SPOKANE Agenda Shee	t for City Council:		Date Rec'd	9/3/2025
	n Experience Date: 09/08/	2025	Clerk's File #	ORD C36784
Committee Agen	da type: Discussion		Cross Ref #	RES 2025-0080
Council Meeting Date: 10/2	27/2025		Project #	
Submitting Dept	PLANNING & ECONOM	1IC	Bid #	
Contact Name/Phone	TIM 509	-625-6893	Requisition #	
Contact E-Mail	TTHOMPSON@SPOKA	NECITY.ORG		
Agenda Item Type	First Reading Ordinand	ce		
Council Sponsor(s)	JBINGLE MCAT	HCART		
Sponsoring at Admini	strators Request	NO		
Lease? NO	Grant Related?	'ES	Public Works?	NO
Agenda Item Name	0650 - HILLYARD SUBA	REA PLAN		
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Agenda Wording

Hillyard Subarea Plan Ordinance

FIRST READING OF THE ABOVE ORDINANCE HELD ON

AND FURTHER ACTION WAS DEFERRED

AND FURTHER AND FURTHER

PASSED BY
SPOKANE CITY COUNCIL:

CITY CLERK

Summary (Background)

Planning staff has worked in partnership with the Northeast Public Development Authority (NEPDA) and a multidisciplinary consultant team led by Stantec to develop a Subarea Plan for the Hillyard neighborhood. This effort builds upon previous planning studies to create a long-term vision and action framework for equitable revitalization, infill development, housing opportunity, and infrastructure investment in Northeast Spokane. The Hillyard Subarea Plan defines six distinct plan areas, identifies catalyst redevelopment sites, and includes strategies for land use, housing, transportation, utilities, economic development, and public space enhancements. The plan is structured to inform Spokane's Comprehensive Plan, upcoming zoning updates, and public infrastructure investments. The Plan Commission previously held a workshop during their August 13, 2025 meeting to review key recommendations and solicit feedback from Commission members. Staff has since received additional comments from agencies and internal staff which have been incorporated into the draft attached to this agenda item. The latest changes primarily include grammar and spelling corrections, utility and transportation infrastructure refinements, and minor updates to data throughout the plan. The Plan Commission is scheduled to hold a public hearing on September 10, 2025 to recommend the City Council adopt the Plan. The Hillyard neighborhood and its surrounding industrial and residential areas have experienced long-term disinvestment and environmental degradation, including numerous brownfields. The area faces challenges related to infrastructure, housing quality, mobility access, and economic opportunity. Key past plans, such as the 2010 Greater Hillyard Neighborhood Plan and 2017 Yard Master Plan, identified priority needs but lacked a unified, implementation-focused strategy. The current Subarea Plan synthesizes these efforts, assesses the changing context (e.g., North Spokane Corridor impacts), and provides development-ready concepts. The Hillyard Subarea Plan is being coordinated with the City's 2026 Periodic

Comprehensive Plan Update and will directly inform policy and code updates related to land use, transportation, and equity. The proposed Hillyard Subarea Plan outlines a coordinated strategy to promote economic revitalization, housing growth, and improved quality of life in the Hillyard neighborhood. Below is a summary of the main points and recommendations: 1. Vision and Goals • Vision: Hillyard will be a vibrant, inclusive, mixed-use district that honors its historic roots while embracing innovation, job creation, and residential growth. • Core Goals: o Increase local jobs and employment opportunities. o Support housing development across income levels. o Improve public infrastructure, transportation, and amenities. o Promote equitable and inclusive development. o Enhance neighborhood livability and resilience. 2. Land Use and Zoning • Catalyst Sites: Prioritize redevelopment of underutilized or vacant properties, especially near Market Street, Haven Street, and the North Spokane Corridor. • Zoning Updates: o Encourage mixed-use development in key commercial nodes. o Support infill housing and greater residential density where appropriate. o Align zoning with future land use designations to streamline development and reduce barriers. 3. Economic Development • Business Retention and Attraction: o Focus on light industrial, logistics, and maker-space industries. o Leverage proximity to the NSC for logistics-oriented employment growth. • Entrepreneurship and Workforce: o Create incubator space and business support services. o Partner with workforce training providers to align local skills with employer needs. 4. Housing • Diverse Housing Types: Encourage ADUs, townhomes, and missing middle housing. • Affordability and Access: Pursue partnerships for incomerestricted housing development and provide support for low-income households. • Preservation: Protect existing housing stock and prevent displacement through proactive programs. 5. Transportation and Infrastructure • Multimodal Improvements: o Enhance Market Street for transit, bikes, and pedestrians. o Improve connectivity across the NSC through new crossings and complete streets. • Infrastructure Investment: Upgrade water, sewer, stormwater, and broadband systems to support future growth. 6. Community Facilities and Public Realm • Parks and Open Space: o Activate and maintain public spaces like Harmon Park. o Explore partnerships for park improvements and programming. • Civic and Cultural Anchors: o Support development of community-serving facilities (e.g., library, health clinic). o Embrace arts and cultural identity through public art and events. 7. Implementation Strategies • Phased Action Plan: The plan includes short-, mid-, and longterm initiatives with priority level assignments. • Partnerships: Coordination with City departments, state agencies (e.g., WSDOT), nonprofits, and private developers. • Funding: Utilize grants, tax increment financing, and other creative funding tools to support infrastructure and catalytic development. 8. Equity and Inclusion • Inclusive Engagement: Ensure ongoing outreach to historically marginalized communities. • Displacement Mitigation: Monitor housing trends and support anti-displacement measures. The Hillyard Subarea Plan represents a pivotal step toward transforming one of Spokane's most historically underserved neighborhoods into a thriving, connected, and inclusive district. By aligning land use, housing, infrastructure, and economic development strategies with community priorities, the plan lays a solid foundation for long-term investment and equitable growth. Its implementation will require coordinated action, sustained commitment, and continued engagement with the residents, businesses, and stakeholders who call Hillyard home.

What impacts would the proposal have on historically excluded communities?

The primary focus of the plan is to create a long-term vision and action framework to spur infill development, infrastructure investment, housing and economic opportunity in the historically excluded community of Hillyard.

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

Data on the Hillyard Subarea Plan was collected and analyzed using both quantitative and qualitative methods. Baseline demographic and socioeconomic conditions, including income, race/ethnicity, housing tenure, and disability status, were established through Census and City data. This information was supplemented by surveys, including a 2023 survey of residents and students, and targeted outreach to historically underrepresented groups. Analysis disaggregated results by race, ethnicity, income, and other demographic factors where available, highlighting disparities such as higher poverty rates and lower homeownership in the

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

Data on the effectiveness of the Hillyard Subarea Plan was gathered through surveys, demographic and economic analysis, and review of land use, housing, and transportation trends. Community input and feedback from the Plan Commission and City Council provided additional evaluation. This information confirmed that the plan's goals and strategies reflected neighborhood priorities and citywide policy direction.

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

The attached ordinance details key Comprehensive Plan policies, previous planning efforts including neighborhood planning, and other applicable City plans that align with this Subarea Plan. A central component of the plan is the integration of existing plans affecting Hillyard.

Council	Subcom	<u>nittee l</u>	Review
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Fiscal Impact	
Approved in Current Year B	udget? YES
Total Cost	\$ \$~550,000 between all funding sources
Current Year Cost	\$ 70,000 (ARPA)
Subsequent Year(s) Cost	\$

Narrative

The funds for this project have been expended. The Hillyard Subarea Plan was funded largely through ARPA funds, an EPA Brownfields grant, a Department of Ecology Integrated Planning Grant administered by NEPDA, and direct investment from the NEPDA.

Amoun	t	Budget Account
Select	\$	#

Funding Source	One-Time	
Funding Source Type	Grant	

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

The funds mentioned previously have been expended. Regarding future funding, a critical component of the Hillyard Subarea Plan is the identification and recommendation for future funding sources to implement the plan.

Expense Occurrence

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

<u>Approvals</u>		Additional Approvals		
Dept Head	GARDNER, SPENCER	ACCOUNTING -	BROWN, SKYLER	
Division Director	GARDNER, SPENCER			
Accounting Manager	ZOLLINGER, NICHOLAS			
Legal	PICCOLO, MIKE			
For the Mayor	PICCOLO, MIKE			
Distribution List				
		smacdonald@spokanecity.org		
sgardner@spokanecity.org		tthompson@spokanecity.org		
eking@spokanecity.org		rshea@spokanecity.org		

ORDINANCE NO. C36784

An ordinance adopting the Hillyard Subarea Plan, the coordinated framework and community vision for guiding future growth, economic development, and investment in the Hillyard area; and amending the City of Spokane Comprehensive Plan.

WHEREAS, City of Spokane Comprehensive Plan Policy LU 7.4 provides the following framework for subarea planning: "Use the Comprehensive Plan for overall guidance and undertake more detailed sub-area and neighborhood planning in order to provide a forum for confronting and reconciling issues and empowering neighborhoods to solve problems collectively"; and

WHEREAS, the Land Use Chapter of the City of Spokane Comprehensive Plan sets forth Goal LU 3 – Efficient Land Use, to "Promote the efficient use of land by the use of incentives, density and mixed-use development in proximity to retail businesses, public services, places of work, and transportation systems"; and

WHEREAS, the Transportation Chapter of the Comprehensive Plan sets forth TR Goal B: Provide Transportation Choices to "Meet mobility needs by providing facilities for transportation options – including walking, bicycling, public transportation, private vehicles, and other choices," and TR Goal C: Accommodate Access to Daily Needs and Priority Destinations to "Promote land use patterns and construct transportation facilities and other urban features that advance Spokane's quality of life"; and

WHEREAS, the Transportation Chapter of the Comprehensive Plan sets forth TR 8: Moving Freight, to "identify a freight network that respects the needs of businesses as well as neighborhoods," through the designation of truck routes, updates to freight mapping, support for intermodal transfer facilities, and the balancing of freight mobility with neighborhood livability and safety; and

WHEREAS, the Transportation Chapter of the Comprehensive Plan sets forth TR 9: Promote Economic Opportunity, to "focus on providing efficient and affordable multi-modal access to jobs, education, and workforce training to promote economic opportunity in the city's designated growth areas," including the use of new transportation technologies, expanded transit service, and implementation of the Bicycle Master Plan; and

WHEREAS, the Transportation Chapter of the Comprehensive Plan sets forth TR 17: Paving Existing Unpaved Streets, to "identify and prioritize resources for paving existing dirt and gravel streets and alleyways to reduce air pollution and prioritize infill and economic development"; and

WHEREAS, the Housing Chapter of the Comprehensive Plan sets forth Goal H 1 – Housing Choice and Diversity to "Provide opportunities for a variety of housing types that is safe and affordable for all income levels to meet the diverse housing needs of current and future residents"; and

WHEREAS, the Economic Development Chapter of the Comprehensive Plan sets forth Goal ED 3 – Strong, Diverse and Sustainable Economy to "Foster a strong, diverse, and sustainable economy that provides a range of employment and business opportunities"; and

WHEREAS, the City of Spokane initiated the Hillyard Subarea planning process to establish a coordinated framework for land use, economic development, transportation, housing, and community investments in the Hillyard area; and

WHEREAS, the Hillyard Subarea Plan was supported by a combination of American Rescue Plan Act (ARPA) funds, an EPA Brownfields Grant, an Integrated Planning Grant from the Washington State Department of Ecology, and a direct investment from the Northeast Public Development Authority (NEPDA); and

WHEREAS, the development of the North Spokane Corridor (NSC) presents opportunities to realign Hillyard-area transportation infrastructure to improve area livability, vibrancy, connectivity, and economic activity; and

WHEREAS, other than the Comprehensive Plan, various elements of plans and programs were incorporated into the document's goals and policies, including The Yard Development Master Plan, the Greater Hillyard North-East Planning Alliance (GHNEPA) Neighborhood Plan, the Bigelow Gulch Corridor Safety and Mobility Project, the City of Spokane Sustainability Action Plan, the City of Spokane Parks and Natural Lands Master Plan, the City of Spokane Housing Action Plan, the Hillyard Infrastructure Assessment and Needs Analysis, the Hillyard Industrial Area Stormwater Management Alternatives, the City of Spokane Broadband Assessment, the City of Spokane Water System Plan, and the City of Spokane Citywide Capital Improvement Program; and

WHEREAS, planning staff and consultants conducted outreach, including community meetings, stakeholder interviews, surveys, open houses, and online engagement, to identify community priorities and values for the Hillyard Subarea; and

WHEREAS, an online survey was completed in December of 2023 to identify priorities, challenges, and opportunities in Hillyard, and received 340 responses, including 29 from Rogers High School students; and

WHEREAS, the Draft Hillyard Subarea Plan was published for public review and comment, presenting goals and policies and implementation strategies; and

WHEREAS, community feedback was received, considered, and incorporated into the development of the long range goals and policies of the Hillyard Subarea Plan; and

WHEREAS, the Hillyard Subarea Plan identifies goals, policies, and implementation actions to promote redevelopment of underutilized properties and industrial lands, support housing choice and affordability in Hillyard, improve connections for walking, biking, and transit, strengthen the Hillyard Historic Business District as a cultural and economic hub, attract new jobs and investment consistent with Spokane's Comprehensive Plan; and

WHEREAS, on July 29, 2025, the Washington State Department of Commerce received notice of the City's intent to adopt the Hillyard Subarea Plan; and

WHEREAS, the Spokane Plan Commission held a duly noticed public hearing, deliberated, and voted to recommend City Council approval of the Hillyard Subarea Plan; and

WHEREAS, the Hillyard Subarea Plan meets the relevant review criteria of SMC 17G.020.030, in particular, this map amendment implements the Hillyard Subarea Plan better than the current map designation; and

WHEREAS, the City is in the process of updating the Spokane Comprehensive Plan as part of the 2026 periodic update required under RCW 36.70A.130, during which additional changes to the land use plan map and zoning designations will be considered; and

WHEREAS, this amendment to the Spokane Comprehensive Plan will be accompanied with zoning changes to be concurrently enacted as part of the ongoing periodic update to the Spokane Comprehensive Plan; and

WHEREAS, on October 27, 2025, the Spokane City Council held a duly noticed public hearing regarding the adoption of the Hillyard Subarea Plan.

NOW, THEREFORE, THE CITY OF SPOKANE DOES ORDAIN:

Section 1. Findings of Fact: The City Council adopts the recitals set forth herein as its findings and conclusions in support of the adoption of this ordinance and further adopts the findings, conclusions, and recommendations from the Plan Commission Findings of Fact, Conclusions, and Recommendations attached to this ordinance for the same purposes.

Section 2. <u>Plan Adoption</u>: That the City adopts the Hillyard Subarea Plan as an amendment to the Spokane Comprehensive Plan and as the community's coordinated framework and vision for future growth and investment in the Hillyard area, consistent with the goals and policies of the Spokane Comprehensive Plan.

Section 3. Amendment of the Land Use Plan Map: That Comprehensive Plan Map LU 1, is amended from "Light Industrial" to "Center and Corridor Core" for 53.8 acres, "Residential Low" to "Open Space" for 20.1 acres, and from "Residential Low" to "Mini Center" for 44.0 acres as shown in Attachment A.

Section 4. <u>Severability</u>: If any section, sentence, clause or phrase of this Ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance.

Section 5. <u>Clerical Errors</u>: Upon approval by the City Attorney, the City Clerk is authorized to make necessary corrections to this ordinance, including scrivener's errors or clerical mistakes; references to other local, state, or federal laws, rules, or regulations; or numbering or referencing of ordinances or their sections and subsections.

Attest:

Approved as to form:

City Clerk

Assistant City Attorney

11/4/2025

Date

12/4/2025

Effective Date

File: Hillyard SubArea Plan

Attachment A: Land Use Plan Map Changes

Draw Date: 10/13/2025 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

