Appendix E

Displacement Risk Assessment

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

Spokane Housing Action Plan

Housing Displacement Risk
Version Date: May 2021

Introduction

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

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

Methodology

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

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

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

TABLE 1: VARIABLES AND CATEGORIES INCLUDED IN SVI VALUES

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

Source: CDC SVI 2018 Documentation, January 31, 2020

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

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

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

## Figure 1: SVI Value, Displacement Risk due to Socioeconomic Status
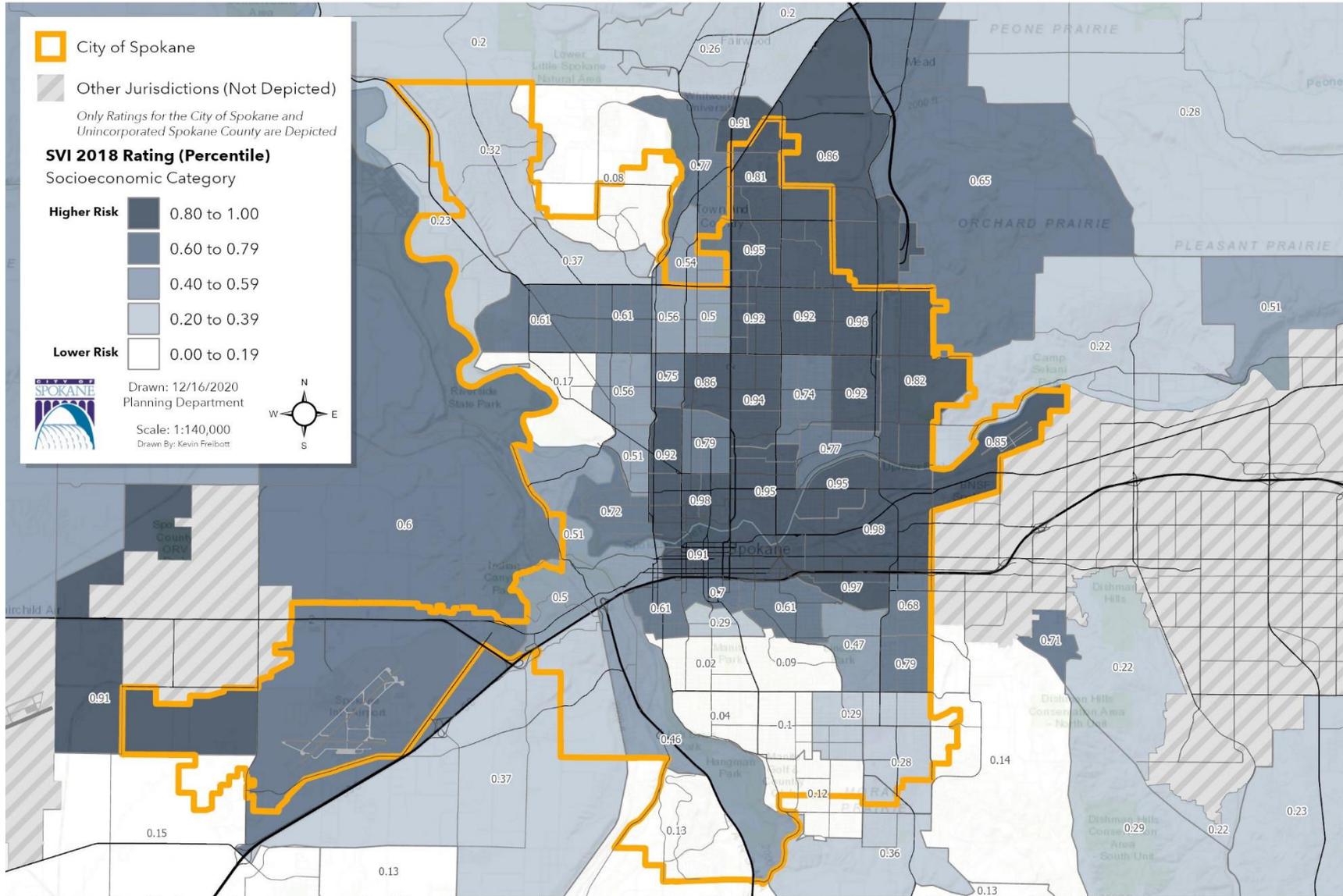
Map Layer Source: City of Spokane, Spokane County, Bureau of Land Management, Esri Canada, Esri, HERE, Garmin, USGS, NGA, EPA, USDA, NPS Substances and Disease Registry, SVI2018 CDC analysis.   Data Source: U.S. Department of Health and Human Services, Agency for Toxic

Figure 2: SVI Value, Displacement Risk due to Household Composition and Disability
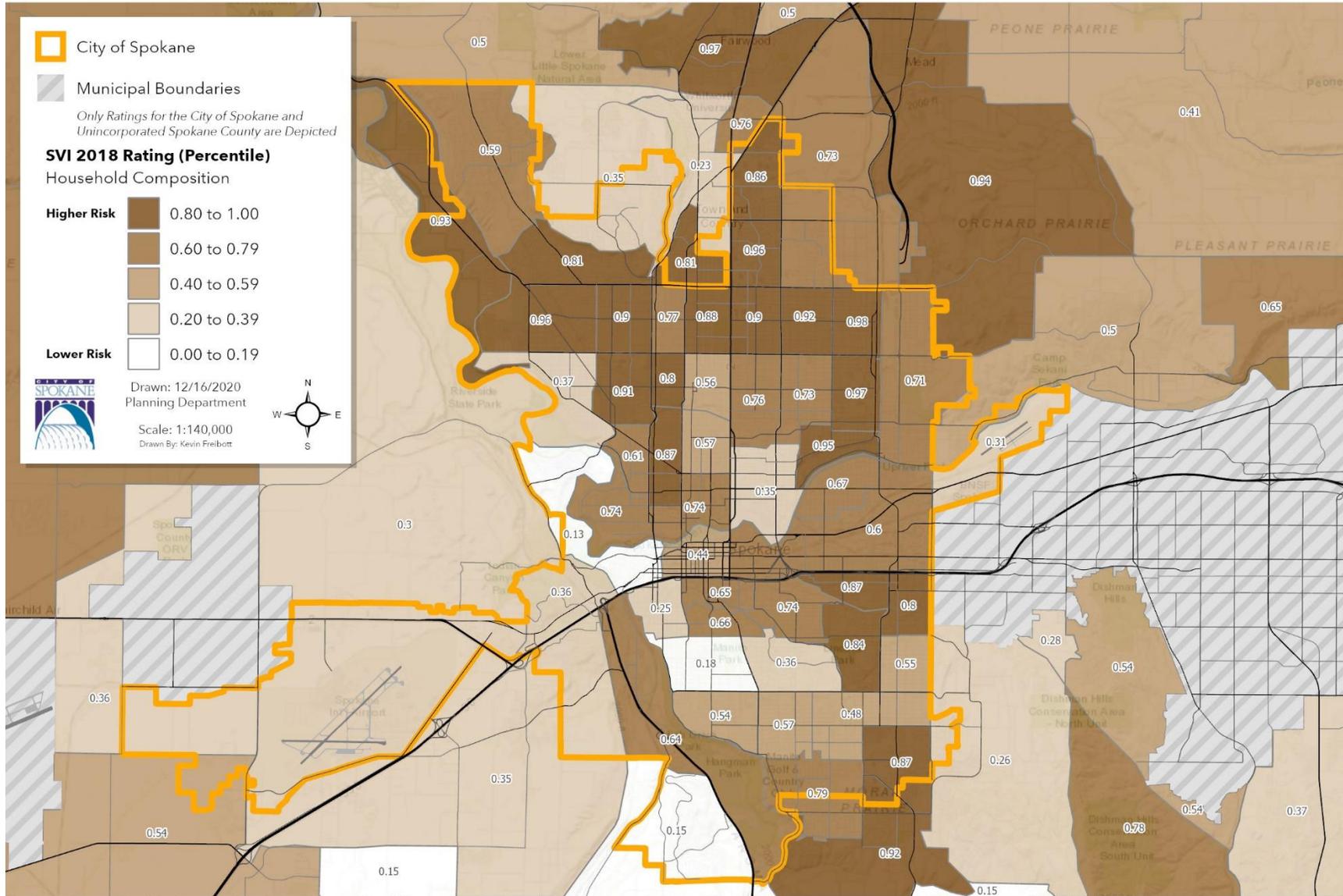
Map Layer Source: City of Spokane, Spokane County, Bureau of Land Management, Esri Canada, Esri, HERE, Garmin, USGS, NGA, EPA, USDA, NPS   Data Source: U.S. Department of Health and Human Services, Agency for Toxic Substances and Disease Registry, SVI2018 CDC analysis.

Figure 3: SVI Value, Displacement Risk due to Minority Status/English Ability
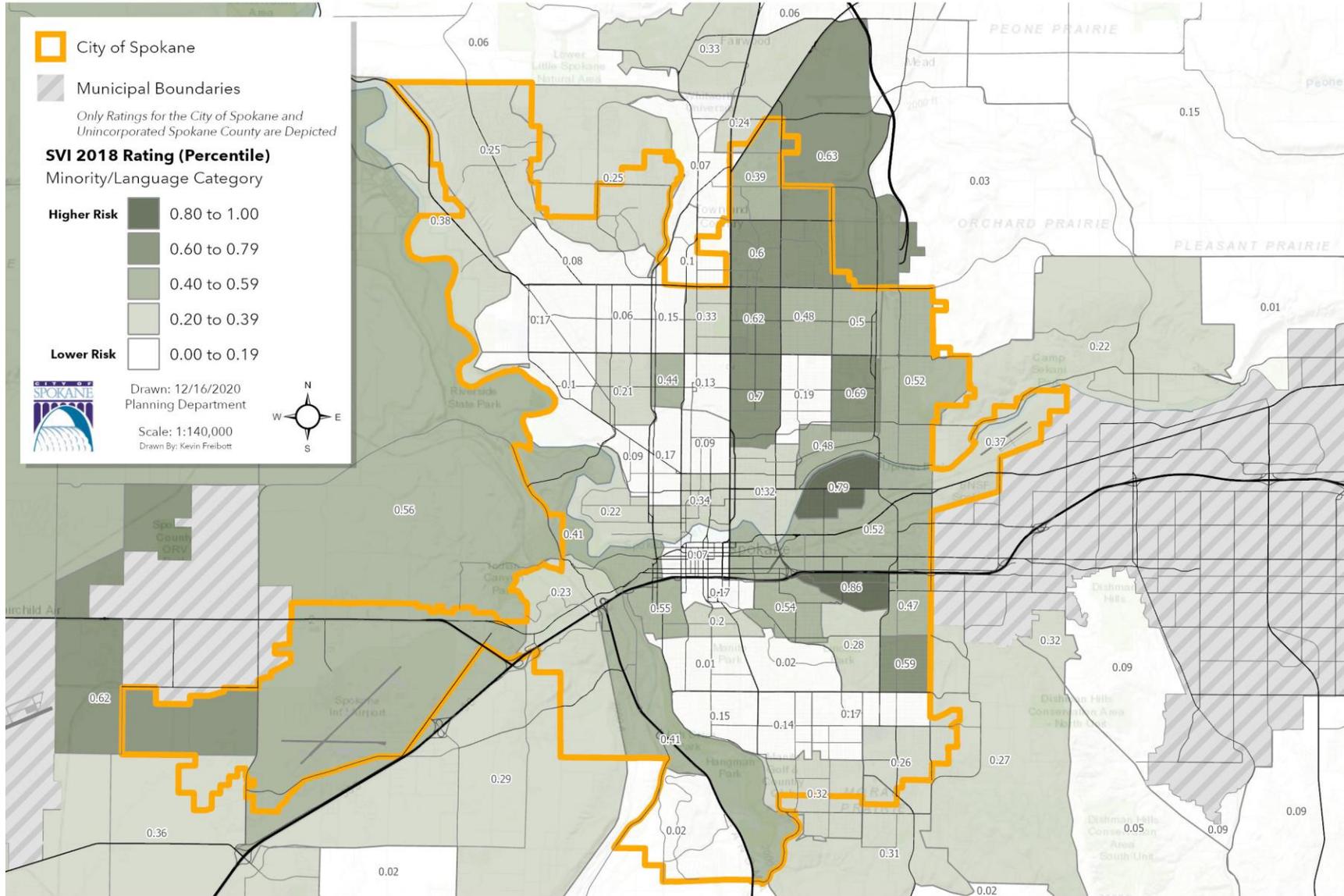
Map Layer Source: City of Spokane, Spokane County, Bureau of Land Management, Esri Canada, Esri, HERE, Garmin, USGS, NGA, EPA, USDA, NPS   Data Source: U.S. Department of Health and Human Services, Agency for Toxic Substances and Disease Registry, SVI2018 CDC analysis.

Figure 4: SVI Value, Displacement Risk due to Housing Type
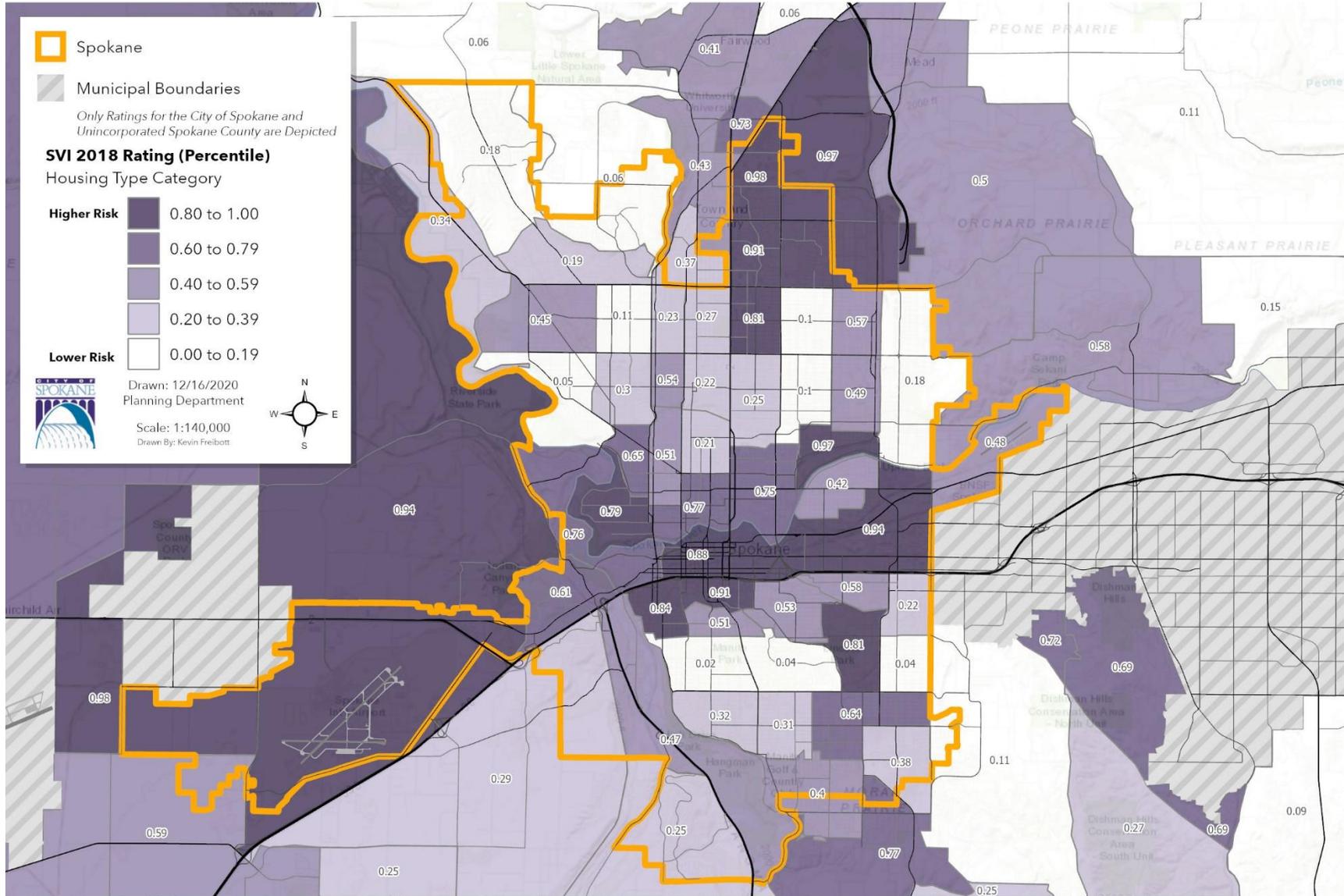
Map Layer Source: City of Spokane, Spokane County, Bureau of Land Management, Esri Canada, Esri, HERE, Garmin, USGS, NGA, EPA, USDA, NPS   Data Source: U.S. Department of Health and Human Services, Agency for Toxic Substances and Disease Registry, SVI2018 CDC analysis.

Figure 5: Overall SVI Value, Combined Value for All Categories by Tract

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

Degree and Magnitude of Risk

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

Methodology

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

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

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

Results

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

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

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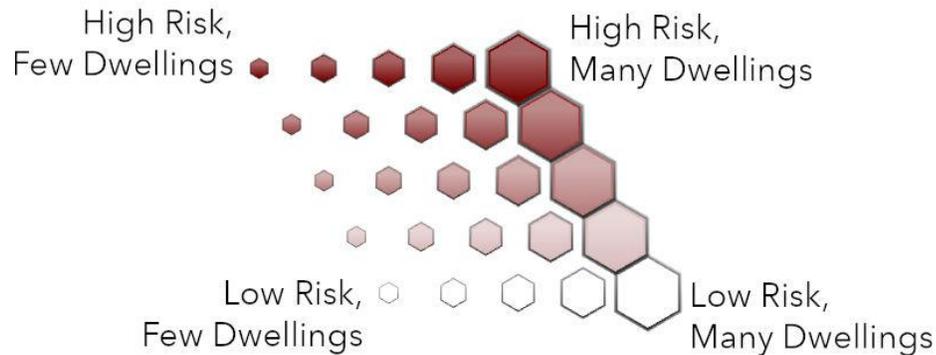
As shown in **Figure 6** below, there are several distinct areas of concern for higher risks of displacement affecting the most people.

- Distinct nodes of concern exist within the City of Spokane, namely north of the river between the Division and Hamilton/Nevada arterials.

- An additional node of concern, an area of potentially high risk with significant numbers of dwellings, exists in the Chief Garry Park neighborhood, south of the river.

- Additional areas of concern in the City of Spokane include the lower south hill areas and portions of the West Central Neighborhood along the Maple arterial and south of Boone.

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

Figure 6: Displacement Risk Compared to Housing Density (Showing Urban Growth Area Only)
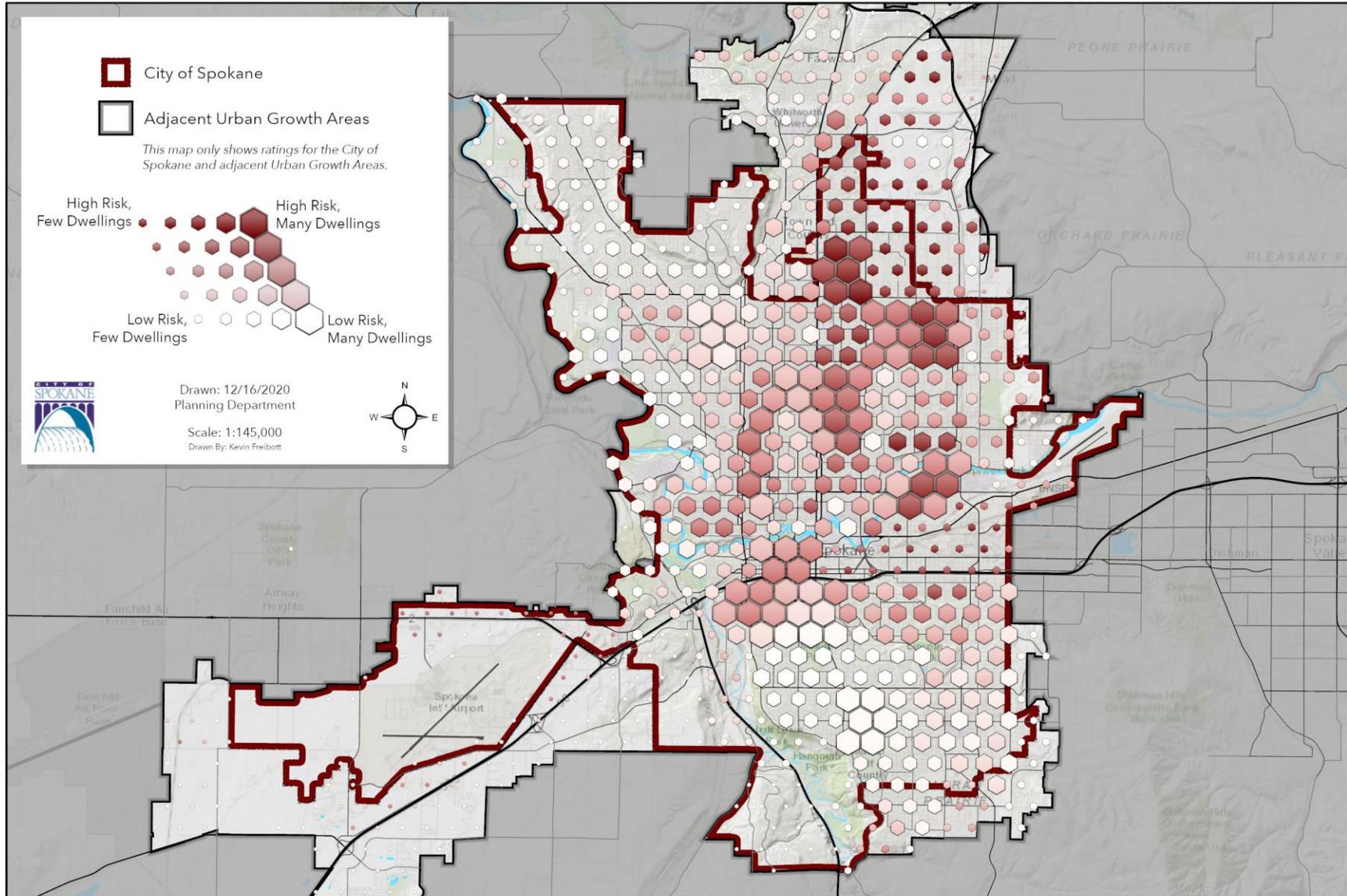
Map Layer Source: City of Spokane, Spokane County, Bureau of Land Management, Esri Canada, Esri, HERE, Garmin, USGS, NGA, EPA, USDA, NPS   Data Source: U.S. Department of Health and Human Services, Agency for Toxic Substances and Disease Registry, SVI2018 CDC analysis.

Social Vulnerability and the Legacy of Redlining

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

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

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

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

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

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

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

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

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

Demographics of the Highest Risk Census Tracts

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

TABLE 2: DEMOGRAPHICS OF HIGHEST RISK CENSUS TRACTS IN SPOKANE

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

Figure 7: Comparing Historic Redline Maps with Current Displacement Risk

Map Layer Source: City of Spokane, Spokane County, Bureau of Land Management, Esri Canada, Esri, HERE, Garmin, INCREMENT P, USGS, METI/NASA, NGA, EPA, USDA   Data Source: Digital Scholarship Lab, University of Redmond, original source from the Appraisal Department of the Home Owners Loan Corporation, 1938.
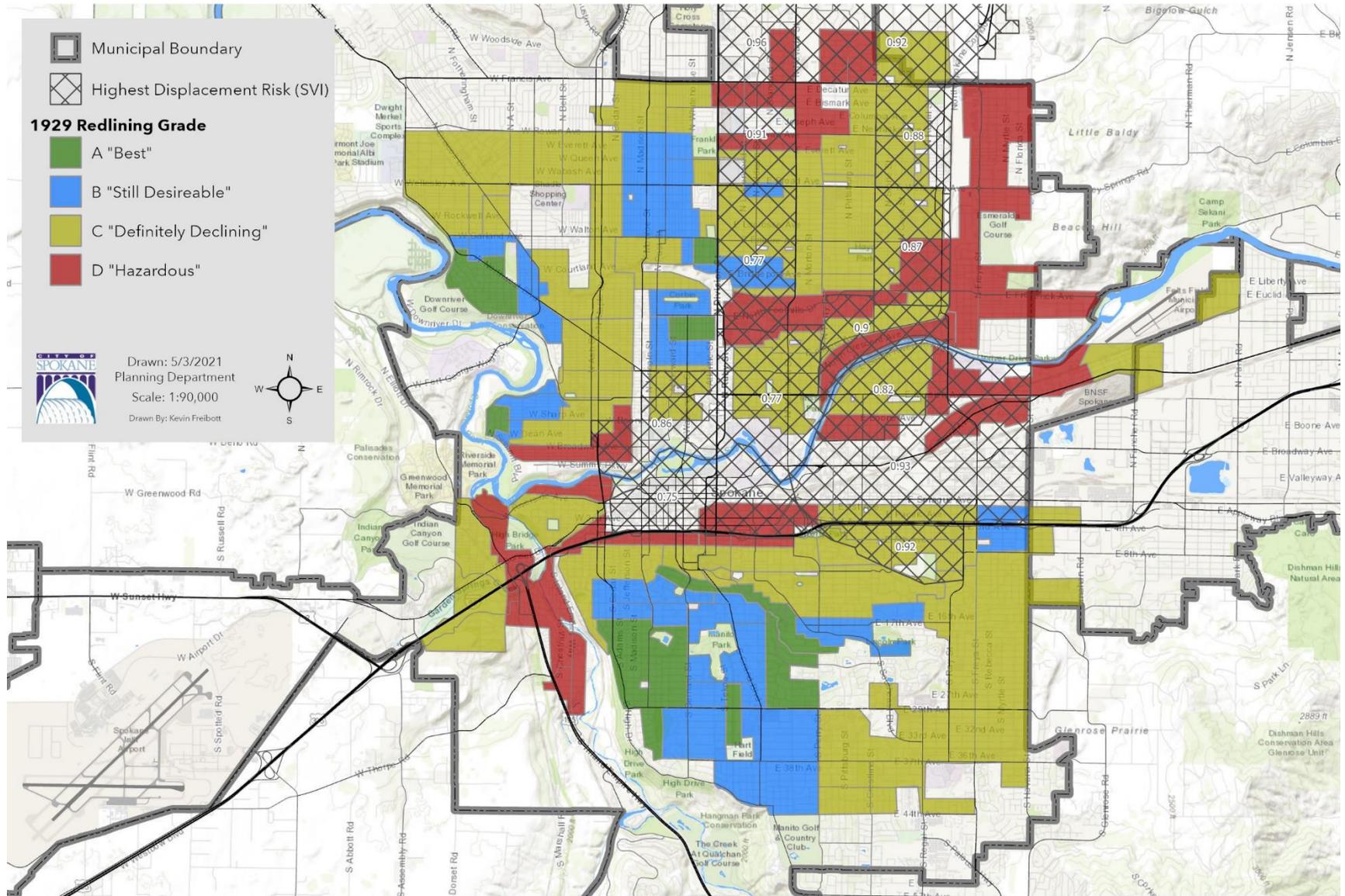
Strategies for Mitigating and Responding to Displacement

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

TABLE 3: POSSIBLE STRATEGIES TO MITIGATE/REDUCE DISPLACEMENT

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

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

Additional Consideration: Lead Paint Exposure

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

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

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

Figure 8: Lead Exposure Risk by Census Tract, Ranked
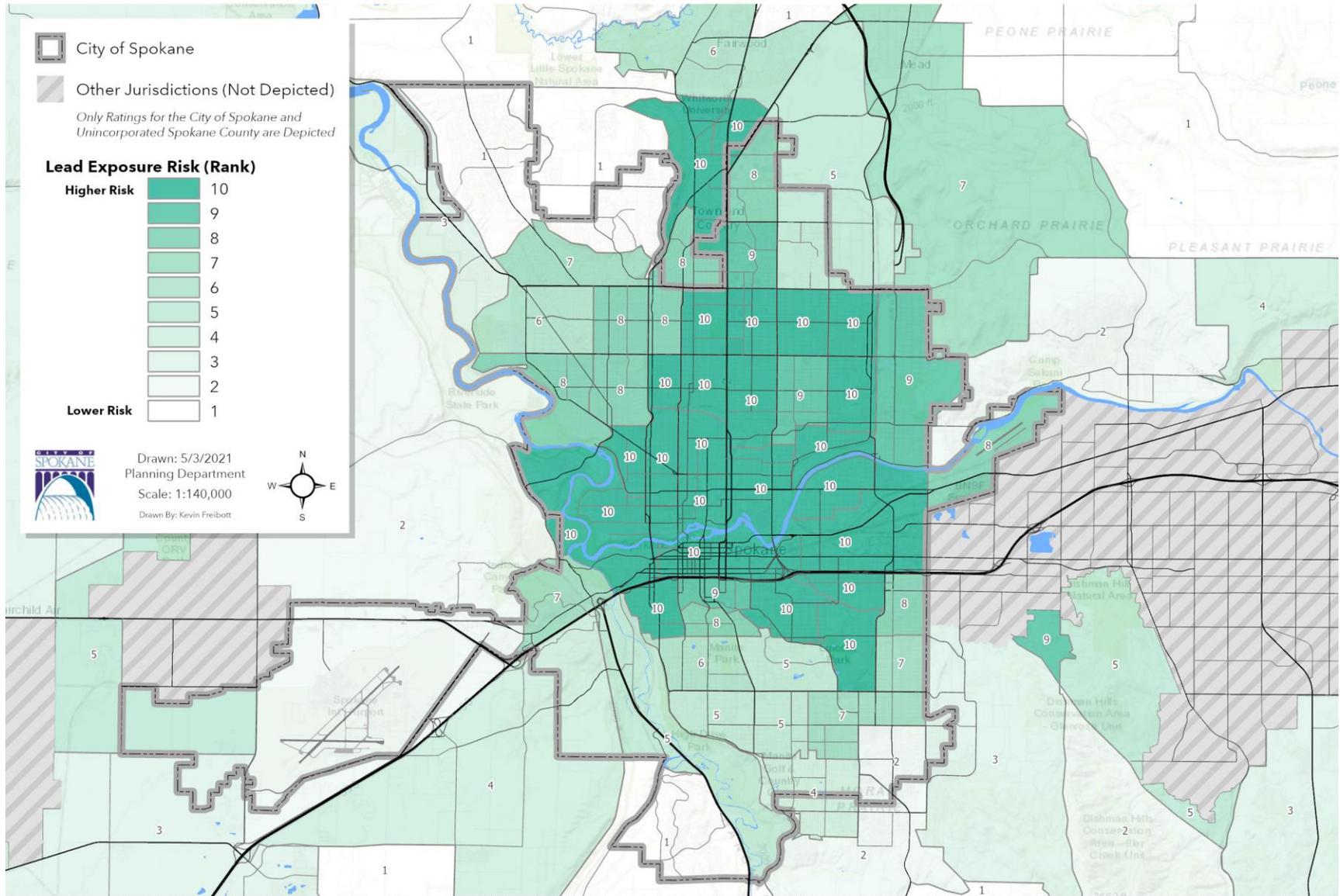
Map Layer Source: City of Spokane, Spokane County, Bureau of Land Management, Esri Canada, Esri, HERE, Garmin, USGS, NGA, EPA, USDA, NPS   Data Source: Washington Tracking Network, Washington State Department of Health. Web. "Housing Built Before 1980 that May Have Lead-based Paint based on Housing Estimates for 2010". Data obtained from the American Community Survey (ACS) five-year estimates. Published on WTN: October 2019.

Additional Research and Monitoring

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

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

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

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

Analysis and Monitoring Over Time

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

Available Land for Development

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

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[4] https://www.psrc.org/displacement-risk-mapping

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

Consistent Methodology Across the Region

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

Local Comprehensive Planning/Zoning and Their Effect on Displacement

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