Agreement in Principle October 5, 2006

In consideration for the mutual benefits derived by the parties to this agreement, the City of Spokane and John and Rachael Osborn (City) agree to the following:

Neighborhood Traffic

- City commits to preparation of base line study of local area traffic and to use best efforts to work with the neighborhood on traffic calming as funds are available (some funds currently exist).
- 2) City commits to use very best efforts to correct conflicts between cars and non-vehicular traffic (e.g., bicycle, pedestrian) and safety issues.
- 3) City recognizes that traffic calming is important.
- 4) Centennial Trail City will use best efforts to assure CT is completed prior to completion of Phase I or any occupancy west of Maple.

Land Use

- 5) City to create web page and links on KY to serve as comprehensive source of public information concerning upcoming public processes, permits and decisions relating to the development. The web page will be operational prior to the end of 2006 and will be updated weekly. Planning Services will maintain the web page, and will coordinate with all other City departments with jurisdiction over aspects of KY project to ensure that web information is comprehensive, up-to-date, and reliable.
- 6) Public involvement will be encouraged in the creation of design guidelines for the KY project. Design Review committee meeting will be posted in advance (goal of 2 weeks in advance) on web site. City commits to host two open houses in connection with design review process to establish design guidelines, the purpose being to inform, educate and receive public input on the proposed guidelines.

Spokane River

- 7) City will require Kendall Yards to abide by all Habitat Management Plan (HMP) guidelines/rules. City will contract with a biologist (with graduate education and substantial experience) to assist city staff in reviewing Kendall Yards draft HMP. Within existing legal framework, City will coordinate with Washington Department of Fish & Wildlife review of Kendall Yards draft HMP and adopt all WDFW recommendations into the Kendall Yards HMP. City will announce availability of draft HMP on KY website and distribute copies to the public as requested.
- 8) City will create a Habitat management plan for city-owned riverside property and natural areas adjacent to KY site. City HMP will include public process, including citizen advisory committee, scoping, public review of draft documents, opportunity for comment and public meetings. The City HMP will occur at the same time as or shortly after the KY HMP is created.

Affordable/Low Income Housing

9) Mayor will form a community task force to address low/moderate income housing and social services in the West Central neighborhood. Staffing to include representatives from City Human Services and Community Development Departments. The goal of the task force is to stabilize and promote development of low and moderate income housing in West Central, and recommend actions for the City and private/nonprofit sector to promote social and economic improvements in West Central. The task force will also assess definitional issues around "workforce housing" and other terms as needed. City

- commits to make best efforts to implement recommendations of the task force, including immediate and near-term actions as necessary to address speculative housing market.
- 10) City commits to a concentrated effort in West Central to create affordable housing with a goal of creating a minimum of an additional 25 units by 2017, beyond what would have been created with base line programs now in place.

The parties further agree this document will be formalized at a later date.

DATED this 5th day of October.

Maxor Dennis Hession

Rachael Paschal Osborn on behalf of

John and Rachael Osborn