

## Application for Special Valuation

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### STAFF REPORT OF FINDINGS

**Historic Name:** Parkade  
**Property Address:** 511 W Main Avenue  
**Applicant:** Parkade Investors LLC  
**Date:** Application submitted August 2023

**MANAGEMENT AGREEMENT:** The Parkade was listed on the Spokane Register of Historic Places on November 13, 2023. A management agreement was signed by the applicant on October 18, 2023.

**DESCRIPTION OF REHABILITATION:** The property underwent extensive renovation work during the Special Valuation period with the bulk of the expenses relating to the structural integrity of the structure.

#### Exterior:

- Weather protection upgrades by replacing the deteriorated canvas awnings wrapping the second floor on the north and east perimeter
- Applying a new polyurethane roof coating to the west and south metal skywalk roofs,
- Applying a new roof membrane to the southeast skywalk.
- The four cornices of the roof parapet were removed due to their severe level of concrete spalling and risk to pedestrians below.
- Upgrades also consisted of ground level repairs along the pedestrian sidewalk including new overhead lighting above the sidewalks,
- New ground level paint throughout
- Patching and skim coating the underside of the concrete drive ramps which were spalling and breaking apart.

#### Interior:

- Interior renovations primarily consisted of the repair of the deteriorating concrete decks throughout the 10-story garage. This consisted of identifying areas of weakened concrete, chipping out loose or compromised sections, replacing reinforcing rebar as needed, and patching back with new high-strength concrete grout.
- Key projects included ample concrete repairs to the driving decks and overhead slabs, extensive repairs to the helix exit ramp, and reinforcing of several cracked beams and columns.
- Corrosion inhibitor coatings and thick epoxy wear layers were also applied over the entry and exit drive aisles and in high traffic locations throughout the garage.
- Life safety improvements were also installed, including new code compliant exit stair railings and a full perimeter fall prevention fence on each level.
- Fresh paint was applied throughout.
- New wayfinding signage was installed.

**System Upgrades (All mechanical systems in the Parkade were original, circa late 1960s prior to renovation, and all were well beyond their useful life):**

- The rehabilitation included a full replacement of the central chiller, which powers the air conditioning for the public skywalks and all ground level retail spaces. This replacement included a new closed loop system with condensing units, new digital controls, replacing the original pneumatics and new garage carbon monoxide sensors and automatic exhaust.
- The central boiler was also rebuilt and the skywalk heaters were replaced.
- The air conditioning for the elevator tower was replaced with a dedicated mini-split system.
- Lastly, all garage deck lighting was replaced with new LED lights with automatic sensors.

**Soft Costs:**

- Construction interest
- Architecture fees
- Structural engineering fees
- Project management fees
- Testing/Inspection fees

**FINDINGS OF FACT:**

**Authority to review the Special Valuation application:** Under Ordinance No. C-31094, 6.05.100 (SMC 17D.100.310) the Landmarks Commission has the authority to “serve as the local review board for special valuation of historic property in Spokane” and to “approve or deny applications for special valuation.”

**Does the application meet the Special Valuation criteria set forth in RCW 84.26?**

- The property must “be a historic property” and “fall within a class of historic property determined eligible for special valuation by the local legislative authority.” RCW 84.26.030

***Listed on Spokane Register?***

***The Parkade Parking Garage was listed on the Spokane Register of Historic Places on November 13, 2023.***

☒ YES

☐ NO

- The property must “be rehabilitated at a cost which meets the definition set forth in RCW 84.26.020(2) (“at least 25% of the assessed valuation of the property, exclusive of the assessed value attributable to the land, prior to rehabilitation”) within twenty-four months prior to the application for special valuation.”

***Rehab cost over 25% of the assessed valuation?***

☒ YES

☐ NO

***Rehab work within 24 months prior to application?***

☒ YES

☐ NO

- The property must be protected by an agreement between the owner and the local review board as described in RCW 84.26.050(2).

***Property owners entered into Management Agreement?***

**Yes**

☒ YES

☐ NO

- The rehab work must meet the standards, “not be altered in a way which adversely affects those elements which qualify it as historically significant” RCW 84.26.050. The work must meet rehabilitation guidelines, as defined in WAC 254-20-030(10) as “the process of returning a property to a state of utility through repair or alteration, which makes possible an efficient contemporary use while preserving those portions and features of the property which are significant to its architectural and cultural values.”

***Certificates of Appropriateness issued for exterior work?***

☐ YES

☒ NO

***The work did not require a Certificate of Appropriateness because changes to the exterior were made prior to the structure’s listing on the Spokane Register of Historic Places.***

- The application must be complete, as defined by WAC 254-20-090 (4) “applications shall include a legal description of the historic property. The owner shall also provide comprehensive exterior and interior photographs of the historic property before and after rehabilitation, architectural plans or other legible drawings depicting the completed rehabilitation work, and a notarized affidavit attesting to the actual cost of the rehabilitation work completed prior to the date of application and the period of time during which the work was performed.”

***Completed application?***

☒ YES

☐ NO

- The rehab costs must result from one or more of the following (WAC 254-20-030):
  - (a) Improvements to an existing building located on or within the perimeters of the original structure;
  - (b) Improvements outside of, but directly attached to the original structure which are necessary to make the building fully useable (not including rentable/habitable floor space attributable to new construction);
  - (c) Architectural and engineering services attributable to the design of the improvements;
  - (d) “qualified rehabilitation expenditures” as defined by the federal historic preservation investment tax credit.

As noted in “*Tax Aspects of Historic Preservation: Frequently Asked Questions & Answers*” (Mark Primoli, Internal Revenue Service), examples of expenses that do not qualify for the rehabilitation tax credit are acquisition costs, appliances, cabinets, carpeting (if tacked in place and not glued), decks (if not part of original building), demolition costs (removal of a building on property site), enlargement costs (increase in total volume), fencing, feasibility studies, financing fees, furniture, landscaping, leasing expenses, moving (buildings) costs (if part of acquisition), outdoor lighting remote from building, parking lot, paving, planters, porches and porticos (not part of original building), retaining walls, sidewalks, signage, storm sewer construction costs, window treatments.”

***Claimed expenses are allowable? Exception noted below:***

☒ YES

☐ NO

***Claimed expenses are allowable in the amount of \$8,463,048. Application was made in August of 2023, and value of the building at the beginning of the project (2021) was \$3,257,500.***

## **REPORTS**

**Staff Report:** The submitted application is complete.

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Preservation Officer Review?	yes	Date:	12/4/23
Special Valuation Committee Site Visit?	yes	Site Visit:	12/6/23
Landmarks Commission Review?	pending	Meeting Date:	12/20/23