

Spokane Transit Authority  
1230 West Boone Avenue  
Spokane, Washington 99201-2686  
(509) 325-6000

## **PLANNING & DEVELOPMENT COMMITTEE MEETING**

Minutes of the April 2, 2025, Meeting

**Northside Conference Room**  
**Spokane Transit Authority, 1230 W. Boone Avenue, Spokane, WA**  
*w/Virtual Public Viewing Option*

### **MEMBERS PRESENT**

Tim Hattenburg, City of Spokane Valley – *Chair*  
Kitty Klitzke, City of Spokane  
Rhonda Bowers, Labor Representative  
(*Non-voting*)  
Brandon Rapez-Betty, Interim Co-Chief Executive Officer  
Karl Otterstrom, Interim Co-Chief Executive Officer

### **MEMBERS ABSENT**

Al French, Spokane County  
Dan Dunne, Small Cities Representative (Liberty Lake)  
Lili Navarrete, City of Spokane  
Chris Grover, Small Cities Representative (Cheney)  
*Ex-Officio*

### **STAFF PRESENT**

Nancy Williams, Chief Human Resources Officer  
Carly Cortright, Chief Communications &  
Customer Service Officer  
Kade Peterson, Chief Information Officer  
Tammy Johnston, Interim Senior Financial Services Manager  
Vicki Clancy, Executive Assistant to the Chief Planning & Development Officer

### **PROVIDING LEGAL COUNSEL**

Megan Clark, Etter, McMahon, Lamberson, Van Wert & Oreskovich, P.C.

### **GUESTS PRESENT**

Jessica Kelch, Senior Project Manager

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#### 1. CALL TO ORDER AND ROLL CALL

Chair Tim Hattenburg called the meeting to order at 10:00 a.m. and Ms. Vicki Clancy conducted roll call.

#### 2. COMMITTEE CHAIR REPORT

Chair Hattenburg had no updates for the Planning & Development Committee.

#### 3. COMMITTEE ACTION

##### A. MINUTES OF THE MARCH 5, 2025, COMMITTEE MEETING

**Ms. Kitty Klitzke moved to approve the March 5, 2025, Planning & Development Committee meeting minutes. Chair Hattenburg seconded, and the motion passed unanimously.**

#### 4. COMMITTEE ACTION

##### A. BOARD CONSENT AGENDA - none

##### B. BOARD DISCUSSION AGENDA

###### 1. CONNECT 2035: INITIATIVE SEQUENCING APPROVAL (RESOLUTION)

Mr. Karl Otterstrom presented. Spokane Transit's *Connect 2035 Strategic Plan* is the roadmap for investments to maintain and improve public transportation infrastructure and services for

our region through 2035. Implementation has begun with the sequencing of the plan's initiatives. Mr. Otterstrom presented a review of the March 20, 2025, Board Workshop, the redlined version of the Appendix with implementation dates included, and a draft Board resolution to approve the proposed sequencing for *Connect 2035*. According to the Conceptual Connect 2035 Spending Curve diagram, STA's reserves funds will be drawn down during the implementation of *Connect 2035*. While there is a downward trend in the chart, this represents a positive scenario, as funding is deployed for implementation of *Connect 2035*. The workshop provided good feedback regarding scenario planning, educating and involved the public, continuing partnerships with community leaders, and remaining good fiscal stewards. The board discussed the possible timing for the sales tax ballot measure. Staff presented to the board considerations for how STA is proposing to initiate the sequence initiatives. Mr. Otterstrom provided a list of all the initiatives and the outcomes they will support; this list will be presented to the full board later this month. Mr. Otterstrom presented 2025-2026 initiatives organized by *Connect 2035* goals. He highlighted the initiative to expand the number of shelters, including to stops with 25 or more daily boardings. Ms. Bowers asked if youths ridership was taken into account. Mr. Otterstrom noted that ridership numbers will include the entire year's ridership, reflecting fluctuations by time of year, to come up with a year-round average. Shelters may also be warranted due to other factors, including adjacent ridership generators with a high proportion of riders with limited mobility, as well as key transfer points between routes. Mr. Otterstrom provided the proposed updates and revisions to the timeline. Ms. Klitzke shared that several students presented to the City requests for trees and shade at the shelters. Mr. Otterstrom confirmed that these students have reached out to STA as well. Bus stops are often located in areas with limited sidewalk widths. STA does not have current capacity or capabilities for watering and maintaining street trees located in public right of way. Additionally, street trees can also interfere with the line of sight for bus operators as they approach bus stops if not carefully placed. As such, STA has no current plans to pursue a new initiative adding street trees on public right of way near bus stops.

**Ms. Kitty Klitzke moved to recommend the Board approve, by resolution, the identification of implementation years for the core investments and initiatives of the *Connect 2035 Strategic Plan*, by amending the Appendix of the plan as presented. Chair Hattenburg seconded, and the motion passed unanimously.**

## 5. REPORTS TO COMMITTEE

### A. FACILITIES MASTER PLAN PHASE 1 UPDATE

Mr. Brandon Rapez-Betty introduced the update on Phase 1 of the Facilities Master Plan (FMP), laying out the foundation for future discussion on the FMP so that the board has time to review and ask questions. The planning effort establishes the need for additional property to siting maintenance, operating and administration facilities, while ensuring flexibility to explore and/or invest in more than one prospective site. Ms. Jessica Kelch, the Senior Project Manager of the Facilities Master Plan, presented the report. Identified near-term needs are as follows: clean energy campus, training center, public meeting space, administrative space and warehouse storage space. Ms. Kelch reviewed a site evaluation map, which includes locations in the Public Transportation Benefit Area (PBTA) that staff have identified as candidate locations for new facilities. Next steps include staff asking for board acceptance of the FMP in June. Chair Hattenburg asked if there was any availability at any of the other facilities prior to expanding to other sites. Ms. Kelch responded that current facilities are generally maxed out. Additionally, the shift to zero emission buses is the big driver for getting the clean energy base underway. Battery

electric buses need more space between them and require larger maintenance bays. Mr. Rapez-Betty added that there is also a need to get indoor parking for the paratransit fleet, particularly during the winter months. Parking these vehicles indoors will save a lot of time and reduce safety risks during the winter months.

B. DIVISION STREET BUS RAPID TRANSIT: IMPLEMENTATION STRATEGY UPDATE

At the March 5, 2025, Planning & Development Committee meeting, staff identified potential risks to the implementation schedule for Division Street Bus Rapid Transit (BRT) and indicated a mitigation strategy would be developed. Mr. Karl Otterstrom provided the background for *DivisionConnects*, which is a multi-agency, multi-phased transportation land use study focused on the opportunities and challenges along Division Street. Division Street Bus Rapid Transit (BRT) is the Locally Preferred Alternative (LPA), expected to be completed in 2030. To achieve this timeline with uncertainty on the North Spokane Corridor (NSC), the project will need to be divided into phases. A first phase would be considered the Minimum Operable Segment (MOS) for the project. Conceptually, the MOS for Division Street BRT is envisioned with four components: design/construct all BRT stations from downtown to Hastings Park & Ride, reconfigure Ruby Street alignment, implement BAT lanes along the Division/Ruby couplet, and implement the MOS investment as a “Corridor-based BRT” project to maintain Federal Small Starts eligibility. Mr. Otterstrom identified other Division Street BRT and *DivisionConnects* work as “Phase 2+” and outlined that that could entail. Next steps include: receiving community and partner input in May-June, 2025; seeking board action in July 2025 to formally establish the MOS and any changes to the Locally Preferred Alternative); and, submitting the ratings package for FTA Small Starts grant application for Phase 1 (MOS) in August 2025. Chair Hattenburg shared his support for the phased approach. Ms. Bowers voiced concerns about the tariffs in relation to operations. Mr. Rapez-Betty replied that New Flyer has held up STA’s quote for more buses in anticipation of the tariffs, as a result STA may need to reduce the order due to uncertainty of the end points for the tariffs.

C. 2026-2031 TRANSIT DEVELOPMENT PLAN: REVIEW PRELIMINARY REVENUE AND EXPENDITURE FORECAST ASSUMPTIONS

Ms. Johnston reviewed the preliminary revenue and expenditure forecast assumptions and timeline which will help draft the 2026-2031 Transit Development Plan (TDP). The largest revenue source is voter approved sales tax. Ms. Johnston presented a historic view at this primary source of funding which is used to inform the staff’s decisions regarding recommendations made to the committee noting that the assumed 3.5% growth rate is consistent with the 8/10 of a cent sales tax (the last three years of this TDP are dependent on the renewal of the 2/10 of a cent sales tax). Ms. Johnston reviewed the TDP Revenue Forecast Assumptions which includes fixed route ridership – growth, ridership tied to service productivity, Paratransit and Rideshare ridership – growth, and fare revenue (includes FTA 5307 grants, state operating grants, and interest income earning rate).

The annual budget provides the baseline for operating expenses. Operating expenses are expected to grow at 4.5% in 2026, accounting for inflation and added costs from *Connect 2035* Initiatives, and grow 3.5% annually for 2027 through 2031. The TDP also fully funds the Capital Improvement Program (CIP) through the 2026-2031 time period. Ms. Johnston provided a summary of the 2026-2031 TDP assumptions and concluded her report with the TDP timeline.

D. 2026-2031 TRANSIT DEVELOPMENT PLAN: TACTICAL FRAMEWORK

As a step in the annual preparation of the STA’s Transit Development Plan (TDP), the Committee prepares and recommends the Board of Directors guidance statements that help frame priorities

to be included in the plan. Mr. Otterstrom reviewed the STA Hierarchy of Plans, and the Sections of the TDP. The previous tactical framework for 2024-2029 set forth in 2023 reflects the goals established in *Connect 2035*. Today's conversation focuses on the changes since last month's review. The feedback from the committee is that staff should be explicit in communicating the requirement for the renewal of the 2/10 of a cent sales tax prior to 2028. STA should reiterate the successful implementation of *STA Moving Forward* and convey how the community has benefited from current investments. Mr. Otterstrom provided a timeline for proposed outreach efforts which reflect Committee feedback.

6. CEO REPORT

Interim Co-CEOs Karl Otterstrom and Brandon Rapez-Betty, presented the CEO Report:

State Budget Update: Senate's bills passed out of chamber on March 29, 2025: ESSB 5161 (Budget bill), 5801 (Transportation Resources Bill), and SB 5800 (Transportation Bond Bill). House's bills are progressing more slowly: HB 1227 (Budget Bill, approved by Transportation Committee) and HB 2043 (Transportation Resources Bill, still in Committee). Mr. Otterstrom reviewed the key comparisons of the Transportation Bills. Division Street BRT is still fully funded through the Move Ahead Washington Act.

STA Annual Safety Awards Banquet: This event was celebrated last Sunday, March 30, 2025. The event was well attended and celebrated: the priority of safety and recognized groups throughout the agency. Mr. Rapez-Betty acknowledged the efforts of the communications team and the awards committee who helped plan the event.

Downtown Spokane Partnership Board: Mr. Rapez-Betty provided the Downtown Spokane Partnership (DSP) Board with an update on STA key priorities. The one that gained a lot of support was the relocation of a portion of STA administrative employees to the Plaza. Tenants and building owners in the area appreciate the increased presence of STA staff at the Plaza. Another point that was well received was the notion of a public meeting space.

7. COMMITTEE INFORMATION - none

8. REVIEW APRIL 30, 2025, COMMITTEE MEETING AGENDA (*May Meeting*)

9. NEW BUSINESS – none

10. COMMITTEE MEMBERS' EXPRESSIONS

Ms. Klitzke shared a rooftop playground idea that she had learned about. Chair Hattenburg met with the governor briefly last weekend and he emphasized a willingness to work together during difficult financial situation ahead. According to Chair Hattenburg, the governor expressed the belief that STA is well-equipped to navigate these uncertain times.

11. ADJOURN

With no further business to come before the Committee, Chair Hattenburg adjourned the meeting at 11:14 a.m.

Respectfully submitted,



Vicki Clancy, Executive Assistant  
Planning & Development Department