# HOUSING ACTION PLAN

May 2021 • **Public Review Draft**

## 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
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- 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
- Spokane Plan Commission
- 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
- United Way
- University District PDA
- Volunteers of America Eastern Washington
- WA Dept. of Commerce
- World Relief
- WA Dept. of Transportation
- YWCA
- ZBA Architecture

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# 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 in 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 A. 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.

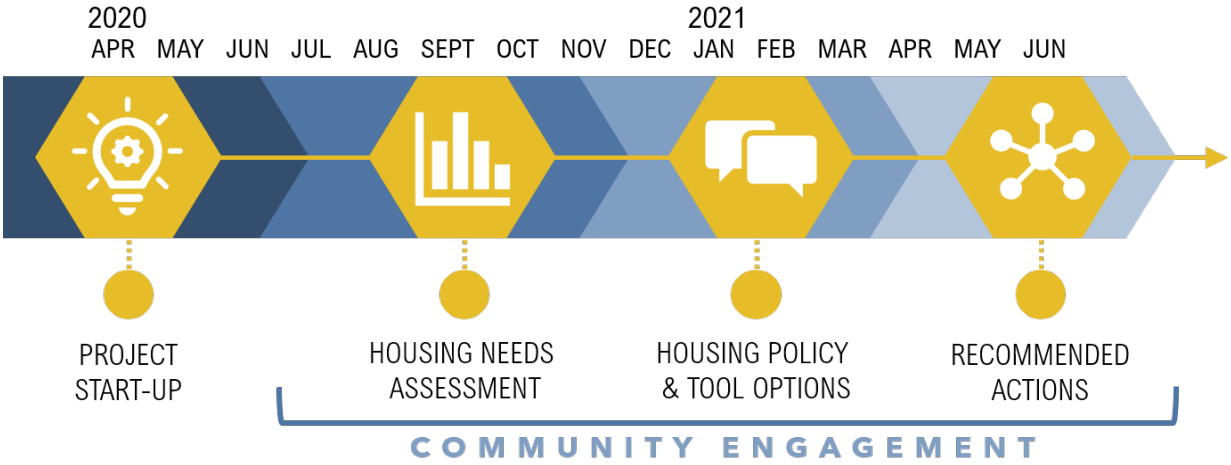



**Figure 1. HAP Project Timeline**

## 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 desires[2]. 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/

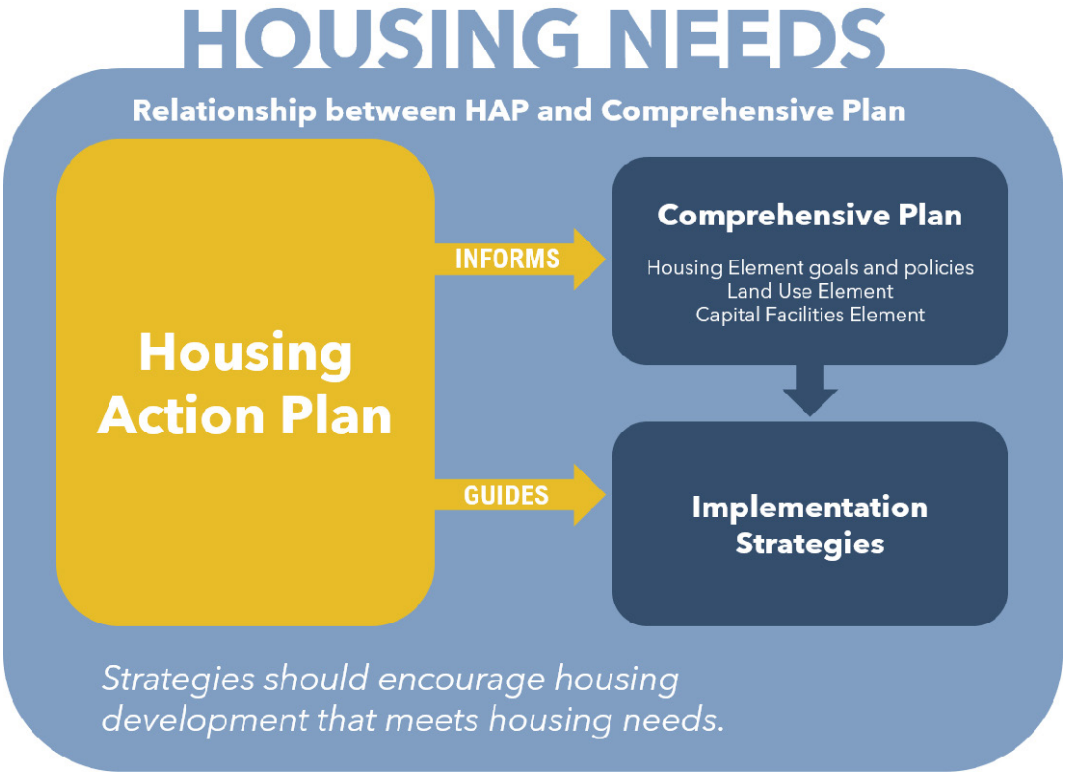
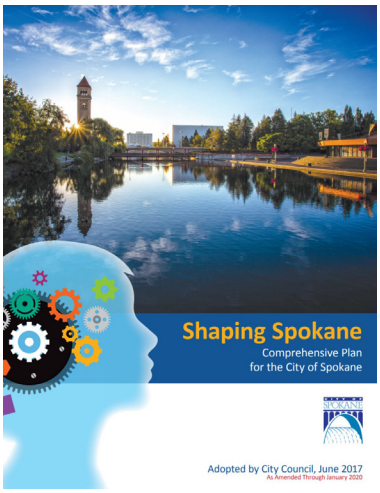



**Figure 2. Relationshop to the Comprehensive Plan**

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 C 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 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 Commission[3].

**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 outcomes[11]. 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 Assessment[12] and additional data analysis[13] 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-packet-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 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.

**Figure 4. Cost Burdened Households in City of Spokane**

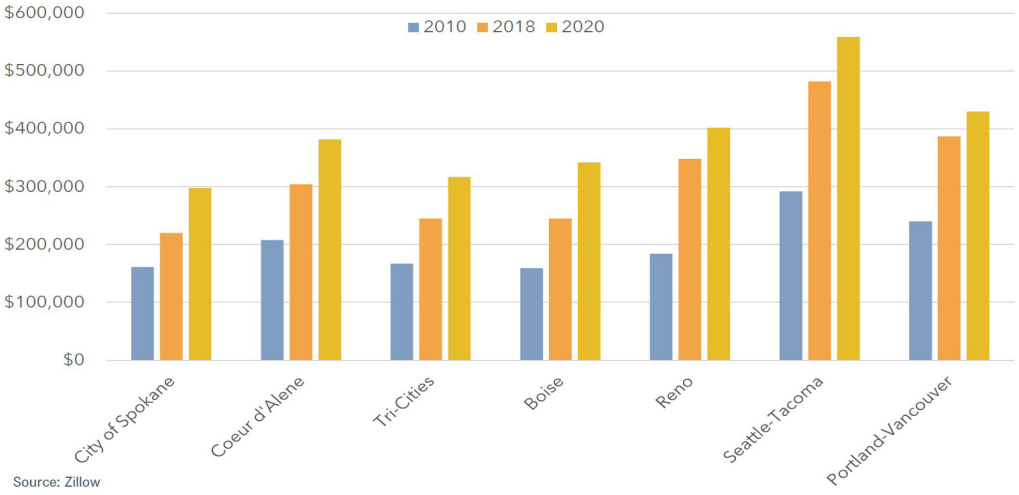
**Nearly 2 in 5 households in the City are cost burdened,** including half of all renters. Households are considered cost burdened by HUD when they spend more than 30% of their monthly income on housing costs. Nearly 38,000 households in the City meet or exceed this level, with the highest cost burdens found among lower income households, renters, and households of color. 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.

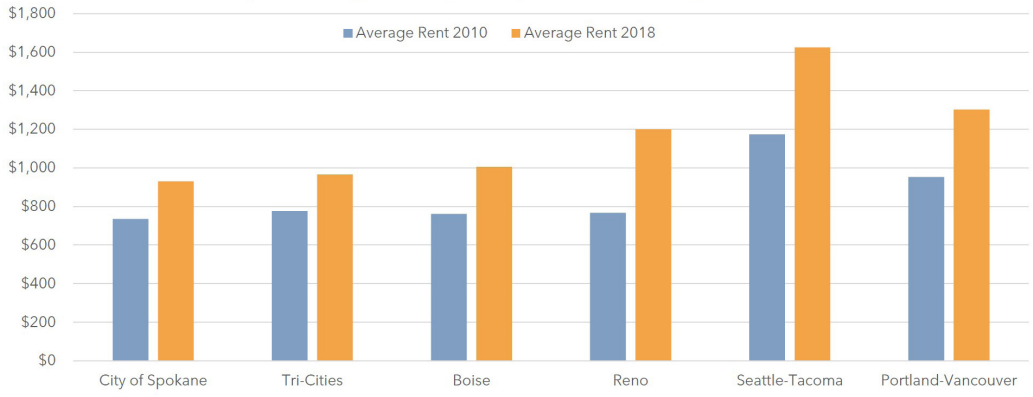
**Housing within the City of Spokane remains relatively affordable compared to the region and other cities,** but many residents now fear being priced out. While housing prices have been outpacing household incomes in Spokane, particularly in recent years, Spokane still has overall lower average housing 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**

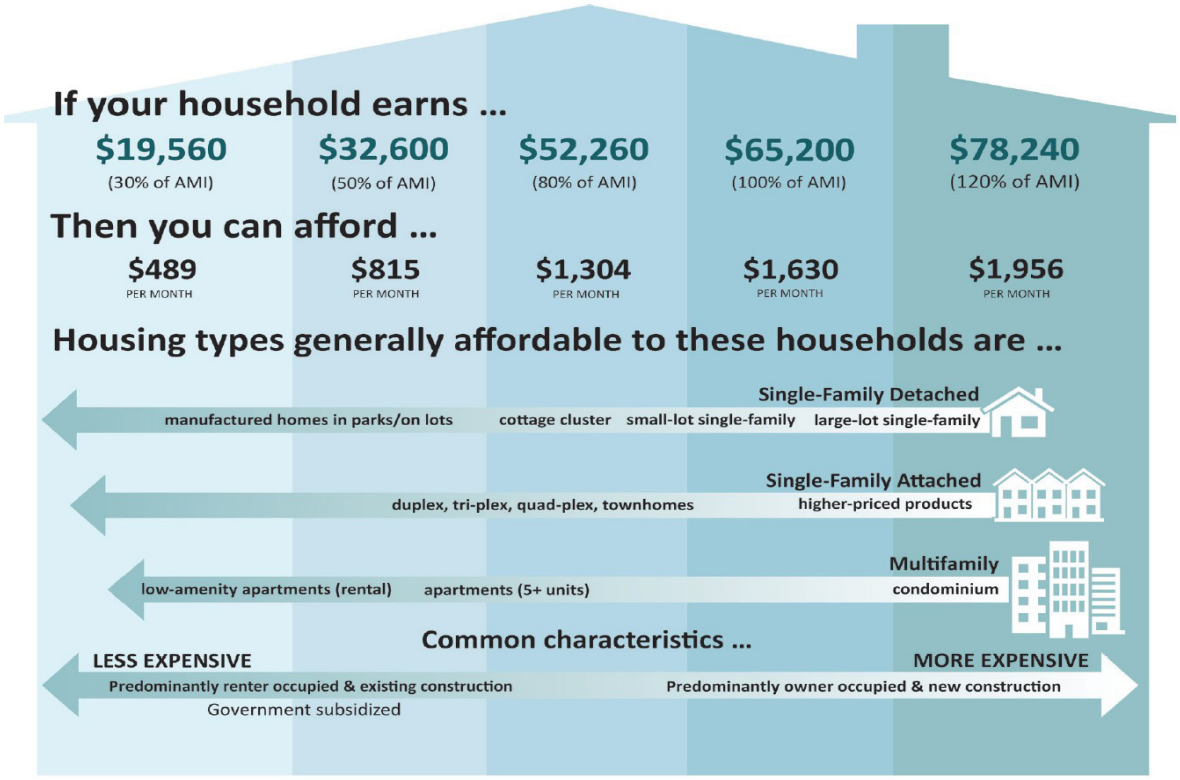



Source: Zillow

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




Source: Zillow




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 or to 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 D.

- 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 will be 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 experience in the greater Spokane housing market can exert pressures on existing neighborhoods and communities in the form 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 potential displacement risks analysis was conducted to help inform provide this information for this 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.

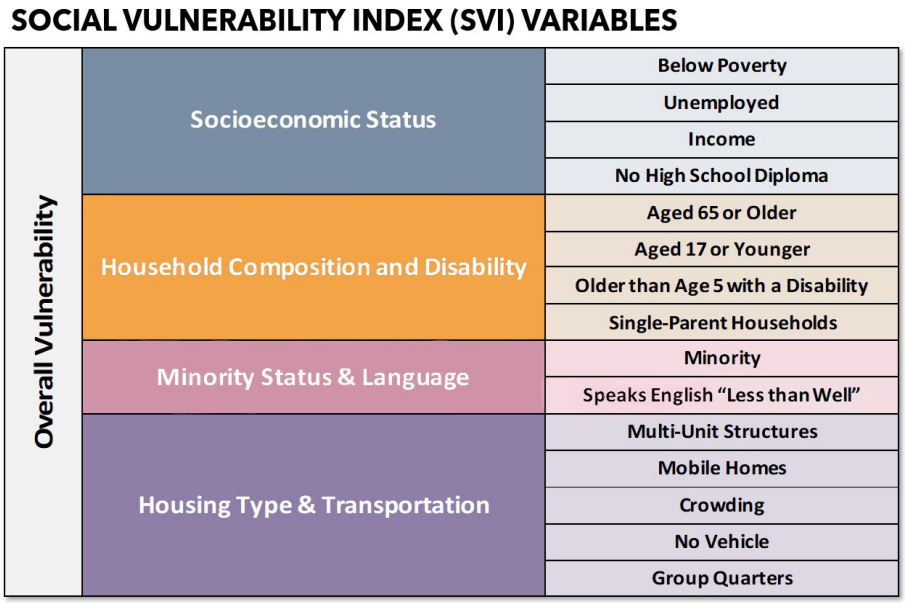
**Cultural displacement** occurs when people choose to move because their neighbors and culturally related businesses and institutions have left the area.

The City analyzed displacement using the Social Vulnerability Index (SVI) prepared by the Center for Disease Control[16]. 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**

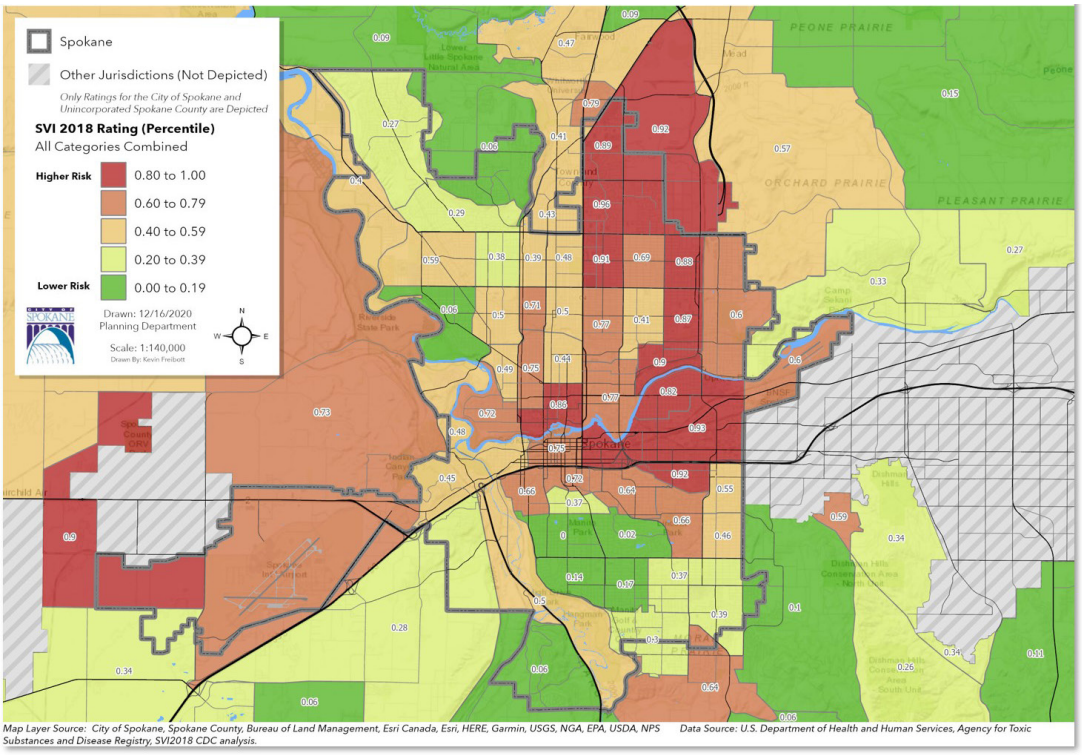



**Source: Center for Disease Control**

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 E 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

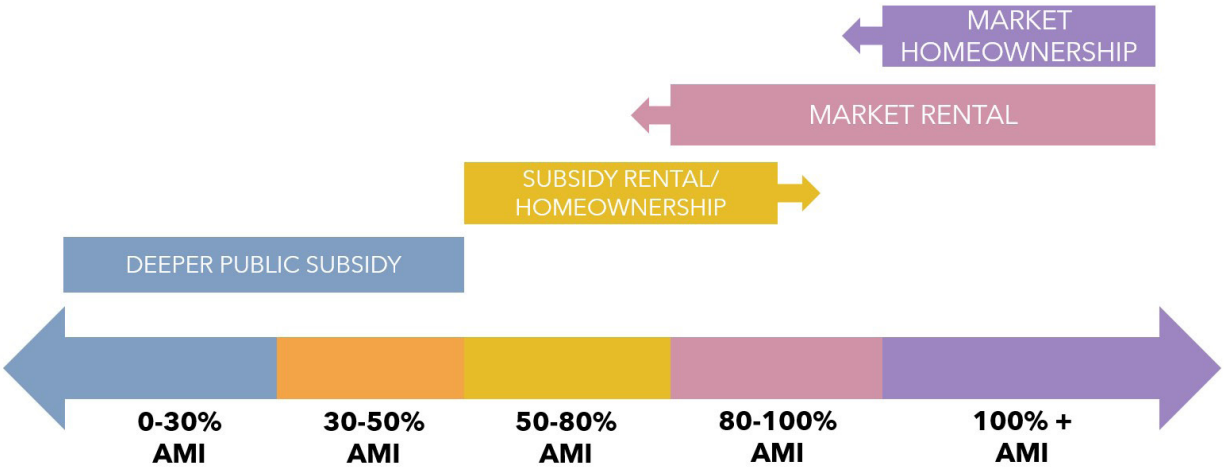
The City of Spokane cannot meet the housing needs of people and families alone. This will require leadership, commitment, and community dialogue to make intentional changes and to create and preserve more housing options for all incomes, both in variety and affordability. Everyone—including members of 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 Stategies 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 supports 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 for 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

## 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.

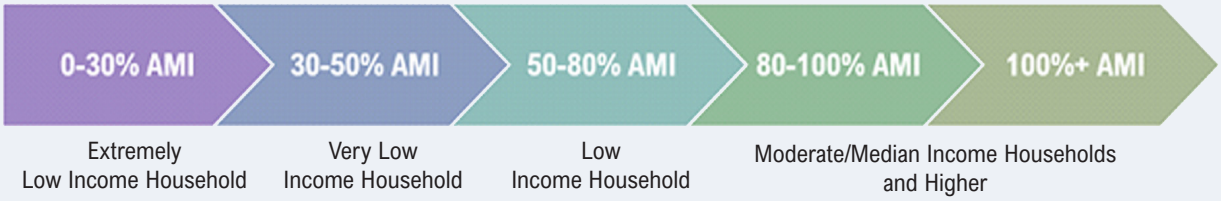
Every five years, the City looks to finalize plans for programs and services that support Spokane's low-income individuals and families through the Community, Housing and Human Services (CHHS) Department.[21] This process involves extensive planning, outlining strategy, and goal setting, and is crucial 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:

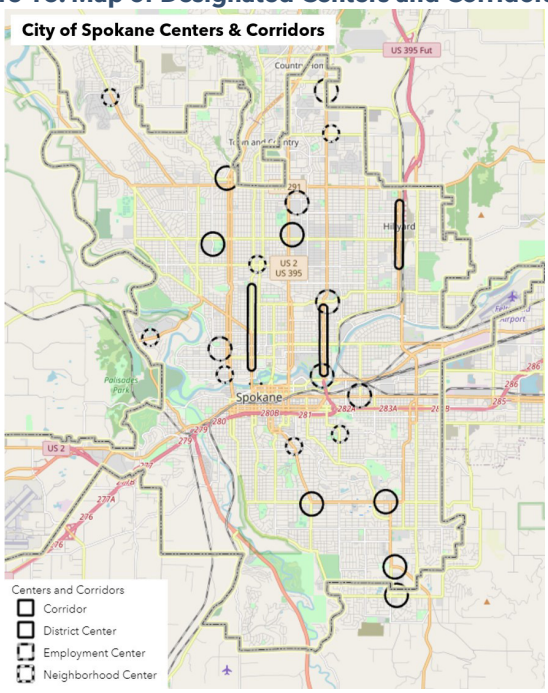
- Adopt SEPA (State Environmental Policy Act) infill exemptions (RCW 43.21C.229) for residential or mixed-use development; suggested action in RCW.36.70A.600.
- Consider using SEPA Planned Actions to complete SEPA review in advance for key properties or areas of potential residential development; suggested 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 a within these areas is 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 Zone.22

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 incentivize converting surface parking lots and underutilized office space into higher density housing where found throughout the City.
- 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.

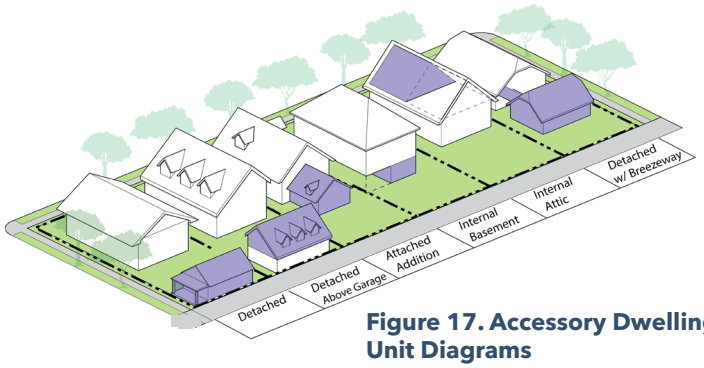



**Figure 17. Accessory Dwelling Unit Diagrams**

The City of Spokane has long maintained an ADU policy (17C.300), and the City's development code currently allows ADUs in all residential zones[23]. 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.

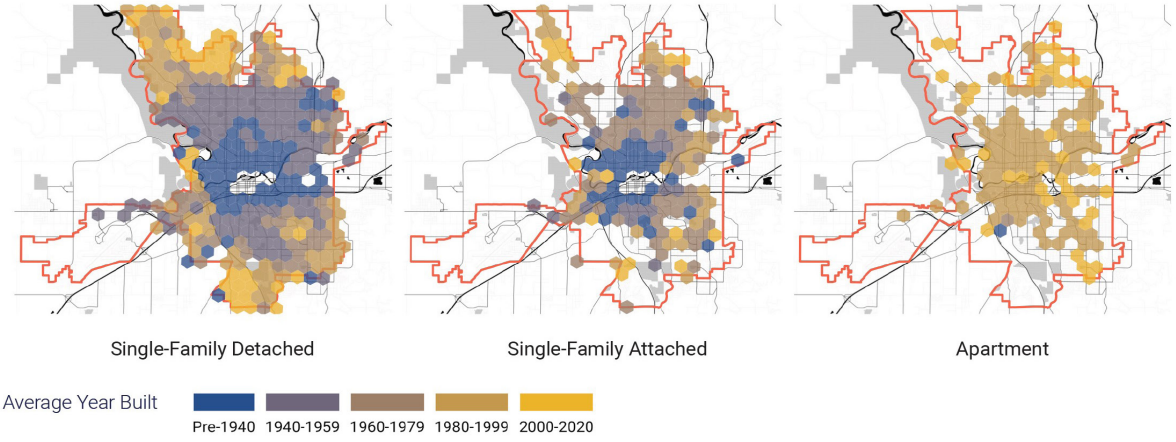
- Acquire unused or distressed hotels or other existing buildings to convert to affordable housing. Amend the municipal code to require no additional parking for historic adaptive reuse that includes housing.

- 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 cost[26]. 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.

**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/

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.

- 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 rentals[30] 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 outcomes[31].

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/

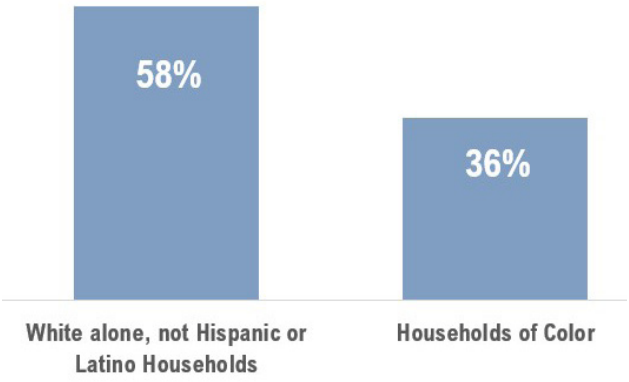
## Draft Strategies

### 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 programs[32]. 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

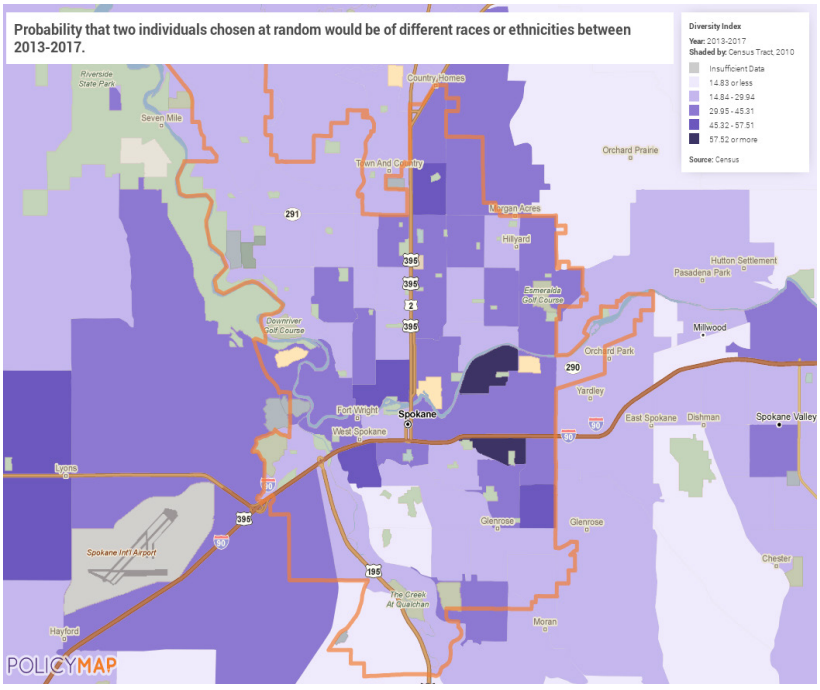
## C2. Address racial inequities and disparities in housing.

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: PolicyMap[35], www.policymap.com

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 placed-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 locally and regionally 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 causing 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.

## D4. 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 (and other) 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.

# 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, investment level for the strategies discussed in the HAP. The potential first steps are suggested starting point 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.

**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 purse 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 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 F.

## Table 1. Implementation Matrix

| 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.** | • 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.<br>• 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.** | • Examine incentives for affordable housing, including allowing fee waivers for development of income-restricted units, while also exploring policies to mitigate displacement.<br>• 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.** | • 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.** | • Increase building height and/or remove parking required in exchange for more housing in Centers and Corridors.<br>• 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.** | • 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.** | • 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.** | • 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.** | • Streamline navigation and processes to support improved access to City housing and community development programs.<br>• 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.** | • Work with community members and tenant advocates to address ongoing barriers to accessing rental housing.<br>• 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.** | • 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.** | • 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.** | • 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.** | • 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.** | • 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.** | • 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.** | • 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.** | • 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. Housing Needs Assessment

B. Additional Data Analysis

C. Housing Policy Framework

D. Summary of Community Engagement

E. Displacement Risk Assessment

F. Proposed Monitoring Program

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

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