



Planning Commission Regular Meeting Agenda

Wednesday, May 28, 2025 at 6:00 PM

9103 E Frederick Ave.

www.youtube.com/@cityofmillwood

1. CALL TO ORDER & ROLL CALL

2. APPROVAL OF MEETING AGENDA

3. APPROVAL OF MINUTES

- a. [Motion to approve April 30, 2025 Meeting Minutes as presented or with modifications.](#)

4. ACTION ITEMS

- a. [Periodic Update - Discuss modifications to Draft Comprehensive Plan Land Use & Housing Elements](#)
- b. [Periodic Update - Racially Disparate Impacts \(RDI\) Analysis Overview & Discussion](#)

5. PUBLIC REMARKS

Public Remarks are an opportunity for citizens to address the Planning Commission either in-person or by submitting their remarks to remarks@millwoodwa.us. We ask that in-person speakers limit themselves to two minutes and follow the Citizen Participation Guidelines Policy as posted on the City of Millwood website www.millwoodwa.us/government#CityCouncil or available at City Hall prior to this meeting.

6. CITY PLANNER REPORT

- a. [April 2025 Planning Report](#)

7. COMMISSIONER COMMENTS

8. SET NEXT MEETING - June 25, 2025 at 6:00 pm

Anticipated Agenda Items:

Periodic Update - Discuss potential modifications to Draft Comprehensive Plan Land Use, Housing, Transportation, EPF, Capital facilities and Utilities

9. ADJOURNMENT



Planning Commission Regular Meeting Minutes

Wednesday, April 30, 2025 at 6:00 PM

9103 E Frederick Ave.

www.youtube.com/@cityofmillwood

1. CALL TO ORDER & ROLL CALL

Meeting called to order by Commissioner Ankney at 6:00 pm. Commissioner Wu attended the meeting remotely. A quorum was present.

PRESENT

Commissioner Mike Ankney
Commissioner Bobbie Beese
Commissioner Jay Molitor
Commissioner Bill Rickard
Commissioner Savannah Wu

2. APPROVAL OF MEETING AGENDA

The Agenda was amended to include Public Hearing to Action Item 4b Periodic Update.

Motion made by Commissioner Rickard, Seconded by Commissioner Molitor to approve the amended agenda.

Voting Yea: Commissioner Ankney, Commissioner Beese, Commissioner Rickard, Commissioner Wu

3. APPROVAL OF MINUTES

a. Motion to approve March 26, 2025 meeting minutes as presented or with any modifications.

Motion made by Commissioner Molitor, Seconded by Commissioner Beese to approve the March 26, 2025 Planning Commission Regular Meeting Minutes as presented.

Voting Yea: Commissioner Ankney, Commissioner Beese, Commissioner Molitor, Commissioner Rickard, Commissioner Wu

4. ACTION ITEMS

a. Periodic Update - Information

Area Median Income (AMI)

Pop Housing Using BERK Commerce Method

Ms. Tainio shared the responses she received regarding questions the commission had asked about Area Medium Income and projected housing units for Millwood. The Commission discussed the projected, allocated and occupied housing units for Millwood. Ms. Tainio stated that she would work on getting additional clarification on those numbers and there would be time for more discussion on housing when the commission began review of the housing section.

b. Periodic Update -

Review modifications to Draft Comprehensive Plan Ch. 1, 2, 3, & 4
Updated Community Visioning - Goals, Policies and Actions Framework
New Draft Comprehensive Plan Parks and Recreation Element

Commissioner Ankney opened the public hearing on the Draft Comprehensive Plan Chapters 1,2,3, & 4 Updated Community Visioning - Goals, Policies and Actions Framework & New Draft Comprehensive Plan Parks and Recreation Element at 6:11 pm. Commissioner Ankney asked if any of the Commissioners had a conflict of Interest; none of the Commissioners had a conflict of interest.

Ms. Tainio presented her staff report which included the changes incorporated from the Planning Commission's work to date. She discussed with the Commission the Racially Disparate Impact Analysis (RDI) she was working on for the Comprehensive Plan and the racially restrictive covenants that were still in place on Millwood lots.

Commissioner Ankney opened the Public Testimony portion of the Public Hearing at 6:21 pm and closed the Public Hearing at 6:33 pm.

Shirene Young, 8903 E Liberty, asked for clarification on affordable housing, citizen participation, Mixed Use, Multi-story buildings, climate change & environmental justice.

LaDonna Dement, 10306 E Empire, asked for clarification on the density for the UR-1 District.

5. PUBLIC REMARKS

Commissioner Ankney asked Commissioner Wu to temporarily take over as the Planning Commissioner Chair so he could make a public remark as a citizen.

Mike Ankney, 3009 N Willow, stated that he was appalled at the credit card misuse by Mayor Freeman.

Todd Beese, 8610 E South Riverway, stated he had gotten a comment from one of the Council Members that said appropriate actions had been taken to ensure that public funds were accounted for and policies were in place that would prevent this from occurring in the future.

LaDonna Dement, 10306 E Empire, stated that at the last council meeting the council stated that they would be having an independent investigation done on the matter.

6. CITY PLANNER REPORT

a. March 2025 Planning Report

Ms. Tainio presented her March Planning Report.

7. COMMISSIONER COMMENTS

Commissioner Rickard thanked Commissioner Ankney for his remarks.

Commissioner Beese expressed concern that there be a separate public hearing on the Parks and Recreation Element (Master Plan). She also reminded everyone about the MAC Museum Mother's Day tour May 10th & 11th.

Commissioner Molitor commented on the article in the newspaper about Bobbie Besse and the Corner Door building, thanked Commissioner Ankney for his remarks and thanked Ms. Tainio for her work on the Comprehensive Plan.

Commissioner Wu thanked staff for the mixed-use email.

Commissioner Ankney thanked staff, Ms. Tainio for their work and thanked the audience for their continued attendance.

8. SET NEXT MEETING - May 28, 2025 at 6:00 pm.

Anticipated Agenda Items:

Periodic Update - Discuss potential modifications to Draft Comprehensive Plan Land Use, Housing, Transportation, EPF. Capital Facilities and Utilities.

9. ADJOURNMENT

Motion made by Commissioner Rickard, Seconded by Commissioner Molitor to adjourn the Planning Commission Regular Meeting at 6:52 pm.

Voting Yea: Commissioner Ankney, Commissioner Beese, Commissioner Molitor, Commissioner Rickard, Commissioner Wu

Approved:

Attest:

Michael Ankney, Planning Commission Chair

Lisa Cassels, City Clerk

CHAPTER 5 - LAND USE

5.1 INTRODUCTION

The land use chapter is often known as the heart of the comprehensive plan. It is thought of as the heart of the plan because it identifies how the projected population will be accommodated and it is the guiding force of the development regulations and land use decisions. The land use chapter is an important tool for the management and coordination of future growth and redevelopment. The County-wide Planning Policies and outcomes of the community visioning process are, also, incorporated within this chapter.

In this chapter, the city is described through its natural and built environments and current land use patterns. Millwood’s development regulations implement how and where growth may occur and are compatible with the goals and policies of this chapter.

Today, the land use pattern in Millwood is urban in character. The city is divided from east to west by Argonne Road. Commercial uses lie adjacent to Argonne Road on the east and west sides of the street. Moving further west and south lies single-family residential homes. Land uses on the east side of the Argonne Road includes residential, public, commercial, and industrial. To the southeast of the industrial lands lies more single-family housing and duplexes.



Figure 5-1: Millwood is defined by its connection to the Spokane River.

Trent ~~Road~~Avenue (State Highway 290) forms the southern border of the City. The north side of Trent ~~Road~~Avenue lies within the City boundaries and is lined with commercial and light industrial businesses.

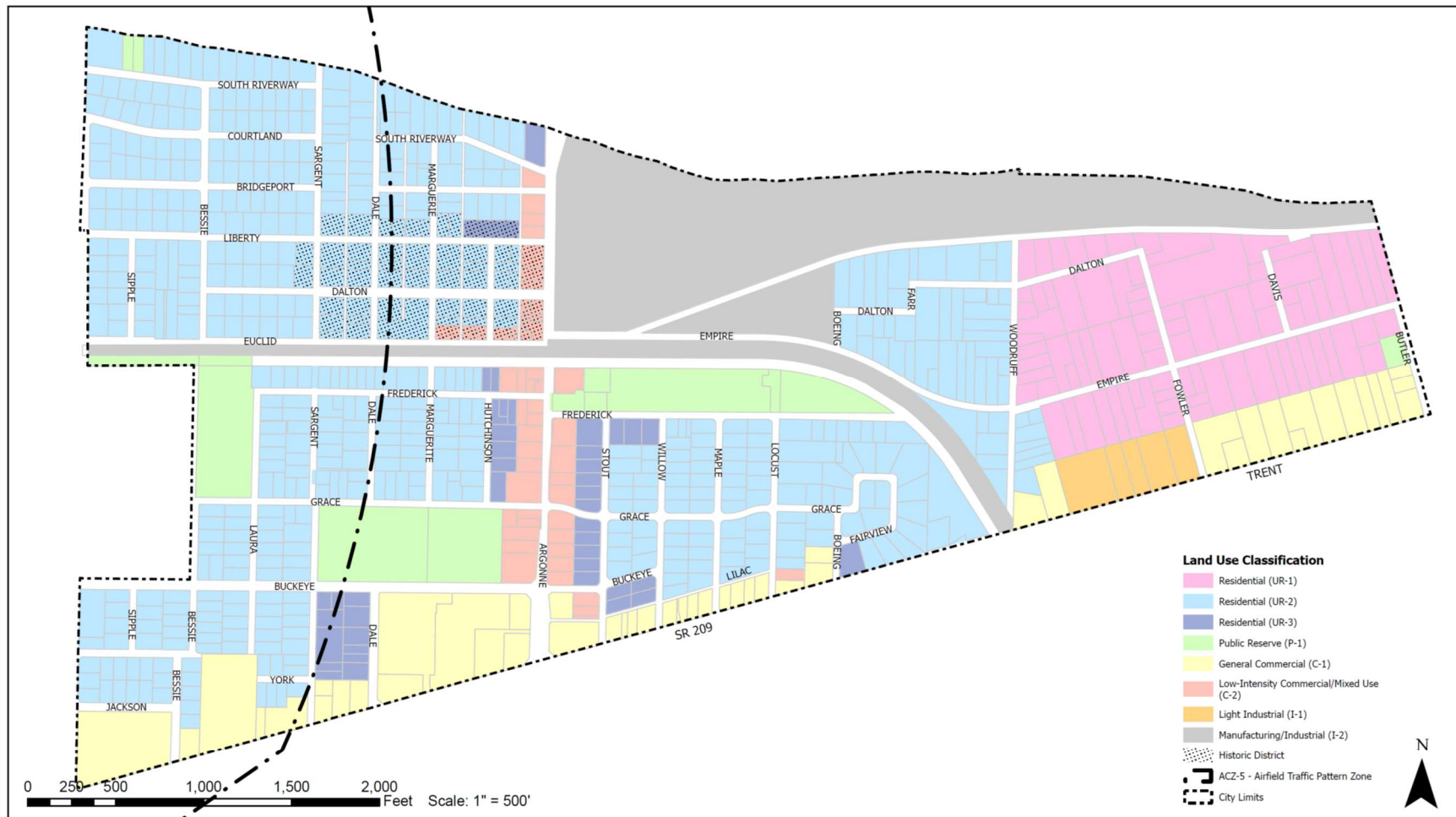
The land use chapter covers important factors which influence where and how development may or may not occur. Those factors include Spokane Felts Field Airport and its restrictions to development, the urban growth area, critical areas, and open space corridors.

5.2 EXISTING LAND USE CONTEXT

The City of Millwood is a small community with limited land for expansion. Therefore, Millwood has adopted zoning which will meet the demands of the growing population and enhance economic activity by increasing the density of residential and commercial development.

By adopting the following zoning categories, the city hopes to achieve a denser commercial development along Trent Avenue and Argonne Road, infill development in the residential areas and the creation of a multi-family zone to allow for higher density residential development. ~~Below in~~ Table 5-1 ~~are lists~~ the zoning categories with descriptions and Map 5-~~2~~1 show this information in the land use / zoning map.

-ZONING MAP



WELCH-COMER
ENGINEERS | SURVEYORS
www.welchcomer.com 208-664-9382

COPYRIGHT 2025
Welch-Comer & Associates, Inc.
This document, and ideas and designs incorporated herein, as an instrument of professional service, is the property of Welch-Comer & Associates, Inc. and is not to be used in whole or in part for any other project without the written authorization of Welch-Comer & Associates, Inc.

CITY OF MILLWOOD
LAND USE & ZONING MAP

Sources:
ESRI Basemaps
Spokane County GIS
City of Millwood

PROJECT NO..... 51007.00
DRAWN BY..... CSH
FILENAME..... LCA-ZoningMap
DATE..... 03-25-2025

Map 2-5-1:- Millwood Land Use / Zoning Map

Table 125-1: Zoning Categories

Zone Name	Abbreviation	Description
Residential	UR-1	<u>This designation applies to the eastern portion of the City that has traditionally accommodated single-family detached homes on large lots with space for urban agriculture while allowing opportunities for infill development. The intent of this designation is to acknowledge the single dwelling residential building type as the primary use with the potential for accessory dwellings, duplexes, triplexes, townhouses, cottage housing, and other small-scale housing forms that are compatible in scale, form, and character with single-family houses. Residential for single-family housing and manufactured housing on individual lots, minimum lot size of 10,000 sq. ft. and 80 ft. street frontage; duplexes with a minimum lot size of 12,000 sq. ft. and 100 ft. street frontage. Maximum lot size of one acre.</u> 
	UR-2	<u>This designation is the predominant residential land use in Millwood with a small area included in the Millwood Historic District. The intent of this designation is to promote a variety of small-scale housing types with moderate densities including single family homes, accessory dwellings, duplexes, triplexes, townhouses, fourplexes, courtyard apartments, cottage housing, and other small-scale housing forms in neighborhoods characterized by low traffic volumes, abundant trees and other landscaping features, with easy access to parks and other recreational opportunities. Residential for single-family homes, minimum lot size of 5,000 sq. ft. and 50 ft. street frontage; duplexes with a minimum lot size of 7,200 sq. ft. and 70 ft. street frontage. Also includes accessory dwelling units. Maximum lot size of one acre.</u>

		  
	UR-3, MF	<u>This designation is located throughout Millwood and is intended as a buffer between the areas of the city zoned for low density residential and the busiest commercial areas throughout the city. It allows for higher density middle housing and multi-family housing up to two stories including fiveplexes, sixplexes, stacked flats, and multi-family units while accommodating existing single family uses and allowing accessory dwelling units. This High Density Residential district offers the highest density residential uses on the smallest lots located on or close to major arterials and providing easy access to public services and transit. Residential for multi-family structures, minimum lot size of 2,500 sq. ft. per dwelling unit and 100 ft. of street frontage. Duplexes require a minimum lot size of 7,200 sq. ft. and 70 ft. of street frontage. Single occupancy units and accessory dwelling units are also allowed. (50 ft for single 100 for duplex) check code to make sure this information is correct</u>   
General Commercial	C-1	<u>The General Commercial district is intended for large scale, auto oriented commercial uses located primarily along major arterials up to three stories. Businesses located in this zone provide goods and services to customers throughout the region. A variety of existing residential development is located in this zone, however new residential will focus on higher density and mixed use with commercial, as well as allowing hotels and temporary emergency housing to meet Washington State requirements. for large, high-traffic-generating businesses. Grocery stores and big-box retail stores are examples of typical businesses that would be encouraged in this zone.</u>

		  
Low-Intensity Commercial / Mixed Use	C-2	<u>The Low-Intensity Commercial / Mixed Use district is intended to provide housing opportunities and retail and professional services to a limited trade area. The zone should be developed on pedestrian scale to accommodate neighborhood and local community shopping needs, to provide variety in housing, and to create recreation opportunities without negatively impacting adjoining neighborhoods. C-2 zones shall be grouped along arterials and within one-fourth mile of a public transit route and should be designed to accommodate pedestrians. The zone should create an urban neighborhood and, in addition, serve several neighborhoods within walking distance or within a few miles allowing for short driving distances from home to the zone. The zone should serve as a buffer between residential zones and arterial roads thereby providing an appropriate land use transition. for small retail and service businesses up to three stories. A and apartments or other living quarters will be allowed encouraged in mixed-use structures up to four stories, for a more diverse environment. The central portion of the district, along Argonne Rd. is included in the Millwood Historic District.</u> Automobile-related uses such as drive-up windows would be discouraged.     

Light Industrial	I-1	<u>The Light Industrial district is intended for small to medium intensity industrial uses, up to four stories, that produce little to no noise or environmental emissions. Light Industry This zone also allows for hotels and temporary emergency housing to meet Washington State requirements.</u>  
Manufacturing / Industrial	I-2	<u>The Manufacturing / Industrial designation, also known as the Paper Mill Alternative zone for the historic Inland Empire Paper Mill, allows up to four stories, and is intended to preserve the existing use of the property without negatively affecting the aesthetics of the Argonne Road corridor and the Millwood Historic District, nor the quality of life for surrounding residences and businesses. If the site is abandoned, future uses would be mixed use commercial / residential and light industrial. (light industry, C-2-type commercial, and mixed-use residential if the site is abandoned by the IEPC Mill.)</u>  

		
Public Reserve	P-1	Public Reserve for public facilities, utilities, parks, (including a pedestrian link between parks) and open space.  

Building Intensities by Zone

Acreage by zone, in Table 5-2, indicates there are 827-829 total parcels (excluding right-of-way) within the city limits. This is an increase of only two (2) parcels since the last Comprehensive Plan update. The table further breaks down this information by each zoning category for parcels, acres, and percent of the total. Table 5-2 corresponds to Section 4.5, Land Capacity Analysis and are included in the adopted City of Millwood Land Capacity Analysis contained in the Appendix.

Table 5-213: Acreage by Zone

Zoning Category	# of Parcels	Acres	Percent
Residential (UR-1)	85	46.98	10.5%
Residential (UR-2)	575	162.79	36.3%
Residential (UR-3)	42	12.44	2.8%
General Commercial (C-1)	49	38.24	8.5%
Low-Intensity Commercial / Mixed Use (C-2)	53	13.06	2.9%
Light Industrial (I-1)	5	5.65	1.3%
Industrial / Manufacturing (Paper Mill Alternative I-2)	6	53.29	11.9%
Public Reserve (P-1)	14	27.10	6.0%
Zoning Total	829	359.55	80.3%
Right-of-Way & Railroad Parcel (10.66 Acres)	N/A	88.45	19.7%
City Total (0.7 Square Miles in City Boundary)	829	448	100%

Residential (UR-1)	85	45.81	10.5%
Residential (UR-2)	576	161.66	36.9%
Multi-family Residential (UR-3)	43	14.12	3.2%
General Commercial (C-1)	48	36.47	8.3%
Low-Intensity Commercial/Mixed Use (C-2)	53	12.52	2.9%
Light Industrial (I-1) & Paper Mill Alternative (I-2)	8	63.68	14.6%
Public Reserve (PR-1)	14	32.2	7.4%
Right of Way	N/A	71.11	16.3%
Total	827	437.5	100.0

Buildable ~~Residential~~ Lots

Spokane County adopted a revised Land Capacity Analysis (LCA) Methodology in March 2024. Based on this methodology, the City of Millwood completed a LCA, discussed in Section 4.5, with the adopted City of Millwood Land Capacity Analysis contained in the Appendix. The analysis of buildable ~~residential~~ lots identifies the total number of vacant and ~~partially-used~~under-utilized lots for each of the ~~three~~ residential zones. To identify the number of partially-used lots the value of assessed land for each parcel is identified and compared to the total land value (includes any upgrades or improvements to property). Based on a fair market value of \$100,000 those properties that meet the criteria of $\leq$ \$100,000 built investment per acres and/or under \$100,000 total in improvements are deemed partially-used. Additionally, a market factor of 30% of the vacant lots and 90% of the partially-used lots were deducted from the total available lots.

Table 5-3 and 5-4 correspond to Section 4.5, Land Capacity Analysis and are included in the adopted City of Millwood Land Capacity Analysis contained in the Appendix.

Table 5-3: Residential Land Analysis

Zoning Category	Vacant Residential Acreage	Partially Used Residential Acreage	Underutilized Residential Acreage	Utilized Residential Acreage	Total Acreage	Total Sq. Ft.
Residential (UR-1)	2.32	0	1.65	43.01	46.98	2,047,825.45
Residential (UR-2)	0.94	0	2.00	159.85	162.79	7,082,862.44
Residential (UR-3)	0.26	0	6.62	5.56	12.44	541,970.52
Zoning Total	3.52	0	10.27	208.42	222.21	9,672,658.41

Table 5-4: Commercial and Industrial Land Analysis

Zoning Category	Vacant Commercial / Industrial Acreage	Underutilized Commercial / Industrial Acreage	Utilized Commercial / Industrial Acreage	Total Acreage	Total Sq. Ft.
General Commercial (C-1)*	0.44	4.63	33.17	38.24	1,665,528.76
Low-Intensity Commercial / Mixed Use (C-2)*	0.40	4.42	8.24	13.06	567,973.40
Light Industrial (I-1)	0.71	1.62	3.32	5.65	245,805.00
Industrial / Manufacturing (Paper Mill Alternative I-2)	0	0	53.29	53.29	2,321,447.95
Zoning Total	1.55	10.67	98.02	110.24	4,800,755.11
* Additional mixed use and residential can also be accommodated in the C-2 and C-1 zones based on current development regulations.					

~~Market factors were~~ Consistent with the adopted LCA methodology, a 30% market factor was deducted from the actual number of available lots because not all property will go on the market for sale and not all property owners will want increased densities on their lots. Most of the lots have the necessary infrastructure (roads, water, and sewer) in place to accommodate future growth; with some infill development requiring access and utility easements to provide service. Based on the buildable residential lots analysis in Table 5-3 ~~LCA, prior to market factor consideration,~~ there are a combined total of ~~229-39~~ lots ~~are~~ available between-within the residential zones (UR-1 & UR-2) and multi-family residential (UR-3) that are either vacant or ~~partially-used~~ under-utilized. Within the commercial and industrial zones, there are a combined total of 61 lots that are vacant or under-utilized. ~~With a population projection of 139 additional people by the year 2037 and the number of people per household of 2.28 (2017 American Community Survey), the projected housing need would be 61 additional homes or housing units by 2037. Based on the 229 lots that are either vacant and/or partially used the City has the ability to accommodate this growth within this planning horizon (Table 5-3).~~

Table 14: Buildable Residential Lots

Land Use Type	Total Lots	Total Acres	Deductions	Acres Remaining
Vacant UR-1	8	6.2	30%	4.34
Partially-used UR-1	35	16.9	90%	1.69
UR-1 Total	43	23.1	-	6.03
Vacant UR-2	16	3.9	30%	2.66
Partially-used UR-2	157	41.1	90%	4.11
UR-2 Total	173	44.9	-	6.77
Vacant UR-3	2	1	30%	0.7
Partially-used UR-3	11	2.8	90%	0.28
UR-3 Total	13	3.8	-	0.98
Total	229	71.8	-	13.78

Housing Types

The following are example housing types provided by the Municipal Research and Services Center of Washington (MRSC) and Washington State Department of Commerce (Commerce), with a focus on middle housing between detached single family housing and mid-rise multi-family housing.

Figure 5-2: Missing Middle Housing Type Examples



Figure 5-3: Example Middle Housing Images

<u>Duplex / Triplex / Fourplex</u>	 <i>Image credits (triplex and duplex): © Opticos Design, Inc.</i>  <i>Image credit (fourplex): Steve Butler, MRSC</i>
---	---

Cottage Housing



Image credit: HUD Kirkland Case Study/Wenzlau Architects

Townhouses



Image credits: City of Shoreline

Courtyard Apartments



Image credits: Steve Butler, MRSC (left photograph), © Opticos Design, Inc.(right photograph)

Population and Housing Growth

As discussed in Section 4.4 Projections, the City of Millwood must plan for 0.05% of Spokane County’s population growth through the year 2046, equating to a 2046 population of 1,974 or an additional 49 persons. Additionally, the City must plan for 0.14% of Spokane County’s housing growth or up to 106

units. Per the Washington State Department of Commerce, housing allocations are higher than the population growth number, as the housing number accounts for historic underproduction.

Based on Millwood’s LCA, total population and housing allocation can be accommodated within Millwood’s Urban Growth Area (UGA) which is the City boundary, under current zoning designations utilizing infill development; however, code amendments will be required to comply with state legislation for Accessory Dwelling Units (ADU) and the Housing for All Planning Tool (HAPT) for allocated housing units across income bands and number of units.

The number of housing units that are possible for full buildout are shown in Table 5-4. Table 5-4 considers partially developed lots and vacant lots from table 5-3. The 150 residential units created at full buildout would house 192 persons if the average persons per household remain at 2.28 (2017 American Community Survey). Housing density for single-family (SF), two-family, and multi-family (MF) residential units in the residential zones are based on the following maximum bulk density standards, with at least two (2) units per lot permitted, consistent with RCW 36.70A.635(1)(c):

Table 15-5-5 Bulk Density Standards

Bulk Standards	UR-1	UR-2	UR-3
Maximum density*	<u>1 Dwelling Unit per 5,000 Sq. Ft.</u> 2 units per 10,000-sq-ft.	<u>1 Dwelling Unit per 3,600 Sq. Ft.</u> 1 Unit per 5,000-sq-ft. or 2 units per 7,200-sq-ft	<u>1 Dwelling Unit per 2,500 Sq. Ft.</u> 2,500-sq-ft. per dwelling-unit

* Accessory dwelling units (ADU) are counted towards unit density in UR-1, UR-2, & UR-3 and per RCW 35A.21.440, new housing in existing buildings are excluded from the maximum density calculations. When the calculation of density results in a fraction, the density allowed is rounded up to the next whole number to ensure efficient use of buildable lands. OR When the calculation of density results in a fraction, fractions of 0.50 or greater are rounded up, while fractions less than 0.50 are rounded down.

Housing Density

Table 16: Density (Full Buildout)

Land Type	Lots	Acres	SF Units	Two-family Units	MF Units	Total
UR-1	43	6.03	0	26	-	52
UR-2	173	6.77	1	40	-	81
UR-3	13	0.98	0	-	17	17
Total Units	-	-	1	66	17	150
Persons/Household	-	-	2.28	150.48	38.76	192

Most of the developable lots have the infrastructure in place necessary for development. Property may be required for public services such as roads and utility corridors between long, partially-used lots if they

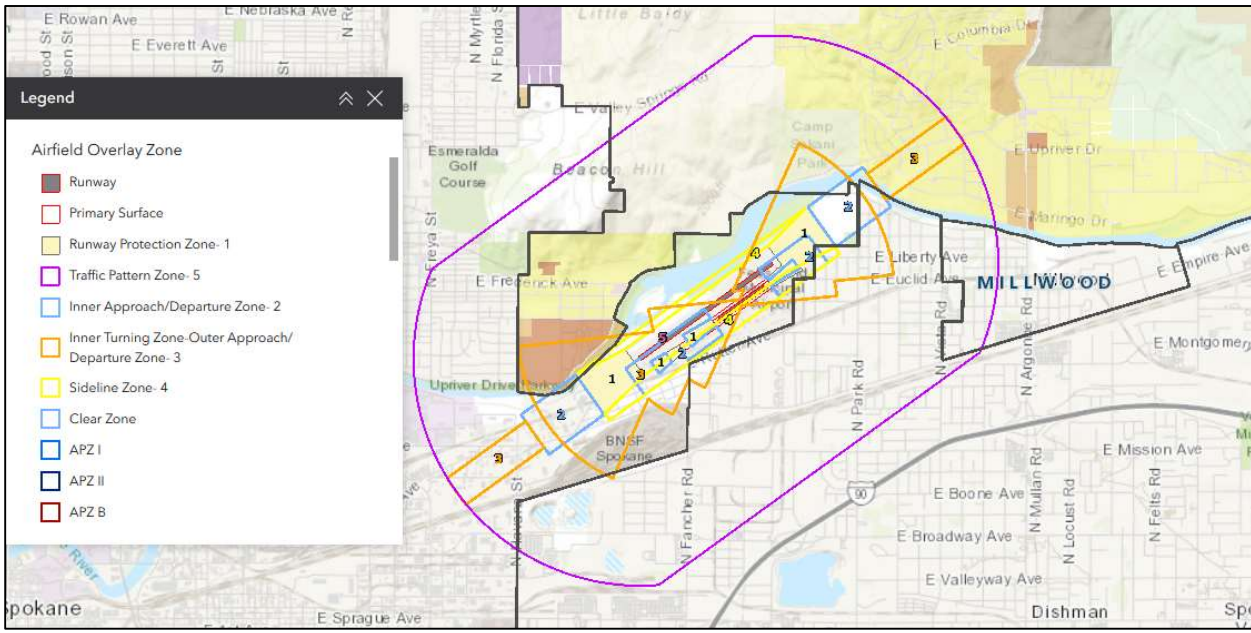
~~are developed. A market factor of 30% of the vacant lots and 90% of the partially used lots were deducted from the total available lots, this assumes the deduction of market factors accounts for any wetlands, utility corridors, or other infrastructure needed for development. Furthermore, the table does not account for any special use permits for residential development. These projections do not consider other changes in the housing stock that are difficult to foresee, for example, demolition of houses in commercial areas, the number of residential units built in mixed-use structures, conversion of single-family structures into two-family or multi-family structures, or the addition of accessory dwelling units.~~

5.3 SPOKANE FELTS FIELD AIRPORT

Spokane Felts Field Airport lies to the west of the city, while the airport does not abut the western border of the city there are restrictions to development along the western edge due to the Airfield Overlay Zones (AOZ). The AOZ, established by the WSDOT Division of Aviation guidelines, are based on federal aviation accident data from the National Transportation Safety Board (NTSB). Felts Field has five (5) overlays zones which are called, “airfield compatibility zones” (ACZ). ACZ’s modify the density and land use standards of the underlying zoning districts. The modifications provide protection to the public and general welfare of the community, airport users, and citizens working and residing within the zone.

There are five (5) ACZ designations in total. ACZ-1 is more intense, meaning there are more restrictions on development and density requirements than ACZ-5 which is the least intense. ACZ-5 overlays a portion of the western edge of the city and is an Airport Traffic Pattern Zone. ~~Many of the lots in this area are designated UR-2 thus restricting development of single-family homes, to the south the lots are designated C-1, there is also some overlap with the historic district and public reserve land. Per the City of Millwood LCA, Residential (UR-2), Residential (UR-3), General Commercial (C-1), and Public Reserve (P-1) are land uses located within the ACZ-5 overlay with a total acreage of approximately 100 acres plus 30 acres of right-of-way (ROW). Multiple uses, including residential uses are permitted in the ACZ-5 overlay.~~

The City of Millwood coordinates with Felts Field when development occurs within the ACZ-5 area in order to comply with the overlay development standards.



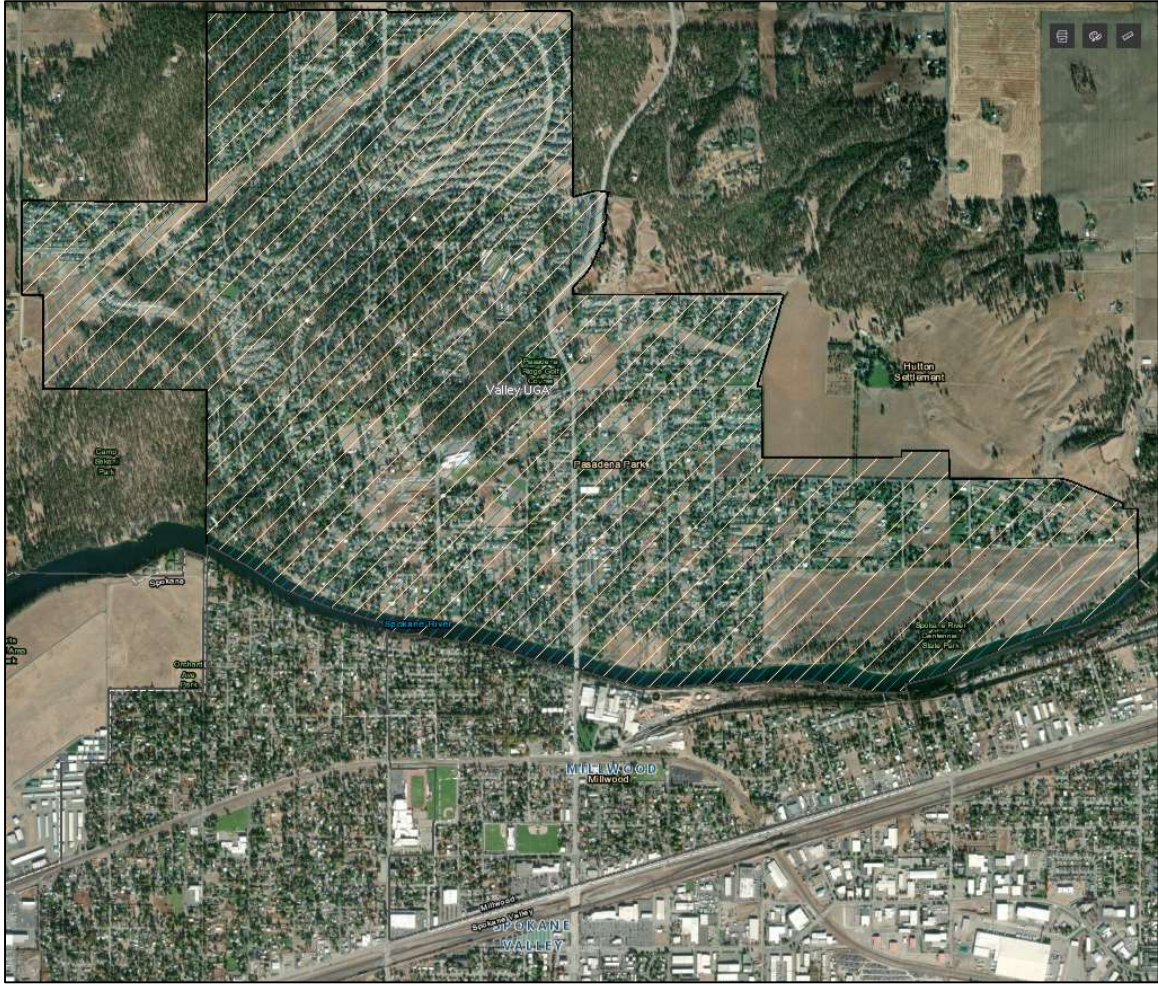
Map 5-2: Felts Field Airport Overlay Zones

5.4 URBAN GROWTH AREA (UGA)

As identified in the demographics chapter, the ~~projected population for the~~ City of Millwood is ~~expected to increase by 8.8% (1,947 people) by 2037, planning for a 0.11% rate of growth over the next 20 years for an allocated population of 1,974 in 2046.~~ The Board of County Commissioners for Spokane County (BoCC) adopted this medium level population forecast for planning purposes. The projection was adopted by the BoCC Resolution ~~2016-055324-0180~~. Overall, the increase in population growth is minimal even for a medium level population projection, for this reason, Millwood has decided to focus growth within its current boundaries.

Currently, the City of Millwood has not identified any county designated UGA area, outside the city limits, that it is interested or needs to annex to accommodate its future growth. ~~B~~because of this, the city is planning for growth to occur within its incorporated boundaries as there is adequate land available. Furthermore, the city will continue to encourage greater densities of development through zoning and land use. However, in the future, if the city does decide to expand its municipal boundaries then growth would need to occur to the north of the city, across the Spokane River, as the city is surrounded by Spokane Valley to the east, south, and west. Spokane County has designated a fairly large area to the north as a designated UGA, referred to as Valley UGA. The UGA establishes a boundary around developing areas, everything outside the boundary is intended for rural land use.

~~In July 2013 the Board of County Commissioners adopted a new UGA boundary. The UGA establishes a boundary around developing areas, everything outside the boundary is intended for rural land use. The expanded UGA is deemed appropriate due to the current urban development and services occurring here. The UGA to the north of the City of Millwood would add 5,972 more acres which include 2,062 acres of commercial and industrial land classification. The total population growth capacity within the UGA is 127,271 people, far exceeding Millwood's expected population growth over the planning horizon.~~



Map 5-3: Valley UGA Boundary

~~Map 2—Millwood Urban Growth Area Land Use Map~~

5.5 FUTURE LAND-USE

Millwood is a small community of a little more than one-half (0.7) square mile in size. The ~~city's~~city's first development regulations were adopted in 1955. The zoning at the time was comprised of five districts: commercial, industrial, public and two residential district zones. Today Millwood has expanded zoning further by creating one additional industrial zone, commercial zone, ~~and~~and a third residential zone, and a public reserve zone. This has allowed the city to focus land use types and intensities to certain areas within the City. ~~By diversifying~~Diversifying the zoning types allows for a higher level of focused development to specific areas. This approach allows the city to achieve its goal to increase density within city limits and promote infill development by identifying vacant and ~~partially-used~~underutilized lots, as described in the Millwood LCA.

Currently, there are no large unplatted parcels of land for subdivision for sale within the city. It's worth mentioning the Inland Empire Paper Company (IEPC) owns a large area of land with some vacant parcels to the east, however, in the foreseeable future the IEPC has no plans of leaving Millwood or selling off portions of the land. Should land become available this would open up vacant land within the city boundary and allow for new growth within the, currently zoned, industrial/manufacturing ~~zone.~~

Millwood will continue to consider ways to creatively implement land use practices in a way that accommodates all socioeconomic groups and reduce environmental risks imposed by climate change and wildfires, consistent with Chapter 12, Climate Change and Resiliency. Map 5-1 above identifies the land use and zoning for City of Millwood.

~~The following future land-use map combines like zoning categories into one land-use type. By combining zoning categories the map depicts four (4) land use types and shows their areas of concentration.~~

~~Map 3—Millwood Existing Land Use Map~~

~~Map 4—Millwood Future Land Use Map~~

5.6 CRITICAL AREAS

The City has identified certain lands as “critical areas” because they are susceptible to destructive unnatural hazards or they currently sustain some unique, fragile, or vulnerable environmental and/or ecological resources. Critical areas being planned for include; aquifer recharge, shorelines, flood hazard areas, soils susceptible to erosion, wetlands, and fish and wildlife habitat conservation areas.

Aquifer Recharge Area

The entire City is situated over the Spokane Valley Rathdrum Prairie Aquifer. The Aquifer is located approximately 50 to 75 feet below ground and is the sole source of drinking water for Millwood and the greater Spokane area. The water in the Aquifer is vulnerable to contamination from a variety of sources. These sources of contamination can be the unlawful discharge of chemicals and fertilizers to the ground or *via* flow to stormwater drywells. If rainwater reaches the Aquifer during the infiltration process without adequate filtration, contaminants that are not removed enter the Aquifer. Each parcel should have enough area available for stormwater to properly filter and drain; this means restricting the impervious surface coverage of a parcel. By strictly regulating uses, including in some cases restricting the use and storage of hazardous chemicals on site, and by requiring stormwater management on site, the necessary measures will be in place to ensure the continued safety of the City’s drinking water supply.

Shorelines

The shoreline is an area where the water meets the land along such bodies of water as lakes, rivers, and oceans. The northern boundary of the City is the southern shoreline of the Spokane River. Because the Spokane River has been determined to have a Shoreline of Statewide Significance, all development within 200 feet of the Ordinary High-Water Mark (OHWM) is regulated. Federal, State, and local laws must all be consulted prior to development in the shoreline area. Limiting vegetation removal and restricting the use and development of hard structures such as bulkheads and buildings will be necessary to preserve this shoreline.



Figure 5-24: The Spokane River has a “shoreline of statewide significance”

The City adopted the ~~Spokane County~~Millwood Shoreline Master Program (SMP) ~~as Millwood’s SMP in 2014~~2021.

The City of Millwood Comprehensive plan acknowledges that for shorelines of the state, the goals and policies of the Shoreline Management Act (RCW 90.58.020), City of Millwood Shoreline Master Program and Spokane County Shoreline Master Program are added as the goals of this chapter.

Flood Hazard Areas

The Federal Emergency Management Agency (FEMA) maps flood areas throughout the nation. To have an area mapped by FEMA and be eligible for National Flood Insurance, a jurisdiction must join the

National Flood Insurance Program (NFIP). The City of Millwood joined the NFIP and through their analysis, FEMA has determined that Millwood does not have a Special Flood Hazard Area (SFHA). All of Millwood has been classified as Zone C, “areas that have been identified in the community flood insurance study as areas of moderate or minimal hazard from the principal source of the flood in the area. However, buildings in these zones could be flooded by severe, concentrated rainfall coupled with inadequate local drainage systems.” This would indicate that an adequate stormwater control system including requiring stormwater control plans for each individual development is necessary.

Soils Susceptible to Erosion

The majority of the soil in Millwood is Garrison gravel loam (GgA) as indicated on the USGS Soil Map. GgA is soil that was formed from a mixture of glacial outwash and volcanic ash. This soil is associated with slopes from 0 to 5 percent. The only other soil classified by the USGS in Millwood is Garrison very gravelly loam (GmB). GmB soils are located along the south bank of the Spokane River east of Argonne Road. GmB is generally associated with slopes from 0 to 8 percent. Neither soil type is particularly susceptible to erosion.

All soils and bare rock surfaces are subject to the natural erosive forces of chemical weathering and physical erosion. Erosion is a natural process of wearing away of the land by falling and running water, wind, and glacial scouring. Of these geological forces, erosion by running water and wind erosion are the most prevalent in the Millwood area.

The susceptibility of any soil type to erosion depends upon the physical and chemical characteristics of the soil in addition to the protective vegetative cover, topographic position, temperature, the intensity of rainfall and the velocity of runoff water. Adequate storm water control systems and maintaining vegetation on slopes and along shorelines are preventative measures for areas prone to erosion.

Potential Slide Hazard Areas

Natural slope stability results from the interaction of several factors. The physical and chemical properties of soils, local climatic conditions, underlying geologic material slope, vegetative cover, and water content, the location of streams and proximity of fault activity all influence the ability of a slope to remain stable. Altering one or more of the stability factors can cause unstable slope conditions and landslides may occur. Human disturbances which alter slope characteristics may hasten landslides. Throughout the western United States, human activity has resulted in large landslides even in those areas that have historically been stable.

Slopes of 30 percent or greater are generally not suitable for development. Building in Slide Hazard Areas may require special review by geologists and other specialists on a site-specific basis. The few steep slopes to be found in Millwood are primarily on the east side of City on land located near the river (Map 5-4 Millwood Critical Areas) Restricting the development activity in this area will be necessary to protect the public from landslides. Development regulations regarding grading, building, foundation design, housing density, and other land development shall be devised in order to lessen the risk of potential personal and property damage. Maintaining this area as open space and available for public access to the river is one alternative to development.

Wetlands

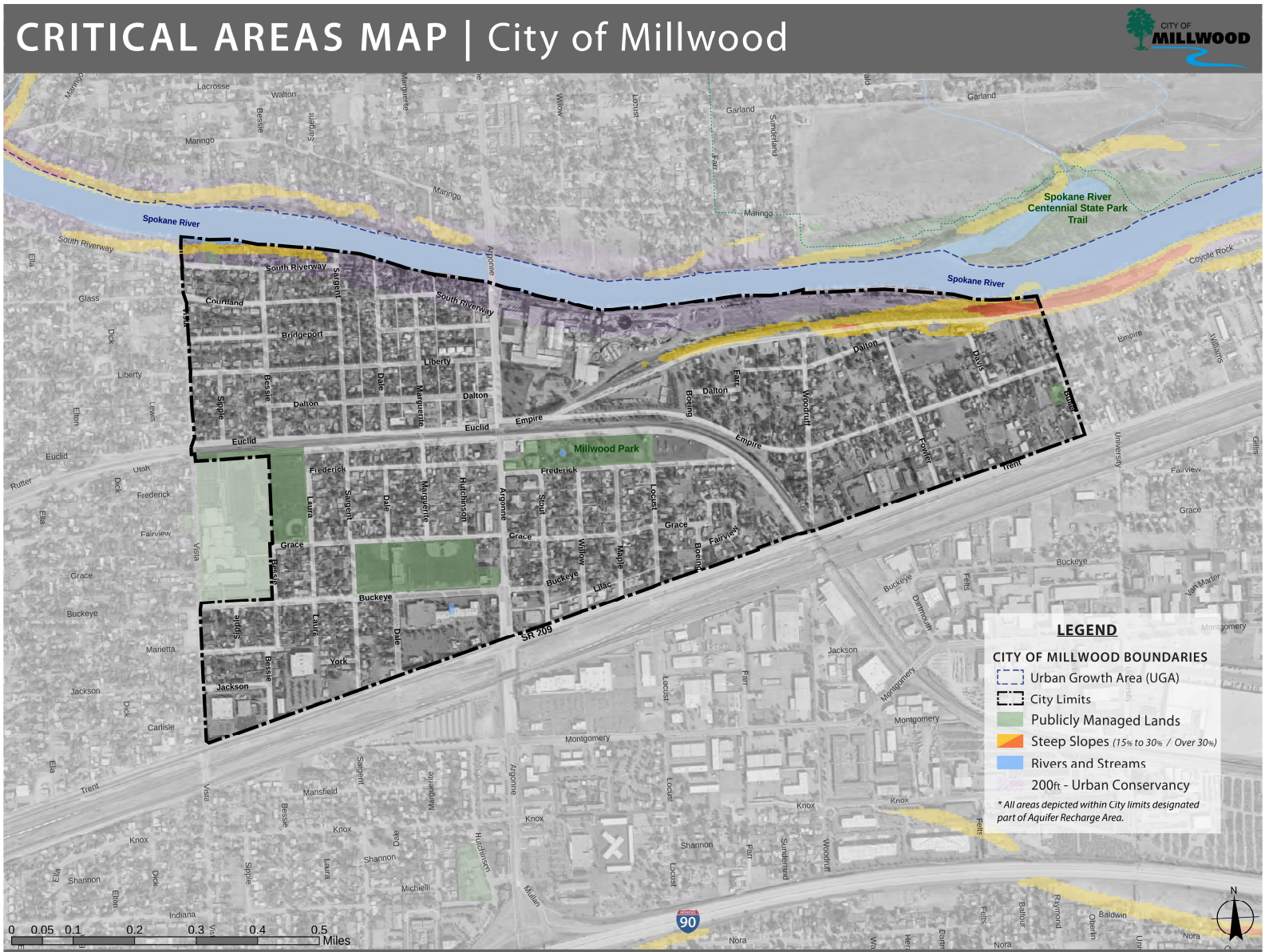
Wetlands are generally defined as those areas that are inundated or saturated by groundwater or surface water at a frequency and duration sufficient to support, and, under normal circumstances do support, a prevalence of vegetation typically adapted for life in saturated soil conditions. Wetlands usually include swamps, marshes, bogs, and similar areas. Wetlands are not generally considered

suitable for development. A variance may be necessary for reasonable use of the property. There are no known wetlands within the City of Millwood boundaries.

Fish and Wildlife Habitat Conservation Areas

Fish and wildlife habitat areas should be conserved for the management and maintenance of fish and wildlife resources. Habitats can be broadly defined as areas containing water, food, and shelter required for the survival of animals, birds or fish. The City recognizes the role that these areas play in the local ecosystem and supports their conservation for public health, safety, and well-being, as well as for the aesthetic value they bring the community.

There are sections of land within the City and surrounding areas that perform valuable functions as fish and wildlife habitat. Some of the land along the river’s shore still has native vegetation or has adequate vegetation to provide a habitat for animals and birds as well as shade for the trout, walleye, and other fish that frequent the river. In the Critical Areas Ordinance (CAO) the city identifies the first 50 feet inland of the Ordinary High Water Mark (OHWM) of the Spokane River as a Critical Fish and Wildlife Habitat area buffer. This same area is identified by the Shoreline Master Plan, for all environmental designations, as the Minimum Native Conservation Area.



Map 5-54: Millwood Critical Areas Map

5.7 OPEN SPACE CORRIDORS

The north bank of the Spokane River shares the same urban conservancy characteristics as the south side, but it also serves as an open space corridor. The Centennial Trail runs east to west along the Spokane River on the north bank and serves the community at a regional level.

5.8 POLICY DIRECTION

Millwood’s land use policies help guide the citizen’s vision for the future. Allow enhancing and densifying the business districts along Trent Avenue and Argonne Road, providing new opportunities for multi-family **and middle** housing, and protecting environmentally critical areas. will help to shape Millwood into the community it has envisioned.

CHAPTER 6 – HOUSING

6.1 INTRODUCTION

Millwood is a small city both in population and in land area. Many citizens identify with the small-town community image and want to preserve this ideal. Millwood, however, is also a dense urban municipality surrounded by land which is characterized by high-density zoning and urban development. This contrast, the desire to remain a small town and being a part of a large urban center, creates some unique situations. Because Millwood is part of a larger metropolitan area, the city is part of a regional housing market which can offer a wide variety of housing choices.



Figure 6-1: Residential Neighborhood in Millwood

Millwood, like many communities, desires to maintain the character and vitality of its established neighborhoods. The purpose of this housing chapter is to demonstrate how the City of Millwood can accommodate its future growth by providing housing. When growth exceeds the ~~city's~~ capacity for housing then the city would also demonstrate its efforts to accommodate future growth through other means, such as dense development via infill, desire to annex land to accommodate growth, and/or in a regional setting like Millwood's, creating programs with neighboring municipalities. Fortunately, Millwood can accommodate its future population growth and the housing needed to accommodate this growth for all economic segments of the community. This Housing Element works in conjunction with land use, transportation, capital facilities, and utilities elements in this Comprehensive Plan.

6.2 GMA REQUIREMENTS

To aid in the development of comprehensive plans, the GMA lays out ~~thirteen~~ fifteen planning goals. One of these goals is "Housing;" "Plan for and accommodate housing affordable to all economic segments of the population of this state, promote a variety of residential densities and housing types, and encourage preservation of existing housing stock. Encourage the availability of affordable housing to all economic segments of the population of the state, promote a variety of residential densities and housing types, and encourage preservation of existing housing stock." According to the GMA, the housing chapter the housing element needs to ensure the vitality and character of established residential neighborhoods and must include:

- An inventory and analysis of existing and projected housing needs that identifies the number of housing units necessary to manage projected growth, as provided by the department of commerce, including:
 - Units for moderate, low, very low, and extremely low-income households; and
 - Emergency housing, emergency shelters, and permanent supportive housing;

- A statement of goals, policies, objectives, and mandatory provisions for the preservation, improvement, and development of housing, including single-family residences, and within an urban growth area boundary, moderate density housing options including, but not limited to, duplexes, triplexes, and townhomes;
- Identifies sufficient capacity of land for housing including, but not limited to, government-assisted housing, housing for moderate, low, very low, and extremely low-income households, manufactured housing, multifamily housing, group homes, foster care facilities, emergency housing, emergency shelters, permanent supportive housing, and within an urban growth area boundary, consideration of duplexes, triplexes, and townhomes;
- Makes adequate provisions for existing and projected needs of all economic segments of the community, including:
 - Incorporating consideration for low, very low, extremely low, and moderate-income households;
 - Documenting programs and actions needed to achieve housing availability including gaps in local funding, barriers such as development regulations, and other limitations;
 - Consideration of housing locations in relation to employment location; and
 - Consideration of the role of accessory dwelling units in meeting housing needs;
- Identifies local policies and regulations that result in racially disparate impacts, displacement, and exclusion in housing, including:
 - Zoning that may have a discriminatory effect;
 - Disinvestment; and
 - Infrastructure availability;
- Identifies and implements policies and regulations to address and begin to undo racially disparate impacts, displacement, and exclusion in housing caused by local policies, plans, and actions;
- Identifies areas that may be at higher risk of displacement from market forces that occur with changes to zoning development regulations and capital investments; and
- Establishes antidisplacement policies, with consideration given to the preservation of historical and cultural communities as well as investments in low, very low, extremely low, and moderate-income housing; equitable development initiatives; inclusionary zoning; community planning requirements; tenant protections; land disposition policies; and consideration of land that may be used for affordable housing.

The housing element should link jurisdictional goals with overall county goals, established in the Countywide Planning Policies, to ensure that the housing element goals are met.

Goals, policies/objectives, and an actions framework have been included in Chapter 3, above.

- ~~• An inventory and analysis of existing and projected housing needs.~~
- ~~• A statement of the goals, policies, and objectives for the preservation, improvement, and development of housing.~~

- Identification of sufficient land for housing, including, but not limited to, government-assisted housing, housing for low-income families, manufactured housing, multi-family housing, and group homes and foster care facilities.
- Adequate provisions for existing and projected housing needs of all economic segments of the community.

The GMA also mentions the use of inventive implementation techniques to help create affordable housing opportunities and to assist in the preservation of existing neighborhoods.

6.3 HOUSING DEMOGRAPHICS

Existing Housing & Occupancy

The ~~total~~ number of homes in Millwood has remained consistent from 2008 through 2016, only varying by a one or two home difference from year after year. In 2017 there was a decline of four homes from the single-family housing stock. Mobile homes saw an increase from 2010 to 2011 and have remained steady since. Table 6-1 inventories the primary housing types in Millwood from 2008 - 2017, middle housing such as duplexes and triplexes as well as ADUs, have not been included. Mobile / manufactured homes on individual lots would be included under single family today. There is only one mobile home park in the City of Millwood and it currently contains 5 mobile homes & 1 cabin per 2024 Assessor records.

Table 6-1: Number of Housing Units by Type 2008 - 2017

Year	Total Housing	Single Family	Multi-Family	Mobile / <u>Manufactured</u> Home
2008	795	679	105	11
2010	793	675	107	11
2011	793	673	106	14
2012	793	673	106	14
2013	792	672	106	14
2014	792	672	106	14
2015	792	672	106	14
2016	793	673	106	14
2017	789	669	106	14

Sources: Office of Financial Management, Historical Estimates of April 1 Housing for State, Counties, Cities.

Data is collected to support OFM's annual postcensal population and housing unit estimates program. Per the Office of Financial Management, Historical Estimates of April 1 Housing for State, Counties, Cities, from 1990 – 2024, Millwood has:

- Permitted / completed 35 single family units and had 30 demolitions of single family units.
- Permitted / completed 14 duplexes with no demolitions.
- Permitted / completed 33 triplexes or fourplexes with no demolitions.
- No 5+ unit complexes were permitted or demolished.
- Unfortunately, ADU data was not collected until 2010 so there is inadequate data for permitted / completed or demolished ADUs in Millwood; however, per the Millwood LCA, there are ADUs in Millwood with the number likely to increase significantly when less restrictive regulations are implemented as part of the 2026 Periodic Update.

According to the 2020 Census, there are a total of 821 housing units in Millwood. 768 units (93.5%) are occupied and 53 (6.5%) are vacant. Based on the Millwood LCA, the housing units are a mixture of single-family homes, duplexes, triplexes, fourplexes, multi-family units, manufactured/mobile homes, accessory dwelling units (ADUs), and group homes / adult family homes, with single-family homes being the predominant housing type.

Per 2023 American Community Survey 5-Year Estimates, 64.5% of occupied housing units have 2 or 3 bedrooms, 23.8% have 4 or more bedrooms, 11.7% have one bedroom, and none are studio units without a bedroom.

Occupancy

Table 6-2 shows the owner and renter-occupied housing for Millwood and Spokane County. ~~In Spokane County, 62.4 percent of housing is owner-occupied while Millwood shows 68.8 percent of the units are owner-occupied. The percentage of owner-occupied units decreased in Millwood between 2016 and 2023 with more people choosing to rent. There is now a slightly higher owner-occupancy rate in Millwood~~ Spokane County ~~than in Spokane County~~ Millwood.

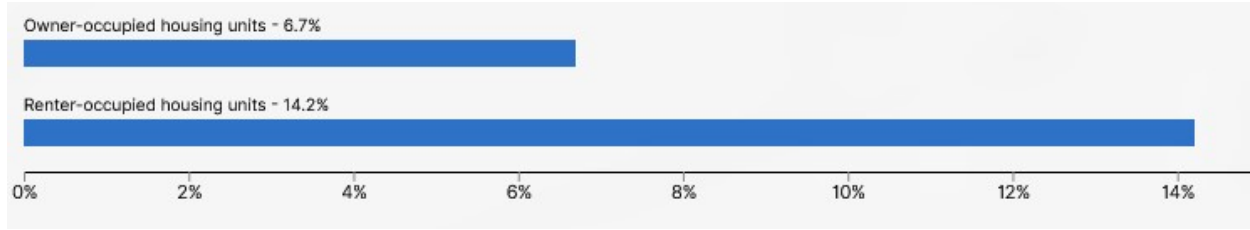
Table 6-2: ~~Percent of Occupied Housing Units, 2016 vs. 2023~~

Location	Owner Occupied <u>2016</u>	<u>Owner Occupied</u> <u>2023</u>	Renter Occupied <u>2016</u>	<u>Renter Occupied</u> <u>2023</u>
Spokane County	62.4%	<u>63.9%</u>	37.6%	<u>36.1%</u>
Millwood	68.8%	<u>62.4%</u>	31.2%	<u>37.6%</u>

Source: American FactFinder 2013-2017 American Community Survey 5-Year Estimates & 2023 American Community Survey 5-Year Estimates

Based on 2023 ACS 5-Year Estimates, 9.5% of the population moved in 2021 or later into occupied housing units in Millwood. Of those, the majority moved into rentals as shown in Figure 6-2 below.

Figure 6-2: Owner/Renter (Householder) Characteristics



Source: 2023 American Community Survey

Between 2016 and 2020, vacancy rates have increased; however, Spokane County continues to have a lower vacancy rate than the City of Millwood, as shown in Table 6-3 below.

Table 6-3: Vacancy Rate 2016 vs. 2020

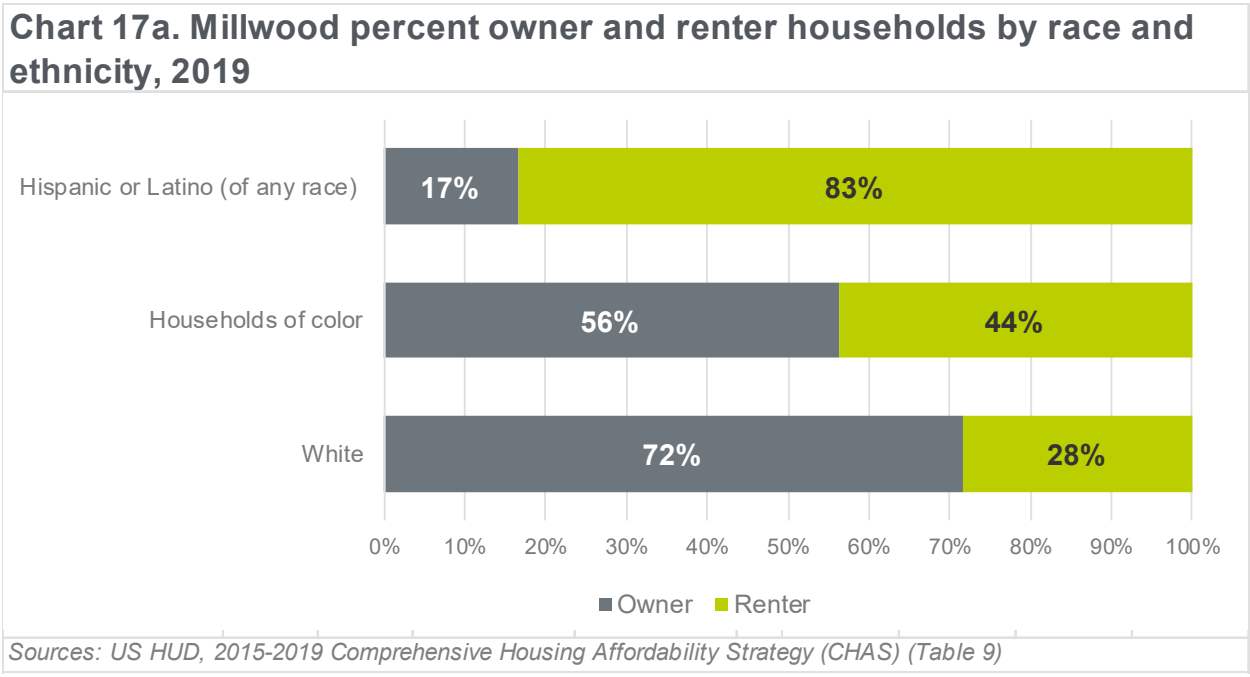
Location	Vacancy Rate 2016	Vacancy Rate 2020
Spokane County	4.1%	5.2%
Millwood	4.8 %	6.5%

Source: American FactFinder 2013-2017 American Community Survey 5-Year Estimates & 2020 Census

It is important that adequate housing is provided for those individuals and families who chose to rent or own their home. Rental housing can be single-family units, accessory dwelling units, or single-room occupancy units as well as the traditional multi-family structures or various middle housing types. Mobile and manufactured housing has also been an option.

Households of color have a slightly higher owner vs. renter percentage while Hispanic or Latino (of any race) households are predominantly renters and white households are predominantly owners as shown in Figure 6-3.

Figure 6-3: Millwood Percent of Owner and Renter Households by Race & Ethnicity, 2019*



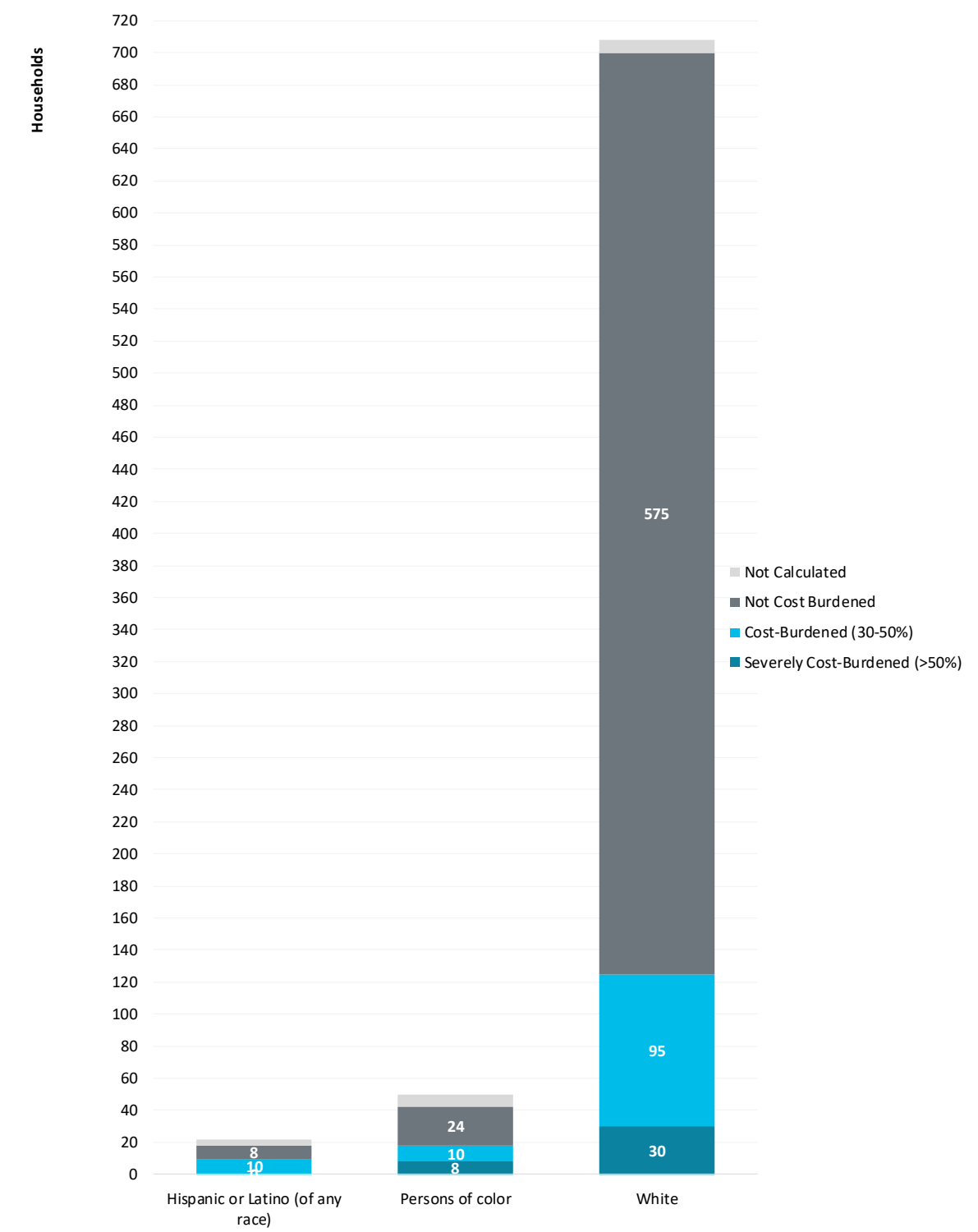
Cost Burden

As shown in Figure 6-4, 43% of Millwood persons of color are cost-burdened or severely cost-burdened compared to only 18% of white residents. 56% of Millwood residents that are Hispanic or Latino (of any race) are cost-burdened, but none are severely cost-burdened.

Both owner and renter households experience cost-burden as identified in Figures 6-5 and 6-6. Overall renter households have higher percentages of cost-burden compared to owner households.

Figure 6-4: Millwood Total Housing Cost Burden by Racial and Ethnic Group, 2019*

Chart 4a. Millwood total housing cost burden by racial and ethnic group, 2019



Source: US HUD, 2015-2019 Comprehensive Housing Affordability Strategy (CHAS) (Table 9); Washington Department of Commerce, 2023

Figure 6-5: Millwood Owner Households Experiencing Housing Cost Burden, 2019*

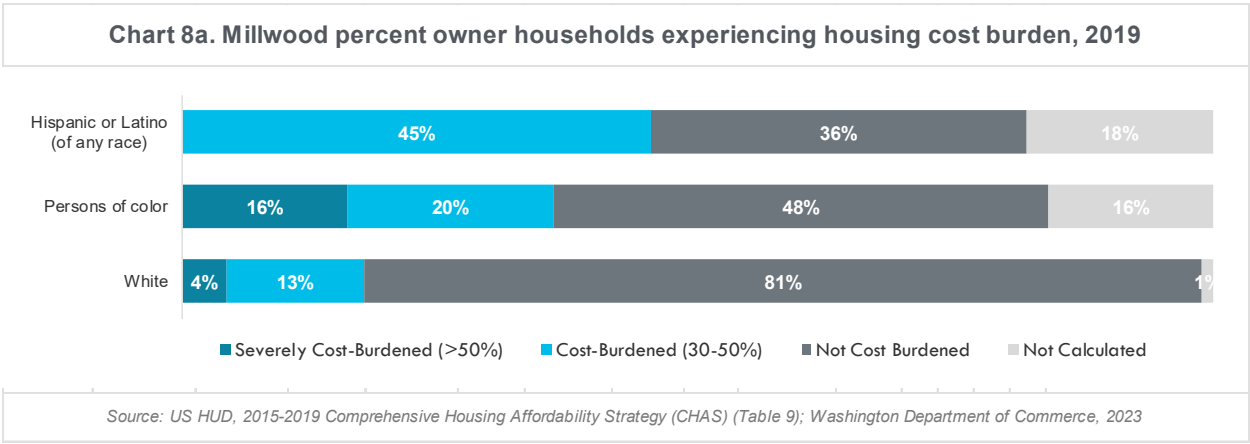
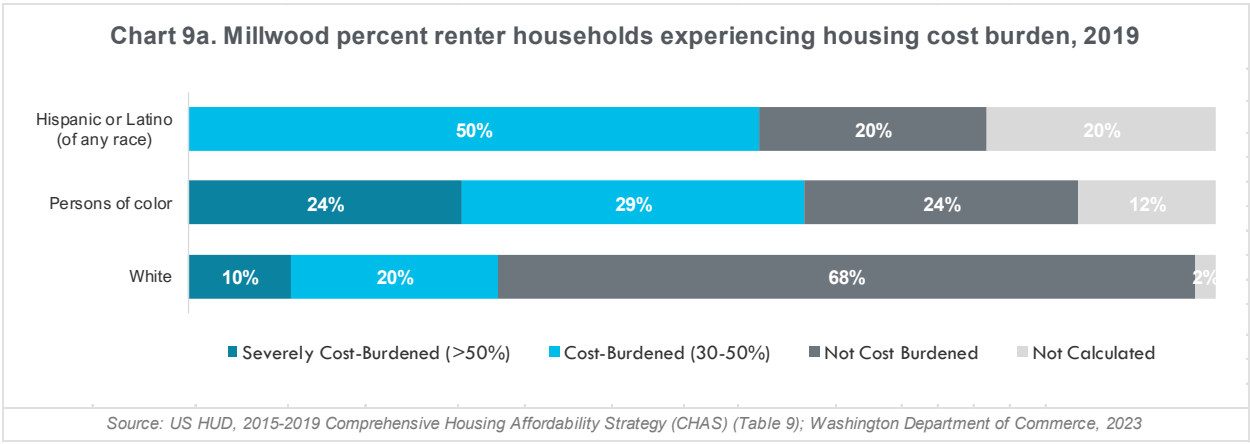


Figure 6-6: Millwood Renter Households Experiencing Housing Cost Burden, 2019*



** There are no steadfast rules as to what constitutes a reliable estimate. Long range planning often tolerates a range of estimates for informing long range targets. For many jurisdictions, there are no alternative data sources that could provide more reliable data. The model provided by the WA State Department of Commerce uses a default Coefficient of Variation threshold of 30% to indicate that some estimates may have low reliability. When an estimate has a CV higher than the threshold, the model includes a warning and recommends the user use the less detailed charts for the RDI analysis. For the City of Millwood, when a less detailed chart was available, it was utilized.*

Rental Affordability of Housing Units

According to the 2023 American Community Survey (ACS) 5-Year Estimates, the median gross rent in Millwood is \$1,097. Table 6-4 and Figure 6-7, provide data from the Washington State Department of Commerce for rental affordability of housing units in Millwood compared to Spokane County. Rental housing unit counts include vacant units available for rent and do not include housing units lacking complete kitchen or plumbing facilities. Millwood and Spokane County are lacking rental units for the extremely-low income and moderate-income brackets with an excess of units in the very-low income and low-income brackets. This will be a factor in the projected housing needs discussed in Section 6.5 below.

Table 6-4: Millwood and Spokane County Rental Units By Affordability and Households By Income, 2019

Table 5. Millwood and Spokane County rental units by affordability and households by income, 2019						
	Millwood		Millwood		Spokane County	
	Households	Rental Units	Households	Rental Units	Households	Rental Units
Extremely-Low Income (<30% AMI)	35	20	15%	9%	24%	10%
Very-Low Income (30-50% AMI)	45	75	20%	33%	19%	32%
Low-Income (50-80% AMI)	50	130	22%	57%	25%	48%
Moderate-Income (80%-100% AMI)	30	4	13%	2%	11%	9%
Greater than 100% of AMI	65	-	28%		22%	
Total	230	229				
Sources: US HUD, 2015-2019 Comprehensive Housing Affordability Strategy (CHAS) (Table 8) & US HUD, 2015-2019 Comprehensive Housing Affordability Strategy (CHAS) (Table 15C)						

Figure 6-7: Millwood and Spokane County Renter Households By Income Compared to Rental Units By Affordability, 2019

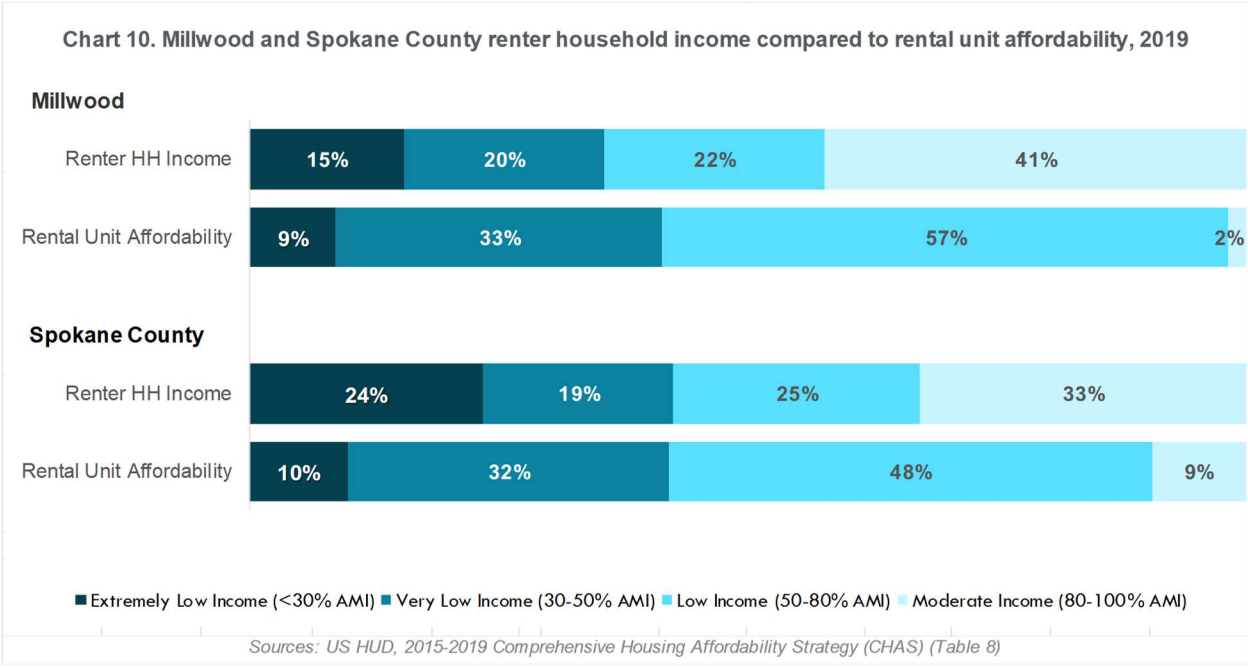


Figure 6-8, provided by Commerce as Chart 11, compares the estimate of rental households and rental housing units (both occupied and vacant) at each income or affordability level. The comparison helps identify gaps in the available rental housing for the renter households in the jurisdiction. Shortfalls and surpluses suggest a mismatch between the rental housing need and availability. A surplus indicates that either a lower-income household is experiencing housing cost burden by paying more than 30% of its income on housing or a higher-income household is "down renting" by paying less than they can afford

in rental housing. High rates of downrenting by moderate-income households are associated with an undersupply of entry-level homeownership options.

Figure 6-8: Millwood Renter Households By Income Compared to Rental Units By Affordability, 2019

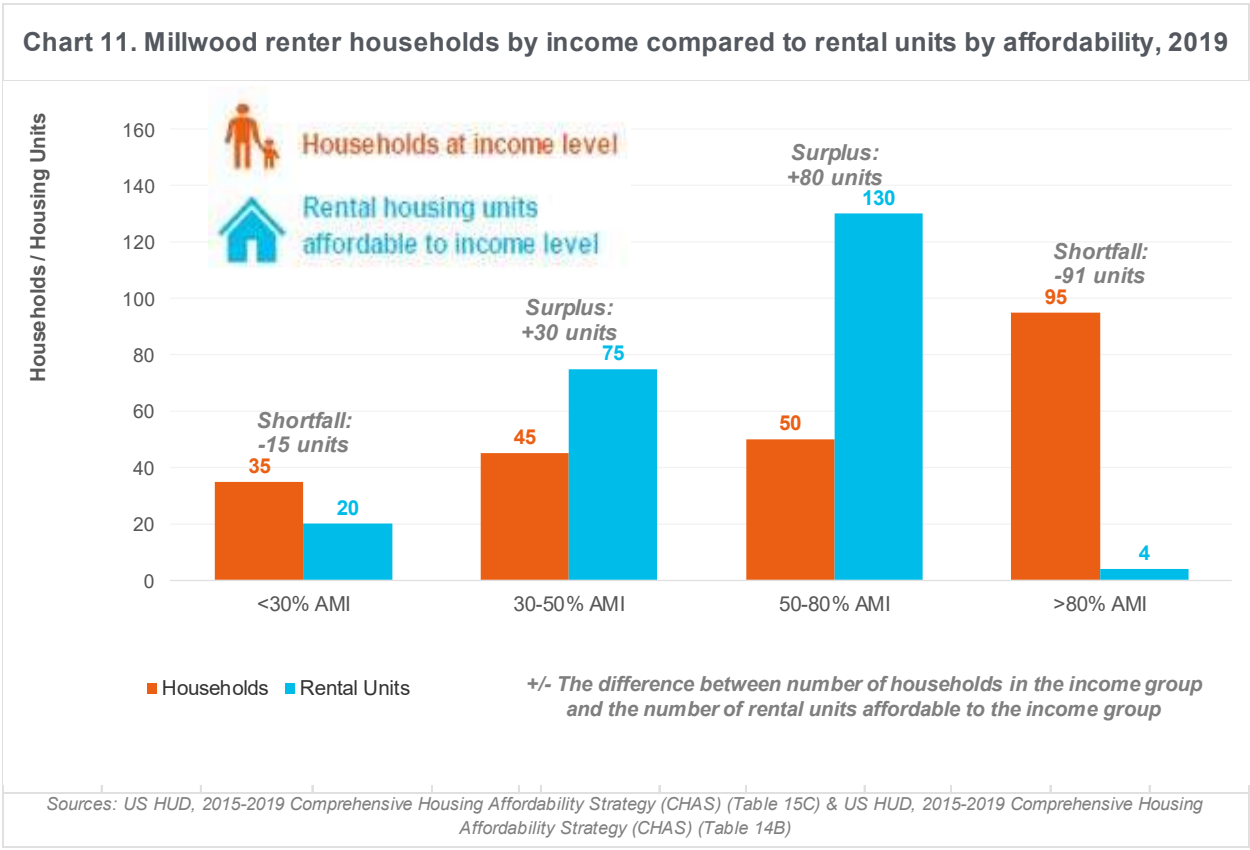
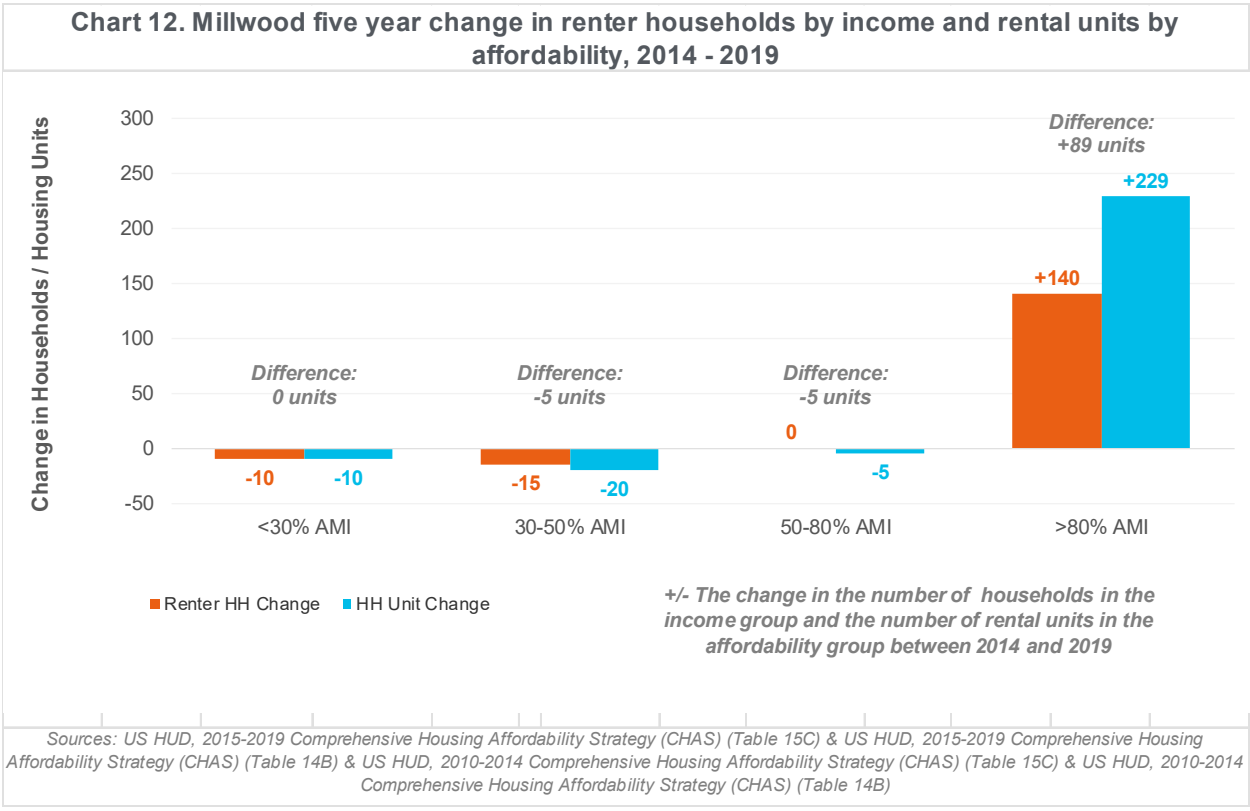


Figure 6-9, provided by Commerce as Chart 12, compares the estimated change in the number of households in the income group and the number of housing units in the affordability group. The change in households could be new households in the jurisdiction or households switching between income groups due to an increase or decrease in income relative to county-wide patterns. Changes in rental units could indicate a loss of housing units, new housing units, or the relative affordability of the housing unit changing between 2014 and 2019.

As identified under Existing Housing & Occupancy above, there was a decline of four homes from the single-family housing stock in 2017 and between 1990 and 2024, there was only a net gain of 5 single family homes (35 permitted / completed and 30 demolished).

Figure 6-9: Millwood Renter Households By Income Compared to Rental Units By Affordability, 2019

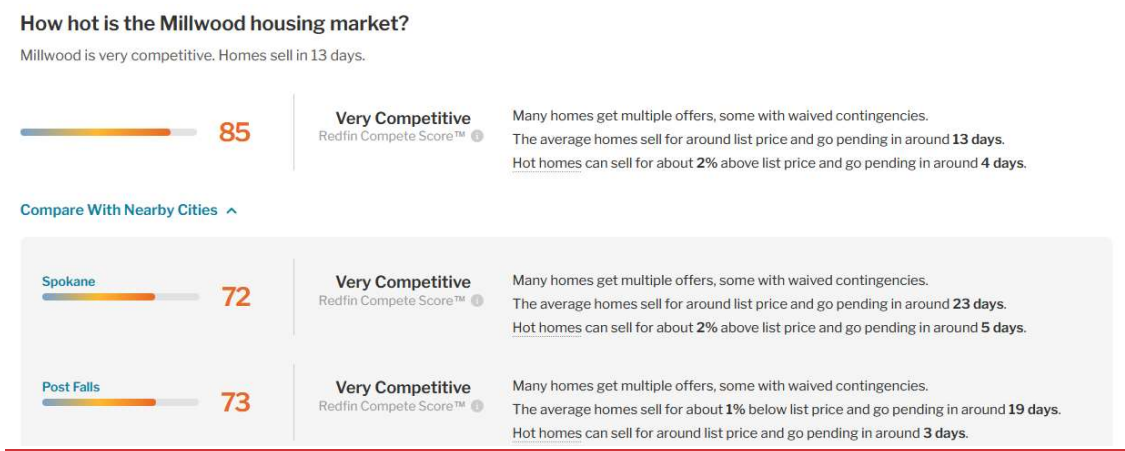


Millwood Housing Market 2025

Compared to early 2024, the median sales price of Millwood homes are up 13% for early 2025 (compared to Spokane County at 1.4%); while the median sale price per square foot is down 1.5% to \$191.00. Spokane County median sale price per square foot increased 1.1% over the same timeframe to \$225.00. The increase in home price with a reduction in price per square foot likely means the homes that have sold are larger homes that have not been updated.

Based on data obtained from Redfin, the Millwood housing market is very competitive, even more so than nearby larger cities, as shown in Figure 6-10 below.

Figure 6-10: Millwood Housing Market Comparison, 2025 (Redfin)



6.5 PROJECTED HOUSING NEEDS

~~The 2017 estimate of person per household for the City of Millwood is 2.32. Based on the medium population projection estimate identified in the Spokane County Population Forecast of 139 additional people in Millwood by 2037 the projected housing need would be 59 additional homes or housing units to accommodate for this growth.~~

6.64 ADEQUATE EXISTING HOUSING STOCK

Affordable housing is defined under RCW 84.14.010. "Affordable housing" means residential housing that is rented by a person or household whose monthly housing costs, including utilities other than telephone, do not exceed thirty percent of the household's monthly income. For the purposes of housing intended for owner occupancy, "affordable housing" means residential housing that is within the means of low or moderate-income households.

Per the US Department of Housing and Urban Development (HUD), "Affordable housing is generally defined as housing on which the occupant is paying no more than 30 percent of gross income for housing costs, including utilities." This is also known as the 30% rule. Households that spend more than 30% of their income on housing costs are cost burdened, while those that spend more than 50% of their income are severely cost burdened.

according to the interpretation found in the Growth Management Act – Procedural Criteria [WAC 365-195-07(6)]. Per definitions for the Growth Management Act (GMA) under 36.70A.030, Affordable housing "applies to the adequacy of the housing stocks to fulfill the housing needs of all economic segments of the population. "Affordable housing" means, unless the context clearly indicates otherwise, residential housing whose monthly costs, including utilities other than telephone, do not exceed thirty percent of the monthly income of a household whose income is:

(a) For rental housing, 60 percent of the median household income adjusted for household size, for the county where the household is located, as reported by the United States department of housing and urban development; or

(b) For owner-occupied housing, 80 percent of the median household income adjusted for household size, for the county where the household is located, as reported by the United States department of housing and urban development.

The underlying assumption is that the marketplace will guarantee adequate housing for those in the upper economic brackets but that some combination of appropriately zoned land, regulatory incentives, financial subsidies, and innovative planning techniques will be necessary to make adequate provisions for the needs of middle- and lower-income persons."

Income and Housing Affordability

~~The U.S. Department of Housing and Urban Development (HUD)~~ determined that a household should not pay more than 30 percent of their income for housing (including utilities and maintenance) for that housing to be affordable. Housing affordability is generally assessed for the following four income groups (RCW 36.70A.030):

- Extremely low-income households are those with household incomes below 30 percent of the area’s median household income (AMI).
- Very low-income households are those with household incomes between 31 and 50 percent of the area’s median household income (AMI).

- Low-income households are those with household incomes between 51 and 80 percent of the area’s median household income (AMI).
- Moderate-income households are those with household incomes between 81 and 95-100 percent of the area’s median household income (AMI).
- Above Median Income households are those with household incomes greater than 100 percent of the area’s median household income (AMI).

AMI, as utilized throughout this Comprehensive Plan, including in Section 6.5 below, is for the Spokane Metro Area. To account for regional variation in labor and housing markets, AMI is utilized. AMI represents the midpoint of an area's income distribution. Fifty percent (50%) of households have an income higher than area median income and 50% have an income lower than the AMI. Income data and housing affordability estimates are provided by US Housing and Urban Development's Comprehensive Housing Affordability Strategy (CHAS) data.

The following is the approximate HUD estimated AMI and income by groups for the Spokane Metro Area for 2020 – 2025 based on a 4-person household.

Table 6-5: Spokane AMI / Median Family Income (MFI), 2020 – 2025

<u>Year</u>	<u>Median Family Income (100% AMI)</u>	<u>Low-Income (80% AMI)</u>	<u>Very-Low Income (50% AMI)</u>	<u>Extremely-Low Income (30% AMI)</u>
<u>2020</u>	<u>\$78,500</u>	<u>\$62,800</u>	<u>\$39,250</u>	<u>\$23,550</u>
<u>2021</u>	<u>\$77,100</u>	<u>\$61,680</u>	<u>\$38,550</u>	<u>\$23,130</u>
<u>2022</u>	<u>\$84,100</u>	<u>\$67,280</u>	<u>\$42,050</u>	<u>\$25,230</u>
<u>2023</u>	<u>\$92,100</u>	<u>\$73,680</u>	<u>\$46,050</u>	<u>\$27,630</u>
<u>2024</u>	<u>\$100,100</u>	<u>\$80,080</u>	<u>\$50,050</u>	<u>\$30,030</u>
<u>2025</u>	<u>\$100,800</u>	<u>\$80,640</u>	<u>\$50,400</u>	<u>\$30,240</u>

Source: <https://www.huduser.gov/portal/datasets/il.html> (FY 2020-23 HUD Metropolitan FMR Area's Median Family Income rounded per HUD policy to the nearest \$100)

Table 6-6 lists the Fair Market Rents (FMRs) for the Spokane Metro Area for 2020 – 2025. FMRs are the gross rent (cost of shelter plus utilities, excluding telephone, television, and internet). FMRs are estimates of 40th percentile gross rents for standard quality units within a metropolitan area or nonmetropolitan county. Millwood is in the Spokane, WA HUD Metro Area.

Table 6-6: Spokane, WA HUD Metro Fair Market Rent (FMR), 2020 – 2025

<u>Year</u>	<u>Efficiency</u>	<u>One-Bedroom</u>	<u>Two-Bedroom</u>	<u>Three-Bedroom</u>	<u>Four- Bedromm</u>
<u>2020</u>	<u>\$597</u>	<u>\$696</u>	<u>\$910</u>	<u>\$1,305</u>	<u>\$1,551</u>
<u>2021</u>	<u>\$674</u>	<u>\$774</u>	<u>\$1,007</u>	<u>\$1,441</u>	<u>\$1,718</u>

<u>2022</u>	<u>\$701</u>	<u>\$795</u>	<u>\$1,033</u>	<u>\$1,467</u>	<u>\$1,745</u>
<u>2023</u>	<u>\$812</u>	<u>\$926</u>	<u>\$1,198</u>	<u>\$1,703</u>	<u>\$1,987</u>
<u>2024</u>	<u>\$890</u>	<u>\$1,012</u>	<u>\$1,304</u>	<u>\$1,835</u>	<u>\$2,131</u>
<u>2025</u>	<u>\$998</u>	<u>\$1,123</u>	<u>\$1,444</u>	<u>\$1,997</u>	<u>\$2,339</u>

Source: <https://www.huduser.gov/portal/datasets/fmr.html>

As discussed in the Chapter 4, subsection on Income, the City of Millwood’s median household income in 2016 was \$54,000 per year, in 2022 the Millwood median household income was \$70,313, according to the 2022 ACS 5 Year Estimate, and in 2023, Millwood’s median household income was \$71,875, according to the 2023 ACS 5 Year Estimate. Almost 40% of Millwood’s total households fall into the extremely low, very low, and low-income categories. Table 6-7 provides a breakdown of the 2023 Millwood median household income by approximate ranges. Table 6-7 is for information only since the AMI is the correct figure to utilize for housing analysis to be consistent with other Spokane County jurisdictions.

Table 6-7: City of Millwood Median Household Income Approximate Ranges, 2023

<u>Extremely-Low Income (Below 30%)</u>	<u>\$0 - \$21,563</u>
<u>Very-Low Income (31% - 50%)</u>	<u>\$21,564 - \$35,938</u>
<u>Low-Income (51% - 80%)</u>	<u>\$35,939 - \$57,500</u>
<u>Moderate Income (81% - 99%)</u>	<u>\$57,501 - \$71,874</u>
<u>Millwood Median Household Income</u>	<u>\$71,875</u>

For Millwood, the annual household income ranges for the groups described above, are as follows:

- ~~Extremely low income~~ ~~Below \$ 10,369~~
- ~~Very low income~~ ~~Between \$ 10,370 and \$17,282~~
- ~~Low income~~ ~~Between \$ 17,283 and \$ 27,652~~
- ~~Moderate income~~ ~~Between \$ 27,653 and \$ 32,837~~

Commerce’s Guidance For Updating Your Housing Element provides an overview on the most common kinds of barriers that fit into four categories:

- Development regulations:** Development regulations can limit or effectively prohibit the production of housing types needed to serve all economic segments. Unclear development regulations and restrictive development standards such as high minimum lot sizes, high off-street parking requirements, large setback requirements, restrictive ADU standards, ground floor retail requirements, complex design standards, maximum impervious surface cover, tree retention regulations, and historic preservation requirements can all be limitations to housing production.
- Process obstacles:** Permitting processes can be a major barrier for housing production for both larger and smaller developers. Limitations relating to permitting may be due to complex, unclear or

onerous processes; high fees; lengthy review and processing times; or staffing challenges. While the conditional use permit process is not outright prohibited, the discretionary process adds unpredictability as well as costs and time to a proposed housing project and can be a strong disincentive for development. Communities can consider using an administrative conditional use permit process vs. a public hearing process as well as clear and objective design regulations that are administered by staff to control for any impacts; however, a city, county or other local governmental entity or agency may not adopt, impose or enforce requirements on an affordable housing development that are different than the requirements imposed on housing developments generally. Transparency and clear information about fees and steps in the permitting process, fee exceptions or reductions for needed housing types that are not as easy to develop, such as income-restricted affordable housing, raising SEPA exemption thresholds for minor new construction, and utilizing the Optional Determination of Nonsignificance (DNS) process can all assist with reducing or eliminating processing obstacles.

- **Limited land availability and environmental constraints:** “While a jurisdiction may have enough land capacity to accommodate all housing needs on paper, in some cases that land is difficult to develop. This may occur when sewer is not available to allow higher density or when most of the capacity is on under-developed parcels that would need to be assembled to provide for feasible multifamily housing development. Environmental constraints, such as the location of critical areas, may affect the feasibility of development on available lands. If local conditions do not provide suitable sites, developers may look elsewhere. Flexible regulations, such as Planned Unit Development and cluster subdivisions, can help mitigate site constraints, or expansion of infrastructure to enable higher density development.”
- **Funding gaps:** Local jurisdictions are required to document “gaps in local funding” in their list of programs and actions needed to achieve housing availability. Typically, most affordable housing funding comes from state and federal sources; however, local funding can also play an important role. A lack of available public funding can be a barrier to housing production and meeting all housing needs in several ways. Some examples include:
 - “Infrastructure or service costs: Lack of public funding can be a barrier to infrastructure or service level improvements necessary to make new housing development feasible.
 - Capital costs for new affordable housing development: This gap includes public subsidies to support the development of new housing for low-income households that cannot afford local market-rate housing costs. Available federal, state and local funding and financing tools are currently insufficient to support construction of enough homes to meet the needs of all low, very low and extremely low-income households.
 - Operational costs for affordable and supportive housing: Rents for moderate (80-120% AMI) and some low-income (50-80% AMI) units are typically high enough to cover operational costs for housing. However, in many communities, rents for units affordable to very low (30-50% of AMI) and extremely low (0-30% of AMI) income households are not enough to cover operational costs. Additionally, PSH and emergency housing require additional support services for residents. These services may include basic case management or coordination with medical, behavioral health or other service providers to remain stable and safely housed. Communities or developers may be reticent to build or acquire properties without commitments to provide services in place. Therefore, even if funding is available to build these kinds of housing, lack of funding for operational costs can make these types of housing infeasible.

To address the requirements of RCW 36.70A.070(2)(d)(ii), Commerce recommends that all jurisdictions, at minimum, complete a checklist to document which available local funding tools or incentives are already being used and which tools can be implemented to help close the funding gap. These tools may include ways to raise additional funds for supporting affordable housing development as well as tools to reduce the cost of affordable housing development, such as impact fee waivers and multifamily property tax exemption. While Commerce recognizes that local tools alone are likely to be insufficient for supporting enough subsidized housing production to meet all housing needs, local funding can play an important role. For example, local funding can often be critical during the pre-development phase to make projects more competitive in attracting additional state, federal or private funding.”

Additionally, there are other factors that are outside of local jurisdiction control that influence housing production and affordability including:

- “State-level regulations,
- Inadequate regional transit investments,
- Lack of builder capacity and workforce to meet housing demands,
- Disruptions to building material supply chains,
- Rising labor and materials costs,
- Population growth,
- Employment trends,
- Economic downturns,
- Interest rates, and/or
- Lack of service providers (such as healthcare, mental health treatment, or case management) to support affordable housing and PSH projects.
- Housing production is also dictated by development market preferences, as some housing types and price points are more profitable than others.”

For the City of Millwood, the most likely factors contributing to housing affordability issues that the City can address are development regulations, process obstacles, offsetting limited land availability, and addressing funding gaps. Additionally, continued coordination with Spokane Transit for transit system improvements can contribute to reducing affordable housing barriers in Millwood. The minimal development that Millwood has had and/or approved in recent years is trending in the direction of meeting local needs and maximizing permitted densities. Barriers to housing development are discussed more in Section 6.6 below.

Affordable Housing Need

~~The number of households in Millwood, in each of the above categories, is shown in Table 6-3. Of the 780 households in 2000, 250 or 37.4 percent were considered low-income. The percentage of households which fall into the HUD income levels should remain the same for the next 20 years. The number of persons per household in Millwood (2.28 for single family and 2.1 for rental housing) stated in the 2000 Census should also remain consistent for the next 20 years.~~

~~**Table 3: Households by Income Category**~~

Income Level	2000 Households	Percent of 2009 Households	Additional 2030 Households
Extremely low	76	9.8	4
Very Low	69	8.8	3
Low	147	18.8	7
Moderate	74	9.5	4
Other	414	53.1	21
Total	780	100	39

Using the 2.28 persons per household single family and 2.1 for rental units, the number of units needed from 2009 to 2030 is 39. The city would have to plan for 18 affordable housing units (Moderate, Low, Very Low and Extremely Low) in the next 20 years.

The City of Millwood will plan for its fair share of affordable housing for the next 20 years based on these figures. Proposed future zoning should be adopted and implemented as it allows a variety of housing types for all income levels.

6.5 PROJECTED HOUSING NEEDS

The 2024 estimate of persons per household for the City of Millwood is 2.44 and the projected estimate for 2046 is 2.28 for average household size (which is consistent with the 2000 Census for single family as identified in the 2019 Millwood Comprehensive Plan). Per the GMA, an inventory of existing and projected housing needs that identifies the number of housing units necessary to manage projected growth by income band, as provided by the department of commerce, must be included in the housing element. This data has also been referred to as Housing for All Planning Tool or HAPT data.

Table 6-8 below identifies the assumed affordability of the various housing types by income level, based on Commerce exhibits with the assumed affordability adjusted for City of Millwood.

Table 6-8: Assumed Affordability of Housing Type By Income Level

Assumed Affordability of Housing Type by Income Level *		
Zone Category	Typical Housing Types Allowed (see Land Use Element)	Assumed Affordability **
Residential (UR-1)	Detached single family homes, ADUs, duplexes, triplexes, townhouses, cottage housing	>80% - >120% AMI & ADUs >80 - 100% AMI
Residential (UR-2)	Detached single family homes, ADUs, duplexes, triplexes, townhouses, fourplexes, courtyard apartments, cottage housing	>80% - >120% AMI & ADUs >50 - 80% AMI
Residential (UR-3)	Existing detached single family homes, ADUs, fiveplexes, sixplexes, stacked flats, multi-family units	0% - 120% AMI (including PSH) & ADUs >50 - 80% AMI
Low-Intensity Commercial / Mixed Use (C-2)	Multi-family units in mixed use buildings	0% - 100% AMI (including PSH) w/ mixed use projects on vacant land in the Millwood Historic District at >120%
General Commercial (C-1)	Existing residential on lots without a commercial use and mixed use middle housing / multi-family on lots with a commercial use, well as allowing hotels and temporary emergency housing to meet Washington State requirements	0% - 80% AMI (including PSH) & Temporary Emergency Housing
Light Industrial (I-1)	Hotels and temporary emergency housing to meet Washington State requirements	Temporary Emergency Housing
* Based on Washington State Department of Commerce - Exhibits 12 & 13 of "Guidance for Updating Your Housing Element"		
** AMI is for Spokane Metro Area. Categories are based on HB 1220 Book 2 Exhibits 12 & 13		

Table 6-9 outlines the residential capacity in Millwood by zones with adopted or assumed residential density standards, consistent with the data contained in Millwood's LCA.

Table 6-9: Millwood Residential Capacity

City of Millwood Land Uses/Zones	Land Available for Infill Development (acres)		Acres After Market Factor Reduction (30%)	Assumed Residential Density (consistent w/ Residential Bulk Density Standards, as applicable)	Gross Residential Capacity (units) *	Approximate Potential Accessory Dwelling Unit (ADU) Capacity ****	# of ADUs Adjusted for a 5% Participation Rate (HB 1220 Book 2 - Section 1.6)
Residential (UR-1)	Vacant	2.32	1.62	Bulk Density = 1 Dwelling Unit per 5,000 Sq. Ft.	24.22	135	6.75
	Underutilized	1.65	1.16				
Residential (UR-2)	Vacant	0.94	0.66	Bulk Density = 1 Dwelling Unit per 3,600 Sq. Ft.***	24.93	1,094	54.70
	Underutilized	2.00	1.40				
Residential (UR-3)	Vacant	0.26	0.18	Bulk Density = 1 Dwelling Unit per 2,500 Sq. Ft.***	83.81	71	3.55
	Underutilized	6.62	4.63				
Low-Intensity Commercial / Mixed Use (C-2)	Vacant	0.40	0.28	19 Dwelling Units / Acre or 1 Dwelling Unit per 2,250 Sq. Ft.	65.24	N/A	N/A
	Underutilized	4.42	3.09				
General Commercial (C-1)**	Vacant	0.44	0.31	19 Dwelling Units / Acre or 1 Dwelling Unit per 2,250 Sq. Ft.	17.18	N/A	N/A
	Underutilized	4.63	3.24				
Light Industrial (I-1)**	Vacant	0.71	0.50	40 Beds / Acre Assumption for Temporary Emergency Housing **	6.52 **	N/A	N/A
	Underutilized	1.62	1.13				
Totals		26.01	18.20		215.38	1,300	65.00
When allowed building/lot coverage or required open space is factored, unit count could potentially be reduced to 121 units based on a remaining total of 10.61 acres, consistent with Millwood's LCA. Millwood's HAPT allocation analysis has been completed based on the conservative numbers.							
Manufacturing/Industrial (I-2) & Public Reserve (P-1) do not allow residential uses							
* Includes market factor reduction. Unit count may be affected by percentage of allowed building/lot coverage or required open space (without factoring units per story). Estimation of 25% of C-1 available land would be utilized for residential based on development data. Capacity includes replacement of 54 existing units on underutilized land throughout the City of Millwood.							
** Hotel and motel uses are allowed; therefore, temporary emergency housing would be allowed. Assumed density based on Washington State Department of Commerce - Exhibit 18 of "Guidance for Updating Your Housing Element". I-1 Zone capacity factored at 10% of available land would be utilized for temporary emergency housing.							
*** Shoreline bulk standard in UR-2 is 8.7 DU/Acre & UR-3 is 17.4 DU/Acre maximum density per MMC 18.16.050 Bulk Standards							
**** Allowing 2 ADUs per parcel that allows single family homes consistent w/ RCW 36.70A.681(1)(c) for lots that meet the minimum lot size required for the principal housing unit, based on ADUs being counted towards unit density in UR-1, UR-2, & UR-3.							

Table 6-10 factors in assumed density / development standards and assigns the adjusted residential unit capacity in each Millwood zone to a Commerce assigned zone category, with the total unit capacity outlined by type.

Table 6-10: Summary of Capacity By Zoning Category

Summary of Capacity by Zoning Category			
Zone Category	Residential Unit Capacity *	Assigned Zone Category	Capacity in Zone Category
Residential (UR-1)	10	Low Density	10
Residential (UR-2)	10	Moderate Density	10
Residential (UR-3)	33	Low-Rise Multifamily	33
Low-Intensity Commercial / Mixed Use (C-2)	55	Low-Rise Multifamily (Mixed Use)	68
General Commercial (C-1) **	13		
Light Industrial (I-1) **	5	Temporary Emergency Housing	5
ADUs***	65	ADUs	65
Total Units:			121 Units + 65 ADUs + 5 Temporary
* Unit capacity was adjusted based on factors included in Table 6-9 above and is consistent with Table 6-12 below for assumed density / development standards			
** Temporary emergency housing would be allowed in both C-1 & I-1; however I-1 has been utilized to demonstrate capacity based on factors included in Table 6-9			
*** ADUs are permitted in UR-1, UR-2, and UR-3 Zones. Adjusted capacity is based on a 5% participation rate as identified in Table 6-9			

Table 6-11 below is the data that has been provided, consistent with the HAPT for Spokane County with Millwood’s allocated share of 106 units, broken down by income level plus 5 emergency housing beds for temporary housing needs.

Table 6-11: City of Millwood HAPT

City of Millwood	Permanent Housing Needs by Income Level (% of Area Median Income)							Emergency Housing Needs (Temporary)	
0.14% Share of Spokane County Housing Growth	Total Allocated Units (2020-2046)	0 - 30%		>30-50%	>50-80%	>80-100%	>100-120%		>120%
		Non PSH	PSH*						
Existing (Estimate)	820	27	0	147	413	142	37	54	0
Future Allocation**	106	30	9	21	12	7	6	21	5
* Permanent Affordable Housing (PSH)			** Development regulations need to allow for the construction of housing units allocated						

Table 6-12 utilizes the data in Table 6-8, Table 6-9, and Table 6-10 to show that Millwood meets or exceeds the allocated and assigned share of Spokane County’s permanent housing needs by income band as well as meeting the assigned emergency housing needs for temporary beds.

Table 6-12: City of Millwood HAPT Capacity

City of Millwood	Total Allocated Units (2020-2046)	Permanent Housing Needs by Income Level (% of Area Median Income)							Emergency Housing Needs (Temporary)
0.14% Share of Spokane County Housing Growth		0 - 30%		>30-50%	>50-80%	>80-100%	>100-120%	>120%	
		Non PSH	PSH*						
Existing (Estimate)		820	27	0	147	413	142	37	
Future Allocation**	106	30	9	21	12	7	6	21	5
Capacity Based on Assumed Density & Development Standards	121 Units + 65 ADUs + 5 Temporary	30	9	25	58	9	32	23	5
* Permanent Affordable Housing (PSH)		** Development regulations need to allow for the construction of housing units allocated							
>50-80% includes ADUs in UR-2 / UR-3 Zones & >80-100% includes ADUs in UR-1 Zone. Capacity accounts for replacement of 54 existing units on underutilized land.									

6.6 BARRIERS TO HOUSING DEVELOPMENT

Reviewing past projects, analyzing current projects and data, discussions with developers and community members, Comprehensive Plan and development regulations code review, and research were the methods utilized to determine the likely barriers to housing development in Millwood.

As discussed in Section 6.4 above, for the City of Millwood, the most likely factors contributing to housing affordability and housing supply issues that the City can potentially address are:

- Development regulations (adding a variety of middle housing types as permitted uses, reducing minimum lot sizes to be consistent with adopted bulk density standards, reducing off-street parking requirements, updating ADU regulations, reducing setbacks/lot coverage/impervious surface standards, etc.).
- Process obstacles (increasing SEPA Threshold Exemptions and Infill Exemptions, streamlining of permitting processes, and subdivision process streamlining).
- Offsetting limited land availability (maximizing use of land through development regulation modifications listed above and encouraging infill development).
- Addressing funding gaps (exploring funding options and incentives for affordable housing including pre-approved designs).
- Additionally, continued coordination with Spokane Transit for transit system improvements can contribute to reducing affordable housing barriers in Millwood.

The minimal development that Millwood has had and/or approved in recent years is trending in the direction of meeting local needs and maximizing permitted densities.

Chapter 3 includes goals, policies/objectives, and an actions framework to address affordable housing such as:

- Goal: A larger variety of housing options.
 - Policy: Limit barriers to development caused by institutional requirements, as appropriate.
 - Policy: Encourage the development of low and moderate-income housing in places close to services and easily served by transit.
 - Policy: Allow for additional moderate density housing options (missing middle housing) including, but not limited to, duplexes, triplexes, and townhomes as well as Accessory Dwelling Units (ADUs).
 - Implementing Actions: Evaluate development regulations to remove impediments to the development of low and moderate-income housing.
 - Implementing Actions: Update zoning, development, and land division regulations to allow for infill development.
 - Implementing Actions: Facilitate opportunities for property owners to connect with housing providers and non-profit organizations to create and preserve affordable housing.

As suggested in the updated *Countywide Planning Policies for Spokane County*, the City of Millwood will not only look at updating development regulations to reduce barriers, but Millwood will also be considering the establishment of regulatory or financial incentives to support extremely low, very low, low, and moderate-income housing options or encouraging participation in existing programs such as:

- A sales and use tax deferral program that could apply to commercial buildings which incorporate affordable housing (RCW 82.59).
- A Multi-Family Tax Exemption Program (RCW 84.14).

- Advertisement of the Commercial Property Assessed Clean Energy + Resiliency (C-PACER) program as an innovative financing tool for more efficient, resilient commercial and multi-family properties that can benefit incorporated and unincorporated areas in Spokane County.
- Millwood is eligible to participate in the New Markets Tax Credit Benefits (NMTC) Program that incentivizes community development and economic growth by using tax credits that attract private investment to distressed communities.
- Becoming a Washington Main Street Community through the Washington Main Street Program for encouraging residential and commercial mixed use in Millwood’s downtown through the Main Street Tax Credit Incentive Program which provides a Business & Occupation (B&O) or Public Utility tax (PUT) credit for private contributions given to eligible downtown organizations which once a business’s donation is approved, they are eligible for a tax credit worth 75% of the contribution to the designated Washington Main Street Community, and
- Working with the community to develop pre-approved designs for a range of housing types that can be permitted expeditiously.

Some of the suggestions included above are contained in Table 6-13 under Section 6.8 below, which the City of Millwood will utilize to assist with implementation updates in order to reduce barriers to housing development.

6.7 RACIALLY DISPARATE IMPACTS & DISPLACEMENT

In 2021, the Washington State Legislature passed House Bill 1220 (HB 1220) as an amendment to the state Growth Management Act (GMA). HB 1220 requires that local governments plan for housing at all income levels and assess the racially disparate impacts (RDI) of existing housing policies. Conditions that indicate that policies have racially disparate impacts can include segregation, cost burden, displacement, educational opportunities, and health disparities.

According to the Washington Department of Commerce, Racially Disparate Impacts are “when policies, practices, rules, or other systems result in a disproportionate impact on one or more racial groups.”

There are five steps to understanding and addressing racially disparate impacts:



RDI Evaluation Methodology: Policy and Regulation Evaluation



The Millwood RDI Analysis, included in [Appendix ??](#), accounts for Steps 1, 2, and 3 – it includes a summary of findings based on data from the US Census Bureau, US Department of Housing and Urban Development (HUD), WA State Department of Commerce (Commerce), and other sources. These findings then inform the policy evaluations and recommendations found at the end of the report.

The updated Countywide Planning Policies for Spokane County also require jurisdictions to “identify and undo racially discriminatory impacts.”

- “Jurisdictions shall document the local history of racially exclusionary, classist, and discriminatory zoning and housing practices and the extent to which that history is reflected in current development patterns, housing conditions, tenure, and access to services by examining:
 - Trends in minority homeownership.
 - Trends in cost burden among minority households.
 - Trends in the diversity among residents.
- Jurisdictions shall demonstrate how current strategies are undoing the impacts of historically discriminatory practices. If current strategies are insufficient, new regulations shall be developed to undo racially disparate impacts.”

Key Findings from Millwood’s RDI Analysis

- Based on the EWU Racial Covenants Project, 33% of the parcels in the City of Millwood still have racial covenants.
- Based on data provided by the WA State Department of Commerce (included in Comprehensive Plan Chapter 4 Demographics), Millwood’s racial distribution has gotten less diverse since 2015, while Spokane County as a whole has gotten slightly more diverse.

- Between 2015 and 2020, Millwood’s Hispanic or Latino (of any race) percentage increased by 1% while Persons of Color decreased by 3% (refer to Draft Comprehensive Plan Figure 4-4: Racial composition of Millwood and Spokane County, 2015 and 2020).
- According to 2022 ACS 5 Year Estimates, 2.1% of the Millwood population speaks a language other than English at home (Spanish, Other Indo-European languages, and Asian/Pacific Islander languages).
- Almost 40% of Millwood’s total households fall into the extremely low, very low, and low-income categories. The majority of Millwood white households fall into the moderate income to above median income categories while the majority of Millwood’s households of color fall into the extremely low-income category or low-income category. In 2015 vs. 2020, income category percentage only changed slightly when looking at all households, but significant changes were recorded for various households of color.
- Based on data provided by the WA State Department of Commerce (included in Comprehensive Plan Chapter 6 Housing), households of color have a slightly higher owner vs. renter percentage in Millwood, while Hispanic or Latino (of any race) households are predominantly renters and white households are predominantly owners.
- Cost burden and rental affordability are a challenge for Millwood, especially for persons of color and Hispanic / Latino residents which can result in racially disparate impacts. 43% of Millwood persons of color are cost-burdened or severely cost-burdened compared to only 18% of white residents. 56% of Millwood residents that are Hispanic or Latino (of any race) are cost-burdened, but none are severely cost-burdened. Both owner and renter households experience cost-burden. Overall renter households have higher percentages of cost-burden compared to owner households.
- Millwood is lacking rental units for the extremely-low income and moderate-income brackets with an excess of units in the very-low income and low-income brackets.
- Based on data from the WA State Department of Commerce, Millwood is at low risk for displacement with no social vulnerability, no demographic change, and an accelerating market trend; however examples of seniors and young adults being “priced out of Millwood” did arise in community feedback.

Step #4 – The City of Millwood goals, policies/objectives, and actions framework that is included in Chapter 3 above, have been revised and supplemented in an attempt to undo impacts and while it’s currently a low risk for Millwood, displacement is also addressed if it becomes an issue in the future for Millwood.

Step #5 – Regulations will be updated to be consistent with this Comprehensive Plan, including a review for strategies outlined in Table 6-13 below and programs such as those included in Section 6.6 above, will also be considered.

6.78 POLICY DIRECTION

The development of housing in Millwood is based on the projected growth of the community and Millwood’s allocation of Spokane County’s housing share by income band. Based on the housing analysis for projected housing needs, Millwood has the ability to accommodate the housing need for future growth within this planning period, including housing across all income bands, permanent supportive housing, and temporary emergency housing. Goals, policies/objectives, and an actions framework have

been included in Chapter 3, above to address GMA requirements and provide direction for Millwood’s development regulations updates.

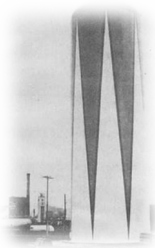
It is a goal and policy of Millwood’s to provide a variety of housing to all income levels.

The following Table 6-13 has been provided in Commerce’s Guidance For Updating Your Housing Element to identify housing strategies that will help to address common themes and needs for communities across the state (increasing housing supply, housing diversity, affordable homeownership, middle-income rental housing, senior housing, and very low-income housing). This table can be utilized to assist the City of Millwood with identifying the kinds of housing strategies most effective and applicable for implementation based on Millwood’s needs.

Table 6-13: Housing strategies for implementing housing policies (Commerce Exhibit 25)

Matrix Legend: ★ Potential high impact ☆ Potential moderate impact Strategy name and number from HAP Guidance	Increase housing supply	Distinct Housing Needs				
		Housing diversity	Affordable homeownership	Middle-income rental housing	Senior housing	Very low income housing
Revised Zoning Standards						
Reduce Minimum Lot Sizes (Z-1)	☆	☆	★	☆		
Require a Minimum Density (Z-2)	☆		☆			
Upzone (Z-3)	★	☆	☆	☆		
Increase Building Height (Z-4)	☆			☆		
Integrate or Adjust Floor Area Ratio Standards (Z-5)	☆	☆		☆		
Increase Allowed Housing Types in Existing Zones (Z-6) (cottages; 2, 3, 4-plexes; townhouses; micro-housing)	☆	★	★	★	★	
Increase or Remove Density Limits (Z-7)	★	☆	☆	★		
Revise ADU Standards (Z-8)	☆	☆	☆	★	★	
Offer Density and/or Height Incentives for Desired Unit Types (Z-9)	☆		☆	★	☆	☆
Additional Regulatory Strategies						
Reduce Off-Street Parking Requirements (R-1)	☆	☆		★	★	
Relax Ground Floor Retail Requirements (R-2)	☆			☆		
Reduce Setbacks, Lot Coverage and/or Impervious Area Standards (R-3)	☆	☆	☆	☆		
Adopt Design Standards (R-4)		☆				
Use a Form-Based Approach (R-5)	☆			☆		
PUD/PRD and Cluster Subdivisions (R-6)	☆	☆				
Manufactured Home and Tiny House Communities (R-7)	☆	☆	☆	☆	☆	★
Process Improvements						
SEPA Threshold Exemptions (P-1)	☆	☆	☆	☆	☆	☆
SEPA Infill Exemption (P-2)	☆	☆	☆	☆		

Matrix Legend: ★ Potential high impact ☆ Potential moderate impact Strategy name and number from HAP Guidance	Increase housing supply	Distinct Housing Needs				
		Housing diversity	Affordable homeownership	Middle-income rental housing	Senior housing	Very low income housing
Subarea Plan with Non-Project EIS (P-3)		☆	☆	☆		
Planned Action (P-4)	☆☆	☆	☆	☆		
Protection from SEPA Appeals on Transportation Impacts (P-5)	☆		☆	☆		
Permitting Process Streamlining (P-6)	☆	☆	☆	☆	☆	☆
Subdivision Process Streamlining (P-7)	☆		☆			
Affordable Housing Incentives						
Multifamily Tax Exemption (A-1)	★		☆	★	★	☆
Density Bonuses for Affordable Housing (A-2)	★	☆	☆	☆	☆	☆
Alternative Development Standards for Affordable Housing (A-3)		☆	☆	☆		☆
Fee Waivers for Affordable Housing (A-4)			★	☆	☆	★
Inclusionary Zoning (A-5)	☆		☆	★		☆
Funding Options for Affordable Housing						
Local Option Taxes, Fees and Levies (F-1)	☆		☆	☆	☆	☆
Local Housing Trust Fund (F-2)	☆		☆	☆	☆	☆
"Found Land": Surplus Land and Other Opportunities (F-3)	☆		☆	☆	☆	★
Partner with Local Housing Providers (F-4)	☆		☆	★	★	★
Other Strategies						
Strategic Infrastructure Investments (O-1)	☆		☆	☆		☆
Simplify Land Use Designation Maps (O-2)	☆	☆	☆	☆		☆
Local Programs to Help Build Missing Middle Housing (O-3)	☆	☆	☆	☆	☆	☆
Strategic Marketing of Housing Incentives (O-4)	☆	☆	☆	☆	☆	☆
Temporary Emergency Housing (O-5)						☆



Comprehensive Plan & Development Regulations Periodic Update 2026



Racially Disparate Impact (RDI) Analysis



Introduction

In 2021, the Washington State Legislature passed House Bill 1220 (HB 1220) as an amendment to the state Growth Management Act (GMA). HB 1220 requires that local governments plan for housing at all income levels and assess the racially disparate impacts (RDI) of existing housing policies. Conditions that indicate that policies have racially disparate impacts can include segregation, cost burden, displacement, educational opportunities, and health disparities.

According to the Washington Department of Commerce, Racially Disparate Impacts are “when policies, practices, rules, or other systems result in a disproportionate impact on one or more racial groups.”

There are five steps to understanding and addressing racially disparate impacts:



RDI Evaluation Methodology: Policy and Regulation Evaluation



This analysis accounts for Steps 1, 2, and 3 – it includes a summary of findings based on data from the US Census Bureau, US Department of Housing and Urban Development (HUD), WA State Department of Commerce (Commerce), and other sources. These findings then inform the policy evaluations and recommendations found at the end of the report.

The updated Countywide Planning Policies for Spokane County also require jurisdictions to “identify and undo racially discriminatory impacts.”

- “Jurisdictions shall document the local history of racially exclusionary, classist, and discriminatory zoning and housing practices and the extent to which that history is reflected in current development patterns, housing conditions, tenure, and access to services by examining:
 - Trends in minority homeownership.
 - Trends in cost burden among minority households.
 - Trends in the diversity among residents.
- Jurisdictions shall demonstrate how current strategies are undoing the impacts of historically discriminatory practices. If current strategies are insufficient, new regulations shall be developed to undo racially disparate impacts.”

Key Findings

- Based on the EWU Racial Covenants Project, 33% of the parcels in the City of Millwood still have racial covenants.
- Based on data provided by the WA State Department of Commerce (included in Comprehensive Plan Chapter 4 Demographics), Millwood’s racial distribution has gotten less diverse since 2015, while Spokane County as a whole has gotten slightly more diverse.
- Between 2015 and 2020, Millwood’s Hispanic or Latino (of any race) percentage increased by 1% while Persons of Color decreased by 3% (refer to Draft Comprehensive Plan Figure 4-4: Racial composition of Millwood and Spokane County, 2015 and 2020).
- According to 2022 ACS 5 Year Estimates, 2.1% of the Millwood population speaks a language other than English at home (Spanish, Other Indo-European languages, and Asian/Pacific Islander languages).
- Almost 40% of Millwood’s total households fall into the extremely low, very low, and low-income categories. The majority of Millwood white households fall into the moderate income to above median income categories while the majority of Millwood’s households of color fall into the extremely low-income category or low-income category. In 2015 vs. 2020, income category percentage only changed slightly when looking at all households, but significant changes were recorded for various households of color.
- Based on data provided by the WA State Department of Commerce (included in Comprehensive Plan Chapter 6 Housing), households of color have a slightly higher owner vs. renter percentage in Millwood, while Hispanic or Latino (of any race) households are predominantly renters and white households are predominantly owners.
- Cost burden and rental affordability are a challenge for Millwood, especially for persons of color and Hispanic / Latino residents which can result in racially disparate impacts. 43% of Millwood persons of color are cost-burdened or severely cost-burdened compared to only 18% of white residents. 56% of Millwood residents that are Hispanic or Latino (of any race) are cost-burdened, but none are severely cost-burdened. Both owner and renter households experience cost-burden. Overall renter households have higher percentages of cost-burden compared to owner households.
- Millwood is lacking rental units for the extremely-low income and moderate-income brackets with an excess of units in the very-low income and low-income brackets.

- Based on data from the WA State Department of Commerce, Millwood is at low risk for displacement with no social vulnerability, no demographic change, and an accelerating market trend; however examples of seniors and young adults being “priced out of Millwood” did arise in community feedback.

Historical Context

Millwood, like many communities across the United States, has a history of housing policies that have contributed to racial disparities. While the city itself is predominantly White, historical and systemic factors have influenced housing access and economic outcomes for residents of color.

Throughout the history of the United States, a combination of laws and practices have impacted where specific groups of people live, what opportunities they have access to, and their ability to build wealth through stable housing. Unfortunately, many of these policies explicitly or implicitly benefited white residents at the expense of all others. The legacy of policies like redlining, which used racial criteria in determining which neighborhoods were suitable for government-backed loans, highway development through predominantly Black neighborhoods, and racial covenants which explicitly excluded certain groups from owning specific properties, continues to impact non-white communities today.

While many cities have acknowledged the harms of these policies, many of which are no longer legal, there are still policies in effect today that hold cities back from rectifying systemic harm. These can include policies that reference vague concepts like “neighborhood character,” as well as those that permit only the most expensive homes to be built, thus shutting lower-income residents out of high-opportunity areas.

This analysis includes a historic review of some of the known policies and programs that caused racially disparate impacts in Millwood, as a starting point in understanding present-day conditions.

Racial Covenants & Potential Redlining

Throughout the United States, racial covenants were used to exclude certain races and religious groups from residing in specific neighborhoods, creating exclusive areas for white, Christian residents. In the mid-20th century, Millwood was subject to racially restrictive covenants in property deeds. For instance, the 1946 "Millwood Homes Addition Declaration of Protective Covenants" explicitly prohibited non-White individuals from occupying properties, except for domestic servants of a different race living with the owner or tenant. These covenants were part of a broader pattern of racial exclusion in Spokane County that encompassed neighborhoods throughout Spokane Valley and Spokane neighborhoods such as Comstock and Audubon.

Such discriminatory practices were not unique to Millwood but were widespread in the region, affecting neighborhoods developed by prominent figures and institutions. These historical policies have had long-lasting effects on racial segregation and economic inequality in the area.

Map 1 below shows multiple parcels within the borders of the City of Millwood that still have racial covenants. There are 8 different versions of covenant wording that have been located with examples from Millwood subdivisions included in Figures 1 – 8 below. These deed restrictions were legally enforceable from 1927 to 1968.

The combination of racially restrictive covenants and redlining would have impacted the ability of Black veterans to fully access homeownership loan benefits through the Servicemen’s Readjustment Act of 1944 (GI Bill), which enabled white veterans to buy housing and build wealth in the suburbs. Racial covenants have since been declared unconstitutional, and Fair Housing laws have been put into effect.

Map 1 – Spokane County Racial Covenants Locator Map for Millwood Area

Spokane County Racial Covenants Locator Map

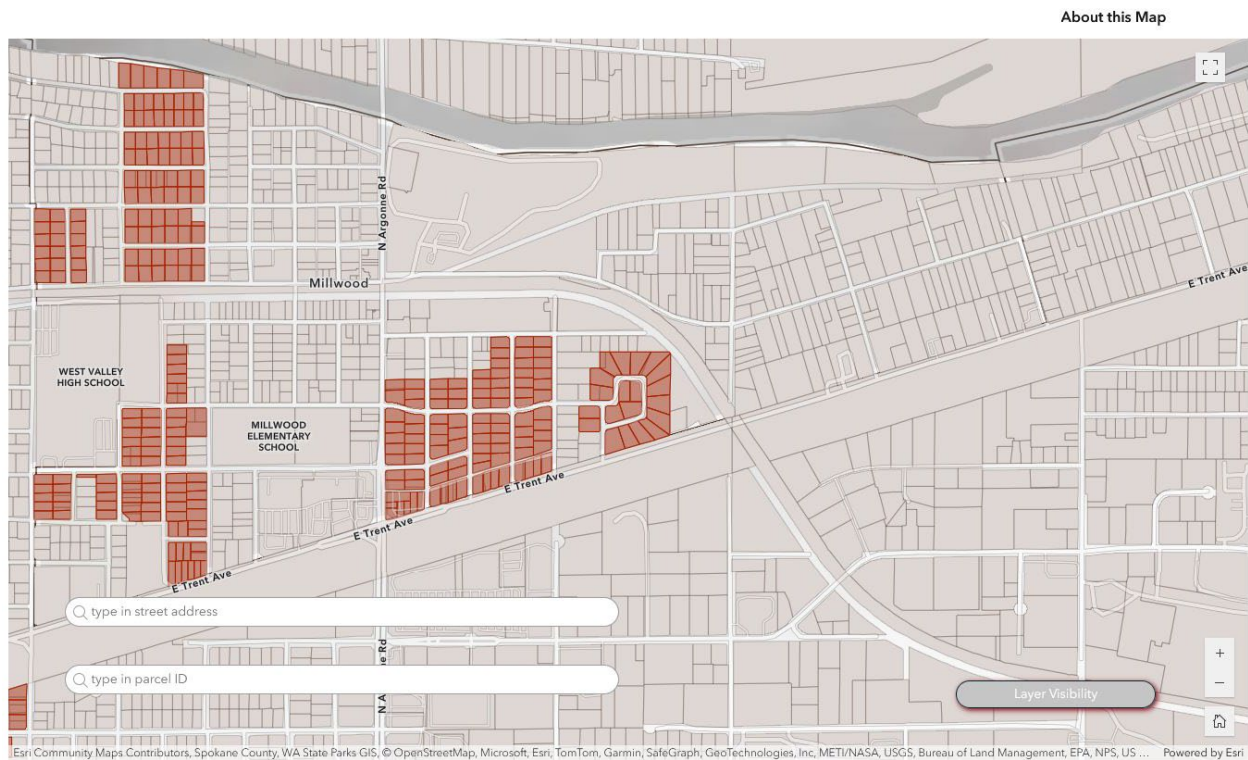


Figure 1 – Riverwood Addition Racial Covenant Example

Racially restrictive covenants were one of many tools used by white segregationists to build all-white neighborhoods in the first half of the 20th century. White property owners added racial restrictions to over 7000 lots in Spokane County between the 1920s and 1950s. Though discrimination based on race was banned by the 1968 Fair Housing Act, the unenforceable language still persists in many property documents.

In Spokane County, covenants were most common in the northwest part of the City of Spokane (Audubon and Shadle), on the South Hill, Airway Heights, and in the Spokane Valley. They were often applied to entire neighborhoods (or even towns) when an addition or subdivision was surveyed and platted, but they were also included in deeds when a single lot changed hands.

8611 E SOUTH RIVER WAY

Parcel ID: 45064.0101 (click to zoom)

Abbreviated Legal Description: Riverwood Addition, Block 1, Lot 1

RACIAL COVENANT ASSOCIATED WITH THIS PROPERTY

Recording Date: Jan 3, 1946
Recording Number: ?
Grantor: Howard Maurer
Grantee: n/a

Racial Covenant: F. no person of any race, other than the white race, shall use or occupy any building upon these premises, except as a domestic servant domiciled with the owner or tenant,

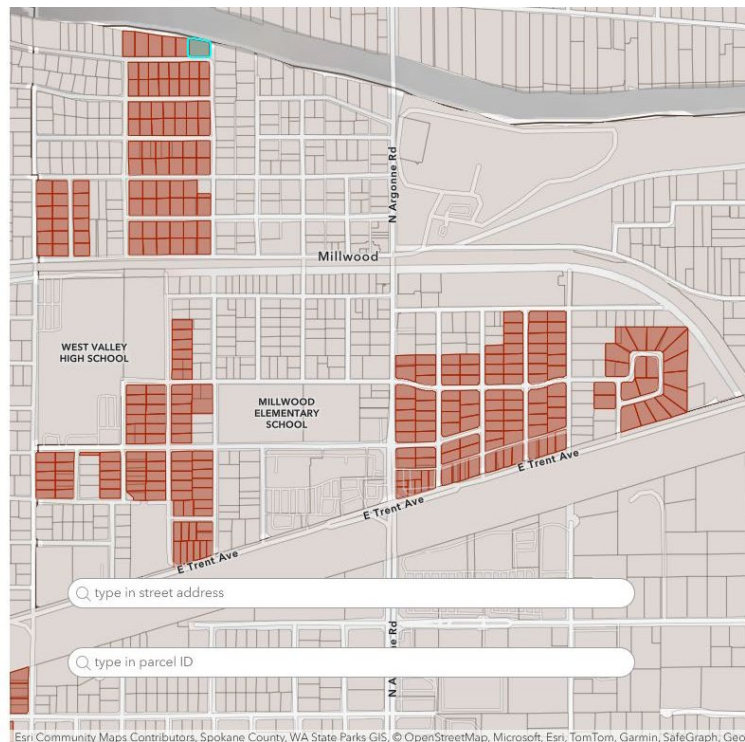


Figure 2 – Sipple's Addition Racial Covenant Example

Racially restrictive covenants were one of many tools used by white segregationists to build all-white neighborhoods in the first half of the 20th century. White property owners added racial restrictions to over 7000 lots in Spokane County between the 1920s and 1950s. Though discrimination based on race was banned by the 1968 Fair Housing Act, the unenforceable language still persists in many property documents.

In Spokane County, covenants were most common in the northwest part of the City of Spokane (Audubon and Shadle), on the South Hill, Airway Heights, and in the Spokane Valley. They were often applied to entire neighborhoods (or even towns) when an addition or subdivision was surveyed and platted, but they were also included in deeds when a single lot changed hands.

8304 E LIBERTY AVE

Parcel ID: 45064.1917 (click to zoom)

Abbreviated Legal Description: Sipple's Addition, Block 2, Lot 12

RACIAL COVENANT ASSOCIATED WITH THIS PROPERTY

Recording Date: May 9, 1946
Recording Number: ?
Grantor: Killian Sipple
Grantee: n/a

Racial Covenant: F. no person or persons of any race other than white or Caucasian race shall use or occupy any dwelling on any lot except that this covenant shall not prevent occupancy by domestic servants of a different race or nationality domiciled with an owner or tenant.



Figure 3 – Hedman's Addition Racial Covenant Example

Racially restrictive covenants were one of many tools used by white segregationists to build all-white neighborhoods in the first half of the 20th century. White property owners added racial restrictions to over 7000 lots in Spokane County between the 1920s and 1950s. Though discrimination based on race was banned by the 1968 Fair Housing Act, the unenforceable language still persists in many property documents.

In Spokane County, covenants were most common in the northwest part of the City of Spokane (Audubon and Shadle), on the South Hill, Airway Heights, and in the Spokane Valley. They were often applied to entire neighborhoods (or even towns) when an addition or subdivision was surveyed and platted, but they were also included in deeds when a single lot changed hands.

3018 N LAURA RD

Parcel ID: 45071.1001 (click to zoom)

Abbreviated Legal Description: Hedman's Addition, Block 1, Lot 1

RACIAL COVENANT ASSOCIATED WITH THIS PROPERTY

Recording Date: Dec 8, 1950
Recording Number: ?
Grantor: Carl Hedman
Grantee: n/a

Racial Covenant: E. No person of any race other than the white race shall use or occupy any building upon these premises except that this covenant shall not prevent occupancy by domestic servants of a different race domiciled with owner or tenant.

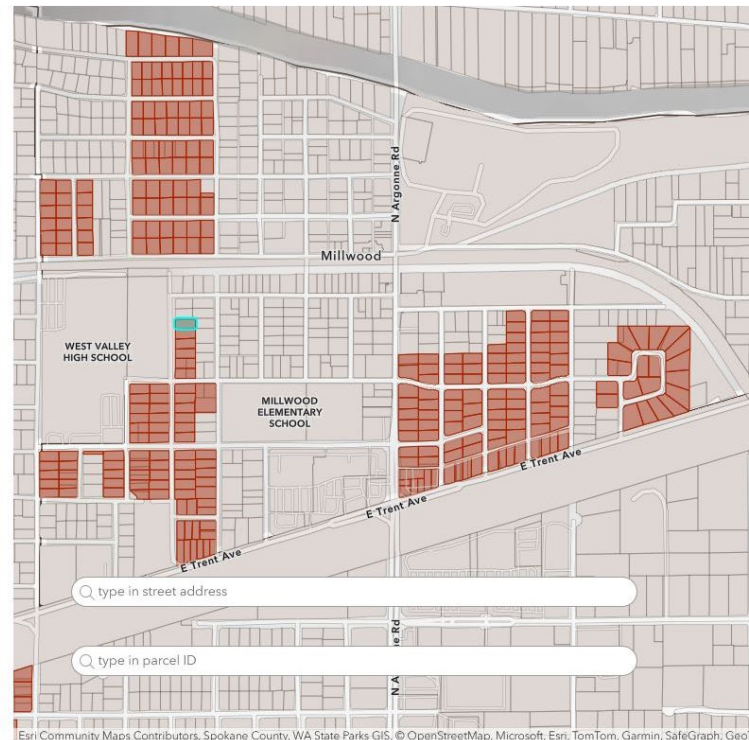


Figure 4 – Polwarth’s 1st Addition Racial Covenant Example

Racially restrictive covenants were one of many tools used by white segregationists to build all-white neighborhoods in the first half of the 20th century. White property owners added racial restrictions to over 7000 lots in Spokane County between the 1920s and 1950s. Though discrimination based on race was banned by the 1968 Fair Housing Act, the unenforceable language still persists in many property documents.

In Spokane County, covenants were most common in the northwest part of the City of Spokane (Audubon and Shadle), on the South Hill, Airway Heights, and in the Spokane Valley. They were often applied to entire neighborhoods (or even towns) when an addition or subdivision was surveyed and platted, but they were also included in deeds when a single lot changed hands.

2723 N SIPLE RD

Parcel ID: 45071.2401 (click to zoom)

Abbreviated Legal Description: Polwarth's 1st Addition, Block 4, Lot 1

RACIAL COVENANT ASSOCIATED WITH THIS PROPERTY

Recording Date: Jan 21, 1948
Recording Number: 794783A
Grantor: Ernest Polwarth
Grantee: n/a

Racial Covenant: No person of any race other than the white race shall use or occupy any building except that this covenant shall not prevent occupancy by domestic servants of a different race if domiciled with the owner or tenant.



Figure 5 – Polwarth’s Addition Racial Covenant Example

Racially restrictive covenants were one of many tools used by white segregationists to build all-white neighborhoods in the first half of the 20th century. White property owners added racial restrictions to over 7000 lots in Spokane County between the 1920s and 1950s. Though discrimination based on race was banned by the 1968 Fair Housing Act, the unenforceable language still persists in many property documents.

In Spokane County, covenants were most common in the northwest part of the City of Spokane (Audubon and Shadle), on the South Hill, Airway Heights, and in the Spokane Valley. They were often applied to entire neighborhoods (or even towns) when an addition or subdivision was surveyed and platted, but they were also included in deeds when a single lot changed hands.

2722 N BESSIE RD

Parcel ID: 45071.1412 (click to zoom)

Abbreviated Legal Description: Polwarth's Addition, Block 2, Lot 10

RACIAL COVENANT ASSOCIATED WITH THIS PROPERTY

Recording Date: Sep 18, 1942
Recording Number: 559461A
Grantor: Ernest Polwarth
Grantee: n/a

Racial Covenant: (i) No persons of any race other than the white race shall use or occupy any building upon these premises, except that this covenant shall not prevent occupancy by domestic servants of a different race domiciled with owner or tenant

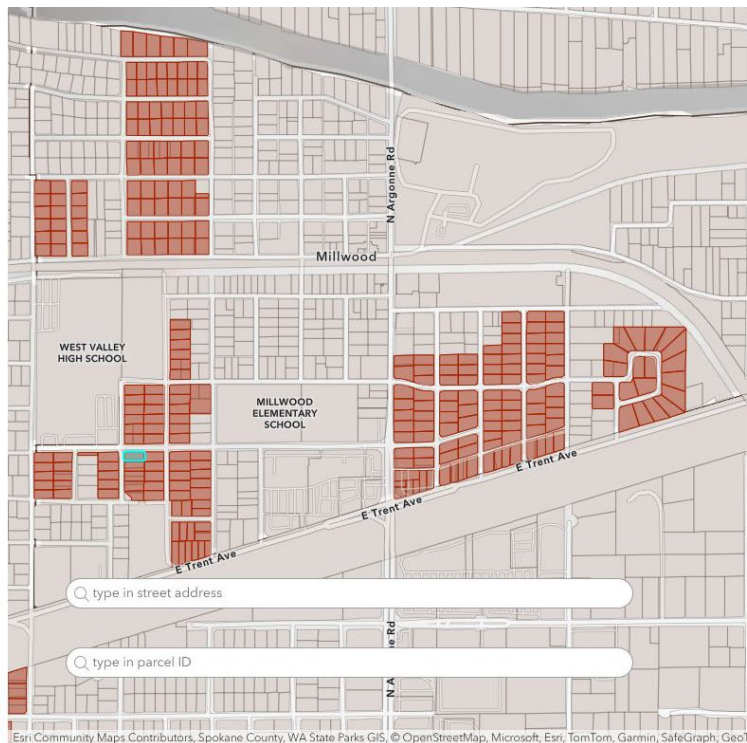


Figure 6 – Julian Addition Racial Covenant Example

Racially restrictive covenants were one of many tools used by white segregationists to build all-white neighborhoods in the first half of the 20th century. White property owners added racial restrictions to over 7000 lots in Spokane County between the 1920s and 1950s. Though discrimination based on race was banned by the 1968 Fair Housing Act, the unenforceable language still persists in many property documents.

In Spokane County, covenants were most common in the northwest part of the City of Spokane (Audubon and Shadle), on the South Hill, Airway Heights, and in the Spokane Valley. They were often applied to entire neighborhoods (or even towns) when an addition or subdivision was surveyed and platted, but they were also included in deeds when a single lot changed hands.

8605 E YORK AVE

Parcel ID: 45071.1504 (click to zoom)

Abbreviated Legal Description: Julian Addition, Block 1, Lot 4

RACIAL COVENANT ASSOCIATED WITH THIS PROPERTY

Recording Date: Sep 22, 1950
Recording Number: ?
Grantor: Amelia Guiliano
Grantee: n/a

Racial Covenant: F. No person of any race other than the Caucasian race shall use or occupy any building or any part thereof said lot, except that this covenant shall not prevent occupancy by domestic servants of another race domiciled with an owner or tenant.

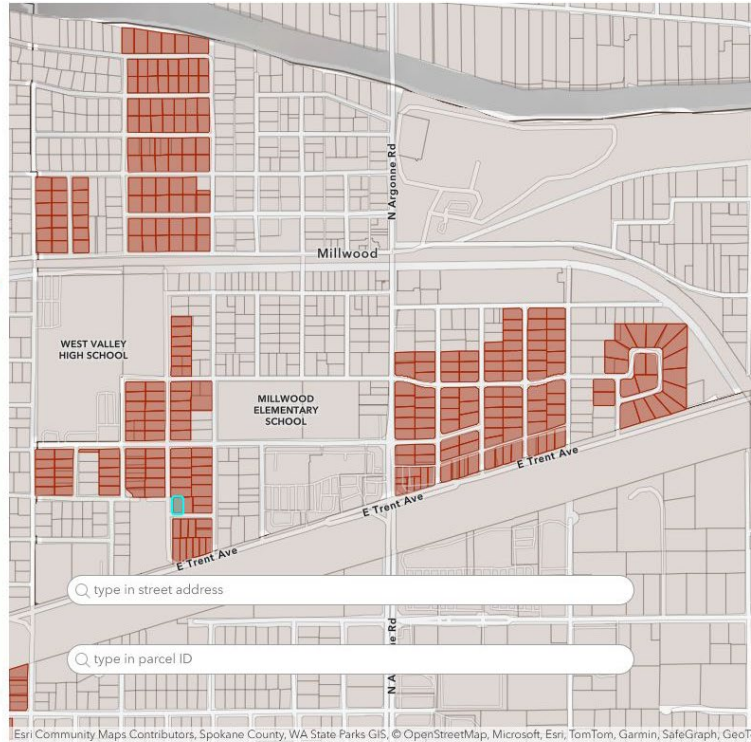


Figure 7 – Millwood Homes Addition Racial Covenant Example

Racially restrictive covenants were one of many tools used by white segregationists to build all-white neighborhoods in the first half of the 20th century. White property owners added racial restrictions to over 7000 lots in Spokane County between the 1920s and 1950s. Though discrimination based on race was banned by the 1968 Fair Housing Act, the unenforceable language still persists in many property documents.

In Spokane County, covenants were most common in the northwest part of the City of Spokane (Audubon and Shadle), on the South Hill, Airway Heights, and in the Spokane Valley. They were often applied to entire neighborhoods (or even towns) when an addition or subdivision was surveyed and platted, but they were also included in deeds when a single lot changed hands.

2918 N ARGONNE RD

Parcel ID: 45082.0802 (click to zoom)

Abbreviated Legal Description: Millwood Homes Addition, Block 1, Lot 1

RACIAL COVENANT ASSOCIATED WITH THIS PROPERTY

Recording Date: Dec 18, 1947
Recording Number: ?
Grantor: F E Martin
Grantee: n/a

Racial Covenant: None of said lots shall be transferred to or occupied by other than persons of the Caucasian race until after October 15, 1980.

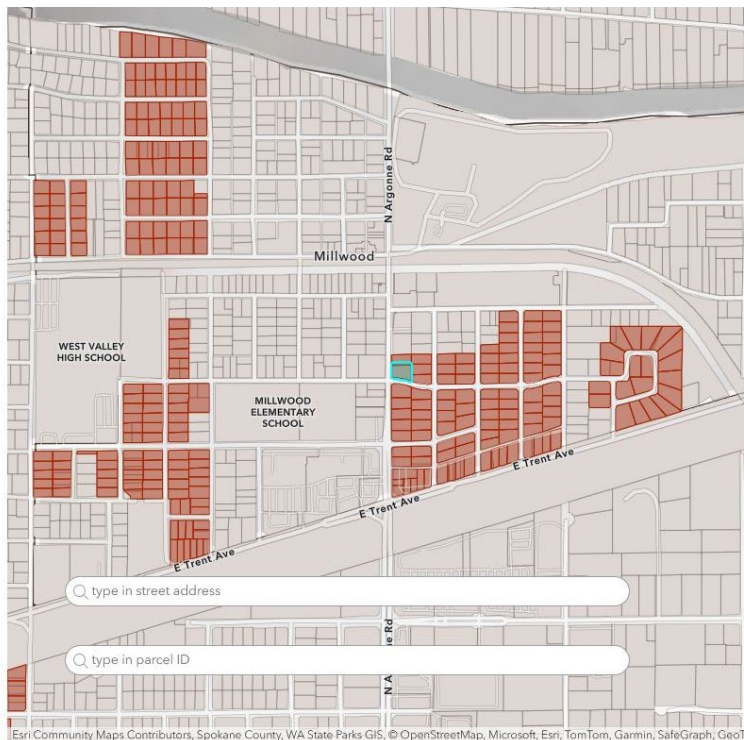


Figure 8 – Hooker's Addition Replat Racial Covenant Example

Racially restrictive covenants were one of many tools used by white segregationists to build all-white neighborhoods in the first half of the 20th century. White property owners added racial restrictions to over 7000 lots in Spokane County between the 1920s and 1950s. Though discrimination based on race was banned by the 1968 Fair Housing Act, the unenforceable language still persists in many property documents.

In Spokane County, covenants were most common in the northwest part of the City of Spokane (Audubon and Shadle), on the South Hill, Airway Heights, and in the Spokane Valley. They were often applied to entire neighborhoods (or even towns) when an addition or subdivision was surveyed and platted, but they were also included in deeds when a single lot changed hands.

2901 N BOEING RD

Parcel ID: 45082.0308 (click to zoom)

Abbreviated Legal Description: Hooker's Addition Replat, Block 1, Lot 1

RACIAL COVENANT ASSOCIATED WITH THIS PROPERTY

Recording Date: Mar 4, 1946
Recording Number: ?
Grantor: Melville Hooker
Grantee: n/a

Racial Covenant: F. no person or persons of any race other than white or Caucasian race shall use or occupy any dwelling on any lot except that this covenant shall not prevent occupancy by domestic servants of a different race or nationality domiciled with an owner or tenant.



Community Matters: Moving Forward Together

There have been some concerns raised during the 2026 Periodic Update process by members of our community regarding incidents that have taken place in and around Millwood. While it's important to acknowledge and understand these concerns, it is equally important to recognize that our community is committed to moving forward with inclusivity and respect for all.

We understand that our history has moments that we may not be proud of, and while we must honor that history, the focus now is on building a stronger, more welcoming Millwood for everyone. Many community members have expressed a desire to focus on fostering community, ensuring that Millwood remains a place where all residents feel valued and supported.

One of the topics currently being discussed is providing assistance to homeowners interested in addressing removal of historic racial covenants from their property deeds. This is one of many steps toward helping our community grow in ways that reflect our shared commitment to equality and opportunity.

Together, Millwood will continue to build a future that honors diversity and ensures that all voices are heard and respected.

Assessing Racially Disparate Impacts

Population

The racial makeup of Washington state in 1970 remained overwhelmingly white, with 95.4 % white residents and only 4.6 % minorities, of whom 2.1 % of the total population were classified as "Negro." In the 2000 census 81.8 percent of the state's total population was white, and 18.2 percent belonged to minority groups, a significant increase over the 30 year timeframe.

A report completed by the University of Washington entitled "Race and Segregation in Washington Cities and Counties 1940-2020" shows Spokane County was 98% White in 1970.

- In 1960, Millwood had a population of 1,776 and Millwood's Census Tract 110, Div 6 showed 99.8% were White, there was a Black population of zero and an Asian/Other Race population of 3 (0.02%).
- In 1970, Millwood's updated Tract 116 showed 99.3% of the population were White and 0.7% were other races. Millwood still had a Black population of zero, an Indigenous population of 7, and a Japanese population of 5, a slight increase from 1960.
- In 1980, Millwood's Census Tract 116 showed more diversity with 97.3% of the population listed as White, 0.4% of the population as Black, and other races had increased to 2.3% total.
- By 1990, Millwood's Census Tract 116 listed 97% of the population as White and 3% total for all other races; however, between 1960 and 1990, the population of Millwood overall had decreased to 1,559, followed by a gradual increase (see Figure 9 below).
- By 2000, Millwood's non-white population had increased to just under 5% of Millwood's population while Spokane County's non-white population was just under 9% in 2000.

Figure 9 – Historic Population Trend (2015 City of Millwood Comprehensive Plan Table 5.1 w/ Summary)

Historic Population Trends. Millwood experienced a moderate amount of population decline from 1960 through 1980. The rate of population loss increased moderately from 1980 to 1990. The Washington State Office of Financial Management (OFM) population estimate of 1,665 for 2008 would indicate a moderate increase in population from 1990 to 2008. This increase is largely accounted for by the annexation in 1991 of 28 acres with 59 residential units, including a total population of 105 persons, (Table 5.1)

Table 5.1
Millwood Historical Population Trends

	1970	1980	1990	2000	2010
Population	1,770	1,717	1,559	1,649	1,786
Percent of Change	-	-2.99%	-9.20%	5.52%	8.3%
Source: U.S. Bureau of the Census, 1990; 2000, 2010					

Figure 10 – Millwood Racial Distribution (2001 City of Millwood Comprehensive Plan Table 5.4 w/ Summary)

5.2.3 Racial Distribution

As of the 1990 Census, the white racial category accounted for nearly 97 percent of the Town's total population, making it by far the largest racial group within Millwood. Other racial distribution categories combined, account for three percent or less of the Town's population (Table 5.4)

Table 5.4
Racial Distribution 1990

Race	# of Persons	Percent
White	1,512	97.00
Black	5	00.32
American Indian	10	00.64
Asian or Pacific Islander	16	01.02
Other Race	16	01.02
Total	1,559	100.00

Figure 11 – 2000 Racial Distribution (2015 City of Millwood Comprehensive Plan Table 5.4)

Racial Distribution 2000

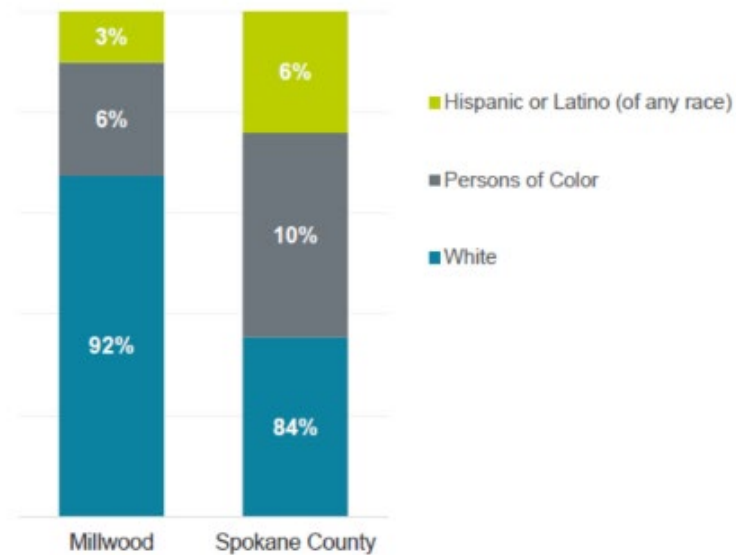
Race	# of Persons	Percent	Spokane County
White	1,571	95.3	91.4
Black or African American	9	0.5	1.6
American Indian or Alaskan Native	7	0.4	1.4
Asian	17	1.0	1.9
Native Hawaiian and Other Pacific Islander	2	0.1	0.2
Other Race	8	0.5	0.8
Two or More Races	35	2.1	2.8
Total	1,649	100.00	100.0

Based on data provided by the WA State Department of Commerce (included in Comprehensive Plan Chapter 4 Demographics as shown as Figures 12 and 13 below), Millwood's racial distribution has gotten less diverse since 2015, while Spokane County as a whole has gotten slightly more diverse. Between 2015 and 2020, Millwood's Hispanic or Latino (of any race) percentage increased by 1% while Persons of Color decreased by 3%.

Figure 12 – Racial Composition of Millwood and Spokane County, 2020 (2026 Draft City of Millwood Comprehensive Plan Figure 4-3)

Figure 4-3: Racial composition of Millwood and Spokane County, 2020*

Chart 2a. Racial composition of Millwood and Spokane County, 2020

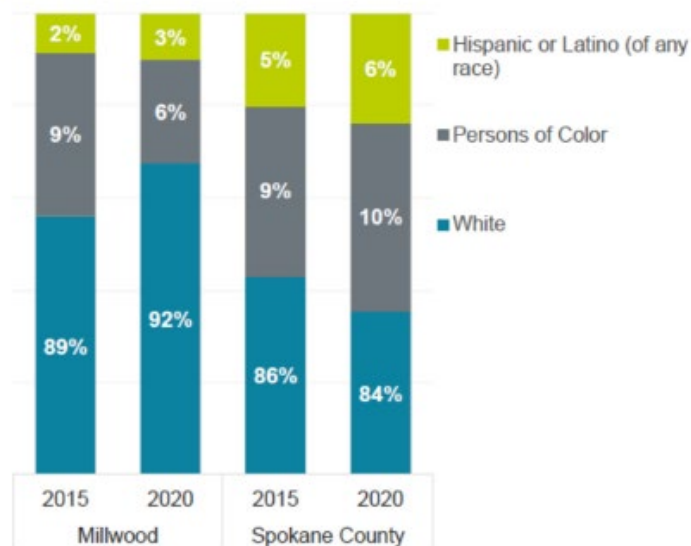


Source: US Census Bureau, 2016-2020 American Community Survey 5-Year Estimates (Table DP05); Washington Department of Commerce, 2023

Figure 13 – Racial composition of Millwood and Spokane County, 2015 and 2020 (2026 Draft City of Millwood Comprehensive Plan Figure 4-4)

Figure 4-4: Racial composition of Millwood and Spokane County, 2015 and 2020*

Chart 3. Racial composition of Millwood and Spokane County, 2015 and 2020

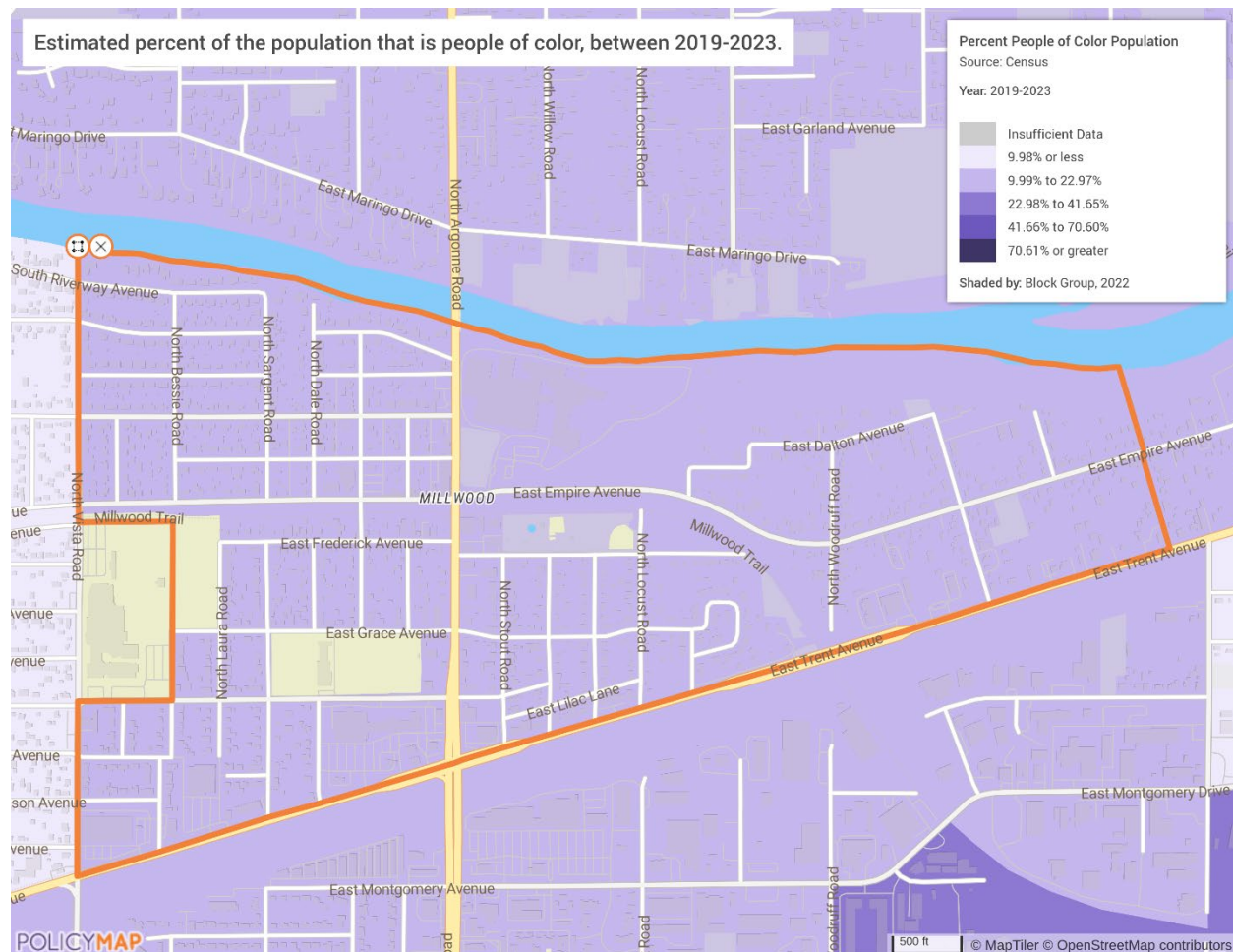


Source: US Census Bureau, 2011-2015 and 2016-2020 American Community Survey 5-Year Estimates (Table DP05); Washington Department of Commerce, 2023

** There are no steadfast rules as to what constitutes a reliable estimate. Long range planning often tolerates a range of estimates for informing long range targets. For many jurisdictions, there are no alternative data sources that could provide more reliable data. The model provided by the WA State Department of Commerce uses a default Coefficient of Variation threshold of 30% to indicate that some estimates may have low reliability. When an estimate has a CV higher than the threshold, the model includes a warning and recommends the user use the less detailed charts for the RDI analysis. For the City of Millwood, when a less detailed chart was available, it was utilized.*

Map 2 was prepared by Commerce to graphically represent the Millwood persons of color population compared to the surrounding areas. Per Commerce, census data for the City of Millwood on this topic is limited.

Map 2 – Estimated percent of the population that are people of color, 2019-2023



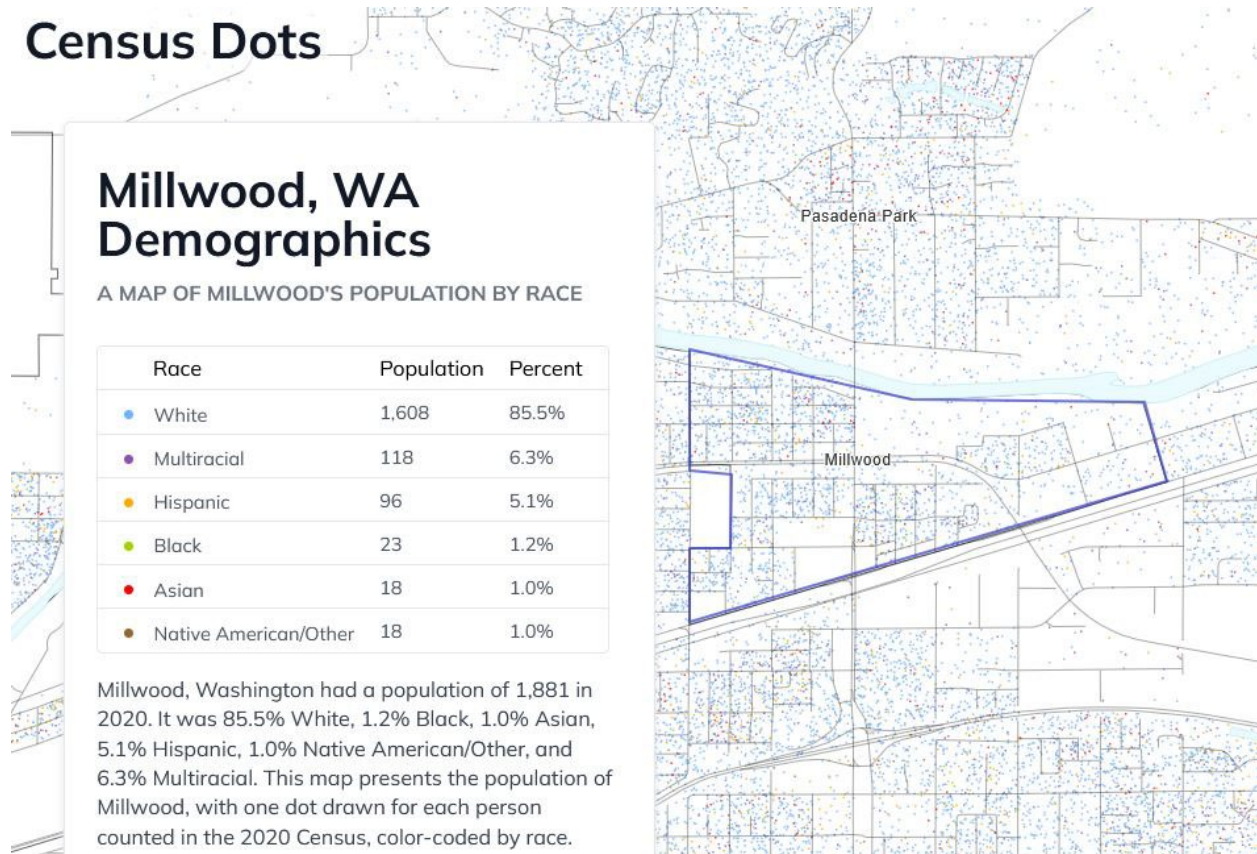
According to 2022 ACS 5 Year Estimates, 2.1% of the Millwood population speaks a language other than English at home (Spanish, Other Indo-European languages, and Asian/Pacific Islander languages).

While it appears there are data issues with Inland Empire Paper (IEP) land and division of percentages, the following Map 3 was the only data that could be found to potentially represent the spatial distribution of Millwood's population¹. The data was obtained from the 2020 Census and would need to be considered an approximate representation since the 2020 Census data included in Chapter 4 of the Millwood Comprehensive Plan shows that 6% of Millwood residents are "persons of color" while the Census Dots data below lists 8.3% for persons of color and 6.3% multiracial. Map 2 represents Millwood

in 2020, not historically; however, it does show that races were spread out across Millwood with little to no racial concentrations.

¹ The Commerce suggested HUD Affirmatively Furthering Fair Housing Tool (AFFHT) was no longer available at the time of this RDI Analysis. The alternative, PolicyMap is limited Commerce (see Map 2 above).

Map 3 – 2020 Census Dots Map of Millwood Population By Race



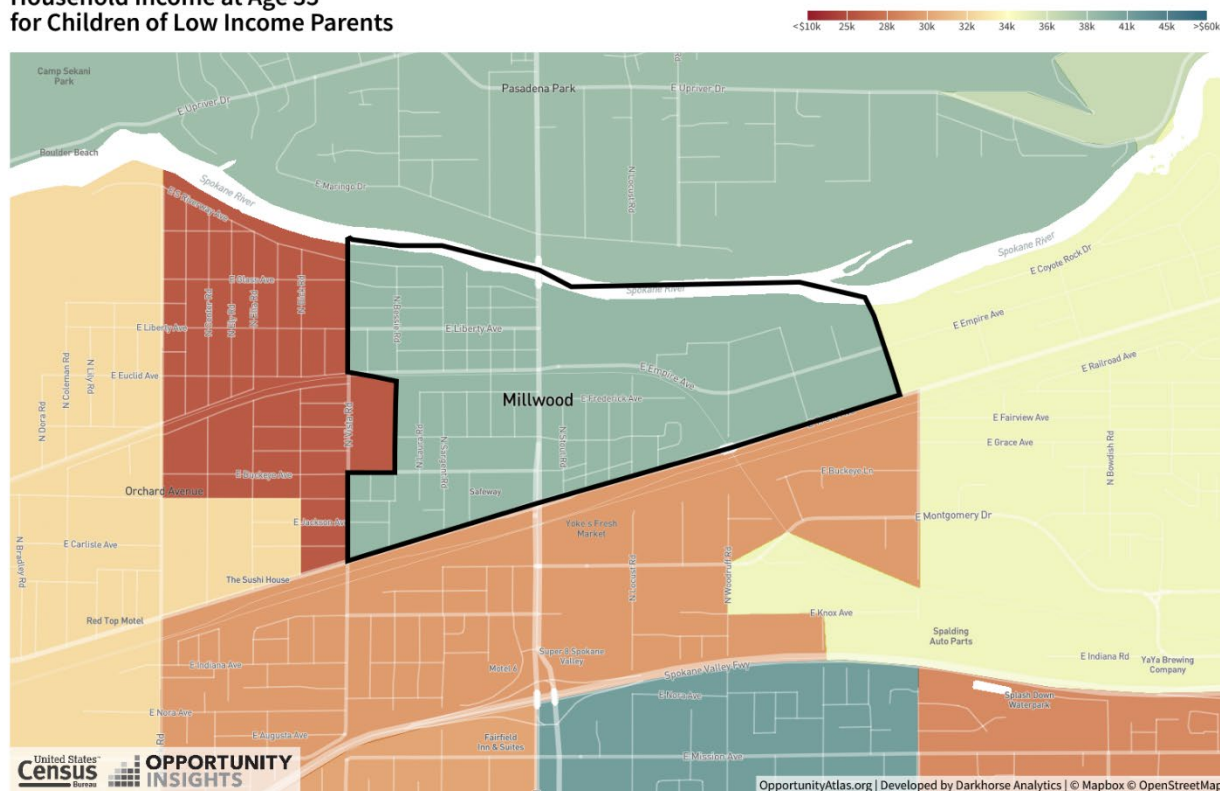
Income and Housing

“In 2018, in collaboration with Opportunity Insights, the Census Bureau constructed and released the [Opportunity Atlas](https://www.census.gov/programs-surveys/ces/data/public-use-data/opportunity-atlas-data-tables.html), a comprehensive Census tract-level dataset of children’s outcomes in adulthood using data covering nearly the entire U.S. population. For each tract, the Census Bureau estimated children’s outcomes in adulthood such as earnings distributions and incarceration rates by parental income, race/ethnicity, and sex. These estimates allow the public to trace the roots of outcomes such as poverty and incarceration to the neighborhoods in which children grew up. The statistics in the Opportunity Atlas focused on adult outcomes of children born in between 1978-1983 at the tract level” (<https://www.census.gov/programs-surveys/ces/data/public-use-data/opportunity-atlas-data-tables.html>).

According to Map 3 above, Millwood in 2020 does not have a concentration of races, households are spread out across the City.

The maps below show data for the City of Millwood and the surrounding area within Spokane Valley. Millwood’s data is consistent for the entire City while other jurisdictions can have different data for different sections, seeming to correspond with racial household concentrations that Millwood does not appear to have.

67



With the assumed household distribution throughout the City, outcomes by race cannot be calculated for Maps 4 or 5.

68

Figure 14 – The Opportunity Atlas Data Summary

	Higher Income Parents (75 th percentile)		Lower Income Parents (25 th percentile)	
2014-2015 average annual household income	\$54,000 (Median was \$52,000)		\$38,000 (Median was \$34,000)	
Incarceration rate	Less than 1%		4.5%	
Overall Employment rate	82%		67%	
	Women	Men	Women	Men
2014-2015 average annual individual income	\$25,000	\$42,000	\$22,000	\$25,000
Employment rate	77%	89%	62%	73%
% Married	68%	57%	54%	37%
Teenage birth rate	2.5%	N/A	20%	N/A

Almost 40% of Millwood’s total households fall into the extremely low, very low, and low-income categories. Figure 15 below, shows that the majority of Millwood white households fall into the moderate income to above median income categories while the majority of Millwood’s households of color fall into the extremely low-income category or low-income category. In 2015 vs. 2020, income category percentage only changed slightly when looking at all households, but significant changes were recorded for various households of color, shown in Figure 16 below.

Figure 15 – Millwood distribution of households by income and race or ethnicity in 2019 (2026 Draft City of Millwood Comprehensive Plan Figure 4-8)

Figure 4-8: Millwood distribution of households by income and race or ethnicity in 2019*

Chart 14a. Millwood distribution of households by income and race or ethnicity, 2019

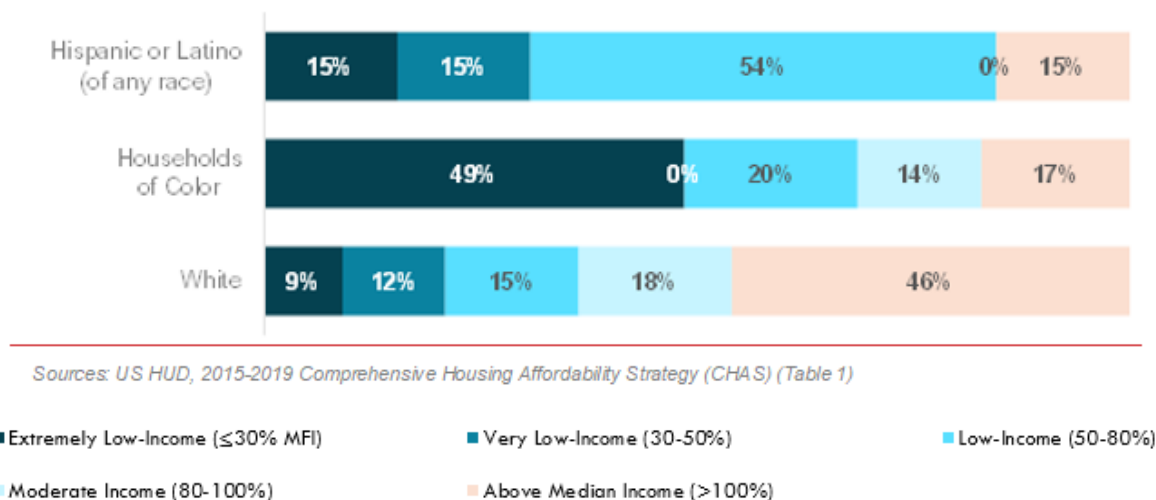
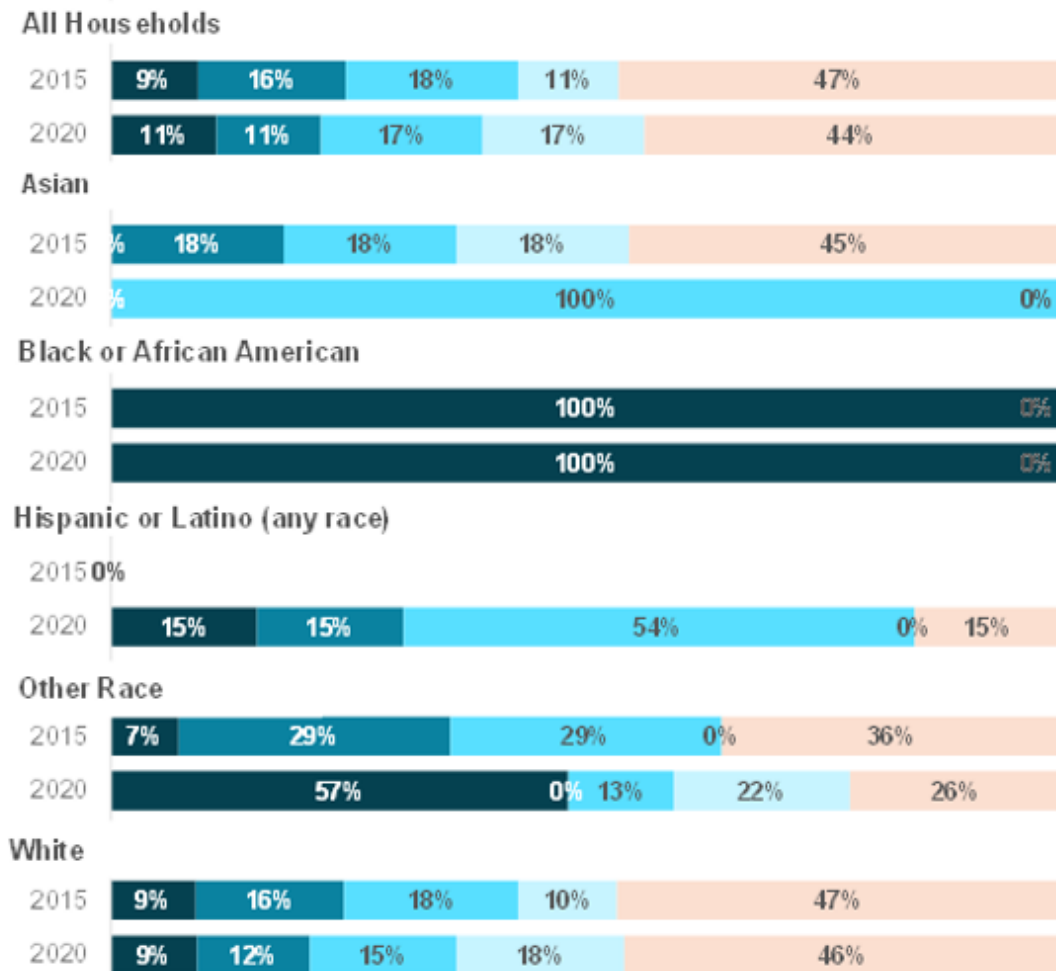


Figure 16 – Millwood percentage of households by income category and race in 2015 vs. 2020 (2026 Draft City of Millwood Comprehensive Plan Figure 4-9)

Figure 4-9: Millwood percentage of households by income category and race (2015 vs. 2020)*

Chart 15. Millwood percentage of all households by income category and race, (2010 - 2014 vs 2015 - 2019)



Sources: US HUD, 2015-2019 Comprehensive Housing Affordability Strategy (CHAS) (Table 1)

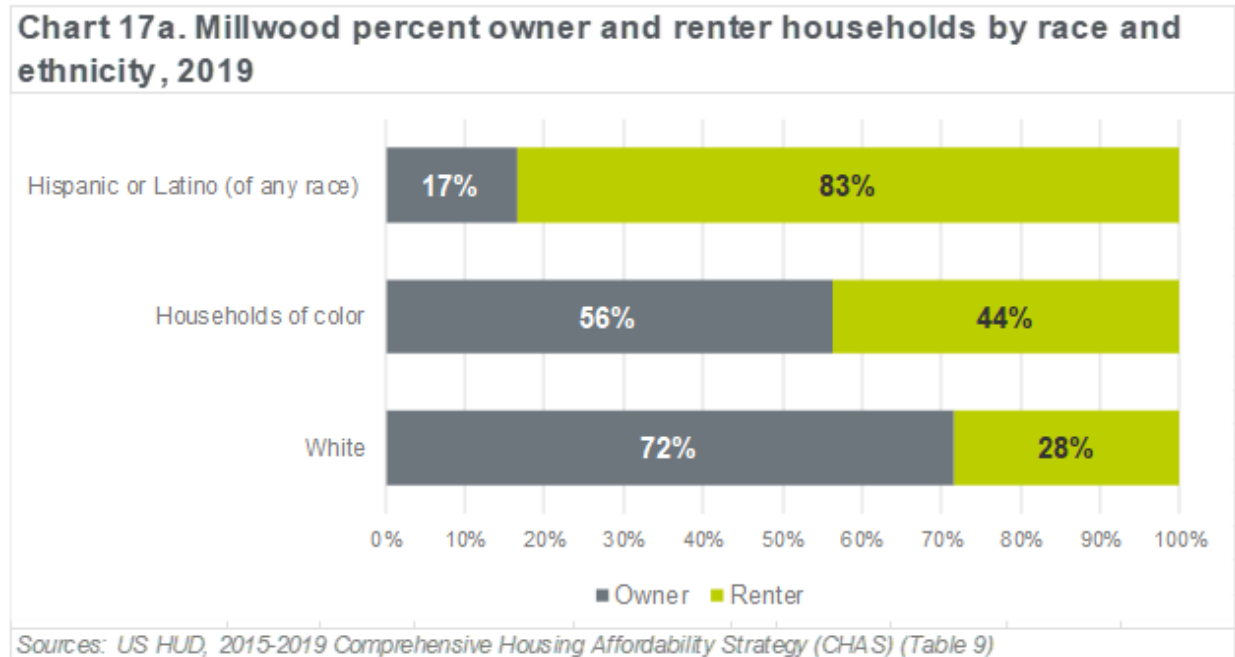
■ Extremely Low-Income (≤30% MFI)
 ■ Very Low-Income (30-50%)
 ■ Low-Income (50-80%)
 ■ Moderate Income (80-100%)
 ■ Above Median Income (>100%)

* There are no steadfast rules as to what constitutes a reliable estimate. Long range planning often tolerates a range of estimates for informing long range targets. For many jurisdictions, there are no alternative data sources that could provide more reliable data. The model provided by the WA State Department of Commerce uses a default Coefficient of Variation threshold of 30% to indicate that some estimates may have low reliability. When an estimate has a CV higher than the threshold, the model includes a warning and recommends the user use the less detailed charts for the RDI analysis. For the City of Millwood, when a less detailed chart was available, it was utilized.

Based on data provided by the WA State Department of Commerce (included in Comprehensive Plan Chapter 6 Housing), households of color have a slightly higher owner vs. renter percentage in Millwood, while Hispanic or Latino (of any race) households are predominantly renters and white households are predominantly owners, as shown in Figure 17 below.

Figure 17 – Millwood Percent of Owner and Renter Households by Race & Ethnicity, 2019 (2026 Draft City of Millwood Comprehensive Plan Figure 6-3)

Figure 6-3: Millwood Percent of Owner and Renter Households by Race & Ethnicity, 2019*



Cost burden and rental affordability are a challenge for Millwood, especially for persons of color and Hispanic / Latino residents which can result in racially disparate impacts. Based on Figure 18 below, 43% of Millwood persons of color are cost-burdened or severely cost-burdened compared to only 18% of white residents. 56% of Millwood residents that are Hispanic or Latino (of any race) are cost-burdened, but none are severely cost-burdened. Figures 19 and 20 show that both owner and renter households experience cost-burden. Overall renter households have higher percentages of cost-burden compared to owner households.

Figure 18 – Millwood Total Housing by Racial & Ethnic Group, 2019 (2026 Draft City of Millwood Comprehensive Plan Figure 6-4)

Figure 6-4: Millwood Total Housing Cost Burden by Racial and Ethnic Group, 2019*

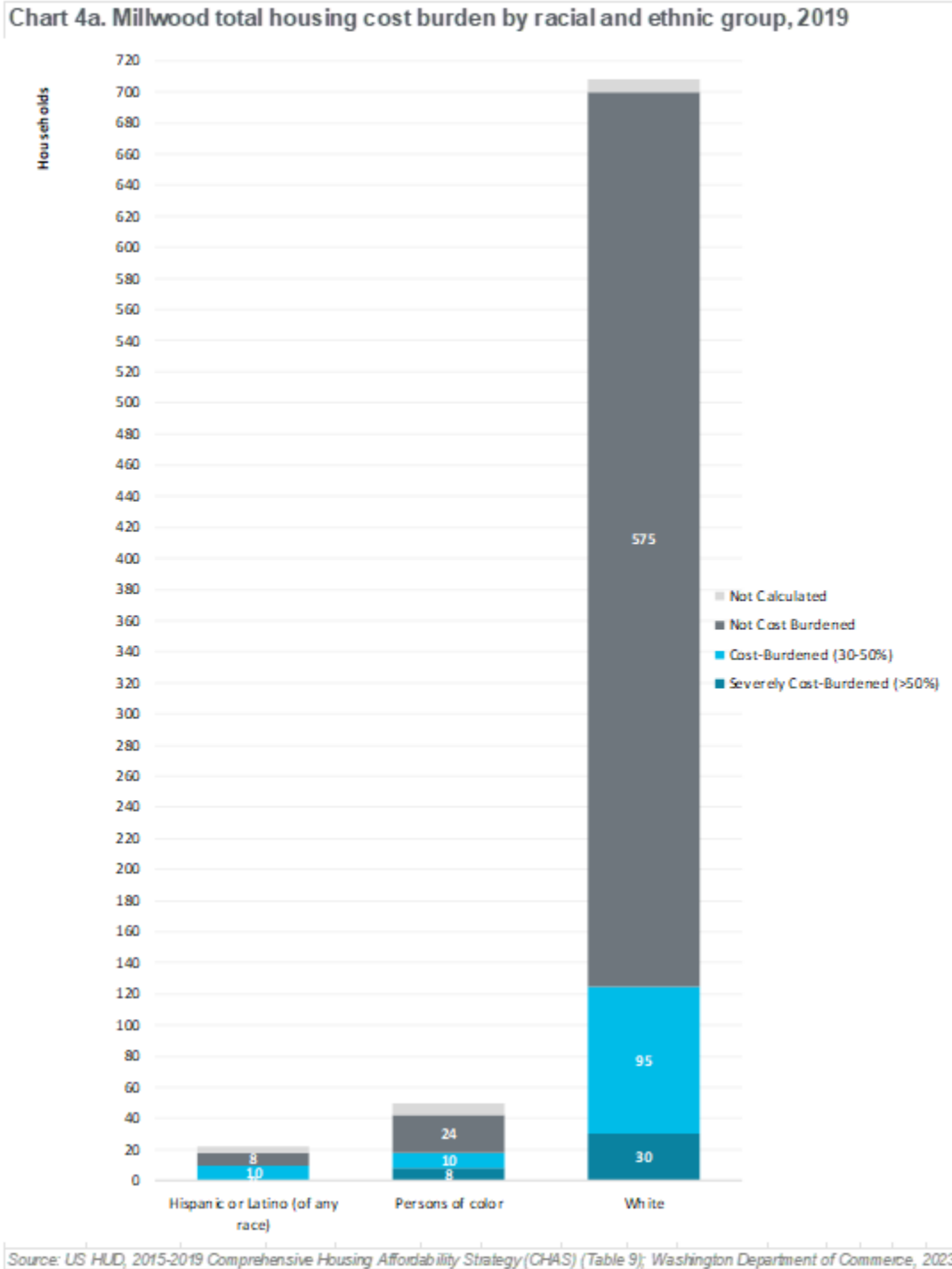


Figure 19 – Millwood Owner Households Experiencing Housing Cost Burden, 2019 (2026 Draft City of Millwood Comprehensive Plan Figure 6-5)

Figure 6-5: Millwood Owner Households Experiencing Housing Cost Burden, 2019*

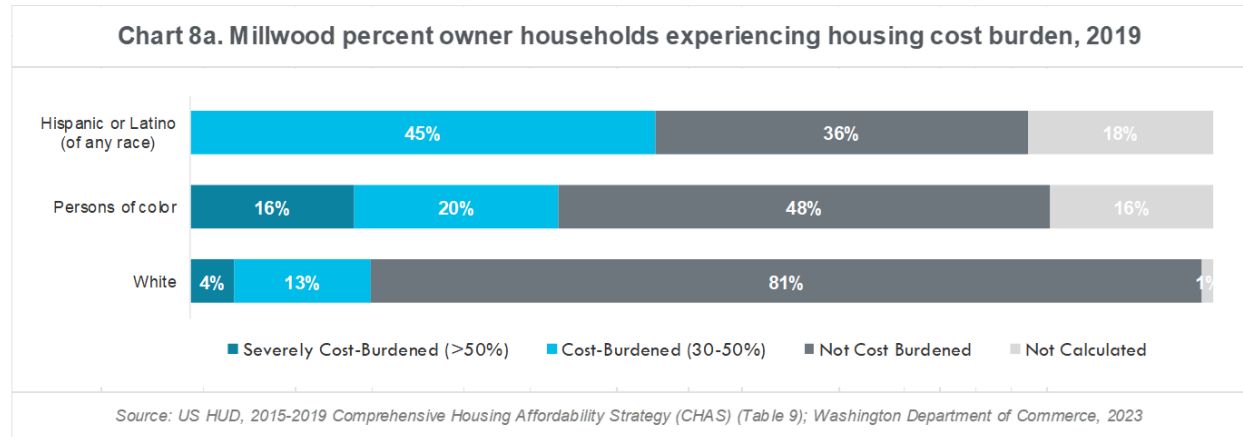
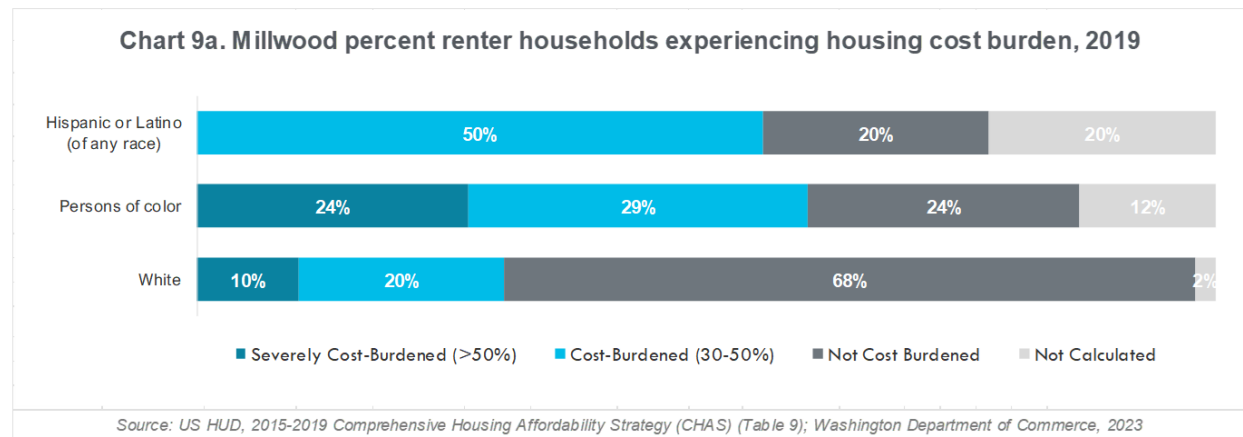


Figure 20 – Millwood Renter Households Experiencing Housing Cost Burden, 2019 (2026 Draft City of Millwood Comprehensive Plan Figure 6-6)

Figure 6-6: Millwood Renter Households Experiencing Housing Cost Burden, 2019*



* There are no steadfast rules as to what constitutes a reliable estimate. Long range planning often tolerates a range of estimates for informing long range targets. For many jurisdictions, there are no alternative data sources that could provide more reliable data. The model provided by the WA State Department of Commerce uses a default Coefficient of Variation threshold of 30% to indicate that some estimates may have low reliability. When an estimate has a CV higher than the threshold, the model includes a warning and recommends the user use the less detailed charts for the RDI analysis. For the City of Millwood, when a less detailed chart was available, it was utilized.

Millwood is lacking rental units for the extremely-low income and moderate-income brackets with an excess of units in the very-low income and low-income brackets, as shown below in Figures 21, 22, and 23 below.

Figure 21 – Millwood and Spokane County Rental Units by Affordability and Households By Income, 2019 (2026 Draft City of Millwood Comprehensive Plan Table 6-4)

Table 6-4: Millwood and Spokane County Rental Units By Affordability and Households By Income, 2019

Table 5. Millwood and Spokane County rental units by affordability and households by income, 2019						
	Millwood		Millwood		Spokane County	
	Households	Rental Units	Households	Rental Units	Households	Rental Units
Extremely-Low Income (<30% AMI)	35	20	15%	9%	24%	10%
Very-Low Income (30-50% AMI)	45	75	20%	33%	19%	32%
Low-Income (50-80% AMI)	50	130	22%	57%	25%	48%
Moderate-Income (80%-100% AMI)	30	4	13%	2%	11%	9%
Greater than 100% of AMI	65	-	28%		22%	
Total	230	229				

Sources: US HUD, 2015-2019 Comprehensive Housing Affordability Strategy (CHAS) (Table 8) & US HUD, 2015-2019 Comprehensive Housing Affordability Strategy (CHAS) (Table 15C)

Figure 22 – Millwood and Spokane County Renter Households By Income Compared to Rental Units By Affordability, 2019 (2026 Draft City of Millwood Comprehensive Plan Figure 6-7)

Figure 6-7: Millwood and Spokane County Renter Households By Income Compared to Rental Units By Affordability, 2019

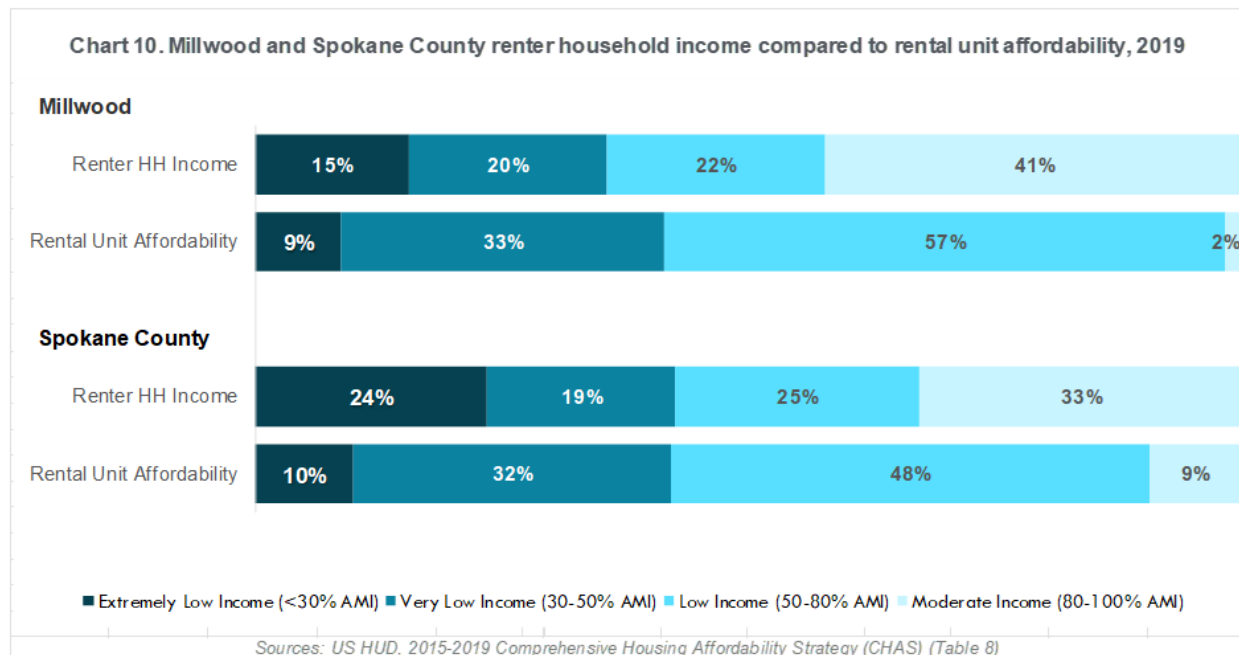
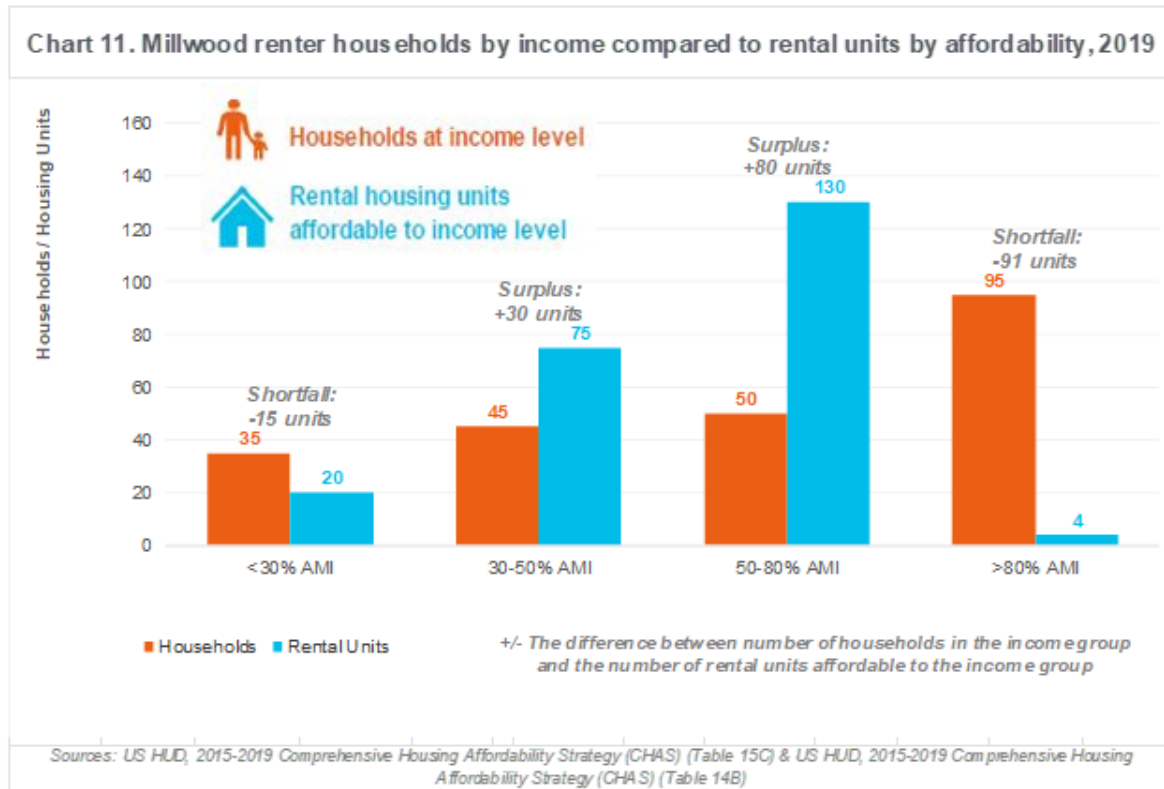


Figure 23 – Millwood Renter Households By Income Compared to Rental Units By Affordability, 2019
(2026 Draft City of Millwood Comprehensive Plan Figure 6-8)

Figure 6-8: Millwood Renter Households By Income Compared to Rental Units By Affordability, 2019



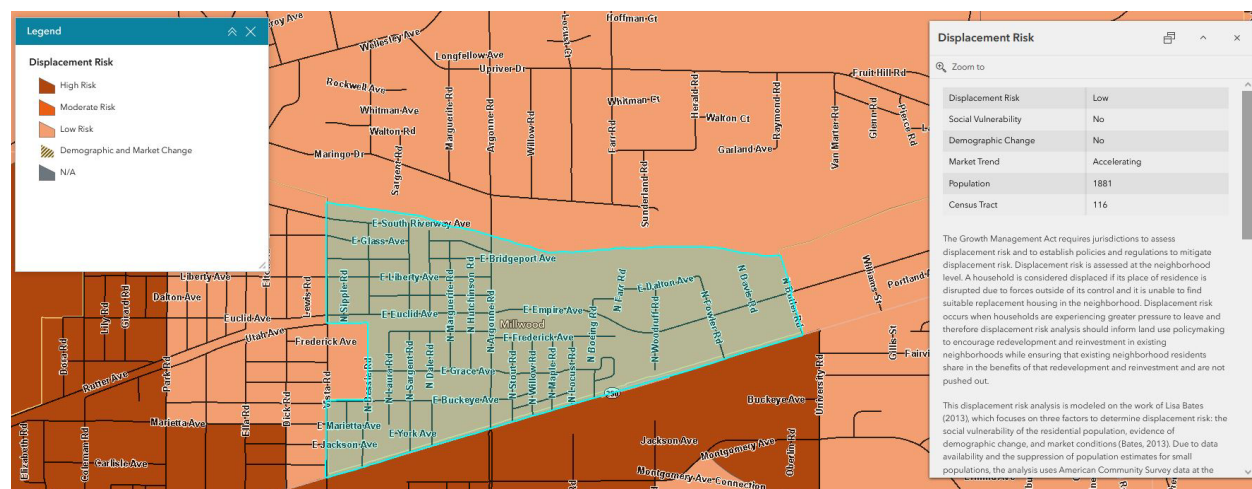
These figures suggest that residents from some racial and ethnic backgrounds face higher economic challenges compared to their White counterparts. Rapid increases in property values can exacerbate affordability issues, particularly for communities that have historically been marginalized.

In response to historical housing discrimination, Washington State has implemented programs aimed at addressing these disparities. The Covenant Homeownership Act, passed in 2023, provides down payment assistance to individuals from communities that have been historically excluded from homeownership opportunities, including Black, Latino, Indigenous, Pacific Islander, Korean, and Asian Indian residents. While this initiative is a step toward rectifying past injustices, it also faces legal challenges regarding its targeted eligibility criteria. <https://www.wshfc.org/covenant/>

Displacement

Based on data from the WA State Department of Commerce in Figure 24, Millwood is at low risk for displacement with no social vulnerability, no demographic change, and an accelerating market trend; however examples of seniors and young adults being “priced out of Millwood” did arise in community feedback.

Figure 24 – Millwood Displacement Risks



Policy Evaluation

Millwood's history of racial exclusion in housing, combined with ongoing economic disparities, underscores the need for continued efforts to promote equity in housing and economic opportunities. While state initiatives like the [Covenant Homeownership Act](#) represent progress, addressing these issues requires sustained commitment and inclusive policies that consider the diverse needs of all residents.

Per Commerce guidance, “once jurisdictions have identified if there is evidence of racially disparate impacts, displacement and exclusion in housing, they should review goals, policies and regulations to assess whether they contribute to those impacts.” The City of Millwood has completed significant work from the Fall of 2024 through the Spring of 2025 in refining the goals, policies, and actions framework contained in the Comprehensive Plan and these refinements will be evaluated as part of this RDI Analysis and will be further updated based on the results of the evaluation, prior to plan adoption.

Based on guidance provided by the Washington State Department of Commerce, the following evaluation framework was used to evaluate Millwood’s proposed 2026 Comprehensive Plan - Housing goals, policies, and actions framework:

Criteria	Evaluation
The goal/policy is valid and supports meeting the identified housing needs. The policy is needed and addresses identified racially disparate impacts, displacement and exclusion in housing.	(S) Supportive
The goal/policy can support meeting the identified housing needs but may be insufficient or does not address racially disparate impacts, displacement and exclusion in housing.	(A) Approaching
The goal/policy may challenge the jurisdiction’s ability to meet the identified housing needs. The policy’s benefits and burdens should be reviewed to optimize the ability to meet the policy’s objectives while improving the equitable distribution of benefits and burdens imposed by the policy.	(C) Challenging

The goal/policy does not impact the jurisdiction's ability to meet the identified housing needs and has no influence or impact on racially disparate impacts, displacement or exclusion.

(NA)
Not applicable

City of Millwood General Goals	Evaluation	Notes
Encourage the Central Business District to be attractive and inviting with shopping and services for people with diverse interests and needs.	S	While directly referencing shopping, the Central Business District (CBD) includes housing and encouraging "shopping and services for people with diverse interests and needs" supports all people that choose to live in the CBD.
Enhance the identity of the community to both residents and visitors.	S	This goal does not specifically address conditions that have resulted in racially disparate impacts like other goals do but the reference to identity enhancement is improvement.
Consider methods to improve the economic vitality of the Millwood business community.	N/A	
Integrate housing for all with existing land uses to accommodate a range of housing types, densities, and affordability levels, as well as providing opportunities for small scale, neighborhood-based food production.	S	
Provide for a variety of parking options in the central business district.	S	The CBD includes housing and providing for a variety of parking options gives flexibility for housing development. Updated implementation could reduce required parking for affordable housing close to bus stops, etc.
Enhance aesthetics along the city's arterials.	N/A	
Provide more parks, open space, and public access along the Spokane River.	N/A	
Coordinate with Spokane County, applicable agencies, and property owners to encourage construction of a safe, pedestrian/bicycle connection to the Centennial Trail from Millwood.	N/A	
Improve existing parks.	N/A	

Land Use Element Vision Statement (Housing)	Evaluation	Notes
Millwood needs to accommodate existing and projected housing needs for all economic segments of the community, consistent with the County-wide Planning Policies for Spokane County, Affordable Housing Policy Topic. Single-family, duplexes, triplexes, quadplexes, accessory dwelling units, and other innovative housing types can be utilized to bridge the gap between single-family and multi-family development. The currently sited mobile home park will continue to be allowed through appropriate zoning. Multi-family housing will be located near the central business district and public transit routes. Larger residential lots for single-family homes and duplexes are envisioned on the east side of the city to preserve the character of the neighborhood, while other residential areas of the city will maintain the character of a more dense development pattern(s).	A	Some types of zoning and regulations, <u>including minimum lot size requirements</u> restrict the types of homes that can be built. Research has connected zoning to racial segregation, creating disparities in outcomes. Amending zoning standards to allow more types of housing and expanding housing choices that can be more affordable is an important way to undo past harm. "Neighborhood character" is vague, and per Department of Commerce guidelines should not be used because it has a history of enshrining exclusive single-family neighborhoods to the detriment of lower-income households. This goal is listed as Approaching because in this case, it is included with a statement about needing to "accommodate existing and projected housing needs for all economic segments of the community" as well as incorporation of middle housing types and preservation of the existing mobile home park which are supportive statements. The second half of this goal could be modified as follows: "Larger residential lots for single-family homes and duplexes are envisioned on the east side of the city to preserve the character of the neighborhood, while other residential areas of the city will maintain the character of a more dense development pattern(s)."
Goals (H – Housing)	Evaluation	Notes
G.02 - Types and quantities of land use that support community needs and business development.	S	

G.03 - Distinct shopping districts that provide uniquely different shopping experiences.	N/A	
G.06 - A built environment reflecting Millwood's community character and history.	C	"Community character" is a vague term that can often be employed to the effect of excluding new types of development and Millwood's history was not always supportive of persons of color. This goal could be modified as follows: "A built environment reflecting Millwood's community character and history, <u>that is incorporated into public projects such as the Interurban Trail and Millwood Park, as well as design guidelines for the Millwood Historic District.</u>"
G.07 - A larger variety of housing options.	S	
G.08 - Strong neighborhoods and active community groups.	A	Strong neighborhoods and active community groups can both mitigate racially disparate impacts (through advocacy, mutual aid and support, and accountability mechanisms) and contribute to racially disparate impacts (through exclusionary practices, gentrification and displacement, and gatekeeping of resources), depending on how they are structured, who participates, and the broader social and policy context. The goal could be re-written as follows: <u>Foster strong, inclusive neighborhoods and empower diverse community groups to equitably shape local decision-making.</u>
Policies / Objectives (H – Housing)	Evaluation	Notes
P.02 - Ensure commercial building design standards are appropriate and effective.	N/A	
P.03 - Limit barriers to development caused by institutional requirements, as appropriate.	S	Institutional requirements can include development regulations, fee, etc.

P.04 - Elevate site and building design expectations for housing and business projects.	N/A	As long as building design expectations are clear and reasonable, it should not be an issue.
P.06 - Allow multi-family housing to be located near the CBD, and also along Trent Ave. near public transit routes, this will increase density and foot traffic in the CBD and commercial areas.	S	Transit-adjacent housing can help support those who are unable to drive or who cannot afford a car while also being in proximity to the commercial areas for shopping needs and services.
P.11 - Align new housing design and remodels with the historic fabric of the surrounding neighborhood.	A	This policy could be modified as follows: <u>"Within the Millwood Historic District, align Align new housing design and remodels with the historic fabric of the surrounding neighborhood."</u>
P.12 - Encourage the development of low and moderate-income housing in places close to services and easily served by transit.	S	
P.39 - Encourage multi-story buildings with mixed-use (i.e. residential use above commercial/retail use at ground level) in the commercial districts.	S	
P.41 - Allow for additional moderate density housing options (missing middle housing) including, but not limited to, duplexes, triplexes, and townhomes as well as Accessory Dwelling Units (ADUs).	S	
Implementing Actions (H – Housing)	Evaluation	Notes
1 - Develop a Central Business District Plan for development along Argonne Road which includes parking locations with wayfinding signage and inclusion of public art.	N/A	
2 - Initiate a Parking Study along Argonne Road to better understand how parking is being utilized in the Central Business District and where opportunities exist.	S	Parking may not be needed for affordable housing with public transit nearby and could be better utilized for commercial uses.
3 - Adopt design standards for commercial development.	N/A	As long as design standards are clear and reasonable, it should not be an issue unless it makes incorporation of residential too cost prohibitive.

4 - Provide an interconnected bike and pedestrian trails system that connects to the Spokane River and Millwood's public parks.	S	Allows for multi-modal access.
7 - Collaborate with housing agencies to locate and develop affordable housing options, identify partnerships with fiscally responsible agencies to manage and implement the development of housing utilizing public funds.	S	
9 - Heighten the awareness of land use, development, and nuisance code violations across the city by providing resource brochures and outline process to address each violation type.	A	Per Commerce guidance, code enforcement policies can often cause families with lower incomes to be disproportionately fined and possibly displaced from a neighborhood. Displacement is currently low in Millwood; however, it needs to be considered with code enforcement processes. This implementing action could be modified as follows: "Heighten the awareness of <u>what constitutes land use, development, and</u> nuisance code violations across the city by providing resource brochures and <u>outline outlining the</u> process to address each violation type, <u>with an emphasis on education and voluntary compliance</u>."
10 - Develop and provide resource information for historic preservation incentives, National Register of Historic Places, Washington Heritage Register, and the Local Register	S	Historic preservation and affordable housing can be incorporated together through the use of historic preservation tools such as tax incentives.
11 - Adopt a Six-Year Transportation Improvement Program (TIP) that adequately develops and maintains a transportation system supportive of multiple modes of travel. The Six-Year TIP should include a multiyear financing plan and analysis of future funding capabilities in order to evaluate needs against probably funding resources.	S	"a transportation system supportive of multiple modes of travel" aids in affordable housing provision

18 - Enforce the city codes for land use, development and public nuisances impacting neighborhood properties.	C	As outlined above, code enforcement policies can often cause families with lower incomes to be disproportionately fined and possibly displaced from a neighborhood. This implementing action could be modified as follows: “Enforce the city codes for land use, development and public nuisances impacting neighborhood properties. <u>Education and voluntary compliance should be utilized prior to issuing fines or citations and possibly utilize partnerships with community organizations to assist vulnerable residents with meeting code requirements without displacement.</u>”
23 - Evaluate and modify, if necessary, the city’s development code fee structure.	S	Determine if fees are an impediment to housing provision.
25 - Evaluate and modify, if necessary, design regulations for housing and businesses.	S	Determine if design regulations are an impediment to housing provision.
26 - Refine business districts and development strategies to create economically strong districts targeting specific business types while integrating the districts through use of the City identity symbols (trees, architectural arches, brick, and trains).	S	This implementing action can assist with ensuring daily shopping needs and services are available for nearby residents without the need to utilize a vehicle.
27 - Evaluate and improve, if necessary, zoning regulations related to housing density and type to ensure compatibility with historic neighborhoods.	C	In order to address previous racially disparate impacts, this implementing action could be modified as follows: “Evaluate and improve, if necessary, zoning regulations related to housing density and type to ensure compatibility with historic neighborhoods-, <u>while also addressing and mitigating any racially disparate impacts that regulations may have on housing access and affordability.</u>”
28 - Evaluate development regulations to remove impediments to the development of low and moderate-income housing.	S	

35 - Adopt a Six-Year Capital Facilities Plan (CFP). The CFP should include a multiyear financing plan and analysis of future funding capabilities in order to evaluate needs against probably funding resources.	N/A	
36 - Facilitate opportunities for property owners to connect with housing providers and non-profit organizations to create and preserve affordable housing.	S	
38 - Remove any local policies and/or regulations that have been determined to result in racially disparate impacts, displacement, and exclusion in housing (see demographics in Section 4.3 and the Housing Element in Chapter 6).	S	
39 - Update zoning, development, and land division regulations to allow for infill development consistent with neighborhood design.	A	This implementing action allows for infill development which is the primary method for accommodating affordable housing in Millwood; however “consistent with neighborhood design” can be problematic since it could perpetuate racially disparate impacts, depending on implementation. This implementing action could be modified as follows: “Update zoning, development, and land division regulations to allow for infill development consistent with <u>neighborhood scale and form</u> neighborhood design.”

Contact

For more information about the City of Millwood Periodic Update, please contact:
Amanda Tainio, Contract City Planner at planner@millwoodwa.us.



Amanda Tainio, Principal

May 6, 2025

Memo To: Millwood City Council

RE: April 2025 Planning Report

Here is a summary of the planning activities for the month of April 2025:

- The Planning Commission met on April 30th and held a Public Hearing on the Draft Comprehensive Plan Ch. 1, 2, 3, & 4, updated Community Visioning and Goals, Policies, and Actions Framework, & new Draft Comprehensive Plan Parks and Recreation Element
 - The next meeting is scheduled for May 28th at 6pm
 - Anticipated Agenda Items: Periodic Update - Discuss potential modifications to Draft Comprehensive Plan Land Use, Housing, Transportation, EPF, Capital Facilities and Utilities.
- Permit/license/land use application review and processing:
 - 2802 N. Stout – Deck review
 - 9011 E. South Riverway – Amended and restated fence permit review / decision
 - MW-2025-0011 / CP-2024-02 - 8921 E. Euclid Mixed Use Building re-review / coordination (3 story mixed use building with future restaurant space, office space, and 3 residential units)
 - 9005 / 9013 E. Frederick – Whistle Punk Commercial Kitchen TI C/O Coordination
 - 2708 N. Laura - VAR-2025-01 Staff Report & Hearing Examiner Decision issuance (variance for reduced side setback for garage & carport approved)
 - 10218 E. Empire – Demolition condition on behalf of utilities
 - 9015 E. Euclid – Wall sign permit review
 - Misc. zoning reviews / information / other jurisdiction SEPA reviews / staff assistance
- 2026 Periodic Update
 - Teams Meeting w/ Commerce
 - Planning Technical Advisory Committee (PTAC) Meeting
 - PTAC LCA Subcommittee Meeting
 - Community engagement - Interviews / Discussions
 - Comprehensive Plan Land Use & Housing Elements (Checklist, HAPT incorporation, Racially Disparate Impact - RDI Analysis)

With best regards,

Amanda Tainio

Millwood Contract City Planner

planner@millwoodwa.us