

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

02/27/2023

<b>Date Rec'd</b>	2/15/2023
<b>Clerk's File #</b>	RES 2023-0019
<b>Renews #</b>	
<b>Cross Ref #</b>	
<b>Project #</b>	
<b>Bid #</b>	
<b>Requisition #</b>	

<b>Submitting Dept</b>	PLANNING & ECONOMIC DEVELOPMENT
<b>Contact Name/Phone</b>	KEVIN FREIBOTT X6184
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<b>Agenda Item Type</b>	Resolutions
<b>Agenda Item Name</b>	0650 - WQTIF FUNDS FOR WEST CENTRAL PUBLIC IMPROVEMENTS

**Agenda Wording**

A resolution acknowledging the recommendation of the Neighborhood Projects Advisory Committee and confirming the use of West Quadrant TIF Funds for public improvements in West Central.

**Summary (Background)**

This resolution acknowledges the unanimous recommendation of the Neighborhood Project Advisory Committee and would confirm the use of West Quadrant Tax Increment Financing funds for the design, planning, and implementation of various public improvements in the West Central neighborhood.

Lease? NO Grant related? NO Public Works? NO

**Fiscal Impact**

Expense \$ 300,000

Select \$

Select \$

Select \$

**Budget Account**

# 3501 West Quad TIF funds

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**Approvals****Dept Head** GARDNER, SPENCER**Division Director** MACDONALD, STEVEN**Finance** ORLOB, KIMBERLY**Legal** RICHMAN, JAMES**For the Mayor** PERKINS, JOHNNIE**Council Notifications****Study Session\Other** UE 2/13/2023**Council Sponsor** CMs Stratton & Zappone**Distribution List**

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## Briefing Paper

### Urban Experience Committee

<b>Division &amp; Department:</b>	Planning & Economic Development Department
<b>Subject:</b>	West Quadrant TIF Funds for Design/Plan in West Central
<b>Date:</b>	January 30, 2023
<b>Author (email &amp; phone):</b>	Kevin Freibott, Senior Planner, x6184, kfreibott@spokanecity.org
<b>City Council Sponsors:</b>	CM Stratton and CM Zappone
<b>Executive Sponsor:</b>	Steven MacDonald
<b>Committee(s) Impacted:</b>	Urban Experience
<b>Type of Agenda item:</b>	<input checked="" type="checkbox"/> Consent <input type="checkbox"/> Discussion <input type="checkbox"/> Strategic Initiative
<b>Alignment:</b> (link agenda item to guiding document – i.e., Master Plan, Budget, Comp Plan, Policy, Charter, Strategic Plan)	Comprehensive Plan – Economic Development Policies and Goals West Quadrant TIF Enacting Ordinance (C34032 & C35879) Neighborhood Project Advisory Committee
<b>Strategic Initiative:</b>	
<b>Deadline:</b>	n/a
<b>Outcome:</b> (deliverables, delivery duties, milestones to meet)	Resolution to commit Tax Increment Financing to a design/plan/build project in West Central

Background/History:

The West Quadrant TIF encompasses parts of the West Central, Riverside, and Emerson-Garfield neighborhoods and was formed by City Council in 2007 for the purpose of incentivizing and funding, in part, public improvements in those neighborhoods.

In 2022 a local non-profit organization called REACH West Central made a proposal to the City via the City's Neighborhood Project Advisory Committee (NPAC) for the use of \$300,000 in TIF funds for "work on community outreach, design, and feasibility analysis for projects" within the TIF district. Following several months deliberation, the NPAC voted unanimously to recommend City Council allocate the requested funds to that project.

Since the vote by the NPAC, staff has coordinated between multiple departments and built a proposed process by which the money can be used to secure the services of a professional consultant(s), which will develop a number of public improvement projects in the West Central neighborhood that can be funded and implemented by TIF funding potentially in combination with other funding sources.

Executive Summary:

The original REACH West Central proposal is attached as well as a draft Resolution for consideration by City Council in a future Legislative session. The Resolution has been deemed to be acceptable to earmark these funds for the stated purpose as the City budget already includes sufficient expenditure of TIF funds to accomplish the task.

Work under this proposal would be overseen by the Planning & Economic Development department in close coordination with the Integrated Capital Management department. An RFQ is anticipated to be issued to select the appropriate firm to conduct the work once the Resolution has been approved by Council.

Note that this effort is not to exceed \$300,000, and as of the date of this the fund has a balance of \$1,478,756.36.

Budget Impact:

Approved in current year budget?  Yes  No  
Annual/Reoccurring expenditure?  Yes  No

If new, specify funding source: Tax Increment Financing (Account 3501)  
Other budget impacts: None.

Operations Impact:

Consistent with current operations/policy?  Yes  No  
Requires change in current operations/policy?  Yes  No

Specify changes required:

Known challenges/barriers:

## RESOLUTION NO. 2023-0019

A resolution acknowledging the recommendation of the Neighborhood Project Advisory Committee for the West Quadrant Tax Increment Financing district and accepting the use of \$300,000 in tax increment funding for design, planning, and implementation of public improvements in the West Central neighborhood portion of the West Quadrant Tax Increment Financing area.

**WHEREAS**, the City of Spokane formed a West Quadrant Tax Increment Financing (“WQTIF”) area to help provide funding for public improvement projects in and around the Kendall Yards planned unit development (“PUD”) area, and designated project types within the area, along with estimated costs for those projects within the life of the WQTIF; and

**WHEREAS**, City of Spokane Resolution 2007-0101 formed the Neighborhood Project Advisory Committee (“NPAC”) to make recommendations for the use of funds received in the WQTIF area, composed of residents of the West Central, Riverside, and Emerson-Garfield neighborhoods; and

**WHEREAS**, the NPAC meets regularly to review fund balances, proposed projects, potential allocations and to prioritize projects; and

**WHEREAS**, the NPAC met on October 6, 2021 and heard a request from REACH West Central for an allocation of WQTIF funds to fund the design, planning, and implementation of public improvements in the West Central Neighborhood; and

**WHEREAS**, the NPAC continued to discuss and consider the proposal by REACH West Central during their regular meetings in the month of December 2021 and the months of January, February, and April 2022; and

**WHEREAS**, the NPAC has determined that the proposed actions are within the WQTIF project area and are among the types of projects for which allocation of the WQTIF funds is authorized by ordinance C34032, as amended by ordinance C35879, the requested allocation is an authorized use of the WQTIF funds; and

**WHEREAS**, the NPAC unanimously recommended the City Council approve the use of funds for the proposed project in the amount of \$300,000, and recommended expanding the possible projects to be addressed by the funds to any public improvements in the West Central neighborhood portion of the TIF.

**NOW THEREFORE, BE IT RESOLVED** that the Spokane City Council adopt the recommendations of the WQTIF area NPAC allocating tax increment funds for proposed design, planning, and implementation of a range of any allowed public improvements in the West Central Neighborhood portion of the TIF (see **Exhibit A**).

Adopted by the Spokane City Council this \_\_\_\_ day of \_\_\_\_\_, 2023.

\_\_\_\_\_  
City Clerk

Approved as to form:

\_\_\_\_\_  
Assistant City Attorney



Neighborhood Project Advisory Committee (NPAC)  
808 W. Spokane Falls Blvd.  
Spokane, WA 99201

Subject: Proposal for West Quadrant TIF Funds

**January 2022**

Dear Members of the NPAC,

REACH West Central (REACH), with the support of the West Central Neighborhood Council (WCNC), has worked for more than two years on a plan for economic revitalization in the area of the West Central neighborhood that lies within the West Quadrant TIF (WQTIF) district. Our first efforts were aimed at securing a 15-year extension of the WQTIF end date, from 2032 to 2047, and the broadening of allowable funding to include permanently affordable housing in all three of the neighborhoods within the WQTIF district. As you know, the new extension ordinance was approved by the Spokane City Council in October 2020, and is awaiting approval from the Spokane County commissioners.

Those efforts have now been followed by planning for broad community outreach and feasibility analysis for the projects in West Central authorized by the 2007 WQTIF ordinance. The first phase of our work has been funded by grants to REACH from the Greenstone Foundation and the Smith-Barbieri Progressive Fund. Using this funding, in June 2021 REACH retained Woodsong Associates, a community development and planning firm, to begin this work.

The attached proposal will allow completion (with input from West Central residents and businesses, City of Spokane staff, and nonprofit agencies working in West Central ) of the work on community outreach, design, and feasibility analysis for projects that have been authorized by the 2007 WQTIF. This work is both urgent and vitally important, given that the West Central neighborhood, and particularly the area covered by the WQTIF, has one of the highest levels of poverty in the state of Washington, and has suffered significant negative economic impacts from the Covid-19 pandemic in the form of job losses, family displacement, and business closures.

We thank you for your consideration of our proposal, and urge your prompt review and your recommendation to the Spokane City Council to approve this funding proposal.

Signed,

A handwritten signature in black ink that reads "Morgan Thomas".

Morgan Thomas

Chair, REACH West Central

*Attachments:*

- *Exhibit A: Public Involvement Plan (PIP) Executive Summary*
- *Exhibit B: About REACH West Central*



## Proposal for West Quadrant TIF Funds

REACH West Central, with support from the West Central Neighborhood Council (WCNC), has prepared this proposal for funding from the West Quadrant Tax Increment Financing (WQTIF) district for approval by the Neighborhood Project Advisory Committee (NPAC).

This proposal has been created with a focus on completing the projects within West Central authorized by Ordinance C34032, in order to promote and facilitate economic growth and stability within the community, by encouraging investment in job-producing private development to expand the tax base of the neighborhood.

This proposal is for up to \$300,000 in funding for planning, concept design, feasibility studies, and community outreach required to implement projects authorized by Ordinance C34032:

### **1. West Broadway Neighborhood Center Streetscape Improvements**

The original language from Ordinance C34032 describes this project's scope as: "Broadway, Ash to Chestnut, 4 blocks of streetscape improvements, including decorative concrete or paver sidewalks, trees, period lighting, permanent street furniture, bike and pedestrian infrastructure, underground utilities, median construction and infrastructure for future streetcar route."

### **2. Chestnut / Elm Streetscape Improvements**

The original language from Ordinance C34032 describes this project's scope as:

"Traffic calming on Elm, Cannon, and Chestnut, 3 blocks from Bridge to Dean, including crosswalk treatments, street furniture, lighting, bike and pedestrian infrastructure and improvements."

### **3. Maxwell & Elm Employment Center**

The original language from Ordinance C34032 describes this project's scope as: "On Sinto for five blocks from Chestnut to Maple: sidewalks, bump-outs, trees, and crosswalk treatments. Also, water and sewer upgrades to current commercial and industrial standards for the incubator site."

### **4. Traffic calming**

The original language from Ordinance C34032 describes this project's scope as: "Broadway to Nora, Maple and Ash, 4-6 blocks, including sidewalks, bump-outs, trees, crosswalk treatment, benches, and bus shelters."

The goal of the design phase of work is to identify specific project elements to recommend, and to complete initial feasibility analysis and schematic design work to allow projects to proceed to construction (i.e., "shovel-ready"), in order to produce maximum benefit for economic development purposes.

To this end, we envision the funds being expended for work including community outreach and development of feasibility analysis and schematic design for the included projects. Ideally, analysis and design would be completed in sufficient detail to allow solutions with the most potential to catalyze new development, facilitate new investment by small businesses, and expedite redevelopment of nearby sites.

To help produce a scope of work, schematic design, and feasibility analysis for each of these projects that can



achieve community revitalization goals, this funding proposal includes a suggested Public Involvement Plan (PIP), the executive summary for which is attached. The aim is to create a vision for each project, with collaborative input from the West Central community and City of Spokane staff, to identify the set of deliverables needed to advance each project from planning to implementation, including capital project design, permitting, engineering, and construction.

To ensure that funded projects will result in the desired investment in job-producing private development to expand the tax base of the neighborhood, we suggest that the scope of the feasibility analysis should also consider related community and economic development activities, including those on the other side of the property line from the public Right Of Way (ROW). This consideration may include, but is not limited to, an audit of the applicable controlling documents and an analysis of possible uses.

We believe that this preliminary feasibility and design work will enable leveraging of construction funding from outside sources, in addition to the future use of WQTIF funds.

We anticipate working with community partners such as the West Central Neighborhood Council, Community Frameworks, Habitat for Humanity, Spokane Low Income Housing Consortium (SLIHC), Spark Central, West Central Community Center, Our Place, the Native Project, and the Greenstone Corporation, as well as City of Spokane staff, to finalize and execute the Public Involvement Plan (PIP) that is summarized in Exhibit A.

The West Central neighborhood is home to many disadvantaged residents. Successful planning in the neighborhood must work closely with organizations that intimately understand the challenges residents face and that have earned their trust. In support of this reality, this funding proposal is made with the understanding that REACH West Central, with the support of the West Central Neighborhood Council (WCNC) and other West Central community partners, wishes to have an advisory role in this planning process in order to represent the voice of neighborhood residents. This could involve such activities as:

- Input into the scope of work for the request for proposals (RFP) for potential planning consultants;
- Inclusion in the process of interviewing potential planning consultants; and
- Participation in any technical committee guiding and reviewing the work of the planning consultant during the execution of the contract.

The NPAC has recently revised its Policies and Procedures document to include, among its Duties and Powers, “ensur[ing] that one or more public participation process(es)...has occurred” before neighborhood improvement projects are implemented. During the work on revising the committee’s policies and procedures, the members expressed dismay that previous planning efforts in West Central had not always included a rigorous public participation process. Allowing REACH, with the support of the WCNC, to act as a neighborhood representative in this planning process would indeed ensure that residents of the neighborhood are included in decision making.

We thank you for your careful consideration of this proposal, and look forward to discussing it with you at your earliest convenience.





## Summary of REACH West Central Public Involvement Plan (PIP)

The Public Involvement Plan is intended to be a template for community engagement for projects within Spokane's West Central neighborhood; it can guide the process of planning for healthy, connected, and inclusive communities within the neighborhood. The intent is to ensure an open and equitable process to provide residents and other concerned parties meaningful opportunities to help shape the quality of change and growth in the West Central community.

### Overview

The West Central neighborhood has suffered from underinvestment for decades, and is one of the most impoverished areas not only in the city of Spokane, but also in the state of Washington. This continues to be the case in the context of a current housing crisis. As the city of Spokane grows, more people, especially low-income communities of color, immigrants, and renters who have been disproportionately impacted by myriad socio-economic issues, will become increasingly vulnerable to displacement pressures in neighborhoods such as West Central.

The 2012 West Central Neighborhood Action Plan references the City of Spokane's Comprehensive Plan goal:

*"Growth will be managed to allow a mix of land uses that fit, support, and enhance Spokane's neighborhoods, protect the natural environment, and sustain the downtown area and broaden the economic base of the community."*

Despite this aspiration, little action has occurred to fulfill it in West Central in the near-decade since 2012. REACH West Central (REACH) intends to help bring catalytic funding into the neighborhood, from the West Quadrant TIF as well as from other funding sources, to achieve the goals of the 2012 Neighborhood Action Plan. These include safety improvements to the transportation system, interventions to stabilize the housing market, and initiatives to increase livability and equity outcomes in the neighborhood.

Towards this end, over the next several years REACH will help to seek funding to support the following tasks in West Central as a part of a strategic initiative:

- Plan for a healthy, connected, and inclusive community with a full range of housing choices permanently affordable to neighborhood residents; thriving business districts; healthy built environments; and strong social networks and institutions;
- Help build capacity of community-based organizations that work with low-income households and communities of color such as the West Central Neighborhood Council; Spark Central; Our Place; the West Central Community Center; and others to advise project decisions, build organizational relationships, and develop deeper ties among community members;
- Decrease the urban heat island effect through tree planting and other urban greening efforts;
- Plan for and implement a set of transportation interventions to calm traffic; increase the availability and safety of options for walking, bicycling, and transit riding; and support neighborhood economic development.

### Project Goals

Building from the major goals of the 2012 West Central Neighborhood Action Plan and Spokane's Comprehensive Plan, the following draft project goals are proposed. These will be refined through the community engagement process.

1. Improve public health outcomes for people living and working in the neighborhood;



## Exhibit A: Public Involvement Plan (PIP) Executive Summary

2. Plan for a safe, accessible, affordable, healthy, and socially inclusive neighborhood that allows the most vulnerable households to remain in place and build wealth;
3. Commit existing resources and develop new, long-term resources for permanently affordable housing;
4. Prevent residential and cultural displacement by preserving existing unregulated affordable rental housing, strengthening tenant protections, and providing anti-displacement services;
5. Increase housing choices for all household types and incomes by developing opportunity sites for new construction of equitable, pedestrian-focused development, and by regulating land use and zoning to create permanently affordable and market-rate housing;
6. Create conditions for more robust commercial main streets and a full range of commercial and business services in West Central;
7. Promote local small business opportunities in tandem with economic development efforts.

### Public Involvement Plan

The goal of the Public Involvement Plan (PIP) is for communities in West Central to be stronger and more empowered to help shape growth and change than they were before the planning process began. This means providing an interactive, ongoing public discussion that will be mutually accountable, transparent, and engaging for those most vulnerable to the burdens of neighborhood change.

The finalized PIP document will help to direct a set of specific engagement practices, including:

- Distributed community charrette
- Temporary installations as community feedback loops
- Community walking tours
- Community training and dialogues on equity and fair housing
- Ongoing outreach to stakeholders
- Website and social media
- Physical notifications, meeting notices, media releases

REACH West Central sees community involvement as a partnership with the City of Spokane that values residents' wisdom, leveraging meaningful, accessible, and effective participation to deliver social justice and equity with transparency and accountability.

### Conclusion

Political and community momentum has been building to see the West Central neighborhood transform into a more vibrant and accessible version of what it is today, a place that helps to unite surrounding neighborhoods. The time is now right to consider how to complete the neighborhood's transformation into a vibrant, inclusive, safe, and equitable place for people to live, work, play and learn.



Exhibit B: About REACH West Central

## What is REACH West Central?

REACH West Central is a 501c3 community development corporation that was started in 2017 by residents of West Central who were aware that the neighborhood has, at least in part, been passed over for development funding due to a lack of capacity.

Historically, it has been difficult for residents of low-income areas like West Central to make their voices heard in the decisions that affect them. One of the goals of REACH is to help create capacity, thus allowing the neighborhood to more effectively engage with the City of Spokane and with funding organizations.

Rather than duplicating the efforts of other groups, REACH's mission is to collaborate with and provide support to organizations that share our goals. To further this mission, REACH has several areas of focus:

- Fostering economic development
- Helping to create sustainable housing
- Promoting arts and culture
- Improving the environment and quality of life in West Central.

REACH is a member of the Spokane Low Income Housing Consortium and the West Central Community Coalition. We have additional partnerships with Community Frameworks and Habitat for Humanity, as well as with the West Central Community Center and Spark Central.

EIN: 82-4593760

**NOTICE OF CITY COUNCIL PUBLIC HEARING  
PROPOSED RESOLUTION  
USE OF WEST QUADRANT TIF FUNDING IN WEST CENTRAL  
(Proposed Resolution 2023-\_\_\_\_\_)**

Notice is hereby given that there will be a public hearing before the City of Spokane City Council on **Monday, February 27, at 6:00 p.m.** in the City Council Chambers, Lower Level of City Hall, 808 West Spokane Falls Boulevard, Spokane, Washington.\* (See note below.) This hearing may be continued to a later date. This public hearing is to consider a Council Resolution acknowledging a recommendation of the Neighborhood Project Advisory Committee for the West Quadrant Tax Increment Financing (WQTIF) area for the use of WQTIF funds for the design, planning, and implementation of public improvements in the West Central Neighborhood portion of the WQTIF area.

Written comments and oral testimony at the public hearings for these proposed actions will be made part of the public record. Any person may submit written comments on the proposed actions to [kfreibott@spokanecity.org](mailto:kfreibott@spokanecity.org) or call for additional information at:

*Planning & Development Department  
Attn: Kevin Freibott, Senior Planner  
808 West Spokane Falls Boulevard  
Spokane, WA 99201-3329  
Phone (509) 625-6500*

**More information on the process:** The City Council will be briefed on the proposed Resolution on Monday, February 20, 2022 at 3:30 p.m. There is no public testimony at the briefing. Final consideration of the proposed Resolution is scheduled for Monday, November 21, starting at 6 p.m. At this meeting there will be opportunity for public testimony. The public may also submit written comment to the City Council at [citycouncil@spokanecity.org](mailto:citycouncil@spokanecity.org). The City Council may continue this public hearing to a following meeting at their discretion.

**AMERICANS WITH DISABILITIES ACT (ADA) INFORMATION:** The City of Spokane is committed to providing equal access to its facilities, programs and services for persons with disabilities. The Spokane City Council Chamber in the lower level of Spokane City Hall, 808 W. Spokane Falls Blvd., is wheelchair accessible and also is equipped with an infrared assistive listening system for persons with hearing loss. Headsets may be checked out (upon presentation of picture I.D.) at the City Cable 5 Production Booth located on the First Floor of the Municipal Building, directly above the Chase Gallery or through the meeting organizer. Individuals requesting reasonable accommodations or further information may call, write, or email Human Resources at 509.625.6363, 808 W. Spokane Falls Blvd, Spokane, WA, 99201; or

[msteinolfson@spokanecity.org](mailto:msteinolfson@spokanecity.org). Persons who are deaf or hard of hearing may contact Human Resources through the Washington Relay Service at 7-1-1. Please contact us forty-eight (48) hours before the meeting date.