

**CITY OF SPOKANE ANALYSIS OF  
IMPEDIMENTS TO FAIR HOUSING CHOICE  
2014 UPDATE**

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## INTRODUCTION

This 2014 Update to the Analysis of Fair Housing Choice (AI) in Spokane builds on previous AIs and incorporates current data on known impediments as well as more current demographic and background information. This update also anticipates the upcoming changed approach to these analyses which will require use of standardized data, broaden the scope of inquiry and encourage regional partnerships in both the analysis and in crafting strategies.

Under current regulations the Department of Housing and Urban Development (HUD) requires recipients of federal grants, including Community Development Block Grants (CDBG), to certify to affirmatively further fair housing. As part of the jurisdiction's Consolidated Plan, recipients are required to undertake fair housing planning, which includes:<sup>1</sup>

- An Analysis of Impediments to Fair Housing Choice (AI)
- Actions to cover the effects of the identified impediments
- Maintenance of records to support the affirmatively furthering fair housing certification

Under the Consolidated Plan, HUD-funded recipients are required to:

- Examine and attempt to alleviate housing discrimination within their jurisdiction
- Promote fair housing choice for all persons
- Provide opportunities for all persons to reside in any given housing development, regardless of race, color, religion, sex, disability, familial status, or national origin
- Promote housing that is accessible to and usable by persons with disabilities
- Comply with non-discrimination requirements of the Fair Housing Act

HUD defines impediments to fair housing choice as:

- Any actions, omissions, or decisions taken because of race, color, religion, sex, disability, familial status, or national origin which restrict housing choices or the availability of housing choice, or
- Any actions, omissions, or decisions which have the effect of restricting housing choices or the availability of housing choice on the basis of race, color, religion, sex, disability, familial status, or national origin.

Protected classes also include marital status, sexual orientation, and veteran status under the Washington State Law against Discrimination and Spokane Ordinance.

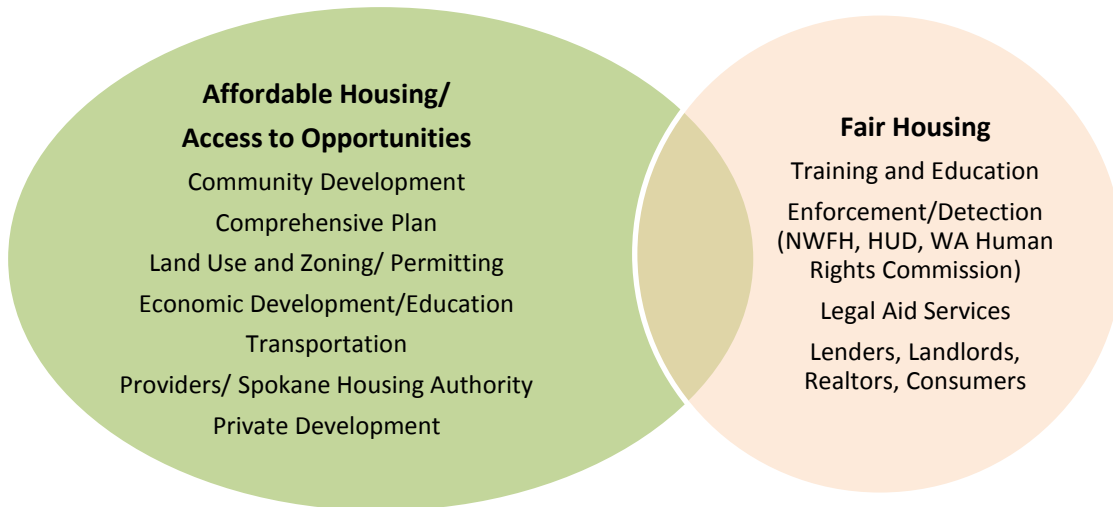
### **Affordable Housing and Fair Housing Overlapping Sectors**

Housing policies, including those contained in zoning and land use plans, impact the availability and location of housing and, therefore, equal access to both housing and opportunities. Opportunities include quality schools, employment, services, recreation, shopping, culture, safety and stability,

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<sup>1</sup> ([http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/fair\\_housing\\_equal\\_opp/promotingfh](http://portal.hud.gov/hudportal/HUD?src=/program_offices/fair_housing_equal_opp/promotingfh))

walkable neighborhoods/interactions with neighbors – all the things we value in our communities. Increasing affordable housing choices and access to opportunities in all neighborhoods and eliminating discrimination in housing go hand in hand.



### **Affirmatively Furthering Fair Housing (AFFH)**

In a July 2013 Notice of Proposed Rulemaking on Affirmatively Furthering Fair Housing, HUD outlined a new approach to assessments of fair housing in communities in response to concerns raised by the Government Accountability Office (GAO) and stakeholders. Notable in the new approach is an increased emphasis on furthering fair housing and related benefits, including:

- Reducing segregation (racial, geographic and economic)
- Eliminating racially and ethnically concentrated areas of poverty
- Increasing equal access to community assets
- Reducing factors that contribute to disproportionate housing problems for protected classes, including those with disabilities.

Once in place, the new process will rely on HUD-supplied standard data and be integrated with the current process for developing Consolidated Plans. The new approach will include an analysis of discrimination findings, but, importantly, will also require jurisdictions to consider the range and location of housing in their communities and opportunities available to residents. The new approach is further strengthened by an emphasis on regional planning and partnerships, including regional plans and regional strategies.

### **Methodology**

This 2014 AI update incorporates some of the outreach and community involvement used in previous plans, each of which communicated with key stakeholders and members of the community. This update includes additional outreach, both specifically for the AI and for the Consolidated Plan (2015-2019), development of which is underway at this writing. The update includes review of current demographic

and background data, and analysis of information on barriers and complaints during the past five years. The process confirms that many of the impediments identified in earlier plans are in whole or in part still evident in the City.

Previous Analyses of Impediments to Fair Housing include:

- *Fair Housing Analysis*, adopted October 1994
- *Fair Housing in Spokane: 1997 Analysis of Impediments and Recommendations*
- *Analysis of Impediments to Fair Housing*, August 2003
- *City of Spokane Analysis of Impediments to Fair Housing Choice 2008*

### **Impediments, Concerns and Recommendations for City of Spokane**

Impediments and concerns identified in this update are drawn from current data and input as well as conclusions in the analyses leading to this report. Areas of impediments and concerns also anticipate a regional plan to Affirmatively Further Fair Housing which is on the near horizon. The AFFH will provide an opportunity for more ambitious actions and strategies made possible by the regional collaboration and regional, even national, assets. These include the ability to expand educational efforts and promote policies to affect change resulting in increased choice in housing for residents, particularly for the most vulnerable residents. The following are primary impediments, areas of concern and recommendations.

#### **Impediment Areas**

*Impediment 1: Renters have reduced housing choice because of discriminatory practices.*

*Impediment 2: Persons with disabilities have reduced housing choice due to a lack of accessible units.*

*Impediment 3: Housing choice is limited for buyers who experience discriminatory lending practices.*

#### **Areas of Concern**

*Concern 1: Minorities and other protected classes have reduced housing choice when locational options are limited.*

*Concern 2: Renters may have reduced choice because of landlord reluctance to accept applicants with negative histories or federal subsidies.*

*Concern 3: Loss of affordable units because of gentrification, condominium conversion and redevelopment reduces choice and access to opportunities.*

#### **Recommendations**

*Recommendation 1: Continue to support education and access to fair housing information.*

*Recommendation 2: Promote cultural awareness and recruit representatives from protected classes for oversight committees.*

*Recommendation 3: Continue to support and publicize enforcement efforts and findings.*

*Recommendation 4: Continue to promote affordable housing by encouraging collaboration of funders, developers and providers of affordable housing to make the best use of limited assets.*

## **FAIR HOUSING LAWS**

### **Federal Fair Housing Act (FHA)**

Title VIII of the Civil Rights Act of 1968 (Fair Housing Act), as amended, prohibits discrimination in the sale, rental, and financing of dwellings, and in other housing-related transactions, based on race, color, national origin, religion, sex, and, as of 1988, familial status (including children under the age of 18 living with parents of legal custodians, pregnant women and people securing custody of children under the age of 18), and handicap (disability). The Fair Housing Act prohibits both intentional discrimination and practices that unintentionally have the effect of discriminating against protected groups.

Fair Housing Act prohibitions include:

- Refusing to rent based on protected class
- Falsely representing that a dwelling is unavailable
- Imposing different rental charges
- Discriminatorily evicting tenants
- Using different qualification criteria or standards
- Discriminating in terms, conditions, or privileges of a rental based on protected class:
  - Using different provisions in leases
  - Failing to make or delaying repairs
  - Failing to process an application for rental
  - Limiting use of privileges, services or facilities
- Attempting to restrict housing choice through segregated housing patterns
- Steering persons by discouraging them from rental properties, or exaggerating the drawbacks of living in a neighborhood, or communicating that the person wouldn't be compatible with the residents
- Assigning persons to certain buildings or floors or developments
- Discharging or taking adverse action against an employee because he or she refused to participate in discriminatory acts
- Conduct that otherwise makes housing unavailable
- Representing that discriminatory deed or covenant provisions will preclude a rental
- Enforcing discriminatory deed or covenant restrictions
- Providing false or misleading information about availability to testers
- Making, printing, or publishing a notice, statement, or advertisement indicating a preference, limitation or discrimination
- Using words, phrases, photos or symbols that convey a preference or limitation.
- Expressing a preference to an agent or broker
- Selecting media or locations for advertising in order to attract only certain people

- Refusing to publish ads or requiring different charges
- Retaliating against someone for filing a fair housing complaint, exercising a fair housing right, or being a witness in a fair housing proceeding

Dwellings covered by the Fair Housing Act include:

- Any building, structure, or portion thereof which is occupied as, or designed or intended for occupancy as, a residence by one or more families
- Any vacant land offered for sale or lease for the construction or location thereon of any such building, structure, or portion thereof

Single family dwellings are exempt from the Fair Housing Act if:

- The owner owns three or fewer single family houses
- The dwelling is sold or rented without the use of a real estate broker, or agent
- There has been no violation of Section 804 (c) of the Act (discriminatory statements and advertising)

The Fair Housing Act (FHA) was amended in 1988 to include protections for individuals with disabilities.

Discrimination based on disability includes:

- Refusing to make reasonable accommodations in rules, policies, practices or services
- Refusing to allow a person with a disability to make reasonable modifications
- Failing to meet disability design and construction access requirements

The Fair Housing Act Amendments of 1988 also include a prohibition of discrimination based on "familial status," which protects households that include one or more children under 18, and that child's parent, guardian, or other person with custody as a result of the written permission of the parent or guardian. The definition is broad and encompasses most extended family relationships. Pregnant women are also protected, as well as persons who are seeking to obtain legal custody of a child under age 18. While the FHA does not prohibit discrimination based on marital status, it does prohibit discrimination against single parents, divorced custodial parents, or those who have a child born out of wedlock.

Forms of familial status discrimination include:

- Adults only policies
- Refusal to renew lease because of a minor child
- Age segregated units based on age
- Charging higher rents or security deposits based on presence or number of children
- Advertising: *e.g.* "no children"
- Discouraging families from renting
- Excessive rent surcharges that lack adequate justification
- Unreasonable occupancy standards

The Fair Housing Act was amended by the Housing for Older Persons Act of 1995. A community that qualifies as housing for older persons can refuse to rent or sell to families with children provided it continues to meet certain requirements. Briefly that means housing provided for and occupied by elderly persons (62 and older) or housing for persons age 55 and older if at least 80% of occupied units must have one person 55 or older.

### **Washington Law against Discrimination (WLAD)**

The Washington Law Against Discrimination (WLAD), RCW 49.60, prohibits discrimination in housing on the basis of race, color, creed, national origin, sex, sexual orientation (including gender expression/identity), marital status, honorably discharged veteran or military status, the presence of any sensory, mental, or physical disability, the use of a trained dog guide or service animal by a person with a disability, and retaliation for opposing an unfair practice.

Washington's Law against Discrimination is substantially equivalent to the federal Fair Housing Act. There are, however, some significant differences between the federal law and the WLAD. The WLAD includes three additional protected classes: marital status, sexual orientation, and veteran status. Similarly, even if a dwelling is exempt under one of the Fair Housing Act exemptions, the WSLAD only exempts such dwellings from the reasonable accommodation and modification requirements.

### **Spokane Ordinance**

Spokane Ordinance (C-32232) added a new chapter to the Spokane Municipal Code. The Ordinance prohibits discrimination based on race, religion, color, sex, national origin, marital status, familial status, age, sexual orientation, or disability. The City found that such discrimination poses a substantial threat to the health, safety and general welfare of the citizens of Spokane and provides that the City values the dignity and worth of all human beings and is committed to promoting justice, equity and an inclusive environment by respecting cultural and individual diversity and fostering mutual understanding among all people regardless of membership in a protected class. The Ordinance does not provide a private cause of action under state law or form a basis for relief in the state courts. All causes of action for violations of the ordinance lie within the City of Spokane Municipal Court.

## **DEMOGRAPHICS**

Spokane is the second largest city in Washington State and is the major metropolitan area in the Inland Northwest, which includes Washington east of the Cascades and all of northern Idaho. Spokane has long been the transportation and economic hub for the region. The City is also the regional center for higher education, health care, and government.



## Population

Spokane’s population increased by just over 13,000 people from 2000 to 2010 for a change of 7% which is modest compared to Spokane County and Washington. Part of the increase was due to annexation – an additional 1,724 people and 897 housing units between 2000 and 2010.

**Table 1: Population 1990-2014**

Location	Census			Change 2000-10	2014 Estimate
	1990	2000	2010		
Spokane	177,165	195,629	208,916	7%	212,300
Spokane County	361,333	417,939	471,221	13%	484,500
Incorporated	195,890	218,920	335,124		344,596
Unincorporated	165,443	199,019	136,097		139,904
Washington	4,866,659	5,894,121	6,724,540	14%	6,968,170

Source: US Census; OFM population estimates

## Age

The median age of the population in the United States is increasing, a trend mirrored in Washington and in Spokane County, but less noticeably in Spokane. The median age in Spokane in 2010 was 35.0, more than two years younger than Washington. Aging of the “baby boomers” (those born between 1946 and 1964) is reflected in the increase in the median age. According to Washington Office of Financial Management estimates, 21% of the population in Spokane County in 2030 will be 65 or older. The aging population will undoubtedly have an impact on services, transportation and housing demand in the future.

**Table 2: Median Age 1990-2010**

Location	Census		
	1990	2000	2010
Spokane	33.5	34.7	35.0
Spokane County	32.9	35.4	36.8
Washington	33.1	35.3	37.2
United States	32.9	35.3	37.2

Source: US Census

**Table 3: Age Range 2010**

Location	Range			
	<20	20-44	45-64	65+
Spokane	26%	36%	25%	13%
Spokane County	27%	34%	27%	13%
Washington	26%	34%	27%	12%
United States	27%	34%	26%	13%

Source: US Census

A slightly greater share of the population in Spokane in 2010 was between the ages of 20 and 44, compared to other locations shown in the table. Within this broader range, the area of greatest

difference comparing the City of Spokane to Washington State is between the ages of 20 and 29. Over 17% of the population in Spokane in 2010 was between 20 and 29 compared to 14% in the state. This may be in part attributable to the number of students attending existing and expanding colleges. This may also be because younger workers are coming to Spokane to entering the workforce. This younger component of adults may also impact the demand for a choice of housing options.

### **Race and Ethnicity**

According to 2010 census data, Spokane has a much less diverse population than the state. Just 2% of the population was African American, 2% American Indian or Alaska Native, and 3% Asian as of the 2010 census. Considering ethnicity alone, just 5% of Spokane’s population identified themselves as Hispanic, regardless of race.

**Table 4: Race and Ethnicity 2010**

<b>Race/Ethnicity Classification</b>	<b>Spokane</b>	<b>County</b>	<b>Washington</b>
<b>Race*</b>			
White	87%	89%	77%
Black/African American	2%	2%	4%
AK Native/American Indian	2%	2%	2%
Asian	3%	2%	7%
Other race alone**	2%	2%	6%
Two or more races	5%	4%	5%
<b>Ethnicity***</b>			
Hispanic	5%	5%	11%
Non-Hispanic	95%	95%	89%
<b>Race/ethnicity combined</b>			
Minority****	16%	13%	27%
Non-Hispanic white alone	84%	87%	73%

\*Race alone; may be Hispanic

\*\*Includes Native Hawaiian and other Pacific Islander

\*\*\*May be of any race

\*\*\*\*Hispanic and/or race other than white alone

Source: 2010 US Census

Combining race and ethnicity so that “racial and ethnic minority” is defined as Hispanic and/or a race other than white alone (single race), 16% of the population in Spokane as of the 2010 census was minority. This definition was used in determining disproportionate concentrations of minority populations in the City.

### **Disproportionate Concentrations of Minority Populations**

Using the definition of minority described above as Hispanic and/or race other than white alone, 16% of the population in Spokane in 2010 was minority. Areas of disproportionate concentration are those in which there is a greater than 10% difference than the jurisdiction as a whole. Accordingly, any block group with 27% or more minority population is considered to have a disproportionate concentration. That was true of nine block groups. The block groups contained 4% of Spokane’s population in 2010. The concentration of minority population ranged from 28% to 37% of block group occupants. The

disproportionate areas are primarily located in central Spokane neighborhoods – several block groups south of I-90 and west of Thor, an area south of the Spokane River between Napa and Hamilton, and north of I-90 between Monroe and Ash.

### Households and Household Composition

There is a smaller share of family and greater share of non-family households in Spokane than in Spokane County or Washington State. Since 1990, the percent of family households in Spokane has declined and, correspondingly, the percent of non-family households has increased. As of the 2010 census, 34% of households in Spokane consisted of people living alone. These included seniors – 11% of all households in Spokane were single individuals aged 65 or older and single women represented 70% of these households.

**Table 5: Types of Households 2010**

Types of Households	Spokane	County	Washington
Total households	87,271	187,167	2,620,076
Family households	56%	63%	64%
With related children <18	26%	28%	29%
Husband-wife households	39%	47%	49%
With related children <18	16%	19%	20%
Female (no husband)*	13%	11%	10%
With related children <18	8%	7%	6%
Non-family households	44%	37%	36%
Living alone (single person)	34%	29%	27%
Single male age 65+	3%	3%	3%
Single female age 65+	8%	7%	6%

Notes: All percentages shown are of the total households. Same sex couples without related children or other related family members are included in non-family households.

\*Living in family household with no spouse present.

Source: 2010 US Census

### Income

**Table 6: Measures of Income 2008-2012**

Measures of Income*	Spokane	County	Washington
Median household	\$42,274	\$49,615	\$59,374
Median family	\$54,500	\$63,049	\$71,939
Median earnings male**	\$42,693	\$47,274	\$54,594
Median earnings female**	\$34,795	\$35,903	\$41,377
Median earnings workers	\$26,575	\$28,181	\$32,583
Per capita income	\$24,034	\$25,891	\$30,661

\*Income in the last 12 months in 2012 inflation-adjusted dollars.

Source: 2008-2012 American Community Survey

Median family income in Spokane (\$54,500) was higher than median household income in Spokane (\$42,274). Note that median household income includes all households, singles and families. In Spokane, 44% of households were non-family households. Median family income, on the other hand, includes

only those households defined by the census as families by relationships, marriage or the presence of children. Family income may be higher because of multiple wage-earners in the household. Median earnings for males working full-time, year-around was about 23% higher than that for female workers working full-time, year-around. Median earnings for all workers were \$26,575, well below the median for full-time workers. This suggests that a substantial share of workers in Spokane were employed part-time or for part of the year.

All measures of Income in Spokane County were higher than in the City. Median household income in the county was 17% higher and median family income was 16% higher than the same measures in Spokane. Measures in the state as a whole were higher than both the Spokane County and the City of Spokane.

**Low-Moderate Income Block Groups**

Using special census tabulations, HUD periodically identifies by block group the percent of the population living in households earning less than 80% of Area Median Income (AMI). Block groups in which 51% or more of the population live in households at or below 80% of AMI qualify as low-mod areas. The latest HUD tabulations (2014 using 2006-2010 ACS data) showed 85 qualifying block groups in Spokane. Fully 43% of Spokane’s population lives in these block groups.

The qualifying areas include neighborhoods south of I-90 and neighborhoods extending north of I-90 to Empire. Beyond Empire, qualifying block groups fall east of Division and north to the City limits. Most of South Hill (south of 9<sup>th</sup>) is excluded, as is northwest Spokane (west of Division and north of Empire).

**Poverty**

The percent of people living in poverty in Spokane (during the last 12 months) was higher in the City in all categories shown in Table 7 than in Spokane County as a whole. Rates of poverty were higher in both the county and City than in Washington State. In Spokane 37% of all female-headed family households (with no husband present) lived in poverty in the last 12 months – over half (53%) of such households with children under the age of five.

**Table 7: Poverty 2008-2012\***

Population	Spokane	County	Washington
Individuals (all)	19%	15%	13%
Under 18	24%	17%	17%
18 and older	18%	15%	12%
65 and older	11%	9%	8%
Families	13%	10%	9%
With related children <18	21%	16%	14%
Female householder (family)*	37%	32%	28%
With related children <18	48%	42%	36%
With related children <5	53%	52%	46%

\*Income level below poverty in the last 12 months.

\*\*No husband present.

Source: 2008-2012 American Community Survey

The number of children living with a single parent is not insignificant in Spokane. The 2008-2012 American Community Survey estimated that 34% of children in households with their parents were living with a single parent, the majority of these with a single female parent. There were also children living with custodial grandparents, some single, not included in the estimates.

### Housing Units

Nearly 70% of the housing in Spokane is single family, and most of that detached units. Multifamily units are fairly evenly distributed in complexes as small as two units to those in complexes with 20 or more units. Mobile homes comprise just 2% of the housing in Spokane, compared to 6% in Spokane County and 7% in Washington State. While mobile homes are only a small share of the total housing, Washington Office of Financial Management (OFM) estimated that there were over 1,500 mobile homes in Spokane as of April 2014. Mobile homes are an affordable housing option, but older units are often in deteriorated and unsafe condition.

**Table 8: Residential Properties**

Property Type	Spokane	County	Washington
Total units	95,757	207,420	
1-unit detached structure	65%	66%	63%
1-unts attached structure	3%	4%	4%
2-4 units	8%	6%	6%
5-19 units	11%	10%	10%
20 or more units	11%	9%	9%
Mobile home, boat, RV, etc.*	2%	6%	7%

Source: OFM estimated total units (April 2014); 2008-2012 American Community Survey (types of units)

### Tenure

There were more owner-occupants than renters in Spokane (57% owner-occupants and 43% renters) according to 2008-2012 ACS estimates, but more renters proportionally than in Spokane County and in Washington State. Table 9 also demonstrates that single family homes are occupied by renters – 22% were in Spokane. Multifamily units are predominantly occupied by renters, but not exclusively. Finally, mobile homes are most frequently owned, although that applies to the structure and not necessarily the land.

**Table 9: Tenure Occupied Units**

Property Type	Spokane		County		Washington	
	Owners	Renters	Owners	Renters	Owners	Renters
All units	57%	43%	64%	36%	64%	36%
Single family*	78%	22%	82%	18%	82%	18%
2-4 units	6%	94%	8%	92%	12%	88%
5 or more units	5%	95%	4%	96%	12%	88%
Mobile homes, other	77%	23%	81%	19%	76%	24%

\*Detached and attached

Source: 2008-2012 American Community Survey

## Housing Costs

Estimated housing costs in the City of Spokane and Spokane County are lower for both owner-occupants and renters than is true of Washington State. The median owner-estimated value of homes in Spokane was just 60% of the estimated value in the state as a whole. The median estimated value in Spokane County was higher, but still 70% of the median estimated value in Washington. Still looking at owner costs, two-thirds of households with a mortgage in Spokane had housing costs less than \$1,500 per month, including utilities. In contrast in Washington, two-thirds of households with a mortgage paid more than \$1,500 a month.

**Table 10: Cost of Housing**

Owner/Renter	Spokane	County	Washington
Median home value	\$164,500	\$190,300	\$272,900
Median monthly owner cost with mortgage	\$1,286	\$1,393	\$1,818
Median monthly owner cost without mortgage	\$413	\$429	\$498
Median gross rent	\$718	\$753	\$951

Source: 2008-2012 American Community Survey

**Table 11: Range of Monthly Owner Costs\***

Range	Spokane	County	Washington
Less than \$1,000	26%	21%	11%
\$1,000-\$1,499	40%	37%	23%
\$1,500-\$1,999	19%	23%	25%
\$2,000 or more	15%	19%	41%

\*Households with a mortgage; includes mortgage, taxes, insurance, condo fees and utilities

Source: 2008-2012 American Community Survey

**Table 12: Range of Rents**

Range	Spokane	County	Washington
Less than \$500	19%	15%	10%
\$500-\$749	36%	34%	19%
\$750-\$999	24%	27%	26%
\$1,000 or more	22%	24%	45%

\*Includes contract rent and utilities; excludes no cash payment

Source: 2008-2012 American Community Survey

Compared to Washington and Spokane County, rents are lower in the City of Spokane and a larger share of units is available at lower rents. The American Community Survey asks for contracted rent, regardless of subsidy (such as Section 8 payments by housing authorities). Other types of subsidies would not necessarily be reported by the tenants, so the lower rents in Spokane are in part due to past successes in increasing affordable housing, not necessarily due to market provision of low-cost units.

## Housing Affordability

Housing is considered affordable when the cost of housing plus utilities equals no more than 30% of household income. Housing choice and access to opportunities is largely a function of income, which is represented below.

<b>Highest Income</b>	<ul style="list-style-type: none"> <li>• Wide selection of housing types and locations</li> <li>• Affordability more a matter of choice: choice of spending more than 30% of income</li> <li>• High access to opportunities</li> </ul>
<b>Middle Income</b>	<ul style="list-style-type: none"> <li>• More limited selection of housing types and locations</li> <li>• Affordability: may need to spend more than 30% of income (market provided)</li> <li>• Commute: cost of commute may offset housing savings</li> <li>• More limited access to opportunities</li> </ul>
<b>Low Income</b>	<ul style="list-style-type: none"> <li>• Little selection of housing types and locations</li> <li>• High competition for market-provided, quality affordable housing</li> <li>• Affordable may mean subsidized, or publicly assisted</li> <li>• Limited access to opportunities</li> <li>• Commute costs high related to wages/housing costs</li> </ul>
<b>Lowest Income</b>	<ul style="list-style-type: none"> <li>• Limited or no choice in housing types and locations</li> <li>• Affordable housing = subsidized housing (kept available)</li> <li>• May receive additional public support (food stamps, health, income)</li> </ul>

The National Low Income Housing Coalition provides an annual analysis of the cost of housing in relation to income. The 2014 *Out-of-Reach* data for the Spokane MSA are shown in Table 13. To afford a 2-bedroom unit, a household would need to earn \$14.21 an hour – 152% of Washington minimum wage.

**Table 13: Housing Costs, Income and Affordability Spokane MSA 2014**

Housing/Income Factor	Bedrooms				
	Zero	One	Two	Three	Four
Fair Market Rent (FMR) 2014	\$447	\$546	\$739	\$1,057	\$1,199
Annual income to afford	\$17,880	\$21,840	\$29,560	\$42,280	\$47,960
Hourly wage to afford* (housing wage)	\$8.60	\$10.50	\$14.21	\$20.33	\$23.06
Minimum wage in Washington 2014	\$9.32	\$9.32	\$9.32	\$9.32	\$9.32
Housing wage compared to minimum wage	92%	113%	152%	218%	247%

Source: National Low Income Housing Coalition ([www.nlihc.org](http://www.nlihc.org))

Table 14 shows several measures of housing cost, Fair Market Rents in particular, alongside measures of income, particularly at the lower-end of the earnings spectrum. The individual SSI income is shown at the bottom of the table. If a person with a disability had SSI income as the sole source of assistance, housing would be affordable if the cost were no more than \$216 a month, which is less than half of the Fair Market Rent for a studio apartment.

**Table 14: Income by Occupation/Source and Affordable Housing Costs Spokane MSA**

Job/Income Type (Wage/Earnings*)	Affordable/ Estimated Monthly Cost	Housing Type/Allowance
Pharmacist (\$54.28/hour)	\$2,823	
Registered nurse (\$35.76/hour)	\$1,860	
HUD AMI 2014 (\$63,400)	\$1,585	
Middle school teachers (not special ed) (\$61,258/year)	\$1,531	
Social worker (\$25.43/hour)	\$1,322	
HUD AMI top of range at 80% (\$50,720/year)***	\$1,268	
	\$1,199	Fair Market Rent 2014 (4-bedroom)
Licensed practical/vocational nurse (\$21.61/hour)	\$1,124	
	\$1,057	Fair Market Rent 2014 (3-bedroom)
Machinist (\$18.84/hour)	\$980	
School bus driver (\$17.15/hour)	\$892	
Customer service representative (\$16.16/hour)	\$840	
HUD AMI top of range at 50% (\$31,700/year)***	\$792	
	\$753	Median gross rent Spokane County**
	\$739	Fair Market Rent 2014 (2-bedroom)
Health care support workers (\$14.80/hour)	\$770	
	\$718	Median gross rent Spokane**
Retail sales (\$13.13/hour)	\$683	
Median worker earnings (\$26,575/year)**	\$664	
Hotel, motel, resort desk clerks (\$11.35/hour)	\$590	
Personal & home care aide (\$11.09/hour)	\$577	
	\$546	Fair Market Rent 2014 (1-bedroom)
Child care worker (\$10.39/hour)	\$540	
Minimum wage full-time job (\$9.32/hour)	\$485	
HUD AMI top of range at 30% (\$19,020/year)***	\$476	
	\$447	Fair Market Rent 2014 (0-bedroom)
SSI income (\$721/month 2014 single person)	\$216	

\*Except where otherwise noted wages are from the Washington State Employment Security Department's Occupational Employment and Wage Estimates (2013) for Spokane MSA (includes Spokane County).

\*\*2008-2012 ACS for Spokane

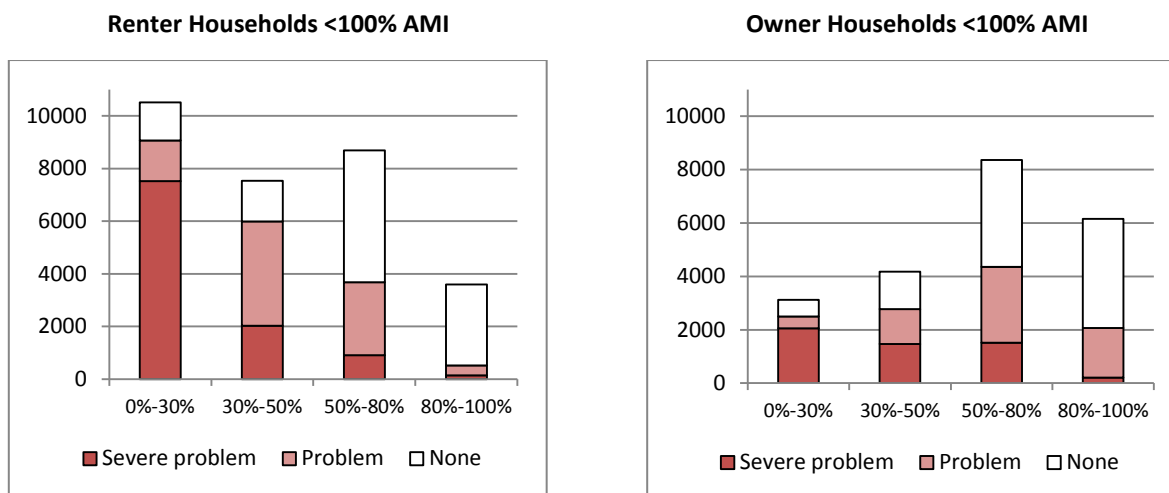
\*\*\*2014 4-person households

Sources: 2008-2012 American Community Survey; HUD; WA Employment Security Department.

CHAS (Comprehensive Housing Affordability Strategy) data are special census tabulations provided to HUD. The CHAS tables cross-tabulate household income, household type, race and ethnicity of the head of household, housing costs and limited data on housing condition (lack of complete plumbing and kitchen facilities and overcrowding). Housing problems include cost in excess of 30% of household income, lack of complete plumbing/kitchen facilities, and crowding defined as between 1.0 and 1.5 persons per room. Severe housing problems are defined as cost greater than 50% of household income, lack of complete plumbing/kitchen facilities, and crowding defined as greater than 1.5 persons per room. By far the most prevalent problem was cost.



**Figure 1: Renter and Owner Households at or Below Area Median Income with Housing Problems**



Source: 2007-2011 HUD CHAS data

According to CHAS data, there were 30,330 renters and 21,810 owner households in Spokane with incomes below Area Median (AMI). It is clear from the figures that:

- There were many more renter households than owners with incomes at or below 30% of AMI and with incomes between 30% and 50% of AMI.
- The majority of both renter and owner households with incomes at or below 30% of AMI had one or more severe housing problems – 72% of renters and 66% of owners. By far the greatest need or condition was cost in relation to income.
- The majority of both renter and owner households with incomes between 30% and 50% of AMI had housing problems, although fewer severe problems – 27% of renters and 35% of owners with incomes between 30% and 50% of AMI had severe housing problems. Again, the most prevalent contributing factor was cost in relation to income.

CHAS tables provide cross-tabulations of problems by income and race/ethnicity of heads of households. The margins of error associated with the estimates (based on American Community Survey sampling) are large, too large in fact to rely on exact percentages within ranges of income. However, enough disparities were observed to conclude that minority householders experienced a disproportionate share of housing problems compared to the jurisdiction as a whole. Disproportionate is defined as a greater than 10% difference in incidence of housing problems compared to the percent for the jurisdiction as a whole within that income range. For example, 70% of households with incomes between 30% and 50% are AMI experienced one or more housing problems. A disproportionate share of Blacks/African American heads of household experienced problems – 88% did. Within the same income range, 81% of Hispanic-headed households experienced problems. However, again note that the number of minority-headed households was very small and that number associated with a large margin of error making the exact measure uncertain.

## Persons with Disabilities

Five percent of Spokane’s population under the age of 18 had a disability, as did 13% of the population aged 18 to 64, and 41% of the population aged 65 and older (estimates from the 2008-2012 American Community Survey). An ambulatory disability was common among seniors with a disability (62% had serious difficulty walking or climbing stairs) and among younger adults aged 18 to 64 (49% had an ambulatory disability).

**Table 15: Populations with Disabilities**

Age Group	Spokane	County	Washington
Under 18	5%	5%	4%
18 to 64	13%	11%	10%
65 or older	41%	39%	37%

Source: 2008-2012 American Community Survey

## AFFORDABLE HOUSING RESOURCES

### Spokane Low Income Housing Consortium (SLIHC)

The Greater Spokane Low Income Housing Development Consortium (Spokane Low Income Housing Consortium or SLIHC) was created as a nonprofit corporation in 1990 in response to an identified need to “increase the availability of appropriate and affordable housing for low income residents of Spokane.” (Greater Spokane Coalition against Poverty) The membership association “promotes the long-term availability and maximum use of affordable housing in Greater Spokane.” (SLIHC 2013 Annual Report)

Its mission is to improve the environment for efficient and substantial nonprofit initiatives which promote the long-term availability of housing that is appropriate and affordable for low income and very low income persons. The Consortium has nonprofit and public members and associate members that develop and promote affordable housing, and supportive members including lenders, private sector firms, contractors, attorneys, and others that support affordable housing.

SLIHC offers technical support to its members by providing a revolving loan fund for land acquisition and infrastructure, by hosting monthly meetings to address housing issues, and by sponsoring trainings and seminars. The Consortium also provides community education by informing area citizens, people that seek and reside in low-income housing, organizations and individuals interested in promoting affordable housing, owners that lease to people of low income, and public officials that make policies that affect affordable housing about critical housing issues through a monthly newsletter and information events.

SLIHC advocates for affordable housing by researching public policies affecting the development, financing, ownership, management and preservation of affordable housing, and providing testimony at public meetings, written comments to local, state and federal government agencies, and participating in state and national advocacy organizations. The Consortium is committed to strengthening the network

of nonprofit housing developers and providers and property managers in the Greater Spokane area, and to facilitating the coordination and collaboration of low-income housing development and management to ensure the most complete and efficient use of affordable housing resources.

Thirteen member partners provide a substantial share of the affordable rental homes Spokane County. A twice-yearly survey is conducted of member-provided rental units and vacancies. As of July 2014, members provided 3,070 units, including 2,215 (72% of the total) were in the City of Spokane, were affordable to households earning below 80% of Area Median Income. The same survey tracks vacancies among affordable rentals provided by partners. Vacancy rates are very low – just 1.8% of units in Spokane County and 1.4% of units in Spokane were vacant. While a valuable and important source of affordable housing, this inventory is not readily available to most seekers because of low vacancies and low turnover.

## **FAIR HOUSING COMPLAINTS AND OTHER INDICATORS**

### **Complaint Process**

The Fair Housing Act (FHA) allows persons to file fair housing complaints with HUD. Complaints can also be filed directly with the Washington State Human Rights Commission although the Commission forwards complaints on to HUD if the protected class is identical. Complaints can also be filed with the Spokane Human Rights Commission, although complaints are generally filed with HUD or the Washington State Human Right Commission. Complaints can also be discussed with the Northwest Fair Housing Alliance (NWFHA) in Spokane.

Anyone residing in the United States has fair housing protections, regardless of citizenship status. In Washington, HUD refers almost all complaints to a “substantially equivalent” state or local fair housing enforcement agency (such as Northwest Fair Housing Alliance) for investigation. The Fair Housing Act and its regulations require that HUD investigators attempt to resolve a complaint through conciliation prior to the issuance of a determination of whether or not there is reasonable cause for a charge of discrimination.

### **National Trends**

The National Fair Housing Alliance (NFHA) ([nationalfairhousing.org](http://nationalfairhousing.org)) collects data from private fair housing organizations (such as the Northwest Fair Housing Alliance) and government entities pertaining to housing discrimination complaints. As they note in the most recent report (*Expanding Opportunity: Systemic Approaches to Fair Housing, 2014 Fair Housing Trends Report*), most instances of housing discrimination are not reported – rough estimates put the number of violations at four million annually across the nation. The NFHA reported 27,352 complaints in 2013, most (69%) coming from agencies such as the Northwest Fair Housing Alliance in Spokane. Disability complaints were the most frequent. As the report points out, discrimination because of disability is easier to detect than some other forms of discrimination.

### **Northwest Fair Housing Alliance (NWFA) Intakes**

The Northwest Fair Housing Alliance (NWFHA) is a fair housing advocacy agency that receives grant funding from HUD's Fair Housing Initiatives Program (FHIP) to provide outreach, advocacy, and fair housing counseling to victims of housing discrimination. Such activities include assisting complainants with filing administrative fair housing complaints with HUD and serving as an advocate for the complainant through the investigation and fact-finding process and conciliation discussions. The NWFHA also has legal standing to file complaints on its own behalf for violations of fair housing laws.

The Northwest Fair Housing Alliance serves 17 counties in eastern Washington including Spokane County. The other 16 counties are Whitman, Garfield, Columbia, Asotin, Walla Walla, Grant, Adams, Lincoln, Douglas, Ferry, Okanogan, Pend Oreille, Yakima, Benton and Franklin. The agency receives numerous inquiries during the year, the majority of which concern landlord-tenant matters not involving a fair housing violation. To give an idea of the volume of inquiries, there were about 1,900 calls in 2010 (December 2009 through November 2010) and 1,241 in the most recent year reported (March 2013 to March 2014). Anywhere from 10% to 20% of inquiries in the last few years resulted in the initiation of a fair housing intake process. That process includes an investigation into the fair housing complaints to determine if evidence exists to substantiate filing a fair housing complaint with HUD and/or the Washington State Human Rights Commission.

Most complaints are resolved through informal negotiations with housing providers, closed due to failure of the complainant to cooperate (lack of communication, failure to locate, etc.), or closed due to lack of allegations or evidence sufficient to meet the requirements for a prima facie case of housing discrimination.

In the 5-year period between December 1, 2008 and March 15, 2014, the NWFA received 6,993 inquiries from the 17 counties. Of these, about 15% resulted in intakes – that is they were potentially fair housing complaints and were due additional investigation. An individual case might include more than one protected class issue. By the far the most (77%) of the protected classes covered in these cases pertained to disabilities (failure to grant reasonable accommodations or modifications; failure to design and construct in accordance with FHA accessibility requirements). The next most frequent case was race and/or national origin (10% combined), followed by family status (6%).

Roughly 10% of the intakes resulted in cases being filed with HUD and a few cases were referred to the Washington State Human Rights Commission. These reports, provided by NWFHA, pertained to all 17 counties, not just Spokane County. It was not possible to distinguish inquiries and intakes from either Spokane County or the City of Spokane from the data provided.

### **Fair Housing Complaints Filed with HUD**

Between January 2009 and the end of February 2014, 95 complaints with Spokane shown as the violation city were filed with HUD. Of the 95 complaints filed, the majority were related to disability

(57%), followed by family status (23%). There were a few cases with more than one basis for discrimination, but only the first basis shown in the information provided by HUD is included in Table 15. The most frequent secondary basis was sex/gender (four cases) and national origin (three cases).

There were often multiple issues with each filed complaint. The most frequent issues included were:

- Discriminatory refusal to rent (22% of issues)
- Discriminatory advertising, statements, notices (17% of issues)
- Failure to make reasonable accommodation (20% of issues)
- Discriminatory terms, conditions, privileges or services/facilities (13% of issues)

**Table 16: Complaints Filed with HUD**

<b>Basis</b>	<b>Percent</b>
Disability	57%
Family status	23%
Race	11%
National origin	7%
Other	2%

Source: HUD

Nineteen of the complaints were still open as of this writing. Of the closed complaints, the majority (58%) were successfully conciliated or settled, 33% were determined to have no cause and the remaining complaints were withdrawn for other reasons.

**Fair Housing Complaints Filed with the Washington State Human Rights Commission**

Eight complaints with Spokane shown as the violation city were filed with the Washington State Human Rights Commission between 2009 and the fall of 2014. These were complaints that were not jointly filed with HUD. The bases were: marital status (four cases), veteran status (two cases), family status (one case), and sexual orientation/gender identify (one case). Three of the cases were still pending as of this writing and the remaining cases were closed: no jurisdiction (three cases) and no reasonable cause (two cases).

**NWFHA Testing**

Testing refers to the use of individuals who, without a bona fide intent to rent or purchase a home, apartment, or other dwelling, pose as prospective renters or purchasers to obtain information for the purpose of evaluating the compliance of housing providers with fair housing laws. Fair housing testing utilizes rigorous protocols to ensure that any discrepancies identified in the course of testing can be attributed to differential treatment. The Northwest Fair Housing Alliance is the primary agency that conducts testing in Eastern Washington. The majority of fair housing testing is audit-based and funded by HUD for the purposes of surveying the housing market to monitor fair housing compliance.

The NWFHA reports on testing annually, which include tests performed in the City of Spokane. However, data unique to Spokane were not available for this analysis. Testing, whether audit or complaint-based

and whether by phone or on-site, repeatedly points to discrimination in housing choice. In the most recent year (March 2013-March 2014), for example, 18% of on-site rental tests showed differences between protected classes or discrimination. Phone testing results during the same period were similar – 24% of calls indicated differences or discrimination. On-site testing for accessibility found 30% of units with at least minor violations. While the tests were conducted throughout the 17-county catchment area in eastern and central Washington, the results can reasonably be attributed at least in part to the City of Spokane.

The *City of Spokane Analysis of Impediments to Fair Housing Choice 2008* was prepared by the NWFHA. That analysis provided testing results specific to the City. Results from that AI are incorporated here. Testing conclusions in the 2008 AI were that audit-based testing revealed disparate treatment of protected classes, with the highest rates of discrimination occurring against families (62%) and individuals with disabilities (33%), followed by race (11%) and Hispanic national origin (9%). Appropriately, the AI advised continued funding for fair housing services including education and enforcement.

### **NWFHA Fair Lending Investigation 2011-2013**

The Northwest Fair Housing Alliance received HUD grant funding for activities focused on lending practices in eastern and central Washington with a particular emphasis on immigrants, persons with disabilities, pregnant women and minority races. Over the course of the grant, NWFHA completed 55 paired on-site fair lending tests, 43 email policy tests and 47 phone mortgage modification scam tests. These included 15 lending site tests and 19 lending email tests in Spokane County. Results by county were not provided, but overall the findings demonstrated unfair lending practices. Of the 55 lending site tests, 44% showed clear differences, discriminatory policy or MARS (Mortgage Assistance Relief Services) violations. Of the 43 email lending tests, 19% showed clear differences, discriminatory policy or MARS violations. Of the 47 mortgage scam tests 77% showed clear differences, discriminatory policy or MARS violations.

### **Home Mortgage Disclosure Act Data**

Lending policies and requirements related to credit history, current credit rating, employment history, and general character of applicants permit lenders to use a great deal of discretion and in the process deny loans even though the prospective borrower would have been an acceptable risk. In October 1992, the Federal Reserve Bank of Boston released a study of 131 Boston area lenders that shows that the subjectivity built into the loan process is a principal cause of discrimination in lending.

Home Mortgage Disclosure Act, or HMDA, data consist of information about mortgage loan applications for financial institutions, savings banks, credit unions and some mortgage companies. The data contain information about the location, dollar amount, and types of loans made, as well as race/ethnicity, income, and credit characteristics of loan applicants. The data are available for home purchases, loan refinances, and home improvement loans. HMDA data can provide a picture of how different applicants

fare in the mortgage lending process. These data can be used to identify areas of potential concern that may warrant further investigations.

The Federal Reserve is the primary regulator of compliance with fair lending regulations. When federal regulators examine financial institutions, they use HMDA data to determine if applicants of a certain gender, race or ethnicity are rejected at statistically significant higher rates than applicants with other characteristics. The Federal Reserve uses a combination of sophisticated statistical modeling and loan file sampling and review to detect lending discrimination.

Financial institutions are required to report HMDA data if they have assets of more than \$32 million, have a branch office in a metropolitan area, and originated at least one home purchase or refinance loan in the reporting calendar year. Mortgage companies are required to report HMDA data if they are for-profit institutions, had home purchase loan originations exceeding 10% of all loan obligations in the past year, are located in an MSA (or originated five or more home purchase loans in an MSA) and either had more than \$10 million in assets or made at least 100 home purchase or refinance loans in the calendar year.

This section presents HMDA data for 151 lending institutions (banks, savings banks, credit unions) with a home or branch office in the Spokane MSA/MD and 209 lending institutions with no home or branch office in the Spokane MSA/MD, all of which reported data for Spokane.

**Table 17: 2012 Home Mortgage Disclosure Act (HMDA) Aggregate Report Spokane MSA/MD**

Applications	FHA, FSA/RHS, VA			Conventional			Refinance		
	N	Orig.*	Denied	N	Orig.*	Denied	N	Orig.*	Denied
All applications	2,521	76%	10%	3,427	74%	10%	19,974	61%	17%
Race/ethnicity of applicants									
White	2,122	77%	10%	2,932	74%	9%	16,176	63%	16%
White, non-Hispanic	2,046	77%	9%	2,822	75%	9%	15,575	63%	16%
Income of applicants									
<50% of median	428	67%	18%	365	64%	19%	1,603	51%	29%
50-79% of median	842	76%	10%	705	70%	13%	3,372	58%	20%
80-99% of median	431	78%	9%	399	76%	10%	2,258	58%	18%
100-119% of median	281	80%	7%	372	73%	10%	2,219	62%	16%
120% or more of median	524	81%	8%	1,541	77%	7%	7,885	62%	15%

Notes: MSA/MD is Metropolitan Statistical Area/Metropolitan Division includes Spokane County. FSA/RHS is Farm Service Agency/Rural Housing Services. \*Applications accepted and resulting in origination of a loan. There were also applications that were denied (shown) and approved by not accepted by the applicant, withdrawn, or closed for incompleteness.

Source: FFIEC. (2012). *2012 Home Mortgage Disclosure Report, Aggregate Report.* ([www.ffiec.gov](http://www.ffiec.gov))

Table 17 shows the disposition of applications made in 2012 for FHA, FSA/RHS, VA, conventional and refinance loans (1-4 units and manufactured homes). Loans were originated for 76% of applications for FHA, FSA/RHA and VA loans, with 10% denied. Loans were originated for 74% of conventional loans, with 10% denied. By far the most numerous applications were for refinance loans (almost 20,000 applications). Of refinance loan applications, 61% resulted in loan originations and 17% were denied.

Information on race and ethnicity were collected in most applications, but not all, and with varying reliability. Regardless, the numbers of non-white and/or Hispanic applicants was small. The number of applications with missing data on race and ethnicity was considerably higher than any one race or ethnicity, even in the more numerous “refinance” category of loan application. For example, race was unknown on 2,962 applications (of the total of 19,974 applications) and the next highest category on race was Asian, with 212 applications. Because of this uncertainty on race and ethnicity of the applicants, only White and White, non-Hispanic categories are compared to overall results in Table 16. There was little variation in loan originations and denials.

Loan applications made by higher income households more frequently resulted in originated loans and less frequently in denied applications, which is not surprising. A lower percent of refinance applications resulted in originations than was true of other types of loans shown. Just over half (51%) of applications by households with incomes below 50% of area median resulted in a loan origination and 29% were denied. Even at highest income levels (more than 120% of median), less than two-thirds (62%) of applications resulted in a loan origination, and 15% were denied.

There are many reasons that loan approval rates may vary for applicants – credit ratings, net worth, and income to debt ratios play a large role in the decision to deny or approve a loan. Because of the small sample of minority applicants included in the Spokane HMDA data, it is difficult to assess the presence of discrimination by race or ethnicity. In addition, the HMDA data do not capture the effects of protected classes being intimidated by or unknowledgeable about the loan application process (and, therefore, not attempting to get a loan).

### **Community Perception of Housing Discrimination in Spokane**

Preparation of the 2008 AI by NWFHA included a community survey which was mailed and emailed to housing providers, social services agencies, and mortgage lending companies in Spokane. While results from the survey cannot be generalized to all Spokane residents, responses were informative, especially since most of the returned surveys were completed by agencies working with lower-income people and populations likely to experience discrimination.

Responses indicated an awareness of fair housing laws and issues, but there were self-acknowledged gaps in understanding. Most respondents felt there was discrimination in Spokane particularly in rentals. Among causes of discrimination identified were prejudice and ignorance. Not surprisingly, given that many of the respondents were from nonprofit organizations or other services providers, several additional barriers to obtaining housing were noted including landlords failing to accept Section 8 vouchers, poor credit or rent history, lack of money for deposits, and lack of rental assistance.

### **Public Policies in Relation to Housing Choice and Accessibility**

(This section was drawn from the 2008 AI, which analyzed policies in the most recent Comprehensive Plan.) Actions or omissions in the public sector (including public housing, community development,



transportation, and community services) may affect housing choice. (See appendix for detailed discussion on public policies and recommendations contained in the 2008 AI.)

### ***Group Homes***

Local government policies that limit or exclude housing facilities for persons with disabilities or housing for homeless people from certain residential areas may violate the provisions of the Fair Housing Act because they may indirectly discriminate against persons with disabilities and minorities.

It is important that local zoning ordinances provide for unrelated individuals with disabilities to live together in group homes. Spokane's Municipal Code allows such group homes as a "residential housing living" use when needed as a reasonable accommodation. "Group Living" is allowed in all of Spokane's residential zones and is characterized by the residential occupancy of a structure by a group of people who do not meet the definition of Residential Household Living.

### ***Conversion and Gentrification Resulting in Loss of Affordable Housing***

Many low-income apartment buildings in Spokane, including the Otis Hotel, Commercial Building, and New Madison, have been sold, vacated, and are being redeveloped into condominiums or high-end apartments, especially in the downtown corridor. This trend is leading to an increase in rent downtown and lower availability of affordable apartments. Relocated tenants created increased demand in other areas of the City, some in locations further away from centralized health and social services. In addition to loss of units, relocation is an added burden on vulnerable households and public policies should be in place to mitigate that burden. (Note that the tenants of the redeveloped downtown buildings referenced above were successfully relocated.)

### ***Considerations for the Jurisdiction***

- Research and explore the development of an ordinance to provide appropriate protections to low-income households, and requiring property owners to provide a portion of reasonable relocation assistance to low-income tenants upon the demolition, substantial rehabilitation, or change of use of residential property, or upon the removal of use restrictions in an assisted-housing development.
- Adopt policies and procedures that promote the placement of new or rehabilitated housing for lower-income households (including minorities, families with children, and persons with physical or other disabilities) in a wide spectrum of neighborhoods.
- Ensure that zoning ordinances permit medium- and high-density residential development on existing vacant land.
- Ensure that requirements for minimum street frontage, front yard setbacks, side yard dimensions, or amenities (e.g., landscaping or air conditioning), or for offsite improvements such as restrictions on the level of density that is possible for new housing development do not limit affordability to higher-income households

- Adopt incentives to promote mixed-income housing development, such as increasing the number of new units that can be built in a given development in exchange for dedication of a certain percent of the units for low and moderate-income households
- Use a transfer tax on the sale of property, or establish another dedicated revenue source or sources tied to development of higher-income housing or commercial property to raise funds for lower-income housing construction or rehabilitation.
- Initiate or broaden property tax relief provisions in the local tax code as a means of preserving lower-income homeownership opportunities, especially if such provisions would be beneficial to minority households, elderly households, or households with one or more members who are disabled.
- Develop resources through community levies or passage of bond legislation for development or rehabilitation of housing affordable to low and moderate income households.
- Ensure that City housing development policies provide for inclusionary zoning. (Note: inclusionary zoning is a policy requiring or encouraging developers to include a minimum percentage of affordable housing with new developments.)
- Fund support services to assist displaced low-income tenants, especially individuals with disabilities.
- Provide fair housing training for landlords, especially regarding reasonable accommodations and support animals.

### ***Accessibility and Visitability***

Inaccessible properties limit housing choices for individuals with disabilities who may be discouraged from applying to rent a unit, may not have full use of the unit, or may have to endure minor to major inconveniences that other tenants do not. (Note that “visitability” is voluntary standard promoted by HUD in new construction and existing properties allowing easier access residents and visitors with and without disabilities.) To address these concerns, the federal Fair Housing Act requires that multifamily dwelling complexes with four or more dwelling units constructed for first occupancy on or after March 1991 comply with accessibility requirements.

There has been significant litigation in Spokane in the past involving the Fair Housing Act accessibility requirements. Apartment complexes are still being built in Spokane that are out of conformance with the law. Some developers, architects, and building contractors profess ignorance or confusion about what the Fair Housing Act requires and when it applies. Housing developers cite reliance upon approval of City officials of building plans. The Fair Housing Act itself does not require local governments to ensure compliance with the federal law. However, it is the policy of HUD to encourage States and units of general local government to include, in their existing procedures for the review and approval of newly constructed covered multifamily dwellings, determinations as to whether the design and construction of such dwellings are consistent with the FHA design and construction requirements.

### *Considerations for the Jurisdiction*

- Provide training about the FHA design and construction accessibility requirements for architects, real estate developers, as well as local government officials and staff who approve multifamily construction projects.
- Increase housing choice for tenants with disabilities by conducting an inventory of accessible units, evaluating the need for specific accessibility features in units, and developing recommendations to increase marketing of accessible units to disabled renters.

## **FAIR HOUSING PROGRAMS AND ACTIVITIES IN SPOKANE**

### **Fair Housing Enforcement**

#### ***Northwest Fair Housing Alliance (NWFHA)***

NWFHA is a private nonprofit fair housing organization with a mission to eliminate housing discrimination and ensure equal housing opportunity for the people of Washington State through education, counseling and advocacy. Based in Spokane, NWFHA is the only nonprofit fair housing agency serving eastern and central Washington. NWFHA provides intake and investigation for housing discrimination claims, conducts testing, and offers education and outreach programs.

NWFHA is a HUD-designated Qualified Fair Housing Organization and assists residents with the investigation and filing of fair housing complaints. NWFHA provides fair housing training for landlords, professional property management companies, housing authorities, professional associations, attorneys, government officials, tenants, and social service agencies.

#### ***Spokane Human Rights Commission (SHRC)***

The Spokane Human Rights Commission (SHRC) was established by the Spokane City Council to promote and secure mutual understanding and respect among all people regardless of race, color, sex, ancestry, gender, religion, affectional/sexual orientation, age, disability, familial/marital status, economic status or political affiliation. The SHRC mission is to help groups and individuals work out differences in cases of alleged discrimination, work with organizations, groups and leaders encouraging them to be advocates for eliminating discrimination and improving human relations, and to conduct programs in the community which increase respect for all people.

Although the SHRC has authority to investigate housing discrimination complaints filed with the Commission, it does not have authority to take any binding legal action based on its findings. Instead, it can only refer complaints to the Spokane Prosecuting Attorney to pursue as infractions in Municipal Court. Based on this lack of enforcement authority, few complainants file with the SHRC. Instead, most fair housing complaints in the City of Spokane are filed with HUD and the WSHRC.

### ***Washington State Human Rights Commission (WSHRC)***

The WSHRC administers the State law prohibiting discrimination in employment, credit, and insurance transactions, public accommodations, and real property transactions against the federally protected classes and on the basis of marital status, sexual orientation, and veteran status. The duties of WSHRC include processing complaints, establishing regulations, conducting studies, and providing educational and consulting services.

The WSHRC has a cooperative agreement with HUD to process and investigate dual-filed housing complaints for which the Commission receives federal funding under the Fair Housing Assistance Program (FHAP). The Commission is a FHAP agency because Washington's law is substantially equivalent to the federal Fair Housing Act. Most of the Commission's housing cases are dual-filed with HUD; however, in some instances, the state fair housing law is more expansive than the federal fair housing law and the Commission will prepare a complaint with Commission jurisdiction only.

### ***U.S. Department of Housing & Urban Development (HUD)***

Nationally, the HUD Office of Fair Housing and Equal Opportunity (FHEO) administers federal laws and establishes national policies that make sure all Americans have equal access to the housing of their choice. Activities include implementing and enforcing the Fair Housing Act and other civil rights laws.

In addition, FHEO manages fair housing grants (Fair Housing Assistance Program and Fair Housing Initiatives Program). Among other responsibilities FHEO proposes fair housing legislation; works with other government agencies on fair housing issues; and, works with private industry, fair-housing and community advocates on the promotion of voluntary fair housing compliance.

### **Informational Programs**

All jurisdictions should conduct fair housing education and outreach activities. These activities should address the lack of knowledge in the general public, government officials and community leaders about actions constituting discriminatory behavior, fair housing laws, and fair housing objectives. Education and outreach activities are conducted in Spokane by the City, NWFHA and other partners.

### ***City of Spokane***

The Community Housing and Human Services (CHHS) Board was established in 2012 and the Affordable Housing Subcommittee guide activities related to overcoming impediments to fair housing choice. One of the goals of the Affordable Housing Subcommittee is to see that Spokane's low and moderate income households, persons with disabilities and minority populations have equal and fair access to affordable housing of their choice and that Spokane's property owners receive education and information regarding Fair Housing laws through a variety of educational methods. The CHHS Board (and the Community Development Board before 2012) has recommended, and the City Council has continued to fund, annual allocations of CDBG funds to address fair housing matters.

Fair housing education and outreach activities conducted by the City of Spokane include:

- Creation of a community education video that continues to be aired in Spokane
- Participation in a media campaign during Fair Housing Month
- Co-sponsorship of the annual Fair Housing Conference
- Partnership in hosting an annual Spokane Landlord Fair
- Assistance in creating a fair housing newsletter through TheRentalDirectory.com
- Assistance with training workshops, including curriculum design

#### *Considerations for the Jurisdiction*

- Implement specific fair housing information programs for officials and employees having duties that impact on fair housing such as developing zoning policies, planning assisted housing, and community and economic development activities.
- Develop new outreach, education, or information programs and activities to promote housing opportunities for particular segments of the community (such as racial or ethnic minority groups or persons with disabilities).
- Expand fair housing activities beyond National Fair Housing Month (April), to include a comprehensive set of activities throughout the calendar year.

#### **Northwest Fair Housing Alliance**

NWFHA has a record of providing comprehensive fair housing training for landlords, professional property management companies, housing authorities, professional associations, attorneys, government officials, tenants, and social service agencies. NWFHA also contracts with property management companies to conduct self-audit testing to ensure compliance with fair housing laws.

## **CONCLUSIONS**

To assist the City of Spokane in ensuring fair housing protection, the following impediments to fair housing choice and areas of concern in Spokane have been identified. In addition to broad recommendations below, see the appendix for a detailed list of considerations for actions contained in the *City of Spokane Analysis of Impediments to Fair Housing Choice 2008*. While some of the considerations in the appendix may be outside the scope of this updated Analysis of Impediments, they are based on a careful analysis of policies that could improve housing choice, particularly in implementation of a regional plan to Affirmatively Further Fair Housing (AFFH).

#### **Impediments, Concerns and Recommendations for City of Spokane**

##### ***Impediment 1: Renters have reduced housing choice because of discriminatory practices.***

Audit-based testing conducted in Spokane consistently reveals disparate treatment of protected classes, with the highest rates of discrimination occurring against families and individuals with disabilities, followed by race and Hispanic national origin. This finding is supported by complaints filed with HUD and

the Washington State Human Rights Commission, and by reports of discrimination in the survey conducted for the 2008 Analysis of Impediments and outreach conducted in preparation of this update and the Consolidated Plan (2015-2019).

***Impediment 2: Persons with disabilities have reduced housing choice due to a lack of accessible units.***

There is evidence that multifamily apartment complexes with four or more dwelling units constructed after March 1991 continue to be built without compliance with the Fair Housing Act's design and construction requirements for accessibility. According to estimates from the 2008-2012 American Community Survey, 13% of Spokane residents between the ages of 18 and 64 and 41% of residents 65 and older had a disability. Ambulatory disability was most frequent – 49% of persons aged 18-64 with a disability and 62% of persons aged 65 and older with a disability had serious difficulty walking or climbing stairs.

***Impediment 3: Housing choice is limited for buyers who experience discriminatory lending practices.***

Fair lending testing from 2011 to 2013 by the Northwest Fair Housing Alliance identified unfair lending practices in eastern and central Washington, including in Spokane. Complaints filed with HUD, some as a result of testing, support this conclusion.

**Areas of Concern**

***Concern 1: Minorities and other protected classes have reduced housing choice when locational options are limited.***

This concern (in part drawn from the 2008 AI) addresses two issues. First, disproportionate occupation of publicly-assisted units by people of race, ethnicity, or country of origin when that is the result of steering and not of choice is a potential concern. Second, concentration of poverty or racial and ethnic minorities that results from a concentration of publicly-assisted housing may reduce opportunities for residents and is a potential concern.

***Concern 2: Renters may have reduced choice because of landlord reluctance to accept applicants with negative histories or federal subsidies.***

Some landlords are not willing to accept Section 8 Vouchers, to work with tenants who have barriers because of poor rental histories, past convictions and other problems. While not discriminatory in itself, persons with multiple barriers may also be members of protected classes. Housing choice would increase with recruitment of landlords and the provision of incentives, if practicable. Screening practices, especially with current ease of access to information, put some housing applicants at disadvantage.

***Concern 3: Loss of affordable units because of gentrification, condominium conversion and redevelopment reduces choice and access to opportunities.***

Maintaining and increasing affordable housing throughout the City will reduce concentrations of poverty and access to opportunities. This concern is both about preserving existing affordability and introducing new affordable options and opportunities equally in neighborhoods.

## **Recommendations**

### ***Recommendation 1: Continue to support education and access to fair housing information***

Work with regional partners to continue to provide education for consumers, advocates, housing providers, landlords, lenders, realtors and policy makers about fair housing. Support educational efforts designed to increase protected classes' understanding of and access to mortgage financing, such as, pre-purchase counseling, minority outreach, cultural sensitivity training, and down payment assistance programs. Continue and expand fair housing promotion and outreach efforts to protected classes, minorities and minority organizations, media, the legal profession, and the police and sheriffs' departments. Continue to work with partners to translate or provide interpretation so education and materials can be understood.

### ***Recommendation 2: Promote cultural awareness and recruit representatives from protected classes for oversight committees.***

Survey results and interviews conducted for this updated AI indicated that members of protected classes may miss housing and other opportunities because of reluctance and misunderstandings that could be overcome with a more participatory approach. Their perspective should be considered when proposing solutions and a component of the decision-making process.

### ***Recommendation 3: Continue to support and publicize enforcement efforts and findings***

Support for enforcement includes testing as a critical first step – both audit and complaint-based testing. The survey conducted as part of the 2008 AI, and interviews conducted for this update and the Consolidated Plan 2015-2019 support the finding that discrimination continues to occur, either because of ignorance or purposeful actions. It is appropriate to raise the expectation of fair housing and housing choice for consumers and providers alike.

### ***Recommendation 4: Continue to promote affordable housing by encouraging collaboration of funders, developers and providers of affordable housing to break silos and make the best use of limited assets.***

This recommendation arises from discussions about housing needs. Lack of affordable housing has been identified as a priority need along with the lack of subsidy supports for the lowest income households. Lack of housing choice places a disproportionate burden on the lowest-income populations including families with children, people with disabilities (mental and physical disabilities) and other vulnerable populations.