Chapter 2

BACKGROUND AND CONTEXT
Background and Context

1.0 REGIONAL CONTEXT
As the largest city between Seattle and Minneapolis, Spokane is the gateway to the Inland Northwest. It is located in eastern Washington, 18 miles west of the Idaho state line and 110 miles south of British Columbia. The City is situated on the eastern edge of the Columbia Basin, a wide sloping plain that rises sharply to the east towards the Rocky Mountains. The Spokane River and its waterfalls bisect the City. The varied topography of this region includes rolling wheat fields, snow-capped mountains, lush forests, desert areas, mountain lakes, and rivers.

2.0 HISTORY OF DEVELOPMENT
Fishing on the banks of the Spokane River provided an important resource to early Native American inhabitants. In 1810, members of John Jacob Astor’s Pacific Fur Company established a trading center on the river; missionaries, miners, and farmers began to settle in the region in the 1860’s. The Northern Pacific railroad reached the Spokane area in 1881, making it accessible to most of the nation. The town of Spokane Falls was incorporated in the same year, and renamed Spokane in 1891. In the City’s early years, it was a regional center for lumber, mining, and farming industries of the Inland Northwest, served by a sprawling railroad yard at the site of the upper waterfalls.
Like many other American cities, Spokane experienced increasing decentralization over time. In the latter half of the 20th century, the growth of suburban single family housing and outlying commercial centers eroded Downtown’s dominance as the region’s retail and residential center. Despite this, it continues to be a vital commercial and cultural center, attracting many visitors with its Convention Center, cultural activities, sports events, Riverfront Park attractions, commerce, shopping, and dining. As the host of the 1974 World’s Fair Environmental Exposition, the City converted a rusting rail yard into the 100-acre Riverfront Park, centered on the Spokane River. This park remains the physical and symbolic focal point of the community. It is a living example of Spokane’s commitment to Downtown and its ability to change with the times. The park continues to evolve thanks to the development of the Great Gorge Park, which links Downtown to High Bridge Park and the Centennial Trail.

Since 1999, Downtown Spokane has increasingly reestablished itself as the nightlife and entertainment hub of Eastern Washington and the larger region, with the opening of various restaurants and bars, and new and refurbished cultural facilities, such as the INB Performing Arts Center, Bing Crosby Theater, and the Fox Theater. The opening of River Park Square in 1999 strengthened Downtown’s position as the retail center of the Inland Northwest.

Spokane also has seen significant growth in its convention and hospitality industry as a result of major hotel development and the expansion of the Spokane Convention Center. Additionally, the University District is home to three universities and serves approximately 10,000 students, growing in enrollment and programmatic diversity every year. The Community Colleges of Spokane also have a presence and plan to bring more students to the area as well. Together, these projects have helped to create an increasingly vibrant urban environment in Downtown.

Spokane’s enviable high quality of life has earned the City numerous accolades. In 2005, Spokane was rated as one of the most walkable cities in the U.S. by Prevention Magazine. The City’s burgeoning high-tech industry has also established Spokane as one of the country’s best places for entrepreneurial businesses. In 2007, Spokane ranked number 22 on Inc. Magazine’s list of the “Best Midsize Cities for Doing Business” and number 20 on Forbes’ list of overall “Best Places.” In 2008, Spokane ranked number nine on Forbes’ list of “Best Places for Business and Careers.”
The 1999 Plan set the following strategic objectives for Downtown Spokane:

- **Development Opportunity Sites**: Target Convention Center and underutilized properties on Stevens Street between Spokane Falls Boulevard and Main Avenue as key opportunity sites for new development.
- **Green Streets**: Create a network of three types of green streets centered on Howard Street and Spokane Falls Boulevard.
- **Howard Street “String of Pearls”**: Develop Howard Street as the central pedestrian element in Downtown Spokane. Make this street the “string” that links the “pearls,” or activity centers, of Downtown.
- **Spokane Falls Boulevard Link**: Enhance Spokane Falls Boulevard as the primary connection between the Convention Center/INB Performing Arts Center and the Downtown retail core.
- **Urban Refuge**: Enhance Riverfront Park as a peaceful urban refuge in the center of Downtown.
- **Downtown Public Square**: Develop a new public square on Riverside Avenue between Howard Street and Post Street as a “ceremonial” place for the City, designed for public events and informal gatherings.
- **Increased Public Transportation**: Build a new light rail line to help ensure smooth traffic flow through Downtown from the east side of the City.
- **Skywalk Improvements**: Improve connections from the skywalks to the street level and parking ramps.
- Fourteen **priority projects** were identified in the 1999 Plan to catalyze revitalization of the Downtown. These projects, and their status in 2008, are listed in Table 2.1.
3.3 RECENT DOWNTOWN AREA PLANS

Since 1999, the City and its partners have undertaken numerous planning efforts that will influence the direction of the Plan Update. These studies help provide a context for understanding the continued evolution of Downtown. The most significant of these plans are summarized on the following pages.

3.3.1 Residential Market Potential Study, Feb. 2003

The City and the Downtown Spokane Partnership, with partial financial backing by the Federal National Mortgage Association (Fannie Mae), oversaw the development of the Residential Market Potential Study, conducted by Zimmerman/Volk Associates, Inc. in 2003. The purpose of the study was to identify the market potential for new market-rate housing units in Downtown.

<table>
<thead>
<tr>
<th>Action Project from 1999 Plan</th>
<th>Project Targets</th>
<th>Status/Accomplishments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expand Convention Center</td>
<td>Project completion by 2003</td>
<td>• Project completed in May 2007</td>
</tr>
<tr>
<td></td>
<td>New development: 39,000 sq. ft. per year</td>
<td>Expansion added 100,000 sq. ft. of meeting space</td>
</tr>
<tr>
<td>Strengthen/reinforce retail core development</td>
<td>New development: 39,000 sq. ft. per year</td>
<td>88,056 estimated average sq. ft. per year</td>
</tr>
<tr>
<td>Strengthen/reinforce office core development</td>
<td>New development:  • Class A – 43,000 sq. ft. per year  • Class B – 43,000 sq. ft. per year</td>
<td>Class A – 15,618 estimated average sq. ft. per year  • Class B – 86,069 estimated average sq. ft. per year</td>
</tr>
<tr>
<td>Develop a public square</td>
<td>1-5 years</td>
<td>No progress identifying a potential site</td>
</tr>
<tr>
<td>Improve the Howard Street Corridor</td>
<td>1-5 years</td>
<td>Howard Street identified as a “green street” corridor</td>
</tr>
<tr>
<td>Improve Division Street as a Gateway to Downtown</td>
<td>1-5 years</td>
<td>No progress</td>
</tr>
<tr>
<td>Develop market-rate housing</td>
<td>New development: 200 units per year</td>
<td>New development: 100 units average per year</td>
</tr>
<tr>
<td>Develop mixed use projects on First Avenue</td>
<td>1-5 years</td>
<td>Some progress in Davenport District area</td>
</tr>
<tr>
<td>Build a parking structure for the Davenport Arts District</td>
<td>1-5 years</td>
<td>Proposed parking structure at Railside Center development at Madison and Railroad Alley</td>
</tr>
<tr>
<td>Develop and market the “Terabyte Triangle” as a high-tech industry center</td>
<td>Immediate and ongoing implementation</td>
<td>• Implementation completed  • Marketing efforts ongoing</td>
</tr>
<tr>
<td>Build a Science and Technology Museum</td>
<td>1-5 years</td>
<td>• Mobius Children’s Museum opened in 2005 at River Park Square  • Mobius Science Center planned to open in 2010 at site of North Bank of Riverfront Park</td>
</tr>
<tr>
<td>Develop retail, sports, and entertainment uses at North Bank opportunity sites</td>
<td>5-15 years</td>
<td>No progress – Arena remains main site</td>
</tr>
<tr>
<td>Develop mixed use project at Stevens Street opportunity site</td>
<td>5-15 years</td>
<td>No progress – site remains underutilized</td>
</tr>
<tr>
<td>Revive the Downtown Public Marketplace</td>
<td>1-5 years</td>
<td>Discussions to create Public Market Plan in progress</td>
</tr>
</tbody>
</table>
The study yielded the following key findings:

- Considerable latent demand existed for Downtown housing, both new construction and adaptive re-use of existing buildings.
- The market potential for new market-rate housing units to be leased or sold within Downtown Spokane was 4,100 households.
- Just under half of these 4,100 households were currently living in the City of Spokane or Spokane County at the time of the study. A significant portion of the potential market was expected to move from the Seattle/Tacoma area (11 percent), from Southern California (four percent) or from elsewhere in the nation (35 percent).
- The household groups that comprised the potential market were:
  1. Younger singles and couples without children (53 percent);
  2. Well-to-do empty nesters and retirees (41 percent); and
  3. A range of urban families (six percent).
- Downtown Spokane should be able to support nearly 300 new units per year over the five-year period ending 2008.

3.3.2 The University District Strategic Master Plan, Nov. 2004

A University District Strategic Master Plan was prepared by the City of Spokane’s Economic Development Department in 2004, with MIG as the consultant. This plan established the community’s vision for the University District and addressed the District’s economic development issues, urban growth, environmental restoration, transportation, and affordable housing needs. The Master Plan laid out the following goals for the District:

- Construct a pedestrian/bicycle bridge that will cross the existing Burlington Northern/Santa Fe railroad tracks at Grant Street. This bridge is expected to facilitate pedestrian and bicycle traffic directly to the south of the Riverpoint Campus and provide a link to the underdeveloped commercial district around Sprague Avenue.
- Create a vibrant mixed-use environment with housing, campus facilities, pedestrian amenities, shopping, dining, and gathering places. Permanent employment opportunities are expected to be created to support a growing student population.
- Incorporate sustainable design as a core principle, including pedestrian and bicycle improvements, the restoration of the Spokane River, utilizing “green designs” for new infrastructure and the expectation that new buildings will strive for LEED® certification.
- Create public meeting and gathering places that promote festivals, community gatherings, ceremonies, and public performances.
3.3.3 Great Spokane River Gorge Strategic Master Plan, March, 2005

This Master Plan, which was developed by MIG for Friends of the Falls, identifies guidelines, projects, and strategies to activate the Spokane River Gorge by providing enhanced educational, recreational, cultural, and aesthetic opportunities, increased environmental awareness, and by serving as a driver for regional economic development.

The Master Plan does the following:

- Describes the market support that affects the Gorge area and Spokane as a whole.
- Builds on the Olmstead Brothers’ (1913) vision for the Gorge area by identifying goals, principles, and key projects that will enable the Gorge area’s restoration and enhancement.
- Provides the guidelines by which Spokane can make the most of the opportunities identified.
- Establishes a clear strategy to implement the Master Plan, including project timeframes, lead agencies, and budget estimates.

The Great Spokane River Gorge Strategic Plan guides activation and preservation of the Spokane River Gorge.
3.3.4 Spokane Downtown Parking Demand Study, April, 2005

The City and the Downtown Spokane Partnership commissioned a Parking Demand Study, which was conducted by Melvin Mark Development Company and Nelson/Nygaard Consulting and was completed in 2005. The study identified key issues regarding parking, transportation, and access in Downtown and their impact on continued economic vitality. The following were the key findings from the study:

- Overall parking occupancy of Downtown reaches a peak of 63.8% of total capacity in the peak hour (i.e., 12:30 p.m. – 1:30 p.m.) on business days.
- While on-street occupancies are high in the Core and West End Zones, both zones have low utilization of off-street facilities. This relationship underscores the need for a better system of wayfinding/signage, communication, lighting/landscaping, and pricing to draw patrons into off-street facilities.
- Time-stay violations are high in the Downtown study area, particularly in the Core Zone. The situation in the Core Zone is likely the result of the high number of 1-hour meters (and 30-minute meters) in the zone, which is out of sync with a patron’s average time stay of approximately 1.5 hours. A review and reconsideration of the mix of time stay allowances in the Core Zone is recommended.
- It appears that the available supply of parking in the peak hours is adequate to accommodate current and future levels of demand.

The study made the following recommendations:

- Develop programs to improve signage and communication.
- Evaluate parking time stay allowances.
- Capture additional on-street parking supply.
- Undertake specific policy level actions to reduce levels of parking abuse.
- Create a permanent Parking Steering Committee.
- Designate a Parking Manager charged with facilitating the Parking Steering Committee process and acting as a liaison/partner with the City in managing parking in Downtown.
3.3.5 Spokane Streetcar Feasibility Study, March 2006

In the summer of 2004, the Spokane Regional Transportation Council (SRTC) in conjunction with Spokane Transit Authority (STA) and the Downtown Spokane Partnership initiated the *Spokane Streetcar Feasibility Study*. The study analyzed the effectiveness of a streetcar system as a transportation and development tool that could help realize the vision for Downtown Spokane, and provided the basis for a decision on whether or not a streetcar system should be pursued as a component of the Downtown development strategy. The study was prepared by URS Corporation and contained the following key findings:

- A Downtown streetcar system is feasible. The study recommended a system with two lines that intersect in Downtown.
- The initial segment would extend from the vicinity of the County Government Center north of the Spokane River, past the Spokane Arena, through Riverfront Park to the Downtown Core, then east to the University District.
- Cost estimates for the initial segment:
  1. Construction: $52-56 million
  2. Operation: Approximately $1.7 million/year
- Streetcar system would generate an estimated $350 million worth of development and redevelopment on and adjacent to the streetcar line.

*The Spokane Streetcar Feasibility Study found that a two-line system serving Downtown would be a major catalyst for new development.*
3.3.6 Spokane’s University District: Policy Options for a New Urban Center, June 2007

Following the completion of the *University District Master Plan* in 2004, the City asked the U.S. Environmental Protection Agency (EPA) to determine the market potential for urban redevelopment in the University District and to identify policy options that could increase development opportunities in the district.

The EPA’s report was released in 2007 and made five recommendations to help achieve the objectives of the *University District Strategic Master Plan*:

- Use investment in Riverside Avenue to support an urban Riverpoint Campus.
- Develop a specific area plan for the University District.
- Support private sector development on the Riverpoint Campus.
- Strengthen partnerships between universities, the City and the private sector.
- Act on catalytic development opportunities, such as the Jensen-Byrd Building.

3.3.7 Downtown Spokane Streetscape Treatment and Element Design Standards, November 2007

In November 2007, David Evans and Associates, Inc. completed the *Downtown Spokane Streetscape Treatment & Element Design Standards* for the Downtown Spokane Partnership (DSP) and Business Improvement District (BID). The purpose of these guidelines is to provide a set of design standards for a hierarchy of streetscape treatments for the BID, generally bounded by Maple Street to Browne Street and the Railroad Viaduct to North River Drive. The result will be a cohesive collection of elements that tie Downtown together, while providing distinctions between sub-districts. Some elements have been implemented in 2008 with the addition of 18 new planters within the Downtown Core, funded by the BID, to be expanded in future years with new street banners to follow.
3.4 CURRENT PLANNING EFFORTS

3.4.1 University District/Downtown Spokane Transportation Improvement Study

DKS Associates is conducting a comprehensive transportation improvement study for the City of Spokane to evaluate existing transportation deficiencies, traffic flow, and congestion within the Downtown Core and the University District, and to identify safe travel routes for bicyclists and pedestrians. A draft of this study was released in May 2008 and is being undertaken in partnership with the City and various businesses and universities.

3.4.2 Transit 2020

Transit 2020 is a plan being developed by Nelson-Nygaard Consulting on behalf of the Spokane Transit Authority (STA). The plan is expected to take a comprehensive look at STA’s facilities and operations, and will recommend physical and service improvements for the next 10 to 15 years. The transit plan is expected to be released in early 2009.

3.4.3 Shoreline Master Program Update

The City’s Shoreline Master Program (SMP) is a policy and regulatory document governing development within 200 feet of the high water mark of the Spokane River and Latah Creek within the City limits. The SMP provides policy guidance and development standards such as setbacks, height, and design requirements, among other elements.

The City’s SMP was originally adopted in 1976 and was last revised in 1982. The SMP update is anticipated to be completed in late 2008.

3.4.4 Growth and Transportation Efficiency Center (GTEC)

Washington State’s 2006 Commute Trip Reduction Efficiency Act (ESSB 6566) resulted in the creation of the Growth and Transportation Efficiency Center (GTEC) program. The purpose of this program is to increase the efficiency of the State’s transportation system in areas with a concentration of jobs and housing. The City of Spokane received State funding to develop a program to improve Downtown transportation performance. The GTEC plan will be based on many of the strategies identified in the 1999 Plan and University District Master Plan. The plan will collect City-adopted goals, policies, facility and service improvements, and marketing strategies, outlining how drive-alone trip and vehicle miles traveled in the Downtown area will be reduced over the next six years. The GTEC plan was approved in February 2008 and implementation occurred in late summer 2008.
3.4.5 Riverpark Square Ten Years Later Economic Impact Study

A recent study conducted by Real Estate Economics compares several key economic indicators measured in 1995 when a decision was being made on whether to move forward with River Park Square.

Key findings from the study indicate significant increases since construction began on River Park Square in Downtown: retail jobs (72%), retail wages (73%), and retail sales (38%). During the same time period, retail vacancy rates decreased from 25 to 12 percent. These results exceeded forecasts made in 1995.

3.4.6 Riverpoint Campus Master Plan Update

Washington State University will be updating its Master Plan for the Riverpoint Campus, at the heart of the University District, beginning in autumn of 2008. The update will include revisiting circulation and parking, development patterns, and the mix of land uses on and near campus, based on a long-term, strategic vision and academic plan for growth and development as a center for biomedical and health sciences innovation. The update will strive to integrate campus plans with this Downtown Plan Update. The future vision is for integration and extension of the Central Business District with the campus, for intensive, vertical, mixed-use urban development and large-scale research and clinical facilities. Public-private partnerships will accelerate development opportunities on university-owned land on the south side of Spokane Falls Boulevard. Academic facility construction will focus on the north side of Spokane Falls Boulevard in the near term, with the proposed addition of another major biomedical/health sciences building as the next short-term capital priority.
4.0 SOCIO-ECONOMIC OVERVIEW

As the second largest city in the State, Spokane is the economic driver of Eastern Washington’s nine-county region. Despite several cyclical downturns, the region has experienced relatively healthy growth in the last 15 years driven by the higher education, recreation and tourism, and technology sectors, as well as a combination of a desirable urban culture and abundant outdoor amenities. From 1999 to 2007, overall investment in Downtown Spokane totaled approximately $3.4 billion.

4.1 POPULATION AND EMPLOYMENT GROWTH

Employment growth in the Spokane region has been particularly strong, exceeding national rates and at least keeping pace with the State. As shown in Table 2.2, Spokane County gained about 55,400 jobs since 1990, an increase of about 36%, which is equal to the State and more than double the national rate. Over the last six years, the rate of County employment growth actually exceeded the State as a whole, and this trend is projected to continue. The County is projected to gain about 30,000 new jobs by 2015, an increase of 14% (twice the State average and greatly exceeding the national rate).

Although population growth has not kept pace with the State over the last two decades (while still exceeding the nation), recent data suggest this trend is reversing, especially in the urban core. The County gained about 85,300 new residents since 1990, an increase of about 24%, compared to 31% growth in the State and 20% for the nation. Also, Spokane’s population growth has lagged behind employment growth in the State as a whole, and continues to do so. Increasing employment relative to population tends to indicate a positive and sustainable long-term economic outlook. The City’s population growth rate is expected to catch up with the State and the County (10% from 2006 to 2015 compared to 11% at the State and County level).

4.2 KEY ECONOMIC SECTORS

The Spokane region has experienced a gradual change in the composition of its economy over the last 15 years. As shown in Table 2.3, blue collar sectors such as manufacturing and retail trade are gradually being replaced by white collar professions such as professional services, finance, insurance, real estate, health care, and education. The sectors experiencing the most significant increases between 2000 and 2006 were finance, insurance, and real estate, which grew by about 42%, and professional services, which grew by about 22%. A brief description
of several key economic sectors in the Spokane region is provided below.

### 4.2.1 Education, Health Care and Social Services

With the presence of Washington State University Spokane, Gonzaga University, Whitworth University, Eastern Washington University Spokane as well as Cheney, and two Community Colleges of Spokane, higher education represents a key economic sector. There are also about 8,400 employees associated with health care institutions in the Downtown Spokane vicinity, (e.g., South Hill Medical District), including Deaconess Medical Center, Sacred Heart Medical Center, Shriner’s Hospital, St. Luke’s Rehabilitation Institute, and Rockwood Clinic. As shown in Table 2.3, the education, health care, and social services sector combine for about 26% of the total employment in both the County and City in 2006, making it the largest single sector.

### 4.2.2 Technology and Professional Services

Employment in professional and related services, which includes a number of high-technology sectors, has almost doubled in the County since 1990. Currently, this sector provides about 21,000 jobs, representing about 10% of the total economy. More importantly, these professions tend to be higher-paying and thus more likely to attract and retain well-educated residents.
4.2.3 Tourism and Business Travel

Tourism and business travel continue to play an important role in the Spokane economy. Table 2.3 shows that the arts, entertainment, and recreation services sector has increased almost seven-fold over the last 15 years, making it the fastest growing sector in the region. This trend has coincided with major hotel development (e.g., Davenport, Montvale), recent improvements to Spokane’s convention center, and increasing success attracting national events like the U.S. Figure Skating Championships.

The increasing volume of visitors, tourists, and business travelers to the region is reflected by the growth in annual passenger boardings at the Spokane International Airport (SIA). As shown in Table 2.4, there were 181,445 more passenger boardings at SIA in 2006 than in 2001, an increase of about 13%. This is compared to a 12% increase at the 350 primary U.S. airports.

Increases in the volume of travelers who pass through Spokane and spend money on local goods and services have a significant impact on the region’s economy. Table 2.5 shows trends of visitor spending in Spokane County between 1991 and 2006. Overall, this increased at an average annual rate of about 6.7% between 2001 and 2006, a slightly higher rate than the County experienced between 1991 and 2001.

### Table 2.4

<table>
<thead>
<tr>
<th>Airport/Area</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>Growth</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spokane International Airport</td>
<td>1,423,624</td>
<td>1,354,085</td>
<td>1,375,698</td>
<td>1,508,921</td>
<td>1,583,737</td>
<td>1,605,069</td>
<td>181,445</td>
<td>12.7%</td>
</tr>
<tr>
<td>U.S. Total†</td>
<td>658,663,261</td>
<td>642,944,684</td>
<td>649,554,098</td>
<td>704,080,127</td>
<td>735,004,146</td>
<td>737,085,010</td>
<td>78,421,749</td>
<td>11.9%</td>
</tr>
</tbody>
</table>

† Includes passenger boardings for 350 primarily U.S. airports.

Sources: U.S. Department of Transportation; Economic and Planning Systems, Inc.

4.3 ROLE OF DOWNTOWN

The continuing strong population and employment growth within the Spokane region is beginning to be absorbed by Downtown. The bulk of this growth had occurred in more suburban areas and outside the City; but between 2000 and 2005, Downtown Spokane’s population grew at a relatively faster rate than that of the City and County. The number of people residing Downtown is estimated to have grown by approximately 15% from about 2,480 in 2000 to 2,550 people in 2005. The City’s population grew approximately 1.3% between 2000 and 2006.
Moreover, the Downtown has solidified its position as the entertainment, cultural, and commercial hub of the region, attracting residents, tourists, and business travelers. Downtown’s success was fostered significantly by the redevelopment of River Park Square in 1999, a 400,000 square foot shopping center. River Park Square, which was 96 percent occupied in March 2007,\textsuperscript{1} serves as the primary Downtown retail anchor and epicenter for related commercial activity. Many of these growth activities have since taken on a life of their own, as recently manifested by a surge in Downtown commercial and residential real estate investment.

\textsuperscript{1} Source: Shopping Center Business, “New Spirit for Spokane,” March 2007.

Despite its strengths and success, Downtown has yet to grow into a resilient and multifaceted economy, and may remain relatively vulnerable to business cycle trends. There is an ample supply of vacant or underutilized parcels within the existing built environment. Redevelopment is also hindered by existing ownership patterns, parcel configuration and assembly, physical or environmental constraints, and speculation. Some elements of Downtown remain poorly integrated within adjacent neighborhoods and the region as a whole due to transportation, geographic, or urban design–related barriers (e.g., lack of a Downtown circulator, highway/arterial alignment and configuration, rail lines, etc.), as well as negative perceptions related to safety, noise, and other issues.

<table>
<thead>
<tr>
<th>Table 2.5</th>
<th>Spokane County Travel Impacts, 1991-2006</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Downtown Spokane Development Plan; EPS #17013</td>
</tr>
<tr>
<td>Total Direct Travel Spending ($Million)</td>
<td>$378.7</td>
</tr>
<tr>
<td>Visitor Spending at Destination</td>
<td>$29.3</td>
</tr>
<tr>
<td>Other Travel*</td>
<td>$408.0</td>
</tr>
<tr>
<td>Total Direct Spending</td>
<td>$378.7</td>
</tr>
<tr>
<td>Visitor Spending by Commodity Purchased ($Million)</td>
<td>$57.8</td>
</tr>
<tr>
<td>Accommodations</td>
<td>$102.6</td>
</tr>
<tr>
<td>Food and Beverage Services</td>
<td>$28.5</td>
</tr>
<tr>
<td>Food Stores</td>
<td>$19.0</td>
</tr>
<tr>
<td>Ground Trans. &amp; Motor Fuel</td>
<td>$105.5</td>
</tr>
<tr>
<td>Arts, Entertainment &amp; Recreation</td>
<td>$62.2</td>
</tr>
<tr>
<td>Retail Sales</td>
<td>$68.7</td>
</tr>
<tr>
<td>Air Transportation (visitor only)</td>
<td>$6.1</td>
</tr>
<tr>
<td>Spending at Destination</td>
<td>$378.8</td>
</tr>
</tbody>
</table>

Sources: State of Washington Department of Community, Trade, and Economic Development; Economic and Planning Systems, Inc.
4.4 REAL ESTATE MARKET OVERVIEW
The population and employment trends described above have positively impacted Spokane’s real estate sector. Construction is a relatively important sector in the regional economy, with about 14,300 jobs or 7% of the County total. A brief description of the residential, retail, office, and hospitality sectors is provided below, with an emphasis on its performance in the Downtown.

4.4.1 Residential
Several recent Downtown residential projects have created a more urban, mixed-use feel, with the potential to provide a critical mass of residents a 24-hour presence that will benefit other sectors. In 2005, there were approximately 2,400 households in Downtown, which accommodates about 1.3% of the City population, yet represents an increase of about 35% between 2000 and 2005.2 Mid-market to upscale condominium projects in Downtown include urban lofts at West 809, a historic renovation of the old Western Soap Building (The Edge), the Morgan Lofts, lofts at Railside Center, First at Washington, and Upperfalls Condominiums.

Major planned and proposed projects are expected to double the Downtown population in the next seven years. One such project is Kendall Yards, which is expected to include about 2,600 units at buildout. Other proposed projects include the Vox Tower Condominiums (a 32-story mixed-use residential and retail building with about 275 apartments and 29 condominiums), Lofts at Joel, and River City Lofts.3 Many of the market segments targeted by the new projects suggest a potential shift in demographics away from lower-income groups and seniors to higher-end empty-nesters and younger professionals.

The status of these projects has been affected by the recent downturn in the residential market. Thus, the timeframe for their development, if at all, remains unclear.

The national downturn in the residential market (exacerbated by the subprime mortgage crisis) commenced shortly after the Spokane Downtown condominium market had gained momentum. It remains to be seen how this downturn will affect future Downtown projects; however, the “residential bubble” was less pronounced in Spokane than in other areas of the country.

4.4.2 Retail
Although retail sales have continued to grow in Spokane, retail employment has actually decreased. Total County retail sales grew by about 33% since 1991, while the sector lost almost 6,000 jobs, a 20% decline. This is partly due to larger retailers, with more efficient employment

---

Table 2.6
Downtown Spokane Population, Housing Unit, and Employment Projections, 2000-2030

<table>
<thead>
<tr>
<th>Item</th>
<th>2000 1</th>
<th>2005 1</th>
<th>2015 1</th>
<th>2030 2</th>
<th>Average Annual</th>
<th>2005-2030</th>
<th>Average Annual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population 3</td>
<td>2,476</td>
<td>2,553</td>
<td>4,375</td>
<td>5,718</td>
<td>3.1%</td>
<td>0.6%</td>
<td>3,165</td>
</tr>
<tr>
<td>Housing Units 5</td>
<td>2,029</td>
<td>2,128</td>
<td>3,646</td>
<td>4,765</td>
<td>4.9%</td>
<td>1.0%</td>
<td>2,637</td>
</tr>
<tr>
<td>Employment N/A</td>
<td>18,901</td>
<td>20,875</td>
<td>25,155</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>6,254</td>
</tr>
</tbody>
</table>

(1) Data from U.S. Census.
(2) Data from the City of Spokane’s Planning Department’s Transportation Analysis Zone model.
(3) Population projections are based on 1.2 persons per dwelling unit average.
(4) Population and housing unit figures estimated by the City of Spokane’s Planning Department for the year 2005 are slightly lower than those reported on the DSP website. Methodological differences likely account for this difference.
(5) According to Census data, the Downtown’s vacancy rate was approximately 13 percent in 2000.
(6) Employment estimate is for 2006.

Sources: U.S. Census; City of Spokane; Economic and Planning Systems, Inc.
ratios, replacing smaller establishments and family-owned businesses. These businesses play an important role in maintaining a unique urban environment in Downtown, and this industry re-structuring has leveled off since peaking in the 1990’s.

The most significant planned Downtown project with a retail component is Kendall Yards, which is an 80-acre mixed-use project that is expected to include approximately one million square feet of commercial, retail, and office space. The University District also has potential to add significant retail space.  

Overall, Downtown’s retail market, which contained an estimated 1.3 million square feet of retail space in fall 2007, is performing strongly relative to the City’s. Average vacancy rates in the Central Business District (CBD) fell modestly from about 8.1% in fall 2006 to 7.8% in spring 2007. The CBD is commonly defined by brokers as the area bounded by Monroe Street on the west, the Spokane River on the north, Division Street on the east, and Second Avenue on the south. Overall vacancy rates for the Spokane market increased during this period from 7.8% to about 8.4%. Average monthly rental rates for both the CBD and the City remained relatively stable: about $23.00 per square foot in the CBD and $15.40 in the City in spring 2007.

Although Spokane’s role as a tourist, business, and shopping destination has been enhanced, Downtown still must compete with destinations such as the Northtown Mall, the Spokane Valley Mall, NorthPointe Plaza, and Silverlake Mall in Coeur d’Alene, Idaho. The Northtown Mall, which is located just three miles from Downtown, is likely to compete most with Downtown retailers. It was expanded in 2000, has a total gross leasable area of approximately 1,050,000 square feet, and over 185 retailers. The Spokane Valley Mall is located about 10 miles from Downtown and consists of 870,000 square feet of retail space.

According to a recent EPA market study, the University District can accommodate about 150,000 square feet of new retail space (see, ICF International, Spokane’s University District: Policy Options for a New Urban Center, June 25, 2007).

Although part of this decline may be attributable to a decrease in supply through conversion of retail space to other uses (e.g., a bank and a parking lot) this has been at least partially off-set by several new “built-to-suit” projects.

### Table 2.7
Spokane County Taxable Retail Sales, 1991-2006

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Avg. Annual</td>
<td>% Change</td>
</tr>
<tr>
<td>Taxable Sales</td>
<td>$5,452,875</td>
<td>$6,461,447</td>
<td>$6,282,838</td>
<td>$6,110,846</td>
<td>$6,283,523</td>
<td>$6,572,914</td>
<td>$6,896,257</td>
<td>$7,278,765</td>
<td>1.9%</td>
<td>33%</td>
</tr>
</tbody>
</table>

(1) Spokane’s annual taxable sales are adjusted based on the Consumer Price Index for the Seattle-Tacoma-Bremerton, WA metropolitan area.

Sources: Washington State Department of Revenue; Economic and Planning Systems, Inc.
4.4.3 Office
As the composition of Spokane’s economy shifts and employment in knowledge-based sectors grows, the City is experiencing an increase in demand for office space. In 2007, the Spokane County office market consisted of approximately 8.2 million square feet of leasable space, an increase of about 2.8 million since 1998. Spokane’s CBD contains 2.7 million square feet (about 34%) of the region’s office space, an increase of about 500,000 square feet, or 18%, since 1998.

This substantial increase in office supply does not appear to have negatively affected occupancy rates, as vacancy rates in Spokane have remained between 12% and 15% since 2002. Although Downtown experienced more volatile vacancy rates during this time, this can be attributed to a relatively larger influx of supply in response to tight market conditions as well as the unexpected vacancy of a large tenant. Lease rates for Class A and Class B office space in the Downtown have remained relatively stable since 2002; average monthly rental rates for Class A have remained between $19.00 and $20.00 per square foot, and Class B have hovered between $14.50 and $15.50.

4.4.4 Hospitality
The higher education and health care sectors are two examples of synergistic economic drivers for Downtown and surrounding areas. Both sectors have the potential to create higher-paying jobs and offset declines in other sectors. Relationships between these sectors are helping to foster an emerging bio-medical cluster supported by incubators such as Sirti. A facet of the Riverpoint Campus strategic vision for development as a center for biomedical and health sciences innovation is to accommodate this demand. An estimated 800,000 square feet of medical office space have been added to the market in last 10 years. Recently, the areas surrounding Spokane’s major medical centers have experienced a slight reversal of the increasing vacancy rates experienced since 2003, when rates were at a low of 3.4%. In spring 2007, vacancy rates for the medical office market in the greater Spokane area were about 6.6%, down from 8.5% in fall 2006. Medical office market lease rates increased by 10.9% between 2002 and 2006 and grew faster than the rate of inflation.

4.4.4 Hospitality
The increasing number of visitors to Spokane has considerably impacted the City’s hospitality sector (as reflected in increasing hotel occupancy rates). According to Smith Travel Research, 2007 average occupancy rates for Spokane County were approximately 62%, up from about 59% in 2005 and 61% in 2006. Even with moderate increases in the net number of rooms in the County, Spokane has maintained occupancy levels around 60%. Increased demand has allowed hotels to increase room rates by approximately 9.3% and annual revenues by 17.8% from 2006.

Several hotel developments in the Downtown have helped to accommodate this increased demand. The most notable of these include the Davenport Hotel and Tower, a 611-room luxury hotel, which includes a historic, fully-restored 1914 hotel and a new tower (opened in 2007), and the Montvale Hotel, a 36-room historic boutique hotel that was reopened in January 2005.

---

6 There was a temporary spike in 2004 due to the relinquishment of 120,000 square feet of office space in the CBD following the bankruptcy of Metropolitan Mortgage.
5.0 LAND USE

5.1 EXISTING ZONING

The Downtown Planning Area comprises a mixture of six Central Business District (CBD) zones. The CBD zones were designed to implement the 1999 Plan, with a land-use pattern of medium- and high-intensity structures with a mix of residential, commercial, office, light industrial, and recreational uses. This mix of uses is intended to foster a lively, pedestrian-friendly, and safe urban environment unique to Downtown.

**CBD-1 Category:** CBD-1 is applied to the Downtown Core, the mixed-use, high-intensity, pedestrian-oriented center of the City. Generally, all uses are allowed, except auto-oriented and industrial.

**CBD-2 Category:** CBD-2 is applied to the West End, the area immediately west of the Downtown Core. This is a medium-to-high-density mixed-use area in which residential, community-serving retail, and office uses are encouraged, especially as part of a mixed-use development. Generally, all uses are allowed, except auto-oriented and industrial.

**CBD-3 Category:** CBD-3 is applied to the East End – the area immediately east of the Downtown Core – and the Riverpoint Campus. This is a high-density, mixed-use area in which community-serving retail uses, residential, and office uses are encouraged, especially as part of a mixed-use development. Generally, all uses are allowed, except auto-oriented and industrial.

**CBD-4 Category:** CBD-4 is applied to the South End, the area immediately south of the Downtown Core, West End, and East End. This is a mixed-use area in which multi-family and live-work studios are encouraged; warehousing and light industrial uses are allowed; and artist-related uses are encouraged. Generally, all uses are allowed, except auto-oriented and industrial.

**CBD-5 Category:** CBD-5 is applied to the Freeway Area, the area immediately south of the South End. This is an auto-oriented commercial area. Residential uses are not allowed; commercial uses are generally allowed; heavy industrial uses are not allowed and auto body repair is prohibited except as accessory to new car sales.

**CBD-6 Category:** CBD-6 is applied to the North Bank, the area immediately north of the Spokane River. This is a mixed-use residential, commercial, hotel, recreation, and entertainment area. Generally, all uses are allowed, except auto-oriented and industrial.

**North River Overlay Zone:** This overlay addresses the public’s value of the views and access to the Spokane River Gorge, Riverfront Park, and Downtown from the north side of the Spokane River. It includes visual and pedestrian access standards and guidelines to ensure that buildings and other constructed objects do not obstruct views of or access to these destinations.

**General Commercial:** General Commercial is applied to the greater area of the South University District. The boundaries are defined by Interstate 90 to the south, Division Street to the West, Scott Street to the East, and the railroad to the north. A full range of retail and service businesses with a local or regional market as well as industrial uses are allowed. Industrial uses are limited in size to avoid adverse effects different in kind or amount than commercial uses and to ensure that they do not dominate the character of the commercial area.
5.2 CURRENT LAND USES

The land use pattern in the Planning Area is a mix of commercial, office, residential, industrial, and recreational uses. The Downtown Core contains the Planning Area’s highest intensity of uses, with office and retail uses, including River Park Square and Macy’s. Downtown also has some residential uses in the form of high-rise condominiums and apartment buildings, and has recently seen the conversion of some retail uses to upscale residential units. Art and entertainment venues and historic industrial buildings are located throughout Downtown as well.

The Downtown Core is flanked by historic mixed-use office and residential neighborhoods to the west, and surface parking lots, and less intense office and commercial uses to the east. The Convention Center is located directly northeast of the Downtown Core.

The area south of the railroad tracks is characterized by lower-density, auto-serving commercial uses, such as auto dealerships and gas stations. Small professional offices and service providers, along with independent retailers, have begun a transition in this area. This part of the Planning Area includes several underutilized and vacant parcels.

The northern and southern parts of the Planning Area are joined by the Spokane River and the 100-acre Riverfront Park. Riverfront Park features recreational and entertainment uses, including open spaces, an IMAX theater, and a historic 1909 Looff Carrousel.

The north side of the Planning Area consists of scattered light industrial uses, the Spokane Arena, and numerous surface parking lots. There is also a cluster of commercial uses along Monroe Street.
6.0 TRANSPORTATION & CIRCULATION

6.1 WALKABILITY

Downtown Spokane lacks a cohesive pedestrian environment and strong connections between Downtown districts and adjacent neighborhoods. Although Downtown benefits from pedestrian-friendly areas of activity, connectivity to the vibrant neighborhoods and strong districts surrounding the Downtown Core remains challenging. Roadway and railroad barriers contribute to this situation; inconsistent quality in the pedestrian environment along key streets makes the trip seem longer and more difficult than it actually is.

Pedestrian activity counts from 2005/2006 show the greatest levels of activity in the Downtown Core area, with the highest volumes seen around the Transit Plaza and the Wall Street pedestrian mall. These intersections have about 500 pedestrian crossings in the evening peak hour. Pedestrian volumes drop substantially outside of the Downtown Core. In the East End, there is virtually no pedestrian activity on Browne Street and Division Street south of the river. In addition to the street level sidewalk network, there is an extensive skywalk system in Downtown Spokane. Opportunities for improving the connectivity between the skywalks and the street level sidewalks exist.

Pedestrian volumes are significant in many parts of Downtown, including the office core. There is currently not a safe, well-designed east/west pedestrian connection to Riverpoint Campus from Downtown nor to the east of campus.
6.2 CYCLING ENVIRONMENT

Gaps between the existing bicycle facilities in Downtown and the routes that cyclists are using suggest that cycling connections could be improved. The Downtown area contains designated bicycle lanes, bicycle routes, and off-street bicycle trails, which have the potential to serve trips just beyond walking distance and better connect the University District and surrounding neighborhoods. However, the existing facilities do not make up a connected network nor directly serve a number of key cycling corridors.

The major off-street bicycle facility serving Downtown is Centennial Trail along the Spokane River. Morning and evening peak-hour cyclist counts from 2005/2006 show that this has the highest volume of any Downtown bicycle facility, with 70 cyclists in the peak hour just west of Division Street. Nine Downtown roadways are signed as bicycle routes, but they are not heavily traveled by cyclists. Bicycle counts show that most Spokane cyclists opt to ride on roadways that are not classified as bicycle routes; Monroe Street is a common route for cyclists accessing Downtown from the north. There is very limited bicycle activity south of Interstate 90, which is characterized by steep grades and hilly terrain.

Many of the roadways that are classified as bicycle routes are also classified as truck routes. Therefore, it is important that the condition of these roadways be monitored to ensure that they remain safe for bicycles and that the demand for cycling on these routes be considered in future design decisions.
6.3 TRANSIT SERVICE

Transit connections to Downtown destinations are becoming increasingly important to Downtown’s future growth, since many of these destinations are just beyond comfortable walking distance from the Downtown Core. While a number of recent plans and studies have called for a dedicated transit option to serve these destinations, Downtown still relies on the existing Spokane Transit Authority (STA) bus and shuttle coverage. The recent Spokane Streetcar Feasibility Study builds on previous findings that a dedicated Downtown transit system would be both feasible and beneficial to mobility. Preliminary transportation studies have also examined extending Riverside Avenue east along the railroad tracks, which would be used as an alignment for a potential bus rapid transit or light rail system.

There are currently 31 STA bus routes that serve Downtown. All Downtown buses come to the Transit Plaza (located on Wall Street, between Riverside Avenue and Sprague Avenue), which also serves as a public facility that hosts several special events throughout the year. A security substation is located in the Plaza, housing Spokane Police Officers, bike patrols, special assignment officers, and STA security personnel. During peak service hours, buses idle in the bays that are located on the north and south sides of the STA Plaza, making for an uncomfortable pedestrian experience for some. The STA Plaza accommodates over 15,000 boardings and alightings every weekday and contributes greatly to the convenience of transit ridership to and within Downtown. Still, it is important to note that the Plaza frequently plays host to transients and vagrants who can contribute to an intimidating and unwelcoming environment in and around the facility. As part of its Transit 2020 planning effort, STA is considering modifying its operations and functionality.

Two of the routes that serve the Plaza are Downtown circulator shuttles that serve the arena to the north and the medical facilities to the south. These shuttles provide important connections to key Downtown locations but do not regularly operate on the weekends. The Southside Medical Shuttle runs every 20 minutes throughout the day. The Arena shuttle provides all-day service with seven-minute peak period headways (the time between buses) and 20-minute off-peak headways, primarily serving Downtown workers who park north of the river to save on parking costs. In addition, this shuttle provides access to popular city attractions such as Riverfront Park. The City Ticket program allows commuters to park at the Arena and ride a trolley service to and from Downtown for $19 a month.
6.4 STREET CLASSIFICATIONS

Spokane’s street network consists of two components: the Regional Arterial Network and the Neighborhood Street Network. The primary function of the Regional Arterial Network is mobility, while that of the Neighborhood Street Network is access. Each of the network components includes several street types with different functions. In addition, Spokane has two supplementary classifications that can be applied to arterial streets: Parkways and Boulevards. The street types and functions are summarized in Table 2.8, as per the 2001 Spokane Comprehensive Plan.

Riverside Avenue on the west edge of Downtown is designated as a boulevard, and is the only Downtown street with a special designation. Many of these streets are classified as principal and minor arterials. Since the primary function of arterial streets is mobility, this is not necessarily consistent with the needs of Downtown.

Spokane could benefit from adding Downtown designations to the street classification system. These designations could include special design considerations for high levels of bicycle and pedestrian activity, as well as transit access, which is not specified as the primary function of any of the existing street classifications. A separate designation could be developed for one-way Downtown streets or those with heavy transit uses.

<table>
<thead>
<tr>
<th>Street Network Component</th>
<th>Street Type</th>
<th>Primary Function</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regional Arterial Network</td>
<td>Controlled Access High Capacity Facility</td>
<td>High-speed traffic flow through the city and between prominent destinations</td>
</tr>
<tr>
<td></td>
<td>Principal Arterial</td>
<td>Relatively unimpeded traffic flow between major destinations</td>
</tr>
<tr>
<td></td>
<td>Minor Arterial</td>
<td>Moderate speed facilities that collect &amp; distribute traffic from the Regional Network to the Neighborhood Street Network</td>
</tr>
<tr>
<td>Neighborhood Street Network</td>
<td>Collector Arterial - Residential</td>
<td>Low-speed, two-lane facilities that serve individual neighborhoods by distributing traffic from neighborhood centers to minor arterials.</td>
</tr>
<tr>
<td></td>
<td>Collector Arterial – Commercial/Industrial</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Local Access Street – Low Density Residential</td>
<td>Provide access to adjacent property. Designed to provide convenient access and discourage unobstructed traffic flow.</td>
</tr>
<tr>
<td></td>
<td>Local Access Street – Medium/High Density Residential</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Local Access Street – Commercial/Industrial</td>
<td></td>
</tr>
<tr>
<td>Other Classifications</td>
<td>Parkway Designation</td>
<td>Arterial streets that provide recreational and/or scenic opportunities.</td>
</tr>
<tr>
<td></td>
<td>Boulevard Designation</td>
<td>Arterial streets that are aesthetically enhanced while continuing to serve as primary transportation routes between destinations. Intended to be multimodal with special considerations for bicycles, pedestrians, &amp; transit.</td>
</tr>
</tbody>
</table>
6.5 SPOKANE TRAFFIC VOLUMES
Average Daily Traffic (ADT) counts were taken in 2005 as part of the University District/Downtown Spokane Transportation Improvement Study. These counts, which include screenline counts around the City, show that approximately 273,000 vehicles each day use surface streets to enter or exit Spokane. About half of these vehicles come from north of the river; 10% of the vehicles are from the west; and the remaining 40% are split between the east and south, with slightly more vehicles coming from the east. Interstate 90 carries approximately 50,000 vehicles per day in each direction through the City. As expected, the river crossing locations have the highest daily average surface street volumes. In general, the north/south streets carry more vehicles than the east/west streets—not surprising since Interstate 90 carries the majority of the east/west “through” traffic. Third Avenue carries the most east/west traffic, with approximately 15,000 vehicles per day.

6.6 CIRCULATION
Downtown’s street network generally has available capacity, but the Downtown Core is bounded by certain barriers. Interstate 90 is the primary route for accessing Spokane, and serves as an essential component of the Downtown transportation network, but its on- and off-ramps affect roadway performance. The majority of the intersections in Downtown Spokane operate above the Level of Service (LOS) standards set forth by the City, at LOS “C” or better, and have available capacity. Two key intersections operate below the LOS standards: Browne Street/3rd Avenue and Division Street/3rd Avenue, both directly adjacent to the Interstate 90 ramps.

One-way street circulation within Downtown facilitates through traffic movement; causes fewer delays for motorists; simplifies traffic movements and signal timing at intersections; and provides fewer potential conflicts for pedestrians at intersections. It also allows for higher travel speeds on three and four lane streets that may conflict with other goals related to the walking and cycling environment.

There are approximately 15 north/south streets that run through Downtown between Walnut Street and Division Street, only six of which have river crossings. Two of the crossings are local streets through Riverfront Park, one of which is closed to traffic. Monroe Street, with its historic bridge across the Spokane River, is a major north/south route that traverses Downtown. The City is establishing a study to review potential congestion and air quality issues at the north end of the Monroe Street Bridge. The proposed Kendall Yards development on the west side of Monroe at Bridge Street is expected to significantly increase land use density and trip generation. City engineers are determining what is needed to fulfill the conditions of the Kendall Yards approval. Wall Street is another north/south corridor that despite some traffic flow and air quality challenges, has the opportunity to become an important pedestrian linkage to Downtown.

Traffic accident rates in the Downtown network are highest on principal arterials. The intersection of Division Street and Sprague Avenue has the highest crash rate of any intersection in the area, and three other intersections along Division Street make the list of the 15 intersections with the highest crash rates in Downtown.
MAP 2.2 EXISTING STREET CLASSIFICATIONS

- Interstate
- Principal Arterial
- Collector Arterial
- Alley
- Planned/Recent Improvements
- Highway Interchanges
- Downtown Boundary
- Highway
- Minor Arterial
- Local Access Streets
- Service
- Tax Parcels

August 2008
6.7 DOWNTOWN PARKING

Parking demands and perceptions still present challenges for Downtown Spokane, despite the implementation of a number of the Spokane Downtown Parking Demand Study recommendations. Program improvements bringing a customer-friendly approach to parking have been relatively well received by the business community, visitors, and employees. However, parking cost, availability, access, and concerns over the impacts of surface parking lots remain challenges. Parking rates have increased over 50% between 2006 and 2007, and consolidated ownership and/or management of parking resources complicates their public management. Off-street parking ranges from about $5-$10 per day and $80-$205 per month. Metered spaces are generally priced at a little more than $1 per hour. The monthly parking figure range does not include the price of off-street surface parking lots. The monthly fee for these lots is $40-$45.

A study was conducted in 2005 to determine the parking supply and trends in Downtown Spokane. There were approximately 8,880 parking spaces in the Downtown area bounded by Spokane Falls Boulevard, Division Street, Third Avenue, and Cedar Street; approximately 25% of which were on-street metered parking. The peak hour of occupied parking spaces was 12:30 p.m. to 1:30 p.m. on business days (see graph below), with an occupancy rate of around 65%, translating to 2,680 available spaces. On-street spaces tend to have higher occupancy rates than off-street facilities, particularly surface lots. The abundance of available off-street parking indicates a need for improved wayfinding or price changes to attract visitors to the off-street lots.
7.0 BUILT FORM

The built form—composed of buildings, streets, sidewalks, and public open spaces—plays a crucial role in the vitality, perception, and livability of Downtown Spokane.

7.1 BUILT ENVIRONMENT

Historic Fabric

Downtown Spokane has a well-preserved stock of historic structures. These buildings, such as the Spokesman-Review headquarters and the U.S. Bank Building on Riverside Avenue, and the Steam Plant Square on Lincoln Street, are important threads in the urban fabric. The extensive use of brick and terracotta tile also gives Downtown a distinct character and identity.

Physical and Visual Obstructions

Spokane’s Downtown Core is bordered on the south by two barriers: the railroad tracks and Interstate 90. Both of these features affect north-south movement and connectivity within the Planning Area, and serve as sight barriers, interrupting the visual continuity of Downtown’s urban fabric.

Public Square

Although it was identified as a Strategic Action Project in the 1999 Plan, Downtown still lacks a public square other than areas in Riverfront Park. Therefore, with no defined central public space, special events are accommodated by street closures.

Transparency

Transparency refers to the visibility between private buildings and public spaces. When the edges of buildings are referred to as “active,” it is because the activity within the building engages the street environment and vice versa.

The Downtown blocks of Post Street are a perfect example of this transparency, providing interest for pedestrians and helping to keep the surrounding street environment safe. Despite many improvements since 1999, numerous buildings east of Downtown, south of the railroad tracks, and north of the river still have blank or opaque facades. These weaken the pedestrian experience and reduce neighborhood safety.

Skywalks

Downtown Spokane is served by a 15-block system of skywalks. While they provide comfortable pedestrian connections during cold or inclement weather, they also reduce street-level activity and create a visual obstruction.
Setbacks
In the Downtown Core and in the neighboring area to the west, the majority of structures are designed without any setback (i.e., the edges of buildings abut the sidewalk). This design helps to frame the street, reduces vehicle speeds, and provides a sense of enclosure for pedestrians. By contrast, some of the buildings south of the railroad tracks and on the north side of the river are set back from the sidewalk, creating a more auto-oriented environment.

Surface Parking Lots
A large portion of Downtown’s off-street parking supply is comprised of surface parking lots that are located south of the Convention Center, around the Spokane Arena and along Riverside Avenue. These parking lots consume valuable land that could be devoted to higher-value uses.

Climate Design
Downtown Spokane’s design does not adequately leverage solar warmth and sunlight, a critical consideration for a city in a northern climate with cold snowy winters. Many buildings cast long shadows that may discourage some people from enjoying public spaces in the winter. Building stepbacks and strategically locating public places could help to make for a more pleasant pedestrian experience.

Alleys
Community members and property owners have embraced the unique opportunity offered by Downtown Spokane’s many alleys. For example, Railroad Alley in the West End has been activated with commercial spaces and housing. Other alleys within the Downtown Core are actively maintained and utilized as outdoor restaurant seating. The scale of Spokane’s alleys provides an extra dimension to the transportation and public space network within Downtown and should be explored further as a pedestrian network.
7.2 STREETSCAPE ELEMENTS

Sidewalks
The most prevalent aesthetic issue throughout Downtown is mismatched sidewalk treatments. The sidewalks are a mix of concrete, pavers, brick, and some epoxy. Many of which are damaged.

Benches, Seating, and Trash Receptacles
Benches and seating throughout Downtown are mismatched, few in number, and located in low pedestrian traffic areas. Many public benches have become home to transients. The concrete trash receptacles from the 1974 World Exposition were small, outdated, and damaged, but have now been replaced with 18 modern urban-style, sleek, black trash receptacles with a much larger capacity and are adorned with a cut out of the Downtown Spokane logo. More streetscape elements will be implemented in future years throughout the Business Improvement District (BID).

Street Trees
The City of Spokane, along with the Spokane County Conservation District and the Downtown Spokane Partnership, has recently initiated the Downtown Street Tree Replacement Grant program. Considerable effort has been made by the BID to care for the existing trees within the Downtown Core.

The Downtown Street Tree Replacement Grant program is intended to replace or add up to 50 street trees a year in an area bounded by Spokane Falls Boulevard to the north, Second Avenue to the south, just past Monroe Street to the west, and just past Washington Street to the east. Currently, property owners can apply for the $500 grants for tree sites adjacent to their properties. In exchange, the property owners must commit to irrigating, fertilizing and pruning for the tree for 25 years.

Currently there are approximately 500 locations in the Downtown Core that are suitable for street trees, with many empty spaces, or trees that are in poor health. Several Downtown street trees have concrete grates which are outdated. Metal grates are more durable and more resistant to damage from growth and pedestrian traffic. They can also be decorative and contribute to a cohesive sense of place within the Downtown and its many districts. Considerations should also be made for break-away grates and non-restrictive ground treatments, such as shrubs.

Planters
The planters in Downtown are often oversized and served by an irrigation system that is vandalized or does not work. The soil is hard-packed due to people sitting along edges and in planters, resulting in dead or damaged trees.
The BID has installed 18 new planters in the Downtown Core. Plans for more streetscape elements will be implemented in future years through the BID.

**Decorative Poles**

The red poles with art banners are pedestrian-scale and add color to the Downtown environment. Large green decorative poles are attractive, subtle, and provide a strong vertical design element.

### 7.3 DEVELOPMENT STANDARDS

Table 2.10 contains a list of current floor area standards.

**Residential Density**

There is no minimum or maximum limit on the number of residential units per acre within Downtown.

**Parcel Requirements**

There is no minimum or maximum parcel-coverage requirement. Any development, however, must comply with applicable stormwater regulations.

#### 7.3.1 HEIGHT RESTRICTIONS

There are no height restrictions within the Downtown Core of the Planning Area. The area outside of the Downtown Core, but within the Planning Area, has a height restriction of 150 feet. See Table 2.11 for more detailed information.

<table>
<thead>
<tr>
<th>CBD-1 (Core)</th>
<th>CBD-2 (West)</th>
<th>CBD-3 (East)</th>
<th>CBD-4 (South)</th>
<th>CBD-5 (Freeway)</th>
<th>CBD-6 (North)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum Gross Floor Area</td>
<td>No Minimum</td>
<td>No Minimum</td>
<td>No Minimum</td>
<td>No Minimum</td>
<td>No Minimum</td>
</tr>
<tr>
<td>Maximum Gross Floor Area</td>
<td>No Maximum</td>
<td>Thirteen times the lot area</td>
<td>Thirteen times the lot area</td>
<td>Six times the lot area</td>
<td>Four times the lot area</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CBD-1 (Core)</th>
<th>CBD-2 (West)</th>
<th>CBD-3 (East)</th>
<th>CBD-4 (South)</th>
<th>CBD-5 (Freeway)</th>
<th>CBD-6 (North)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maximum Height – Commercial-only Buildings</td>
<td>No Maximum</td>
<td>150</td>
<td>150</td>
<td>150</td>
<td>150</td>
</tr>
<tr>
<td>Maximum Height – Residential and Residential/Hotel Buildings</td>
<td>No Maximum</td>
<td>Note 1 &amp; 2</td>
<td>Note 1</td>
<td>Note 1</td>
<td>Not Applicable</td>
</tr>
</tbody>
</table>

**Note 1.** Same height limit as commercial-only buildings except as allowed by the Plans-in-Lieu Process administered by the hearing examiner pursuant to City code SMC Section 11.19.198(C). In order to qualify for the exception to the height limits, the buildings must be all residential; residential with retail (limited to the first, second and/or third floors); or residential with hotel uses, provided the floor area of the residential uses are at least 25% of the total space.

**Note 2.** For the properties west of Monroe St. and between Main Ave. and Riverside Ave., the maximum height shall be as illustrated in Map 2.4 and described in detail as follows: (1) 35-feet high from Cedar St. and Main Ave. street grade (highest street elevation fronting the parcel). Horizontally, fifty feet in depth from Cedar St. and Main Ave. right-of-way/property line. (2) 70-feet high from Cedar St. and Main Ave. street grade (highest street elevation fronting the parcel). Horizontally, 75-feet in depth beginning 50-feet from the Cedar St. and Main Ave. right-of-way/property line. (3) 70-feet in height from Wilson Ave. street grade (highest street elevation fronting the parcel). (4) 150-feet high from Riverside Ave. street grade (highest street elevation fronting the parcel). Horizontally, 100-feet in depth from the Riverside Ave. right-of-way/property line. (5) 150-feet high from Cedar St. and Main Ave. street grade (highest street elevation fronting the parcel). (6) 150-feet high from Riverside Ave. street grade (highest street elevation fronting the parcel). Horizontally, 225-feet in depth from the Riverside Ave. right-of-way/property line.
8.0 TRENDS AFFECTING DOWNTOWN

Strong Population Growth
Until recently, the bulk of Spokane’s population growth occurred outside the Downtown, but that situation is changing. Regional population and employment growth have outpaced state and national levels. This trend is expected to continue into the foreseeable future.

Regional Commercial, Entertainment & Cultural Hub
Legal, finance, and retail sectors have increased their concentration in Downtown Spokane. Downtown has re-emerged as the primary nightlife and entertainment venue of the Inland Northwest. This trend has coincided with growth in Spokane’s convention and hospitality sector, aided by major hotel development, expansion and improvement to the Spokane Convention Center, and increased success attracting national events such as the U.S. Figure Skating Championships, NCAA Division I Women’s Basketball tournament, and the Washington State Democratic Convention. The success of Gonzaga University’s basketball team has also helped to increase Spokane’s national visibility.

Continuing Market Development
Although Downtown is the City’s historic center, it still represents a relatively small and fledgling market. The depth and strength of the retail, office, and especially housing markets remain untested and lack a long track record of success. The community still lacks key solidifying assets such as a grocery store, and needs to stay vigilant on safety and noise issues.

Residential Growth
There are currently just over 2,000 residential units Downtown, representing an increase of about 25% in the last five years. Major planned and proposed projects are expected to double the Downtown population in the next seven years, and suggest a shift in demographics away from lower-income groups and seniors to empty-nesters and younger professionals. Along with the growing demand for student housing adjacent to the University District, the health and vibrancy of Downtown will still depend on the City’s ability to provide housing options that serve a range of income levels and demographics.

Economic Drivers: Higher-Education & Health Care
There are now more than 10,000 students at Downtown’s post-secondary educational institutions. Approximately 8,400 employees are associated with health care institutions in the Downtown Spokane vicinity. Relationships between health care, health-related companies, and education are helping to foster an emerging bio-medical cluster. Sirti, a state economic development agency, operates in two buildings on Riverpoint Campus and houses a number of small start-up businesses. An atmosphere of innovation is growing on campus and will likely attract more businesses that want to locate immediately adjacent to, or on, campus. Growth of the Medical District, with clinical offices spilling down the hill from the hospitals along routes such as Sherman, will link with biomedical activities at Riverpoint Campus.
CHAPTER TWO BACKGROUND AND CONTEXT

MAP 2.4 EXISTING HEIGHT LIMITS

- Spokane River
- Parcel Lines
- Study Area Boundary
- No Height Restriction
- 35' Height Limit
- 55' Height Limit
- 70' Height Limit
- 150' Height Limit

0 500 1,000 Feet

FAST FORWARD SPOKANE DOWNTOWN PLAN UPDATE
9.0 SUMMARY OF TRENDS, ISSUES, & OPPORTUNITIES

While Downtown possesses numerous strengths that contribute to Spokane’s position as a major regional center, it also faces major challenges in realizing its true potential. Downtown has been constrained by physical barriers created by transportation infrastructure including major arterials, the freeway, the railroad, and bridges. At the same time, it struggles with new developments in neighboring jurisdictions that can offer large, undeveloped parcels with lower unit costs. These highlight the importance of considering tangible and intangible influences on Downtown Spokane both locally and regionally. The following section identifies opportunities to build on existing strengths in order to address the major challenges facing Downtown.

9.1 ASSETS

Spokane River and Riverfront Park
Traditionally the heart of the community, the Spokane River and Riverfront Park offer valuable amenities to Downtown. In addition to its historic significance, the Spokane River provides a stunning centerpiece and generates hydroelectric power for the community. The Park’s events and attractions draw people to Downtown, and its recreational opportunities benefit residents and visitors.

Spokane River Centennial Trail
The 37-mile Centennial Trail affords residents and visitors easy access to bicycling, running, kayaking, canoeing, and fishing opportunities along the Spokane River. It also provides a safe and convenient non-motorized connection to Downtown Spokane.

Convention Center and Davenport Hotel
The newly-expanded Convention Center is a key economic engine for the City, helping to draw visitors to Spokane and to support additional restaurant, entertainment, and retail opportunities in Downtown. The grand Davenport Hotel is an icon of the City and an architectural jewel which anchors the surrounding arts and entertainment district.

Spokane Arena
Opened in 1995, the Arena has enabled Spokane to draw national-level entertainment and sporting events to the Inland Northwest. The facility, which can accommodate as many as 12,638 attendees, is the permanent home of the Spokane Shock arena football team and the Spokane Chiefs hockey team.
Strategic Location
Spokane is the regional hub of the Inland Northwest and is the largest city between Seattle and Minneapolis/St. Paul. Visitors to Spokane can also take advantage of Spokane’s proximity to the Rockies.

Downtown Regional Retail Center & River Park Square
Major retailers have demonstrated a clear commitment to Downtown. River Park Square and national retailers such as Macy’s, Nordstrom, Banana Republic, Williams Sonoma, Ann Taylor, Restoration Hardware, Pottery Barn, and Talbots are major assets.

Sense of History and Place
With its historic buildings and unique setting along the Spokane Falls, Downtown Spokane possesses great character and a strong sense of place.

Universities and Research Opportunities
Continued excellence in research and education will establish Spokane as a respected academic center and desirable location for high-tech business. The proximity of Gonzaga University as well as Eastern Washington University Spokane and Washington State University Spokane on the Riverpoint Campus to Downtown is beneficial for all parties.

Create a Sense of Place
Downtown Spokane has limited streetscape and pedestrian amenities. This contributes to a lack of clear identity and unifying character. There is a need to enhance streetscapes, add street trees, and create gateways that foster a sense of place and extend a warm welcome. Potential gateway locations include the off-ramps from Interstate 90 to Maple, Monroe, and Division streets. The visitor experience can also be improved by implementing a wayfinding and signage system that efficiently directs people to Downtown destinations and the regional transportation system.

Strengthen Connections to Neighborhoods and Districts
Spokane still lacks strong connections between Downtown and its surrounding neighborhoods and districts. Roadways and railroad lines act as physical and visual barriers that make the trip to and from Downtown longer and less inviting. One opportunity to create gateways into Downtown could be achieved by using the historic context of the railroad. Improving connectivity will encourage residents and visitors to shop, recreate, and work in Downtown. By encouraging infill development and forming better linkages to the University District in par-
ticular, Downtown leaders can capitalize on the proximity of local universities and biomedical facilities.

**Protect Scenic Views**
Spokane’s stunning natural beauty is one of the City’s strongest assets. As the pace of development increases in Downtown, it will be important to implement reasonable regulations that protect the views to and from these features, while respecting the rights of property owners.

**Activate Spokane River and Riverfront Park**
The Spokane River and Riverfront Park are strategically located amenities that continue to be under-utilized. Recommendations from the *Spokane River Gorge Master Plan*, if implemented, will activate and better integrate these assets into the fabric of Downtown.

**Implement a Downtown Circulator**
While a number of recent plans and studies have called for a dedicated transit option to serve destinations just beyond walking distance, Downtown still relies on existing bus and shuttle coverage to serve this need. A dedicated Downtown circulator system, such as the proposed streetcar, would be both feasible and desirable.

**Leverage Underutilized Sites**
There are numerous vacant and under-utilized sites in Downtown, including several surface parking lots along Main Avenue, that could jump-start the revitalization of entire blocks or streets in the City’s core. Downtown’s historic building stock also offers extensive redevelopment opportunities.

**Enhance All Modes of Transportation**
Downtown’s wide streets currently have ample capacity to re-configure vehicle travel lanes, bike lanes, parking, sidewalks, and landscaping to improve the streetscape and street function for all modes of travel. The STA Transit Plaza presents an opportunity for improving transit riders’ experience, or developing a new use at the site. Such improvements will help to create a safe, pedestrian-friendly street level environment. A proposed light rail system for Spokane is yet another opportunity to introduce a convenient transit option into Downtown.

**Develop Coordinated Approach to Parking**
Rising parking costs and the distribution of parking supply remain challenges for Downtown. Even so, a recently implemented parking improvement program, which promotes a customer-friendly approach to parking, has been well-received by the business community, employees and Downtown visitors.