

I. Background

Spokane, like many other cities, developed from the center core outwards as neighborhoods were platted and developed. Central Spokane was a mix of retail and hotels; some of the hotel structures are still standing and have been converted to low-income housing. Other areas, such as Browne's Addition and Peaceful Valley, were developed for specific income levels. Logan and West Central neighborhoods featured many large Victorian style homes; some were later subdivided into lower income apartments. As they became older, some areas, such as Browne's Addition and around Corbin Park, became gentrified and/or were designated "historic."

Other areas were developed to meet the needs of merchants and their support personnel. Unique village-like neighborhoods sprang up, such as Garland and Hillyard containing their own shopping and services. Retail development moved north on Division Street and east on Sprague Avenue.

After World War II, pent up demand for moderate income homes led to development filling in around these neighborhoods. Many new homes were small, "starter" houses on 50 ft lots and were affordable to young families. The young families packed the schools in the 1950s and 1960s. New high schools were built in the City of Spokane: Shadle HS-1957 and Ferris HS-1963.

The construction of Interstate Highway 90 removed a swath of affordable homes from central Spokane to the nearby valley east of the city. Many of the remaining homes near the highway lost value because their neighborhoods were now divided, limiting easy movement along north-south connecting streets, and because of the highway traffic noise and pollution. This central area now comprises some census tracts with the highest concentrations of low-income households. The completed highway promoted growth farther east of the city limits. Builders found less expensive land outside the city limits, to the North and East. The Spokane Valley changed from a rural to a suburban setting. Spokane began growing outward again with middle- and upper-class homes built farther from the downtown core. The Spokane valley changed from

a rural to a suburban setting, with new schools, parks, and shopping centers.

The Washington Omnibus Civil Rights Act banned discrimination based upon race or creed in publicly funded housing in 1957. The US Fair Housing Act (passed a week after the assassination of Dr. Martin Luther King in 1968) prohibited discrimination based upon race, religion, or national origin in the sale, rental, or financing of housing. Later the law was amended to include discrimination based upon gender, disability, or the inclusion of children in the family. However, the 1968 act allowed housing projects developed exclusively for seniors age 55 or older. Religious organizations (Catholic Charities of Spokane, Central United Methodist Church) were sponsors of many projects for low-income seniors. The acceptance of special housing for seniors (Cathedral Plaza, Rockwood Lane) combined with the outward migration to newly built homes on larger lots left much of the inner-city as rental housing, many with absentee landlords, and slow deterioration began.

As the older housing became available for low-income tenants and home buyers, several problems appeared. The age of much of the housing meant that lead-based paint had been applied in the past and had to be removed. Repair and rehabilitation to insure the health and safety of the low-income occupants became the target of the Community Development Housing Rehabilitation program. Low cost loans with extended pay-back periods were made available to low-income families. Landlords could avail themselves of these loans provided they agreed to keep the rents stable for a certain number of years. (Appendix C3, C4)

In the City of Spokane, the areas of affordable housing, were identified in the early 70s. East Central, West Central and Hillyard were the areas of lowest income, followed by Logan, Nevada-Lidgerwood, North Hill, Chief Garry Park, Lincoln Heights, and all older inner-city areas. [These low income "Community Development Neighborhoods" now receive financial assistance for housing and infrastructure development.] (Appendix D5)

Since 1970, the Spokane housing stock grew at twice the rate of population growth, reflecting a

reduction in household size. The early 90’s was a period of high employment growth in Spokane, which caused housing shortages. Home values and rents increased at annual rates of 15% and greater. Housing affordability became a serious problem. Since the late 90’s, housing price increases in Spokane moderated somewhat.

Since 1990 there has been a rise in “high end” home construction outside of the City of Spokane. Residential subdivision construction began slowing in 2008. Today about 47% of the units in Spokane

County, but outside of the City of Spokane, are less than 30 years old, compared to 23% within the City of Spokane. Annual apartment construction peaked at 1600 units in 2004 before declining somewhat. Of the 194,000 housing units in Spokane County, 66.5% are detached houses. Of the total, 93.5% are occupied, according to the 2009 American Community Survey (ACS.) As construction focused on the outer periphery, where owner occupancy has grown the most, renter occupancy has been stronger in the central core.

	Owner Occupied	Renter Occupied	Total Units
City of Spokane	49,128 (53.4% T1)	36,219 (39.4% T1)	92,005 (T1)
County outside of the City of Spokane*	69,940 (68.3% T2)	26,481 (25.9% T2)	102,377 (T2)
Spokane County	119,068 (61.3% T3)	62,700 (32.3% T3)	194,382 (T3)

*The US Census provides data for the total county population. In this chart, it was possible to extrapolate a measure for the population living outside of the City of Spokane, but not in the smaller cities.

Average income in the Spokane area is lower than in the western urban centers of Washington, but home ownership in Spokane County (65.5%) is higher than in King (60.9%) and Pierce (63.5%) counties. The national home ownership rate is 66.9%. (ACS 2009)

Most owners (64%) use utility gas for heat; most renters (66%) use electric heat. Most owner units (62%) compared to just 24% of renter units, are homes of married couples. Non-families (singles or unrelated individuals) occupy only 27% of owner units, compared to 55% of renter units. Two percent of owner households have no vehicle, compared to 16% of renter households. In 2009, the City of Spokane and Spokane County overall rental vacancy rates hit 9.7% and 7.4% (ACS 2009,) but the vacancy rate for low income affordable studios and

one-bedroom homes was below 2% as recently as 2008. (Spokane Low Income Housing Consortium Rental Survey)

Poverty rates vary from 3% to 30% between census tracts within the City of Spokane, and also vary dramatically outside of the City. Since the early 1980’s, the federal government has considered 30% of household income as the threshold under which housing costs are considered “affordable.” Over half of Spokane County renters paid more than 30% of their income in rent (ACS 2009.) [A household is considered to be low-income if it is below 80% of the area’s median income. The City of Spokane’s median household income is \$49,835; for the County, \$58,928. The City of Spokane and Spokane County low-income benchmarks are \$39,868 and \$47,142 respectively.]

	Population	Census Defined Poverty	Housing costs over 30% of income
City of Spokane	203,000	19.9%	Owners 29.4%, renters 57.1%
Spokane County	467,000	14.8%	Owners 28.6%, renters 52.6%
Washington State	6,664,000	12.3%	Owners 33.6%, renters 50.1%

In this chart, one statistic stands out: The housing cost strain on renters is greater than the strain on those who are purchasing a home. Not only do proportionately more renters than owners need to cover “housing costs over 30% of income,” but renters do not enjoy the federal income tax benefits that the owners gets on some of their costs (deductions of mortgage interest and real property taxes,) nor do renters accumulate value over time.

II. Financial Support for Low Income Housing

US Department of Housing and Urban Development (HUD) provides loans and grants for construction, acquisition, and rehabilitation of low-income multifamily and single-family housing. **HUD** requires a Citizen Participation Plan to advise local officials in planning and assessing the expenditure of the funds below.

- **HOME Investment Partnership Program** is the largest federal block grant to state and local governments designed exclusively to create affordable housing for low-income households. The local governments must provide 20% of the cost of the program.
- **Community Development Block Grant (CDBG)** program is a flexible program that provides “entitlement” areas (at least 51% of the residents must have low/moderate incomes) with resources to address a wide range of housing and community development needs including acquisition of real property, relocation and demolition, rehabilitation of residential and non-residential structures, construction of public facilities and improvements, such as water and sewer facilities, streets, parks and neighborhood centers.
- **Emergency Shelter Grant Program** to local governments on a match basis for rehabilitation or conversion of buildings for use as emergency shelters.

Washington State Housing Finance Commission administers the **Low-Income Housing Tax Credits** under the Internal Revenue Code to assist in the development of low-income housing. **WSHFC** allocates the credits to projects that meet long-term low-income occupancy and rent restrictions.

Washington Department of Commerce administers the following:

- **Housing Trust Fund** to provide funding for organizations, non-profits and local governments, for multi-family rental projects and home-ownership opportunities benefiting low-income

households. Projects are required to maintain a long-term commitment to affordability; grants and loans are awarded through a competitive process. There are set-asides for weatherization, farm worker housing, housing for homeless families, mobile home park preservation, self-help housing, Native American housing, and housing for person experiencing domestic violence.

- **Homeless Grant Assistance Program (HGAP)** to provide grants to Washington State counties for innovative projects that reduce homelessness and demonstrate systems change by integrating criminal justice, social service, health, and other state and local systems.
- **Emergency Shelter Assistance Program** to provide Washington State funds for emergency shelter and services. Local resources match state funds. Funds are used to cover expenses of shelters and to carry out homelessness prevention activities, rental or mortgage assistance, security deposits, case management and landlord-tenant mediation.

Washington Families Fund gives homeless individuals and families access to the support services and resources they need to become self-sufficient. Washington State and private sector partners have pledged support, including the Allen Family Foundation, the Boeing Co., the Gates Foundation, the Medina Foundation, Microsoft Corp., the Seattle Foundation, United Way of King County, and other foundations.

Homeless Housing and Assistance Act of 2005: The County Auditor collects a real estate document recording fee, to raise funds for emergency shelters, low income capital projects, and low income housing support services. A portion of this revenue goes to Washington State for **HGAP**, above. The City of Spokane administers the retained funds (applicable to real estate within the city limits) and Spokane County administers the remainder of the retained funds. (Appendix I)

The Multiple Family Housing Property Tax Exemption, enacted in 2000 by the City of Spokane is beginning to encourage desired development, a

mix of low income and middle income housing (in the Kendal Yard properties.)

Spokane has a number of housing developers working to expand the supply of affordable housing, including:

- **Washington Community Reinvestment Association** makes loans to non-profit and for-profit low-income housing developers.
- **Impact Capital** has a mission to help underserved communities and makes loans for housing development that serve low- and moderate-income residents.
- **Inland Empire Residential Resources** develops and manages housing for individuals with development disabilities and other low income individuals and families.
- **Pioneer Human Services** develops and manages affordable permanent and transitional supportive housing in downtown Spokane.
- **Catholic Charities of Spokane** manages, preserves, and maintains affordable housing for seniors, disabled, and low-income families.
- **Spokane United Methodist Homes** is dedicated to providing housing and services for seniors.
- **Spokane Urban Ministries'** mission is to develop affordable housing and support services.

III. Resource Contacts

A. **Contacts for Low Income Renters:**

Spokane Low Income Housing Consortium (a non-profit association of organizations that develop and promote affordable housing) sponsors the website www.onestophousing.org. Residents with low to moderate income levels can locate affordable housing that meets their needs within Spokane County through this website. The site allows landlords to list and advertize their affordable apartments without charge. Recently, the site listed

201 rental units in the City of Spokane, 52 in the City of Spokane Valley, and 10 in other areas of Spokane County. The site enables searching by rental price, location, unit size, and when the unit will become available. Searching as a hypothetical family of 2 adults and 1 child with an income of \$26,000 (which is 50% of the median area income for a family of three) returned 64 two bedroom units in the City of Spokane, 27 in the City of Spokane Valley, and 4 in other areas of Spokane County – all available within 30 days or less. This website includes openings in the affordable housing described below. Other very good websites are <http://www.khco.com/multi/> and <http://www.publichousing.com/city/wa-spokane>.

Spokane Housing Authority (SHA) is governed by six commissioners, appointed by Spokane County, the City of Spokane, and the City of Spokane Valley. SHA annually provides housing assistance to over 5000 low income families through a combination of tenant-based rental assistance, SHA-owned apartment communities, and scattered-site housing. SHA uses its bonding capacity and other funding sources to develop housing. With the completion of Agnes Kehoe Place, SHA will own and manage 16 housing projects comprising over 700 affordable rental units. Some projects focus on the elderly, some on the disabled, one on homeless adults, and one on pregnant or parenting teens. Contact phone numbers for each property are available on the website www.spokanehousing.org or call (509) 328-2953.

SHA administers the tenant-based Housing Choice Vouchers in Spokane, Stevens, Pend Oreille, Lincoln, and Whitman, Counties. These vouchers assist low-income families or individuals to pay the rent on their choice of privately held units upon which the landlord has met **HUD** Housing Quality Standards. Each family pays approximately 30% of their adjusted monthly income toward the contract rent and utilities, and the voucher covers the balance. **SHA** also administers the project-based vouchers that are assigned to specific addresses. There are long wait lists for both types of vouchers. Further rental assistance information can be found on the **SHA** website or by calling (509) 328-2953.

Veterans Administration Supportive Housing provides Housing Choice vouchers, distributed by **SHA**, to subsidize stable housing for veterans.

Housing Opportunities for Persons with AIDS is a program funded by **HUD** and administered by the **SHA**, offering long and short term tenant-based housing assistance for low income persons in Eastern Washington with HIV, AIDS or related diseases, and their families. Call (509) 328-2953 ext. 46.

Spokane Housing Ventures (SHV) is a non-profit community housing development organization. **SHV**'s mission is to preserve existing and develop new housing for families and individuals with limited incomes and disabilities, and to help residents access supportive services to achieve self-sufficiency. **SHV** owns and operates 18 housing properties that provide more than 650 affordable rental units within Spokane and Lincoln counties. **SHV** recently rescued Claire House on the South Hill from foreclosure and will construct a 61 unit Clare View Senior low income project nearby. **SHV** also has a 73 unit Centennial Trail Senior low income project in the pipeline. **SHV** receives funding from Washington State, Spokane County, and the City of Spokane. Information and a rental application can be found on the **SHV** website: www.spokanehousingventures.org. **SHV** rental information phone number is 509-232-0171.

Coast Real Estate Services manages eleven **SNAP** (formerly **Spokane Neighborhood Action Partners**) owned low-income properties, totaling 190 units. Rental information is available at (509) 747-2914 or the Coast website www.coastmgt.com.

A recent search of the **HUD** website www.hud.gov/apps/section8/index.cfm returned phone numbers and websites for 50 apartment complexes serving low-income residents in Spokane County. (Many of the complexes are also listed in the **SHA** and **SHV** websites above.)

B. Contacts for Aspiring Home Owners:

Direct Sale of HUD Properties – When someone with a **HUD**-insured mortgage cannot meet the payments, the lender forecloses and **HUD** pays the

lender what is owed. **HUD** takes ownership and sells the house at market value. Properties in revitalization areas may be made available to K-12 teachers, law enforcement officers, firefighters, or emergency technicians at a discount if the buyer commits to live in the home for 36 months. The site <http://hudhomestore.com/HudHome/Index.aspx> recently listed the details on ten **HUD** homes for sale in Spokane County.

Single Family FHA Insurance Programs insure purchase and refinance mortgages to private lenders on houses that are owner occupied. They also insure rehabilitation loans and loans for the development of multifamily housing. The buyer may have less than perfect credit and a down payment of just 3.5% of the purchase price. A search of the **HUD** site <http://www.hud.gov/ll/code/llslcrit.cfm> listed 56 Spokane financial institutions that make these loans.

The **Washington State Housing Finance Commission (WSHFC)** issues tax-exempt mortgage revenue bonds and the proceeds are available through local lenders. This enables first-time low- and moderate-income households in Spokane to obtain fixed rate first mortgage loans through Academy Mortgage (509-475-8890) or Bank of America (509-483-5819.) www.wshfc.org/buyers/index.htm recently indicated an interest rate as low as 4.75% with 2 points paid at closing. Down payment assistance is also available.

WSHFC also offers veterans down payment assistance, a second mortgage loan program with a 3.00% interest rate and a ten-year loan term. Borrowers must be first-time homebuyers or buying within specified low-income census tracts. See www.wshfc.org/buyers/keyveterans.htm

Tenant Based “Section 8” Homeownership, administered by **SHA**, provides that after at least 12 months of assistance with Housing Choice Vouchers, qualified households may be eligible to use their voucher to assist with mortgage payments. See www.spokanehousing.org or call (509) 328-2953.

Spokane Neighborhood Action Partners (SNAP) offers a number of services for low-income residents seeking to become homeowners. See www.snapwa.org or call (509) 456-7106.

- **Pre-Purchase Counseling:** Helps households identify and overcome barriers to home-ownership. Home Buyer Education classes are also available.
- **Down Payment Assistance Loan Program:** When funds are available, first-time homebuyers, below 80% of the area median income, may obtain loans up to \$15,000. Borrowers, with an acceptable credit history, must invest 3% of the purchase price from their own savings.
- **Individual Development Account (IDA)** is a matched savings account. For each dollar a participant saves in the IDA, **SNAP Financial Access** adds one or two additional dollars. Participants save up to \$2,000, which is matched by up to \$2,000 or \$4,000, depending on funding sources available. The accounts must be used for: first time home, education, or small business.

Habitat for Humanity Spokane, an ecumenical non-profit Christian ministry, enters into partnerships with families currently living in inadequate housing, who wish to own a home of their own. Families purchase their homes at cost directly from Habitat for Humanity with no profit, no interest loans. Family income must be between 25% and 60% of area median income and the family must contribute 500 hours of "sweat equity." See www.habitat-spokane.org or call (509) 534-2552.

Arc of Spokane assists people with developmental disabilities to find a mortgage, find a suitable home, make an offer and close on the home. See www.arc-spokane.org or call (509) 328-6326.

Community Frameworks offers prospective home buyers who participate in **HomeStarts** up to 20% down payment assistance on their newly constructed homes, financing of closing costs, and credit and debt management education. Call (509) 484-6733 or see www.communityframeworks.org

C. Contacts for Low Income Homeowners:

Spokane Neighborhood Action Partners (contact the nearest **SNAP** office) connects low-income renter and homeowners to:

- **Mortgage Default Counseling** to help homeowners determine what options may be available to remedy default and avoid foreclosure.
- **Senior Energy Assistance**, funded from fees collected through Avista's Low-Income Rate Assistance Program, provides assistance for both heating and non-heating Avista expenses. The program usually has funding available throughout the year.
- **Weatherization Assistance Program** enables low-income homeowners and renters (landlords must give permission) to permanently reduce their energy bills by making their homes more energy efficient. Recipient income must fall below 60% of the state median income.
- **Project Share**, funded by contributions from Avista and their customers, provides energy assistance to those who have exhausted all other available energy assistance sources.
- **Housing Rehabilitation Program** provides health and safety-related home repairs that improve safety and comfort. Repairs include, roofing, electrical, plumbing, septic systems, and handicap modifications.

Community Development Department, of the City of Spokane, is guided by a 10-member advisory board. Among its housing services are the following:

- **Single Family Housing Rehabilitation** loans up to \$25,000 to low- and moderate-income homeowners for home repair. Contact Kiemle & Hagood Co. at (509) 755-7555.
- **Roofs Only Program** loans up to \$10,000 at 3% interest to low- and moderate-income homeowners for roof repair. Contact Kiemle & Hagood Co. at (509) 755-7555.

- **Lead Safe Program** prevents childhood lead poisoning by finding defective lead-based paint in owner and renter-occupied housing, and providing grants up to \$10,000 to the family with children. Contact Kiemle & Hagood Co.

Housing and Community Development of Spokane County makes available funds for grants or 0% loans to low income homeowners to connect to the sewer system. Call (509) 477-4490 or see spokanecounty.org/communitysvcs/HCD/

The Lands Council helps coordinate lead activities of the Community Development Department, Spokane Regional Health, and the Childhood Lead Hazard Control program, including construction worker training, outreach to families in older homes, lead unit referrals and testing of elevated-blood-lead children. See www.landscouncil.org

D. Contacts for Emergency Shelter and Transitional Housing

A wide variety of emergency shelter services are provided by charitable non-profit agencies in Spokane. In addition to shelter from the elements, many offer meals, clothing, phone service, counseling, medical check-ups, mental health services, child care assistance, parenting training, life-skills training, and assistance finding permanent housing and employment. A great resource website is 4people.org/Shelters/spokane.html

- **Catholic Charities House of Charity** for men: 32 W Pacific Ave. (509) 624-7821
- **Catholic Charities St Margaret's Shelter** for women and children: 101 E Hartson Ave. (509) 624-9788
- **Community Detox Services** sobering unit: 312 W 8th Ave. (509) 477-4620
- **Interfaith Hospitality Network** shelters families in various churches: (509) 747-5487
- **Salvation Army Family Emergency Center** for families or couples: 222 E Indiana Ave. (509) 325-6810

- **Transitions Miryam's House** for women: 1805 West 9th Ave. (509) 747-9222
- **Transitional Living Center** for women and children: 3128 N Hemlock St. (509) 325-8632
- **Truth Ministries** for men: 1910 E Sprague Ave. (509) 456-2576
- **Union Gospel Mission** for men: 1224 E Trent Ave. (509) 535-8510
- **Union Gospel Mission** for women and children: 1234 E Sprague Ave. (509) 535-0486
- **Volunteers of America Crosswalk Youth Shelter** for teens: 525 W Second Ave. (509) 838-6596
- **Volunteers of America Hope House** for women: 111 West 3rd Ave. (509) 455-2886
- **Volunteers of America** – several housing complexes serving in-transition populations. See voaspokane.org/default.aspx
- **YFA Connections Crisis Residential Center** for teens: 22 S Thor St. (509) 624-2868
- **YWCA Alternatives to Domestic Violence Shelter** for women: location confidential (509) 326-2255

SNAP's Homeless Housing Program – See www.snapwa.org or call (509) 456-7106.

- **Emergency Housing: SNAP** locates shelter for clients needing to become more stabilized. Participants must be clean/sober 90 days prior to approval. The fee is refunded at move out if the unit is left clean, free from abandoned objects and no damage has occurred. At 60 days a \$100 non-refundable program fee is due. Requires a professional referral. Call (509) 456-7106.
- **Transitional Housing: SNAP** provides up to 12 months of case management and temporary housing services for homeless families with

children. Participants must be sober for 90 days and make positive changes in their lives.

- **Homeless Daycare:** SNAP provides up to 90 days free daycare for households that are homeless and do not qualify for any other daycare service.
- **Home Run:** SNAP arranges a partnership between the client, a housing coach, and the future or current landlord. The housing coach will assist the client in searching for housing, meeting with landlords, providing resource referrals, and assisting in barrier assessment and removal.

IV. Summary of The Spokane Regional 10-Year Plan to End Homelessness -2009 Update

In 2004, the City of Spokane and Spokane County began the regions first cooperative plan to measure and then reduce the regions homeless population. In 2008, the Spokane City Council and the Spokane County Commissioners adopted an updated plan to reduce homelessness. Annually, HUD requires a census of the total beds/units available for homeless populations in our region. Primary service populations include households with children, households without children, and chronic homeless.

Emergency Shelter - Between 2007 and 2009 there was a 31% increase in emergency shelter beds available for homeless individuals. Based on data reported in 2007 the total number of emergency shelter beds was 465; that number increased to 624 in 2008 and again to 670 in 2009. Emergency shelter is an important element in our battle against homelessness, but not the most effective tool.

Emergency shelters offer temporary relief for one or more nights, but they do not provide a sustainable housing alternative for individuals experiencing homelessness.

Transitional Housing - The total number of transitional housing beds/units increased from 489 in 2007 to 630 in 2009, a 22% increase. This increase reflects an increased emphasis on helping homeless individuals transition from shelters into more stable housing.

Permanent Housing - Permanent supportive housing has increased by 124 total beds/units between 2007 and 2009, a 36% increase. In addition to transitional housing, permanent supportive housing is essential to assist our efforts to reduce regional homelessness. Permanent supportive housing provides homeless individuals and families with stable affordable housing. Permanent housing is the gateway to ending homelessness and breaking recidivism rates in homeless families. Regionally, we are in need of additional permanent housing beds/units to provide the necessary support for households with children

Conclusions of the Plan (2009 Update) -

Regionally, we are making significant advances to address and reduce homelessness. Housing is our most critical element to achieve the goal of reducing homelessness by 50% by 2015. There is a direct correlation between a 23% reduction in the number of homeless individuals counted and the overall increase in housing. Regionally, we must continue our pursuit toward addressing and increasing the number of available beds/units to help reduce regional homelessness.

Bibliography:

- American Community Survey (ACS) US Census Bureau ongoing survey that produces data every year. <http://www.census.gov/acs/www/>
- 2010 Consolidated Community Development and Housing Plan, prepared by the Department of Community Development, City of Spokane, Washington
- Spokane County 2010–2014 Consolidated Plan, (SCCP) prepared by the Spokane County Community Services, Housing, Community Development Department, adopted by the Spokane County Board of County Commissioners on Mat 11, 2010
- Spokane Regional Ten-Year Plan to End Homelessness – 2009 Annual Update, prepared by the Human Services Department, City of Spokane, Washington (Data from the City of Spokane and Spokane County are combined in the report.)

Committee: Joyce Jones, Pete Duffy. Reading Committee: Ann Bailor, Ron Bailor, Ann Murphy, Alice Stoltz,