

Letter of Submittal

September 10, 2012

Mr. David Steele
City of Spokane – Asset Management
808 West Spokane Falls Boulevard
Spokane, Washington 99201

Dear Mr. Steele:

Anthony's Restaurants is submitting this Proposal for the purchase of the property at 520 North Lincoln Street in Spokane, Washington. Currently, this property is the location of Anthony's at Spokane Falls. Anthony's Restaurants has been a tenant of the city of Spokane at this location since 2004.

1. **Name:** Mad Anthony's, Inc. / Anthony's Restaurants
 Address: Home Office
 10502 NE 37th Circle Bldg 8
 Kirkland, Washington 98033
 425-455-0732 phone
 425-455-0649 fax

 Mailing
 P. O. Box 3805
 Bellevue, Washington 98009

 Key Contact: Budd Gould, President & CEO
 Budd@anthonys.com / Jeff@anthonys.com / Diane@anthonys.com
 425-455-0732
2. **Legal Status of Proposer**
 Privately held Sub S Corporation owned by the Gould family and members of
 the Anthony's Management Team
3. **City Employee Contact**
 Anthony's does not employ any current or former city employees or have
 them on our governing board as of date of the proposal or during the previous
 twelve months.
4. **Proposal Terms and Conditions Agreement**
 Proposer will comply with all terms and conditions set forth in the Request for
 Proposal, unless otherwise agreed by the city of Spokane.

Sincerely,



Herbert M. Gould, III
President & Owner

Mad Anthony's, Inc / Anthony's Restaurants

Purchase Price

We Love Spokane!

Anthony's Restaurants has embraced becoming a part of the Spokane community. We have enjoyed great support from the people in this city which has resulted in a successful restaurant operation and a committed team of employees.

Our proposed investment in the purchase price of the property at 520 N. Lincoln Road represents our commitment to preserve this very successful business.

As a result, our bid for the property represents an amount that is significantly higher (30%) than the appraised value of the property that was provided to the city of Spokane by John T. Sweitzer of the Sweitzer Company, Inc. dated June 1, 2012. Mad Anthony's Inc., Anthony's Restaurants offers to purchase the property for \$3,900,000 (three million nine hundred thousand dollars).



Cashier's Check

No. 1019025304

Bank of America, N.A.
Phoenix, Arizona
Deposit Services
318-0005594 DC

Void Over 90 Days

91-170/1221

DATE

09/05/2012 02:44:31 PM

PAY

BANK OF AMERICA ONE ZERO ZERO ZERO ZERO ZERO ZERO ZERO ZERO ZERO ZERO CTCTS

*****\$100,000.00

To The
Order Of

City of Spokane

RFP #3876-12

Purchaser: SR #1-1484844547
MAD ANTHONYS INC

Void Over \$ 100,000.00

AUTHORIZED SIGNATURE

⑈ 1019025304 ⑈

THE ORIGINAL DOCUMENT HAS A REFLECTIVE WATERMARK ON THE BACK. HOLD AT AN ANGLE TO VIEW WHEN CHECKING THE ENDORSEMENTS.

Proposed Use of the Premises

Anthony's Restaurants submits this Proposal for the purchase of the property at 520 North Lincoln Street in Spokane, Washington. This site is the current location of Anthony's at Spokane Falls where we have been a tenant of the city of Spokane since 2004.

Anthony's at Spokane Falls has hosted over 1 million visits to the restaurant in the past eight years. Visitors have had the opportunity to enjoy the panoramic views of the falls in a relaxed, award-winning environment. The restaurant provides an option for extended viewing of the spectacular falls in all seasons and sharing the experience with friends and family.

Anthony's Restaurant is designed to maximize the outstanding view of the Spokane River encompassing both the east portion of the river and as well as the west river gorge. The one of a kind deck enhances the view allowing guests to experience the full impact of the falls.

If selected, Anthony's would continue to operate Anthony's Restaurant at Spokane Falls. The iconic 11,000 square foot structure is set on the banks of the Spokane River on the 34,000 square foot site. The current restaurant was built approximately fifty years ago and its unique style is recognized throughout the region.



We are convinced there are a number of reasons beneficial to the city of Spokane that support our belief that the site should remain the location of a free standing restaurant. Freestanding restaurants provide a totally different environment and atmosphere for guests. They are more welcoming and convenient for guest access than those located in office buildings, hotels or condominiums.

This particular location also allows for more open space surrounding the physical structure. Our proposal maintains the physical foot print of the restaurant which preserves the existing view corridor for this corner location.

Based on our past eight years of successful operation we feel it is important to maintain this location as an Anthony's restaurant. The data we are providing represents the results for the 2011 operating year. Some of the additional benefits Anthony's provides include:



those we support are small local businesses such as our uniform dry cleaner, Clark's, Knapp Farms which supplies us with fresh berries or Brain Freeze Creamery which produces our Best of the Season ice creams. Additional examples of local companies include Vehrs Distributing, Clean Spokane Janitorial, Hammerhead Maintenance and Inland N.E. Dairy.

Anthony's has promoted Washington wineries for over 35 years with a long history of working with Spokane wineries Latah Creek and Arbor Crest. Our Spokane wine list features them as well as additional Spokane wineries such as Barrister, Mountain Dome, Robert Karl Cellars, Townshend and Whitestone.

Our Spokane restaurant also supports local breweries such as Northern Lights and distillers such as Dry Fly.

Community Service:

"Giving Back" to the community is a core value of Anthony's Restaurants and our support has been recognized. We have been awarded the "Good Neighbor Award" by the Washington and Oregon Restaurant Associations as well as the National Restaurant Association. Anthony's founder and President Budd Gould is the recipient of the 2000 "Best in the Northwest" Washington Family Business Award for Community Service. He has also received the University of Washington Business School Alumni Leadership Award for making "giving back" to the local community a tradition at Anthony's.

In Spokane, we have continued our tradition of supporting local charities. At Anthony's, we have a unique opportunity to help organizations design individualized events to raise money through our donation of the use of our restaurant, the meal served and the service of our team. We forego the normal sales of the restaurant to host the event. For 8 years, we have hosted an annual brunch for the Spokane YWCA. The "Spring Fling" has raised over \$200,000 for the work of the Association. We have also continued to host a benefit dinner each year



YWCA "Spring Fling" Auction at Anthony's.

Living have awarded us Gold Medals for ***"Best Seafood"*** as well as ***"Best View"*** and ***"Best Outdoor Dining"***. We have also received ***"Best Seafood"*** from KREM Channel 2 Best of Spokane. Spokane Sizzle awarded us their Fork in the Cork Award for Spokane's ***"Top Rated Restaurant"***. We were also named Top Table by the Spokane Convention and Visitor Bureau. Other awards include ***"Most Romantic"***, ***Best Place "When Only a View Will Do"***, ***"Best Fine Dining"*** and recognition from the Washington Wine Commission and Wine Press Northwest for our wine lists supporting Washington wine.



Proposal for Providing Physical and Visual Public Access to the Shoreline of the Spokane Falls from the Premises

In 2011, over 150,000 visits were enjoyed by locals and visitors alike to Anthony's at Spokane Falls. Selecting the restaurant for lunch, dinner or a gathering in the lounge allows guests an unparalleled view of the Spokane River, Spokane Falls, Riverfront Park and downtown Spokane. Additional events were hosted in our private banquet room. Warm weather attracted numerous visitors for meals and cocktails on our panoramic deck. Dining with a view is a significant attraction drawing people to a section of a region or city. The location of Anthony's at Spokane Falls so close to the Spokane downtown core adds to the overall attraction of people to this area. Additional visitors have also enjoyed the falls from the public viewing areas on both sides of the restaurant.

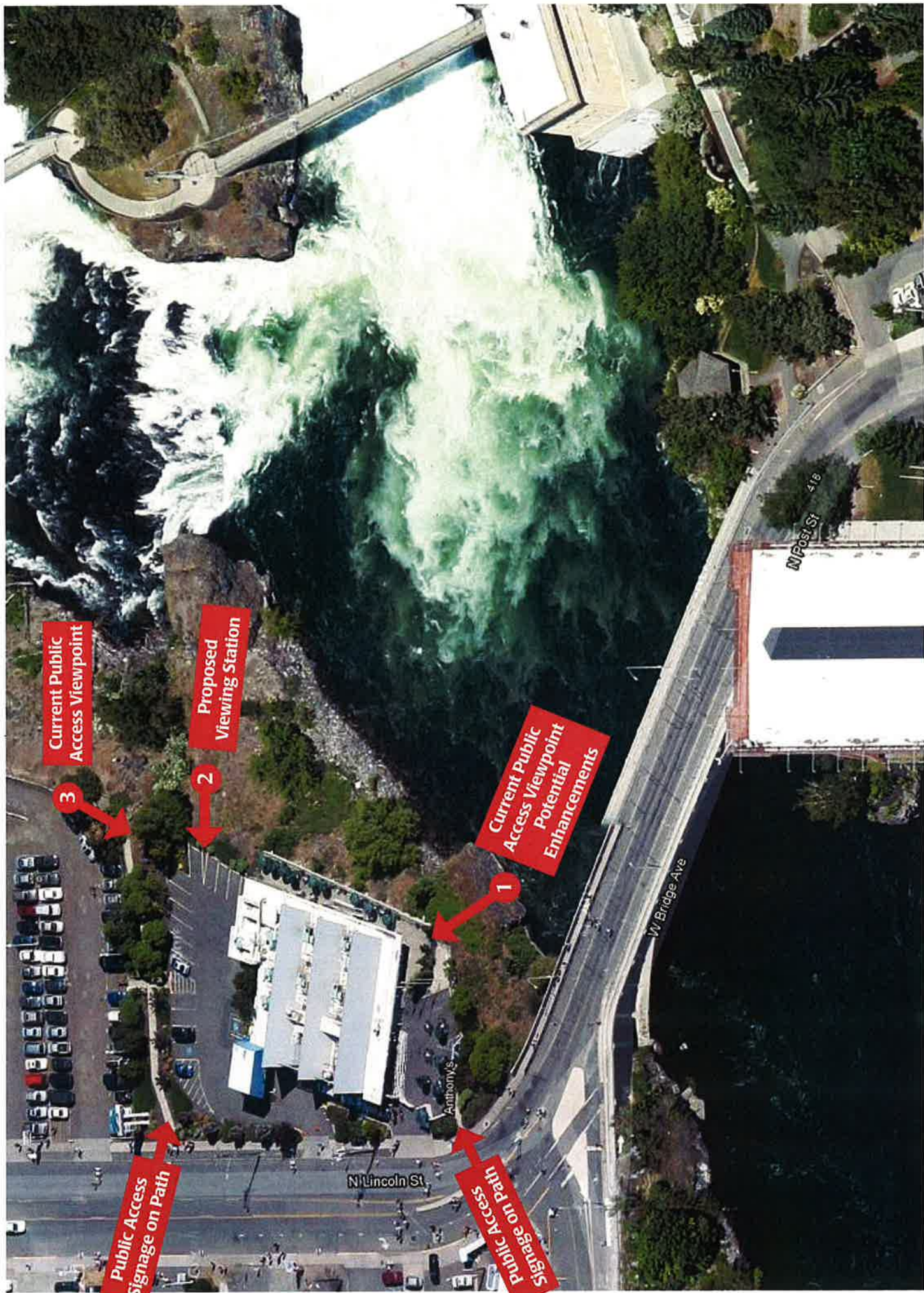
Anthony's designed the restaurant to maximize the view opportunity for all guests in the dining room, lounge and deck. Seating on the outside deck as it is currently designed provides an unequalled experience of closeness to the falls and its dramatic sound effects. The restaurant provides a unique showcase for the ever changing beauty of Spokane's natural wonder.

Anthony's has made the site available for regional promotional filming advocating tourism for the city. Whenever feasible Anthony's has also worked with movie production companies allowing filming at the site which has showcased the dramatic view of the falls and the city bringing enhanced promotion for downtown Spokane.

Public view corridors currently exist on the north and south side of the restaurant. These areas would be preserved and potentially enhanced. Conceptual drawings for potential improvements to one of the public access areas are included. The area off the parking lot has been another area visitors have used to view the falls. We have provided potential ideas to add an inviting viewing station in that location also. Improvements for these areas would be contingent on receiving necessary governmental approval and establishing financial feasibility. Changes could include:

- Street signage indicating public access areas
- Enhanced walkway access to viewing areas
- Enhanced viewing areas with potential decks and platforms

(See exhibit map.)



1



EXIST'G RESTAURANT

EXIST'G OUTSIDE DINING DECK

EXIST'G LANDSCAPING

NEW RAISED PLATFORM T1-G (COMPOSITE DECK)

EXIST'G CONC

REMOVE EXIST'G FENCE & REPLACE W/ NEW RAILING

EXIST'G PARKING

EXIST'G CONC. WALKWAY

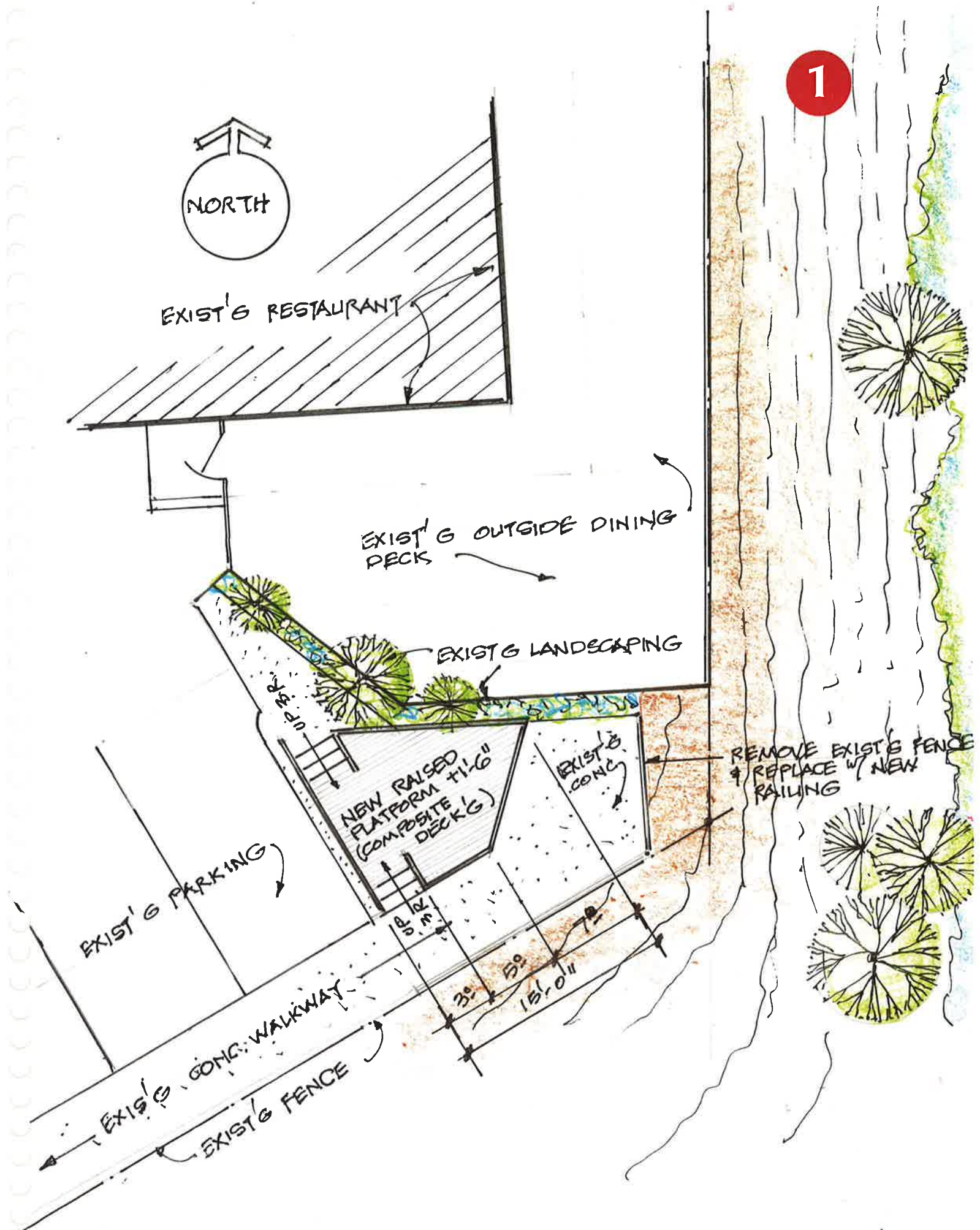
EXIST'G FENCE

8' 12" 5' 0"

3' 0"

5' 0"

15' 0"





3" DIA. CIRCLE

REMOVE ASPHALT
NEW CONC. WALK

EXIST'G PARKING
STALLS

NEW CONC.
DECK ON STEEL
PAN
4-1/2" Ø CONC. COL.
SUPPORTS

23'-0" ±

5'-0"

SLOPE DN.

PROP. LINE

RAILING

EXIST'G RESTAURANT

EXIST'G OUTSIDE
DINING DECK

2



DAVID CONDON
MAYOR



CITY OF SPOKANE - PURCHASING
808 W. Spokane Falls Blvd.
Spokane, Washington 99201-3316
(509) 625-6400
FAX (509) 625-6413

July 31, 2012

ADDENDUM NO. 1

REQUEST FOR PROPOSALS #3876-12 PROPERTY FOR SALE - 520 NORTH LINCOLN ROAD

This Addendum 1 is being issued to extend the "Letter of Intent to Propose" due date, change the Pre-Proposal meeting date, include a site potential document, and provide answers for questions received for Request for Proposals #3876-12 Property for Sale – 520 North Lincoln Road.

1. The due date for submitting a Letter of Intent to Propose has been extended to **Monday, August 20, 2012 - 1:00 p.m. local time**. Letters of Intent to Propose may be sent by email: purchasinghelp@spokanecity.org fax: 509-625-6413. Letters of Intent to Propose may also be delivered by hand or mail to City of Spokane Purchasing, 4th Floor City Hall, 808 W. Spokane Falls Blvd., Spokane, WA 99208.
2. The Mandatory Pre-Proposal meeting date has been changed to **Monday, August 27, 2012 – 10:30 a.m. local time**. The location will be City Hall, 5th Floor, 808 W. Spokane Falls Blvd., Spokane, WA 99201 in Conference room 5A.
3. Attached to this Addendum and incorporated by reference is **Attachment 1 – Anthony's Site Potential**.
4. Questions received and answers provided:

Question 1: What are the provisions for inspecting the property?

Answer 1: We will make arrangements for Proposers to inspect the property once the deadline for the "Letter of Intent to Propose" passes. We would like to avoid a string of people with no real interest in the property disrupting the existing tenants. Proposers who submit a letter of intent to propose will be scheduled for a walk through inspection.

Question 2: What is the current fair market value of the property?

Answer 2: At this point, it is up to Proposers to do their due diligence, evaluate the property, and evaluate the potential of the site for other uses to determine the fair market value of the property; we will not be establishing that number.

Connie Wahl, C.P.M., CPPB
Purchasing

DAVID CONDON
MAYOR



CITY OF SPOKANE - PURCHASING
808 W. Spokane Falls Blvd.
Spokane, Washington 99201-3316
(509) 625-6400
FAX (509) 625-6413

August 15, 2012

ADDENDUM NO. 2

REQUEST FOR PROPOSALS #3876-12 PROPERTY FOR SALE - 520 NORTH LINCOLN ROAD

This Addendum 2 is being issued to provide the option of reviewing the current lease for the property for sale located at 520 North Lincoln Road in Spokane, WA. The lease is too large to send electronically but an appointment may be made to physically view the lease by contacting the RFP Coordinator, David Steele, at dsteele@spokanecity.org or 509-625-6064.

Connie Wahl, C.P.M., CPPB
Purchasing

PLEASE NOTE: A SIGNED COPY OF THIS ADDENDUM MUST BE SUBMITTED WITH YOUR PROPOSAL, OR THE PROPOSAL MAY BE CONSIDERED NON-RESPONSIVE.

The undersigned acknowledges receipt of this Addendum.

MAD Architects Inc
Company
[Signature]
Authorized Signature

DAVID CONDON
MAYOR



CITY OF SPOKANE - PURCHASING
808 W. Spokane Falls Blvd.
Spokane, Washington 99201-3316
(509) 625-6400
FAX (509) 625-6413

September 10, 2012

ADDENDUM NO. 4

REQUEST FOR PROPOSALS #3876-12 PROPERTY FOR SALE - 520 NORTH LINCOLN ROAD

This Addendum 4 is being issued to extend the Proposal due date for Request for Proposals #3876-12 Property for Sale – 520 North Lincoln Road due to inspection accessibility concerns.

1. The due date for submitting a Proposal is now **Monday, September 17, 2012 - 1:00 p.m. local time**. The due date is being extended to assure that all Proposers are provided access to inspect the premises prior to the submission of Proposals.

Connie Wahl, C.P.M., CPPB
Purchasing

PLEASE NOTE: A SIGNED COPY OF THIS ADDENDUM MUST BE SUBMITTED WITH YOUR PROPOSAL, OR THE PROPOSAL MAY BE CONSIDERED NON-RESPONSIVE.

The undersigned acknowledges receipt of this Addendum.

MAD Anthony Inc
Company

[Handwritten Signature]
Authorized Signature