May 4, 2020

DOWNTOWN SPOKANF

The Honorable Jay Inslee Office of the Governor PO Box 40002 Olympia, WA 98504

Dear Governor Inslee,

On behalf of the 1300 business and property owner members of the Downtown Spokane Partnership, we ask that you allow local and regional community leaders and experts to work with your administration in reopening the Spokane region's shuttered economy.

After many years of decline, Downtown Spokane has seen a resurgence over the past 20 years. Prior to the Covid-19 crisis, the commercial office sector hovered at 13% vacancy, and retail at approximately 5%. In 2019 alone, our diverse (and primarily locally owned) hospitality and retail markets generated over \$800 million in revenues. Market rate housing had attained a 2% vacancy rate; illustrative of a demand for what is now a culturally diverse experience that has not been seen in decades, if not generations.

For various reasons (median income, maturity and proximity among them), this dynamic urban economy is also fragile, and it is unlikely it can sustain significant losses without irreparable damage. Today, not unlike much of the country, downtown Spokane retail and hospitality spaces are closed, event venues are empty, businesses have announced their permanent closures and property owners in turn, are beginning to struggle paying their mortgages. The urban hospitality sector (which generated over \$100,000,000 in revenue in 2019) has been equally devastated, with nearly all of downtown's hotels shuttered.

Our members are grateful for the incredibly difficult decisions your administration has made, which have undoubtedly led citizens to take the measures necessary for our infection and death rates to remain so remarkably low for a region of our population. These numbers indicate that we are now at a point of significantly reduced risk, and as such, the statistically minor benefits being gained from a prolonged closure are being overshadowed by the devastation being caused by the remedy, indicating it is now time to allow our businesses to reopen.

As a border community, reduced restrictions are already causing a syphoning of commerce across to the Idaho state line. Further, because of the nature of this unprecedented closure, it is not just our economy, but the mental health, public safety and very hopes and aspirations of our great citizens that lie in the balance.

For these reasons, and on behalf of our employees, residents, and entrepreneurs we stand ready to work with you immediately in facilitating the Honorable Spokane Mayor Woodward's proposal of a geographically decentralized and cautious procedure for restoring the various industry sectors in our region.

Respectfully yours,

Mark Richard

President and CEO | Downtown Spokane Partnership mrichard@downtownspokane.org | 509.456.0580

Dave Black

Dave Black

Chair | Downtown Spokane Partnership dblack@naiblack.com

cc: Mayor Nadine Woodward