



Equity Subcommittee

Tuesday, August 1st, 2023

9:30-11am

City Hall Lobby, RM Tribal Room

[Meeting Link](#)

+1 323-618-1887

Phone Conference ID: 994 148 536#

TIMES GIVEN ARE AN ESTIMATE AND ARE SUBJECT TO CHANGE

Land Acknowledgment & Welcome

9:30	Land Acknowledgement, attendance
9:35	Approve May Minutes, May Special Meeting, June Meeting, June Training Minutes
9:40	Share successes in life, work, or advancing equity
9:50	Council Liaison Update

Subcommittee Briefing Session:

10:00	Council Member Cathcart	CM Cathcart
10:15	General Facilities Charges (GFC) – Public Works	Marlene Feist – Director of Public Works
10:35	State Legislative Conversation; 2023 Recap, 2024 Aspirations	All, Erik Poulsen, Nick Federici
10:50	Working Groups, Community Days at Council, Belonging Next Steps	Jesus Torres and All

Standing Update(s):

	Recruitment	
--	-------------	--

11:00	Adjournment
-------	--------------------

- 1) Next Equity Subcommittee Meeting, September 5th, at 9:30am, City Hall, Tribal Room (1st floor)

AMERICANS WITH DISABILITIES ACT (ADA) INFORMATION: The City of Spokane is committed to providing equal access to its facilities, programs and services for persons with disabilities. The Council Briefing Center in the lower level of Spokane City Hall, 808 W. Spokane Falls Blvd., is wheelchair accessible and also is equipped with an infrared assistive listening system for persons with hearing loss. Headsets may be checked out (upon presentation of picture I.D.) through the meeting organizer. Individuals requesting reasonable accommodations or further information may call, write, or email Human Resources at 509.625.6363, 808 W. Spokane Falls Blvd, Spokane, WA, 99201; or msteinolfson@spokanecity.org. Persons who are deaf or hard of hearing may contact Human Resources through the Washington Relay Service at 7-1-1. Please contact us forty-eight (48) hours before the meeting date.



Attendance: Sarah Dixit (Chair), Stephanie Beans Courtney (Vice Chair), Council President Breean Beggs, Council Member Betsy Wilkerson (Council Liaison), KJ January, Kiana McKenna, Justice Forral, Kiana McKenna, Jesus Torrez, Douglass LaBar, Nico, Howl, Madalyn

Staff: Alex Gibilisco, Mark Carlos, Ginny Ramos, Kelly Thomas, Garrett Jones, Lisa Gardner, Chris Wright

Approving May Minutes

May minutes were not available for this meeting.

Land Acknowledgment

Announcements

City of Spokane will be marching in the Spokane Pride Parade. All Equity Subcommittee members are welcome to join with their friends and family. The parade lineup will start at the Stevens St. Bridge at 11:30am

There will be a showing of "From The Ashes" tomorrow at the Magic Lantern which will also have an all day Black Maternal Health screenings including mental and physical health and referrals.

Spokane City Council inaugurated the Rainbow asphalt art Downtown. The community joined for the ceremonial first walk "Abbey Road" style to kick off Pride Month and then marched to City Hall for the proclamation.

Planned Parenthood tabled at Coeur d'Alene this past weekend. It went very well and wasn't as scary as last year because of added security from PJALs and other community that helped protect and support the event.

Council President Update:

Council President Beggs introduced Attorney Maggie Yates who will be joining Council as a contractor to help form the Municipal Law & Justice Coordinating Subcommittee. She was first hired by the Spokane County Government to implement the findings of Smart Justice Spokane with the Blueprint for Reform that was a grassroots movement and funded by a grant.

Attorney Yates lined out the process for establishing the subcommittee:

- Established formally through Municipal Resolution.
- Clear structure
- Purpose
- Responsibilities
- Data Sharing Agreement among members

There will be an executive workgroup comprised of the Chair and Vice Chair of the subcommittee along with the chairs and vice chairs of the several parallel workgroups working with them for increased transparency and shared vision. Goals include membership that is not just appropriate, but engaged and inclusive. Relevant sectors will be represented, all members will have voting power regardless of



position. Community representatives receive compensation. Additional members can be added to work groups for subject matter expertise. Representatives from the Administration will be encouraged to attend meetings.

Service Providers that will be reached out to during this process include but are not limited to:

Victim Advocates:

- Domestic Violence Coalition
- Lutheran Community Services
- Mujeres in Action (MiA)

Business Community:

- Greater Spokane Incorporated
- Downtown Business Partnership
- Business Equity Coalition Inland NW

Public Health

- WSU Medical School
- Deaconess & Sacred ED
- Empire Health Foundation
- Better Health Together

Behavioral Health

- Frontier Behavioral Health
- Pioneer Human Services
- Compassionate Addiction Treatment

Housing/Homelessness

- Volunteers of America
- Catholic Charities

Disability Rights

- Disability Rights Washington

Racial Equity

- NAACP
- SCAR
- Native Project
- APIC (Asians for Collective Liberation)
- The Way to Justice

Impacted Individuals and Family Members

Faith Community

Health & Justice Recovery Alliance

Freedom Project East

Revive Reentry

I Did the Time

Peer Spokane

Carl Maxey Center

Latinos en Spokane

Spokane Tribe

Kalispel Tribe



An example of Municipal Justice Reform is when Mujeres in Action (MiA) represented a woman in court who needed translation services. The court allowed her more time in her testimony and arguments to allow for the interpreter to translate the court proceedings for her.

A question was asked about grassroots organizations being put in as part of a workgroup instead of being consulted as subject matter experts.

The Municipal Law & Justice Coordinating Subcommittee's reforms will be guided by data driven strategic planning including key decision point analysis or intercept mapping. It will also be guided by identifying relevant data points (quantitative & qualitative) and when possible, disaggregate data by demographic detail, including by race/ethnicity. Using data to identify trends, challenges, opportunities for policymaking.

Another thing that the subcommittee will lean on is community engagement by building relationships and partnerships with impacted communities and the community at large. This includes meaningful engagement to share information, solicit feedback, build relationships & sustain initiatives. It also includes:

- Townhalls/Community meetings that are child friendly and accessible.
- Surveys to generate wider participation including surveys with language accessibility.
- Public Comment that is straightforward/accessible

A long-term goal of the Municipal Law & Justice Coordinating Subcommittee is to establish an Office of Community Safety under the Mayor's Office.

- staff the Municipal Criminal Justice Coordinating Subcommittee
- guide holistic public safety investments, including social determinants of safety
- Ensure success of multi-year programs

Questions were asked about how to build trust with communities and trusted messengers and how to hold organizations accountable who refuse to share their data.

- Legal restraints compel groups to share data

There was a concern shared that community groups are seen as an afterthought rather than being consulted throughout the process. Attorney Yates shared her contact information with the group to have them help her co-create the subcommittee with community groups.

Another question is how to operationalize the findings of the subcommittee. Council President brought up how City Council passed a law about Border Patrol at the Greyhound Station and the then Mayor refused to enforce the law. The Attorney General then sued the bus companies for not following the law.



Council Member Zack Zappone shared his workplan with the subcommittee

He thanked the subcommittee for their work with City Council and said that their work is important especially since the Parks Ordinance is being voted on soon.

There was a question about the Councilman's work with youth and youth behavioral programs. He responded that there is \$3 million allocated to Youth Behavioral Health in ARPA (American Rescue Plan Act) money.

- Councilman Zappone is working to ensure that they are culturally relevant
- This includes ensuring that funds go to organizations that aren't actively anti-LGBTQ+
- Some of the need goes outside of Council's purview and is legislated at the State level.

Another project that Councilman Zappone is working on are teen centers. He is planning roundtables with teen support groups including peer support groups. The idea is a space for teens with services and a place for teens to gather.

Members of the subcommittee and the young adults who were job shadowing Chair Dixit. Some ideas include activities that are accessible by public transportation and are after hours and on the weekends. A lot of teens either hang out at the park or in Downtown. They can't really afford parking Downtown.

Councilman Zappone encouraged the teen leaders to join leadership positions in citizen advisory boards.

One last thing that he shared was a law that he is working on with Councilman Bingle that would reduce minimum parking requirements for buildings so it would be easier to build more housing and bike routes. It also encourages people to use cars less, create more walkable housing developments and lessen the carbon impact on the Environment.

Final Announcements

This Friday, the Equity Subcommittee will be having a Why Race Matters equity training.

There will be no July meeting in observation of the Fourth of July holiday.

Next meeting will be August 1st at 9:30 via Teams and in the Tribal Conference Room at City Hall



Equity Subcommittee Why Race Matters Training Minutes

June 9th, 2023

Attendance: Sarah Dixit (Chair), Stephaine Beans Courtney (Vice Chair), Council Member Betsy Wilkerson (Council Liaison), Jesus Torres, John Alder;

Marley Hochendoner, Charina Carothers, Robert Huitt, Anne Martin, Corrina Farko, Whit Jester
Lara Estaris; Angela Webster

Staff: Alex Gibilisco, Kelly Thomas, Nicolette Ocheltree, Jeff Gunn, Ginny Ramos, Lisa Gardner,

Agenda

Welcome, announcements, overview of agenda, group agreements & introductions

8:30 – 9:15 Implicit Bias and the Human Brain

9:15 – 9:30 Break

9:30 – 10:30 "Race: The Power of An Illusion: Episode 2 – The Story We Tell"

10:30 - 11:45 Small Groups and Debrief Film

11:45 - 12:15 Early Experience of Race exercise

12:15 – 12:45 Lunch

12:45 – 1:15 Exercise – "Laying it on the Line"

1:15 – 2:15 "Race: The Power of An Illusion: Episode 3 – The House We Live In"

2:15 - 2:30 Break

2:30 - 3:45 Small Groups and Debrief Film

3:45 – 4:15 Overview of institutional and structural date

4:15 – 4:50 Small group discussion

4:50 – 5:00 Closing and next steps



Equity Subcommittee – Special Meeting to discuss proposed Parks After Hours Ordinance (22 May 2023)

Attendance: Sarah Dixit (Chair), Stephanie Beans Courtney (Vice Chair), Jennifer Moms, Council Member Betsy Wilkerson (Council Liaison), KJ January, Kiana McKenna, Jesus Torres

Staff: Alex Gibilisco

Proposed Response: [Subcommittee Members' edits are in blue.](#)

RESPONSE TO MAKING IT A MISDEMEANOR TO BE IN THE PARKS AFTER HOURS

The goal of the Equity Subcommittee in this review is to be able to provide feedback and a process to consider policy and programmatic impacts on historically impacted communities. Recognizing that the policies proposed came toward the end of the proposal there is a lot more retrospective feedback. It is difficult to provide full feedback without having a wider discussion about policing and the impacts on marginalized communities.

The Equity Subcommittee received two policy proposals regarding establishing a misdemeanor for violation of park hours.

TWO PROPOSALS: BOTH MAKING IT A MISDEMEANOR TO BE IN THE PARKS AFTER HOURS

J. Other Uses of Park Property and Facilities

A violation of this section is an unlawful trespass on City park property and shall be punishable as a misdemeanor.

And

Any person who refuses a lawful order by an authorized City employee directing them to leave a park during the hours of closure commits unlawful trespass on on City park property, which is punishable as a misdemeanor

THE PROBLEM THE POLICY CHANGE IS LOOKING TO SOLVE:

Public parks have become venues for after-hours shootings and other violent crimes. Three parks in Northwest Spokane (Franklin, Shadle and Dwight Merkel) are in the top ten locations for calls for service over the past 6 months for all locations in Northwest Spokane. [To date the only data received was from SPD in the memo and the Racial Equity Assessment.](#)

Gangs exploit venues they know are secluded and unpatrolled by park security. Closed parks have consequently become a haven for these groups, subjecting the parks to uninterrupted drug activity and gun fights. The threat to public safety cannot be managed under the current regulatory framework.



The timeline presented did not allow for further community engagement and there was no collaboration with impacted communities. Understanding that SPD is working to implement this before the Summer.

RECOMMENDATION

We do not recommend criminalizing as a first response. Residents with a criminal record, even after completing their sentences and have been released from prison, face tens of thousands of documented legal and financial barriers in addition to widespread social stigma and other detrimental effects on their health and family outcomes. The concerns highlighted in the presentation of vandalism, drug, and alcohol use, and violence are already crimes. Making it a crime to be in the park after hours appears to be for the convenience of enforcing other crimes, does not solve any root issue related to individuals being in parks after hours whether due to behavioral health concerns, houselessness or other causes. Parks should absolutely be one of the safest and most accessible areas in the City and they are provided for by tax dollars from residents including the ones who use them after hours. It would be a good investment to put resources into raising awareness about park best practices, rules, and community engagement instead of criminalizing individuals for using public spaces.

The equity assessment was not clear but in the accompanied memo it appears that suspects and victims of violent crimes were more diverse than the general population. Members of those various communities do not appear to have been engaged in identifying a solution. It was clear that this proposed policy would not include any room for nuance – early morning runners, people walking across the park. It also does not have in mind that anyone houseless sleeping in a park after hours would be arrested for trying to find a public space to sleep. Enforcement could apply differently in various scenarios, there were some mentions of good vs bad uses of parks during the not allowed hours, with discretion given to responding officers.

SPD and Parks are rushing to implement this ordinance. The timeline presented did not allow for further community engagement and there was no collaboration with impacted communities.

The subcommittee recommends that collaboration between various departments, community organizations and residents to understand the needs, gaps in services and to develop solutions. Stakeholders that could be consulted include, organizations working with youth, gang prevention programs, trusted messengers in diverse communities and neighborhood groups, along with city council, police and parks. This approach would allow the departments to build stronger relationships with various stakeholders in the community.

SUPPORTS: The commitment to transparency, consistent monitoring, and reporting of data regarding initiated contacts that are broken down by gender, age, race and ethnicity, along with the results of contacts.

Follow up question: if disparities are showing up what are option of actions that could be considered/implemented? We are specifically referring to protocol in the police department in examining disparities and taking actions to mitigate them.

IF IT MUST BE IMPLEMENTED



To implement the communications plan. Have the tools and know-how to communicate to diverse communities and impacted. Not clear if the communication plan has considered resident's language diversity, level of access to city information/media outlets and technologies. Community engagement with impacted communities and in neighborhoods and recommended getting information to a diverse group of trusted messengers to get the word out.

One part of the implementation plan is to also give warning to people occupying the park. How would an in-person warning be given to people with limited English proficiency? Is there a need to provide that in other languages? How is a warning given when the community members do not trust law enforcement to keep them safe?

If the data collected show a disparate arrest rate with BIPOC communities, how is the department prepared to close disparities? What efforts is the department taking for bias and equity training? How would that be shared with the communities disproportionately impacted?

ADDITIONAL CONSIDERATIONS

Budget impacts and compared with other [mitigation](#) strategies. Parks are looking to save money and not spend it cleaning up vandalism, but we are looking to spend more as a City on more policing. [We would like to see how we invest more in park programming and education. Specifically in communities living around the park.](#)

Cost of overtime hours worked in addition to the wellbeing of officers working continuous overtime when there is already a staffing shortage within the department. [What are the impacts of overworked officers in the community.](#)

[How much money was allocated to programs developed to support young adults, and youth?](#)

Jesus Torres motioned to approve the response to approve the Subcommittee and Stephanie and Kiana seconded to approve the response from the Subcommittee.

Voting in the Affirmative: Kiana McKenna, Sara Dixit, KJ January, Jesus Torres, Stephanie Courtney

No Nays, No Abstentions.

The letter was approved unanimously and recommended to be sent to Councilwoman Karen Stratton and the rest of City Council.

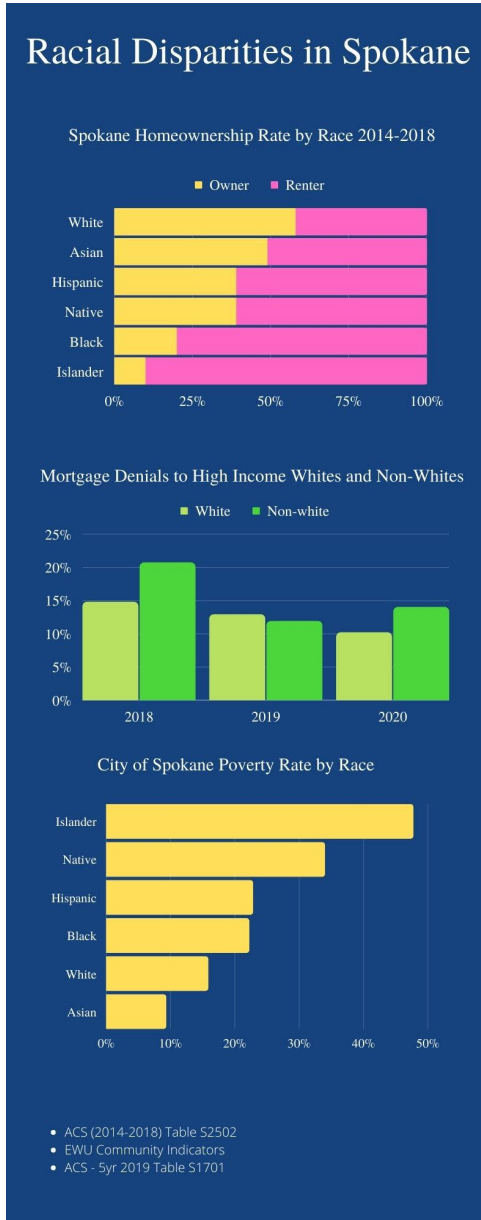
HOUSING RACIAL EQUITY IMPACT ASSESSMENT

The Housing Equity Review assists policymakers/ staff/ community advisors working to account for racial equity at the earliest stages of planning. Racial disparities manifest across all sectors: health and behavioral health, jobs and income, education, and most relevantly here –housing.

When studying these disparities, it is important to understand the unique experiences of Black and Indigenous communities often result in the most extreme rates of disparate outcomes. However, all racial identities have suffered under discriminatory policies and practices.

Although this tool focuses on Racial Equity specifically, it contemplates disparities across other identities including immigration status, economic status, gender, and disability. Because disparities across other identities are typically compounded by race, a focus on racial equity at the outset allows policymakers to consider and address a myriad of potential adverse or unintended consequences resulting from new projects or policies.

This tool is not intended or designed to rectify all inequities, but it does provide a necessary first step in tackling local disparities and ensuring a safe, healthy, and vibrant Spokane for all residents. This tool does not replace the inclusive community engagement and is one part of the overall process.



Racial Equity Impact Assessment Spokane, Washington

A Racial Equity Impact Assessment can help housing action subcommittee, city departments, agencies, and other entities apply an equity analysis to current operations, practices, priorities, and decision making – including funding, project/program development and project/program design. More specifically, the assessment helps staff and policymakers set equity goals, and identify and correct harmful, unintended consequences before a Project or Policy takes effect. By prioritizing time to engage in an iterative, goal-oriented and data-driven process, city leaders and staff can help create sustainable, fair, efficient, and equitable outcomes. We recommend that a project team or similar working group – composed of system actors and community representatives – address the questions below collaboratively throughout the development, implementation and review stages of the Policy or Project.

1. Name of Proposed Policy or Project __GFC Ordinance
C36372 _____
(*Ex. Establishing rental assistance program*)
2. a. What is the goal of the Policy or Project and/or the challenge you are attempting to address?
(*Ex: Increase housing stability*)

N/A. The General Facilities Charge (GFC) ordinance was approved in March. The initial GFC amount is lower between now and March 24th, 2024, after which the GFC's will increase. During this initial lower amount being charged to developers City Council requested Public Works provide a presentation to this committee on the recently approved ordinance addressing GFC's and report back any comments this committee has.

Council passed an ordinance required an update to the General Facilities Charges the City Collects for new connections to its water and wastewater system. The fee is designed to represent a proportionate share of the capital investment needed for new capacity to support growth in housing and commercial units.. Without adequate GFCs, the City's current utility customers would bear the burden of paying for new capacity. The GFCs haven't been updated for 20 years, which means that existing ratepayers have been burdened with new infrastructure capacity costs

b. What current racial and other inequities might this Policy or Project address?

(displacement, homeownership, wealth gap...)

Some data shared above shows the current disparities in housing and income in our community. Anticipating that higher costs could negatively impact the availability of new affordable housing units, the GFC ordinance passed by City Council includes waivers for certain affordable housing projects and ADUs. The Meter Capacity Equivalent methodology adopted by City Council also would limit GFCs on redevelopment projects that don't need to increase the size of their water

meter.

Having adequate GFCs to pay for new capacity in the water and wastewater systems also helps maintain more affordable monthly utility rates for all customers. If new development doesn't pay for needed new capacity, those costs have to be borne through monthly rates.

And ultimately, without new capacity in the system, the ability to add additional housing units would be limited over time.

c. How does the housing project/program/plan acknowledge and address gaps in choice, place and opportunity (jobs, schools, goods and services)?

GFC waivers are intended to help address providing more location choices for low-income housing, since waivers for these purposes are available citywide. Also impacting the development and housing costs are BOCA, MFTEs, 1590 and ARPA Down Payment Assistance, developed by other City departments.

d. How will the project/proposal mitigate displacement and support priority populations like BIPOC, low-income, and renter households?

City Council requested Public Works provide a presentation to this committee on the recently approved ordinance addressing General Facility Charges (GFC's) and report back any comments this committee has. Looking for this committee's input on this topic. The GFC update is designed to assist households by promoting more affordable monthly utility costs, which helps keep people in housing. The GFCs also pay for new capacity in our water/wastewater systems that allow new housing units to be served.

3. Based on the data you have gathered and reviewed how might the Policy or Project impact racial disparities (improve or worsen)? Please review Appendix A for suggested Data metrics.

All data should be disaggregated by race/ethnicity, gender, and age.

City Council requested Public Works provide a presentation to this committee on the recently approved ordinance addressing General Facility Charges (GFC's) and report back any comments this committee has. Looking for this committee's input on this topic. The GFC update is designed to assist households by promoting more affordable monthly utility costs, which helps keep people in housing. Additionally, incentives are available for affordable housing in all parts of the City. The proposal does propose higher GFCs in what's been dubbed the "upper zone"; those costs are higher to address the greater infrastructure needs in that area.

If you do not have access to any relevant metrics, what is your plan to obtain relevant data (this can include data gathered by peer-reviewed sources from community organizations, news and/or academic sources, city departments, and other national, state, or county agencies)?

City Council requested Public Works provide a presentation to this committee on the recently approved ordinance addressing General Facility Charges (GFC's) and report back any comments this committee has. Looking for this committee's input on this topic.

4. Please identify direct and indirect impacts.

a. Community Members (direct and indirect impacts) (demographic)

	Direct	Indirect	NA
Age			<input checked="" type="checkbox"/>
Unhoused Individuals		x	<input type="checkbox"/>
Tenants		x	<input type="checkbox"/>
Gender Identity			<input checked="" type="checkbox"/>
Racial Identity			<input checked="" type="checkbox"/>
Ethnic Identity			<input checked="" type="checkbox"/>
Immigrants and Refugees			<input checked="" type="checkbox"/>
Neighborhoods/Zip Codes			<input checked="" type="checkbox"/>
Income			<input checked="" type="checkbox"/>
Disability			<input checked="" type="checkbox"/>
Other			<input checked="" type="checkbox"/>

Commented [GA1]: Feedback - require information that nobody would know until after a housing unit was rented or sold

5. What other systems factors might uniquely impact individuals or communities of color and complicate the equity goals? Does the proposal address any of these factors including the impediments to fair housing? Please check all that apply and brainstorm additional relevant factors:

Factors	Yes	No	Mitigated or Exacerbated by Project/Policy (describe)
Access to arts and culture	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Access to Child Care	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Access to recreation (physical)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

health)			
Access to Technology	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Administrative Burden	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Adverse Childhood Experiences / Trauma Histories	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Behavioral Health Needs	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Condition of Home	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Cultural Considerations	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Disability	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Displacement	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Domestic Violence	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Economic Distress	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Exception for low income housing...
Economic Vitality	<input type="checkbox"/>	<input type="checkbox"/>	
Education	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Food Access	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Healthcare Access	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
History of Discrimination	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Housing Instability	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Housing instability? Childhood	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Immigration Status	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Lack of Trust	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Language Access	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Previously incarcerated	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Tenant Protections	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Transportation Access	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Other:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

6. Are you collaborating with individuals and communities most impacted – particularly Black, Indigenous People of Color – in the Policy or Project planning process? What is your plan to include community members to ensure meaningful input from planning through implementation and performance monitoring? Please use the table below as a helpful guide.

See narrative below the chart.

	Community Collaboration Addressed <i>Please describe efforts for each phase.</i>	Community Collaboration Plan <i>Please describe plan and timeline for each phase if efforts have not already been completed.</i>
Planning/Outreach <i>Suggested items to consider: dates of meetings/forums, names of participant and/or organizations, accommodations made for physical access & language access, and how input/participation was included in decisions and next steps, whether participants received compensation.</i>		
Implementation <i>Suggested items to consider: community experts serving on project team, whether community participants receive compensation, meeting location and time, other community-based partnerships.</i>		
Evaluation <i>Suggested items to consider: Community experts serving on the evaluation committee, whether community experts receive compensation, recurring community meetings or forums to share updates and information, other data transparency measures.</i>		

Mayor’s GFC Review Committee has included representatives who build low income housing as well as from the Spokane Low Income Housing Consortium and the Community Assembly. Outreach also included presentations to the Sustainability Action Subcommittee and the Housing Action Subcommittee. An additional presentation to SLIHC is set for August. All meetings of the review committee have been available in person and virtually. Recordings of meetings are available on the City’s website. Monthly updates on GFCs have been presented to Council at the PIES Committee since April. Presentations to the Plan Commission also are being planned. Email updates also have been sent to any one who has been interested and a broad group of developers and those interested in housing issues.

7. Stable housing impacts a variety of other social impacts. Identify what downstream issues are impacted by this project?

	Impact	N/A
Health	N/A. City Council requested Public Works provide a presentation on the recently approved ordinance addressing General Facility Charges (GFC's) and report back any comments this committee has.	<input type="checkbox"/>
Child Welfare		<input type="checkbox"/>
Domestic Violence Rates		<input type="checkbox"/>
Schools and graduation rates		<input type="checkbox"/>
Criminal Justice		<input type="checkbox"/>
Transportation		<input type="checkbox"/>
Behavioral Health		<input type="checkbox"/>
Physical activity		<input type="checkbox"/>
Access to health services		<input type="checkbox"/>
Income		<input type="checkbox"/>
Environmental health		<input type="checkbox"/>
Other		<input type="checkbox"/>

8. What legal limitations might complicate this Policy or Project and what is the plan to address them? Are there recommendations for additional policy or programs?

Commented [GA2]: Barriers?

City Council requested Public Works provide a presentation to this committee on the recently approved ordinance addressing General Facility Charges (GFC's) and report back any comments this committee has. GFCs are supported.

9. Based on the answers above, what specific changes need to be made to achieve your racial equity goal and avoid the continuation of racial and other disparities (*Ex. Partnering with and/or investing in groups representing communities most impacted by the proposed initiative.*)

We believe that incentives for affordable housing projects, along with the goal of keeping monthly utility rates more affordable have made the GFC proposal more workable for all. We also are considering smaller meter sizes to support additional housing choices in a more affordable way.

10. What performance measures will you use to evaluate the Policy or Project's impact following implementation, including the impact on racial and ethnic disparities? Qualitative and quantitative measures are encouraged.

City Council requested Public Works provide a presentation on the recently approved ordinance addressing General Facility Charges (GFCs) and report back any comments this committee has. GFC are intended to have developers pay for new capacity that is needed in the City's Sewer and Water facilities to handle new development. GFC's were calculated to pay for impacts from development. Every 5 years GFC's will be re-evaluated to ensure the GFC charge is keeping with actual costs to provide new capacity for growth.

11. What is your timeline for review and ongoing adjustments?

The ordinance was approved. The initial GFC amount was lowered between now and March 24th, 2024, after which the GFCs will increase. During this initial lower amount being charged to developers City Council requested Public Works provide a presentation to this committee on the recently approved ordinance addressing GFC's and report back any comments this committee has. A final report to Council is expected by the end of the year or early in 2024.

Appendix A

The data below is a suggested starting point for discussion related to Section V and may not be relevant to your project. You are encouraged to identify and collect additional data points. **All data should be disaggregated by race/ethnicity, gender, and age.** Consider breaking out identities within broad racial categories, if possible. For example, “Asian” can encompass multiple identities, including but not limited to Chinese, Filipino, Vietnamese, Korean, Japanese, Cambodian, etc. Combining these groups can mask disparities across them. It might also be helpful to reach out to community partners as a data source.

- a. Eligible Participants
- b. Homeowners
- c. Tenants
- d. Homelessness
 - i. Chronic homelessness
 - ii. “Couch surfing”/unstably housed
- e. Quality housing stock
 - i. Census tract
 - ii. Age
 - iii. Lead abatement
 - iv.
- f. Housing affordability
 - i. Cost burden analysis
 - ii. Cost of transportation
- g. Affordable housing development
 - i. Census tract

Appendix B

Below are different strategies that have been used to segregate communities.

- Exclusionary zoning
- Restrictive Covenants
- Finance Discrimination
- Stereotype surveillance

Anticipate and prevent displacement of vulnerable residents, businesses, and community organizations

Equitable Development Framework (GARE Equitable Development Table)

Goal	Strategy	Policies and Tools
<p>Strong communities and people</p>	<p>Increase communities of color's capacity for self-determination</p>	<p>Recruitment of diverse communities of color on boards and commissions (ex. planning and design commissions)</p> <p>Community outreach and engagement in governance and planning that reduces barriers to participation</p> <p>Capacity building investments in leaders, organizations, and coalitions</p> <p>Language access services and materials</p> <p>Participatory budgeting</p> <p>Integrate the arts and culture of diverse communities throughout city planning, development, and investment activities</p> <p>Government commitment to ending institutional racism</p> <p>Training for employees on deconstructing institutional racism, culturally relevant engagement, and conducting equity analysis</p> <p>Fair hiring, equal pay, and equitable promotion opportunities within the municipal workforce</p>
	<p>Anticipate and prevent displacement of vulnerable residents, businesses, and community organizations</p>	<p>Community controlled/owned development by community-based organizations</p> <p>Community workforce agreements and project labor agreements for public and</p>

DRAFT

		<p>private development (ex. priority or local hire requirements)</p> <p>Dedicated land acquisition and permanent funding for family-sized affordable rental housing</p> <p>Homeownership stabilization and foreclosure prevention programs</p> <p>Affordable housing program prioritization for displaced households</p> <p>Tenant protection policies include eviction protections, rent stabilization, relocation protections and assistance</p> <p>Prioritization of public land for affordable housing development</p> <p>Rental assistance and tenant legal services</p> <p>Licensing and zoning limitation on predatory, high-cost financial service providers</p> <p>Access to low-cost capital and financial services for residents, small businesses, and community organizations</p> <p>Mitigation and technical assistance programs for small local businesses and community organizations</p> <p>Fair housing and code enforcement Financing program and/or tenant right of first refusal policy to help residential or commercial tenants or community organizations purchase properties when landlords sell</p> <p>Minimum wage increases and wage-theft protections</p>
<p>Create places with equitable access</p>	<p>Distribute the benefits and burdens of growth equitably</p>	<p>Environmental justice, displacement risk, and health impacts analysis included in Environmental Impact Statements of planning processes</p> <p>Environmental mitigation funding targeted for low-income neighborhoods</p>

		<p>Public service and capital investment criteria that weights the needs of populations with the greatest racial disparities in outcomes</p> <p>Prioritize low-income neighborhoods with the greatest needs for public amenities (schools, parks, open spaces, complete streets, health care and other services)</p> <p>Focused municipal procurement and contracting for entrepreneurs of color, immigrants, and triple-bottom-line businesses (e.g., cooperatives, social enterprises)</p> <p>Eliminate credit checks and criminal history questions on applications for jobs and housing in both the private and public sector</p> <p>Reduced cost or free transit passes for transit-dependent populations</p> <p>Pre-apprenticeship train</p>
	<p>Increase opportunities for low-income households of color to live in all neighborhoods</p>	<p>Affordable housing strategies in high opportunity neighborhoods including:</p> <ul style="list-style-type: none"> • Inclusionary zoning, • development incentives, • multi-family zoning, and • public low-income housing development <p>Local policy to implement the federal Affirmatively Furthering Fair Housing rule</p>

Resources

Conversation; [White Space Black Hood](#). Opportunity Hoarding and Segregation in the Age of Inequality

GARE [Equitable Development to as a Tool to Advance Racial Equity](#)

[AWC Equity Resource Guide](#)

[Spokane Housing Action Plan - Look at appendix C](#)

April 23rd, 2023

2023 State Legislative Session Summary

After 105 days, the 2023 regular legislative session is done. Lawmakers worked late into the night trying to get the “Blake” drug possession bill passed (see below), but in the end there was not enough support. The Governor held a press conference immediately after adjournment implying, he will call a special session to resolve this issue but stopped short of doing so, yet – I’ll keep you posted on developments.

In the meantime, just want to say thank you to all our Council Members, legislative assistants, fellow central staff – each one of you played a role in what turned out to be one of Spokane’s most successful sessions ever. From calling, texting and meeting with legislators, testifying on bills, working with our allies to secure funding for community projects, and with other stakeholders to forge compromise on difficult issues . . . your level of interest and engagement made a big difference this year.

Here are just a few highlights of the many victories from this year’s legislative session, I’ll follow up with a more complete summary soon.

Funding for City and community priorities:

\$1 million toward a permanent home for the American Indian Community Center* (way to go, Karen!)

\$1.4 million for Spokane Police Training Academy expansion*

\$1.5 million for Spokane Civic Theatre soundproofing*

\$200,000 for a lifecycle analysis of Spokane’s Waste-to-Energy facility to help quantify its environmental benefits*

\$350,000 for Carl Maxey Center remodel, phase 3*

\$5 million for St. Agnes Haven (48-unit affordable housing project at Government Way & Sunset Blvd.)

\$3 million for Glen Tana/Little Spokane River habitat restoration and tribal reconnection

\$2.5 million for Volunteers of America Crosswalk 2.0 (emergency shelter for runaway & homeless youth)

\$1.571 million for Frontier Behavioral Health Wellbeing Clinic

\$515,000 for Ashley House (serves medically fragile children, teens, young adults)

\$500,000 for Raze Early Learning and Development Center

*City Tier 1 priorities

Transportation

- When the Governor proposed a 6-year delay for North Spokane Corridor funding in January, you sounded the alarm and our legislative delegation went to work. The final Transportation Budget released Saturday keeps the project on schedule and provides an additional \$176 million to address inflation costs.
- The Transportation Budget also schedules funding for these City priorities:
 - \$120 million in housing assistance for people residing on state-owned rights of way
 - \$50 million for Division Street Bus Rapid Transit
 - \$5.8 million for Millwood Trail bike-pedestrian project
 - \$4 million for Liberty Park Land Bridge
 - \$3.9 million for Pacific Ave. Greenway (bike-ped)
 - \$2.2 million for Cook St. Greenway (bike-ped)
 - \$3.2 million for WSDOT Safe Routes to Schools projects in City of Spokane
- [HB 1853](#) includes an amendment championed by CM Zappone ensuring low-barrier access for youth to zero-fare transit.

April 23rd, 2023

Incentivizing condominiums

CM Wilkerson led the charge on these Tier 1 priority bills that will reduce the cost of building new condominiums and expand home-ownership opportunities in our region:

- [SB 5058](#), prime sponsored by Spokane Valley Sen. Mike Padden, exempts buildings with 12 or fewer units that are no more than two stories from costly requirements to submit a building enclosure design document to the building authority before construction, and to undergo building enclosure inspections during construction and before conveyance of a condominium unit within the building to a third party.
- [SB 5258](#), sponsored by Sen. Billig, aims to reduce costly litigation over condominium construction defects with a “right to cure” provision that creates a process for resolving conflicts about defects prior to litigation. The bill also requires a proportionally lower impact fee for smaller housing units and that local governments include procedures in their short-plat regulations for subdivisions allowing division of a parent lot into separately owned unit lots.

Reducing racial disparities in housing

The City threw its weight behind [HB 1474](#), sponsored by Reps. Ormsby & Riccelli, which creates the covenant homeownership account and program to address the history of housing discrimination due to racially restrictive real estate covenants in Washington state. The Operating Budget includes \$150 million for down payment assistance and other support to help BIPOC citizens achieve home ownership.

Missing middle housing

[HB 1110](#) broadly requires fourplexes to be built in cities with more than 75,000 people and bumps that to sixplex zoning within a quarter mile of frequent transit or if builders provide two affordable homes (at 60 percent of area median income). In mid-sized cities or cities within the contiguous growth management area of Seattle, the bill permits duplexes in all residential areas and fourplexes near transit. Legislative Team was an early and active supporter of this bill, with the City having already adopted many of its provisions last year.

Police vehicular pursuits

The Legislature passed [SB 5352](#) this session in response to backlash over a 2021 law that allowed police to pursue drivers only if they had probable cause to believe a person had committed a violent crime, sex crime, escape crime, domestic violence crime, or DUI. This year’s bill allows police to engage in vehicular pursuits where there is “reasonable suspicion” rather than probable cause. The bill does not allow for police vehicular pursuits for other crimes, including property crimes or theft of a vehicle.

Blake decision response

Legislative leaders agreed to a new version of [SB 5536](#) on Saturday night that increased the penalty for possession of a controlled substance to a gross misdemeanor, which carries a maximum jail sentence of 364 days and up to \$5,000 in fines. Current state law, which expires in July, classifies illicit drug possession as a simple misdemeanor that comes with a maximum sentence of 90 days in jail/\$1,000 in fines. The bill established a pretrial diversion opportunity for persons charged with qualifying drug possession offenses, and it put \$271 million toward drug treatment, housing, and other services to support people with substance use disorders. Legislation Team supported SB 5536 as it moved through the process. While it did not survive the 105-day regular session, the bill could be resurrected in a special session – stay tuned.

Protecting the environment

April 23rd, 2023

For the second straight year, lawmakers held public hearings but did not pass “extended producer responsibility” legislation requiring manufacturers to help recover and recycle packaging they send into our state – our only Tier 1 priority bill that did not reach the finish line this year. However Legislative Team supported these bills that made it through the process and await the Governor’s signature:

- [SB 5144](#) makes Washington the seventh state to require producers of batteries and battery-containing products to participate in a stewardship organization that plans and provides for battery collection and end-of-life management.
- [SB 5369](#), prime sponsored by Sen. Billig, will help to remove cancer-causing PCBs from the Spokane River and other waterways throughout the state.
- [SB 5447](#), another bill championed by Sen. Billig, advances the production and use of sustainable aviation fuels in Washington.

Those are some of the big-ticket items, please let me know if you have any questions about other bills or issues you’re interested in – again, many thanks for all your contributions throughout this extraordinary legislative session.

Erik

FINAL BILL REPORT

2SHB 1474

C 340 L 23

Synopsis as Enacted

Brief Description: Creating the covenant homeownership account and program to address the history of housing discrimination due to racially restrictive real estate covenants in Washington state.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Taylor, Chopp, Berg, Peterson, Reed, Stonier, Gregerson, Bronoske, Cortes, Mena, Street, Ramel, Fosse, Fey, Goodman, Duerr, Bateman, Morgan, Alvarado, Macri, Senn, Berry, Kloba, Hackney, Springer, Slatter, Callan, Orwall, Farivar, Simmons, Ortiz-Self, Thai, Ryu, Stearns, Wylie, Ramos, Doglio, Riccelli, Chapman, Santos, Davis, Ormsby, Bergquist and Pollet).

House Committee on Housing

House Committee on Appropriations

Senate Committee on Housing

Senate Committee on Ways & Means

Background:

Restrictive Covenants.

Restrictive real estate covenants prohibiting people of certain races, religions, and ethnicities from buying or owning homes were recorded across the state until 1968, when the federal Fair Housing Act (FHA) prohibited real estate covenants that discriminate on the basis of race, color, religion, or national origin. In 1969 the Washington Law Against Discrimination also made these types of restrictive covenants void.

In-state property owners may record restrictive covenant modification documents that have the legal effect of striking discriminatory language from a property's chain of title. However, restrictive covenant modifications do not physically strike these discriminatory provisions from the chain of title.

To physically strike restrictive covenants from the chain of title, a property owner may file a

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

lawsuit in superior court. If the court finds that a covenant is void, the court may issue an order striking the discriminatory language from the public record. If the property owner delivers a certified copy of the court order to the county auditor, the auditor must record the documents prepared by the court and comply with specified requirements.

Document Recording.

Document recording serves a public accessibility and preservation function. Generally, the county auditor must accept a document for recording as long as the document meets the formatting requirements, and the appropriate fees and surcharges are paid. County auditors are not required to review recorded documents for content accuracy or legality.

A wide range of documents may be publicly recorded and are potentially subject to document-recording fees and surcharges. Many documents that are recorded are related to real estate, such as deeds, liens, deeds of trust, covenants, easements, leases, plats, and surveys. Recording a real estate conveyance sometimes provides protection against later legal challenges to the validity of the conveyance. Other types of documents that may be recorded include community property agreements, certain notices, divorce decrees, and foreign birth, marriage, and death certificates. There is no comprehensive list of the types of documents that may be recorded.

Fees and Surcharges.

Fees for recording a document are set by statute, collected by the county auditors, and distributed to certain funds and programs. There is a \$5 fee for recording the first page of a document and an additional \$1 fee for recording each additional page of a document.

In addition to the document recording fees, there are a number of document-recording surcharges created by statute, including surcharges to support preservation and accessibility of permanent documents, the State Library Operations, the State Library Archives Building, urban planning, and affordable housing. These surcharges generally apply to all documents recorded, although some surcharges include exemptions for certain types of documents.

Housing Surcharges.

The county auditors collect and distribute the following four housing-related document-recording surcharges:

- a \$13 Affordable Housing for All surcharge;
- a \$62 Local Homeless Housing and Assistance surcharge;
- an \$8 additional Local Homeless Housing and Assistance surcharge; and
- a \$100 housing surcharge enacted in 2021.

Federal and State Fair Housing Laws.

The FHA protects people from discrimination because of race, color, national origin, religion, sex (including gender, gender identity, sexual orientation, and sexual harassment), familial status, or disability when they are renting or buying a home, getting a mortgage, seeking housing assistance, or engaging in other housing-related activities. The FHA is

enforced by the United States Department of Housing and Urban Development (HUD). The Washington Law Against Discrimination, which is substantially similar to the FHA, is enforced by the state Human Rights Commission. Anyone who has been harmed by a housing action may file a complaint.

Equal Credit Opportunity Act.

The federal Equal Credit Opportunity Act (ECOA) prohibits creditors from discriminating against credit applicants on the basis of race; color; religion; national origin; sex; marital status; age; because an applicant receives income from a public assistance program; or because an applicant has in good faith exercised any right under the federal Consumer Credit Protection Act.

The ECOA is enforced by the United States Department of Justice (DOJ) where there is a pattern or practice of discrimination. In cases involving discrimination in home mortgage loans or home improvement loans, the DOJ may file suit under both the FHA and the ECOA. Individuals who believe that they have been the victims of any unfair credit transaction involving residential property may also file a complaint with HUD or may file their own lawsuit.

The Consumer Financial Protection Bureau (CFPB) has issued regulations under the ECOA. These regulations, known as Regulation B, provide the substantive and procedural framework for fair lending.

Special Purpose Credit Programs.

The ECOA and Regulation B permit creditors to extend special purpose credit to applicants who meet eligibility requirements under certain types of credit programs, including a credit assistance program expressly authorized by federal or state law for the benefit of an economically disadvantaged class of persons.

On December 7, 2021, HUD released guidance concluding that special purpose credit programs (SPCPs) created in conformity with the ECOA and Regulation B generally do not violate the FHA. On February 22, 2022, eight federal agencies, including the CFPB, HUD, and the DOJ, issued an interagency statement encouraging lenders to explore opportunities available to them to increase credit access through SPCPs to better serve historically disadvantaged individuals and communities.

Washington State Housing Finance Commission.

The Washington State Housing Finance Commission (Commission) is a public body created by the Legislature to make housing financing available at affordable rates throughout the state by acting as a financial conduit. Without using public funds or lending the credit of the state, the Commission may issue revenue bonds, and participate in federal, state, and local housing programs. The Commission offers affordable home loans and down-payment assistance programs; helps build and rehabilitate affordable multifamily housing through programs such as the low-income housing tax credit program; and provides below-market-

rate financing for sustainable energy projects, new farms and ranches, and nonprofit facilities.

Some of the Commission's down payment assistance programs assist low-income and first-time home buyers with qualifying for a mortgage by lending them funds for the required down payment. These down payment assistance loans are low- or no-interest loans that do not need to be paid back until either the primary mortgage is paid, or the home is sold.

Public Records Act.

Under the Public Records Act, state and local agencies must make all public records available for public inspection and copying unless the record falls under an exemption. Certain financial, commercial, and proprietary information is exempt from disclosure under the Public Records Act, including information supplied by businesses or individuals during applications for loans or program services under certain state and local programs.

Summary:

Covenant Homeownership Program Assessment.

Beginning January 1, 2024, the county auditor must collect a Covenant Homeownership Program (CHP) assessment of \$100 for each document recorded, with certain exemptions. The assessment is in addition to any other charge, surcharge, or assessment allowed by law. The county auditor may retain up to 1 percent of the moneys for collection costs and must remit the remainder to the State Treasurer to be deposited in the Covenant Homeownership Account (CHA).

The CHP assessment does not apply to assignments or substitutions of previously recorded deeds of trust; documents recording a birth, marriage, divorce, or death; any recorded documents otherwise exempted under state law; marriage licenses issued by the county auditor; documents recording a name change order; or documents recording a federal, state, county, city, water-sewer district, or wage lien, or satisfaction of lien.

The CHP assessment is added to the list of fees that the county auditors must collect.

Covenant Homeownership Account.

The CHA is created as an appropriated account in the State Treasury that may be used only for the purposes of the CHP. The Legislature may appropriate moneys in the account as follows:

- up to 1 percent to the Department of Commerce (Commerce) for costs related to the CHP including, but not limited to, costs related to administering contracts with the Commission, costs related to outreach and stakeholder engagement, costs related to reimbursing the Department of Financial Institutions (DFI) for its costs related to the oversight committee, and other administrative, data collection, and reporting costs; and
- the remainder to Commerce to contract with the Commission for the CHP.

The CHA is added to the list of the appropriated treasury accounts that retain all or a portion of the account's interest earnings.

Covenant Homeownership Program Studies.

The Commission must complete an initial CHP study by March 1, 2024, and updated CHP studies every five years after the initial study is completed, with the first updated study due December 31, 2028. The initial CHP study must:

- document past and ongoing discrimination against Black, Indigenous, and People of Color (BIPOC) and other historically marginalized communities in Washington state and the impacts of this discrimination on homeownership in the state, including access to credit and other homeownership barriers;
- analyze whether and to what extent existing programs and race-neutral approaches have been insufficient to remedy this discrimination and its impacts;
- recommend and evaluate potential programmatic and policy changes, including creating one or more SPCPs, to remedy this discrimination and its impacts; and
- identify methodology to evaluate the efficacy of any recommended programmatic and policy changes over time.

As part of the recommendations related to SPCPs, the initial CHP study must identify any economically disadvantaged class or classes of persons that require down payment and closing cost assistance in order to reduce racial disparities in homeownership in the state. The class or classes of persons identified in the study may share one or more common characteristics, such as race, national origin, or sex.

The updated CHP studies must:

- update and reevaluate the findings and recommendations contained in the initial CHP study and any subsequent CHP studies;
- document the experience of CHP participants and others impacted by past and ongoing discrimination, including their experience accessing or attempting to access credit and any barriers to homeownership in the state that they have faced or continue to face;
- evaluate the SPCPs' efficacy in providing down payment and closing cost assistance to the economically disadvantaged class or classes of persons identified in the initial CHP study and any subsequent CHP studies, and the SPCPs' impacts on remedying discrimination and reducing racial disparities in homeownership in the state; and
- recommend CHP modifications and improvements.

The Commission must submit the initial and updated CHP studies to the Legislature and post them on the Commission's website. The Board of the Commission must review and consider the CHP studies when designing and implementing any amendments to the CHP.

Covenant Homeownership Program.

As part of the CHP, Commerce must contract with the Commission to create one or more

SPCPs to provide, beginning July 1, 2024, down-payment and closing-cost assistance to one or more economically disadvantaged classes of persons identified in a CHP study. The contract must authorize the Commission to use:

- up to 1 percent of the contract funding for administrative costs including, but not limited to, costs related to completing a CHP study and other administrative, data collection, and reporting costs;
- up to 1 percent of the contract funding to provide targeted education, homeownership counseling, and outreach about the SPCPs to BIPOC and other historically marginalized communities; and
- the remainder of the contract funding to provide down-payment and closing-cost assistance to program participants.

Special Purpose Credit Program Requirements.

In creating an SPCP, the Commission must consider the information in the CHP studies. If the CHP study identifies an economically disadvantaged class or classes of persons that share one or more common characteristics such as race, national origin, or sex and the Board of the Commission finds it necessary to consider this information in tailoring an SPCP to provide credit assistance to the economically disadvantaged class or classes of persons, the Commission may consider these characteristics in designing and implementing the SPCP. At minimum, an SPCP authorized as part of the CHP must:

- provide loans for down payment and closing cost assistance to program participants that can be combined with other forms of down payment and closing cost assistance;
- require a program participant to repay loans at the time that the house is sold; and
- be implemented in conjunction with the Commission's other housing finance programs.

Special Purpose Credit Program Applicant Eligibility.

To be eligible to receive down payment and closing cost assistance through an SPCP authorized as part of the CHP, an SPCP applicant must have a household income at or below 100 percent of the area median income, be a first-time home buyer, and be a Washington resident who:

- was a state resident on or before the enactment of the FHA on April 11, 1968, and was or would have been excluded from homeownership in Washington by a racially restrictive real estate covenant on or before that date; or
- is a descendant of a person who meets that criterion.

Records that show a person's address or include a reference indicating that a person is a resident of a specific area on or about a specific date may be used to provide proof that a person satisfies these criteria, such as genealogical records, vital records, church records, military records, probate records, public records, census data, newspaper clippings, and other similar documents.

Adoption of Rules and Policies.

The Commission may adopt rules and must adopt policies necessary to implement the

CHP. The CHP rules or policies must include procedures and standards for extending credit under an SPCP, including program eligibility requirements. The Board of the Commission may amend the SPCPs, rules, and policies from time to time, including in response to a CHP study.

Annual Report to the Legislature.

Beginning December 31, 2025, the Commission must submit an annual report to the Legislature on the progress of the SPCPs developed under the CHP and post the report on the Commission's website. The report must include, at minimum, the program eligibility requirements; the type and amount of down payment and closing cost assistance provided to program participants; the number of program participants and their corresponding eligibility categories; the location of property financed; and program outreach efforts.

Oversight Committee.

The DFI must establish an oversight committee (Committee) to oversee and review the Commission's activities and performance related to the CHP, including the Commission's creation and administration of the SPCPs authorized under the CHP.

The Committee must consist of the following members appointed by the Governor:

- one person who meets the eligibility criteria for SPCP applicants and is from east of the crest of the Cascade Mountains;
- one person who meets the eligibility criteria for SPCP applicants and is from west of the crest of the Cascade Mountains;
- one representative of an organization that operates an SPCP, counseling service, or debt relief program that serves people who were commonly subject to unlawful exclusions contained in racially restrictive real estate covenants;
- one representative of a community-based organization that specializes in development of permanently affordable housing that serves people who were commonly subject to unlawful exclusions contained in racially restrictive real estate covenants;
- one representative of the real estate sales profession;
- one representative of the home mortgage lending profession who has a minimum of five years' lending or underwriting experience; and
- one representative of the nonprofit affordable housing development industry.

In addition to the nonlegislative members appointed by the Governor, the Committee must also consist of the following legislative members:

- two senators, one from each of the two largest caucuses, appointed by the President of the Senate; and
- two members of the House of Representatives, one from each of the two largest caucuses, appointed by the Speaker of the House of Representatives.

Term Lengths, Removals, and Vacancies.

Nonlegislative members must each serve a three-year term, subject to renewal for no more

than one additional three-year term. Legislative members must each serve a two-year term, subject to renewal for no more than one additional two-year term.

The Committee must develop rules that provide for staggering of terms so that the terms of one-third of the members expire each year. On the expiration of each member's term, a successor must be appointed by the Governor, or in the case of the legislative members, by the President of the Senate or the Speaker of the House of Representatives. Committee members may be removed for cause by the appointing authority. Vacancies must be filled by appointment of a new committee member for the duration of the unexpired term.

Allowances and Stipends.

The Committee is identified as a class one group under the statute that sets compensation and allowances for members of part-time boards, committees, and other similar groups established by state government that function primarily in an advisory, coordinating, or planning capacity. Members of the Committee do not receive compensation for their services but may be reimbursed for travel and other expenses. As authorized by the class-one group statute, the DFI may provide a stipend to individuals who are low-income or have lived experience to support their participation on the Committee.

Meetings, Procedures, Recommendations, and Reports.

The Committee must work with the DFI to convene meetings, coordinate ongoing activities, and create a charter and operating procedures. The Committee must hold meetings at least once each quarter and must convene its first meeting and select a chair by October 1, 2023. Meetings may be conducted virtually. The Committee may make recommendations to the Legislature regarding the CHP.

The Commission and Commerce must report to the Committee on a quarterly basis about the results of any education, counseling, outreach efforts, SPCPs, and down payment and closing cost assistance created or provided under the CHP. Any information shared is confidential and exempt from public disclosure.

Administrative Assistance and Staff Support.

The DFI must provide subject matter expertise, administrative assistance, and staff support to the Committee, and work in coordination with the Commission and Commerce to conduct outreach and financial education. The DFI may have staff present at Committee meetings, and the DFI may employ staff and hire outside experts and other professionals as necessary. Commerce must reimburse the DFI for costs related to the Committee.

Public Records Act Exemption.

Financial and commercial information and records supplied by businesses or individuals during applications for loans or program services under the CHP are exempt from disclosure under the Public Records Act.

Other Provisions.

The short title of the act is the Covenant Homeownership Account and Program Act. The act includes federal and state severability clauses. If the CHP is held invalid, in whole or in part, the Legislature may appropriate moneys in the CHA to Commerce to contract with the Commission for one or more other programs that support homeownership for first-time homebuyers. A new chapter is created in Title 43 RCW.

Votes on Final Passage:

House	53	43	
Senate	30	19	(Senate amended)
House	52	44	(House concurred)

Effective: July 23, 2023
July 1, 2024 (Section 10)