

# ATTACHMENT 1

## **ATTACHMENT 1 – PROJECT NARRATIVE**

### **I. PROPOSAL**

The project proposal is generally described as: A Shopping Center containing commercial uses with associated improvements such as street access, parking and utilities. In addition a new soccer field, restrooms, storage building and picnic area will be constructed on adjacent real property. See Attachment 2, Preferred Site Plan.

### **II. BACKGROUND**

In June 2008, the Spokane City Council, through three separate ordinances for three separate properties, approved a rezone from "Residential 4-10" to "CC2-DC." See Ordinance Nos. C34256 (Black Amendment), C34261 (Richey Amendment), and C34257 (KXLY Amendment). Each of the ordinances were to become effective upon execution of a Development Agreement that contained design and development principles agreed to between the property owners, the City and representatives of the Southgate Neighborhood Council. The KXLY Development Agreement (and Amendment) are attached as Attachment 1. The Development Agreement called for the completion of an Integrated Site Plan where the above three properties would become integrated through pedestrian and vehicle connections, design themes and other development standards. The Integrated Site Plan was approved by the City in May 2013.

The Development Agreement recognized the above property owners submitted to the City a "Corridor Capacity Impact Analysis" which identified offsite impacts to include suitable mitigation. Along with the above analysis, impact fees, according to the City Capital Facility Plan, were agreed to be paid for projects within the South Service Area.

### **III. RECENT ACTIVITY - SHOPPING CENTER**

#### **A. CITY OF SPOKANE PROPERTY.**

On November 16, 2015, the City Council approved a Purchase and Sale Agreement between KXLY and the City for property identified as Parcel No. 34041.0038. Pursuant to the Purchase and Sale Agreement, the property was rezoned to CC2-DC, consistent with the KXLY Property to the south (Parcel No. 34041.9077). There were three conditions of closing.

- i. Land use approvals similar to surrounding property.
- ii. Use consistent with KXLY Development Agreement.
- iii. Acquisition of a pedestrian and vehicle easement from the Park Department providing for access to the South Regal Street and Palouse Highway intersection.

The above conditions have been or will be satisfied prior to the closing on February 28, 2017

B. CITY OF SPOKANE PARK BOARD.

Following presentations by KXLY and its consultants, the City of Spokane Park Board approved a Letter of Intent in March 2016 providing for an access easement, development of a new soccer field, and replacement parking. The form and content of the Access and Reciprocal Parking Easement, License and Development Agreement, and Ground Lease for soccer field have been approved in form and content. The above three documents will be signed at Closing.

C. CITY OF SPOKANE - CPA/ZONE CHANGE.

The Staff Report from the City Planning Services Department made the following observations.

Southgate Neighborhood Council supports the proposal. One neighbor concerned about changing character of land. (mitigated through extensive redevelopment). Note, today a vacant area with a few small buildings and parking lot from the north is entered from the fourth leg of the intersection. Staff Report, page 11.

Staff Analysis. Page 18, K(2)(a). The subject property integrates with neighborhood plans, Park & Rec, and the Center/Corridor designation. Inclusion of the property allows better access and circulation to all properties.

Staff Analysis. Page 19, Section K(2)(c). The map amendment implements the Comprehensive Plan policies better than the current map designation given the adjacent parcels and agreement with Parks.

On November 7, 2016 the City Council approved Ordinance C35447 which rezoned the City Property to CC2-DC, subject to the Amended Development Agreement.

D. DESIGN REVIEW BOARD – COLLABORATIVE WORKSHOP

KXLY participated in a collaborative workshops with the Design Review Board on December 30, 2016 and January 13, 2017. At those workshops, the "preferred site plan" (See Attachment 2 ) was reviewed by the DRB. This site plan proposes a grocery store and other developed buildings with associated parking benefitting both the shopping center as well as the South Site Soccer Complex. Information concerning building square footage and on-site parking is set forth on Attachment 2. For purposes of the Environmental Checklist, the attached "preferred site plan" is the proposed plan for development.

E. SOUTHGATE – KXLY SHOPPING CENTER TRAFFIC OPERATIONS STUDY  
(DECEMBER 2016)

KXLY has submitted a Traffic Operations Study to the City of Spokane, Street Department for traffic engineering and transportation review. The KXLY consultant Morrison Maierle has defined the project proposal as follows.

The land use proposal includes the development of 174,050 square feet (sf) of commercial/retail space. At present, the only known

tenant (potentially) is that of a supermarket with a building footprint of 45,000 sf. Tenants for the remaining 129,050 sf of building area have yet to be resolved and were reviewed simply as a "shopping center," as prescribed via definitions provided with the Institute of Transportation Engineers, Trip Generation Manual (9<sup>th</sup> Addition, 2012).

Traffic Operational Study, p. 1. The Traffic Operational Study also refers to the SEPA Mitigation fee set forth in the Development Agreement to include expenditure by KXLY of \$200,000.00 toward the construction of the Regal Street/Palouse Highway signal with intersection improvements. See Study, page 6. This improvement was listed within the City of Spokane Street Program and KXLY has requested that SEPA mitigation be offset by \$200,000.00 with such amount being a credit against impact fees.<sup>1</sup>

The KXLY Development Agreement in Section 8, for the purpose of determining adequate planned transportation capacity, relied upon the findings of the Corridor Capacity Impact Analysis ("CCIA") dated April 28, 2008, that was submitted to the City Transportation Department. See KXLY Development Agreement, page 1, Recital F. The CCIA related to the applications for Comprehensive Plan and Zone Amendments that would support the high density commercial designation. See CCIA, page 1. The purpose of this study was to identify capacity improvements and to answer traffic engineering questions pursuant to SEPA approvals. *Id.* The Trip Distribution section stated the following:

The assignment of net new project trips was based on distribution patterns identified through average daily traffic (ADT) counts from the City of Spokane and Spokane County. It is expected that Regal Street, Palouse Highway, 57th Avenue, 37th Avenue and Freya Road will carry the majority of new trips approaching and departing the site. CCIA, page 7.

With respect to the Palouse Highway/Regal Street Connection and the Summary and Conclusion, the study wrote:

A fully actuated traffic signal with designated turn lanes between Regal Street and the Palouse Highway will be needed to assure adequate mobility and safety at the intersection.

CCIA, pages 13 and 15. Thus, similar to joint participation in the Integrated Site Plan, the commercially designated properties cooperated on traffic improvements to mitigate the identified impacts from development.

---

<sup>1</sup> The signal and intersection improvements were performed in connection with the Target development located adjacent to the Regal and Palouse intersection. The developer (Black Development) has submitted to the City Transportation Department an itemization of costs associated with the Regal/Palouse intersection improvements. Based upon the submittal, it appears that adequate funds have been expended for off-site mitigation such that a credit can be obtained by KXLY, as well as, Black Development.

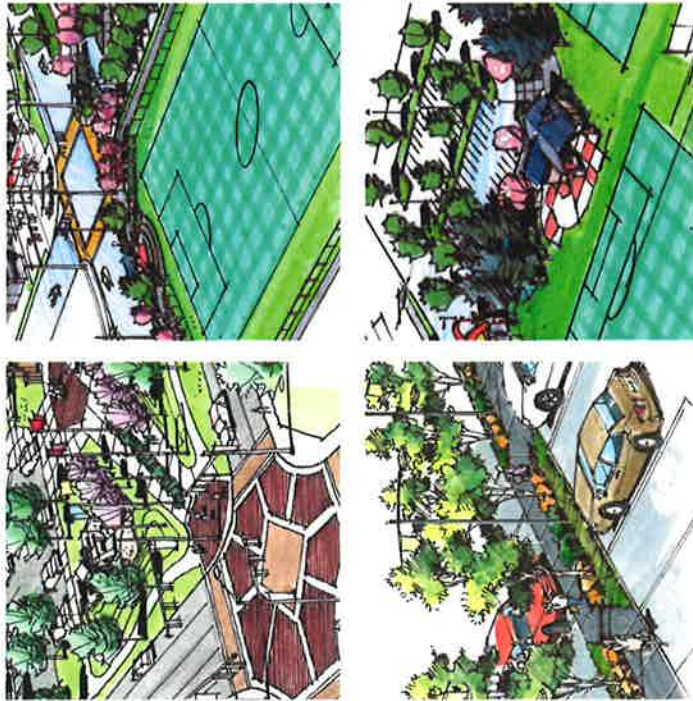
#### **IV. SOUTHEAST SPORTS COMPLEX DEVELOPMENT**

##### **A. PARK BOARD**

The City of Spokane Park Board approved three agreements with KXLY: (1) Access and Reciprocal Parking Easement, (2) License and Development Agreement, and (3) Ground Lease Agreement (for new soccer field). The above agreements call for the construction of the fourth leg of the Regal/Palouse intersection to serve the Shopping Center and Park Department Property, development of a new soccer field on a portion of Parcel No. 34041.9078 (owned by KXLY) and other improvements.

Regarding the Environmental Checklist, the following additional comments are made.

1. A grading permit will be necessary in order to improve the Park Department property for purposes of street access, installation of utilities, relocation of existing parking and soccer field development. No aboveground structures are anticipated on the soccer field development; however, the existing restrooms and storage building will be demolished and reconstructed as generally set forth on the preferred site plan.
2. For purposes of transportation, parking within the shopping center will be available to the general public. Even though a new soccer field will be added along with other identified modifications, it is not anticipated that vehicle traffic to the Southeast Sports Complex will be materially increased.
3. In addition to the improved street access and parking improvements, a multipurpose trail system will be installed that should encourage, the use of alternative modes of transportation such as walking and cycling.



# Southgate KXLY Development

SWC Regal Street & Palouse Highway

Design Review Board – Collaborative Workshop

- Supplemental #01 December 30, 2016
- Supplemental #02 January 13, 2017

## Existing Site Conditions and Context



# Preferred Site Plan

## A. SUBJECT PROPERTY(S) DATA

PARCEL ADDRESS	PARCEL NUMBER	ZONING & LAND USE	PARCEL AREA
5222 S. REGAL ST.	34041.9077	CC-1B (CC-1)	609,840 SF
2651 E. 49TH AVENUE	34041.0038	RSF OPEN SPACE	85,376 SF
<b>ASSEMBLED PROPERTY AREA (ASSESSED):</b>			<b>695,218 SF</b>
			<b>15.96 ACRES</b>

## B. Required BLDG Setbacks & Landscaping

YARD / SITE LOCATION	REQD MIN. SETBACK	SETBACK ADJACENT TO BUILDING	REQD MIN. LANDSCAPING
FRONT	0-FEET	10-FEET	5-FEET
SIDES	0-FEET	10-FEET	5-FEET
REAR	0-FEET	10-FEET	5-FEET
STREETS	12-FEET BACK OF CURB	12-FEET BACK OF CURB	6-FEET
USE BUFFER			6-FEET + FENCE
INTERIOR			10% PARKING AREA

## C. BUILDING(S) AREA & REQUIRED PARKING

BUILDING INFORMATION		REQUIRED PARKING	
BLDG NAME	BLDG AREA	MINIMUM (1/1000 SF)	MAXIMUM (1/250 SF)
GROCERY 'A'	48,000 SF	48.0 STALLS	192.0 STALLS
PAD 'B'	9,300 SF	9.3 STALLS	37.2 STALLS
PAD 'C'	13,400 SF	13.4 STALLS	53.6 STALLS
PAD 'D'	5,100 SF	5.1 STALLS	20.4 STALLS
PAD 'E'	12,750 SF	12.8 STALLS	51.0 STALLS
BUILDING - 'F' (PARTIAL 2-STORY)	30,000 SF	30.0 STALLS	120.0 STALLS
BUILDING - 'G' (2-STORY)	60,000 SF	60.0 STALLS	240.0 STALLS
<b>TOTALS:</b>	<b>178,550 SF</b>	<b>179 STALLS</b>	<b>714 STALLS</b>

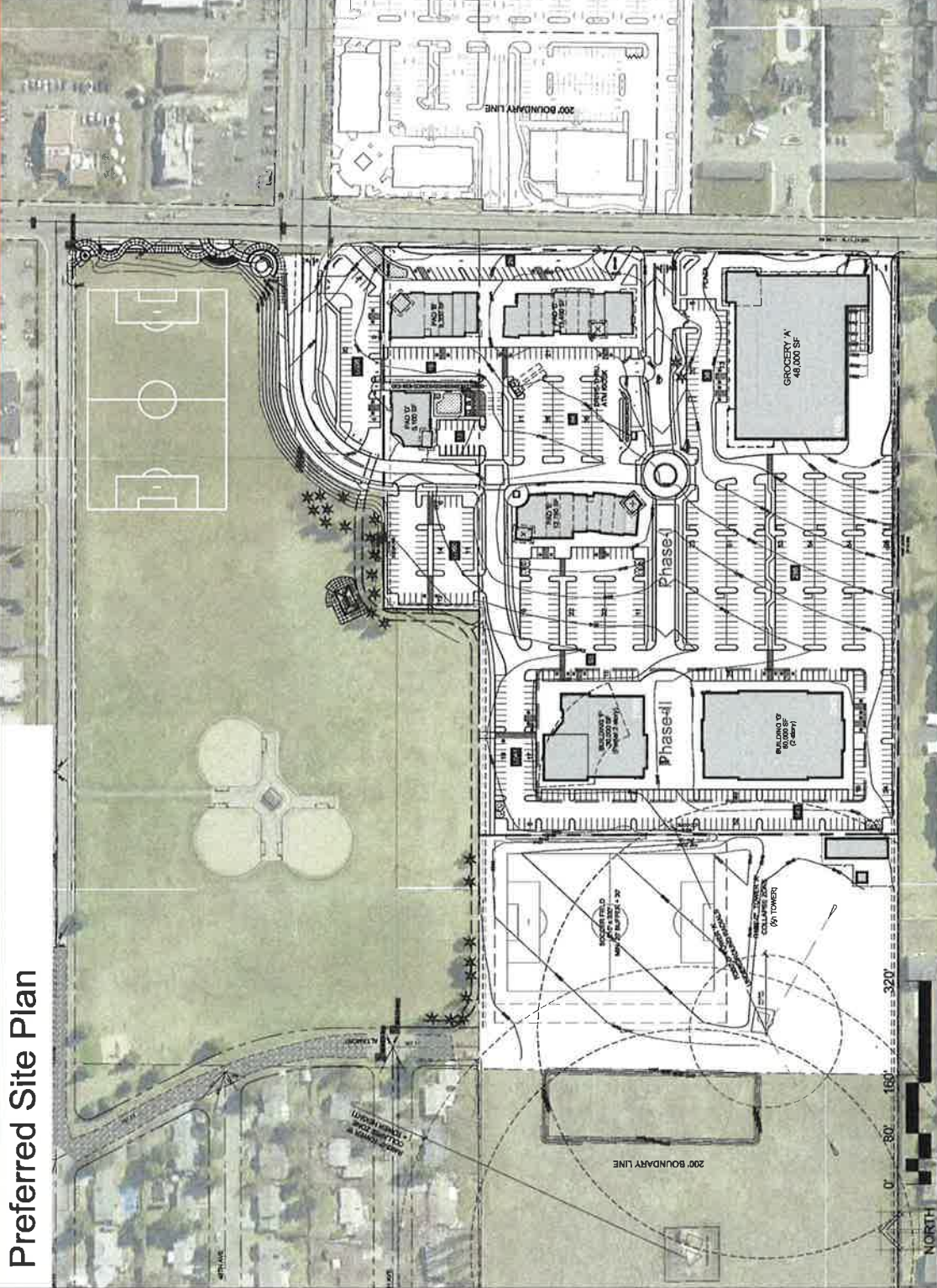
PROVIDED PARKING: 849 STALLS  
 710 STALLS  
 3.98 STALLS / 1,000 SF

LESS 139 SOCCER COMPLEX PARKING STALLS:

DEVELOPMENT PARKING RATIO:  
 REQUIRED ADA PARKING (5%): 42 ADA STALLS  
 PARKING LOT TREES (1 INTERIOR TREE PER 6 STALLS PER SMC 17C.200.040(f)(3)):

## D. PROJECT DATA

DATA	EXISTING	PROPOSED
OCCUPANCY GROUP		M, B, A2 & A3
CONSTRUCTION TYPE		TYPE-II & V-N
MAX. BLDG HEIGHT		55-FEET
MAX. FLOOR AREA RATIO (F.A.R.)		0.5
BLDG(S) SPRINKLED		YES
SEPA REQUIRED		YES
ESTIMATED PROJECT VALUE		\$0
ESTIMATED START DATE		TBD





## **ATTACHMENT 3**

## Context

Integrated Sites & City Property

