March 14, 2018
To: Plan Commissioners and Members of Council
From: Andrew Rolwes, Downtown Spokane Partnership
RE: Downtown Spokane Partnership Position Paper - Achieving downtown-defining urban development on Spokane Falls Boulevard

Commissioner Dellwo and Commissioners, and Council President Stuckart and Members of Council,

In the last Downtown Plan Update (implemented in 2009) height restrictions were placed on property along Spokane Falls Boulevard between Washington and Monroe for the purpose of preserving sunlight and prevent massing on the southern edge of Riverfront Park. This was based on the assertion that large buildings and the shadows they produce would be detrimental to downtown’s crown jewel, Riverfront Park. The owners have not been able to make development under these restrictions work and while neighboring property became a major downtown hospitality development, these lots are a part of the one-third of land-use devoted to surface parking (see map, above) in downtown. The Downtown Spokane Partnership and the owners of the properties, especially the two surface lots adjoining Washington, through their representative have requested a removal or lessening of those restrictions because they have already precluded development of the two most prominent of our surface parking lots in downtown. The following is provided to make the case that removal of the restrictions, leading to development of those surface lots, would further our region’s growth and contribute major value to Riverfront Park.

The key components to this policy are:

1. Building shadows:
   Opponents to the increased allowances for development cite shadows as the major reason to restrict development on these surface lots. While building mass is also major related factor in precluding development, it is shadows that are most often mentioned in responses to the City’s survey on this policy. The problem with the shadowing argument is two-fold: 1) shadow impacts from tall buildings are rather...
limited in the spring to fall time period, and in the Park’s peak use months in summer, shadows from tall buildings on Spokane Falls barely make it across the street. 2) There would be increased shadowing from fall to spring, however, the southern edge of Riverfront Park is already heavily shadowed by existing buildings and would be completely shadowed by buildings built according to the current restrictions. New shadows from taller buildings (which again, only occur in winter) would fall mostly in the southern channel of the river: in effect, shadows are a moot point.

2. Dense urban development adjoining urban parks:

Urban parks across the US attract major development as noted in the 2014 Riverfront Park Master Plan. Far from having a detrimental impact on those parks (for example; Central and Bryant Parks in NYC – above photos provide floor plate data for buildings adjacent to Bryant Park- and Grant and Millennium Parks in Chicago), they have a powerful positive impact by placing large numbers of workers, visitors and residents right on their respective doorsteps. Those developments are a major source of vibrancy and dynamism and the architecture is often of a higher quality and design content than less visible buildings even short distances away from those parks. The buildings themselves become a part of the experience of those parks.

3. Loss of Development: Of the thirteen Opportunity Sites listed in the 2009 Downtown Plan Update, there were a total of four that have not seen any change: two of those sites are the two surface lots along Spokane Falls Boulevard. All the rest have seen major investment, development, and completely reconfigured buildings. While these immensely positive trends have unfolded elsewhere, these surface lots have remained as they have been for the past nine years because of the arbitrary restrictions on building height and mass. It is time to try something new for these locations and provide the policy basis for what could be the most outstanding urban development in the region, and possibly the first new mixed-use (non-hospitality) high-rise development in downtown since 1983 when the Wells-Fargo building was completed.
4. Floor plates and rents: The City's survey raised the question of whether respondents wanted to regulate reduced restrictions by building mass and were offered a choice of 11,000, 15,000, or 18,750sf floor plates. The smallest floor plate was preferred by a wide margin for the sole reason that it caused the least mass and shadowing. The missing context however is the critical role floor plates play in leading to a viable project: the taller a building the greater its expense, but those costs can be mitigated on a per square foot basis through larger floor plates. Larger floor plates allow a greater number of tenants and residents to share in the costs that are common to all buildings no matter the size. These expenses include land and design costs and a wide array of building costs like construction labor, excavation, elevators, cladding, structural members, air handling systems and building operations costs after move-in. A larger floor plate means reduced rents per square foot, and a more viable project. Rents at new construction of the scale which could occur at the Spokane Falls Boulevard sites would almost certainly lead the downtown market but they can be brought back closer to economic reality if larger floor plates are allowed. It is also notable that businesses favor large floor plates on the basis of being able to consolidate their work on as few floors as possible, based on cost factors but also because it leads to greater efficiency by not having to move between floors. Finally, a larger floor plate may be more appealing to national tenants so that new construction on Spokane Falls Boulevard would bring new business to downtown, rather than draw existing businesses out of other downtown buildings.

5. Alignment with existing planning goals and objectives: Intensive development of downtown in general and these specific sites is called for in multiple planning documents. This is the general principle of the state's Growth Management Act, being contained in the very first of its Planning Goals: "(1) Urban Growth. Encourage development in urban areas where adequate public facilities and services exist or can be provided in an efficient manner." It is also articulated dozens of times in The City of Spokane's Comprehensive Plan (detailed in a separate document) and as already noted, in the Downtown Plan Update. Additionally, the 2014 Riverfront Park Master Plan described national trends in which urban parks
were planned from the beginning to be catalysts for major private sector development. To quote a couple of the several comments on park-generated economic development in the Master Plan (p. 14); “Nationwide cities are looking to their urban parks to create large-scale central spaces that bring people together, attract tourists and generate economic activity” and (p.22), “according to the City of Chicago, the recently completed $490 million investment into Millennium Park is calculated to have had a 10-year impact of over $5 billion related to increased tourism, hotel, restaurant, retail sales and new housing surrounding the park…. $1.4b in the adjacent real estate market.” The Master Plan also raises the issue of safety and security in the Park in several locations, including this one on p.88: “While Riverfront Park is safe compared to national standards in urban parks, the Park does experience a substantial amount of vandalism on a daily basis. Also, many Park visitors feel unsafe walking through the Park after hours and after dark.” Mixed-use development of Opportunity Sites 2 and 3 would represent a fulfilment of the first and a solution to the second of these two issues described in the Park’s Master Plan.

6. Becoming a city: The decision to be made with this policy is whether we want to sustain suburban densities in our downtown where one-third of our land use is devoted to surface parking, or whether we want to build up. Is preventing a modest increase in wintertime shadowing in Riverfront Park so important that we would continue to keep the same policies which have given us the same results, or, would we instead want to see the kind of bold, iconic, downtown-defining architecture that graces other urban parks across the United States? Building on what have been for many, many years surface parking lots would be represented not just the physical expression of the architecture but at least as importantly, the people who would live, work and shop in them and the numerous benefits that go with their presence across from Riverfront Park. Fears that intensive development of Opportunity Sites 2 and 3 would result in a cavernous and darkening effect on the on southern edge of Riverfront Park are unfounded, not only because of the design standards which would have to be followed, but also because Spokane Falls Boulevard is wide, the building lot lines on these locations are set back resulting in some of the widest sidewalks in downtown, and because from spring to fall shadows in these areas are quite minimal.

Time is of the essence as cities all over the western US are competing effectively for investment dollars in their downtown cores. Changing the policy to allow the market to determine what is built is of critical
importance to downtown and the region so that our community can bring that growth right to the doorstep of our crown jewel, Riverfront Park. Your support for the least restrictive floor plates and property uses can be a very important part of how Spokane achieves its growth objectives (and coinciding economic opportunity) as the true city it is on the verge of becoming.

Thank you for taking the time to review this document. Please contact Andrew Rolwes for additional information: arolwes@downtownspokane.net, 509.456.0580x109.