

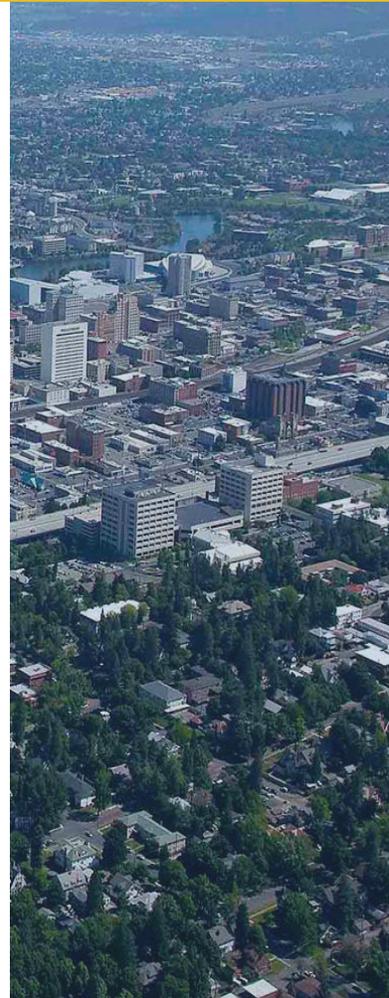


HOUSING ACTION PLAN

Adopted by City Council • July 26, 2021

HOUSING OPTIONS FOR ALL

Prepared by the City of Spokane



ACKNOWLEDGEMENTS

The Housing Action Plan was developed through the collaborative efforts of community members and organizations, stakeholders, agency partners and the City of Spokane. We are grateful to the numerous community members, numerous City staff, and elected officials, and community members who participated in this process and provided feedback to shape the plan.

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Housing Action Plan Working Group

The City convened a Housing Action Plan Working Group to provide guidance on existing housing challenges, provide input and feedback on direction, and review potential strategies and actions. The Working Group included community members, community group representatives, local builders and real estate professionals, local religious groups/faith-based organizations, and local and regional agency partners. Over the course of four Working Group meetings, four roundtables, and conversations throughout 10 months, the Housing Action Plan benefitted from their input and perspectives. The Working Group included community members and representatives from the following:

- 4 Degrees Real Estate
- Bernadette Pillar Real Estate
- Bethel AME Church
- Better Health Together
- Building Industry Association of WA
- Carl Maxey Center
- Catholic Charities
- City of Spokane CHHS Board
- City of Spokane City Council
- City of Spokane City Council Policy Staff
- City of Spokane Mayor's Office
- City of Spokane Human Rights Commission
- City of Spokane Plan Commission
- City of Spokane Staff
- City of Spokane Sustainability Action Subcommittee
- Community Assembly
- Community Frameworks
- Craft3
- D.R. Horton
- Disability Action Center NW
- Disability Rights Washington
- DMC Properties
- Downtown Spokane Partnership
- Empire Health Foundation
- Faith Representatives
- First Presbyterian Church
- Goodale & Barbieri
- Greenstone
- Habitat for Humanity
- Hispanic Business Professional Association
- Inland Empire Residential Resources
- Inland Construction Group
- InterUrban Development
- Jesus Is The Answer City Church
- Kiemle & Hagood
- Landlord Association of INW
- Latinos en Spokane
- Liberty Park Kids
- Morning Star Baptist Church
- Mujeres in Action
- NAACP
- NAC Architecture
- Northwest Fair Housing Alliance
- PEER Homes SPS
- SNAP WA
- Spokane Active Transportation
- Spokane Alliance
- Spokane Association of REALTORS
- Spokane County
- Spokane Home Builders Association
- Spokane Housing Authority
- Spokane Housing Ventures
- Spokane Indian Housing Authority
- Spokane Low Income Housing Consortium
- Spokane Public Schools
- Spokane Regional Health District
- Spokane Tenants Union
- Spokane Transit Authority
- Spokane Urban Ministries
- The Native Project
- The ZoNE Project
- Transitions
- United Way
- University District PDA
- Volunteers of America Eastern Washington
- WA Dept. of Commerce
- World Relief
- WA Dept. of Transportation
- YWCA
- ZBA Architecture

Executive Summary

Overview

The City of Spokane has prepared this Housing Action Plan (the HAP), with the support of Washington Department of Commerce guidance and grant funding, to help identify actions that the city can consider to help increase housing options that create more homes for more people. The purpose of the HAP is to consider actions that will promote greater housing diversity, affordability, and access to opportunity for residents of all income levels in Spokane.

The HAP follows a data-driven, community-informed approach, seeking a focus on equity, to understand the current state of housing needs, identify trends, and develop strategies which can address the need for more housing for all types. This plan presents strategies that have been identified as potential actions to encourage the construction of additional affordable and market-rate housing that meets Spokane's current and future housing needs. The HAP can also guide implementation of Comprehensive Plan policies by identifying strategies and gaps to further encourage housing development to meet our housing goals and policies.

Key Project Components

The Housing Needs Assessment gathered data to support informed decision-making about strategies and actions that can result in the kinds of housing that are needed the most. Outreach and engagement undertaken during the preparation of the HAP included coordination with residents, partners, and City leaders to understand housing preferences, barriers, gaps, and solutions. Additional activities used to inform the Housing Action Plan include: a review of the City's local policy framework; a survey to better understanding barriers to accessing housing and homeownership; a survey of builders and developers; and a mapping exercise to identify locations within the community where people live that may be at risk of displacement.

Additional Project Components:

Appendix A: City Council Implementation Plan

Appendix B: Housing Needs Assessment & Methodology

Appendix C: Additional Data Analysis

Appendix D: Housing Policy Framework

Appendix E: Summary of Community Engagement

Appendix F: Displacement Risk Assessment

Appendix G: Proposed Monitoring Program

Appendix H: Glossary of Terms

Priorities

The Housing Action Plan identifies actions that the City of Spokane and community partners can take to promote efforts to create and preserve housing that is affordable for all in the community. The City of Spokane has outlined four priorities. The plan also presents strategies and potential to assist with the development of more housing for Spokane. These priorities and strategies are not ranked, some are more short term and some longer term, some the City can undertake, and many require partnerships. The strategies identified in the Housing Action Plan are recommendations, and if each action is undertaken, it will be subject to its own public process of review and adoption. Further engagement, discussion, and consensus will be needed to identify which actions to pursue first, which can wait for additional resources, and which are less urgent but still important in the long-term. Additionally, the City should define and analyze the impact of strategies on increasing housing supply, options, and affordability.

A. Increase housing supply, options, and affordability for all incomes.

This looks at strategies to support the availability of housing options and encourage the construction of both affordable and market-rate housing.

B. Preserve housing affordability and quality to help people thrive where they live. This priority highlights the connections between housing affordability and quality to preserve and enhance existing housing throughout Spokane and support residents in every neighborhood.

C. Enhance equitable access to housing and homeownership. This priority seeks to understand and consider the historic context that have contributed to patterns of inequity and encourage the City to break down barriers to accessing housing.

D. Leverage and grow partnerships to support housing initiatives across the region. This priority encourages local and regional partnerships to tackle the full scale of housing challenges faced by the community, and across the greater region.

City Council Implementation Plan

The Spokane City Council adopted the Housing Action Plan on July 26, 2021 (Resolution No. 2021-0062). Upon adoption, the City Council added an Implementation Plan as Appendix A that seeks to transform potential steps listed in the HAP into a commitment for action. The Implementation Plan outlines Council's intentions to move forward with an understanding of a current critical shortage of residential housing within the City of Spokane and adjoining jurisdictions throughout Spokane County. The language in Appendix A supersedes any contrary language in the HAP.

Table of Contents

- Acknowledgements..... ii
- Executive Summary iv
 - Overview..... iv
 - Key Project Components iv
 - Priorities v
- 1. INTRODUCTION 1
 - 1.1 Purpose and Project Approach 1
 - 1.2. Background and Foundation of the Housing Action Plan 3
- 2. HOUSING NEEDS AND FINDINGS 10
 - 2.1. Summary of the Housing Needs Assessment and Additional Data Research 10
 - 2.2. Community Engagement..... 14
 - 2.3. Displacement Risk Assessment..... 16
- 3. HOUSING PRIORITIES AND STRATEGIES 19
 - A. Increase housing supply, options, and affordability for all incomes..... 20
 - B. Preserve existing housing affordability and quality to help people thrive where they live. 36
 - C. Enhance equitable access to housing and homeownership..... 44
 - D. Leverage and grow partnerships to support housing initiatives across the region..... 50
- 4. IMPLEMENTATION AND MONITORING 54
 - 4.1. Implementation Matrix 54
 - 4.2. Monitoring Program 55
- 5. APPENDICES 58



1. INTRODUCTION

1.1 Purpose and Project Approach

Housing impacts everyone. The communities and neighborhoods where people and families live shape their lives and health in important ways. Today, the City of Spokane is facing growing housing challenges that include low vacancy and increasing housing prices. Housing affordability is critical for all residents to thrive and is the foundation of a vibrant and resilient Spokane.

When people are able to secure a safe, stable, and affordable home that meets their needs, they are able to better focus on achieving life goals without difficult tradeoffs. Everyone should have the opportunity to live in a safe and, decent quality, affordable home. However, this is not always the case.

The City of Spokane has prepared this Housing Action Plan (the **HAP**), with the support of Washington Department of Commerce guidance and grant funding, to help identify actions that the city can consider to help increase housing options that create more homes for more people. The purpose of the HAP is to consider actions that will promote greater housing diversity, affordability, and access to opportunity for residents of all income levels in Spokane. The HAP provides guidance for City staff, elected officials, and decision-makers to encourage the construction of additional affordable and market-rate housing that meets Spokane's current and future housing needs.

This plan presents strategies that have been identified as potential actions to assist with the development of more housing for Spokane, but it is important to note that if and when each action is undertaken, it will be subject to its own public process of review and adoption.

Project Approach

The HAP follows a data-driven, community-informed approach, seeking a focus on equity, to understand the current state of housing needs, identify trends, and develop strategies which can address the need for more housing for all types. Prior to the preparation of the HAP, a Housing Needs Assessment was conducted by ECONorthwest, a consulting firm specializing in economics, finance, and planning, under contract with the City of Spokane and is included in this report as Appendix B. The Housing Needs Assessment gathered data to support informed decision-making about strategies and actions that can result in the kinds of housing that are needed the most. The HAP is also informed by numerous other data sources and public outreach during the past year.

Outreach and engagement undertaken during the preparation of the HAP included coordination with residents, partners, and City leaders to understand housing preferences, barriers, gaps, and solutions. Outreach included repeated consultation with a dedicated

group of community stakeholders and members of the public who served on the HAP Working Group. Despite difficulties resulting from the COVID-19 pandemic, a variety of public involvement techniques were integrated into this process to meet the diverse needs of different stakeholders. Finally, the City created a [project webpage](#) to document the process and keep the project materials and documents available for the community.¹

Engagement activities where community concerns, needs, and ideas were gathered included:

- Stakeholder interviews;
- Housing Action Plan Working Group;
- Roundtable discussions focused on specific topics;
- Housing experiences and issue surveys;
- Housing industry professional survey;
- Presentations to City Council, Commissions, Boards, and Committees; and
- Outreach to citizens through the project website, social media; blog posts, and project updates.

In addition to reviewing the data compiled in the Housing Needs Assessment, the activities used to inform the Housing Action Plan include: a review the City's local policy framework; focused interviews; a survey to better understanding barriers to accessing housing and homeownership; a survey of builders and developers; work with stakeholders that represent impacted populations and understand diverse experiences; a mapping exercise to identify locations within the community where people live that may be at risk of displacement; and an outline of priorities and strategies that the City can undertake to encourage an increase in housing supply and to address equitable outcomes. Equity in housing aims to ensure all people have housing choices that are diverse, high quality, affordable within their income, and with access to opportunities, services, and amenities.

¹ <https://my.spokanecity.org/housing/spokane-housing-action-plan/>

1.2. Background and Foundation of the Housing Action Plan

The City's Role in Housing

Housing affordability is both a local and regional challenge. There are many different factors that influence the housing market, including the financial sector, housing supply, housing demand, resident preferences, and stakeholders and partners. While the City of Spokane plays an important role in setting housing policy, there are limits to the City's ability to influence housing development on its own. Addressing Spokane's housing challenges will require partnerships and support across the community and region. Regardless, there are actions that the City can take to allow, encourage, direct, and support the development of new housing or the preservation of existing stock.

While this document acknowledges the broad scope of the regional housing market, the focus of the plan is on the City of Spokane itself. When discussing Spokane, the plan is referring to the City of Spokane unless otherwise specified.

Creation of the Housing Action Plan

In 2019, the Washington Legislature passed House Bill 1923 to increase residential capacity in cities across Washington (RCW [36.70A.600](#)). As part of a voluntary Growth Management Act program, the City of Spokane received a grant from Washington State Department of Commerce to develop the HAP. The framework for creating the HAP—which was established by the State Legislature and guided by Commerce—included identifying housing needs, analyzing available data, evaluating local policies and ongoing efforts, considering anti-displacement measures, and engaging with community members. While focusing attention, building community support, and promoting accountability for enacting change, the aim of the legislation and the HAP is to:

Quantify existing and projected housing needs for all income levels including documentation of housing and household characteristics.

Develop strategies to increase the supply of housing and the variety of housing types needed to serve the housing needs identified above.

Analyze population and employment trends, with documentation of projections.

Consider strategies to minimize displacement of low-income residents resulting from redevelopment.

Review and evaluate the current Comprehensive Plan housing chapter, adopted pursuant to RCW 36.70A.070, including an evaluation of success in attaining planned housing types and units, achievement of goals and policies, and implementation of the schedule of programs and actions.

Provide for participation and input from community members, community groups, local builders, local realtors, nonprofit housing advocates, and local religious groups.

Include a schedule of programs and actions to implement the recommendations of the HAP.

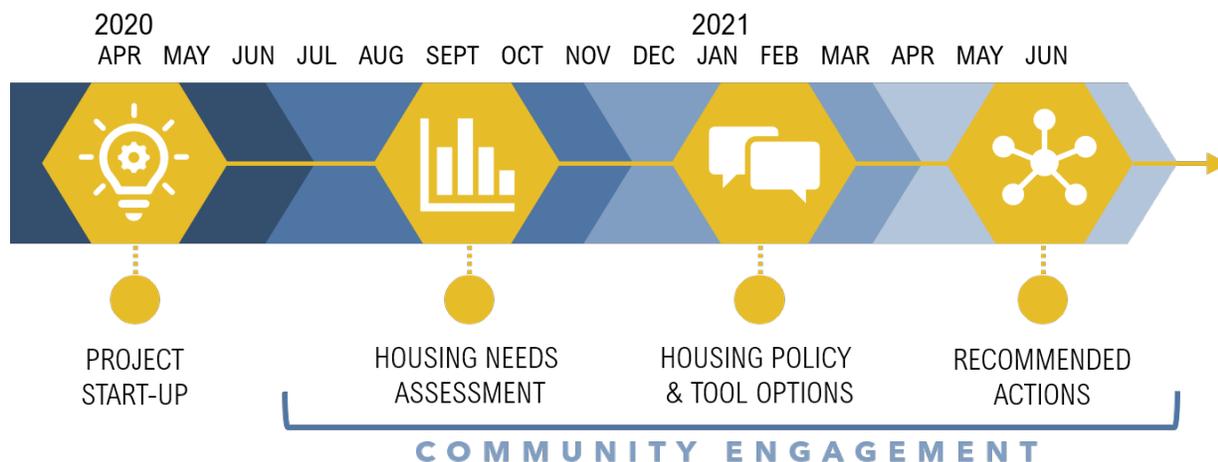


Figure 1. HAP Project Timeline

Consideration of Housing Legislation in Washington

In recent legislative sessions, the Washington Legislature has passed several bills addressing housing issues, including revenue-generating opportunities for local governments, encouraging higher residential densities in urban areas, and tenant protections. This activity signals lawmakers’ continued interest in addressing the problem of housing affordability in Washington State. The Housing Action Plan reflects legislative changes as much as possible, while also acknowledging that future state policy may further direct local actions.

Housing and Land Use Goals in the City’s Comprehensive Plan

As the long-range vision and policy document for the City, the City of Spokane’s Comprehensive Plan is a requirement of the Growth Management Act and provides a framework for the kind of growth and redevelopment that Spokane desires². The HAP can inform housing, land use, and other policies outlined in the Comprehensive Plan. The HAP can also guide implementation of Comprehensive Plan policies by identifying strategies to further encourage housing development to meet our housing goals and policies.

² <https://my.spokanecity.org/shapingspokane/comprehensive-plan/>

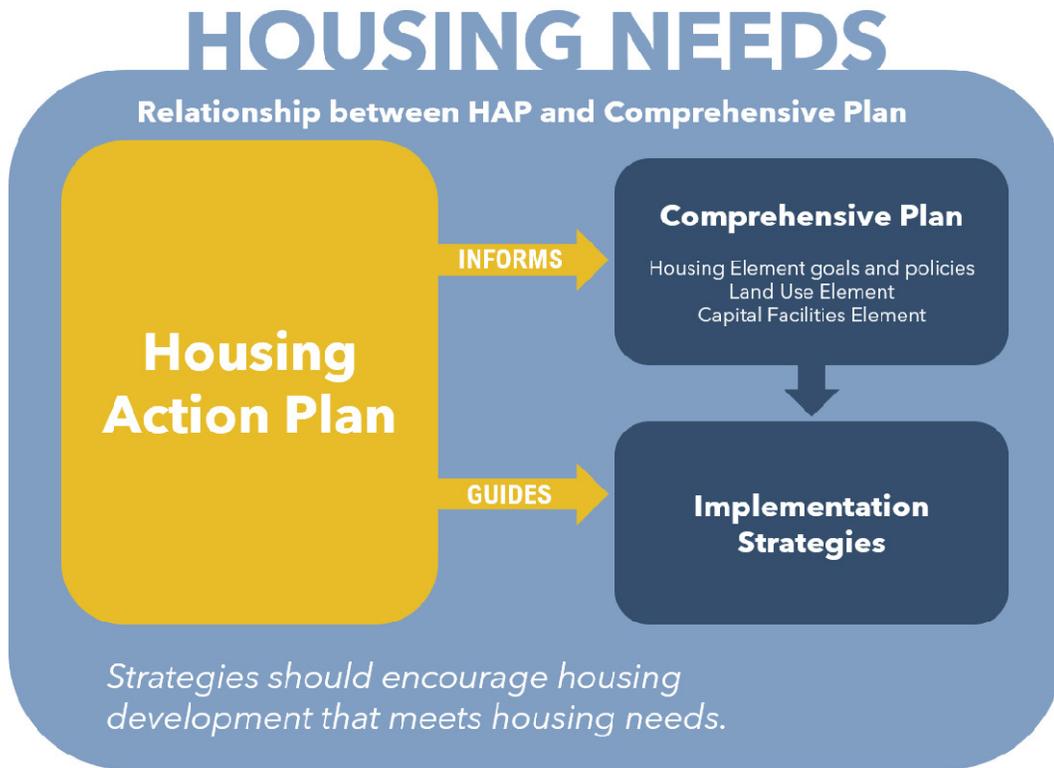
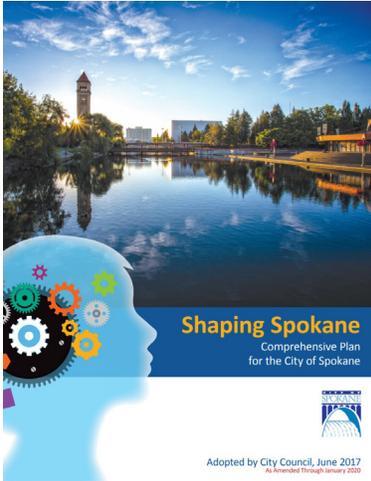


Figure 2. Relationship to the Comprehensive Plan

The Housing Chapter (Chapter 6) of the Comprehensive Plan provides a vision and policy framework for addressing the housing needs and issues of the City. The Housing Chapter includes topics such as affordable housing, the provision of housing choices, and overall housing quality. The chapter outlines the direction the City wishes to pursue to accommodate the housing needs of the population through the year 2037 and beyond. Policies in the chapter recognize the diverse housing needs of the community, including affordability, home ownership, housing types, neighborhood context, and preservation and rehabilitation. The City also considers intrinsically linked policies in all other chapters of the Comprehensive Plan including, Land Use, Capital Facilities, Social Health, Transportation and others.

Comprehensive Plan housing policies are based on the vision and goals adopted in the Housing Chapter:

Comprehensive Plan Housing Vision:



“Affordable housing of all types will be available to all community residents in an environment that is safe, clean, and healthy. Renewed emphasis will be placed on preserving existing houses and rehabilitating older neighborhoods.”

Goal: H 1 Housing Choice and Diversity. Provide opportunities for a variety of housing types that is safe and affordable for all income levels to meet the diverse housing needs of current and future residents.

Goal: H 2 Housing Quality. Improve the overall quality of the City of Spokane’s housing.

In addition to the Housing Chapter, the Land Use Chapter (Chapter 3), lays out a focused growth strategy to accommodate ongoing population and economic growth within the City. According to the Land Use Chapter, more intense residential, commercial, and mixed-use development should be focused within designated Centers and Corridors, in alignment with existing and planned infrastructure, services, and amenities. Additionally, housing development is permitted by the development code in all commercial zones, Center and Corridor zones, and Downtown zones, throughout the City. A more detailed discussion is included in the Housing Policy Framework Review in the Appendix D of the HAP.

Relationship to Past and Ongoing Efforts

The Spokane community has participated in several housing initiatives in recent years, including the infill initiative and studies, housing choice, safe and quality housing, affordable housing construction, and re-housing for those experiencing homelessness. The HAP builds upon these discussions and provides additional recommendations for implementation. These previous studies and initiatives are summarized below.

Figure 3. City of Spokane Previous and Ongoing Housing Initiatives



Infill Housing Zoning Code Update Project: In December of 2008, a representative task force of interested individuals and organizations was formed to look at existing standards to determine if improvements could be made to encourage additional infill opportunities. The group identified a list of work products and created a work program. The Infill Housing Task Force has completed its review of the base zoning code standards. It has also completed a draft code amendment for Pocket Residential Development. Review of draft amendments to the Planned Unit Development (PUD) code have been completed and will be presented to the Plan Commission³.

Infill Housing and Code Changes: In 2016, a subcommittee of the Spokane City Plan Commission engaged a steering committee comprised of 16 developers, design contractors, community representatives, and leaders to ask what changes were needed to encourage high-quality housing and commercial development in appropriate designated areas of Spokane. The study resulted in 24 recommended actions, providing a guide to address residential and commercial development on vacant lots in previously developed areas.⁴ The committee's recommendations were adopted by the City Council in November 2016 (RES 2016-0094). As a continuation of this project, the City adopted municipal code amendments in 2018 and 2019 to increase infill residential development options in Spokane's lower-density residential areas.⁵

Housing Quality Task Force: The City initiated the Housing Quality Task Force under former Mayor David Condon in 2016 to address housing quality and affordability

³ <https://my.spokanecity.org/projects/infill-housing-zoning-code-update-project-2012/>

⁴ <https://static.spokanecity.org/documents/projects/infill-housing-strategies-infill-development/2016-10-06-infill-report-rec-combined.pdf>

⁵ <https://my.spokanecity.org/projects/infill-housing-strategies-infill-development/>

throughout Spokane.⁶ The purpose of the Task Force was to identify recommendations to improve housing in key areas related to housing quality, abandoned homes, and housing affordability. This effort resulted in a list of 19 priority recommendations. The recommendations of the Task Force were recognized by City Council in January 2017 (RES 2017-0009).

Analysis of Impediments: The City of Spokane contracted with the Northwest Fair Housing Alliance to complete an “Analysis of Impediments to Fair Housing Choice” in 2019.⁷ The analysis involved: a comprehensive review of pertinent laws, regulations, and administrative policies, procedures, and practices; an assessment of how those laws and policies affect the location, availability, and accessibility of housing; an assessment of conditions, both public and private, affecting fair housing choice for all protected classes; and the availability of affordable, accessible housing in a range of unit sizes. The analysis identified 10 impediments and recommended actions to help affirmatively further fair housing choice and support affordable housing options. The Impediments to Fair Housing Report was adopted by the Community, Housing, and Human Services (CHHS) Board on February 5, 2020.

HUD Consolidated Plan: The City of Spokane 2020-2024 Consolidated Plan, adopted pursuant to US Department of Housing and Urban Development (HUD) requirements, identifies housing and community development priorities that align and focus funding from federal formula block grant programs.⁸ This includes the Community Development Block Grant (CDBG) Program, the HOME Investment Partnerships (HOME) Program, and the Emergency Solutions Grants (ESG) Program.⁹ These grant programs fund construction of affordable housing units, renovation of existing units, and other measures which increase or maintain residential opportunities for low- and moderate-income households in Spokane.

The HAP also builds on the existing programs and policies that are already in place to support housing through City departments like Planning and Economic Development Services; Neighborhood, Housing and Human Services; and Code Enforcement.

Connection Between Housing Policy and Racial Inequality

As cities across Washington address housing needs and affordability challenges, the Washington Department of Commerce encourages HAPs to proactively address the history of racial and income inequality. The City of Spokane’s Analysis of Impediments to Fair Housing outlined historical practices that created disparities across the City during the last century.¹⁰

⁶ <https://my.spokanecity.org/projects/mayors-housing-quality-task-force/>

⁷ <https://static.spokanecity.org/documents/chhs/plans-reports/planning/draft-analysis-of-impediments-to-fair-housing-2019-11-27.pdf>

⁸ <https://static.spokanecity.org/documents/chhs/plans-reports/planning/july-8-2020-draft-consolidated-plan-public-comment.pdf>

⁹ <https://my.spokanecity.org/chhs/programs/>

¹⁰ <https://static.spokanecity.org/documents/chhs/plans-reports/planning/draft-analysis-of-impediments-to-fair-housing-2019-11-27.pdf>

Throughout the United States, practices such as 'redlining' and restrictive covenants on property have had long-lasting impacts on neighborhoods and homeownership, such as wealth inequality and lower health outcomes¹¹. Zoning that limits housing types or sets large minimum lot size requirements in middle- and upper-income neighborhoods, referred to in some policy discussions as "exclusionary zoning," also has a role in driving up prices and limiting the supply of housing opportunities for lower and moderate income households, many of which include people of color.

11 <https://dsl.richmond.edu/panorama/redlining>

2. HOUSING NEEDS AND FINDINGS

2.1. Summary of the Housing Needs Assessment and Additional Data Research

The Housing Needs Assessment¹² and additional data analysis¹³ help define the range of housing needs by analyzing data that describes the City of Spokane's housing and associated demographic, workforce, and market trends over the past few decades. While the needs assessment focuses on the City of Spokane, it also includes data that shows the larger regional housing market. Based on the City's 20-year growth allocation, the assessment provides an analysis of the forecasted housing needs for Spokane. Each of the key findings described below are discussed in full detail, including graphics for some sections, in the Appendices A and B of the HAP.

Some key findings of the Housing Needs Assessment and additional data analysis are as follows:

The City of Spokane and greater region is seeing steady population and job growth. The City's population has grown by more than 14,000 people from 2010 to 2020. Since 2017, the in-migration in Spokane County has exceeded 5,000 people each year, which refers to the total population change resulting from people moving in or out of the area. Concurrently, jobs in the City of Spokane grew by approximately 4% from 2010 to 2017.

As a result of the City of Spokane's growth allocation and projected growth, at least 6,800 housing units are needed by 2037. Forecasted housing needs are based on the Washington Office of Financial Management (OFM) projected population growth for Spokane County and the population allocation for the City, as adopted by Spokane County.

Overall, these findings indicate increased demand for housing for households in the moderate and middle-income options (80-120% Area Median Income (AMI)), that can mostly be met through single-family attached housing. In addition, demand has increased for 2-bedroom apartments, rentals, and housing for seniors' special needs.

¹² <https://static.spokanecity.org/documents/projects/spokane-housing-action-plan/city-of-spokane-draft-housing-needs-fact-sheet-2020-12-07.pdf>

¹³ <https://static.spokanecity.org/documents/projects/spokane-housing-action-plan/spokane-housing-needs-additional-data-slides-dec-18-2020.pdf>

Housing prices have outpaced household incomes in the City of Spokane and greater Spokane housing market. Pressure on the local Spokane housing market from in-migration is increasing market competition and driving up housing costs further. The City and region are experiencing an influx of new residents coming from areas with higher home prices and generally with a greater amount of housing wealth.¹⁴ Continued low homeowner and low rental vacancy rates are increasing pressure on the housing market and indicate an inadequate supply to satisfy demand, particularly for lower- and moderate-income households.

Changing household characteristics result in changing housing needs. The City's baby boomer and elderly population (65+ years) and millennial population (25-40 years) grew from 2012 to 2018. The Housing Needs Assessment speculated that the projected demographic changes could generate greater demand for smaller sized housing as well as housing with living assistance support.

In 2018, **close to 2 in 5 households** in the City of Spokane spent more than 30% of their income on housing.



Figure 4. Cost Burdened Households in City of Spokane

Nearly 2 in 5 households in the City are cost burdened, including half of all renters. Households are considered cost burdened by HUD when they spend more than 30% of their monthly income on housing costs. Nearly 38,000 households in the City meet or exceed this level, with the highest cost burdens found among lower income households, renters. Cost burdened households often find it harder to afford necessities such as food, clothing, transportation, and medical care, as well monthly housing costs and upkeep.

¹⁴ <https://www.spokesman.com/stories/2020/mar/05/spokane-market-affordability-draws-both-single-and/>

Homeownership is increasingly out of reach for a growing proportion of residents. This has the greatest effect on lower income households and historically has impacted people of color to a greater degree. Homeownership is a key source of wealth creation and housing stability for households in the United States.

Housing within the City of Spokane remains relatively affordable compared to the region and other cities, but many residents now fear being priced out. While housing prices have been outpacing household incomes in Spokane, particularly in recent years, Spokane still has overall lower average housing costs relative to other areas in the regional market like the City of Spokane Valley and Coeur d’Alene. Many stakeholders shared that this could push people farther down the housing ladder and creates conditions of increased displacement, instability, or shuts people out of the market altogether.

Figure 5. Change in Median Home Sales Prices in Region, 2010-2020

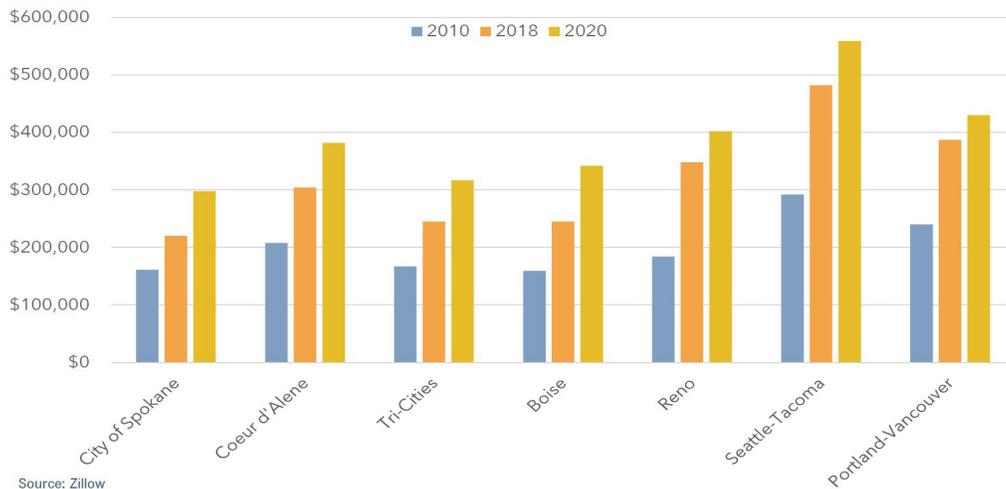
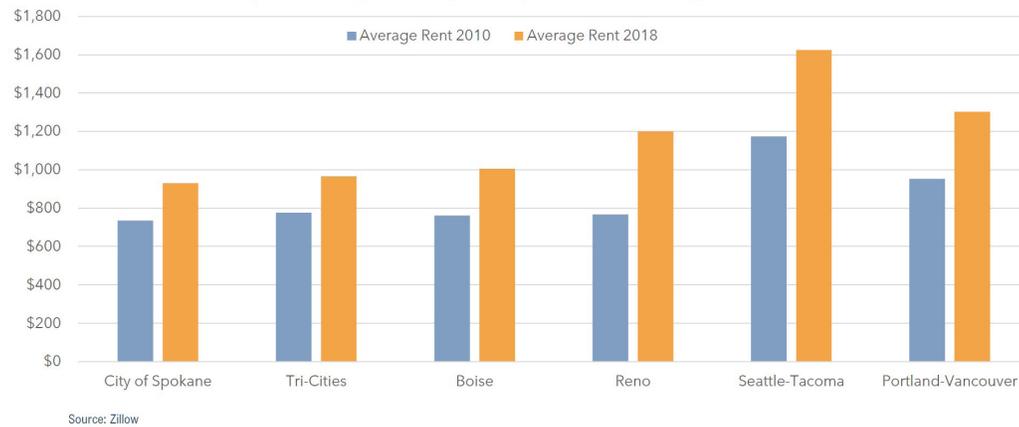
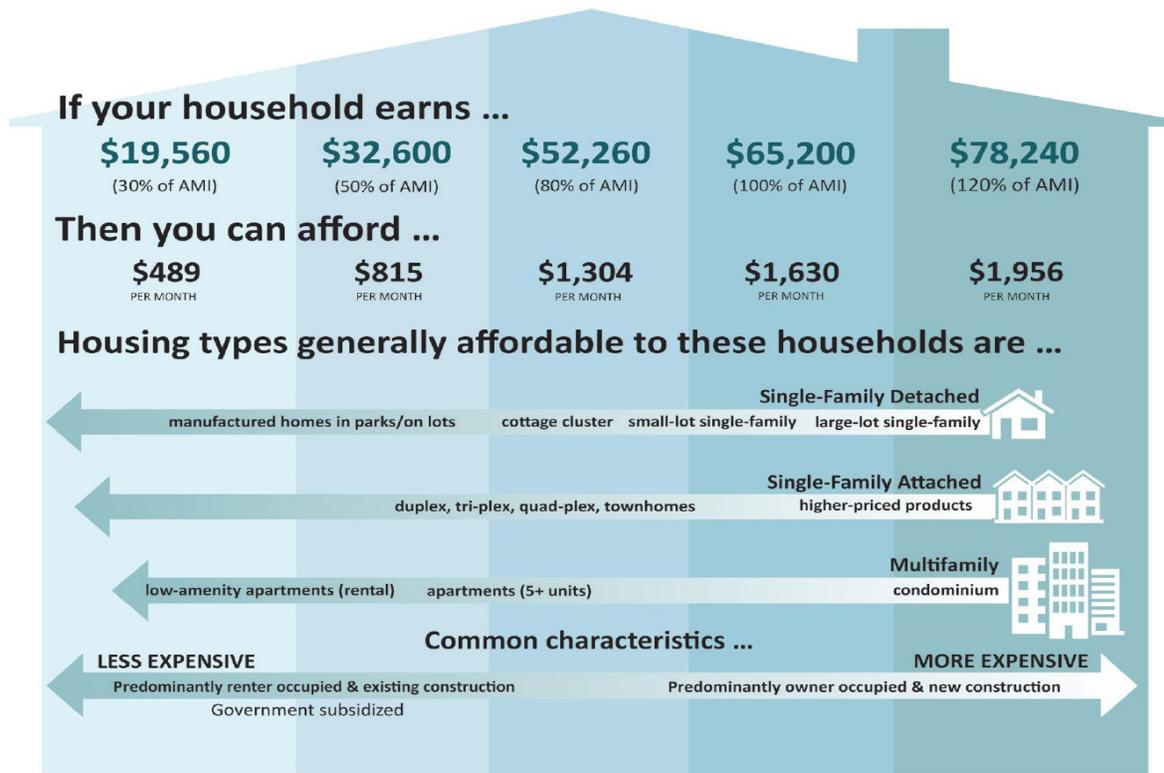


Figure 6. Change in Average Rent by Metropolitan Area in Region, 2010 -2018





Source: ECONorthwest. Note: All values are in 2019 inflation-adjusted dollars.

Figure 7. Financially Attainable Housing Types

COVID-19 Pandemic

In 2020, the COVID-19 pandemic emerged, right as the HAP planning process began. The pandemic has affected housing across the country in many ways—not all are well understood. Many households have been impacted by housing instability or changes in household conditions and many have struggled to pay for housing consistently throughout the crisis. Due to the time lag that exists when public agencies collect and disseminate housing and demographic data, much of the housing needs assessment relied on pre-pandemic data. While the Housing Needs Assessment informed the HAP process, City staff also looked closely at broader trends and other information sources to help identify housing needs and gaps. Many cities are only beginning to understand the full scope of the pandemic’s impact on people, families, and housing. As we continue to learn, new data may indicate different challenges related to stability and housing availability.

2.2. Community Engagement

Community engagement informed the priorities and strategies in the HAP. The City assembled a working group with community members representing housing developers/builders, local realtors, nonprofit housing advocates, community groups, faith-based communities, housing providers, City Boards and Commissions, and agency partners. City staff also participated on a multidisciplinary internal team with representatives of the Planning Services; Community, Housing, and Human Services; Development Services Center; Code Enforcement; Integrated Capital Management; and Legal departments.

Figure 8. Community Engagement and Outreach for Housing Action Plan



The City worked with stakeholders and partners to discuss concerns, issues, and feedback on housing, and invited community input through several opportunities. Outreach and announcements were provided through email updates, local community leaders, a project website, and social media. All engagement activities were conducted virtually and using online media due to COVID-19 and social distancing requirements.

A series of four roundtable discussions were held in the fall of 2020 discussing development regulations, land use and housing policy, equity in housing, and affordable housing and rental housing. The roundtables were in-depth discussions with over 100 community members and sought to collectively understand housing challenges facing Spokane, amplify community knowledge and experience, understand inequities in housing, and help build understanding

for community solutions. Participants included many members of the working group, internal team, and additional community members.

The City also conducted a community survey on housing experiences and issues, receiving over 1,200 responses. Two surveys were provided, one for people who live within the City of Spokane boundaries and one for people who work in Spokane but live outside of the City limits. The surveys were published in six languages: Arabic, English, Marshallese, Russian, Spanish, and Vietnamese. Below are key themes identified from the community survey. Summaries of the roundtables and two surveys are available on the HAP City project webpage, and a more detailed discussion of engagement outcomes is available in the Appendix E.

- Finding safe and quality housing that is affordable and meets household needs is a challenge for many, and is not felt equally among respondents.
- Respondents from lower income households (particularly renter households), younger families, and people of color expressed more affordability challenges, less satisfaction with current housing, and more stress about monthly payments.
- Homeownership is perceived as out-of-reach for many, as those wishing to purchase homes face significant challenges when seeking a house they can afford. Over half of renters at all income levels indicated they would like to buy a home in the near future. They also rated Spokane less affordable for their household than for the community overall. Higher income renters also expressed concern over their ability to buy a home due to market competition and lack of available homes.
- Respondents agreed that in-migration and population growth are contributing to housing affordability challenges and low vacancy rates.
- The COVID-19 pandemic has increased housing instability for many respondents who are already struggling, placing additional pressure on the housing market.

The City conducted a third survey targeted at housing industry professionals, regarding housing development trends and gaps.¹⁵ Over 100 responses were received, with respondents identifying as housing advocates, developers, property managers, builders, design professionals, project managers, realtors, remodelers, and brokers, among others. Nearly all respondents work in Spokane, and also work in other submarkets across the region, including Liberty Lake, Spokane Valley, and throughout the County. Respondents provided feedback on housing types or project types that have opportunity for growth in the City, how the City can better partner and support projects, amenities that buyers/renters are looking for, and unmet needs or market gaps that could be better addressed in the housing market. Additional public input opportunities was provided during the community review of the Draft Housing Action Plan, including public workshops and hearings.

¹⁵ <https://static.spokanecity.org/documents/projects/spokane-housing-action-plan/housing-idustry-professional-response-summary-2021-02-11.pdf>

2.3. Displacement Risk Assessment

Displacement happens when a household is forced or pressured to move from their home or neighborhood against their wishes. An increased rate of growth like what is currently being experienced in the greater Spokane housing market can exert pressures on existing neighborhoods and communities in the form of displacement. As high demand for homes drives up housing costs and increases pressure for redevelopment, some Spokane residents have expressed concern about the potential for displacement. Displacement can have a life-changing negative effect on households that are directly impacted. It can also disrupt the social fabric and networks of trust and support that exist within a community. For these reasons, a displacement risks analysis was conducted to help provide this information for the HAP.

The Washington Department of Commerce identifies the following types of displacement:

Physical displacement typically occurs with an eviction or lease termination, or the expiration of covenants on rent- or income-restricted housing.

Economic displacement occurs when pressures of increased housing costs compel a household to relocate.

Cultural displacement occurs when people choose to move because their neighbors and culturally related businesses and institutions have left the area.

The City analyzed displacement using the Social Vulnerability Index (SVI) prepared by the Center for Disease Control¹⁶. The SVI provides a cumulative rating for each census tract and county in the country using American Community Survey data from 2018. The assessment looked at risk factors related to social vulnerability, including socioeconomic status, household composition and disability, minority status and language, and housing type and transportation qualities. These factors helped to identify parts of the City where people may be at risk of displacement and the circumstances that shape those vulnerabilities.

¹⁶ <https://www.atsdr.cdc.gov/placeandhealth/svi/index.html>

Lower-income households and renter households are often at greater risk of displacement when housing costs increase. Vulnerability to displacement can also disproportionately impact communities of color. Where people live also impacts their exposure to health-promoting resources and opportunities (i.e., access to quality food, recreation, healthcare, etc.) as well as exposure to health-damaging threats (i.e., environmental pollutants, poor housing quality, inadequate transportation infrastructure etc.). The displacement risk assessment mapping below shows that many of the neighborhoods that have a higher risk of vulnerability and displacement today were historically redlined and where residents experienced housing discrimination.¹⁷

Figure 9. Social Vulnerability Index (SVI) Variables

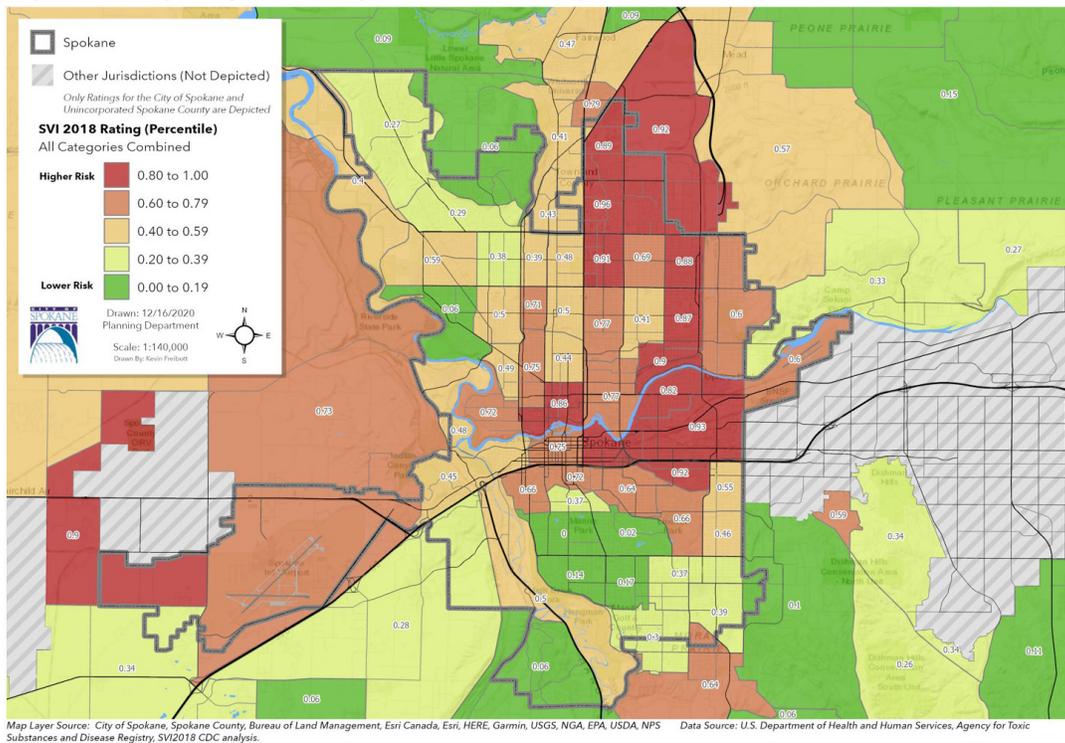
SOCIAL VULNERABILITY INDEX (SVI) VARIABLES

Overall Vulnerability	Socioeconomic Status	Below Poverty
		Unemployed
		Income
		No High School Diploma
	Household Composition and Disability	Aged 65 or Older
		Aged 17 or Younger
		Older than Age 5 with a Disability
		Single-Parent Households
	Minority Status & Language	Minority
		Speaks English "Less than Well"
	Housing Type & Transportation	Multi-Unit Structures
		Mobile Homes
		Crowding
		No Vehicle
Group Quarters		

The displacement risk map below shows the overall index rating from the SVI. Fourteen census tracts in Spokane are identified as having the highest risk of vulnerability and displacement. The majority of these census tracts are located in Northeast Spokane and close to downtown, where much of the historic redlining occurred. Over 63,000 residents and over 27,000 housing units are within the highest risk census tracts, though not all face the same level of risk.

¹⁷ <https://dsl.richmond.edu/socialvulnerability/>

Figure 10. City of Spokane Displacement Risk Map



By identifying specific areas with a heightened risk of displacement, the City can use this assessment to help inform discussions around displacement and better consider equitable strategies for minimizing and mitigating displacement in the Spokane HAP and future policy discussions. However, displacement of communities is a multi-faceted problem, and this analysis does come with caveats.¹⁸

It is important to note that the displacement risk assessment uses neighborhood conditions that were present in 2018, the latest available due to the collection method of the underlying data. Additionally, the analysis neither predicts future changes in demographics or neighborhood attributes, nor does it account for displacement that has already occurred. Finally, this assessment can only assess a general risk of displacement and cannot accurately predict if displacement will occur, the speed of displacement that occurs, or to what intensity displacement will occur within a community.

The displacement assessment lays the foundation for improving the City’s ability to understand and proactively respond to pressures from growth and rising housing costs that impact people and families in Spokane. More research is needed around displacement and anti-displacement strategies in the future. This is a complex topic and the City should continue to monitor and develop additional guidance. A more detailed discussion of the Displacement Risk Assessment is included in the Appendix F of the HAP.

¹⁸ <https://www.psrc.org/displacement-risk-mapping>

3. HOUSING PRIORITIES AND STRATEGIES

The Housing Action Plan identifies actions that the City of Spokane and community partners can take to promote efforts to create and preserve housing that is affordable for all in the community. The City of Spokane has outlined four priorities, identified through analyzing current and future housing needs, listening to community ideas and feedback, reviewing local policies and practices, reviewing previous initiatives, and looking at best practices from other jurisdictions and the Washington Department of Commerce guidance.

Housing Action Plan Priorities:

A. Increase housing supply, options, and affordability for all incomes.

B. Preserve existing housing affordability and quality to help people thrive where they live.

C. Enhance equitable access to housing and homeownership.

D. Leverage and grow partnerships to support housing initiatives across the region.

These priorities are not ranked. The strategies that follow each priority are also not ranked, some are more short term and some longer term, some the City can undertake, and many require partnerships. Additionally, each of the strategies must be vetted and undergo their own adoption procedures.

As the HAP highlights key strategies in this section, it is important to keep in mind that no single housing strategy will address everything. Multiple strategies are often needed to shape opportunities for development and encourage the kinds of housing production and preservation needed.

Opportunity for Leadership and Partnerships

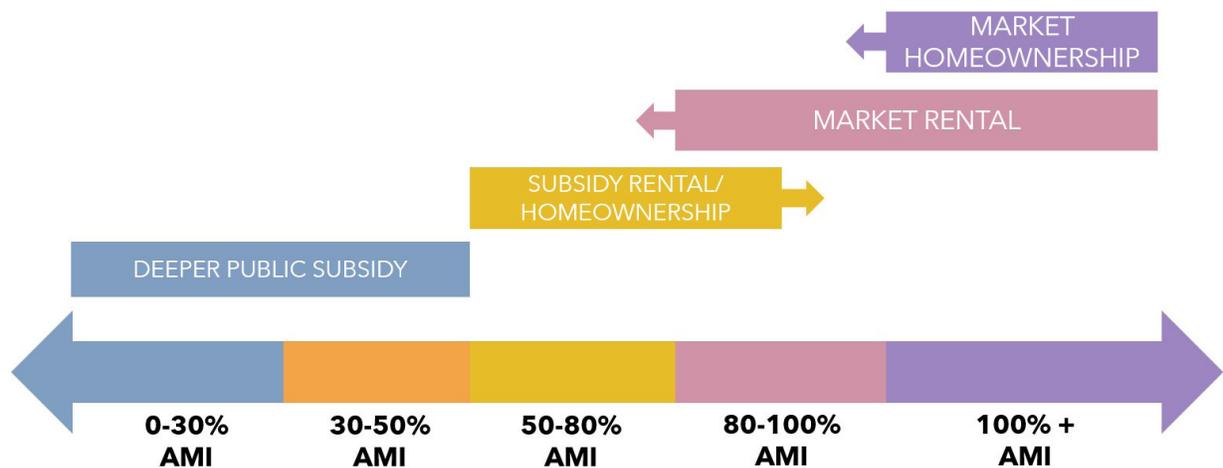
The City of Spokane cannot meet the housing needs of people and families alone. This will require leadership, commitment, and community dialogue to make intentional changes and to create and preserve more housing options for all incomes, both in variety and affordability. Everyone—including members of the public—will play a critical role in realizing the priorities and strategies. The City can work in collaboration with local and regional developers; non-profit housing advocates; housing and service providers; community organizations and faith-based groups; realtors and lenders; neighborhood councils and community members; and government partners at the federal, state, and local levels.

A. Increase housing supply, options, and affordability for all incomes.

The Spokane housing market that includes the City of Spokane needs to increase the availability of housing options and encourage the construction of both affordable and market-rate housing. The need for affordable housing affects residents of all incomes, both in rental and homeownership markets. This includes young adults, families, seniors, and people at all stages of their life looking for a home that meets their daily needs.

Housing and Land Use policies in the Comprehensive Plan promote a wide range of housing types and housing diversity to meet the needs of Spokane’s diverse community. According to those policies, a variety of compatible housing types should be available in each neighborhood. Many different housing forms can exist in an area and still exhibit an aesthetic and community continuity. Development of a diversity of housing must take into account the context of the area and should result in an improvement to the existing surrounding neighborhood. Additionally, the City should continue to promote and leverage investment in Centers and Corridors and other target areas to encourage more multifamily housing close to services, amenities, public transportation, and employment areas.

Figure 11. Different Strategies for Different Incomes and Needs



Different strategies are needed for housing at different price points, ranging from significant support from government and nonprofits to develop housing for the lowest income households to market rents and homeownership delivered through the housing market paired with incentives. A variety of incentives can help encourage diverse housing options and support both market rate and income-restricted affordable housing. The City should continue to research what types of projects are most likely to be feasible to tailor and incentives to be most effective.

The City needs to address inequitable access and impediments to opportunity in Spokane's neighborhoods, and prioritize anti-displacement actions to mitigate impacts of growth. The City should work with people who are historically underrepresented, housing advocates and community organizations to carefully craft investments to ensure existing residents and businesses are not priced out.

Investment by both non-profit and market-rate developers will help close the housing gaps and make progress to producing more units. As a recipient of federal housing funds, the City continues to affirmatively further fair housing in programs and projects to address the consequence of housing inequality and equalize opportunity in communities. This priority identifies strategies to create more homes for more people and help the City better meet the community's needs.

Draft Strategies

A1. Explore and expand allowed housing types to encourage missing middle housing throughout Spokane’s neighborhoods.

In many neighborhoods, the housing choices are limited to single-family homes on larger lots or medium to large multifamily buildings. As Spokane’s demographics change and population grows, these do not address the full range of needs for differing family sizes, structures, and household incomes. A larger variety of housing types in each neighborhood is consistent with the Housing goals and policies in the Comprehensive Plan and embraces the intent of the HAP to increase housing options, providing a greater variety of housing types, densities and cost levels. The Land Use Chapter of the Comprehensive Plan identifies that the housing assortment should include development of higher density residences developed in the form of small-scale apartments, townhouses, duplexes, and rental units that are accessory to single-family homes, as well as detached single-family homes.

Single-family detached homes make up 68 percent of Spokane’s current housing today. Attached housing like duplexes, triplexes, and townhouses represent only 9 percent of housing in the City. These housing types are limited or not allowed in the lower density residential zones (RSF, RSF-C, RTF), though these housing types have historically existed alongside detached homes in many neighborhoods. Allowing for more “Missing Middle” housing types such as smaller scale “plexes” and small-scale multi-family in lower-density zone would potentially add new affordable housing options and a greater mix of housing types to serve the needs of future households.

Share of Housing By Type, as of Mid-2020

Housing Type	Average Age	% of Housing
Single-family Detached	70	69%
Apartment/Condo	35	21%
Single-family Attached	60	9%
Mobile/Manufactured Home	34	1%

Source: Spokane County Assessor, 2020. Note: The above numbers include housing units in the City of Spokane. Single-family attached includes duplexes, triplexes, and quad homes.

Figure 12. Share of Housing by Type, as of Mid-2020

What is Missing Middle Housing?

Encouraging “missing middle” housing could help the City integrate affordable housing options throughout neighborhoods, with design standards in place to build community acceptance. The term “missing middle” refers to a range of small to modest-scale housing types like duplexes, triplexes, cottage housing, townhouses, courtyard apartments and other small-scale apartment buildings that bring the densities needed to support walkable neighborhoods. They are called “missing” because they have been built at a lower rate than single family detached dwellings or large multifamily developments, and have often been prohibited or discouraged by zoning ordinances and historically not as desired “production” builders in the development community.¹⁹

Figure 13. Missing Middle Housing Type Diagram



Source: **opticos Design, Inc.**, www.missingmiddlehousing.com

In general, “missing middle” housing types provide the opportunity to add more affordable housing options than detached single-family homes and offer a greater range of design and locational choices than larger apartment buildings can offer. They also offer more flexible ways for communities to add neighborhood-compatible density into established neighborhoods and provide more opportunities for residents to obtain stability and build wealth through homeownership, particularly for moderate to middle income households. People and families have different needs at different life phases, and housing options that are diverse and provide a range of price points can help young people, families, adults and seniors find the housing that best fits their needs and budget in a neighborhood where they want to live.

¹⁹ <https://missingmiddlehousing.com/>

While the City of Spokane has been working for the last several years on development code changes and housing programs to address concerns and challenges in housing needs, current HAP stakeholders shared additional actions that the City can take to continue to make development codes easy to navigate and apply to increase housing supply. Feedback received from housing industry professionals included: remove lot size transitions standards, allow for additional housing types, further reduce minimum lots sizes, and adding more flexibility in site planning for PUDs; and making improvements to the permitting process.

Figure 14. Examples of Missing Middle Housing Types in Spokane



Actions for Consideration:

The following potential actions are provided as a result of multiple factors, including community feedback, the various analyses prepared during this process, and the recommendations of RCW 36.70A.600.

More housing types in currently zoned single-family residential areas

Code changes:

- Allow duplexes (two units per lot) in RSF and RSF-C zones, on each parcel or each corner lot; suggested action in RCW 36.70A.600.
- Increase the allowed number of attached units on individual lots in RSF, RSF-C and RTF zones outright, without the requirement of a planned unit development (PUD) process.

May require Comprehensive Plan policy changes and/or major development code changes:

- Allow additional housing types in RSF, RSF-C and RTF zones, and adapt zoning with design standards consistent with current Comprehensive Plan policies, considering triplexes, fourplexes, townhomes, courtyard apartments on each parcel; suggested action in RCW 36.70A.600. This may be less disruptive and more easily applied in larger new plats and planned unit developments.

- Permit additional “missing middle” housing types in a wider range of residential zones with specific design standards, including duplexes, triplexes, quadplex, sixplex, stacked flats, townhomes, or courtyard apartments; suggested action in RCW 36.70A.600.

Programmatic and Communication:

- Host discussions with for-profit and non-profit developers, project managers, and housing advocates to understand development trends, challenges and opportunities.
- Develop strategic marketing opportunities for housing initiatives to build awareness and encourage utilization by developers.
- Work with partners to conduct infill training for developers to expand knowledge and best practices for developing in the city.
- Explore a local program that offers homeowners support to convert an existing single-family home into a duplex, triplex, or quadplex where allowed, including incentives to support affordable homeownership or long-term rental housing for households whose income is less than 80% of AMI; suggested action in RCW 36.70A.600.
- Work with partners and neighborhoods to develop communications and education to build community awareness and acceptance of diverse housing options.

Encourage increased density and housing types in all residential areas

Code changes:

- Continue to revise development regulations to address lot size transitions, PUD options, small lot options, and development standards complementary to energy codes.
- Monitor recent parking reductions and reduce off-street parking requirements as when warranted for residential uses.
- Continue reviewing permitting processes to shorten permit review times and scalable application fees when possible.
- Review the Multi-family Tax Exemption code and boundary and suggest changes to help encourage desired housing development.
- Consider creating one or more zoning districts of medium density in which individual lots may be no larger than three thousand five hundred square feet and single-family residences may be no larger than one thousand two hundred square feet; suggested action in RCW 36.70A.600.

May require Comprehensive Plan policy changes:

- Revise density requirements in the Land Use Chapter of the Comprehensive Plan to allow development of more housing types in the “Residential 4 to 10” and “Residential 10 to 20” land use plan map designations, iduplexes, triplexes, quadplexes, sixplexes, stacked flats, townhouses, or courtyard apartments, suggested action in RCW 36.70A.600
- Revise the lowest dwelling units per acre allowed by the Comprehensive Plan. Such as increasing the minimum density from four to six dwelling units per acre in any residential zones, where the residential development capacity will increase within the city; suggested action in RCW.36.70A.600.
- Explore and adopt a new policy in the Comprehensive Plan Chapter 3, Land Use, that would provide guidance and direction for the establishment of additional “missing middle” housing types.

A2. Target efforts to increase the development of affordable housing throughout the City to support mixed-income neighborhoods.

When people and families can't find affordable housing options, they face difficult trade-offs. In the City's community survey on housing issues and experiences, nearly half of respondents who live in the City of Spokane indicated they experienced challenges finding a home they could afford. The need was reported most by lower income households, renters, those with children at home, and those looking to buy a home. Encouraging affordable housing in key locations near transit and job centers is invaluable in helping low-income people and families easily access jobs and schools, while decreasing street congestion and pollution. Accordingly, transit-oriented development helps to lower combined household expenses for transportation and housing while supporting walkable neighborhoods for all.²⁰

The U.S. Department of Housing and Urban Development (HUD) considers housing to be affordable if the household is spending no more than 30 percent of its income on housing costs. Furthermore, a healthy housing market includes a variety of housing types that are affordable to a range of different household income levels. The Housing Needs Assessment identified that demand for moderate-to-middle income housing in both the rental and homeownership market is growing, including demand for more housing most suitable for smaller households. The City is projected to need at least 4,000 additional units through 2037 to support moderate and middle-income households (80-120% of AMI) as well as housing suitable for smaller households. The housing needs for moderate and middle-income household segment is sometimes referred to as "workforce housing".

Additionally, at least 2,700 units are needed for households earning below 80% of AMI. Housing at this level is typically for-rent and is often subsidized by government programs. Delivery of affordable housing is heavily dependent on partnerships with non-profit builders and organizations and is often funded through state and federal sources. The City can utilize funding sources that increase the supply and preservation of affordable homes that encourage investments in affordable and supportive housing.

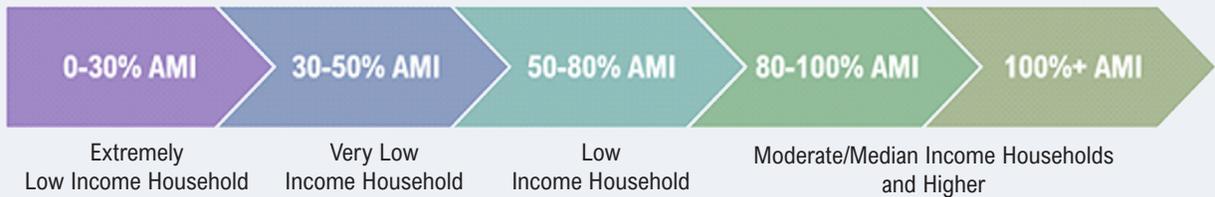
Every five years, the City looks to finalize plans for programs and services that support Spokane's low-income individuals and families through the Community, Housing and Human Services (CHHS) Department.²¹ This process involves extensive planning, outlining strategy, and goal setting, and is crucial for CHHS. This five-year review enables the City to receive funding for efforts such as the development of affordable housing, public services, homeless housing and services, neighborhood improvements, and fair housing programs. The Five-Year Consolidated Plan, Homeless Plan, Analysis of Impediments to Fair Housing, and Action Plan are all plans developed by CHHS every five years, providing guidance on program and investment priorities. These plans are developed via community engagement from a wide variety of stakeholders and multiple opportunities for public feedback.

²⁰ <https://my.spokanecity.org/projects/transit-oriented-development-study/>

²¹ <https://my.spokanecity.org/chhs/documents/>

What is Area Median Income (AMI)?

When examining household income levels, the Area Median Income (AMI) is a helpful benchmark for understanding what different households can afford to pay for housing expenses. Since housing needs vary by family size and costs vary by region, the Department of Housing and Urban Development (HUD) produces a median income benchmark for different family sizes and regions on an annual basis. These benchmarks help determine eligibility for HUD housing programs and support the tracking of different housing needs for a range of household incomes. AMI means the same thing as MFI but is more commonly used in the industry. For current ranges, visit the [City of Spokane Community, Housing, and Human Services website](#).



One important consideration for affordable housing, is finding locations that help to reduce total household living costs and provide mobility options. A community land trust (CLT) has been explored in Spokane in the past, including as recently as 2018, as a mechanism for aggregating property. Stakeholders shared they would like to see this included as a strategy. A CLT is a non-profit organization, owned by a collective of community members, which buys and holds land. CLTs may also help prevent displacement by keeping ownership of the land and property out of the private redevelopment market and ensuring that new development serves community goals such as housing affordability. Public policy can support CLTs by land donation or contributing funds for land acquisition.

Actions for Consideration:

- Examine incentives for affordable housing, including fee waivers for development of income-restricted units, while also exploring policies to mitigate displacement.
- Utilize and build on state and federal funding sources to increase the supply and preservation of affordable homes.

- Target efforts to create and preserve dedicated affordable housing in areas with greater services and amenities and expand efforts in lower income neighborhoods to grow economic opportunity.
- Explore incentives for the inclusion of more affordable homes in new market-rate development, consistent with Comprehensive Plan Housing Policy H 1.8.
- Implement development incentives for affordable housing, including height bonuses, added density, and reduced parking minimums if development is achieving desired community goals.
- Support efforts among local and regional partners to re-engage and grow a community land trust, including identifying ways to use the City's assets to support this effort.
- Support State and national efforts to develop tools and funding that expand affordable housing creation and preservation.

A3. Continue to streamline and simplify changes to the City's permit process, as necessary.

The City of Spokane should continue to work towards a faster and more predictable permitting process for developers, particularly for housing that expands housing options and supports a broader range of household incomes. Many of the recommendations set forth in RCW 36.70A.600 and the Commerce guidebook are already in place at the City - but processes should be reviewed periodically for continued improvements.

Actions for Consideration:

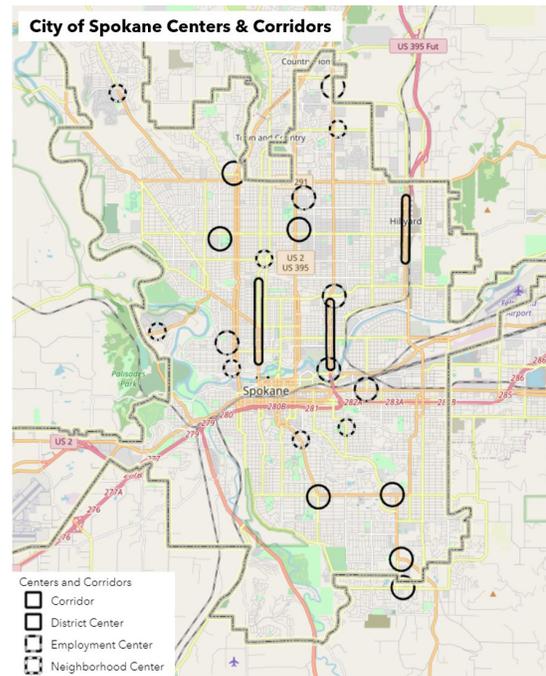
- Adopt SEPA (State Environmental Policy Act) infill exemptions (RCW 43.21C.229) for residential or mixed-use development; suggested action in RCW.36.70A.600.
- Consider using SEPA Planned Actions to complete SEPA review in advance for key properties or areas of potential residential development; suggested action in RCW.36.70A.600.
- Adopt other permit process improvements where it is demonstrated that code, development regulation, or ordinance changes will result in a more efficient permit process for customers.
- Adopt SEPA (State Environmental Policy Act) exemption levels, as permitted in WAC 197-11-800, to allow smaller residential developments to be exempt from SEPA.

A4. Leverage infrastructure and investment, including near high-performance transit stops, in Centers and Corridors, the downtown core, and other targeted areas to increase housing supply.

The City of Spokane has a focused growth strategy that encourages higher intensity development in Centers and Corridors and targeted areas, as outlined in the Comprehensive Plan. Higher density housing of various types is within these areas to support businesses, employment, public transportation, and local goods and services. While additional capacity exists in these areas, the community continues to desire a higher level of investment in these areas and a building intensity that is closer to the planned intensity. Additional emphasis should be given to leveraging infrastructure in ways that encourages the development of higher-density housing in these areas and seeks to achieve development closer to the maximum density allowed.

The City could expand housing opportunities to a broader array of household types and incomes by encouraging more multifamily housing, particularly in areas near transit, services and amenities. In the HAP survey of housing industry professionals, many expressed interest in mixing commercial with residential by incorporating housing over ground scale retail through “5-over-1” or “5-over-2” podium buildings. A slight increase in maximum height in certain Center and Corridor or General Commercial zones may help facilitate development of this building type that has been successful in other markets. Many stakeholders and community members also want to see more housing options downtown, with affordable and market-rate condominium development that supports mixed incomes.

Figure 16. Map of Designated Centers and Corridors



Actions for Consideration:

- Finish Center and Corridor planning throughout the City and update the planning in areas that have already been planned in the past.

Land Use Plan and Code Changes:

- Increase the maximum building height and/or reduce minimum parking requirements where other transportation options exist in exchange for more housing and mixed-use housing types in Centers and Corridors, similar to what was done previously in the Downtown General Zone²².

²² <https://my.spokanecity.org/smc/?Chapter=17C.124>

- Increase capacity for residential development around Centers and Corridors, and along high-performance transit lines through sub-area planning.
- Explore methods to incentive development of underutilized office and commercial spaces into housing.
- Explore methods to convert surface parking lots into housing.

May Require Comprehensive Plan Policy Changes:

- Consider allowing new mixed density and mixed-use areas within new plats of appropriate size and community identified criteria.
- Explore expanding housing in zoning categories where appropriate.
- Better define how new Centers and Corridors can be proposed and created.
- Devote resources to continue to plan for housing within new and existing Centers and Corridors including transitioning density and intensity to lower density areas.

Programmatic and Communication:

- Encourage missing middle housing adjacent to Centers and Corridors.
- Utilize more of the zoned capacity in existing high-density residential areas, such as the greater Downtown and other areas where higher densities are already allowed. This might be through education and/or incentives.
- Encourage and communicate the ability for developers to build to allowed density in Centers and Corridors.
- Work with Public Development Authorities and other partners in targeted investment areas, that have planned residential capacity, on housing development and infrastructure that supports housing development.
- Continue to plan for and fund improvements to the public realm to support housing in targeted areas, such as enhancing the pedestrian environment, parks, and other public spaces.

A5. Revise Accessory Dwelling Unit standards to allow for additional flexibility.

An accessory dwelling unit (ADU) has traditionally been an accessory second smaller dwelling on the same land (or attached to) a primary house. ADUs can provide opportunities for extended family members to live nearby and also for small households to find rental housing in a neighborhood setting that is different than typical apartment complex options. ADUs can also offer a critical source of monthly income for homeowners when rented out.

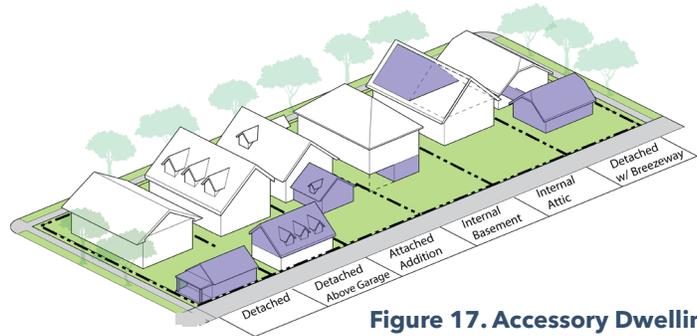


Figure 17. Accessory Dwelling Unit Diagrams

The City of Spokane has long maintained an ADU policy (17C.300), and the City's development code currently allows ADUs in all residential zones²³. Feedback received in the engagement process from stakeholders suggests the ADU policy could be improved to better encourage ADU development. Starting in 2020, the construction of an ADU either attached to or within a single-family dwelling is available for a partial three-year property tax exemption under RCW 84.36.400.^{24, 25}

Other cities across Washington have implemented toolkits and programs that help streamline development. The City should consider similar assistance and resources to increase construction of ADUs throughout Spokane neighborhoods. To make a larger impact on housing affordability and rental options, the City could consider incentives that promote the use of ADUs as affordable homeownership or long-term rental housing for households whose income is less than 80% of AMI.

Actions for Consideration:

- Explore development code changes for accessory dwelling units, such as removing minimum residential parking requirements, allowing more square footage, or removing the requirement that the owner occupy one of the units; suggested action in RCW 36.70A.600.
- Promote the existing State single-family partial tax exemption option for homeowners to build an accessory dwelling unit.
- Develop pre-approved ADU designs and toolkit for accessory dwelling units that if used may result in streamlined permitting.
- Explore a local program that offers homeowners support to build accessory dwelling units that support affordable homeownership or long-term rental options; suggested action in RCW 36.70A.600.

23 <https://my.spokanecity.org/smc/?Chapter=17C.300>

24 <https://my.spokanecity.org/economicdevelopment/incentives/single-family-tax-exemption/>

25 <http://apps.leg.wa.gov/rcw/default.aspx?cite=84.36.400>

A6. Leverage public and partner-owned land for housing, including a land bank.

The City of Spokane should continue to prioritize surplus or underutilized lands for housing development when suitable to help reduce the cost of development and make a project more financially feasible. Furthermore, steps should be taken to encourage the purchase of land originally used as staging areas for major construction, such as in the North Spokane Corridor, that may be made available for housing development at the end of the project. Brownfields may also provide opportunities for housing development in cases where sites can be remediated to meet the health and safety requirements established by state and federal authorities.

Many stakeholders and community members identified a local land bank as a potential critical partner organization for the City to address vacant, abandoned, and derelict properties. Land banking involves buying land, whether that land is currently vacant or developed, and preparing for development, such as meeting housing needs, a community center, or other developments that serve the public. The process includes resolving ownership issues and/or addressing tax liens or land encumbrances that otherwise deter developers from pursuing these properties.

Adaptive reuse of existing buildings, like acquiring unused or distressed hotels, can also be an effective way to preserve historic structures while also providing needed housing close to services, amenities, and transportation. Use of local historic tax abatements or federal historic tax credits in conjunction with low-income tax credits could spread out costs and support affordable housing. The City can also work directly with faith institutions and organizations to build affordable and income-restricted housing on underutilized spaces of their property, like existing parking lots.

Actions for Consideration:

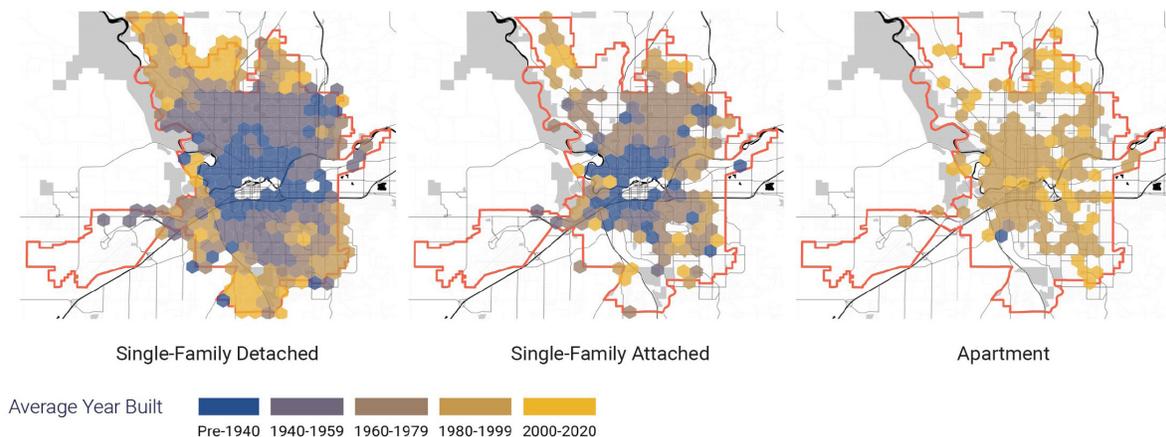
- Continue to consider the sale of publicly-owned surplus property for use by affordable housing and explore partnerships with Spokane Public Schools, the Washington Department of Transportation, and other public agencies that may be willing to convert land to affordable housing.
- Work with the community to create a land bank that facilitates redevelopment and supports the development and preservation of affordable housing.
- Consider adaptive reuse and brownfield remediation, when suitable, for affordable housing.
- Support conversion of unused or distressed hotels or other existing buildings into affordable housing. Consider amending the municipal code to anticipate adaptive reuse and clarify triggers for site improvements such as parking, stormwater treatment, and sidewalks.

- Acquire unused or distressed hotels or other existing buildings to convert to affordable housing. Amend the municipal code to require no additional parking for historic adaptive reuse that includes housing.
- Allow more flexibility for faith institutions to increase the number of affordable homes they can build on their property, pursuant to RCW 35A.63.300 and RCW 36.70A.545.

B. Preserve existing housing affordability and quality to help people thrive where they live.

Housing quality and affordability is interrelated and, when planned for, addressing both can result in increased availability of housing for a mix of income levels and an increase in housing options available throughout the city and in every neighborhood. Existing housing can often be the most affordable option and is hard to replace with new housing elsewhere at the same cost²⁶. Comprehensive Plan Housing Goal H.2, Housing Quality, emphasizes the need to preserve existing houses and rehabilitate older neighborhoods, particularly outside of designated center or corridor environments where redevelopment and intensification are encouraged.

Figure 18. Age of Housing by Type



Source: Spokane County Assessor, 2020.

Access to safe, affordable housing choices also remains a challenge for lower income individuals and families who may be forced to make tradeoffs to find or keep housing they can afford. In some cases, these tradeoffs mean living in lower quality housing that may include health and safety risks, such as exposure to lead, asbestos, and other environmental hazards. Addressing maintenance and upkeep of current housing is critical to keeping residents safe and healthy and the housing stock viable.²⁷

The preservation of existing housing that is already affordable for low to moderate income homeowners and renters--often found in older neighborhoods--is another critical component of this HAP. However, many of these homes are at risk for deteriorating or becoming vacant. As housing and rental prices continue to rise, concern for displacement through redevelopment also increases.

The COVID-19 pandemic has exacerbated housing instability. Spokane, like many other communities around the country, is facing a growing crisis related to households' ability to pay rents, mortgages, and utilities. Identifying ongoing assistance with a focus on equity will be important to ensure the most vulnerable do not slip through the cracks.

26 <https://shelterforce.org/2019/07/22/opinion-naturally-occurring-affordable-housing-is-hiding-in-plain-sight/>

27 <https://www.localhousingsolutions.org/act/policy-objectives/improving-housing-quality-and-safety/>

Draft Strategies

B1. Expand preventative and proactive code enforcement to help maintain safe and quality housing.

While the shortage of available and affordable units is a key concern, maintenance and habitability of existing housing must be considered a priority as well. Through inspections, education, notification, and various other administrative procedures, Code Enforcement strives to improve non-compliant properties as well as neighboring properties that may be adversely impacted by continued deterioration or nuisance conditions. A home that shows clear signs of abandonment and neglect, for example, may be a target for criminal activity that compromises the safety of neighboring residents.

Complaint-based systems can result in delayed enforcement actions at properties, extending the amount of time that violations remain at a property and making rehabilitation more challenging due to the scale of deterioration. Many previous Code Enforcement cases have resulted in demolition, a city action that is expensive and results in a vacant lot encumbered with liens. Over the last few years, The City's Code Enforcement Department has been focusing on reframing its approach, implementing more proactive strategies that address substandard and nuisance conditions sooner. Proactive inspection programs can benefit property owners by helping them become aware of defective conditions before they worsen. This also allows staff an opportunity to educate property owners regarding permit processes, proper disposal practices, resources provided by partner agencies, and other tools to assist with compliance.²⁸ Routine and periodic inspections can be critical components of equal protection measures in code enforcement. These types of programs can also help protect tenants who may not know how to report concerns, or who may fear retaliation from landlords if they report specific issues. This can be particularly true for the community's most vulnerable renters, such as those who cannot afford to move, people with disabilities, or those who do not speak English.

Having sufficient staffing and resources will be critical for more proactive and preventative code enforcement approaches. Proactive and preventative enforcement creates more opportunities for Code Enforcement staff to become involved with housing and premises violations sooner and at a lower level, which is crucial to avoiding derelict, nuisance, or abandoned properties. A change in this direction would require significant investment in additional staff to implement.

Actions for Consideration:

- Prioritize educational and resource materials that emphasize the need to address housing and premises maintenance issues before conditions worsen.
- Support relationships with Spokane Police Neighborhood Resource Officers to increase efficiency in dealing with chronic nuisance properties.

²⁸ <https://www.localhousingsolutions.org/act/housing-policy-library/code-enforcement-overview/code-enforcement/>

- Improve resolution to “zombie” properties by prioritizing receivership instead of demolition.
- Expand the current model of residential foreclosure property monitoring to include monitoring of other situations that tend to result in concentration of code violations, such as vacancy.
- Continue to support the City’s code enforcement efforts and initiatives aimed at preserving safe and quality housing, including the continued development of a proactive and preventative-based approach to code enforcement, as called for in Comprehensive Plan policy H 2.2.

B2. Align and leverage programs, funding, and resources to preserve the quality and livability of existing affordable housing.

The City of Spokane offers a number of programs, funding sources, and other resources that target the creation and maintenance of affordable housing. The City's Community, Housing, and Human Services (CHHS) Department manages \$2 million in housing and community development funds each year that assist low-income homeowners, address derelict housing, and support partner organizations to help residents buy, maintain, and stay in their homes. The City should continue to highlight the impact of existing housing and community development programs and grow them with more resources as available. The City should also work with community members and partners to make necessary changes to programs and processes, improving access to information and materials and reducing barriers to program participation.

When considering affordable rental housing, hidden costs like energy costs and utilities are easily overlooked. Older housing units may have poor building insulation and have more air leaks, resulting in higher energy use and higher costs for renters and landlords alike. Energy costs can disproportionately impact lower-income households who have limited budgets and/or may live in older housing that is at greater risk for disrepair. The City should look for opportunities to fund energy efficiency upgrades that can save low-income households money on energy bills, boost property owners operating margins, and improve environmental outcomes.

Actions for Consideration:

- Streamline navigation for community members and City processes to support improved access to housing and community development programs, including providing housing program materials in more languages, increase the frequency of announcements, and improve websites and other materials.
- Highlight and grow City and partner programs that support affordable homeownership, including single-family rehab programs, essential home repair programs, derelict housing programs, and similar programs offered by partner organizations.

CHHS Programs:

- Community Development Block Grant
- City of Spokane Human Services Grant
- HOME Investment Partnerships Program
- Spokane Regional Continuum of Care Program
- HFCA & Health-Housing-Homeless Systems Integration Pilot (H3)
- Strong Families Initiative
- Housing & Essential Needs Program
- Single Homeless Outreach Program
- Homeless Housing, Operations, & Services Grant
- Single Family Rehabilitation Program
- HUD Neighborhood Initiative

<https://my.spokanecity.org/chhs/programs/>

- Expand resources to mitigate and reverse the effects of environmental hazards, past and present, and promote the health and safety of existing housing, including remediation of existing lead and asbestos in some homes.
- Explore a local housing trust fund as an ongoing source of dedicated funding to support housing affordability and meet the most critical housing needs.
- Consider forgiveness of City-controlled liens (i.e. rehab liens) for derelict properties under certain affordable housing criteria.
- Consider developing criteria for forgiveness of City-controlled liens in order to facilitate redevelopment of derelict properties for affordable housing.
- Identify incentives, grants, and other resources to encourage utility efficiency upgrades to buildings, enhancing maintenance and preservation of existing affordable housing units and reducing costs for renters.
- Synthesize priority areas for Community Development Block Grant (CDBG) and other flexible funding sources to address housing needs.

B3. Enhance protections and assistance for renters, particularly the most vulnerable.

As Spokane grows and the housing market tightens, renters are facing increasing challenges to finding safe and quality housing they can afford. Almost half of Spokane’s households (44%) are renters, and half of renter households, or 38,000 households, were cost burdened in 2018. The Housing Needs Assessment and additional data research shows that renters at the lowest household incomes and people of color face even higher rates of cost-burden.

Responses from the HAP community surveys on housing experiences and issues indicated that renters are less likely to be satisfied with their current housing than homeowners and find Spokane less affordable for their household needs. They also felt more stressed by monthly household costs. This was consistently higher across all income levels, suggesting that renters are feeling pressures of the tight housing market. Respondents who were longtime renters felt Spokane was less affordable than renters who recently moved in their current home. Another survey of families with children in Northeast Spokane by The ZoNE Project in 2020 found that the majority of those surveyed are worried about housing instability, with 23% of respondents behind in rent or mortgage.²⁹

People of color are more likely to be tenants than homeowners in Spokane, as nearly two out of three households of color rent their home. People with disabilities, younger adults, lower income households, single-parent family households, and refugees and immigrants are also more likely to rent. This puts these residents, many of whom already face challenges from systemic barriers, at greater risk of housing instability and homelessness as a result of current market forces (e.g., low vacancy rates, rising rents, and high cost of application and screening fees).

Complicating the difficulties raised by other market forces, the low vacancy rate in Spokane has become one of the most prominent barriers to those seeking to rent in Spokane from finding affordable, quality housing. The City of Spokane has explored various strategies to help support renters in recent years. The City should continue to identify tenant support that protects the most vulnerable residents.

Actions for Consideration:

- Work with community members and tenant advocates to address ongoing barriers to accessing rental housing.
- Continue community discussions around a set of tenant protections policies.
- Monitor the efficacy of recently adopted state laws aimed at mitigating tenant displacement, identifying opportunities and gaps where local strategies may be helpful.
- Identify ongoing sources of rental and utility assistance to promote housing stability post-COVID for low-income households.

²⁹ <https://thezonespokane.org/blog/spokanefamiliesworriedabouthousing>

B4. Maintain and improve existing affordable rental housing.

Spokane's rental market remains extremely stressed. Vacancy rates have remained extremely low in recent years, increasing rents faster than many households can afford. Renting has also become much more common among residents who have traditionally sought to own their own housing, such as middle- and higher-income households. The Housing Needs Assessment found that these conditions are common throughout Spokane County, including in other cities, and across Washington State. This could be an early warning sign that moderate-income households are being priced out of the homeownership market by higher income households. Growing pressure on limited rental supplies could further lead to increasing financial hardships for households across the City.

Owners of small and mid-sized housing developments that rent at affordable levels may be unable to afford necessary repairs and upgrades and also keep rents low. The City can work with property owners to help maintain existing rental housing by making health- and safety-related repairs, particularly for rental properties affordable to households at or below 100% of AMI. Pairing efforts with tenant support could help minimize displacement of residents during improvements.

It is important to remember that not all rental housing is found in multi-family residential developments. Single-family homes can help address the affordable rental-housing crisis as well. Many of the rented single-family homes are being managed by small landlords who do not necessarily have assets to fall back on, and government programs often overlook them. Turning distressed single-family houses into rentals can be an important way to preserve the current stock of housing and stabilize neighborhoods.

Actions for Consideration:

- Continue to support the purchase of existing affordable housing by non-profit housing organizations and community-based organizations to preserve the housing stock and prevent displacement.
- Consider incentives to preserve affordable single-family rentals, to support the maintenance and utilities of homes, and encourage financially responsible involvement.
- Bring focus to rental rehabilitation programs and partnerships to help small landlords make to help landlords complete health- and safety-related repairs to affordable rental properties.
- Continue to engage in proactive outreach to property managers and explore policies and programs that provide guidance and resources to support rental housing.

B5. Study the local short-term rental market to reduce impact on housing affordability, neighborhood identity, and displacement.

In recent years, homeowners and property owners are finding they can make more money renting to tourists and visitors than renting to long-term residents. However, when housing stock is converted to short-term rentals (STRs) it can impact Spokane's housing stock by shrinking the local housing supply and increasing competition for remaining units. With already low vacancy rates, additional competition in the market can increase challenges for residents to find decent and affordable homes in the City.

Many communities have adopted STR regulations to reduce their impact on displacement and housing affordability. The City of Spokane implemented a permit for short-term rentals³⁰ in 2015. The City should engage community participation in amending the STR policy to ensure it protects public interests - including housing affordability, health and safety, neighborhood quality, and municipal revenues - while retaining reasonable latitude for city residents to host and earn money from short-term guests.

Actions for Consideration:

- Track short-term rentals to understand compliance with current permitting requirements.
- Study current short-term rental regulations, informed by local market data, and amend them to limit negative impacts where appropriate. Some examples of policy changes made by other jurisdictions include:
 - o Consider short-term rental zones allowing tourist accommodations (e.g., City of Chelan).
 - o Consider caps on the number of allowed short-term rentals per host (e.g., Seattle, Okanogan-Methow).
 - o In a residential zone, explore limits on the number of nights a short-term rental can be rented to guests annually (e.g., Bend, Oregon).
 - o In a residential zone, permit short-term rentals within an owner-occupied residence.

³⁰ <https://my.spokanecity.org/projects/short-term-rentals/>

C. Enhance equitable access to housing and homeownership.

When considering strategies that the City can take to address housing needs and affordability challenges, it is important to understand and consider the historic context and intentional policy and zoning decisions that have contributed to patterns of inequity present in Spokane. Looking at policies and programs through a racial equity lens can provide policymakers and staff with insights needed to develop targeted solutions and ensure more equitable outcomes³¹.

The City should also continue to expand the displacement risk assessment to deepen understanding of the causes of displacement, monitor changes in displacement risk over time, and identify solutions to mitigate displacement during redevelopment. Proactively engaging with neighborhoods and communities in areas with high displacement risk before land use and zoning changes are enacted can help the City consider the most relevant and effective strategies for minimizing and mitigating displacement.

This priority encourages the City to consider actions that work to break down structural barriers and ensure they do not serve as impediments to accessing housing opportunities or moving into homeownership if desired, including those in the private housing market.

31 <https://www.nlc.org/article/2020/07/09/embedding-racial-equity-in-housing/>

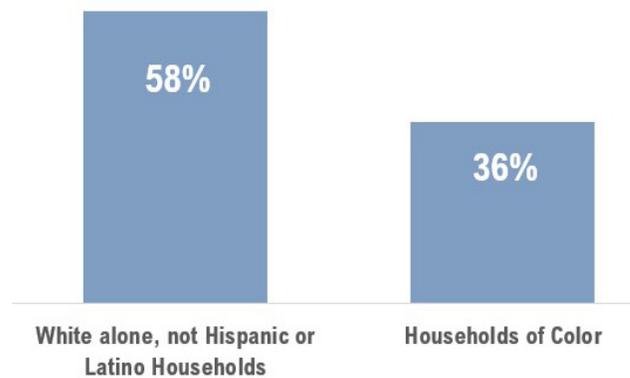
Draft Strategies

C1.Reduce barriers and expand access to housing and homeownership for lower income households, first-time homebuyers, people of color, and people with disabilities.

Even when affordable units exist, some residents must overcome significant barriers to access them. As a result, producing and preserving affordable homes is not sufficient. Barriers to accessing these homes should also be addressed for all Spokane residents to benefit and thrive. Public awareness of existing resources can help community members better understand what types of assistance may be available to them, as well as their eligibility for different programs³². The City should work to reduce the barriers to accessing housing, and promote programs that make it easier for people to stay in their homes long-term.

Concerns about access should not be limited to rental opportunities but also to homeownership. Homeownership enables families to build wealth and can help stabilize communities. However, homeownership opportunities are far from equal. As of 2018, there exists a 22-point racial homeownership gap in the City of Spokane between the percentage of White, non-Hispanic homeowners and people of color homeowners. The City should continue to engage in discussions and intentional changes to help reduce barriers and expand access to housing and homeownership for those most impacted by historic and ongoing inequality.

Figure 19. Homeownership Rate by Race in City of Spokane, 2014 - 2018



Source: ACS (2014-2018), Table S2502

One possible solution is shared equity homeownership. Shared equity homeownership creates a bridge to homeownership by addressing the primary challenges for buyers with low incomes: lack of a down payment, poor credit history, and the low supply of quality properties that people and families can afford. Shared equity models provide an alternative option to renting and traditional homeownership through subsidies offered by a nonprofit or government entity to lower the purchase price of a housing unit, making it affordable to lower-income buyers. In order for these programs to be successful, creative funding, resources, and partnerships will be needed to address gaps between financing and costs, to bring down the price of homes or purchase land, and subsequently make it possible to provide homes at affordable prices.

Many stakeholders contacted during the HAP process expressed support for shared equity models to facilitate broader access to affordable, low-risk homeownership opportunities for

³² <https://static.spokanecity.org/documents/chhs/plans-reports/planning/draft-analysis-of-impediments-to-fair-housing-2019-11-27.pdf>

low-income households.³³ Feedback received encourages City leadership to actively support community discussions to create shared equity homes, including shared equity cooperatives, limited-equity resident-owned communities, community land trusts, and deed-restricted/ below market-rate programs.

Actions for Consideration:

- Expand information provided in Spanish, Russian, Marshallese, Vietnamese, Arabic, and other languages to help increase access to housing and community development programs and resources.
- Support land use and development code regulations that allow diverse housing types and support mixed-income communities, consistent with Comprehensive Plan Policy H 2.2.
- Prioritize investment and incentives that support housing affordability and stability for low-income residents and people of color in historically underserved neighborhoods, while also increasing access to high-resource neighborhoods.
- Support partner organizations’ efforts to expand homeownership education, outreach, and assistance programming to reach more potential homebuyers, including expanding down payment assistance and financial counseling classes.
- Support community-based organizations with a commitment to increasing Black, Indigenous, Latinx and People of Color homeownership and reducing the racial homeownership gap.
- Promote universal design in residential development to support all people regardless of their age, size, and ability in accessing housing to the greatest extent possible, without the need for adaptation or specialization.
- Work with the community and partner organizations to explore shared equity models to provide home ownership opportunities to low- and moderate-income families, including limited-equity resident-owned communities, cooperatives, and deed restrictions.

³³ <https://www.huduser.gov/portal/periodicals/em/fall12/highlight3.html>

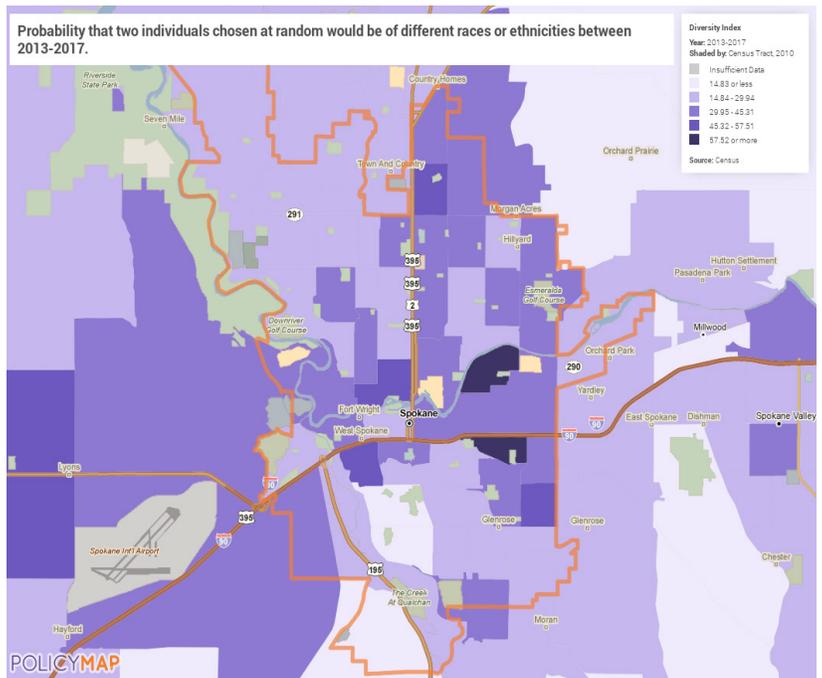
C2. Address racial inequities and disparities in housing.

When considering strategies that the City of Spokane can undertake to address housing needs and affordability challenges, it is important to understand and consider the historic context that has contributed to patterns of inequity. As in other parts of the state and across the country, Spokane has a history of segregation based on race, national origin, and other characteristics. Historical practices such as ‘redlining’ and restrictive covenants on property that have had long-lasting impacts on neighborhoods and homeownership.

Redlining was the practice of discriminatory lending in government-backed mortgages by the Federal Housing Administration in the 1930s through the Home Owners’ Loan Corporation (HOLC). The HOLC produced maps that assessed credit-worthiness of neighborhoods, including a map of Spokane. Areas that were considered high risk were “hazardous” or “redlined” and denied loans and capital investment, particularly in and near African American communities, lower income households, immigrants, and diverse neighborhoods.³⁴ Some areas were further shaped by racially restrictive covenants that prevented people of minority races, religions, and ethnicities from purchasing a home. Some of these covenants are still on property records, though they are no longer in force.

Though the 1968 Fair Housing Act made these practices illegal, the use of redlining and racially restrictive covenants worked to isolate people of color into areas of disinvestment and concentrated poverty. Data in the City’s Analysis of Impediments to Fair Housing report identified that in 1960, 63 percent of Black people in Spokane lived in only three census tracts; today those areas are some of the most racially diverse neighborhoods, including East Central, West Central, and Chief Garry Park—areas that were historically redlined. Conversely, areas that were identified as good or best for mortgage lending in the 1930s HOLC map in Spokane have some of the least diversity in the City today.

Figure 20. Diversity Index of Spokane



Source: PolicyMap³⁵, www.policymap.com

³⁴ <https://dsl.richmond.edu/panorama/redlining>

³⁵ Note: The diversity index is an index ranging from 0 to 87.5 that represents the probability that two individuals, chosen at random in the given geography, would be of different races or ethnicities between 2013-2017. Lower index values between 0 and 20 suggest more homogeneity and higher index values above 50 suggest more heterogeneity. Data were obtained from the Census’ American Community Survey 2013-2017 estimates and calculated by PolicyMap.

Disaggregating data by racial, economic, geographic, gender, and other equity indicators can help the City of Spokane acknowledge and engage with historic, structural, and systemic drivers of inequity. Doing so can help the City evaluate whether a law, regulation, or practice is helping to reduce inequity or perpetuating it.³⁶ This framework can help deepen the analysis by considering all the ways race impacts a person's outcome, while also considering other ways that inequities may show up. The City should continue to research issues to understand the structures and systems that have perpetuated inequities in housing.

Actions for Consideration:

- Develop a racial equity framework and expand analysis of equity indicators to inform housing and land use policy, code regulations, and to mitigate displacement.
- Conduct an equity review and update the Comprehensive Plan Housing Chapter if needed.
- Continue work to eliminate barriers identified in the City's Analysis to Impediments of Fair Housing, and affirmatively further fair housing practices in City government.
- Expand research and application of equity and anti-displacement practices to deepen place-based analysis and reflect in policy development.
- Work with community partners to encourage actions that address unfair/discriminatory housing, lending and appraisal practices and increase access to credit.
- Equitably engage and empower all community members to participate in shaping housing policies, particularly those most impacted including but not limited to people of color, people with disabilities, lower income households, renters, refugees, immigrants, women and LGBTQIA+ and other under-represented groups.
- Partner with local organizations to provide fair housing education for housing providers, and fair housing design and construction training for developers, contractors, architects, engineers, and city planning and development personnel.

³⁶ <https://housingmatters.urban.org/articles/applying-racial-equity-lens-housing-policy-analysis>

C3. Preserve and stabilize the viability of existing homeownership for low-income homeowners.

Many homeowners in Spokane are struggling with rising monthly housing costs, growing property tax or utility bills, and long-term maintenance of their home. Some homeowners, like seniors on fixed incomes or low-income residents, cannot make needed repairs to their properties. This can put their homes at risk for disrepair and possible code violations.

The City could identify ways to increase funding and resources to help homeowners keep up with maintenance and weatherization and help them stay in their homes longer. The City currently works with and funds many partner organizations like Spokane Neighborhood Action Partners (SNAP) to help make home repairs, provide access to loans, and address issues in homes that pose health or safety hazards through the Essential Repair and Single Family Rehabilitation programs.³⁷ The City can also look to support local tax relief programs for longtime homeowners to help lower their overall housing costs and keep them in their homes.

Actions for Consideration:

- Identify and allocate additional resources for the rehabilitation and maintain viable affordable housing that goes beyond regular upkeep.
- Encourage proactive counseling and education for homeowners on maintenance and upkeep of their homes.
- Support programs that reduce tax burdens to help homeowners with costs and stay in their neighborhoods, targeting but not limiting such programs to lower and moderate income, elderly, disabled, and veteran homeowners.
- Investigate expanding City resources, programming, and partnerships to support home safety modification projects for lower income, disabled, and elderly homeowners.

³⁶ <https://my.spokanecity.org/chhs/programs/>

D. Leverage and grow partnerships to support housing initiatives across the region.

New and expanded local and regional partnerships will be critical when tackling the full scale of housing challenges faced by the community. Such partnerships provide an opportunity for the City to collaborate with efforts it cannot undertake on its own. Housing challenges are prevalent across the greater region and regional action is needed to enhance cooperation and coordination among jurisdictions. The City should continue participating in multi-jurisdictional efforts to address regional housing needs and advance initiatives across the greater metro area, where appropriate and feasible. It is important for the City of Spokane to develop partnerships with groups that influence or are affected by the housing market. These groups include for-profit and nonprofit developers, community organizations, community members, neighboring jurisdictions, agency partners and others.

Draft Strategies

D1. Support growth management planning which best meet the Comprehensive Plan's goals and policies.

The City's Comprehensive Plan Chapter 3 Land Use, includes Goal LU 10, Joint Planning. This goal seeks to support joint growth management planning and annexation requests which best meet the City's development goals and policies. Activities undertaken under this goal should be expanded if the City and region are to achieve greater success in addressing housing issues.

Potential Actions:

- Consider funding City-led studies of areas that may be proposed for future urban growth or urban reserve areas for future expansions (in the long term), to better understand potential impacts to utilities and transportation. These could be undertaken in anticipation of the 2026 regional periodic Comprehensive Plan updates in Spokane County (RCW 36.70A.130).
- Continue to promote and support regional planning efforts such as the Steering Committee of Elected Officials and implementation of Countywide Planning Policies (CWPPs).

D2. Leverage partnerships within the health, education, parks, and transportation fields to support housing affordability, access to opportunity and quality of life.

Housing touches so many aspects of someone's life. Data shows that where someone lives can impact their life and health outcomes. People living just a few blocks apart may have vastly different life expectancies, in part because of their neighborhood. When households struggle to pay housing costs, they face financial and housing instability and are at heightened risk for a host of negative health outcomes. A safe and affordable home that is close to schools, work, amenities, and transit can help a person's overall health, wellbeing, and access to opportunity. Health institutions are well aware of how the social determinants of health (community conditions such as the availability of jobs, affordable housing, and grocery stores) shape health disparities. Many local and regional health stakeholders are exploring how they can help address long-term sustainable solutions to often complex housing and health problems, and advocate for, invest in, and provide services through affordable housing development.

When there is a disconnect between housing supply, job location, and services there can be corresponding greater demands on the City and region's transportation network and cause a greater proportion of people's time and income to be spent on commuting. Housing and transportation are the two biggest expenses in a typical household, on average comprising close to half of a household's income in the City of Spokane. With direction from the H+T Affordability Index and other research published in the past decade, collaboration between policy organizations focused on affordable housing and transportation has increased precipitously.³⁸

The City should continue to foster and build on partnerships with community members, organizations, school districts, and agencies to encourage housing initiatives that integrate across disciplines and work together to ensure all people and families have what they need to succeed.

Actions for Consideration:

- Link housing and transportation in higher density zones to connect communities with affordable housing options, walkable neighborhoods, and public transportation.
- Continue to explore connections and partnerships with school districts on housing, planning, and education outcomes to support greater access to opportunity for all students and families.
- Leverage partnerships with hospitals and health care institutions to address upstream causes of inequity, promote safe and healthy housing, and maximize positive health outcomes.

38 <https://htaindex.cnt.org/>

D3. Grow and expand use of both local and regional housing data and analysis.

The development of the HAP has brought together a diverse group of stakeholders and parties interested in the state of housing in the City. The City should consider carrying this momentum forward and further engage both non-profit and market-rate developers, realtors, community organizations, faith-based groups, agency partners, and community members in local and regional discussions on the housing market. Proactive and sustained momentum should include clearly defined purpose and duration of engagement.

The Housing Needs Assessment provides a foundation to continue to analyze housing needs. Market trends are dynamic and change quickly. The City should work with local and state organizations to expand on the needs assessment with periodic updates over time. In particular, monitoring affordable and accessible housing can help the City better understand expiring affordability for income-restricted housing units.

Actions for Consideration:

- Develop and deploy a regional competitive market analysis, inclusive of but not limited to measures of inventory, cost drivers, regulatory environment, and publish regular updates.
- Leverage partnerships with universities and community research organizations to expand existing housing data and increase the frequency of collection/analysis.
- Build partnerships to create a database or registry of affordable and accessible housing. Monitor expiring affordability.
- Establish an ongoing community stakeholder group to build on the relationships built during preparation of the HAP, seeking more regular and broad discussion of the regional housing market.

4. IMPLEMENTATION AND MONITORING

4.1. Implementation Matrix

Considering the information provided above and the strategies identified during the HAP process, the implementation matrix provides a roadmap for converting the recommended actions in the HAP into actual regulatory and program changes. Additionally, the proposed monitoring program provides a system for measuring the effectiveness of housing strategies in achieving the priorities.

The following section provides an implementation blueprint showing the potential first steps, anticipated timing of strategies, who will implement, and the investment level for the strategies discussed in the HAP. The potential first steps are suggested starting points for development of more refined work programs with elected officials and the community. This section will also provide options for measuring the performance of different strategies, such as developing a dashboard which monitors Spokane's housing target and action plan progress. For the full potential actions for each strategy, see Chapter 3.

The implementation matrix identifies anticipated implementation timeframes after adoption:

Short-term: 1-3 years

Mid-term: 3-5 years

Long-term: 5+ years

The implementation matrix also considers the level of resources needed, both in staff and other costs, including staff time required, additional resources or programming needed, or anticipated public funding required to implement.

Low: Minimal staff, resources, time, funding

Medium: Moderate staff, resources, time, funding

High: Intensive staff, resources, time, funding

Once the plan is adopted, additional effort should be given to further prioritize the strategies and potential actions. Further engagement, discussion, and consensus will be needed to identify which actions to pursue first, which can wait for additional resources, and which are less urgent but still important in the long-term. Additionally, the City should define and analyze the impact of strategies on increasing housing supply, options, and affordability.

4.2. Monitoring Program

The City should commit to issuing an annual report to evaluate its progress in implementing HAP strategies. This report should describe prioritized areas of focus and a proposed work plan for the next several years that could be reflected in the joint Plan Commission and City Council work plan, City Budgets, and any master planning (like the Capital Improvement Program). Action priorities could be discussed with partners and shared as a part of community outreach/involvement to ensure alignment with the plan of action. This program is already envisioned by the Comprehensive Plan in Housing Policy H 2.5 (below).

Comprehensive Plan Housing Policy H 2.5: “Provide a report annually to the City Plan Commission that monitors progress toward achieving the housing goals and includes recommended policy change if positive direction toward achieving the housing goals is not occurring.”

Discussion: “Using readily available datasets as a basis for a simple set of indicators can illustrate progress that has been made to achieve housing goals and policies and provide assistance in determining what actions are needed to implement the goals and policies and whether revisions to the policies are needed. The public can provide feedback about the indicators that are most important to them.”

Determining the exact indicators and monitoring frequency will require additional research into the availability of data, staff time, and the necessary process to establish tracking systems. Also required would be discussions with City leaders and the community, to ensure that the chosen indicators adequately and equitably gauge housing progress.

Guiding Principles for Developing a Monitoring Program

Staff recommends the following objectives in selecting data sources and indicators to use in the monitoring program:

- Use the monitoring program to advance the implementation of adopted Comprehensive Plan Housing Element goals and policies.
- Select indicators that are both easy to understand and useful in evaluating progress towards goals and policies.
- Use indicators from readily available, regularly updated, well-respected data sources.
- Use data specific to the City of Spokane. Regional or statewide data may be included for the purpose of benchmarking or comparison, but should not be relied upon solely to describe the state of housing within the city limits.

For a staff memo on the proposed monitoring program, see the Appendix G.

Table 1. Implementation Matrix

Note: The following matrix identifies potential first steps are suggested starting point for development of more refined work programs with elected officials and the community. For the full potential actions for each strategy, see Chapter 3.

Strategy	Potential First Steps	Starting Timeline	Investment
A. Increase housing supply, options, and affordability for all incomes.			
A1. Explore and expand allowed housing types to encourage missing middle housing throughout Spokane’s neighborhoods.	<ul style="list-style-type: none"> Allow duplexes (two units per lot) in RSF and RSF-C zones, on each parcel or each corner lot; suggested action in RCW 36.70A.600. Increase the allowed number of attached units on individual lots in RSF, RSF-C and RTF zones outright, without the requirement of a planned unit development (PUD) process. 	Mid-term	Medium
A2. Target efforts to increase the development of affordable housing throughout the City to support mixed-income neighborhoods.	<ul style="list-style-type: none"> Examine incentives for affordable housing, including allowing fee waivers for development of income-restricted units, while also exploring policies to mitigate displacement. Utilize and build on state and federal funding sources to increase the supply and preservation of affordable homes. 	Short-term	High
A3. Continue to streamline and simplify changes to the City’s permit process, as necessary.	<ul style="list-style-type: none"> Adopt SEPA (State Environmental Policy Act) infill exemptions (RCW 43.21C.229) for residential or mixed-use development; suggested action in RCW.36.70A.600. 	Short-term	Low
A4. Leverage infrastructure and investment, including near high-performance transit stops, in Centers and Corridors, the downtown core, and other targeted areas to increase housing supply.	<ul style="list-style-type: none"> Increase building height and/or remove parking required in exchange for more housing in Centers and Corridors. Encourage and communicate the ability for developers to build to allowed density in Centers and Corridors. 	Short-term	Medium
A5. Revise Accessory Dwelling Unit standards to allow for additional flexibility.	<ul style="list-style-type: none"> Explore development code changes for accessory dwelling units. 	Short-term	Medium
A6. Leverage public and partner-owned land for affordable housing, including a land bank.	<ul style="list-style-type: none"> Allow more flexibility for faith institutions to increase the number of affordable homes they can build on their property, pursuant to RCW 35A.63.300 and RCW 36.70A.545. 	Long-term	High
B. Preserve existing housing affordability and quality to help people thrive where they live.			
B1. Expand preventative and proactive code enforcement to help maintain safe and quality housing.	<ul style="list-style-type: none"> Improve resolution to “zombie” properties by prioritizing receivership instead of demolition. 	Short-term	Medium
B2. Align and leverage programs, funding, and resources to preserve the quality and livability of existing affordable housing.	<ul style="list-style-type: none"> Streamline navigation and processes to support improved access to City housing and community development programs. Synthesize priority areas for Community Development Block Grant (CDBG) and other flexible funding sources to address housing needs. 	Short-term	Medium
B3. Enhance protections and assistance for renters, particularly the most vulnerable.	<ul style="list-style-type: none"> Work with community members and tenant advocates to address ongoing barriers to accessing rental housing. Identify ongoing sources of rental and utility assistance for low-income households to promote housing stability post-COVID. 	Short-term	Medium

Strategy	Potential First Steps	Starting Timeline	Investment
B4. Maintain and improve existing affordable rental housing.	<ul style="list-style-type: none"> Continue to engage in proactive outreach to property managers and explore policies and programs that provide guidance and resources to support rental housing. 	Short-term	Low
B5. Study the local short-term rental market to reduce impact on housing affordability, neighborhood identity, and displacement.	<ul style="list-style-type: none"> Track short-term rentals to understand compliance with current permitting requirements. 	Short-term	Medium
C. Enhance equitable access to housing and homeownership.			
C1. Reduce barriers and expand access to housing and homeownership for lower income households, first-time homebuyers, people of color, and people with disabilities.	<ul style="list-style-type: none"> Expand information provided in Spanish, Russian, Marshallese, Vietnamese, Arabic, and other languages to help increase access to housing and community development programs and resources. 	Short-term	Low
C2. Address racial inequities and disparities in housing.	<ul style="list-style-type: none"> Develop a racial equity framework and expand analysis of equity indicators to inform housing and land use policy, code regulations, and to mitigate displacement. 	Short-term	Medium
C3. Preserve and stabilize the viability of existing homeownership for low income homeowners.	<ul style="list-style-type: none"> Support programs that reduce tax burdens to help homeowners with costs and to stay in their neighborhoods. 	Short-term	Medium
D. Leverage and grow partnerships to support housing initiatives across the region.			
D1. Support growth management planning which best meet the Comprehensive Plan's goals and policies.	<ul style="list-style-type: none"> Continue to promote and support regional planning efforts such as the Steering Committee of Elected Officials and implementation of Countywide Planning Policies (CWPPs). 	Short-term	Low
D2. Leverage partnerships within the health, education, parks, and transportation fields to support housing affordability, access to opportunity and quality of life.	<ul style="list-style-type: none"> Link housing and transportation to create connected communities with affordable housing options, walkable neighborhoods, and public transportation. 	Short-term	Medium
D3. Grow and expand use of both local and regional housing data and analysis.	<ul style="list-style-type: none"> Establish an ongoing community stakeholder group to build on the HAP for more regular and broader discussion of regional housing market. 	Short-term	Low

5. APPENDICES

- A. City Council Implementation Plan
- B. Housing Needs Assessment & Methodology
- C. Additional Data Analysis
- D. Housing Policy Framework
- E. Summary of Community Engagement
- F. Displacement Risk Assessment
- G. Proposed Monitoring Program
- H. Glossary of Terms

To view all the appendices, visit the Housing Action Plan project page:

<https://my.spokanecity.org/housing/spokane-housing-action-plan/>

Appendix A

City Council Implementation Plan

This appendix is part of the City of Spokane Housing Action Plan. To view the full plan, appendices, and project materials, visit the project webpage: <https://my.spokanecity.org/housing/spokane-housing-action-plan/>.

Appendix A. City Council Implementation Plan

RES 2021-0062

Introduction

The City Council resolves to amend the Draft Housing Action Plan to add an Implementation Plan as Appendix A.

By design, the current Housing Action Plan ("HAP") sets out potential first steps without prioritization and is more of a report. The report is comprehensive, well-constructed and accessible to those outside the homebuilding community. This Implementation Plan seeks to transform potential steps listed in that report into a commitment for action with adequate resources to achieve them in a timely manner.

The Council notes that due to the passage of time and quickly changing market conditions, much of the data on housing needs in the HAP draft appears to be out of date. The methodology required by Department of Commerce focuses on long term needs instead of immediate needs. Rather than taking additional time to reformulate that data for current market conditions and needs, Council intends to move forward with an understanding of a current critical shortage of residential housing within the City of Spokane and adjoining jurisdictions throughout Spokane County, and that this shortage is causing extreme hardship for a substantial portion of the population; and the language in this appendix supersedes any contrary language in the HAP. Though the root causes of the current housing market are far beyond the typical influence of municipal government, Council intends to deploy the tools it has to support a near and mid-term future housing market that has significantly increased capacity and is more affordable, especially for those community members who are not yet homeowners.

The City of Spokane's Comprehensive Plan "Comp Plan" was created by thousands of community members who contributed tens of thousands of hours to the document. The Comp Plan does - and should continue to - guide development within the City of Spokane. The Comp Plan requires investment of targeted resources as well as discipline to provide the greatest benefits to the entire community rather than for the few. The Comp Plan was also intended to evolve to better serve the community as conditions change, and it contemplates a prompt but full public process for amendments regarding any proposals that are not consistent.

In the interests of financial and environmental sustainability, the City Council sets the following infrastructure priorities for financial incentives and new regulations intended to increase residential density so that the benefits of existing infrastructure can be realized and the costs of new taxpayer financed infrastructure can be mitigated:

1. Existing Centers and Corridors, including Downtown;
2. Fifteen-minute walkability from the borders of Centers and Corridors (1/2-mile);
3. Existing residential neighborhoods; and
4. Greenfields (i.e. phasing development within the Urban Growth Area ("UGA" per Washington Administrative Code 365-196-330).

To successfully remedy the current housing crisis in Spokane, the City Administration, City Council and Plan Commission must act promptly to fund and implement this plan along in compliance with required public processes. Council commits to budgeting appropriate funding as set out in this plan, amending Spokane Municipal Code within its power, urging the Administration in writing to make administrative changes within their power, and collaborating with the Plan Commission to engage the public as necessary to comply with state and local laws and the Comp Planning process.

Summary of Strategies

A. Land Use Changes to Support Increased Density Using Infrastructure Priorities

The definition of residential single family ("RSF") zoning should be clarified to expressly include duplexes, and a pilot project should be implemented to allow a defined number each year for three years of triplex and fourplex units in RSF zones that contain single families built in the character of single family residences so that they fit within the neighborhood consistent with Comp Plan LU 1.3. Minimum lot size, maximum building coverage, roof heights without raising wall heights, public street frontage requirements and setbacks should be promptly considered for adjustment to allow for denser development within single- and two-family zones. Two-family zones should allow for stacking of condominium units and extended roof heights for design purposes while preserving existing wall height standards. The City should leverage its improved transit system by developing transit overlay zones within 1/4 of a mile from a transit stop with intensity of use determined by the frequency of weekday service, starting with STA's Bus Rapid Transit and Central City Lines. These land use changes should follow the infrastructure prioritization set out above.

B. Support for Rapid Development of Accessory Dwelling Units ("ADUs") Using Infrastructure Priorities

Expansion of the inventory of ADUs that are precluded from being short-term rentals can be an alternative for those who own their property and can afford to build on land they own. This provides housing that is usually more affordable than the surrounding homes and creates income and wealth for current homeowners. The City should reduce existing barriers to creation, establish a recently authorized tax benefit for owners and deploy a marketing effort to encourage current homeowners to build and rent out ADUs subject to applicable design guidelines and initially owned by the main house occupant.

C. Financial Incentives for Rapid Development of Attainable Housing Using Infrastructure Priorities

Council recently released a list of at least seven relevant financial incentives for developing residential housing within Centers and Corridors and the surrounding 1/2-mile transition. In addition to this list, the City should use tools recently provided by the Washington State Legislature to update its Multifamily Tax Exemption ("MFTE") program, including expanding the boundaries, adjusting eligibility criteria to require more affordable units for all exemption levels, and limiting participation of units valued at more than twice the median sales price for a single family home in the City of Spokane

from the previous year. The City has already approved millions of dollars in annual funding for affordable and low-income housing per the legislative authorization of 1406, 1590 and 2497. The City must promptly fill the vacant positions in the CHHS Department so that these funds can be quickly and effectively distributed, and the City should create at least two new positions as allowed by that funding. The City should purchase the many registered zombie homes (using legal process if justified) within the City and consider a land bank pro forma to return those units to the occupied affordable housing market and scattered site land trusts.

D. Administrative Reform and Resources for Rapid Development of Housing

The growth of building permit applications in the City during the pandemic has created at least the appearance of a bottleneck within the City's approval process that can be addressed both with increased personnel capacity and simplification for Planned Unit Developments ("PUDs") and single unit lot divisions. Incoming residential permit applications should be accelerated and prioritized to meet current City housing goals and be completed in no longer than two weeks except for complicated projects. To achieve this goal, more specialized residential positions should be added, and they should prioritize the following permits ahead of the line of all other projects in the following order:

1. Projects that are 100% affordable and low-income (120% of Area Median Income ("AMI") and below);
2. Projects with residential components that are located inside or within 1/2-mile of a Center or Corridor;
3. Projects with at least 30% of the units considered affordable or low-income regardless of location; and
4. Multi-unit residential projects meeting current zoning requirements regardless of income or location.

E. Additional Support of Rental Housing Market

The Washington State Legislature has substantially updated tenancy laws that will support housing security, including extended notice for rent increases and just cause eviction. Based on the work of the Landlord-Tenant Collaboration Group, which wrapped up in July of this year, several initiatives could further improve the rental market in Spokane, including, but not limited to:

1. Universal Background/Credit check so that tenants only pay once regardless of how many units they apply to rent within a pre-determined timeframe;
2. Legal services and relocation funds for tenants who live in units that don't meet habitability standards, funded by landlords who are found responsible for not maintaining units (the City should create a fund for legal and relocation costs to be replenished by landlords found liable);
3. Increase the number of City Code Enforcement Officers and direct them to proactively inspect rental units without charging landlords or tenants for each inspection, funded by more efficient collection of business license fees; and
4. Contract for real time tracking of short-term rentals and enforcement of city license requirements, plus consideration of an excise tax on these properties to support housing programs.

F. Housing Equity Strategies

The City should use its Office of Historic Preservation to promptly create a report that explains the historical actions of government and institutions in Spokane to expressly and indirectly redline housing based on race and other factors. All housing policies and programs going forward should take those illegal actions and their impacts into account and attempt, within the bounds of current state and federal law, to redress them and avoid further inequity. Current and former residents of neighborhoods with a history of redlining along with households who are eligible for free and reduced lunch programs in public schools should be given preference in qualifying for City-sponsored housing programs. Regardless of preference, the City should spend money to reduce barriers to accessing housing programs by liberally using language translation services, proactive reasonable accommodations and contracting with trusted ambassadors to communities in need of and at risk of not accessing housing services. These equity efforts should be informed by community members with lived experience relevant to the housing programs at issue and the challenges of accessing them.

Strategies and 2022 Budget

I. The City of Spokane should adopt the following policies administratively:

1. Meet the goal of a two-week turnaround for most residential project permits by adding specialized staff and prioritizing the following above all other permit applications:
 - a. Projects that are 100% affordable and low-income (120% of AMI and below);
 - b. Projects with new residential components that are located inside or within 1/2-mile of a Center or Corridor;
 - c. Projects with at least 30% of the new units considered affordable or low income regardless of location; and,
 - d. New multi-unit residential projects that are already properly zoned, regardless of income or location.
2. Replace the currently vacant CHHS Department positions to support prompt and effective distribution of 1406, 1590 and 2497 funding for affordable and low-income housing projects.
3. Expand attainable home ownership programs, especially using shared equity and land trust models, by utilizing new funding streams authorized by 1406, 1590 and 2497.
4. In addition to enacting ADU reforms, create an ADU Toolkit that includes information about local ADU friendly lenders and contractors, standard approved plans, the process for assessing whether current utilities are adequate for additional housing, and more.
5. Contract with a vendor to track real-time use of housing in the City as short-term rentals and enforce compliance with City business license laws.
6. Create and promote a user-friendly permit process and, through 2024, reimburse up to half the current permitting cost for short plats, PUDs and single unit lot

subdivisions if the builder demonstrates that at least 20% of the units were sold to households at or below 120% of AMI. The difference in cost of processing over fees collected will be reimbursed from the Housing Fund described below.

7. Develop an education and outreach program and online materials for builders, developers, realtors, homeowners, lot owners, building owners and other interested parties that will support them in using financial and programmatic residential housing incentives within the City.
8. Give housing purchase and other City-funded programs priority through 2024 to people who live in, formerly lived in, or their parents lived in, the neighborhood where the new housing is located in order to mitigate past or future displacement.
9. Provide priority for housing programs through 2024 to households that would be eligible for a free or reduced lunch program.
10. Provide a housing matching service and toolkit for homeowners who wish to rent out living space in their primary residence.
11. Implement a proactive rental housing inspection program that meets constitutional and state law standards of notice utilizing new Code Enforcement FTEs funded by increased business license fee collections.
12. Contract with nonprofit community groups that serve people negatively impacted by historical redlining and its current consequences to provide culturally competent navigators to members of those communities to assist them in expanding their housing and neighborhood choices.
13. Increase language translation and technology options for sharing opportunities with potential beneficiaries of housing programs to overcome obstacles related to language, culture, education, transportation and/or disability.
14. Create an historical housing equity report on racial and other redlining in Spokane neighborhoods.
15. Create a housing equity toolkit to analyze potential equity impacts of current and proposed land use and housing program practices.
16. The Planning Department should identify a list of partially or fully completed planning projects (i.e. Lincoln Heights Center Plan Implementation, Monroe 2.0 Housing Plan, Northtown Center Plan) that have been on hold for lack of funding or staffing that would support increased housing density and economic development that could be completed by outside vendors.

II. The City of Spokane should adopt the following policies by Council action outside the Plan Commission process required by Title 17 of the Spokane Municipal Code:

1. In accordance with RCW 36.70A.390, enact an emergency interim official control ordinance expressly allowing for up to four units attached in any residential zone along with necessary modifications to land use dimensional standards to accommodate these enhanced housing options.
2. Fund up to four additional FTEs to process residential permits and market ADU adoption, paid for by permit fees.
3. Fund two additional FTEs in CHHS to assist with promptly and effectively distributing funding from 1406, 1590 and 2497 for affordable and low-income housing projects.

4. Fund up to two additional FTEs in Code Enforcement for rental housing habitability inspections funded by increased business license fee collections from landlords.
5. Implement the recently authorized three year tax exemption for building ADUs priced at or below 120% of AMI per RCW 84.36.400.
6. Consider imposing an excise tax on short-term rental gross receipts to support housing programs that mitigate displacement of regular rental units.
7. Expand allowable zones for short-term rentals to match current actual usage to improve licensing compliance.
8. Create and implement a business plan for a government sponsored land bank administered by a nonprofit entity, with legal powers to unwind liens, purchase, rehabilitate and sell to cost-burdened households within scattered site land trusts, vacant zombie homes on the City's registration list that have been repossessed and have been vacant and not listed for sale for at least one hundred twenty days.
9. Consider collaboration with other governments and entities to create a scattered site land trust to support attainable housing ownership for cost-burdened households.
10. Scale up funding for cooperatively owned apartment building projects and deed-restricted mortgage assistance based on results of existing pilot project.
11. Create a business plan and implement new Tax Increment Finance districts ("TIFs") as recently authorized under state law that will combine lower income residential districts like East Central and Hillyard (West Central already has this in place) with business districts to support dedicated housing dollars for attainable housing redevelopment. Consider a new TIF centered at Northtown and extending along Division and Wellesley.
12. Contract with a consultant to create a Center Plan for Northtown to increase housing density and support implementation of transit-oriented workforce housing development.
13. Update the City's MFTE program to comply with recent state law changes and adjust incentives toward workforce housing by requiring at least 30% of units to be affordable at 120% of AMI for the 8-year plan and at least 50% of units to be at 100% of AMI for 12-year plan, including eligibility ending for units once they exceed a county assessed value of more than twice the median sales price for a single family home from the previous tax year in Spokane.
14. Require a City business license and registration of all rental units except those in the same home as the owner. Those who own just one rental property would only be required to register.
15. Provide seed funding for a three-year pilot program for attorneys and upfront relocation funds for tenants attempting to enforce clear violations of existing state and local rental and housing standards to be replenished by landlords found responsible for violating law.
16. Provide a one stop universal background and credit check service for landlords and tenants that will ensure that tenants will only have to pay for one report regardless of how many applications they submit during a predetermined timeframe.
17. Enact and fund from a newly established Housing Fund, using American Rescue

Plan Act ("ARPA") dollars, the following incentive programs for residential projects inside and within 1/2-mile of established Centers and Corridors:

- a. Partially reimburse utility hookups for vacant or underused buildings that are renovated to affordable residential mixed-use;
- b. Define criteria for new multifamily/mixed-use/innovative development that would qualify for matching dollars from the Housing Fund (up to \$250,000);
- c. Provide up to \$40,000 in grant reimbursement funding for new affordable developments that improve City underground infrastructure, such as utilities;
- d. Allow new affordable multi-family developments to qualify for commercial sewer and water rates for first five years of operations;
- e. Reimburse transportation impact fees paid by developers on units of single-family and multi-family developments purchased or rented by households at 120% or below of AMI;
- f. Reimburse permit fees for single unit lot subdivisions proportionately for each parcel/unit purchased by a household earning at or less than 120% of AMI; and,
- g. Reduce all permit fees and onsite parking requirements for ADU construction.

III. The City of Spokane should adopt the following policies by Council action using the Plan Commission process required by Title 17 of the Spokane Municipal Code:

1. Remove off-street parking requirements for residential units in established Centers and Corridors and within 1/2-mile.
2. Ease ADU requirements by providing for administrative waiver of off-street parking on blocks not currently congested, allow for owner to not live on property after three years of ADU occupancy, and allow for sale after seven years of occupancy, retaining permanent conditions against using ADUs as short term rentals.
3. Update definition of RSF zoning to expressly include duplexes with RSF design to express the architectural and urban design qualities of low-density neighborhoods guided by Comp Plan LU 1.3.
4. Implement a three-year pilot project to allow triplex and fourplex units in RSF zoning built to express the architectural and urban design qualities of low-density neighborhoods per Comp Plan LU 1.3.
5. Permit multiple attached residential units (including stackable townhouses and condominiums), up to six per parcel, within compact and two-family residential zoning, but retain 35-foot wall height limits with some allowance for higher roofs, and historical overlay design standards if applicable, within 1/2-mile of Centers and Corridors.
6. Create Transit Oriented Development ("TOD") overlays that would allow increased density, building height and mixed uses within 1/4-mile of a transit stop like the current pilot being implemented along the STA City Line. Any changes would require reasonable transitions to lower density zoning standards in the

neighborhood. This would work toward a goal of creating a "15-Minute Walkable City."

7. Create a Transit Oriented Development designation eligible for TOD planning under Section 1090 of the 2021-2023 WA Capital Budget within a walkable distance of high performance transit lines to facilitate development of additional housing at in a variety of unit types and price points. The designation should be implemented through a combination of land use and zoning tools, targeted infrastructure projects, and layered incentives to support residential development.
8. Seek prompt re-evaluation by the Plan Commission of SMC 17C.110.200.F to relax public street frontage requirements to allow alley access and ease of creating pocket developments to support the goal of denser residential development within residential zones while reasonably preserving other goals of desired streetscapes.
9. Seek prompt re-evaluation by the Plan Commission of SMC 17C.110.200 and Table 17C.110-3 to consider reductions of minimum lot size and width, maximum building coverage and floor area coverage to support the goal of denser residential development within residential zones and a reasonable version of other goals of these provisions.
10. Seek prompt re-evaluation by the Plan Commission of SMC 17C.110.200.C and Table 17C.110-3 to ensure that future transition standards are consistent with the City's goal of increasing density by using smaller parcels while preserving other reasonable goals of these requirements.
11. Review LUI.3 and LUI.4 for consistency with E2SHB 1220 (WA Leg 2021) requiring that planning counties under the WA Growth Management Act (GMA) update comprehensive plans to increase housing options that accommodate all levels of affordability, address historical exclusionary zoning practices, and establish anti-displacement strategies;
12. Amend the Comprehensive Plan to explore requiring, rather than merely encourage, the availability of affordable housing choices for families at all income levels in every neighborhood.
13. Add a goal to create "15-Minute Walkable Neighborhoods" throughout the City to both the Comp Plan and the Spokane Municipal Code.
14. Consider new standards for nonprofit entities to increase options for developing and managing attainable housing and sheltering capacity on their owned and leased properties, including the operation of former hotels and motels.
15. Create design, light, noise and other protections for existing serviceable housing, especially those with historic significance consistent with Comp Plan DP 2.6, 2.7, 2.12, and 2.21.

IV. The City of Spokane should budget the following resources in 2022 to accomplish the above plan items:

1. \$800,000 to hire up to eight new FTEs to be funded by new or existing available funding streams identified above.
2. \$6 million to establish an initial Housing Fund from ARPA funds, not including additional ARPA funds that may be expended for specific low-income housing projects;

3. \$10 million estimated net new revenues from 1406, 1590 and 2497, including revenues accumulated from these sources prior to 2022.
4. \$500,000 for standing up a universal background/credit check program, legal aid to address uninhabitable units and a program to gain short-term rental compliance and excise tax, to be funded from the current balance of strategic investments reserve fund.
5. At least \$1 million from ARPA funds to pay for outside vendors to complete or implement plans that have already had robust public engagement and would support increased residential density and economic growth.

Appendix B

Housing Needs Assessment & Methodology

This appendix is part of the City of Spokane Housing Action Plan. To view the full plan, appendices, and project materials, visit the project webpage: <https://my.spokanecity.org/housing/spokane-housing-action-plan/>.

CITY OF SPOKANE

HOUSING ACTION PLAN

HOUSING NEEDS ASSESSMENT

SUMMARY REPORT

REVIEW DRAFT - DECEMBER 7, 2020 UPDATE



City of Spokane

The City of Spokane is developing a Housing Action Plan (HAP) to identify ways to meet housing needs now and into the future. The HAP is made possible due to a Washington State Department of Commerce House Bill 1923 Grant. HAPs should include strategies and actions to encourage greater housing diversity and affordability, access to opportunity for residents of all income levels, and should address both affordable and market-rate housing needs. An initial step in the HAP process is to define the range of housing needs by analyzing the best available data that describes the area's housing and associated demographic, workforce, and market trends over the past few decades. This assessment helps answer questions about the availability of different housing types, who lives and works in the Spokane area, and what range of housing is needed for all income levels through 2037. The HAP planning horizon aligns with the 20-year growth target for the City of Spokane's Comprehensive Plan. Housing analysis is an important exercise since a community's housing needs tend to continually evolve based on changes in the broader economy, local demographics, and the regulatory environment.

The City of Spokane, like other communities in the Spokane-Coeur d'Alene metropolitan area, has changed and grown over the years, leading to greater demand for different housing types. The diverse housing needs have not always been successfully met and access to housing has not always been equal, especially for low income families and communities of color. Analyzing housing needs is complex because it represents a bundle of services that people are willing or able to pay for, including shelter and proximity to other attractions (e.g., jobs, shopping, recreation); amenities (e.g., type and quality of home fixtures and appliances, landscaping, views); and access to public services (e.g., quality of schools, parks, etc.). Since it is difficult to maximize all of these services while minimizing costs, households must make decisions about trade-offs and sacrifices between needed services and what they can afford.



In addition, housing markets function at a regional scale, which makes it challenging for individual jurisdictions to adequately address issues without regional partnerships.

This Housing Needs Assessment summary compares the City of Spokane with Spokane County and the City of Spokane Valley to provide a more complete picture of the county-wide housing landscape while also offering insights on localized versus regional trends, and a more nuanced view of housing market dynamics. Various U.S. Census Bureau, county assessor, and housing market datasets were used to assess the housing stock, workforce, demographics, and expected demand. The housing needs assessment findings are organized in the following topic areas:

- Executive Summary
- National Trends
- City of Spokane Housing Trends
- City of Spokane Demographics
- City of Spokane Housing Affordability
- City of Spokane Housing Needs Forecast
- City of Spokane Employment Trends
- Spokane County Trends

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Executive Summary

› The rate of population growth and housing development in the City of Spokane has remained steady for most of the decade, growing around 5% and adding around 11,184 more people since 2010.

› To accommodate forecast housing needs for the City of Spokane, around 357 housing units need to be produced per year through 2037. Meeting this forecasted housing need is achievable given the City of Spokane has seen 537 units on average built annually between 2010 and 2019. The city should continue to advance policies and strategies that support housing growth for a diversity of housing types and at different affordability levels, such as through allowances for attached single-family housing in different parts of Spokane City. The city should strive to inclusively meet diverse housing needs for current and future households, in particular to provide more housing options attainable for middle- to low-income households, earning below 120% of the Area Median Income (AMI).

› Housing needs change over a person's lifetime. Thus, it is important to track shifts among age groups to better understand how housing needs change as community demographics shift. The City of Spokane's senior (65+) and millennial (25-34 years) populations grew by two percentage points from 2012 to 2018. Spokane County projections from 2020 to 2030 estimate that the 65+ population will expand from 18% to 22% of the total population – a trend that is consistent with other communities across the country. Homeownership rates increase as age increases and older people are more likely to live in single-person households which tend to be smaller in size. The aging of the Baby Boomer generation (born 1946 to 1964) could also generate greater demand for smaller sized housing and housing with living assistance support.

› The rising cost of housing is a top concern since more people are finding it increasingly difficult to afford housing. While the City of Spokane's population grew by 5% since 2010, home sales prices escalated by 47% in that same period of time. This increase has outpaced the city's homeowner incomes increase (1% rise from \$70,711 to \$71,727, remaining in the middle-income category).

› Rents for 2-bedroom apartments also increased by 11% since 2010. Increasing rents is a similar trend unfolding in Spokane County, several other cities, and across Washington State. Renter incomes in Spokane City have also increased by nearly 21% from \$27,290 to \$32,926. This corresponds with Spokane City's declines in the number of households earning less than 50% of AMI from 2012 - 2018. By 2018, Spokane City saw increases in renter incomes overall which could be an early warning sign that moderate-income households are being priced out of the homeownership market by higher income households. Overall the average rent per square feet for a 2-bedroom apartment in the City of Spokane have remained consistently lower than Washington State, and in the cities of Bellingham, Vancouver, and Bremerton over the last decade and lower cost rentals, could attract more people to the area.

› Another key finding is the low vacancy rate of 2-bedroom apartments over the last decade. On average, from 2010 to mid 2020, the vacancy rate was 2.7% for 2-bedroom apartments. This low rate is below the 5% standard, indicating an inadequate supply to satisfy demand. This is exacerbated due to slight increases in the share of renters in Spokane City between 2012 and 2018. Overall, this signifies increasing pressure on the already limited supplies of moderate-income (60-80% AMI) rentals and if they continue, could lead to increasing financial hardships for households across the City.

› A key way to evaluate housing affordability issues is to quantify housing cost burden which is defined as households paying more than one-third of their gross income on housing. Housing cost burden issues have not affected all households evenly - low and moderate-income households have been disproportionately affected and income level is strongly tied to cost burden. In fact, nearly half of households (renters and homeowners) earning less than 50% of AMI were severely cost burdened, meaning paying more than half their income on housing, while at least 69% of renters earning less than 80% of AMI were cost burdened. Cost burden rates in the City of Spokane are similar to Spokane County as a whole.

Executive Summary

› Between 2012 and 2018, Spokane's share of 1, 2, and 3-person households grew while the number of 4-person households declined. This suggests that demand is increasing for housing in Spokane City suited to smaller household sizes.

› Similar to Spokane County, Spokane City's population below poverty decreased from 20% to 16% from 2012 to 2018. This trend could be adding demand to the already constrained supply of moderate-to middle-income housing.

› Spokane City's housing stock mostly consists of single-family detached homes (69%) and lacks housing diversity needed to accommodate future demand. The city has a low supply (9%) of middle housing (e.g., townhomes, triplexes, duplexes, quad homes, and cottages) which is a critical housing type allowing more seniors and couples to downsize and remain in their community, while also providing more options for young households forming and working families to get a foothold in great neighborhoods.

› Spokane City's growing workforce increased by 4% from 2010 to 2017. Substantial growth in dominant sectors such as healthcare and social assistance with average 2018 salaries at 80-100% AMI could fuel demand for more moderate-to middle-income housing.

› As a result of Spokane's changing demographics, at least 6,791 housing units are needed by 2037. If units are allocated based on recent income distribution trends, half of the total units needed through 2037 would be for households earning over 100% AMI, and the remaining half would be split evenly for households earning 50-100% AMI, and less than 50% AMI. However, strategies could be developed to target certain housing needs to move beyond existing trends.

› **Overall, these findings indicate increased demand for moderate and middle-income options (80-120% AMI), and housing suitable for smaller households, that can mostly be mostly met through single-family attached housing. In addition, demand has increased for 2-bedroom apartments, rentals, and housing for seniors' special needs.**

The COVID-19 pandemic has affected the production of housing in many regions and the ability of households to pay for housing consistently. This will likely exacerbate housing availability and stability. Parts of this analysis relied on pre-COVID data.

*Median Income Levels**

When examining household income levels, the Area Median Income (AMI) and Median Family Income (MFI) are helpful benchmarks for understanding what different households can afford to pay for housing expenses. Since housing needs vary by family size and costs vary by region, HUD produces a median income benchmark for different family sizes and regions on an annual basis. These benchmarks help determine eligibility for HUD housing programs and support the tracking of different housing needs for a range of household incomes. AMI means the same thing as MFI but is more commonly used in the industry.

- AMI is used in this report and the median income value (100%) primarily used is an annual income of \$65,200 for a family of four (Spokane County rate for 2018).
- Below 30% of the AMI is extremely low income (under \$19,560), 30-50% of AMI is very low income (\$19,560-\$32,600), 50-60% of AMI is low income (\$32,600-\$39,120), 60-80% of AMI is moderate income (\$39,120-\$52,260), 80-120% AMI is middle income (\$52,260-\$78,240), and above 120% AMI is high income (above \$78,240).
- To put these values into perspective, a dishwasher earns an estimated \$26,580 per year on average and would be very low income. A pharmacy tech earns \$40,940 annually and would be moderate income.
- Income levels tend to vary throughout a lifetime and homeownership rates tend to increase as income increases.

*Source of AMI: Spokane County/US Housing and Urban Development (HUD), 2018, and Occupational Employment Statistics, US Bureau of Labor, 2019, Spokane-Spokane Valley Metropolitan. <https://static.spokane.org/documents/chhs/programs/homeinvestment/2018-spokane-home-income-and-rent.pdf>.

National Housing Trends

Key National Demographic Trends Associated with Housing



Nuclear family households, the predominant type of household of the mid 20th Century, shrunk from 40% in 1970 to 20% in 2018 while the share of single-person households increased from 15% in 1970 to 28% in 2018, to take over as being the most prevalent household type. This trend could lead to fewer persons per household which would increase demand for housing units.



In addition, around one-third of Americans between 18-34 years are living in their parent's homes (as of 2018) and the median age for first marriage increased to almost 30 in 2016. This trend could decrease housing demand for 18-34 aged persons or at least delay it.



America is aging, and the number of seniors will continue to grow over the next few decades to an estimated share of around 22% over age 65 by 2050. This is a big increase since only around 16% of US (and Washington state) residents were over 65 in 2018. Seniors are projected to outnumber children for the first time ever by 2035.



Nationwide, the Hispanic/Latino population is predicted to be the fastest growing sector over the next few decades and these households tend to include multiple generations, requiring more housing space. Over the coming decade, minorities will make up a larger share of young households and constitute an important source of demand for both lower-cost rental housing and home-ownership opportunities.

Sources: AARP (2018) Making Room for a Changing America, U.S. Census Bureau Annual Social and Economic Supplements 1950 and 1970, 2015 U.S. Census ACS, Washington State Office of Finance and Management, U.S. Census Bureau, 2019.

Spokane City Housing Trends

92,282

Total number of housing units in the City of Spokane as of mid-2020

Source: Spokane County Assessor, 2020.

5,366

Number of housing units built between 2010-2019

Source: Spokane County Assessor, 2020.

537

New housing units built on average every year since 2010

Source: Spokane County Assessor, 2020.

1.07

Ratio of Housing Units to Households, as of 2018, for the City of Spokane

Source: Washington State Office of Financial Management (OFM), 2018, ECONorthwest calculations. Note: The housing units to household ratio should be above one since healthy housing markets should have more housing units to allow for vacancy, demolition, second/vacation homes, and broad absorption trends.

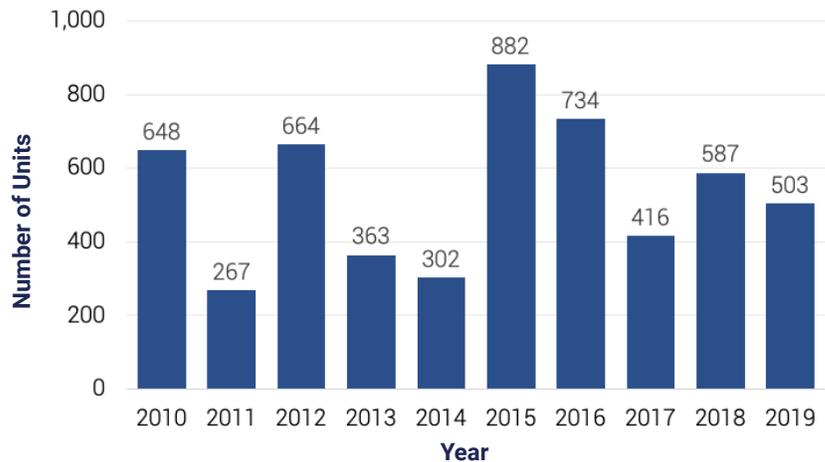
5.4%

Change in population

	2010	2018
Population	208,916	220,100

Source: OFM, 2020.

Number of Units Built Annually from 2010-2019



Source: Spokane County Assessor, 2020.

Housing Type Built by Decade, as of Mid-2020



Source: Spokane County Assessor, 2020. Note: Housing scale with 5 or more units is considered multifamily and housing with 5 or less units is single-family.

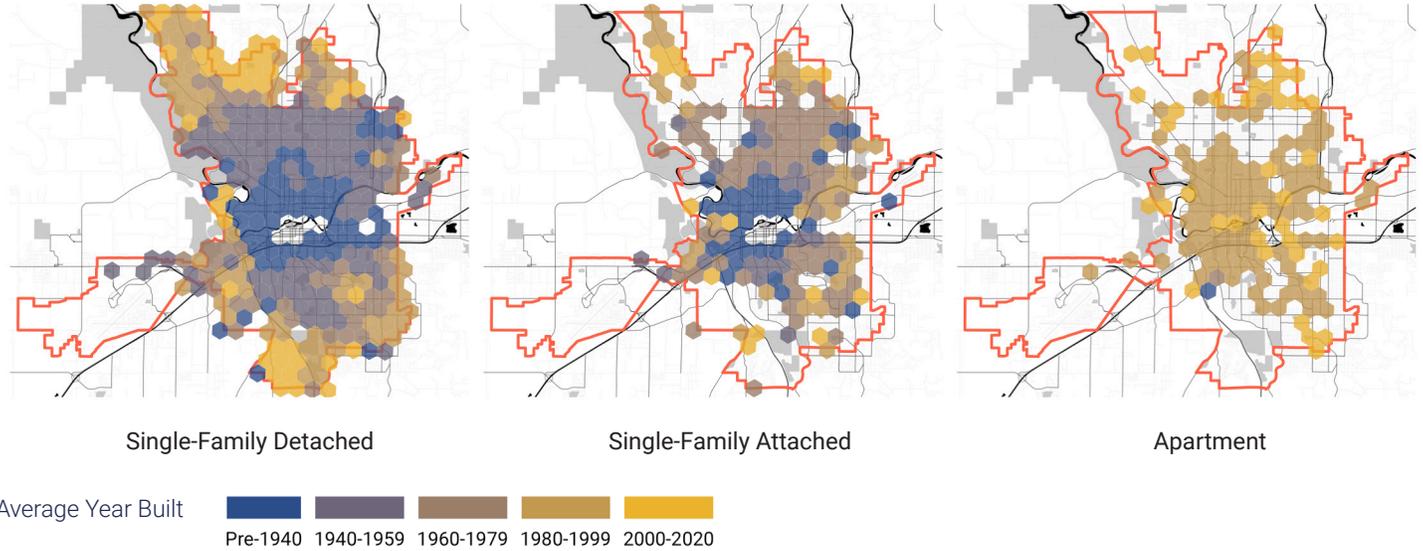
Share of Housing By Type, as of Mid-2020

Housing Type	Average Age	% of Housing
Single-family Detached	70	69%
Apartment/Condo	35	21%
Single-family Attached	60	9%
Mobile/Manufactured Home	34	1%

Source: Spokane County Assessor, 2020. Note: The above numbers include housing units in the City of Spokane. Single-family attached includes duplexes, triplexes, and quad homes.

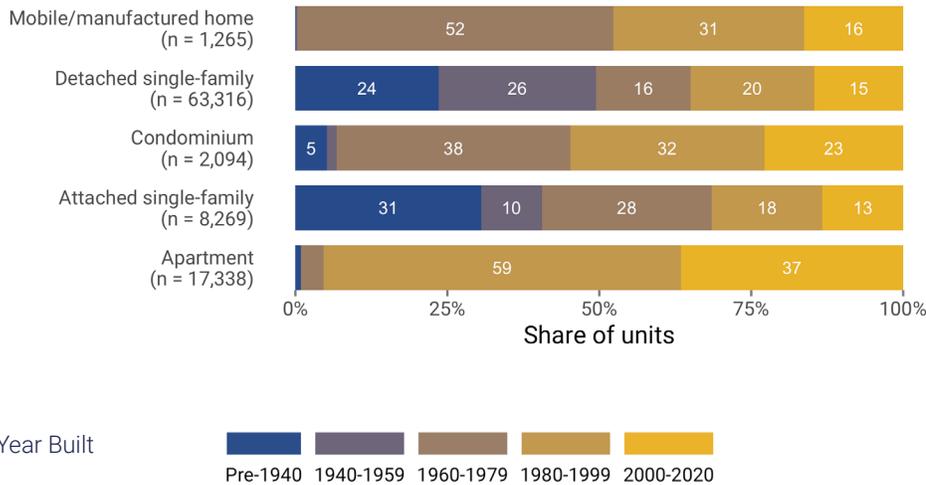
Spokane City Housing Trends

Age of Housing by Type



Source: Spokane County Assessor, 2020.

Type of Housing Built by Decade, as of Mid-2020



Source: Spokane County Assessor, 2020.

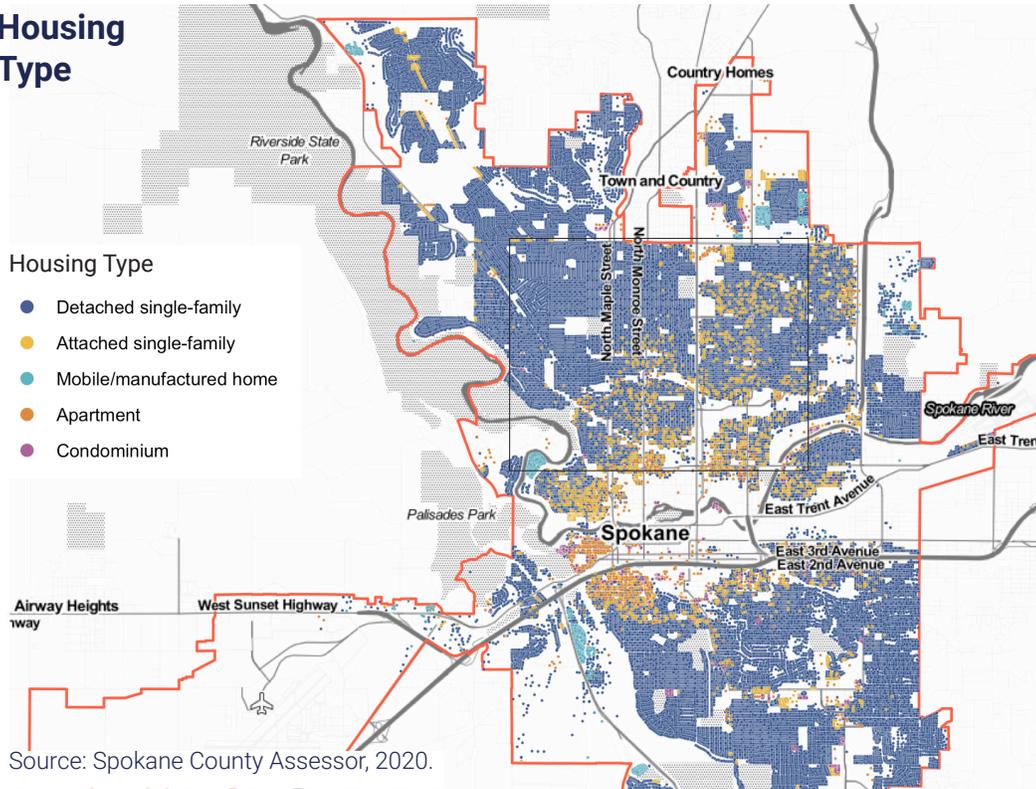
Housing Units Built as of Mid-2020

Decade	Percent of Units
Before	19%
1940's	8%
1950's	11%
1960's	4%
1970's	11%
1980's	10%
1990's	17%
2000's	13%
2010's	6%

Source: Spokane County Assessor, 2020. Note: This includes only existing housing as of mid-2020 (demolished housing not included).

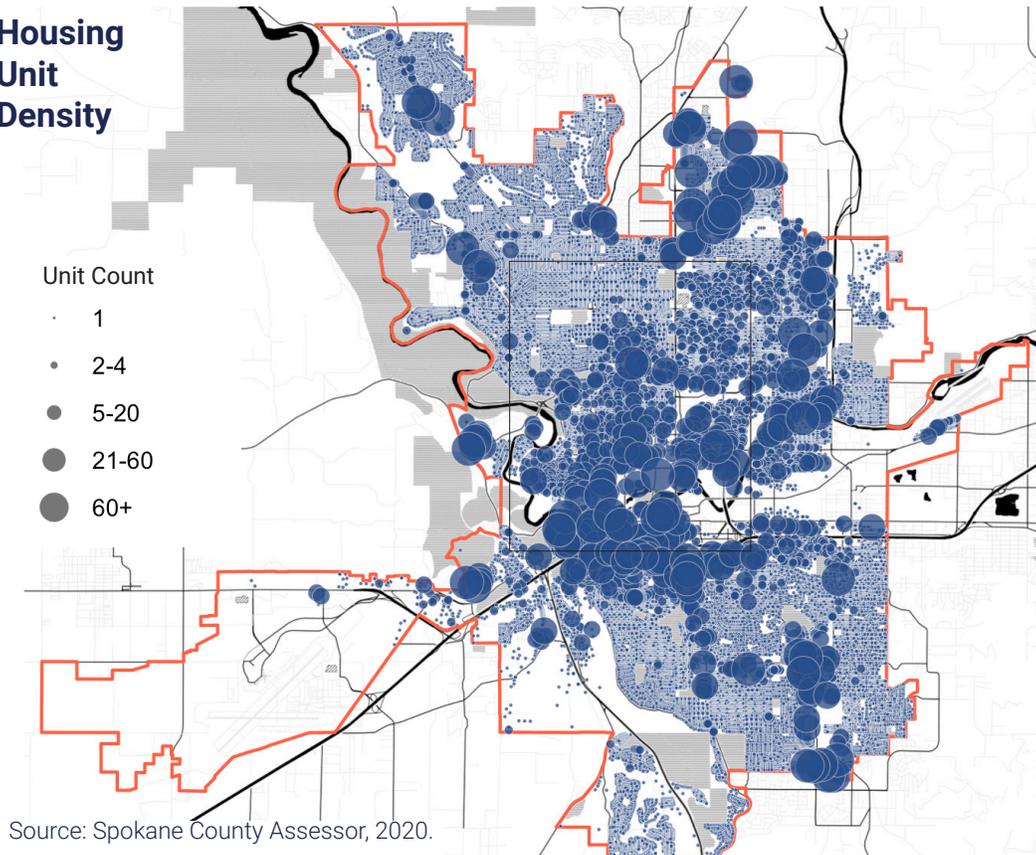
Spokane City Housing Trends

Housing Type



› Denser housing is clustered in the center, northeast, and along major corridors. Different housing types tend to be concentrated in certain zones rather than interspersed throughout neighborhoods. Overall, Spokane City lacks housing diversity particularly due to low supplies of single-family attached housing such as town homes, triplexes, and duplexes.

Housing Unit Density



4.8%

Change in number of households between 2012 and 2018

	2012	2018
Households	91,703	96,114

Source: OFM, 2020.

Spokane City Demographics

21.2%

Change in median household income from 2012 to 2018

	2012	2018
Median Income	\$44,608	\$54,085

Source: ACS 1-Year (2012, 2018). All values are in 2018 inflation-adjusted dollars.

20.7%

Change in median renter household income from 2012 to 2018

	2012	2018
Median Renter Income	\$27,290	\$32,926

Source: PUMS (2012, 2018). All values are in 2018 inflation-adjusted dollars.

1.4%

Change in median owner household income from 2012 to 2018

	2012	2018
Median Owner Income	\$70,711	\$71,727

Source: PUMS (2012, 2018). All values are in 2018 inflation-adjusted dollars. Note: A household earning more than \$70,000 per year would be middle- or high-income (family of 4, 2018).

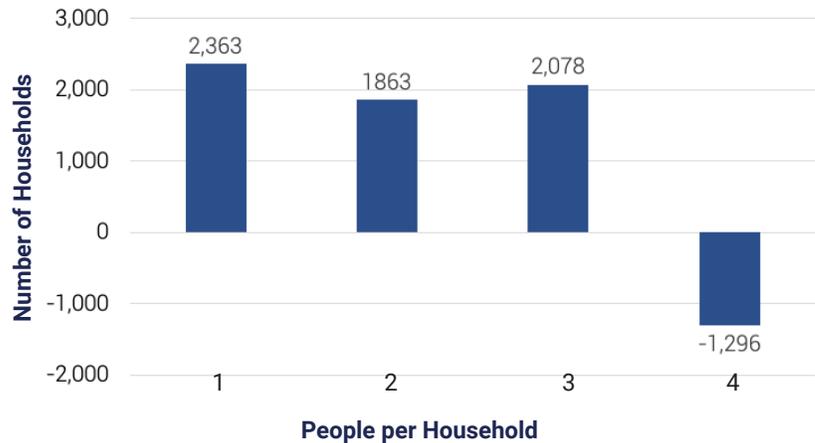
47.0%

Increase in median home sales price

	2010	2020
Median Sales Price	\$174,000	\$256,000

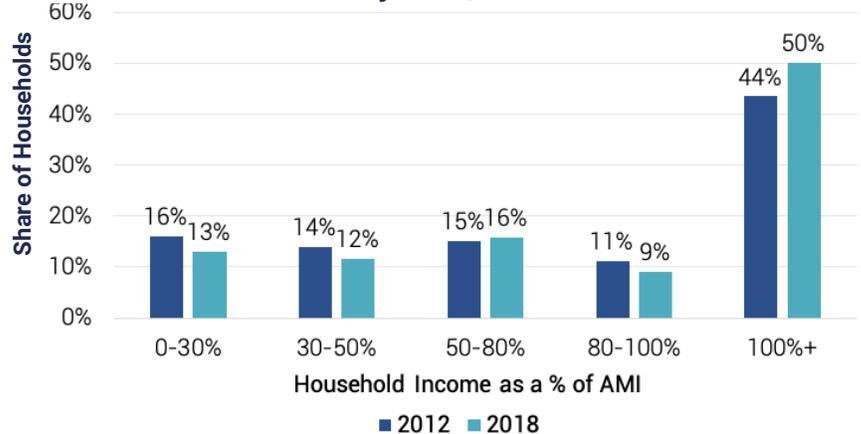
Source: Spokane County Assessor, 2020. Values are in 2020 inflation adjusted dollars. Notes: A household would need to earn over 100% AMI to afford the 2020 median home sales price. The Zillow Home Value Index shows a 59.0% increase between 2010-2020 to \$267,279 for middle price-tiered homes (numbers were seasonally adjusted).

Change in Number of Households by Size Between 2012 and 2018



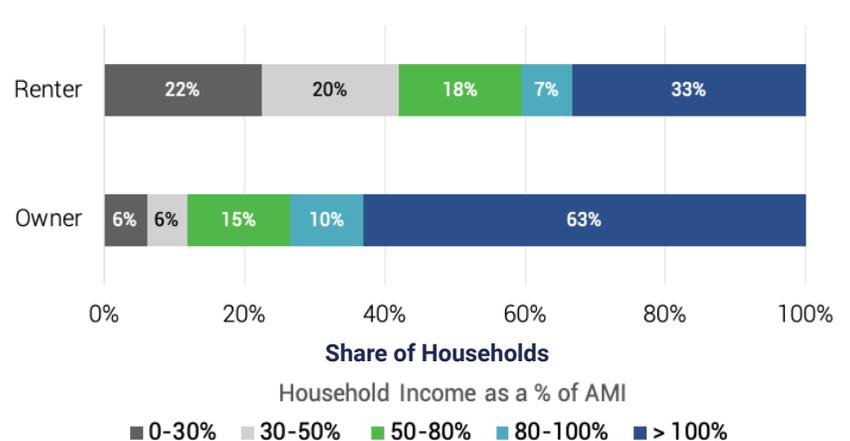
Source: PUMS (2012, 2018). Note: The average household size in 2018 was 2.01 for the City of Spokane, an average much lower than the City of Spokane Valley (2.27), Spokane County (2.14), and the U.S. (2.63) for the same year.

Income Distribution by AMI, 2012 and 2018



Source: PUMS (2012, 2018).

Income Distribution by AMI and Tenure, 2018



Source: PUMS, 2018.

Spokane City Housing Affordability

Cost Burdened

› A household who pays more than 30% of their income on housing (inclusive of households with severe cost burdening).

Severely Cost Burdened

› A household who pays more than 50% of their income on housing.

6,013

Total number of income restricted housing units as of mid 2020

Source: ECONorthwest analysis of public affordable housing data. Note: Restricted to low and moderate-household incomes.

11.2%

Increase in average rent for 2-bedroom apartment

	2010	2020
Average Rent	\$972	\$1,081

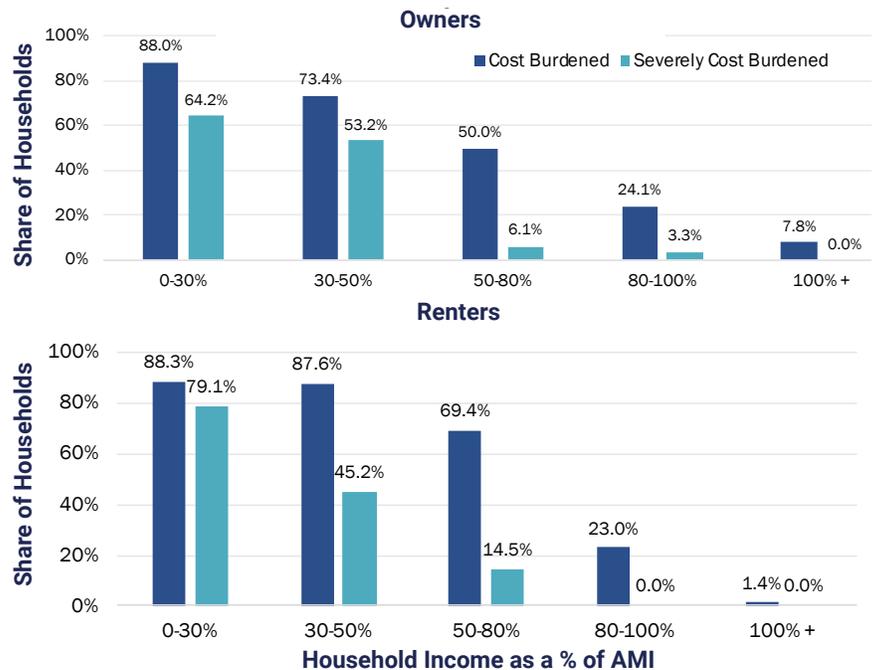
Source: Costar. All values are in 2020 inflation-adjusted dollars. Notes: This 2020 average rent would be affordable to those earning around 65% AMI or more. Average rents for a 2-bedroom apartment in Spokane County increased by 13% during the same time period. Between 2010 and mid 2020, the average rents per square feet for a 2-bedroom apartment in Spokane City was lower than Washington State and the cities of Bellingham, Vancouver, Renton, Spokane Valley, Federal Way, and Bremerton.

3.6%

2-bedroom apartments were vacant as of mid-2020

Source: Costar, Bureau of Labor Statistics. Notes: On average during the last decade, the vacancy rate was 2.7% for 2-bedroom apartments. This is a low rate of vacancy much below the 5% standard and rates for Spokane County and Washington State, indicating an insufficient supply to meet demand.

Share of Cost Burdened and Severely Cost Burdened Households by Tenure, 2018



Source: PUMS, 2018. Notes: Households below 50% AMI tend to be more cost burdened while in contrast, higher incomes above 100% AMI are less cost burdened since their larger incomes can go further to cover expenses. Owners tend to be less cost burdened due to mortgage lending stipulations; however it can occur when households see incomes decline. Cost burden does not consider accumulated wealth and assets.

Housing Units Affordable by AMI and Tenure, 2018



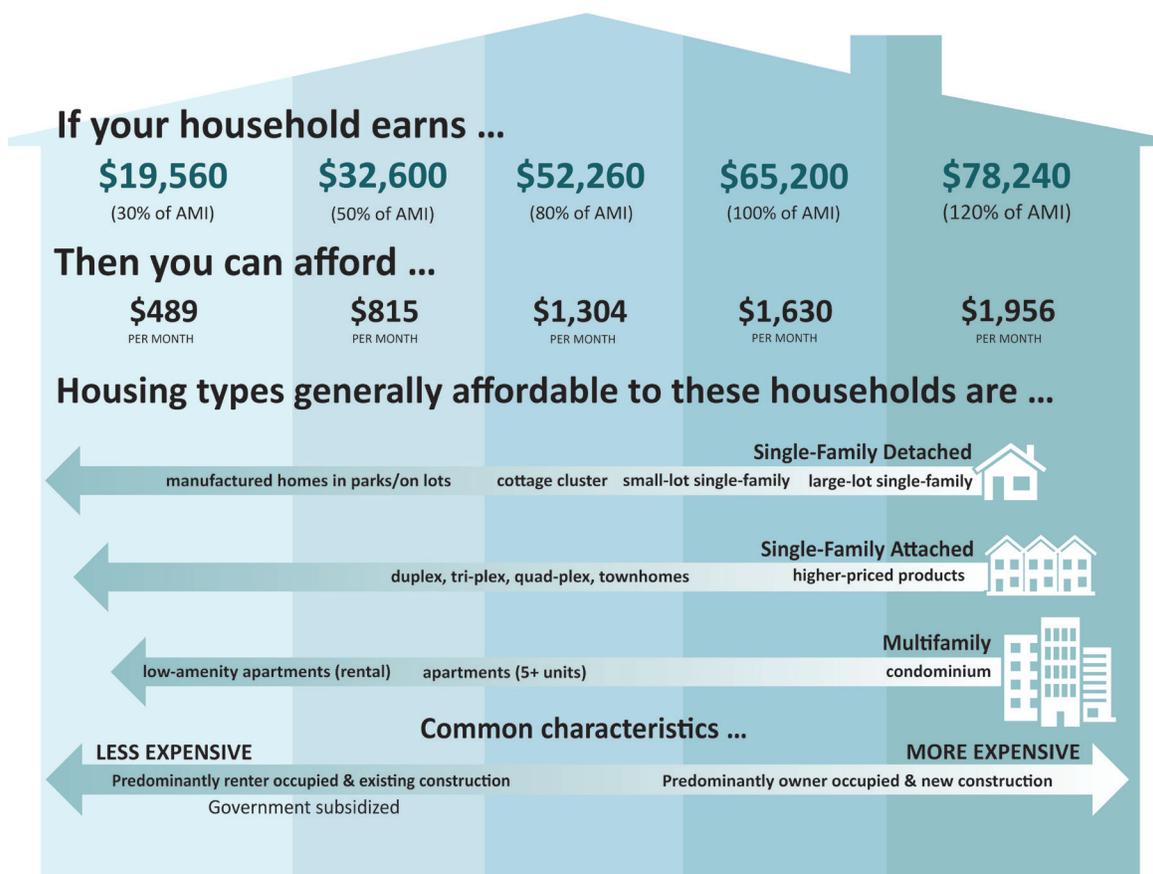
Source: PUMS, 2018, ECONorthwest calculation.

Spokane City Housing Affordability

Financially Attainable Housing Types

Another way to evaluate housing needs is to consider the different types of housing generally affordable to different household incomes in comparison to the current housing stock. As shown in the below exhibit, the 2018 area median income was \$65,200 for a family of four in Spokane County (100% AMI).

- Housing types affordable to households below this median annual income tend to be limited to apartments, manufactured homes, duplexes, tri-plexes, quad-plexes, and townhomes. Much of this housing is rented, particularly when priced for lower income households earning below 80% AMI and most of the housing below 50% AMI (extremely low and very low income) tends to be government subsidized.
- **Housing serving those earning below the median income (100%) is too limited since only 31% of the current housing stock includes duplexes, trip-plexes, quad-plexes, townhomes, apartments, and manufactured homes. Around 50% of all existing City of Spokane households in 2018 need housing priced below the median income (100% AMI) and future housing demand is expected to increase for moderate-to middle-income households (80-120% AMI).**
- Housing above the median income is predominantly newer construction and owner-occupied. This housing typically includes single-family detached homes, higher-priced single-family attached homes, and condominiums. Households earning above the median income tend to have more housing options available to them especially when considering that most of Spokane City's current housing stock is single-family detached (around 69%). Most people living in single-family detached housing own their home (79%) rather than rent it in Spokane City (ACS 1-Year, 2018).



Source: ECONorthwest. Note: All values are in 2019 inflation-adjusted dollars.

Spokane City Housing Needs Forecast

234,306

Projected population by 2037 (medium projection)

Source: Shaping Spokane.

748

Average annual population growth projected between 2018 and 2037

Source: OFM, 2019; Shaping Spokane; ECONorthwest calculations.

6,791

Projected number of units needed by 2037

Source: OFM, 2019; Shaping Spokane; ECONorthwest Calculation.

357

Average number of new units needed per year from 2019 to through 2037 (at a minimum)

Source: OFM, 2019; Shaping Spokane; ECONorthwest Calculation.

› If population and housing production both follow current trends, production could keep pace to fill housing gap.

Housing Units Needed Through 2037

Underproduction	Future Need	Housing Need
87	6,704	6,791

Source: PUMS, 2018; Shaping Spokane; ECONorthwest Calculation.

Notes: Underproduction is the estimated number of housing units needed to satisfy the housing shortfall over the last decade. Future need is the number of housing units needed up to 2037, based on the OFM population forecast.

Housing Units Needed as a Share of Existing Stock

Existing Units	Housing Need	% of Existing Units
92,282	6,791	7%

Source: Spokane County Assessor, 2020; ECONorthwest Calculation.

Housing Units Needed by AMI Through 2037, Based on 2018 Income Distribution Trends

AMI	# of Units	% of Units
0-30%	888	13%
30-50%	792	12%
50-80%	1,080	16%
80-100%	627	9%
100%+	3,405	50%

Source: PUMS, 2018; Shaping Spokane; ECONorthwest Calculation. Note: The units by income level provided in this table were allocated based on recent income distribution trends (2018).

HUD Affordability Level by Housing Type, 2018

AMI	Studio	1-bed	2-bed	3-bed
30%	\$342	\$366	\$440	\$509
50%	\$570	\$612	\$734	\$848
80%	\$912	\$978	\$1,174	\$1,356
100%	\$1,140	\$1,222	\$1,468	\$1,695

Source: HUD, 2018. Notes: The dollar values are for Spokane County and the AMI values were adjusted to include the family size that would be appropriate for the housing type. These are fair market rent values.

Spokane City Employment Trends

Employment Trends

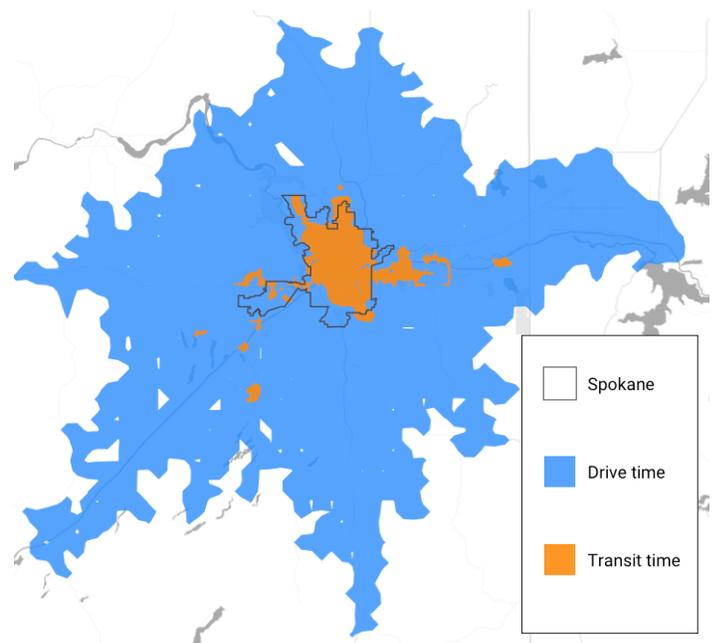
Understanding Spokane City's workforce profile and commuting trends will help provide insights on the housing needs of workers today and into the future. Factors such as job sector growth and commuting patterns may have implications for how many people are able to both live and work within the city. If such factors indicate many people are commuting into the city for work, it could be possible that the city does not have enough housing to accommodate its workforce or enough housing matching their needs and affordability levels.

This employment profile for the City of Spokane highlights trends associated with workforce and wage growth.

- As shown in the employment trends table, an estimated total of 121,111 people are part of the workforce in the City of Spokane as of 2017.
- Jobs grew overall in the city by 4% from 2010 - 2017.
- Among this total, the largest share works in health care and social assistance sectors (25% of total), retail trade (12% of total), and accommodation and food services sectors (9% of total).
- Removing small sectors (below 5% of total jobs), the job sectors experiencing high increases in job growth between 2010-2017 were health care and social assistance (19% increase) and professional, scientific, and technical services sectors (15% increase). Both of these sectors have an average salary in 2018 below 100% AMI, possibly indicating increased demand for middle and moderate-income housing.

Access to Employment*

Transit and auto access to regional employment was derived using a 45-minute travel shed for each mode. ECONorthwest calculated the number of jobs available within these travel sheds in each industrial sector category for the Spokane County region (2-digit code



*Transit and automobile drive time of 45 minutes or less, departing at 7:00 AM, mid-week

Source: US Census LODES database, 2017 and census block geometries, 2010; Spokane Transit Authority database; ECONorthwest Calculations.

from the North American Industry Classification System - NAICS). The transit travel sheds originated from every transit stop within the city while the auto travel sheds originated from the center of all block groups in the city.

This analysis demonstrates how a large majority of jobs are more accessible by driving an automobile rather than taking public transit. In total, 235,552 jobs are within a 45-minute drive from the City of Spokane while fewer jobs, estimated at 94,249, are located within the 45-minute transit shed. The denser urban areas within the small orange area could be analyzed for potential opportunities to include housing development that is transit-oriented. Mapping out commute sheds can be useful for estimating the extent of the regional housing market since most employed home buyers and renters tend to search for units with their commute in mind.

Spokane City Employment Trends

City of Spokane Employment Numbers					Access to Regional Employment	
Industry (2-digit NAICS Code)	Employees % (2017)	# Change (2010-2017)	% Change (2010-2017)	Average Salary (2018)	% Jobs by Auto	% Jobs by Transit
Agriculture, Forestry, Fishing and Hunting	0.4%	290	161%	\$27,776	82%	9%
Mining, Quarrying, and Oil and Gas Extraction	0%	-42	-62%	\$97,450	71%	8%
Utilities	0%	-817	-100%	\$78,508	66%	2%
Construction	4.1%	1,096	28%	\$41,403	78%	15%
Manufacturing	4.1%	926	23%	\$46,781	85%	13%
Wholesale Trade	3.9%	-266	-5%	\$44,872	92%	21%
Retail Trade	12.2%	-1,693	-10%	\$31,906	87%	33%
Transportation and Warehousing	2.5%	590	24%	\$54,968	92%	16%
Information	2.2%	-12	0%	\$37,750	88%	46%
Finance and Insurance	5.8%	123	2%	\$50,731	90%	43%
Real Estate and Rental and Leasing	1.6%	328	20%	\$41,183	90%	39%
Professional, Scientific, and Technical Services	5.8%	922	15%	\$62,036	87%	49%
Management of Companies and Enterprises	2.6%	828	36%	NA	94%	49%
Administrative and Support and Waste Management and Remediation services	4.3%	357	7%	\$31,371	87%	29%
Educational Services	7.1%	-189	-2%	\$52,702	88%	35%
Health Care and Social Assistance	24.6%	4,737	19%	\$40,394	90%	46%
Arts, Entertainment, and Recreation	1%	74	6%	\$33,594	64%	23%
Accommodation and Food Services	9.2%	892	9%	\$26,316	85%	37%
Other Service	2.6%	-1,715	-35%	\$36,879	86%	36%
Public Administration	6%	-1,366	16%	\$54,130	86%	38%

Source: US Census LODES database, 2017 and census block geometries, 2010; ECONorthwest. Notes: The 2019 average annual salary for Spokane County was \$50,234 (this is inclusive of all industries). Households earning the average salary and relying on a single income would be able to afford housing priced below 80% of the AMI.

Spokane City Commuting Trends

Commuting Flow, 2017

› More than half of Spokane's workforce lived and worked in Spokane (56%) in 2017. This is a slightly decreased share below 2010 levels (59%).

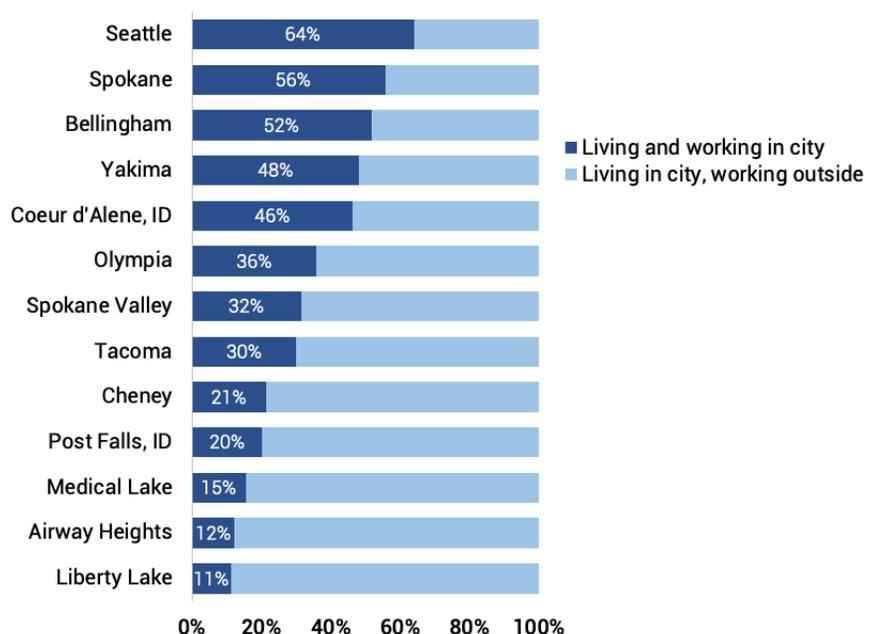
› Approximately 70,602 workers lived elsewhere and commuted into the City of Spokane for work while 39,706 workers lived in Spokane City and commuted elsewhere for their work in 2017.

› Among those working outside of the City of Spokane: 14% work in Spokane Valley, 2% work in Liberty Lake, 2% work in Airway Heights, and 2% work in Seattle. Another 1% of the workforce commutes to Cheney, Fairwood and Country Homes census designated places, Medical Lake, and Bellevue. The remaining 20% commute to other locations.



Source: US Census LODS database, 2017; Census On the Map. Dark green arrow is showing 70,602 persons commuting into town and light green arrow shows 39,706 persons commuting out of town.

Commuting Trends, 2017



Source: US Census LODS database, 2017; Census On the Map

Spokane County Trends

7.8%

Change in population from 2010 to 2018

	2010	2018
Population	471,221	507,950

Source: OFM, retrieved in 2020.

6.8%

Change in number of households from 2012 to 2018

	2012	2018
Households	196,529	209,897

Source: OFM, retrieved in 2020.

21.0%

Change in median renter household income from 2012 to 2018

	2012	2018
Median Renter Income	\$28,726	\$34,749

Source: PUMS (2012, 2018). Note: All values are in 2018 inflation-adjusted dollars.

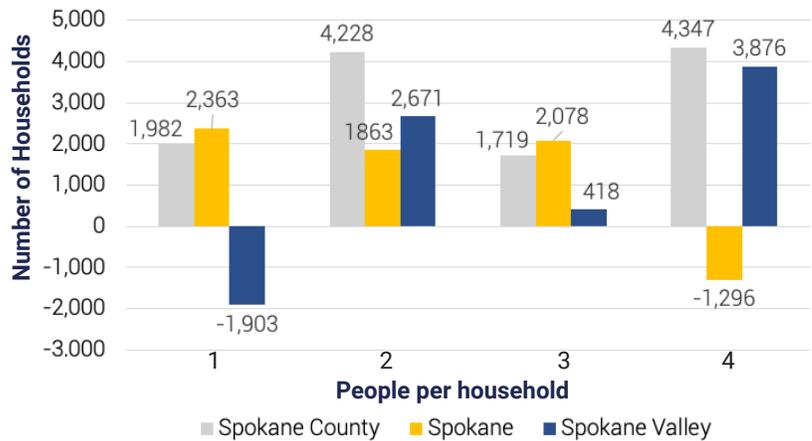
8.9%

Change in median owner household income from 2012 to 2018

	2012	2018
Median Owner Income	\$68,833	\$74,969

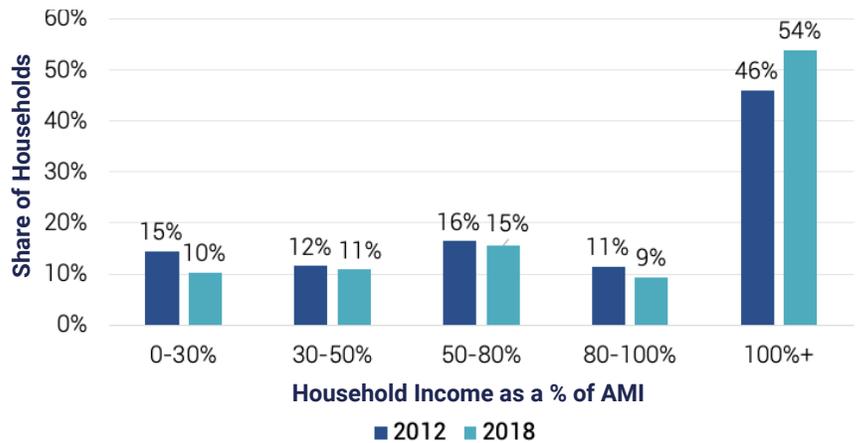
Source: PUMS (2012, 2018). Note: All values are in 2018 inflation-adjusted dollars.

Change in Number of Households by Size Between 2012 and 2018



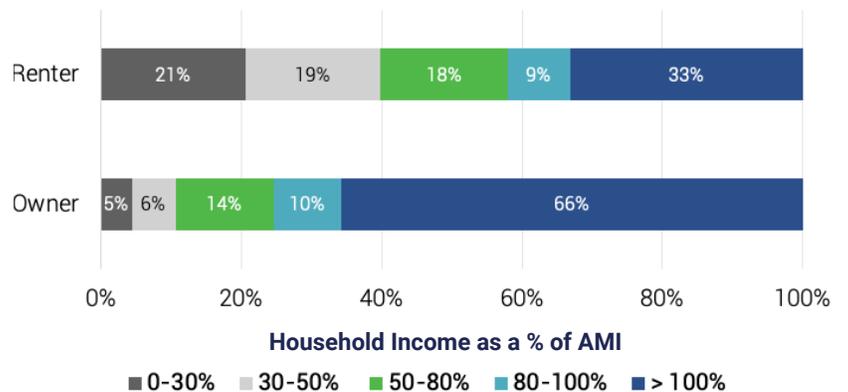
Source: PUMS (2012, 2018)

Income Distribution by AMI, 2012 & 2018



Source: PUMS (2012, 2018)

Income Distribution by AMI and Tenure, 2018



Source: PUMS, 2018.

Spokane County Trends

13.0%

Change in average rent for 2-bedroom apartment from 2010 to 2020

	2010	2020
Average Rent	\$968	\$1,094

Source: Costar. Values are in 2020 inflation adjusted dollars.

49.9%

Change in median home sales price from 2010 to 2020

	2010	2020
Median Sales Price	\$184,000	\$275,000

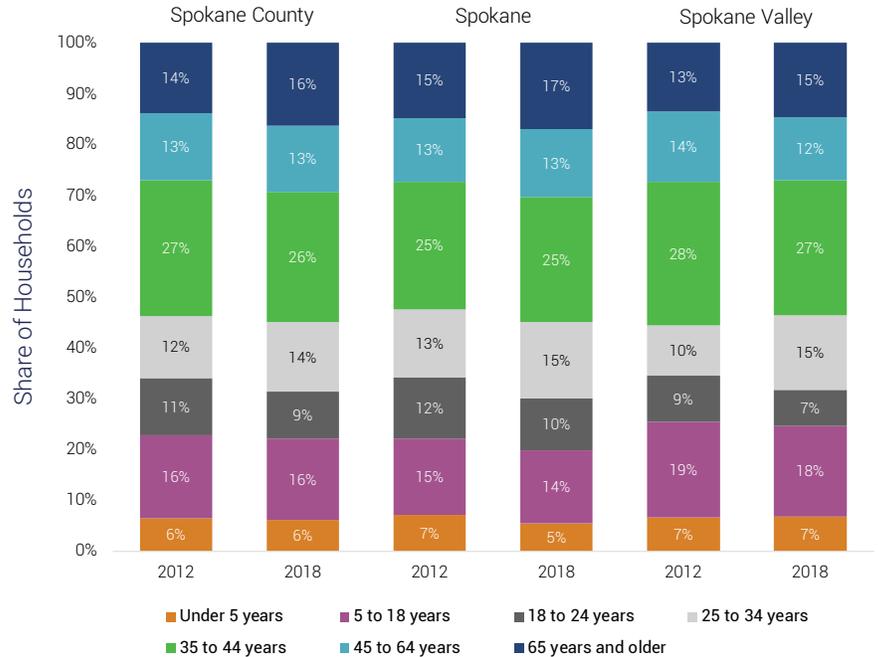
Source: Spokane County Assessor, 2020. Values are in 2020 inflation adjusted dollars.

Housing Units Built

Decade	Percent of Units
Before 1940's	11%
1940's	5%
1950's	8%
1960's	5%
1970's	15%
1980's	10%
1990's	19%
2000's	17%
2010's	9%

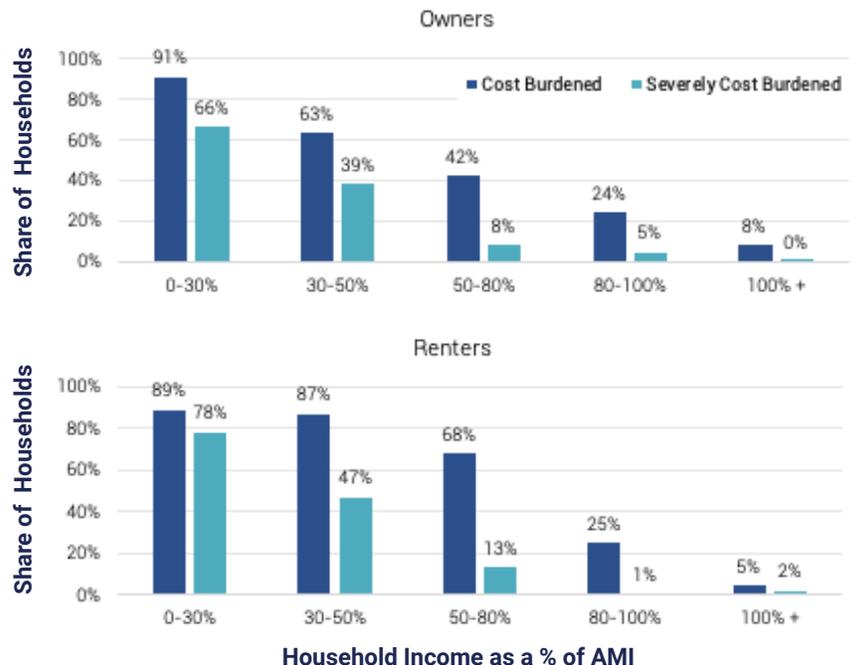
Source: Spokane County Assessor, 2020

Population by Age, 2012 & 2018



Source: ACS (2012, 2018); PUMS 1-Year Estimates.

Cost Burdened and Severely Cost Burdened by Tenure, 2018



Source: PUMS, 2018.

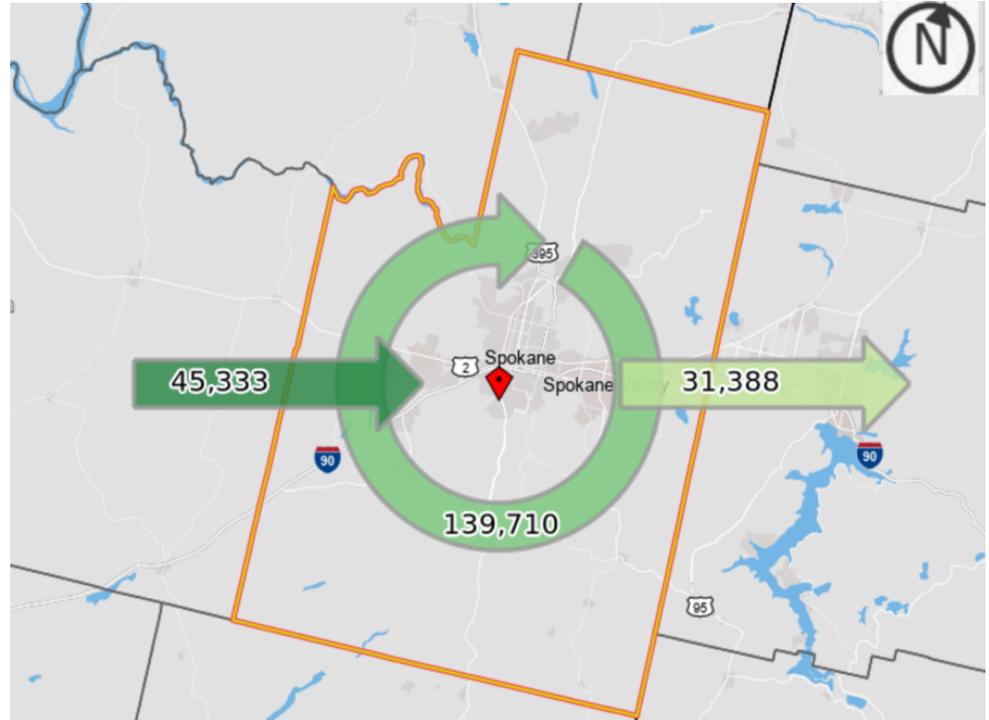
Spokane County Trends

› About 82%, or 139,710, of Spokane County residents live and work in Spokane County.

› About 18%, or 31,388 of Spokane County residents work outside Spokane County.

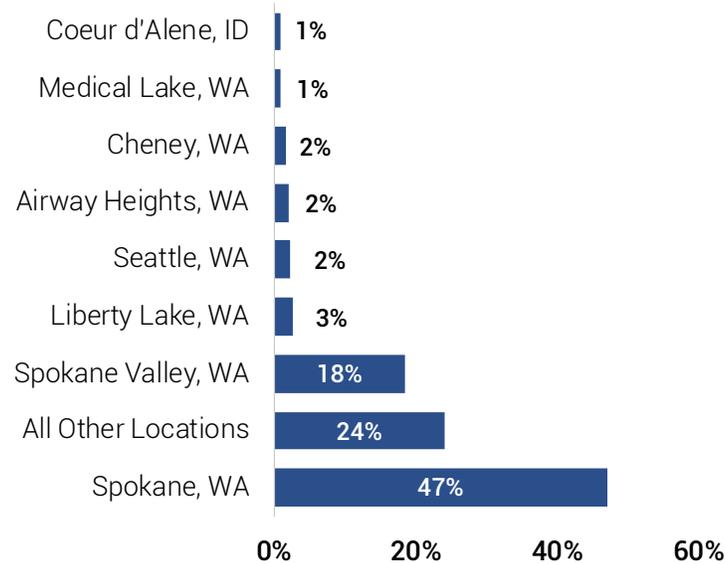
› Most of Spokane County residents work in the City of Spokane or City of Spokane Valley.

Commuting Flow, 2017



Source: US Census LODES database, 2017; Census On the Map. Dark green arrow is showing 45,333 persons commuting into town and light green arrow shows 31,388 persons commuting out of town.

Cities Where Spokane County Residents Work, 2017



Source: US Census LODES database, 2017; Census On the Map.

DATE: October 4, 2020
TO: City of Spokane
FROM: ECONorthwest
SUBJECT: HOUSING NEEDS ASSESSMENT METHODS MEMO

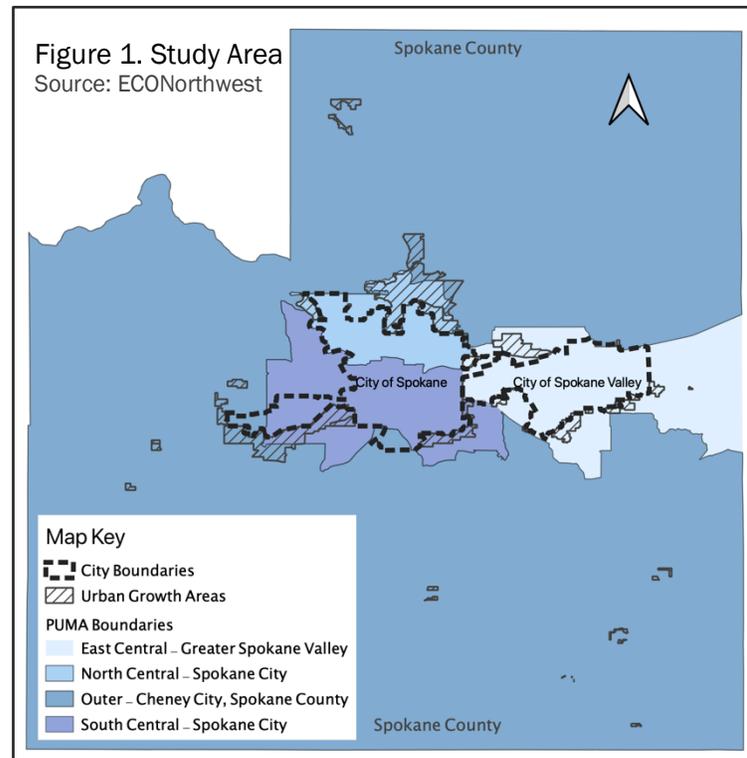
Background and Purpose

Two cities in Spokane County, Washington—the City of Spokane Valley and the City of Spokane—gained funding through the Washington State Department of Commerce HB 1923 grant to develop housing action plans. These housing action plans include a housing needs assessment, results from public engagement, analysis of key policy options, and recommendations for housing strategies to meet housing needs now and into the future up until 2037.

An initial step in the housing action plan development process is to analyze the best available data that helps define the range of unmet housing needs and the depth of housing affordability needs. This analysis should answer questions about the availability of different housing, who lives and works in the different cities, and what range of housing is needed to meet pent up demand into the future. Housing analysis is an important exercise since housing needs tend to continually evolve based on changes in the broader economy, local demographics, and regulatory environment.

The housing needs assessments (Task 3) for the Cities of Spokane Valley and Spokane provide an analysis of the housing supply, demand, and needs in each city and housing trends associated with Spokane County. Overall, assessments on housing needs help inform strategies to meet these needs.

The results of the housing context assessment were shared with each city via a “fact packet” containing data and analysis surrounding their existing housing stock and future housing needs. This memorandum accompanies these results to provide additional information on data sources and analysis methods.



Defining the Study Area

The Housing Needs Assessment focuses on the Cities of Spokane and Spokane Valley and provides key findings associated the broader, Spokane County context. The results compare the City of Spokane Valley with Spokane County and the City of Spokane to provide a more complete picture of the county-wide housing landscape while also offering insights on localized versus regional trends, and a more nuanced view of housing market dynamics.

Most of the findings associated with the demographic trends were described using the U.S. Census Bureau’s Public Use Micro Sample (PUMS) data from 2012 through 2018. As shown in the above study area map, the PUMS data findings are provided in specific geographic areas. Public Use Microdata Areas are statistical geographic areas defined for the dissemination of Public Use Microdata Sample (PUMS) data The Spokane Valley demographic trends are mostly based on values within the East Central- Greater Spokane Valley PUMA (5310503) while the City of Spokane demographic trends mostly are based on the combination of the following PUMAs: North Central - Spokane City PUM (5310501) and South Central – Spokane City North PUMA (5310502). Most of the Spokane County demographic trends are based on the combination of the following PUMAs which cover the entire area of Spokane County: 5310501, 5310502, 5310503, and 5310504.

Data Sources

ECONorthwest primarily relied on 2019 data from the Washington Office of Financial Management (OFM) to evaluate housing and demographic trends. Where OFM data was unavailable ECONorthwest relied on the U.S. Census Bureau’s Public Use Micro Sample (PUMS) data from 2012 and 2018.

The PUMS Census data provided several advantages for the analysis of demographic trends. The PUMS dataset provides more detailed information on housing characteristics (at the household level) and this helped ECONorthwest conduct analyses that would otherwise be unfeasible with other datasets that are aggregated such as the 5-year American Community Survey (ACS) data. With the PUMS data, ECONorthwest was able to create “cross-tabs” that look at the relationship between multiple housing characteristics. The analysis summarizing community and household demographic trends primarily relied on the ACS PUMS 1-Year Data for 2012 and 2018 (source link: <https://www.census.gov/programs-surveys/acs/data/pums.html>).

In addition to using OFM data on housing trends and existing housing types by size, we supplemented this analysis with Spokane County Assessor data. For housing market data on rents and sales prices, we relied on data from the Spokane County Assessor (retrieved in 2020) and CoStar (retrieved in 2020). CoStar is a proprietary data source commonly used for market analysis in the real estate industry. In addition, we used the county assessor data to describe housing types, ages, and housing density. The Spokane County Assessor Data includes parcel (housing lot) level information which is very fine-grained and detailed. This dataset, offered in

a Geographic Information System format, needed to map trends, shows parcel specific information on the home type, home sales, home value, and use.

For the housing demand analysis, we relied on the population projections forecasted for the 2037 forecast year which are provided in Volume V, Appendix E Population Projections City of Spokane Comprehensive Plan. The projections are based on the OFM medium series forecast for 2037 and applies the historic growth rate from 2003 through 2015 to forecast the future population of the cities and the unincorporated urban growth area.

The employment trends analysis was based on several different datasets. The Longitudinal Employer-Household Dynamics (LEHD) program at the US Census Bureau provides data describing statistics on employment, earnings, and job flows.

Analysis Methods

Total Housing Units Needed

ECONorthwest calculated future housing needs as the current underproduction of housing plus the future needs based on 2037 household projections. Without accounting for past and current underproduction, development targets focused solely on future housing needs will continue to underproduce relative to the actual need.

Figure 2. Total Needed Housing Units



Current Underproduction

Using population forecast from OMF and the Shaping Spokane report, and selected Census information, we can estimate both the current underproduction and future housing need. For this analysis we calculated the total future housing need as the current underproduction of housing plus the future need based on the 2037 household projections.

Current underproduction of housing was calculated based on the ratio of housing units produced and new households formed over time. The average household size in each city is calculated and converted to a ratio of total housing units to households. This ratio is compared to that of the region as the target ratio. If the ratio is lower, then we calculated the underproduction as the number of units it would have needed to produce over time, to reach the target ratio.

Washington State does not have a regional approach for housing production. This approach to underproduction is simple and intuitive while using the best available data that is both local and most updated. This analysis does not differentiate between renter and owner households and relies on average household size to convert population counts to household counts. One drawback of this approach is that it does not identify the underproduction at different levels of affordability.

Future housing need is calculated based on the forecasted growth. To calculate future housing need, we use a target ratio of 1.14 housing units per new household. This ratio is the national average of housing units to households in 2019. It is important to use a ratio greater than 1:1 since healthy housing markets allow for vacancy, demolition, second/vacation homes, and broad absorption trends.

Total Units Needed by Income

Once we arrive at the total number of units needed by 2037, the next step is to allocate the units by income level. We first look at the most recent distribution of households by income level (using PUMS to determine area median income or “AMI”) in the Spokane County subregion. We then account for current and future household sizes at the city level to better understand nuances of how housing need by income can shift over time as household sizes change and subsequent changes to housing affordability.

Because forecasting incomes at the household level over time can be challenging at best, and misleading at worst, this data evaluates housing need using current income distributions forecast forward. The forecast housing need by income category at both the city level and at the subregion is likely to vary depending on policy choices made over the next two decades. That is to say that if cities choose to take less action on increasing housing production and affordability worsens due to demand outpacing supply, the forecast need for lower income households is likely to be less because those low income households that are most at risk from housing price changes are more likely to be displaced from the subregion. The ultimate income distribution in 2037 will be the result of regional housing trends and policy decisions made at the local level. We then apply each distribution of households by income to the total units needed to get the share of new units needed by income level.

Employment Analysis

An employment analysis was conducted for two reasons. First, employment analysis and trends in job growth by industry is a requirements for local housing action plans. Secondly, findings from access to employment analysis can help inform housing action strategies such as those related to development allowances in urban centers. Understanding Spokane Valley’s workforce profile and commuting trends will help provide insights on the housing needs of workers today and into the future. Factors such as job sector growth and the city’s commuting patterns may have implications for how many people are able to both live and work within the city. If such factors indicate many people are commuting into the city for work, it could be

possible that the city does not have enough housing to accommodate its workforce or enough housing matching their needs and affordability levels.

We developed city-level employment estimates by 2-digit NAICS codes using the U.S. Census Bureau's Longitudinal Employer-Household Dynamics (LEHD) Origin-Destination Employment Statistics (LODES) data. For each city, the employment estimates show the total number of residents working in each 2-digit NAICS sector in that city, the change in employment in that sector in that city since 2010, and the 2018 average wages for the residents in that city in that sector.

Access to Employment

Transit and auto access to regional employment was derived using 45-minute travel sheds for each mode. ECONorthwest calculated the number of jobs available within these travel sheds in each industrial sector category for each city. We measured access to employment for both transit and auto use, using a preset limit of 45 minutes to generate isochrones (travel sheds). We used ESRI Services to create drive-time isochrones, simulating traffic conditions typical of 7:00AM, Wednesday.

Transit Isochrones

We created isochrones originating from every transit stop within the jurisdiction. Each transit stop was also weighted by the population within a half-mile distance (straight-line). These isochrones were then joined to LODES job points at the Census Block Level, and the total number of jobs by NAICS industry was calculated for each isochrone. For each jurisdiction, the total number of jobs reachable by transit (and walking) within 45 minutes was calculated as the weighted mean number of jobs within the isochrones, using the transit-stop population as weights.

Auto Isochrones

For drive-time isochrones, we used a similar method as the transit isochrones. Instead of transit stops, however, we used block group centroids as the isochrone origin points, and the associated block group population estimates provided the weights with which we calculated the average number of jobs reachable by the "average resident."

Share of Jobs Accessible

Once we calculated the total number of jobs available by 45-minute transit or auto travel from each city, we calculated the share of total jobs in that industry.

Caveats

Wage estimates by industry from ACS are not available for every industry, usually due to low numbers of survey samples. Many of these estimates, especially for industries with low numbers of workers, show relatively high margins of error and should be treated as rough approximations.

Appendix C

Additional Data Analysis

This appendix is part of the City of Spokane Housing Action Plan. To view the full plan, appendices, and project materials, visit the project webpage: <https://my.spokanecity.org/housing/spokane-housing-action-plan/>.

City of Spokane Housing Action Plan Housing Needs Additional Data Analysis

As of May 6, 2021

This document provides additional data analysis on community and regional housing needs, trends, and gaps for the Spokane Housing Action Plan. This will be updated as needed throughout the process.

Housing Action Plan Project Page: <https://my.spokanecity.org/housing/spokane-housing-action-plan/>

*Prepared by Maren Murphy, AICP, Assistant Planner, mmurphy@spokanecity.org
Chris Green, AICP, Assistant Planner, City of Spokane, cgreen@spokanecity.org*



Washington Office of Financial Management (OFM) Population and Housing Estimates

- See OFM for the latest April 1 official population estimates and housing estimates
 - <https://www.ofm.wa.gov/washington-data-research/population-demographics/population-estimates/april-1-official-population-estimates>



Spokane County GMA Population Allocation



2017 - 2037 Forecast and Allocation for Spokane County

Jurisdiction	2017 Population Estimate	2037 Population Forecast	2017 - 2037 Population Allocation
Spokane County	499,348	583,409	
Unincorporated Spokane County	144,903	176,780	
Unincorporated UGA	53,893	68,117	14,224
Unincorporated Rural	91,010	108,663	17,653
Urban Growth Area	408,338	474,746	66,408
Incorporated Spokane County	354,445	406,629	52,184
Airway Heights	9,071	14,298	5,226
Cheney	11,827	14,776	2,949
Deer Park	4,110	5,325	1,215
Fairfield	620	660	40
Latah	195	195	0
Liberty Lake	9,780	15,909	6,129
Medical Lake	5,072	6,042	970
Millwood	1,808	1,947	139
Rockford	470	470	0
Spangle	281	288	7
Spokane	215,839	236,698	20,859
Spokane Valley	95,264	109,913	14,650
Waverly	108	108	0

Spokane County 2017-2037 Population Allocation

Spokane County RES 16-553

Note: The next periodic update will be in 2026 and will look at the forecast and allocation through 2046.

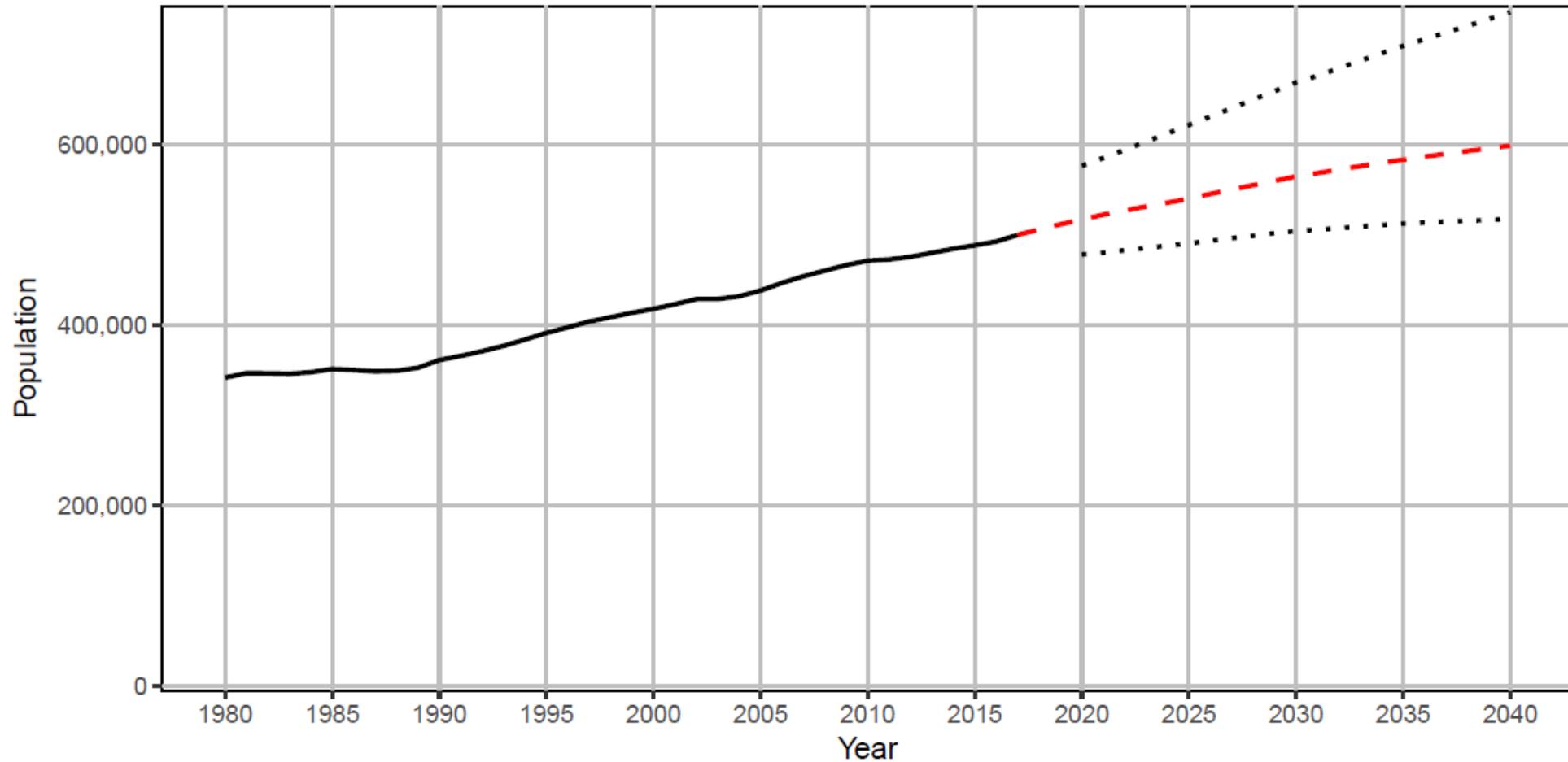


OFM GMA Projection for Spokane County

— Census/ Estimate ··· High - - - Medium ··· Low

Note: Spokane County adopted the Medium range population projection.

Spokane County, 2017 GMA Projections



Spokane County and Selected Cities Growth from 2017 to 2020

	2017 Population	2018 Population	2017 - 2018 Population Growth	2017 - 2018 Growth Rate	2019 Population	2018 - 2019 Population Growth	2018 - 2019 Growth Rate	2020 Population	2019 - 2020 Population Growth	2019 - 2020 Growth Rate	2017 - 2020 Population Growth	2017 - 2037 Population Allocation	% of Allocation Used
Spokane County	499,800	507,950	8,150	1.63%	515,200	7,250	1.43%	522,600	7,400	1.44%	22,800	84,061	27.12%
Unincorporated	144,788	147,650	2,862	1.98%	150,675	3,025	2.05%	154,250	3,575	2.37%	9,462	31,877	29.68%
Incorporated	355,012	360,300	5,288	1.49%	364,525	4,225	1.17%	368,350	3,825	1.05%	13,338	52,184	25.56%
City of Spokane	217,300	220,100	2,800	1.29%	222,000	1,900	0.86%	223,600	1,600	0.72%	6,300	20,859	30.20%
Spokane Valley	94,890	95,810	920	0.97%	96,720	910	0.95%	97,490	770	0.80%	2,600	14,650	17.75%
Cheney	11,880	12,300	320	2.69%	12,410	210	1.72%	12,640	230	1.85%	760	2,949	25.77%
Liberty Lake	9,910	10,390	480	4.84%	11,000	610	5.87%	11,500	500	4.55%	1,590	6,129	25.94%
Airway Heights	8,460	9,085	625	7.39%	9,490	405	4.46%	10,010	520	5.48%	1,550	5,226	29.66%

Note: A review of the UGA is required when 50% of population allocation is used. The average annual growth rate in Spokane County is approximately 1% per year.

Source:

April 1, 2020 Population Estimates, Washington State Office of Financial Management

Population Forecast and Allocation for 2017 to 2037 Planning Period. Board of County Commissioners for Spokane County, BCC Resolution # 2016-0553

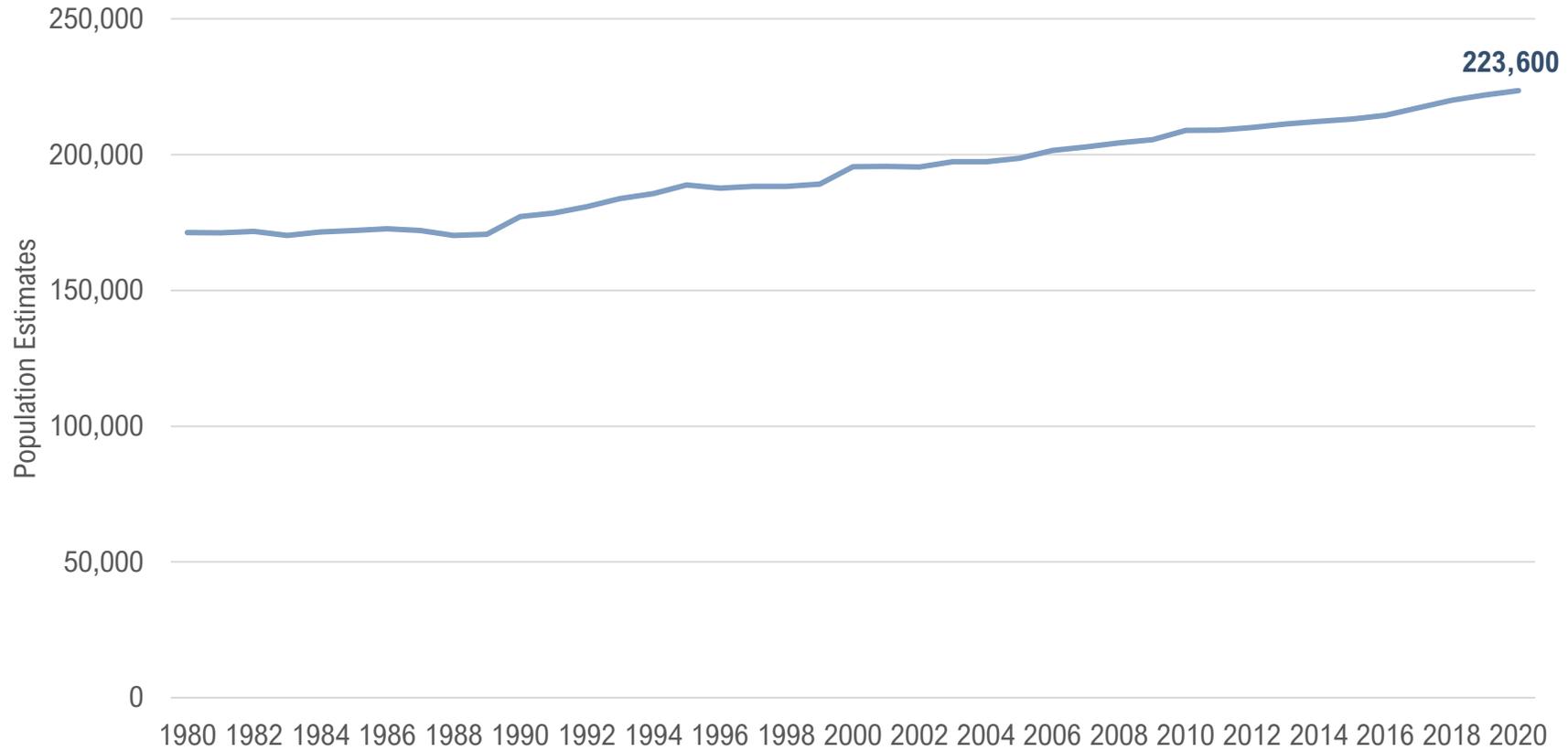


Population Growth



OFM Population Estimates

City of Spokane Postcensal Population Estimates 1980-2020

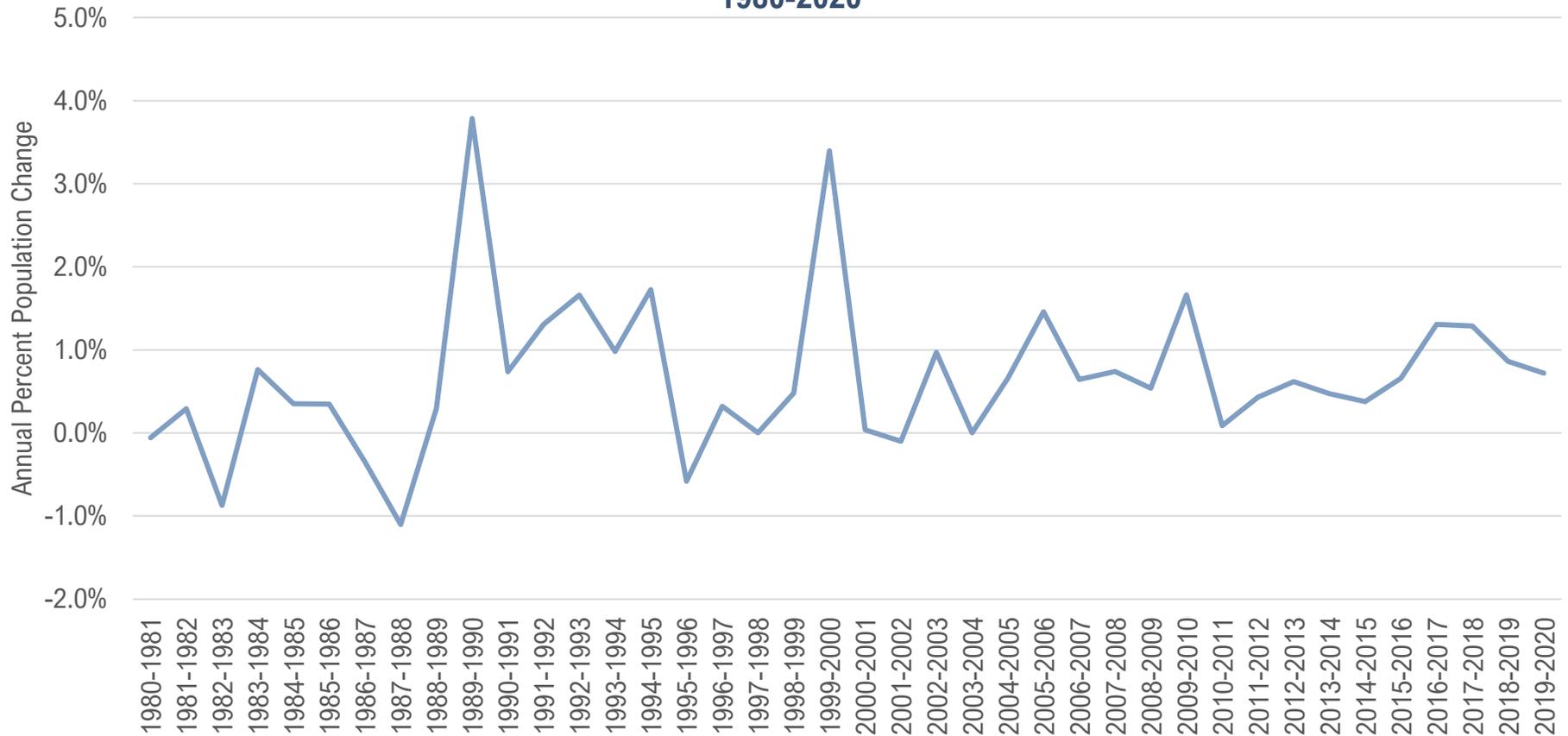


Source: OFM April 1 Population Estimates



OFM Population Estimates

City of Spokane Annual Percent Population Change 1980-2020



Source: OFM April 1 Population Estimates

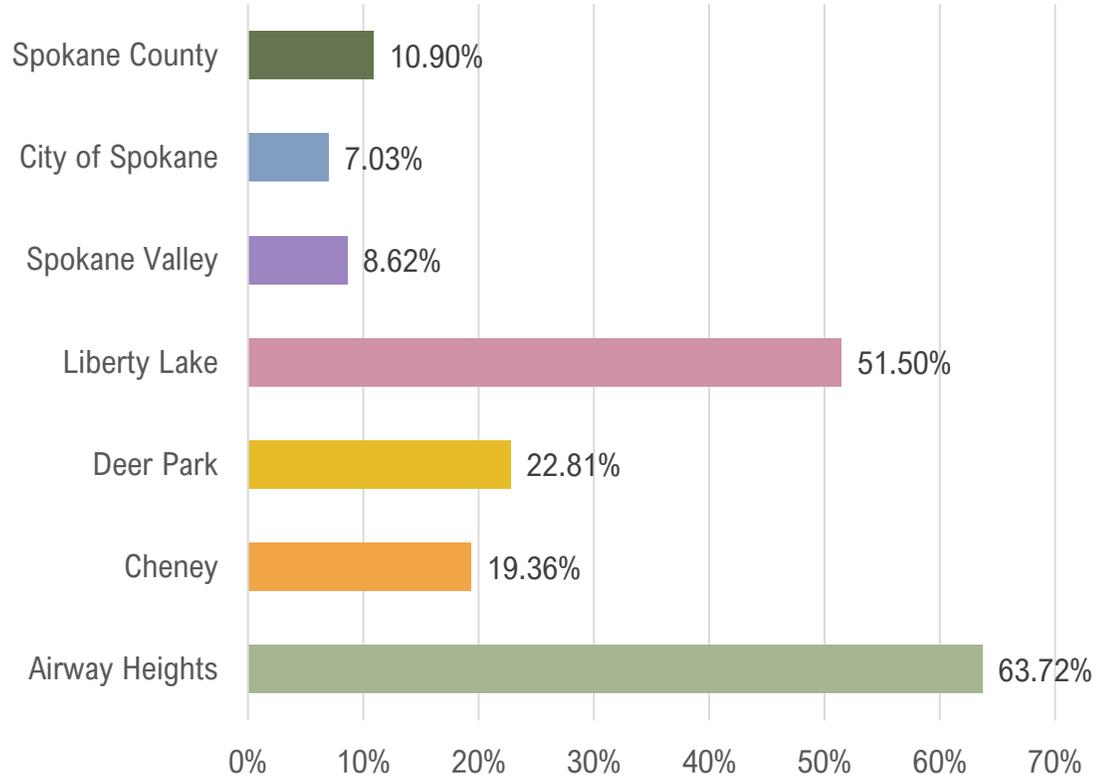


OFM Population Estimates

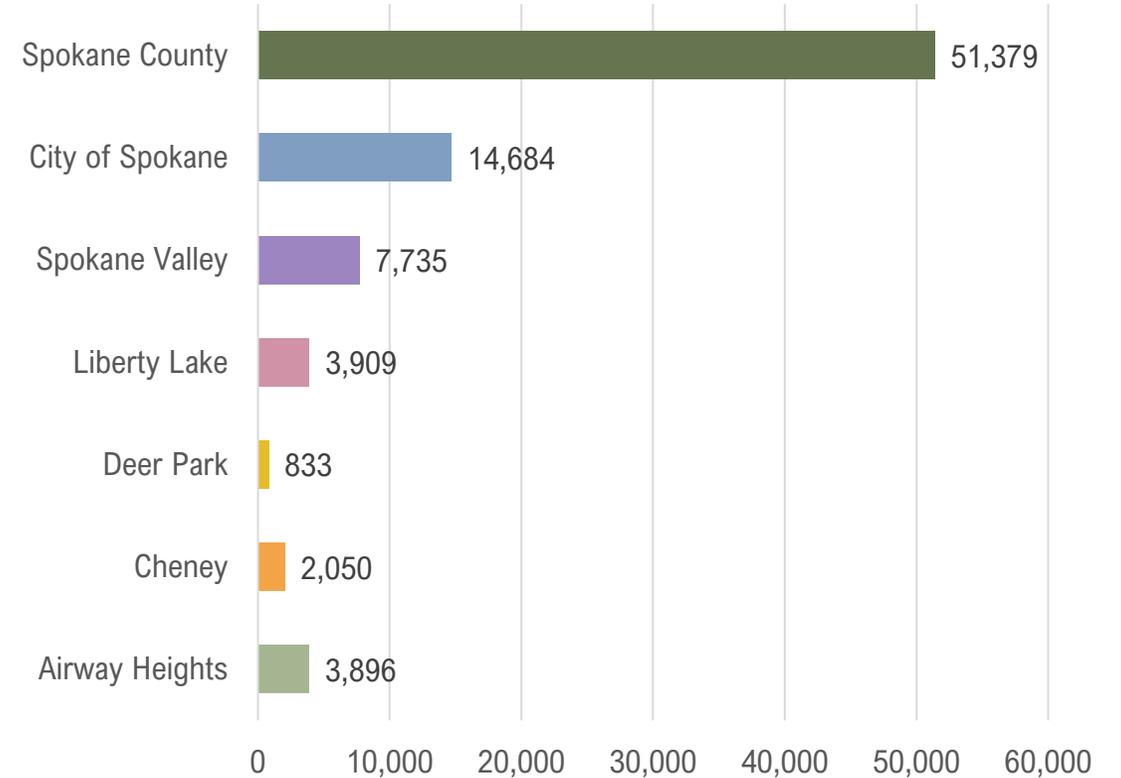
Washington State % Change in Population: **13.85%**

Washington State Numeric Change in Population: **931,660 people**

**Percentage Change in Area Population, 2010-2020
OFM Population Estimates**



**Numeric Change in Area Population, 2010-2020
OFM Population Estimates**

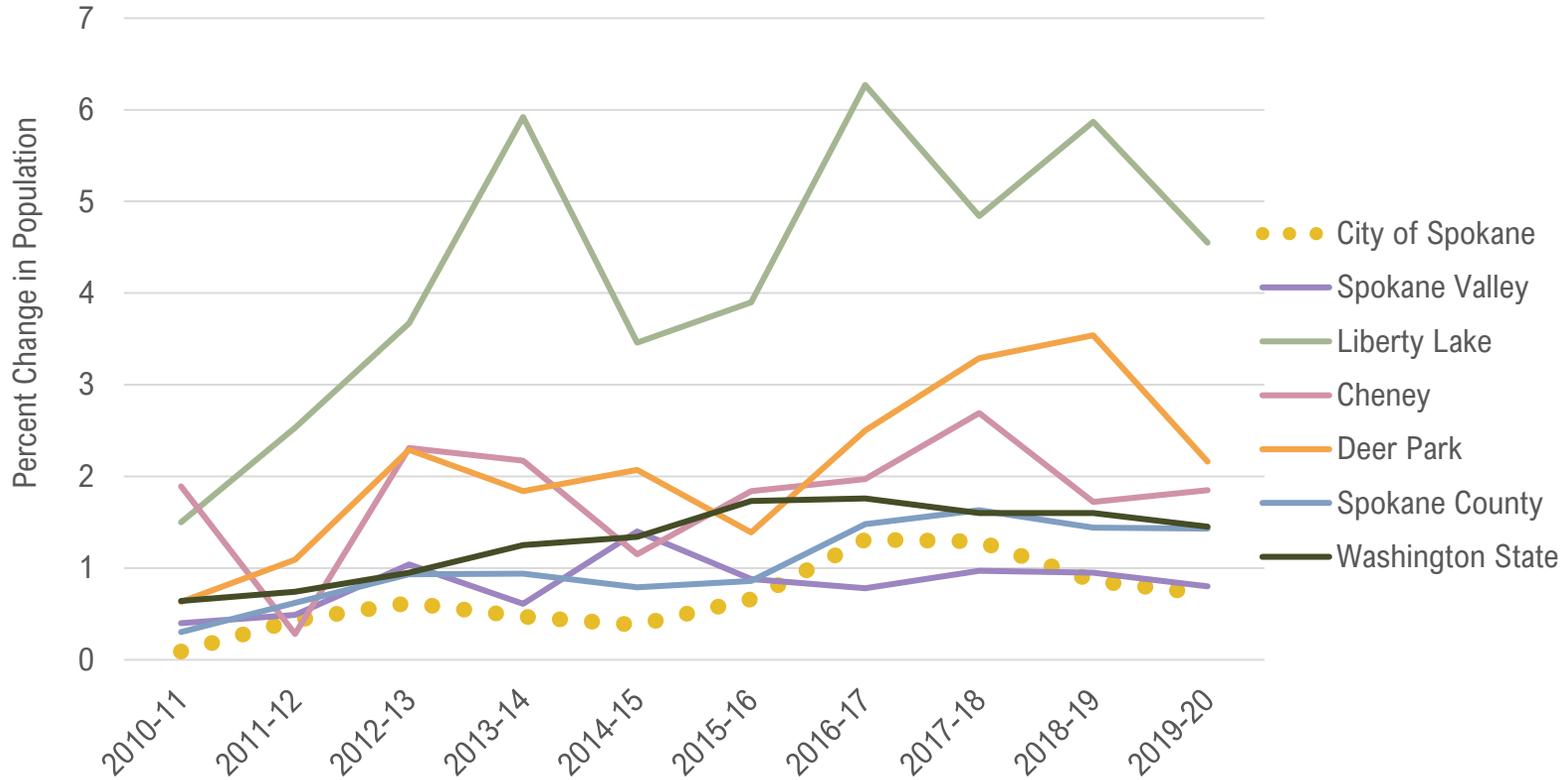


Source: OFM April 1 Population Estimates



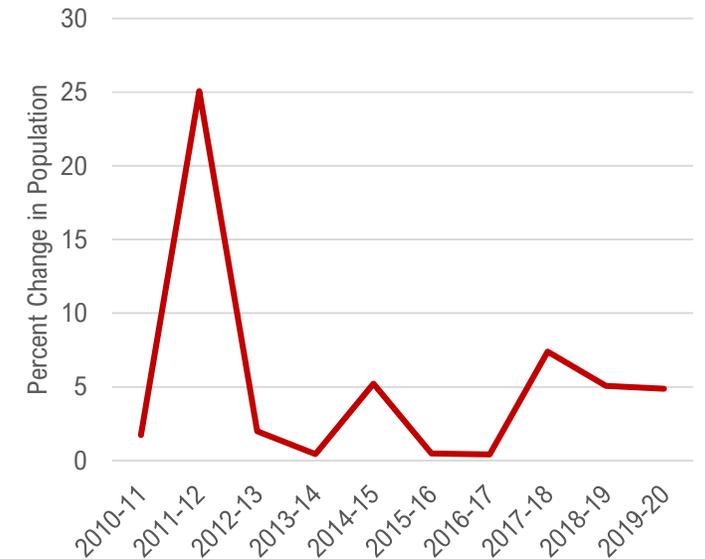
OFM Population Estimates

**Percent Annual Change in Area Population, 2010-2020
OFM Population Estimates**



Source: OFM April 1 Population Estimates

**Percent Annual Change in Population in
Airway Heights, 2010-2020
OFM Population Estimates**



Note: Airway Heights is displayed separately due to the large percentage increase from 2011-2012



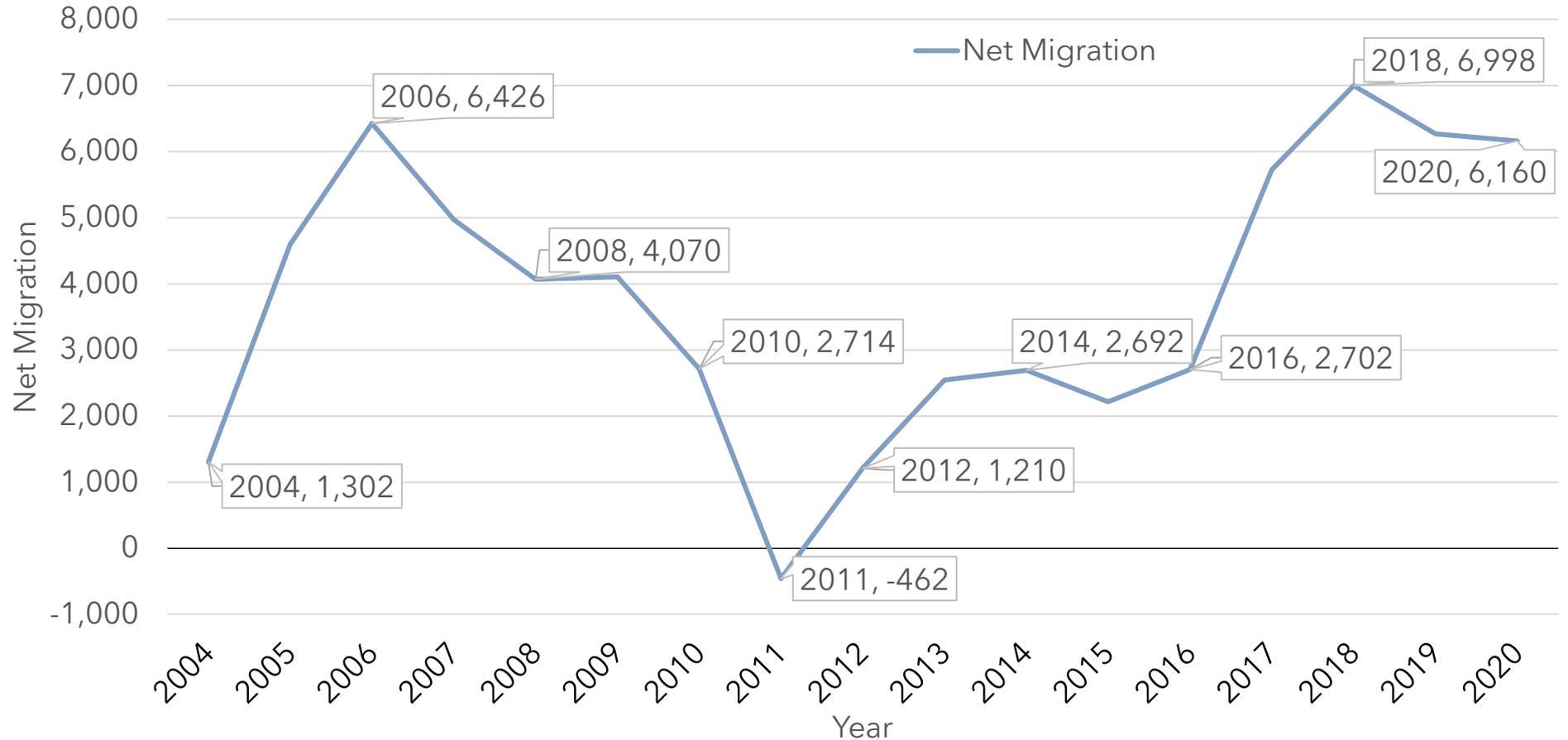
Spokane County In-Migration

Residual net migration measure the population gain or loss due to migration in and out of the area.

From 2019 to 2020, the total residual net migration in Spokane County was **+6,160 people**.

Since 2017, the residual net migration in Spokane County has been over 5,000 people each year.

Net Residual Migration to Spokane County, 2004-2020



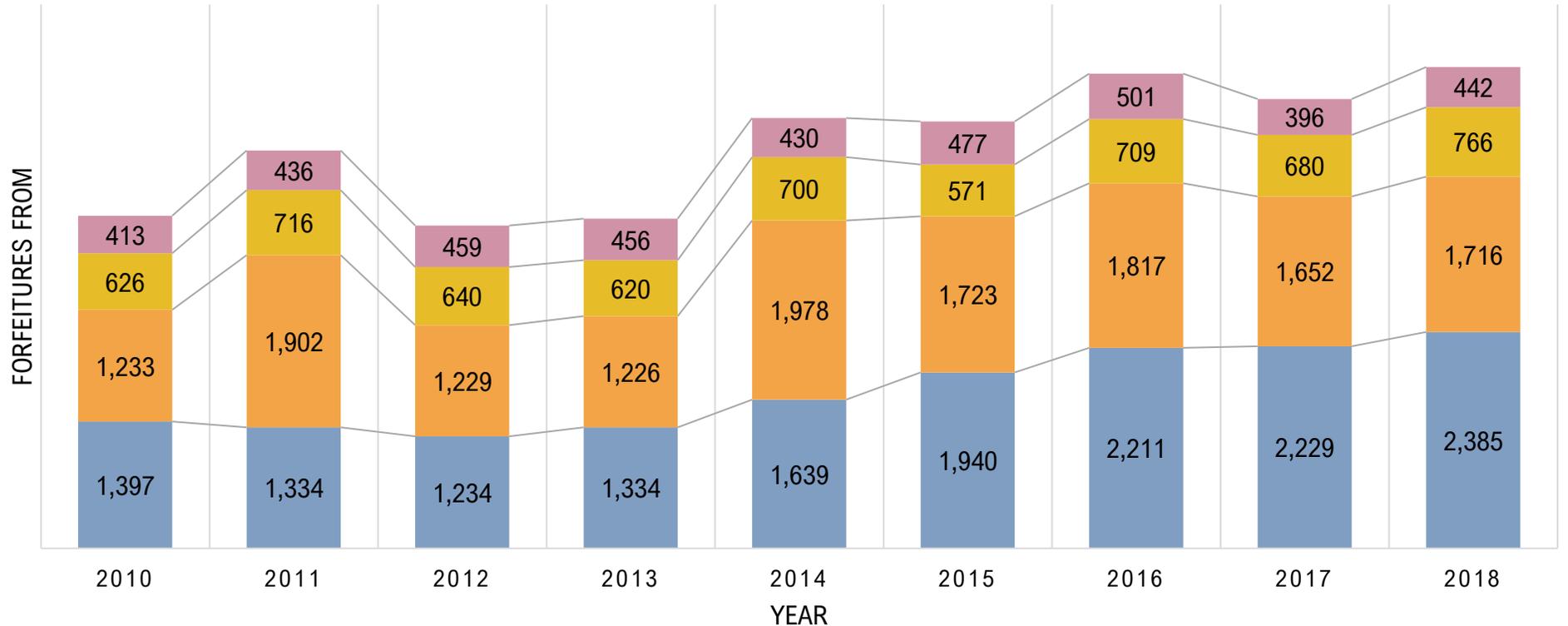
Source: Washington State Office of Financial Management (OFM)
Population and Components of Change, Residual Net Migration, 1960 to Present



Spokane County In-Migration

Drivers License Forfeitures In Spokane County From Top 4 States

■ CA ■ ID ■ OR ■ MT



From 2010 to 2018, an **average of 39%** of drivers license forfeitures in Spokane County have been from California and an **average of 36%** have been from Idaho.

Source: Spokane-Kootenai Real Estate Research Committee, The Real Estate Report v. 43, no. 2 (Fall 2019)
Washington State Department of Licensing: Washington State Drivers Report



Housing Trends



OFM Housing Unit Estimates

4%

Change in One Unit Housing Units in City of Spokane from 2010-2020

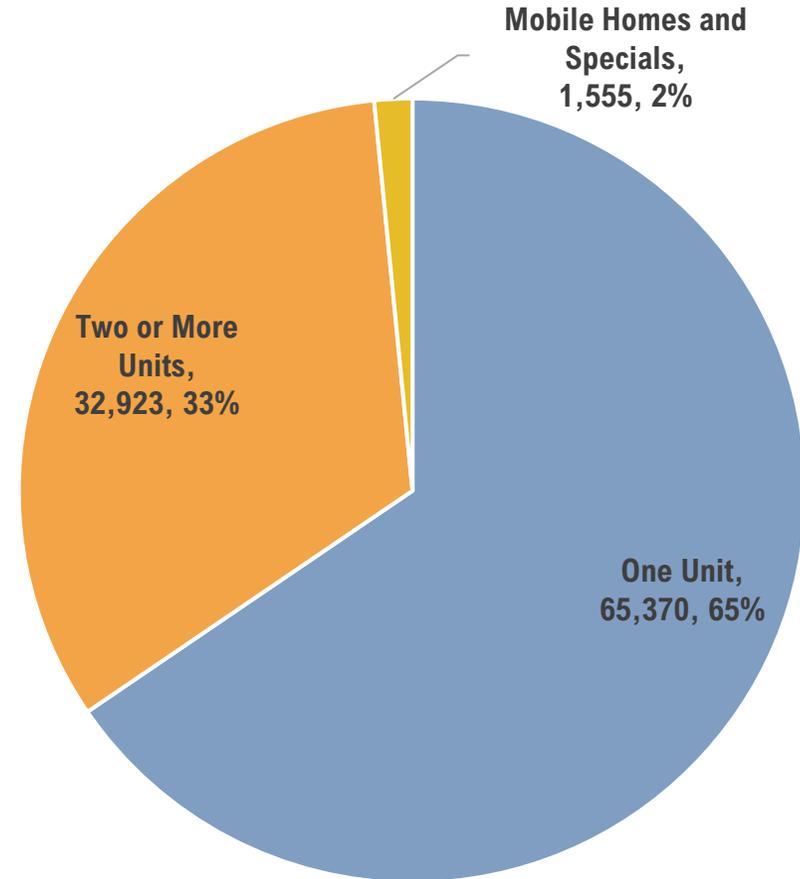
Source: OFM Housing Unit April 1 Estimates

11%

Change in Two or More Unit Housing Units in City of Spokane from 2010-2020

Source: OFM Housing Unit April 1 Estimates

Estimate of Total Housing Units in City of Spokane, 2020

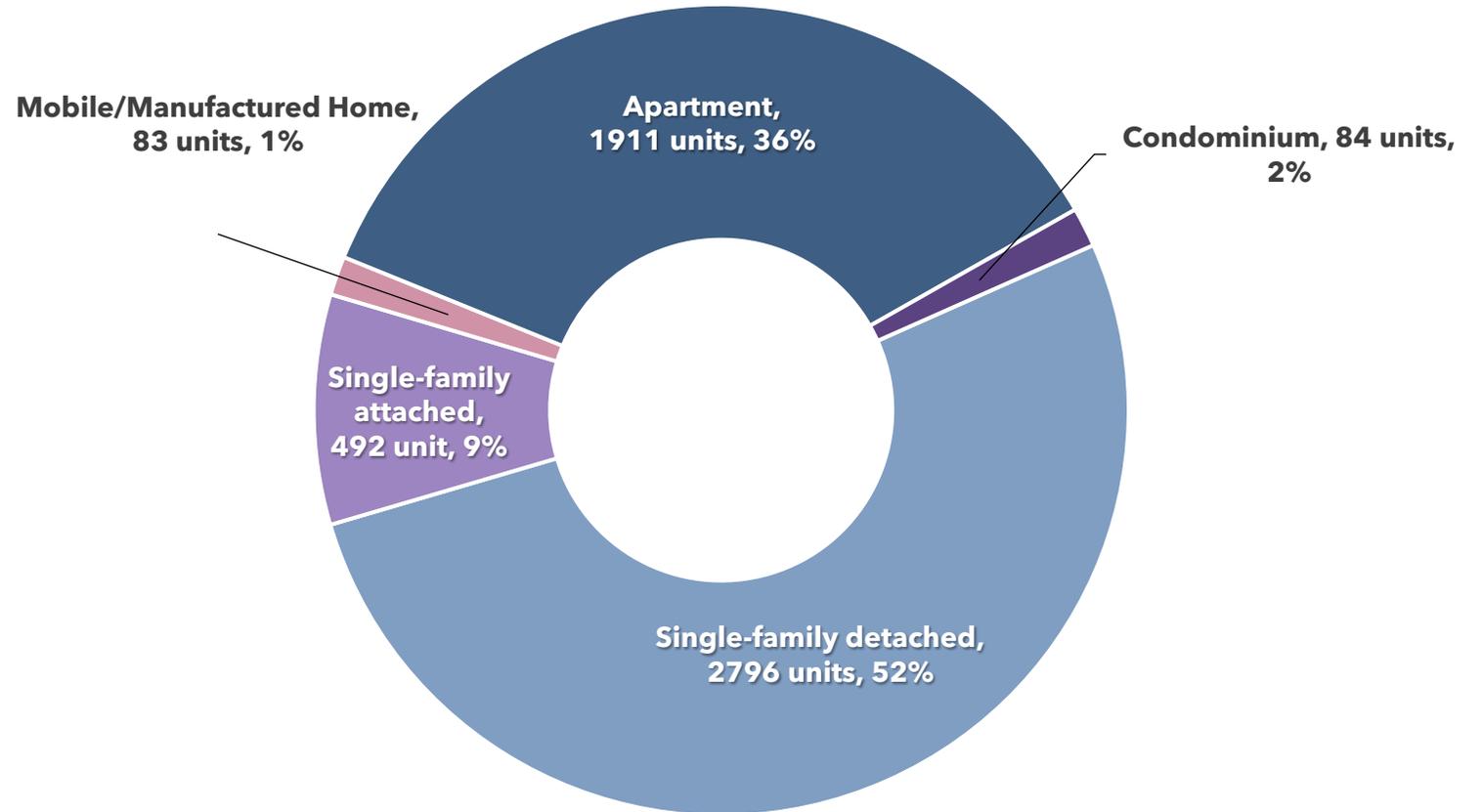


Source: OFM Housing Unit April 1 Estimates



Housing Units by Type Built in the City of Spokane, 2010-2019

From 2010 to 2019:
over a third of new housing units built in the City of Spokane has been apartments



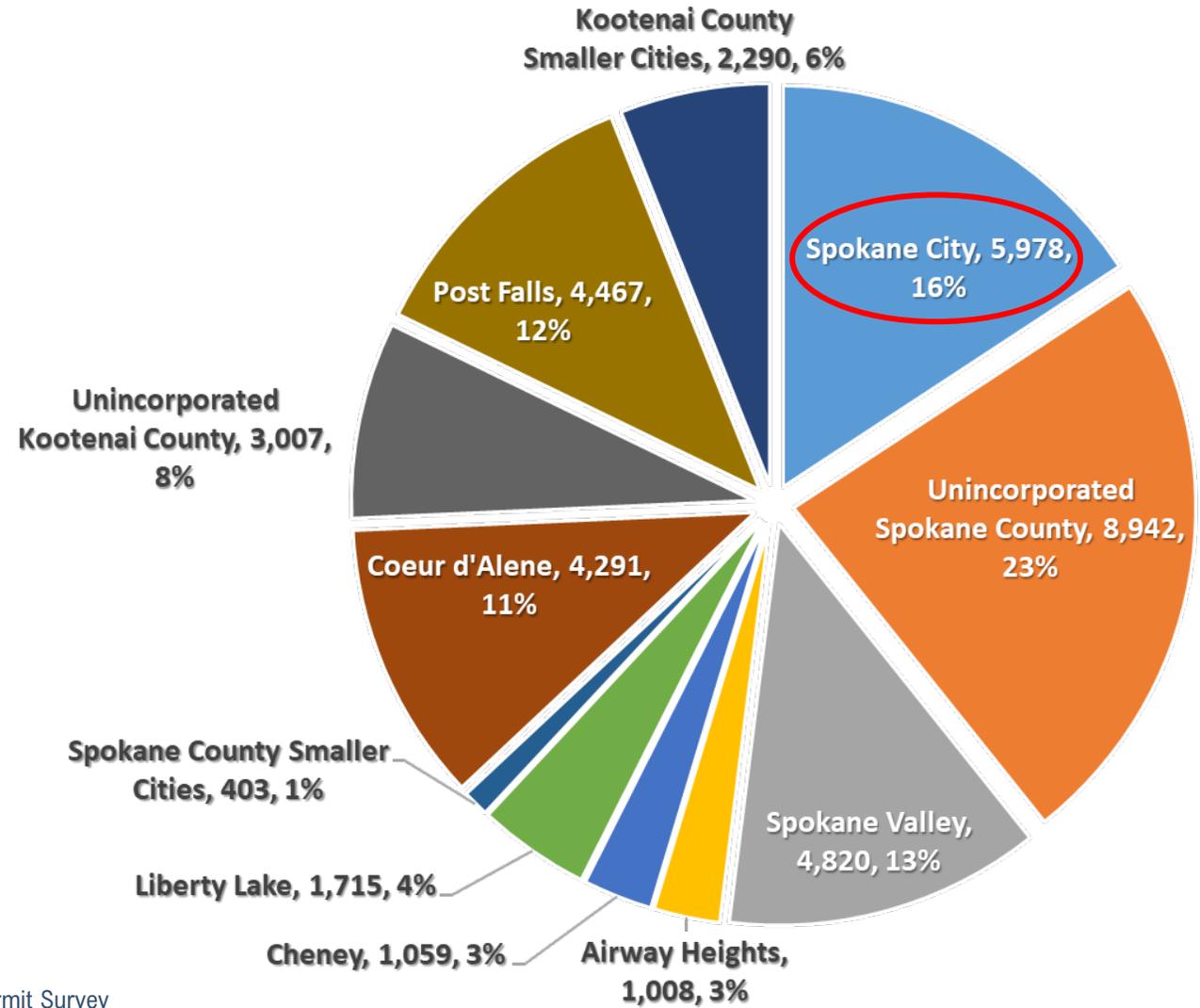
Source: Spokane County Assessor



Housing Within the Region

During the years 2010-2019, the City of Spokane issued **approximately 16% of all housing units permitted** in the Spokane-Coeur d'Alene region, the **2nd highest total in the region**

Housing Units Permitted – All Types, 2010-2019

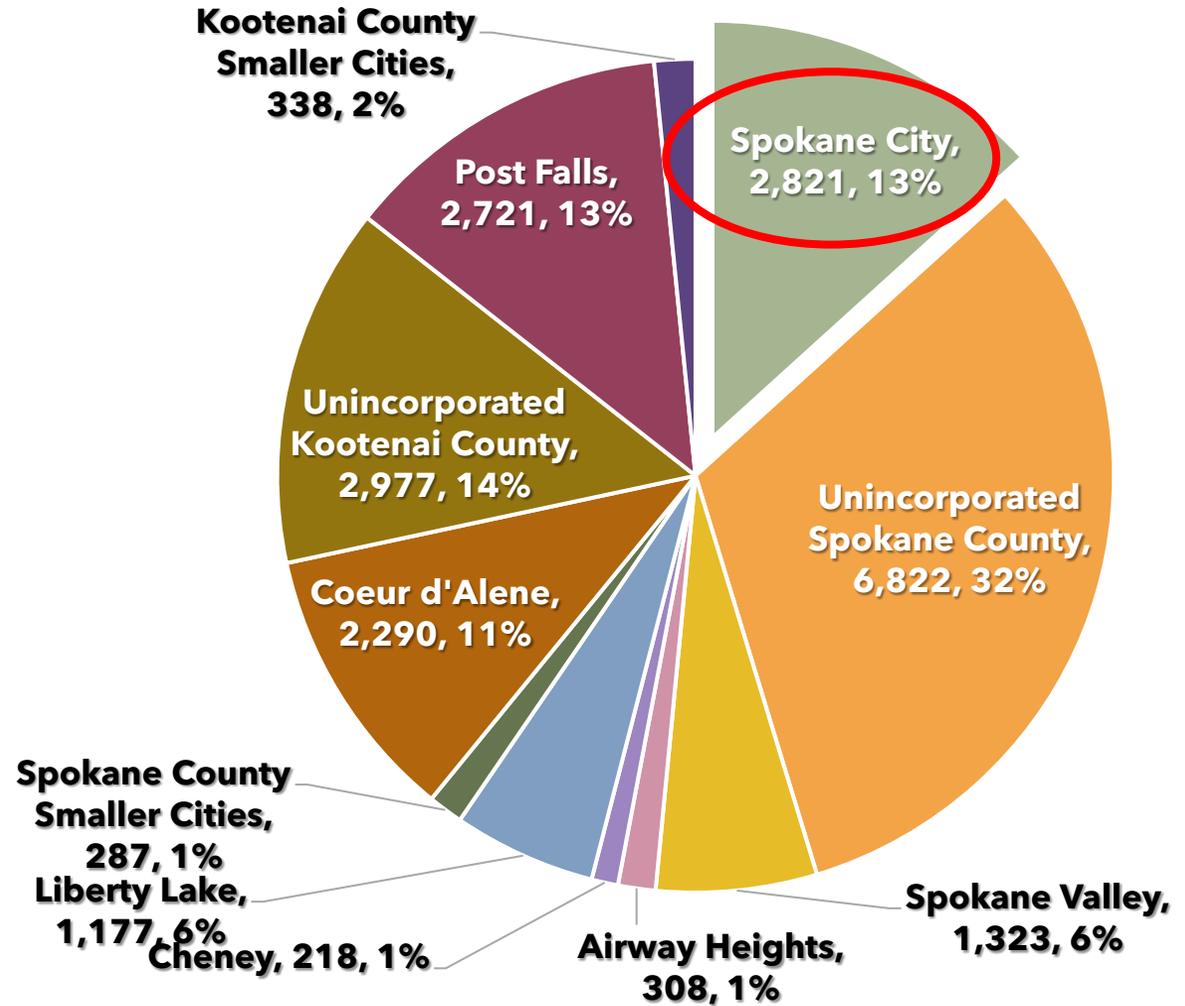


Source: State of the Cities Data Systems (SOCDS), US Census Building Permit Survey

Housing Within the Region

Single Family Housing Units Permitted – 2010-2019

From 2010 to 2019, **13% of single-family housing units** (over 2,800 units) permitted were in the City of Spokane.

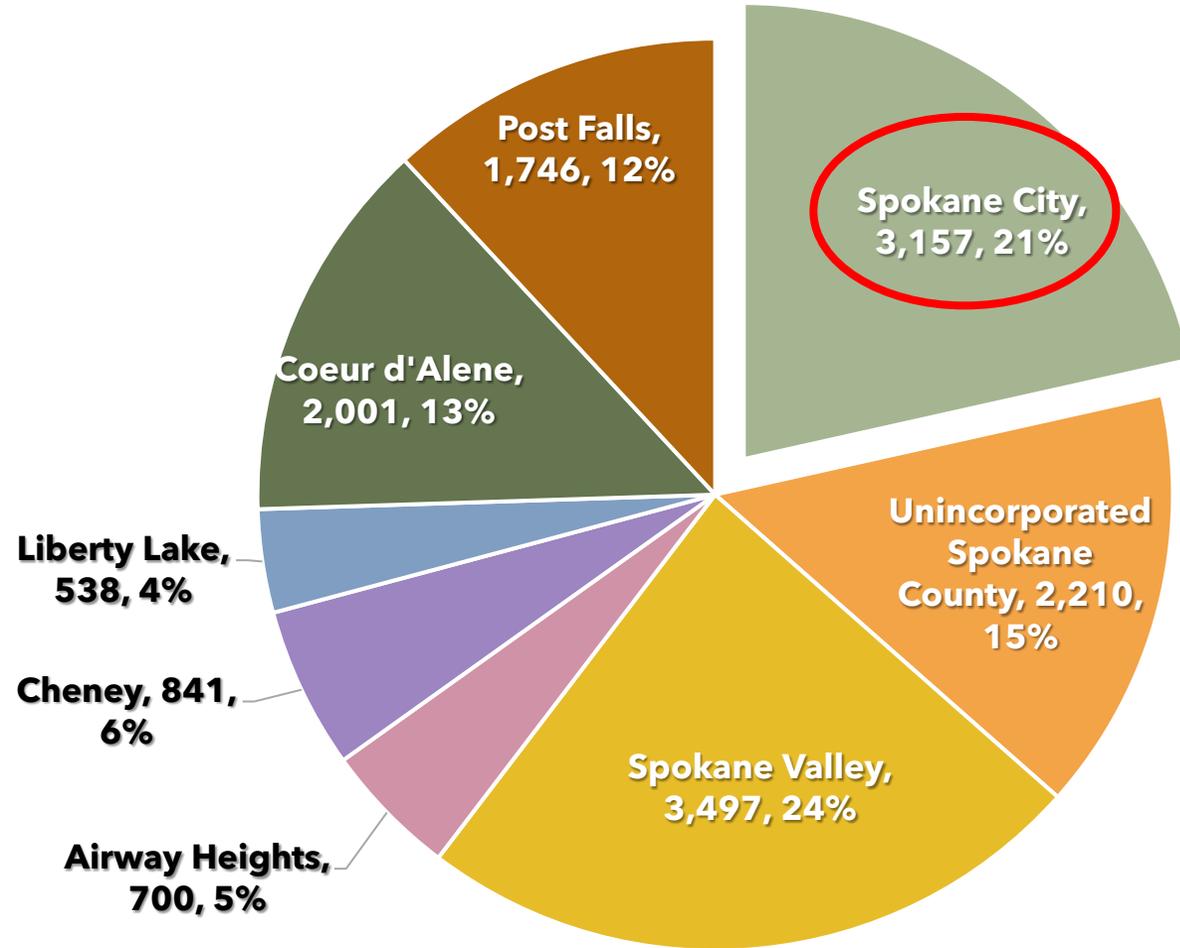


Source: State of the Cities Data Systems (SOCDS), US Census Building Permit Survey

Housing Within the Region

Multifamily Housing Units Permitted – 2010-2019

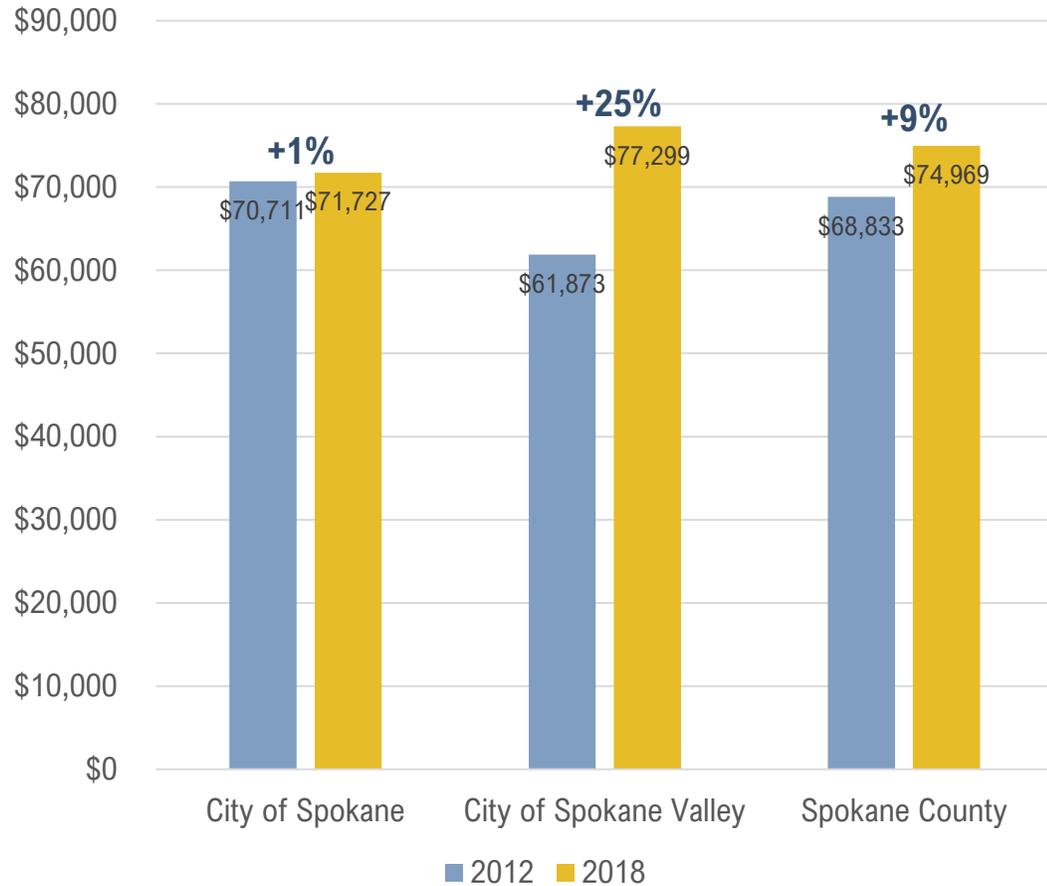
From 2010 to 2019, the City of Spokane had **21% of MF housing units permitted** in the region



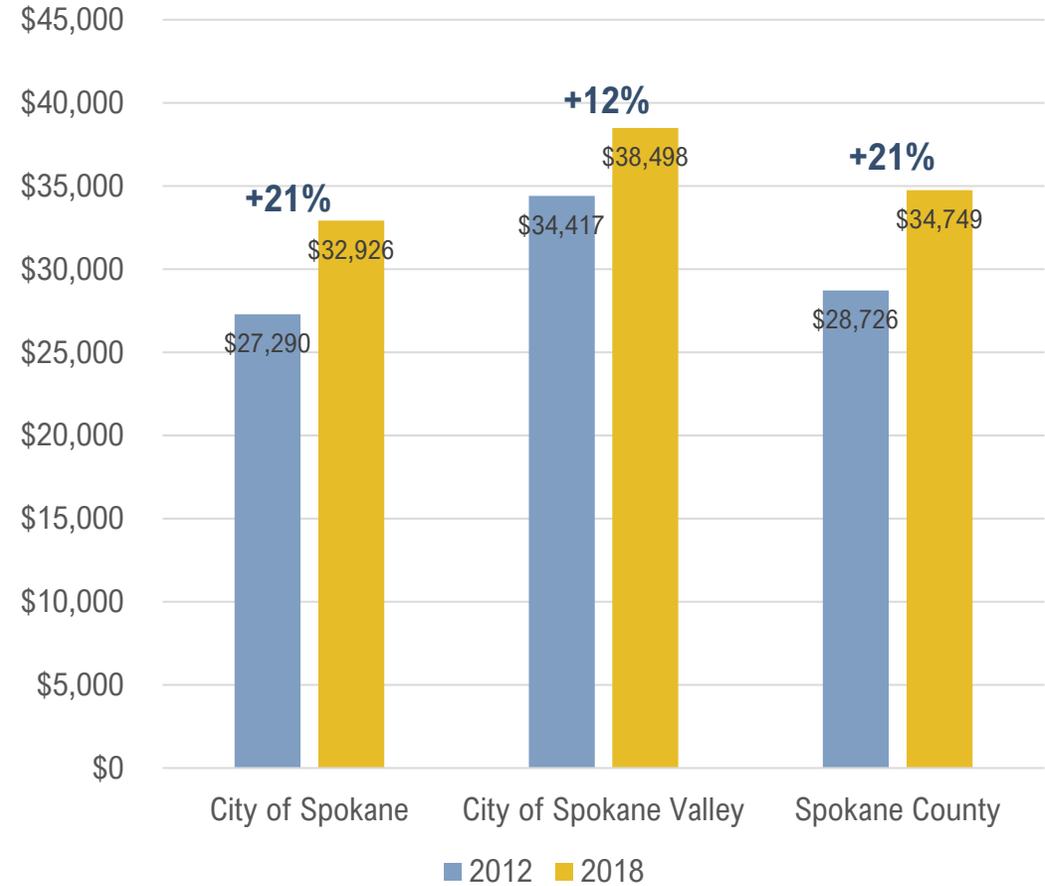
Source: State of the Cities Data Systems (SOCDS), US Census Building Permit Survey

Comparison Within Region

Change in Median Owner Household Income within Region, 2012 to 2018



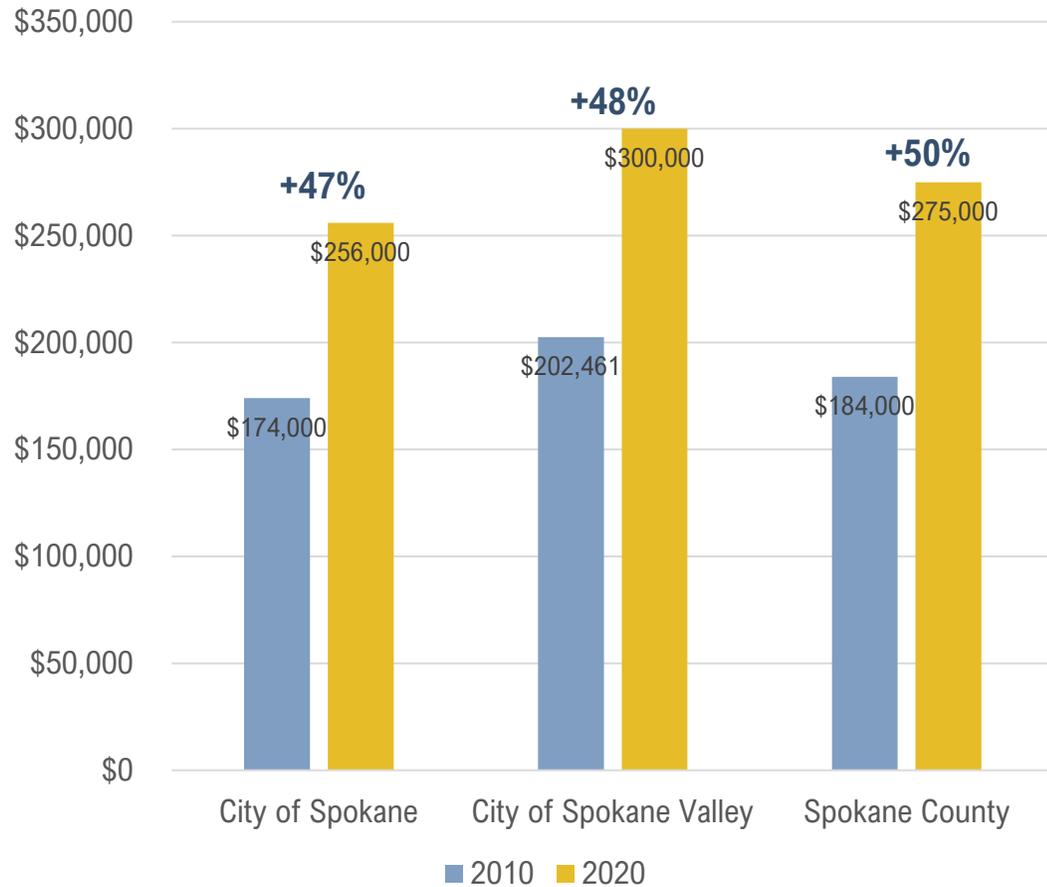
Change in Median Renter Household Income within Region, 2012 to 2018



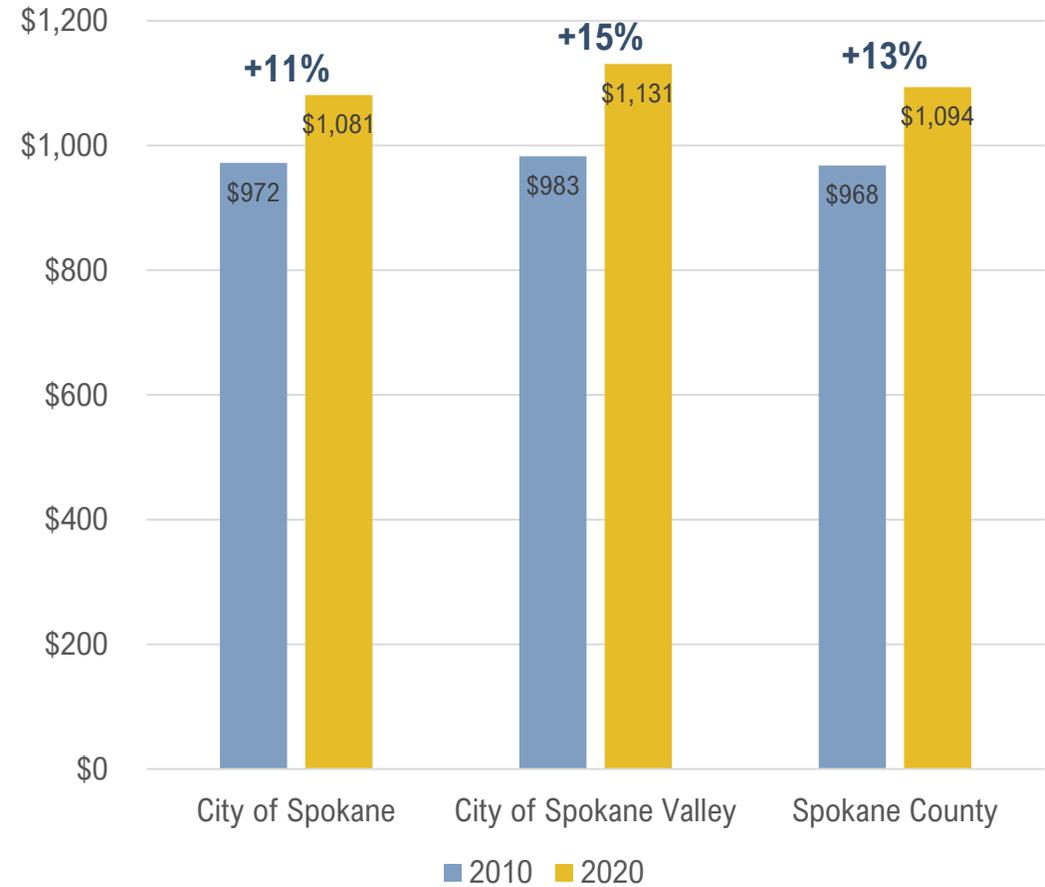
Source: PUMS (2012, 2018). Note: All values are in 2018 inflation-adjusted dollars.

Comparison Within Region

Change in Median Home Sales Price within Region, 2010 to 2020



Change in Average Rent for 2-Bedroom Apartment within Region, 2012 to 2018

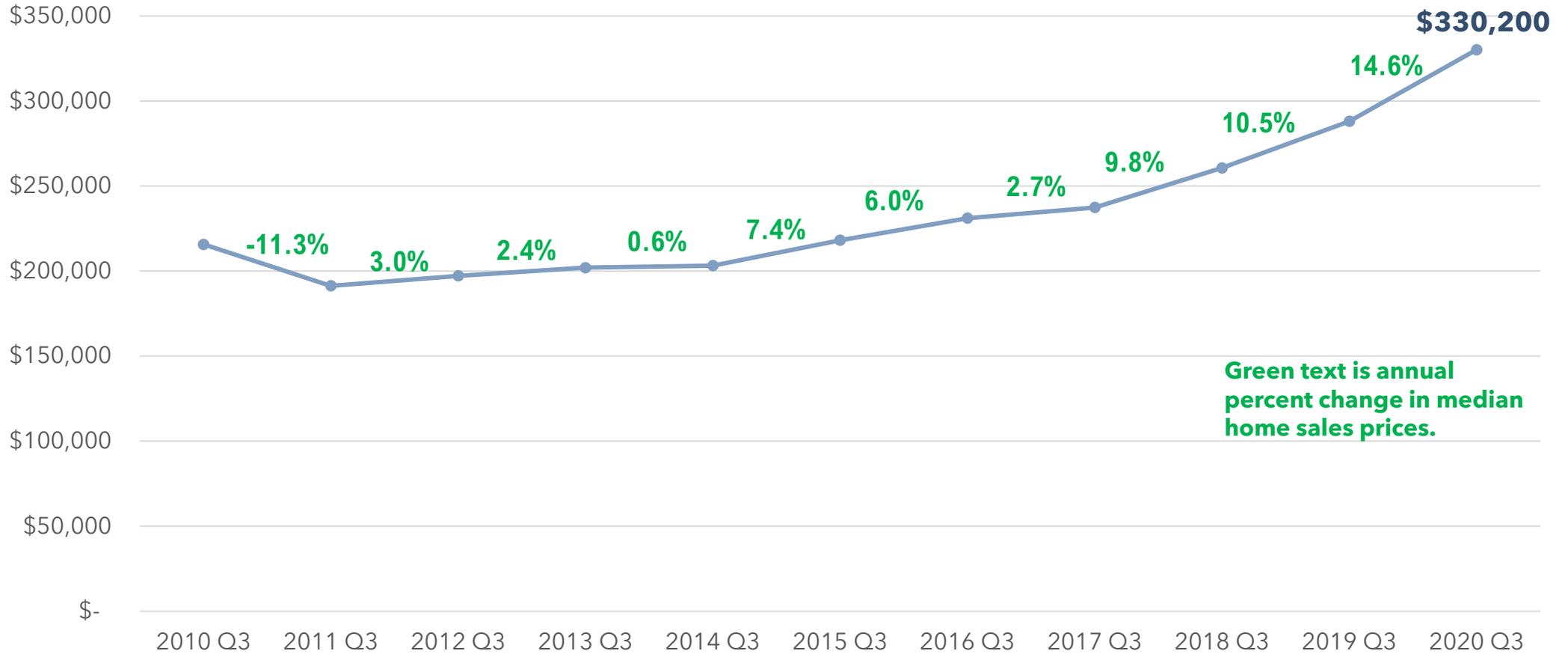


Source: PUMS (2012, 2018). Note: All values are in 2018 inflation-adjusted dollars.

Spokane County Housing Market Snapshot

Spokane County Housing Market Snapshot, 2010-2020

Adjusted for Inflation for September 2020 using CPI Calculator

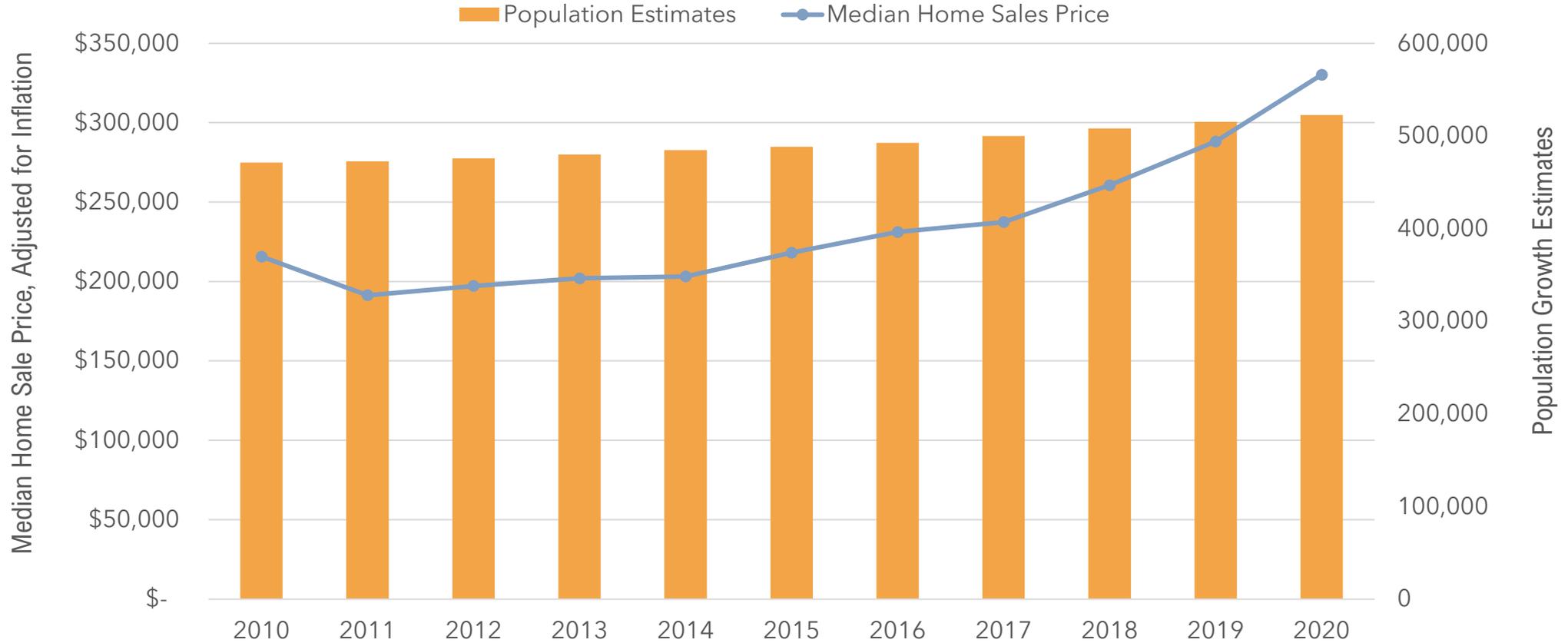


Source: University of Washington Center for Real Estate Research, Housing Market Snapshot

Spokane County Housing Market Snapshot

The Spokane County Home Prices are reported for Q3 each year, and are adjusted for inflation for September 2020 using CPI Calculator.

Spokane County Median Home Prices and Population Growth 2010-2020

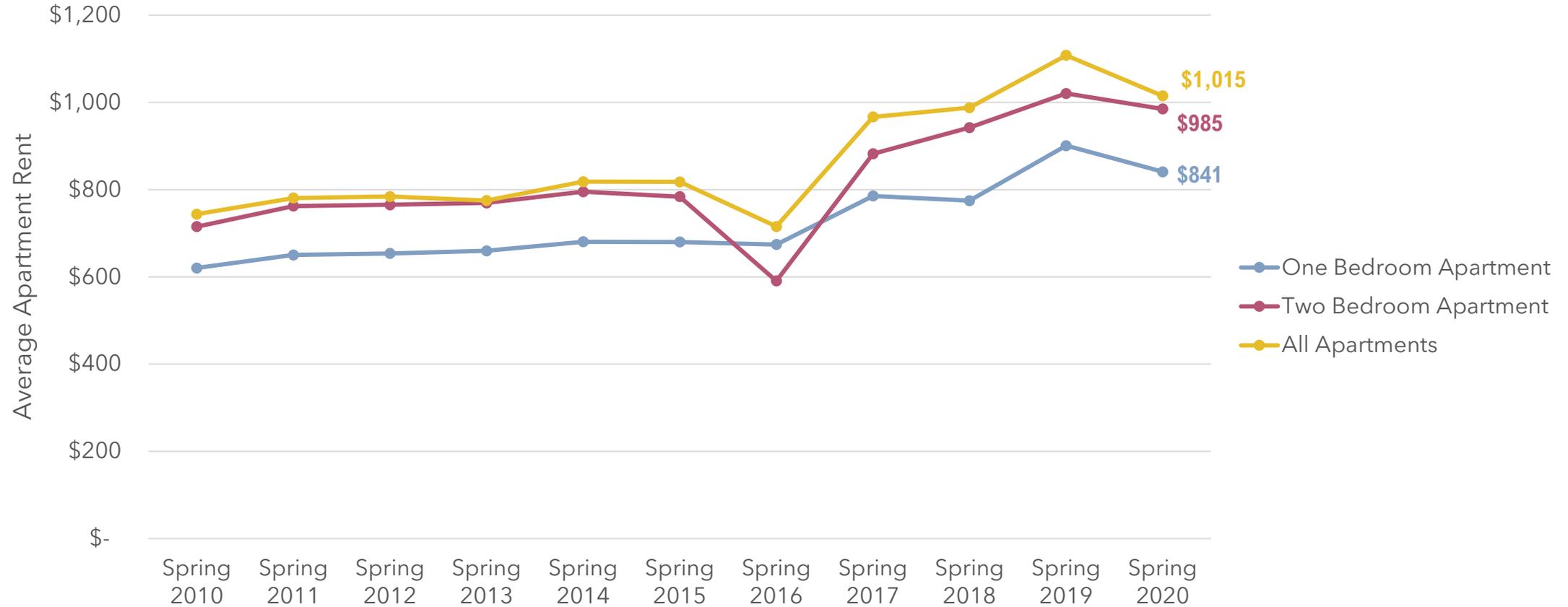


Source: Home Prices: University of Washington Center for Real Estate Research, Housing Market Snapshot; Population: OFM April 1 Population Estimates

Spokane County Apartment Market Survey

Average Apartment Rent in Spokane County, 2010-2020

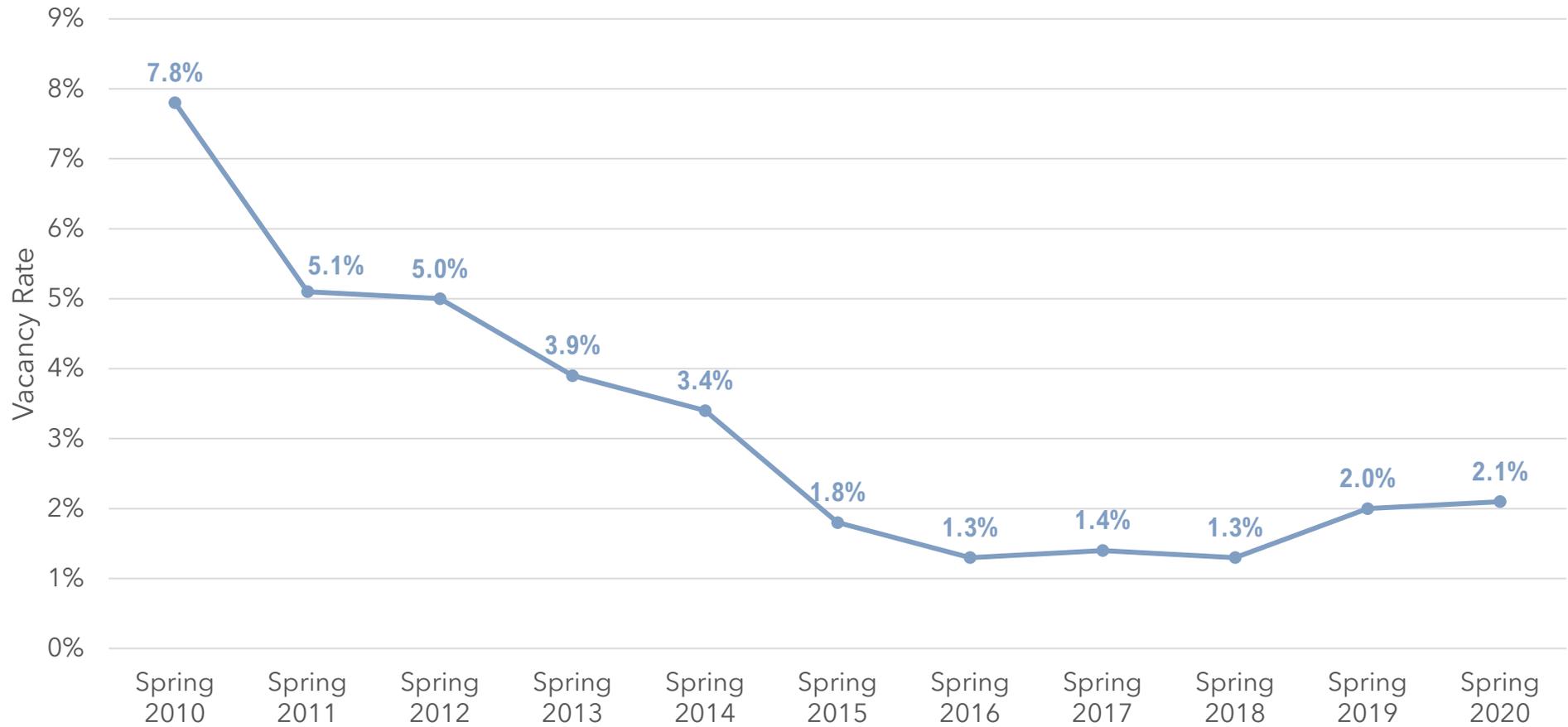
Adjusted for Inflation for March 2020 using CPI Calculator



Source: University of Washington Center for Real Estate Research, Apartment Market Surveys

Spokane County Apartment Market Survey

Apartment Vacancy Rate in Spokane County, 2010-2020

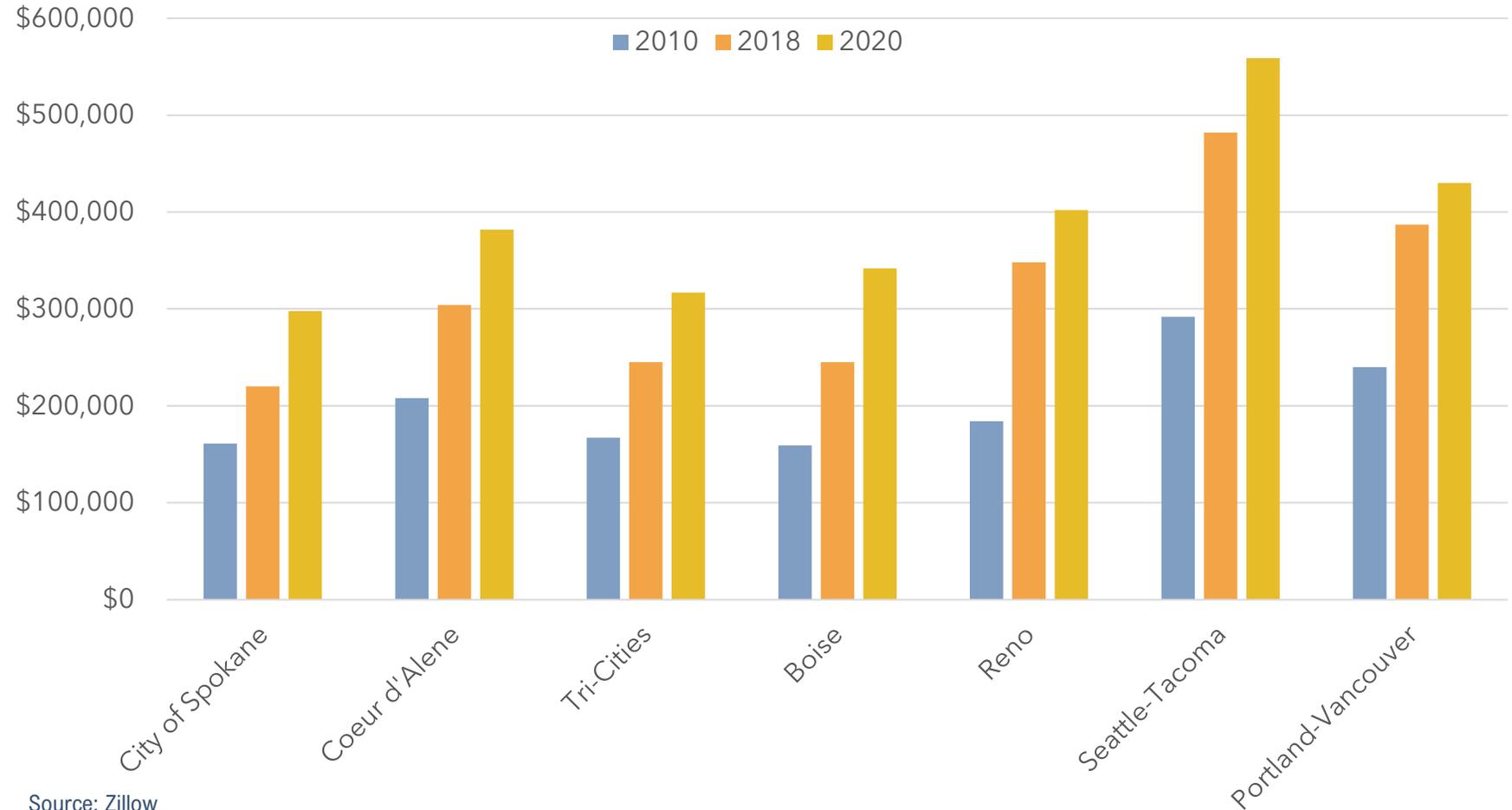


Source: University of Washington Center for Real Estate Research, Apartment Market Surveys

Comparison Across Regions

In many larger cities in the region, home sales prices increased considerably from 2010 to 2018. **In Spokane/CDA area, home sales prices have increased more from 2018 to 2020.**

Change in Median Home Sales Price in Region, 2010-2020

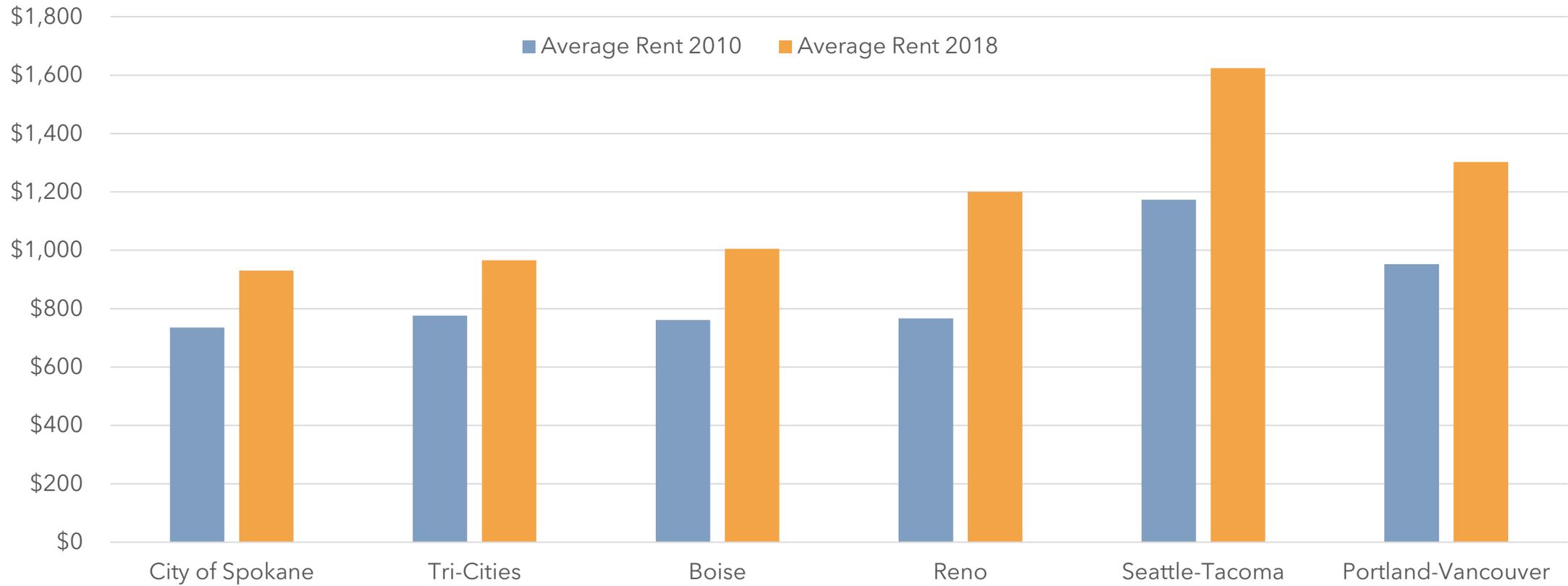


Source: Zillow



Comparison Across Regions

Change In Average Rent by Metropolitan Area in Region, 2010-2018



Source: Zillow



Demographics



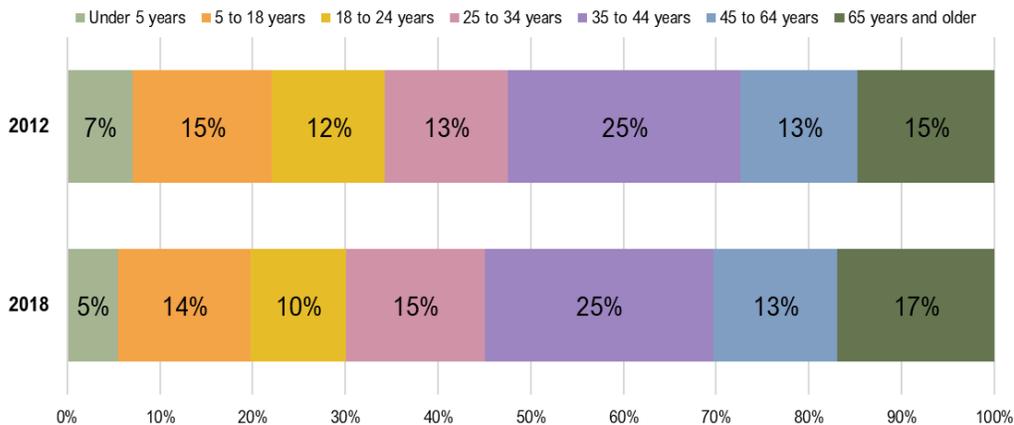
City of Spokane Demographics

222,081

2019 Population, City of Spokane

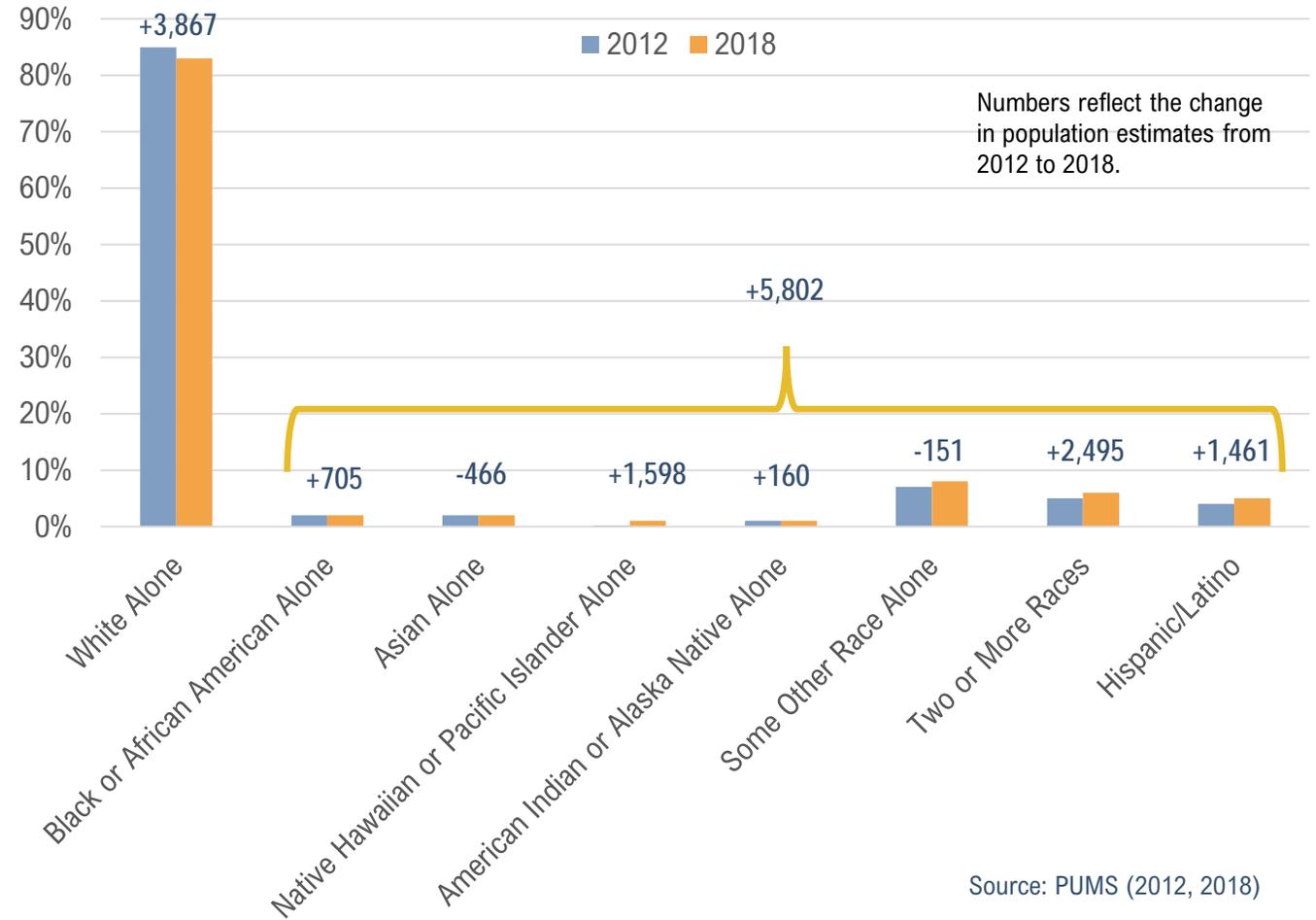
Source: US Census Bureau, QuickFacts

Population Distribution by Age in the City of Spokane, 2012 and 2018



Source: PUMS (2012, 2018)

Race and Ethnicity in City of Spokane, 2012 and 2018



Source: PUMS (2012, 2018)



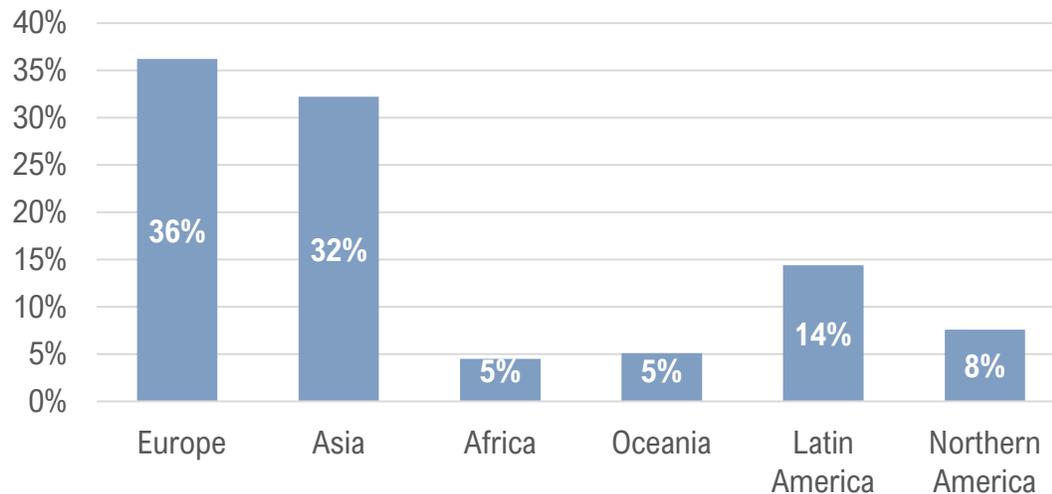
City of Spokane Demographics

6%

Foreign born population in City of Spokane, 2014-2018

Source: ACS (2014-2018), DP02

World Region of Birth of Foreign Born in City of Spokane, 2014-2018



Source: ACS (2014-2018), DP02

7%

Households speak another language at home in City of Spokane, 2018

	2018
Spanish	3%
Other Indo-European Language	2%
Asian and Pacific Island Languages	2%
Other Languages	1%

Source: PUMS (2018)

Top Languages Spoken at Home in City of Spokane, 2018

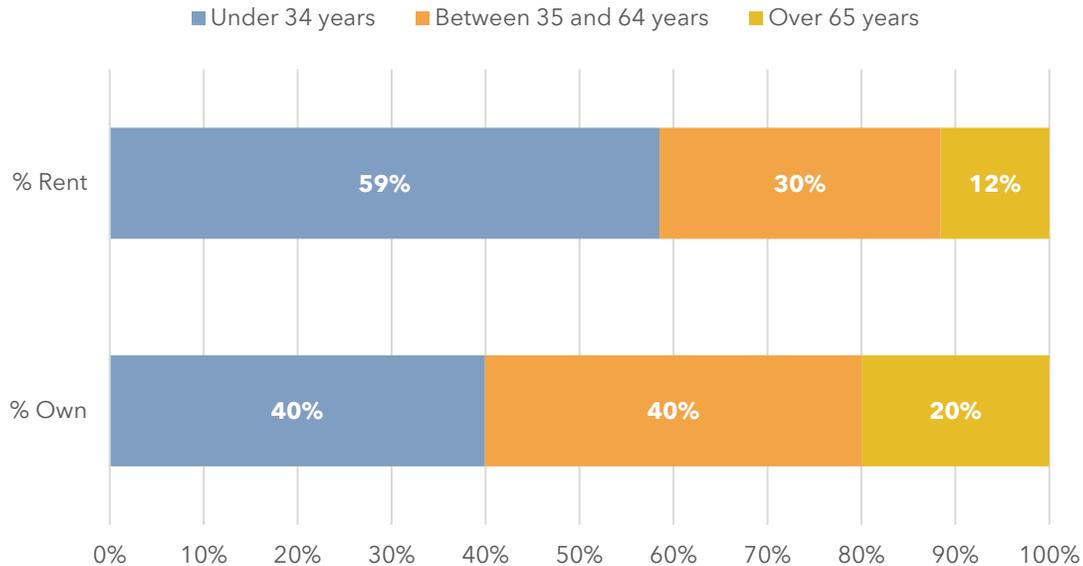
- Spanish
- Vietnamese
- Nepali
- Russian
- German
- Arabic
- Marshallese

Source: PUMS (2018)



City of Spokane Households

Tenure by Age of Householder in City of Spokane, 2018



Sources: PUMS (2012, 2018)

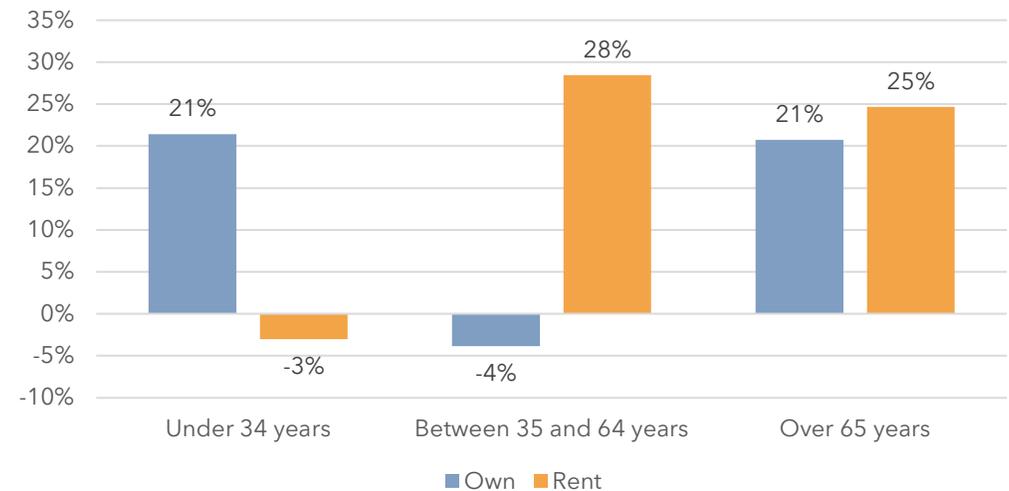
- Close to **60% of renters** are under 34 years old in the City of Spokane.
- The average age of homeowners is higher than the average age of renters in the City of Spokane.
- Renters between 35 and 64 years old have **increased 28%** from 2012 to 2018 in the City of Spokane.

Average Age of Householder by Tenure in City of Spokane Between 2012 and 2018

	2012	2018
Owned with Mortgage	36.7	37.8
Owned Free and Clear	60	57.6
Rented	31.8	35.1
Occupied without Payment of Rent	30.4	45.4

Sources: PUMS (2012, 2018)

Percent Change in Tenure by Age of Householder in City of Spokane, 2012 to 2018



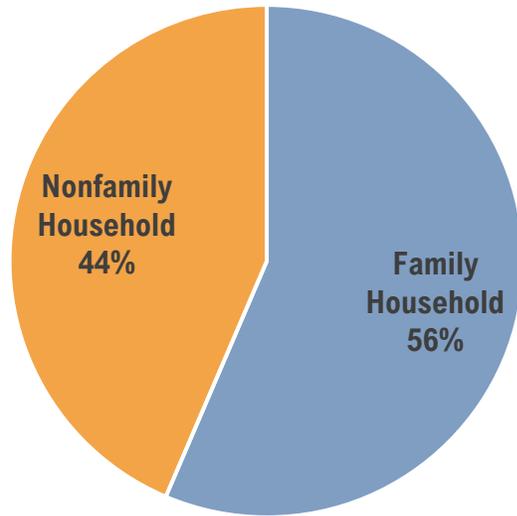
Sources: PUMS (2012, 2018)



City of Spokane Households

A **family household** is a household maintained by a householder who is in a family, and includes any unrelated people who may be residing there. A **nonfamily household** consists of a householder living alone (a one-person household) or where the householder shares the home exclusively with people to whom he/she is not related. **Multigenerational households** are defined as households that consist of three or more generations of parents and their families.

Household Type in City of Spokane, 2018



Source: PUMS (2018)

Over half of households in the City of Spokane are family households, though **nonfamily households have increased** at a higher percentage rate than family households from 2012 to 2018.

4%

Change in family households in City of Spokane
Between 2012 and 2018

	2012	2018
Family Households	59,323	61,420

Sources: PUMS (2012, 2018)

13%

Change in nonfamily households in City of Spokane
Between 2012 and 2018

	2012	2018
Nonfamily Households	42,029	47,429

Sources: PUMS (2012, 2018)

3%

Multigenerational households in City of Spokane, 2018

Source: PUMS (2018)



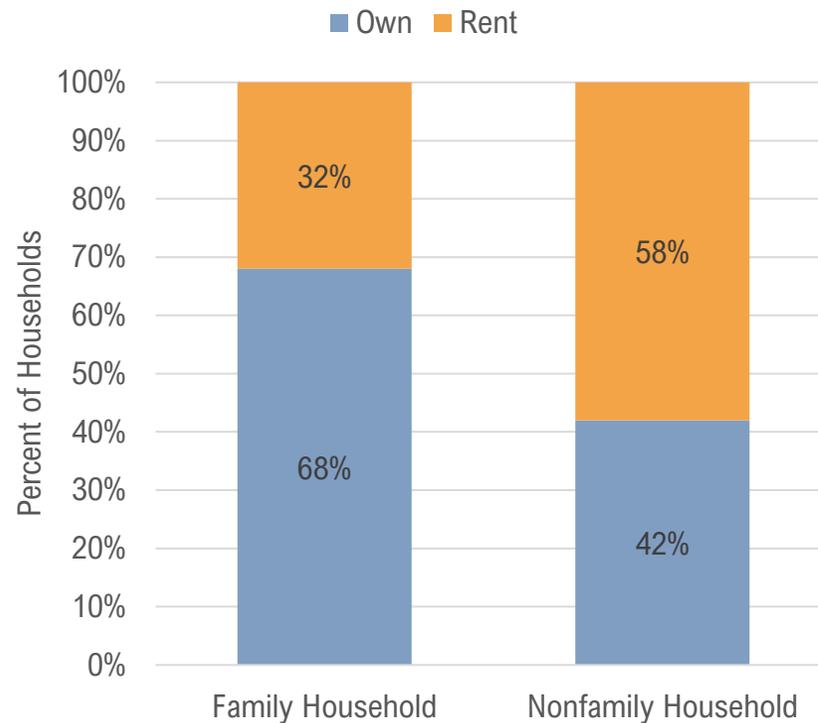
City of Spokane Households

A **family household** is a household maintained by a householder who is in a family, and includes any unrelated people who may be residing there. A **nonfamily household** consists of a householder living alone (a one-person household) or where the householder shares the home exclusively with people to whom he/she is not related. A **single parent household** is a household with a male householder or female householder without a spouse present, with own kids in the household 17 years and under.

Family households, particularly married couple families, are **more likely to own a home** than nonfamily households in the City of Spokane.

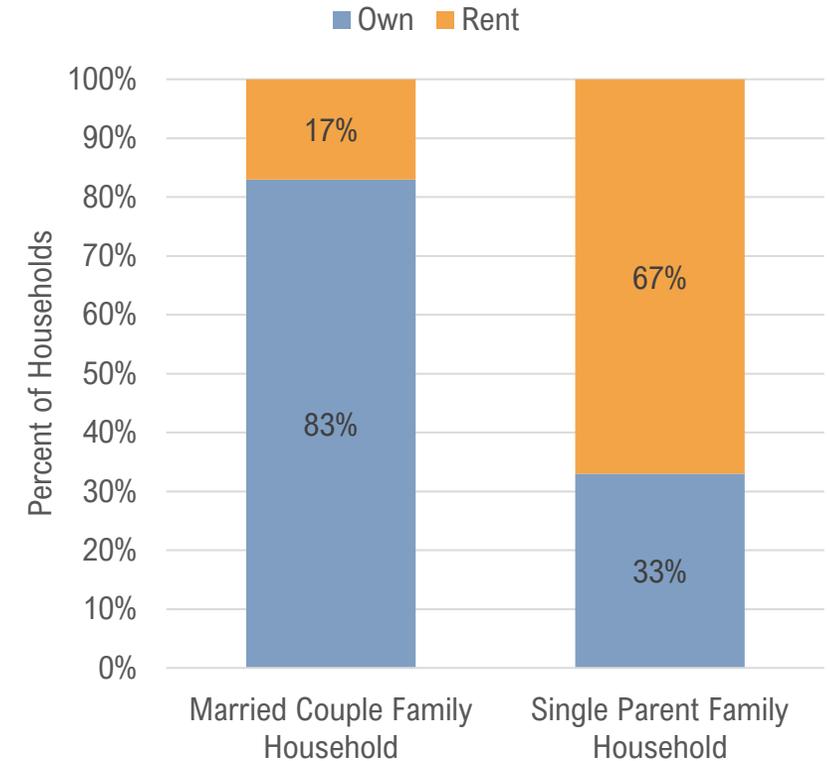
Single parent households have a higher percentage of **renters** than owners in the City of Spokane.

Tenure by Household Type in City of Spokane, 2018



Source: PUMS (2018)

Tenure by Family Households with Children in City of Spokane, 2018



Source: PUMS (2018)



City of Spokane Households

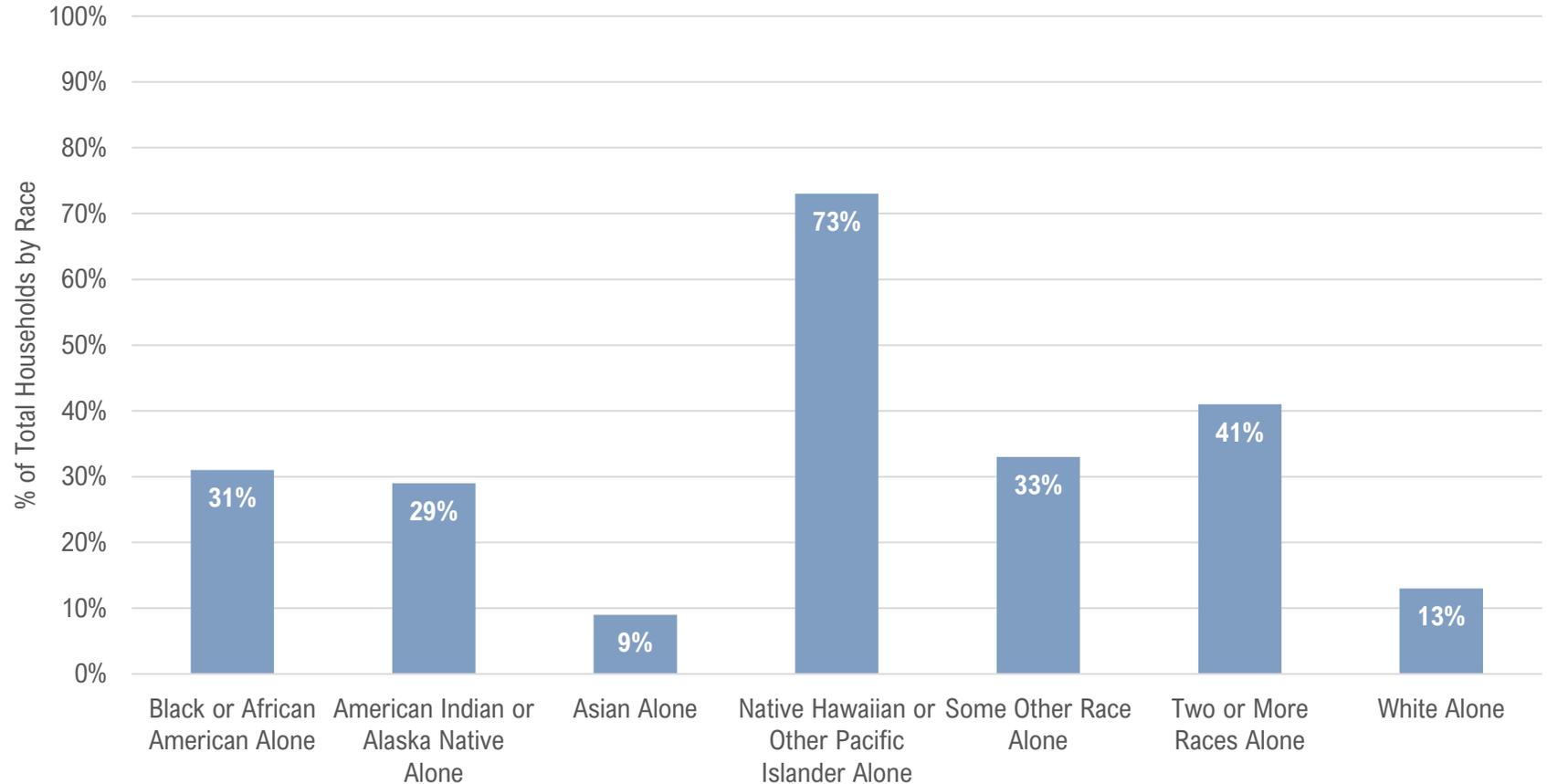
A **single parent household** is a household with a male householder or female householder without a spouse present, with own kids in the household.

10%

Change in single parent household in City of Spokane
Between 2012 and 2018

Sources: PUMS (2012, 2018)

Single Parent Households by Race in the City of Spokane, 2018



Source: PUMS (2018)



City of Spokane Housing Characteristics

From 2010 and 2018, there was a **higher change in renter occupied housing units** than owner occupied housing units in the City of Spokane.

Mobile homes units decreased by 25% from 2010 to 2018 in the City of Spokane.

1 in 10 housing units **do not have a vehicle** in the City of Spokane.

2%

Change in owner occupied housing units in City of Spokane
Between 2010 and 2018

	2010	2018
Owner Occupied Housing Units	51,022	52,179

Sources: ACS (2010, 2018), Table DP04

7%

Change in renter occupied housing units in City of Spokane
Between 2010 and 2018

	2010	2018
Renter Occupied Housing Units	37,773	40,383

Sources: ACS (2010, 2018), Table DP04

-25%

Change in mobile homes in City of Spokane
Between 2010 and 2018

	2010	2018
Mobile Home Units	1,807	1,348

Sources: ACS (2010, 2018), Table DP04

10%

 of Housing Units With No Vehicle in City of Spokane

Source: ACS (2014-2018), Table DP04

-13%

Change in vacant housing units in City of Spokane
Between 2010 and 2018

	2010	2018
Vacant Housing Units	7,784	6,769

Sources: ACS (2010, 2018), Table DP04



City of Spokane Disability Characteristics

16%

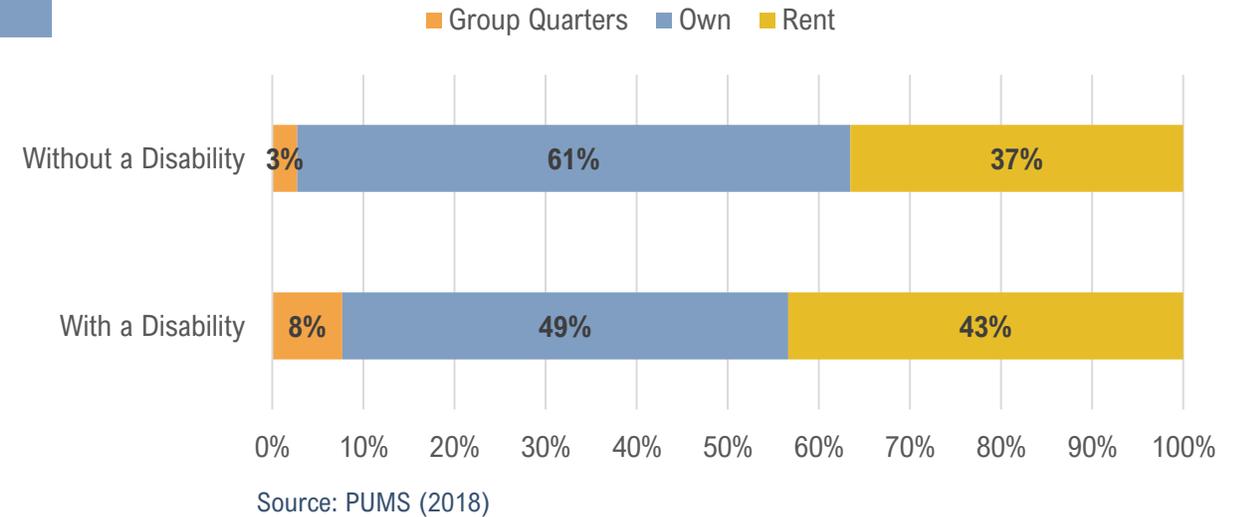
Population with a disability in City of Spokane, 2018

Percent Population with Disability in City of Spokane, by Type	2018
Hearing Difficulty	4%
Vision Difficulty	3%
Cognitive Difficulty	7%
Ambulatory Difficulty	8%
Self-Care Difficulty	3%
Independent Living Difficulty	6%

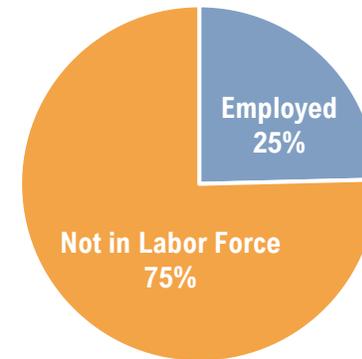
Percent Population with Disability in City of Spokane, by Age	2018
5-17 years	7%
18 to 34 years	8%
35 to 64 years	19%
65 to 74 years	28%
75 years and over	45%

Source: PUMS (2018)

Tenure by Disability Status in City of Spokane, 2018



Employment Status of People with Disabilities in City of Spokane, 2014-2018



\$20,334

Median Earnings in Past 12 Months (in 2018 Inflation Adjusted Dollars) For People With A Disability in the City of Spokane

Source: ACS (2014-2018), Table S2811

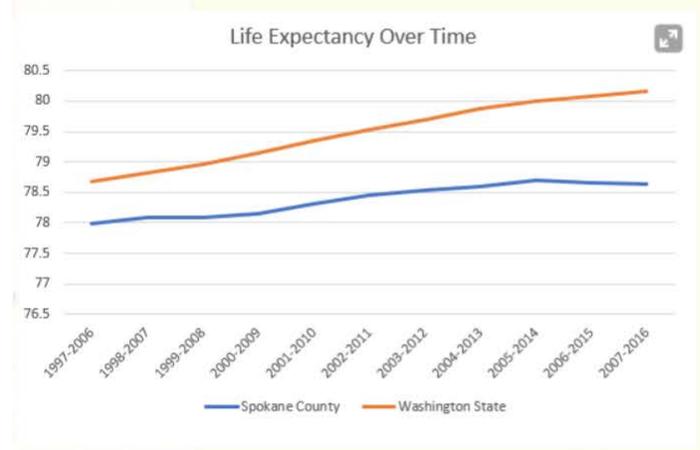


Life Expectancy Poverty Race Education

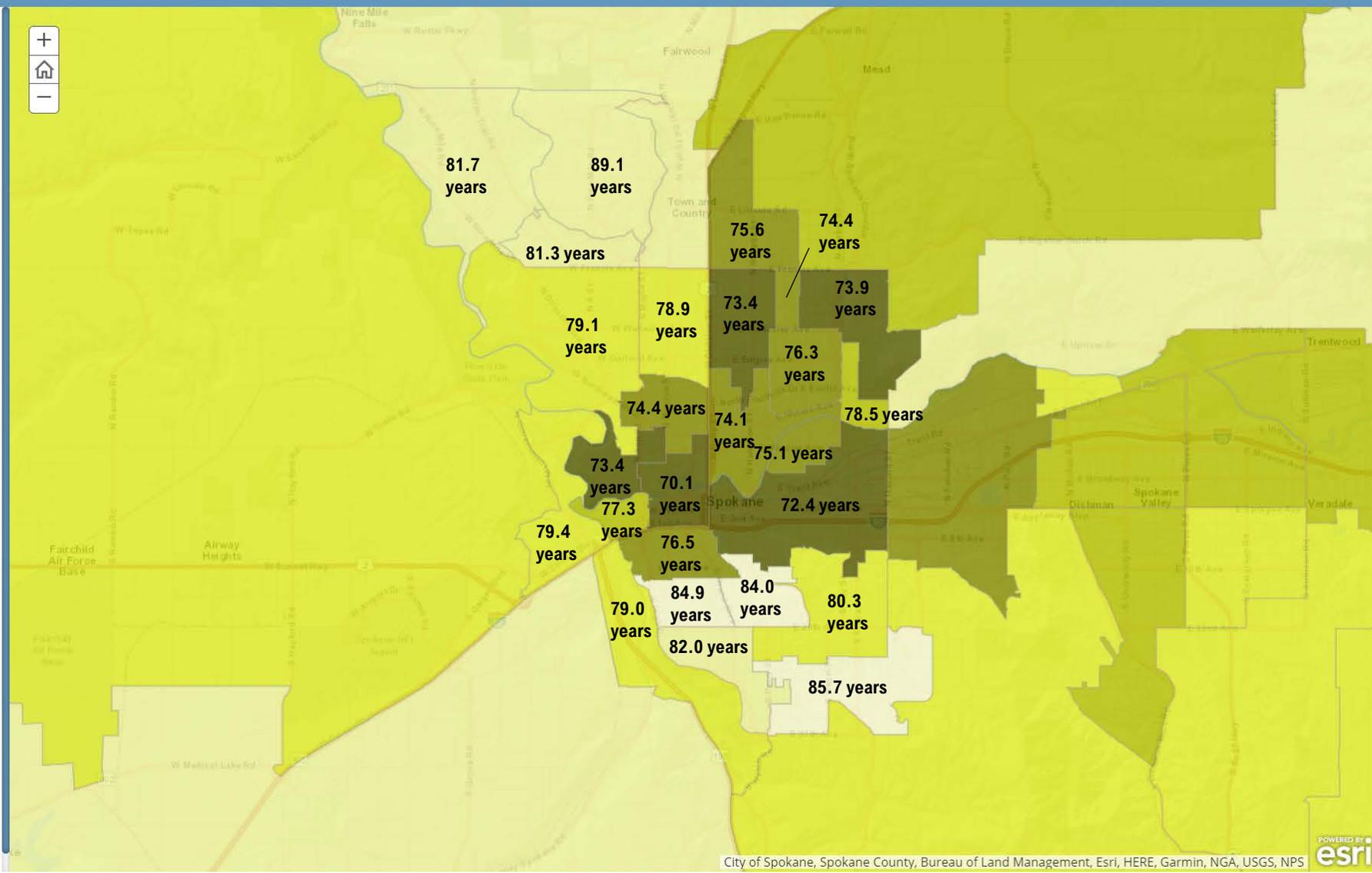
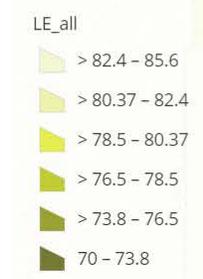
Life expectancy is the probable number of years remaining in the life of an individual or population determined statistically. For the purpose of these maps, life expectancy at birth was calculated for infants who were born during the specified aggregated years.

There is a 15 year life expectancy gap between the Riverside neighborhood, whose life expectancy is 70.1 and Southgate neighborhood, whose life expectancy is 85.7.

Expand the *Life Expectancy Over Time* graph to see how Spokane County's overall life expectancy compares to Washington State.



Life Expectancy NHD Race



City of Spokane, Spokane County, Bureau of Land Management, Esri, HERE, Garmin, NGA, USGS, NPS 



Source: SRHD Health Insights "Eye on Equity"

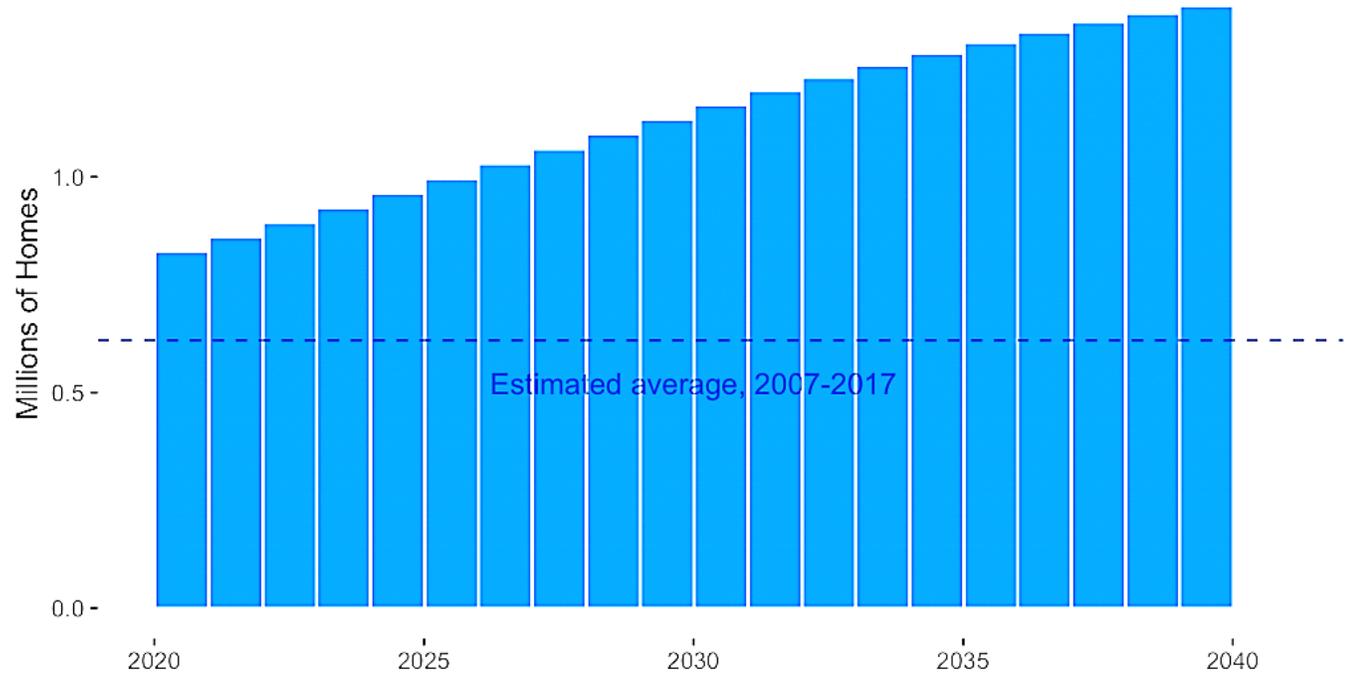
National Aging Trends

“Silver Tsunami”

Zillow Research estimates that over the next 20 years, more than a quarter of the nation’s currently owner-occupied homes (27.4%) will hit the market as their owners pass away or otherwise vacate their homes.

When Will The Silver Tsunami Hit?

Currently owner-occupied homes whose residents will be seniors (60+) and are estimated to pass away (annual, U.S.)



Source: U.S. Census (American Community Survey) and Social Security Administration. Analysis by Zillow.

Notes: See Data and Methodology Section for details.



Source: Zillow Research

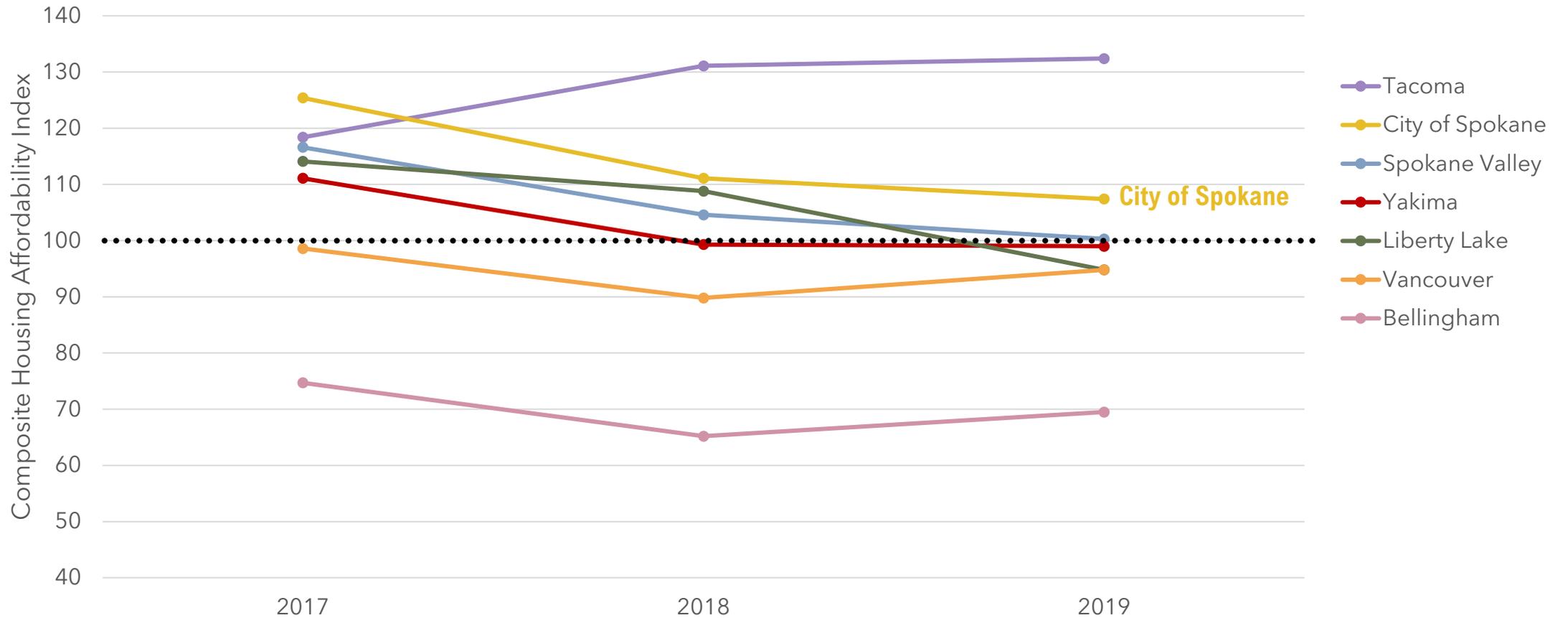
Housing Affordability



Housing Affordability Index

When the index lies at 100, the household pays exactly this share of its income to principal and interest. When the index lies **above 100 the household pays less**, and when it is below 100, the household pays more.

City Housing Affordability Index, 2017-2019

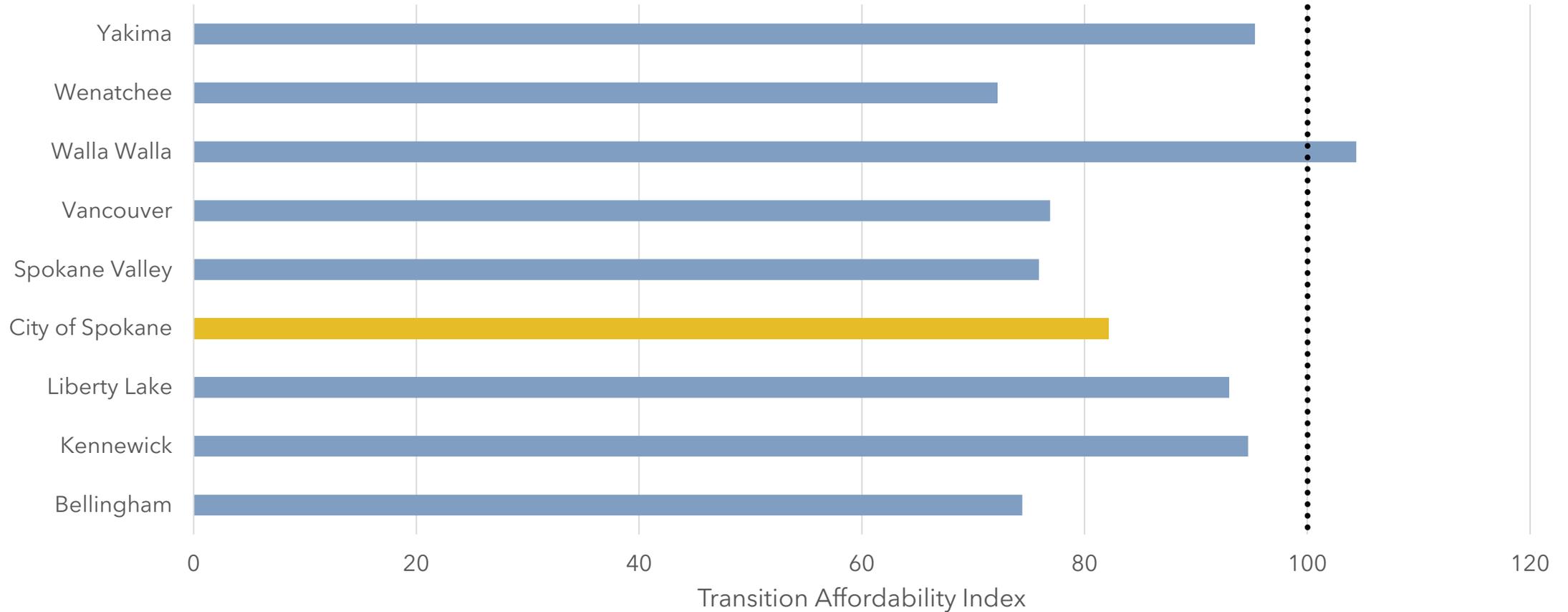


Source: University of Washington Center for Real Estate Research Affordability Index

Housing Affordability Index

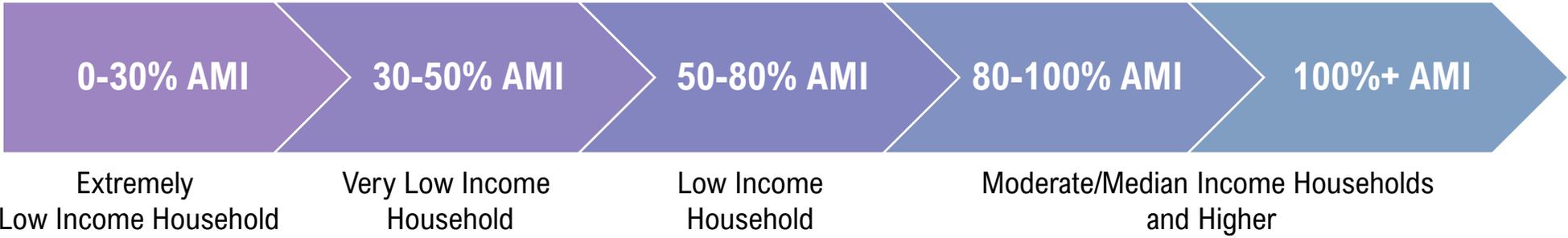
An index value **below 100** indicates that a household earning 70% of median household income is **rent overburdened**.

City Transition Affordability Index, 2019-2020



Source: University of Washington Center for Real Estate Research Affordability Index

What is Area Median Income (AMI)?

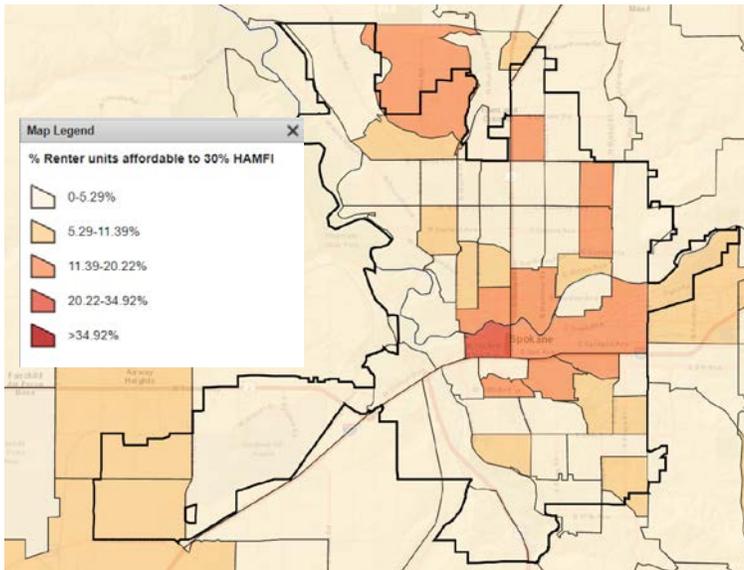


When examining household income levels, the Area Median Income (AMI) is a helpful benchmark for understanding what different households can afford to pay for housing expenses. Since housing needs vary by family size and costs vary by region, the Department of Housing and Urban Development (HUD) produces a median income benchmark for different family sizes and regions on an annual basis. For current ranges, visit the [City of Spokane Community, Housing, and Human Services website](#).

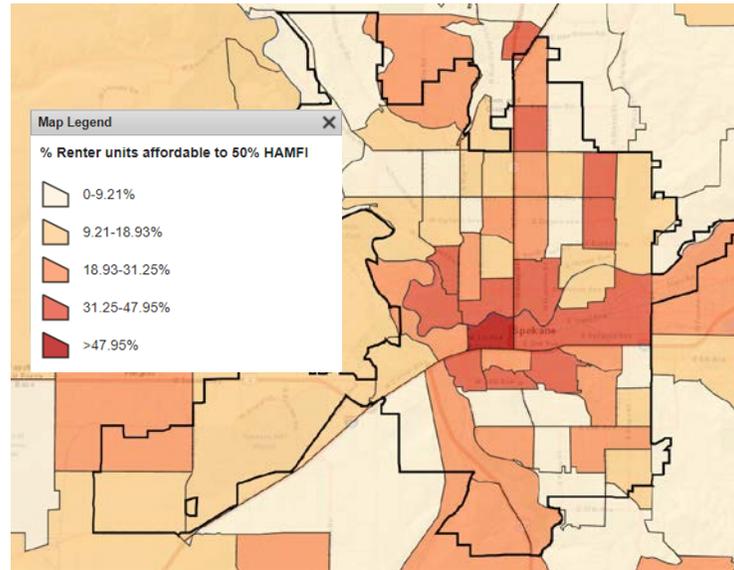


HUD Housing Affordability by AMI – Renter Units

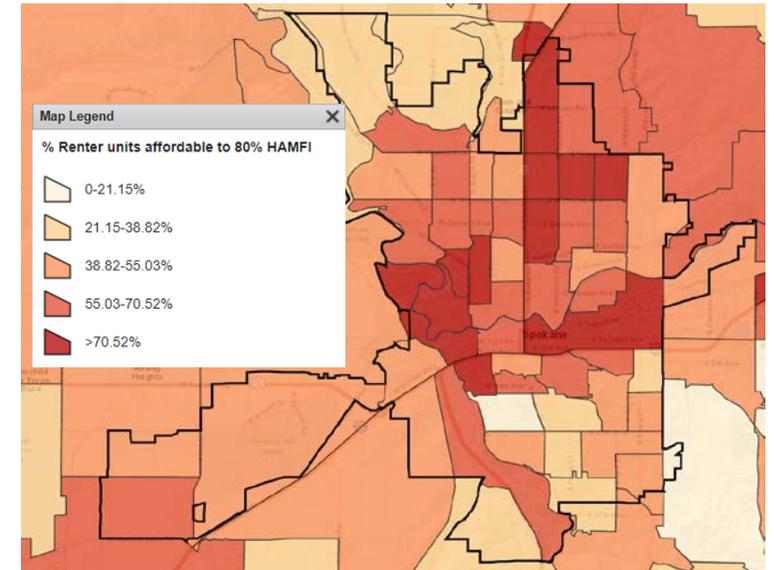
% Renter Units Affordable to 30% AMI



% Renter Units Affordable to 50% AMI

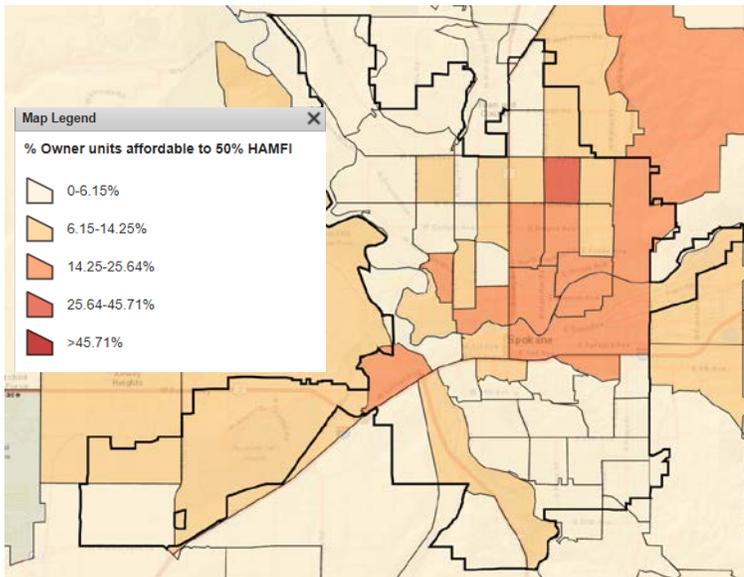


% Renter Units Affordable to 80% AMI

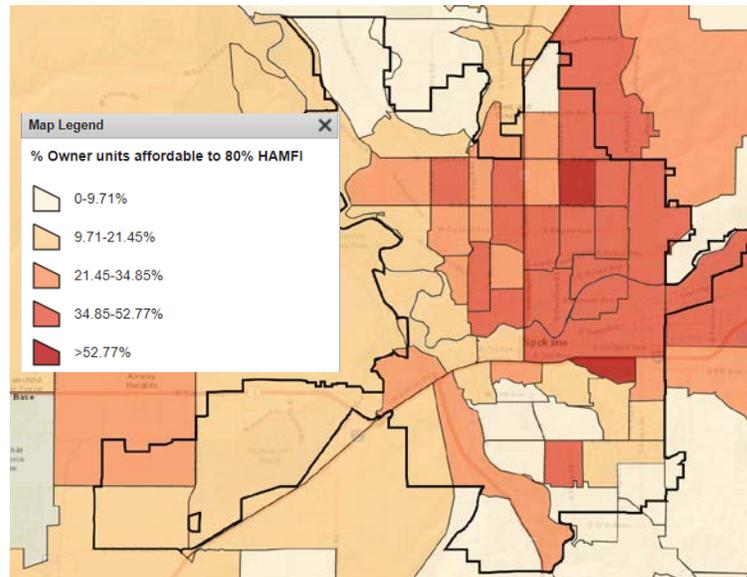


HUD Housing Affordability by AMI - Owner Units

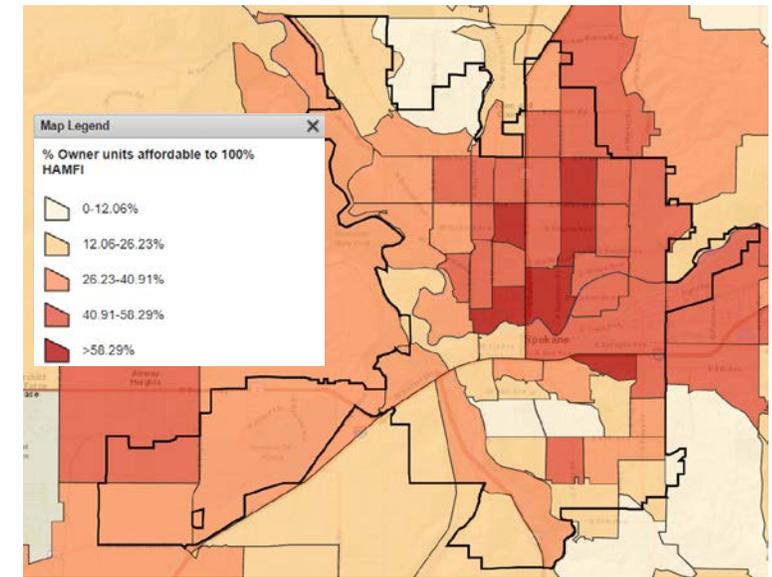
% Owner Units Affordable to 50% AMI



% Owner Units Affordable to 80% AMI



% Owner Units Affordable to 100% AMI



Cost Burdened Households in City of Spokane

Cost Burdened

› A household who pays more than 30% of their income on housing (inclusive of households with severe cost burdening).

Severely Cost Burdened

› A household who pays more than 50% of their income on housing.

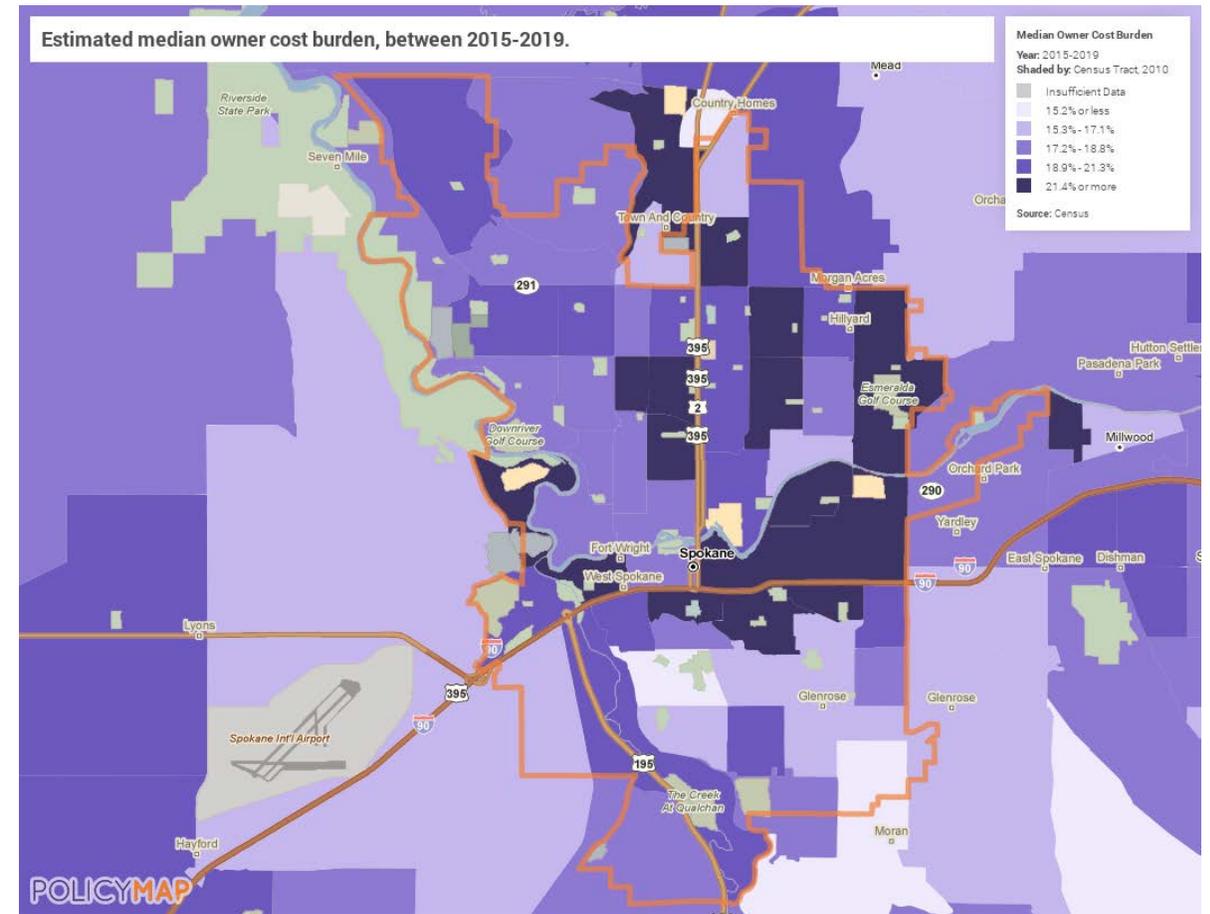
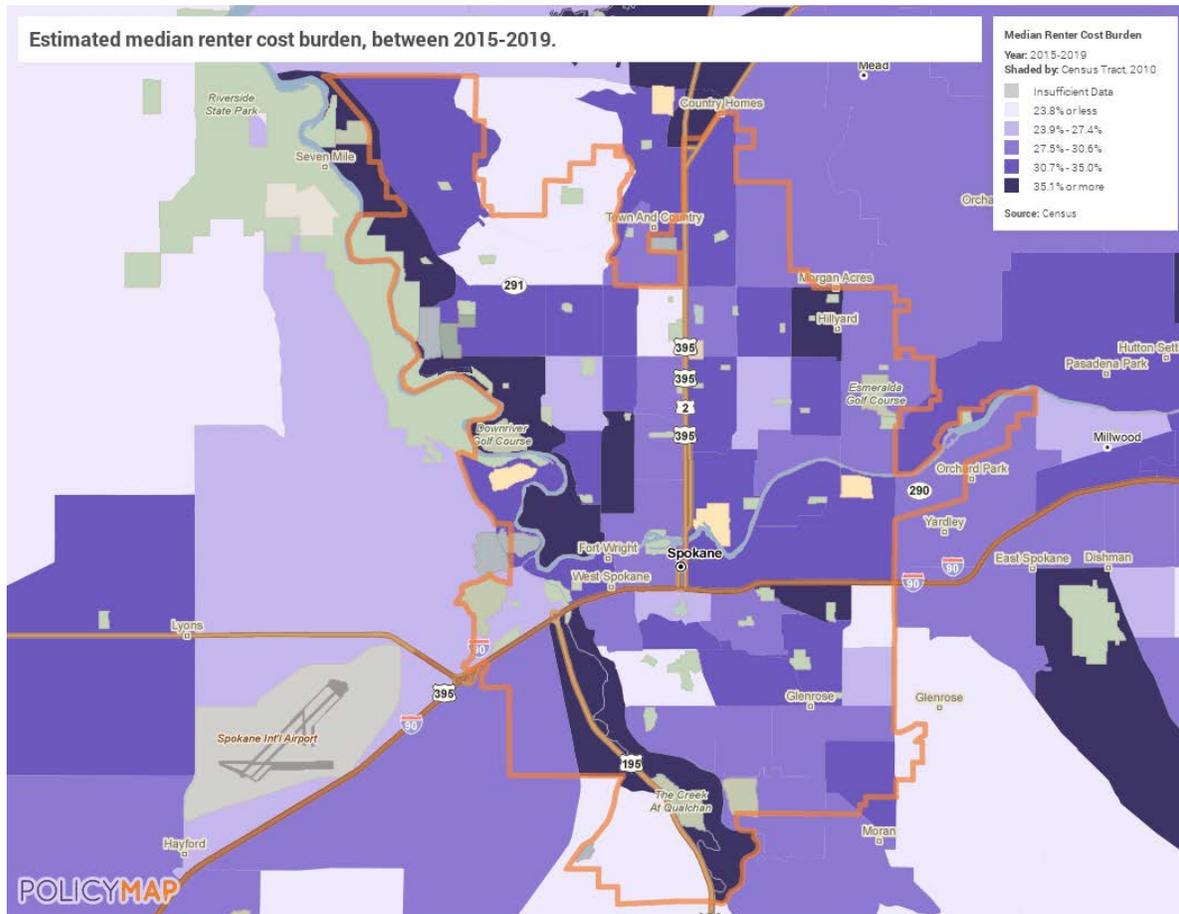
- Close to **38,000 households are cost burdened**, or 35% of all households.
- Over **half of renters** in the City of Spokane are **cost burdened**.
- Over a **quarter of renters** are **severely cost burdened** in the City of Spokane.

Cost Burdened Households in City of Spokane	Number of Households	Percentage of Households
Total Cost Burdened	37,954	35%
Owners Cost Burdened	14,891	24%
Renters Cost Burdened	23,063	51%
Total Severely Cost Burdened	17,811	17%
Owners Severely Cost Burdened	4,964	8%
Renters Severely Cost Burdened	12,847	28%

Source: PUMS (2018)



Cost Burden by Tenure by Census Tract



Source: [PolicyMap](https://www.policymap.com)



Cost Burdened Households in City of Spokane

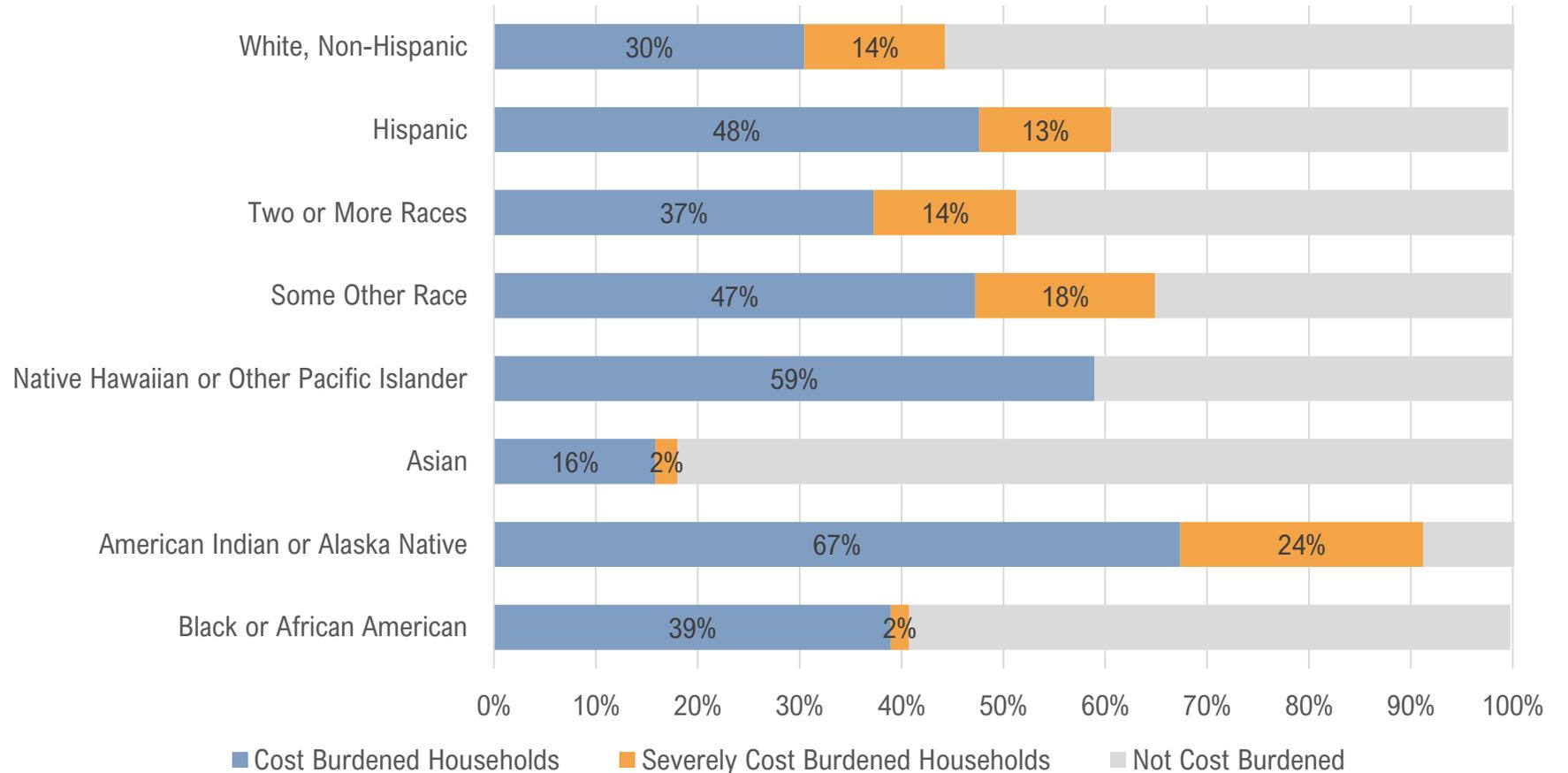
Cost Burdened is a household who pays more than 30% of their income (inclusive of households with severe cost burdening).
Severely Cost Burdened is a household who pays more than 50% of their income on housing.

67% of American Indian or Alaska Native households are cost burdened, and nearly a quarter are severely cost burdened in the City of Spokane.

Close to **60% of Native Hawaiian or Other Pacific Islander households** are cost burdened in the City of Spokane.

Close to **half of Hispanic households** and households of Some Other Race are cost burdened in the City of Spokane.

Cost Burdened Households by Race/Ethnicity in the City of Spokane, 2018

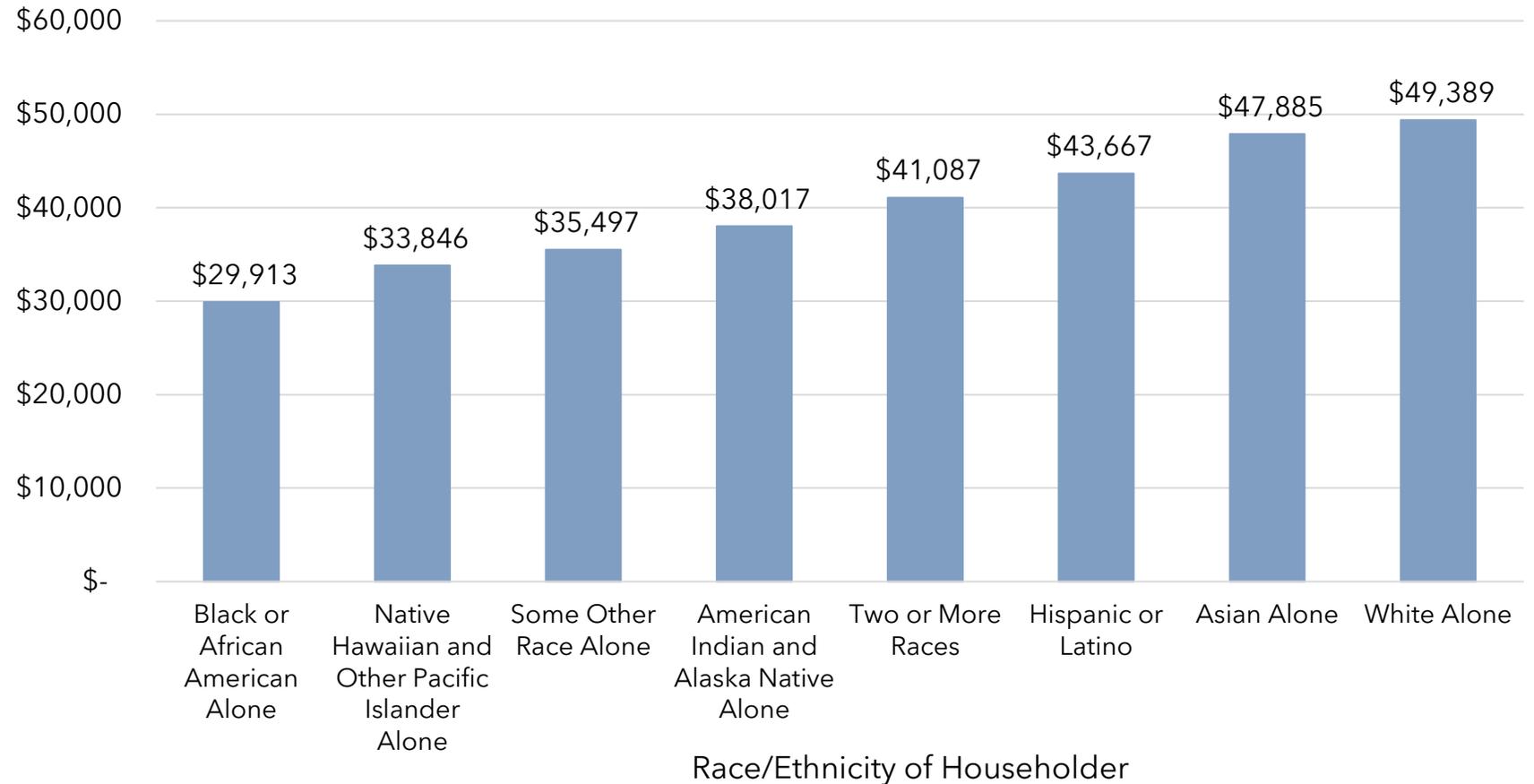


Source: PUMS (2018)



City of Spokane Income and Tenure

Median Household Income in the Past 12 Months by Race/Ethnicity of Householder in City of Spokane, 2014-2018



The median household income of White householders is **60% higher** than the median household income of Black or African American households.

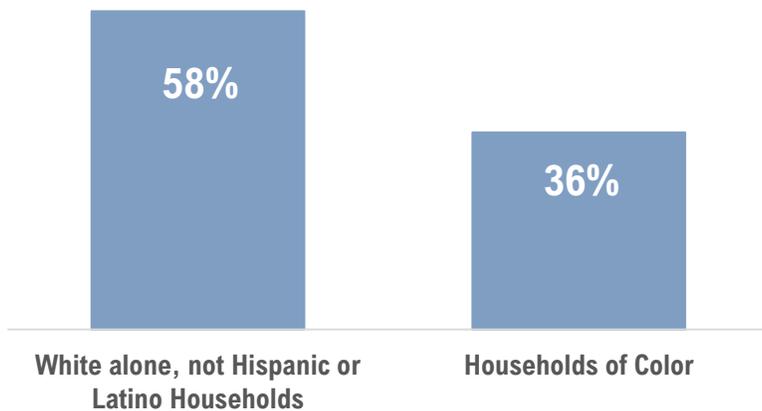


Source: ACS (2014-2018), Tables B19013A, B19013B, B19013C, B19013D, B19013E, B19013F, B19013G, B19013H, B19013I

City of Spokane Income and Tenure

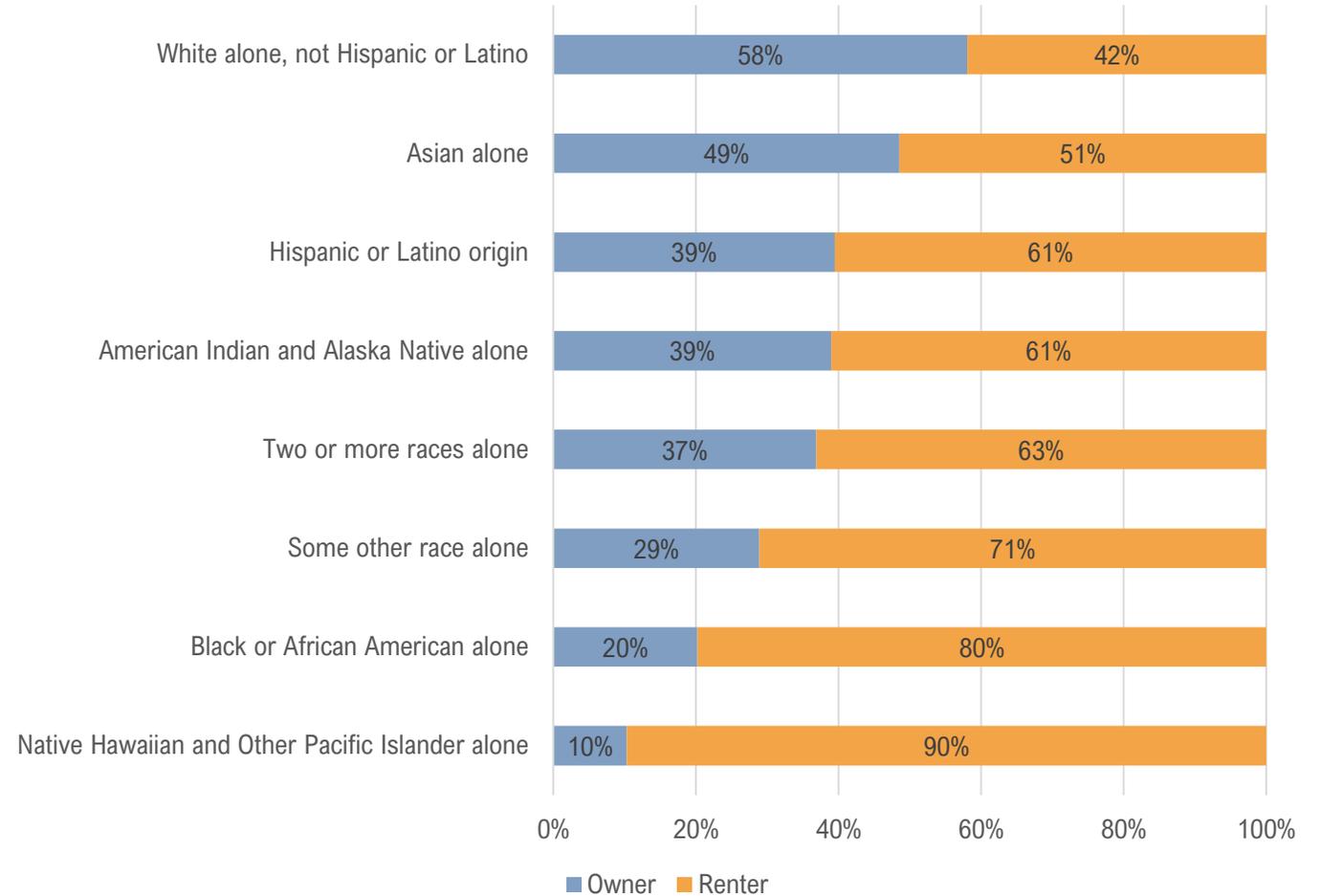
The **racial gap in homeownership** in City of Spokane between White households and Black households is **close to 40%**, and **close to 50%** for Native Hawaiian and Other Pacific Islander households.

Homeownership Rate by Race in City of Spokane, 2014-2018



Source: ACS (2014-2018), Table S2502

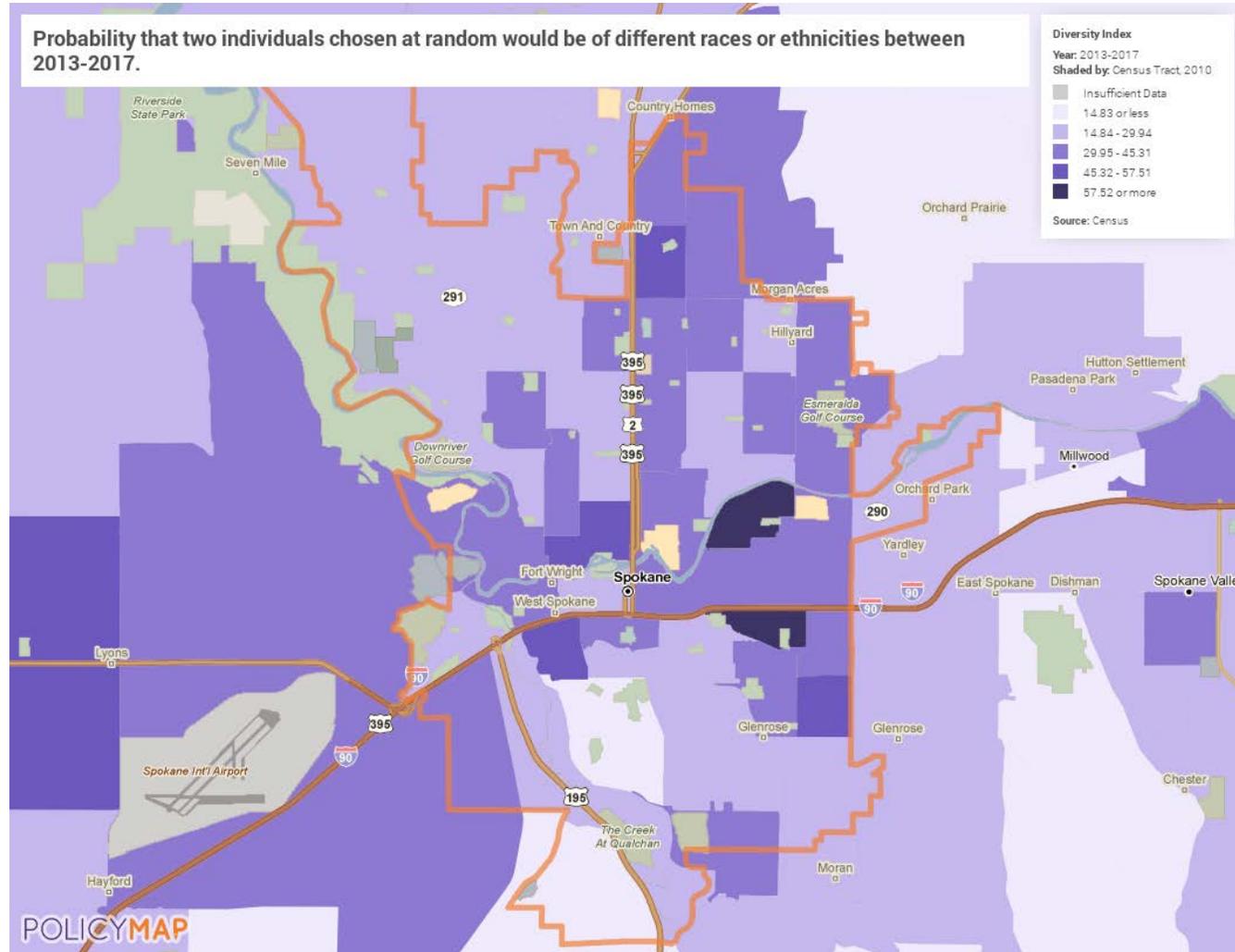
Tenure by Race/Ethnicity of Householder in City of Spokane, 2014-2018



Source: ACS (2014-2018), Table S2502



Diversity Index



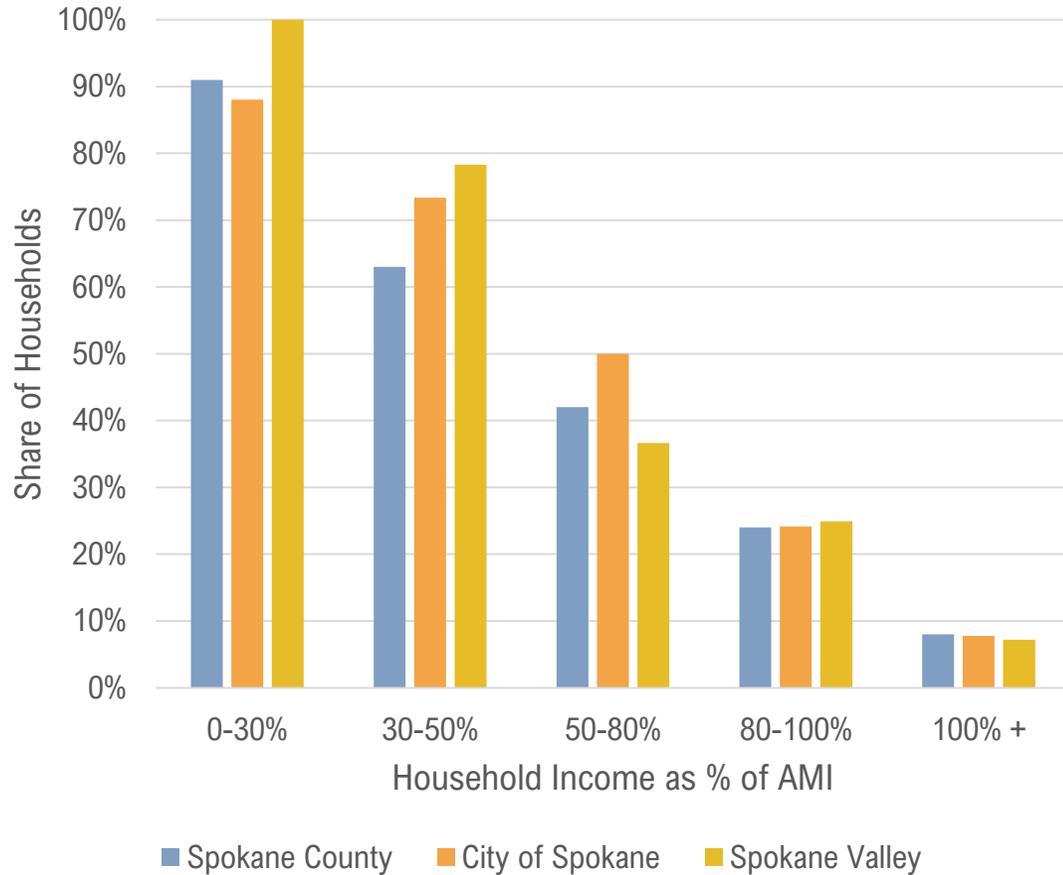
The diversity index is an index ranging from 0 to 87.5 that represents the probability that two individuals, chosen at random in the given geography, would be of different races or ethnicities between 2013-2017. Lower index values between 0 and 20 suggest more homogeneity and higher index values above 50 suggest more heterogeneity. Data were obtained from the Census' American Community Survey 2013-2017 estimates and calculated by PolicyMap.

Source: [PolicyMap](#)



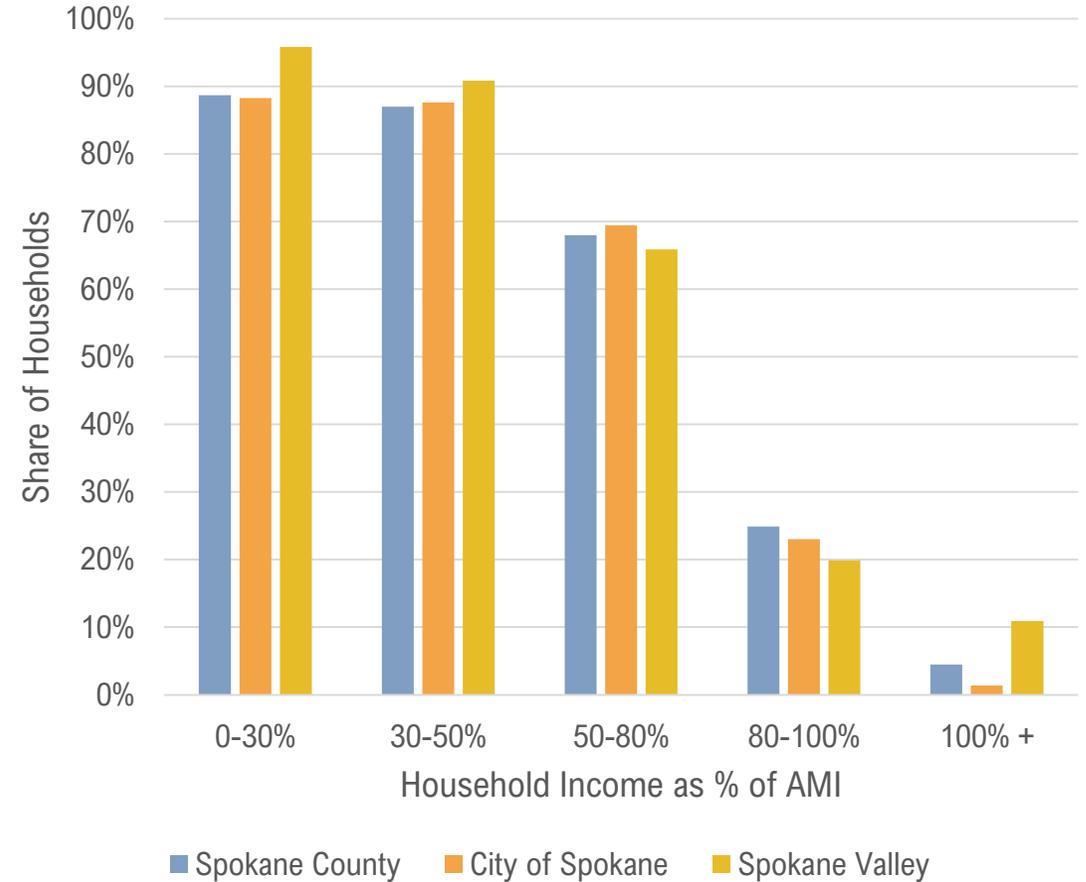
Cost Burdened Households Across the Region

Regional Comparison of Cost Burdened by Owners



Source: PUMS (2018)

Regional Comparison of Cost Burdened by Renters



Source: PUMS (2018)



Spokane Housing Wage

\$17.10 per hour
Spokane HMFA* Housing Wage

Spokane HMFA Housing Wage



It takes **52 work hours or 1.3 full time jobs** to afford a 2-bedroom rental home in Spokane.

52

Work Hours Per Week at Minimum Wage to Afford a 2-Bedroom Rental Home (at Fair Market Rents)

40

Work Hours Per Week at Minimum Wage to Afford a 1-Bedroom Rental Home (at Fair Market Rents)

1.3

Number of Full-Time Jobs at Minimum Wage to Afford a 2-Bedroom Rental Home (at Fair Market Rents)

1

Number of Full-Time Jobs at Minimum Wage to Afford a 1-Bedroom Rental Home (at Fair Market Rents)

\$36,400

Annual Income Needed to Afford a 2-Bedroom Rental Home (at Fair Market Rents)

\$27,840

Annual Income Needed to Afford a 1-Bedroom Rental Home (at Fair Market Rents)

Source: National Low Income Housing Consortium “Out of Reach 2020: Washington”, <https://reports.nlihc.org/oor/washington>

*HMFA is HUD METRO FMR AREA: Indicates that only a portion of the OMB-defined core-based statistical area (CBSA) is in the area to which the income limits or FMRs apply. HUD is required by OMB to alter the name of metropolitan geographic entities it derives from the CBSAs when the geography is not the same as that established by OMB. Fair Market Rents (FMRs) published by HUD and is used to represent the cost to rent a moderately-priced dwelling unit in the local housing market.



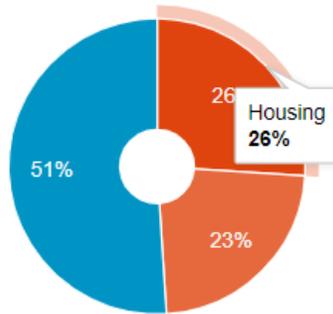
City of Spokane Housing + Transportation

City of Spokane

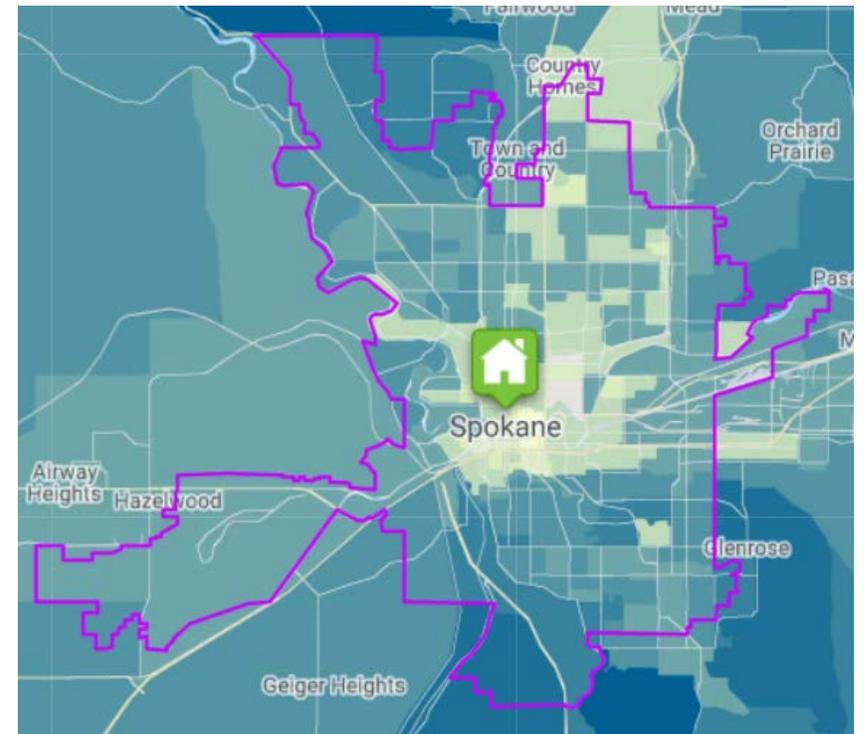
Average Housing + Transportation Costs % Income

Factoring in both housing *and* transportation costs provides a more comprehensive way of thinking about the cost of housing and true affordability.

- Housing
- Transportation
- Remaining Income



Households in the City of Spokane spend on average **49% of their income** on housing and transportation costs.

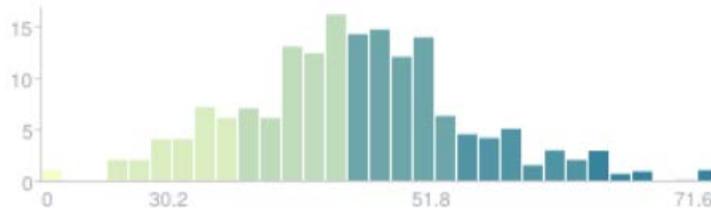


H+T Costs % Income: 49%

[Fact Sheet](#)

Housing: 26% Transportation: 23%

Housing + Transportation Costs % Income



Source: Housing and Transportation Affordability Index

City of Spokane

Housing + Transportation Costs % Income ?

Average : 49% Range: 24 - 79

Population	Household	Neighborhood
	Households	% of Households
■ < 24%	709	0.8%
■ 24 - 36%	6,848	8.1%
■ 36 - 45%	20,045	23.6%
■ 45 - 54%	33,393	39.3%
■ 54 - 66%	19,618	23.1%
■ 66 - 78%	4,148	4.9%
■ 78 - 87%	185	0.2%
■ 87% +	0	0%
Total	84,946	100%



Spokane County Mortgage Denials

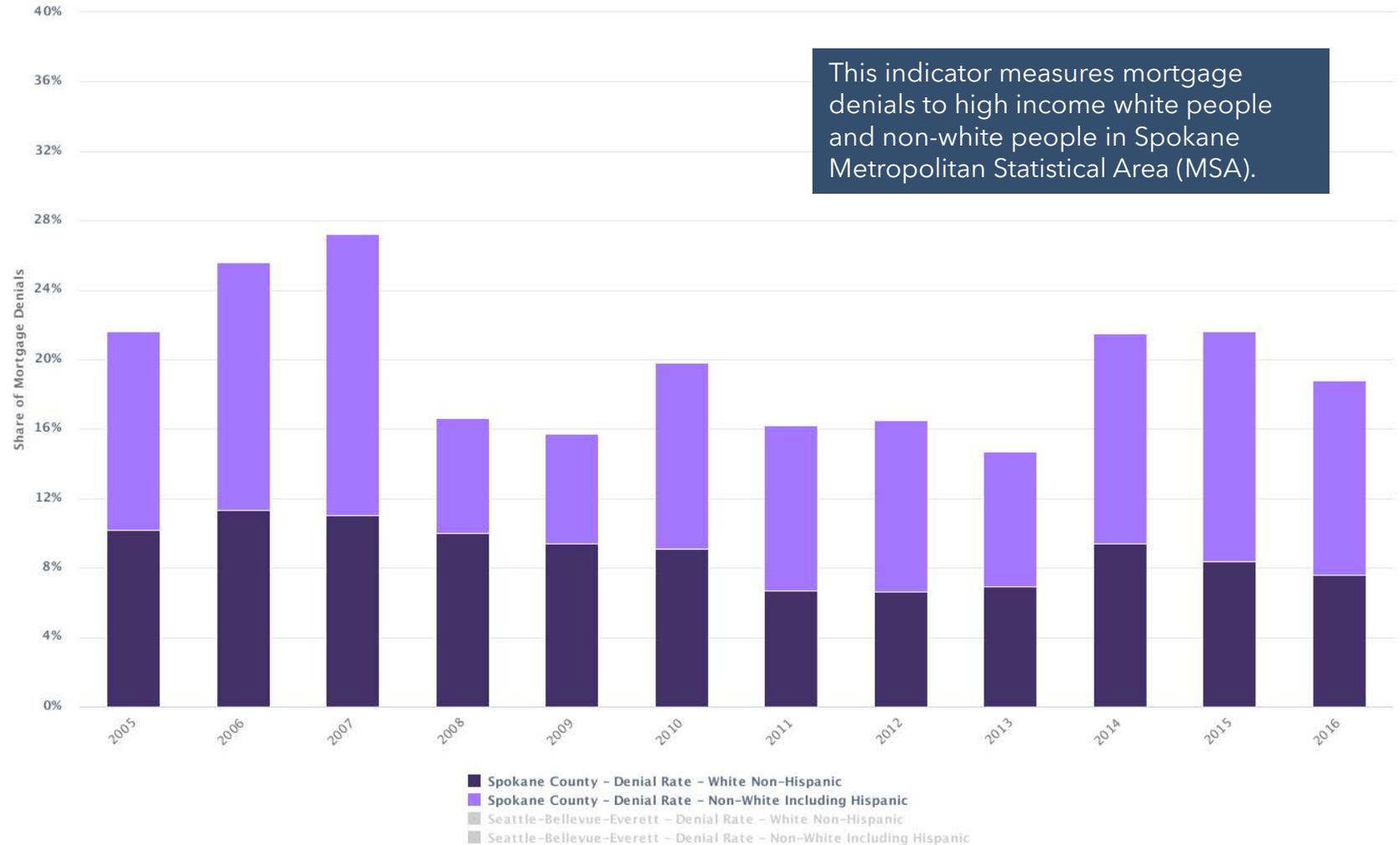
6.3.5 Mortgage Denials to High Income Whites & Non-Whites

Access to the housing market can be analyzed by the number and amount of loans made. The data reflects the equity of banks' lending practices, the extent of neighborhood investment by lending institutions, and the ability of people to access mortgages.

During 2016, the share of mortgage denials in the Spokane MSA:

- High income White, non-Hispanic people: **7.6%**
- High income non-White (includes Hispanic) people: **11.2%**

This indicator measures mortgage denials to high income white people and non-white people in Spokane Metropolitan Statistical Area (MSA).



This graph was downloaded on 11/5/2020 from www.spokanetrends.org



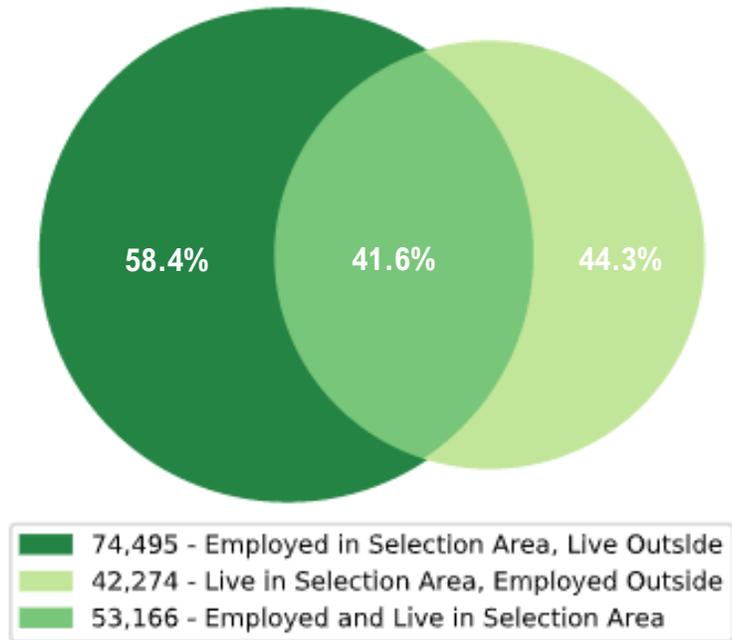
Source: EWU Community Indicators

Employment and Workforce



City of Spokane Workforce Trends

City of Spokane
Inflow/Outflow Job Counts in 2017



Source: Census OnTheMap

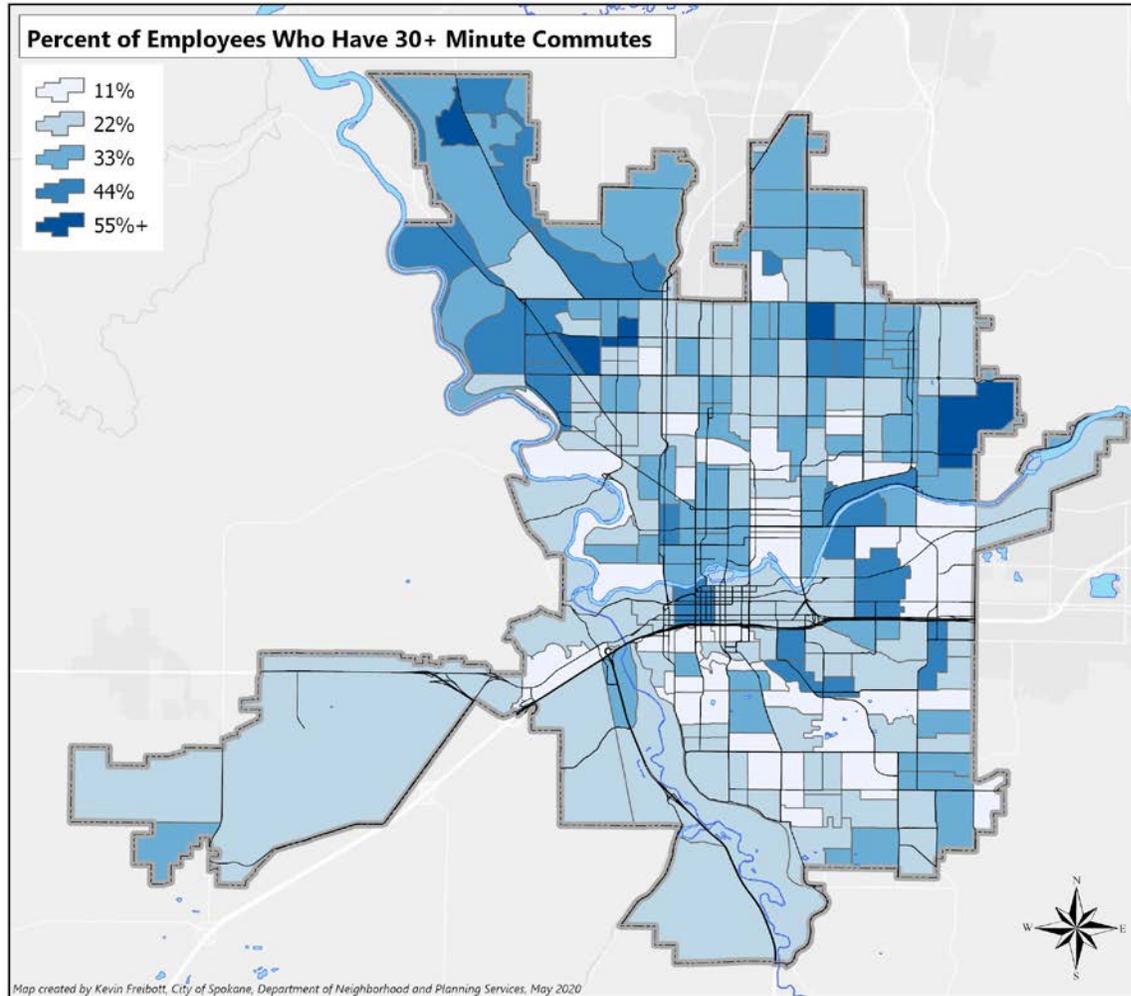
City of Spokane
Inflow/Outflow Job Counts (All Jobs)
2017

	Count	Share
Employed in the Selection Area	127,661	100.0%
Employed in the Selection Area but Living Outside	74,495	58.4%
Employed and Living in the Selection Area	53,166	41.6%
Living in the Selection Area	95,440	100.0%
Living in the Selection Area but Employed Outside	42,274	44.3%
Living and Employed in the Selection Area	53,166	55.7%

More than half of Spokane's workforce **live outside of the city**. Of residents who live in Spokane, over half work in the city.



City of Spokane Commute Trends



20 minutes

Average commute time in City of Spokane, 2018

	2018
Owner	18.6 mins
Renter	20.3 mins
Cost Burdened Households	22.7 mins
Severely Cost Burdened Households	24.1 mins

Source: PUMS (2018)

Commuting to Work in City of Spokane, 2018

	2018
Drove alone	75.5%
Carpool	9.8%
Public Transportation	4.1%
Walked	3.3%
Worked at Home	5.2%
Other Means	2%

Source: ACS (2014-2018)



Appendix D

Housing Policy Framework

This appendix is part of the City of Spokane Housing Action Plan. To view the full plan, appendices, and project materials, visit the project webpage: <https://my.spokanecity.org/housing/spokane-housing-action-plan/>.

City of Spokane Housing Action Plan

Housing Policy Framework

INTRODUCTION AND PURPOSE

This review is being undertaken as a component of the City of Spokane’s Housing Action Plan work. The purpose of this policy framework evaluation is to review and evaluate the current City of Spokane Comprehensive Plan Housing Element to determine the City’s progress and success in attaining planned housing types and units, achievement of goals and policies, and implementation of the schedule of programs and actions.¹ This document reviews goals and policies adopted in the Comprehensive Plan Housing Element, as well a related Comprehensive Plan goals, implementing measures, and the state and regional framework for planning for housing capacity in the City of Spokane.

BACKGROUND

A REGIONAL, STATE, AND NATIONAL ISSUE

Spokane is part of a regional housing market, spanning multiple cities, and the surrounding three counties in Washington as well as Kootenai County in the state of Idaho. While this evaluation considers the market and policy implications of this regional setting, the analysis focuses on policies and programs adopted by the City of Spokane. As discussed in further detail in the “State and Local Policy Framework” section below, population allocations for the City of Spokane and other cities and towns within Spokane County are adopted by the Spokane County Board of Commissioners, based on projections developed by the Washington State Office of Financial Management (OFM). A recent review of population growth estimates in Spokane County and selected cities indicates that the City of Spokane’s population grew by approximately 6,300 between 2017 and 2020, or about 30.2% of the City’s 2017-2037 population allocation, as established by Spokane County in 2017. The City of Spokane’s recent growth rate in proportion to 2017-2037 population allocation exceeds any other jurisdiction in the Spokane County and puts the City on pace to exceed this allocation prior to 2037.²

In addition to varying growth rates, price differences between jurisdictions within the region and across the United States influence the local market for housing. Typical home prices and median rents within the City of Spokane remain lower than regional averages for Spokane and Kootenai County.³ Despite rapid price increases in the past decade, housing in Spokane remains affordable relative to neighboring regions. The National Association of Homebuilders/Wells Fargo Affordability Index found that in the 3rd Quarter of 2020, a higher percentage of homes sold in the Spokane metropolitan area were affordable to a median income household than any other metropolitan area in Washington, Idaho, Oregon, California, Nevada, or Utah.⁴ Washington Center for Real Estate Research has calculated that due to falling interest rates, the monthly payment on a \$300,000 mortgage decreased by \$327.12 between November 2018 and August 2020, allowing prospective buyers to raise their

¹ RCW 36.70A.600 (2)(e).

² Spokane County Department of Building and Planning, “Spokane County and Selected Cities: Growth from 2017 to 2020,” October 2020.

³ Zillow Home Value Index (ZHVI), December 2020; U.S. Census Bureau, 2018 1-Year ACS Table B25064.

⁴ The NAHB/Wells Fargo Housing Opportunity Index: Complete Listing by Affordability Rank, 3Q 2020.

offering prices in competitive markets. Taken together, these external pressures influence the regional housing market, and in turn the price and relative affordability of housing within the City of Spokane.

STATE AND LOCAL HOUSING POLICY FRAMEWORK

WASHINGTON STATE GROWTH MANAGEMENT ACT (GMA)

The Washington State Growth Management Act (GMA) requires local jurisdictions to adopt a Comprehensive Plan, with periodic review and update occurring every eight years.⁵ Spokane's Comprehensive Plan was first adopted in 2001 after a multi-year public involvement and review process, and most recently undergoing a periodic update in 2017. The Comprehensive Plan consists of several elements responding to topical goals set forth in the GMA, including housing. The GMA establishes the following housing goal:

Encourage the availability of affordable housing to all economic segments of the population of this state, promote a variety of residential densities and housing types, and encourage preservation of existing housing stock.

The Comprehensive Plan includes goals and policies in the Housing Element and elsewhere throughout the plan that address the housing needs set forth in the GMA housing goal. These goals and policies are evaluated in further detail in the analysis below.

COUNTYWIDE PLANNING POLICIES FOR SPOKANE COUNTY (CWPPS)

Counties planning under GMA must adopt "... written policy statements used solely for establishing a countywide framework from which county and city comprehensive plans are developed and adopted ..." to ensure consistency between comprehensive plans within the County. The Countywide Planning Policies for Spokane County (CWPPs) were originally adopted by the Spokane County Board of Commissioners in 1994, with the most recent amendment adopted in 2011. The CWPPs provide specific policy support for affordable housing actions, including policies under Topic 7 (Affordable Housing) which emphasize a diverse mix of housing types and prices, preservation of existing housing units, and regulatory and financial incentives for affordable housing development. The CWPPs include adopted allocations for the future population growth of Spokane County and cities and towns within the County, based on projections developed by the Washington State Office of Financial Management (OFM). In 2008, the CWPPs were amended to require jurisdictions within the County to conduct a land quantity analysis (LQA) at periodic intervals to measure population growth relative to remaining land supply within Urban Growth Areas. The population allocations and most recent LQA for the City of Spokane are discussed in further detail in the later section "Success in attaining Planned Housing Types and Units."

MAYOR-COUNCIL JOINT STRATEGIC PLAN (2017)

The [Joint Administration-Council 6-Year Strategic Plan](#), adopted in 2017, includes near-term and longer-term strategic initiatives focused in four key areas: Safe and Healthy; Urban Experience;

⁵ RCW 36.70A.130.

Innovative Infrastructure; and Sustainable Resources. The [Urban Experience](#) initiative includes strategies to focus investment in key centers and to increase housing quality and diversity.

RECENT EFFORTS TO INCREASE RESIDENTIAL CAPACITY

Over recent years, the City has implemented a range of strategies to increase the supply of housing in the City, particularly focused on decreasing infrastructure costs associated with new development and increasing the variety of housing types and levels of affordability available. [In 2005 and 2006, the City undertook significant changes to the development code in order to better implement the goals and policies of the Comprehensive Plan, adopted in 2001. Further changes were enacted to residential development standards in 2011, and will continue to evolve over time in response to changing policies and conditions.](#)

[More recent](#) projects to increase residential capacity in the City of Spokane have included the following:



Figure 1 - Efforts to Increase Residential Capacity, 2016-2020

Outcomes from several of these projects, as well as the HUD Consolidated Plan adopted by the City, are summarized below:

- **Infill Housing Strategies Project (2016-2019):** The City adopted a separate set of [code amendments](#) in early 2018 for cottage housing and other alternative residential development in Spokane's lower-density residential areas.
- **Mayor's Housing Quality Task Force (2016):** The [Mayor's Housing Quality Task Force](#) convened in 2016 to address housing quality and affordability throughout Spokane. Quality and affordable housing is multifaceted; it is both multifamily and single family, owner occupied and renter occupied and it is both new developments and the rehabilitation of existing properties.
- **City Council Infill Housing Task Force (2016):** In 2016, a subcommittee of the Plan Commission engaged developers, design contractors, community representatives, and leaders, to ask what changes were needed to encourage high-quality housing and commercial development in appropriate designated areas of Spokane. A series of 24 [recommended actions](#) provides a guide to address residential and commercial development on vacant lots in now built-up areas. The committee's recommendations were adopted by Spokane City Council in November 2016.⁶
- **HUD Consolidated Plan:** The City of Spokane 2020-2024 Consolidated Plan follows US Department of Housing and Urban Development requirements to and identifies housing and community development priorities that align and focus funding from federal formula block

⁶ City Council Resolution RES 2016-0094, adopted November 21, 2016.

grant programs, including [Community Development Block Grant \(CDBG\) Program](#), [HOME Investment Partnerships \(HOME\) Program](#), [Housing Trust Fund \(HTF\)](#), [Emergency Solutions Grants \(ESG\) Program](#), and [Housing Opportunities for Persons With AIDS \(HOPWA\) Program](#). These grant programs help fund construction of affordable housing units, renovation of existing units, and other measures which increase or maintain residential opportunities for low- and moderate-income households in Spokane.

SUCCESS IN ATTAINING PLANNED HOUSING TYPES AND UNITS

RCW 36.70A.600(2)(e) requires that the Housing Element evaluation include “an evaluation of success in attaining planned housing types and units.” The Housing Element of the City of Spokane Comprehensive Plan does not set formal targets for numbers of housing units or types, but adopted goals and policies are based on population allocations adopted in the Spokane Countywide Planning Policies.

POPULATION PROJECTIONS AND GROWTH

Spokane’s Comprehensive Plan uses a 2037 growth target of 234,306 residents, based on Spokane County Steering Committee of Elected Officials Population Forecast Recommendations,⁷ and Washington State Office of Financial Management (OFM) projections. The OFM estimates Spokane’s 2020 population at 223,600, a population

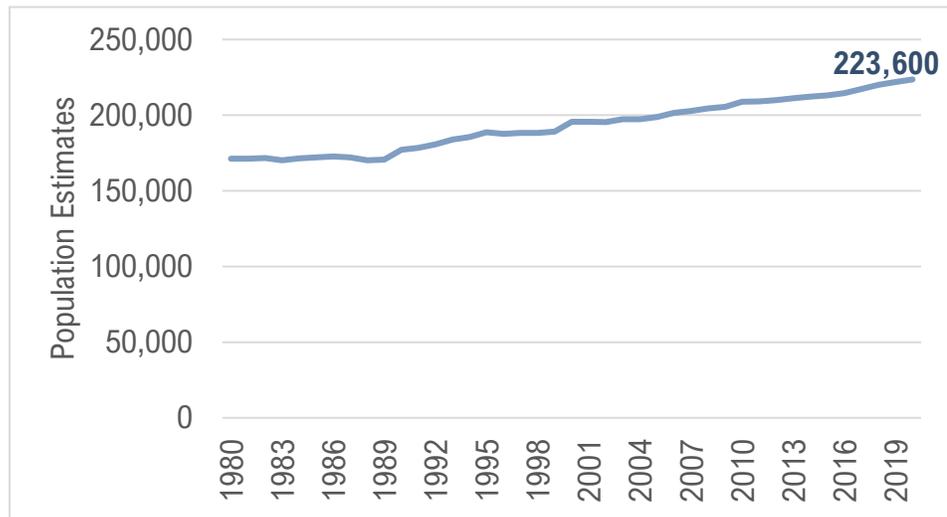


Figure 2 - City of Spokane Postcensal Population Estimates, 1980-2019

Source: City of Spokane, Housing Needs Assessment

increase of approximately 14,684 residents since the 2010 census. Since the City’s adoption of its 2017 Comprehensive Plan update, the city has added approximately 6,300 residents (or 2,100 per year), a greater annual amount compared to 2010-2017, when population increases averaged about 1,198 persons per year. Based on the population allocation set forth by Spokane County, the City of Spokane is expected to add an average of 748 persons per year between 2018-2037, as shown in Figure 2.

LAND CAPACITY

The “Buildable Lands” review and evaluation program adopted in RCW 36.70A.215 does not apply to jurisdictions in Spokane County. The Countywide Planning Policies were amended in 2008 to direct jurisdictions to conduct a Land Quantity Analysis (LQA) using a county-wide methodology to establish the assumed land available for development and its development capacity within the City of Spokane

⁷ Board of County Commissioners Resolution 16-0553, dated August 3, 2016.

to support residential and non-residential growth.⁸ Using this methodology, the LQA considers capacity within approved developments, vacant land, partially used land, and areas where subarea planning and market studies have identified specific land use assumptions.

In effect, the LQA serves as a type of monitoring system to determine whether remaining land capacity warrants further study of existing urban growth area designations and adopted Comprehensive Plans. Jurisdictions in Spokane County must undertake an LQA prior to periodic updates of the Comprehensive Plan. The City of Spokane undertook a LQA in 2010, and most recently in 2015. The 2015 LQA estimated a sufficient land supply within the City of Spokane for approximately 8,090 additional single-family residential units and 9,812 multifamily units between 2015 and 2035. Work on the next LQA will begin in 2023, in advance of the 2026 periodic update of the Comprehensive Plan required under RCW 36.70A.130 of Spokane County and all jurisdictions.

EVALUATION OF HOUSING ELEMENT

GMA REQUIREMENTS FOR THE COMPREHENSIVE PLAN HOUSING ELEMENT

The Washington State Growth Management Act (GMA) requires cities to adopt a Comprehensive Plan, with periodic updates every eight years. The City of Spokane Comprehensive Plan was originally adopted in 2001 and updated pursuant to periodic review required under the GMA in 2006 and 2017. Comprehensive Plan elements related to Housing (Chapter 6), Land Use (Chapter 3), Transportation (Chapter 4) and elsewhere include policies related to the residential capacity goals set forth in HB 1923. Most housing-related goals and policies seek a balance between efficient use of land and infrastructure through focused growth, and protecting existing development from incompatible development and off-site impacts.

As described in [RCW 36.70A.070\(2\)](#), and WAC 365-196-410 the GMA requires a housing element to include the following elements:

- *An inventory and analysis of existing and projected housing needs that identifies the number of housing units necessary to manage projected growth*
- *A statement of goals, policies, objectives, and mandatory provisions for the preservation, improvement, and development of housing, including single-family residences*
- *Identification of sufficient land for housing, including, but not limited to, government-assisted housing, housing for low-income families, manufactured housing, multifamily housing, and group homes and foster care facilities*
- *Adequate provision for existing and projected needs of all economic segments of the community.*

Housing goals and policies which “indicate desired directions, accomplishments, or aims in relation to the growth and development of Spokane” are contained in Chapter 6 (Housing) of the Comprehensive Plan, with supporting materials related to the inventory of existing housing and projected future needs for housing contained in the Draft Comprehensive Plan/EIS, Volume 2, Chapter 20, and subsequent addenda adopted following periodic review in 2006 and 2017.

⁸ LQA methodology for Spokane County jurisdictions was developed by Washington State Department of Commerce and from the “Urban Growth Area Guidebook: Reviewing, Updating and Implementing Your Urban Growth Area.” The LQA methodology was further amended by Spokane County in compliance with settlement agreement Resolution #2016-0464.

Staff Analysis: Taken together, the adopted documents making up the Housing Element meet the general requirements set forth in the GMA. The Housing Action Plan process provides an opportunity to consider an updated monitoring program, with supplemental targets adopted based on needs for specific unit types and affordability levels.

HOUSING ELEMENT VISION, VALUES, AND GOALS

Chapter 6 (Housing) of the Comprehensive Plan is guided by an overarching vision and values:

Housing Element Vision:

“Affordable housing of all types will be available to all community residents in an environment that is safe, clean, and healthy. Renewed emphasis will be placed on preserving existing houses and rehabilitating older neighborhoods.”

Housing Element Values:

“The things that are important to Spokane’s future include:

- *Keeping housing affordable;*
- *Encouraging home ownership;*
- *Maintaining pride in ownership;*
- *Developing a good mix of housing types;*
- *Encouraging housing for the low-income and homeless throughout the entire city;*
- *Preserving existing houses; and*
- *Rehabilitating older neighborhoods.”*

The Comprehensive Plan provides further direction in the adopted goals of the Housing Element. Each of the policies in the Housing Element falls within one of the following goals:

Housing Goal H1: Housing Choice and Diversity.

Goal: *Provide opportunities for a variety of housing types that is safe and affordable for all income levels to meet the diverse housing needs of current and future residents.*

Housing Goal H2: Housing Quality

Goal: *Improve the overall quality of the City of Spokane’s housing.*

Staff Analysis: As defined by the state legislature, the purposes of a Housing Action Plan most closely align with the emphasis in Housing Goal 1 on opportunity, affordability, and meeting diverse needs. However, Housing Goal 2 is an integral part of the housing element, and consistent with GMA requirements that a housing element “encourage preservation of existing housing stock” Further, improving the overall quality of the City of Spokane’s housing can also provide additional paths for households to enjoy the opportunities and quality of life found in Spokane.

COMPREHENSIVE PLAN POLICIES RELATED TO HOUSING GOALS

The following Comprehensive Plan policies align most closely with the goals for Housing Action Plans as set forth in RCW 36.70A.600(2):

[...] The goal of any such housing plan must be to encourage construction of additional affordable and market rate housing in a greater variety of housing types and at prices that are accessible to a greater variety of incomes, including strategies aimed at the for-profit single-family home market. [...]

Accordingly, the Comprehensive Plan policies considered below are grouped according to their relationship to overall increase of residential capacity, production of affordable units, development of a variety of housing types, and development of attainable housing at all price levels. An additional category, preservation of existing housing units is included to reflect the strong emphasis on preservation and improvement of existing housing stock in the Housing Element (see Goal H.2 – Housing Quality), Growth Management Act requirements for Housing Element goals and policies, and the consideration of displacement of existing residents required under HB 1923. Finally, some Comprehensive Plan policies are highlighted for further review for consistency with current state and local policies.

Some existing policies support the residential capacity goals set forth in HB 1923 and have already largely been programmed or implemented to the extent possible by the City. Other policies may allow room for further action planning to clarify and improve implementation efforts, or adjustment to more effectively provide the range and affordability of housing encouraged by HB 1923.

POLICIES SUPPORTING OVERALL INCREASE IN RESIDENTIAL DEVELOPMENT CAPACITY

IN THE HOUSING ELEMENT

H.1.1 Regional Coordination *Coordinate the city’s comprehensive planning with other jurisdictions in the region to address housing-related needs and issues*

H 1.2 Regional Fair Share Housing *Participate in a process that monitors and adjusts the distribution of low-income housing throughout the region.*

H 2.5 Housing Goal Monitoring *Provide a report annually to the City Plan Commission that monitors progress toward achieving the housing goals and includes recommended policy change if positive direction toward achieving the housing goals is not occurring.*

IN OTHER COMPREHENSIVE PLAN ELEMENTS

Land Use Policy LU 7.3 Historic Reuse *Allow compatible residential or commercial use of historic properties when necessary to promote preservation of these resources.*

Urban Design & Preservation Policy DP 4.1 Downtown Residents and Workers *Encourage investments and create opportunities that increase the number of residents and workers in downtown Spokane.*

Staff Analysis: The policies identified above may contribute to housing development in multiple more specific categories (such as availability of a wide range of housing unit types or price points), these policies fit best with the overarching goal of HB 1923 to increase residential capacity. Housing Policies H 1.1, H 1.2, and H 2.5 support monitoring and coordination of housing programs across the region, reflecting the geographic scope of the Spokane-Coeur d’Alene housing market, and the need for both subsidized and market-rate housing to be provided in all jurisdictions. Land Use Policy LU 7.3 and

Urban Design & Preservation Policy DP 4.1 identify opportunities to increase residential capacity through repurposing existing buildings and available land in the Downtown core and surrounding areas for residential purposes.

The type of regional coordination described in Housing Policy H 1.1 typically takes place through the implementation of Growth Management Act requirements at the county and city levels during period review. An opportunity exists to conduct this coordination on an ongoing, rather than episodic basis, and to increase city-to-city coordination on housing-related needs and issues.

As described in the “Evaluating Success in attaining Planned Housing Types and Units” section above, the methodology and geographic scale of population projections and allocations, and other underlying assumptions which form the basis for projections of housing needs have changed since the Comprehensive Plan was originally adopted in 2001. Projected housing needs for the 2001-2020 time period are contained in a separate volume of the Comprehensive Plan (Volume II: EIS and Technical Appendices) and have now reached the end of their forecast horizon. Incorporating a monitoring and reporting program based on applicable guidance from the Washington Department of Commerce *Guidance for Developing a Housing Action Plan* and WAC 365-196-410 into the existing Housing Element would strengthen the annual report to the Plan Commission described in Housing Policy H 2.5.

POLICIES SUPPORTING PRODUCTION OF AFFORDABLE HOUSING UNITS

IN THE HOUSING ELEMENT

H 1.3 Employer-Sponsored Housing *Provide incentives for employers to sponsor or develop affordable housing in proximity to their place of employment.*

H 1.10 Lower-Income Housing Development Incentives *Support and assist the public and private sectors to develop lower-income or subsidized housing for households that cannot compete in the market for housing by using federal, state, and local aid.*

H 1.12 Affordable Housing Funding Sources *Support the development of affordable housing development funding sources.*

H 1.17 Partnerships to Increase Housing Opportunities *Create partnerships with public and private lending institutions to find solutions that increase opportunities and reduce financial barriers for builders and consumers of affordable and lower-income housing.*

IN OTHER COMPREHENSIVE PLAN ELEMENTS

Land Use Policy LU 7.1 Regulatory Structure *Develop a land use regulatory structure that utilizes a variety of mechanisms to promote development that provides a public benefit.*

Social Health Policy SH 1.6 Vacant, Condemned, and Real Estate Owned Buildings *Promote and assist non-profit organizations in purchasing and renovating vacant, condemned and/or Real Estate Owned properties in order to provide sites for additional community-related facilities and/or affordable housing to meet the diverse housing needs of our current and future residents.*

Social Health Policy SH 1.7 Surplus City Real Property *Establish a dedicated reserve fund within the City of Spokane’s general fund to cover the cost of leasing any unused city-owned building and/or property that has been determined surplus to non-profit organizations.*

Staff Analysis: The City and outside partners provide or utilize a variety of incentives for construction of affordable housing units. The resources available change periodically due to changes in funding programs at the state and federal levels. For example, the total amount of tax credits available through the Low-Income Housing Tax Credit (LIHTC) program vary from year to year based on federal allocation levels, and the level of demand for tax credits (and in turn their effectiveness in supplying project equity) depends on economic conditions in any given year.

The City should continue to explore new funding sources and partnerships to increase production of affordable housing.

POLICIES SUPPORTING DEVELOPMENT OF A VARIETY OF HOUSING UNIT TYPES

IN THE HOUSING ELEMENT

H 1.16 New Manufactured Housing *Permit manufactured homes on individual lots in all areas where residential uses are allowed.*

H 1.18 Distribution of Housing Options *Promote a wide range of housing types and housing diversity to meet the needs of the diverse population and ensure that this housing is available throughout the community for people of all income levels and special needs.*

H 1.19 Senior Housing *Encourage and support accessible design and housing strategies that provide seniors the opportunity to remain within their neighborhoods as their housing needs change.*

H 1.21 Development of Single-Room Occupancy Housing *Allow development of single-room occupancy units in downtown Spokane and in other areas where high-density housing is permitted.*

H 1.22 Special Needs Housing *Encourage the retention, inclusion, and development of special needs and assisted living housing.*

IN OTHER COMPREHENSIVE PLAN ELEMENTS

Land Use Policy LU 3.2 Centers and Corridors *Designate Centers and Corridors (neighborhood scale, community or district scale, and regional scale) on the Land Use Plan Map that encourage a mix of uses and activities around which growth is focused.*

Land Use Policy LU 3.5 Mix of Uses in Centers *Achieve a proportion of uses in Centers that will stimulate pedestrian activity and create mutually reinforcing land uses.*

Land Use Policy LU 3.6 Compact Residential Patterns *Allow more compact and affordable housing in all neighborhoods, in accordance with design guidelines.*

Land Use Policy LU 4.2 Land Uses that Support Travel Options and Active Transportation Provide a compatible mix of housing and commercial uses in Neighborhood Centers, District Centers, Employment Centers, and Corridors.

Social Health Policy SH 2.1 Care Facilities Distribute care facilities fairly and equitably throughout all neighborhoods.

Social Health Policy SH 2.2 Special Needs Temporary Housing Disperse special needs temporary housing evenly throughout all neighborhoods.

Staff Analysis: The Comprehensive Plan uses a focused growth strategy to accommodate ongoing population and economic growth within the City. More intense residential, commercial, and mixed-use development is permitted in designated Centers and Corridors, in alignment with existing infrastructure, services, and amenities. Housing development is also permitted in commercial zones throughout the City, with no limit on floor area ratio for residential development. While some residential development has occurred in these zones over the past twenty years, the envisioned intensity of development has not yet been realized in many centers and corridors.

Housing Policies H 1.9 and H 1.18 encourage variety in the types and price levels of housing at the individual project and citywide levels, respectively. In 2018, the City adopted updates to development standards for various types of infill housing. These updates allow a greater range of project types and facilitate construction of additional “missing middle” units, which often tend to be more affordable, in most zones. SMC [Section 17C.190.110](#) includes manufactured housing and single-room occupancy housing as part of the Residential Household Living use category, effectively allowing these uses in any zone where residential uses are allowed and fully implementing Housing Policies H 1.16 and H 1.21.

Housing Policies H 1.19 and H 1.22 encourage the retention of housing types that meet the needs of seniors and other special needs populations. As described in the Housing Needs Assessment, most of the projected increase in population for Spokane between 2017 and 2037 will consist of over-65-year-old households, making this policy particularly relevant. Information provided by regional organizations indicate significant shortfalls in available housing for special needs and assisted living housing. Both policies could be strengthened by including an emphasis on production of new units to serve special-needs populations, and locating these units in opportunity-rich areas, in addition to the present focus on retaining existing units in their present locations.

POLICIES SUPPORTING DEVELOPMENT OF ATTAINABLE HOUSING AT ALL PRICE LEVELS

IN THE HOUSING ELEMENT

H 1.4 Use of Existing Infrastructure Direct new residential development into areas where community and human public services and facilities are available.

H 1.7 Socioeconomic Integration Promote socioeconomic integration throughout the city.

H 1.9 Mixed-Income Housing Encourage mixed-income developments throughout the city.

H 1.11 Access to Transportation Encourage housing that provides easy access to public transit and other efficient modes of transportation.

H 1.15 Performance Standards *Create a flexible project review process that allows for the use of alternative standards, but only if their use results in a project that is equal or superior to using existing standards.*

H 2.4 Linking Housing with Other Uses *Ensure that plans provide increased physical connection between housing, employment, transportation, recreation, daily-needs services, and educational uses.*

IN OTHER COMPREHENSIVE PLAN ELEMENTS

Capital Facilities Policy CFU 2.5 Exemptions from Impact Fees *Exempt development activities with broad public purposes from growth-related impact fees.*

Capital Facilities Policy CFU 4.1 Compact Development *Promote compact areas of concentrated development in designated centers to facilitate economical and efficient provision of utilities, public facilities, and services.*

Capital Facilities Policy CFU 6.1 Community Revitalization *Provide capital facilities and utility services strategically in order to encourage and support the development of Centers and Corridors, especially in deteriorated areas of the city.*

Staff Analysis: This group of policies can be grouped into a variety of themes which aim to maintain the affordability and living costs for residents by maximizing the use of existing infrastructure and amenities. Housing Policies H 1.4, H 1.11, and H 2.4 align housing needs with the focused growth goals of the Growth Management Act and Comprehensive Plan. These policies aim to reduce housing costs by reducing initial costs of providing infrastructure and reducing ongoing monthly costs faced by households due to inefficient transportation options or long distances to essential services, amenities, and other social and economic opportunities.

POLICIES SUPPORTING PRESERVATION OF EXISTING HOUSING UNITS

IN THE HOUSING ELEMENT

H 1.14 Building, Fire, Infrastructure, and Land Use Standards *Review periodically and, when needed, revise building, fire, infrastructure, and land use standards and requirements to ensure community standards are implemented and that new or rehabilitated housing remains affordable.*

H 2.1 Housing Rehabilitation *Provide assistance for housing rehabilitation beyond housing maintenance code requirements if the assistance is supportive of general community development activity and is on a voluntary basis.*

H 2.2 Property Responsibility and Maintenance *Assist in and promote improved and increased public and private property maintenance and property responsibility throughout the city.*

H 2.3 Housing Preservation *Encourage preservation of viable housing.*

IN THE OTHER ELEMENTS

Land Use Policy LU 1.14 Non-Conforming Uses *Avoid the creation of large areas of nonconforming uses at the time of adoption of new development regulations.*

Land Use Policy LU 1.16 Mobile Home Parks *Designate appropriate areas for the preservation of mobile and manufactured home parks.*

Urban Design & Preservation Policy DP 3.9 Redevelopment Incentives *Provide incentives to property owners to encourage historic preservation.*

Urban Design & Preservation Policy DP 3.10 Zoning Provisions and Building Regulations *Utilize zoning provisions, building regulations, and design standards that are appropriate for historic districts, sites, and structures.*

Urban Design & Preservation Policy DP 3.11 Rehabilitation of Historic Properties *Assist and cooperate with owners of historic properties to identify, recognize, and plan for the use of their property to ensure compatibility with preservation objectives.*

Staff Analysis: Housing policies within this grouping emphasize preservation of existing housing, avoiding costs associated with new construction and prevent displacement of existing occupants from naturally-occurring affordable housing. Housing Policy 2.3 sets forth the largest concept of housing preservation, while H 1.15 emphasizes periodic review of development standards to look for opportunities to increase flexibility. This approach could be strengthened by a policy more explicitly encouraging adaptive reuse of existing structures for residential purposes. Adaptive reuse can bring additional resources to projects located in historic structures, and makes efficient use of Spokane's generally older building stock, which is often located in the opportunity-rich areas highlighted elsewhere.

POLICIES TO REVIEW FOR CONSISTENCY WITH STATE OR LOCAL POLICY

H 1.8 Affordable Housing Requirement *Include a percentage of affordable housing within all new developments that include housing.*

H 1.13 Siting of Subsidized Low-Income Housing *Set clear site selection criteria for publicly subsidized housing to minimize geographic concentrations of publicly subsidized housing projects in neighborhoods with a high percent of minority or low-income households.*

H 1.20 Accessory Dwelling Units *Allow one accessory dwelling unit as an ancillary use to single-family homes in all designated residential areas as an affordable housing option.*

H 1.23 Distribution of Special Needs Housing *Include units that are affordable for low-income special need families in all housing developments.*

Staff Analysis: Housing Policy H 1.13 calls for "site selection criteria" for publicly subsidized housing. While the purpose of minimizing geographic concentrations of publicly subsidized housing is consistent with policies striving for greater equity and racial and socioeconomic integration of the city, state law prohibits such geographic restrictions on subsidized housing.

Housing Policy H 1.23 takes a different approach to more equal distribution of units, by proposing a requirement that all housing developments include housing units that are affordable for low-income special need families. Similarly, Housing Policy H 1.8 proposes a requirement to include a certain percentage of affordable housing in all new residential developments. Discussion sections following these policies do not provide enough detail to determine if set-asides of affordable units are meant to be required in all development types and sizes of developments, or other critical details. These policy options may be suited for further discussion as part of the next period update.

OPPORTUNITIES FOR ACTION PLANNING

OPPORTUNITIES TO IMPLEMENT EXISTING POLICIES

- Monitoring programs and housing targets aligned with identified needs for unit types and price ranges
- Regional coordination to ensure that a variety of housing is available across neighborhoods and jurisdictions
- Strategies to support adaptive reuse of existing buildings, and preservation of existing naturally-occurring affordable housing, as supported by Housing Goal H2 and various Land Use, Housing, and Design & Preservation Element policies.
- Strategies to support land acquisition for affordable housing, as supported by Social Health policies SH 1.6 and SH 1.7.
- Coordinating focused growth, infrastructure and amenities, and incentive strategies to promote housing development in core areas

CONSIDERATIONS FOR FUTURE COMPREHENSIVE PLANNING PROCESSES

- Policy updates to encourage multifamily housing as a greater percentage of units in designated centers and corridors (see LU 3.5), and to allow “missing middle” or other multifamily housing types in additional areas
- Policies to ensure that outlying areas are developed consistently with the mix of housing types and densities found elsewhere in the city
- Highlighting equity implications in existing policies, such as promotion of socioeconomic integration and mixed-income housing adopted in Housing Element goals and policies H 1.7 and H 1.9.

Appendix E

Summary of Community Engagement

This appendix is part of the City of Spokane Housing Action Plan. To view the full plan, appendices, and project materials, visit the project webpage: <https://my.spokanecity.org/housing/spokane-housing-action-plan/>.

Appendix E. Summary of Community Engagement and Outreach

Community input was used to shape the direction of the HAP’s strategies and recommendations. Outreach and engagement for this project was responsive to COVID-19 social distancing requirements. A list of the outreach tactics used in development of the HAP is summarized below. All of the community engagement materials are available on the [Housing Action Plan project webpage](#).

Table 1. Engagement Activities Timeline

Timeframe	Engagement Activities
Summer 2020	<ul style="list-style-type: none"> Project webpage and informational sheet Stakeholder interviews Formation of Housing Action Plan Working Group and meeting Overview presentations to Council, Commissions, Boards, and Committees
Fall 2020	<ul style="list-style-type: none"> Stakeholder and Staff Roundtables Update presentations to Council, Commissions, Boards, and Committees Housing Action Plan Working Group meeting – housing needs assessment Video overview for website Website and email updates
Early Winter 2020/2021	<ul style="list-style-type: none"> Community surveys on housing experiences and issues Update presentations to Council, Commissions, Boards, and Committees Housing Action Plan Working Group meeting – displacement risk assessment and survey results Blog Post: Missing Middle Housing Types Website and email updates
Late Winter 2020/2021	<ul style="list-style-type: none"> Housing industry professional survey Plan Commission and City Council workshops Blog Post: Displacement Risk Assessment Website and email updates
Spring 2021	<ul style="list-style-type: none"> Housing Action Plan Working Group meeting – draft strategies Video on Draft HAP for website Open House meetings on Draft HAP Draft plan for public review

Project Webpage

At the beginning of the project, City staff created a project webpage that is linked to the City’s Housing webpage. Project updates, background information, presentations and materials, and reference links were provided. The City also provided a spot for community members to sign up for periodic email announcements on the development of the plan. In addition, an information sheet was produced to provide details and FAQs on the process.

Housing Action Plan:

<https://my.spokanecity.org/housing/spokane-housing-action-plan/>



Figure 1. Housing Action Plan Information Sheet

Figure 2. Screenshot of Housing Action Plan Project Page

The screenshot displays the Spokane Housing Action Plan project page. At the top, the Spokane City logo and navigation menu are visible. The main heading is 'Housing', accompanied by icons representing different housing styles. A video player is featured, showing a promotional video for the 'Spokane Housing Action Plan' with the tagline 'HOUSING OPTIONS FOR ALL' and a call to action to visit 'my.spokanecity.org/housing'. To the right of the video, there is a 'Contact Information' section for Maren Murphy, AICP, and a 'Related Links' section listing various resources. At the bottom right, there is a 'Spokane Housing Plan Updates' sign-up form with fields for Name (First and Last) and Email, and a 'Submit' button.

Internal Team

A multidisciplinary internal City team was formed to help guide the planning process and collaborate with City staff on priorities and project outcomes. The team consisted of staff representing Neighborhoods, Housing and Human Services; Development Services Center; Code Enforcement; City Council Office; Mayor’s Office; Integrated Capital Management; Planning Services; Community, Housing, and Human Services; Building Official; and Legal. The following meetings were held throughout the process to discuss key phases and outcomes, and receive direction and guidance from the Internal Team:

- **Meeting 1 - June 2, 2020**
- **Meeting 2 - July 15, 2020**
- **Meeting 3 - October 20, 2020**
- **Meeting 4 - November 17, 2020**
- **Mayor Briefing - December 9, 2020**
- **Meeting 5 - March 9, 2021**
- **Mayor Briefing - April 29, 2021**

Stakeholder Interviews and Meetings

At the beginning, stakeholder interviews were conducted with key community members to help understand housing challenges, and identify participants for the Housing Action Plan Working Group. The interviews provided important insights into defining the housing problem, what barriers exist to building and accessing housing, important housing topics to consider, and suggestions for who else to connect with. The conversations offered a starting place to build discussions around.

Discussion Questions:

1. Can you tell me a little about what you do?
2. How do you define the housing problem in Spokane? What are barriers to building housing?
3. What is important to know about housing in Spokane we begin Housing Action Plan? What are some housing topics we should pay attention to?
4. Who is important to talk to?
5. How can we amplify this conversation? What questions should we ask?

The interviewees represented housing developers, associations, nonprofit housing providers and advocates, realtors, faith-based organizations, and community groups:

- 4 Degrees Real Estate
- Bethel AME Church
- Disability Action Center NW
- Disability Rights WA
- Habitat for Humanity
- Jim Frank
- Latinos en Spokane
- Latrice Williams, Realtor
- Northwest Fair Housing Alliance
- Spokane Association of Realtors
- Spokane Home Builders Association
- Spokane Housing Alliance
- Spokane Low Income Housing Consortium
- Spokane Regional Health District
- Spokane Tenants Union
- Spokane Transit Authority
- The Native Project
- Transitions
- United Way
- World Relief
- ZBA Architecture

Housing Action Plan Working Group

The Housing Action Plan Working Group provided guidance on the project process and analysis, as well as the contents of the draft Housing Action Plan. The working group comprised of housing stakeholders, community groups, and community members who support and represent a variety of perspectives and experiences in the community. For a complete list of Working Group representation, please see the Acknowledgements section in the Housing Action Plan.

Working group members collaborated with the City to:

- Support and represent the interests of a variety of perspectives in the community.
- Identify community strengths and provide a deeper understanding of housing needs and inequities in Spokane.
- Review data and the Housing Needs Assessment, advise on changing conditions, and share on-the-ground knowledge which numbers alone may not capture.

- Provide insight into local information about development potential, barriers, and opportunities for housing production.
- Collaborate to identify and prioritize equitable community solutions that address housing needs for residents of all income levels.
- Promote links between the greater community and Housing Action Plan to build support for actions.

Working Group members were asked to actively share ideas, observations, and perspectives, while also actively listening to others. Participation was voluntary, and the Working Group met periodically between July 2020 and April 2021 in conjunction with the project timeline. The meetings were held online to observe safe practices and social distancing guidelines in accordance with public health directives.

Working Group meetings were held on the following dates:

- **Meeting 1: July 29, 2020**
- **Meeting 2: October 21, 2020**
- **Meeting 3: December 15/16, 2020**
- **Meeting 4: March 9, 2021**

Not all Working Group members were able to attend each meeting, and email communication was used to share meeting notes and updates throughout the project.

All Working Group materials and documents are provided on the [project page](#).

Stakeholder and Staff Roundtables

The City of Spokane conducted four roundtables as part of the engagement process. These discussions included members of the Working Group, City staff, and additional community members. They were 1.5 hours each, and included time for both small group discussion as well as large group discussion. The roundtables were facilitated by City staff from Planning Services.

The roundtables were conducted virtually via Zoom on the following dates:

- **September 10, 2020: Development Regulations**
- **September 15, 2020: Land Use and Housing Policy**
- **September 17, 2020: Equity in Housing**
- **September 23, 2020: Affordable Housing and Rental Housing**

The roundtable objectives were:

- Gain deeper understanding of local housing challenges, needs and affordability issues.
- Amplify community knowledge and experience about housing to build the case for action.
- Understand inequities in housing, and implications for housing policy and regulations.
- Explore opportunities for housing production and potential strategies to address equitable outcomes.

In total, over 100 community members attended these discussion roundtables. Summary notes are provided on the [project page](#).

Community Surveys and Housing Industry Professional Survey

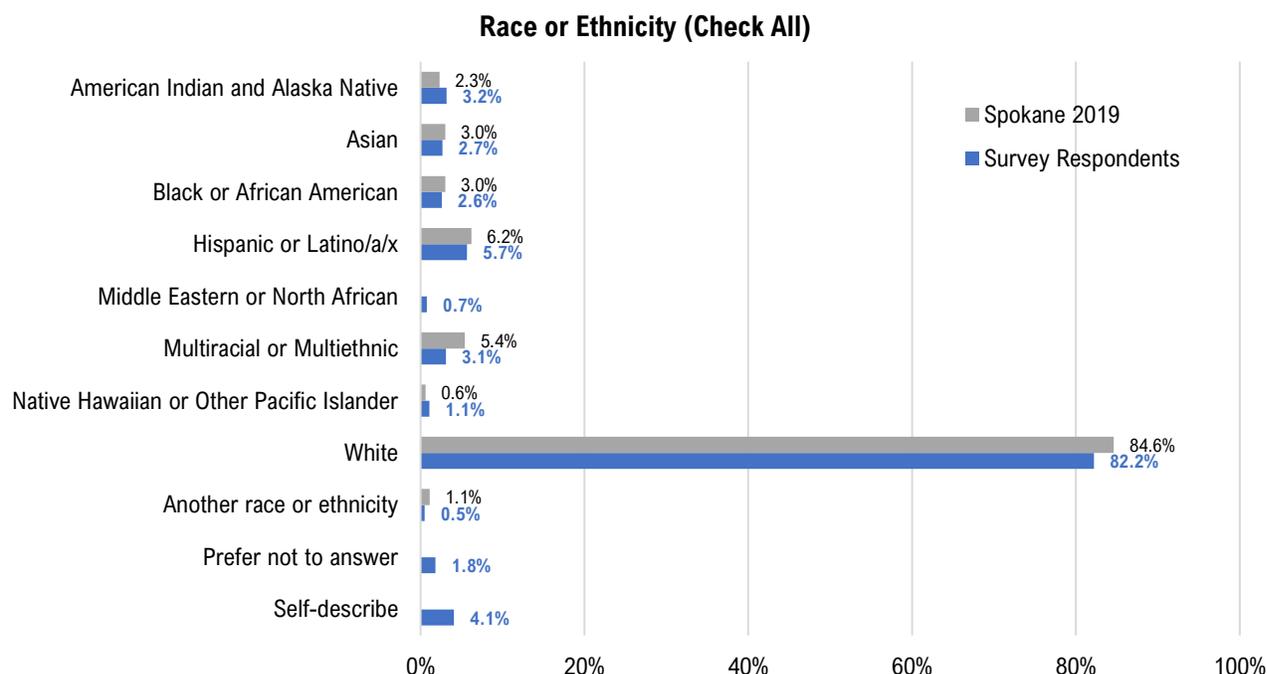
The City developed a set of community surveys as an opportunity to hear directly from community members and professionals on their experiences around housing in Spokane.

Two community surveys were developed and available online in November and December 2020: one for those who live in Spokane, and one for those who work in Spokane but live outside of the city. Both surveys were provided in English and five additional languages: Arabic, Marshallese, Russian, Spanish, Vietnamese. They were open to the public for anyone to participate in, and the City provided additional targeted outreach through media outreach and stakeholders like Spokane Public Schools.

For the community surveys, over 1,200 responses were received, with just over 60 responses for the translated surveys. Survey respondents roughly reflect the community demographics:

- **Half of respondents were between 25 and 44 years of age.**
 - City: 40% in 2018 (Median age: 37) (ACS 2018)
- **45% had a household income under \$50,000.**
 - City: Median \$54,085 in 2018 (ACS 2018)
- **37% of households had children under 18 years old.**
 - City: 25% in 2018 (ACS 2018)
- **55% own their home, 34% renting their home.**
 - City: 63% owner-occupied, 37% renter-occupied (ACS 2018)
- **66% live in single-family detached housing unit.**
 - City: 65% live in one-unit housing unit (WA OFM 2020 Estimates)
- **Survey respondents roughly reflected Citywide demographics for race and ethnicity.**

Figure 3. Survey Respondents, by Race and/or Ethnicity, Compared to Overall Spokane Demographics



Note: ACS does not have an option for Middle Eastern or North African

The City also completed a survey of housing industry professionals. Just over 100 responses were received from November 2020 to January 2021 from a variety of stakeholders like housing advocates, developers, property managers, builders, and realtors.

A full summary of all the surveys is available on the [project page](#).

Public Review and Comments

The Draft Housing Action Plan was released for public comment in May 2021. The following is a brief summary of the comments received throughout the adoption process.

Overview of comments submitted through email:

- 32 total public comments
- 5 from organizations
- 27 from individuals

The City of Spokane hosted two online open houses on May 18, 2021 to provide information on the plan, how to comment, and encourage people to provide feedback. Over 30 people tuned into the open houses, which were recorded and shared on the HAP project page as a resource for additional viewing.

Summary of Public Comment Themes:

- Input or concerns regarding the subject of increasing housing supply, options, and affordability for all incomes as described in **Priority A** of the Housing Action Plan.
- Preserving existing housing affordability and improving existing housing quality as discussed in **Priority B** of the Housing Action Plan.
- Addressing the barriers to accessing housing as discussed in **Priority C** of the Housing Action Plan, with an emphasis on barriers to low-income and first time homebuyers, as well as a recommendation to add protections to renters with past criminal records.
- Support and input around growing partnerships with groups that influence or are affected by the housing market, as discussed in **Priority D** of the Housing Action Plan.
- Changing development regulations to better promote the development of **Accessory Dwelling Units (ADUs)**.
- **Zoning Concerns** regarding: preserving Single-Family residential areas from multi-family residential zoning; providing more housing options in Single-Family residential areas; and general questions around current zoning regulations and potential zoning changes in Spokane.
- Input regarding current **Infill Development** regulations and utilizing incentives to increase infill residential development options.
- Better addressing the needs for the **Homeless** population in Spokane and utilizing affordable housing incentives to ultimately address the homeless problem.
- Concern for the lack of good **Senior Housing** options in Spokane.
- Comments expressing either the need to expand the current **Centers and Corridors** in support of the strategy, or are critical of the concept and express the need to review/redo the strategy altogether.
- **Readability** of the Housing Action Plan as well as **Draft Edits**.

- **Environmental Concerns** addressing the need for reducing vehicle mileage and greenhouse gas emissions, as well as concerns with aquifer limits and potential greenspace loss as a result of urban growth.
- Better addressing **Parking** issues in Spokane and finding creative solutions for limited street parking in established neighborhoods.

Additional Meetings and Presentations

As part of this project, City staff provided progress updates with the City’s Council, Commission, Boards, and Committees; attended community and stakeholder meetings; and posted announcements and blogposts across a wide range of platforms.

Overview of meetings and presentations:

- 26 presentations to City Council, Plan Commission, and other Boards, Commissions, and Committees
- 2 presentations and 3 updates to Community Assembly
- 2 public open houses

Overview of online outreach:

- Total page views of project page for Draft Housing Action Plan: 1,939
- Total users/visitors to project page for Draft Housing Action Plan: 1,265
- Total downloads for the Draft Housing Action Plan: 978
- Total views of overview videos and presentations: 482
- Total social media interaction:
 - Facebook - 8 posts, 1,195 average people reached
 - Twitter - 7 posts, 2,222 average impressions
 - Nextdoor - 4 posts, 2,185 average impressions

Below is a summary of meetings and presentations up through the release of the Draft Housing Action Plan. Full materials, presentations, and videos are available on the [project page](#).

Table 2. Summary of Meetings and Presentations

Meeting	Date
City Council	
Urban Experience Committee	June 8, 2020
City Council Affordable Housing Workgroup	June 24, 2020
City Council Study Session	October 15, 2020
City Council Affordable Housing Workgroup	October 28, 2020
City Council Housing Forum	November 24, 2020
City Council Study Session	January 7, 2021
City Council Study Session	February 11, 2021
City Council Study Session	February 18, 2021
City Council Study Session	February 25, 2021
City Council Study Session	June 10, 2021
City Council Study Session	July 1, 2021
City Council Public Hearing	July 26, 2021

Plan Commission	
Plan Commission Workshop 1	July 22, 2020
Plan Commission Workshop 2	September 9, 2020
Plan Commission Workshop 3	September 23, 2020
Plan Commission Workshop 4	November 11, 2020
Plan Commission Workshop 5	January 27, 2021
Plan Commission Workshop 6	February 10, 2021
Plan Commission Workshop 7	February 24, 2021
Plan Commission Workshop 8	May 12, 2021
Public Online Open Houses	May 18, 2021
Plan Commission Public Hearing	May 26, 2021
Plan Commission Deliberations & Action	June 9, 2021
Commission, Boards, and Committees	
CHHS Board	August 5, 2020
Human Rights Commission	August 5, 2020
CHHS Affordable Housing Committee	November 10, 2020
CHHS Affordable Housing Committee	March 9, 2021
Human Rights Commission	April 1, 2021
Community Assembly	
Community Assembly Presentation	September 2020
Community Assembly Briefing Paper	November 2020
Community Assembly Briefing Paper	March 2021
Community Assembly Briefing Paper	May 2021
Community Assembly Presentation	June 2021
Media	
Housing Action Plan Information Sheet	June 2020
Press Release: Community Surveys	November 2020
Social Media: Community Surveys	November-December 2020
Video: Housing Action Plan Overview	December 2020
Blog Post: Missing Middle Housing Types	December 22, 2020
Blog Post: Displacement Risk Assessment	January 19, 2021
Video: Draft Housing Action Plan	May 2021

Appendix F

Displacement Risk Assessment

This appendix is part of the City of Spokane Housing Action Plan. To view the full plan, appendices, and project materials, visit the project webpage: <https://my.spokanecity.org/housing/spokane-housing-action-plan/>.



Spokane Housing Action Plan Housing Displacement Risk

Version Date: May 2021

Introduction

For many communities, an important step in assessing housing needs is to identify the community's risk factors related to displacement. The following analysis presents several factors to consider related to the [2020 Housing Action Plan](#), as they relate to conditions that may result in greater potential for residents to be displaced from their homes in the future due to economic strife, development pressure, and equity conditions present in the City and surrounding jurisdictions.

Displacement refers to instances where a household is forced or pressured to move from their home against their wishes. As high demand for homes drives up housing costs and increases pressure for redevelopment, many Spokane residents are concerned about the potential for displacement. Displacement can have a life-changing negative effect on households that are directly impacted. It can also disrupt the social fabric and networks of trust and support that existing within a community. For these reasons, understanding potential displacement risks in a community is an important step in assessing housing needs.

Methodology

This analysis was prepared under the guidance of the Washington [State Department of Commerce methodology for Housing Action Plans](#) as part of the housing needs assessment. However, the method suggested by the State methodology is not available to jurisdictions in eastern Washington as many variables the state asked jurisdictions to consider are not measured on a regional level in this area. As a result, the City of Spokane identified a comparable methodology—namely the Social Vulnerability Index prepared by the federal Agency for Toxic Substances and Disease Registry (ATSDR).

ATSDR's Geospatial Research, Analysis & Services Program (GRASP) created Centers for Disease Control and Prevention Social Vulnerability Index (SVI) to help public health officials and emergency response planners identify and map the communities that will most likely need support before, during, and after a hazardous event. While on the surface it may seem that disease and hazardous events have little to do with social displacement due to long-term effects like development pressure, many of the factors included in the SVI are the same as those that affect longer-term displacement factors. Accordingly, while the intent of the SVI is different, the ultimate results are the same as those that would cause residential displacement.

SVI groups the factors that contribute to vulnerability into four categories: socioeconomic status; household composition and disability; minority status and language; and housing type and transportation. The various sub-variables in each group are shown in **Table 1** Below. These factors, individually and combined, all contribute to displacement potential for residents. SVI calculates individual values for each category as well as a combined "overall" value. These values are available separated by Census Block Group throughout the state.

TABLE 1: VARIABLES AND CATEGORIES INCLUDED IN SVI VALUES

Overall Vulnerability	Socioeconomic Status	Below Poverty
		Unemployed
		Income
		No High School Diploma
	Household Composition and Disability	Aged 65 or Older
		Aged 17 or Younger
		Older than Age 5 with a Disability
		Single-Parent Households
	Minority Status & Language	Minority
		Speaks English "Less than Well"
	Housing Type & Transportation	Multi-Unit Structures
		Mobile Homes
		Crowding
No Vehicle		
Group Quarters		

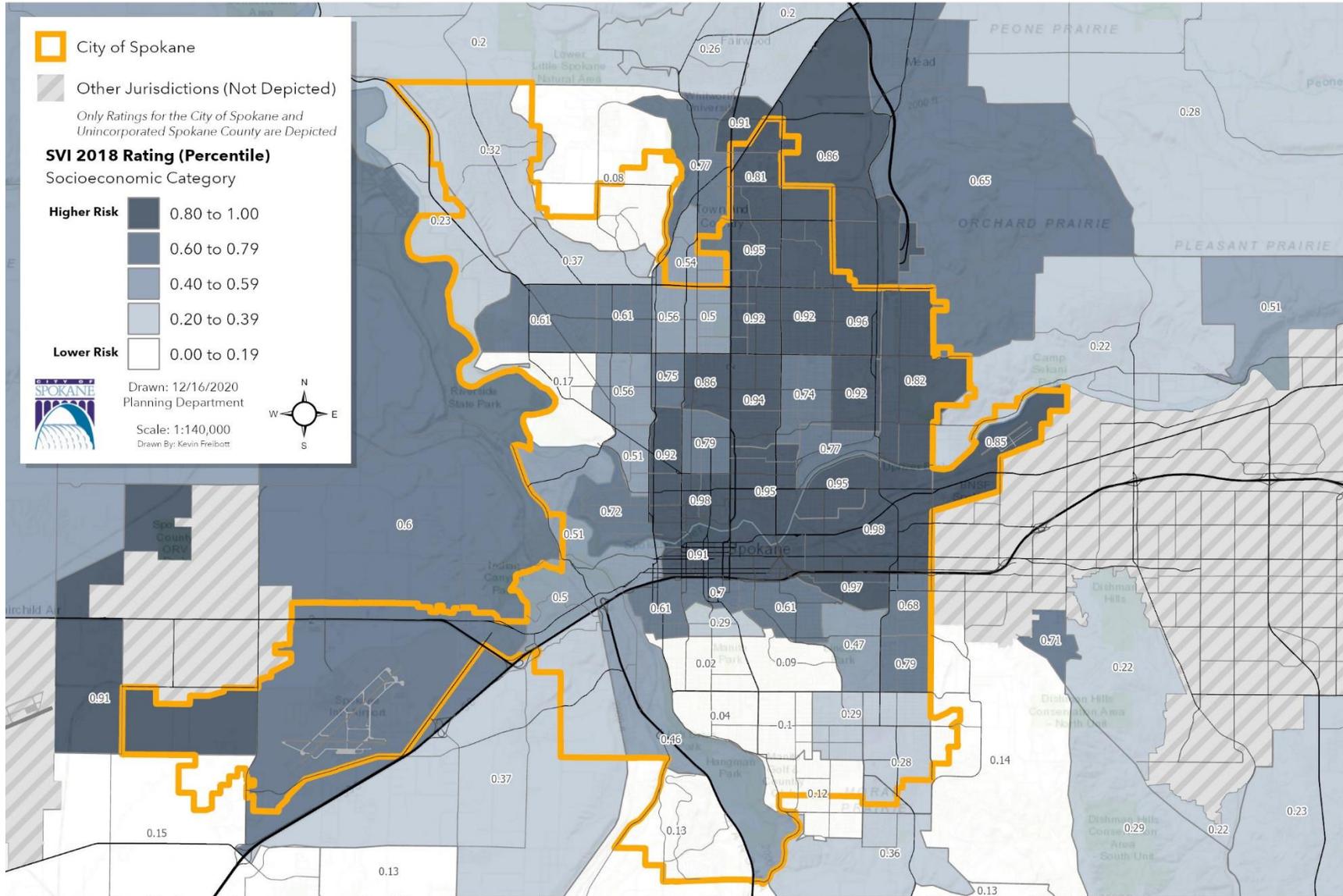
Source: CDC SVI 2018 Documentation, January 31, 2020

The original source for the values shown in the rightmost column in **Table 1** is the American Communities Survey, conducted by the U.S. Census Bureau, representing the 5-year estimates for 2018. Each Census Tract was ranked for these variables. Raw variables represent a percentage comparison between the census tract and the United States as a whole. Thus, these values are a comparison of a given tract’s vulnerability as it compares to the nation. A rating of 0 (0 percent) indicates a low vulnerability while a value of 1 (100 percent) indicates high vulnerability. **Figure 1** through **Figure 5** indicate this value with color. Darker colors in the futures represent higher vulnerability in any given tract.

The following Figures are provided below, showing those values by block group in the City of Spokane and surrounding area:

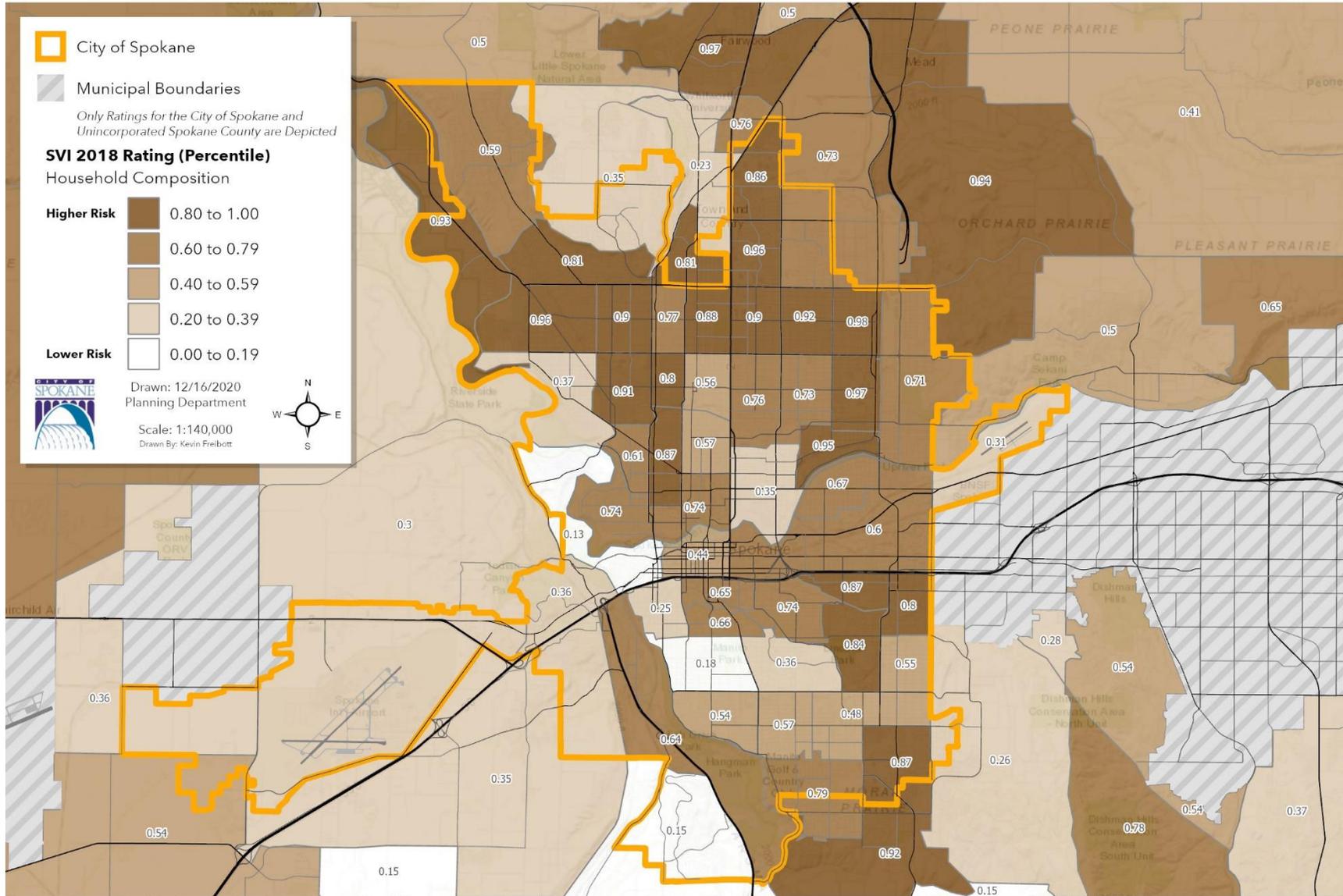
- **Figure 1:** Socioeconomic Status
- **Figure 2:** Household Composition and Disability
- **Figure 3:** Minority Status and Language
- **Figure 4:** Housing Type and Transportation
- **Figure 5:** Overall SVI Rating (All Factors Combined)

Figure 1: SVI Value, Displacement Risk due to Socioeconomic Status



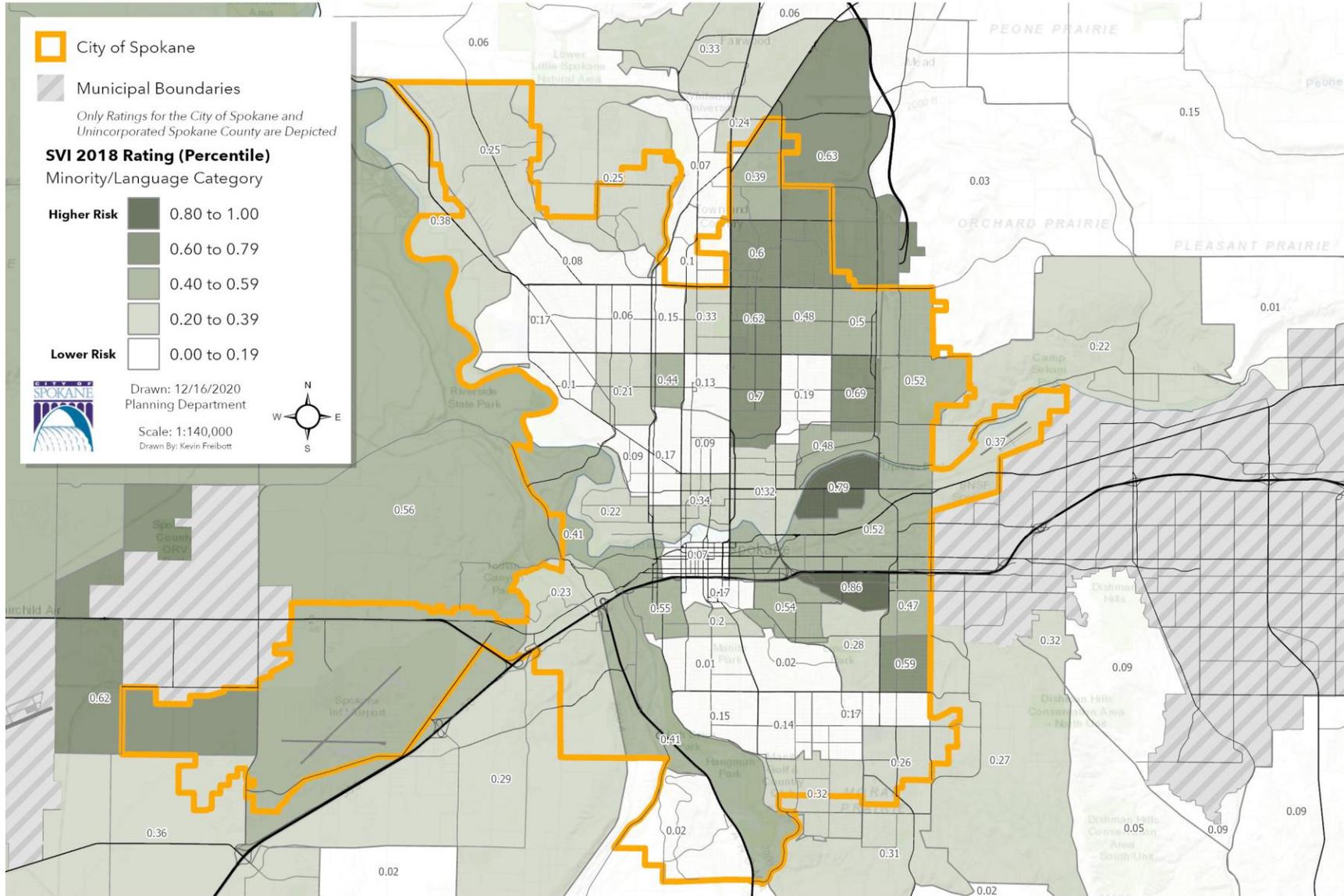
Map Layer Source: City of Spokane, Spokane County, Bureau of Land Management, Esri Canada, Esri, HERE, Garmin, USGS, NGA, EPA, USDA, NPS Data Source: U.S. Department of Health and Human Services, Agency for Toxic Substances and Disease Registry, SVI2018 CDC analysis.

Figure 2: SVI Value, Displacement Risk due to Household Composition and Disability



Map Layer Source: City of Spokane, Spokane County, Bureau of Land Management, Esri Canada, Esri, HERE, Garmin, USGS, NGA, EPA, USDA, NPS Data Source: U.S. Department of Health and Human Services, Agency for Toxic Substances and Disease Registry, SVI2018 CDC analysis.

Figure 3: SVI Value, Displacement Risk due to Minority Status/English Ability



Map Layer Source: City of Spokane, Spokane County, Bureau of Land Management, Esri Canada, Esri, HERE, Garmin, USGS, NGA, EPA, USDA, NPS Data Source: U.S. Department of Health and Human Services, Agency for Toxic Substances and Disease Registry, SVI2018 CDC analysis.

Degree and Magnitude of Risk

The analysis presented in **Figures 1-5** gives a good overall evaluation of relative displacement risk throughout the region. However, these figures do not take into account the actual number of dwellings located in any one location. Areas with high displacement risk may only have a few homes within them. Conversely, areas with moderate risk may have extremely high numbers of dwellings. For example, the area around the Spokane International Airport is shown in **Figure 5** as having a generally high displacement risk. However, there are comparatively very few dwellings there, as most of the area contains Airport property. By factoring in both the risk *and* the number of dwellings, both sourced from the same Census and American Communities Survey data, the analysis becomes more helpful when determining where assistance might be applied and to what degree.

Methodology

To provide additional detail in this analysis, it is helpful to consider not only the comparative displacement risk in certain areas of the City but also the potential magnitude of that risk. The clearest way to provide both location of risk *and* the magnitude of that risk is to compare the risk factor depicted in **Figure 5** above with the number of dwelling units that exist in any given area. This helps correlate areas in the City of Spokane of high displacement risk with areas of high population and helps identify where more people are at risk of displacement. Additionally, it is helpful to further refine the data available by Census tract (the large areas indicated in the map) into smaller units of area to give a more refined level of detail.

Tessellation, the division of larger irregular areas into small regular shapes like hexagons, provides for a series of smaller shapes with no overlap. For this analysis, a tessellation of the study area was created with a map of interlaced hexagons 1/8 of a square mile in area. The resulting displacement risk of each hexagon was calculated by adding up the area of each risk level within that hexagon. In other words, a hexagon in which half the area has a risk of 1.0 and the other half has a risk of 0.5 would result in an overall risk in that hexagon of 0.75 (50% x 1.0 + 50% x 0.5 = 0.75).

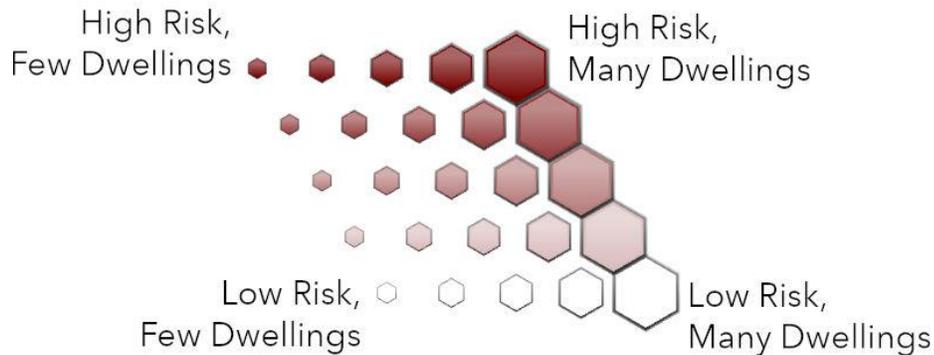
The resultant risk in each 1/8-square mile hexagon can then be compared against the number of dwelling units in that Census tract. Because the data does not include the location of each dwelling unit within the tract, the number of dwellings cannot be accurately refined into smaller units like the displacement risk. As a result, each hexagon was assigned the number of dwelling units matching the tract within which its center is located.

Results

The methodology described in the previous section provides for a simple comparison between hexagons of the resulting displacement risk versus the relative density of dwelling units in that part of the City. In other words, we can look at both the level of risk *and* the relative number of dwellings that may be at risk. To further clarify this situation, any hexagons in which there are zero dwellings have been removed entirely from the map.

The results of the methodology described above is depicted in **Figure 6**. Two factors are indicated by each hexagon. The relative number of dwellings within each hexagon is indicated by size—the larger the hexagon, the more dwellings that might be affected. Conversely, the

resulting displacement risk is shown by the intensity of color in the hexagon—white hexagons have low risk, dark red hexagons have high risk. As such, a large hexagon with dark red color indicates an area in which there is both a high risk of displacement and that displacement may affect many dwellings. Conversely, a small white hexagon indicates areas with little risk and few houses. The following graphic provides a general guide to the depictions in **Figure 6**.

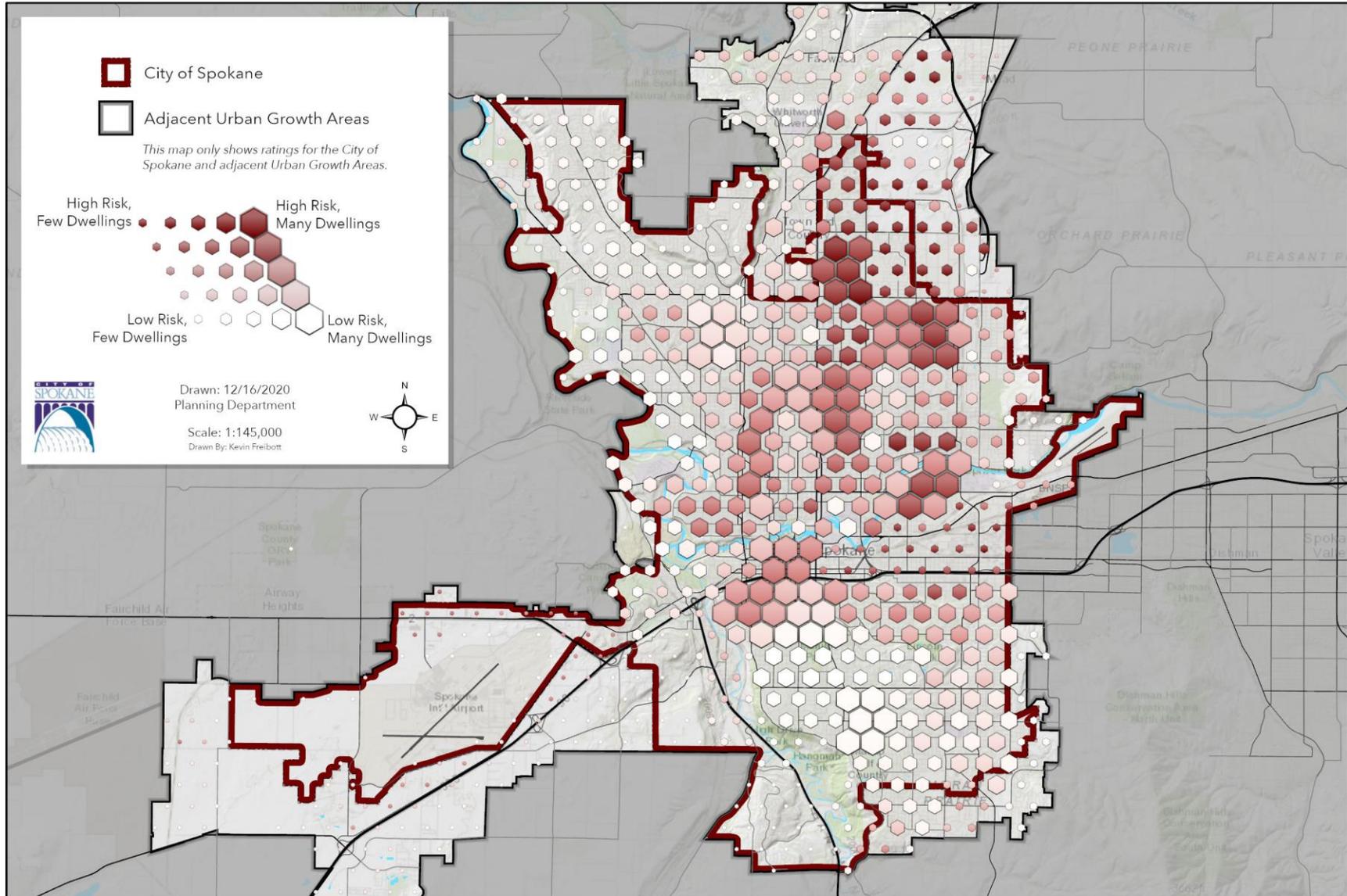


As shown in **Figure 6** below, there are several distinct areas of concern for higher risks of displacement affecting the most people.

- Distinct nodes of concern exist within the City of Spokane, namely north of the river between the Division and Hamilton/Nevada arterials.
- An additional node of concern, an area of potentially high risk with significant numbers of dwellings, exists in the Chief Garry Park neighborhood, south of the river.
- Additional areas of concern in the City of Spokane include the lower south hill areas and portions of the West Central Neighborhood along the Maple arterial and south of Boone.

Parts of the East Central neighborhood, specifically those north of the freeway, display universally high displacement risk, according to the analysis. However, the relatively fewer homes in that area when compared to the region indicates a lower magnitude of possible effect. That isn't to say decisionmakers shouldn't be concerned about that area, but the solutions presented to that location should consider the amount of housing as well as the potential benefit of any solution offered to that area.

Figure 6: Displacement Risk Compared to Housing Density (Showing Urban Growth Area Only)



Social Vulnerability and the Legacy of Redlining

Washington Department of Commerce guidance outlines that vulnerability to displacement, particularly economic displacement, can disproportionately impact communities of color. These disparities have roots in a history of housing discrimination and legacies of racial and economic inequality.¹

Redlining was the practice of discriminatory lending in government-backed mortgages by the Federal Housing Administration in the 1930s through the Home Owners' Loan Corporation (HOLC). The HOLC produced maps that assessed credit-worthiness of neighborhoods, including a map of Spokane. Areas that were considered high risk were “hazardous” or “redlined” and denied loans and capital investment, particularly in and near African American communities, lower income households, immigrants, and diverse neighborhoods. Some areas were further shaped by racially restrictive covenants that prevented people of minority races, religions, and ethnicities from purchasing a home. Some of these covenants are still on property records, though they are no longer in force.

Another major contributor to today’s patterns of inequality is exclusionary zoning. This refers to the use of zoning to limit the production of new housing in middle- and upper-income neighborhoods by prohibiting multi-family dwellings or setting large minimum lot size requirements. Limiting the supply and diversity of housing in these areas pushes up the value of remaining units over time. This can exclude lower-income residents and residents who have been historically marginalized. Furthermore, exclusionary zoning can exacerbate the effects of practices like redlining.

Where housing is concerned, racial segregation has been shown to impact health through poor housing conditions, disparities in educational and employment opportunities, inadequate transportation infrastructure, access to healthcare, and economic instability. Where people live impacts their exposure to health-promoting resources and opportunities (i.e., access to quality food, recreation, healthcare, etc.) as well as exposure to health-damaging threats (i.e., environmental pollutants, poor housing quality, etc.). This can lead to increased social vulnerability in neighborhoods.

The University of Richmond's Digital Scholarship Lab and the National Community Reinvestment Coalition analyzed redlining and social vulnerability to identify connections between historic policies and life outcomes today.² Many of the neighborhoods that show a higher risk of vulnerability and displacement are also neighborhoods which were historically redlined and residents experienced housing discrimination. Some areas have more visible continuity between the past and the present that shows the impact of redlining in privilege or vulnerability for generations. Other areas might show a decline in the relative area. Still other

¹ Washington Department of Commerce. Guidance for Developing a Housing Action Plan. Url: <https://deptofcommerce.box.com/shared/static/pophc16jetggsctctmnbjomm0qa7tpu8.pdf>

² The Digital Scholarship Lab and the National Community Reinvestment Coalition, “Not Even Past: Social Vulnerability and the Legacy of Redlining,” American Panorama, ed. Robert K. Nelson and Edward L. Ayers, <https://dsl.richmond.edu/socialvulnerability>

areas show a change in the other direction for neighborhoods that have been gentrified in recent years.

When considering the combined and interrelated effects of redlining and exclusionary zoning, it can be helpful to compare maps showing historic redlining with currently understood areas of higher displacement risk. Accordingly, **Figure 7** shows a comparison between the 1930s HOLC map of Spokane and the 2018 Social Vulnerability Index rating for Spokane.

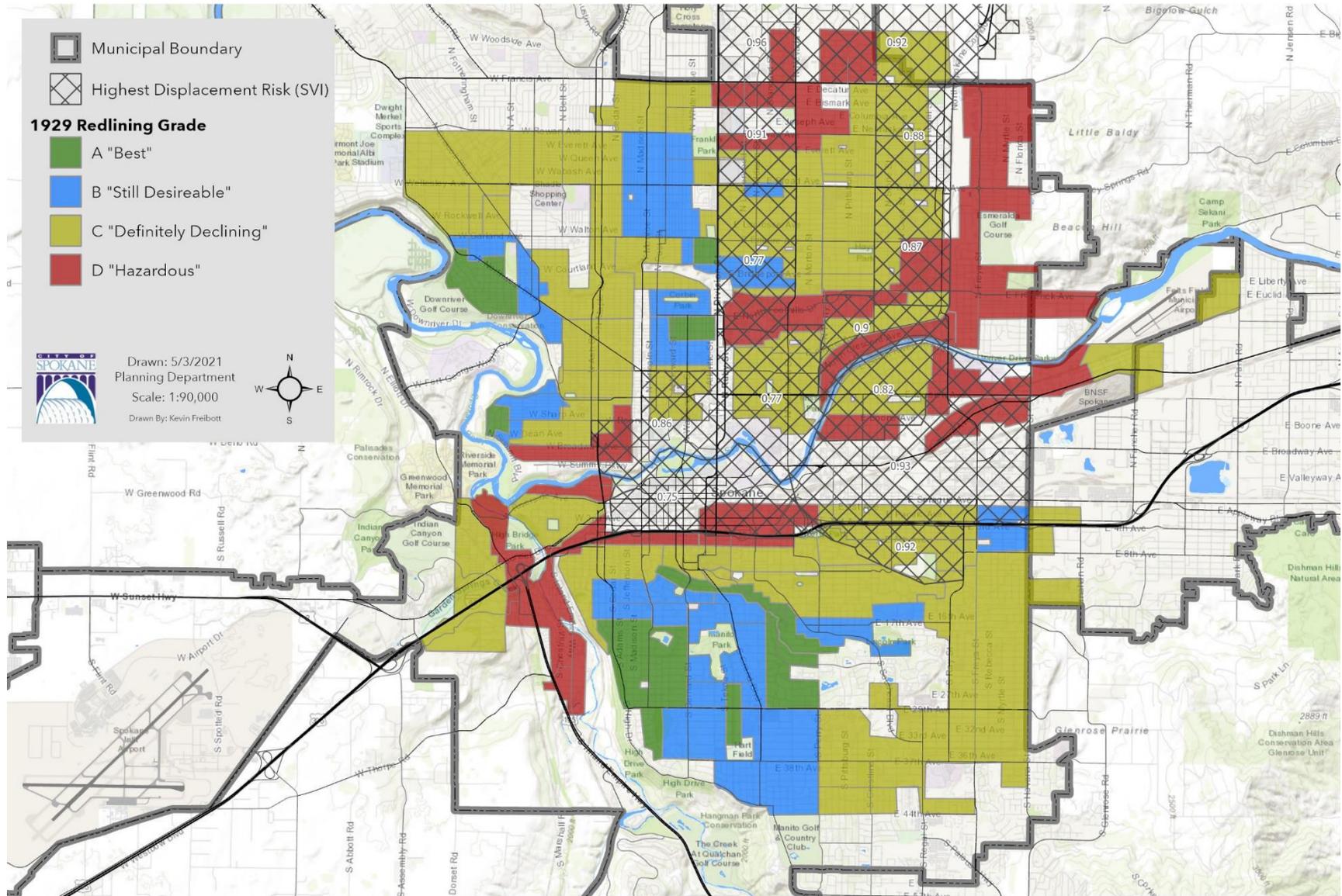
Demographics of the Highest Risk Census Tracts

As shown in Figure 5 above, 14 census tracts in Spokane are identified as having the highest risk of vulnerability and displacement. Most of these census tracts are located in Northeast Spokane, where much of historic redlining occurred (see Figure 7). Over 63,000 residents live in the highest risk census tracts, though not all the individual people face the same level of risk. **Table 2** below provides an overview of the socio-demographics of the people who live in those 14 tracts:

TABLE 2: DEMOGRAPHICS OF HIGHEST RISK CENSUS TRACTS IN SPOKANE

	Highest Risk Census Tracts	City of Spokane
Total Population	63,351 residents	214,084 residents
Total Occupied Housing Units	27,468 housing units	89,626 housing units
Average Owner-Occupied Housing Units	38%	55.2%
Average Renter Occupied Housing Units	62%	44.8%
Average Percent of Housing Units in Structures with 10 or More Units	30%	18.2%
Average Percent of Mobile Home Units	4%	1.6%
Average Percent of People of Color Population	27%	18.6%
Average Percent of Persons with a Disability	20%	16.1%
Average Percent of Single Parent Households with Children Under 18 Years	16%	10.8%
Average Percent of Persons below Poverty	27%	18.3%
Average Percent of Households with No Vehicle	16%	10.3%

Figure 7: Comparing Historic Redline Maps with Current Displacement Risk



Strategies for Mitigating and Responding to Displacement

By considering the results of this displacement risk assessment, decisionmakers can better understand which measures to reduce the risk or mitigate the effects of displacement should be applied, where in the City they should apply, and to what degree. The Department of Commerce has provided some possible solutions to displacement in their Guidance for Developing a Housing Action Plan. Those possible solutions are described briefly in **Table 3** below:

TABLE 3: POSSIBLE STRATEGIES TO MITIGATE/REDUCE DISPLACEMENT

Type of Displacement	Strategy
Physical Displacement Strategies	PD-1: Strategic Acquisition and Financing of Existing Multifamily Housing
	PD-2: Support Third-party Purchases of Existing Affordable Housing
	PD-3: Notice of Intent to Sell / Sale Ordinance
	PD-4: Foreclosure Intervention Counseling
	PD-5: Mobile Home Park Preservation and Relocation Assistance
	PD-6: Mobile Home Park Conversion to Cooperative
	PD-7: Tenant Relocation Assistance
	PD-8: Just Cause Eviction Protections
	PD-9: “Right to Return” Policies for Promoting Home Ownership
	PD-10: Regulating Short-term Rentals
Economic Displacement Strategies	ED-1: Community Land Trusts
	ED-2: Need-based Rehabilitation Assistance
	ED-3: Down Payment Assistance
	ED-4: Property Tax Assistance Programs
Cultural Displacement Strategies	CD-1: Grants/Loans to Directly Support Small Businesses
	CD-2: Financing Ground Floor Commercial
	CD-3: Preservation Development Authorities (PDA) and Ports
	CD-4: Commercial Community Land Trust
	CD-5: Community Benefits/Development Agreements
	CD-6: Micro-Retail and Flexible Cultural Space Design
	CD-7: Business Incubators, Co-Working Spaces, and Artisan/Makers Spaces

Source: [Guidance for Developing a Housing Action Plan–Public Review Draft](#)

Notes: Some of these strategies may be in place in part or entirely within the City of Spokane. This list is provided verbatim from the Department of Commerce documentation and does not represent a recommendation or prioritization of possible solutions. It is included here for completeness and to provide general information to the public.

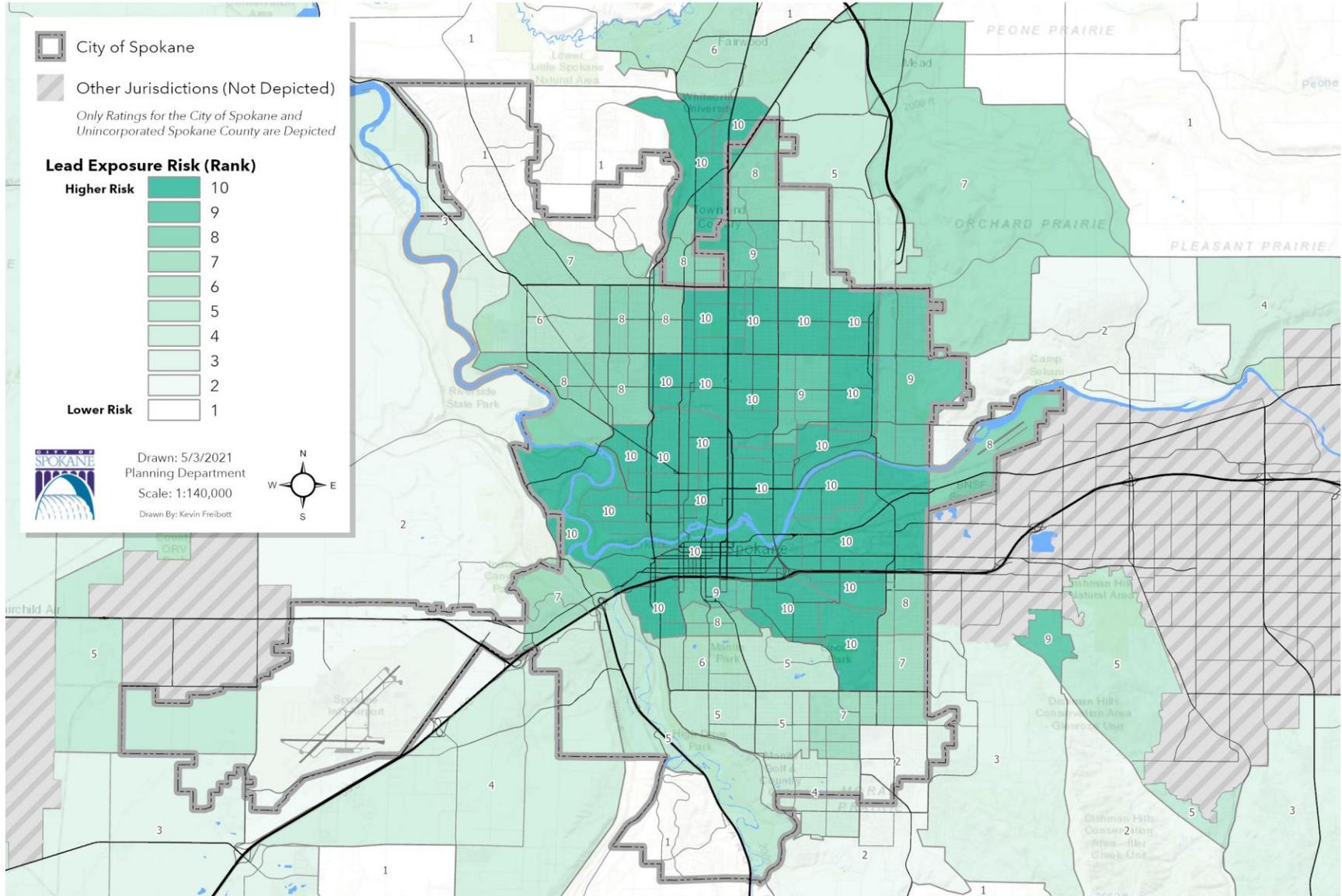
Additional Consideration: Lead Paint Exposure

While not strictly a consideration for displacement, consideration of the possible risk of exposure to lead paint can give further insight into portions of the study area that may contain aging housing. Lead paint in older homes can elevate indoor lead levels, which in combination with poor housing conditions can elevate the risk of lead exposure. Children who live in households at or below the federal poverty level and those who live in housing built before 1978 are at the greatest risk of lead exposure.³ Also, communities of color are at a higher risk of lead exposure because they may not have access to safe, affordable housing or face discrimination when trying to find a safe, healthy place to live.¹ This is called housing inequity, and it puts some children, such as non-Hispanic Black persons, at a greater risk of exposure to lead.¹ Lead exposure can cause learning disabilities, behavioral problems, stunted physical growth and delayed mental development. These health conditions can themselves point to possible displacement of individuals and households that may be sensitive to lead exposure (i.e. those with young children). Also, the lead exposure risk of a given area can give a general indication of the age of homes and the need for those homes to be renovated or updated, processes that also result in displacement.

To map the possible lead exposure in the study area, and to provide additional consideration for displacement risk, the map in **Figure 8** is provided below. The data presented in **Figure 8** are sourced from the American Communities Survey and US Census Bureau, as compiled by the Washington Tracking Network of the Washington State Department of Health. Rather than a numerical exposure level in given locations of the study area, the map provides a ranking of 1 to 10, comparing each location in the study areas to all others and giving a rule-of-thumb indication of the level of expected possible exposure. The number rankings in this map have no relation to the SVI rankings presented in the previous maps.

³ Childhood Lead Poisoning Prevention. "Populations at Higher Risk." Center for Disease Control. Url: <https://www.cdc.gov/nceh/lead/prevention/populations.htm>.

Figure 8: Lead Exposure Risk by Census Tract, Ranked



Map Layer Source: City of Spokane, Spokane County, Bureau of Land Management, Esri Canada, Esri, HERE, Garmin, USGS, NGA, EPA, USDA, NPS Data Source: Washington Tracking Network, Washington State Department of Health. Web. "Housing Built Before 1980 that May Have Lead-based Paint based on Housing Estimates for 2010". Data obtained from the American Community Survey (ACS) five-year estimates. Published on WTN: October 2019.

Additional Research and Monitoring

By identifying specific areas with a heightened risk of displacement, the City can use this assessment to help inform discussions around displacement and better consider equitable strategies for minimizing and mitigating displacement in the Spokane HAP and future policy discussions. However, displacement of communities is a multi-faceted problem, and this analysis does come with caveats.⁴

It is important to note that the displacement risk assessment uses neighborhood conditions that were present in 2018, the latest available due to the collection method of the underlying data. Additionally, the analysis neither predicts future changes in demographics or neighborhood attributes, nor does it account for displacement that has already occurred. Finally, this assessment can only assess a general risk of displacement and cannot accurately predict if displacement will occur, the speed of displacement that occurs, or to what intensity displacement will occur within a community.

The displacement assessment lays the foundation for improving the City's ability to understand and proactively respond to pressures from growth and rising housing costs that impact people and families in Spokane. More research is needed around displacement and anti-displacement strategies in the future. This is a complex topic and the City should continue to monitor and develop additional guidance.

During the process of preparing this memo, a few opportunities for additional research and ongoing monitoring of displacement factors presented themselves for consideration. They are discussed here for the purpose of continuous improvement in local processes and consideration—as recommendations and things to consider rather than requirements. Accordingly, these are preliminary in nature and would require additional analysis and consideration by the City and others before implementations.

Analysis and Monitoring Over Time

The analysis presented herein represents a single point in time. While this can give a qualitative and quantitative picture of displacement risk in the City, much more could be learned if this process is reviewed on an annual or semi-annual basis and new factors are incorporated, such as development permits and other trends. By seeing how these factors change over time not only can the City and other stakeholders see whether efforts to alleviate displacement risk are successful but also how the needs of City residents evolve over time.

Available Land for Development

One factor that was available to communities and counties in the Puget Sound area, which is not available locally, is the amount of developable/vacant land in a given area. In areas where there is abundant vacant land for residential develop the impacts of displacement may be affected by local development pressures to redevelop existing sites rather than seek vacant sites for new development. A qualitative look at developable land in the City, conducted on a more frequent basis than the current Land Quantity Analysis conducted every eight years,

⁴ <https://www.psrc.org/displacement-risk-mapping>

could better inform the displacement risk in an area and the possible mitigating steps to be applied.

Consistent Methodology Across the Region

Each community preparing a Housing Action Plan may be utilizing a different technical methodology for their displacement analysis, potentially resulting in multiple analyses that are statistically valid, but which cannot be compared one to the other. Furthermore, housing is functionally a regional concern rather than a strictly local topic. As such, the jurisdictions in Spokane County could undertake a process to codify displacement mapping and analysis in the Countywide Planning Policies (or other agreement), providing for a consistent methodology across the region. Furthermore, it would make analysis of interjurisdictional displacement between cities and/or countywide much easier and comparable in intent and result.

Local Comprehensive Planning/Zoning and Their Effect on Displacement

Most communities in the County are due to update their Comprehensive Plans by 2025. When doing so, each jurisdiction could include a conscious effort to consider and address increased displacement resulting from land use and zoning decisions made by those jurisdictions. For instance, the City of Spokane often considers the application of the Centers and Corridors growth strategy as prescribed by the Comprehensive Plan. The Comprehensive Plan could be updated to outline and require analysis of displacement factors whenever a new Center or Corridor is to be designated or planned.

Appendix G

Proposed Monitoring Program

This appendix is part of the City of Spokane Housing Action Plan. To view the full plan, appendices, and project materials, visit the project webpage: <https://my.spokanecity.org/housing/spokane-housing-action-plan/>.

Draft Proposed Monitoring Program

Implementing Comprehensive Plan Housing Policy H 2.5

March 2021

The City of Spokane is preparing a Housing Action Plan (HAP) to increase housing options that meet the needs of residents at all income levels. The HAP identifies strategies and actions to be considered at a later date, including actions to more effectively implement existing goals and policies of the Spokane Comprehensive Plan. Additionally, as strategies may be acted upon to encourage housing diversity in the city, generally monitoring the housing stock will help identify changes in the city's housing supply and changes in what the housing market is producing.

The draft HAP includes a recommendation to implement a monitoring program and annual report to the Plan Commission on key housing data, consistent with Comprehensive Plan Housing Policy H 2.5, which reads as follows:

“Provide a report annually to the City Plan Commission that monitors progress toward achieving the housing goals and includes recommended policy change if positive direction toward achieving the housing goals is not occurring.”

The discussion section of the policy further provides:

“Using readily available datasets as a basis for a simple set of indicators can illustrate progress that has been made to achieve housing goals and policies and provide assistance in determining what actions are needed to implement the goals and policies and whether revisions to the policies are needed. The public can provide feedback about the indicators that are most important to them.”

This memo outlines a proposal for a Housing Element monitoring program based on suggested criteria and available data sources. An example of current year reporting under this proposed program is included as an attachment.

Additional Regulatory and Policy Context

The proposed Housing Element monitoring program would implement the following state, regional, and city codes, policies, and recommendations:

- In order to meet requirements for Comprehensive Plan Housing Elements prepared under the Growth Management Act, WAC 365-196-410(2)(f)(4) recommends that the Housing Element include “provisions to monitor the performance of its housing strategy...” including information about housing stock, prices of for-sale and rental housing, and production of housing units.¹
- *Guidance for Developing a Housing Action Plan*, published by the Washington Department of Commerce, suggests that HAPs include a monitoring program, including the identification of

¹ See also RCW 36.70A.070 for Housing Element requirements.

performance metrics, integrating the monitoring program with established policies, and reporting on outcomes.

In conformance with the Countywide Planning Policies for Spokane County, the City of Spokane and other jurisdictions within the County conduct a Land Quantity Analysis (LQA) using a county-wide methodology to establish the assumed land available for development and its development capacity within each city to support residential and non-residential growth.² Consistent with the required schedule, the City of Spokane undertook a LQA in 2010, and most recently in 2015. While not recommended as part of the monitoring program implementing Housing Policy H 2.5, the LQA helps provide periodic estimates of land available for residential uses, and changes to land availability over time. The Growth Management Act designation that is applied to some areas in Washington State, especially the Puget Sound Region, of the “Buildable Lands” review and evaluation program adopted in RCW 36.70A.215 does not apply to Spokane County or cities within Spokane County.

Guiding Principles for Developing a Monitoring Program

Staff recommends the following objectives in selecting data sources and indicators to use in the monitoring program:

- Use the monitoring program to advance the implementation of adopted Housing Element goals and policies.
- Select indicators that are both easy to understand and useful in evaluating progress towards goals and policies.
- Use indicators from a readily available, regularly updated, well-respected data source.
- Use data specific to the City of Spokane. Regional or statewide data may be included for the purpose of benchmarking or comparison, but should not be relied upon solely to describe the state of housing within the city limits.

Summary of Proposed Monitoring Program and Annual Timing

Based on the guiding principles listed above, staff recommends developing a monitoring program using selected indicators from the Housing Market Data Toolkit prepared annually by the Washington Center for Real Estate Research (WCRER). The first Housing Market Data Toolkit was released in October 2020 and will be updated annually by October 15 of each following year, as required by RCW 36.70A.610. The WCRER toolkit meets each of the guiding principles listed above, at no additional cost to the City. Staff recommends that the report to the Plan Commission described in Policy H 2.5 be delivered during the first Plan Commission meeting of February of each year, using the indicators shown in the attached tables.

² LQA methodology for Spokane County jurisdictions was developed by Washington State Department of Commerce and from the “Urban Growth Area Guidebook: Reviewing, Updating and Implementing Your Urban Growth Area.”

Median House Price, City of Spokane

	2017	2018	2019
Overall	\$195,000	\$220,000	\$248,000

By Unit Type:

Detached	\$198,000	\$222,900	\$250,000
Condominium & Townhouse	\$133,000	\$179,225	\$227,500

By Number of Bedrooms:

1 bedroom	\$84,500	\$105,000	\$124,102
2 bedroom	\$122,500	\$145,245	\$165,000
3 bedroom	\$182,500	\$203,000	\$232,000
4 bedroom	\$230,429	\$250,000	\$275,000

Source: Washington Center for Real Estate Research,

WCRER Rental Market Data

- Based on Washington Center for Real Estate Research Apartment Survey of complexes of 20 units or more, conducted in September 2020.
- These data will be tracked year-to-year as they are published by WCRER, and presented in the annual State of Housing report to Plan Commission.

Unit Type	Total Units	Vacancy Rate	Average Rent
All	17,573	0.8%	\$1,031
Studio	571	0.9%	\$731
1 bedroom	6,252	0.6%	\$863
2 bedroom	9,090	0.8%	\$1,066
3 bedroom	1,506	1.2%	\$1,466
Other units	154	1.9%	\$2,283

Source: Washington Center for Real Estate Research, Market Data Toolkit, October 2020

WCRER Composite Housing Affordability Index

- What percentage of the area median income is necessary to afford the median priced home in the City?
- If the Index = 100, a household at the area median income has exactly enough income to afford the median priced home

Index	2017	2018	2019
Composite Housing Affordability Index	125.4	111.1	107.4

Source: Washington Center for Real Estate Research, Market Data Toolkit, October 2020

WCRER Homeownership Attainability Indexes

- **First Time Buyers Affordability Index:** If the index = 100, a household at 70% of area median income can afford a home at 85% of the median sales price. A higher number indicates greater affordability.
- **Transition Affordability Index:** This index measures the ability of households at 70% of area median income to afford the median rent. Ability to afford rent allows these households to save for a down payment if they are seeking homeownership.

Index	2017	2018	2019
First Time Buyers Affordability Index	79.15	70.34	67.76
Transition Affordability Index	Not available	Not available	82.2

Source: Washington Center for Real Estate Research, Market Data Toolkit, October 2020

Appendix H

Glossary of Terms

This appendix is part of the City of Spokane Housing Action Plan. To view the full plan, appendices, and project materials, visit the project webpage: <https://my.spokanecity.org/housing/spokane-housing-action-plan/>.

Appendix H. Housing Action Plan Glossary of Terms

Accessory Dwelling Unit

A separate additional living unit, including separate kitchen, sleeping, and bathroom facilities, attached or detached from the primary residential unit, on a single-family lot. ADUs are known variously as: "Mother-in-law apartments," "Accessory apartments," or "Second units."

Source: [Spokane Municipal Code § 17C.300](#)

Affordable Housing vs. Housing Affordability

- **Affordable Housing:** "Affordable housing" means, unless the context clearly indicates otherwise, residential housing whose monthly costs, including utilities other than telephone, do not exceed 30 percent of the monthly income of a household whose income is:
 - (a) For rental housing, 60 percent of the median household income adjusted for household size, for the county where the household is located, as reported by the United States department of housing and urban development; or
 - (b) For owner-occupied housing, 80 percent of the median household income adjusted for household size, for the county where the household is located, as reported by the United States department of housing and urban development.
- **Affordable housing units:** Refers to subsidized units for households making below the median income. Development and preservation of affordable housing units often requires public investments and incentives.
- **Housing Affordability:** A healthy housing market includes a variety of housing types that are affordable to a range of different household income levels. Housing affordability is shaped by many factors in the real estate and rental market, and a variety of regulatory and financing tools can be used to provide housing for all income groups.

Sources:

[RCW 36.70A.030](#)

[Washington Department of Commerce "Guidance for Developing a Housing Needs Assessment"](#)
[Puget Sound Regional Council "Housing 101"](#)

Area Median Income (AMI)

This is a term that commonly refers to the area-wide median family income (MFI) calculation provided by the Department of Housing and Urban Development (HUD) for a county or metropolitan region. Income limits to qualify for affordable housing are often set relative to AMI or MFI. In this report, AMI refers to the HUD Area Median Family Income (HAMFI). City of Spokane 2020 rent and income limits are available [here](#).

Source: [Washington Department of Commerce "Guidance for Developing a Housing Needs Assessment"](#)

Centers and Corridors

Centers and Corridors are a land use policy in the Comprehensive Plan Chapter 3, Land Use. The Centers and Corridors contain a mix of uses, including higher density housing centered around or above retail and commercial establishments, office space and public and semi-public activities (parks, government and schools). For more information, view the Chapter 3 Land Use in the Comprehensive Plan.

Source: [City of Spokane Comprehensive Plan](#)

Comprehensive Plan

Comprehensive Plan is the name given to identify the community's long-range plan for growth. It is comprehensive because it provides guidance for all aspects of the city's growth and development over a long period, typically twenty-years. The plan is a set of visions, goals, policies, and implementation strategies that state how the city should grow physically, socially, and economically.

Source: [City of Spokane Comprehensive Plan](#)

Cost Burden

When a household pays more than 30 percent of their gross income on housing, including utilities, they are "cost-burdened." When a household pays more than 50 percent of their gross income on housing, including utilities, they are "severely cost-burdened." Cost-burdened households have less money available for other essentials, like food, clothing, transportation, and medical care.

Source: [Washington Department of Commerce "Guidance for Developing a Housing Needs Assessment"](#)

Displacement

The Washington Department of Commerce refers to displacement when a household is forced or pressured to move from their home or neighborhood against their wishes. As high demand for homes drives up housing costs and increases pressure for higher density redevelopment, many residents and policy makers are concerned about the potential for displacement. The Washington Department of Commerce identifies the following types of displacement:

- Physical displacement typically occurs with an eviction or lease termination, or the expiration of covenants on rent- or income-restricted housing.
- Economic displacement occurs when pressures of increased housing costs compel a household to relocate.
- Cultural displacement occurs when people choose to move because their neighbors and culturally related businesses and institutions have left the area.

Source: [Washington Department of Commerce "Guidance for Developing a Housing Action Plan"](#)

Exclusionary Zoning

Zoning that limits housing types or sets large minimum lot size requirements in middle- and upper-income neighborhoods, referred to in some policy discussions as "exclusionary zoning," may have a role in driving up prices and limiting the supply of housing opportunities for lower and moderate income households, many of which include people of color.

Source: [Washington Department of Commerce "Guidance for Developing a Housing Action Plan"](#)

Household

A household is a group of people living within the same housing unit. The people can be related, such as family. A person living alone in a housing unit, or a group of unrelated people sharing a housing unit, is also counted as a household. Group quarters population, such as those living in a college dormitory, military barrack, or nursing home, are not considered to be living in households.

Source: [Washington Department of Commerce "Guidance for Developing a Housing Needs Assessment"](#)

Household Income

The census defines household income as the sum of the income of all people 15 years and older living together in a household.

Source: [Washington Department of Commerce "Guidance for Developing a Housing Needs Assessment"](#)

Housing Diversity

Diversity includes styles, types, size, and cost of housing.

Source: [City of Spokane Comprehensive Plan](#)

Housing Needs Assessment

A housing needs assessment is a study to identify future housing needs to serve all economic segments of the community based on the Growth Management Act 20-year growth target for a community. The analysis can identify the gaps between the diversity of housing needs within a community and the supply of housing shown in the housing inventory. This requires reviewing population, demographic, and economic trends, projections of future growth, and housing market dynamics to determine whether the housing market is responding and adapting in ways that are anticipated to meet both current and future needs.

Sources:

[RCW 36.70A.600](#)

[Washington Department of Commerce "Guidance for Developing a Housing Needs Assessment"](#)

Housing Options

A wide range of housing types and housing diversity to meet the needs of the diverse population and ensure that this housing is available throughout the community for people of all income levels and special needs.

Source: [City of Spokane Comprehensive Plan](#)

Infill Development

Development of vacant lots and parcels in already built-up areas.

Source: [City of Spokane Infill Housing Strategies/Infill Development](#)

Low-Income Households

Families that are designated as low-income may qualify for income-subsidized housing units. HUD categorizes families as low-income, very low-income, or extremely low-income relative to area median incomes (AMI), with consideration for family size.

Income Category	Household Income	RCW 36.70A.030
Extremely Low-Income	30% of AMI or less	"Extremely low-income household" means a single person, family, or unrelated persons living together whose adjusted income is at or below 30 percent of the median household income adjusted for household size, for the county where the

		household is located, as reported by the United States department of housing and urban development.
Very Low-Income	50% of AMI or less	"Very low-income household" means a single person, family, or unrelated persons living together whose adjusted income is at or below 50 percent of the median household income adjusted for household size, for the county where the household is located, as reported by the United States department of housing and urban development.
Low-Income	80% of AMI or less	"Low-income household" means a single person, family, or unrelated persons living together whose adjusted income is at or below 80 percent of the median household income adjusted for household size, for the county where the household is located, as reported by the United States department of housing and urban development.

Sources:

RCW [36.70A.030](#)

[Washington Department of Commerce "Guidance for Developing a Housing Needs Assessment"](#)

Market-rate Housing

Market-rate housing units are those whose price is determined by market factors like supply and demand, as opposed to price limits imposed by state or local affordable housing programs.

Source: [Puget Sound Regional Council "Housing 101"](#)

Missing Middle Housing Types

"Missing Middle Housing" was coined by Opticos Design founder Daniel Parolek in 2010 to define a range of multi-unit or clustered housing types—compatible in scale with detached single-family homes—that help meet the growing demand for walkable urban living. The Missing Middle Housing types provide diverse housing options, such as duplexes, fourplexes, cottage courts, and multiplexes. They are called "missing" because they have been built at a lower rate than single family detached dwellings or large multifamily developments, and have often been prohibited or discouraged by zoning ordinances and historically not as desired "production" builders in the development community; and "Middle" because they sit in the middle of a spectrum between detached single-family homes and mid-rise to high-rise apartment buildings, in terms of form and scale, as well as number of units and often, affordability.

Source: <https://missingmiddlehousing.com/>

Moderate-to-Middle Income Households

Households at or above the area median income of an area or region (80% to 120% of AMI).

Source: [Washington Department of Commerce "Guidance for Developing a Housing Needs Assessment"](#)

Multi-Family Tax Exemption (MFTE)

The City of Spokane's Multi-Family Tax Exemption (MFTE) program offers a partial property tax exemption for new improvements that create multi-family housing within a designated area.

Source: [City of Spokane Multi-Family Tax Exemption](#)

Planned Unit Development (PUD)

1. A planned unit development is a project permit for an overlay zone, approved by the hearing examiner, which does not fully comply with all of the development standards of the base zone in which it is located, but is approved based on superior or innovative design.
2. The City may permit a variety of types, design, and arrangement of structures and enable the coordination of project characteristics with features of a particular site in a manner consistent with the public health, safety, and welfare.

Source: [Spokane Municipal Code 17A.020.160](#)

Redlining

Redlining was the practice of discriminatory lending in government-backed mortgages by the Federal Housing Administration in the 1930s through the Home Owners' Loan Corporation (HOLC). The HOLC produced maps that assessed credit-worthiness of neighborhoods, including a map of Spokane. Areas that were considered high risk were "hazardous" or "redlined" and denied loans and capital investment, particularly in and near African American communities, lower income households, immigrants, and diverse neighborhoods. The practice of redlining prevented people of color from buying and developing property, leading to a gap in intergenerational wealth. To view the historic City of Spokane HOLC (Home Owners Loan Corporation) redlining map, click [here](#).

Residential Zones Types in the City of Spokane

Single-Family Residential (RSF)	The RSF zone is a low-density single-family residential zone. It allows a minimum of four and a maximum of ten dwelling units per acre. One- and two-story buildings characterize the allowed housing. The major type of new development will be attached and detached single-family residences. In appropriate areas, more compact development patterns are permitted. The RSF zone is applied to areas that are designated residential 4-10 on the land use plan map of the comprehensive plan.
Residential Single-family Compact (RSF-C)	The RSF-C zone is a low-density single-family residential zone that is applied to areas that are designated residential 4-10 on the land use plan map of the comprehensive plan. It allows a minimum of four and a maximum of ten dwelling units per acre. One- and two-story attached and detached single-family residences characterize the allowed housing. The RSF-C zone allows lots as small as three thousand square feet provided that the overall maximum density of the development does not exceed ten units per acre. It is the intent of this zone to allow somewhat smaller lots in appropriate locations and to allow new development to move closer to achieving the maximum density of the residential 4-10 designation. To promote compatible infill development, the design standards of SMC 17C.110.310 are applied in this zone. The RSF-C zone is intended to be applied to parcels that are wholly or partially within one-quarter mile of a CC Core designated on the land use plan map of the comprehensive plan. The RSF-C zone may also be implemented on parcels that are adjacent to or across a street or alley from a zoning category that allows higher density uses than the RSF zone, including the RTF, RMF, RHD, Commercial, Center and Corridor and Downtown zones.
Residential Two-family (RTF)	The RTF zone is a low-density residential zone. It allows a minimum of ten and a maximum of twenty dwelling units per acre. Allowed housing is characterized by one and two story buildings but at a slightly larger amount of building coverage than the RSF zone. The major type of new development will be duplexes, townhouses, row houses and attached and detached single-family residences.

	Cottage-style and pocket residential development are allowed. The RTF zone is applied to areas that are designated residential 10-20 on the land use plan map of the comprehensive plan. Generally, the RTF zone is applied to areas in which the predominant form of development is trending toward duplexes rather than single-family residences.
Residential Multifamily (RMF)	The RMF is a medium-density residential zone. Allowed housing is characterized by one to four story structures and a higher percentage of building coverage than in the RTF zone. The major types of development will include attached and detached single-family residential, condominiums, apartments, duplexes, townhouses and row houses. The minimum and maximum densities are fifteen and thirty units per acre.
Residential High Density (RHD)	The RHD is a high-density residential zone that allows the highest density of dwelling units in the residential zones. The allowed housing developments are characterized by high amount of building coverage. The major types of new housing development will be attached and detached single-family residential, duplexes, medium and high-rise apartments, condominiums (often with allowed accessory uses). The minimum density is fifteen units per acre; the maximum is limited by other code provisions (i.e., setbacks, height, parking, etc.).

Source: [Spokane Municipal Code 17C.110.030](#)

Short-term Rental

A short-term rental (STR) is a rental of all or a portion (e.g. bedroom, basement) of your residential dwelling unit for periods of less than 30 nights.

Source: [City of Spokane Short-term Rentals](#)

Subsidized Housing

Subsidized units have a portion of their cost offset through federal, state, or local funds and/or financial support that ensure long-term rent or income restrictions. These subsidies provide affordable housing that that may not be otherwise available.

Source: [Puget Sound Regional Council "Housing 101"](#)

Universal Design

Universal design is "the design and composition of an environment so that it can be accessed, understood and used to the greatest extent possible by all people regardless of their age, size, or ability." When integrated into the built environment, universal design principles ensure that residents who are aging or who have a disability are not blocked from accessing housing and services.

Source: [Washington Department of Commerce "Guidance for Developing a Housing Needs Assessment"](#)