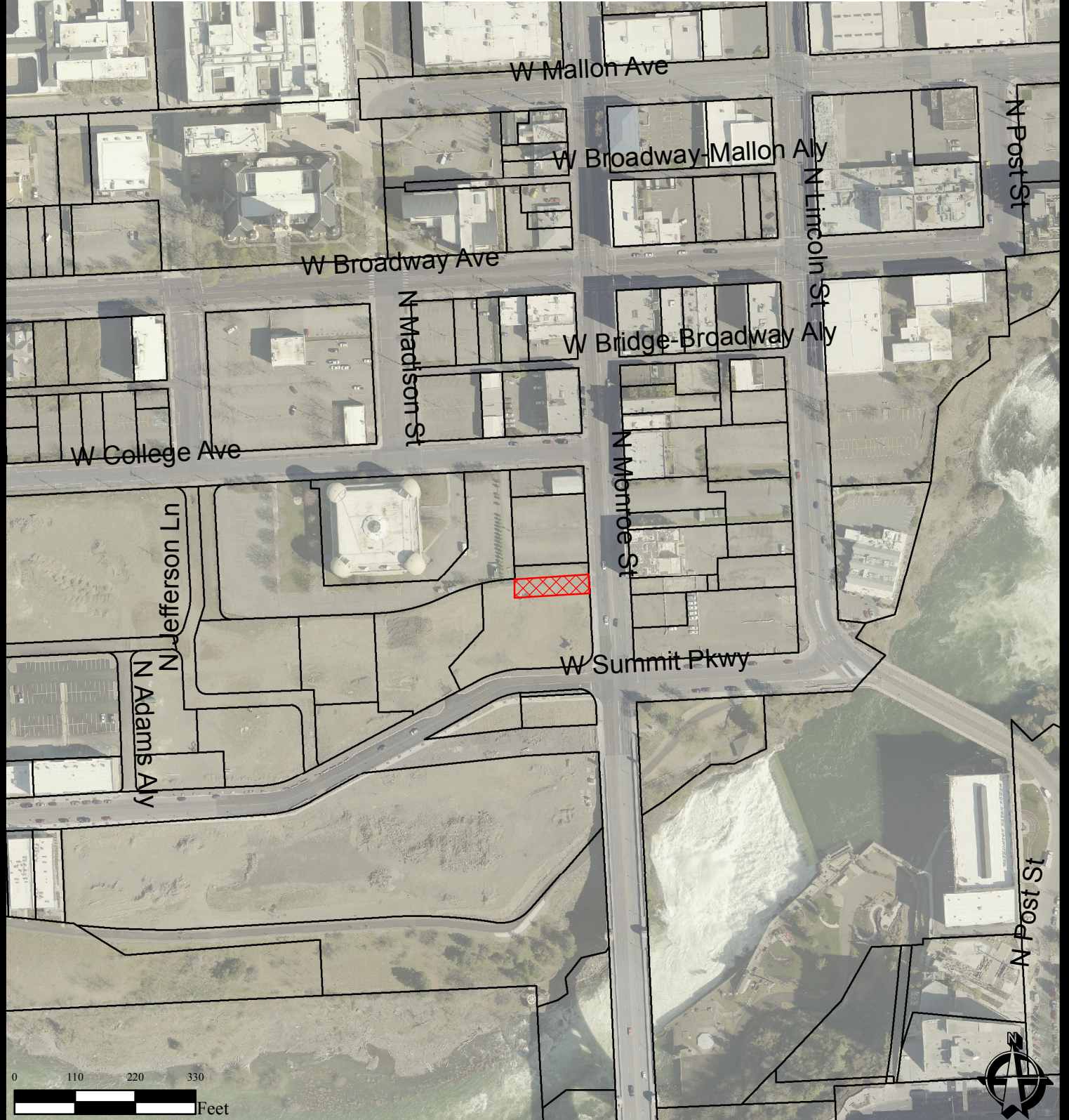
Assistant City Attorney

Mayor

Date: _____

Effective Date: _____

Amending Ordinance Easement Map



Right of Way Description:

**Jenkins Street from 136.5 feet west of
Monroe St to the west line of Monroe St**

Legend



Easement Area

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





Agenda Sheet for City Council Meeting of:
07/24/2017

Date Rec'd	7/10/2017
Clerk's File #	ORD C35524
Renews #	
Cross Ref #	
Project #	
Bid #	
Requisition #	

Submitting Dept	PLANNING
Contact Name/Phone	TERI STRIPES 625-6597
Contact E-Mail	TSTRIPES@SPOKANECITY.ORG
Agenda Item Type	First Reading Ordinance
Agenda Item Name	0650 - MFTE AMENDMENT ORDINANCE

Agenda Wording

An ordinance relating to multiple family housing property tax exemption; amending sections SMC 8.02.0695, 8.15.020, 8.15.030, 8.15.040, 8.15.050, 8.15.060, 8.15.080, 8.15.090, 8.15.100, 8.15.110, and 8.15.120;

Summary (Background)

The MFTE Update Committee's Proposals for SMC changes to the Multiple Family Housing Tax Exemption Incentive: • expands boundaries for the incentive. Now aligns with developable infill lands-where zoning allows Multifamily housing • increases the income levels from very low incomes to affordable, qualify for the 12 year exemption (from 50% of Area Median Income to Up to 115% of AMI) • changes the application fee structure

Fiscal Impact		Budget Account	
Neutral	\$	#	
Select	\$	#	
Select	\$	#	
Select	\$	#	
Approvals		Council Notifications	
Dept Head	KEY, LISA	Study Session	
Division Director	MALLAHAN, JONATHAN	Other	Plan Commission
Finance	HUGHES, MICHELLE	Distribution List	
Legal	PICCOLO, MIKE	lkey@spokanecity.org	
For the Mayor	DUNIVANT, TIMOTHY	tstripes@spokanecity.org	
Additional Approvals		mpiccolo@spokanecity.org	
Purchasing		abrast@spokanecity.org	
		sbishop@spokanecity.org	



Continuation of Wording, Summary, Budget, and Distribution

Agenda Wording

and repealing SMC section 8.15.130 of the Spokane Municipal Code.

Summary (Background)

Fiscal Impact

Select \$

Select \$

Budget Account

#

#

Distribution List

ORDINANCE NO. C35524

An ordinance relating to multiple family housing property tax exemption; amending sections SMC 8.02.0695, 8.15.020, 8.15.030, 8.15.040, 8.15.050, 8.15.060, 8.15.080, 8.15.090, 8.15.100, 8.15.110, and 8.15.120; and repealing SMC section 8.15.130 of the Spokane Municipal Code.

The City of Spokane does ordain:

Section 1. That SMC section 8.15.020 is amended to read as follows:

8.15.020 Definitions

As used in this chapter:

- A. “affordable housing” means residential housing that is rented by a person or household whose monthly housing costs, including utilities other than telephone, do not exceed thirty percent of the household’s monthly income.
 - 1. For the purposes of housing intended for owner occupancy, “affordable housing” means residential housing that is within the means of low or moderate-income households;
- B. "assessor" means the Spokane county assessor;
- C. "council" means the Spokane city council;
- D. "director" means the director of the City’s planning department or any other City office, department or agency that shall succeed to its functions with respect to this chapter, or ((his)) their authorized designee;
- E. “high cost area” means a county where the third quarter median house price for the previous year as reported by the Washington Center for Real Estate Research at Washington State University is equal to or greater than one hundred thirty percent of the statewide median house price published during the same time period;
- F. “household” means a single person, family or unrelated persons living together;
- G. "low-income" means a single person, family or unrelated persons living together whose adjusted income is at or below eighty percent of the median family income adjusted for family size, for the county where the project is located, as reported by the United States department of housing and urban development.
 - 1. For cities located in high-cost areas, “low-income household” means a household that has an income at or below one hundred percent of the

median family income adjusted for family size, for the county where the project is located;

- H. "moderate-income household" means a single person, family or unrelated persons living together whose adjusted income is more than eighty percent but is at or below one hundred fifteen percent of the median family income adjusted for family size, for the county where the project is located, as reported by the United States department of housing and urban development.
 - 1. For cities located in high-cost areas, "moderate-income household" means a household that has an income that is more than one hundred percent, but at or below one hundred fifty percent, of the median income adjusted for family size, for the county where the project is located;
- I. "multi-family housing" means a building having four or more dwelling units designed for permanent residential occupancy resulting from new construction or rehabilitation or conversion of vacant, underutilized or substandard buildings to multi-family housing and does not include transient accommodations, including hotels or motels;
- J. "owner" means the property owner of record;
- K. "permanent residential occupancy" means multi-family housing that provides either rental or owner occupancy for a period of at least one month.
 - 1. This excludes hotels and motels that predominately offer rental accommodation on a daily or weekly basis;
- L. "rehabilitation improvements" means modifications to an existing:
 - 1. structure the residential portion of which has been vacant for at least twelve months prior to application for exemption under this chapter, that are made to achieve a condition of substantial compliance with the applicable building and construction codes contained in Title 11 SMC and all applicable uniform codes adopted pursuant to Title 11 SMC; or
 - 2. occupied residential structure or mixed use structure that contains occupied residential units, that add at least four multifamily housing units;
- M. "residential targeted area" means an area within an urban center that has been so designated by the council pursuant to this chapter;
- N. "substantial compliance" means compliance with the applicable building and construction codes contained in Title 11 SMC and all applicable uniform codes adopted pursuant to Title 11 SMC that is typically required for rehabilitation as opposed to new construction;
- O. "urban center" means a compact identifiable district where urban residents may obtain a variety of products and services and which must contain:

1. several existing or previous, or both, business establishments that may include but are not limited to shops, offices, banks, restaurants, governmental agencies;
2. adequate public facilities including streets, sidewalks, lighting, transit, domestic water and sanitary sewer systems; and
3. a mixture of uses and activities that may include housing, recreation and cultural activities in association with either commercial or office, or both, use.

Section 2. That SMC section 8.15.030 is amended to read as follows:

8.15.030 Residential Targeted Areas – Criteria – Designation

- A. Following notice and public hearing as prescribed in RCW 84.14.040, the council may designate one or more residential targeted areas, upon a finding by the council in its sole discretion that the residential targeted area meets the following criteria:
 1. The residential targeted area is within an urban center.
 2. The residential targeted area lacks sufficient available, desirable, and convenient residential housing, including affordable housing, to meet the needs of the public who would be likely to live in the urban center if affordable, desirable, attractive, and livable residences were available; and
 3. Providing additional housing opportunity, including affordable housing, in the residential targeted area will assist in achieving one or more of the following purposes:
 - a. Encourage increased residential opportunities within the City, including mixed-income and affordable housing opportunities; or
 - b. Stimulate the construction of new multifamily housing; or
 - c. Encourage the rehabilitation of existing vacant and underutilized buildings for multifamily housing.
- B. In designating a residential targeted area, the council may also consider other factors, including whether:
 1. additional housing, including affordable housing units, in the residential targeted area will attract and maintain an increase in the number of permanent residents;
 2. an increased permanent residential population in the residential targeted area will help to achieve the planning goals mandated by the Growth Management Act under chapter 36.70A RCW, as implemented through the City's current and future comprehensive plans;
 3. encouraging additional housing in the residential targeted area is consistent with public transportation plans; or
 4. additional housing may contribute to revitalization of a distressed neighborhood or area within the City.

- C. At any time the council may, by ordinance, in its sole discretion, amend or rescind the designation of a residential targeted area pursuant to the same procedural requirements as set forth in this chapter for original designation.
- D. The following areas, as shown in Attachment A, are designated as residential targeted areas under this chapter:
 - 1. Downtown
 - 2. University District
 - 3. South University District
 - 4. Kendall Yards
 - 5. Monroe Corridor
 - 6. Market Corridor
 - 7. ~~((Lower))~~ Division Corridor
 - 8. Hamilton/Nevada Corridor
 - 9. East Sprague Targeted Investment Pilot
 - 10. Lower South Hill
- E. If a part of any legal lot is within a designated residential targeted area with zoning allowing for construction of multifamily housing as shown in Attachment A, then the entire lot shall be deemed to lie within such residential targeted area. The areas designated as residential targeted areas are bound by the streets described ~~((above))~~ in Attachment A. Property located outside of, but adjacent to, the described areas is not designated as residential targeted areas.

Section 3. That SMC section 8.15.040 is amended to read as follows:

8.15.040 Project Eligibility

To be eligible for exemption from property taxation under this chapter, the property must satisfy all of the following requirements:

- A. The property must be located in a residential targeted area of an urban center.
- B. The project must be multifamily housing consisting of at least four dwelling units within a residential structure or as part of a mixed-use development in which at least fifty percent of the space within such residential structure or mixed-use development is intended for permanent residential occupancy.
- C. For new construction, a minimum of four new dwelling units must be created; for rehabilitation or conversion of existing occupied structures, a minimum of four additional dwelling units must be added. Existing multifamily vacant housing that

has been vacant for twelve months or more does not have to provide additional multifamily units.

- D. For rehabilitation or conversion of an existing building; the residential portion of the building ((shall fail)) **fails** to comply with one or more standards of the applicable building or housing codes, and the rehabilitation improvements shall achieve a condition of ((substantial)) compliance with the applicable building and construction codes ((contained in and all applicable uniform codes adopted pursuant to Title 11 SMC)) , or the building has been vacant for at least a year. If the property proposed to be rehabilitated is not vacant, an applicant shall provide each existing tenant housing of comparable size, quality and price and a reasonable opportunity to relocate.
- E. The project must comply with all applicable zoning requirements, land use regulations, design review requirements and building and housing code requirements contained in the Spokane Municipal Code at the time of new construction, rehabilitation or conversion.

Section 4. That SMC section 8.15.050 is amended to read as follows:

8.15.050 Application Procedure – Fee

- A. The owner of property applying for exemption under this chapter shall submit an application to the director, on a form established by the director. The owner shall verify the application by oath or affirmation. The application shall contain such information as the director may deem necessary or useful, and shall include:
 - 1. information setting forth the grounds supporting the requested exemption including information indicated on the application form;
 - 2. a brief written description of the project and preliminary schematic site and floor plans of the multifamily units and the structure(s) in which they are proposed to be located; and
 - 3. a statement from the owner acknowledging the potential tax liability when the property ceases to be eligible for exemption under this chapter.
- B. In the case of rehabilitation or where demolition or new construction is required, the owner shall secure from the City, before commencement of rehabilitation improvements or new construction, verification of property noncompliance with applicable building and housing codes.
- C. At the time of initial application under this section, the applicant shall pay to the City an initial application fee as set forth in SMC 8.02.0695. If the City denies the

application, the City will retain that portion of the fee attributable to its own actual administrative costs and refund the balance, if any, to the applicant.

- D. The director shall notify the applicant within ~~((twenty-eight))~~ thirty days of the application being filed if the director determines that an application is not complete and shall identify what additional information is required before the application will be complete. Within ~~((twenty-eight))~~ thirty days of receiving additional information, the director shall notify the applicant in writing if the director determines that the application is still not complete, and what additional information is necessary.
- E. An application shall be deemed to be complete if the director does not notify the applicant in writing by the deadlines in this section that the application is incomplete; however, a determination of completeness does not preclude the director from requiring additional information during the review process if more information is needed to evaluate the application according to the criteria in this chapter.
- F. The application shall be submitted any time before an application for a building or other construction permit. However, an applicant for the multiple family housing property tax exemption may obtain an early start approval pursuant to SMC 17F.040.100 prior to the application for the tax exemption. The improvements made to the property pursuant to the early start approval shall not qualify for the exemption.

Section 5. That SMC section 8.15.060 is amended to read as follows:

8.15.060 Application Review – Issuance of Conditional Certificate-Denial – Appeal

- A. The director may approve the application if ~~((he))~~ they ~~((finds))~~ find that:
 - 1. a minimum of four new units are being constructed or in the case of occupied rehabilitation or conversion a minimum of four additional multi-family units are being developed;
 - 2. if applicable, the proposed multi-unit housing project meets the affordable housing requirements as described in SMC 8.15.090;
 - 3. the proposed project is, or will be at the time of completion, in conformance with all local plans and regulations that apply at the time the application is approved;
 - 4. the owner has complied with all standards and guidelines adopted by the City under this chapter; and

5. the site is located in a residential targeted area of an urban center that has been designated by the governing authority in accordance with procedures and guidelines indicated in RCW 84.14.040.
- B. The director shall approve or deny an application under this chapter within sixty days after receipt of the completed application.
1. If the application is approved, the applicant shall enter into a conditional contract with the City, subject to approval by the city council, regarding the terms and conditions of the project and eligibility for exemption under this chapter.
 2. The city council's approval of the applicant's conditional contract with the City shall take place within ~~((thirty))~~ sixty days of the director's approval of the completed application.
 3. Upon city council approval of the contract, the director shall execute the contract as approved by the city council, and the director shall issue a conditional certificate of acceptance of tax exemption.
 4. The conditional certificate shall expire three years from the date of city council's approval unless an extension is granted as provided in this chapter.
- C. If the application is denied, the director shall state in writing the reasons for the denial and send notice of denial to the applicant at the address listed on the application within ten days of the denial.
- D. An applicant may appeal the director's denial of the application to the city council within thirty days of receipt of the denial.
1. The appeal before the city council will be based upon the record before the director, and the director's decision will be upheld unless the applicant can show that there is no substantial evidence on the record to support the director's decision.
 2. The city council's decision on appeal is final.

Section 6. That SMC section 8.15.080 is amended to read as follows:

8.15.080 Final Certificate – Application – Issuance – Denial and Appeal

- A. Upon completion of the rehabilitation improvements or new construction as provided in the contract between the applicant and the City, and upon issuance of a temporary certificate of occupancy, or a permanent certificate of occupancy if no temporary certificate is issued, the applicant may request a final certificate of tax exemption. The applicant shall file with the director such information as the

director may deem necessary or useful to evaluate eligibility for the final certificate, and shall include:

1. a statement of the amount of rehabilitation or construction expenditures made with respect to each multi-family housing unit and the total expenditures made in the rehabilitation or construction of the entire property;
 2. a description of the completed work and a statement that the rehabilitation improvements or new construction of the owner's property qualify the property for the exemption; and
 3. if applicable, a statement that the project meets the affordable housing requirements as described in SMC 8.15.090; and
 4. a statement that the work was completed within the required three years of the issuance of the conditional certificate of tax exemption.
- B. At the time of application for final certificate under this section, the applicant shall pay the appropriate fees as set forth in chapter 8.02 SMC.
- C. Within thirty days of receipt of all materials required for a final certificate, the director shall determine whether the completed work, and the affordability of the units, is consistent with the contract between the City and owner and is qualified for exemption under this chapter, and which specific improvements satisfy the requirements of this chapter.
- D. If the director determines that the project has been completed in accordance with the contract between the applicant and the City and the requirements of this chapter, including, if applicable, affordable housing requirements, the City shall file a final certificate of tax exemption with the assessor within ten days of the expiration of the thirty-day period provided under subsection (C) of this section.
- E. The director is authorized to cause to be recorded, or to require the applicant or owner to record, in the real property records of the Spokane county assessor, the contract with the City required under SMC 8.15.060(B), or such other document(s) as will identify such terms and conditions of eligibility for exemption under this chapter as the director deems appropriate for recording.
- F. The director shall notify the applicant in writing that the City will not file a final certificate if the director determines that the project was not completed within the required three-year period or any approved extension, was not completed in accordance with the contract between the applicant and the City and the requirements of this chapter, if applicable, that the affordable housing requirements as described in SMC 8.15.090 were not met, or if the owner's property is otherwise not qualified.

- G. If the director determines that the project has been completed in accordance with the contract between the applicant and the City and the requirements of this chapter, including, if applicable, affordable housing requirements, the City shall file a final certificate of tax exemption with the assessor within ~~((ten))~~ sixty days ~~((of the expiration of the thirty-day period provided under subsection (C) of this section))~~.

Section 7. That SMC section 8.15.090 is amended to read as follows:

8.15.090 Exemption – Duration – Limits

- A. The assessed value of new housing construction, conversion and rehabilitation improvements qualifying under this chapter will be exempt from ad valorem property taxation as follows:
- ~~1. For properties for which applications for the multiple-family housing property tax exemption eligibility are submitted under this chapter before July 22, 2007, the effective date of ESSHB 1910 enacted by the 2007 Washington State legislature, the value is exempt for ten successive years beginning January 1st of the year immediately following the calendar year of issuance of the certificate.))~~
 - ~~((2))1.~~ For purposes for which applications for certificates of tax exemption eligibility are submitted under this chapter ~~((on or after July 22, 2007,))~~ the value is exempt for:
 - a. eight successive years beginning January 1st of the year immediately following the calendar year of ~~((issuance of))~~ the recording of the Final certificate with Spokane County Assessor; or
 - b. twelve successive years beginning January 1st of the year immediately following the calendar year of ~~((issuance of))~~ the recording of the Final certificate ~~((if the property otherwise qualifies for the exemption under this chapter and meets the conditions under (A)(2)(b) of this subsection))~~ with Spokane County Assessor.
 - i. For the property to qualify for the twelve-year exemption, ~~((under (A)(2)(b) of this subsection,))~~ the applicant must commit to renting or selling at least twenty percent of the multi-family housing units as affordable housing units to low and moderate-income households. ~~((, and the property must satisfy that commitment and any additional affordability and~~

~~income eligibility conditions adopted by the local government under this chapter. “Low-income” includes households with incomes at or below fifty percent of the area median income for the Spokane area (“AMI”), as defined by the United States Department of Housing and Urban Development (“HUD”). “Moderate income” includes households with incomes at or below eighty percent of AMI, as defined by HUD. For purposes of this section, an affordable rental unit shall mean a unit with rent that does not exceed thirty percent of income for households at or below fifty percent of the AMI, adjusted for tenant-paid utilities and household size, that is rented to households whose annual income is at or below fifty percent of the AMI at all times during the entire twelve-year period. An affordable homeowner unit is a unit that is sold at an affordable level, so that households at or below eighty percent of the AMI can qualify to purchase the unit.)) Twenty percent of all units need to be occupied by those with a household income at or below one hundred fifteen percent of Area Median Income, established annually by U.S. Department of Housing and Urban Development (HUD).~~

- ii. In the case of projects intended exclusively for owner occupancy, the requirement for a minimum of twenty percent of the units to be affordable under this subsection may be satisfied solely through housing affordable to moderate-income households.

- B. The exemption does not apply to the value of land or non-housing related improvements not qualifying under this chapter, nor does the exemption apply to increases in assessed valuation of land and non-qualifying improvements, or to increases made by lawful order of the Spokane County board of equalization, the Washington State department of revenue, state board of tax appeals, or Spokane County, to a class of property throughout the county or a specific area of the county to achieve uniformity of assessment or appraisal as required by law. In the case of rehabilitation of existing buildings, the exemption does not include the value of improvements constructed prior to submission of the completed application required under this chapter.

Section 8. That SMC section 8.15.100 is amended to read as follows:

8.15.100 Annual Certification and Affordability Certification

- A. Within thirty days ~~((after))~~ of the ~~((first))~~ anniversary of the date the ~~((City filed the))~~ final certificate of tax exemption was recorded at the County and each year thereafter, for the tax exemption period, the property owner shall file a certification with the director, verified upon oath or affirmation, which shall contain such information as the director may deem necessary or useful, and shall include the following information:
1. A statement of occupancy and vacancy of the multi-family units during the previous year.
 2. A certification that the property has not changed use and, if applicable, that the property has been in compliance with the affordable housing requirements as described in SMC 8.15.090 since the date of filing of the final certificate of tax exemption, and continues to be in compliance with the contract with the City and the requirements of this chapter; and
 3. If the property owner rents the affordable multi-family housing units, the property owner shall file with the City a report indicating the household income of each initial tenant qualifying as low and moderate-income in order to comply with the twenty percent requirement of SMC 8.15.090(A)(2)(b) and RCW 84.14.020(1)(ii)(B).
 - a. The reports shall be on a form provided by the City and shall be signed by the tenants.
 - b. Information on the incomes of occupants of affordable units shall be included with the application for the final certificate of tax exemption, and shall continue to be included with the annual report for each property during the exemption period.
 4. A description of any improvements or changes to the property made after the filing of the final certificate or last declaration, as applicable.
- B. Failure to submit the annual declaration may result in cancellation of the tax exemption.

Section 9. That SMC section 8.15.110 is amended to read as follows:

8.15.110 Cancellation of Tax Exemption – Appeal

- A. If at any time the director determines that the property no longer complies with the terms of the contract or with the requirements of this chapter, or for any reason no longer qualifies for the tax exemption, the tax exemption shall be canceled and additional taxes, interest and penalty imposed pursuant to state law.
 - B. In the case of multi-family housing units rented as affordable housing, twenty percent of the units must be available to be rented to qualified low and moderate-income tenants at all times during the entire twelve-year exemption period. While an individual tenant's income may rise above the low and moderate-income level during the exemption period, the property owner must demonstrate that subsequent or different tenants of those affordable units do meet the income level requirements for the remainder of the exemption period.
 - C. If after the issuance of a final tax certificate multi-family housing units rented as affordable housing fail to satisfy the requirements for the affordable housing tax exemption and the number of units fall below the twenty percent requirement, the extended twelve-year tax exemption period shall expire and the tax exemption period shall be limited to eight years from the date of the issuance of the final certificate of tax exemption.
 - D. If the property owner sells the affordable multi-family housing units, the new property owner shall file with the City a report indicating that the unit was purchased at a value affordable to low and moderate-income in order to continue to comply with the twenty percent requirement of SMC 8.15.090(A)(1)(b) and RCW 84.14.020(1)(ii)(B).
- ((B))E. If the owner intends to convert the multi-family housing to another use, 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 must notify the director and the Spokane county assessor within sixty days of the change in use or intended discontinuance.
- 1. Upon such change in use or discontinuance, the tax exemption shall be canceled and additional taxes, interest and penalty imposed pursuant to state law.

((G))E. Upon determining that a tax exemption shall be canceled, the director, on behalf of the city council, shall notify the property owner by certified mail, return receipt requested.

1. The property owner may appeal the determination by filing a notice of appeal with the city clerk within thirty days, specifying the factual and legal basis for the appeal.
2. The hearing examiner will conduct a hearing pursuant to chapter 17G.050 SMC at which all affected parties may be heard and all competent evidence received.
3. The hearing examiner will affirm, modify or repeal the decision to cancel the exemption based on the evidence received. The hearing examiner shall give substantial weight to the director's decision and the burden of overcoming that weight shall be upon the appellant.
4. An aggrieved party may appeal the hearing examiner's decision to the Spokane county superior court as provided in RCW 34.05.510 through RCW 34.05.598.

G. If after the issuance of a final tax certificate an owner-occupied multi-family housing unit that initially qualified as a low or moderate-income unit is sold at market rate and no longer qualifies as an affordable housing unit, that unit may lose its tax exempt status and all prior exempt taxes and penalties and interest shall become a lien on the property per RCW 84.14.110 and the subsequent owner shall no longer qualify for the tax exemption. The remaining units' tax exemption status shall not be affected.

H. The City may adopt administrative policies and procedures to implement the reporting requirement for this section which are not inconsistent the provisions of chapter 8.15 SMC and chapter 84.14 RCW.

I. A determination by the director to discontinue an exemption period may be appealed pursuant to SMC 8.15.110.

Section 10. That SMC section 8.15.120 is amended to read as follows:

8.15.120 2017-2018 SMC Amendments and Expiration of Program

With the 2017 amendments to the program, staff will work with applicants who have previously approved conditional contracts, who have not applied for a final certificate of exemption. Both eight and twelve year conditional contracted projects can apply for a final certificate of exemption under the amended code. Those projects will qualify for a term of exemption that the project can now meet. This does not apply to contracts that have been completed a final certificate of exemption.

The program established by this chapter shall expire December 31, ~~((2017))~~ 2028, unless repealed or extended by the city council by ordinance. Upon expiration, no further applications for a conditional certificate of tax exemption shall be accepted. Incomplete applications shall be returned to the applicant. Pending complete applications for a conditional certificate, extension of conditional certificate and final certificate shall be processed as provided in this chapter.

Section 11. That SMC section 8.15.130 is repealed.

Section 12. That SMC 8.02.0695 is amended to read as follows:

8.02.0695 Multifamily Housing Property Tax Incentive Program

- A. For an application to receive a conditional certificate of tax exemption under the multifamily housing property tax incentive program: ~~((Four hundred fifty dollars plus eighty dollars for each multifamily dwelling unit up to a maximum variable fee of an additional five hundred sixty dollars))~~ a fee of three hundred fifty dollars has to be paid in full at the time of application.
- B. For an application to extend the conditional certificate of tax exemption under the multifamily housing property tax incentive program: Four hundred dollars.
- C. For an application to receive a final certificate of tax exemption under the multifamily housing property tax incentive program: ~~((Two hundred dollars))~~ One thousand fifty dollars for each parcel receiving the tax exemption, this fee includes the required filing fees of the certificate and associated documents with the Spokane County assessor's office.

PASSED BY THE CITY COUNCIL ON _____, 2017.

Council President

Attest:

City Clerk

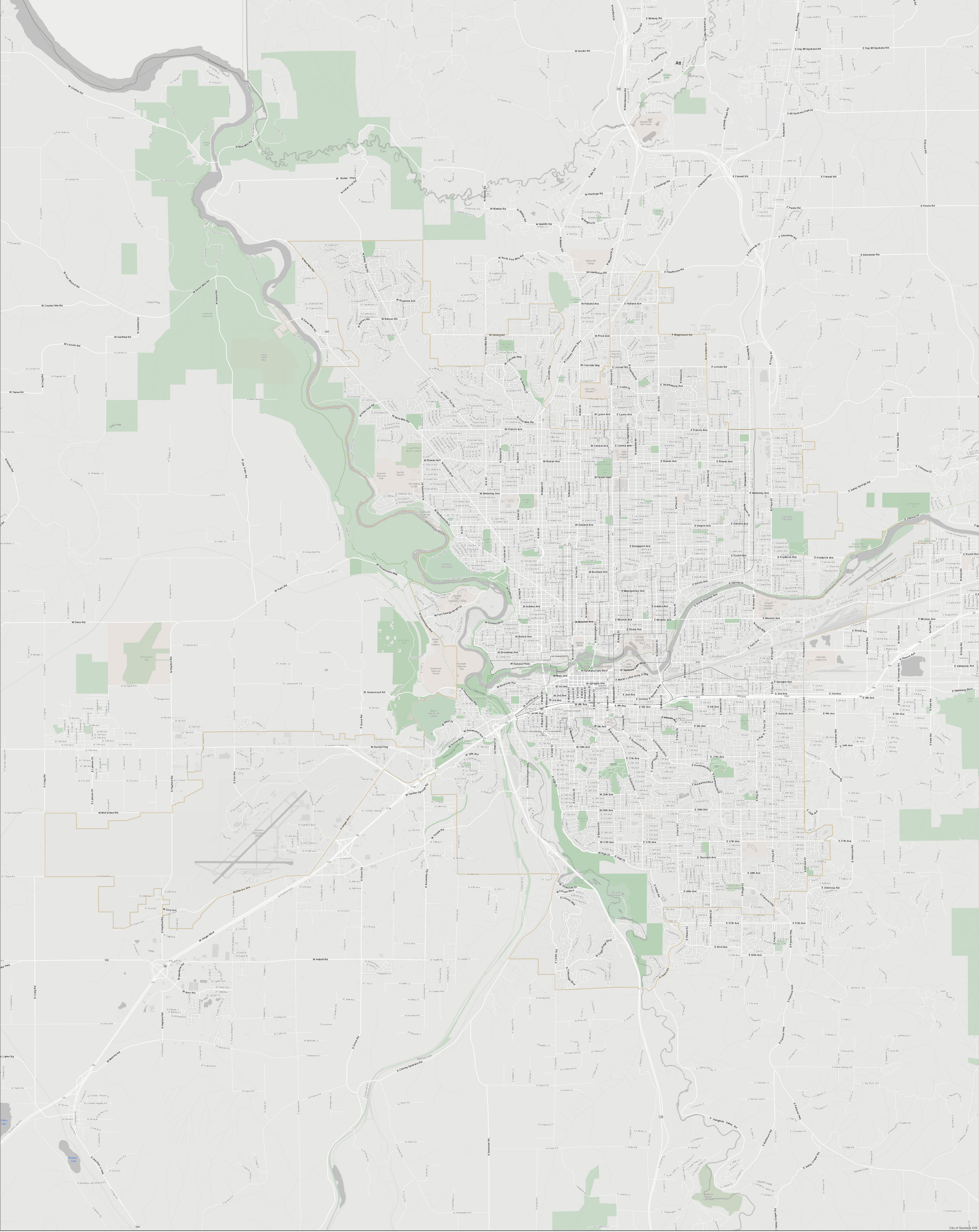
Mayor

Approved as to form:

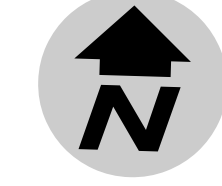
Assistant City Attorney

Date

Effective Date



- Proposed MFTE -





Agenda Sheet for City Council Meeting of:
07/24/2017

Date Rec'd	7/10/2017
Clerk's File #	ORD C35525
Renews #	

Submitting Dept	PUBLIC WORKS	Cross Ref #	
Contact Name/Phone	SCOTT 625-6584	Project #	
Contact E-Mail	SMSIMMONS@SPOKANECITY.ORG	Bid #	
Agenda Item Type	First Reading Ordinance	Requisition #	
Agenda Item Name	5200 - SENIOR OR DISABLED RESIDENTIAL CUSTOMER CREDIT		

Agenda Wording

An ordinance relating to water, wastewater, stormwater and solid waste rates and the creation of Senior or Disabled Person Residential Customer Credit for utility services for low income senior and disabled property owners rate section in the Spokane

Summary (Background)

The ordinance adopts a monthly credit on the total City of Spokane utility bill for those residential customers who qualify as a senior or disabled property owner under state law and who have been approved for property tax exempt status by Spokane County.

Fiscal Impact		Budget Account	
Select	\$	#	
Select	\$	#	
Select	\$	#	
Select	\$	#	
Approvals		Council Notifications	
Dept Head	SIMMONS, SCOTT M.	Study Session	
Division Director	SIMMONS, SCOTT M.	Other	PWC 5/22/17 & 7/10/17
Finance	HUGHES, MICHELLE	Distribution List	
Legal	DALTON, PAT	eschoedel@spokanecity.org	
For the Mayor	DUNIVANT, TIMOTHY	rhulvey@spokanecity.org	
Additional Approvals		acline@spokanecity.org	
Purchasing		cmorse@spokanecity.org	
		bpatrick@spokanecity.org	



Continuation of Wording, Summary, Budget, and Distribution

Agenda Wording

Municipal Code, adopting a new chapter 13.11 to title 13 of the Spokane Municipal Code; and setting an effective date.

Summary (Background)

Fiscal Impact

Select \$

Select \$

Budget Account

#

#

Distribution List

ORDINANCE NO. C35525

AN ORDINANCE relating to water, wastewater, stormwater and solid waste rates and the creation of Senior or Disabled Person Residential Customer Credit for utility services for low income senior and disabled property owners rate section in the Spokane Municipal Code, adopting a new chapter 13.11 to title 13 of the Spokane Municipal Code; and setting an effective date.

WHEREAS, chapters 35.92 and 35.67 RCW authorize cities to “provide assistance to aid low-income persons in connection with services” provided municipal utilities; and

WHEREAS, Article 8, Section 7 of the Washington State Constitution permits “support of the poor and infirm”; and

WHEREAS, sixteen and eight tenths percent (16.8%) of households in the City of Spokane reported an income below the poverty line at the time of the 2010 Census and the City Council has recognized that any increase of utility rates has a profound impact on low-income customers; and

WHEREAS, the intent of the City of Spokane is to offer a monthly credit on the total City of Spokane utility bill for those residential customers who qualify as a senior or disabled property owner under state law and who have been approved for property tax exempt status by Spokane County; and

WHEREAS, currently rates for water, wastewater, stormwater and solid waste are spread throughout title 13 of the Spokane Municipal Code; and

WHEREAS, creating a new chapter within the Spokane Municipal Code dedicated to the senior or disabled person residential customer credit is more transparent and accessible to the citizen and ratepayer; --Now, Therefore,

The City of Spokane does ordain:

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

Chapter 13.11 Senior or Disabled Residential Customer

Section 2. That there is adopted a new section 13.11.010 to chapter 13.11 of the Spokane Municipal Code to read as follows:

13.11.010 General

Reserved.

Section 3. That there is adopted a new section 13.11.020 to chapter 13.11 of the Spokane Municipal Code to read as follows:

13.11.020 Qualifications

An applicant must qualify as an individual with an active property tax exemption (submitted and approved in accordance with RCW 84.36.379-389) on file at the Spokane County Assessor's office for that residence.

- A. Qualifying property owners may request his/her primary residence receive a credit under the Senior or Disabled Person Residential Credit by submitting a written request to the City of Spokane, using the form prescribed and supplied by the City. If a property owner is unable to make his/her own request, it may be made by a duly authorized agent, guardian or other person charged with the care of the person or property of such person.
- B. The effective date for the credit shall be the month following the submission and acceptance of an accurate, complete, and signed request, regardless of date having received the property tax exemption on file with Spokane County. Any charges, along with any associated late penalties and interest that may have accrued for the residence prior to the effective date for the credit will still be due, as previously billed, and subject to collection in accordance with this chapter.
- C. If a qualifying customer moves to a new primary residence, he or she must submit a new request for a credit in accordance with subsection B of this section.
- D. In the event of death of a qualifying property owner, a surviving spouse may continue to receive the credit for their primary residence if:
 - 1. The surviving spouse has an approved request for property tax exemption at the Spokane County Assessor's office for an active property tax exemption; and
 - 2. If a request is not received from the surviving spouse within ninety (90) days, the residence will be billed the regular utility fees applicable to that type of residence.
- E. A qualifying property owner must maintain an active property tax exemption on file at the Spokane County Assessor's office for his/her primary residence to continue to qualify for the credit for his/her residence.
- F. The property owner is responsible for reporting any change (e.g., change of residence, change from "active" tax exemption status, death of qualifying spouse,

etc.) that may affect his/her qualifying for the credit. If the property owner fails to report any such change, the City shall have the right to pursue the billing and collection of any additional fees (the credit provided multiplied by the applicable number of months) that may be due to the City.

Section 4. That there is adopted a new section 13.11.030 to chapter 13.11 of the Spokane Municipal Code to read as follows:

SMC 13.11.030 Senior or Disabled Residential Customer Credit

The senior or disabled residential customer credit shall be ten dollars (\$10.00) per month and apportioned as follows to the owner occupied residential account:

One-third toward any monthly water charges,
One-third toward any monthly wastewater charges, and
One-third toward any monthly solid waste collection charges.

An account, which does not receive all three utility services, shall only receive partial credit as listed in the SMC 13.11.040 Application section.

Section 5. That there is adopted a new section 13.11.040 to chapter 13.11 of the Spokane Municipal Code to read as follows:

SMC 13.11.040 Application

The City provides water, wastewater, stormwater, and solid waste services to its citizens and customers. Not all utility service accounts within the City's service areas receive all services. For example, there are some accounts, which are served water only. Therefore, the application of the senior or disabled residential customer credit is on a proportionate basis with 1/3 of the credit being applied for water services; 1/3 of the credit being applied for wastewater services and 1/3 of the credit being applied for solid waste collection services. For those accounts, which only have one service, the credit would be 1/3 of the total designated amount.

Section 6. Effective Date. This ordinance shall take effect and be in force on January 1, 2018.

PASSED BY THE CITY COUNCIL ON _____

Council President

Attest:

Approved as to form:

City Clerk

Assistant City Attorney

Mayor

Date

Effective Date



Agenda Sheet for City Council Meeting of:
07/24/2017

Date Rec'd	7/10/2017
Clerk's File #	ORD C35526
Renews #	

Submitting Dept	PUBLIC WORKS	Cross Ref #	
Contact Name/Phone	SCOTT 625-6584	Project #	
Contact E-Mail	SMSIMMONS@SPOKANECITY.ORG	Bid #	
Agenda Item Type	First Reading Ordinance	Requisition #	
Agenda Item Name	4490 - SOLID WASTE DISPOSAL RATES ORDINANCE		

Agenda Wording

An ordinance relating to the rates of public utilities and services, amending SMC sections 13.02.0560, 13.02.0562, 13.02.0563 and 13.02.0568; to chapter 13.02 of the Spokane Municipal Code; and setting an effective date.

Summary (Background)

The ordinance reflects an annual increase of 2.9% to Solid Waste Disposal rates for 2018, 2019, and 2020. This three year rate proposal will provide affordability and predictability for citizens.

Fiscal Impact		Budget Account	
Select	\$	#	
Select	\$	#	
Select	\$	#	
Select	\$	#	
Approvals		Council Notifications	
<u>Dept Head</u>	SIMMONS, SCOTT M.	<u>Study Session</u>	
<u>Division Director</u>	SIMMONS, SCOTT M.	<u>Other</u>	PWC 6/12/17 & 7/10/17
<u>Finance</u>	DOVAL, MATTHEW	<u>Distribution List</u>	
<u>Legal</u>	DALTON, PAT	eschoedel@spokanecity.org	
<u>For the Mayor</u>	DUNIVANT, TIMOTHY	rhulvey@spokanecity.org	
<u>Additional Approvals</u>		acline@spokanecity.org	
<u>Purchasing</u>		cmorse@spokanecity.org	
		cconklin@spokanecity.org	
		bpatrick@spokanecity.org	

ORDINANCE NO. C35526

AN ORDINANCE relating to the rates of public utilities and services, amending SMC sections 13.02.0560, 13.02.0562, 13.02.0563 and 13.02.0568; to chapter 13.02 of the Spokane Municipal Code; and setting an effective date.

The City of Spokane does ordain:

Section 1. That SMC section 13.02.0560 is amended to read as follows:

13.02.0560 General Mixed Solid Waste – Tonnage Fee

- A. For solid waste delivered to the ~~((waste-to-energy plant-))~~Waste-to-Energy Facility (WTE), the charge shall be:

((2015))	((2016))	((2017))
(((\$102.39))	(((\$105.36))	(((\$108.41))

~~((per ton, with a minimum charge of))~~

((2015))	((2016))	((2017))
(((\$15.67))	(((\$16.12))	(((\$16.59))

~~((per vehicle:))~~

	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>Per ton charge</u>	<u>\$104.50</u>	<u>\$107.53</u>	<u>\$110.65</u>
<u>Minimum charge per vehicle</u>	<u>\$17.07</u>	<u>\$17.57</u>	<u>\$18.08</u>

- B. For solid waste delivered to the northside landfill, the charge shall be ~~((per ton))~~:

((2015))	((2016))	((2017))
(((\$102.39))	(((\$105.36))	(((\$108.41))

~~((with a minimum charge per vehicle of:))~~

((2015))	((2016))	((2017))
(((\$15.67))	(((\$16.12))	(((\$16.59))

	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>Per ton charge</u>	<u>\$104.50</u>	<u>\$107.53</u>	<u>\$110.65</u>
<u>Minimum charge per vehicle</u>	<u>\$17.07</u>	<u>\$17.57</u>	<u>\$18.08</u>

- C. For solid waste delivered to the Waste to Energy Facility, which the director determines requires special handling, the charge shall be ~~((per ton))~~:

((2015))	((2016))	((2017))
(((\$172.40))	(((\$177.40))	(((\$182.54))

~~((With a minimum charge per vehicle of:))~~

((2015))	((2016))	((2017))
(((\$20.89))	(((\$21.50))	(((\$22.12))

	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>Per ton charge</u>	<u>\$187.83</u>	<u>\$193.28</u>	<u>\$198.89</u>
<u>Minimum charge per vehicle</u>	<u>\$93.92</u>	<u>\$96.64</u>	<u>\$99.44</u>

- D. For solid waste delivered to any of the above facilities, from nonprofit generator accounts, the applicable ~~((tonnage))~~ per ton charge above shall be reduced by thirty-five percent, with a minimum charge per vehicle of:

((2015))	((2016))	((2017))
(((\$15.67))	(((\$16.12))	(((\$16.59))

<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>\$17.07</u>	<u>\$17.57</u>	<u>\$18.08</u>

1. The generator shall identify itself as a section 501(c)(3) of the Internal Revenue Code approved nonprofit enterprise or provide similar proof of qualification to the department.
2. The waste shall be the product of the nonprofit business activities, which include waste reduction or recycling as a major component of its operations.

~~((E. The above rates are effective from May 1, 2013 through December 31, 2013. Effective January 1, 2014 and each year thereafter, the above rates and minimum charges will each be adjusted to reflect increases in the Consumer Price Index for All Urban Consumers (CPI-U), U.S. city average, all items, not seasonally~~

~~adjusted, as published by the bureau of labor statistics, United States department of labor (hereafter the Index). In the event the Index stays the same or decreases, no rate adjustment will be made. The period for computing the change will be the first half of the just completed year, compared to the first half of 2012 (Base Index). The value of the Index for the first half of 2012, the Base Index, was 228.850.~~

Example calculation of rate for year *n*:

Assume Index for first half of year <i>n-1</i>	236.000
Divided by Base Index	228.850
Equals	1.03124

~~This means that the base price will be increased by 3.124 percent.~~

Base Price	\$
Multiplied by	1.03124
Equals adjusted price	\$))

Section 2. That SMC section 13.02.0562 is amended to read as follows:

13.02.0562 Compost

- A. Compost Consisting of Clean Green Yard Waste, Self-hauled.
~~((The charge for))~~For clean green yard waste, delivered to ~~((a transfer station or))~~
the ~~((waste-to-energy facility, is:))~~Waste-to-Energy Facility there shall be a charge of:

~~((2015: forty eight dollars thirtysix cents (\$48.36) per ton, with a minimum charge of five dollars fifteen cents (\$5.15) for the first two hundred twenty pounds or less;~~

~~2016: forty nine dollars seventysix cents (\$49.76) per ton, with a minimum charge of five dollars thirty cents (\$5.30) for the first two hundred twenty pounds or less;~~

~~2017: fifty one dollars twenty one cents (\$51.21) per ton, with a minimum charge of five dollars forty five cents (\$5.45) for the))~~

- ~~((B. For additional accepted clean green yard waste:))~~

~~((2015: forty eight dollars thirty six cents (\$48.36) per ton;~~

~~2016: forty nine dollars seventy six cents (\$49.76) per ton;~~

~~2017: fifty one dollars twenty one cents (\$51.21) per ton;))~~

~~((prorated by weight thereafter.))~~

	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>Per ton charge</u> <u>(then prorated by weight thereafter)</u>	<u>\$52.70</u>	<u>\$54.23</u>	<u>\$55.80</u>
<u>Minimum charge per vehicle</u>	<u>\$5.61</u>	<u>\$5.77</u>	<u>\$5.94</u>

~~((C Sources Outside Spokane County.~~

- ~~1. Notwithstanding subsections (A) or (B) of this section, the charge for clean green yard waste, delivered to a transfer station or waste-to-energy facility, originating from sources outside Spokane County, is))~~

((2015))	((2016))	((2017))
(((\$51.45))	(((\$52.94))	(((\$54.48))

~~((per ton,))~~

((2015))	((2016))	((2017))
(((\$5.15))	(((\$5.30))	(((\$5.45))

~~((for the first two hundred pounds or less.))~~

~~((2. Service is subject to change at any time.))~~

~~((3. The regional system accepts no obligation to provide recycling or disposal service of any kind for any materials from sources outside Spokane County.))~~

~~((D. This program is subject to change without notice and the management of the regional system may issue orders modifying, restricting, or canceling this program in accord with changing policy or market conditions.))~~

~~((E. This rate does))~~ These rates do not apply to dirt, debris, or other materials from large-scale landscaping, land clearing, or similar projects.

Section 3. That SMC section 13.02.0563 is amended to read as follows:

13.02.0563 Waste Tires

~~((●))~~ Waste Tires are tires no longer suitable for their original intended purpose because of wear, damage, or defect.

A. ~~((The charge for--))~~ For waste tires, delivered to the ~~((waste-to-energy facility, is:))~~ Waste-to-Energy Facility, there shall be a charge of:

((2015))	((2016))	((2017))
(((\$125.00))	(((\$128.63))	(((\$132.36))

~~((per ton, with a minimum charge of))~~

((2015))	((2016))	((2017))
(((\$30.00))	(((\$30.87))	(((\$31.77))

~~((per vehicle.))~~

~~((Service is subject to change at any time.))~~

	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>Per ton charge</u>	<u>\$136.20</u>	<u>\$140.15</u>	<u>\$144.21</u>
<u>Minimum charge per vehicle</u>	<u>\$20.40</u>	<u>\$20.99</u>	<u>\$21.60</u>

- B. Dedicated loads of waste tires will be accepted by appointment only.
- C. Acceptance of waste tires is subject to change without notice. The City of Spokane may modify, restrict, or cancel the acceptance of waste tires in accord with policy or market conditions.

Section 4. That SMC section 13.02.0568 is amended to read as follows:

13.02.0568 Estimates Allowed

- A. Where scales are temporarily disabled or not in use, commercial vehicles are assessed a full vehicle load fee based upon comparable weights.
 - 1. Private noncommercial citizen vehicles are assessed a fee based upon the City's estimated cubic yards of the load at

((2015))	((2016))	((2017))
(((\$25.52))	(((\$26.26))	(((\$27.02))

<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>\$27.80</u>	<u>\$28.61</u>	<u>\$29.44</u>

per cubic yard plus applicable state taxes.

2. In addition, if a vehicle leaves without weighing out, it will be charged the full authorized loaded gross vehicle weight.
- B. Special service at a City disposal facility for disposal of unusual or nonstandard municipal solid waste, as determined by the City, or other special labor costs is at the rate of seventy-five dollars, plus applicable state taxes, per hour or fraction thereof, with a twenty-five dollar minimum charge.
1. The special service fee shall be in addition to the assessed tipping fee based on weight.
- C. Where a customer loses his/her loop tag at the disposal site, the City's representative at the disposal site scales will estimate the charge for the customer's load and such estimation will bind the customer.
1. The minimum charge will be for a one-ton load, or more if a larger load is estimated.
 2. In addition, the customer may be required to pay a ~~((fifty-dollar))~~ five dollar (\$5.00) lost card fee.
- D. Use of scales for weighing only:

<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>\$17.07</u>	<u>\$17.57</u>	<u>\$18.08</u>

Section 5. Effective Date. This ordinance shall take effect and be in force on January 1, 2018.

PASSED BY THE CITY COUNCIL ON _____

Council President

Attest:

Approved as to form:

City Clerk

Assistant City Attorney

Mayor

Date

Effective Date



Agenda Sheet for City Council Meeting of:
07/24/2017

Date Rec'd	7/10/2017
Clerk's File #	ORD C35527
Renews #	

Submitting Dept	PUBLIC WORKS	Cross Ref #	
Contact Name/Phone	SCOTT SIMMONS 625-6584	Project #	
Contact E-Mail	SMSIMMONS@SPOKANECITY.ORG	Bid #	
Agenda Item Type	First Reading Ordinance	Requisition #	
Agenda Item Name	4250 - WATER-WASTEWATER CAPITAL RATES ORDINANCE		

Agenda Wording

An ordinance relating to the rates of public utilities and services, amending SMC sections 13.10.010, and 13.10.030 to chapter 13.10; sections 13.035.500, and 13.035.600; to chapter 13.035 of the Spokane Municipal Code; and setting an effective date.

Summary (Background)

The ordinance reflects an annual increase of 2.9% to Water-Wastewater Capital rates for 2018, 2019, and 2020. This three year rate proposal will provide affordability, predictability as well as simplification of the line item name on the utility bill.

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

<u>Approvals</u>		<u>Council Notifications</u>	
<u>Dept Head</u>	SIMMONS, SCOTT M.	<u>Study Session</u>	
<u>Division Director</u>	SIMMONS, SCOTT M.	<u>Other</u>	PWC 6/26/17 & 7/10/17
<u>Finance</u>	DOVAL, MATTHEW	<u>Distribution List</u>	
<u>Legal</u>	DALTON, PAT	eschoedel@spokanecity.org	
<u>For the Mayor</u>	DUNIVANT, TIMOTHY	rhulvey@spokanecity.org	
<u>Additional Approvals</u>		acline@spokanecity.org	
<u>Purchasing</u>		cmorse@spokanecity.org	
		dkegley@spokanecity.org	
		cconklin@spokanecity.org	
		bpatrick@spokanecity.org	

ORDINANCE NO. ORD C35527

AN ORDINANCE relating to the rates of public utilities and services, amending SMC sections 13.10.010, and 13.10.030 to chapter 13.10; sections 13.035.500, and 13.035.600; to chapter 13.035 of the Spokane Municipal Code; and setting an effective date.

The City of Spokane does ordain:

Section 1. That SMC section 13.10.010 is amended to read as follows:

13.10.010 ~~((Integrated))~~ Water-Wastewater Capital Management Rates

The ~~((Integrated))~~ water-wastewater capital management rate is defined as the capital allocation for purposes of replacing, rehabilitating and maintaining current and future water, wastewater and stormwater infrastructure.

Section 2. That SMC section 13.10.030 is amended to read as follows:

13.10.030 General Provisions and Rates

The ~~((Integrated))~~ water-wastewater capital management rate is defined as the capital allocation for purposes of replacing, rehabilitating and maintaining current and future water, wastewater and stormwater infrastructure.

- A. The director shall be responsible for coordinating the City's integration of all capital programs throughout the City's public utilities, including responsibilities for planning, design, construction, maintenance, administration, and operation of all capital programs of the City's public utilities. The director will also have the responsibility of consultation, cooperation, and coordination with water, wastewater, streets, transportation system, storm water facilities, and fleet services, as well as establishing standards for design, construction, and maintenance of improvements on private property where these may impact storm water and management.
- B. In addition to user charges for providing utility services to customers, all residential and commercial accounts are assessed ~~((an integrated))~~ a water-wastewater capital management fund charge which shall be placed in a separate account reserved for purposes of contribution to integrated capital ~~((works))~~ infrastructure.
 1. This rate shall be separately itemized on the utility bill.

2. In-City commercial accounts will be assessed a minimum ~~((integrated))~~ water-wastewater capital charge which will include forty-eight units of service. For those commercial accounts, which are over forty-eight units of service, a water wastewater consumption ~~((integrated))~~ charge will also be assessed.
 3. Outside City commercial accounts will be assessed a minimum integrated capital charge, which will include twenty-eight units of service. For those commercial accounts, which are over twenty-eight units of service, a water wastewater consumption ~~((integrated))~~ capital charge will also be assessed.
- C. Rates for ~~((integrated))~~ water-wastewater capital management are established and provided for in SMC 13.035.500

Section 3. That SMC section 13.035.500 is amended to read as follows:

13.035.500 Water-Wastewater ~~((Integrated))~~ Capital Rates

- A. In addition to user charges for providing utility services to customers, all accounts are assessed a water-wastewater ~~((integrated))~~ capital management fund charge which shall be placed in a separate fund, reserved for purposes of contribution to water-wastewater ~~((integrated))~~ capital ~~((works))~~ infrastructure.
- B. The following rates shall apply to the water-wastewater ~~((integrated))~~ capital management fund charge and shall be separately itemized on the utility bill:

~~((1. Domestic User — In City rate (per single family residence or equivalent residential unit).~~

a.

((2015))	((2016))	((2017))
(((\$26.34))	(((\$27.11))	(((\$27.89))

~~b. — This rate shall be separately itemized on the utility bill.~~

~~2. Domestic User — Outside City rate (per single family residence or equivalent residential unit).~~

a.

((2015))	((2016))	((2017))
(((\$30.18))	(((\$31.06))	(((\$31.96))

~~b. — This rate shall be separately itemized on the utility bill.~~

3. ~~Commercial User — In City rate.~~

a. ~~Minimum commercial user charge (includes first forty eight units):~~

((2015))	((2016))	((2017))
(((\$26.34))	(((\$27.11))	(((\$27.89))

b. ~~Water wastewater consumption charge (over forty eight units):~~

((2015))	((2016))	((2017))
(((\$0.5524))	(((\$0.5684))	(((\$0.5849))

~~(per hundred cubic feet)~~

c. ~~This rate shall be separately itemized on the utility bill.~~

4. ~~Commercial User — Outside City rate.~~

a. ~~Minimum commercial user charge (includes first twenty eight units):~~

((2015))	((2016))	((2017))
(((\$30.18))	(((\$31.06))	(((\$31.96))

b. ~~Water wastewater consumption charge (over twenty eight units):~~

((2015))	((2016))	((2017))
(((\$1.1047))	(((\$1.1368))	(((\$1.1697))

~~(per hundred cubic feet).~~

c. ~~This rate shall be separately itemized on the utility bill.~~

5. ~~Service outside City utility service area (per hundred cubic feet). This rate shall apply unless modified by separate agreement.~~

a.

((2015))	((2016))	((2017))
(((\$1.1047))	(((\$1.1368))	(((\$1.1697))

b. ~~This rate shall be separately itemized on the utility bill.~~

6. ~~Non-domestic process wastewater integrated capital charge (per thousand gallons).~~

a.

((2015))	((2016))	((2017))
(((\$37.87))	(((\$38.97))	(((\$40.10))

b. ~~This rate shall be separately itemized on the utility bill.~~

7. ~~Septage Charge (per thousand gallons).~~

a.

((2015))	((2016))	((2017))
(((\$37.87))	(((\$38.97))	(((\$40.10))

b. ~~This rate shall be separately itemized on the utility bill.~~

<u>Water-wastewater Capital Rates</u>			
	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>Domestic user (Per single-family residence or equivalent residential unit):</u>			
<u>Domestic user – In City</u>	<u>\$28.70</u>	<u>\$29.53</u>	<u>\$30.39</u>
<u>Domestic user – Outside City</u>	<u>\$32.89</u>	<u>\$33.84</u>	<u>\$34.82</u>
<u>Commercial User:</u>			
<u>Commercial user – In City:</u> <u>Minimum commercial user charge (includes</u> <u>first forty eight units)</u>	<u>\$28.70</u>	<u>\$29.53</u>	<u>\$30.39</u>
<u>Commercial user – In City:</u> <u>Water-wastewater consumption charge (over</u> <u>forty eight units) (per hundred cubic feet)</u>	<u>\$0.6019</u>	<u>\$0.6194</u>	<u>\$0.6374</u>
<u>Commercial user – Outside City:</u> <u>Minimum commercial user charge (includes</u> <u>first twenty eight units)</u>	<u>\$32.89</u>	<u>\$33.84</u>	<u>\$34.82</u>
<u>Commercial user – Outside City:</u> <u>Water-wastewater consumption charge (over</u> <u>twenty eight units) (per hundred cubic feet)</u>	<u>\$1.2036</u>	<u>\$1.2385</u>	<u>\$1.2744</u>
<u>Other services:</u>			
<u>Service outside City utility service area (per</u> <u>hundred cubic feet). This rate shall apply</u>	<u>\$1.2036</u>	<u>\$1.2385</u>	<u>\$1.2744</u>

unless modified by separate agreement			
Non-domestic process water-wastewater capital rate (per thousand gallons)	<u>\$41.26</u>	<u>\$42.46</u>	<u>\$43.69</u>
Septage charge (per thousand gallons)	<u>\$41.26</u>	<u>\$42.46</u>	<u>\$43.69</u>

Section 4. That SMC section 13.035.600 is amended to read as follows:

13.035.600 Water-Wastewater Capital Rates

“Water-Wastewater ((~~Integrated~~)) Capital” is defined as a rate assessed to all residential and commercial water and wastewater accounts which shall be placed into the water-wastewater ((~~Integrated~~)) capital management account and reserved for purposes of contribution to water-wastewater ((~~Integrated~~))capital ((~~works~~))infrastructure.

Section 5. Effective Date. This ordinance shall take effect and be in force on January 1, 2018.

PASSED BY THE CITY COUNCIL ON _____

Council President

Attest:

Approved as to form:

City Clerk

Assistant City Attorney

Mayor

Date

Effective Date



Agenda Sheet for City Council Meeting of:
07/24/2017

Date Rec'd	7/10/2017
Clerk's File #	ORD C35528
Renews #	

Submitting Dept	PUBLIC WORKS	Cross Ref #	
Contact Name/Phone	SCOTT 625-6584	Project #	
Contact E-Mail	SMSIMMONS@SPOKANECITY.ORG	Bid #	
Agenda Item Type	First Reading Ordinance	Requisition #	
Agenda Item Name	4310 - WASTEWATER AND STORMWATER RATES ORDINANCE		

Agenda Wording

An ordinance relating to the rates of public utilities and services, amending SMC sections 13.03.1004, 13.03.1006, 13.03.1008, 13.03.1010, 13.03.1012, 13.03.1014, 13.03.1016, 13.03.1018, 13.03.1020, 13.03.1022; and 13.03.1226; to chapter 13.03 of the

Summary (Background)

The ordinance reflects an annual increase of 2.9% to wastewater and stormwater rates for 2018, 2019, 2020. This three year rate proposal will provide affordability and predictability for citizens.

Fiscal Impact		Budget Account	
Select	\$		#
Select	\$		#
Select	\$		#
Select	\$		#
Approvals		Council Notifications	
<u>Dept Head</u>	SIMMONS, SCOTT M.	<u>Study Session</u>	
<u>Division Director</u>	SIMMONS, SCOTT M.	<u>Other</u>	PWC 6/26/17 & 7/10/17
<u>Finance</u>	DOVAL, MATTHEW	<u>Distribution List</u>	
<u>Legal</u>	DALTON, PAT	eschoedel@spokanecity.org	
<u>For the Mayor</u>	DUNIVANT, TIMOTHY	rhulvey@spokanecity.org	
<u>Additional Approvals</u>		acline@spokanecity.org	
<u>Purchasing</u>		cmorse@spokanecity.org	
		cconklin@spokanecity.org	
		dkegley@spokanecity.org	
		bpatrick@spokanecity.org	



Continuation of Wording, Summary, Budget, and Distribution

Agenda Wording

Spokane Municipal Code; and setting an effective date.

Summary (Background)

Fiscal Impact

Select \$

Select \$

Budget Account

#

#

Distribution List

ORDINANCE NO. C35528

AN ORDINANCE relating to the rates of public utilities and services, amending SMC sections 13.03.1004, 13.03.1006, 13.03.1008, 13.03.1010, 13.03.1012, 13.03.1014, 13.03.1016, 13.03.1018, 13.03.1020, 13.03.1022; and 13.03.1226; to chapter 13.03 of the Spokane Municipal Code; and setting an effective date.

The City of Spokane does ordain:

Section 1. That SMC section 13.03.1004 is amended to read as follows:

13.03.1004 Basic Domestic Service Charge – Monthly Amount

The City's basic monthly service charge is reflected in this section.

~~((A. Basic Domestic Service Charge.~~

((2015))	((2016))	((2017))
(((\$21.51))	(((\$22.13))	(((\$22.77))

~~B. Cost Per RV Dump Connection.))~~

((2015))	((2016))	((2017))
(((\$5.24))	(((\$5.39))	(((\$5.55))

<u>Basic Domestic Service Charge</u>	<u>Monthly Amount</u>		
	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>Basic domestic service charge</u>	<u>\$23.43</u>	<u>\$24.11</u>	<u>\$24.81</u>
<u>Cost per RV dump connection</u>	<u>\$5.71</u>	<u>\$5.88</u>	<u>\$6.05</u>

Section 2. That SMC section 13.03.1006 is amended to read as follows:

13.03.1006 User Charge – Standard Strength Wastewater – Monthly Amount

This section lists the City's monthly user charge for treatment of standard strength wastewater.

~~((A. User Charge for Treatment of Standard Strength Wastewater (per ((M)) million gallons).~~

((2015))	((2016))	((2017))
---------------------	---------------------	---------------------

(((\$1,536.39))	(((\$1,580.94))	(((\$1,626.79))
----------------------------	----------------------------	----------------------------

~~OR~~

((2015))	((2016))	((2017))
(((\$2.06))	(((\$2.12))	(((\$2.18))

~~per cubic foot.))~~

<u>User Charge for Treatment of Standard Strength Wastewater</u>	<u>Monthly Amount</u>		
	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>Per million gallons</u>	<u>\$1,673.97</u>	<u>\$1,722.52</u>	<u>\$1,772.47</u>
<u>Per cubic foot</u>	<u>\$2.24</u>	<u>\$2.30</u>	<u>\$2.37</u>

Section 3. That SMC section 13.03.1008 is amended to read as follows:

13.03.1008 Domestic and Commercial User Charges Inside City – Monthly Amount

This section lists the City's monthly domestic and commercial user and other monthly charges inside the City.

A. Domestic User Charge (single-family residence or equivalent residential unit).

~~1. Domestic Charge.~~

((2015))	((2016))	((2017))
(((\$28.06))	(((\$28.87))	(((\$29.71))

~~2. General Stormwater Charge.~~

((2015))	((2016))	((2017))
(((\$3.95))	(((\$4.07))	(((\$4.18))

~~3. Water Wastewater Integrated Capital (per single family residence or equivalent residential unit).~~

~~a. This rate shall be separately itemized on the utility bill.~~

b. ~~Rates for water-wastewater integrated capital are established and provided for in SMC 13.035.500.~~

4. ~~Cost for Additional Apartments.~~

((2015))	((2016))	((2017))
(((\$27.32))	(((\$26.87))	(((\$26.71))

5. ~~General Stormwater Charge for Four Units or Less.~~

((2015))	((2016))	((2017))
(((\$3.39))	(((\$3.48))	(((\$3.58))

6. ~~General Stormwater Charge for Over Four Units.))~~

((2015))	((2016))	((2017))
(((\$2.71))	(((\$2.78))	(((\$2.87))

<u>Domestic User Charge - Inside City</u>	<u>Monthly Amount</u>		
	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>Domestic charge</u>	<u>\$30.57</u>	<u>\$31.46</u>	<u>\$32.37</u>
<u>General stormwater charge</u>	<u>\$4.30</u>	<u>\$4.42</u>	<u>\$4.55</u>
<u>Cost for additional apartment</u>	<u>\$27.48</u>	<u>\$28.28</u>	<u>\$29.10</u>
<u>General stormwater charge per unit for four units or Less</u>	<u>\$3.68</u>	<u>\$3.79</u>	<u>\$3.90</u>
<u>General stormwater charge per unit for over four units</u>	<u>\$2.95</u>	<u>\$3.04</u>	<u>\$3.13</u>

1. Water-Wastewater Capital Rates.

Rates for water-wastewater capital are established and provided for in SMC 13.035.500.

B. Commercial User Charge.

~~((1. Commercial User Charge.~~

((2015))	((2016))	((2017))
(((\$1,980.81))	(((\$2,038.26))	(((\$2,097.37))

~~per M gallons; or~~

~~a.~~

((2015))	((2016))	((2017))
(((\$1.48))	(((\$1.52))	(((\$1.57))

~~Per hundred cubic feet.~~

~~2. General Stormwater Charge.~~

~~a.~~

((2015))	((2016))	((2017))
(((\$953.23))	(((\$980.88))	(((\$1009.32))

~~per impervious acre per year; or~~

~~b.~~

((2015))	((2016))	((2017))
(((\$0.79))	(((\$0.82))	(((\$0.84))

~~per one one hundredth impervious acre per month. (See RCW 35.67.020;
RCW 35.92.020)~~

~~3. CSO Stormwater User Surcharge (per acre or equivalent thereof).~~

((2015))	((2016))	((2017))
(((\$69.03))	(((\$71.03))	(((\$73.09))

~~4. Water Wastewater Integrated Capital (per hundred cubic feet).~~

~~a. This rate shall be separately itemized on the utility bill.~~

~~b. Rates for water wastewater integrated capital are established and
provided for in SMC 13.035.500.~~

~~5. Process/Seepage User Charge.~~

~~a.~~

((2015))	((2016))	((2017))
((\$587.89))	((\$604.94))	((\$622.48))

per M-gallons; or

b.

((2015))	((2016))	((2017))
((\$0.4397))	((\$0.4524))	((\$0.4656))

per hundred cubic feet.))

<u>Commercial User Charge - Inside City</u>		<u>Monthly Amount</u>		
		<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>Commercial user charge</u>				
<u>Per million gallons</u>		<u>\$2,158.19</u>	<u>\$2,220.78</u>	<u>\$2,285.18</u>
<u>Per hundred cubic feet</u>		<u>\$1.62</u>	<u>\$1.67</u>	<u>\$1.72</u>
<u>General stormwater charge</u>				
<u>Per impervious acre per year</u>		<u>\$1,038.59</u>	<u>\$1,068.71</u>	<u>\$1,099.70</u>
<u>Per one-one hundredth impervious acre per month. (See RCW 35.67.020; RCW 35.92.020)</u>		<u>\$0.86</u>	<u>\$0.88</u>	<u>\$0.91</u>
<u>Combined Sewer Overflow (CSO) Stormwater user surcharge (per acre or equivalent thereof)</u>		<u>\$75.21</u>	<u>\$77.39</u>	<u>\$79.63</u>
<u>Process/Seepage user charge</u>				
<u>Per million gallons</u>		<u>\$640.53</u>	<u>\$659.11</u>	<u>\$678.22</u>
<u>Per hundred cubic feet</u>		<u>\$0.4791</u>	<u>\$0.4930</u>	<u>\$0.5073</u>

1. Water-Wastewater Capital Rates.

Rates for water-wastewater capital are established and provided for in SMC 13.035.500.

Section 4. That SMC section 13.03.1010 is amended to read as follows:

13.03.1010 Domestic and Commercial User Charges – Non-City Customer – Monthly Amount

This section lists the City's monthly domestic and commercial user charges and other monthly charges for non-City customers.

A. Non-City Domestic User Charge (single-family residence or equivalent residential unit).

~~((1. Domestic Charge.~~

((2015))	((2016))	((2017))
(((\$56.13))	(((\$57.76))	(((\$59.43))

~~2. Water Wastewater Integrated Capital (per single family residence or equivalent residential unit).~~

~~a. This rate shall be separately itemized on the utility bill.~~

~~b. Rates for water wastewater integrated capital are established and provided for in SMC 13.035.500.~~

~~3. Cost for Additional Apartments.))~~

((2015))	((2016))	((2017))
(((\$54.64))	(((\$55.76))	(((\$56.43))

<u>Domestic User Charge – Non-City Customers</u>	<u>Monthly Amount</u>		
	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>Domestic charge</u>	<u>\$61.15</u>	<u>\$62.92</u>	<u>\$64.74</u>
<u>Cost for additional apartment</u>	<u>\$58.07</u>	<u>\$59.75</u>	<u>\$61.48</u>

1. Water-Wastewater Capital Rates.

Rates for water-wastewater capital are established and provided for in SMC 13.035.500.

B. Non-City Retail Commercial User Charge.

~~((1. Charge.~~

~~a.~~

((2015))	((2016))	((2017))
(((\$3,961.62))	(((\$4,076.51))	(((\$4,194.72))

per M-gallons; or

b.

((2015))	((2016))	((2017))
(((\$2.96))	(((\$3.05))	(((\$3.14))

per hundred cubic feet.

2. ~~Rate Stabilization (per hundred cubic feet.))~~

a. ~~— This rate shall be separately itemized on the utility bill.~~

b. ~~— Rates for water-wastewater integrated capital are established and provided for in SMC 13.035.500.))~~

<u>Commercial User Charge – Non-City Customers</u>	<u>Monthly Amount</u>		
	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>Per million gallons</u>	<u>\$4,316.37</u>	<u>\$4,441.54</u>	<u>\$4,570.34</u>
<u>Per hundred cubic feet</u>	<u>\$3.23</u>	<u>\$3.32</u>	<u>\$3.42</u>

1. Water-Wastewater Capital Rates.

Rates for water-wastewater capital are established and provided for in SMC 13.035.500.

Section 5. That SMC section 13.03.1012 is amended to read as follows:

13.03.1012 Septage Charge – Amount

This section lists the City's septage charge rate.

A. Septage Charge Rate

~~((1. — User Charge (per thousand gallons).))~~

((2015))	((2016))	((2017))
(((\$109.45))	(((\$112.63))	(((\$115.90))

2. ~~Water Wastewater Integrated Capital (per thousand gallons).~~

a. ~~— This rate shall be separately itemized on the utility bill.~~

b. ~~Rates for water wastewater integrated capital are established and provided for in SMC 13.035.500.~~

3. ~~Surcharge on Loads Over Four Thousand Gallons.~~

((2015))	((2016))	((2017))
(((\$6.23))	(((\$6.41))	(((\$6.59))

<u>Septage Charge</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>User charge (per thousand gallons)</u>	<u>\$119.26</u>	<u>\$122.72</u>	<u>\$126.28</u>
<u>Surcharge on loads over four thousand gallons.</u>	<u>\$6.78</u>	<u>\$6.98</u>	<u>\$7.18</u>

1. Water-Wastewater Capital Rates.

Rates for water-wastewater capital are established and provided for in SMC 13.035.500.

Section 6. That SMC section 13.03.1014 is amended to read as follows:

13.03.1014 Service Outside City Utility Service Area – Monthly Amount

This section lists the monthly rate for service outside the City's utility service area.

A. Outside City Utility Service Area (except by interlocal agreement).

~~((1. Charge.~~

~~a.~~

((2015))	((2016))	((2017))
(((\$3,961.62))	(((\$4,076.51))	(((\$4,194.72))

~~per M gallons; or~~

~~b.~~

((2015))	((2016))	((2017))
(((\$2.96))	(((\$3.05))	(((\$3.14))

~~per hundred cubic feet.~~

<u>Outside City Utility Service Area (except by interlocal agreement)</u>	<u>Monthly Amount</u>		
	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>Per million gallons</u>	<u>\$4,316.37</u>	<u>\$4,441.54</u>	<u>\$4,570.34</u>
<u>Per hundred cubic feet</u>	<u>\$3.23</u>	<u>\$3.32</u>	<u>\$3.42</u>

1. ~~Water-Wastewater ((Integrated)) Capital Rates.~~

~~((a. This rate shall be separately itemized on the utility bill.~~

~~b.))Rates for water-wastewater ((integrated)) capital are established and provided for in SMC 13.035.500.~~

Section 7. That SMC section 13.03.1016 is amended to read as follows:

13.03.1016 Non-domestic Process Wastewater User Charge – Monthly Amount

This section lists the monthly rate for non-domestic process wastewater user charges.

A. Non-domestic Process Wastewater User Charge.

~~1. User Charge (per thousand gallons).~~

((2015))	((2016))	((2017))
(((\$109.45))	(((\$112.63))	(((\$115.90))

~~2. Water Wastewater Integrated Capital~~

~~a. This rate shall be separately itemized on the utility bill.~~

~~b. Rates for water wastewater integrated capital are established and provided for in SMC 13.035.500.~~

~~3. Non-domestic Process Wastewater Disposal Charge (per thousand gallons).~~

((2015))	((2016))	((2017))
(((\$147.33))	(((\$151.60))	(((\$156.00))

~~4. Surcharge on Loads Over Four Thousand Gallons.))~~

((2015))	((2016))	((2017))
(((\$6.23))	(((\$6.41))	(((\$6.59))

<u>Non-domestic Process Wastewater User Charge</u>	<u>Monthly Amount</u>		
	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>User charge (per thousand gallons)</u>	<u>\$119.26</u>	<u>\$122.72</u>	<u>\$126.28</u>
<u>Non-domestic process wastewater Disposal charge (per thousand gallons).</u>	<u>\$160.52</u>	<u>\$165.18</u>	<u>\$169.97</u>
<u>Surcharge on loads over four thousand gallons</u>	<u>\$6.78</u>	<u>\$6.98</u>	<u>\$7.18</u>

1. Water-Wastewater Capital Rates.

Rates for water-wastewater capital are established and provided for in
SMC 13.035.500.

Section 8. That SMC section 13.03.1018 is amended to read as follows:

13.03.1018 Landfill Wastewater Pump and Treat Services – Amount

This section lists the rate for landfill wastewater pump and treat services.

~~((A. Landfill Pump and Treat Total.~~

((2015))	((2016))	((2017))
(((\$1,201.24))	(((\$1,133.17))	(((\$1,166.03))

~~per M gallons or~~

((2015))	((2016))	((2017))
(((\$0.82))	(((\$0.85))	(((\$0.87))

~~per hundred cubic feet.))~~

<u>Landfill Pump and Treat Total</u>	<u>Monthly Amount</u>		
	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>Per million gallons</u>	<u>\$1,199.84</u>	<u>\$1,234.64</u>	<u>\$1,270.44</u>

<u>Per hundred cubic feet</u>	<u>\$0.90</u>	<u>\$0.93</u>	<u>\$0.96</u>
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Section 9. That SMC section 13.03.1020 is amended to read as follows:

13.03.1020 Cesspool and Miscellaneous Charges – Amount

This section lists the rate for cesspool pump and miscellaneous charges.

A. Cesspool Pump and Miscellaneous Charges.

Gallons	Basic Charge ((2015)) <u>2018</u>	Basic Charge ((2016)) <u>2019</u>	Basic Charge ((2017)) <u>2020</u>
500	((\$223.32)) <u>\$243.32</u>	((\$229.80)) <u>\$250.38</u>	((\$236.46)) <u>\$257.64</u>
600	((\$253.50)) <u>\$276.09</u>	((\$260.75)) <u>\$284.10</u>	((\$268.31)) <u>\$292.34</u>
700	((\$282.48)) <u>\$307.77</u>	((\$290.67)) <u>\$316.70</u>	((\$299.10)) <u>\$325.88</u>
800	((\$312.40)) <u>\$340.38</u>	((\$321.46)) <u>\$350.25</u>	((\$330.79)) <u>\$360.41</u>
900	((\$342.27)) <u>\$372.92</u>	((\$352.19)) <u>\$383.73</u>	((\$362.41)) <u>\$394.86</u>
1000	((\$371.97)) <u>\$405.28</u>	((\$382.76)) <u>\$417.03</u>	((\$393.86)) <u>\$429.12</u>
1100	((\$386.87)) <u>\$421.52</u>	((\$398.09)) <u>\$433.74</u>	((\$409.64)) <u>\$446.32</u>
1200	((\$401.74)) <u>\$437.72</u>	((\$413.39)) <u>\$450.41</u>	((\$425.38)) <u>\$463.47</u>
1300	((\$416.64)) <u>\$453.95</u>	((\$428.72)) <u>\$467.11</u>	((\$441.16)) <u>\$480.66</u>
1400	((\$431.43)) <u>\$470.06</u>	((\$443.94)) <u>\$483.69</u>	((\$456.81)) <u>\$497.72</u>
1500	((\$446.40)) <u>\$486.38</u>	((\$459.35)) <u>\$500.49</u>	((\$472.67)) <u>\$515.00</u>

B. Miscellaneous Charges for Laboratory Analysis – Bacteriological Tests.

~~Fecal Coliform:~~

((2015))	((2016))	((2017))
(((\$74.04))	(((\$76.15))	(((\$78.36))

<u>Bacteriological Tests</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>Fecal Coliform</u>	<u>\$80.63</u>	<u>\$82.97</u>	<u>\$85.38</u>

C. Chemistry Tests.

<u>Chemistry Tests</u>	((2015)) <u>2018</u> Charges	((2016)) <u>2019</u> Charges	((2017)) <u>2020</u> Charges
Alkalinity			
Bicarbonate	(((\$28.44)) <u>\$30.99</u>	(((\$29.27)) <u>\$31.89</u>	(((\$30.12)) <u>\$32.81</u>
Carbonate	(((\$21.77)) <u>\$23.72</u>	(((\$22.41)) <u>\$24.41</u>	(((\$23.05)) <u>\$25.12</u>
Total	(((\$50.22)) <u>\$54.71</u>	(((\$51.67)) <u>\$56.30</u>	(((\$53.17)) <u>\$57.93</u>
Biochemical Oxygen Demand	(((\$47.36)) <u>\$51.60</u>	(((\$48.74)) <u>\$53.10</u>	(((\$50.15)) <u>\$54.64</u>
Chloride	(((\$24.27)) <u>\$26.45</u>	(((\$24.98)) <u>\$27.22</u>	(((\$25.70)) <u>\$28.01</u>
Chemical Oxygen Demand	(((\$45.12)) <u>\$49.17</u>	(((\$46.43)) <u>\$50.60</u>	(((\$47.78)) <u>\$52.07</u>
Dissolved Oxygen	(((\$36.32)) <u>\$39.58</u>	(((\$37.38)) <u>\$40.73</u>	(((\$38.46)) <u>\$41.91</u>
Fluoride	(((\$21.75)) <u>\$23.70</u>	(((\$22.38)) <u>\$24.39</u>	(((\$23.03)) <u>\$25.10</u>
Hardness	(((\$21.10)) <u>\$23.00</u>	(((\$21.72)) <u>\$23.67</u>	(((\$22.35)) <u>\$24.36</u>
Nitrogen			
Ammonia	(((\$39.54)) <u>\$43.08</u>	(((\$40.69)) <u>\$44.33</u>	(((\$41.87)) <u>\$45.62</u>
Kjeldahl	(((\$42.24)) <u>\$46.03</u>	(((\$43.47)) <u>\$47.36</u>	(((\$44.73)) <u>\$48.73</u>
TKN (Total Kjeldahl Nitrogen)	(((\$81.58)) <u>\$88.89</u>	(((\$83.94)) <u>\$91.47</u>	(((\$86.38)) <u>\$94.12</u>
Nitrate	(((\$36.32)) <u>\$39.58</u>	(((\$37.38)) <u>\$40.73</u>	(((\$38.46)) <u>\$41.91</u>

	<u>\$39.58</u>	<u>\$40.73</u>	<u>\$41.91</u>
Nitrite	(((\$24.01)) <u>\$26.16</u>	(((\$24.70)) <u>\$26.92</u>	(((\$25.42)) <u>\$27.70</u>
Oil & Grease	(((\$61.67)) <u>\$67.19</u>	(((\$63.46)) <u>\$69.14</u>	(((\$65.30)) <u>\$71.15</u>
pH	(((\$10.09)) <u>\$11.00</u>	(((\$10.39)) <u>\$11.32</u>	(((\$10.69)) <u>\$11.65</u>
Phosphorus			
Inorganic	(((\$33.88)) <u>\$36.92</u>	(((\$34.87)) <u>\$37.99</u>	(((\$35.88)) <u>\$39.09</u>
Orthophosphate	(((\$24.70)) <u>\$26.91</u>	(((\$25.41)) <u>\$27.69</u>	(((\$26.15)) <u>\$28.49</u>
Total	(((\$58.58)) <u>\$63.83</u>	(((\$60.28)) <u>\$65.68</u>	(((\$62.03)) <u>\$67.58</u>
Residue			
Settleable Solids	(((\$21.13)) <u>\$23.02</u>	(((\$21.74)) <u>\$23.69</u>	(((\$22.37)) <u>\$24.38</u>
Coliform	(((\$55.48)) <u>\$60.45</u>	(((\$57.09)) <u>\$62.20</u>	(((\$58.75)) <u>\$64.00</u>
Suspended Solids	(((\$21.13)) <u>\$23.02</u>	(((\$21.74)) <u>\$23.69</u>	(((\$22.37)) <u>\$24.38</u>
Total Solids	(((\$23.30)) <u>\$25.39</u>	(((\$23.97)) <u>\$26.13</u>	(((\$24.67)) <u>\$26.89</u>
Total Dissolved Solids	(((\$23.30)) <u>\$25.39</u>	(((\$23.97)) <u>\$26.13</u>	(((\$24.67)) <u>\$26.89</u>
Volatile Solids	(((\$28.89)) <u>\$31.48</u>	(((\$29.73)) <u>\$32.39</u>	(((\$30.59)) <u>\$33.33</u>
Volatile Suspended Solids	(((\$28.89)) <u>\$31.48</u>	(((\$29.73)) <u>\$32.39</u>	(((\$30.59)) <u>\$33.33</u>
Specific Oxygen Demand	(((\$88.37)) <u>\$96.28</u>	(((\$90.93)) <u>\$99.07</u>	(((\$93.57)) <u>\$101.94</u>
Specific Conductance	(((\$11.72)) <u>\$12.77</u>	(((\$12.06)) <u>\$13.14</u>	(((\$12.41)) <u>\$13.52</u>
Sulfates	(((\$30.32)) <u>\$33.04</u>	(((\$31.20)) <u>\$34.00</u>	(((\$32.11)) <u>\$34.99</u>
Turbidity	(((\$17.55)) <u>\$19.13</u>	(((\$18.06)) <u>\$19.68</u>	(((\$18.59)) <u>\$20.25</u>

D. Elemental Analysis Performed by Atomic Absorption Spectrophotometry.

~~((1. Flame Technique.~~

~~a. Aluminum, calcium, cadmium, chromium, copper, iron, lead, magnesium, manganese, mercury, nickel, potassium, sodium and zinc.~~

~~b.~~

((2015))	((2016))	((2017))
(((\$28.41))	(((\$29.23))	(((\$30.08))

~~2. Flameless Technique.~~

~~a. Same as elements in subsection (D)(1) of this section.~~

~~(b.))~~

((2015))	((2016))	((2017))
(((\$28.41))	(((\$29.23))	(((\$30.08))

<u>Elements: Aluminum, calcium, cadmium, chromium, copper, iron, lead, magnesium, manganese, mercury, nickel, potassium, sodium, and zinc.</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>Flame technique</u>	<u>\$30.08</u>	<u>\$31.85</u>	<u>\$32.77</u>
<u>Flameless technique</u>	<u>\$30.08</u>	<u>\$31.85</u>	<u>\$32.77</u>

E. Biosolids Application Program.

((2015))	((2016))	((2017))
(((\$16.44))	(((\$16.92))	(((\$17.44))

	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>Per cubic yard</u>	<u>\$17.91</u>	<u>\$18.43</u>	<u>\$18.96</u>

~~((per cubic yard.))~~

Section 10. That SMC section 13.03.1022 is amended to read as follows:

13.03.1022 Refuse Dumpster Maintenance Charge – Amount

This section lists the refuse dumpster maintenance charge.

A. Monthly Refuse Dumpster Maintenance Charge.

~~((1. Charge.~~

a.

((2015))	((2016))	((2017))
(((\$6.16))	(((\$6.34))	(((\$6.53))

b.

((2015))	((2016))	((2017))
(((\$0.5183))	(((\$0.5333))	(((\$0.5488))

~~per hundred cubic feet.~~

~~2. Inspection Fee (start-up, one-time fee).))~~

((2015))	((2016))	((2017))
(((\$87.67))	(((\$90.21))	(((\$92.83))

<u>Refuse Dumpster</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>Monthly charge</u>	<u>\$6.72</u>	<u>\$6.91</u>	<u>\$7.11</u>
<u>Per hundred cubic feet</u>	<u>\$0.5647</u>	<u>\$0.5811</u>	<u>\$0.5980</u>
<u>Inspection fee (start-up, one-time fee)</u>	<u>\$95.52</u>	<u>\$98.29</u>	<u>\$101.14</u>

Section 11. That SMC section 13.03.1226 is amended to read as follows:

13.03.1226 Water—Wastewater ((Integrated)) Capital Rates

Rates for water-wastewater ((integrated)) capital are established and provided for in SMC 13.035.500.

Section 12. Effective Date. This ordinance shall take effect and be in force on January 1, 2018.

PASSED BY THE CITY COUNCIL ON _____

Council President

Attest:

Approved as to form:

City Clerk

Assistant City Attorney

Mayor

Date

Effective Date



Agenda Sheet for City Council Meeting of:
07/24/2017

Date Rec'd	7/10/2017
Clerk's File #	ORD C35529
Renews #	

Submitting Dept	PUBLIC WORKS	Cross Ref #	
Contact Name/Phone	SCOTT 625-6584	Project #	
Contact E-Mail	SMSIMMONS@SPOKANECITY.ORG	Bid #	
Agenda Item Type	First Reading Ordinance	Requisition #	
Agenda Item Name	4100 - WATER RATES ORDINANCE		

Agenda Wording

An ordinance relating to the rates of public utilities and services, amending SMC sections 13.04.2002, 13.04.2004, 13.04.2005, 13.04.2008, 13.04.2010, 13.04.2012, 13.04.2014, 13.04.2015, 13.04.2016, and 13.04.2019; of the Spokane Municipal Code; and

Summary (Background)

The ordinance reflects an annual increase of 2.9% to Water rates for 2018, 2019 and 2020. This three year rate proposal will provide affordability and predictability for citizens.

Fiscal Impact		Budget Account	
Select	\$	#	
Select	\$	#	
Select	\$	#	
Select	\$	#	
Approvals		Council Notifications	
Dept Head	SIMMONS, SCOTT M.	Study Session	
Division Director	SIMMONS, SCOTT M.	Other	PWC 5/22/17 & 7/10/17
Finance	DOVAL, MATTHEW	Distribution List	
Legal	DALTON, PAT	eschoedel@spokanecity.org	
For the Mayor	DUNIVANT, TIMOTHY	rhulvey@spokanecity.org	
Additional Approvals		acline@spokanecity.org	
Purchasing		cmorse@spokanecity.org	
		dkegley@spokanecity.org	
		bpatrick@spokanecity.org	



Continuation of Wording, Summary, Budget, and Distribution

Agenda Wording

setting an effective date.

Summary (Background)

Fiscal Impact

Select \$

Select \$

Budget Account

#

#

Distribution List

ORDINANCE NO. ORD C35529

AN ORDINANCE relating to the rates of public utilities and services, amending SMC sections 13.04.2002, 13.04.2004, 13.04.2005, 13.04.2008, 13.04.2010, 13.04.2012, 13.04.2014, 13.04.2015, 13.04.2016, and 13.04.2019; of the Spokane Municipal Code; and setting an effective date.

The City of Spokane does ordain:

Section 1. That SMC section 13.04.2002 is amended to read as follows:

13.04.2002 City Residence Rates

A. Single-family Residence – Basic Charge.

1. Within the City limits, the basic monthly service charge for each single-family residence where the water is being used or reflected as on in the records of the City of Spokane utilities billings office shall be:

a.

((2015))	((2016))	((2017))
(((\$14.92))	(((\$15.35))	(((\$15.80))

<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>\$16.26</u>	<u>\$16.73</u>	<u>\$17.22</u>

- b. Unless otherwise provided, for two or more single-family residences on one meter, the above service charge shall apply for each residence.
2. For purposes of this chapter, a "single-family residence" or "equivalent residential unit" designation applies to each self-contained, stand-alone living unit with at least one:
 - a. kitchen or cooking area room, which must include a sink;
 - b. bathroom, which must include a toilet, bathtub, and sink or a toilet, shower, and sink.
 - c. a separate entrance that does not require residents to co-mingle.

B. Consumption Charge.

The following consumption charge rate schedule is adopted to encourage water conservation and promote environmental quality. Within the City limits, for each

one hundred cubic feet, or major fraction (approximately seven hundred fifty gallons) of water used, there will be the following consumption charges:

~~((1. Monthly Water Usage / Charge Rate Per Hundred Cubic Feet.~~

~~a. Zero cubic feet to six hundred cubic feet per month:~~

((2015))	((2016))	((2017))
(((\$0.2849))	(((\$0.2932))	(((\$0.3017))

~~b. Greater than six hundred cubic feet to one thousand cubic feet per month:~~

((2015))	((2016))	((2017))
(((\$0.6028))	(((\$0.6203))	(((\$0.6383))

~~c. Greater than one thousand cubic feet to four thousand five hundred cubic feet per month:~~

((2015))	((2016))	((2017))
(((\$0.8110))	(((\$0.8345))	(((\$0.8587))

~~d. Greater than four thousand five hundred cubic feet per month:))~~

((2015))	((2016))	((2017))
(((\$1.0411))	(((\$1.0713))	(((\$1.1024))

<u>Monthly Water Usage</u> <u>(in cubic feet)</u>	<u>Rate</u> <u>Per Hundred Cubic Feet</u>		
	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>Zero up to 600</u>	<u>\$0.3104</u>	<u>\$0.3194</u>	<u>\$0.3287</u>
<u>Greater than 600 up to 1,000</u>	<u>\$0.6568</u>	<u>\$0.6758</u>	<u>\$0.6954</u>
<u>Greater than 1,000 up to 4,500</u>	<u>\$0.8836</u>	<u>\$0.9092</u>	<u>\$0.9356</u>
<u>Greater than 4,500</u>	<u>\$1.1344</u>	<u>\$1.1673</u>	<u>\$1.2012</u>

- C. No vacancy allowance will be made on any house in a group served by one meter unless all houses served by one meter are vacant and the water is shut off at the City valve by the water and hydroelectric services department upon proper request in writing.

D. Family daycare homes shall be billed at the single-family rate. For purposes of this provision, "family daycare homes" shall mean a daycare facility:

1. furnishing care, supervision, and guidance for persons twelve years of age or younger for more than four but less than twenty-four hours in a day;
2. licensed as such by the state department of social and health services; and;
3. which regularly provides such care during part of a twenty-four hour day for no more than twelve children in the dwelling of the person(s) in charge.

Section 2. That SMC section 13.04.2004 is amended to read as follows:

13.04.2004 City Commercial and Industrial Rates

A. These rates apply to commercial and industrial customers and to all other customer premises not specifically identified on City utilities billing records as single-family residences or PUDs. The rates are for service inside the city limits of the City of Spokane.

1. Size of Service / Meter Charge Per Month.

~~((a. One inch or less:~~

((2015))	((2016))	((2017))
(((\$15.82))	(((\$16.28))	(((\$16.75))

~~b. One and one half inch:~~

((2015))	((2016))	((2017))
(((\$25.81))	(((\$26.56))	(((\$27.33))

~~c. Two inch:~~

((2015))	((2016))	((2017))
(((\$36.57))	(((\$37.63))	(((\$38.72))

~~d. Three inch:~~

((2015))	((2016))	((2017))
(((\$58.58))	(((\$60.28))	(((\$62.03))

e. ~~Four-inch:~~

((2015))	((2016))	((2017))
(((\$80.68))	(((\$83.02))	(((\$85.43))

f. ~~Six-inch:~~

((2015))	((2016))	((2017))
(((\$114.12))	(((\$117.43))	(((\$120.84))

g. ~~Eight-inch:~~

((2015))	((2016))	((2017))
(((\$233.83))	(((\$240.64))	(((\$247.59))

h. ~~Ten-inch:))~~

((2015))	((2016))	((2017))
(((\$341.47))	(((\$351.37))	(((\$361.56))

<u>Size of Service</u>	<u>Meter Charge Per Month</u>		
	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>1 inch or smaller</u>	<u>\$17.24</u>	<u>\$17.74</u>	<u>\$18.25</u>
<u>1 ½ inch</u>	<u>\$28.12</u>	<u>\$28.94</u>	<u>\$29.78</u>
<u>2 inch</u>	<u>\$39.84</u>	<u>\$41.00</u>	<u>\$42.19</u>
<u>3 inch</u>	<u>\$63.83</u>	<u>\$65.68</u>	<u>\$67.58</u>
<u>4 inch</u>	<u>\$87.91</u>	<u>\$90.46</u>	<u>\$93.08</u>
<u>6 inch</u>	<u>\$124.34</u>	<u>\$127.95</u>	<u>\$131.66</u>
<u>8 inch</u>	<u>\$254.77</u>	<u>\$262.16</u>	<u>\$269.76</u>
<u>10 inch</u>	<u>\$372.05</u>	<u>\$382.84</u>	<u>\$393.94</u>

B. Consumption.

The following rate schedule is adopted to encourage water conservation and promote environmental quality. For each one hundred cubic feet, or major fraction (approximately seven hundred fifty gallons) of water used, there will be the following monthly consumption charges:

~~((1. Monthly Water Use / Charge Rate Per Hundred Cubic Feet.~~

~~b. Zero cubic feet to six hundred cubic feet per month:~~

((2015))	((2016))	((2017))
((0.2955))	((0.3041))	((0.3129))

~~for all use.~~

~~c. Greater than six hundred cubic feet up to one thousand cubic feet per month:~~

((2015))	((2016))	((2017))
((0.6134))	((0.6312))	((0.6495))

~~for all use zero cubic feet to one thousand cubic feet.~~

~~d. Greater than one thousand cubic feet per month:~~

((2015))	((2016))	((2017))
((0.8873))	((0.9130))	((0.9395))

~~for all use zero cubic feet to the amount used.))~~

<u>Monthly Water Usage</u> <u>(in cubic feet)</u>	<u>Rate</u> <u>Per Hundred Cubic Feet</u>		
	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>Zero up to 600</u> <u>(Charge for all use: zero up to 600.)</u>	<u>\$0.3220</u>	<u>\$0.3313</u>	<u>\$0.3409</u>
<u>Greater than 600 up to 1,000</u> <u>(Charge for all use: zero up to 1,000.)</u>	<u>\$0.6683</u>	<u>\$0.6877</u>	<u>\$0.7076</u>
<u>Greater than 1,000</u> <u>(Charge for all use: zero to amount used.)</u>	<u>\$0.9667</u>	<u>\$0.9947</u>	<u>\$1.0235</u>

Section 3. That SMC section 13.04.2005 is amended to read as follows:

13.04.2005 City Planned Unit Developments (PUD)

A. Basic Charge.

In general, a planned unit development (PUD) designation is one approved in accord with applicable PUD development standards and served by a master water meter. However, if a dwelling unit would otherwise be included within a PUD designation but has its own individual City water meter, it will be billed as a single family residence under SMC 13.04.2002 or other applicable rate section. Questions of applicability are determined by the director. [Cross Reference: SMC 17A.020.160(T)]

B. Consumption.

For billing water consumption, the PUD will be charged the same as a single-family residence within the City limits except the PUD's total consumption will be divided by the total number of dwelling units to determine the per-dwelling consumption for purposes of applying the rate steps defined in SMC 13.04.2002(B). Consumption beyond ~~((seventy units))~~ seven thousand cubic feet of service per month will be assessed a per ~~((unit))~~ hundred cubic feet rate of:

((2015))	((2016))	((2017))
(((\$1.1069))	(((\$1.1390))	(((\$1.1720))

<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>\$1.2060</u>	<u>\$1.2410</u>	<u>\$1.2770</u>

C. Size of Service / Meter Charge Per Month.

~~((1. One inch or less:~~

((2015))	((2016))	((2017))
(((\$15.82))	(((\$16.28))	(((\$16.75))

~~2. One and one half inch:~~

((2015))	((2016))	((2017))
(((\$25.81))	(((\$26.56))	(((\$27.33))

~~3. Two inch:~~

((2015))	((2016))	((2017))
(((\$36.57))	(((\$37.63))	(((\$38.72))

~~4. Three inch:~~

((2015))	((2016))	((2017))
((\$58.58))	((\$60.28))	((\$62.03))

5. ~~Four-inch:~~

((2015))	((2016))	((2017))
((\$80.68))	((\$83.02))	((\$85.43))

6. ~~Six-inch:~~

((2015))	((2016))	((2017))
((\$114.12))	((\$117.43))	((\$120.84))

7. ~~Eight-inch:~~

((2015))	((2016))	((2017))
((\$233.83))	((\$240.61))	((\$247.59))

8. ~~Ten-inch:))~~

((2015))	((2016))	((2017))
((\$341.47))	((\$351.37))	((\$361.56))

<u>Size of Service</u>	<u>Meter Charge Per Month</u>		
	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>1 inch or smaller</u>	<u>\$17.24</u>	<u>\$17.74</u>	<u>\$18.25</u>
<u>1 ½ inch</u>	<u>\$28.12</u>	<u>\$28.94</u>	<u>\$29.78</u>
<u>2 inch</u>	<u>\$39.84</u>	<u>\$41.00</u>	<u>\$42.19</u>
<u>3 inch</u>	<u>\$63.83</u>	<u>\$65.68</u>	<u>\$67.58</u>
<u>4 inch</u>	<u>\$87.91</u>	<u>\$90.46</u>	<u>\$93.08</u>
<u>6 inch</u>	<u>\$124.34</u>	<u>\$127.95</u>	<u>\$131.66</u>
<u>8 inch</u>	<u>\$254.77</u>	<u>\$262.16</u>	<u>\$269.76</u>
<u>10 inch</u>	<u>\$372.05</u>	<u>\$382.84</u>	<u>\$393.94</u>

D. Water-Wastewater ((~~Integrated~~)) Capital Rates.

Rates for water-wastewater ((~~integrated~~)) capital are established and provided for in SMC 13.035.500.

Section 4. That SMC section 13.04.2008 is amended to read as follows:

13.04.2008 Construction Rates

- A. Rates for water used during construction will be charged per month, or fractional part thereof, in accord with the following rates, until the meter is set.
1. Worksite will be inspected at least every ninety days to determine meter status.
 2. The meter installation will be made at the earliest possible date.
 3. Residential meters installed prior to occupancy construction rates will apply until certificate of occupancy is granted.
- B. Size of Service / Meter Charge Per Month.

~~((1. One inch or less:~~

((2015))	((2016))	((2017))
(((\$15.82))	(((\$16.28))	(((\$16.75))

~~2. One and one half inch:~~

((2015))	((2016))	((2017))
(((\$25.84))	(((\$26.56))	(((\$27.33))

~~3. Two inch:~~

((2015))	((2016))	((2017))
(((\$36.57))	(((\$37.63))	(((\$38.72))

~~4. Three inch:~~

((2015))	((2016))	((2017))
(((\$58.58))	(((\$60.28))	(((\$62.03))

~~5. Four inch:~~

((2015))	((2016))	((2017))
(((\$80.68))	(((\$83.02))	(((\$85.43))

6. ~~Six inch:~~

((2015))	((2016))	((2017))
(((\$114.12))	(((\$117.43))	(((\$120.84))

7. ~~Eight inch:~~

((2015))	((2016))	((2017))
(((\$233.83))	(((\$240.64))	(((\$247.59))

8. ~~Ten inch:~~

((2015))	((2016))	((2017))
(((\$341.47))	(((\$351.37))	(((\$361.56))

<u>Size of Service</u>	<u>Meter Charge Per Month</u>		
	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>1 inch or smaller</u>	<u>\$17.24</u>	<u>\$17.74</u>	<u>\$18.25</u>
<u>1 ½ inch</u>	<u>\$28.12</u>	<u>\$28.94</u>	<u>\$29.78</u>
<u>2 inch</u>	<u>\$39.84</u>	<u>\$41.00</u>	<u>\$42.19</u>
<u>3 inch</u>	<u>\$63.83</u>	<u>\$65.68</u>	<u>\$67.58</u>
<u>4 inch</u>	<u>\$87.91</u>	<u>\$90.46</u>	<u>\$93.08</u>
<u>6 inch</u>	<u>\$124.34</u>	<u>\$127.95</u>	<u>\$131.66</u>
<u>8 inch</u>	<u>\$254.77</u>	<u>\$262.16</u>	<u>\$269.76</u>
<u>10 inch</u>	<u>\$372.05</u>	<u>\$382.84</u>	<u>\$393.94</u>

Section 5. That SMC section 13.04.2010 is amended to read as follows:

13.04.2010 Water for Private Fire Protection

- A. For inside the City of Spokane metered and unmetered connection on the City's water mains supplying hydrants, standpipes, or automatic sprinklers for private fire protection to the premises, charges will be made in accord with the following rates:

~~((1. Size of Connection / Service Charge Per Month.~~

~~a. Three inch or smaller:~~

((2015))	((2016))	((2017))
(((\$16.75))	(((\$17.24))	(((\$17.74))

b. ~~Four inch:~~

((2015))	((2016))	((2017))
(((\$23.63))	(((\$24.32))	(((\$25.03))

c. ~~Six inch:~~

((2015))	((2016))	((2017))
(((\$32.86))	(((\$33.81))	(((\$34.79))

d. ~~Eight inch:~~

((2015))	((2016))	((2017))
(((\$39.75))	(((\$40.90))	(((\$42.09))

e. ~~Ten inch:~~

((2015))	((2016))	((2017))
(((\$47.54))	(((\$48.92))	(((\$50.34))

<u>Size of Service</u>	<u>Meter Charge Per Month</u>		
	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>3 inch or smaller</u>	<u>\$18.25</u>	<u>\$18.78</u>	<u>\$19.32</u>
<u>4 inch</u>	<u>\$25.76</u>	<u>\$26.51</u>	<u>\$27.28</u>
<u>6 inch</u>	<u>\$35.80</u>	<u>\$36.84</u>	<u>\$37.91</u>
<u>8 inch</u>	<u>\$43.31</u>	<u>\$44.57</u>	<u>\$45.86</u>
<u>10 inch</u>	<u>\$51.80</u>	<u>\$53.30</u>	<u>\$54.85</u>

B. For outside the City of Spokane metered and unmetered connection on the City's water mains supplying hydrants, standpipes, or automatic sprinklers for private fire protection to the premises, charges will be made in accord with the following rates:

1. Size of Connection / Service Charge per Month.

((a. ~~Three-inch or smaller:~~

((2015))	((2016))	((2017))
((\$25.13))	((\$25.86))	((\$26.61))

b. ~~Four inch:~~

((2015))	((2016))	((2017))
((\$35.45))	((\$36.48))	((\$37.54))

c. ~~Six inch:~~

((2015))	((2016))	((2017))
((\$49.29))	((\$50.72))	((\$52.19))

d. ~~Eight inch:~~

((2015))	((2016))	((2017))
((\$59.63))	((\$61.35))	((\$63.13))

e. ~~Ten inch:))~~

((2015))	((2016))	((2017))
((\$71.31))	((\$73.38))	((\$75.51))

<u>Size of Service</u>	<u>Meter Charge Per Month</u>		
	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>3 inch or smaller</u>	<u>\$27.38</u>	<u>\$28.17</u>	<u>\$28.99</u>
<u>4 inch</u>	<u>\$38.63</u>	<u>\$39.75</u>	<u>\$40.90</u>
<u>6 inch</u>	<u>\$53.70</u>	<u>\$55.26</u>	<u>\$56.86</u>
<u>8 inch</u>	<u>\$64.96</u>	<u>\$66.84</u>	<u>\$68.78</u>
<u>10 inch</u>	<u>\$77.70</u>	<u>\$79.95</u>	<u>\$82.27</u>

Section 6. That SMC section 13.04.2012 is amended to read as follows:

13.04.2012 Outside City Residence Rates

A. Basic Charge: Single-family Residence.

1. Outside the City, for each single-family residence, the monthly service charge where the water is being used or reflected as on in the records of the City of Spokane utilities billings office shall be:

((2015))	((2016))	((2017))
(((\$22.38))	(((\$23.03))	(((\$23.70))

<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>\$24.39</u>	<u>\$25.10</u>	<u>\$25.83</u>

2. For two or more single-family residences on one meter the above service charge shall apply for each residence. "Single-family residence" has the meaning in SMC 13.04.2002(A)(2).

B. Consumption.

The following rate schedule is adopted to encourage water conservation and promote environmental quality. Outside the City limits, for each one hundred cubic feet or major fraction (approximately seven hundred fifty gallons) of water used, there will be the following consumption charges:

~~((1. Monthly Water Use / Charge Rate Per Hundred Cubic Feet.~~

~~a. Zero cubic feet to six hundred cubic feet per month:~~

((2015))	((2016))	((2017))
(((\$0.4274))	(((\$0.4398))	(((\$0.4525))

~~b. Greater than six hundred cubic feet up to one thousand cubic feet per month:~~

((2015))	((2016))	((2017))
(((\$0.9042))	(((\$0.9304))	(((\$0.9574))

~~c. Greater than one thousand cubic feet to four thousand five hundred cubic feet per month:~~

((2015))	((2016))	((2017))
(((\$1.2164))	(((\$1.2517))	(((\$1.2880))

~~d. Greater than four thousand five hundred cubic feet per month:~~

((2015))	((2016))	((2017))
(((\$1.5617))	(((\$1.6070))	(((\$1.6536))

<u>Monthly Water Usage</u> <u>(in cubic feet)</u>	<u>Rate</u> <u>Per Hundred Cubic Feet</u>		
	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>Zero up to 600</u>	<u>\$0.4656</u>	<u>\$0.4791</u>	<u>\$0.4930</u>
<u>Greater than 600 up to 1,000</u>	<u>\$0.9852</u>	<u>\$1.0138</u>	<u>\$1.0432</u>
<u>Greater than 1,000 up to 4,500</u>	<u>\$1.3254</u>	<u>\$1.3638</u>	<u>\$1.4034</u>
<u>Greater than 4,500</u>	<u>\$1.7016</u>	<u>\$1.7509</u>	<u>\$1.8017</u>

- C. No vacancy allowance will be made on any house in a group served by one meter unless all houses served by one meter are vacant and the water is shut off at the City valve by the water and hydroelectric services department upon proper request in writing.
- D. Family daycare homes shall be billed at the single-family rate. For purposes of this provision, "family daycare homes" shall mean a day care facility:
1. furnishing care, supervision, and guidance for persons twelve years of age or younger for more than four but less than twenty-four hours in a day;
 2. licensed as such by the state department of social and health services; and
 3. which regularly provides such care during part of a twenty-four hour day for no more than twelve children in the dwelling of the person(s) in charge.

Section 7. That SMC section 13.04.2014 is amended to read as follows:

13.04.2014 Outside City Rate to Other Purveyors

The charge to other purveyors for water use outside the City's service area shall be at the following rate per one hundred cubic feet of water used plus outside City commercial monthly service charge, unless modified by separate agreement:

((2015))	((2016))	((2017))
(((\$1.1069))	(((\$1.1390))	(((\$1.1720))

<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>\$1.2060</u>	<u>\$1.2410</u>	<u>\$1.2770</u>

Section 8. That SMC section 13.04.2015 is amended to read as follows:

13.04.2015 Outside City Planned Unit Developments (PUD)

A. Basic Charge.

In general, a planned unit development (PUD) designation is one approved in accord with applicable PUD development standards and served by a master water meter. However, if a dwelling unit would otherwise be included within a PUD designation but has its own individual city water meter, it will be billed as a single-family residence under SMC 13.04.2012 or other applicable rate section. Questions of applicability are determined by the director. [Cross Reference: SMC 17A.020.160(T)]

B. Consumption.

For billing water consumption, the outside city PUD basic charge will be charged the same as a single-family residence outside the City limits except the PUD's total consumption will be divided by the total number of dwelling units to determine the per-dwelling consumption for purposes of applying the rate steps defined in SMC 13.04.2012(B). Consumption beyond ~~((seventy units))~~seven thousand cubic feet of service per month will be assessed a per ~~((unit))~~hundred cubic feet rate of:

((2015))	((2016))	((2017))
((1.6604))	((1.7085))	((1.7584))

<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>\$1.8091</u>	<u>\$1.8616</u>	<u>\$1.9156</u>

per one hundred cubic feet used per month.

C. Size of Service / Meter Charge Per Month.

~~((1. One inch or less:~~

((2015))	((2016))	((2017))
((30.65))	((31.53))	((32.44))

~~2. One and one half inch:~~

((2015))	((2016))	((2017))
((\$45.63))	((\$46.95))	((\$48.34))

3. ~~Two-inch:~~

((2015))	((2016))	((2017))
((\$61.77))	((\$63.56))	((\$65.40))

4. ~~Three-inch:~~

((2015))	((2016))	((2017))
((\$94.79))	((\$97.53))	((\$100.36))

5. ~~Four-inch:~~

((2015))	((2016))	((2017))
((\$127.94))	((\$131.64))	((\$135.46))

6. ~~Six-inch:~~

((2015))	((2016))	((2017))
((\$178.10))	((\$183.26))	((\$188.57))

7. ~~Eight-inch:~~

((2015))	((2016))	((2017))
((\$357.66))	((\$368.03))	((\$378.80))

8. ~~Ten-inch:~~

((2015))	((2016))	((2017))
((\$519.12))	((\$534.18))	((\$549.67))

<u>Size of Service</u>	<u>Meter Charge Per Month</u>		
	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>1 inch or smaller</u>	<u>\$33.38</u>	<u>\$34.35</u>	<u>\$35.35</u>
<u>1 ½ inch</u>	<u>\$49.71</u>	<u>\$51.15</u>	<u>\$52.63</u>
<u>2 inch</u>	<u>\$67.30</u>	<u>\$69.25</u>	<u>\$71.26</u>

<u>3 inch</u>	<u>\$103.27</u>	<u>\$106.26</u>	<u>\$109.34</u>
<u>4 inch</u>	<u>\$139.39</u>	<u>\$143.43</u>	<u>\$147.59</u>
<u>6 inch</u>	<u>\$194.04</u>	<u>\$199.67</u>	<u>\$205.46</u>
<u>8 inch</u>	<u>\$389.79</u>	<u>\$401.09</u>	<u>\$412.72</u>
<u>10 inch</u>	<u>\$565.61</u>	<u>\$582.01</u>	<u>\$598.89</u>

D. Water-Wastewater ~~((Integrated))~~ Capital Rates.

Rates for water-wastewater ~~((integrated))~~ capital are established and provided for in SMC 13.035.500.

Section 9. That SMC section 13.04.2016 is amended to read as follows:

13.04.2016 Outside City Commercial and Industrial Rates

A. These rates apply to commercial and industrial customers and to all other customer premises not specifically identified as single-family residences or PUDs. The rates are for service outside the city limits of the City of Spokane.

B. Size of Service / Service Charge Per Month.

~~((1. One inch or less:~~

((2015))	((2016))	((2017))
(((\$30.65))	(((\$31.53))	(((\$32.44))

~~2. One and one-half inch:~~

((2015))	((2016))	((2017))
(((\$45.63))	(((\$46.95))	(((\$48.31))

~~3. Two inch:~~

((2015))	((2016))	((2017))
(((\$61.77))	(((\$63.56))	(((\$65.40))

~~4. Three inch:~~

((2015))	((2016))	((2017))
(((\$94.79))	(((\$97.53))	(((\$100.36))

5. ~~Four inch:~~

((2015))	((2016))	((2017))
(((\$127.94))	(((\$131.64))	(((\$135.46))

6. ~~Six inch:~~

((2015))	((2016))	((2017))
(((\$178.10))	(((\$183.26))	(((\$188.57))

7. ~~Eight inch:~~

((2015))	((2016))	((2017))
(((\$357.66))	(((\$368.03))	(((\$378.70))

8. ~~Ten inch:))~~

((2015))	((2016))	((2017))
(((\$519.12))	(((\$534.18))	(((\$549.67))

<u>Size of Service</u>	<u>Meter Charge Per Month</u>		
	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>1 inch or smaller</u>	<u>\$33.38</u>	<u>\$34.35</u>	<u>\$35.35</u>
<u>1 ½ inch</u>	<u>\$49.71</u>	<u>\$51.15</u>	<u>\$52.63</u>
<u>2 inch</u>	<u>\$67.30</u>	<u>\$69.25</u>	<u>\$71.26</u>
<u>3 inch</u>	<u>\$103.27</u>	<u>\$106.26</u>	<u>\$109.34</u>
<u>4 inch</u>	<u>\$139.39</u>	<u>\$143.43</u>	<u>\$147.59</u>
<u>6 inch</u>	<u>\$194.04</u>	<u>\$199.67</u>	<u>\$205.46</u>
<u>8 inch</u>	<u>\$389.79</u>	<u>\$401.09</u>	<u>\$412.72</u>
<u>10 inch</u>	<u>\$565.61</u>	<u>\$582.01</u>	<u>\$598.89</u>

- C. The following rate schedule is adopted to encourage water conservation and promote environmental quality. Outside the City limits, for each one hundred cubic feet, or major fraction (approximately seven hundred fifty gallons) of water used, there will be the following consumption charges:

~~((1. Monthly Water Use / Charge Rate Per Hundred Cubic Feet.~~

a. ~~Zero cubic feet to six hundred cubic feet per month:~~

((2015))	((2016))	((2017))
(((\$0.4433))	(((\$0.4562))	(((\$0.4694))

~~for all use.~~

b. ~~Greater than six hundred cubic feet up to one thousand cubic feet per month:~~

((2015))	((2016))	((2017))
(((\$0.9201))	(((\$0.9468))	(((\$0.9743))

~~for all use zero cubic feet to one thousand cubic feet.~~

c. ~~Greater than one thousand cubic feet per month:~~

((2015))	((2016))	((2017))
(((\$1.3310))	(((\$1.3695))	(((\$1.4092))

~~for all use zero cubic feet to the amount used.))~~

<u>Monthly Water Usage</u> <u>(in cubic feet)</u>	<u>Rate</u> <u>Per Hundred Cubic Feet</u>		
	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>Zero up to 600</u> <u>(Charge for all use: zero up to 600.)</u>	<u>\$0.4830</u>	<u>\$0.4970</u>	<u>\$0.5114</u>
<u>Greater than 600 up to 1,000</u> <u>(Charge for all use: zero up to 1,000.)</u>	<u>\$1.0026</u>	<u>\$1.0317</u>	<u>\$1.0616</u>
<u>Greater than 1,000</u> <u>(Charge for all use: zero to amount used.)</u>	<u>\$1.4501</u>	<u>\$1.4921</u>	<u>\$1.5354</u>

Section 10. That SMC section 13.04.2019 is amended to read as follows:

13.04.2019 Water-Wastewater ((Integrated)) Capital Rates

Rates for water-wastewater ((integrated)) capital are established and provided for in SMC 13.035.500.

Section 11. Effective Date. This ordinance shall take effect and be in force on January 1, 2018.

PASSED BY THE CITY COUNCIL ON _____

Council President

Attest:

Approved as to form:

City Clerk

Assistant City Attorney

Mayor

Date

Effective Date



Agenda Sheet for City Council Meeting of:
07/24/2017

Date Rec'd	7/7/2017
Clerk's File #	ORD C35530
Renews #	

Submitting Dept	PUBLIC WORKS	Cross Ref #	
Contact Name/Phone	SCOTT 625-6584	Project #	
Contact E-Mail	SMSIMMONS@SPOKANECITY.ORG	Bid #	
Agenda Item Type	First Reading Ordinance	Requisition #	
Agenda Item Name	4500 - SOLID WASTE COLLECTION RATES ORDINANCE		

Agenda Wording

An ordinance relating to the rates of public utilities and services, amending SMC sections 13.02.0502, 13.02.0504, 13.02.0506, 13.02.0508, 13.02.0510, 13.02.0512, 13.02.0514, 13.02.0516, 13.02.0518, 13.02.0520, 13.02.0528, 13.02.0530, 13.02.0552, and

Summary (Background)

The ordinance reflects an annual increase of 2.9% to Solid Waste Collection rates for commercial and residential for 2018, 2019, and 2020. This three year rate proposal will provide affordability and predictability for citizens.

Fiscal Impact		Budget Account	
Select	\$	#	
Select	\$	#	
Select	\$	#	
Select	\$	#	
Approvals		Council Notifications	
<u>Dept Head</u>	SIMMONS, SCOTT M.	<u>Study Session</u>	
<u>Division Director</u>	SIMMONS, SCOTT M.	<u>Other</u>	PWC 5/8/17 & 7/10/17
<u>Finance</u>	DOVAL, MATTHEW	<u>Distribution List</u>	
<u>Legal</u>	DALTON, PAT	eschoedel@spokanecity.org	
<u>For the Mayor</u>	DUNIVANT, TIMOTHY	rhulvey@spokanecity.org	
<u>Additional Approvals</u>		acline@spokanecity.org	
<u>Purchasing</u>		cmorse@spokanecity.org	
		swindsor@spokanecity.org	
		bpatrick@spokanecity.org	



Continuation of Wording, Summary, Budget, and Distribution

Agenda Wording

13.02.0554; to chapter 13.02 of the Spokane Municipal Code; and setting an effective date.

Summary (Background)

Fiscal Impact

Select \$

Select \$

Budget Account

#

#

Distribution List

ORDINANCE NO. C35530

AN ORDINANCE relating to the rates of public utilities and services, amending SMC sections 13.02.0502, 13.02.0504, 13.02.0506, 13.02.0508, 13.02.0510, 13.02.0512, 13.02.0514, 13.02.0516, 13.02.0518, 13.02.0520, 13.02.0528, 13.02.0530, 13.02.0552, and 13.02.0554; to chapter 13.02 of the Spokane Municipal Code; and setting an effective date.

The City of Spokane does ordain:

Section 1. That SMC section 13.02.0502 is amended to read as follows:

13.02.0502 Residential Service Rates

A. Service is billed monthly and is calculated by the size of the cart multiplied by the number of carts. There is an additional cost for service if cart is not placed at the curbside.

1. Single-family residential premises or equivalent are presumed to require service of at least one thirty-two gallon automated cart.

~~((2. Thirty-two gallon automated cart service is available upon request.))~~

B. Rates include all taxes imposed on the department. Taxes imposed on the customer are not included in rates stated, but added on to the rates specified herein.

C. Adjacent Service.

Container pickup location is up to six feet from vehicle access point for automated service or twelve feet from the collection vehicle access point for semi-automated service areas. For semi-automated service, automated carts more than twelve feet from the pickup location will be charged for rollout at rates specified hereafter.

~~((1. Twenty-gallon automated cart service.~~

~~a. New requests for twenty-gallon cart service will no longer be accepted after June 01, 2010. Existing twenty-gallon service will continue until May 31, 2015.~~

~~b. Thirteen dollars ninety-eight cents (\$13.98)~~

~~2. Thirty two gallon automated cart service:~~

((2015))	((2016))	((2017))
----------	----------	----------

(((\$15.69))	(((\$16.15))	(((\$16.62))
-------------------------	-------------------------	-------------------------

3. ~~Sixty eight gallon automated cart service:~~

((2015))	((2016))	((2017))
(((\$28.42))	(((\$29.25))	(((\$30.09))

4. ~~Ninety five gallon automated cart service:~~

((2015))	((2016))	((2017))
(((\$41.49))	(((\$42.69))	(((\$43.93))

<u>Residential Automated Cart Service</u>	<u>Monthly Amount</u>		
	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>20 gallon (Discontinued)</u>	<u>\$14.39</u>	<u>\$14.81</u>	<u>\$15.24</u>
<u>32 gallon</u>	<u>\$17.10</u>	<u>\$17.60</u>	<u>\$18.11</u>
<u>68 gallon</u>	<u>\$30.96</u>	<u>\$31.86</u>	<u>\$32.78</u>
<u>95 gallon</u>	<u>\$45.20</u>	<u>\$46.51</u>	<u>\$47.86</u>

D. Debris extending above the top of the automated cart such that the lid is at or above a forty-five degree angle will be charged at a rate of:

((2015))	((2016))	((2017))
(((\$3.67))	(((\$3.78))	(((\$3.89))

<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>\$4.00</u>	<u>\$4.12</u>	<u>\$4.24</u>

E. Rollout Service, ~~((from Six Feet (Automated) / Twelve Feet (Semi-automated) to Fifty Feet.~~

1. ~~Container pickup location is from six feet for automated service or twelve feet for semi-automated service, up to and including fifty feet from collection vehicle access.~~

2. ~~Rollout is on a per automated cart basis.~~

3. ~~The monthly fee for this service is:))~~

((2015))	((2016))	((2017))
---------------------	---------------------	---------------------

(((\$12.54))	(((\$12.91))	(((\$13.28))
-------------------------	-------------------------	-------------------------

~~((F. Rollout Service More Than Fifty to One Hundred Feet.~~

- ~~1. Container pickup location if more than fifty feet, up to and including one hundred feet from collection vehicle access.~~
- ~~2. Pack out is on a per automated cart basis.~~
- ~~3. The monthly fee for this service is:~~

((2015))	((2016))	((2017))
(((\$25.08))	(((\$25.80))	(((\$26.55))

~~G. Rollout Service More than One Hundred to One Hundred Fifty Feet.~~

- ~~1. Container pickup location is more than one hundred feet, up to and including one hundred fifty feet from collection vehicle access.~~
- ~~2. Pack out is on a per automated cart basis.~~
- ~~3. The monthly fee for this service is:~~

((2015))	((2016))	((2017))
(((\$37.60))	(((\$38.69))	(((\$39.84))

~~H. Rollout Service More Than One Hundred Fifty to Two Hundred Feet.~~

- ~~1. Container pickup location is more than one hundred fifty feet, up to and including two hundred feet from collection vehicle access.~~
- ~~2. Pack out rate is on a per automated cart basis.~~
- ~~3. The monthly fee for this service is:))~~

((2015))	((2016))	((2017))
(((\$50.12))	(((\$51.58))	(((\$53.07))

<u>Rollout Service</u> <u>(Pack-out is on a per automated cart basis.)</u>	<u>Monthly Amount</u>		
	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>Container pickup location from collection vehicle access (in feet).</u>			

<u>6 feet (Automated) / 12 feet (Semi-automated) to 50 feet</u>	<u>\$13.67</u>	<u>\$14.07</u>	<u>\$14.48</u>
<u>More than 50 feet to 100 feet</u>	<u>\$27.32</u>	<u>\$28.11</u>	<u>\$28.93</u>
<u>More than 100 feet to 150 feet</u>	<u>\$40.96</u>	<u>\$42.15</u>	<u>\$43.37</u>
<u>More than 150 feet to 200 feet</u>	<u>\$54.61</u>	<u>\$56.19</u>	<u>\$57.82</u>

((1-))F. Extra/additional items and extra automated cart dumping charges.

1. Occasional, infrequent extra waste material (boxes, bags, cans, carts, etc.) which can be readily loaded by hand and when placed at curb or alley will be taken and charged as additional items.

((1. Adjacent Service (per item):-))

((2015))	((2016))	((2017))
(((\$3.67))	(((\$3.78))	(((\$3.89))

2. ~~Rollout Service (per item):-))~~

((2015))	((2016))	((2017))
(((\$4.65))	(((\$4.79))	(((\$4.92))

2. Regular extra waste will require service upgrade to a larger service category. Cart charges are based on actual cart size multiplied by the base per unit piece.

((3. ~~Extra automated cart dumping charges are as follows:~~

a. ~~Thirty-two gallon cart:~~

((2015))	((2016))	((2017))
(((\$3.93))	(((\$4.04))	(((\$4.16))

b. ~~Sixty-eight gallon cart:~~

((2015))	((2016))	((2017))
(((\$7.10))	(((\$7.31))	(((\$7.52))

c. ~~Ninety-five gallon cart:~~

((2015))	((2016))	((2017))
(((\$10.37))	(((\$10.67))	(((\$10.98))

d. ~~Contaminated recycling cart:~~

((2015))	((2016))	((2017))
(((\$7.10))	(((\$7.31))	(((\$7.52))

e. ~~Contaminated yard cart:))~~

((2015))	((2016))	((2017))
(((\$10.37))	(((\$10.67))	(((\$10.98))

	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>Additional items (per item)</u>			
Adjacent service	<u>\$4.00</u>	<u>\$4.12</u>	<u>\$4.24</u>
Rollout service	<u>\$5.06</u>	<u>\$5.21</u>	<u>\$5.36</u>
<u>Extra automated cart dumping charges</u>			
<u>32 gallon</u>	<u>\$4.28</u>	<u>\$4.40</u>	<u>\$4.53</u>
<u>68 gallon</u>	<u>\$7.74</u>	<u>\$7.96</u>	<u>\$8.19</u>
<u>95 gallon</u>	<u>\$11.30</u>	<u>\$11.63</u>	<u>\$11.97</u>
<u>Contaminated recycling cart</u>	<u>\$7.74</u>	<u>\$7.96</u>	<u>\$8.19</u>
<u>Contaminated yard cart</u>	<u>\$11.30</u>	<u>\$11.63</u>	<u>\$11.97</u>

~~((J.))~~G. ~~Overweight/Oversize Containers.~~

1. Overweight.

For residential service, those containers in excess of the maximum allowed weight, as referenced in SMC 13.02.0354(A), are subject to an overweight charge per container, if accepted, of the following:

((2015))	((2016))	((2017))
(((\$3.67))	(((\$3.78))	(((\$3.89))

<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>\$4.00</u>	<u>\$4.12</u>	<u>\$4.24</u>

a. For purposes of assessing an overweight cart or container charge, the good faith estimation of the solid waste collector shall be

sufficient to support the charge, absent further information, considering that such employees handle a high volume of carts and containers with regularity and are familiar with standard cart and container weight limits prescribed herein.

- b. In practice, for an overweight container charge, the assessment generally arises where the solid waste collector requires assistance.

~~((2. Oversize forty five gallon or fifty five gallon cans are billed as two items because of their size.))~~

Section 2. That SMC section 13.02.0504 is amended to read as follows:

13.02.0504 Commercial Service Rates – Dumpsters

Rates are stated for monthly billing with once weekly collection for non-compacted solid waste.

- A. Dumpster service is provided through front-end or rear-load dumpsters. In addition to a flat container placement charge, the monthly service charge is based on a one-yard dumpster multiplied by the number of yards in the dumpster multiplied by the number of weekly pickups multiplied by the number of dumpsters.

~~((B. One cubic yard dumpster service:~~

((2015))	((2016))	((2017))
(((\$84.24))	(((\$86.69))	(((\$89.20))

~~C. Two cubic yard dumpster service:~~

((2015))	((2016))	((2017))
(((\$168.48))	(((\$173.36))	(((\$178.39))

~~D. Three cubic yard dumpster service:~~

((2015))	((2016))	((2017))
(((\$252.72))	(((\$260.05))	(((\$267.59))

~~E. Four cubic yard dumpster service:~~

((2015))	((2016))	((2017))
(((\$336.97))	(((\$346.74))	(((\$356.79))

F. ~~Six cubic yard dumpster service:~~

((2015))	((2016))	((2017))
(((\$505.44))	(((\$520.10))	(((\$535.19))

G. ~~Dumpster lockbar for front load dumpsters installation fee:~~

((2015))	((2016))	((2017))
(((\$84.71))	(((\$87.16))	(((\$89.69))

<u>Commercial Service Rates</u>	<u>Monthly Amount</u>		
	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>Dumpster service</u>			
<u>1 cubic yard</u>	<u>\$91.79</u>	<u>\$94.45</u>	<u>\$97.19</u>
<u>2 cubic yard</u>	<u>\$183.56</u>	<u>\$188.88</u>	<u>\$194.36</u>
<u>3 cubic yard</u>	<u>\$275.35</u>	<u>\$283.34</u>	<u>\$291.56</u>
<u>4 cubic yard</u>	<u>\$367.14</u>	<u>\$377.79</u>	<u>\$388.75</u>
<u>6 cubic yard</u>	<u>\$550.71</u>	<u>\$566.68</u>	<u>\$583.11</u>
<u>Dumpster lockbar for front-load dumpsters installation fee</u>	<u>\$92.29</u>	<u>\$94.97</u>	<u>\$97.72</u>

Section 3. That SMC section 13.02.0506 is amended to read as follows:

13.02.0506 Commercial Service Rates – Rolloffs

- A. Rolloff service is provided through twenty- or thirty-cubic-yard containers furnished by the department.
- B. In addition to the flat container placement charge, rolloff rates are computed as the sum of a pickup hauling fee plus a disposal fee computed by weight at the time of disposal.

~~((1. The pickup hauling fee for loose solid waste is:~~

((2015))	((2016))	((2017))
(((\$120.03))	(((\$123.51))	(((\$127.10))

and the pickup fee for compacted solid waste is: -))

((2015))	((2016))	((2017))
(((\$142.03))	(((\$146.15))	(((\$150.39))

<u>Pickup Hauling Fee</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>Loose solid waste</u>	<u>\$130.79</u>	<u>\$134.58</u>	<u>\$138.48</u>
<u>Compacted solid waste</u>	<u>\$154.75</u>	<u>\$159.24</u>	<u>\$163.86</u>

- C. Minimum charge is one haul per month unless the director determines weekly service is necessary because of inclusion of putrescible materials.

Section 4. That SMC section 13.02.0508 is amended to read as follows:

13.02.0508 Commercial Container Service, Placement

- A. For all commercial capacity containers, the following rules apply:

1. To avoid container damage, location changes are to be made by the department.
2. Where customer needs require the container be moved, an additional container placement charge is assessed at the following rates:

((2015))	((2016))	((2017))
(((\$25.42))	(((\$26.15))	(((\$26.94))

<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>\$27.69</u>	<u>\$28.49</u>	<u>\$29.32</u>

3. A delivery charge accrues for cancellation of a container delivery request on less than twenty-four hours' notice.
- B. An additional service call charge is assessed if the collection vehicle must return to dump a container that had been scheduled and not dumped for any reason not of the department's responsibility.
1. If the collection vehicle is required to move/pull out a front-load (one- to six-cubic-yard) container for the dump, a "pullout" fee is charged in addition to the disposal/dump charge at the following rates:

((2015))	((2016))	((2017))
(((\$25.42))	(((\$26.15))	(((\$26.94))

<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>\$27.69</u>	<u>\$28.49</u>	<u>\$29.32</u>

2. Accepting delivery of the dumpsters includes acceptance of these additional charges where the department determines necessary.

C. If the driver must exit the truck to open an enclosure gate, a fee may be assessed at the following rates:

((2015))	((2016))	((2017))
(((\$13.23))	(((\$13.62))	(((\$14.04))

<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>\$14.42</u>	<u>\$14.84</u>	<u>\$15.27</u>

D. Once a container is placed, billing continues until the container is removed from the property by the department.

Section 5. That SMC section 13.02.0510 is amended to read as follows:

13.02.0510 Commercial Service Rates – Compactors

Rates are stated for monthly billing with once weekly collection for compacted solid waste.

A. Where the customer supplies the compactor unit for disposal, the charge is per cubic yard of a container, provided that where the director determines an account should not be billed by cubic yard (e.g., as with rolloff boxes), an account will be billed for services in accord with the otherwise applicable rate schedule; e.g., the applicable tipping fee rate. Compactors with putrescible materials, as determined by the director, must be emptied weekly. The monthly service charge is based on a one-yard compactor multiplied by the number of yards in the compactor multiplied by the number of weekly pickups multiplied by the number of compactors.

~~((B. — One cubic yard compactor service:~~

((2015))	((2016))	((2017))
(((\$162.80))	(((\$167.52))	(((\$172.38))

C. ~~Two cubic yard compactor service:~~

((2015))	((2016))	((2017))
(((\$325.60))	(((\$335.04))	(((\$344.75))

D. ~~Three cubic yard compactor service:~~

((2015))	((2016))	((2017))
(((\$488.39))	(((\$502.56))	(((\$517.13))

E. ~~Four cubic yard compactor service:~~

((2015))	((2016))	((2017))
(((\$651.19))	(((\$670.08))	(((\$689.51))

F. ~~Five cubic yard compactor service:~~

((2015))	((2016))	((2017))
(((\$813.98))	(((\$837.59))	(((\$861.88))

G. ~~Six cubic yard compactor service:~~

((2015))	((2016))	((2017))
(((\$976.78))	(((\$1,005.10))	(((\$1,034.25))

<u>Commercial Compactors</u>	<u>Monthly Amount</u>		
	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>Compactor service</u>			
<u>1 cubic yard</u>	<u>\$177.38</u>	<u>\$182.52</u>	<u>\$187.81</u>
<u>2 cubic yard</u>	<u>\$354.75</u>	<u>\$365.04</u>	<u>\$375.63</u>
<u>3 cubic yard</u>	<u>\$532.13</u>	<u>\$547.56</u>	<u>\$563.44</u>
<u>4 cubic yard</u>	<u>\$709.51</u>	<u>\$730.09</u>	<u>\$751.26</u>
<u>5 cubic yard</u>	<u>\$886.87</u>	<u>\$912.59</u>	<u>\$939.06</u>
<u>6 cubic yard</u>	<u>\$1,064.24</u>	<u>\$1,095.10</u>	<u>\$1,126.86</u>

~~((H.))~~B. Preparation of a compaction unit in order to ready it for dumping is the responsibility of the customer. This includes any lines, latches, and handles, and wheeling it into position for dumping by City equipment.

1. A fee is assessed if any part of the container preparation is done by City personnel at the following rate:

((2015))	((2016))	((2017))
(((\$25.42))	(((\$26.15))	(((\$26.94))

<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>\$27.69</u>	<u>\$28.49</u>	<u>\$29.32</u>

~~((I.))~~C. Compacted waste is charged according to the time consumed and volume when placed in a customer-owned container. All other compacted solid waste, bales, etc., may be charged by volume, weight, or time to load at the department's discretion.

~~((J.))~~ ~~Special compactor services requiring extra loading time:~~

- 1.

((2015))	((2016))	((2017))
(((\$8.47))	(((\$8.71))	(((\$8.97))

~~per estimated ten-minute interval.~~

2. ~~Minimum charge :))~~

2015))	2016))	2017))
\$8.47))	\$8.71))	\$8.97))

<u>Special Compactor Services Requiring Extra Loading Time</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>Minimum charge</u>	<u>\$9.23</u>	<u>\$9.50</u>	<u>\$9.78</u>
<u>Per estimated 10 minute interval</u>	<u>\$9.23</u>	<u>\$9.50</u>	<u>\$9.78</u>

Section 6. That SMC section 13.02.0512 is amended to read as follows:

13.02.0512 Return Trip Charges

A. A return trip charge accrues where a collection vehicle (general solid waste or recycling) passes a premises and must return to collect materials for any reason except department fault or error. Reasons include failure to:

1. have container properly prepared for pickup,
2. have container at the required container pickup location,
3. have container at the required location at the required time, or
4. remove obstacles to department vehicle access

Return Trip Charge (Per Stop)	<u>2018</u>	<u>2019</u>	<u>2020</u>
Automated solid waste cart service or recycling cart	<u>\$13.45</u>	<u>\$13.84</u>	<u>\$14.24</u>
Commercial container dumpster/recycling dumpster	<u>\$27.69</u>	<u>\$28.49</u>	<u>\$29.32</u>
Commercial container rolloff	<u>\$27.69</u>	<u>\$28.49</u>	<u>\$29.32</u>
Move cart for access	<u>\$6.86</u>	<u>\$7.06</u>	<u>\$7.26</u>

B. A return trip or service call charge is also assessed for customer-requested container deliveries, container retrievals or trips resulting from a customer's special handling needs, as determined by the City.

~~((B. The charges are:~~

~~1. Automated solid waste cart service or recycling cart (per stop):~~

((2015))	((2016))	((2017))
(((\$12.35))	(((\$12.71))	(((\$13.07))

~~2. Commercial container dumpster/recycling dumpster service (per stop):~~

((2015))	((2016))	((2017))
(((\$25.42))	(((\$26.15))	(((\$26.94))

~~3. Commercial container rolloff service (per stop):~~

((2015))	((2016))	((2017))
(((\$25.42))	(((\$26.15))	(((\$26.94))

4. ~~Move cart for access:~~

((2015))	((2016))	((2017))
(((\$6.30))	(((\$6.48))	(((\$6.67))

- C. Return trip charges are in addition to service call charges. Where collection does not occur for any reason not the fault or error of the department, the regular collection charges accrue to the premises. This does not include the tonnage or weight charge added to rollofs.

Section 7. That SMC section 13.02.0514 is amended to read as follows:

13.02.0514 Additional Charges for Commercial Containers

- A. Debris extending above the top of the container will be charged per cubic yard. Minimum fee is for one cubic yard:

~~((4.))~~

((2015))	((2016))	((2017))
(((\$27.79))	(((\$28.60))	(((\$29.43))

<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>\$30.28</u>	<u>\$31.16</u>	<u>\$32.06</u>

- B. On-site labor charge (where collection crew is delayed by site conditions and/or must supply additional site clean-up labor or other services, e.g. where container contents are spilled due to overfill, loose lid, or other conditions, or where access is blocked by debris):

((2015))	((2016))	((2017))
(((\$25.42))	(((\$26.15))	(((\$26.94))

~~((per fifteen-minute increment, with a minimum charge of))~~

((2015))	((2016))	((2017))
(((\$25.42))	(((\$26.15))	(((\$26.94))

<u>On-site Labor Charge</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
-----------------------------	-------------	-------------	-------------

<u>Minimum charge</u>	<u>\$27.69</u>	<u>\$28.49</u>	<u>\$29.32</u>
<u>Per estimated 15 minute interval</u>	<u>\$27.69</u>	<u>\$28.49</u>	<u>\$29.32</u>

- C. When City personnel are required to adjust the materials on an overloaded container, a labor or preparation fee is assessed based upon time needed. ((The minimum charge is

((2015))	((2016))	((2017))
(((\$25.42))	(((\$26.15))	(((\$26.94))

~~per fifteen minute increment or part thereof, with a minimum charge of))~~

((2015))	((2016))	((2017))
(((\$25.42))	(((\$26.15))	(((\$26.94))

<u>Labor or Preparation Fee</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>Minimum charge</u>	<u>\$27.69</u>	<u>\$28.49</u>	<u>\$29.32</u>
<u>Per estimated 15 minute interval</u>	<u>\$27.69</u>	<u>\$28.49</u>	<u>\$29.32</u>

Section 8. That SMC section 13.02.0516 is amended to read as follows:

13.02.0516 Container Replacement Charges

The first container supplied to a premises is furnished free of charge. The customer is responsible to replace lost, damaged, or missing containers, however, and replacement costs are:

~~((A. Automated Carts (for general solid waste):~~

~~1. Thirty-two gallon automated cart:~~

((2015))	((2016))	((2017))
(((\$32.69))	(((\$33.64))	(((\$34.61))

~~2. Sixty-eight gallon automated cart:~~

((2015))	((2016))	((2017))
(((\$43.86))	(((\$45.13))	(((\$46.44))

~~3. Ninety-five gallon automated cart:--))~~

((2015))	((2016))	((2017))
(((\$50.43))	(((\$51.89))	(((\$53.40))

~~B. Dumpster/Container Replacement (front or rear load).~~

~~1. Front load.~~

~~a. One cubic yard:~~

((2015))	((2016))	((2017))
(((\$536.99))	(((\$552.57))	(((\$568.59))

~~b. Two cubic yard:~~

((2015))	((2016))	((2017))
(((\$558.91))	(((\$575.12))	(((\$591.80))

~~c. Three cubic yard:~~

((2015))	((2016))	((2017))
(((\$635.62))	(((\$654.06))	(((\$673.02))

~~d. Four cubic yard:~~

((2015))	((2016))	((2017))
(((\$750.70))	(((\$772.47))	(((\$794.87))

~~e. Six cubic yard:~~

((2015))	((2016))	((2017))
(((\$915.08))	(((\$941.62))	(((\$968.92))

~~2. Rear load.~~

~~a. One cubic yard:~~

((2015))	((2016))	((2017))
(((\$427.41))	(((\$439.80))	(((\$452.55))

b. ~~Two cubic yard:~~

((2015))	((2016))	((2017))
(((\$493.16))	(((\$507.46))	(((\$522.18))

c. ~~Three cubic yard:~~

((2015))	((2016))	((2017))
(((\$997.27))	(((\$1,026.19))	(((\$1,055.95))

d. ~~Four cubic yard:~~

((2015))	((2016))	((2017))
(((\$1,276.73))	(((\$1,313.76))	(((\$1,351.86))

e. ~~Six cubic yard:~~

((2015))	((2016))	((2017))
(((\$1,506.87))	(((\$1,550.57))	(((\$1,595.53))

C. ~~Rolloffs.~~

1. ~~Twenty cubic yard:~~

((2015))	((2016))	((2017))
(((\$6,087.73))	(((\$6,264.27))	(((\$6,445.94))

2. ~~Thirty cubic yard:~~

((2015))	((2016))	((2017))
(((\$6,602.80))	(((\$6,794.29))	(((\$6,991.32))

3. ~~Forty cubic yard standard:))~~

((2015))	((2016))	((2017))
(((\$7,978.16))	(((\$8,209.52))	(((\$8,447.60))

<u>Container Replacement Charges</u>			
	<u>2018</u>	<u>2019</u>	<u>2020</u>

<u>Automated Carts</u>			
<u>32 gallon</u>	<u>\$35.61</u>	<u>\$36.64</u>	<u>\$37.70</u>
<u>68 gallon</u>	<u>\$47.79</u>	<u>\$49.18</u>	<u>\$50.61</u>
<u>95 gallon</u>	<u>\$54.95</u>	<u>\$56.54</u>	<u>\$58.18</u>
<u>Dumpster/Container Replacement (front-load or rear-load)</u>			
<u>Front-load</u>			
<u>1 cubic yard</u>	<u>\$585.08</u>	<u>\$602.05</u>	<u>\$619.51</u>
<u>2 cubic yard</u>	<u>\$608.96</u>	<u>\$626.62</u>	<u>\$644.79</u>
<u>3 cubic yard</u>	<u>\$692.54</u>	<u>\$712.62</u>	<u>\$733.29</u>
<u>4 cubic yard</u>	<u>\$817.92</u>	<u>\$841.64</u>	<u>\$866.05</u>
<u>6 cubic yard</u>	<u>\$997.02</u>	<u>\$1,025.93</u>	<u>\$1,055.68</u>
<u>Rear-load</u>			
<u>1 cubic yard</u>	<u>\$465.67</u>	<u>\$479.17</u>	<u>\$493.07</u>
<u>2 cubic yard</u>	<u>\$537.32</u>	<u>\$552.90</u>	<u>\$568.93</u>
<u>3 cubic yard</u>	<u>\$1,086.57</u>	<u>\$1,118.08</u>	<u>\$1,150.50</u>
<u>4 cubic yard</u>	<u>\$1,391.06</u>	<u>\$1,431.40</u>	<u>\$1,472.91</u>
<u>6 cubic yard</u>	<u>\$1,641.80</u>	<u>\$1,689.41</u>	<u>\$1,738.40</u>
<u>Rolloff</u>			
<u>20 cubic yard</u>	<u>\$6,632.87</u>	<u>\$6,825.22</u>	<u>\$7,023.15</u>
<u>30 cubic yard</u>	<u>\$7,194.07</u>	<u>\$7,402.70</u>	<u>\$7,617.38</u>
<u>40 cubic yard standard</u>	<u>\$8,692.58</u>	<u>\$8,944.66</u>	<u>\$9,204.06</u>

Section 9. That SMC section 13.02.0518 is amended to read as follows:

13.02.0518 Container Cleaning, Pressure Wash, Refurbishment Charge

A. Pressure Washing.

General container cleaning service may be provided on a time and materials basis whenever requested or ordered by the department. ~~((Pressure washing rates are~~

~~for a front load container and~~

((2015))	((2016))	((2017))
(((\$54.24))	(((\$55.81))	(((\$57.43))

~~for a rolloff container. Residential cart cleaning fees are:~~

((2015))	((2016))	((2017))
(((\$75.38))	(((\$77.57))	(((\$79.82))

1. ~~Thirty two gallon:~~

((2015))	((2016))	((2017))
(((\$10.59))	(((\$10.90))	(((\$11.21))

2. ~~Sixty four or sixty eight gallon:~~

((2015))	((2016))	((2017))
(((\$15.89))	(((\$16.35))	(((\$16.82))

3. ~~Ninety five gallon:-))~~

((2015))	((2016))	((2017))
(((\$21.18))	(((\$21.79))	(((\$22.42))

<u>Container Cleaning and Pressure Washing Charge</u>			
	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>Pressure washing</u>			
<u>Front-load</u>	<u>\$59.10</u>	<u>\$60.81</u>	<u>\$62.57</u>
<u>Rolloff</u>	<u>\$82.13</u>	<u>\$84.51</u>	<u>\$86.96</u>
<u>Residential cart cleaning</u>			
<u>32 gallon</u>	<u>\$11.54</u>	<u>\$11.87</u>	<u>\$12.21</u>
<u>64 or 68 gallon</u>	<u>\$17.31</u>	<u>\$17.81</u>	<u>\$18.33</u>
<u>95 gallon</u>	<u>\$23.07</u>	<u>\$23.74</u>	<u>\$24.43</u>

B. Refurbishment.

When a customer discontinues service or a container otherwise needs a thorough cleanout because of customer request or departmental order, the department assesses a refurbishment fee. The department may use an independent contractor or assess a time and materials fee. Current charges by the contractor, subject to change, are:

~~((1. Base Price Rear-load Refuse Container.~~

a. ~~One cubic yard container:~~

((2015))	((2016))	((2017))
(((\$154.59))	(((\$159.07))	(((\$163.68))

b. ~~Two cubic yard container:~~

((2015))	((2016))	((2017))
(((\$164.13))	(((\$168.89))	(((\$173.78))

c. ~~Three cubic yard container:~~

((2015))	((2016))	((2017))
(((\$203.30))	(((\$209.20))	(((\$215.26))

d. ~~Four cubic yard container:~~

((2015))	((2016))	((2017))
(((\$211.77))	(((\$217.94))	(((\$224.23))

e. ~~Six cubic yard container:~~

((2015))	((2016))	((2017))
(((\$231.89))	(((\$238.64))	(((\$245.53))

2. ~~Bottoms — Rear load Refuse Container.~~

a. ~~One cubic yard container:~~

((2015))	((2016))	((2017))
(((\$140.83))	(((\$144.94))	(((\$149.12))

b. ~~Two cubic yard container:~~

((2015))	((2016))	((2017))
(((\$142.95))	(((\$147.09))	(((\$151.36))

c. ~~Three cubic yard container:~~

((2015))	2016))	((2017))
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(((\$156.71))	(((\$161.25))	(((\$165.93))
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d. ~~Four cubic yard container:~~

((2015))	((2016))	((2017))
(((\$171.53))	(((\$176.51))	(((\$181.63))

e. ~~Six cubic yard container:~~

((2015))	((2016))	((2017))
(((\$205.42))	(((\$211.38))	(((\$217.51))

3. ~~Lids Rear load Refuse Container.~~

a. ~~One cubic yard container:~~

((2015))	((2016))	((2017))
(((\$69.88))	(((\$71.91))	(((\$73.99))

b. ~~Two cubic yard container:~~

((2015))	((2016))	((2017))
(((\$75.18))	(((\$77.36))	(((\$79.60))

c. ~~Three cubic yard container:~~

((2015))	((2016))	((2017))
(((\$127.06))	(((\$130.75))	(((\$134.54))

d. ~~Four cubic yard container:~~

((2015))	((2016))	((2017))
(((\$150.36))	(((\$154.72))	(((\$159.20))

e. ~~Six cubic yard container:~~

((2015))	((2016))	((2017))
(((\$166.23))	(((\$171.06))	(((\$176.02))

f. ~~Swing lids for three , four , and six cubic yard:~~

((2015))	((2016))	((2017))
(((\$142.95))	(((\$147.09))	(((\$151.36))

4. ~~Casters Rear load Refuse Container.~~

a. ~~One, two, three, four, and six cubic yard:~~

((2015))	((2016))	((2017))
(((\$11.65))	(((\$11.99))	(((\$12.33))

5. ~~Base Price Front load Refuse Container.~~

a. ~~One cubic yard container:~~

((2015))	((2016))	((2017))
(((\$159.89))	(((\$164.52))	(((\$169.29))

b. ~~Two cubic yard container:~~

((2015))	((2016))	((2017))
(((\$180.00))	(((\$185.22))	(((\$190.59))

c. ~~Three cubic yard container:~~

((2015))	((2016))	((2017))
(((\$191.65))	(((\$197.21))	(((\$202.93))

d. ~~Four cubic yard container:~~

((2015))	((2016))	((2017))
(((\$203.30))	(((\$209.20))	(((\$215.26))

e. ~~Six cubic yard container:~~

((2015))	((2016))	((2017))
(((\$239.29))	(((\$246.23))	(((\$253.37))

6. ~~Bottoms Front load Refuse Container.~~

a. ~~One cubic yard container:~~

((2015))	((2016))	((2017))
(((\$116.47))	(((\$119.85))	(((\$123.33))

b. ~~Two cubic yard container:~~

((2015))	((2016))	((2017))
(((\$129.18))	(((\$132.93))	(((\$136.78))

c. ~~Three cubic yard container:~~

((2015))	((2016))	((2017))
(((\$168.35))	(((\$173.24))	(((\$178.26))

d. ~~Four cubic yard container:~~

((2015))	((2016))	((2017))
(((\$185.30))	(((\$190.68))	(((\$196.21))

e. ~~Six cubic yard container:~~

((2015))	((2016))	((2017))
(((\$217.07))	(((\$223.36))	(((\$229.84))

7. ~~Lids – Front-load Refuse Container.~~

a. ~~One cubic yard container:~~

((2015))	((2016))	((2017))
(((\$78.36))	(((\$80.63))	(((\$82.97))

b. ~~Two cubic yard container:~~

((2015))	((2016))	((2017))
(((\$83.65))	(((\$86.07))	(((\$88.57))

c. ~~Three cubic yard container:~~

((2015))	((2016))	((2017))
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(((\$83.65))	(((\$86.07))	(((\$88.57))
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d. ~~Four cubic yard container:~~

((2015))	((2016))	((2017))
(((\$90.01))	(((\$92.62))	(((\$95.30))

e. ~~Six cubic yard container:~~

((2015))	((2016))	((2017))
(((\$90.01))	(((\$92.62))	(((\$95.30))

f. ~~Pocket covers for one , two , three , four , and six cubic yard:~~

((2015))	((2016))	((2017))
(((\$58.24))	(((\$59.93))	(((\$61.67))

8. ~~Base Price Rolloff Containers.~~

a. ~~Twenty cubic yard container:~~

((2015))	((2016))	((2017))
(((\$1,540.62))	(((\$1,585.30))	(((\$1,631.27))

b. ~~Thirty cubic yard container:~~

((2015))	((2016))	((2017))
(((\$1,688.86))	(((\$1,737.83))	(((\$1,788.23))

c. ~~Forty cubic yard container:~~

((2015))	((2016))	((2017))
(((\$1,990.62))	(((\$2,048.35))	(((\$2,107.75))

d. ~~Screened dome lid for twenty and thirty cubic yard:~~

((2015))	((2016))	((2017))
(((\$1,413.56))	(((\$1,454.55))	(((\$1,496.73))

e. ~~Solid dome lid for twenty , thirty , and forty cubic yard:~~

((2015))	((2016))	((2017))
(((\$1,641.20))	(((\$1,688.80))	(((\$1,737.77))

C. ~~Container hauling for refurbishment facility (round trip):~~

((2015))	((2016))	((2017))
(((\$120.03))	(((\$123.54))	(((\$127.10))

<u>Refurbishment Charges</u>			
	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>Base – Rear-load refuse container</u>			
<u>1 cubic yard</u>	<u>\$168.43</u>	<u>\$173.31</u>	<u>\$178.34</u>
<u>2 cubic yard</u>	<u>\$178.82</u>	<u>\$184.01</u>	<u>\$189.35</u>
<u>3 cubic yard</u>	<u>\$221.50</u>	<u>\$227.92</u>	<u>\$234.53</u>
<u>4 cubic yard</u>	<u>\$230.73</u>	<u>\$237.42</u>	<u>\$244.31</u>
<u>6 cubic yard</u>	<u>\$252.65</u>	<u>\$259.98</u>	<u>\$267.52</u>
<u>Bottoms – Rear-load refuse container</u>			
<u>1 cubic yard</u>	<u>\$153.44</u>	<u>\$157.89</u>	<u>\$162.47</u>
<u>2 cubic yard</u>	<u>\$155.75</u>	<u>\$160.27</u>	<u>\$164.92</u>
<u>3 cubic yard</u>	<u>\$170.74</u>	<u>\$175.69</u>	<u>\$180.79</u>
<u>4 cubic yard</u>	<u>\$186.90</u>	<u>\$192.32</u>	<u>\$197.90</u>
<u>6 cubic yard</u>	<u>\$223.82</u>	<u>\$230.31</u>	<u>\$236.99</u>
<u>Lids – Rear-load refuse container</u>			
<u>1 cubic yard</u>	<u>\$76.14</u>	<u>\$78.35</u>	<u>\$80.62</u>
<u>2 cubic yard</u>	<u>\$81.91</u>	<u>\$84.29</u>	<u>\$86.73</u>
<u>3 cubic yard</u>	<u>\$138.44</u>	<u>\$142.45</u>	<u>\$146.58</u>
<u>4 cubic yard</u>	<u>\$163.82</u>	<u>\$168.57</u>	<u>\$173.46</u>
<u>6 cubic yard</u>	<u>\$181.12</u>	<u>\$186.37</u>	<u>\$191.77</u>
<u>Swing lids for 3, 4, and 6 cubic yard</u>	<u>\$155.75</u>	<u>\$160.27</u>	<u>\$164.92</u>
<u>Casters – Rear-load refuse container</u>			
<u>1, 2, 3, 4, and 6 cubic yard</u>	<u>\$12.69</u>	<u>\$13.06</u>	<u>\$13.44</u>
<u>Base – Front-load refuse container</u>			
<u>1 cubic yard</u>	<u>\$174.20</u>	<u>\$179.25</u>	<u>\$184.45</u>
<u>2 cubic yard</u>	<u>\$196.12</u>	<u>\$201.81</u>	<u>\$207.66</u>

<u>3 cubic yard</u>	<u>\$208.81</u>	<u>\$214.87</u>	<u>\$221.10</u>
<u>4 cubic yard</u>	<u>\$221.50</u>	<u>\$227.92</u>	<u>\$234.53</u>
<u>6 cubic yard</u>	<u>\$260.72</u>	<u>\$268.28</u>	<u>\$276.06</u>
<u>Bottoms – Front-load refuse container</u>			
<u>1 cubic yard</u>	<u>\$126.91</u>	<u>\$130.59</u>	<u>\$134.38</u>
<u>2 cubic yard</u>	<u>\$140.75</u>	<u>\$144.83</u>	<u>\$149.03</u>
<u>3 cubic yard</u>	<u>\$183.43</u>	<u>\$188.75</u>	<u>\$194.22</u>
<u>4 cubic yard</u>	<u>\$201.90</u>	<u>\$207.76</u>	<u>\$213.79</u>
<u>6 cubic yard</u>	<u>\$236.51</u>	<u>\$243.37</u>	<u>\$250.43</u>
<u>Lids – Front-load refuse container</u>			
<u>1 cubic yard</u>	<u>\$85.38</u>	<u>\$87.86</u>	<u>\$90.41</u>
<u>2 cubic yard</u>	<u>\$91.14</u>	<u>\$93.78</u>	<u>\$96.50</u>
<u>3 cubic yard</u>	<u>\$91.14</u>	<u>\$93.78</u>	<u>\$96.50</u>
<u>4 cubic yard</u>	<u>\$98.06</u>	<u>\$100.90</u>	<u>\$103.83</u>
<u>6 cubic yard</u>	<u>\$98.06</u>	<u>\$100.90</u>	<u>\$103.83</u>
<u>Pocket covers for 1, 2, 3, 4, and 6 cubic yard</u>	<u>\$63.46</u>	<u>\$65.30</u>	<u>\$67.19</u>
<u>Base – Rolloff containers</u>			
<u>20 cubic yard</u>	<u>\$1,678.58</u>	<u>\$1,727.26</u>	<u>\$1,777.35</u>
<u>30 cubic yard</u>	<u>\$1,840.09</u>	<u>\$1,893.45</u>	<u>\$1,948.36</u>
<u>40 cubic yard</u>	<u>\$2,168.87</u>	<u>\$2,231.77</u>	<u>\$2,296.49</u>
<u>Screened dome lid for 20 and 30 cubic yard</u>	<u>\$1,540.14</u>	<u>\$1,584.80</u>	<u>\$1,630.76</u>
<u>Solid dome lid for 20, 30, and 40 cubic yard</u>	<u>\$1,788.17</u>	<u>\$1,840.03</u>	<u>\$1,893.39</u>
<u>Container hauling for refurbishment facility (round trip)</u>	<u>\$130.79</u>	<u>\$134.58</u>	<u>\$138.48</u>

Section 10. That SMC section 13.02.0520 is amended to read as follows:

13.02.0520 Temporary Account

- A. Some premises needs may increase or arise on a temporary basis, such as construction, remodeling, demolition, or other short-term events.
1. Customer requests for temporary accounts may not exceed one hundred eighty days continuously within any calendar year period. After that time,

any temporary container may be removed from the premises after notice or attempt to notify the customer or owner by the department.

- B. Use of a temporary container does not displace regular solid waste service for ongoing premises needs, which must continue to be accepted. Regular solid waste generated by premises is not permitted in temporary containers. Where the director determines premises needs exceed one hundred eighty days, or it appears there may be putrescible materials accumulating, regular mandatory weekly service provisions apply.

~~((C. Rates for temporary service shall include a delivery charge of~~

((2015))	((2016))	((2017))
(((\$25.42))	(((\$26.15))	(((\$26.94))

plus:

~~1. dumpster service (three to six cubic yard containers):~~

~~a. Flat daily charge (rental fee):~~

((2015))	((2016))	((2017))
(((\$2.03))	(((\$2.09))	(((\$2.15))

~~plus appropriate disposal fee based on size of container.~~

~~2. rolloff service (twenty or thirty cubic yard containers):~~

~~a. Flat daily charge :~~

((2015))	((2016))	((2017))
(((\$4.04))	(((\$4.16))	(((\$4.28))

~~b. Load haul fee (per load):~~

((2015))	((2016))	((2017))
(((\$120.03))	(((\$123.54))	(((\$127.10))

~~c. Weight fee: As provided in SMC 13.02.0560.)~~

<u>Temporary Account</u>			
	<u>2018</u>	<u>2019</u>	<u>2020</u>

<u>Delivery charge</u>	<u>\$27.69</u>	<u>\$28.49</u>	<u>\$29.32</u>
<u>And</u>			
<u>Dumpster service (3 to 6 cubic yard containers)</u>			
<u>Flat daily charge (rental fee)</u>	<u>\$2.21</u>	<u>\$2.27</u>	<u>\$2.34</u>
<u>Plus appropriate disposal fee based on size of container</u>			
<u>Rolloff service (20 or 30 cubic yard containers)</u>			
<u>Flat daily charge (rental fee)</u>	<u>\$4.40</u>	<u>\$4.53</u>	<u>\$4.66</u>
<u>Load haul fee (per load)</u>	<u>\$130.79</u>	<u>\$134.58</u>	<u>\$138.48</u>
<u>Weight fee: As provided in SMC 13.02.0560.</u>			

C. Rental fee does not include ~~((eight and seven-tenths percent))~~ Washington State sales tax.

Section 11. That SMC section 13.02.0528 is amended to read as follows:

13.02.0528 Rates for Equipment and Labor – Packer and Nonpacker Trucks

A. Department vehicle and labor service is supplied with two kinds of vehicles: Single-axle nonpacker trucks and tandem-axle packer trucks.

1. Disposal fees are charged in addition to equipment and labor charges.
2. Regular garbage collection vehicles are also called “packer” trucks because they operate with a compaction facility that pushes or packs in waste. For some disposal needs, such as odd-shaped debris or materials, regular open bed trucks are more suitable. These vehicles are called “nonpacker” trucks.
3. Department packer trucks are all larger tandem-axle design. Department nonpacker trucks are all smaller single-axle design.
4. Distinguished from this service is rolloff service, where a rolloff box is loaded by the customer, rather than with department labor. (See SMC 13.02.0506)

B. Rates.

Rates in this section are stated based on fifteen-minute increments. The minimum charge is fifteen minutes.

~~((1. Nonpacker, single axle, truck, and driver:~~

((2015))	((2016))	((2017))
(((\$22.75))	(((\$23.41))	(((\$24.09))

a. ~~Each extra person:~~

((2015))	((2016))	((2017))
(((\$18.94))	(((\$19.49))	(((\$20.06))

2. ~~Tandem-axle truck, driver, and loader:))~~

((2015))	((2016))	((2017))
(((\$31.61))	(((\$32.53))	(((\$33.47))

<u>Packer and Nonpacker Trucks</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>Nonpacker, single-axle, truck, and driver</u>	<u>\$24.79</u>	<u>\$25.51</u>	<u>\$26.25</u>
<u>Each extra person</u>	<u>\$20.64</u>	<u>\$21.24</u>	<u>\$21.86</u>
<u>Tandem-axle truck, driver, and loader</u>	<u>\$34.44</u>	<u>\$35.44</u>	<u>\$36.47</u>

C. In addition to the labor and equipment charges, there is added to subsection (B) of this section a charge for waste disposal, as shown in SMC 13.02.0560, except that the minimum charge for waste disposal shall be equal to one-quarter of the applicable tonnage fee.

D. Overtime Periods.

When a customer requests service on holidays, Saturdays, or Sundays, or other overtime periods, an additional charge equal to the total labor paid plus the normal hauling fee shall apply.

Section 12. That SMC section 13.02.0530 is amended to read as follows:

13.02.0530 Small Animal Remains

~~((The charge for picking up animal remains (up to twenty pounds) is~~

((2015))	((2016))	((2017))
(((\$45.42))	(((\$46.74))	(((\$48.09))

~~A billing fee is added for preparation of a bill. The fee is:))~~

((2015))	((2016))	((2017))
(((\$7.00))	(((\$7.20))	(((\$7.41))

<u>Picking up animal remains charge</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>Up to 20 pounds</u>	<u>\$49.48</u>	<u>\$50.91</u>	<u>\$52.39</u>
<u>Bill preparation fee</u>	<u>\$7.62</u>	<u>\$7.84</u>	<u>\$8.07</u>

Section 13. That SMC section 13.02.0552 is amended to read as follows:

13.02.0552 Recycling Rates- Nonresidential – Residential Premises with Multi-unit Dwellings Premises – Additional

- A. The following rates apply to premises with multi-unit dwellings where the director determines larger volume containers are needed. In addition to the residential recycling program, customers not otherwise participating may request recycling service of any and all materials accepted in the curbside program under the following rates. (See SMC 13.02.0122(B))
- B. Collection of single-stream recyclables is available weekly at the following monthly rates:

~~((1. Thirty two, sixty four, and ninety five gallon cart service:~~

((2015))	((2016))	((2017))
(((\$14.21))	(((\$14.62))	(((\$15.05))

~~2. One yard dumpster:~~

((2015))	((2016))	((2017))
(((\$29.65))	(((\$30.51))	(((\$31.39))

~~3. Two yard dumpster:~~

((2015))	((2016))	((2017))
(((\$45.49))	(((\$46.81))	(((\$48.17))

~~4. Three yard dumpster:~~

((2015))	((2016))	((2017))
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(((\$68.23))	(((\$70.21))	(((\$72.25))
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5.——Four yard dumpster:

((2015))	((2016))	((2017))
(((\$90.97))	(((\$93.61))	(((\$96.33))

6.——Six yard dumpster:

((2015))	((2016))	((2017))
(((\$136.48))	(((\$140.43))	(((\$144.51))

((G.——Loose Yardage

1.——One yard of material:

((2015))	((2016))	((2017))
(((\$40.23))	(((\$41.40))	(((\$42.60))

2.——Two yards of material:

((2015))	((2016))	((2017))
(((\$56.08))	(((\$57.71))	(((\$59.38))

3.——Three yards of material:

((2015))	((2016))	((2017))
(((\$78.82))	(((\$81.11))	(((\$83.46))

4.——Four yards of material:

((2015))	((2016))	((2017))
(((\$101.56))	(((\$104.51))	(((\$107.54))

5.——Six yards of material:))

((2015))	((2016))	((2017))
(((\$147.06))	(((\$151.33))	(((\$155.72))

<u>Collection of single-stream recyclables</u>	<u>Monthly Amount</u>		
	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>Carts and dumpsters</u>			
<u>32, 64, and 95 gallon cart</u>	<u>\$15.49</u>	<u>\$15.94</u>	<u>\$16.40</u>
<u>1 cubic yard dumpster</u>	<u>\$32.30</u>	<u>\$33.24</u>	<u>\$34.20</u>
<u>2 cubic yard dumpster</u>	<u>\$49.57</u>	<u>\$51.01</u>	<u>\$52.49</u>
<u>3 cubic yard dumpster</u>	<u>\$74.35</u>	<u>\$76.51</u>	<u>\$78.73</u>
<u>4 cubic yard dumpster</u>	<u>\$99.12</u>	<u>\$101.99</u>	<u>\$104.95</u>
<u>6 cubic yard dumpster</u>	<u>\$148.70</u>	<u>\$153.01</u>	<u>\$157.45</u>
<u>Loose yardage of material</u>			
<u>1 yard</u>	<u>\$43.84</u>	<u>\$45.11</u>	<u>\$46.42</u>
<u>2 yards</u>	<u>\$61.10</u>	<u>\$62.87</u>	<u>\$64.69</u>
<u>3 yards</u>	<u>\$85.88</u>	<u>\$88.37</u>	<u>\$90.93</u>
<u>4 yards</u>	<u>\$110.66</u>	<u>\$113.87</u>	<u>\$117.17</u>
<u>6 yards</u>	<u>\$160.24</u>	<u>\$164.89</u>	<u>\$169.67</u>

((D-))C. Rollout rates, including packouts for recycling carts, are available at the same increment and percentage of increase as the general mixed solid waste rate (one-half of standard sixty-eight gallon refuse rate for each fifty feet for items not within six feet of pickup location).

((E-))D. Load Truck Loose Yardage Recyclables – Collection Rates/Hour (hand-loaded). Rates in this section are stated based on fifteen-minute increments. The minimum charge is thirty minutes.

((1.——Single-axle truck and driver:

((2015))	((2016))	((2017))
(((\$21.99))	(((\$22.63))	(((\$23.28))

2.——Tandem-axle truck and driver:))

((2015))	((2016))	((2017))
(((\$30.56))	(((\$31.45))	(((\$32.36))

<u>Load Truck Loose Yardage Recyclables</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>Single-axle truck and driver</u>	<u>\$23.96</u>	<u>\$24.65</u>	<u>\$25.36</u>

<u>Tandem-axle truck driver</u>	<u>\$33.30</u>	<u>\$34.27</u>	<u>\$35.26</u>
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- E. The department ((also)) retains any proceeds from sale of recyclables.
- F. Loads including non-recyclable solid waste are charged as a regular solid waste load, in addition to return trip charges applicable.
- G. The director of solid waste management reserves the right to deny service to any generator that does not meet a minimum standard of recyclable quality as determined by the director's evaluation.

Section 14. That SMC section 13.02.0554 is amended to read as follows:

13.02.0554 Clean Green Yard Waste Collection

- A. Any customer may apply to the department for collection of "clean green" yard waste. Participation is voluntary.
 - 1. To be accepted as "clean green" yard waste, material must consist of grass, leaves, pine needles, pine cones, thatch, vines, weeds, and branches, or other such fresh yard waste type material, not putrefied. Food scraps and compostable paper products are acceptable.
 - 2. Woody material must be no more than three inches in diameter and not extend outside the approved collection container.
 - 3. Material may be bundled next to the container not to exceed six feet in length.
 - 4. Total gross cart weight may not exceed two hundred fifty pounds.
- B. In addition to subsection (A) of this section, customers are cautioned that "clean green" yard material may not contain any of the following:
 - 1. Sod (beyond small amounts).
 - 2. Rocks.
 - 3. Dirt.
 - 4. Gravel.
 - 5. Concrete.
 - 6. Glass.

7. Metal.
8. Plastic.
9. [Reserved].
10. Animal feces.
11. Paint residue.
12. Christmas or holiday decorations.
13. Non-compostable paper products.
14. Flocking.
15. Dimensional lumber.
16. Stumps/roots.

A load is further not considered clean green if it emanates a strong odor, detectable by an ordinary person at a distance of thirty feet. Loads submitted not acceptable as clean green will be left by clean green collection crews and must be handled as a category solid waste. The rate shall be as for a ninety-five gallon automated style container, as set in SMC 13.02.0502.

- C. The collection day for clean green yard waste shall be on a weekly basis, on the same day as the customer's regular solid waste collection. Service is provided only in ninety-five gallon carts supplied by the department.
- D. The service is billed and payable monthly, as follows:

~~((1. March through November:~~

((2015))	((2016))	((2017))
(((\$14.99))	(((\$15.43))	(((\$15.87))

~~2. December through February: No charge.))~~

<u>Clean green yard waste collection</u>	<u>Monthly Amount</u>		
	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>March through November</u>	<u>\$16.33</u>	<u>\$16.80</u>	<u>\$17.29</u>
<u>December through February</u>	<u>No Charge</u>		

~~((3-))~~1. Extra dump:

((2015))	((2016))	((2017))
(((\$3.75))	(((\$3.85))	(((\$3.97))

<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>\$4.09</u>	<u>\$4.21</u>	<u>\$4.33</u>

~~((4-))~~2. Yard waste cart packout charged at same rate as refuse (one half of standard sixty-eight gallon refuse rate for each fifty feet for items not within the six feet of pickup location).

E. There is no container delivery charge for the first delivery to a given customer. Thereafter, the redelivery charge is the same amount as the container pickup fee as listed below.

1. The container pickup fee is:

((2015))	((2016))	((2017))
(((\$25.42))	(((\$26.15))	(((\$26.94))

<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>\$27.69</u>	<u>\$28.49</u>	<u>\$29.32</u>

if requested within twelve months of the initial delivery.

2. The customer is responsible for the cost of cart replacement in case of loss or damage.

Section 15. Effective Date. This ordinance shall take effect and be in force on January 1, 2018.

PASSED BY THE CITY COUNCIL ON _____

Council President

Attest:

Approved as to form:

City Clerk

Assistant City Attorney

Mayor

Date

Effective Date

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

07/10/2017

Date Rec'd

6/23/2017

Clerk's File #

OPR 2017-0461

Renews #**Submitting Dept**

CITY COUNCIL

Cross Ref #**Contact Name/Phone**

BEN STUCKART 625-6257

Project #**Contact E-Mail**

BSTUCKART@SPOKANECITY.ORG

Bid #**Agenda Item Type**

Contract Item

Requisition #**Agenda Item Name**

0320 - MOU WITH LYFT FOR OPERATION OF TNC SERVICES IN THE CITY OF SPOKANE

Agenda Wording

Proposed memorandum of understanding (MOU) with Lyft to allow the operation of transportation network company (TNC) services in the City of Spokane.

Summary (Background)

This proposed MOU would allow the operation of TNC services in Spokane by Lyft for a two-year term, institutes a flat fee (as opposed to a "per ride" charge, clarifies public records act (PRA) processes, and increases fines for violation of the MOU.

Fiscal Impact**Budget Account**

Revenue \$ 25,000

0020-88100-99999-32161-30041

Select \$

#

Select \$

#

Select \$

#

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

MCDANIEL, ADAM

Study Session

Finance Comm., 6-19-2017

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

ORLOB, KIMBERLY

Distribution List**Legal**

PICCOLO, MIKE

For the Mayor

DUNIVANT, TIMOTHY

Additional Approvals**Purchasing**



City of Spokane
Transportation Network Operating Agreement
by and between
Lyft, LLC and the City of Spokane

This Operating Agreement is entered into this _____ day of _____, 2017 between the **City of Spokane**, whose address is 808 West Spokane Falls Boulevard, Spokane, Washington 99201 ("City"), and **Lyft, Inc.**, a Delaware corporation, whose address is 185 Berry Street, Suite 5000, San Francisco, California 94107 ("Lyft"). Individually hereafter referenced as a "party", and together as the "parties".

WHEREAS, Lyft is a ride-sharing network using a digital platform ("Platform") to connect passengers to ridesharing operators using their personal vehicles for the purpose of transportation services - a Transportation Network Company ("TNC"); and

WHEREAS, Lyft and the City agree the City has authority to enter into this Agreement, as well as the authority to regulate TNCs in Spokane. Lyft and the City, respectively, reserve all rights in any enforcement or regulatory action which may arise in connection with this Agreement and in connection with the regulation of transportation network services; and

WHEREAS, the City has the statutory authority to regulate for-hire vehicles pursuant to Art. XI, Section 11 of the Washington State Constitution, as well as RCW 46.72.160.

-- NOW, THEREFORE,

The parties hereto agree as follows:

1. LYFT AND THE CITY AGREE AS FOLLOWS:

The City permits, during the term of this Agreement, Lyft to operate in the City of Spokane as a TNC, using the Platform; subject to the terms, conditions and restrictions set forth herein. This Agreement shall be effective on January 1, 2017 and shall expire upon the first to occur of the following: (1) the effective date of any amendment to chapter 10.34, Spokane Municipal Code (SMC), ("For-Hire Vehicles") which creates regulations on TNCs, or (2) on December 31, 2017. The City may terminate this Agreement, in its sole discretion, upon thirty (30) days' written notice to Lyft.

2. LYFT AGREES AS FOLLOWS:

- A. Lyft shall maintain a website that provides a customer service telephone number and email address.
- B. Lyft shall maintain an agent for service of process in Spokane, Washington.
- C. Lyft shall maintain accurate and up-to date records of all drivers (“Operators”) providing services through the Platform, and further shall allow the City during regular business hours to audit all records pertaining to up to five (5) Operators each quarter, which records shall be made available to the City within fifteen (15) business days of the City’s written request. Notwithstanding the foregoing, the City may request Lyft to produce records at any time to investigate a specific complaint about a Lyft Operator regarding compliance with this Operating Agreement, which such records shall not be unreasonably withheld by Lyft.
- D. Upon completion of a trip, Lyft shall transmit an electronic receipt to the passenger’s email address or mobile application documenting the origination and destination of the trip and a description of the total amount paid, if any.
- E. Lyft Operators shall only accept rides which are booked through the Platform, and shall neither solicit, nor accept street-hails.
- F. Lyft Operators may offer service for compensation, no-charge, or suggested compensation. Lyft shall disclose rates used to determine any compensation or suggested compensation on its app and/or website.
- G. The app used by Lyft to connect Operators and passengers must display for the passenger the name and photograph of the Operator, as well as the make, model and license plate number of the specific vehicle.
- H. Lyft shall establish a driver-training program designed to ensure that each Operator safely operates his or her vehicle prior to any driver being able to offer any such service.
- I. Lyft shall maintain a zero-tolerance policy on the use of drugs or alcohol for all Operators on the Platform; provide notice of such policy on its website and/or app, as well as the procedures to report a complaint about an Operator with whom the passenger was matched, and for whom the passenger reasonably suspects was under the influence of drugs or alcohol during the course of the ride, and shall immediately suspend said Operator upon receipt of a passenger complaint alleging a violation of the zero-tolerance policy. The suspension shall last for at least the duration of the investigation.

- J. Prior to permitting a person to act as an Operator on its Digital Network, and annually thereafter, Lyft shall obtain and review a criminal history background check/report for such person. The criminal background check shall be a national criminal background check, including without limitation: the national sex offender database. Any person who has been convicted, within the past seven (7) years, of driving under the influence of drugs or alcohol, fraud, use of a motor vehicle to commit a felony, a crime involving property damage, and/or theft, or who has been convicted at any time for sexual offenses, acts of violence, or acts of terror shall not be permitted to be a Lyft operator. Lyft will maintain electronic records of such criminal background checks for a period of two (2) years, and shall provide such records for up to five (5) Operators each quarter, within fifteen (15) business days of a written request by the City. Notwithstanding the foregoing, the City may request Lyft to produce records at any time to investigate a specific complaint about a Lyft Operator regarding compliance with this Operating Agreement, which such subject records Lyft shall not unreasonably withhold.
- K. Prior to permitting a person to act as an Operator on its network, and annually thereafter, Lyft shall obtain and review a driving history research report for such person. Any person with: (i) more than three (3) moving violations in the three (3) year period prior to such check, or (ii) a major violation in the three (3) year period prior to such check (including, but not limited to: attempting to evade the police, reckless driving, or driving on a suspended or revoked license) shall not be permitted to be a Lyft Operator on the Lyft Platform. Lyft will maintain electronic records of such driving history research reports for a period of two (2) years and shall provide such records for up to five (5) Operators each quarter to the City upon written request by the City within fifteen (15) business days of such request. Notwithstanding the foregoing, the City may request Lyft to produce records at any time to investigate a specific complaint about a Lyft Operator regarding compliance with this Operating Agreement, which records shall not be unreasonably withheld.
- L. Lyft shall maintain automobile liability ("Auto") Insurance covering all vehicles operated by Lyft Operators within the City of Spokane, and having a minimum combined single limit of one million dollars (\$1,000,000.00) per occurrence for bodily injury, and property damage for accidents involving a vehicle while a Lyft Operator is in transit to a ride requestor or during a trip requested through Lyft's Digital Platform, until the last requesting passenger exits the vehicle. Within fifteen (15) days of the effective date of this Agreement, Lyft shall provide evidence to the City that each Lyft vehicle operated by a Lyft Operator in connection with Lyft's digital platform within the City is covered by Auto Insurance. Within fifteen (15) days of the effective date of this Agreement, Lyft shall provide to the City a Certificate Of Insurance (COI) for such policy, naming Lyft as the insured and an endorsement covering the City as an Additional Insured via blanket endorsement. The Auto Insurance shall not be canceled, nor

have coverage reduced during the term of this Agreement. Cancellation or reduction of coverage during the term of this Agreement is a material breach of this Agreement.

- L. There shall be no cancellation, reduction of limits or intent not to renew the Insurance coverage(s) without thirty (30) days written notice from Lyft or its insurer(s) to the City. As evidence of the insurance coverage(s) required by this Agreement, Lyft shall furnish acceptable Certificates of Insurance (COI) to the City at the time it returns this signed Agreement. The certificate shall specify the City of Spokane as "Additional Insured" via blanket endorsement specifically for Lyft's services under this Agreement, as well as all parties who are Additional Insureds, and include applicable policy endorsements, the thirty (30) day cancellation clause, and the deduction or retention level. Lyft shall be solely financially responsible for all pertinent deductibles, self-insured retentions, and/or self-insurance.

M. Lyft Operators shall:

- (1) Possess a valid driver's license, possess current proof of registration, maintain current Automobile Insurance, and be at least twenty-one (21) years of age; and
- (2) Provide proof of both the Lyft Operator's personal insurance and Auto Insurance in the case of an accident.

N. Lyft Vehicles may be street-legal coupes, sedans, or light-duty vehicles, including without limitation: vans, minivans, sport utility vehicles (SUVs), hatchbacks, convertibles and pickup trucks.

O. All vehicles shall have a safety inspection conducted annually by Lyft or a third (3rd) party before used to provide service. Such inspection shall include, at a minimum, the following:

- (1) Foot brakes;
- (2) Parking brakes;
- (3) Steering mechanism;
- (4) Windshield;
- (5) Rear window and other glass;
- (6) Windshield wipers;
- (7) Headlights;
- (8) Tail lights;
- (9) Turn indicator lights;
- (10) Stop lights;
- (11) Front seat adjustment mechanism;

- (12) Doors (open, close, lock);
- (13) Horn;
- (14) Speedometer;
- (15) Bumpers;
- (16) Muffler and exhaust system;
- (17) Condition of tires, including tread depth;
- (18) Interior and exterior rear view mirrors; and
- (19) Safety belts for driver and passenger(s).

Lyft shall provide to the City, upon written request by the City, all reports of annual safety inspections of any Lyft vehicles used within the City of Spokane within fifteen (15) business days of such request.

19. Lyft Operators shall not use any marked taxicab zones.

20. Lyft shall pay to the City, in quarterly installments, a fee of **TWELVE THOUSAND FIVE HUNDRED AND NO/100 DOLLARS (\$12,500.00)** to cover any administrative and regulatory costs associated with the Lyft Platform and the City's administration and enforcement of this Agreement during the term of this Agreement as stated in paragraph 1 herein.

21. The operation of Lyft vehicles at the Spokane International Airport ("SIA") shall be governed by an Agreement between Lyft and the SIA Board. In event of any conflict between an operations agreement between Lyft and the SIA Board and this Agreement, this City Agreement shall control.

22. Lyft shall provide the City with information about its complaint process, and how allegations of its zero tolerance policy are handled, and further shall provide the City any updates to the complaint process, as those updates become effective from time to time.

23. NOT AN EMPLOYEE.

This Agreement does not intend Lyft to act as a City employee. The City has neither direct, nor immediate control over Lyft, nor the right to control the manner or means by which Lyft works. Neither Lyft nor any Lyft employee shall be an employee of the City. This Agreement prohibits Lyft to act as an agent or legal representative of the City. Lyft is not granted express or implied rights or authority to assume or create any obligation or responsibility for, or in the name of the City, or to bind the City. The City is not liable for nor obligated to pay sick leave, vacation pay, or any other benefit of employment, nor to pay social security or other tax that may arise from employment. Lyft shall solely be responsible for paying all income and any other taxes, or fees as due.

24. OWNERSHIP AND USE OF RECORDS AND DOCUMENTS.

Original documents, drawings, designs, reports, or any other records developed or

created under this Agreement by the City shall belong to the City. All records submitted by the City to Lyft shall be safeguarded by Lyft.

25. PUBLIC RECORDS REQUESTS.

Public Records Requests (PRR) are subject to the provisions of Washington's Public Records Act (PRA), as well as statutorily guided by RCW Chapter 42.56.

26. SOCIAL EQUITY REQUIREMENTS / NON-DISCRIMINATION.

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 including gender expression or gender identity, national origin, honorably discharged veteran or military status, the presence of any sensory, mental or physical disability, or use of a service animal by a person with disabilities. Lyft agrees to comply with, and to require that all subcontractors comply with, federal, state and local nondiscrimination laws, including but not limited to: the Civil Rights Act of 1964, the Rehabilitation Act of 1973, the Age Discrimination in Employment Act, and the American's With Disabilities Act, to the extent those laws are applicable.

27. THE CITY AGREES TO THE FOLLOWING:

- A. At all times during the term of this Agreement, the City will not apply chapter 10.34, SMC to Lyft and Lyft Operators, unless such enforcement stems solely and directly from violation of any provisions within this Agreement. Lyft and Lyft operators are subject to, and shall comply with all provisions of Chapter 16A.61, SMC (rules of the road).
- B. Failure to adhere to the requirements of this Agreement by Lyft or a Lyft operator may result in the imposition of a fine of five hundred and no/100 dollars (\$500.00) per violation (including one hundred and no/100 (\$100.00) per day for continuing violations) by the City, or termination of this Agreement; at the City's sole discretion. Lyft Operators, who are independent contractors, are solely responsible for citations issued to them in their individual capacities. Lyft disclaims responsibility for individual Lyft Operator citations. If Lyft or a Lyft Operator does not agree with the City's determination of a violation of this Agreement, an appeal may be filed with the City Administrator, the decision of whom shall be final.
- C. Any information that Lyft makes available to the City pursuant to this Agreement that Lyft designates in writing as "confidential" is deemed to be confidential information of Lyft ("Lyft's Confidential Information"). The City agrees not to disclose Lyft's Confidential Information to any third party, without Lyft's express written permission, unless required to do so by applicable law or a court order,

including without limitation: the Washington Public Records Act (PRA), or RCW Chapter 42.56. If a valid Public Records Request or other formal request is made to the City for Lyft's Confidential Information, the City shall provide written notice to Lyft prior to disclosure, and in turn provide Lyft with an opportunity to contest such disclosure

DATED: _____

CITY OF SPOKANE

By: _____

Title: _____

ATTEST:

APPROVED AS TO FORM:

City Clerk

Assistant City Attorney

DATED: _____

LYFT, LLC

By: _____

Title: _____

17-460a

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

07/10/2017

Date Rec'd

6/23/2017

Clerk's File #

OPR 2017-0462

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

CITY COUNCIL

Contact Name/Phone

BEN STUCKART 625-6258

Contact E-Mail

BSTUCKART@SPOKANECITY.ORG

Agenda Item Type

Contract Item

Agenda Item Name

0320 - MOU WITH RASIER (UBER) FOR TNC OPERATIONS

Agenda Wording

Proposed memorandum of understanding with Rasier (the company that operates Uber) for operation of transportation network company (TNC) services in the City of Spokane.

Summary (Background)

This proposed MOU will allow Uber to operate in Spokane for an additional two years, upon payment of flat annual fee, clarifies public records act (PRA) applicability, and increases fines for violation of the MOU's terms.

Fiscal Impact

Revenue \$ 20,000

Select \$

Select \$

Select \$

Budget Account

0020-88100-99999-32161-30042

#

#

#

Approvals**Dept Head**

MCDANIEL, ADAM

Division Director**Council Notifications****Study Session****Other**

Finance Comm, 6-19-2017

Finance

ORLOB, KIMBERLY

Legal

PICCOLO, MIKE

For the Mayor

DUNIVANT, TIMOTHY

Distribution List**Additional Approvals****Purchasing**



City of Spokane

**Transportation Network Operating Agreement
by and between
Rasier, LLC and the City of Spokane**

This Operating Agreement is entered into this _____ day of _____, 2017 between the **City of Spokane**, whose address is 808 West Spokane Falls Boulevard, Spokane, Washington 99201 ("City"), and **Rasier, LLC**, whose address is 1455 Market Street, Fourth Floor, San Francisco, California 94103 ("Rasier").

WHEREAS, Rasier is a Transportation Network Company ("TNC") providing a digital network ("Digital Network") which connects passengers to TNC operators, using personal vehicles to provide transportation services; and

WHEREAS, Rasier and the City agree to the principles set forth below with respect to the Digital Network. The parties agree that Rasier's acceptance of these principles acknowledges, solely for purposes of this Agreement, that the City has the authority to enter into this Agreement, and further the authority to regulate TNCs. Rasier and the City, respectively, reserve all rights, including the right to contest the applicability of any laws or rules, in any enforcement or regulatory action which may arise in connection with this Agreement, and in connection with the regulation of Transportation Network Services. Rasier does not waive its right to propose or support different principles, terms or conditions, or raise any defense in any other local, state, or federal regulatory, or legal proceeding; including municipal-level proceedings; and

WHEREAS, the City has the statutory authority to regulate for-hire vehicles pursuant to Art. XI, Section 11 of the Washington State Constitution, and additionally within the purview of RCW 46.72.160.

-- NOW, THEREFORE,

RASIER AND THE CITY AGREE AS FOLLOWS:

The City permits, during the term of this Agreement, Rasier to operate in the City of Spokane as a TNC, using the Digital Network; subject to the conditions and restrictions set forth herein. This Agreement shall expire on December 31, 2017, or upon the effective date of any amendment to the Spokane Municipal Code (SMC), which imposes regulations on the operation of TNCs in the City, whichever occurs first. The City may terminate this Agreement upon thirty (30) days' written notice to Rasier.

RASIER AGREES AS FOLLOWS:

1. Rasier shall maintain a website that provides customer service contact information, including an email address.
2. Rasier shall maintain an agent for service of process in Spokane, Washington.
3. Rasier shall maintain accurate and up-to date records of all operators providing TNC services through the Digital Network.
4. Upon completion of a trip, Rasier shall transmit, on behalf of the operator, an electronic receipt to the passenger's email address, or mobile application documenting the origination and destination of the trip, and a description of the total amount paid, if any.
5. Rasier's TNC operators shall only accept ride requests booked through the Digital Network, and shall neither solicit nor accept street-hails.
6. Rasier's TNC operators may offer service for compensation, no-charge, or suggested compensation. Rasier shall disclose rates used to determine any compensation or suggested compensation on its app and/or website.
7. The app used by Rasier to connect operators and passengers must display for the passenger: the name and photograph of the operator, as well as the make, model and license plate number of the subject TNC vehicle.
8. Rasier shall establish a driver-training program designed to ensure that each driver safely operates his or her vehicle prior to any driver offering any TNC service.
9. Rasier shall maintain a zero-tolerance policy on the use of drugs, or alcohol for all drivers on the Digital Network; provide notice of such policy on its website and/or app, as well as the procedures to report a complaint about a driver with whom the passenger was matched and whom the passenger reasonably suspects was under the influence of drugs, or alcohol during the course of the ride. Rasier shall immediately suspend a driver upon receipt of a passenger complaint alleging a violation of the zero-tolerance policy, and conduct an investigation of the reported incident. The suspension shall last for at least the duration of the investigation.
10. Prior to permitting a person to act as an operator on its Digital Network, and annually thereafter, Rasier shall obtain and review a criminal history background report/check for such person. The criminal background check shall be a local, state and national criminal background check, including without limitation: the public national sex offender database. Any person who is registered as a sex offender, or who has been convicted, within the past seven (7) years, of driving

under the influence of drugs or alcohol, or of crimes involving felony fraud, sexual offenses, use of a motor vehicle to commit a felony, acts of violence, or acts of terror shall not be permitted to be a Rasier TNC operator. Rasier will maintain electronic records of such criminal background checks for a period of two (2) years after the conclusion of the term of this Agreement, including early termination of this Agreement under the provisions.

11. Prior to permitting a person to act as a driver on its Digital Network, and annually thereafter, Rasier shall obtain and review a driving history research report for such person. Any person with: (i) more than three (3) moving violations in the three (3) year period prior to such check, or (ii) a major violation in the three (3) year period prior to such check (including, but not limited to: attempting to evade the police, reckless driving, or driving on a suspended or revoked license) shall not be permitted to be a Rasier TNC operator. Rasier will maintain electronic records of such driving history research reports for a period of two (2) years after the conclusion of the term of this Agreement, including early termination of this Agreement under the provisions.
12. Rasier shall maintain Automobile Liability ("Auto") insurance covering all TNC vehicles operated by Rasier's TNC operators within the City of Spokane, and having a minimum combined single limit of one million dollars (\$1,000,000.00) per occurrence for bodily injury and property damage for accidents involving a vehicle while a Rasier TNC operator is in transit to a ride requestor, or during a trip requested through Rasier's Digital Network until the last requesting passenger exits the vehicle. Rasier will be entitled to maintain Auto Insurance on a blanket basis for all insured TNC vehicles. Within ten (10) days of the effective date of this Agreement, Rasier shall provide evidence to the City that each TNC vehicle operated by a Rasier TNC operator in connection with Rasier's Digital Network within the City has Auto insurance. Within ten (10) days of the effective date of this Agreement, Rasier shall provide to the City a Certificate of Insurance (COI) for such policy, naming Rasier as the insured and an additional endorsement exhibiting covering for the City as an Additional Insured. The Auto Insurance shall not be canceled, materially modified, or have coverage reduced during the term of this Agreement. Cancellation, material modification, or reduction of any Insurance coverage(s) during the term of this Agreement is a material breach of this Agreement.

A. There shall be no cancellation, material change, reduction of limits or intent not to renew the Insurance coverage(s) under this Agreement without sixty (60) days written notice from Raiser, or its insurer(s) to the City. As evidence of the Insurance coverage(s) required by this Agreement, Raiser shall furnish acceptable Certificates Of Insurance (COI) to the City at the time that Rasier returns this signed Agreement. The COI shall specify the City of Spokane as "Additional Insured" specifically for Raiser's services under this Agreement, as well as all additional parties who are Additional Insureds, and shall include applicable policy endorsements, the sixty (60) day cancellation clause, and the deduction or retention level. Raiser shall be solely financially responsible for all

pertinent deductibles, self-insured retentions, and/or self-insurance.

13. Rasier's TNC Operators shall:

- (1) Possess a valid driver's license, current proof of registration, maintain current Auto Insurance, and be at least twenty-one (21) years of age; and
- (2) Provide proof of both the Rasier TNC operator's personal insurance and Auto Insurance in the case of an accident; provided that the operator shall have twenty-four (24) hours to provide proof of TNC insurance.

14. TNC vehicles may be street-legal coupes, sedans, or light-duty vehicles, including without limitation; vans, minivans, sport utility vehicles (SUVs), hatchbacks, convertibles and pickup trucks.

15. All TNC vehicles shall have a safety inspection conducted annually by Rasier or a third (3rd) party before use to provide TNC service(s). Such inspection shall include, at a minimum, the following:

- (1) Foot brakes;
- (2) Parking brakes;
- (3) Steering mechanism;
- (4) Windshield;
- (5) Rear window and other glass;
- (6) Windshield wipers;
- (7) Headlights;
- (8) Tail lights;
- (9) Turn indicator lights;
- (10) Stop lights;
- (11) Front seat adjustment mechanism;
- (12) Doors (open, close, lock);
- (13) Horn;
- (14) Speedometer;
- (15) Bumpers;
- (16) Muffler and exhaust system;
- (17) Condition of tires, including tread depth;
- (18) Interior and exterior rear view mirrors; and
- (19) Safety belts for driver and passenger(s).

16. Rasier's TNC operators shall not use any marked taxicab zones.

17. Rasier shall pay to the City, upon execution of this Agreement, a fee of **TEN THOUSAND DOLLARS (\$10,000.00)** to cover any administrative and regulatory costs associated with the City's administration and enforcement of this Agreement.

18. The operation of TNC vehicles at the Spokane International Airport ("SIA") shall

be governed by an Agreement between Raiser and the SIA Board. In event of any conflict between an operations agreement between Raiser, and the SIA Board, and this Agreement, this Agreement shall control.

19. Rasier shall implement and comply with a complaint process as follows:

- a. Complaints from the public concerning activities of Rasier's TNC operators are to be made directly to Rasier.
- b. Within ten (10) calendar days of receiving a complaint, Rasier will report to the City both (1) the nature of the complaint (such as driver demeanor, allegation of traffic regulation violation, lost and found issue, etc), and (2) the steps Rasier has taken or will take to resolve the complaint, if any.
- c. Rasier will notify the City within fifteen (15) calendar days of resolving a complaint that the complaint has been satisfactorily resolved and the nature of the resolution or that Rasier has determined that no resolution is required for the complaint (e.g., if the complaint is determined to lack merit).
- d. Rasier's failure to resolve a complaint which requires resolution in a reasonably expeditious manner is a material breach of this Agreement. The City may impose a fine of up to five hundred and no/100 dollars (\$500.00) for each violation of this Section 19, if Rasier does not undertake reasonable efforts to resolve such a complaint within thirty (30) days of receipt.

20. Rasier is an independent consultant. This Agreement does not intend Rasier to act as a City employee. The City has neither direct nor immediate control over Rasier, nor the right to control the manner or means by which Rasier works. Neither Rasier nor any Rasier employee shall be an employee of the City. This Agreement prohibits Rasier to act as an agent, or legal representative of the City. Rasier is not granted express or implied rights or authority to assume or create any obligation or responsibility for or in the name of the City, or to bind the City. The City is not liable for, nor obligated to pay sick leave, vacation pay, or any other benefit of employment, nor to pay social security or other tax that may arise from employment.

21. For the sole purpose of verifying that Rasier is in compliance with the requirements of this Agreement, the City may conduct, no more than two times per year, an audit of the records that Rasier is required to maintain under this Agreement. The City shall have the right to audit a sample of records for up to twenty (20) operators chosen at random from an anonymized list of the operators affiliated with Rasier that have operated in the City in the thirty (30) days preceding the audit. The review of Rasier's records will take place at a mutually agreed location in the City. Any record furnished to the City may exclude information that would tend to identify specific operators or passengers. Notwithstanding the foregoing, the City may require Raiser to produce records directly related to an active investigation of a complaint or a specific allegation of a violation of this Agreement. Any records reviewed by the City, or any other party authorized to view such records, under this Agreement are designated confidential.

22. SOCIAL EQUITY REQUIREMENTS / NON-DISCRIMINATION. 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 including gender expression or gender identity, national origin, honorably discharged veteran or military status, the presence of any sensory, mental or physical disability, or use of a service animal by a person with disabilities. Raiser agrees to comply with, and to require that all operators comply with all applicable federal, state and local nondiscrimination laws.

THE CITY AGREES TO THE FOLLOWING:

1. At all times during the term of this Agreement, the City will not apply chapter 10.34, SMC to Rasier or Rasier's TNC operators, unless such enforcement stems solely and directly from violation of any of the provisions of this Agreement. Rasier and Rasier's TNC operators are subject to, and shall comply with all provisions of Chapter 16A.61, SMC (rules of the road).
2. Failure to adhere to the requirements of this Agreement by Rasier, or a Rasier TNC operator may result in the imposition of a fine of five hundred and no/100 dollars (\$500.00) per violation (including fifty and no/100 dollars (\$50.00) per day for continuing violations) by the City, or termination of this Agreement, at the City's sole discretion.
3. If a valid public records request is made to the City for documents designated by Rasier as "confidential" or "proprietary", the City will not disclose the requested documents without the written consent of Rasier, unless required to do so by law. If the City is required by law to disclose confidential documents provided by Rasier under this Agreement, the City will promptly provide Rasier with written notice of the request and will allow Rasier a reasonable time to seek legal relief prior to disclosure.

DATED: _____

CITY OF SPOKANE

By: _____

Title: _____

ATTEST:

APPROVED AS TO FORM:

City Clerk

Assistant City Attorney

DATED: _____

RASIER, LLC

By: _____

Title:

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

07/17/2017

Date Rec'd

7/13/2017

Clerk's File #

LGL 2016-0036

Renews #**Submitting Dept**

CITY CLERK

Cross Ref #

ORD C35515

Contact Name/Phone

TERRI PFISTER 625-6354

Project #**Contact E-Mail**

TPFISTER@SPOKANECITY.ORG

Bid #**Agenda Item Type**

Report Item

Requisition #**Agenda Item Name**

0260 - INITIATIVE 2016-6 VALIDATED PETITIONS

Agenda Wording

Setting Hearing before City Council on Validated Initiative No. 2016-6 petitions regarding prohibition of oil and coal shipment by rail, filed by Todd Eklof, sponsor, for July 24, 2017.

Summary (Background)

In order to be placed on the November 7, 2017, ballot, 2,586 validated signatures are required. The validation breakdown reflects that the Spokane County Elections Office examined 5,057 signatures, of which 3,296 were approved. This constitutes 6.374 percent of the votes cast at the last general municipal election held November 3, 2015.

Fiscal Impact**Budget Account**

Select \$

#

Select \$

#

Select \$

#

Select \$

#

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

PFISTER, TERRI

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

BUSTOS, KIM

Distribution List**Legal**

PICCOLO, MIKE

For the Mayor

DUNIVANT, TIMOTHY

Additional Approvals**Purchasing**



Continuation of Wording, Summary, Budget, and Distribution

Agenda Wording

Summary (Background)

At the hearing on the validated initiative petition the initiative ordinance is given a second and final reading. Unless a motion is made and passed to grant the petition and pass the measure as requested in the initiative petition, the City Council adopts a resolution to place the measure on the ballot at the next available election, pursuant to section 82 of the City Charter.

Fiscal Impact

Select \$

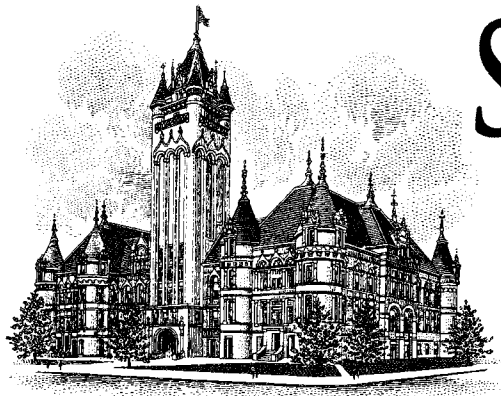
Select \$

Budget Account

#

#

Distribution List

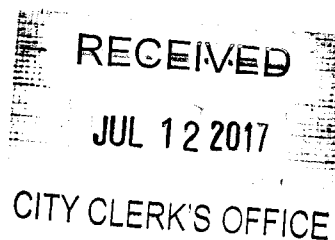


SPOKANE COUNTY COURT HOUSE

SPOKANE COUNTY

ELECTIONS DEPARTMENT

1033 W. Gardner Ave., Spokane, WA 99260-0025
(509) 477-2320 • Fax (509) 477-6607 • TDD: (509) 477-2333



STATE OF WASHINGTON)

County of Spokane)

ss.

CERTIFICATE

The Spokane County Elections Department does hereby certify that the following is a true and correct recapitulation of the results of the verification of signatures submitted by the City of Spokane on June 28, 2017 (Pages 1 – 269) in the matter of:

Initiative No. 2016 - 6 petitions filed by or on behalf of Todd Ecklof.

The required number of valid signatures to equal 5% of the number of registered voters who voted in the last General Municipal Election in the City of Spokane is 2,586.

The Spokane County Elections Office examined 5,057 signatures, of which 3,296 were approved and 1,761 were not approved.

SPOKANE COUNTY ELECTIONS DEPARTMENT

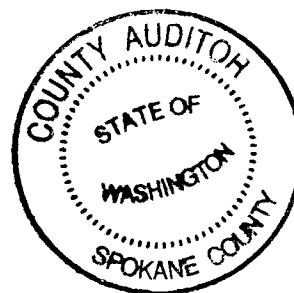
County Auditor

ATTEST:

Mike McLaughlin – Elections Manager

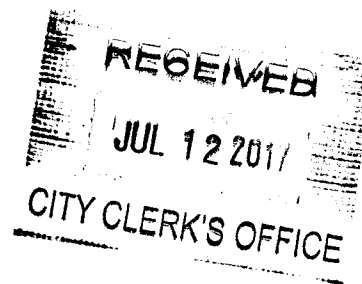
July 12, 2017

cc: File



City of Spokane

Petition	2016 - 6	
	Trains	
Required	2,586	
Signature Lines Reviewed	5,057	
Signatures Reviewed		
Approved	3,296	65.2%
Not Approved	1,761	34.8%
Not Registered	378	7.5%
Out of District	463	9.2%
Signed more than once	447	8.8%
Withdrawn	123	2.4%
Signatures Don't Match	343	6.8%
Blank Line	7	0.1%
Petition Pages Less than 20 Signatures	22	



Every person who signs this petition with any other than his or her true name, knowingly signs more than one of these petitions, signs this petition when he or she is not a legal voter, or makes any false statement on this petition may be punished by fine or imprisonment.

INITIATIVE PETITION TO THE SPOKANE CITY COUNCIL

INITIATIVE NO. 2016-6

We, the undersigned citizens and legal voters of the City of Spokane, Washington, respectfully direct that this proposed ordinance, known as Initiative No. 2016 - 6, a full, true, and correct copy of which is printed herein, be submitted to the electors of the City of Spokane for their approval or rejection at the next available special or general municipal election. If submitted to election, the proposed ordinance shall appear as the following proposition:

BALLOT TITLE

INITIATIVE REGARDING PROHIBITION OF OIL AND COAL SHIPMENT BY RAIL

Shall the Spokane Municipal Code be amended to make it a class 1 civil infraction for any person or entity to allow a rail car that it owns to ship uncontained coal and some types of oil by rail through the downtown Spokane core, or within 2,000 feet of a school, hospital, or the Spokane River.

YES
NO

Each of us for himself or herself says: I have personally signed this petition; I am a legal voter of the City of Spokane; my residence address is correctly stated; and I have knowingly signed this petition only once.

(The full text of the proposed ordinance is printed on reverse side of this page and continuing on the pages following)

PETITIONER'S SIGNATURE (in dark ink and as shown on signer's voter registration)	PRINTED NAME (legibly in dark ink)	ADDRESS WHERE REGISTERED TO VOTE (street Address, City, State, Zip code)
1. Sada M. Showell	Sada Showell	2410 W. Sprague Ave #D2 Spokane, WA 99201
2. Ronald J. White	Ronald L. White	1407 N. Cedar St Spokane, WA 99205
3. Diana Anderson	Diana Anderson	14 E. 27 th Avenue Spokane, WA 99203
4. Nancy Gillmer	Nancy Gillmer	710 E 12 th Ave Spokane WA 99202
5. Corrine Alfaro	Corrine Alfaro	4519 S. St. Andrews Ln Spo. 99223
6. Carlene Wells	Carlene Wells	7315 E 44 th Ave Spokane 99223
7. Susan Cameron	Susan Cameron	4319 S. Hogan Spokane 99205
8. Tara Zeigler	Tara Zeigler	2320 S. Havanast. Spokane, WA 99223
9. Kelsey Slans	Kelsey Slans	1730 W. Pacific Ave Spokane, WA 99201
10. Bethany McMulkin	Bethany McMulkin	1227 E. 28 th Spokane, WA 99203
11. Karen Montague	Karen Montague	1427 E. Wilding Ct Spokane 99217
12. Virginia Moore	Virginia Moore	3206 W. 9 th Ave Spokla 99224
13. Merritt Anthony Zinn	Merritt Anthony Zinn	515 S Ralph Spokane WA 99202
14. Brian Donovan	Brian Donovan	457 W 21 st Ave Spokane WA 99203
15. Heather Montgomery	Heather Montgomery	18 W 25 th Spokane WA 99203
16. Becky Bennett	Becky Bennett	8 E 16 Spokane WA 99203
17. Patricia K. Hieken	Patricia K. Hieken	1408 E. 35 th Spokane, WA 99203
18. Sharron K Lane	Sharron K Lane	1207 E Lyons Ave Spo 194 Spokane WA 99208
19. Robert Mike Nuess	Robert Mike Nuess	2025 E 10 th AVE SPOKANE WA 99202
20. Mara Spitzer	Mara Spitzer	1010 S Rockwood Blvd #316 99202

THE SPONSOR OF THIS MEASURE IS TODD EKLOF, 3205 W. 9TH AVENUE, SPOKANE, WA 99224 (509)299-6408

RECEIVED

JUN 12 2017

SUMMARY OF THE MEASURE

CITY CLERK'S OFFICE

The Law as it Currently Exists:

Rail transportation of coal and oil is generally regulated by state and federal, which grants discretion to local regulations in certain circumstances. There is currently no City of Spokane law regulating or prohibiting the rail transport of coal or crude oil within the City.

The Effect of the Measure if Approved:

If approved, this proposed ordinance would amend the Spokane Municipal Code to make it a class 1 civil infraction for any person or entity to allow a rail car that it owns to ship uncontained coal and some types of oil by rail through the downtown Spokane core, or within 2,000 feet of a school, hospital, or the Spokane River

DECLARATION OF SIGNATURE GATHERER

I, (print name legibly) Michael Bell, swear or affirm under penalty of law that I circulated this sheet of the foregoing petition, and that, to the best of my knowledge, every person who signed this sheet of the foregoing petition knowingly and without any compensation or promise of compensation willingly signed his or her true name and that the information provided therewith is true and correct. I further acknowledge that under chapter 29A.84 RCW, forgery of signatures on this petition constitutes a class C felony, and that offering any consideration or gratuity to any person to induce them to sign a petition is a gross misdemeanor, such violations being punishable by fine or imprisonment or both.

(Signature) Michael Bell (Date) 4-25-17

ORDINANCE NO. C-35515

An ordinance relating to a prohibition against rail car owners allowing the use of their rail cars to transport highly flammable oil and uncovered coal through specific areas of the City of Spokane that pose an essentially local hazard not currently provided for in federal railway safety regulations; adopting a new section to chapter 10.08 of the Spokane Municipal Code.

Whereas, federal statute adopted pursuant to the Commerce Clause of the United States Constitution delegates to state governments the power to implement supplemental rail safety laws and enforce them with civil fines, specifically, 49 U.S.C. § 20106(a)(2)(A-C) and (b)(1)(A-C), which allows the enforcement of state laws concerning essentially local safety hazards created by rail traffic until such time as the Secretary of Transportation specifically addresses the unique and essentially local issue of transporting highly flammable oil in conjunction with uncontained coal through Spokane's elevated rails in the downtown core and sole source drinking water aquifer; and

Whereas, the federal Ninth Circuit case of *Union Pacific Railway Co. v. California Public Utilities Commission*, (9th Cir. 2000) confirms that Congress has delegated its power under the Commerce Clause to the states for essentially local dangers, including the implementation of supplemental railway safety regulations and their enforcement with civil fines; and

Whereas, the Commerce Clause of the United States Constitution allows local governments, such as the City of Spokane, to impose generally applicable regulations which mitigate and/or attempt to prevent the negative local health and safety consequences of the interstate transportation of goods, *Huron Portland Cement Co. v. Detroit*, 362 U.S. 440 (1960), and the United States has further limited the reach of the Commerce Clause from interfering with essentially local issues of school safety and domestic violence; and

Whereas, the United States Constitution reserves rights for and grants un-enumerated rights to the States and the People to protect their health, welfare and safety, including residents of the City of Spokane, including but not limited to the language of Amendments 9 and 10, and federal law further obligates the City of Spokane to protect its wellheads from the danger of contamination; and

Whereas, Washington State Law requires the City of Spokane to provide drinking water safe from oil contamination to its water customers under, RCW 70.119A.060 and prohibits illegal trespass and nuisance on real property outside of a specified right of way; and

Whereas, the Washington State Constitution reserves rights of local control to the people and local jurisdictions and further directs them to protect property from unconsented nuisance and trespass and protect wellheads from potential dangers of contamination; and

Whereas, the City of Spokane has the duty to provide public safety, care for the health and welfare of its citizens within the city limits, and protect private and public property owners from trespass by contaminants such as uncontained coal from railway cars and the danger of leakage, explosion, fire, and trespass by Bakken crude and other highly flammable liquid petroleum delivered by railway cars; and

Whereas, uncontained coal railway cars distribute coal dust and rocks onto the rail tracks land beyond the right of way or permission granted to them while traveling through the City of Spokane, and this distribution of coal dust and rocks can constitute a substantial threat to the health, safety, and welfare of residents within the City of Spokane by increasing the likelihood of oil train derailments and infringement on the rights of property owners under state and local trespass and nuisance law; and

Whereas, the transport of some types of liquid petroleum, such as Bakken crude oil, by railway car within the boundaries of the City of Spokane, especially on elevated tracks in the downtown core contaminated by coal dust, is an ultra-hazardous activity that poses a grave and essentially local danger of fire and explosion to the health, safety, and welfare of residents of the City of Spokane, and this is a danger which has not currently been mitigated; and

Whereas, the Spokane River is connected to the Spokane Valley-Rathdrum Prairie Aquifer, which is the sole source of drinking water for residents of the City of Spokane and surrounding region; and

Whereas, seventeen schools have been identified to be within one mile of the potential blast zone, or the evacuation area, in the City of Spokane, including Lewis and Clark High School. Additionally, there are multiple medical facilities that would be impacted including Deaconess Hospital, Spokane Regional Health District, and Sacred Heart Medical Center; and

Whereas, on June 4, 2016, the day after an oil train derailment in Mosier, Oregon, emergency crews found an oil sheen in the Columbia River near the scene of the derailment and in July, the Oregon Department of Environmental Quality reported significant oil ground water contamination from a well monitor near the accident; and

Whereas, transporting highly flammable oil trains over elevated railways that are covered with uncontained coal dust through the most densely populated locale between the Bakken oil fields and Interstate 5 and also adjacent to the sole source drinking water aquifer for over 200,000 individuals is an essentially local hazard for which the Secretary of Transportation has not yet implemented safety rules; and

Whereas, the proposed regulations to restrict the owners of railway cars from permitting their cars from transporting oil with a vapor pressure of over 8 PSI and a flashpoint of under 73° F will cost less than four cents/gallon in oil conditioning according to the North Dakota Legislature and is thus not an undue burden on interstate commerce compared to the reduction in risk of harm; and

Whereas, the proposed regulations to restrict the owners of railway cars from permitting their cars from being used to transport uncontained coal is not unduly burdensome on interstate commerce because the cost of utilizing contained rail cars is extremely small per pound of coal based on the cost of the cars over their useful lifetime and any additional time in loading and unloading when compared to the reduction in risk of harm; and

Whereas, the proposed new section 10.08.068 to the Spokane Municipal Code is appropriate and necessary to provide for the public health, safety, and welfare by restricting the permissible routes for the transport of highly flammable oil and uncontained coal through the most critical areas of the City of Spokane; and

NOW, THEREFORE, THE PEOPLE OF THE CITY OF SPOKANE HEREBY ORDAIN:

Section 1. That there is adopted a new section 10.08.068 to chapter 10.08 of the Spokane Municipal Code to read as follows:

10.08.068 Authority; Intent and Purpose; Prohibition

- A. The City's charter, adopted under the authority of Article XI, section 10 of the Washington State Constitution, and the grant of police power contained in Article XI, section 11 of the Washington State Constitution, and the Constitution of the United States and federal statute authorizes the City to make and enforce regulations to protect the public health and welfare within the City of Spokane.
- B. The City declares that the distribution of coal dust and rocks onto railway tracks carrying highly flammable oil trains is an inherently dangerous and ultra-hazardous activity and essentially local danger, and the distribution onto private and government owned land outside any railway right of way within the boundaries of the City of Spokane is an illegal trespass and nuisance.
- C. The City declares that the shipment of oil by rail is an inherently dangerous and ultra-hazardous activity and poses a grave danger that is essentially and uniquely local to the residents of the City of Spokane which must be mitigated.
- D. It is unlawful for any person to operate or to permit railway cars to ship oil or uncontained coal in the following areas:
1. Within a downtown zone, as designated on the official City zoning map (Downtown Core (DTC), Downtown General (DTG), Downtown South (DTS), and Downtown University (DTU));
 2. within 2,000 feet of any school or hospital; or
 3. within 2,000 feet of the Spokane River,

For purposes of this section, "oil" means any petroleum substance having a vapor pressure of 8 psi or higher or a flash point below 73° F.

- E. Prohibitions.
1. The owner of a railway car may not permit the transit of its railway car for the shipment of oil or coal within the boundaries of the City of Spokane is a class 1 civil infraction.
 2. The owner of a railway car permitting such illegal transit of its railway car used to ship oil or coal within the prohibited areas of the City of Spokane described in SMC 10.08.068(D) is a separate violation.
 3. Each entity participating in the shipment of the above described oil or coal by rail within the City of Spokane in a manner prohibited by this section is guilty of a class 1 civil infraction.
- F. Severability. Any portion of this section that is determined by a competent adjudicative authority to be illegal or pre-empted shall be severed from this section and the remainder of this section shall continue unaffected.

Section 2. Sunset Provision.

This ordinance shall be reviewed by the City Council for consistency with evolving technological safety measures and best practices no later than September 1, 2020.

ORDINANCE NO. C-35515

An ordinance relating to a prohibition against rail car owners allowing the use of their rail cars to transport highly flammable oil and uncovered coal through specific areas of the City of Spokane that pose an essentially local hazard not currently provided for in federal railway safety regulations; adopting a new section to chapter 10.08 of the Spokane Municipal Code.

Whereas, federal statute authorized pursuant to the Commerce Clause of the United States Constitution delegates to state governments the power to implement supplemental rail safety laws and enforce them with civil fines, specifically, 49 U.S.C. § 20106(a)(2)(A-C) and (b)(1)(A-C), which allows the enforcement of state laws concerning essentially local safety hazards created by rail traffic until such time as the Secretary of Transportation specifically addresses the unique and essentially local issue of transporting highly flammable oil in conjunction with uncontained coal through Spokane's elevated rails in the downtown core and sole source drinking water aquifer; and

Whereas, the federal Ninth Circuit case of *Union Pacific Railway Co. v. California Public Utilities Commission*, (9th Cir. 2000) confirms that Congress has delegated its power under the Commerce Clause to the states for essentially local dangers, including the implementation of supplemental railway safety regulations and their enforcement with civil fines; and

Whereas, the Commerce Clause of the United States Constitution allows local governments, such as the City of Spokane, to impose generally applicable regulations which mitigate and/or attempt to prevent the negative local health and safety consequences of the interstate transportation of goods. *Huron Portland Cement Co. v. Detroit*, 362 U.S. 440 (1960), and the United States has further limited the reach of the Commerce Clause from interfering with essentially local issues of school safety and domestic violence; and

Whereas, the United States Constitution reserves rights for and grants un-enumerated rights to the States and the People to protect their health, welfare and safety, including residents of the City of Spokane, including but not limited to the language of Amendments 9 and 10, and federal law further obligates the City of Spokane to protect its wellheads from the danger of contamination; and

Whereas, Washington State Law requires the City of Spokane to provide drinking water safe from oil contamination to its water customers under, RCW 70.119A.060 and prohibits illegal trespass and nuisance on real property outside of a specified right of way; and

Whereas, the Washington State Constitution reserves rights of local control to the people and local jurisdictions and further directs them to protect property from unconsented nuisance and trespass and protect wellheads from potential dangers of contamination; and

Whereas, the City of Spokane has the duty to provide public safety, care for the health and welfare of its citizens within the city limits, and protect private and public property owners from trespass by contaminants such as uncontained coal from railway cars and the danger of leakage, explosion, fire, and trespass by Bakken crude and other highly flammable liquid petroleum delivered by railway cars; and

Whereas, uncontained coal railway cars distribute coal dust and rocks onto the rail tracks land beyond the right of way or permission granted to them while traveling through the City of Spokane, and this distribution of coal dust and rocks can constitute a substantial threat to the health, safety, and welfare of residents within the City of Spokane by increasing the likelihood of oil train derailments and infringement on the rights of property owners under state and local trespass and nuisance law; and

Whereas, the transport of some types of liquid petroleum, such as Bakken crude oil, by railway car within the boundaries of the City of Spokane, especially on elevated tracks in the downtown core contaminated by coal dust, is an ultra-hazardous activity that poses a grave and essentially local danger of fire and explosion to the health, safety, and welfare of residents of the City of Spokane, and this is a danger which has not currently been mitigated; and

Whereas, the Spokane River is connected to the Spokane Valley-Rathdrum Prairie Aquifer, which is the sole source of drinking water for residents of the City of Spokane and surrounding region; and

Whereas, seventeen schools have been identified to be within one mile of the potential blast zone, or the evacuation area, in the City of Spokane, including Lewis and Clark High School. Additionally, there are multiple medical facilities that would be impacted including Deaconess Hospital, Spokane Regional Health District, and Sacred Heart Medical Center; and

Whereas, on June 4, 2016, the day after an oil train derailment in Mosier, Oregon, emergency crews found an oil sheen in the Columbia River near the scene of the derailment and in July, the Oregon Department of Environmental Quality reported significant oil ground water contamination from a well monitor near the accident; and

Whereas, transporting highly flammable oil trains over elevated railways that are covered with uncontained coal dust through the most densely populated locale between the Bakken oil fields and Interstate 5 and also adjacent to the sole source drinking water aquifer for over 200,000 individuals is an essentially local hazard for which the Secretary of Transportation has not yet implemented safety rules; and

Whereas, the proposed regulations to restrict the owners of railway cars from permitting their cars from transporting oil with a vapor pressure of over 8 PSI and a flashpoint of under 73° F will cost less than four cents/gallon in oil conditioning according to the North Dakota Legislature and is thus not an undue burden on interstate commerce compared to the reduction in risk of harm; and

Whereas, the proposed regulations to restrict the owners of railway cars from permitting their cars from being used to transport uncontained coal is not unduly burdensome on interstate commerce because the cost of utilizing contained rail cars is extremely small per pound of coal based on the cost of the cars over their useful lifetime and any additional time in loading and unloading when compared to the reduction in risk of harm; and

Whereas, the proposed new section 10.08.068 to the Spokane Municipal Code is appropriate and necessary to provide for the public health, safety, and welfare by restricting the permissible routes for the transport of highly flammable oil and uncontained coal through the most critical areas of the City of Spokane; and

NOW, THEREFORE, THE PEOPLE OF THE CITY OF SPOKANE HEREBY ORDAIN:

Section 1. That there is adopted a new section 10.08.068 to chapter 10.08 of the Spokane Municipal Code to read as follows:

10.08.068 Authority; Intent and Purpose; Prohibition

- A. The City's charter, adopted under the authority of Article XI, section 10 of the Washington State Constitution, and the grant of police power contained in Article XI, section 11 of the Washington State Constitution, and the Constitution of the United States and federal statute authorizes the City to make and enforce regulations to protect the public health and welfare within the City of Spokane.
- B. The City declares that the distribution of coal dust and rocks onto railway tracks carrying highly flammable oil trains is an inherently dangerous and ultra-hazardous activity and essentially local danger, and the distribution onto private and government owned land outside any railway right of way within the boundaries of the City of Spokane is an illegal trespass and nuisance.
- C. The City declares that the shipment of oil by rail is an inherently dangerous and ultra-hazardous activity and poses a grave danger that is essentially and uniquely local to the residents of the City of Spokane which must be mitigated.
- D. It is unlawful for any person to operate or to permit railway cars to ship oil or uncontained coal in the following areas:
1. Within a downtown zone, as designated on the official City zoning map (Downtown Core (DTC), Downtown General (DTG), Downtown South (DTS), and Downtown University (DTU));
 2. within 2,000 feet of any school or hospital; or
 3. within 2,000 feet of the Spokane River.

For purposes of this section, "oil" means any petroleum substance having a vapor pressure of 8 psi or higher or a flash point below 73° F.

- E. Prohibitions.
1. The owner of a railway car may not permit the transit of its railway car for the shipment of oil or coal within the boundaries of the City of Spokane is a class 1 civil infraction.
 2. The owner of a railway car permitting such illegal transit of its railway car used to ship oil or coal within the prohibited areas of the City of Spokane described in SMC 10.08.068(D) is a separate violation.
 3. Each entity participating in the shipment of the above described oil or coal by rail within the City of Spokane in a manner prohibited by this section is guilty of a class 1 civil infraction.
- F. Severability. Any portion of this section that is determined by a competent adjudicative authority to be illegal or pre-empted shall be severed from this section and the remainder of this section shall continue unaffected.

Section 2. Sunset Provision.

This ordinance shall be reviewed by the City Council for consistency with evolving technological safety measures and best practices no later than September 1, 2020.

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

07/24/2017

Date Rec'd

7/14/2017

Clerk's File #

RES 2017-0061

Renews #**Submitting Dept**

CITY COUNCIL

Cross Ref #**Contact Name/Phone**

BEN STUCKART 6256269

Project #**Contact E-Mail**

AMCDANIEL@SPOKANECITY.ORG

Bid #**Agenda Item Type**

Resolutions

Requisition #**Agenda Item Name**

0320 SPECIAL ELECTION PROHIBITION OF OIL OR COAL SHIPMENTS BY RAIL

Agenda Wording

A RESOLUTION REQUESTING THE SPOKANE COUNTY AUDITOR TO HOLD A SPECIAL ELECTION ON NOVEMBER 7, 2017 IN CONJUNCTION WITH THE SCHEDULED GENERAL ELECTION TO SUBMIT TO THE VOTERS OF THE CITY OF SPOKANE A PROPOSITION

Summary (Background)

This resolution requests the Spokane County Auditor hold a special election on November 7, 2017 in conjunction with the scheduled general election for the purpose of submitting to the voters of the City of Spokane for their approval or rejection the following proposition to amend the Spokane Municipal Code:

Fiscal Impact**Budget Account**

Select \$

#

Select \$

#

Select \$

#

Select \$

#

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

MCDANIEL, ADAM

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

BUSTOS, KIM

Distribution List**Legal**

PICCOLO, MIKE

tdunivant@spokanecity.org

For the Mayor

DUNIVANT, TIMOTHY

bmclatchey@spokanecity.org

Additional Approvals**Purchasing**



Continuation of Wording, Summary, Budget, and Distribution

Agenda Wording

REGARDING AN AMENDMENT TO THE SPOKANE MUNICIPAL CODE RELATING TO THE PROHIBITION OF OIL AND COAL SHIPMENT BY RAIL.

Summary (Background)

PROPOSITION NO. 1 CITY OF SPOKANE ORDINANCE REGARDING PROHIBITION OF OIL AND COAL SHIPMENT BY RAIL Initiative No. 2016-6, designated as Ordinance No. C-35515, proposes that the Spokane Municipal Code be amended regarding the prohibition of oil and coal shipment by rail. Shall the Spokane Municipal Code be amended to make it a class 1 civil infraction for any person or entity to allow a rail car that it owns to ship uncontained coal and some types of oil by rail through the downtown Spokane core, or within 2,000 feet of a school, hospital, or the Spokane River? ____ YES ____ NO The City Clerk is directed to deliver a certified copy of this resolution to the Spokane County Auditor no later than August 1, 2017.

Fiscal Impact

Select \$

Select \$

Budget Account

#

#

Distribution List

RESOLUTION NO. 2017-0061

A RESOLUTION REQUESTING THE SPOKANE COUNTY AUDITOR TO HOLD A SPECIAL ELECTION ON NOVEMBER 7, 2017 IN CONJUNCTION WITH THE SCHEDULED GENERAL ELECTION TO SUBMIT TO THE VOTERS OF THE CITY OF SPOKANE A PROPOSITION REGARDING AN AMENDMENT TO THE SPOKANE MUNICIPAL CODE RELATING TO THE PROHIBITION OF OIL AND COAL SHIPMENT BY RAIL.

WHEREAS, pursuant to section 82 of the City Charter, an initiative regarding proposed legislation or measure in the form of a proposed ordinance may be submitted to popular vote for adoption or rejection; and

WHEREAS, on October 3, 2016, Todd Eklof filed with the City Clerk's Office an initiative designated as Initiative No. 2016-6 regarding the prohibition of oil and coal shipment by rail; and

WHEREAS, the ballot title for Initiative No. 2016-6 is as follows:

Shall the Spokane Municipal Code be amended to make it a class 1 civil infraction for any person or entity to allow a rail car that it owns to ship uncontained coal and some types of oil by rail through the downtown Spokane core, or within 2,000 feet of a school, hospital, or the Spokane River?

_____ YES

_____ NO

WHEREAS, on June 12, 2017, Mr. Eklof caused to be filed with the City Clerk's Office the petition signatures for Initiative No. 2016-6; and

WHEREAS, on June 26, 2017, the City Council held a hearing and first reading pursuant to SMC 2.02.080 for Initiative No. 2016-6, designated by the City Council as Ordinance No. C- 35515, at which time the City Council voted to have the City Clerk validate the signatures; and

WHEREAS, on July 12, 2017, the Spokane County Elections Office certified that Initiative No. 2016-6 satisfied the required number of valid signatures of registered voters as required by Section 82 of the City Charter; and

WHEREAS, the City Council held a hearing on July 24, 2017 on the initiative pursuant to SMC 2.02.100, where Ordinance No. C- 35515 was given a second and final reading; and

WHEREAS, RCW 29A.04.330 requires the City to transmit to the Spokane County Auditor by August 1, 2017 a resolution calling for a special election.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Spokane, pursuant to section 82 of the City Charter, that:

1) the Spokane County Auditor is hereby requested pursuant to RCW 29A.04.330 to hold a special election on November 7, 2017 in conjunction with the scheduled general election for the purpose of submitting to the voters of the City of Spokane for their approval or rejection the following proposition to amend the Spokane Municipal Code:

PROPOSITION NO. 1

CITY OF SPOKANE

ORDINANCE REGARDING PROHIBITION OF OIL AND COAL SHIPMENT BY RAIL

Initiative No. 2016-6, designated as Ordinance No. C-35515, proposes that the Spokane Municipal Code be amended regarding the prohibition of oil and coal shipment by rail.

Shall the Spokane Municipal Code be amended to make it a class 1 civil infraction for any person or entity to allow a rail car that it owns to ship uncontained coal and some types of oil by rail through the downtown Spokane core, or within 2,000 feet of a school, hospital, or the Spokane River?

_____ YES

_____ NO

2) the City Clerk is directed to deliver a certified copy of this resolution to the Spokane County Auditor no later than August 1, 2017.

Adopted _____.

City Clerk

Approved as to form:

Assistant City Attorney