

**INTERLOCAL AGREEMENT FOR ACQUISITION OF REAL ESTATE  
BETWEEN  
CITY OF SPOKANE VALLEY AND SPOKANE COUNTY LIBRARY DISTRICT**

This Agreement is made by and between the CITY OF SPOKANE VALLEY ("City") and the SPOKANE COUNTY LIBRARY DISTRICT, a Washington municipal corporation ("Library District") collectively referred to herein as the "Parties", based upon the following Recitals. The Agreement shall become effective as of the date the last Party hereto executes this Agreement.

**RECITALS**

A. WHEREAS, the Parties each have need of acquiring real property in furtherance of their respective public purposes; and

B. WHEREAS, four contiguous parcels of real property comprising approximately 8.4 acres located on the corner of Sprague and Herald within the City and legally described on the attached Exhibit "A", (the "Property") have been identified by the Parties as appropriate to their needs. The Spokane County parcel numbers are 45174.9053, 45174.9054, 45174.9055, and 45174.9056; and

C. WHEREAS, City anticipates entering into negotiations with the owner of the Property, Pring Corporation ("Pring"), whereby the City would purchase the Property from Pring; and

D. WHEREAS, the Library District for its purposes needs between two and one-half and three and one-half acres of the Property while the City needs the balance; and

E. WHEREAS, the Parties hereto wish to enter into this Agreement for the purpose of agreeing to jointly develop the Property and to provide for dividing the Property between the City and the Library District at a later date such that the interests of both Parties will be served; and

F. WHEREAS, the Parties acknowledge that there will be costs to construct frontage improvements directly related to the anticipated development activity of the respective Parties, and that the Parties need to apportion those costs between themselves; and

G. WHEREAS, pursuant to RCW 36.34.340, the City is authorized to acquire by purchase title to real property for park and recreational purposes; and

H. WHEREAS, RCW 39.33.010 authorizes governmental entities to transfer real property between themselves as set forth in RCW 39.33.020, and

I. WHEREAS, RCW 39.34.030(1) provides that any power or authority capable of being exercised by a public agency of this state may be exercised jointly with any other public agency of this state.

NOW THEREFORE, based upon the foregoing recitals, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereto agree as follows:

1. **Joint Board.** No joint board or agency shall be created as a result of this interlocal agreement between the Parties. Any action taken pursuant to the terms of this agreement must be separately approved by the governing boards of each Party.
2. **Purchase of Property.** The City will negotiate in good faith with Pring regarding a Real Estate Purchase and Sale Agreement (the "Purchase and Sale Agreement") for the purchase of the Property.
3. **Purchase Price.** The Library District, contemporaneous with the Closing between the City and Pring, and subject to mutual agreement on the price paid by the City to Pring, shall pay to the City an amount equal to the per square foot Purchase Price of the Property based upon the total number of square feet of the Property determined by the survey times two and one-half acres (108,900 sq. ft.) together with the same proportionate share of any survey, title, recording, closing, and phase I environmental audit costs. Any appraisal fees shall be paid entirely by the City. The City is not represented by any Realtor, and shall not pay any fees related to services provided by any Realtor related to purchasing the Property unless otherwise agreed to in writing.

4. **Title**. The Parties agree that the Purchase and Sale Agreement shall reflect that the Purchase Price at Closing shall be paid in cash and that title to the Property shall be taken in the name of the City, subject to the contract right of ownership by the Library District of at least 2.5 acres, as identified in this Agreement. This contract right of ownership is enforceable in an action for specific performance.

5. **Closing**. Closing of the transaction to purchase the Property shall occur on or before a date mutually acceptable to the City and Pring.

6. **Joint Site Development Plan**. Within one year following the Closing, the Parties shall work together to

A. mutually select a consultant team; and

B. draft and finalize a Joint Site Development Plan with the goal of agreeing, among other things, on how much of the Property the Library District will require for its purposes, and location of the same.

The Parties intend that the Joint Site Development Plan shall include building footprints, parking, curb cuts, sidewalks, storm water management, access including reciprocal access and parking easements if any, and any other matters that the Parties deem desirable to be included as part of such Joint Site Development Plan. The Library District anticipates that its needs will include the following:

A. A minimum of a 30,000 square foot building on one floor, that will serve as a destination facility with programming intended to draw participants from the Spokane County region.

B. The exterior building image should provide a sense that this building is a library and an important civic and community building. This can be accomplished by using timeless, quality materials like brick, stone, concrete and composite metal panels to name a few.

C. Site Requirements:

- Building footprint a minimum of 30,000 square feet.
- Vehicular access required for rear service entrance.

- Appropriate parking to meet the City's code minimum requirements for a public library, with a 100 seat meeting room.
- Require frontage on or clear visibility from Sprague Avenue but not from behind a parking lot.
- At least one side of library building adjacent and open to landscaped park area.

The City anticipates that its needs will include the following:

A. Land for a park or other civic uses

B. Due to civic nature of the site, shared hardscape such as walkways and plaza anticipated

C. Potential amenities to consider:

- parking
- reading garden
- public market space
- civic plaza and fountain
- flag display/Veteran's memorial
- small picnic shelter
- large shelter
- performance/gathering place
- seasonal café place
- open field
- walking loop/trail

- art/sculpture walk

D. Site requirements:

- Public access to library restrooms
- Park frontage on Sprague
- Off-street parking for City users (shared parking with library)

Fundamental to the understanding between the Parties hereto is that as of the date hereof, neither Party is in a position to know precisely how the Property should be divided such that the resulting two parcels will maximize the use and benefit to each Party of the Property for the Parties' respective needs to the extent allowed by law. To that end, the Parties agree that as of the date hereof, the number of square of feet and the precise location of the boundary line to be created cannot be known until completion of the Joint Site Development Plan. The Parties therefore agree to cooperate in good faith with each other to arrive at a mutually satisfactory arrangement for dividing the property as reflected in the Joint Site Development Plan. Any engineering or other consulting fees incurred in this process shall be split equally.

Allocation of costs for a traffic study that addresses impacts of anticipated development is the subject of a separate Memorandum of Understanding between the Parties. Based upon the traffic study, the Parties have identified certain right-of-way improvements or site-wide improvements (collectively referred to as "frontage improvements) that are necessary for the respective proposed projects. The Parties agree to split the frontage improvements currently identified in the traffic study on an equal basis. The frontage improvements currently identified are set forth in Exhibit B, attached hereto.

Allocation of additional costs for any other frontage improvements that are necessitated by or otherwise determined as part of the Joint Site Development Plan will be as agreed by the Parties within 30 days of completion of the Joint Site Development Plan. The Parties will negotiate the allocation of any such additional frontage improvement costs in good faith.

7. **Property Adjustment.** If, as a result of the Joint Site Development Plan process the Library District determines that it needs more than 2.5 acres, then the City agrees that it will sell to the Library District at the original per square foot Purchase Price up to one additional acre of the Property. Payment to the City by the Library District of any additional property in excess of the original 2.5 acres shall be made on or before recording of the Deed described in Section 8 below. Any costs incurred for the boundary line adjustment process, and any surveying fees and fees for preparation and recording of the Deed shall be paid for by the Library District. Any legal fees incurred by the Parties shall be the separate responsibility of each.

8. **Deed to Library District.** Within 30 days after completion of the Joint Site Development Plan, the Parties will cooperate to initiate the process to adjust the boundary line as agreed in the Joint Site Development Plan through a boundary line adjustment. Within 10 days of the completion of the boundary line adjustment, the City will convey to the Library District by deed that portion of the Property designated for the Library District on the Joint Site Development Plan to the Library District.

9. **Failure of Joint Site Development Plan.** In the event that, despite their good faith best efforts, the Parties are unable to agree on a Joint Site Development Plan as described above, and absent an agreement between the Parties to extend the deadline for developing such Joint Site Development Plan, then City shall, within 60 days after the final deadline for developing the Joint Site Development Plan, reimburse the Library District the full amount of that portion of the Purchase Price together with the pro-rata share of any survey, title, recording, closing, and phase I environmental audit costs paid by the Library District and from that point in time this agreement would be considered void. Each Party shall pay one-half of the costs of the Joint Site Development Plan if the project does not go forward, either due to failure to agree on a Joint Site Development Plan or because the District does not pass its bond as set forth in Section 10.

10. **Re-Purchase by City.** In order to construct a library building and ancillary improvements on the portion of the Property acquired by the Library District, it is anticipated that the Library District will need to secure voter approval of a District-wide bond levy covering this and other projects. Without voter approval of such bond, the Library District will not be in a position to develop its portion of the Property. The Parties agree that in the event that the Library District has not, within five years following the Closing, secured voter approval of a construction bond for the library building and ancillary improvements in such amount as shall be determined necessary by the Library District, that thereafter the Library District shall reconvey all of the Property back to the City at the same price paid by the Library District to the City. Such payment shall be paid all in cash. The Library District, in such event, shall convey title to the City with the same type of instrument as it received the Property from the City, and from that point in time this agreement would be considered void. In the event the construction bond is approved, the Library District shall commence construction within one year of the date of voter approval of the construction bond.

11. **Maintenance Costs.** The City agrees to maintain the Property, including that portion deeded to the Library District, until such time as the Library District shall begin development of its property. Maintenance is anticipated to include weed control and trash removal, and the Library District agrees to reimburse the City on an annual basis its proportionate share of such costs. The District and City shall negotiate in good faith the allocation of maintenance costs for the external library grounds both during the period of construction of the library facility, as well as maintenance costs once the facility is constructed.

12. **Use of Property.** The City agrees that its portion of the Property will be dedicated to public use and will not be sold to any third party. The Library District agrees that its portion of

the Property will be developed into a public library facility provided that funding for such project is secured as provided above in Section 10.

The City, at its expense, will be allowed to use the entire site for civic purposes until the District provides the City with a notice that the District will commence construction activities in 30 days. The City agrees to hold harmless and indemnify the District from and against all claims, causes of action, and damages arising out of the City's use of the Property for any such civic purposes.

13. **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, personal representatives, legal representative, agents, attorneys, successors and assigns.

14. **Entire Agreement.** This Agreement is the sole and entire agreement between the Parties, and there is no other agreement, either oral or in writing, which modifies the terms of this Agreement. No statement, promises, or inducements made by either Party or any agent of either Party that is not contained in this written Agreement shall be valid or binding. Any enlargement, modification or alteration of this Agreement is binding only if executed in writing and signed by all Parties hereto.

15. **Attorneys' Fees.** In any action to enforce this Agreement, the prevailing Party shall be entitled to recover expenses, including reasonable attorneys' fees, at all trial and appellate levels, including any bankruptcy proceedings.

16. **Venue.** This Agreement is entered into in the State of Washington and venue of any action shall be the Superior Court for Spokane County.

17. **Notices.** All notices, demands or other communications which are required or permitted to be given under this Agreement shall be in writing, and either personally delivered or mailed to the other Party at the address set forth below its signature on this Agreement, or at such other addresses as either party may give to the other by notice in writing pursuant to the terms of this paragraph.

18. **Waiver.** Waiver by either Party of any covenant, condition or provision of this Agreement shall not operate as or be considered to be a waiver by such Party of any other covenant, condition or provision hereof, or of any subsequent breach of either Party.

19. **Additional Acts.** The Parties each hereby agree to perform, execute and/or deliver or cause to be performed, executed and/or delivered, any and all such further acts, documents and assurances as may be reasonably required to consummate the transaction contemplated hereby.

20. **Recording of Agreement.** Pursuant to the provisions of RCW 39.34.040, this Interlocal Agreement shall be filed with the office of the Spokane County Auditor.

21. **Negotiation and Construction.** This Agreement, and each of the terms and provisions hereof, are deemed to have been explicitly negotiated between the Parties, and the language in all parts of this Agreement shall, in all cases, be construed according to its fair meaning and not strictly for or against either Party.

22. **Representation of Authority.** Each person who executes this Agreement represents and warrants to the Parties that he or she has the authority to do so.

SPOKANE COUNTY LIBRARY DISTRICT

CITY OF SPOKANE VALLEY

By: Nancy Ledebor

By: Mike Jackson

Print Name: Nancy Ledebor

Print Name: Mike Jackson

Title: Executive Director

Title: City Manager

Address: 4322 N. Argonne

Address: 11707 E Sprague

Spokane, WA

Spokane Valley, Wa

Dated: 9/19/12

Dated: 9/26/12

Approved as to Form:

Philip S. Brooke  
Philip S. Brooke, Attorney at Law

Approved as to Form:

Greg P. Tinsell  
City Attorney

Dated: 9/19/12

Dated: 9-26-12



## EXHIBIT "A"

The southeast quarter of the southwest quarter of the southeast quarter of Section 17, Township 25 North, Range 44 East, W.M., in the City of Spokane Valley, Spokane County, Washington;

Excepting therefrom the West 20 feet;

Further excepting therefrom the North 15 feet;

Further excepting therefrom the South 80 feet for Sprague Avenue.

Spokane Co. parcel no.s 45174.9053, 45174.9054, 45174.9055, and 45174.9056

**Frontage Improvements Cost Estimate**

**EXHIBIT B**

Project Name: **Spokane County Library - Proposed Main Library Site  
Frontage Improvements: Herald Rd.; Main Ave.**



Prepared By: **Bryan D. Hicks, P.E.**  
Preparation Date: **July 18, 2012**

ITEM #	WSDOT STD. SPEC.	WSDOT STD. #	ITEM DESCRIPTION	UNIT OF MEASURE	PLANNED QUANTITY	ESTIMATED UNIT PRICE	ESTIMATED ITEM PRICE
1	1-09.7	0001	MOBILIZATION	L.S.	1	\$ 31,500.00	\$ 31,500
2	1-05.4	7038	ROADWAY SURVEYING	L.S.	1	\$ 1,500.00	\$ 1,500
5	1-07.15	7736	SPCC PLAN	L.S.	1	\$ 500.00	\$ 500
9	1-10.3	6971	PROJECT TEMPORARY TRAFFIC CONTROL	L.S.	1	\$ 4,000.00	\$ 4,000
10	2-01	0035	CLEARING AND GRUBBING	L.S.	1	\$ 4,000.00	\$ 4,000
12	2-02		SAWCUT ASPHALT PAVEMENT	L.F.	1,300	\$ 1.50	\$ 1,950
14	2-03	0310	ROADWAY EXCAVATION & EMBANKMENT, INCL. HAUL	C.Y.	736	\$ 16.00	\$ 11,808
17	4-04	5115	CRUSHED SURFACING TOP COURSE	C.Y.	368	\$ 48.00	\$ 17,664
19	5-04		HMA CL. 1/2", 0.25 FT. DEPTH, PG 64-28	S.Y.	144	\$ 24.00	\$ 3,456
20	5-04		HMA CL. 1/2", 0.33 FT. DEPTH, PG 64-28	S.Y.	872	\$ 20.00	\$ 17,440
26	7-05	1062	PRECAST CONCRETE DRYWELL TYPE B - SWALE	EACH	3	\$ 3,400.00	\$ 10,200
34	8-01		TEMPORARY EROSION & SEDIMENT CONTROL	L.S.	1	\$ 1,500.00	\$ 1,500
35	8-02		SWALE EXCAVATION INC. HAUL	C.Y.	380	\$ 23.00	\$ 8,740
36	8-02	6405	TOPSOIL TYPE A	C.Y.	160	\$ 33.00	\$ 4,950
39	8-02	6555	SOD INSTALLATION	S.Y.	1,361	\$ 8.00	\$ 10,888
40	8-03	6071	IRRIGATION SYSTEM	L.S.	1	\$ 7,500.00	\$ 7,500
42	8-04	6700	CEMENT CONC. TRAFFIC CURB & GUTTER	L.F.	1,226	\$ 13.00	\$ 15,926
43	8-04	6707	CEMENT CONC. PEDESTRIAN CURB	L.F.	80	\$ 18.00	\$ 1,440
44	8-04	1070	CEMENT CONC./QUARRY SPALL SPILLWAY	S.Y.	20	\$ 50.00	\$ 1,000
46	8-06	7059	CEMENT CONCRETE DRIVEWAY APPROACH	S.Y.	186	\$ 44.00	\$ 8,184
47	8-14	7055	CEMENT CONCRETE SIDEWALK	S.Y.	727	\$ 34.00	\$ 24,718
48	8-14	7058	CEMENT CONCRETE CURB RAMP TYPE A	EACH	4	\$ 1,250.00	\$ 5,000
51	8-20	6912	HAWK PEDESTRIAN SIGNAL	L.S.	1	\$ 200,000.00	\$ 200,000
			<b>TOTAL CONSTRUCTION ESTIMATE</b>				<b>\$ 393,863</b>

Contingency (25%)	\$ 98,466
Inflation Adjustment Factor (4%/yr) 2 years	\$ 31,609
Construction Sub-Total	\$ 523,838
PE (15%)	\$ 78,576
CE (15%)	\$ 78,576
Utility Allowance - Undergrounding of overhead lines (East side of Herald)	\$ 20,000
Right Of Way	\$ -
<b>TOTAL PROJECT ESTIMATE</b>	<b>\$ 700,989</b>

**Cost Estimate Assumptions:**

Includes pavement widening, sidewalk, curb & gutter and swales for frontage of undeveloped parcel along Herald Rd. and Main Ave.  
Estimate does not include frontage improvements in front of existing Balfour Park on Main Ave or Balfour Rd.  
Includes HAWK Pedestrian Crossing Signal on Sprague Ave.

Main Ave. - (Herald Rd. to Felts Rd.) Local Access Street: L = 650-ft  
3" HMA over 6" CSTC; Ex. Width: 30-ft wide; No additional widening req'd  
10-ft swale; 6-ft sidewalk,

Herald Rd. - (Sprague Ave. to Main Ave.) Collector Street: L = 575-ft  
4" HMA over 6" CSTC; Ex. Width: 25 to 30-ft; Widen to 40-ft  
10-ft swale; 6-ft sidewalk

2017 ADDENDUM TO THE INTERLOCAL AGREEMENT FOR ACQUISITION OF REAL  
ESTATE BETWEEN THE CITY OF SPOKANE VALLEY AND THE SPOKANE COUNTY  
LIBRARY DISTRICT

WHEREAS, the City of Spokane Valley (the City) and Spokane County Library District (the Library District) (referred to jointly as the Parties) executed an interlocal agreement (the Agreement) on September 27, 2012. The purpose of the Agreement was for the City to sell the District certain real property located on the north side of Sprague Avenue, between Balfour Road and Herald Road, with the intent that the Library District would design and construct a new library facility that would serve as the primary library facility in the City; and

WHEREAS, pursuant to the Agreement, the City sold 2.5 acres to the Library District, Spokane County parcel number 45174.9063 (the Site), with the transaction closing on or about October 31, 2012. The Parties agreed to an additional transfer of property pursuant to the Agreement, which was dependent upon the needs of the Library District as determined in a collaborative joint needs analysis/conceptual site plan prepared by the Parties. The total property acquired by the Library District from the City was 2.82 acres, with the total closing price, including land and apportioned costs, of \$839,285.10; and

WHEREAS, Section 10 of the Agreement contains a requirement that “in the event that the Library District has not, within five years following the Closing, secured voter approval of a construction bond for the library building and ancillary improvements in such amount as shall be determined necessary by the Library District, that thereafter the Library District shall reconvey all of the Property back to the City at the same price paid by the Library District to the City.”

WHEREAS, the conceptual site plan process took place largely in 2013, and included significant technical input and analysis by the Parties, consultants, and the public. This extensive public participation has been integral to the plan to develop the Site as the main library facility in the City, including identifying the functions desired and needed by the community in a modern library facility; and

WHEREAS, in April 2014, the Library District put two ballot measures before the electorate in the greater Spokane Valley region. The first measure was whether to create a capital facilities area which was a subset of the entire Library District, and which would primarily benefit from the proposed improvements. The second measure was whether to approve construction of the new library at the Site, a second but smaller library facility near the intersection of Sprague Avenue and Conklin Road, as well as improvements at the Argonne Branch, located at Argonne Road and Upriver Drive. The creation of the capital facility area, which required a simple majority, was approved. The vote to approve construction of the facilities, which required at least a 60% approval, failed, although it received 54.84% approval; and

WHEREAS, in August 2015, the Library District again requested that the voters in the capital facility area approve the proposed construction. The capital facility area is legally valid for up to two election attempts, so did not need to be approved as part of the 2016 effort. This effort received 57.57% approval, falling just short of being successful; and

WHEREAS, the Parties mutually recognize the importance of having a modern, functional library facility to support the educational needs of the citizens of the City, including children and adults; and

WHEREAS, the Parties mutually recognize the economic development benefits of co-locating the new library facility with the City's proposed renovations of Balfour Park, which are also adjacent to the City's new City Hall facility. The Parties assert these combined improvements will act as a magnet for private development in the area; and

WHEREAS, the Parties prepared a Joint Site Plan which identified certain right-of-way improvements or site-wide improvements (collectively referred to as "frontage improvements") that are necessary for the respective proposed projects on the site. Said improvements will benefit the multiple uses planned for the combined site. The Parties wish to work together to provide the necessary site improvements while keeping the cost manageable for the citizens; and

WHEREAS, the Parties agree that a continuing and enhanced partnership between the Parties is crucial for success in jointly developing the Site.

NOW THEREFORE, the Parties agree to make the following amendments to the Agreement:

6. **Joint Site Development Plan.**

A. An approximately 25,000 square foot building on one floor, that will serve as a destination facility with programming intended to draw participants from the Spokane County region. The ultimate size of the facility shall be determined following appropriate public engagement.

C. Site requirements:

- Building footprint of approximately 25,000 square feet.

The Parties agree to contribute the following amounts to the frontage and/or site improvements on the Library Site which have been identified in the Joint Site Development Plan. The Library District shall contribute its investment of \$1.3 million to purchase the two library construction sites, including the Site, as well as the second library site near Sprague Avenue and Conklin Road, and will no longer seek reimbursement for the land costs through a subsequent bond. This Library District obligation is separate from and in

addition to any amount sought in bond proceeds, and represents the actual expenditure amounts to purchase both sites. The City shall contribute \$1.3 million in frontage and/or joint site improvements on the Library Site. This amount includes the \$839,285.10 paid by the Library District to the City for the Site. This City obligation is separate from and in addition to any frontage or site improvements the City would already be responsible for in developing and constructing Balfour Park. The intent of these contributions by the Parties is to accomplish the mutual goals set forth in the recitals to this Addendum, above, and to reduce the amount of bond proceeds that would be requested from the voters. Exhibit B, previously attached to this Agreement is deleted.

The Parties shall, within 45 days of validation of the passage of ballot measure approving construction bonds, form a joint site development project team.

10. **Re-Purchase by City.** In order to construct a library building and ancillary improvements on the portion of the Property acquired by the Library District, it is anticipated that the Library District will need to secure voter approval of a bond levy covering the Library Site and the Sprague and Conklin site projects. Without voter approval of such bond, the Library District will not be in a position to develop its portion of the Property. The Parties agree that in the event that the Library District has not, by October 31, 2022, secured voter approval of a construction bond for the library building and ancillary improvements in such amount as shall be determined necessary by the Library District, that thereafter the Library District shall reconvey all of the Property back to the City at the same price paid by the Library District to the City. The Parties may, by mutual written agreement after October 31, 2021, extend the timeframe for reconveyance by an additional two years, to October 31, 2024. Such payment shall be paid all in cash. The Library District, in such event, shall convey title to the City with the same type of instrument as it received the Property from the City, and from that point in time this agreement would be considered void. In the event the construction bond is approved, the Library District shall commence construction within one year of the date of voter approval of the construction bond.

12. **Use of Property.** The City agrees that its portion of the Property will be dedicated to public use and will not be sold to any third party. A deed restriction shall be recorded by the Library District within a reasonable amount of time from voter approval of a construction bond that would limit the use of the Site to a library facility for a minimum of 50 years from date of opening. The Library District agrees that its portion of the Property will be developed into a public library facility provided that funding for such project is secured as provided above in Section 10.

The City, at its expense, will be allowed to use the entire site for civic purposes until the District provides the City with a notice that the District will commence construction activities in 30 days. The City agrees to hold harmless and indemnify the District from and against all claims, causes of action, and damages arising out of the City's use of the Property for any such civic purposes.

This Addendum shall become effective upon the date of the signature of the last party signing this document.

CITY OF SPOKANE VALLEY

Mark Calhoun  
Mark Calhoun, City Manager

Approved as to form:

Cy P. Doshell  
Office of the City Attorney

SPOKANE COUNTY  
LIBRARY DISTRICT

PM Roewe 10/25/2017  
Patrick Roewe, Executive Director

Approved as to form:

Cynthia E. McMullen  
Cynthia McMullen, Counsel for SCLD

**2021 ADDENDUM TO THE INTERLOCAL AGREEMENT FOR ACQUISITION OF REAL  
ESTATE BETWEEN THE CITY OF SPOKANE VALLEY AND THE SPOKANE COUNTY  
LIBRARY DISTRICT**

WHEREAS, the City of Spokane Valley (the City) and Spokane County Library District (the Library District) (referred to jointly as the Parties) executed an interlocal agreement (the Agreement) on September 27, 2012. The purpose of the Agreement was for the City to sell the District certain real property located on the north side of Sprague Avenue, between Balfour Road and Herald Road, with the intent that the Library District would design and construct a new library facility that would serve as the primary library facility in the City; and

WHEREAS, pursuant to the Agreement, the City sold 2.5 acres to the Library District, Spokane County parcel number 45174.9063 (the Site), with the transaction closing on or about October 31, 2012. The Parties agreed to an additional transfer of property pursuant to the Agreement, which was dependent upon the needs of the Library District as determined in a collaborative joint needs analysis/conceptual site plan prepared by the Parties. The total property acquired by the Library District from the City was 2.82 acres, with the total closing price, including land and apportioned costs, of \$839,285.10; and

WHEREAS, Section 10 of the Agreement contains a requirement that “in the event that the Library District has not, within five years following the Closing, secured voter approval of a construction bond for the library building and ancillary improvements in such amount as shall be determined necessary by the Library District, that thereafter the Library District shall reconvey all of the Property back to the City at the same price paid by the Library District to the City.”

WHEREAS, the conceptual site plan process took place largely in 2013, and included significant technical input and analysis by the Parties, consultants, and the public. This extensive public participation has been integral to the plan to develop the Site as the main library facility in the City, including identifying the functions desired and needed by the community in a modern library facility; and

WHEREAS, in April 2014, the Library District put two ballot measures before the electorate in the greater Spokane Valley region. The first measure was whether to create a capital facilities area which was a subset of the entire Library District, and which would primarily benefit from the proposed improvements. The second measure was whether to approve construction of the new library at the Site, a second but smaller library facility near the intersection of Sprague Avenue and Conklin Road, as well as improvements at the Argonne Branch, located at Argonne Road and Upriver Drive. The creation of the capital facility area, which required a simple majority, was approved. The vote to approve construction of the facilities, which required at least a 60% approval, failed, although it received 54.84% approval; and

WHEREAS, in August 2015, the Library District again requested that the voters in the capital facility area approve the proposed construction. The capital facility area is legally valid for up to two election attempts, so did not need to be approved as part of the 2016 effort. This effort received 57.57% approval, falling just short of being successful; and

WHEREAS, the Parties mutually recognize the importance of having a modern, functional library facility to support the educational needs of the citizens of the City, including children and adults; and

WHEREAS, the Parties mutually recognize the economic development benefits of co-locating the new library facility with the City's proposed renovations of Balfour Park, which are also adjacent to City Hall. The Parties assert these combined improvements will act as a magnet for private development in the area; and

WHEREAS, the Parties prepared a Joint Site Plan which identified certain right-of-way improvements or site-wide improvements (collectively referred to as "frontage improvements") that are necessary for the respective proposed projects on the site. Said improvements will benefit the multiple uses planned for the combined site. The Parties wish to work together to provide the necessary site improvements while keeping the cost manageable for the citizens; and

WHEREAS, the Library District continues to seek ways to fund the new library site, including through application for funding from various entities as an alternative or in addition to a voted bond; and

WHEREAS, the Parties agreed to an Addendum in 2017 (2017 Addendum) that extended the duration of the Agreement for an additional five years, with an additional optional three years if the Parties agreed. Additionally, the 2017 Addendum contained additional minor modifications regarding the approximate size of the building, and included a financial commitment by the City to the project in recognition of the important public benefits that would be achieved once completed; and

WHEREAS, the Parties agree that a continuing and enhanced partnership between the Parties is crucial for success in jointly developing the Site.

NOW THEREFORE, the Parties agree to make the following amendments to the Agreement:

6. **Joint Site Development Plan.**

A. An approximately 30,000 square foot building on one or more floors, that will serve as a destination facility with programming intended to draw participants from the Spokane County region. The ultimate size of the facility shall be determined following appropriate public engagement.

C. Site requirements:

- Building footprint of approximately 30,000 square feet.
- Vehicular access required for rear service entrance.
- Appropriate parking to meet the City's code minimum requirements for a public library, with a 100 seat meeting room.



- Require frontage on or clear visibility from Sprague Avenue but not from behind a parking lot.
- At least one side of library building adjacent and open to landscaped park area.

The Parties agree to contribute the following amounts to the frontage and/or site improvements on the Library Site which have been identified in the Joint Site Development Plan. The Library District shall contribute its investment of \$1.3 million to purchase the two library construction sites, including the Library Site, as well as the second library site near Sprague Avenue and Conklin Road, and will no longer seek reimbursement for the land costs through a subsequent bond. This Library District obligation is separate from and in addition to any amount sought in bond proceeds, and represents the actual expenditure amounts to purchase both sites. The City shall contribute \$1.3 million in frontage and/or joint site improvements on the Library Site. This amount includes the \$839,285.10 paid by the Library District to the City for the Site. This City obligation is separate from and in addition to any frontage or site improvements the City would already be responsible for in developing and constructing Balfour Park. The intent of these contributions by the Parties is to accomplish the mutual goals set forth in the recitals to this Addendum, above, and to reduce the amount of outside funding needed for the project.

Within 30 days of the District executing a contract for architectural services, the Parties shall form a joint site development project team.

9. **Failure of Joint Site Development Plan.** In the event that, despite their good faith best efforts, the Parties are unable to agree on a Joint Site Development Plan as described above, and absent an agreement between the Parties to extend the deadline for developing such Joint Site Development Plan, then City shall, within 60 days after the final deadline for developing the Joint Site Development Plan, reimburse the Library District the full amount of that portion of the Purchase Price together with the pro-rata share of any survey, title, recording, closing, and phase I environmental audit costs paid by the Library District and from that point in time this agreement would be considered void. Each Party shall pay one-half of the costs of the Joint Site Development Plan if the project does not go forward, either due to failure to agree on a Joint Site Development Plan or because the District does not obtain funding pursuant to Section 10.

10. **Re-Purchase by City.** In order to construct a library building and ancillary improvements on the portion of the Property acquired by the Library District, the Library District will need to secure outside funding. The Parties agree that in the event the Library District has not, by October 31, 2024, secured necessary funding to design and construct the library building and ancillary improvements on the Property in such amounts as shall be determined necessary by the Library District, that thereafter the Library District shall reconvey all of the Property back to the City at the same price paid by the Library District to the City, with payment to be in cash. The Library District, in such event, shall convey title to the City with the same type of instrument as it received the Property from the City, and from that point in time this agreement would be considered void. Once full funding is achieved, the Library District shall commence construction within two years.

12. **Use of Property.** The City agrees that its portion of the Property will be dedicated to public use and will not be sold to any third party. A deed restriction shall be recorded by the Library District no later than December 31, 2021 that would limit the use of the Site to a library facility for a minimum of 50 years from date of opening. The Library District agrees that its portion of the Property will be developed into a public library facility provided that funding for such project is secured as provided above in Section 10.

The City, at its expense, will be allowed to use the entire site for civic purposes until the District provides the City with a notice that the District will commence construction activities in 30 days. The City agrees to hold harmless and indemnify the District from and against all claims, causes of action, and damages arising out of the City's use of the Property for any such civic purposes.

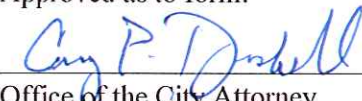
This Addendum shall become effective upon the date of the signature of the last party signing this document.

CITY OF SPOKANE VALLEY



Mark Calhoun, City Manager

Approved as to form:



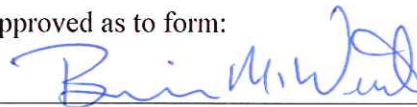
Office of the City Attorney

SPOKANE COUNTY  
LIBRARY DISTRICT



Patrick Roewe, Executive Director

Approved as to form:



Brian Werst, Attorney for SCLD