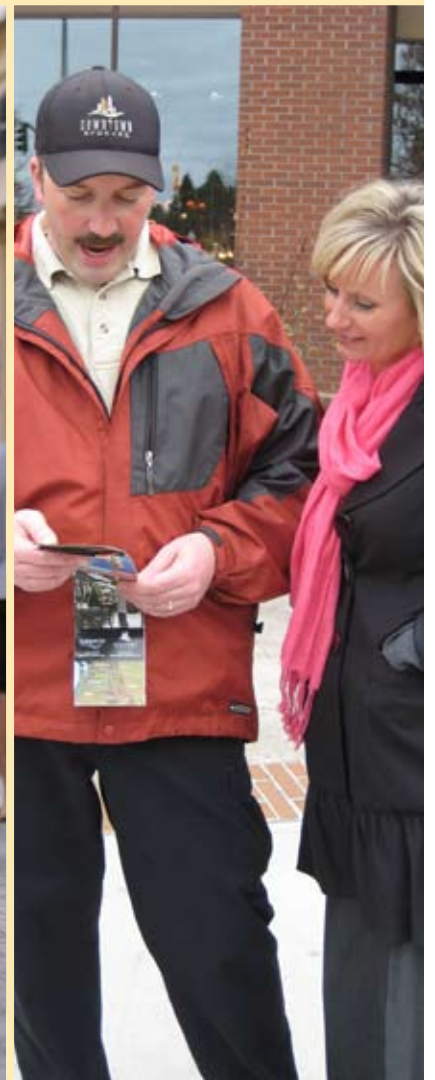




BUSINESS IMPROVEMENT DISTRICT





Welcome to Downtown Spokane! Many exciting Downtown improvements are underway and you will now be a part of this exciting transformation.

The Downtown Spokane Partnership (DSP) is a not-for-profit coalition of business, government, and community leaders. Enhanced security, maintenance, parking, and marketing services are automatically provided to business and property owners within the 80-block geographic area designated as the Downtown Business Improvement District (BID). An annual assessment is levied to fund these services above and beyond those provided by the city.

The DSP delivers programs and services that provide a direct and special benefit to the commercial, mixed-use and multi-family residential properties and businesses within Downtown. Business and property owners fund Downtown advocacy efforts, planning initiatives, and economic development programs through annual membership in the DSP.

The following pages provide information about the DSP and the BID. If you require further information or assistance in resolving a Downtown issue, please feel free to call the DSP office at any time.

The future of Downtown Spokane is important with a ripple effect on the entire region, but it is especially important to those of us who work and live Downtown. We welcome you to Downtown where all of us work together -- for today as well as the future.

Regards,

Marty Dickinson
DSP President



WHAT IS MY ROLE IN DOWNTOWN THROUGH THE DOWNTOWN SPOKANE PARTNERSHIP (DSP)?

All members of the community, including Downtown business and property owners, are partners in the efforts to bringing about continued transformation of Downtown Spokane. Partnerships are available on many different levels. The DSP offers an opportunity to contribute toward a broad-based and far-reaching strategy for Downtown's future. The Downtown Business Improvement District provides the mechanism to fund enhanced services necessary for revitalization.

The DSP is dedicated to enhancing the quality and vitality of Downtown. Through business, government, and community partnerships, the DSP encourages business development, ensures quality planning, implements physical improvement projects, conducts public safety, beautification, and marketing programs, and advocates public policies that ensure Downtown's continued success.

DSP is a non-profit membership organization established in 1995 to ensure the urban core remains a healthy regional center of business, retail trade, government, education, transportation, and living. The DSP is Spokane's central city advocate and service provider.

Recognizing that Downtown revitalization benefits everyone living in the Spokane region, the DSP brings together those organizations committed to invigorating Downtown Spokane's economic, physical, and social environment. Membership is open to any and all individuals, partnerships, firms, corporations, and businesses interested in the welfare and development of Downtown Spokane.

Today, our 75 community-wide organizations fund a strategic agenda through membership in the DSP. Member organizations have the option of enrolling at a level of their choosing with a minimum annual contribution of \$1,575. Benefactor organizations contribute with a sponsorship of \$10,500 or more.

If you are interested in additional information about becoming a member of the DSP, call Marty Dickinson at 456-0580 x103 or e-mail at mdickinson@downtownspokane.net.





WHAT IS MY ROLE IN DOWNTOWN THROUGH THE BUSINESS IMPROVEMENT DISTRICT (BID)?

Under contract with the City of Spokane, the DSP administers the Downtown BID, which is funded by business and property owner assessments to deliver management services (security, maintenance, beautification) and promote Downtown. Today, there are thousands of BIDs in the U.S. and Canada with others being formed in Western Europe, Australia, and South Africa.

The BID is an organizing and financing mechanism used by property and business owners to determine the future of their retail, commercial, and industrial areas. The BID is based on state and local law, which permits property and business owners to band together to use the city's tax collection powers to "assess" themselves. These funds are collected by the city, returned in their entirety to the BID, and are used for purchasing supplemental services and capital improvements, beyond those services provided by the city. In essence, the program is one of self-help through self-taxation.

The supplemental services are usually maintenance, sanitation, security, promotions, and special events. The capital improvements may include street furniture, trees, signage, and special lighting.

The motivation for property and business owners to establish a BID and thereby impose a compulsory levy on themselves is that the expected commercial return will exceed their personal contribution. The growth in BID formations across the U.S. reflects the recognition by participants that the value of their asset depends, to a significant extent, on the surrounding environment. BIDs have an appeal to their economic stakeholders as devices for controlling areas in which they have an economic interest by setting and implementing their own priorities.

Business and property owners in Downtown Spokane, like others across North America, petitioned for formation of a BID to provide the services they believe are required to protect their own investments. The Downtown Spokane BID has been providing services to the 80-block area from Browne to Cedar and from the North Bank to the Railroad Viaduct since 1995. Businesses and property owners within those boundaries receive the benefits of the enhanced public services provided by the BID, including security and maintenance, parking validation, common area services, and marketing.

DOWNTOWN SPOKANE BUSINESS IMPROVEMENT DISTRICT

SPECIAL ASSESSMENT MATRIX

TENANT ASSESSMENT FORMULA

All tenant assessments are based upon square footage of space per lease, except where noted. There is an annual minimum assessment of \$90.00 per tenant.

TYPE OF TENANT	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6*
Retail Tenants						
Ground floor and skywalk	\$0.22	\$0.12	\$0.10	\$0.10	\$0.10	-0-
Office Tenants						
Ground floor and skywalk	\$0.12	\$0.11	\$0.09	\$0.09	\$0.09	-0-
Office and Retail Tenants						
Upper floors and basement	\$0.09	\$0.08	\$0.07	\$0.07	\$0.07	-0-
Manufacturing Tenants						
Outside a C-1 zoning district	\$0.09	\$0.08	\$0.07	\$0.07	\$0.07	-0-
Within a C-1 zoning district	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	-0-
Commercial Parking						
Per space assessment	\$3.00	\$2.50	\$2.00	\$2.00	\$2.00	-0-
Commercial Theaters						
Per seat assessment	\$2.50	\$1.90	\$1.60	\$1.60	\$1.60	-0-
Apartments						
Per unit assessment	\$4.00	\$3.50	\$3.00	\$3.00	\$3.00	-0-
Combined Tenant/Owner						
Hotels and Motels (<i>per room assesment</i>)	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	-0-

PROPERTY ASSESSMENT FORMULA

Property owner assessments are based upon current values for land plus improvements, no exemptions, and are calculated at a rate per \$1,000 of total assessed value. Each property, including its tenants, shall be assessed under both the tenant and property owner formulas. There is an annual minimum assessment of \$90.00 per property parcel.

TYPE OF OWNER	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6*
Private Property	\$1.10	\$1.10	\$0.70	\$0.70	\$0.70	-0-
Government	\$0.80	\$0.80	\$0.60	\$0.60	\$0.60	-0-
Non-Profit	\$0.60	\$0.60	\$0.40	\$0.40	\$0.40	-0-
Residential/Condos	\$0.60	\$0.60	\$0.40	\$0.40	\$0.40	-0-
Public Facilities District	\$0.31	\$0.31	\$0.31	\$0.31	\$0.31	-0-

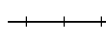
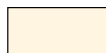







*GOVERNMENT PARK PROPERTY ASSESSMENT FORMULA

TYPE	Zone 6
Public Parks	\$150.00 per acre

Call Marla Nunberg, Vice President of Marketing & Public Relations, at 456-0580 x107 for further information about the programs funded through the BID.

Downtown (BID)/(PBIA) Property Tax Assessment

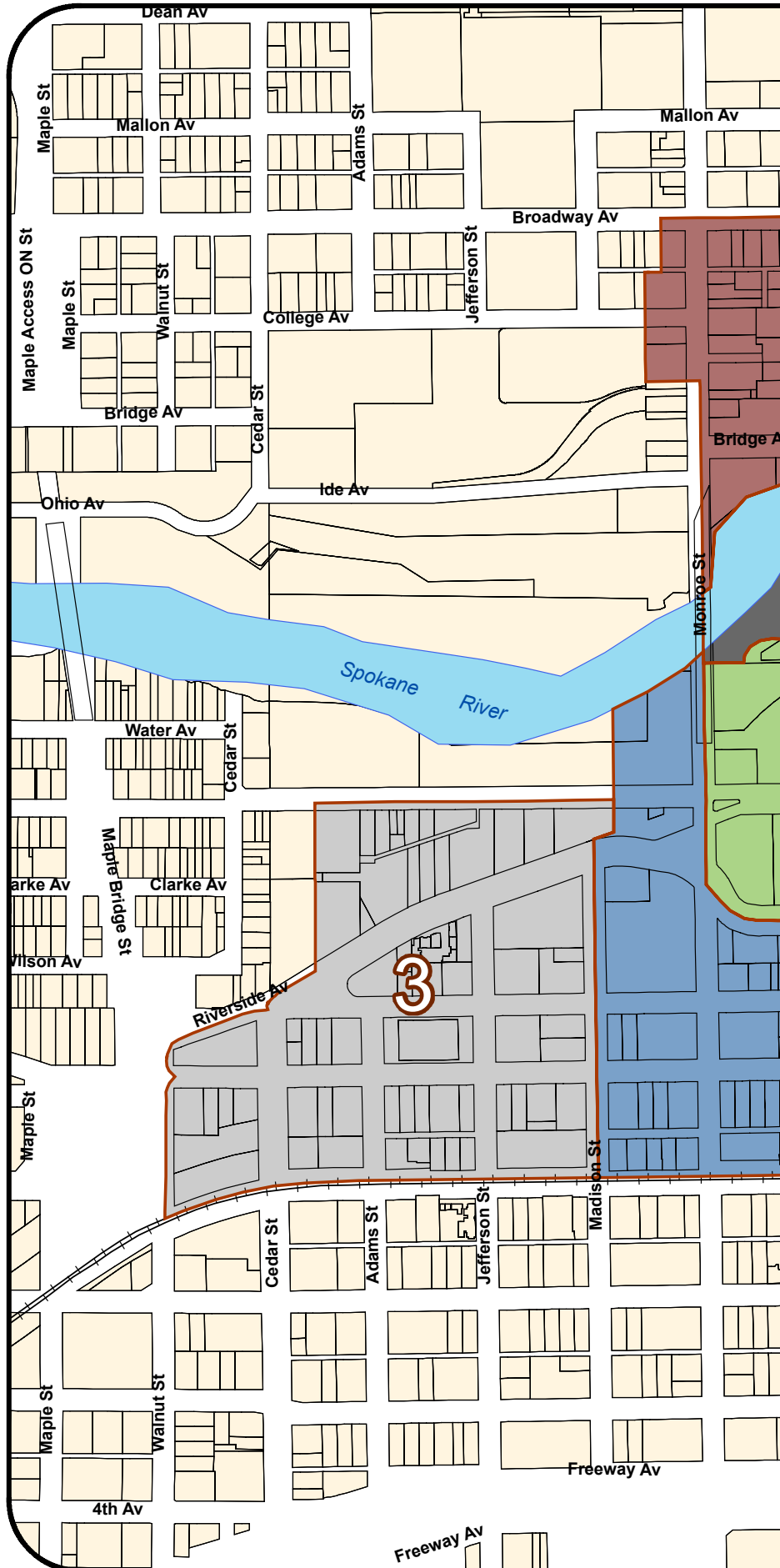
Legend

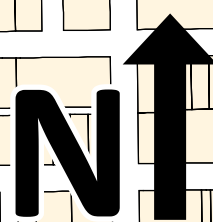
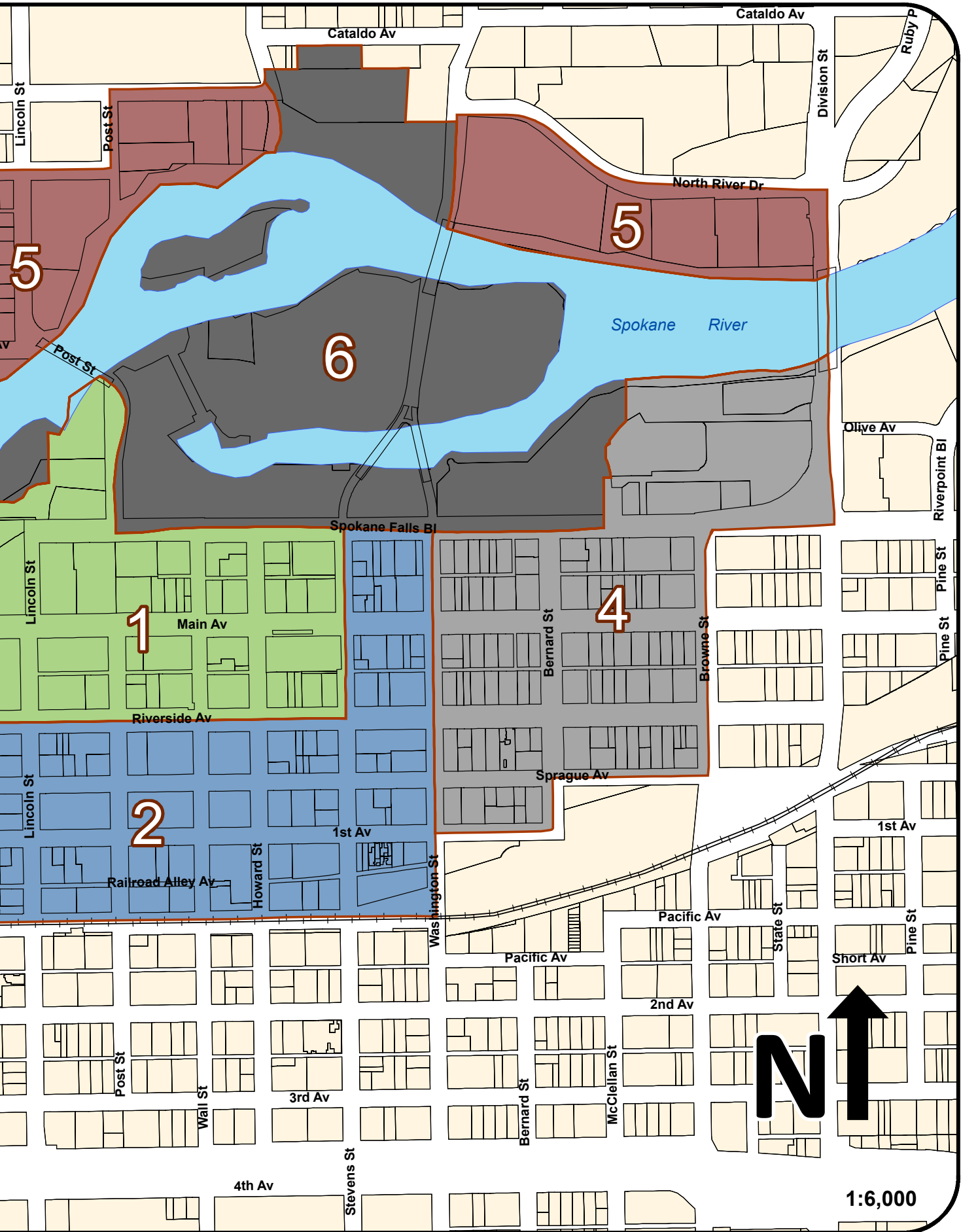
-  Railroads
-  Parcels
-  Spokane River
-  Zone 1
-  Zone 2
-  Zone 3
-  Zone 4
-  Zone 5
-  Zone 6



DOWNTOWN
S P O K A N E

0 250 500 750 1,000
Feet





1:6,000

ASSESSMENT GUIDELINES

City Ordinance C-33781 passed December 12, 2005 amending Ordinance C-33418 passed May 3, 2004 amending Ordinance C-32923 enacted by City Council on November 12, 2001 provides for the levy of special assessments upon businesses and properties within the area designated as the Downtown Business Improvement District (BID).

The BID Ratepayer Advisory Board of Directors submits to City Council an annual BID Management Plan including a proposed budget and special assessment matrix. In early December, City Council holds a public hearing to hear all protests and receives evidence for or against the proposed action.

The following guidelines are provided as a supplement to the assessment matrix:

- Assessment rates are annual and based upon gross leasable space (including storage) except where noted. If a Ratepayer elects to pay the assessment in two installments there will be a \$10.00 rebill fee to the city levied.
- A pro-rated assessment shall be available to tenant Ratepayers upon request.
 - The pro-rated assessment shall be based on a full month, i.e. if a Ratepayer leaves the district March 15th they will be invoiced for three full months.
 - A pro-rated assessment shall be available only to tenant Ratepayers who move out of the district.
- When a tenant moves within the district, that tenant will be responsible for the assessment based on their previous location until the change is made for the next year's assessment roll.
- Assessments are based upon six "benefit zones," each of which pays a different level of assessment based upon the services it receives.
- A minimum assessment of \$90.00 is levied for each tenant and/or property parcel.
- The following will be exempt from assessment: Organizations and property owners recognized by the State of Washington as Charitable Organizations; businesses recognized by the State of Washington as Non-Profit Organizations; Governmental agencies exempt from taxation pursuant to State and Federal law; Vendors and Concessionaires; theaters which principally present live performances; organizations conducting business in the BID less than 30 days per year; or as per Section 5A4 as amended.
- No historic tax credit or other exemptions that would decrease the assessed value of land or improvements will be used to calculate the annual property assessment.
- The Downtown Spokane Partnership office should be contacted immediately to discuss any situations not covered in the above guidelines.
- Manufacturing businesses should have their businesses classified, and assessments applied, consistent with other uses in the District. Business classifications (i.e., office manufacturing) should not be pro-rated for a single business operation. Per Section 4, Part E, "if multiple activities or uses are undertaken in a single business space, the predominant activity or usage shall determine the business classification." The predominant usage is that use, which has the greatest proportional square footage of a building compared to other uses.

Disputes:

The majority of assessment questions are quickly resolved by the Downtown Spokane Partnership office. If a satisfactory conclusion is not reached, a Ratepayer aggrieved by the amount of an assessment or delinquency charge shall request, within sixty (60) days of the assessment or charge, a hearing before the Ratepayer Advisory Board. An Assessment Resolution Policy, which fully outlines the appeal process, is available from the Downtown Spokane Partnership office.

To contact the Downtown Spokane Security Ambassadors please call 353-9111.



SPECIAL ASSESSMENTS

The City of Spokane will levy a special assessment on each business, organization, building, and a property within the area by applying an assessment rate according to the current assessment formula approved by City Council.

TENANT EXEMPTIONS

1. Concessionaires at public events.
2. Vendors or entertainers in the district streets and parks.
3. Theaters which principally present live performances and not video or film shows.
4. Businesses conducting business in the district less than 30 days per year.
5. Businesses incorporated as a non-profit organization.
6. Emergency City services such as fire, police, and medical care.

PROPERTY OWNER EXEMPTIONS

Religious, charitable, or social welfare non-profit organizations.

ASSESSMENT RATE INCREASES

Proposals with regards to assessment rate changes (including minimums, maximums, exemptions, and increases) are all subject to approval by City Council per RCW 35.87A.

It is anticipated that subsequent increases of the assessments will be based on the increase, if any, of the Consumer Price Index (CPI) of the U.S. City Average for all urban consumers. The percentage increase in the assessment formula shall be computed as follows:

$$\frac{(\text{Ending CPI} - \text{Beginning CPI}) \times 100}{\text{Beginning CPI}} = \text{Percentage of Increase}$$

ASSESSMENT POLICIES

1. Hotels and motels will be assessed for both property and tenancy at one rate per number of rooms.
2. Public parks will be assessed for both property and tenancy at one rate per number of acres.
3. A minimum assessment of ninety dollars (\$90.00) will be applied to every business or property parcel within the boundaries.
4. Square footage will be combined for office or retail tenants occupying multiple spaces in one building.





BID ORGANIZATION CHART

DOWNTOWN SPOKANE PARTNERSHIP

Manages the BID, provides advocacy on Downtown issues, and directs long-term planning strategies.

BUSINESS IMPROVEMENT DISTRICT

Ratepayer Advisory Board directly represents the business and property owners in program and policy areas.

BOARD MEMBERS

CHAIR - Ann Martin, *Heylman Martin Architects*

VICE CHAIR - Steve Blaska, *Spokane Transit Authority*

SECRETARY - Steve Salvatori, *Spokane Entrepreneurial Center*

TREASURER - Jeff Winkler, *BDO Seidman*

PAST CHAIR - Lynnelle Caudill, *Davenport Hotel & Tower*

LEGAL - Gage Stromberg, *Randall & Danskin, P.S.*

Alicia Barbieri, *Goodale & Barbieri Company*

Susan Davis, *Chocolate Apothecary*

Matt Gibson, *Public Facilities District*

Ralph Hamm, *Wells Fargo*

Tobby Hatley, *Tobby Hatley and Associates*

Gordon Hester, *Kiemle and Hagood*

Dave Mandrake, *City of Spokane*

Andrei Mylroie, *Desautel Hege Communications*

Stephen Pohl, *River Park Square*

Alan Roberts, *Sterling Savings Bank*

Patricia Sampson, *Tangerine*

DSP STAFF

PRESIDENT

Marty Dickinson

ADMIN

Finance & Database Manager - Sharon Curtis

Finance Assistant - Grace Hutchinson

Office Coordinator - Tammy Pruitt

MARKETING

Vice President of Marketing & Public Relations - Marla Nunberg

Marketing Communications Coordinator - Leanne Sangster

OPERATIONS

Public Policy & Parking Manager - Andrew Rolwes

Security Ambassador Director - Larry Killstrom

Operations Coordinator - Daniel Hall

Security Ambassador Team • Clean Team



BID RATEPAYER PROFILE

The Downtown Business Improvement District (BID) is authorized by Washington State "Parking and Business Improvement Area Law" to aid general economic development and neighborhood revitalization and to facilitate the cooperation of business and property owners. Property and business owner assessments provide funding for activities, programs, and management of the district.

You will automatically receive the benefits and services within the district when you open. Your first assessment for the coming year will be billed in December of the current year. Participation in the funding of the district is mandatory by City Ordinance (See Assessment Guidelines).

- Security Ambassadors provide security & hospitality services for you & your customers.
- Clean Team provides maintenance services, including sweeping, cleaning & graffiti removal.
- EasyPark provides parking validation for your customers, if you choose to participate.
- Marketing programs provide activities & programs to promote Downtown as a destination.
- Co-operative marketing provides low-cost tools for individual business promotion.
- Downtown electronic newsletters keep you informed about activities that affect you.

PROFILE DATA

To make sure that we have the most current data on your business or property, please fill in the blanks.

Business Name _____ Web Site _____

Business Address _____

Billing Address (if different) _____

Telephone Number _____ Contact Person _____

Billing Contact (if different) _____ E-mail Address _____

ASSESSMENT DATA *(Please check the box & fill in the blanks)*

BUSINESS TYPE

- | | |
|---|--|
| <input type="checkbox"/> Ground/Skywalk Retail | Square footage of usable space incl. storage _____ |
| <input type="checkbox"/> Ground/Skywalk Office | Square footage of usable space incl. storage _____ |
| <input type="checkbox"/> Upper Floor/Basement Office & Retail | Square footage of usable space incl. storage _____ |
| <input type="checkbox"/> Manufacturing | Square footage of usable space incl. storage _____ |
| <input type="checkbox"/> Commercial Parking | Number of spaces _____ |
| <input type="checkbox"/> Commercial Theaters | Number of seats _____ |
| <input type="checkbox"/> Apartments | Number of units _____ |
| <input type="checkbox"/> Hotels/Motels | Number of rooms _____ |

PLEASE COMPLETE AND RETURN TO:

Downtown Spokane Partnership, Attn: Sharon Curtis, 211 North Wall Street, Suite 300, Spokane WA 99201
Phone: (509) 456-0580 ext.105 • Fax: (509) 747-3127 • SCurtis@DowntownSpokane.net • www.DowntownSpokane.net



Business Improvement District

Phone: 509.456.0580 • 211 North Wall Street, Suite 300, Spokane, WA 99201 • Fax: 509.747.3127

www.downtownspokane.net