After Recoding, Return to:
Witherspoon Kelley
Attn: Stanley M. Schwartz
422 W. Riverside Avenue, Suite 1100
Spokane, Washington 99201

Abbreviated Legal Description: Tax Parcel Numbers:

PARKING MANAGEMENT AGREEMENT FOR THE CONVENTION CENTER HOTEL PARKING GARAGE

This Parking Management Agreement for the Convention Center Hotel Parking Garage ("**Agreement**") is dated for reference purposes as of December 10, 2016, to be effective the ____ day of January, 2017 ("**Effective Date**") by and between Convention Center Hotel LLC, a Washington limited liability company ("**CC Hotel**") and the Spokane Public Facilities District, a municipal corporation of the State of Washington ("**District**"), hereinafter jointly referred to as "**Parties**".

RECITALS

- A. CC Hotel is the fee owner of certain real property and other improvements situated in Spokane, Washington, located between Spokane Falls Boulevard to the north, Bernard Street to the east, Washington Street to the west, and Main Avenue to the south, as described on Exhibit A (hereinafter the "Hotel Property").
- B. The District is the fee owner of certain real property located in the City of Spokane, Spokane County, Washington, that contains the Spokane Convention Center and INB Performing Arts Center, as described on Exhibit B (collectively "**District Facilities**").
- C. Through the Joint Development Agreement and the First Amendment to the Joint Development Agreement (the "JDA"), CC Hotel developed and constructed a high rise hotel consisting of at least 700 rooms that, as of the Effective Date, is affiliated with or part of the Marriot hotel brand ("Hotel") and a multi-level enclosed parking garage with approximately 900 vehicle parking spaces ("Parking Garage"), at least 300 of which shall be designated for public parking to be owned by District ("PFD Garage") with the remainder belonging to CC Hotel (the "CC Hotel Garage").
- D. The JDA provided that the Parking Garage would be subdivided through a condominium to establish two separate units, with one unit owned by the CC Hotel and the other unit owned by the District (the "**Condominium**").

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- E. To further the interests of the Parties, the JDA required the District to construct a Skywalk over Spokane Falls Boulevard connecting the District Facilities and the Hotel which would allow hotel guests, invitees and members of the public to move between the District Facilities, Hotel and Parking Garage.
- F. Through the Pedestrian, Signage and Utility Easement the CC Hotel will allow entry and use of the Hotel Property for pedestrian ingress and egress and signage to and from the District Facilities to the Parking Garage.
- G. To comply with the terms and conditions of the JDA and the Condominium, the Parties desire to enter into this Agreement and provide parking management standards and other matters of joint interest for the Parking Garage.

AGREEMENT

NOW, THEREFORE, the Parties agree to the following terms, conditions and covenants.

1. <u>Purpose</u>. This Agreement sets forth the understanding of the Parties with regard to the use, maintenance, operation, improvement, repair and other matters related to the Parking Garage. Persons who use the Parking Garage from time to time with the permission of CC Hotel or the District are herein referred to as "**Permitted Users**".

The Parties acknowledge the improvement, use, operation and maintenance of the Parking Garage shall: (a) provide safe, accessible parking for Permitted Users; (b) ensure unobstructed (subject to traffic control) ingress, egress, and location identification, including directional signage within the Parking Garage; and (c) maximize the interests of CC Hotel, the District and the public. Except for the portions of the Parking Garage used for valet parking as hereinafter provided, the Parking Garage shall be operated as a self-park, public parking garage.

CC Hotel may valet park cars in the Parking Garage, first in the basement level (which will be designated for "valet only"), and thereafter, on an as-needed basis on the upper levels, filling spaces beginning at the top floor parking level and successive lower levels. The valet parking operation shall be the sole responsibility of CC Hotel and may be offered to customers and patrons of the Hotel, as well as customers and patrons of the District. CC Hotel shall use best efforts to fill the designated valet parking area in the lower level before using any spaces on the upper levels for valet service.

- 2. <u>Parking Garage Construction</u>. CC Hotel represents and warrants that, to its knowledge, construction of the Parking Garage and all related improvements thereto has been:
 - (a) conducted and completed in accordance with the Improvement Plans and the terms of the JDA in good, workmanlike manner, in compliance with all legal

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requirements governing the Parking Garage; and

- (b) in conformance with Permits from the Governmental Authority applicable building codes and good engineering practices. CC Hotel covenants and agrees that all costs and expenses in connection with the construction have been paid, or, in the event of a claim for payment from a third party that CC Hotel in good faith disputes, the District shall be held harmless and indemnified from all such claims, costs and expenses.
- 3. <u>Joint Operation</u>. The Parking Garage consists of two condominium units. The PFD Garage is intended to be used by the general public and persons who are using the District Facilities through agreement with the District ("**District Event**"). The Parties recognize that demand for the parking spaces will fluctuate depending on the District Event or activities occurring at the Hotel or the District Facilities. The Parking Garage will be operated as a single garage creating an inventory of approximately 900 parking spaces allocated for CC Hotel use (including valet parking provided by the Hotel at its expense), general public use and District use.
- 3.1 It is anticipated that Hotel demand for parking, including valet use, Hotel staff, Hotel self-parking and Hotel employee parking, will on most dates require less than half of its parking spaces. CC Hotel will exercise commercially reasonable efforts to make as many parking spaces conveniently available to both the general public and patrons of the District Facilities as is possible when not actually used by guests of the Hotel. In no event shall CC Hotel reserve more than 600 parking spaces within the Parking Garage at any one time without the prior consent of the District. Should the above guidelines result in either party being dissatisfied with access to their respective number of spaces allotted based on ownership of their respective condominium units, then either party upon sixty (60) days' written notice to the other may terminate this Section 3.1 except valet parking may not be placed within the District's condominium unit. Thereafter, this Section 3.1 shall be severed with the remainder of this Agreement in full force and effect. The Parties agree to negotiate any subsequent agreement in good faith for the common good of the CC Hotel and District.
- 3.2 The Parties shall each, as to their respective condominium units and the common areas, throughout the term of this Agreement, (a) keep open to the public the means of access including vehicle ramps within the Parking Garage, the common areas, and Hotel at all times when the Parking Garage is open to the public, and (b) allow pedestrian access between the Parking Garage and the common areas of the Hotel.
- 3.3 The Parking Garage shall be open for Permitted Users twenty-four hours per day, seven days per week, every day of the year, except during an emergency necessitating closure and for days and times when repairs are performed or capital improvements are installed.
- 4. <u>Maintenance and Operation</u>. CC Hotel or its designated contractor (the "**Parking Garage Operator**") will be responsible for administering, maintaining, operating,

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improving and repairing the Parking Garage including but not limited to resurfacing, patching, repairing, replacing, sweeping, removing snow, cleaning, striping and painting in accordance with this Section 4. Subject to the terms of this Agreement, the Parties establish the following standards for the Parking Garage.

- 4.1 <u>Standards for Parking Garage</u>. During all hours of operation the following shall be maintained and available for use:
 - (a) clearly marked and convenient entrance and exit points for vehicles to include ingress and egress points;
 - (b) pedestrian paths and corridors to the Hotel and District Facilities;
 - (c) pedestrian access via elevators and stairs connected to the ground and mezzanine levels:
 - (d) adequate lighting and security monitoring equipment consistent with the operation of other parking garages in downtown Spokane;
 - (e) parking management and control equipment, to include but not be limited to, automated gates to control vehicle ingress and egress and automatic ticket dispensers and "attendant-less" exit(s) enabling vehicles to leave the Parking Garage without the assistance of a parking attendant;
 - (f) all elevators and stairs;
 - (g) at least 900 full size, non-compact eight foot six inch (8' 6") wide striped parking spaces; and
 - (h) pedestrian access to District Facilities with directional signage via two elevators, a stair tower, and enclosed corridors (areas) from the Parking Garage to the Skywalk as well as at grade street access.
- 4.2 Required Staff. The Parking Garage Operator shall employ persons on an asneeded basis to direct vehicles, receive payment, minimize customer inconvenience and monitor cameras and security personnel to protect persons and property from harm or damage. The Parking Garage Operator shall designate an individual who may be contacted by the Parties for the purposes of ensuring that: (a) the Parking Garage is operated and maintained in a first class condition consistent with this Agreement; (b) vehicles and persons are able to enter and exit the Parking Garage during all times; (c) automatic pay stations which include bill changers and acceptance of credit cards are functioning properly; (d) inquiries, complaints and/or emergency conditions receive a prompt response; and (e) Parking Garage operations are coordinated with the general managers of the District and CC Hotel. The Parking Garage Operator shall either have staff available on site or by phone to respond to operational and emergency issues.
 - (a) The Parking Garage Operator shall deploy staff to facilitate efficient operation of the Parking Garage pursuant to the District Event Parking Plan which shall be developed by the District and approved by (such approval not to be unreasonably withheld, conditioned or delayed) CC Hotel no later than December 31, 2015.

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- 4.3 <u>Maintenance Standards</u>. The Parking Garage shall be maintained and repaired in a first-class condition in accordance with industry standards for the maintenance of multilevel parking facilities located in urban areas consistent with standards for a four star hotel and District Facilities including, but not limited to the items of maintenance described below.
 - (a) All sidewalks, walkways, stairways, elevators, roadways and parking surfaces inside the Parking Garage, including its entrances and exits, shall be kept and maintained in good, safe and clean condition.
 - (b) Snow, ice, surface water and debris shall be promptly treated or removed if inside the Parking Garage, or its entrances and exits.
 - (c) All graphics, traffic and directional signs and pavement and striping shall be kept clean, distinct and legible, and replaced as necessary, including restriping of parking lot markings.
 - (d) Adequate lighting inside the Parking Garage shall be maintained with burned out lights promptly replaced.
 - (e) Ventilation equipment, traffic control equipment (including software and magnetic loops for the ticket system), lighting systems, electrical systems, sprinkler and life-safety systems and mechanical systems of the Parking Garage shall be repaired and replaced as necessary to keep them in first-class condition.
 - (f) Signs and light fixtures shall be washed with high pressure washing equipment, and routinely cleaned as necessary to keep them in first-class condition.
 - (g) Structural maintenance, treatment of concrete as required to prevent or eliminate spalling or damage to any membrane and related flashing, and repair and replacement of expansion joints shall be performed as required.
 - (h) All areas of the Parking Garage shall be kept clean and free from graffiti, and any graffiti shall be promptly removed and the surface restored to its condition prior to the application of the graffiti.
 - (i) Oil and other fluids shall be removed from the surfaces of the Parking Garage, including its entrances and exits on a periodic basis as reasonably necessary.
 - (j) Elevators in the Parking Garage shall be maintained in first-class condition including (a) ensuring daily operation and cleaning, and (b) when necessary, contacting an approved elevator maintenance firm to maintain the elevators in first-class condition.
- 4.4 <u>Capital Improvements</u>. CC Hotel shall be responsible, at its sole cost and expense, to make all repairs and capital improvements (structural and non-structural) to the

Parking Garage for the purpose of maintaining compliance with the Improvement Plans, reasonable standards for a first class parking garage in an urban area, and as otherwise agreed between the Parties. Subject to the Declaration, upon notice from the District, accompanied by a report from a licensed professional engineer in the State of Washington, that repairs or improvements are necessary to preserve the structural integrity of the Parking Garage, CC Hotel shall promptly commence to make such repairs, or in the alternative, provide a report from a licensed engineer in the State of Washington that such structural repairs are not necessary. In the event of a dispute between the Parties concerning repair or improvement to the Parking Garage, the matter may be resolved through the dispute resolution process described in Section 9 of this Agreement.

- 4.5 <u>Reserved Parking</u>. The District reserves the right, and CC Hotel hereby consents, that the District and its guests, for up to twelve (12) District Events per calendar year, may use and occupy the PFD Garage at a significantly reduced cost, provided, however, that such use shall not apply in connection with any District Event that is commonly known as a "Best of Broadway" event performed at the INB Performing Arts Center.
- 4.6 <u>Inspection of Parking Garage.</u> As reasonably determined by the District, at its sole cost and expense, or as otherwise determined by a professional engineer appointed by CC Hotel, the Parking Garage shall be inspected by qualified persons to determine its structural and non-structural condition. Thereafter, a written report shall be delivered to CC Hotel and the District that assesses and makes recommendations concerning the condition of: (a) structural support systems, including walls, beams, columns, and other structural systems; (b) floor, walls, and ceilings with respect to cracking, spalling, and the need to replace, repair, seal or repaint to both extend the use and function, as well as, to improve the appearance of the surface; (c) lighting, ventilation, floor markings, and direction signage; and (d) safety and security system, including sufficiency of security patrols and electronic surveillance. Upon receipt of the report, the Parties shall meet and confer to address and develop a plan to ensure the repair, maintenance and the improvement of the Parking Garage is consistent with this Agreement.
- 5. <u>Parking Fees and Consideration.</u> The consideration for this Agreement is reflected in the JDA, the Condominium and this Agreement.
- 5.1. <u>Parking Fees per Vehicle.</u> Subject to the below, parking fees, as reasonably determined by CC Hotel, may be charged to the general public for the right to use and occupy the Parking Garage.

The District shall solely determine the parking fees for using the PFD Garage. The Third Amendment to the Interlocal Cooperation Agreement with the City of Spokane (OPR 2003-0658) states that "all parking rates on the South Block shall be subject to approval by the District Board of Directors in an open public meeting." In compliance with the Third Amendment, for District Events the parking charge for 300 parking spaces as of the Effective Date is ten dollars (\$10.00) per vehicle per event. The District Event parking rate may be adjusted by the District provided a change to such parking rate shall: (i) be mutually agreed

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with CC Hotel, which approval shall not be unreasonably withheld; (ii) not exceed the market rates for similar parking in the reasonable vicinity of the District Facilities; and (iii) not increase or decrease by more than twenty-five percent (25%) during any twelve (12) month period.

- 5.2 <u>Payment to the District</u>. For the period of time commencing June 17, 2015 (i.e. the date the Hotel became available for use), and ending on December 16, 2015 (i.e. the date that is six (6) months later) (the "**No Payment Period**"), the District shall not be entitled to any profits or revenues generated from the Parking Garage. At the expiration of the No Payment Period, CC Hotel shall make a payment to the District in the total amount of Four Hundred Thousand Dollars (\$400,000.00), with the same amount due annually on the same day thereafter (the "**Parking Revenue Fee**").
- 5.3 Adjustment to the Parking Revenue Fee. As of the Effective Date of the JDA, the weighted average of the monthly parking rates in the Parkade, the Bank of America and Washington Trust Bank garages, located in the downtown core of the City ("Downtown Parking Garages"), is \$129.96 (the "Average Downtown Parking Rates"). The Parking Revenue Fee shall be adjusted after the fifth year of payment, and every five (5) years thereafter, either up or down, by the percentage change in the Average Downtown Parking Rates charged by the Downtown Parking Garages (or comparable covered parking garages in the downtown core of the City, if the foregoing facilities are no longer in operation) ("Adjusted Parking Revenue Fee"). Attached as Attachment A is a spreadsheet showing the methodology to determine the Average Downtown Parking Rates plus the formula to adjust the Parking Revenue Fee.
- 6. Responsibilities of the Parties. The CC Hotel, District and their respective assigns shall not use or occupy the Parking Garage in any manner which causes damage, nuisance or creates waste. The Parties shall use commercially reasonable efforts to prevent Permitted Users from using the Parking Garage in any manner which causes damage or nuisance. Each party will indemnify, defend and hold the other harmless from and against all loss, cost, expense, liability or damage arising from the use, occupancy, construction, maintenance and replacement of the Parking Garage due to the negligent acts or omissions of such party, but not its respective Permitted Users.
- 7. <u>Term.</u> This Agreement shall be in effect for ninety-nine years or for so long as the Condominium exists.
- 8. <u>Insurance</u>. The insurance coverages in the amounts set forth on <u>Exhibit C</u> shall be maintained and adjusted every five years from the Effective Date upon mutual agreement.
- 9. <u>Dispute Resolution</u>. If either party has a claim or dispute under this Agreement, notice of the same shall be sent to the other party. The notice shall provide a brief description of the dispute.
 - 9.1 <u>Meet and Confer.</u> Within five (5) business days of the notice described in

Section 9, the Parties shall meet and confer to resolve the dispute. If the Parties are unable to resolve the dispute within ten (10) business days of the notice, either party may seek arbitration.

- 9.2 <u>Arbitration</u>. Arbitration shall be conducted in accordance with the JAMS Arbitration Rules or by an Alternate Dispute Resolution Process that can be mutually agreed upon. The arbitrator's fees and costs shall be equally shared. The arbitrator's decision shall be final, binding on the Parties and enforceable pursuant to RCW Chapter 7.04A.
- 10. <u>Default, Remedies, Collective Action and Termination</u>. In the event of default by either party to this Agreement, the non-defaulting party may deliver to the defaulting party a written notice describing the breach in reasonable detail, proposing acts which may be taken to cure the breach, and specifying a reasonable period of time to cure the breach, which shall not be less than thirty (30) days. After the period of time to cure the breach, unless the breach cannot be cured within the stated period, in which event after a reasonable period of cure has expired, the non-defaulting party may seek arbitration and/or if equity requires bring an action seeking an injunction.
- 10.1 <u>Agreed Lien</u>. In addition to the matters set forth in this Agreement and upon a default, the Parking Revenue Fee shall be a first priority claim upon the annual revenues generated by the Parking Garage with all creditors, lenders, and other persons subordinating their interest in the Parking Garage to the payment of the Parking Revenue Fee to the District. Further, such subordination shall include, in a form acceptable to the District, a subordination agreement plus an attornment and non-disturbance agreement executed by such persons (including entities) with an interest in the Parking Garage.

All persons with an interest in the Parking Garage shall agree that, after the expiration of any applicable cure periods and in the event of a foreclosure, receivership, or some other action whereby the Parking Garage is not operated by CC Hotel, or other entity acceptable to the District in its sole discretion, that the District may, upon 24 hours' notice, operate the Parking Garage to include making payment of the Parking Revenue Fee to the District and performing maintenance, repair, and capital improvements as deemed reasonably necessary from revenues in excess of the Parking Revenue Fee.

11. Removal of Vehicles. In the event the Parking Garage Operator finds that any person or party to this Agreement is using the Parking Garage in a manner which violates any term of this Agreement or any reasonable rule related to the Parking Garage, causes harm or creates a nuisance, the Parking Garage Operator may require the vehicle or persons to be removed from the Parking Garage. Prior to the removal of a vehicle the Parking Garage Operator may give notice by 1) contacting the Parties at the address set forth herein either telephonically or through mail to inform of the problem and suggest corrective action and 2) post a notice on the vehicle to be removed. Twenty-four (24) hours after notice the Parking Garage Operator is authorized to remove the vehicle and take such other action as is reasonably necessary including storage or impoundment.

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- 12. Parties, Assignment and Subletting. This Agreement and all of the provisions hereof will be binding upon and inure to the benefit of the Parties hereto and their respective successors and permitted assigns, provided that this Agreement and any of the rights, interests or obligations hereunder may not be assigned, transferred or the CC Hotel parking spaces sublet without the prior written consent of the other party hereto; provided however, that CC Hotel shall have the right without any requirement of consent from the District to (a) offer monthly parking arrangements in the CC Hotel Garage to the public (b) assign this Agreement and all agreements related thereto to any purchaser of the Hotel Property and the Parking Garage Condominium Interest, and/or (c) assign this Agreements as part of collateral for financing that may encumber the condominium interest or the Property. This Agreement runs with the land and shall burden and benefit the District Facilities and Hotel Property.
- 13. <u>Non Waiver</u>. No failure on the part of either party to insist upon the performance of any covenant, agreement, term or condition or to exercise any right or remedy contained herein shall constitute a waiver of such breach or of the requirement that such covenant, agreement, term or condition be complied with or performed by the other party. No waiver of any breach shall affect or alter this Agreement with each covenant, term and condition continuing to be in full force and effect with respect to any then-existing or subsequent breach or performance obligation.
- 14. <u>Severability</u>. If any provision of this Agreement or the application thereof to any person or circumstance shall, to any extent be invalid or unenforceable, the remainder of this Agreement or the application of such provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby and each provision of this Agreement shall be valid and enforced to the fullest extent permitted by law.
- 15. <u>Entire Agreement</u>. This Agreement and the Condominium Declaration contain the entire agreement and understanding of the Parties with respect to the subject matter hereof, and supersedes all prior oral or written understandings, agreements, promises or other undertakings between the Parties. This Agreement may be changed only by a written agreement signed by the Parties hereto. This Agreement may be executed in identical counterparts, each of which shall, collectively, constitute but one document.
- 16. <u>Laws and Regulations</u>. CC Hotel and the District will use the Parking Garage in compliance with all laws of the City of Spokane, State of Washington, and United States including all applicable rules and regulations issued.
- 17. <u>Recording</u>. This Agreement shall be recorded in its entirety as a notice thereof against both the Hotel Property and the District Facilities.
- 18. <u>Estoppel Certificate</u>. The Parties hereby agree that, in recognition of the fact that they or their respective successors, assigns or grantees may find it necessary to establish from time to time to banks, mortgagees, accountants, prospective purchasers and others the then current status of performance under this Agreement, each, upon written request from the other, will furnish the other within fifteen (15) days of a request therefore a written statement

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in recordable form reasonably satisfactory to both Parties concerning the status of any matter relating to this Agreement.

- 19. Time of Essence. Time is of the essence in the performance of and compliance with each of the provisions and conditions of this Agreement. All times provided in this Agreement for the performance of any act shall be strictly construed.
- 20. Attorneys' Fees. If any action (including arbitration) is brought by either party against the other party for the enforcement of this Agreement or any document or instrument delivered pursuant hereto, each party shall be responsible for its attorneys' fees, costs and expenses incurred in connection with the prosecution or defense of such action or any appeal thereof. For purposes of this Agreement, the term "attorneys' fees" or attorneys' fees and costs" shall mean the fees and expenses of counsel to the Parties hereto, which may include expert witness fees, printing, duplicating and other expenses, delivery charges, and fees billed for law clerks, paralegals and other persons not admitted to the bar but performing services under the supervision of an attorney
- 21. Relationship. Notwithstanding anything to the contrary contained herein, this Agreement shall not be deemed or construed to make the Parties hereto partners or joint venturers, or to render either party liable for any of the debts or obligations of the other.
- 22. Notice. All notices required or permitted to be given hereunder shall be in writing, may be given by personal delivery, United States mail (certified, return receipt requested) or overnight delivery by a service retaining evidence of delivery, and shall be deemed delivered when received at the address set forth below.

If to CC Hotel: Attn: Walter B. Worthy

> 16201 E. Indiana Avenue Spokane Valley, WA 99216

With copies to: Tyler J. Black

Lukins & Annis, P.S.

717 W. Sprague Avenue, Suite 1600

Spokane, WA 99201

If to the District: Kevin Twohig, CEO

Spokane Public Facilities District

720 West Mallon Avenue Spokane, WA 99201

(509) 279-7000

With a copy to: Stanley M. Schwartz

Witherspoon Kelley

422 West Riverside Avenue, Suite 1100

Spokane, WA 99201

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- 23. <u>Miscellaneous</u>. To the extent words or terms are used herein that are not defined in this Agreement, they shall have the meaning defined or set forth in the JDA or Condominium Declaration that conveys the units in the Parking Garage. This Agreement may be executed in multiple counterparts, and each counterpart, when fully executed and delivered, shall constitute an original instrument, and all such multiple counterparts shall constitute but one and the same instrument.
- 24. <u>Assignment</u>. The Agreement shall be binding upon the Parties, including their successors and assigns. CC Hotel shall have the right to assign or transfer this Agreement, or any interest therein, upon the prior written consent of the District, which shall not be unreasonably withheld, conditioned or delayed; provided however, that an assignment of this Agreement to any affiliate or subsidiary company of CC Hotel or to any entity as a result of a merger or acquisition of CC Hotel shall be permitted without the consent of the District.

Agreed as of the year and date set forth above.

CONVENTION CENTER HOTEL LLC, a Washington limited liability company
By: Walter B. Worthy, Manager
By: Karen L. Worthy, Manager

STATE OF FLORIDA)
County of) ss.)
The foregoing instrumen 2017, by Walter B. Worthy, a limited liability company, on bel	was acknowledged before me this day of January, manager of Convention Center Hotel LLC, a Washington alf of the limited liability company. He is personally known as identification.
	Printed Name:
	Title or Rank:
	Serial Number (if any):
STATE OF FLORIDA)) ss
County of)
The foregoing instrumen 2017, by Karen L. Worthy, a limited liability company, on beh	was acknowledged before me this day of January, nanager of Convention Center Hotel LLC, a Washington alf of the limited liability company. She is personally known as identification.
	Printed Name:
	Title or Rank:
	Serial Number (if any):

STATE OF WASHINGTON: :ss.
County of Spokane:

On this _____ day of January, 2017, before me personally appeared, Kevin J. Twohig to me known to be the Chief Executive Officer, of the Spokane Public Facilities District, a municipal corporation of the State of Washington that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of the corporation, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute said instrument and that the seal affixed is the corporate seal of said corporation.

In witness whereof, I have hereunto set my hand and affixed my official seal the day and year first above written.

Notary Public in and for the State of Washington, residing at Spokane My Appointment expires:

Exhibit A

Legal Description of Hotel Property

LOTS 1, 2, 3, 4, 5 AND 6, BLOCK 7, HAVERMALE'S ADDITION, ACCORDING TO PLAT

RECORDED IN VOLUME "A" OF PLATS, PAGE 22, IN THE CITY OF SPOKANE, SPOKANE COUNTY, WASHINGTON;

TOGETHER WITH LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9 AND 10, BLOCK 8, RESURVEY AND ADDITION TO SPOKANE FALLS, ACCORDING TO PLAT RECORDED IN VOLUME "A" OF PLATS, PAGE 1, IN THE CITY OF SPOKANE, SPOKANE COUNTY, WASHINGTON;

FURTHER TOGETHER WITH A STRIP OR PARCEL OF LAND ADJOINING ON THE EAST OF LOT 10, BLOCK 8, RESURVEY AND ADDITION TO SPOKANE FALLS, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID LOT 10, AND RUNNING THENCE EAST 13.8 FEET, MORE OR LESS, TO THE WEST LINE OF BLOCK 7, HAVERMALE'S ADDITION;

THENCE SOUTH ALONG THE WEST LINE OF SAID BLOCK 7 TO THE NORTH LINE OF MAIN AVENUE:

THENCE WEST ALONG THE NORTH LINE OF MAIN AVENUE, 13.8 FEET, MORE OR LESS, TO THE SOUTHEAST CORNER OF SAID LOT 10;

THENCE NORTH ALONG THE EAST LINE THEREOF TO THE PLACE OF BEGINNING;

FURTHER TOGETHER WITH THAT THE ALLEY BETWEEN SPOKANE FALLS BOULEVARD AND MAIN AVENUE FROM WASHINGTON STREET TO BERNARD STREET VACATED BY ORDINANCE NO. C-34449, AND RECORDED UNDER AUDITOR'S NO. 6114104.

APN: 35184.0701 and 35184.0702 and 35184.0703 and 35184.2101 and 35184.2102 and 35184.2103 and 35184.2104 and 35184.2105 and 35184.2106 and 35184.2107 and 35184.2108 and 35184.2109 and 35184.2110 and 35184.2111 and 35184.2112

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Exhibit B

Legal Description of District Facilities

PARCEL 1:

A PORTION OF HAVERMALE'S SECOND ADDITION, ACCORDING TO PLAT RECORDED IN VOLUME "A" OF PLATS, PAGE 148, AND A PORTION OF THE SOUTHEAST QUARTER OF SECTION 18, TOWNSHIP 25 NORTH, RANGE 43 EAST, W.M., CITY OF SPOKANE, SPOKANE COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE EAST RIGHT OF WAY LINE OF WASHINGTON STREET AND THE NORTH RIGHT OF WAY LINE OF SPOKANE FALLS BOULEVARD:

THENCE NORTH 87°05'15" EAST, ALONG THE NORTH LINE OF SAID SPOKANE FALLS BOULEVARD, 712.00 FEET TO THE SOUTHWEST CORNER OF SPOKANE FALLS COURT:

THENCE NORTH 02°50'49" WEST, ALONG THE WEST LINE OF SAID SPOKANE FALLS COURT AND PARALLEL WITH THE EAST RIGHT OF WAY LINE OF WASHINGTON STREET, 157.95 FEET (REC. 158.00 FEET);

THENCE NORTH 87°05'15" EAST, ALONG THE NORTH LINE OF SPOKANE FALLS COURT AND PARALLEL TO THE NORTH LINE OF SPOKANE FALLS BOULEVARD, 32.51 FEET (REC. 32.50 FEET);

THENCE NORTH 10°19'39" WEST, 10.14 FEET (REC. 10.08 FEET);

THENCE NORTH 12°34'07" WEST, 10.14 FEET;

THENCE NORTH 14°30'20" WEST, 10.21 FEET;

THENCE NORTH 15°36'04" WEST, 10.25 FEET;

THENCE NORTH 16°24'59" WEST, 10.23 FEET;

THENCE NORTH 18°01'49" WEST, 10.36 FEET;

THENCE NORTH 20°55'29" WEST, 10.51 FEET;

THENCE NORTH 25°56'46" WEST, 10.87 FEET;

THENCE NORTH 24°58'06" WEST, 3.82 FEET;

THENCE NORTH 02°50'49" WEST, PARALLEL WITH THE EAST RIGHT OF WAY LINE OF WASHINGTON STREET, 48.01 FEET (REC. 47.95 FEET);

THENCE NORTH 35°58'22" EAST, 10.24 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT, THE RADIUS OF WHICH BEARS SOUTH 33'45'06" EAST, A DISTANCE OF 25.00 FEET:

THENCE ALONG SAID CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 30°08'53", AN ARC DISTANCE OF 13.15 FEET TO A POINT 742.00 FEET EAST OF THE EAST RIGHT OF WAY LINE OF WASHINGTON STREET AND 301.00 FEET NORTH OF THE NORTH RIGHT OF WAY LINE OF SPOKANE FALLS BOULEVARD;

THENCE NORTH 02°50'49" WEST, 12.00 FEET;

THENCE NORTH 35°58'22" EAST, 67.76 FEET;

THENCE NORTH 42°07'28" EAST, 40.45 FEET;

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THENCE NORTH 56°26'07" EAST, 68.56 FEET;

THENCE SOUTH 31°58'44" EAST, 47.24 FEET (REC. 47.23) FEET TO A POINT 895.01 FEET EAST OF THE EAST RIGHT OF WAY LINE OF WASHINGTON STREET AND 388.00 FEET NORTH OF THE NORTH RIGHT OF WAY LINE OF SPOKANE FALLS BOULEVARD;

THENCE NORTH 87°05'15" EAST, 730.36 FEET (REC. 730.38 FEET) TO THE WEST RIGHT OF WAY LINE OF DIVISION STREET;

THENCE NORTH 03°05'15" WEST, ALONG SAID WEST RIGHT OF WAY LINE 77.03 FEET TO THE BEGINNING OF A CURVE TO THE LEFT THE RADIUS OF WHICH BEARS SOUTH 03°05'15" EAST, A DISTANCE OF 195.00 FEET;

THENCE ALONG SAID CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 31°23'12", AN ARC DISTANCE OF 106.82 FEET TO THE BEGINNING OF A REVERSE CURVE THE RADIUS OF WHICH BEARS NORTH 34°28'27" WEST, A DISTANCE OF 150.00 FEET:

THENCE ALONG SAID REVERSE CURVE, THROUGH A CENTRAL ANGLE OF 18°18'01", AN ARC DISTANCE OF 47.91 FEET TO A POINT 145.71 FEET WEST OF THE WEST RIGHT OF WAY LINE OF DIVISION STREET AND 418.00 FEET NORTH OF THE NORTH RIGHT OF WAY LINE OF SPOKANE FALLS BOULEVARD;

THENCE SOUTH 87°05'15" WEST, PARALLEL WITH SAID NORTH RIGHT OF WAY LINE, 251.29 FEET TO A POINT 397.00 FEET WEST OF THE WEST RIGHT OF WAY LINE OF DIVISION STREET;

THENCE NORTH 03°05'15" WEST, PARALLEL WITH SAID WEST RIGHT OF WAY LINE, 130.46 FEET;

THENCE NORTH 80°44'15" EAST, 84.09 FEET;

THENCE NORTH 84°21'00" EAST, 176.33 FEET;

THENCE NORTH 80°36'00" EAST, 86.86 FEET;

THENCE NORTH 82°33'30" EAST, 51.06 FEET (REC. 51.05 FEET) TO THE WEST RIGHT OF WAY LINE OF DIVISION STREET;

THENCE NORTH $03^{\circ}05'15"$ WEST, ALONG SAID WEST RIGHT OF WAY LINE, 26.40 FEET;

THENCE SOUTH 73°18'46" WEST, 19.39 FEET;

THENCE SOUTH 63°12'14" WEST, 32.63 FEET:

THENCE SOUTH 72°13'24" WEST, 20.32 FEET;

THENCE SOUTH 82°06'10" WEST, 21.05 FEET;

THENCE SOUTH 85°05'30" WEST, 53.94 FEET;

THENCE SOUTH 85°36'01" WEST, 37.38 FEET;

THENCE SOUTH 81°27'48" WEST, 91.18 FEET;

THENCE SOUTH 81°28'18" WEST, 27.40 FEET;

THENCE SOUTH 81°39'06" WEST, 28.26 FEET;

THENCE SOUTH 81°22'21" WEST, 31.57 FEET;

THENCE SOUTH 82°48'52" WEST, 24.37 FEET;

THENCE SOUTH 79°50'33" WEST, 22.96 FEET;

THENCE SOUTH 81°13'51" WEST, 9.30 FEET;

THENCE SOUTH 83°01'55" WEST, 74.81 FEET;

THENCE SOUTH 82°41'31" WEST, 46.90 FEET;

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THENCE SOUTH 82°54'44" WEST, 68.90 FEET;
THENCE SOUTH 86°30'10" WEST, 50.81 FEET:
THENCE SOUTH 88°24'39" WEST, 51.00 FEET;
THENCE NORTH 89°55'42" WEST, 31.12 FEET;
THENCE SOUTH 89°19'43" WEST, 29.16 FEET;
THENCE SOUTH 87°35'15" WEST. 28.09 FEET:
THENCE SOUTH 82°33'35" WEST, 29.40 FEET;
THENCE SOUTH 72°57'28" WEST. 5.64 FEET:
THENCE SOUTH 63°30'04" WEST, 4.49 FEET;
THENCE SOUTH 62°26'42" WEST, 23.20 FEET:
THENCE SOUTH 62°23'20" WEST, 27.23 FEET;
THENCE SOUTH 76°42'03" WEST, 41.02 FEET;
THENCE SOUTH 71°49'34" WEST, 46.60 FEET;
THENCE SOUTH 41°58'06" WEST, 41.14 FEET;
THENCE SOUTH 42'05'55" WEST, 101.61 FEET;
THENCE SOUTH 42°02'23" WEST, 50.88 FEET;
THENCE SOUTH 42°06'30" WEST, 62.27 FEET;
THENCE SOUTH 60°16'28" WEST, 2.58 FEET;
THENCE SOUTH 42°00'29" WEST. 42.09 FEET;
THENCE SOUTH 41°59'51" WEST, 83.72 FEET;
THENCE SOUTH 87°05'09" WEST, 50.65 FEET;
THENCE SOUTH 86°58'38" WEST, 109.39 FEET;
THENCE SOUTH 87°06'04" WEST, 138.61 FEET;
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THENCE NORTH 69°30'57" WEST 15.06 FEET TO THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT THE RADIUS OF WHICH BEARS SOUTH 79°07'08" WEST, A DISTANCE OF 14.93 FEET;

THENCE ALONG SAID CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 232°50'37", AN ARC DISTANCE OF 60.68 FEET;

THENCE SOUTH 03°07'55" EAST, 19.91 FEET;

THENCE SOUTH 00°46'51" WEST, 3.96 FEET;

THENCE SOUTH 42°06'21" WEST, 75.74 FEET TO THE EAST RIGHT OF WAY LINE OF WASHINGTON STREET;

THENCE SOUTH 02°50'49" EAST, ALONG SAID EAST RIGHT OF WAY LINE, 141.20 FEET TO THE POINT OF BEGINNING.

EXCEPT ANY PORTION OF DEEDED TO STATE OF WASHINGTON ON MARCH 13, 1990, RECORDED APRIL 9, 1990 UNDER. AUDITOR'S FILE NO. 9004090075, IN SPOKANE COUNTY, WASHINGTON, FOR STATE ROUTE #2, SPOKANE RIVER BRIDGE VICINITY AND DIVISION STREET.

AND EXCEPT ALL THAT PORTION CONDEMNED BY CAUSE NO. 91201392-1, SUPERIOR COURT OF THE STATE OF WASHINGTON, IN AND FOR SPOKANE COUNTY, WASHINGTON FOR STATE ROUTE #2, SPOKANE RIVER BRIDGE VICINITY AND DIVISION STREET.

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Exhibit C

Insurance Requirements for Parking Garage

Attachment A

Spokane Public Facilities District

Weighted Average Parking Garage Rate Calculation

As of July 26, 2013

	Monthly	Number of	Weighted	Weighted
Garage	Rate	Stalls	Total	Average
Parkade Upper	\$125.00	868	\$108,500	
Parkade Lower	\$175.00	95	\$ 16,625	
Washington Trust	\$139.00	266	\$ 36,974	
Bank of America	\$125.00	480	\$ 60,000	
	Totals	1709	\$222,099	\$129.96

Formula to determine increase in Parking Revenue Fee.

- 1) New Average Downtown Parking Rate Previous Average Downtown Parking Rate = Increase/Decrease.
- 2) Increase/Decrease ÷ Previous Average Downtown Parking Rate x 100 = % Increase/Decrease.
- 3) % Increase/Decrease x Parking Revenue Fee = Adjusted Parking Revenue Fee Increase/Decrease.