



Housing Needs Assessment and Housing Barriers Analysis

City of Coeur d'Alene

FINAL REPORT

Final Report

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Housing Needs Assessment and Housing Barriers Analysis

Prepared for

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EXECUTIVE SUMMARY

**Housing Needs Assessment and Barriers Study,
City of Coeur d'Alene**

EXECUTIVE SUMMARY

Housing Needs Assessment and Barriers Study, City of Coeur d'Alene

In 2006, in response to rising prices and concerns about limited housing for its growing workforce, the City of Coeur d'Alene partnered with the Idaho Housing and Finance Association and Lake City Development Corporation to conduct the city's first housing needs assessment.

The 2006 research found a housing market that was relatively balanced. The exceptions were a shortage of rentals for the city's extremely lowest income renters—those earning less than \$15,000 per year—and homes that average-wage workers could afford to buy.

The study was conducted during the height of the housing bubble, shortly before the market downturn. A lot has changed since then, both within Coeur d'Alene and nationally. This report examines the housing needs of residents in Coeur d'Alene in the context of the changes that have occurred.

Why is a balanced housing market important?

The 2006 study reasoned that a balanced housing market is important to maintain economic stability and growth. The housing market downturn that followed provided harsh evidence of this in the form of foreclosures, job losses, declines in home values and economic stagnation.

The reasons to maintain a balanced housing market, summarized in the 2006 study, remain and are, perhaps, even more evident today. A balanced housing market is important to:

- Meet the various housing needs of the existing and future workforce;
- Provide stable environments for children and their families;
- Enable residents to move throughout the housing continuum, including allowing seniors to age in place; and
- Maintain diverse, vibrant and interesting communities.

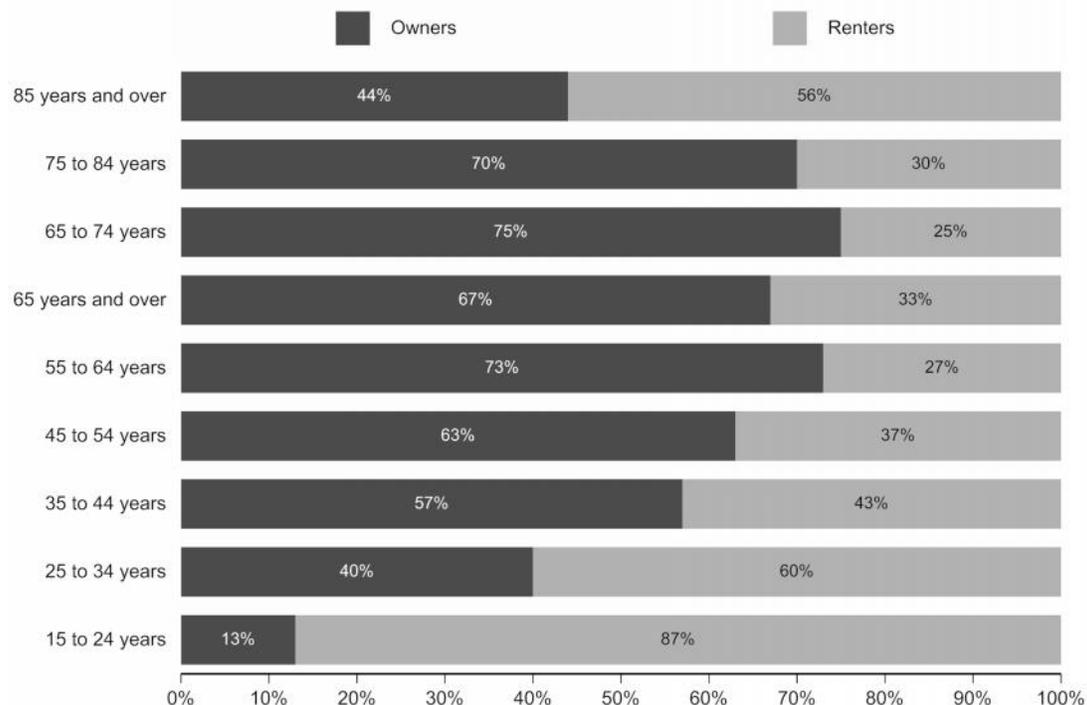
This study provides recommendations for how the City of Coeur d'Alene can continue to offer a balanced housing market for the many types of residents who call the city home. It begins with an analysis of the demographics that drive housing demand; determines current housing needs based on a quantitative analysis and input from residents; and concludes with an estimate of the types of housing that will be needed in the future.

What drives housing demand in Coeur d'Alene?

The type of people who live, work and relocate into a community all drive demand for housing. Housing prices and needs fluctuate in response to demographic and economic changes, primarily in three ways: the age of residents; jobs and wages, which determine what people can pay for housing; and desirability of a community.

Age. Housing preferences and needs change with residents' lifecycles as they form households, have children, and age. There is a strong correlation between age and homeownership. In Coeur d'Alene, most residents begin their housing independence by renting, transition into homeownership in their 30s, and often return to renting during their senior years.

Percent of Owners and Renters by Age Group, Coeur d'Alene, 2013



Source: 2013 American Community Survey and BBC Research & Consulting.

Jobs—and wages. Changes in a community's economy—mainly the types of jobs available—also strongly influence the demand for housing. Although northern Idaho fared better during the Great Recession than other parts of the U.S., many residents lost jobs and/or experienced wage declines. In Coeur d'Alene, the recession appears to have been particularly hard on renters. Renter incomes have not kept pace with owner incomes—and fallen well below what was needed to keep up with rent increases. Homeowners, in contrast, experienced higher levels of income growth and benefitted from drops in interest rates, which made homeownership more affordable.

Desirability. Resort-oriented communities like Coeur d'Alene draw new residents who are seeking lifestyle changes. Depending on the demographic and economic makeup of those

relocating, a community's housing market can be dramatically affected by relocations. This is perhaps most evident in the past decade as Millennials have come of working age and their parents have moved for retirement. Both cohorts have sought out recreation-oriented, amenity-rich communities like Coeur d'Alene.

How has the city changed in the last 15 years?

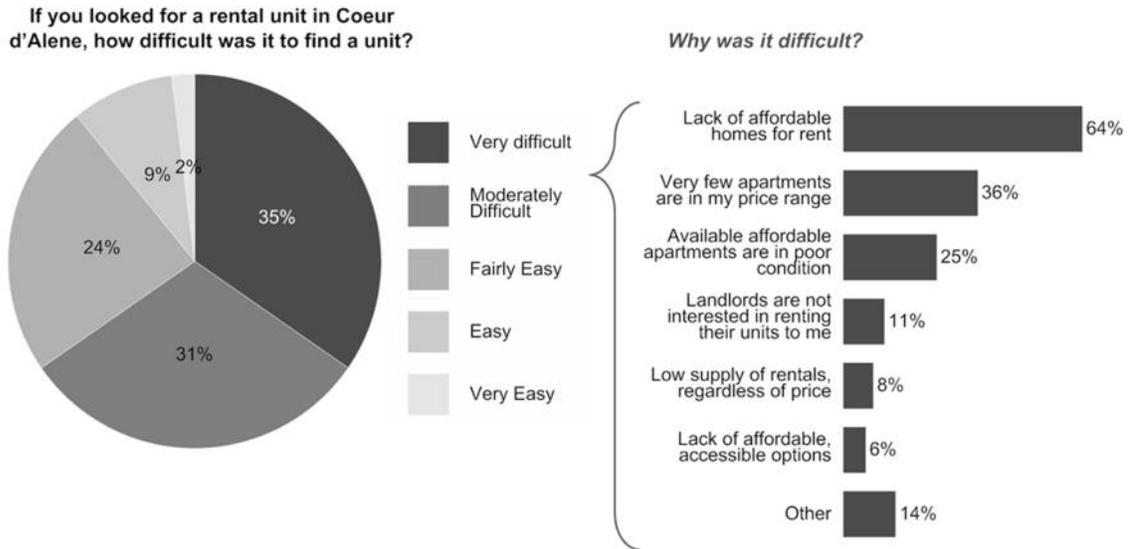
Despite the recent spike in residential development—which has led to a perception that the city is changing and potentially overbuilding rental units—an analysis of demographic and housing market data reveal only modest changes in Coeur d'Alene's demographics and housing types during the past 15 years. In sum:

- Both population and residential development have kept pace with that of Kootenai County overall.
- The city added more than 10,000 residents between 2000 and 2010. The age groups that grew the most were 1) residents between the ages of 45 and 64 (an increase of 4,100) and 2) children (an increase of 2,300).
- Despite a higher growth rate for Hispanic population, the city did not experience substantial changes in racial/ethnic diversity.
- Income growth for renters has lagged that of owners.
- Homeownership has varied little during the past 15 years and appears to be on the rise.
- The composition of the city's housing stock has changed only modestly. Multifamily units make up a slightly larger share of units. Mobile homes make up a slightly smaller share. Single family detached homes remain the predominant type of housing in the city.
- It can still be difficult for the average-wage worker to find a home to buy in the city. Homes to buy became more affordable during the housing market downturn but now are approaching pre-recession levels.
- Affordability has become more of a challenge for renters than for owners. Between 2009 and 2013, rents increased by 3 percent while renter incomes *declined* by 11 percent. Owners, in contrast, experienced income growth and benefitted from a dramatic drop in mortgage interest rates, which made homeownership more affordable.

For the first time, **the shortage of affordable rentals** for residents earning **between \$15,000 and \$20,000** per year **was larger** than that for renters earning **less than \$15,000** per year.

The growing challenges renters face in finding housing was also evident in the resident survey conducted for this study. Nearly two-thirds of all renters looking for a unit in Coeur d'Alene said it was moderately or very difficult to find a unit. Only 2 percent said it was very easy. Difficulty

finding a rental unit has increased since 2011 when half of renters said it was difficult to find a unit in their price range.¹ Most renters attributed their difficulty to a lack of affordable units.



Note: For difficulty n=55, for why n=36. For why question, multiple responses were allowed; as such percentages do not add to 100%.

Source: BBC Research & Consulting from 2015 Coeur d'Alene Resident Survey.

Assisted rental housing—has it helped? The national housing preservation database maintains data on federally subsidized rental properties. As of July 2015, the database reported a total of 1,436 subsidized rental units in Coeur d'Alene. These units represented about 8 percent of all federally subsidized units in the State of Idaho and 18 percent of all rental units in the city.

Since the last housing needs assessment, approximately 700 assisted rentals have been developed in the city. These units have helped alleviate rental housing needs and helped the rental gap be lower than it would have been otherwise. Without development of these units, the rental gap in 2013 may have been 200 units larger for households in the \$10,000 to \$20,000 income range.

An analysis of the pricing of these units relative to privately provided (non-assisted) units from 2007 through 2014 found the assisted rentals to have average and median rents below those offered by the private market. The median rent for assisted units was \$600 per month; the average rent was \$584. This compares to a median rent of \$725 per month and an average of \$756 per month for non-assisted units. Assisted units are providing low income renters with a subsidy of between \$125 and \$175 per month, or \$1,500 to \$2,100 per year.

What type of housing is desired by Coeur d'Alene residents?

As part of the city's first housing study conducted in 2006, residents attending public meetings were asked about housing preferences using a variety of housing prototypes. Residents were

¹ As part of the 2011 AI Update, BBC conducted a survey of residents, similar to the 2015 survey.

also asked who had the greatest housing needs in the area. At that time, the top housing needs were perceived to be:

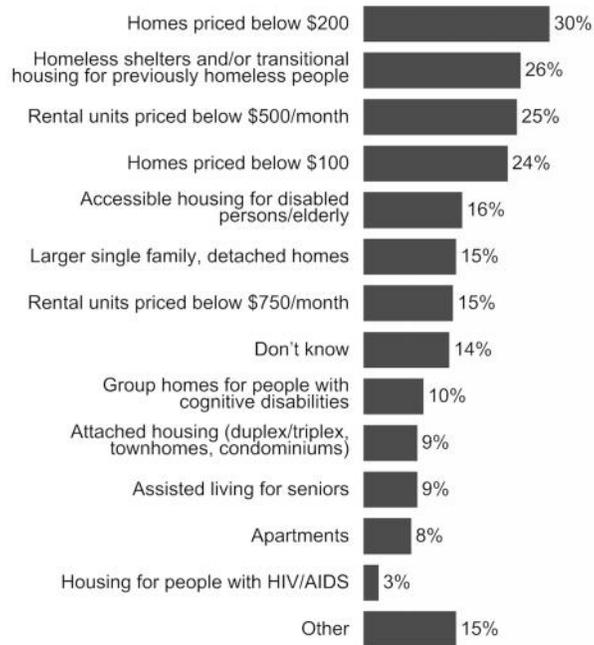
- Housing for first-time homebuyers;
- Housing for key workforce, including public servants (e.g., teachers, police officers, fire fighters); and
- Housing for certain special needs populations—single women with children, persons with mental illnesses and developmental disabilities, persons being discharged from the criminal justice system (parolees).

These were also identified as top needs in 2015, in addition to affordable rental units and housing to assist persons who are homeless or at risk of homelessness, both of which moved up in perceived importance.

In your opinion, which of the following housing types are most needed in Coeur d’Alene?

Note:
n=191. Due to multiple responses, percentages do not add to 100%.

Source:
BBC Research & Consulting from the 2015 Coeur d’Alene Resident Survey.



In addition to perceived needs, the actual housing preferences of residents have changed little since 2006. Private and outdoor space remains very important to Coeur d’Alene residents. Renters are more likely than owners to value proximity to work and policies that are favorable to pet owners. Designing attached and small lot homes to incorporate a small private yard and/or ensuring that denser developments are near open space and trails continues to be critical to the success of residential developments.

Residents are willing to live in **smaller, sometimes attached**, units to live in Coeur d’Alene—however, they are **not willing to sacrifice private space**.

Would in-commuters live in Coeur d'Alene if they could afford to?

Yes. In-commuters are more likely than current Coeur d'Alene residents to say they would like to move (42% compared to 28%). And many want to move into Coeur d'Alene: Among in-commuters wanting to move, 57 percent wanted to stay in their current community, 29 percent wanted to move to Coeur d'Alene and 14 percent wanted to move elsewhere. With an in-commuting population of 17,000 workers, as many as 5,000 in-commuters would live in the city if they could afford to.

In-commuters haven't moved mainly due to the lack affordable housing options and, secondarily, because of the costs of moving: 51 percent of in-commuters say they can't afford to live anywhere else.

What are the greatest housing needs now?

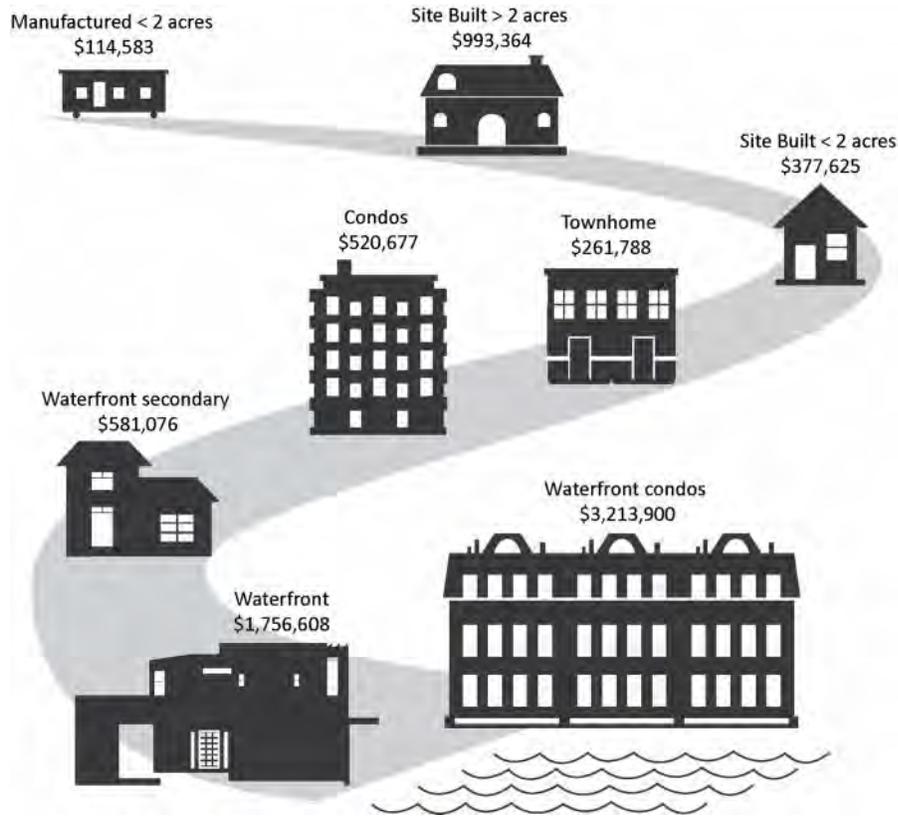
Coeur d'Alene's current housing needs, according to this updated market analysis include the following:

- **A shortage of < \$500/month rentals.** An estimated 1,745 renters cannot find units they can afford, those priced at less than \$500 per month. A shortage of units has always existed for renters earning less than \$15,000 per year and this has increased slightly in the last 15 years. The most significant change has occurred for renters earning \$15,000 to \$20,000 per year. Up until 2009, the private market in Coeur d'Alene adequately served these renters. Beginning in 2009, a shortage of rentals for these households appeared, which worsened between 2009 and 2013. A growing demand for rental units, low vacancy rates and corresponding increases in rental costs led landlords to raise rents beyond the \$500 per month affordable to \$15,000-\$20,000 households.

The **"purchasing power"** of renters changed during the past **13 years**. The **median rent**, including utilities, **rose by 39 percent** compared to a **20 percent increase in median renter income**.

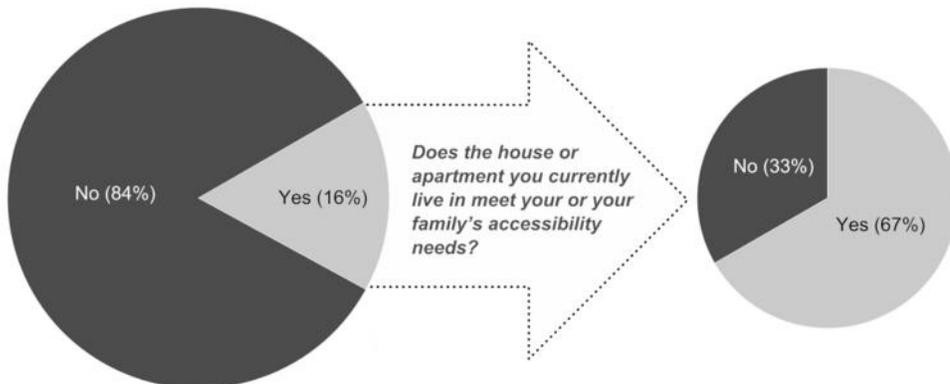
- **Limited affordable homes for workers to buy.** The average wage of a worker in the Kootenai County region is just \$34,834, lower than pre-recession wages. The average-wage worker could afford about one-third of homes sold in the county in 2014, but would have difficulty finding a home to buy in many areas of Coeur d'Alene, particularly in areas near major, service and tourism based employment centers.

Average price of homes in Coeur d'Alene, 2015



- Lack of housing that is accessible for persons with disabilities and seniors.** Thirty percent of households—an estimated 900 households, both renters and owners—live in a home that does not meet their accessibility or accommodation needs. The most common accessibility improvements desired include wider doorways, accessible bathroom improvements (e.g., grab bars, roll-in shower/bath), soundproofing and single level residence.

Do you or any member of your household have a disability of any type?



Note: n=227 member with disability; n=36 accessibility needs.

Source: BBC Research & Consulting from the 2015 Coeur d'Alene Resident Survey.

Households that include a member with a disability surveyed for this study were also asked about community infrastructure and potential improvements to increase access to community assets such as employment, health care and other amenities, facilities or services. The most common responses, by far, were public transit and sidewalk improvements. Other responses included job training for people with disabilities, better wheelchair access to the lakefront and improved health services for the poor.

What type of housing is needed in the future?

By 2020, the population of Coeur d’Alene could reach 51,000 if future growth resembles recent patterns. This growth could generate the need for 1,381 new housing units. If homeownership is kept the same, approximately 815 of these units should be for homeowners and 570 should be for renters.²

If population growth is stronger, resembling 2000 to 2009 growth rates, housing needs will increase to approximately 1,600 units for homeowners and 1,100 units for renters.

By price point, these units should resemble the following to preserve current homeownership rates and prevent more renters from experiencing cost burden. The large number of renters needing units priced at less than \$500 is based on the current distribution of low income renters: currently, 40 percent of the city’s renter households earn less than \$20,000 per year.

Price Points of Housing Units Needed, Coeur d'Alene, 2020, 2025, 2030

	2020	2025	2030
Rental units	566	1,174	1,828
Units renting < \$500 (for low-wage workers, seniors, persons with special needs)	224	464	722
Units renting between \$500 and \$625	49	102	159
Units renting between \$625 and \$1,250	74	153	239
Units renting for more than \$1,250	219	455	709
Owner units	815	1,690	2,631
Priced at under \$120,000 (land trust, sweat-equity, small condos)	102	213	331
Priced at less than \$225,000	245	508	791
Priced between \$225,000 and \$350,000	206	428	666
Priced between \$350,000 and \$500,000	115	238	370
Priced at more than \$500,000	147	304	473

Note: Assumes that future growth resembles 2009-2013 population growth.

Source: BBC Research & Consulting.

It is important to note that improvement in the economic situation of these renters—e.g., through additional jobs that pay more than \$10/hour—would lessen some of the future need for low rent units.

The State Department of Labor projects that by 2020, the city will add 430 jobs. By 2030, there could be 3,600 more jobs in Coeur d’Alene. If all new workers are housed within Coeur d’Alene,

² These numbers include a vacancy rate of 4 percent to help alleviate some of the affordability pressures that currently exist.

approximately 300 new units will be needed to accommodate workforce growth by 2020; 4,000 will be needed by 2030. If half of the new workers commute in, just 143 units will be needed by 2020 and 2,050 will be needed by 2030. If the current level of commuting is maintained, almost 1,400 units will be needed to house future workforce by 2030.

Are there barriers to housing choice in Coeur d'Alene?

This study also included an updated review of barriers to housing choice in Coeur d'Alene. This component of the study is a required element of the city's allocation of federal dollars for community development and housing activities.

The impediments study found few barriers to housing choice in the city. Fair housing experts were complimentary about city staff and resident knowledge of fair housing in general. The fair housing analysis found no areas with racial and ethnic concentrations and concentrated poverty. Hispanic residents, in fact, have lower rates of poverty than non-Hispanic residents. Renters report high levels of landlord responsiveness to their requests for accommodations. Few homeowners indicate problems receiving reasonable accommodations from their homeowners association.

Yet there are several areas which could improve residents' housing opportunities. Overall, in Idaho, compliance with the accessibility requirements of the federal Fair Housing and Americans with Disabilities Acts (ADA) is low and Coeur d'Alene is no exception. Audits of seven multifamily properties in Coeur d'Alene found none to be compliant with fair housing accessibility requirements. The Intermountain Fair Housing Council indicated that one of the most common types of calls they receive from residents in northern Idaho are from seniors with a disability who cannot find accessible housing and/or cannot get a reasonable accommodations from landlords about refusing service animals.

To improve access to opportunity in the city, both residents and stakeholders felt that access to jobs, services, health care and community assets could be improved, particularly for residents with disabilities and for seniors through improvements to the public transit system. Stakeholders cited a need for regional connection points, system expansion, better transit access to medical services and better maintenance of the existing transit system. Resident households that include a member with a disability also expressed a need for sidewalk improvements.

What can the city do?

Section V of this report contains recommendations for how the city can maintain—and potentially improve—its housing balance. These recommendations are a mix of continuing existing, effective efforts and exploring new ways to encourage affordable housing development. The city is ultimately constrained by state regulations that limit its revenue-raising ability. As such, private-public partnerships and creative ways of adapting underutilized land parcels are essential.

Recommendations to improve housing balance include:

1. Continue to proactively identify and work with the urban renewal authority to convert underutilized and blighted land parcels to mixed-income and mixed-use housing

developments. Increasing the stock of affordable and mixed-income housing, particularly in close proximity to employment centers, should continue to be a focus of urban renewal efforts.

2. Consider adopting a city policy that when public land becomes available for re-use, development of mixed-income housing is a top consideration.
3. As the city budget allows, offer reductions or waivers from fees associated with residential development. Some cities offer reductions on a sliding scale depending on the level of affordability achieved; others offer waivers up to a maximum amount each year allocated from General Funds. Pair fee reductions and waivers with expedited review processes for affordable and mixed-income housing developments.
4. As appropriate for the development site, provide density bonuses and variances from residential development standards to reduce land and development costs. Consider expanding density bonuses in exchange for affordable housing beyond the downtown core as other areas of the city become increasingly expensive.
5. Set an affordable housing target—for example, that 18 to 20 percent of the city’s rental should be affordable to its lowest wage workers. Many communities faced with high housing costs set affordable rental and workforce housing targets. Establishing a target helps communities prioritize their efforts—e.g., in negotiations with private developers and when pursuing competitive housing grants. Currently, 9 percent of rental units are affordable to renters making less than \$15,000 per year; 6 percent is affordable to those earning between \$15,000 and \$20,000 per year.
6. Use this study to help educate residents about historical trends in development and affordability, current housing needs and the housing that will be needed to accommodate projected workforce. Public support for affordable housing can change as residents experience affordable housing challenges first hand—e.g., when they cannot find affordable rentals for their aging parents or homes to buy for their young-adult children.

To continue to mitigate fair housing barriers, the city can:

1. Provide training to city building inspectors (perhaps in collaboration with other jurisdictions in the region) on the accessibility requirements of multifamily developers under the federal Fair Housing and Americans with Disabilities Acts (ADA).
2. Continue to provide financial sponsorship and organizational support for fair housing workshops in Coeur d’Alene and the Spokane Valley, Washington.
3. Continue to maintain up-to-date fair housing information and resources on its webpage, including training materials, information on how to file a fair housing complaint and landlord/tenant guidelines;
4. Continue to make accessibility improvements a funded activity under its Community Development Block Grant program.
5. As the city’s population grows and ages, explore ways to expand transit services.

6. Consider offering incentives such as fast track approval and fee waivers to developers who integrate Universal Design concepts into new residential construction.

SECTION I.

Community Profile

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Community Profile

This section provides a general overview of Coeur d'Alene's demographic and economic environment to set the context for subsequent chapters on housing needs. It uses data from the U.S. Census American Community Survey (ACS), which was the most current and statistically-representative sample of the demographics and economic characteristics of Coeur d'Alene residents at the time this report was written.¹

Key findings from this section include:

- Population growth slowed during the latter part of the last decade due to the recession. Since 2000, the city has grown at about the same rate as the county overall. Coeur d'Alene residents make up just 3 percent of the population of the State of Idaho.
- Coeur d'Alene houses about one-third of the county's population—but contains about 70 percent of the region's jobs.
- The age distribution of residents, types of households (married, single, children) and race and ethnic profile of residents has changed very little since 2000. The most notable changes include a modest increase in residents between the ages of 45 and 64 and growth of residents of Hispanic descent.
- Overall, 15 percent of Coeur d'Alene lives below the poverty line (about \$25,000 for a family of four). Seniors have a much lower poverty rate than any other age group.
- Compared to surrounding communities, the city has fewer middle and upper income households compared to the county and a higher proportion of low income households.
- The average wage in Kootenai County is \$34,834.² Wages reached their peak in 2007 and have not yet fully recovered. This economic challenge, coupled with rising housing costs (discussed in Section II), has led to a decline housing affordability for Coeur d'Alene residents.

Demographics

Coeur d'Alene is currently home to 46,402 people. The city makes up 33 percent of the county population—the same as in 1990—and 3 percent of the state population.

Population growth. The population of Coeur d'Alene has grown steadily over the past several decades. The city has gained more than 10,000 residents between 1990 and 2000 and again in

¹ Due to the size of Coeur d'Alene, the ACS data are 3-year averages. This report uses the last year of the series to refer to the data for better readability.

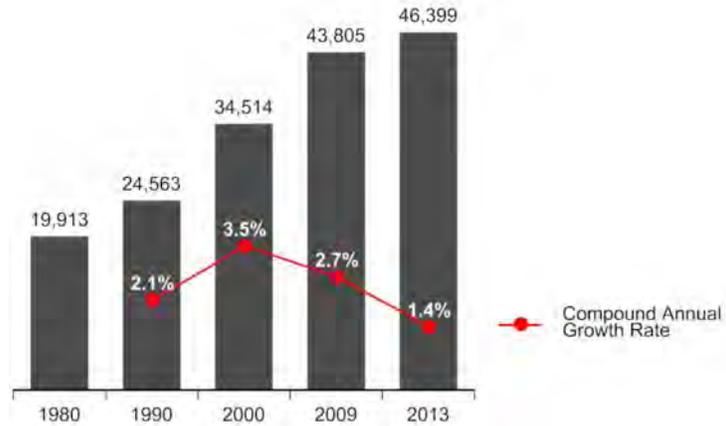
² Wage data are not available at the city level.

2000 to 2010. Although this pace of growth may feel unusual to city residents, it has been consistent with the growth of Kootenai County overall.

Figure I-1 displays population from 1980 through 2013, along with annual growth rates for each interval. As displayed by the figure, population growth was particularly high between 1990 and 2000, with the next decade close behind. Growth slowed somewhat between 2010 and 2013 but remains on pace with the county as a whole and was higher than population growth for the state as a whole.

Figure I-1.
Population, Coeur d’Alene,
1980-2013

Source:
US Census Population Estimates,
Decennial Census and BBC Research &
Consulting.



Age. Coeur d’Alene has a well-balanced age profile that has changed very little since 2000. About one quarter are children, one quarter are young adults (25-44) and one quarter are Baby Boomers (45-64). The final quarter is split between seniors (14%) and college-aged adults (12%).

The most notable difference between 2000 and 2013 is that the proportion of the population that are seniors actually declined very slightly (from 15% to 14%), which is contrary to the trend in the county, state and nation overall.

Figure I-2.
Age Profile, Coeur
d’Alene, 2000 and
2013

Source:
2000 Census, 2011-2013
American Community Survey and
BBC Research & Consulting.

	2000		2013	
	Number	Percent	Number	Percent
Total Population	34,514	100%	45,682	100%
Children (under 18)	8,610	25%	10,872	24%
College-Aged Adults (18-24)	4,038	12%	5,345	12%
Young adults (25-44)	9,646	28%	11,649	26%
Baby Boomers (45-64)	7,129	21%	11,238	25%
Seniors (65 and older)	5,091	15%	6,578	14%

Household trends. According to the 2013 ACS, there are 18,419 households in Coeur d’Alene. Of those households, 60 percent are families, half of which include children. Approximately 29 percent of all Coeur d’Alene households include children (18% in married couple household and the other 11% in single parent households). Nearly one in three householders in the city live alone; one-third of those living alone are seniors. Since 2000, there has been a slight increase in

the proportion of households living alone, offset by a slight decrease in the proportion of married-with-children households.

Figure I-3 displays household composition for Coeur d’Alene in 2013.

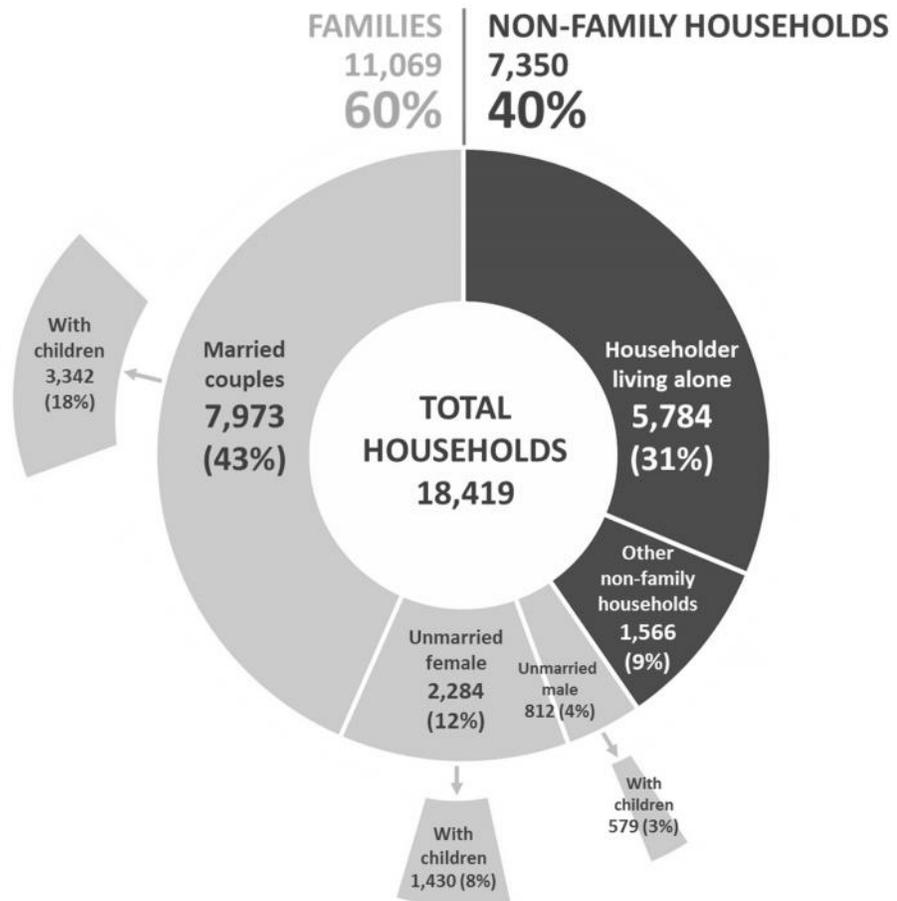
Figure I-3.
Household
Composition,
Coeur d’Alene,
2013

Note:

Six percent of households in the city are unmarried-partner households. Those households may appear in either a family or non-family. An unmarried partner of the householder is present for about one in six children living in “single parent” households.

Sources:

2011-2013 American Community Survey and BBC Research & Consulting.



Race and ethnicity. The vast majority of Coeur d’Alene’s population reports their race/ethnicity to be non-Hispanic white (90%). About 6 percent of residents are Hispanic and 4 percent belong to some other racial/ethnic minority group. The racial/ethnic distribution of Kootenai County is similar to that of Coeur d’Alene; the State of Idaho overall is slightly more diverse with 83 percent of residents non-Hispanic white, 12 percent Hispanic and 5 percent, non-white and non-Hispanic.

Figure I-4 displays the racial and ethnic distribution of Coeur d’Alene in both 2000 and 2013.

**Figure I-4.
Racial and Ethnic
Distribution, Coeur
d’Alene 2000 and 2013**

Source:
2000 Census, 2013 American Community
Survey, and BBC Research & Consulting.

	2000		2013	
	Number	Percent	Number	Percent
Total	34,514	100%	45,682	100%
Race				
White	33,064	96%	43,271	95%
African American	77	0%	68	0%
American Indian	267	1%	404	1%
Asian	209	1%	529	1%
Native Hawaiian	31	0%	0	0%
Some other race	216	1%	406	1%
Two or more races	650	2%	1,004	2%
Ethnicity				
Hispanic	932	3%	2,633	6%
Non-Hispanic	33,582	97%	43,049	94%
Summary				
Non-Hispanic white	32,463	94%	41,338	90%
Hispanic	932	3%	2,633	6%
Other minority	1,119	3%	1,711	4%

Between 2000 and 2013, the Hispanic population grew from 932 residents to 2,633 residents—a 183 percent increase, compared to a 27 percent increase among non-Hispanic whites. Non-Hispanic minorities also grew faster than non-Hispanic whites increasing by 53 percent between 2000 and 2014. Despite the high growth rates among minority groups, non-Hispanic whites still accounted for the vast majority (79%) of total population growth between 2000 and 2013.

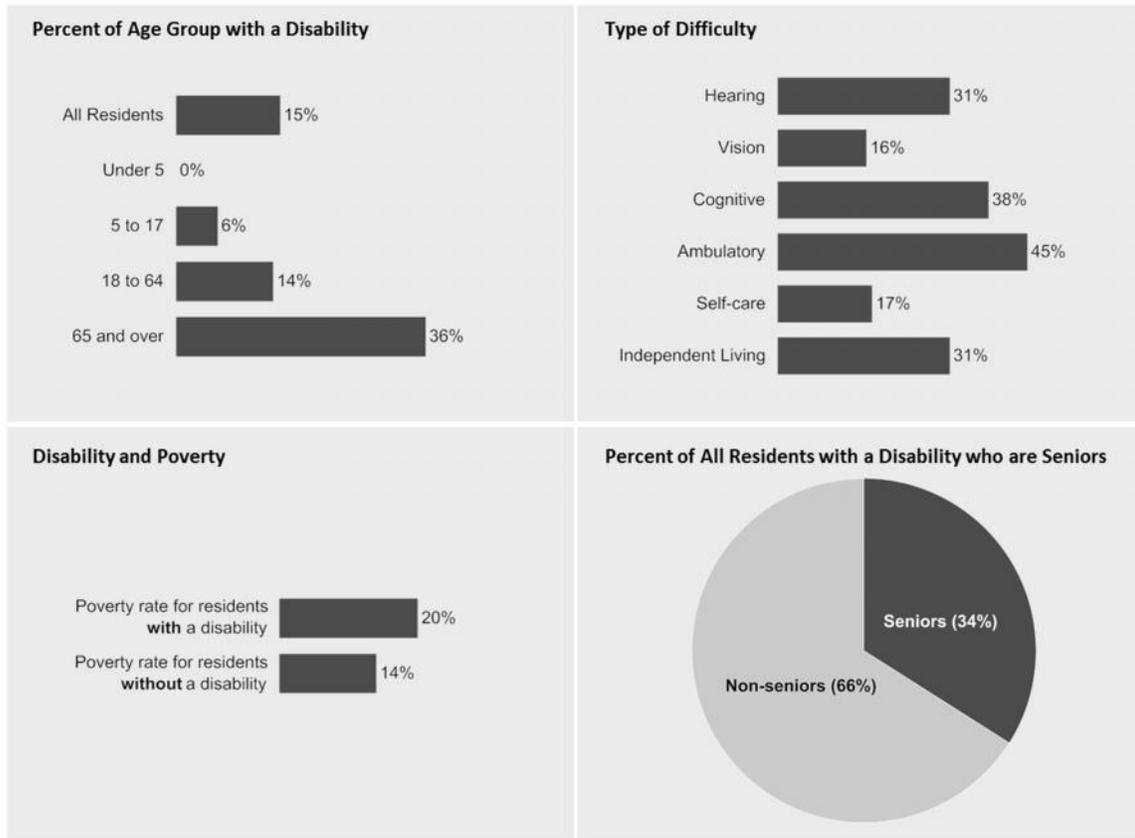
National origin. Approximately 2 percent of Coeur d’Alene residents—about 1,000 people—were born in another country. Of those, about one third were born in Asia, one quarter were born in Europe, one fifth were born in Central or South America and one fifth were born in Canada.

Limited English proficiency (LEP). Fewer than 500 residents (1% of the population) have limited English proficiency (speaking English less than “very well”). Of those residents, 27 percent are Spanish speakers, 60 percent speak other Indo-European languages and 13 percent speak Asian and Pacific Islander languages.

Disability. According to the 2011-2013 ACS, there are 6,580 Coeur d’Alene residents living with some type of disability (15 percent of the population). Figure I-5 presents disability characteristics for the city. Specifically,

- The incidence of disability is highest for residents 65 and older, 36 percent of whom have at least one disability.
- The most common type of difficulty is ambulatory (45%) followed by cognitive (38%).
- Twenty percent of all residents with a disability are living in poverty, compared to 14 percent of residents without a disability.

Figure I-5.
Disability Characteristics, Coeur d'Alene, 2013



Note: "All Residents" is the total civilian noninstitutionalized population. "Type of difficulty" reflects definitions used by the U.S. Census Bureau. "Hearing difficulty" is defined as deaf or having serious difficulty hearing. "Vision difficulty" is defined as blind or having serious difficulty seeing, even when wearing glasses. "Cognitive difficulty" is defined as having difficulty remembering, concentrating, or making decisions because of a physical, mental, or emotional problem. "Ambulatory difficulty" is defined as having serious difficulty walking or climbing stairs. "Self-care difficulty" is defined as having difficulty bathing or dressing. "Independent living difficulty" is defined as having difficulty doing errands alone such as visiting a doctor's office or shopping because of a physical, mental, or emotional problem.

Source: 2011-2013 ACS and BBC Research & Consulting.

Poverty. Fifteen percent of individuals and 10 percent of families in Coeur d'Alene are living in poverty.³ Those rates are just below the poverty rates for the state overall and just above poverty rates for Kootenai County as a whole.

Figure I-6 displays individual poverty by age and family poverty by household type for the city. Seniors are far less likely to be living in poverty than other adults (5% compared to 16%). Children living in single parent households are most likely to be living in poverty (34% of single parent families are living in poverty).

³ Following the Office of Management and Budget's (OMB) Statistical Policy Directive 14, the Census Bureau uses a set of money income thresholds that vary by family size and composition to determine who is in poverty. For example, in 2014, the federal poverty threshold for individuals was \$12,316 and the threshold for a family of four (with two children) was \$24,008.

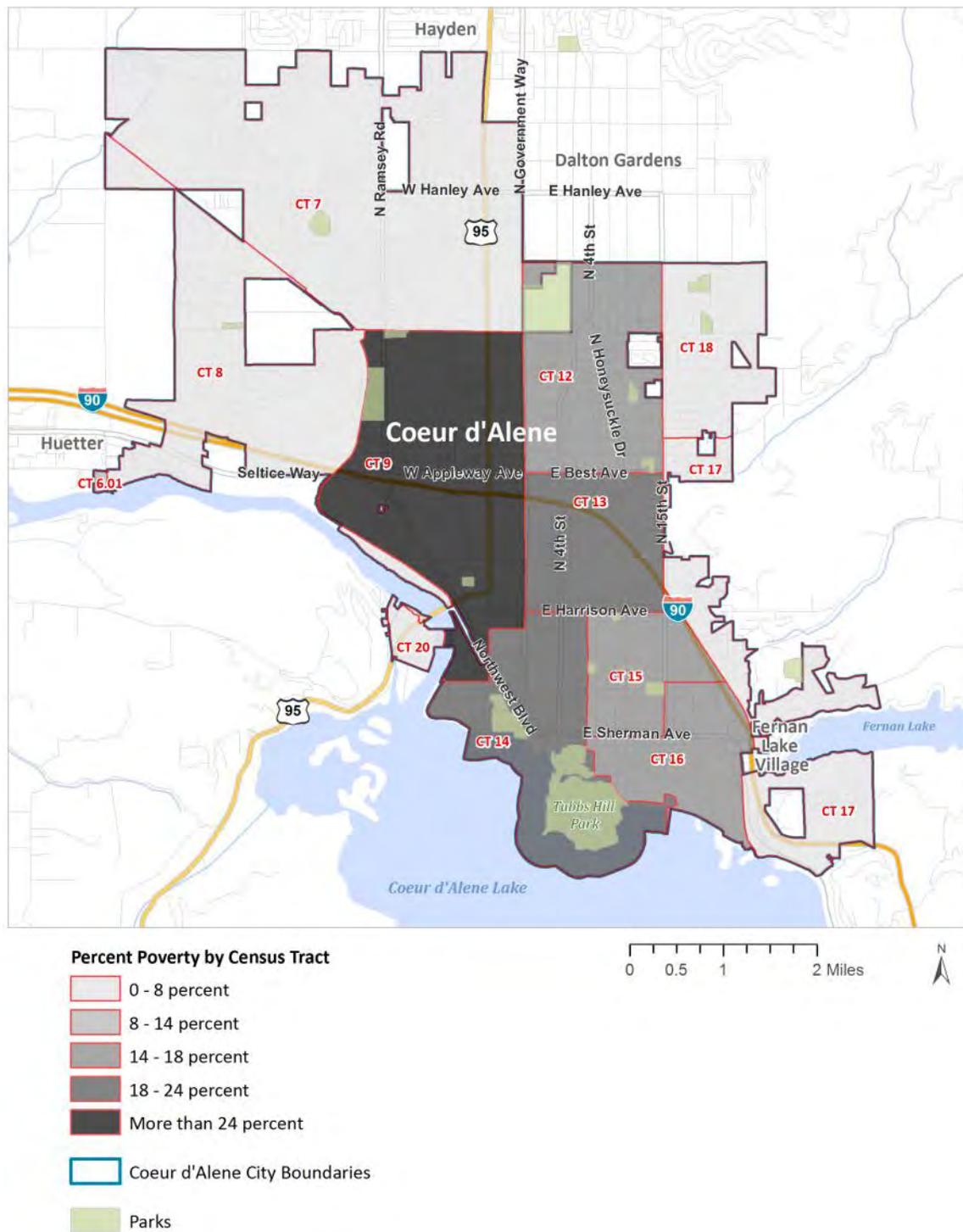
**Figure I-6.
Poverty, Coeur d'Alene,
2013**

Source:
2011-2013 American Community Survey
and BBC Research & Consulting.

	Number Living in Poverty	Percent Living in Poverty
Individuals		
All people	6,463	15%
Children (under 18 years)	1,707	16%
Adults (18 years and over)	4,756	14%
18 to 64 years	4,455	16%
65 years and over	301	5%
Families		
All Families	1,107	10%
Married couples	223	3%
with children	47	1%
Unmarried family householder	884	29%
with children	752	34%

Figure I-7 maps poverty rates in Coeur d'Alene by Census tract. Poverty is highest in Census tract 9, just northwest of the city center, where 41 percent of residents are living in poverty. Residents in this Census tract are likely to be renters (62%) and many live in manufactured homes (19% of the units are mobile homes according to the Census). Research has shown that a 40 percent poverty threshold is the point at which an area becomes very socially and economically challenged. All other tracts are well below the 40 percent, with the next highest at 23 percent poverty.

**Figure I-7.
Poverty Rate by Census Tract, Coeur d'Alene, 2013**



Sources: 2009-2013 American Community Survey and BBC Research & Consulting.

Income. In 2013, the median household income for Coeur d’Alene was \$40,483. Figure I-8 shows the median income for Coeur d’Alene along with surrounding municipalities, Kootenai County and the State of Idaho.

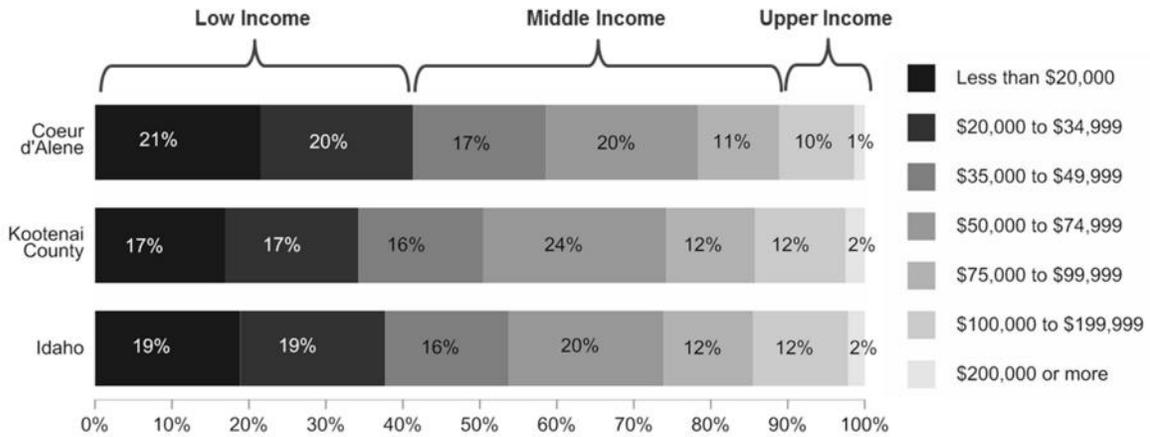
**Figure I-8.
Median Income, Coeur d’Alene and
Surrounding Communities, 2013**

Source:
2009-2013 American Community Survey and BBC
Research & Consulting.



The city has fewer middle and upper income households compared to the county and a higher proportion of low income households. Forty-one percent of households in the city earn less than \$35,000 per year, compared to 34 percent for the county and 11 percent of city households earn \$100,000 or more per year, compared to 14 percent for the county. Figure I-9 displays the distribution of household incomes Coeur d’Alene, Kootenai County and the State of Idaho.

Figure I-9.
Income Distribution, Coeur d'Alene, Kootenai County and Idaho, 2013



Note: Low income roughly approximates less than two-thirds of the national median income and upper income roughly approximates twice the national median income. These income thresholds are consistent with the way that Americans self-identify as members of socio-economic classes. (See Pew Research report, "The Rise of Residential Segregation by Income.")

Source: 2011-2013 American Community Survey and BBC Research & Consulting.

HUD Area Median Family Income (HAMFI) is used by HUD's state and local policy makers to qualify households for housing programs. HAMFI is the same for all communities located within Kootenai County: \$58,500 in 2015 for a four-person household.

As displayed in Figure I-10, over one-quarter of Coeur d'Alene households earn less than 30 percent of the area median income. About one third earn less than half the area median income.

Figure I-10.
Income Distribution by HAMFI, Coeur d'Alene, 2013

	2015 Income Limit	Number of Households	Percent of Households
HUD Area Median Family Income (HAMFI)	\$58,500		
0-30% HAMFI	\$24,250	4,869	26%
31-50% HAMFI	\$29,250	1,162	6%
51-80% HAMFI	\$46,800	4,252	23%
81-120% HAMFI	\$70,200	3,562	19%
More than 120% HAMFI	\$70,201+	4,573	25%

Source: 2011-2013 American Community Survey, HUD and BBC Research & Consulting.

Economic Indicators

As a complement to the demographic profile, this section discusses the economic indicators for Coeur d'Alene residents and workers focusing on the following topics: labor force and unemployment, employment and earnings by industry, and commuting patterns.

Jobs/housing connection. The Panhandle Area Council (PAC) guides economic development efforts in Coeur d'Alene, in addition to all five northern counties of Idaho. The PAC's recent Comprehensive Economic Development Strategy (CEDS) reports relatively solid job growth in

Kootenai County between 1993 and 2013—a 68 percent increase in the number of jobs. This is much higher than for the northern region overall (47%), the state (41%) and the nation (20%).⁴

About 72 percent of the region’s jobs are located in Coeur d’Alene, according to the PAC.

Even with the Great Recession, the Coeur d’Alene/Kootenai County employed area gained jobs during the past decade. In 2003, the PAC reported 61,375 jobs in the county. By 2013, jobs totaled 72,611—an increase of more than 11,000 jobs.

Some of these jobs were absorbed by existing residents who became unemployed during the Great Recession. Indeed, the PAC reports that more than 8,000 jobs were lost between 2007 and 2012. Some jobs were absorbed by residents new to the region, who then created demand for housing.

If this growth continues, more than 10,000 new jobs could be generated in the next 10 years, generating new demand for housing. In addition to this growth, some existing jobs will open as current employees move into retirement. As discussed above, about 5,700 residents of Coeur d’Alene are between the ages of 55 and 65 and many will move out of the labor force as they age.

A PAC survey conducted of regional economic development officials and city leaders found housing to be one of the top needs of the region.

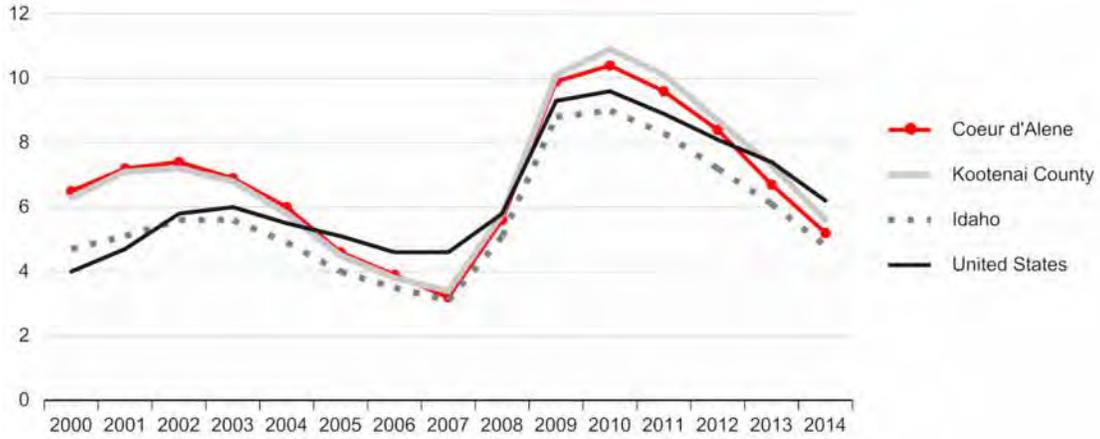
Labor force and unemployment. Among Coeur d’Alene residents aged 20 to 64, 77 percent participate in the labor force. This indicates these residents were currently employed (either part-time or full-time) or were actively looking for a job.

As displayed by Figure I-11, the city has historically exhibited similar trends in unemployment as the county with rates higher than the state overall. Some of this is related to the tourist/seasonal economy of the area, which produces jobs that are more vulnerable in economic downturns.

At the peak in 2010, Coeur d’Alene’s unemployment rate of 10.4 percent was higher than the nation (9.6%) and the state (9.0%) but below that of Kootenai County (10.9%). Unemployment has dropped consistently since that time and in 2013 the rate for Coeur d’Alene dropped below the U.S rate. As of April 2015, the unemployment rate in Coeur d’Alene was 4.8 percent.

⁴ <http://www.pacni.org>

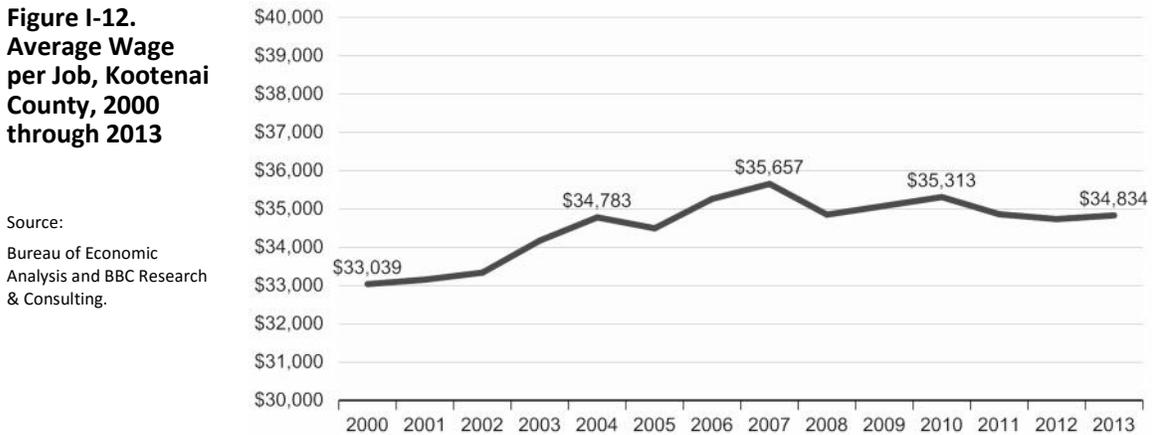
Figure I-11.
Unemployment Rates, Coeur d'Alene, Kootenai County, Idaho and the U.S., 2000 through 2014



Source: Bureau of Labor Statistics and BBC Research & Consulting.

Wages. While unemployment has improved since 2010, average wages have declined for workers in Kootenai County. Figure I-12 displays the average wage per job for Kootenai County workers in 2013 dollars. Prior to the recent recession, average wages were \$35,657 but in 2008 wages dropped to \$34,854 on average. After a slight increase through 2010, wages dropped again and as of 2013 the average annual wage in Kootenai County was \$34,834.

Figure I-12.
Average Wage per Job, Kootenai County, 2000 through 2013



Source:
 Bureau of Economic Analysis and BBC Research & Consulting.

Employment and wages by industry. Figure I-13 displays employment by industry for people working in the city and for people living in the city. The figure also displays the average 2014 wage for each industry.

For Coeur d'Alene residents and workers, the largest industry is Health and Social Services, employing 16 percent of residents and 18 percent of workers with an average annual pay of \$34,397. Retail trade and Hospitality are the second and third largest industries—both with an average annual wage below \$30,000. Hospitality has the lowest average annual wage of all industries in Coeur d'Alene (\$15,259). Finding affordable housing is likely to be a challenge for these lower wage workers.

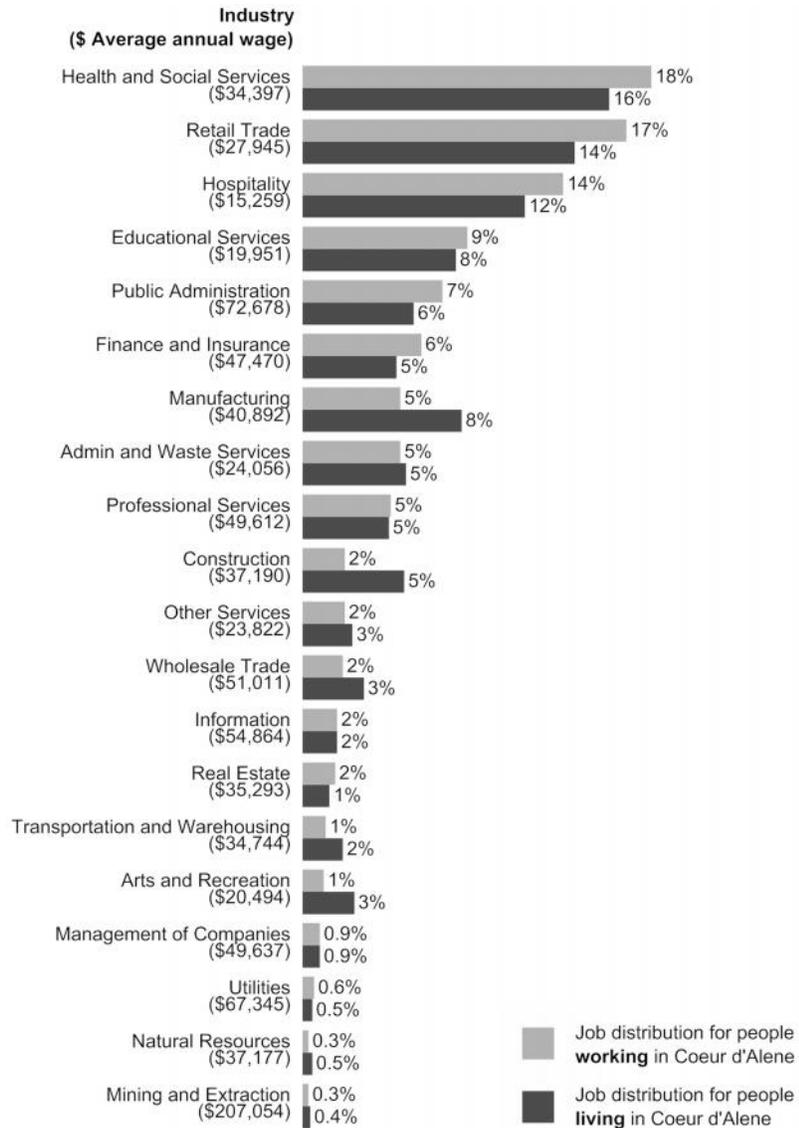
**Figure I-13.
Employment and
Earnings by Industry,
Coeur d’Alene, 2012**

Note:

People who live and work the city are included in both distributions. Average annual wages are estimated for the county as a whole.

Source:

US Census Bureau’s Longitudinal Employer-Household Dynamics, Bureau of Labor Statistics Quarterly Census of Employment and Wages (BLS QCEW) and BBC Research & Consulting.



Commuting patterns. According to the US Census Bureau’s Longitudinal Employer-Household Dynamics, there are about 17,000 employed Coeur d’Alene residents (either working in the city or commuting to work outside the city) and 25,000 workers whose primary jobs are located in Coeur d’Alene (some of these workers live in the city and some live outside the city).

Among the 25,000 Coeur d’Alene workers and the 17,000 employed residents, there are just over 8,000 people that both live and work in Coeur d’Alene. That means over 8,000 residents are out-commuters and about 17,000 workers are in-commuters. Figure I-14 displays characteristics of in-commuters, out-commuters and those who both live and work in Coeur d’Alene. These data do not indicate substantive differences between the groups of workers.

Figure I-14.
Characteristics of In-Commuters and Out-Commuters, Coeur d'Alene, 2012

	In-Commuters		Out-Commuters		Live and Work in Coeur d'Alene	
	Number	Percent	Number	Percent	Number	Percent
Total	17,108	100%	8,440	100%	8,098	100%
Age						
29 or younger	4,164	24%	2,008	24%	2,175	27%
30 to 54	9,146	54%	4,769	57%	4,283	53%
55 or older	3,798	22%	1,663	20%	1,640	20%
Earnings						
\$1,250 per month or less	4,900	29%	1,936	23%	2,388	30%
\$1,251 to \$3,333 per month	7,457	44%	3,615	43%	3,665	45%
More than \$3,333 per month	4,751	28%	2,889	34%	2,045	25%

Source: US Census Bureau's Longitudinal Employer-Household Dynamics and BBC Research & Consulting.

SECTION II.

Housing Profile and Affordability

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Housing Profile and Affordability

This section provides an overview of Coeur d'Alene's housing stock, including trends in how the housing market and affordability have changed over time.

The section begins with a general overview of Coeur d'Alene's housing stock and trends in building activity, housing type and homeownership rates. It uses data from several sources including the U.S. Census American Community Survey (ACS), the Multiple Listing Service (MLS) and rental reporting services.¹ The end of the section analyzes how rental and homeownership affordability have changed in Coeur d'Alene. It concludes with updated estimates of unmet housing needs.

Key findings from this section include:

- The pace of residential development in Coeur d'Alene has been consistent with development in the county overall. Although more permits were issued for multifamily development than for single family development in the past few years, the overall composition of the city's housing stock has changed very little.
- Since 2000, the gap between owners' and renters' income has widened. Renters' wages have not recovered as quickly from the economic downturn.
- Vacancy rates for housing to rent and to buy are at very low levels, both less than 3 percent. A normal vacancy rate is generally between 4 and 5 percent.
- Renters in 2013 paid \$216 more per month to rent than they did in 2000. Although their incomes increased by \$350 per month, this was not enough to cover the increase in rent and other household costs. As a result, renters in Coeur d'Alene have lost "purchasing power" in the past 13 years.
- The need for affordable rentals has increased since 2009 for renters earning between \$15,000 and \$20,000 per year. There are slightly more rental units in this price range than there were in 2009—but many more renters needing them.
- Owners and homebuyers have had a different experience: home prices increased significantly during the early part of the last decade then declined with the housing market downturn. Drops in mortgage interest rates have enabled owners and homebuyers to manage the rise in home prices.

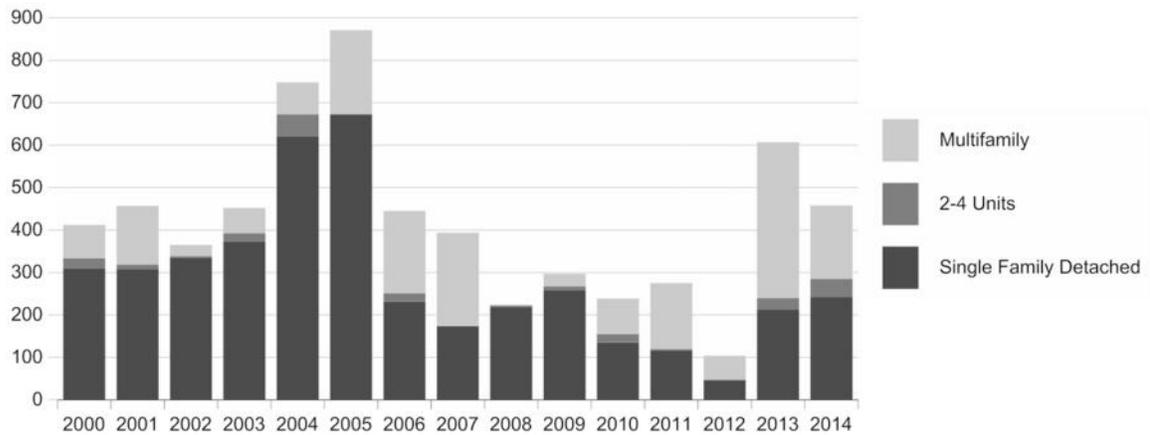
¹ Due to the size of Coeur d'Alene, the ACS data are 3-year averages. This report uses the last year of the series to refer to the data for better readability.

Existing Housing Stock

According to the 2013 ACS, there are 20,197 housing units in Coeur d'Alene, up from 14,929 in 2000—a 35 percent increase. The city's housing stock accounts for 31 percent of the housing units in Kootenai County. This share is about the same as in 2000 (32%), meaning that the pace of development in Coeur d'Alene has been consistent with the overall pace of development in the county.

Trends in residential development. On average, during the past 15 years, the city has issued 400 building permits for residential units each year. Most of these—about 67 percent—have been permits for single family detached homes. Twenty-nine percent are for multifamily units (apartments and condominiums). Less than 4 percent of permits have been for duplexes, 3-plexes and fourplexes.

Figure II-1.
Number of Residential Building Permits Issued, by type, Coeur d'Alene, 2000 to 2014



Source: U.S. Census Bureau, Building Permit data.

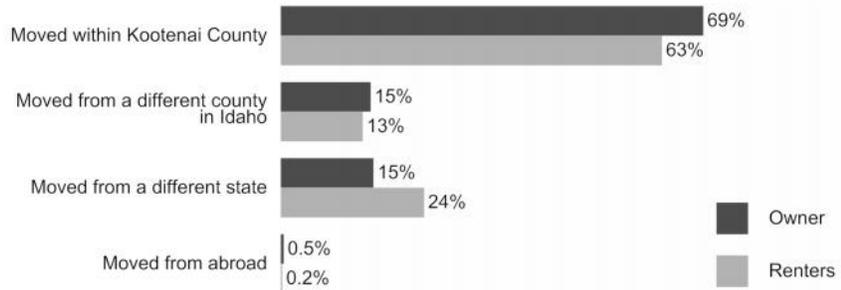
As shown in Figure II-1 above, building permits for residential housing have fluctuated with economic conditions. The height of permits occurred in 2005, when 673 permits for single family units and 198 for multifamily permits were issued (total of 871). The low occurred in 2012, when just 104 permits were issued.

The recent uptick in residential permit activity—particularly for multifamily developments—is likely a result of pent-up demand for rental units following years of little development. Demand for rental units is driven by new residents relocating to Coeur d'Alene, as well the aging of the first wave of Millennials into housing independence, which generally begins with renting.

In 2013, for example, 6,750 Coeur d'Alene renters moved at some point during the year. Among residents who moved, most relocated to a different house within Kootenai County (data are not available at the city level). One in five, however, moved to the county from a different state.

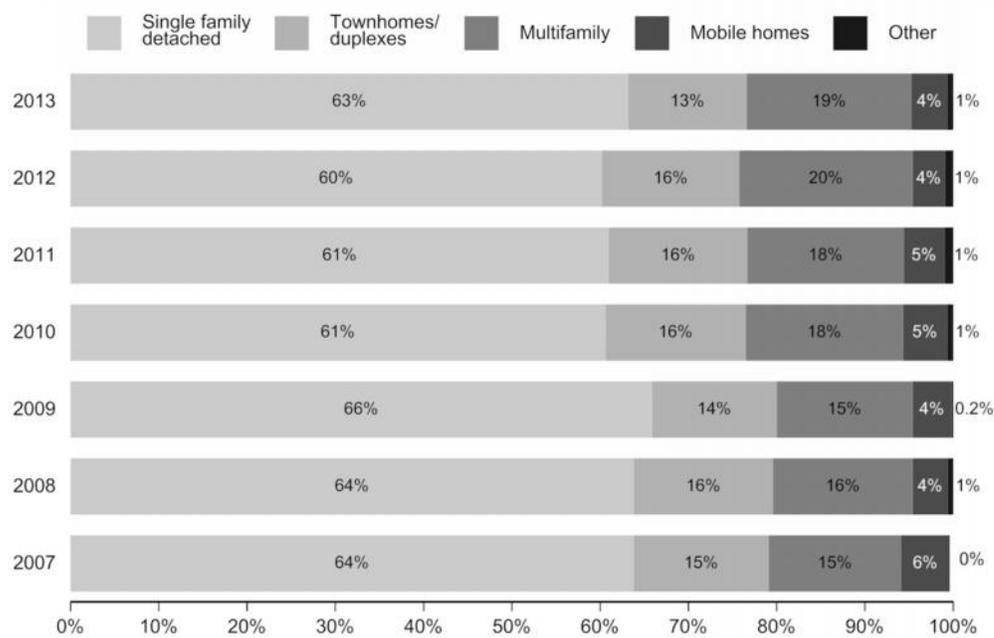
Figure II-2.
Residents who
Moved in Previous
Year, Coeur d'Alene,
2013

Source:
 2011-2013 American
 Community Survey, HUD and
 BBC Research & Consulting.



Composition of housing stock. Nearly two-thirds (64%) of Coeur d'Alene's housing stock is made up of single family detached homes. As shown in the figure below, there has been little change in the types of housing units in the city, with the exception of a small increase in multifamily units. As of 2013, about 20 percent of the city's housing stock was comprised of multifamily units. This includes both apartments and condominiums, both for rent and for sale. The proportion of multifamily units in the city has increased by 5 percentage points since 2007.

Figure II-3.
Type of Housing, Coeur d'Alene, 2007 to 2013



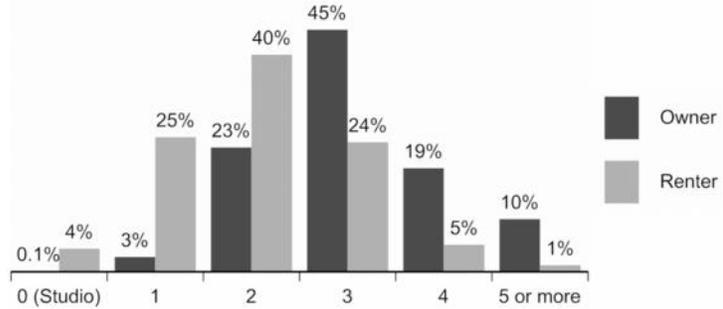
Source: U.S. Census, American Community Survey 3-year estimates.

About 5 percent of the housing stock in Coeur d'Alene is made up of mobile homes. Less than one percent is made up of "other" types of units such as boats and recreation vehicles used as permanent homes.

Household size and bedrooms. On average, owner-occupied households in Coeur d'Alene are larger (2.46 people) than renter occupied households (2.35 people). Owner occupied units also tend to have more bedrooms than renter occupied units. Seventy-four percent of owner occupied homes have three or more bedrooms, compared to 30 percent of renter occupied homes (see Figure II-4).

Figure II-4.
Number of Bedrooms by
Tenure, Coeur d'Alene, 2013

Source:
 2013 American Community Survey and BBC
 Research & Consulting.

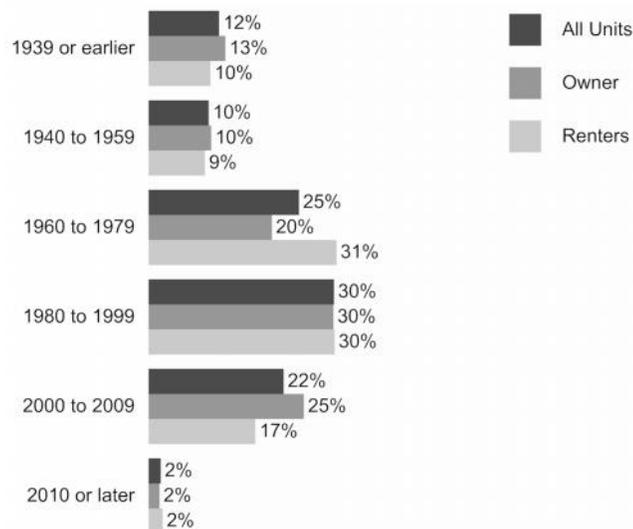


Age of housing stock. An important indicator of housing condition is the age of the home. Older houses tend to have more condition problems and are more likely to contain materials such as lead based paint. Just 12 percent of the housing units in Coeur d'Alene were built before 1940, when the risk of lead-based paint is highest.² About one quarter of Coeur d'Alene's housing stock was built after 2000; another 30 percent was built between 1980 and 1999.

In areas where revitalization of older housing stock is active, many old houses may be in excellent condition; however, in general, condition issues are still most likely to arise in older structures. In Coeur d'Alene, 50 percent of renter occupied units and 43 percent of owner occupied units were built prior to 1980. Those units have the highest risk of condition-related issues. Figure II-5 displays the age of the city's housing stock overall and by tenure.

Figure II-5.
Age of Housing Stock, Coeur
d'Alene, 2013

Source:
 2013 American Community Survey and BBC
 Research & Consulting.



Overcrowding and substandard conditions. Another key factor to examine in evaluating housing condition is overcrowding. Overcrowding in housing can threaten public health, strain public infrastructure, and points to an increasing need of affordable housing. This study uses

² Lead-based paint was banned from residential use in 1978. Housing built before 1978 is considered to have some risk, but housing built prior to 1940 is considered to have the highest risk. After 1940, paint manufacturers voluntarily began to reduce the amount of lead they added to their paint. As a result, painted surfaces in homes built before 1940 are likely to have higher levels of lead than homes built between 1940 and 1978.

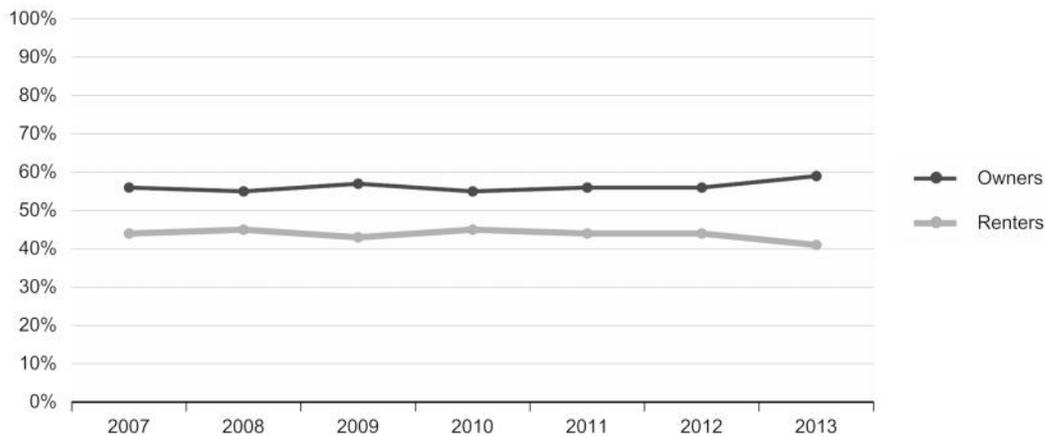
HUD’s definition of having more than one person per room to identify overcrowded units.³ Approximately 4 percent of the city’s households—or about 650 households—are overcrowded. One percent of owner-occupied housing units (149 units) were overcrowded and 7 percent of renter-occupied units (517 units) were overcrowded. This is about the same number as in 2000 (500 units overcrowded).

In addition to overcrowded units, another measure commonly used to evaluate housing condition is substandard units. The 2013 ACS reported that 184 occupied housing units in the city lacked complete plumbing facilities (up from 107 in 2000) and 552 occupied housing units lacked complete kitchens (200 in 2000). Together, assuming no overlap, these 736 substandard units represent 4 percent of the city’s total housing units—twice as high as in 2000. This could be due to an increase in the number of housing units that are meant for seasonal occupancy.

Homeownership

According to the Census, the city’s homeownership rate in 2013 was 59 percent. Census estimates of homeownership rates suggest an increasing trend, as shown below. In general, however, homeownership has varied little since 2007.

Figure II-6.
Percent of Households Who Own Their Homes, Coeur d’Alene, 2007 to 2013



Source: U.S. Census, American Community Survey 3-year estimates.

Figure II-7 displays housing type by tenure for Coeur d’Alene households. The vast majority of owners (87%) live in single family detached houses. This has increased since 2000, when 84 percent lived in detached single family homes and more (11%) lived in mobile homes. The proportion of owners living in attached structures has changed little since 2000.

Most renters (39%) live in attached units such as townhomes or duplexes. Thirty-one percent of renters live in single family detached homes; 28 percent live in larger apartment structures. The

³ The HUD American Housing Survey defines a room as an enclosed space used for living purposes, such as a bedroom, living or dining room, kitchen, recreation room, or another finished room suitable for year-round use. Excluded are bathrooms, laundry rooms, utility rooms, pantries, and unfinished areas.

types of units occupied by renters today are very similar to 2000 when 30 percent of renters lived in detached homes and 28 percent lived in larger attached units.

Figure II-7.
Housing Type by Tenure, Coeur d’Alene, 2013



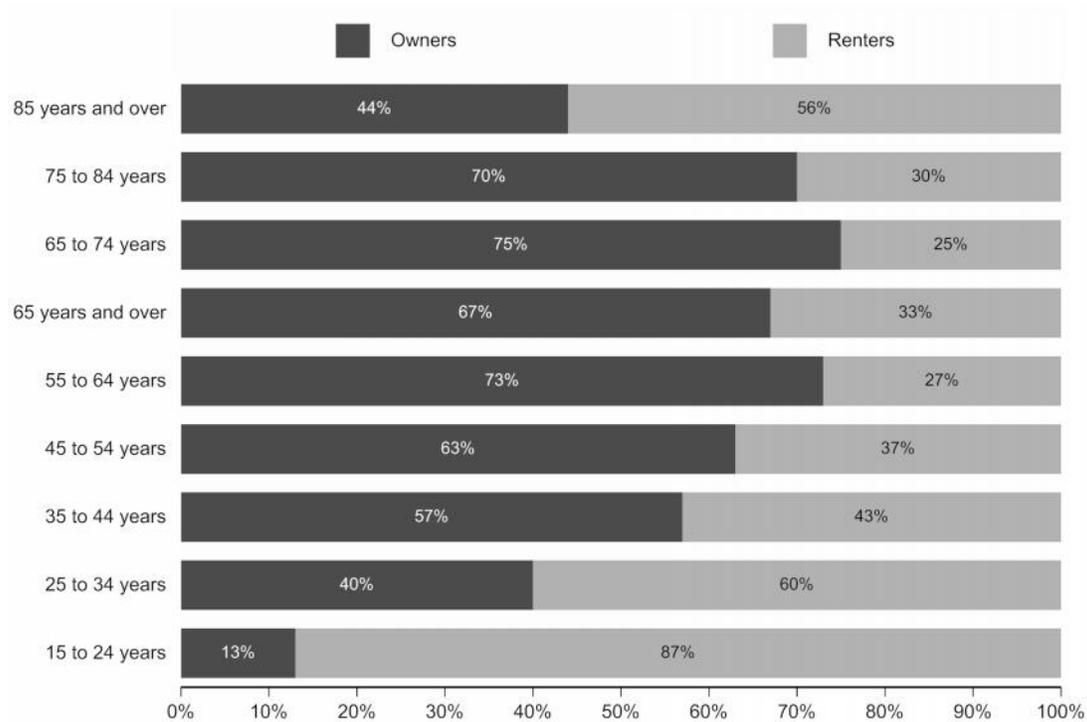
Source: 2013 American Community Survey and BBC Research & Consulting.

These data on household tenure (renter/owner) and types of units occupied coupled with residential building trends reveal some unique aspects of Coeur d’Alene’s market:

- The modest increase in the proportion of the city’s housing stock that is multifamily has not led to a decline in homeownership, as some might expect. This may be because many of the multifamily units built in the city are condominiums, occupied by owners.
- Development of single family homes—still the predominant type of units built in the city—has provided housing to renters, in addition to owners. Coeur d’Alene renters are more likely to live in single family detached homes than in multifamily structures.

Profile of owners and renters. As shown by Figure II-8, the vast majority of the city’s young adults rent. Renting falls below 50 percent for residents between the ages of 35 and 75—then, after age 75, rises again to young-adult levels.

Figure II-8.
Percent of Owners and Renters by Age Group, Coeur d'Alene, 2013



Source: 2013 American Community Survey and BBC Research & Consulting.

Coeur d'Alene renters have lower incomes than owners. In 1999, the median income for renters was \$22,037 compared to \$40,137 for owners. Between 1999 and 2013, the gap between renter and owner incomes widened because owner incomes increased at a faster rate than renter incomes: Owner incomes increased by 39 percent while renter incomes only increased by 20 percent. By 2013, the median household income for Coeur d'Alene renters (\$26,374) was less than half that of owners (\$55,966).

Figure II-9 displays the 2013 income distribution of renters and owners by income level and by income as a percent of HUD Area Median Family Income (HAMFI) which is \$70,300 for Coeur d'Alene and Kootenai County.

Nearly *half* of all renters in Coeur d'Alene earn 30 percent or less of HAMFI—a little higher than the poverty level. Only 12 percent of owners earn 30 percent or less of HAMFI.

**Figure II-9.
Household Income by
Tenure, Coeur d’Alene, 2013**

Source:
2013 American Community Survey and BBC
Research & Consulting.

	Owners		Renters	
	Number	Percent	Number	Percent
By Income				
Less than \$25,000	1,358	13%	3,672	48%
\$25,000 to \$50,000	3,245	30%	2,520	33%
\$50,000 to \$75,000	2,734	25%	892	12%
\$75,000 to \$100,000	1,518	14%	427	6%
\$100,000 to \$150,000	1,251	12%	40	1%
\$150,000 or more	691	6%	71	1%
By HAMFI				
0-30% AMI	1,297	12%	3,573	47%
30-50% AMI	679	6%	576	8%
50-80%AMI	2,245	21%	1,745	23%
80-120% AMI	2,591	24%	1,019	13%
Greater than 120%	3,985	37%	709	9%

Part of the reason that renters earn less than owners is because they are mostly either younger (in college or starting jobs) or older (75 years and older). Residents in both of these age ranges generally have the lowest earnings of any time in their lives. Indeed, renters are much less likely to have college degrees (just 13% have a college degree) than owners (34%).

The one similarity between renters and owners is their likelihood to have children in their homes: despite age and income differences, owners and renters are equally likely to have children under 18 at home (29%).

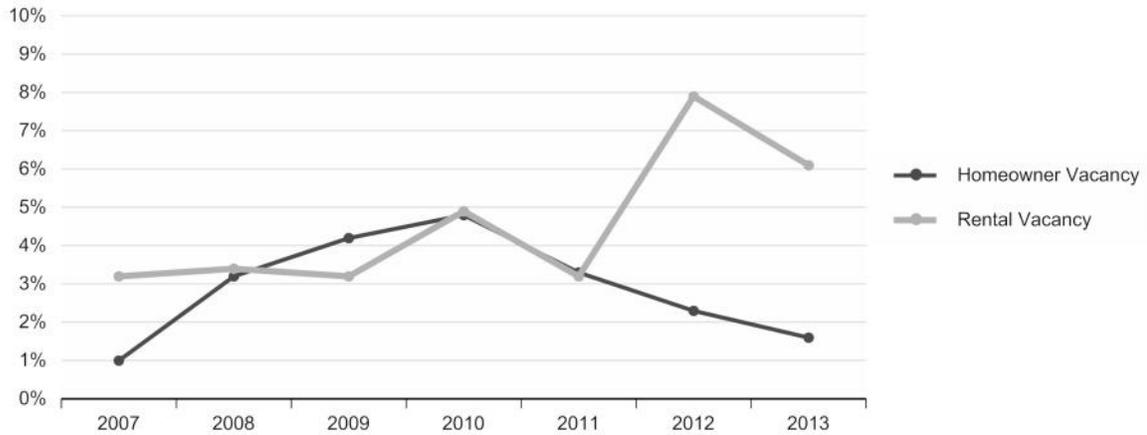
Housing Cost and Affordability

This section of the report discusses housing costs in Coeur d’Alene through the lens of affordability. The rental market is discussed first, followed by an affordability analysis of the for-sale, or ownership market. The section begins with a review of vacancy rates of both rental and ownership housing.

Vacant units. Annual Census surveys (ACS) provide vacancy trend data for both for rent and for sale housing units. In the absence of local vacancy surveys, which are generally only available in large housing markets, Census data are a good source of historical trends in vacancies. Yet because housing markets can change rapidly, Census vacancy data do not always represent current market conditions. This discussion on vacancy rates incorporates more current, local data where available.

Rental vacancy rate. The Census estimated a 2013 rental vacancy rate of 6.1 percent. Homeowner and rental vacancy rates have moved in opposite directions recently, as shown in Figure II-10. This may be due to the development of new apartments in response to a period of very low vacancy rates and the lag in rental unit absorption. Renters may also have converted to owners.

Figure II-10.
Vacancy Trends, Coeur d'Alene, 2007 to 2013



Source: American Community Survey 3-year estimates.

More recent data on rental vacancies show a much tighter market today—and a fairly sharp decrease in vacancies since Census data were collected in 2013. This is supported by anecdotal evidence: As recently as July 15, 2015, property managers were describing a market where units are rented before current tenants vacate units. One-bedroom units are reportedly in highest demand.⁴

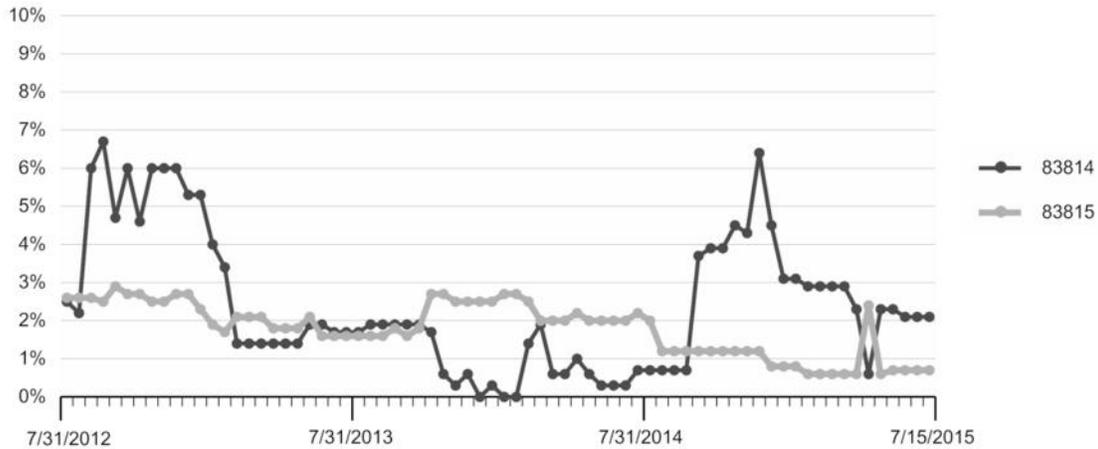
The website www.housingidaho.com allows landlords to list available rental properties and renters to search for units. The properties listed represent an estimated one-fifth of all multifamily rental units in Coeur d'Alene. The site tracks rental vacancies by zip code.

As of July 15, 2015, there were only 12 vacant rental units in zip code 83814 and four in zip code 83815. The vacancy rates in these zip codes were 2.1 percent and .07 percent, respectively.

Figure II-11 shows trends in vacancy rates by zip code in Coeur d'Alene according to data from www.housingidaho.com. These vacancy rates are much lower than those reported by the Census—perhaps because they are more representative of affordable rentals, since many of the developments listed on the site accept housing subsidies.

⁴ http://www.cdapress.com/news/local_news/article_d7b080d0-118e-5648-9bb7-5734481b70a6.html

Figure II-11.
Rental Vacancies by Zip Code, Coeur d'Alene, July 2012 to July 2015



Source: www.socialserve.com

Homeowner vacancy rate. As of 2013, the Census reported a homeowner vacancy rate of 1.6 percent. This was the lowest Census estimate since 2007, when the rate was 1.0 percent. A homeownership rate this low is suggestive of near-future price increases until demand softens or the market can produce more units for purchase.

Seasonal homes. The Census tracks the number of vacant units that are owned by non-residents and used as vacation homes. As of 2013, the Census estimated that just 5 percent of units in Coeur d’Alene were vacant and used as seasonal properties. This was down significantly from the 14 percent reported as seasonal properties in 2007, just prior to the housing market downturn.

Rental market. There are two sources of data for rental costs that are updated consistently over time: the Census (the annual American Community Survey, or ACS) and HUD (Fair Market Rents).⁵ The Census data are generated from a survey of residents. HUD data are based on the Census data and are supplemented with additional resident surveys and inflation data from the Consumer Price Index (CPI). HUD data represent rents for the county overall; Census data report rents for Coeur d’Alene only.

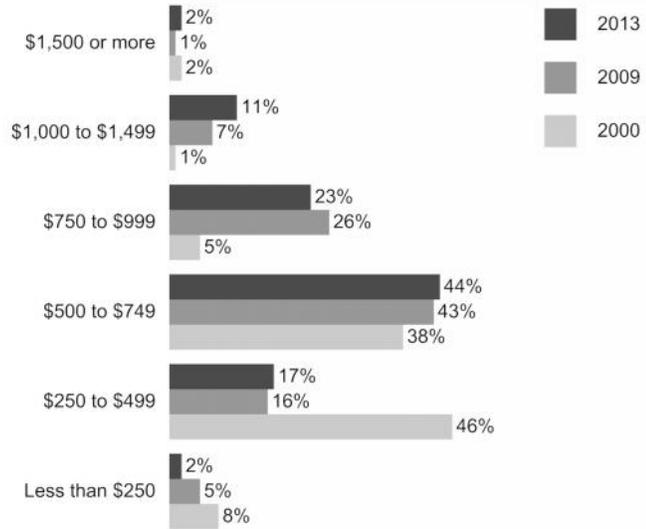
In 2000, the median rent excluding utilities was \$487 per month. Including utilities, the median rent was \$555 per month. The latest (2013) data from the Census put the median rent in Coeur d’Alene at \$662 per month. Including utilities, the median rent is \$771 per month.

Figure II-12 shows the change in rents since 2000. The chart suggests that the rise in rents occurred in the early part of the last decade, prior to the Great Recession. Since 2009, rent increases have been more modest.

⁵ <http://www.huduser.org/portal/datasets/fmr.html>

Figure II-12.
Rent Excluding Utilities,
Coeur d'Alene, 2000, 2009
and 2013

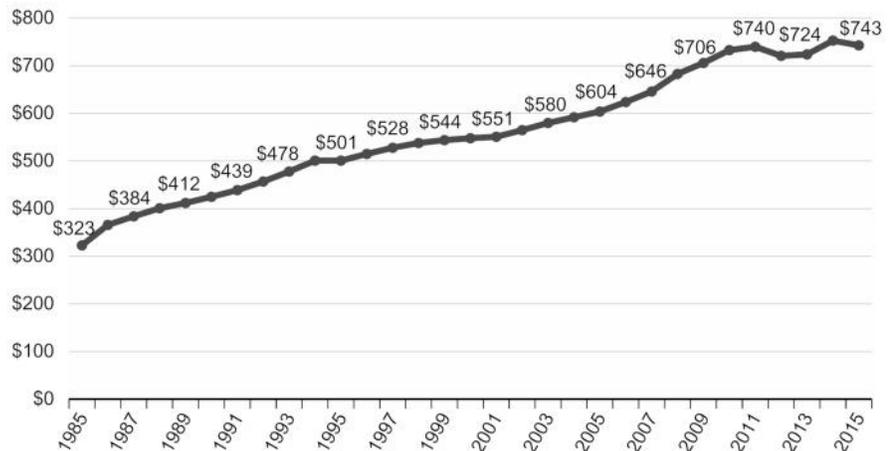
Source:
 2000 Census, 2007-2009 ACS, 2011-2013
 ACS.



HUD FMR data, which represent the rental market in the county, tell a similar story. As shown in Figure II-13, 2 bedroom FMRs increased consistently until 2010. Since 2010, FMRs have been relatively flat, rising just 1 percent in five years.⁶

Figure II-13.
Trends in Fair
Market Rents,
Kootenai County,
1985 to 2015

Source:
 U.S. Department of Housing
 and Urban Development,
 www.huduser.org.



In 2000, to afford the median rent with utilities, a renter would have needed to earn \$22,200 per year. As discussed on page 7, this was almost exactly the median income of renters in 1999. In contrast, in 2013, a renter would need to earn \$30,840—higher than the \$26,374 actually earned by renters.

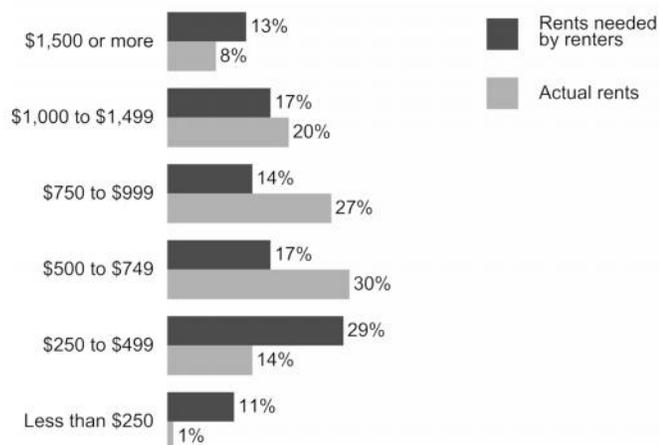
The **“purchasing power”** of renters changed during the past **13 years**. The **median rent**, including utilities, **rose by 39 percent** compared to a **20 percent increase in median renter income**.

⁶ In 2013, rents in Kootenai County were \$100 more per month than in Coeur d'Alene.

This means that many renters pay more for rent than they can afford. As shown by Figure II-14 below, most renters (30%) pay between \$500 and \$750 per month, or \$750 to \$1,000 (27%), in rent and utilities. However, 40 percent of renters need units priced below \$500 per month. If rents and incomes were more ideally aligned more units would rent for less than \$500 per month and fewer would rent between \$500 and \$1,000.

Figure II-14.
Rents and Utilities Paid v.
What Renters can Afford,
Coeur d’Alene, 2013

Source:
 2013 American Community Survey and BBC
 Research & Consulting.



The gap shown above appears to be more closely related to low renter income than to rising rents, at least since 2009. Rents increased by 3 percent—but household income decreased by 11 percent between 2009 and 2013.

Figure II-15 compares the median rent in Coeur d’Alene to that of surrounding communities. As indicated by the figure, the median rent in Coeur d’Alene has generally been in the middle. Rising rents in nearby Spokane, however, may indicate that this is changing.

Figure II-15.
Fair Market Rents for Two Bedroom Units,
Kootenai County and Peer Communities, 2005,
2011 and 2015

Note:
 The least expensive rent is highlighted in light grey. The most expensive, in dark grey.

	2005	2011	2015
Coeur d’Alene/Kootenai County	\$604	\$740	\$743
Boise	\$520	\$702	\$736
Missoula	\$624	\$775	\$755
Pocatello	\$593	\$624	\$643
Spokane	\$614	\$731	\$773

Source:
 U.S. Department of Housing and Urban Development, www.huduser.org

Ownership market. Similar to most housing markets across the country, Coeur d’Alene experienced substantial increases in home values between 2000 and 2008 followed by a drop in values and sales activity as the housing bubble burst. The average sale price in Coeur d’Alene rose from \$122,000 in 2000 to a peak of \$223,000 in 2008.

The market bottomed out in 2011, with an average sales price of \$170,000—a drop of 30 percent from 2008. Prices have been rising steadily since then, reaching \$215,000 in 2014.

Recent sales data reveal a very strong market in Coeur d’Alene. The average prices of homes in Coeur d’Alene by location for the first two quarters of 2015 are shown below.

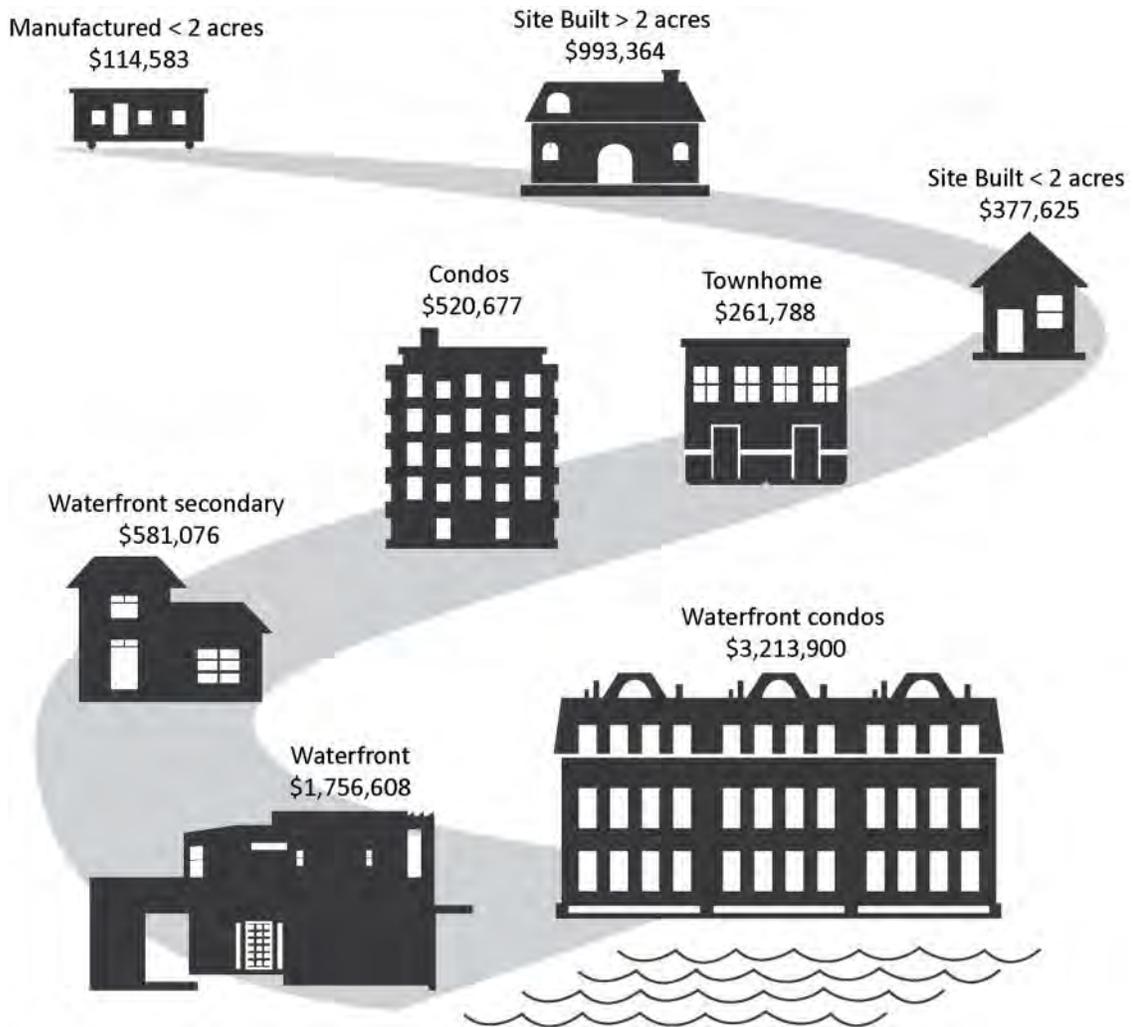
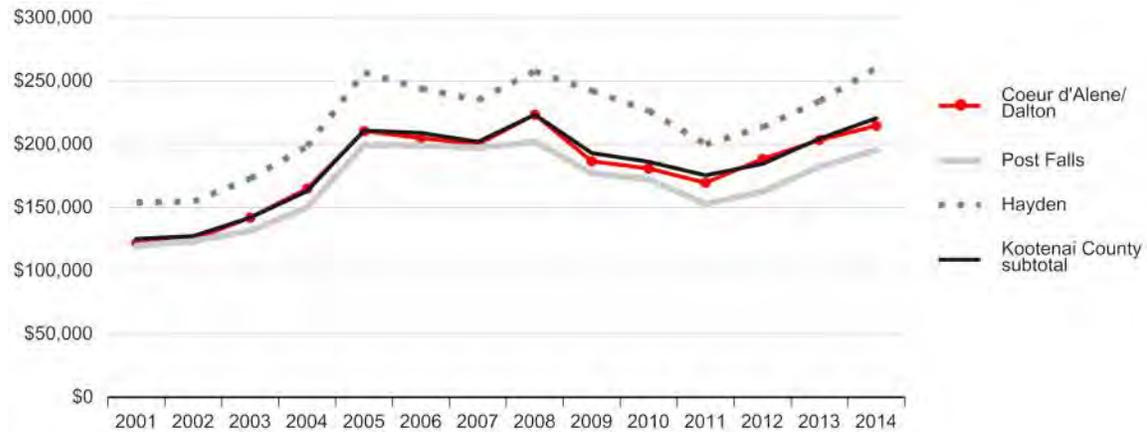


Figure II-16 displays the *average* sales price for site built homes on less than two acres of real property in Coeur d’Alene, Post Falls, Hayden and Kootenai County between 2001 and 2014. Coeur d’Alene tracks trends in Kootenai County closely, despite having only 30 percent of the county’s housing units. Post Falls consistently offers the most affordability in homeownership and Hayden, the least.

Figure II-16.
Average Sales Price Trends, Coeur d’Alene and Surrounding Communities, 2001 through 2011



Source: Coeur d’Alene Association of Realtors and BBC Research & Consulting.

Figure II-17 shows the change in the average price of homes in the region. As the table demonstrates, price increases were greatest between 2001 and 2009; price increases have been more modest since then.

Figure II-17.
Average-Priced Home, Coeur d’Alene and Surrounding Communities, 2001, 2009 and 2014

	Average Price of Sold Homes			Price Increase/Decrease		
	2001	2009	2014	2001-2009 change	2009-2014 change	2001-2014 change
Coeur d’Alene/Dalton	\$121,895	\$186,622	\$214,742	\$64,727	\$28,120	\$92,847
Hayden	\$153,957	\$242,428	\$260,328	\$88,471	\$17,900	\$106,371
Post Falls	\$119,714	\$177,148	\$195,360	\$57,434	\$18,212	\$75,646
Rathdrum/Twin Lakes/Hauser	\$94,095	\$181,664	\$179,257	\$87,569	-\$2,407	\$85,162
North Kootenai County	\$92,551	\$142,469	\$177,043	\$49,918	\$34,574	\$84,492
South Kootenai County	\$121,620	\$612,992	\$631,834	\$491,372	\$18,842	\$510,214

Source: Coeur d’Alene Association of Realtors and BBC Research & Consulting.

In 2000, an income of about \$35,000 was needed to afford the average-priced home in the Coeur d’Alene/Dalton area. By 2014, this had risen to \$47,000. To manage this price increase, a household would need to earn \$12,000 more per year.

Figure II-18 compares the income increases needed to absorb the rise in the price of the average sold home with *actual* income increases. Unlike renters, during the past 15 years, owners have not lost “purchasing power.” Housing prices increased faster than incomes between 2001 and 2014, but, because mortgage interest rates declined significantly during this period, homeowners were able to manage the price changes.

Homeowner incomes kept pace with the mortgage payment required to afford the averaged-priced home. However, **if interest rates had not decreased, incomes would not have kept up with the increase in home prices.**

Figure II-18.
Change in Average Price v. Change in Income Required to Afford Average-Priced Home, 2001 to 2014

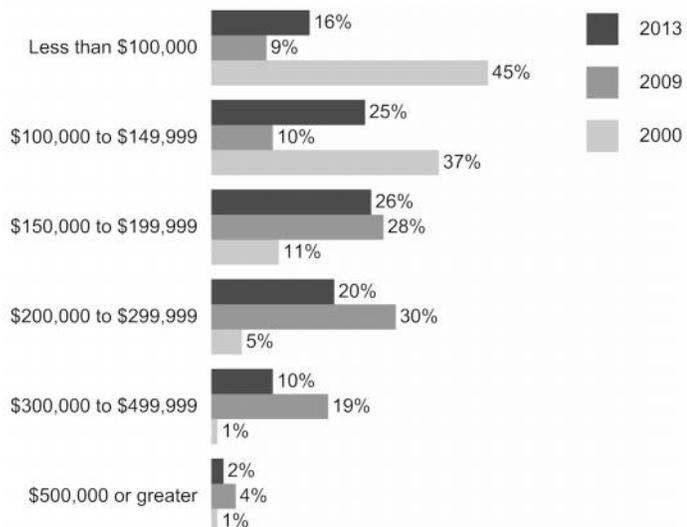
	Percent Increase in Average Home Price	Income Required to Afford Average Home Price Increase	Actual Income Increase
Coeur d'Alene/Dalton	76%	\$11,971	\$15,855
Hayden	69%	\$12,734	\$17,863
Post Falls	63%	\$8,355	\$13,505
Rathdrum/Twin Lakes/Hauser	91%	\$12,193	\$6,871
North Kootenai County	91%	\$12,152	\$15,098
South Kootenai County	420%	\$103,346	\$15,098

Note: Actual income for North and South Kootenai County are for the county overall. Incomes are approximate and use ACS 5-year averages.
 Source: BBC Research & Consulting.

Figure II-19 shows the price distribution of all homes in Coeur d'Alene, not just those sold, according to the U.S. Census. These data, which are self-reported by homeowners, reflect perceptions of home worth and the dramatic fluctuation in the housing market. Most notable is the loss of homes priced at less than \$100,000 and \$150,000.

Figure II-19.
Home Value Distribution, Coeur d'Alene, 2013

Source:
 2000 Census, 2007-2009 ACS, 2011-2013 ACS



Foreclosures. Following the housing market downturn, the Local Initiatives Support Corporation (LISC) began tracking and producing foreclosure risk scores for zip codes by metropolitan area. The latest risk scores are from 2013. As of March 2013, LISC rated Post Falls as having the highest risk for foreclosures, based on past trends. Coeur d'Alene's risk was calculated at about 35 percent of Post Falls' rate—about the same as Rathdrum's.

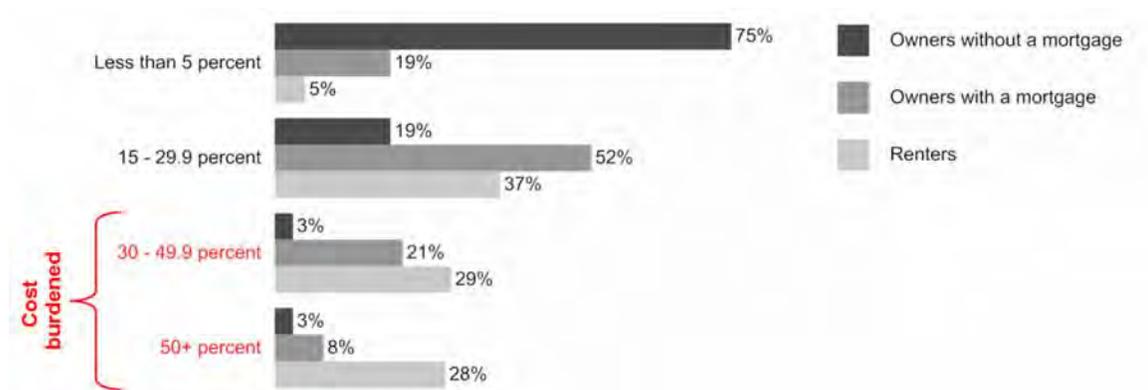
Cost burden. Cost burden is a common indicator of housing affordability that is easily monitored over time. It is common practice to label any household spending 30 percent or more of their monthly income on housing expenses as "cost-burdened."

Cost burdened households are a concern because they may have difficulty affording other household expenses due to housing costs; their cut-backs in spending may adversely affect the local economy. Cost burdened renters have less income to save for a downpayment to buy, thus, affecting a community’s homeownership rate. Cost burdened homeowners, in the most severe situation, lose their homes to foreclosure.

In 2011, more than half (57%, or 4,300) of renters spent at least 30 percent of their monthly income on housing costs. Of these, 28 percent, or 2,100 were “severely” cost burdened—paying more than 50 percent of their household incomes in housing costs.

Among homeowners, 29 percent of owners with a mortgage (2,200 owners) and 6percent (fewer than 200) of owners without a mortgage were cost burdened. Figure II-20 displays housing costs as a percentage of monthly income for Coeur d’Alene households.

Figure II-20.
Cost Burden by Tenure, Coeur d’Alene, 2013



Note: Cost-burdened households spend 30 percent or more of their monthly income on housing expenses.

Source: 2013 American Community Survey and BBC Research & Consulting.

In 2000, 48 percent of renters (nearly 2,400) were cost burdened; 23 percent (1,200) were severely cost burdened. Since 2000, cost burden for renters increased by 10 percentage points. Almost 2,000 more renters are cost burdened now.

In contrast, cost burden declined for owners: 26 percent of owners overall were cost burdened in 2000 compared to 22 percent in 2013. This is consistent with the findings of the effect on housing prices and mortgage interest rates on owners.

Housing Needs

A common method for identifying housing needs is through an exercise called a “gaps” analysis. For rental needs, the gaps analysis compares what renters at various income levels can afford to pay in rent with the rents charged in the market.⁷ Where there are more households than rental units, this indicates an undersupply of affordable rental units. This is where the “gap” between

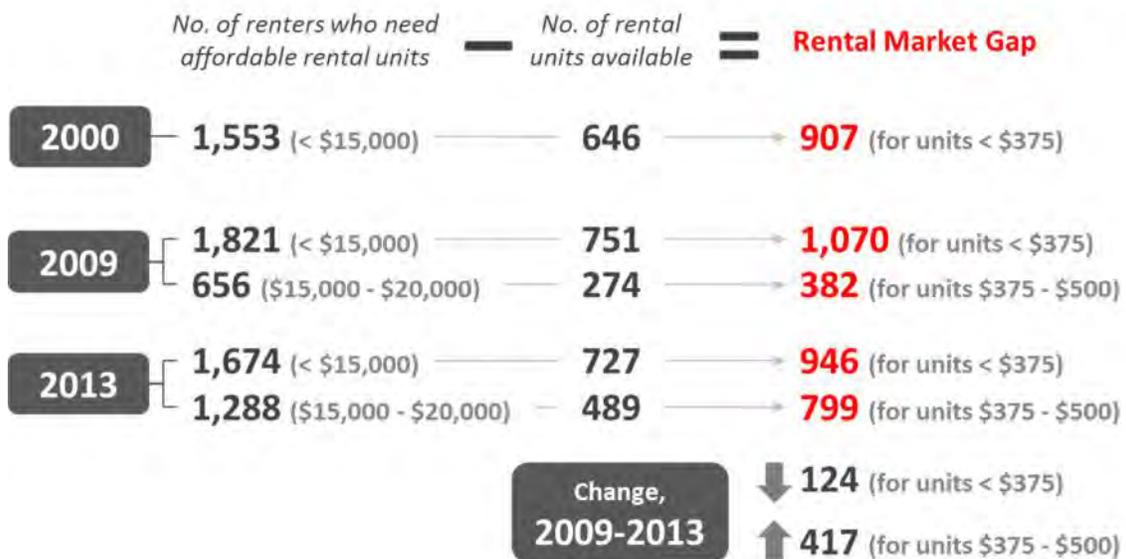
⁷ Renters who do not pay cash rent are excluded from this analysis. As such, the number of total renters in the gap analysis tables can differ from total renters in other tables in this section.

demand and supply occurs. Ownership gaps examine how easily households at various income levels can buy.

$$\begin{array}{ccc} \# \text{ of renters needing} & > & \# \text{ of affordable units} \\ \text{affordable units} & & \\ \hline & = & \text{“rental gap”} \end{array}$$

This exercise was conducted for Coeur d’Alene in 2000, 2006, 2009 and 2013. The gaps exercises found:

- In 2000, 907 renters earning less than \$15,000 needed rentals of less than \$375 per month. The median rent at that time was \$487 per month.
- In 2009, the median rent had increased to \$642 per month, a 32 percent increase. 1,070 renters earning less than \$15,000 per year needed rental units of less than \$375 per month. Another 382 renters earning between \$15,000 and \$20,000 per year needed rental units of between \$375 and \$500 per month.
- In 2013, the median rent was \$662 per month. Slightly fewer renters earning less than \$15,000 per year needed units priced less than \$375 (946 renters). The rental gap increased overall, however, because more renters earning between \$15,000 and \$20,000 needed affordable units. In 2013, 799 renters earning between \$15,000 and \$20,000 per year needed units renting between \$375 and \$500 per month. This is an increase of 417 renters.



Why the increase in the rental gap for \$15,000 to \$20,000 households?

In many communities, the rental gap moves only slightly for extremely low income households (those households earning less than \$15,000 per year). Households in the extremely low income range are largely served by the public sector. In the past decade, the units available to them have mostly been fixed due to lack of federal funding for housing programs. The rental gap for these households will move in cases of a substantial loss or addition of very affordable rental units (e.g., Section 8 vouchers) or a major economic event that causes more households to enter poverty. For Coeur d’Alene, the Census data report a small decline in the number of very affordable rentals and a larger decline in the number of households living in poverty since 2007. As such, the gap for these households declined.

Households earning between \$15,000 and \$20,000 per year are more vulnerable to changes in the private rental market. Up until 2009, the private market in Coeur d’Alene appears to have adequately served these households, as indicated by the gaps analysis. Beginning in 2009, a shortage of rentals for these households appeared, which worsened between 2009 and 2013. A growing demand for rental units, low vacancy rates and corresponding increases in rental costs led landlords to raise rents beyond the \$500 per month affordable to \$15,000-\$20,000 households. And, as discussed above, renters experienced a decline in income—making rising rents even harder to manage.

Figure II-21 compares the number of renter households in Coeur d’Alene in 2013, their income levels, the maximum monthly rent they could afford without being cost-burdened, and the number of units in the market that were affordable to them. The “Rental Gap” column shows the difference between the number of renter households and the number of rental units affordable to them. Negative numbers (in parentheses) indicate a shortage of units at the specific income level; positive units indicate an excess of units.

Figure II-21.
Mismatch in Rental Market, Coeur d’Alene, 2013

Income Range	Number of Renters	Percent of Renters	Maximum Affordable Rent+Utilities	Number of Rental Units, 2013 Census	Percent of Rental Units	Rental Gap	Cumulative Rental Gap
Less than \$5,000	338	5%	\$125	0	0%	(338)	(338)
\$5,000 to \$9,999	416	6%	\$250	69	1%	(347)	(685)
\$10,000 to \$14,999	920	12%	\$375	659	8%	(261)	(946)
\$15,000 to \$19,999	1,288	17%	\$500	489	6%	(799)	(1,745)
\$20,000 to \$24,999	651	9%	\$625	885	11%	234	
\$25,000 to \$34,999	1,104	15%	\$875	2,951	37%	1,846	
\$35,000 to \$49,999	1,376	18%	\$1,250	2,033	25%	657	
\$50,000 to \$74,999	878	12%	\$1,875	754	9%	(124)	
\$75,000 to \$99,999	420	6%	\$2,500	155	2%	(265)	
\$100,000 to \$149,999	39	1%	\$3,750	0	0%	(39)	
\$150,000 or more	70	1%		0	0%	(70)	
Total	7,501	100%		7,995	100%		

Source: BBC Research & Consulting.

The gaps analysis in Figure II-21 shows that:

- Twenty-two percent of renters in Coeur d’Alene earn less than \$15,000 per year. These renters need units that cost less than \$375 per month (including utilities) to avoid being cost burdened. Nine percent of rental units in the city meet the affordability needs of these renters.
- Another 17 percent of renters earn between \$15,000 and \$20,000 per year. These renters need units priced between \$375 and \$500 (including utilities). Six percent of units in Coeur d’Alene meet their rental needs.
- Altogether, the city has a shortage of rental units priced affordability for renters earning less than \$20,000 per year of 1,745 units. This is an increase from 2009, when the gap was 1,452 and from 2000, when the gap was 907 units. Of the current gap, 946 units are lacking for renters earning less than \$15,000 per year and 799 are lacking for renters earning between \$15,000 and \$20,000 per year.

These households represent a variety of residents in Coeur d’Alene: working residents earning low wages, residents who are unemployed and residents who are disabled and cannot work—in other words, those residents who are truly living in poverty.⁸ Some of these renters are students and may have a temporary, not long term need for housing assistance.⁹

Assisted rental housing—has it helped? The national housing preservation database maintains data on federally subsidized rental properties. As of July 2015, the database reported a total of 1,436 subsidized rental units in Coeur d’Alene. These units represented about 8 percent of all federally subsidized units in the State of Idaho and 18 percent of all rental units in the city.

Since the last housing needs assessment, approximately 700 assisted rentals have been developed in the city. These units have helped alleviate rental housing needs and helped the rental gap be lower than it would have been otherwise. Without development of these units, the rental gap in 2013 may have been 200 units larger for households in the \$10,000 to \$20,000 income range.

An analysis of the pricing of these units relative to privately provided (non-assisted) units from 2007 through 2014 found the assisted rentals to have average and median rents below those offered by the private market. The median rent for assisted units was \$600 per month; the average rent was \$584. This compares to a median rent of \$725 per month and an average of \$756 per month for non-assisted units. Assisted units are providing low income renters with a subsidy of between \$125 and \$175 per month, or \$1,500 to \$2,100 per year.

Market options for renters wanting to buy. A similar gaps analysis was conducted to evaluate the market options affordable to renters who may wish to purchase a home in Kootenai County (historical data on sold homes were not available for the city only).

⁸ It is important that these renters are not homeless. Those renters who cannot find affordability priced rentals are living in units that cost more than they can afford. These households are “cost burdened.”

⁹ Data limitations make it difficult to separate out renters who are students and may receive assistance paying rent from parents, student loans and/or other non-income sources. These students affect the rental market in a number of ways but their true economic need for affordable units is unknown.

This model, shown in Figure II-23, compares renter income levels, the maximum monthly housing payment they could afford and the proportion of units in the market that were affordable to them. The maximum affordable home prices assume a 30-year mortgage with a 10 percent down payment and an interest rate of 4.5 percent. The estimates also incorporate property taxes, insurance and utilities (assumed to collectively account for 20% of the monthly payment).

The “Renter Purchase Gap” columns in Figure II-22 show the difference between the proportion of renter households and the proportion of homes sold that was affordable to them in 2007, 2009 and 2014. Negative numbers (in parentheses) or ratios below 1.0 indicate a shortage of units at the specific income level. Positive numbers or a ratio greater than 1.0 indicates an adequate supply of units.

Figure II-22.
Market Options for Renters Wanting to Buy, Coeur d'Alene, 2013

Income Range	Renters, 2014			Maximum Affordable Mortgage Payment	Maximum Affordable Home	2007			2009			2014			2014	
	No.	%	%			No. of Homes	% of Homes	Cumulative % of Homes	No. of Homes	% of Homes	Cumulative % of Homes	No. of Homes	% of Homes	Cumulative % of Homes	% of Homes Sold - % of Renters who Can Afford	No. of Homes Sold/No. of Renters
Less than \$5,000	338	5%		\$125	\$22,843	N/A	N/A		N/A	N/A		N/A	N/A	N/A		
\$5,000 to \$9,999	416	6%		\$250	\$45,685	N/A	N/A		N/A	N/A		N/A	N/A	N/A		
\$10,000 to \$14,999	920	12%		\$375	\$68,524	N/A	N/A		N/A	N/A		N/A	N/A	N/A		
\$15,000 to \$19,999	1,288	17%		\$500	\$91,366	225	6%		235	9%		469	11%	-29%		0.36
\$20,000 to \$24,999	651	9%		\$625	\$114,209	230	7%		247	9%		308	7%	-2%		0.47
\$25,000 to \$34,999	1,104	15%		\$875	\$159,895	682	20%	33%	734	27%	45%	861	20%	38%	5%	0.78
\$35,000 to \$49,999	1,376	18%		\$1,250	\$228,423	860	25%	57%	769	28%	74%	1,050	24%	63%	6%	0.76
\$50,000 to \$74,999	878	12%		\$1,875	\$342,636	821	24%	81%	423	16%	89%	931	22%	84%	10%	1.06
\$75,000 to \$99,999	420	6%		\$2,500	\$456,850	285	8%	89%	138	5%	94%	319	7%	92%	2%	0.76
\$100,000 to \$149,999	39	1%		\$3,750	\$685,277	184	5%	94%	81	3%	97%	192	4%	96%	4%	4.87
\$150,000 or more	70	1%		\$3,750+	\$685,777+	194	6%	100%	72	3%	100%	164	4%	100%		2.35
	7,501	100%				3,481	100%		2,700	100%		4,294	100%			

Note: Maximum affordable home price is based on a 30 year mortgage with a 10 percent down payment and an interest rate of 4.5%. Property taxes, insurance and utilities are assumed to collectively account for 20% of the monthly payment.

Source: 2013 American Community Survey, Multiple List Service and BBC Research & Consulting.

The highlighted fields in Figure II-22 show the percentage of homes affordable to households earning \$35,000 and \$50,000. In 2007, about one-third of homes in the region were affordable to households earning \$35,000. Fifty-seven percent were affordable to households earning \$50,000. The market became more affordable to these households in 2009, during the housing market downturn and now appears to be back to pre-recession affordability levels.

Needs in the Next 5, 10 and 15 years

This section projects growth in housing needs in the next five, 10 and 15 years based on estimated population and job growth.

Housing needed to accommodate population growth. If Coeur d’Alene grows at the same rate as it did between 2000 and 2013, the city could have as many as 51,000 residents by 2020. If the average household size remains the same, this growth will generate the need for 1,381 new homes, assuming 10 percent of new households find housing in units that become available because residents leave the city. If homeownership is kept the same, approximately 815 of these units should be for homeowners and 570 should be for renters.¹⁰

Figure II-23 shows these projections; it also includes projections for 2025 and 2030.

Figure II-23.
Projected Housing Units Needed based on Population Growth, Coeur d’Alene, 2020, 2025, 2030

Note:

Assumes 10% existing units become available to new households.

Source:

BBC Research & Consulting.

<i>If growth resembles 2009-2013 population growth</i>			
	2020	2025	2030
Population	51,318	55,148	59,264
Households	21,206	22,789	24,489
<i>Change in households</i>	<i>1,473</i>	<i>1,583</i>	<i>1,701</i>
Rental units	566	1,174	1,828
Owner units	815	1,690	2,631
Total new units needed	1,381	2,864	4,459
<i>If growth resembles 2000-2009 population growth</i>			
	2020	2025	2030
Population	55,912	63,878	72,980
Rental units	1,108	2,373	3,819
Owner units	1,594	3,415	5,495
Total new units needed	2,701	5,788	9,314

If population growth is stronger, resembling 2000 to 2009 growth rates, housing needs will increase to approximately 1,600 units for homeowners and 1,100 units for renters. This is almost double the need of the slower growth projection.

By price point, these units should resemble the following to preserve current homeownership rates and prevent more renters from experiencing cost burden. The large number of renters needing units priced at less than \$500 is based on the current distribution of low income renters: currently, 40 percent of the city’s renter households earn less than \$20,000 per year.

It is important to note that improvement in the economic situation of these renters—e.g., through additional jobs that pay more than \$10/hour—would lessen some of the future need for low rent units.

¹⁰ These numbers include a vacancy rate of 4 percent to help alleviate some of the affordability pressures that currently exist.

Figure II-24.
Price Points of Housing Units Needed, Coeur d'Alene, 2020, 2025, 2030

	2020	2025	2030
Rental units	566	1,174	1,828
Units renting < \$500 (for low-wage workers, seniors, persons with special needs)	224	464	722
Units renting between \$500 and \$625	49	102	159
Units renting between \$625 and \$1,250	74	153	239
Units renting for more than \$1,250	219	455	709
Owner units	815	1,690	2,631
Priced at under \$120,000 (land trust, sweat-equity, small condos)	102	213	331
Priced at less than \$225,000	245	508	791
Priced between \$225,000 and \$350,000	206	428	666
Priced between \$350,000 and \$500,000	115	238	370
Priced at more than \$500,000	147	304	473

Note: Assumes that future growth resembles 2009-2013 population growth.

Source: BBC Research & Consulting.

Housing needed to accommodate employment growth. The State Department of Labor projects that by 2020, the city will add 430 jobs. By 2030, there could be 3,600 more jobs in Coeur d'Alene.

If all new workers are housed within Coeur d'Alene, approximately 300 new units will be needed to accommodate workforce growth by 2020; 4,000 will be need by 2030. If half of the new workers commute in, just 143 units will be needed by 2020 and 2,050 will be needed by 2030. If the current level of commuting is maintained, almost 1,400 units will be needed to house future workforce by 2030. Figure II-25 shows these scenarios.

Figure II-25.
Jobs Projections and Housing Needed for New Workers, Coeur d'Alene, 2020, 2025 and 2030

	2015	2020	2025	2030
Jobs located in Coeur d'Alene	25,026	25,456	27,592	31,197
Workers who both work and live in Coeur d'Alene	8,000			
In-commuters	17,000			
New jobs		430	2,566	6,171
% change in jobs		2%	10%	25%
No. of new worker households		287	1,711	4,114
Housing units needed if:				
All new workers live in Coeur d'Alene		287	1,711	4,114
50% of workers commute in		143	855	2,057
2/3 of workers commute in (current situation)		96	570	1,371

Note: Assumes 1.5 workers per household.

Source: Idaho Department of Labor and BBC Research & Consulting.

SECTION III.

Public Input

SECTION III.

Public Input

This section details the results of the public outreach process for the Coeur d’Alene Housing Needs Assessment and housing barriers analysis. The public input portion of the project included the following elements:

- A paper and online resident survey offered in Spanish and English—225 Coeur d’Alene residents and 24 in-commuters working but not living in Coeur d’Alene responded. The online survey was hosted by SurveyMonkey.com, a certified Section 508 compliant website and was promoted online on the city website, through email distribution lists and through stakeholders.
- Residents were also given an opportunity to participate in public meetings for the AI held in conjunction with Annual Action Plan public meetings. About a dozen residents attended the public meetings.
- Stakeholders participated in a focus group and interviews—11 stakeholders participated in the focus group. Stakeholders participating included housing developers, real estate professionals, landlords, service providers and community representatives.

Resident Survey Participant Demographic Profile

A total of 249 residents and in-commuters participated in both the online and paper survey. Compared to the city of Coeur d’Alene overall, resident survey respondents are more likely to be middle or upper income and between the ages of 25 and 44; they are less likely to live alone. About the same proportion of racial/ethnic minorities and residents with a disability participated in the survey as reside in Coeur d’Alene.

- **Residence.** The survey targeted Coeur d’Alene residents but also included questions specific to in-commuters, those working in Coeur d’Alene but living outside the city. The vast majority of respondents—90 percent—is current Coeur d’Alene residents and the other 10 percent are in-commuters. Unless otherwise noted, this analysis reports findings for all respondents collectively, including residents and in-commuters.
- **Household size.** The median household size of survey respondents is 2 and the average household size is 2.6 persons, slightly larger than the city’s average household size of 2.3. Forty two percent of respondents live in two-person households and 33 percent live in three or four person households, compared to 34 percent and 27 percent for the city overall.
- **Household composition.** Thirty one percent of survey respondents live in a household with children, similar to the proportion of Coeur d’Alene households that are families with

children (29%). Single person households are somewhat underrepresented among survey respondents. Single-households account for 17 percent of respondents compared to 31 percent of Coeur d'Alene households.

- **Respondent age.** The median and average age of survey respondents is 57 and 47, respectively. College aged adults were somewhat underrepresented in the survey—just 3 percent of respondents are between the ages of 18 to 24 compared to 15 percent of the city's adult population. Young adults (aged 25 to 44) were somewhat overrepresented in the survey, accounting for 44 percent of respondents but 33 percent of city adults. Thirty six percent of survey respondents are Baby Boomers and 17 percent are seniors, similar to their representation among the adult population of Coeur d'Alene.
- **Respondent race and ethnicity.** Overall, 92 percent of respondents identified themselves as a white and 8 percent identified as a racial or ethnic minority. This aligns with Census data which indicate 90 percent of residents are non-Hispanic white and the other 8 percent belong to a racial or ethnic minority group.
- **Disability.** Sixteen percent of respondents' households include a member with a disability. As discussed in Section II, 15 percent of residents have a disability.
- **Household income.** The median household income of survey respondents is about \$50,000, somewhat higher than the city's median income of \$40,000. Lower income households (earning less than \$35,000) are somewhat underrepresented (30% of respondents compared to 41% of city households). Middle income households, earning \$35,000 to \$100,000 per year, are slightly overrepresented in the survey (53% of respondents compared to 48% of city households), as are upper income households (17% of respondents compared to 11% of city households).

In sum, respondents to the survey were typical of the types of residents who engage in public process. They may not be the residents with the most severe housing needs. Yet their housing preferences and housing choices—particularly, what they choose to buy or rent—can have a significant impact on the housing market and, thus, housing needs.

Housing Choice and Preferences

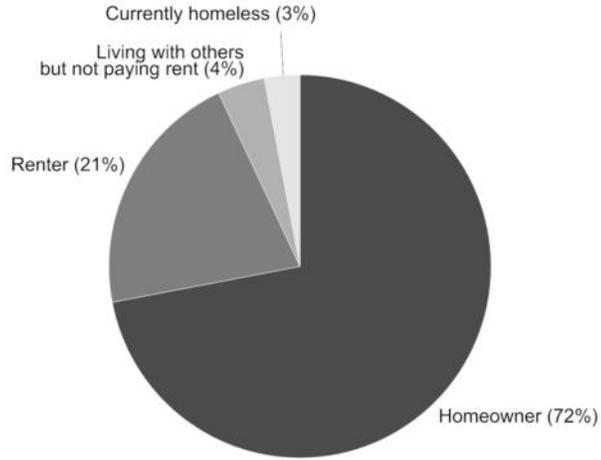
This section explores respondents' housing preferences, including the factors most important to them in choosing their current home and whether or not they would like to move to another housing unit or location.

Housing tenure. Figure III-1 presents the housing tenure of respondents. The majority (72%) are owners. One in five are renters. About 7 percent are either currently homeless or at-risk of homelessness (living with others but not paying rent).

**Figure III-1.
Housing Tenure, Coeur d'Alene,
2015**

Note:
n=239.

Source:
BBC Research & Consulting from the 2015 Coeur
d'Alene Resident Survey.

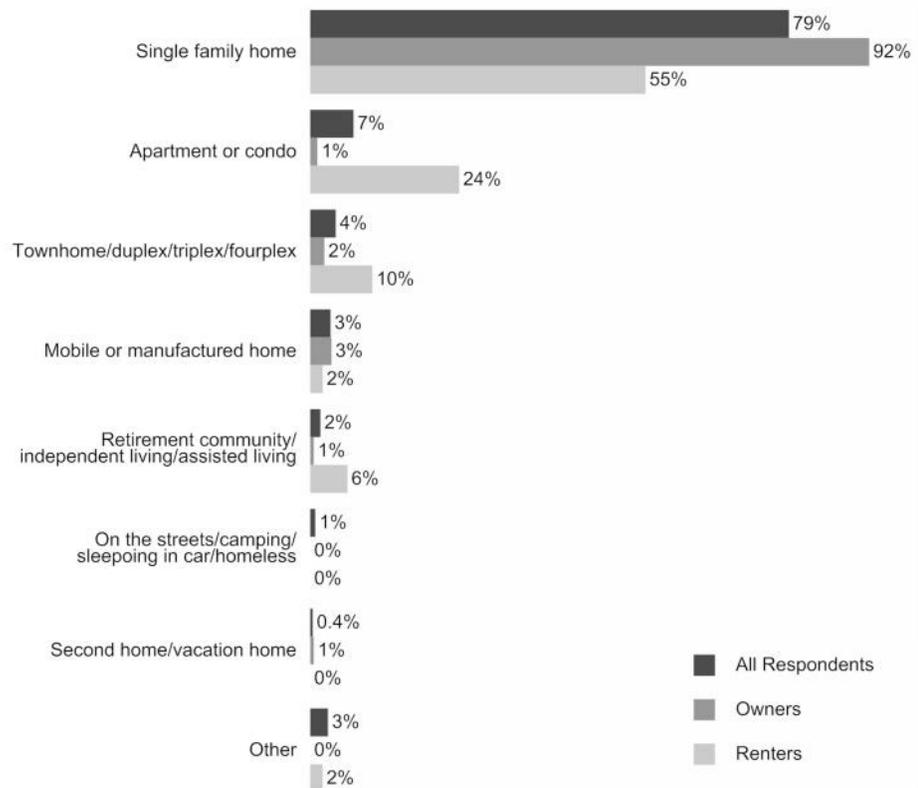


Housing type. Most respondents (92% of owners and 55% of renters) live in single family homes. Seven percent of respondents live in an apartment or condo and 4 percent live in a townhome, duplex, triplex or fourplex (Figure III-2).

**Figure III-2.
What type of
home do you
currently live
in?**

Note:
For all respondents
n=239, for owners
n=172, for renters n=49.

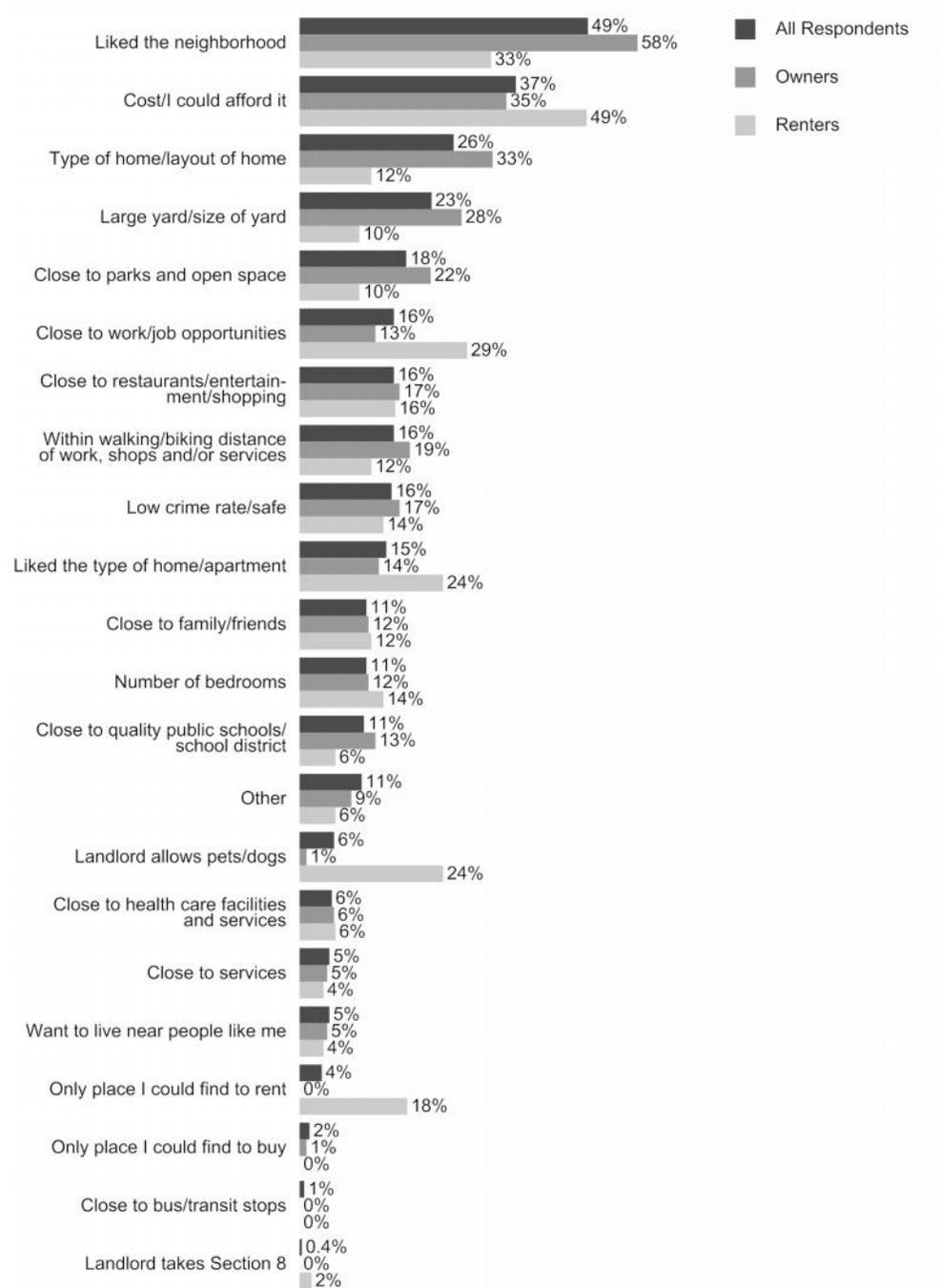
Source:
BBC Research &
Consulting from the
2015 Coeur d'Alene
Resident Survey.



Important factors in choosing current home. Residents cited numerous factors that contributed to their decision to rent or purchase their current home. Figure III-3 demonstrates that the neighborhood was an important factor for nearly half of respondents and cost was a factor for more than one-third of residents. Other common factors include the type of home or apartment, size of yard and proximity to parks and open space.

Renters were more likely to be influenced by cost than owner and were also more likely to value proximity to work and pet policies.

Figure III-3.
What are the three factors that were most important to you in choosing your current home or apartment?



Note: For all respondents n=236, for owners n=170, for renters n=49. Due to multiple responses, percentages do not add to 100%.

Source: BBC Research & Consulting from the 2015 Coeur d'Alene Resident Survey.

Desire to move. Nearly one-third (29%) of respondents would like to move from their current home or apartment. Of those who would like to move, 51 percent would like to live in Coeur d’Alene and 49 percent would like to live elsewhere. Top reasons cited for the desire to move included (some respondents gave multiple reasons so percentages do not sum to 100%):

- Want to buy home (22%);
- Bigger house/apartment/more bedrooms (21%);
- Want to move to different neighborhood (21%);
- Save money/get something less expensive (17%); and
- Want to be in a rural environment (17%).

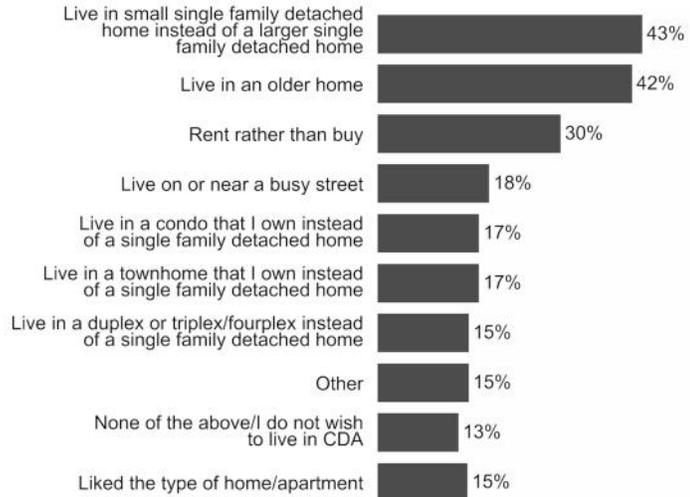
In-commuters were more likely to say they would like to move than current residents (42% compared to 28%). They were also more likely to say the reason was to buy a home and wanting to be closer to work. Among in-commuters wanting to move, 57 percent wanted to stay in their current community, 29 percent wanted to move to Coeur d’Alene and 14 percent wanted to move elsewhere.

Factors preventing move. The cost of moving or the lack of other affordable options in the area is the reason the greatest proportion of those who would like to move has not: 51 percent said they can’t afford to live anywhere else and 39 percent said they can’t afford moving expenses. One in five respondents said not having a car was a barrier to moving. However, just over one quarter of respondents (26%) said there were no barriers to living in their preferred neighborhood.

Tradeoffs. Respondents who indicated they wished to move were also asked what tradeoffs they would be willing to make in order to live in Coeur d’Alene (in-commuters) or in their preferred neighborhood in Coeur d’Alene (residents). Figure III-4 displays the results for all respondents; there were not substantive differences between in-commuter and current resident responses. Respondents were most willing to live in a smaller (43%) and/or older home (42%). Thirty percent of respondents were willing to rent rather than buy in order to live in their preferred neighborhood.

Relatively few respondents were willing to live in attached housing rather than detached housing. This may be related to the high priority respondents placed on having outdoor space (discussed on the following page).

Figure III-4.
Which of the following would you be willing to do to live in Coeur d’Alene or in your preferred neighborhood in Coeur d’Alene?

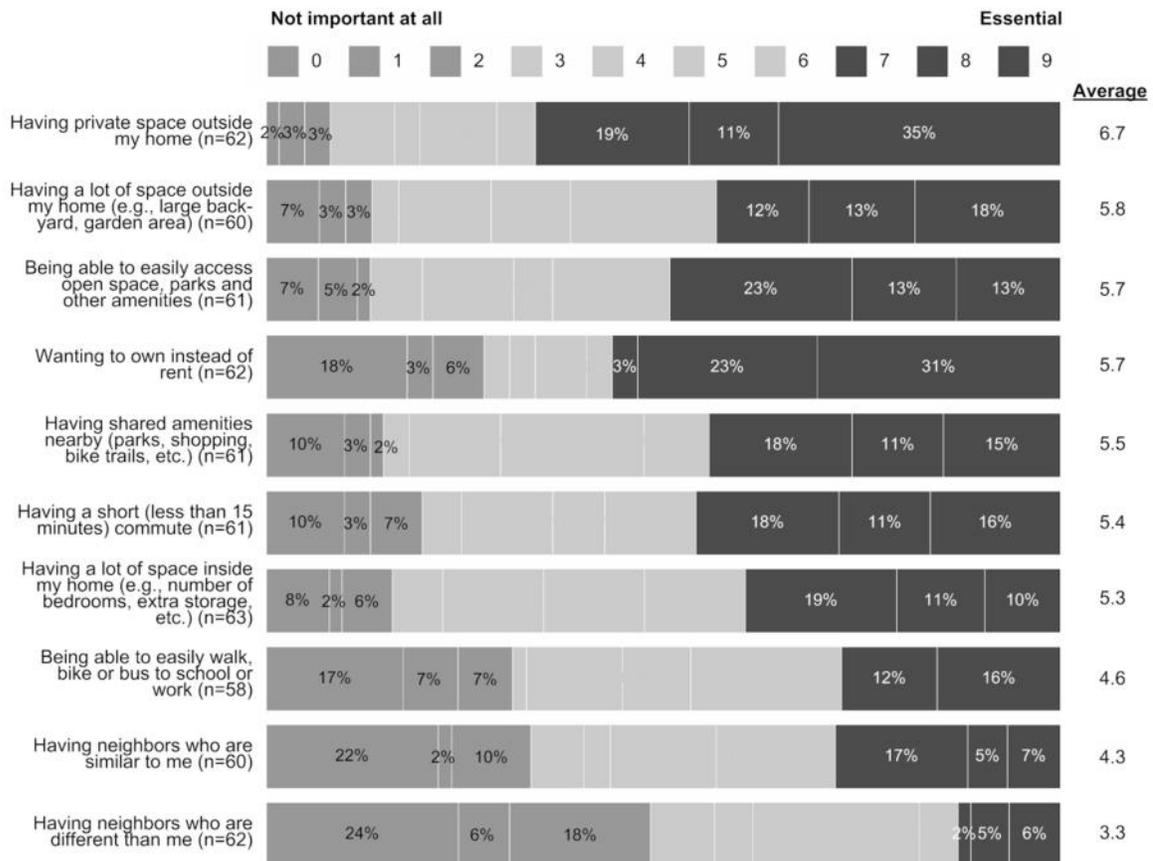


Note:
n=68. Due to multiple responses, percentage do not add to 100%.

Source:
BBC Research & Consulting from the 2015 Coeur d’Alene Resident Survey.

Factors. In addition to tradeoffs, respondents wanting to move were also asked to rate the importance of specific factors they consider when looking for a home. The top three factors were all related to outdoor space—both private and public.

Figure III-5.
Factors that Affect Your Decision to Buy or Rent a Home



Source: BBC Research & Consulting from the 2015 Coeur d’Alene Resident Survey.

Neighborhood and Community

In addition to preferences about their specific housing unit, residents were asked about their neighborhood and community preferences. As shown in Figure III-6, the characteristics residents liked most about their neighborhood/community were quiet, safe and walkable. Access to entertainment, parks and open space and street trees were also highly valued.

Figure III-6.
What do you like the most about your neighborhood or community?

Note:

n=225. Due to multiple responses, percentages do not add to 100%.

Source:

BBC Research & Consulting from the 2015 Coeur d'Alene Resident Survey.

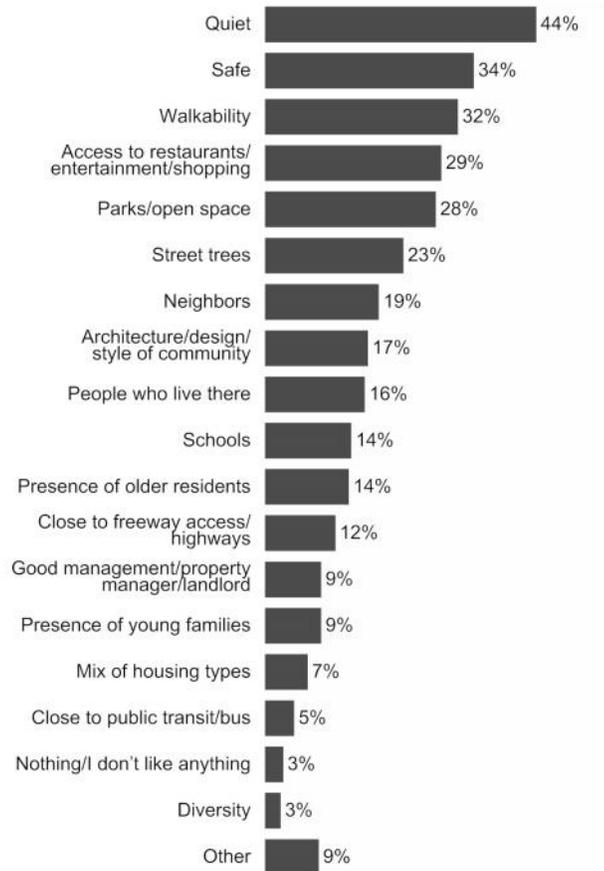


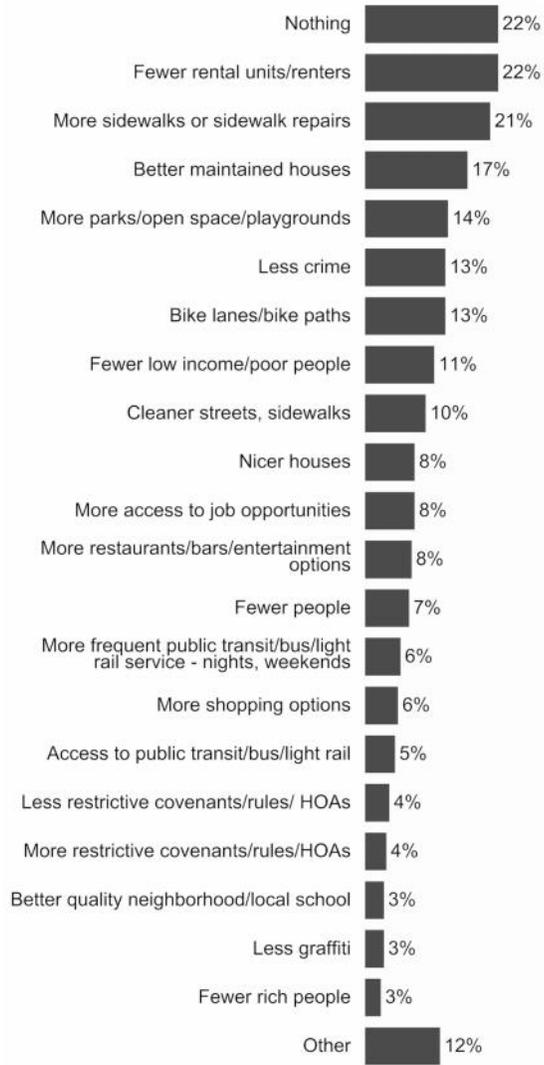
Figure III-7, on the following page, displays what residents would change about their neighborhood if they could. Approximately one in five respondents said they would change nothing about their neighborhood, indicating a high level of community satisfaction among residents.

Changes residents would make included fewer rental units/renters (22%), more sidewalks or sidewalk repairs (20%) and better maintained houses (17%).

Figure III-7.
What would you change about your neighborhood if you could?

Note:
 n=220. Due to multiple responses, percentages do not add to 100%.

Source:
 BBC Research & Consulting from the 2015 Coeur d'Alene Resident Survey.



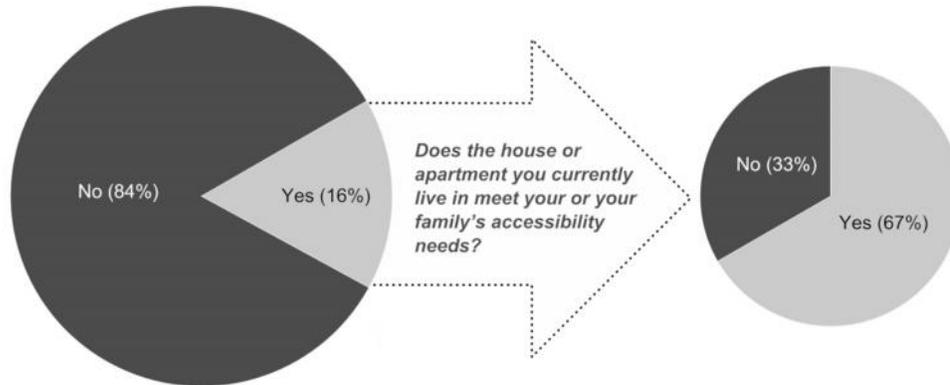
Housing for People with Disabilities

All participants who said that they or a member of their household has a disability of any type (e.g., physical, mental, intellectual, developmental) responded to a series of questions related to their housing accessibility needs and their experience requesting reasonable accommodations.

Accessibility and suitability of current home. As shown in Figure III-8, 16 percent of respondents' households include a member with a disability. Of these households, one in three is living in a home that does not meet their accessibility or accommodation needs. The most common accessibility improvements desired include wider doorways, accessible bathroom improvements (e.g., grab bars, roll-in shower/bath), soundproofing and single level residence.

Figure III-8.
Disability, Coeur d'Alene, 2015

Do you or any member of your household have a disability of any type?



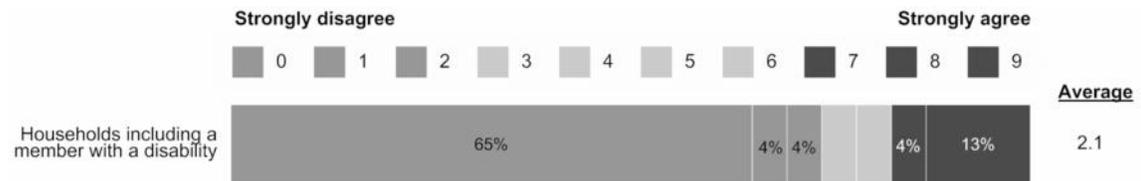
Note: n=227 member with disability; n=36 accessibility needs.

Source: BBC Research & Consulting from the 2015 Coeur d'Alene Resident Survey.

Stakeholders expressed concern that there may be a shortage of accessible housing in Coeur d'Alene. The Intermountain Fair Housing Council also indicated that they have received a number of reports that even new construction of multi-family developments do not meet the accessibility features required under Fair Housing Law and the Americans with Disabilities Act. Over the past several years, Intermountain Fair Housing Council conducted seven audits of newly constructed properties in Coeur d'Alene and all had some type of design and construction concern related to kitchen and/or bathroom compliance. Common infractions included insufficient clear floor space, non-compliant toilet and sink placement (center-line issues), and/or improper slope/grade. These issues are typical, not just in Coeur d'Alene, but statewide. Of the 20 accessibility assessments conducted statewide, the overwhelming majority identified substantial design and construction infractions.

Affordable accessible housing. On average, households that include a member with a disability report that they can afford the housing that has the accessibility features needed. However, 17 percent of households cannot afford housing with the features they need.

Figure III-9.
I can't afford the housing that has accessibility/handicapped features we need



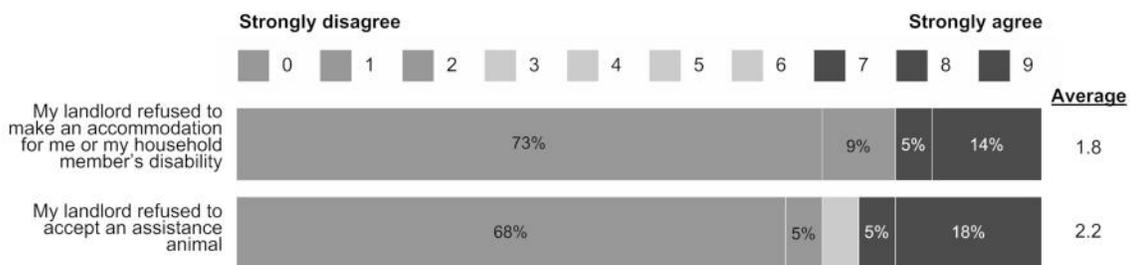
Note: Disability sample n=23.

Source: BBC Research & Consulting from 2015 Coeur d'Alene Resident Survey.

Reasonable accommodations. Renters and homeowners were asked the degree to which requests for reasonable accommodations were granted by either landlords or, if applicable, homeowners associations (HOAs).

Landlords. The majority of renter households in the disability sample strongly disagreed with statements describing landlord refusal of reasonable accommodation requests or denial of assistance animals. This suggests that most landlords are accommodating the needs of tenants with disabilities. About one in six strongly agreed that “my landlord refused to make an accommodation.” With respect to assistance animals, most landlords are accepting but 18 percent of responding strongly agreed that a landlord refused the animal.

Figure III-10.
Reasonable Accommodations by Landlords for Households Including a Member with a Disability



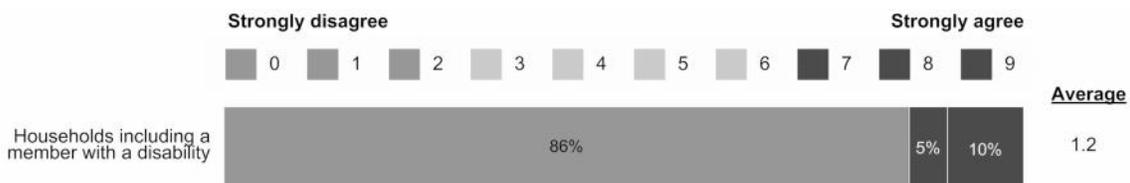
Note: Disability sample n=22.

Source: BBC Research & Consulting from 2015 Coeur d'Alene Resident Survey.

The Intermountain Fair Housing Council indicated that one of the most comment types of calls they receive from residents in northern Idaho are from seniors with a disability that cannot find accessible housing and/or cannot get a reasonable accommodation. Stakeholders and residents at public meetings expressed additional concern about landlords refusing service animals.

HOAs. Few homeowners in the disability sample indicated problems receiving reasonable accommodations from their homeowners association.

Figure III-11.
The HOA in my neighborhood wouldn't let me make changes to my house or property for my disability



Note: Disability sample n=21.

Source: BBC Research & Consulting from 2015 Coeur d'Alene Resident Survey.

Community accessibility. Households that include a member with a disability were also asked about community infrastructure and potential improvements to increase access to community assets such as employment, health care and other amenities, facilities or services. The most common responses, by far, were public transit and sidewalk improvements. Other

responses included job training for people with disabilities, better wheelchair access to the lakefront and improved health services for the poor.

Stakeholders affirmed the need for public transit, particularly for seniors and residents with disabilities. Specifically, stakeholders cited a need for regional connection points, system expansion, and better transit access to medical services and better maintenance of the existing transit system.

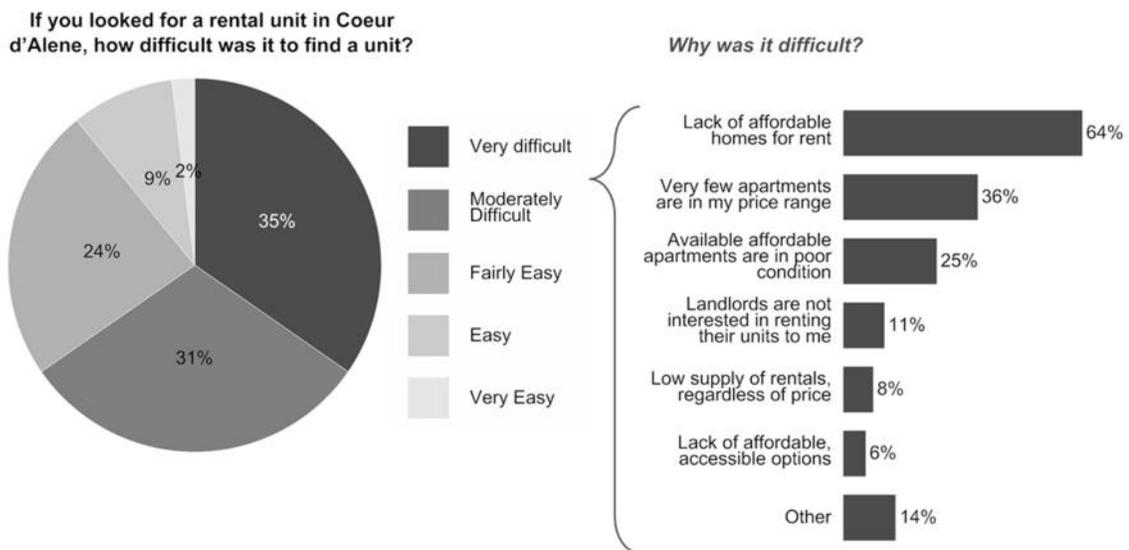
Housing Concerns and Challenges

To better understand the housing circumstances of Coeur d’Alene residents, participants responded to a series of questions related to concerns they may have about their current housing situation as well as challenges they may encounter when trying to secure housing to rent or buy due to their personal circumstances. Respondents were also asked about the types of housing most needed in Coeur d’Alene.

Difficulty finding a rental. Sixty one percent of renters responding to the survey looked for a rental unit within the past two years; 79 percent looked for a rental within the past five years. Nearly all of those respondents were looking in Coeur d’Alene (97%); 59 percent also looked in Hayden and 38 percent considered Post Falls. Just 12 percent considered Rathdrum and 9 percent considered Spokane.

Nearly two-thirds of all renters looking for a unit in Coeur d’Alene said it was moderately or very difficult to find a unit. Only 2 percent said it was very easy. Difficulty finding a rental unit has increased since 2011 when half of renters said it was difficult to find a unit in their price range.¹ As shown in Figure III-12, most renters attributed their difficulty to a lack of affordable units.

Figure III-12.
Difficulty Finding a Rental Unit



¹ As part of the 2011 AI Update, BBC conducted a survey of residents, similar to the 2015 survey.

Note: For difficulty n=55, for why n=36. For why question, multiple responses were allowed; as such percentages do not add to 100%.

Source: BBC Research & Consulting from 2015 Coeur d'Alene Resident Survey.

Affordability is also an issue for renters who wish to purchase a home. When renters were asked the primary reason they have not purchased a home, over half (54%) said they did not have enough money for a down payment and 7 percent said they could not afford maintenance costs. Twenty-nine percent said it was due to poor credit and 23 percent said they were not interested in owning a home at the present time.

Rental affordability and opportunities for homeowners were top concerns among stakeholders. Workforce housing, in particular was cited as an issue—although unemployment has declined, wages have not increased and housing prices are on the rise. Although rental development seems to have increased, the price point remains out of reach for many of Coeur d'Alene's residents, especially those who are young renters and those who work in the service industry. Within the ownership market, there is concern that residents have to compete with non-local investor groups buying homes for conversion to both long term and vacation rentals.

Foreclosure. In a survey conducted for the 2011 AI, 5 percent of homeowners were concerned about their home going into foreclosure. The same question was asked in the 2015 survey but only 1 percent of owners were concerned about foreclosure in 2015. Five percent of owners indicated they owe more on their home than it is currently worth, compared to 28 percent in 2011. Presently, about 4 percent of owners rent out a room in their home to help make their mortgage payment.

Home repair. Thirty percent of respondents (both renters and owners) indicated their house or apartment needed repairs. Only 3 percent of those needing repairs said their needs were (or might be) severe enough to make the home or apartment unlivable. Another 4 percent were unsure of the severity. Renters were more likely to need repairs (32%) than owners (30%) and were less likely to be sure the repairs were unnecessary for livability (83% of renters v. 93% of owners). Figure III-13 displays the types of repairs most needed by renters and owners in the survey.

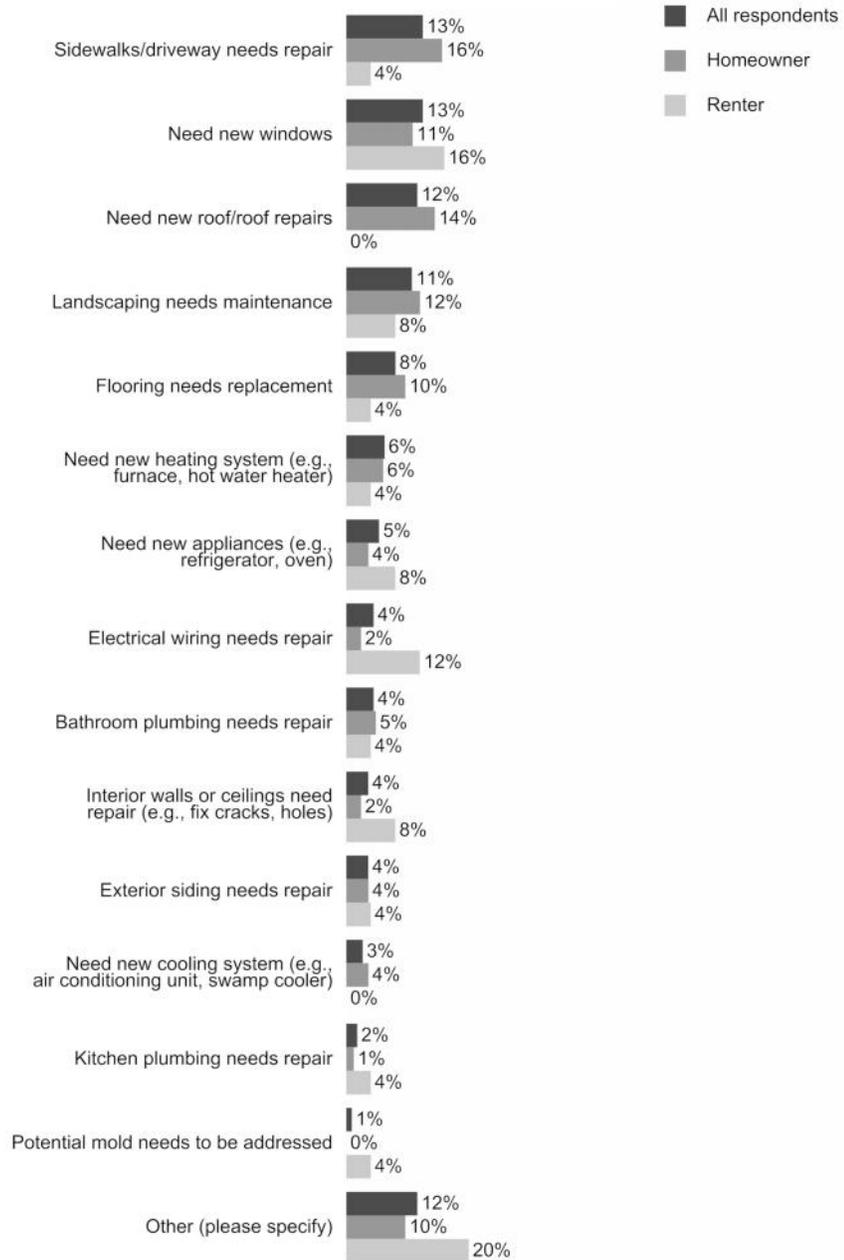
Figure III-13.
What is the most important repair that needs to be made to your home or apartment?

Note:

For all respondents n=112, for owners n=83 and for renters n=25. Excludes respondents that do not need any repairs.

Source:

BBC Research & Consulting from 2015 Coeur d'Alene Resident Survey.

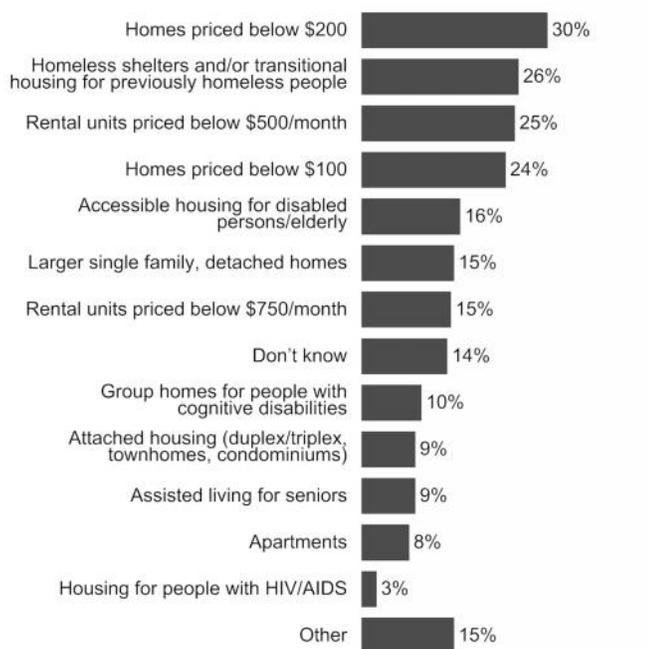


Housing needs. Moving away from individual housing needs, respondents were also asked to help identify community-wide housing needs. Despite expressing a desire for fewer renters in their neighborhoods (see Figure III-7), survey respondents did indicate a high level of need for more affordable rental units in the city. Figure III-14 displays the housing types most needed in Coeur d’Alene, as identified by survey respondents. The top needs identified were homes priced below \$200,000, homeless shelters and/or transitional housing and rental units priced below \$500 per month.

Figure III-14.
In your opinion, which of the following housing types are most needed in Coeur d’Alene?

Note:
 n=191. Due to multiple responses, percentages do not add to 100%.

Source:
 BBC Research & Consulting from the 2015 Coeur d’Alene Resident Survey.



As discussed previously, affordability is a top concern among stakeholders. Specific housing needs identified by stakeholders include workforce rentals, rentals for households with very low incomes, ownership opportunities priced below \$300,000 and housing for seniors.

Stakeholders and residents were also concerned about the state of homeless services in Coeur d’Alene. With the closing of Fresh Start, there is concern that many homeless will go unserved, both due to the relocation of services or the stricter code of conduct enforced by other service providers. Focus group participants also indicated a desire to see warming shelters open more often (they are currently only available when the temperature falls below 25 degrees).

Homeless service providers indicated that the shortage of affordable rental housing exacerbates homeless need because it makes it much more difficult to effectively execute rapid rehousing programs.

Experience with Housing Denial and Discrimination

Survey respondents shared their experience with housing denial and housing discrimination.

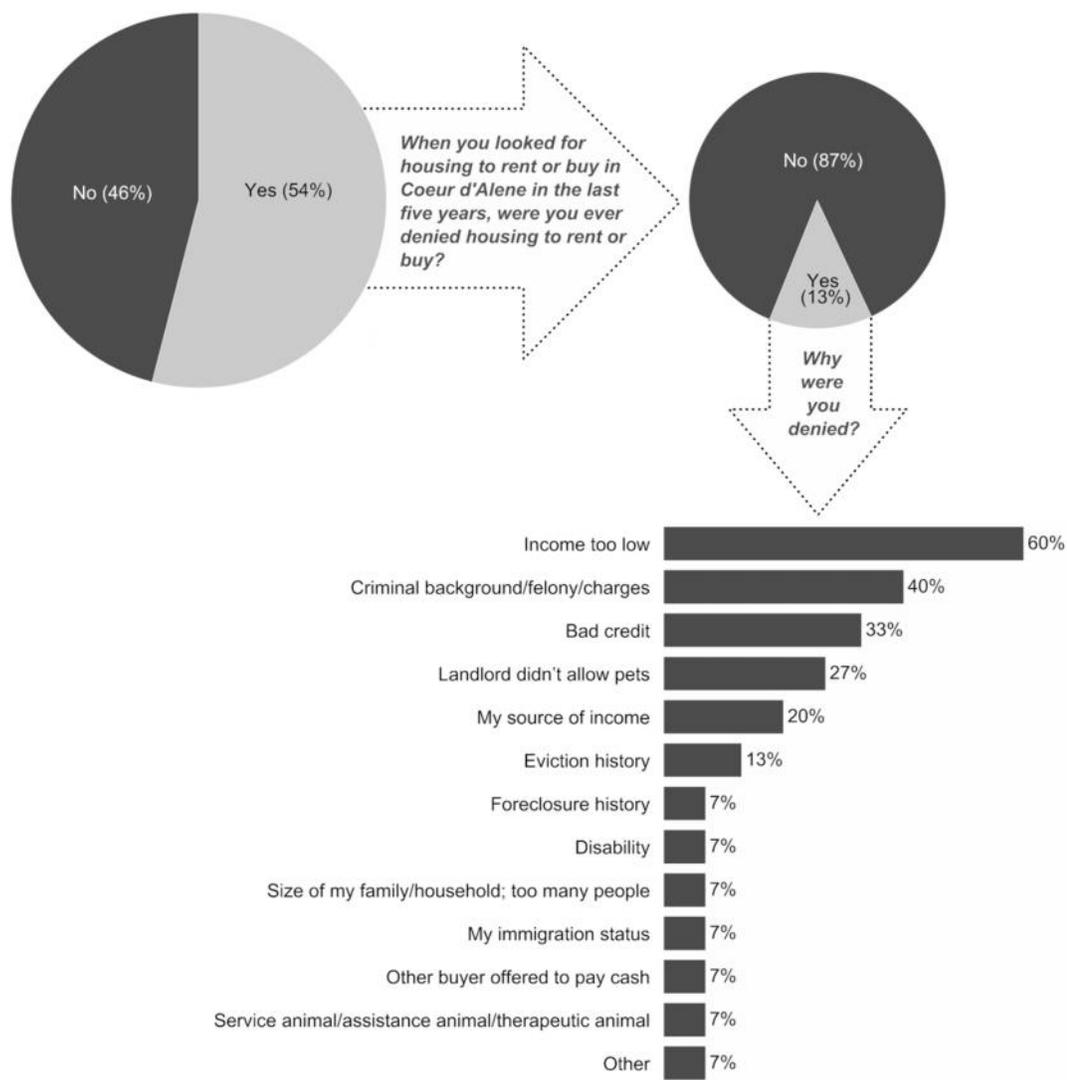
Housing denial. Within the past five years, 54 percent of respondents seriously looked for housing in Coeur d’Alene (Figure III-15). Of these households who seriously looked for housing,

13 percent were denied housing to either rent or purchase. Those who experienced denial of housing described their perception of the reason(s). The top three reasons for denial were:

- Income too low;
- Criminal background/felony/charges; and
- Bad credit.

Figure III-15.
Experience with Denial of Housing

In the past five years, have you looked seriously for housing to rent or buy in Coeur d'Alene?



Note: n= 226, 122 and 36 respectively.

Source: BBC Research & Consulting from 2015 Coeur d'Alene Resident Survey.

Experience of housing discrimination. Figure III-16 presents the proportion of survey respondents who believe they have experienced housing discrimination and the reasons for the discrimination. By design, no definition of housing discrimination under state or federal law was provided to respondents; these data reflect respondents' perception of discrimination based on their experience and knowledge. Similarly, the question asking the reason for the discrimination was open-ended, so as not to bias the results nor to limit responses to only those circumstances defined by law.

About one in 10 residents reports having experienced discrimination when looking to rent or buy housing in Coeur d'Alene. The 2015 survey results are similar to survey results in 2011 when 11 percent of respondents reported having experienced housing discrimination. According to respondents in 2015, the top reasons for the perceived housing discrimination are:

- Criminal history;
- Low income;
- Age; and
- Family status.

Other responses included disability, religion, having pets and being disliked.

Figure III-16.
Experience with Perceived Housing Discrimination

Note:

n= 202. Limited to current residents of Coeur d'Alene.

Source:

BBC Research & Consulting from 2015 Coeur d'Alene Resident Survey.

11%

of Coeur d'Alene residents said they have experienced housing discrimination



What was the reason you felt discriminated against?

Examples in their own words:

"Criminal history, I made choices that could have been better, I paid my dues by incarceration, moved forward with the knowledge."

"Single mom with kids and pets."

"We were not LDS."

"Married couples received inferior housing."

"A mistake I made when I was young."

Response to hypothetical housing discrimination. All survey respondents were asked which person or organization they would call if they or someone they knew was discriminated against when looking for housing. Over one third said they were not sure who to contact. This compares to 41 percent in the 2011 survey, indicating that knowledge of fair housing resources may have improved in the past four years.

Nineteen percent of 2015 respondents said they would contact a legal resource, 17 percent said they would contact a Coeur d’Alene government official and 13 percent said they would contact HUD.

Figure III-17.
If you felt you or someone you knew were discriminated against when looking for housing, which person/organization would you call first for information?



Note:

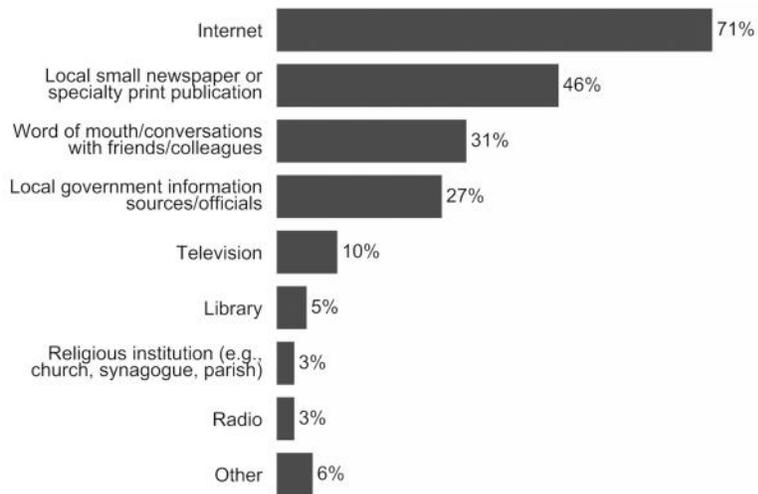
n=224. Due to multiple responses, percentages may not add to 100%.

Source:

BBC Research & Consulting from 2015 Coeur d’Alene Resident Survey.

Communication preferences. Most residents prefer to learn about housing or government issues fair housing issues from the internet, followed by local small newspaper or specialty print publication. Figure III-18 presents resident communication preferences.

Figure III-18.
In general, when you want to learn about housing or government issues in Coeur d’Alene, what information sources do you use?



Note:

n=224. Due to multiple responses, percentages may not add to 100%.

Source:

BBC Research & Consulting from 2015 Coeur d’Alene Resident Survey.

SECTION IV.

Analysis of Impediments to Fair Housing Choice

SECTION IV.

Analysis of Impediments to Fair Housing Choice

Fair and equal housing choice is a fundamental component for creating a healthy, balanced community that fosters access to opportunity for all residents. This section of the report, the Analysis of Impediments to Fair Housing Choice, or AI, is a HUD-required assessment of barriers to fair housing choice. Coeur d'Alene is required to conduct an AI every five years as a condition of receiving federal block grants funds for housing and community development. This following analysis serves as an update to BBC's 2011AI and is organized as follows:

- Background;
- Demographic summary;
- Segregation, integration and R/ECAPs;
- Disproportionate housing needs;
- Access to Opportunity;
- Housing discrimination; and
- Fair Housing Compliance and Infrastructure.

Conclusions from the analysis, along with recommended activities to address identified barriers, are discussed in Section V.

Background

Any city/county/state that is a direct recipient of the Community Development Block Grant (CDBG) must “affirmatively further fair housing choice” as a condition of receiving those funds. How this is done varies by community. At a bare minimum, direct recipients of CDBG must complete a study examining barriers to housing choice, called an Analysis of Impediments to Fair Housing Choice, or AI. HUD provided guidance on AIs in the mid-1990s but this guidance has never been formally updated. Instead, the content of AIs has evolved through changing expectations of HUD reviewers.

In 2014, HUD issued a draft template to, among other things, make AIs more uniform. This template—the new AI—is called the Assessment of Fair Housing, or AFH. With the U.S. Supreme Court's recent confirmation of disparate impact in fair housing, the AFH is moving toward finalization. Although the AFH template is not yet in effect, this report seeks to incorporate the spirit and direction of the AFH model while meeting the current AI requirements.

Fair Housing Act. The Federal Fair Housing Act, passed in 1968 and amended in 1988, prohibits discrimination in housing on the basis of race, color, national origin, religion, gender/sex, familial status and disability. The Fair Housing Act—Amended (FHAA) covers most types of housing including rental housing, home sales, mortgage and home improvement lending and land use and zoning. Excluded from the FHAA are owner-occupied buildings with no more than four units, single family housing units sold or rented without the use of a real estate agent or broker, housing operated by organizations and private clubs that limit occupancy to members and housing for older persons.¹

Many cities, counties and states have included protections for sexual orientation and/or gender identity in their state and local fair housing laws. In addition, HUD issued an Equal Access rule in 2012 which prohibits programs receiving HUD funding from discriminating on the basis of sexual orientation or gender identity. Although Idaho does not include sexual orientation as a protected class, the City of Coeur d’Alene’s anti-discrimination ordinance provides protection on the basis of sexual orientation, gender identity and gender expression.

Methodology. The impediments and observations in this AI were developed through a variety of research methods including demographic and housing market analyses; reviews of complaints and legal cases; analysis of mortgage lending data; a review of zoning and land use policies; interviews and meetings with stakeholders; as well as a resident survey and public meetings.

Impediments

to housing choice:

are **barriers that affect protected classes** covered under state and federal fair housing laws.

Barriers

to housing choice:

may not affect one or more **protected classes** directly; instead they **limit housing opportunities** for households **in general**.

Key to the definition of “impediment” is the effect on protected classes.



*In certain circumstances, **when disparately impacting a certain resident group** protected by fair housing laws, **they may become impediments.***

According to HUD, impediments to fair housing choice are:

- Any actions, omissions, or decisions taken because of race, color, religion, sex, disability, familial status or national origin that restrict housing choices or the availability of housing choices.
- Any actions, omissions or decisions that have the effect of restricting housing choices or the availability of housing choices on the basis of race, color, religion, sex, disability, familial status or national origin.

¹“How Much Do We Know? Public Awareness of the Nation’s Fair Housing Laws”, The U.S. Department of Housing and Urban Development, Office of Policy and Research, April 2002.

2011 AI. Coeur d’Alene’s 2011 AI identified four impediments to fair housing choice related to fair housing awareness/education and infrastructure accessibility. The 2011 Fair Housing Action Plan called for the following actions to address those impediments:

- Increase resident awareness of Fair Housing Laws and the complaint process.
- Continue to educate developers, property owners, landlords, and HOAs about ADA and Fair Housing Laws.
- Increase internal knowledge and resources about Fair Housing Law.
- Continue to improve sidewalks and parking for persons with physical disabilities.
- Address housing needs of racial and ethnic groups.

Since the 2011 AI, the city has made many positive efforts to reduce barriers and affirmatively further housing choice with a focus on education and training as well as accessibility improvements. The city provides financial sponsorship and organizational support for fair housing workshops in Coeur d’Alene and the Spokane Valley, Washington, maintains up-to-date fair housing information and resources on its webpage and supports fair housing month each April through an annual legal notice. The city has also used CDBG funds to improve infrastructure accessibility, revitalize neighborhoods and increase affordable rental opportunities (for all low and moderate income residents regardless of race/ethnicity).

Demographic Summary

Section II provides a detailed community profile of the City of Coeur d’Alene. Demographic data from Section II relevant to the fair housing landscape of Coeur d’Alene is summarized below:

- **Race and ethnicity.** The vast majority of Coeur d’Alene’s population reports their race/ethnicity to be non-Hispanic white (90%). About 6 percent of residents are Hispanic and 4 percent belong to some other racial/ethnic minority group.
- **National origin.** Approximately 2 percent of Coeur d’Alene residents—1,000 people—were born in another country. Of those, about one third were born in Asia, one quarter were born in Europe, one -fifth were born in Central or South America and one-fifth were born in Canada.
- **Limited English proficiency (LEP).** Fewer than 500 residents (1% of the population) have limited English proficiency (speaks English less than “very well”). Of those residents, 27 percent are Spanish speakers, 60 percent speak other Indo-European languages and 13 percent speak Asian and Pacific Islander languages.
- **Disability.** There are 6,580 Coeur d’Alene residents living with a disability (15% of the population). The incidence of disability is highest for residents 65 and older, 36 percent of whom have some type of disability. The most common type of difficulty is ambulatory (45%) followed by cognitive (38%).

- **Age.** Coeur d’Alene has a well-balanced age profile that has changed very little since 2000. About one quarter are children, one quarter are young adults (25-44) and one quarter are Baby Boomers (45-64). The final quarter is split between seniors (14%) and college-aged adults (12%).
- **Family status.** Approximately 29 percent of all Coeur d’Alene households include children (18% in married couple household and the other 11% in single parent households). Nearly one in three householders in the city live alone; one-third of those living alone are seniors. Since 2000, there has been a slight increase in the proportion of households living alone, offset by a slight decrease in the proportion of married-with-children households.

Segregation, Integration and R/ECAPs

This section discusses the geographic segregation/integration of protected classes throughout Coeur d’Alene. HUD defines “integrated” geographic areas as those which do not contain high concentrations of protected classes when compared to the representation in a jurisdiction as a whole. “Segregation” occurs when concentrations of protected classes are a result of fair housing barriers or impediments.

There are two primary metrics prescribed by HUD to evaluate segregation/integration, both of which are employed in the following analysis:

- Dissimilarity index; and
- Concentration maps.

Dissimilarity index. The dissimilarity index is a way to measure evenness in which two separate groups are distributed across geographic units—such as Census tracts—that make up a larger geographic area—such as a county.

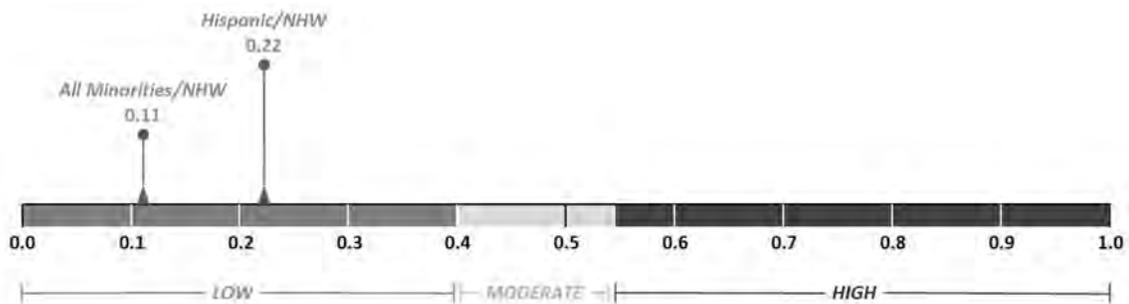
The index typically compares the proportion of the total population of a minority group in a Census tract and the proportion of the total number of the majority population (non-Hispanic whites) in that same Census tract.

By definition, the value of the dissimilarity index falls between 0 and 1. An index value near 0 indicates perfect distribution of racial groups across all Census tracts in a region. An index value of 1 indicates perfect segregation of racial groups across the region. As an example, one of the most segregated cities for whites and African Americans in the U.S. is Detroit, which has historically had a dissimilarity index exceeding 0.80.

HUD categorizes the dissimilarity index into three ranges that represent the intensity of segregation: less than 0.40 indicates low segregation, between 0.40 and 0.55 indicates moderate segregation and greater than 0.55 indicates high segregation.

As shown in Figure IV-1, segregation for minorities in Coeur d’Alene is low; the dissimilarity index for the city is just 0.11. The dissimilarity index for Hispanics relative to non-Hispanics is slightly higher at 0.22, but still well within the “low” range.

Figure IV-1.
Dissimilarity Index, Coeur d'Alene, 2013



Note: NHW is non-Hispanic white. A dissimilarity index below 0.4 indicates low segregation and a dissimilarity index above 0.55 indicates high segregation.

Source: 2009-2013 ACS and BBC Research & Consulting.

Racial/ethnic concentration maps. One of the key components of a demographic analysis is an examination of the concentration of racial and ethnic minorities within a jurisdiction to detect evidence of segregation. In some cases, minority concentrations are a reflection of preferences—e.g., minorities may choose to live near family and friends of the same race/ethnicities or where they have access to grocery stores or restaurants that cater to them. In other cases, minority populations are intentionally steered away or discouraged from living in certain areas. Housing prices can also heavily influence where minorities live, to the extent that there are economic disparities among persons of different races and ethnicities.

The maps on the following pages show geographically where residents of different races and ethnicities may be concentrated within Coeur d'Alene. These racial and ethnic concentration maps use HUD's definition of minority impacted areas.

According to HUD, a "minority area" (also known as a racially/ethnically-impacted area) is any neighborhood or Census tract in which:

- The percentage of households in a particular racial or ethnic minority group is at least 20 percentage points higher than the percentage of that minority group for the housing market areas;
- The total percentage of minority persons is at least 20 percentage points higher than the total percentage of all minorities in the housing market areas as a whole; or
- If a metropolitan area, the total percentage of minority persons exceeds 50 percent of its population.

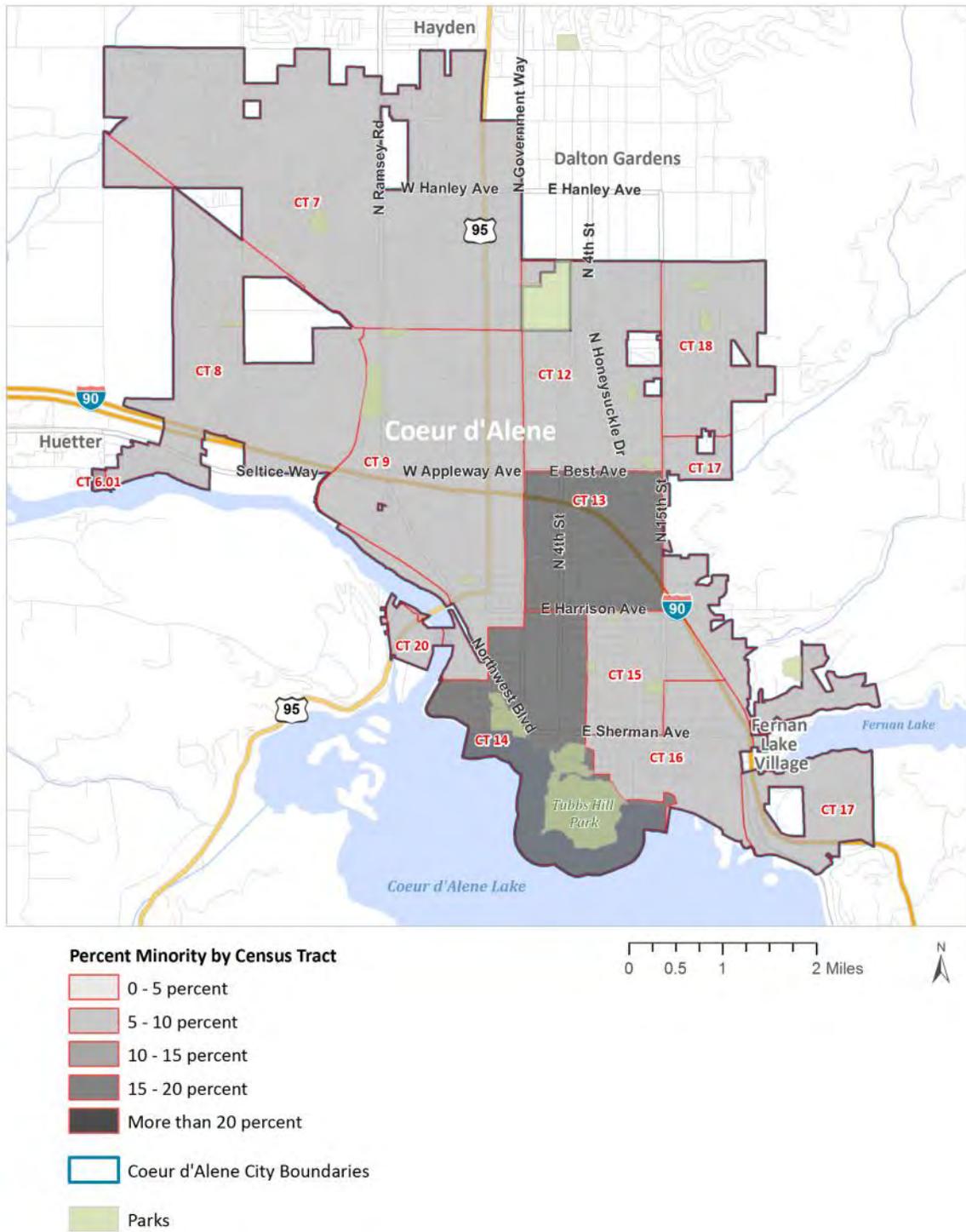
The "housing market area" is the region where it is likely that renters and purchasers would be drawn for a particular housing project. Generally the housing market area is the city or county.

In order to meet HUD's 20 percentage point threshold for minority concentration, a Coeur d'Alene Census tract would need to have a minority population of at least 30 percent. Figure IV-2 displays the minority population by Census tract in the City of Coeur d'Alene and indicates that

there are no HUD-qualified concentrations. According to the map, minorities are more likely to live downtown and just north of downtown than in other neighborhoods of the city.

Though not shown in the map, there is a strong correlation between the geographic distribution of minority residents and the geographic distribution of foreign born and limited English proficiency residents. Census tract 14, located downtown, has the highest proportion of residents that are foreign born (12%) and that have limited English proficiency (8%) but the threshold for “concentration” is not met.

Figure IV-2.
Percent of Census Tract Population that is a Racial or Ethnic Minority

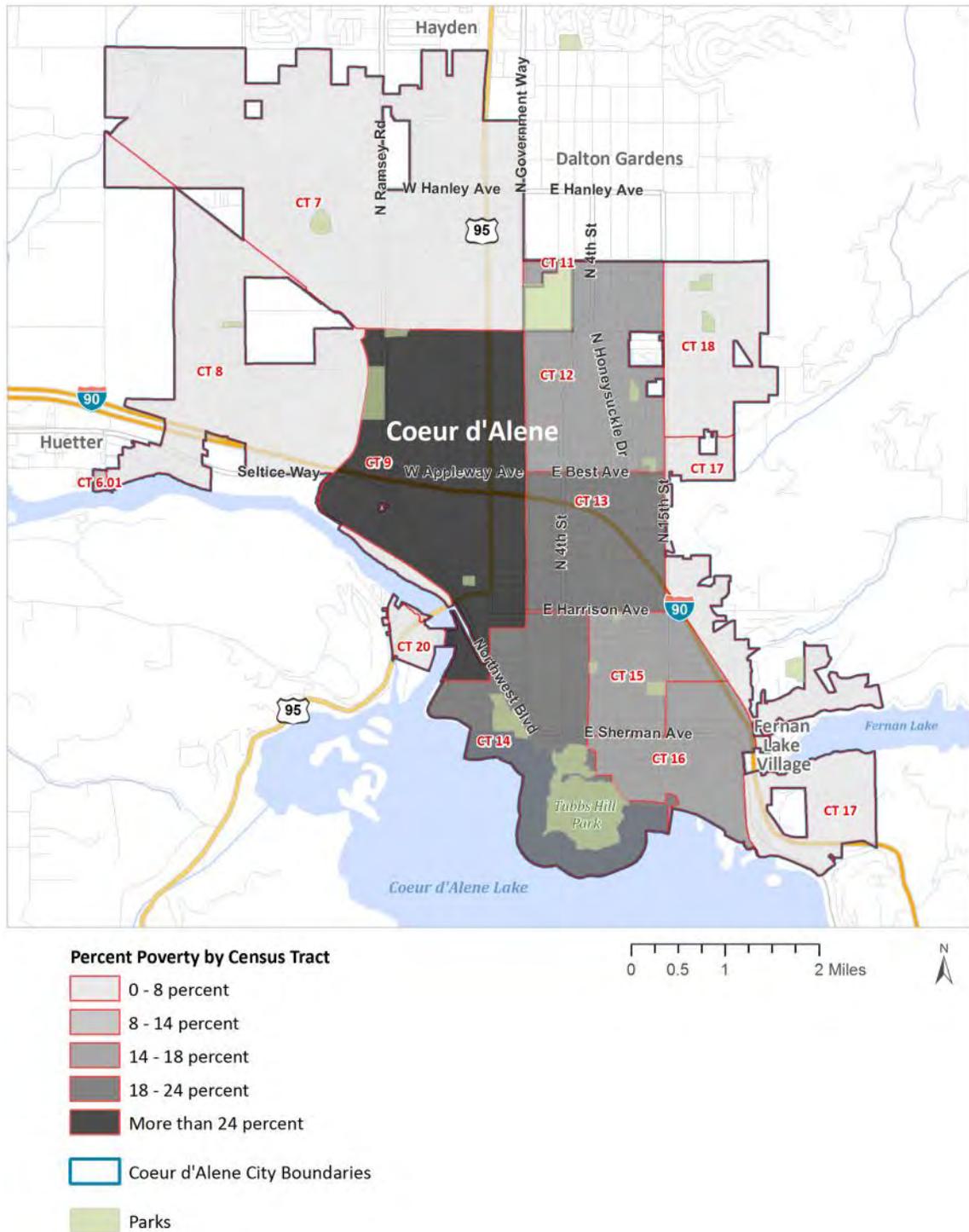


Source: 2009-2013 American Community Survey and BBC Research & Consulting.

Racially/ethnically concentrated areas of poverty. Racially or ethnically concentrated areas of poverty also known by HUD as RCAPs or ECAPs, are areas in which there are both racial concentrations and high poverty rates. Specifically, they are Census tracts that have poverty rates exceeding 40 percent or three times the regional poverty rate and are majority minority (minorities account for 50% or more of the total population).

Figure IV-3 displays poverty by Census tract in Coeur d'Alene. There is one Census tract in the city with a poverty rate exceeding 40 percent. However, that tract is not racially or ethnically concentrated; as such, there are no RCAPs or ECAPs in Coeur d'Alene.

Figure IV-3.
Percent of Poverty Rates per Census Tract in Coeur d'Alene



Source: 2009-2013 American Community Survey and BBC Research & Consulting.

Geographic distribution of persons with disabilities. Segregation is also an important issue for people with disabilities, including physical, developmental, and other disabilities. The Supreme Court’s Olmsted decision, and the substantial legal and policy efforts consistent with it, has begun to address the unnecessary and illegal segregation of people with disabilities.² Regulatory barriers on group living arrangements, transit access, housing accessibility and visitability, and proximity to health services are just some of the integration related issues that people with disabilities face.

As specified in federal regulations: “The most integrated setting is one that enables individuals with disabilities to interact with nondisabled persons to the fullest extent possible, consistent with the requirements of the Americans with Disabilities Act, 42 USC. 12101, et seq., and Section 504 of the Rehabilitation Act of 1973, 29 USC 794. See 28 CFR. Part. 35, App. A (2010) (addressing 25 CFR 35.130).” Under this principle, derived from the Supreme Court’s decision in *Olmstead vs. L.C.*, institutionalized settings are to be avoided to the maximum possible extent in favor of settings in which persons with disabilities are integrated with nondisabled persons.

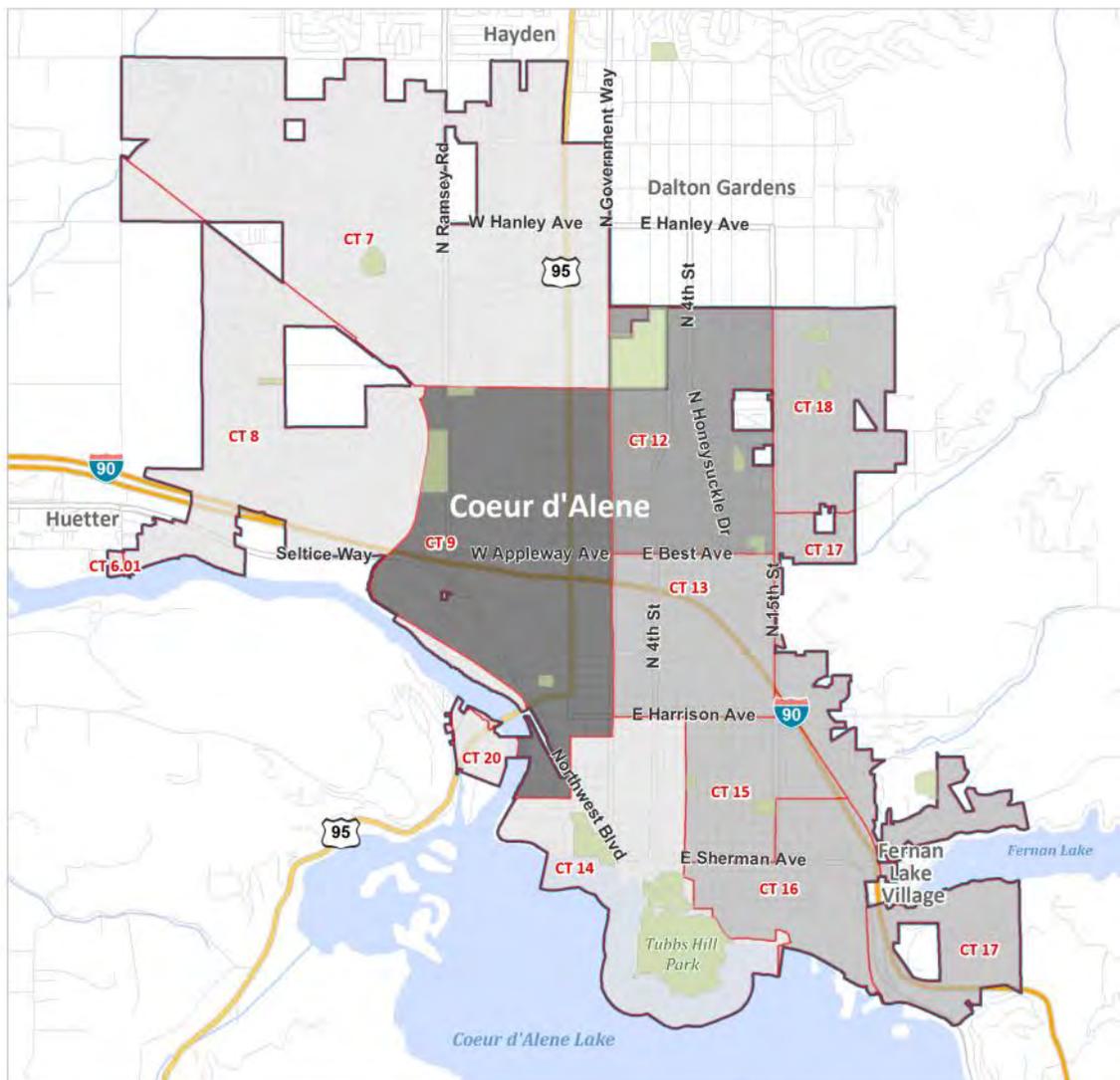
Different types of accommodations and/or services may be needed to allow individuals with disabilities to live in integrated settings. For example, persons with physical disabilities may need units with universal design or accessibility features specific to their needs, both within the market offerings and assisted housing stock. Persons with other types of disabilities may require access to services and support—e.g., transportation assistance, specific health services— they need to live independently. Many persons with disabilities need housing that is affordable, as well as accessible.

As discussed in the demographic profile, about 15 percent of the Coeur d’Alene population has at least one type of disability. Thirty-six percent of those are seniors. Among all persons living with a disability, 45 percent have an ambulatory disability, 38 percent have a cognitive disability, 31 percent have a hearing difficulty and 16 percent have a vision difficulty.

Figure IV-4 displays the proportion of residents with a disability by Census tract. The subsequent map (Figure IV-5) shows the proportion of seniors with a disability. Although there are no concentrations of persons with disabilities based on HUD’s 20 percentage point concentration definition, it is apparent that people with disabilities are most likely to live just northwest of the city center. This area of the city has relatively good access to services, employment and transportation.

² *Olmstead v L.C.* is a 1999 Supreme Court case related to discrimination against people with mental disabilities. The decision acknowledged that mental illness is a form of disability under the Americans with Disabilities Act (ADA) and that institutional isolation is a form of discrimination under Title II of the ADA. Implications of the decision include efforts to integrate individuals with mental disabilities into the community at large, rather than living in institutions.

Figure IV-4.
Percent of Census Tract Residents with a Disability



Percent with a Disability by Census Tract

- 0 - 10 percent
- 10 - 15 percent
- 15 - 20 percent
- More than 20 percent

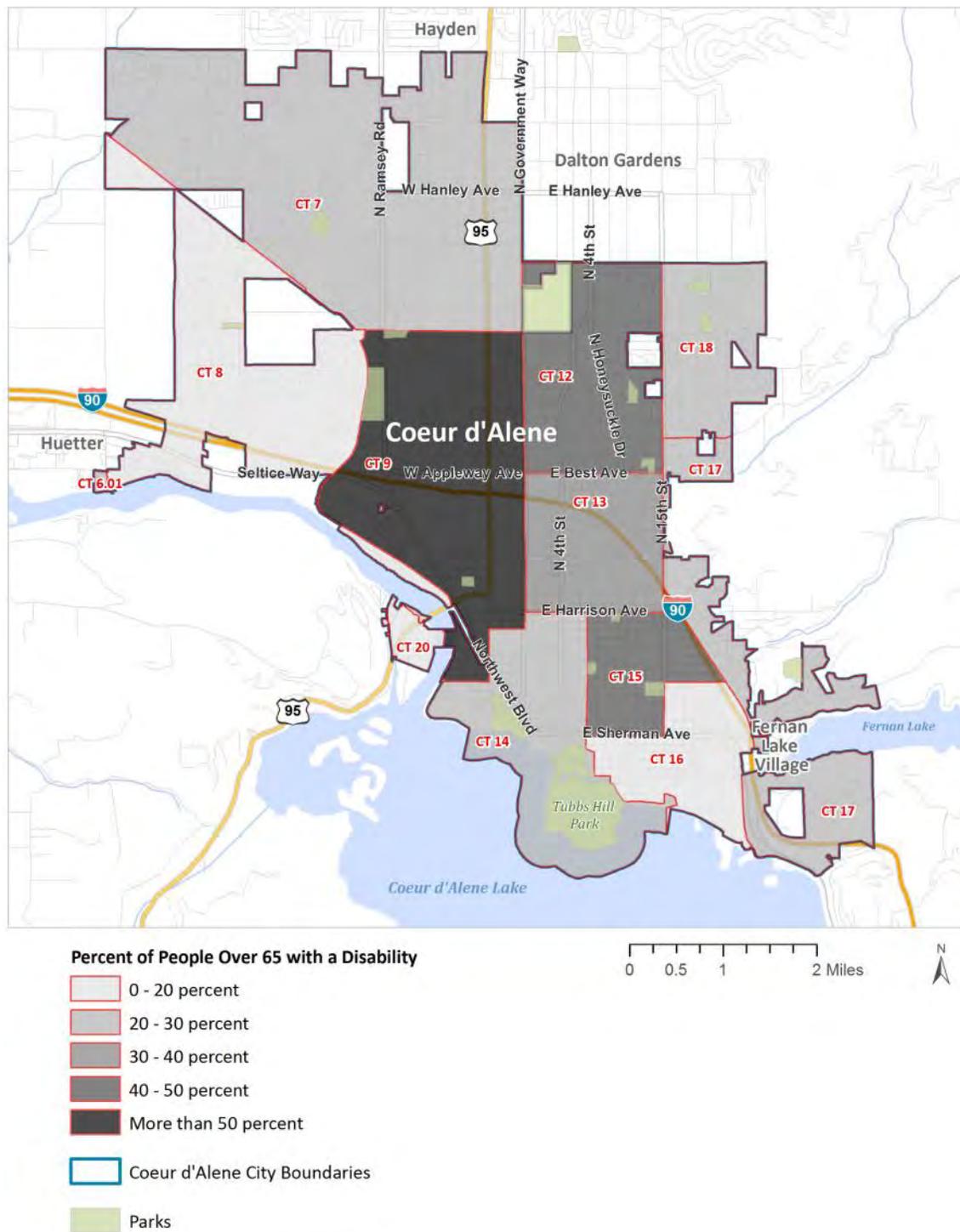
Coeur d'Alene City Boundaries

Parks



Source: 2009-2013 American Community Survey and BBC Research & Consulting.

Figure IV-5.
Percent of Census Tract Residents Aged 65 or Older with a Disability



Source: 2009-2013 American Community Survey and BBC Research & Consulting.

Disproportionate Housing Needs

Housing problems. Lower income residents coping with high housing costs may have to double up or overcrowd small units, pay more than they can afford for housing, or live in substandard homes (lacking kitchens or plumbing facilities). These housing problems are important indicators of need in any housing market. For the purposes of an AI, it is important to consider whether those housing needs disproportionately impact any protected classes.

Figure IV-6 displays the proportion of households with any of the four HUD-defined housing problems (cost burden, overcrowding, lacking complete plumbing facilities, or lacking complete kitchen facilities) by race/ethnicity and income as a percent of AMI. Due to small population sizes all minority groups (Black/African American, Asian, American Indian, Alaska Native, Pacific Islander and Hispanic) are combined into a single minority category.

A disproportionately greater need exists when the members of a racial or ethnic group at an income level experience housing problems at a greater rate (10 percentage points or more) than the income level as a whole. For example, assume that 60 percent of all low-income households within a jurisdiction have a housing problem and 70 percent of low-income minority households have a housing problem. In this case, low-income minority households have a disproportionately greater need.

At the lowest income levels (residents earning less than 30% AMI), housing needs are high but do not have a disproportionate impact on any particular racial/ethnic group. However, at incomes between 30 and 50 percent of AMI, minorities experience a disproportionately high incidence of housing problems (94%) compared to the jurisdiction as a whole (75%) and whites (75%).

Although the data do not indicate which specific housing problem may be driving the disparity discussed above, it is worth noting that the most common housing problem in the city overall is cost burden—approximately 6,000 households are cost burdened compared to 255 that are overcrowded and 115 that are in substandard condition.

Not surprisingly, the incidence of housing problems declines as incomes rise. Fifty-eight percent of households earning between 50 and 80 percent of AMI have one or more housing problems and 36 percent of households earning between 80 and 100 percent of AMI have one or more housing problems. There are no disproportionate housing needs at those income levels.

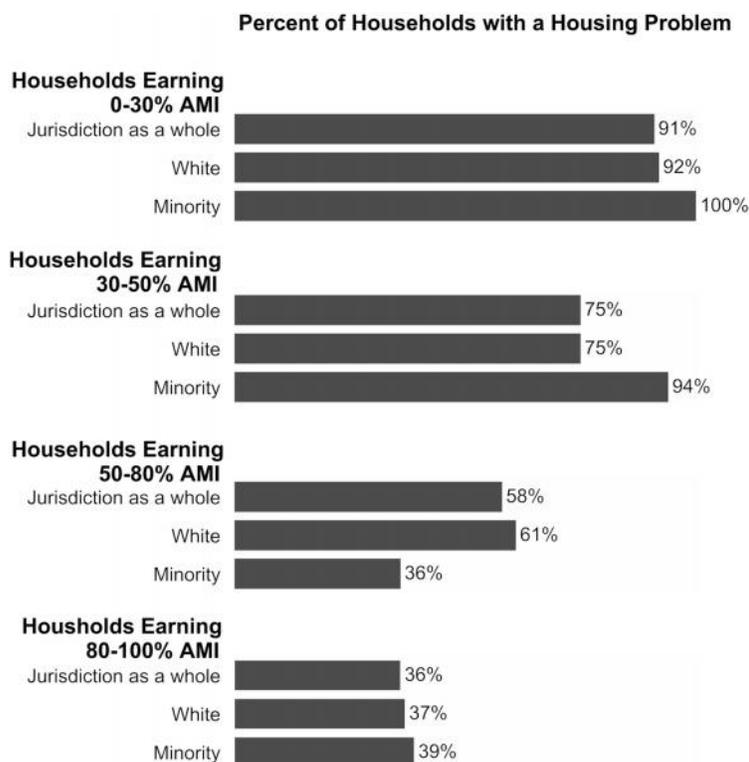
**Figure IV-6.
Proportion of
Households with at
Least One Housing
Problem by
Race/Ethnicity and
Income, Coeur
d’Alene, 2009**

Note:

The four housing problems are: 1) Lacks complete kitchen facilities, 2) Lacks complete plumbing facilities, 3) More than one person per room, 4) Cost burden.

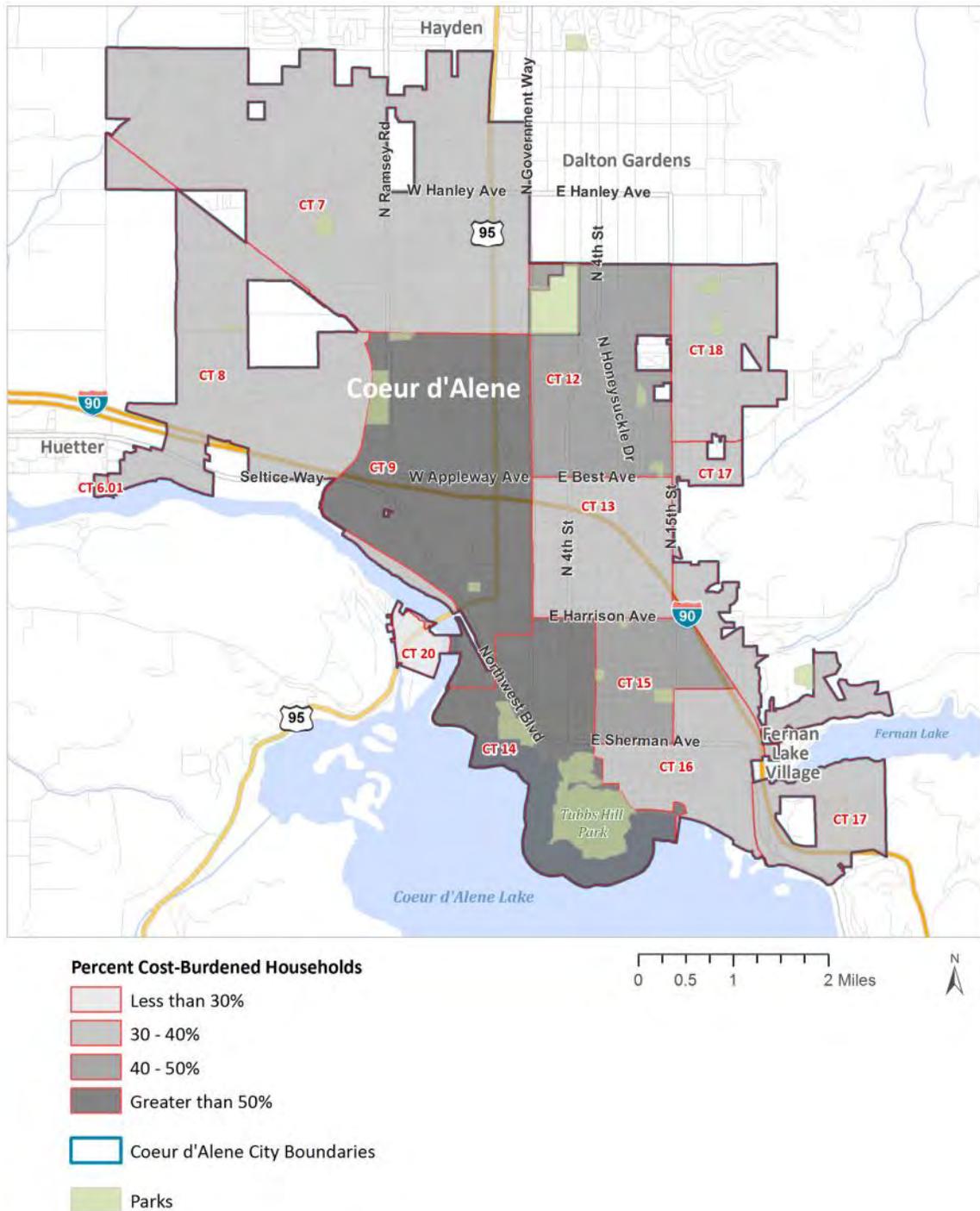
Source:

2013-2018 Coeur d’Alene Consolidated Plan.



Geographic patterns. Data were not available to evaluate the geographic patterns of housing problems by race and ethnicity; instead, Figure IV-7 displays the proportion of all households that are cost burdened by Census tract. Not surprisingly, there is a strong correlation between the geographic distribution of cost burden and poverty (shown in Figure IV-3). Residents living in Census tracts 9 and 14 are most likely to be spending more than 30 percent of their income on housing.

Figure IV-7.
Percent of Census Tract Households that are Cost Burdened



Source: 2009-2013 ACS and BBC Research & Consulting.

Poverty and housing choice. Income is a significant determinant of housing choice for all residents. In the context of an AI it is important to examine income and poverty by protected

class to evaluate whether certain protected classes are disproportionately impacted by the limited supply of affordable housing.

The poverty rate for all Coeur d'Alene residents is 15 percent, up from 13 percent in 2000. Poverty rates among some protected classes in Coeur d'Alene are even higher. The exception is residents of Hispanic descent: Hispanics have a much lower poverty rate (12%) than non-Hispanics (16%).

- 32 percent of non-Hispanic minority residents are in poverty, compared to 15 percent of non-Hispanic whites;
- 21 percent of residents with a disability are living in poverty, compared to 15 percent of residents without a disability; and
- 14 percent families with children and 34 percent of single parent families have incomes below the poverty line compared to just 6 percent of families without children.

Access to Opportunity

As part of the AI public process, residents and stakeholders were asked about areas of opportunity (good schools, job centers, transit access, etc.) and whether protected classes had equitable access to community assets. Overall, residents and stakeholders felt services and assets were well distributed throughout the city.

However, both residents and stakeholders felt that access to jobs, services, health care and community assets could be improved, particularly for residents with disabilities and for seniors, through improvements to the public transit system. Stakeholders cited a need for regional connection points, system expansion, better transit access to medical services and better maintenance of the existing transit system. Resident households that include a member with a disability also expressed a need for sidewalk improvements.

Housing Discrimination

This section discusses housing discrimination as evidenced by complaint filings, investigations of violations, and residents' self-reported experience with discrimination. It begins with an analysis of recent fair housing complaints.

Fair housing complaints. The Federal Fair Housing Act, passed in 1968 and amended in 1988, prohibits discrimination in housing on the basis of race, color, national origin, religion, gender/sex, familial status and disability. The Fair Housing Act—Amended (FHAA) covers most types of housing including rental housing, home sales, mortgage and home improvement lending and land use and zoning. Excluded from the FHAA are owner-occupied buildings with no more than four units, single family housing units sold or rented without the use of a real estate agent

or broker, housing operated by organizations and private clubs that limit occupancy to members and housing for older persons.³

HUD has the primary authority for enforcing the FHAA. HUD investigates the complaints it receives and determines if there is a “reasonable cause” to believe that discrimination occurred. If reasonable cause is established, HUD brings the complaint before an Administrative Law Judge. Parties to the action can also elect to have the trial held in a federal court (in which case the Department of Justice brings the claim on behalf of the plaintiff).⁴

Coeur d’Alene residents who feel that they might have experienced a violation of the Fair Housing Act can contact one or more of the following organizations: HUD’s Office of Fair Housing and Opportunity (FHEO), the Idaho Housing and Finance Association (IHFA), the Intermountain Fair Housing Council (IFHC), Idaho Legal Aid and the Idaho Human Rights Commission.

Legal Aid and the Idaho Human Rights Commission refer residents who call about fair housing complaints directly to HUD. Similarly, IHFA does not enforce fair housing law and would refer complaints to the appropriate service provider. Tenants or those wishing to pursue a complaint would be referred to local/statewide enforcement entities and/or to HUD’s toll-free Fair Housing line, while providers would be referred to either to a HUD/FHEO specialist or to the housing hotline to determine an appropriate referral. Recently, IHFA established a 2-1-1 line that residents can use to get information about their fair housing questions and concerns.

Housing discrimination complaints filed with HUD may be done online at (<http://www.hud.gov/complaints/housediscrim.cfm>), toll free at 1-800-669-9777, or by contacting the Office of Fair Housing and Equal Opportunity in Washington D.C. or Idaho’s Fair Housing Hub located in Seattle, Washington.

When HUD receives a complaint, HUD will notify the person who filed the complaint and will normally notify the alleged violator and allow that person to submit a response. The complaint will be investigated to determine whether there has been a violation of the Fair Housing Act.

A complaint may be resolved in a number of ways. First, HUD will try to reach an agreement between the two parties involved. A conciliation agreement must protect the filer of the complaint and public interest. If an agreement is signed, HUD will take no further action unless the agreement has been breached. HUD will then recommend that the Attorney General file suit.

If HUD has determined that a state or local agency has the same housing powers (“substantial equivalency”) as HUD, they will refer the complaint to that agency and will notify the complainant of the referral. The agency must begin work on the complaint within 30 days or HUD may take it back. If, during the investigative, review, and legal process, HUD finds that discrimination has occurred, the case will be heard in an administrative hearing within 120 days,

³ “How Much Do We Know? Public Awareness of the Nation’s Fair Housing Laws”, The U.S. Department of Housing and Urban Development, Office of Policy and Research, April 2002.

⁴ Ibid.

unless either party prefers the case to be heard in Federal district court. Idaho and Coeur d'Alene do not currently have substantial equivalency nor are they seeking such.

As part of the AI, BBC obtained data from HUD's Seattle Regional Office of Fair Housing and Equal Opportunity (FHEO) about the number of housing discrimination complaints filed from 2006 through 2014 in the City of Coeur d'Alene. These complaints were filed by persons living in Coeur d'Alene, as well as by persons living outside of Coeur d'Alene who filed a complaint against a person or entity in the city.

Figure IV-8 presents complaints by year. On average, there have been more complaints filed in recent years (2010-2014). It is important to note that an increase in complaints does not always reflect an increase in discriminatory acts; it can also reflect an increase in awareness of fair housing rights among protected classes.

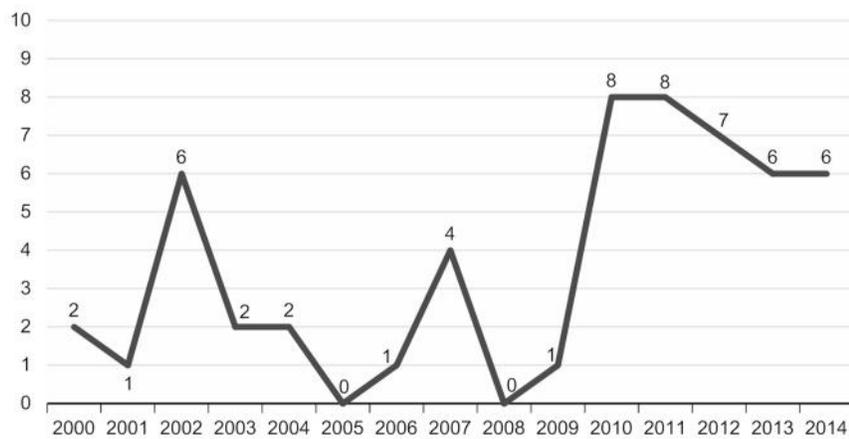
Figure IV-8.
Number of Fair Housing Complaints, Coeur d'Alene, 2006-2014

Note:

Complaints may have more than one basis. This figure represents 41 complaints and 46 bases.

Source:

U.S. Department of Housing and Urban Development and BBC Research & Consulting.



As shown in Figure IV-9, disability was the top reason for complaint filings (68%). Familial status made up the second largest proportion of complaints (17%). Nationwide, according to HUD's Annual Report on Fair Housing for 2012-2013, 53 percent of complaints were related to disability and 28 percent were related to race.

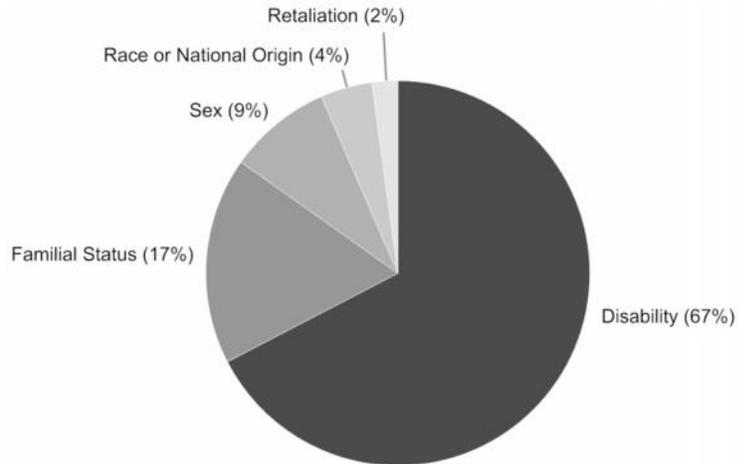
**Figure IV-9.
Reason for Fair Housing
Complaints, Coeur d’Alene,
2006-2014**

Note:

Complaints may have more than one basis. This figure represents 41 complaints and 46 bases.

Source:

U.S. Department of Housing and Urban Development and BBC Research & Consulting.



The most common types of discriminatory treatment in the HUD complaints were “failure to make reasonable accommodation,” followed by “Discriminatory terms, conditions, privileges, or services and facilities” and “discriminatory refusal to rent.”

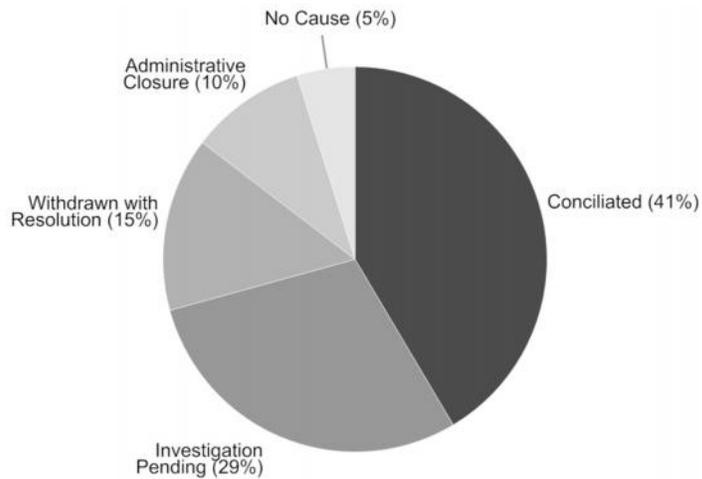
Figure IV-10 displays the outcome of complaints filed with HUD between 2006 and 2014. Of the complaints, 41 percent were conciliated and 15 percent were withdrawn with resolution. Twelve complaints (29%) were still under investigation.

When HUD investigates a complaint but finds no reasonable cause to believe that housing discrimination occurred, a “no cause” determination is issued. Only 2 complaints (5%) in Coeur d’Alene were found to have no cause – an extraordinarily low rate.

**Figure IV-10.
Complaints Filed with HUD
by Outcome, Coeur
d’Alene, 2006-2014**

Source:

U.S. Department of Housing and Urban Development and BBC Research & Consulting.



Legal Cases. As part of the evaluation of current issues in fair housing, BBC examined the databases of the National Fair Housing Advocate Online, the U.S. Department of Justice and HUD Fair Housing Act Enforcement Activity for recent fair housing lawsuits in Kootenai County.

The search yielded four cases in Kootenai County that are examined below. The important fair housing issues in these cases and subsequent outcomes are described below and are intended to serve as examples of the types of fair housing cases that can arise.

United States v. Hallmark Homes, et al. In February, 2006, the Court entered the Consent Decree resolving all claims in *United States v. Hallmark Homes, Architects West, and Kevin W. Jester*. The complaint, which was filed August 22, 2001, alleged that the defendants, who were the contractor and architects, failed to design and construct the Creekside Meadows Apartment Complex, located in Coeur D'Alene, Idaho, to meet the accessibility requirements of the Fair Housing Act.

The defendants were ordered to pay \$115,000 into a retrofit fund and the owner of the property was to oversee all necessary retrofits to the public and common use areas and to the covered units during the upcoming year. In addition, the defendants were ordered make a payment of \$2,000 to a regional fair housing organization. The case was referred to the Division after the Department of Housing and Urban Development (HUD) received a complaint, conducted an investigation, and issued a charge of discrimination.

Intermountain Fair Housing Council (IFHC) v. Chief Seltice Mobile Home Park and Jeanie Peery. In September 1995, M.T. (complainant) entered into a lease with the Chief Seltice Mobile Home Park in Post Falls, Idaho. In April 2007, M.T. obtained a service dog and submitted a prescription from her treating physician for the service animal, although at the time, dogs were allowed at the property. In April 2009, Defendant Peery, the owner of the mobile home park, asked the property manager to notify all tenants that they must remove their dogs from the property or have their leases terminated. The property manager notified the property manager that he could not force M.T. to remove her dog because it is a service animal for which she properly requested a reasonable accommodation with a prescription. Defendant Peery said that she would terminate M.T.'s lease regardless of the fact that M.T. had a service animal. In the same month, M.T. received a letter stating that her lease would be terminated due to the presence of her dog. M.T. subsequently filed a complaint against the property owner and the IFHC became involved. On several following occasions the IFHC tested the property and found additional evidence of the discriminatory practices. In June, 2009 the plaintiff filed a complaint with HUD alleging discrimination on the basis of disability and refusal to make reasonable accommodations.

Within the complaint and demand for jury trial, the Plaintiff asks the court to enter judgment against the defendant requiring damages in compensation for out-of-pocket expenses, lost economic opportunity, diversion of the Plaintiff's resources, punitive damages and frustration to the Plaintiff. Additionally, the plaintiff's attorney requests the court to enter an order establishing a Victims' Compensation Fund. This case was originally scheduled for trial on February 7, 2011. However, no additional information on the case is available and it is assumed the case was settled out of court.

Intermountain Fair Housing Council v. CVE Falls Park, LLC. In 2008, the Intermountain Fair Housing Council (IFHC) received a complaint about CVE Falls Park Apartments in Post Falls related to potential discrimination due to disability. In order to gather evidence IFHC conducted two separate phone tests of CVE in which callers indicated having a service animal. In both cases the CVE representative told callers they would have to pay the \$900 pet deposit for the service animals. In neither of the tests did the callers specifically request a reasonable accommodation in the form of waiving the animal deposit.

IFHC initially filed an administrative complaint with HUD but after failing to reach a conciliated settlement IFHC filed judicial action alleging discriminatory housing practices by CVE. HUD and the Department of Justice have made clear that “a housing provider may not require the applicant to pay a fee or a security deposit as a condition of allowing the applicant to keep the assistance animal.”⁵ It should be noted that if a tenant’s service animal causes damages to the unit, a landlord may charge a tenant for those damages.” In the case at hand, IFHC argued that the original complaint and subsequent tests are clear violations of the Fair Housing Act. CVE argued that their representative was simply communicating the policy of charging a deposit for animals. CVE also provided statements indicating that they have a “general policy to evaluate and grant reasonable accommodation request by tenants with disabilities,” and that it “currently has five disabled/handicapped individuals who retain animals in their residences [all of whom have] requested and received a reasonable accommodation in the form of a waiver of the regular animal deposit.”

Both parties filed motions for summary judgement. Given the evidence of the case, the court denied both motions for summary judgement citing a need to resolve the material facts of the case.

Hate crimes. The incidence of hate crimes and the prevalence of hate crime groups can be an indicator of discrimination concerns even though they do not directly link to housing discrimination. Enacted in 1990, the Hate Crime Statistics Act requires the Department of Justice to collect data on crimes which “manifest prejudice based on race, religion, sexual orientation, gender or gender identity, disability or ethnicity” from law enforcement agencies. By law, findings from the data collection are publicly available through the Department of Justice.

Designating a crime to be a hate crime is the responsibility of local agencies. If a local agency determines that a crime is based on race, religion, sexual orientation, ethnicity or national origin or disability, the crime is included in the data. Note that the crimes included in the data represent only the crime, not convictions.

Hate crimes in Idaho and Coeur d’Alene. In 2013, there were 32 hate crimes reported in the state of Idaho, or 2.04 hate crimes per 100,000 residents.⁶ This is on par with the national average of 2.01 incidents reported per 100,000 residents. In Idaho, 59 percent of hate crimes reported were committed on the basis of race, compared to 48 percent of national hate crimes. Two hate crime incidences were reported in Coeur d’Alene in 2013, both committed on the basis of race.

Hate groups. The Southern Poverty Law Center is a nonprofit organization dedicated to civil rights, fighting hate and seeking justice for the most vulnerable. As part of this mission, the law center monitors hate crime incidents and hate based organizations. The count and characterization of hate crime groups by the Southern Poverty Law Center was compiled using hate group publications and websites, citizen and law enforcement reports, field sources and

⁵ Joint Statement of the Department of Housing and Urban Development and the Department of Justice, “Reasonable Accommodations under the Fair Housing Act,” May 17, 2004.

⁶ The FBI uses a basis of 100,000 persons to compare hate crime data between states.

news reports. Nationally there were about 785 known active hate groups in 2014; 10 are located in Idaho. The City of Coeur d'Alene has a history of working with the Southern Poverty Law Center to end the activities of hate groups in the region.

Recent activities by hate groups in the area include two instances of targeted flyer distribution with Ku Klux Klan messages. One incident involved the distribution of anti-Islam flyers marked with a Ku Klux Klan website on the east side of Coeur d'Alene Place neighborhood and the second incident targeted an apartment complex in Post Falls.^{7,8} Who distributed the flyers—and the purpose of the distribution, other than intimidation—is unknown.

Residents and stakeholders on fair housing and discrimination. As detailed in Section III, both residents and stakeholders discussed perceptions of housing discrimination and fair housing concerns during the community input process conducted for the AI.

Resident experience with housing discrimination. As shown in Figure IV-11, 11 percent Coeur d'Alene residents who responded to the survey believe they experienced discrimination when looking to rent or buy housing in Coeur d'Alene. That figure has not changed since 2011, when the same proportion (11%) of residents reported having experienced housing discrimination.

By design, no definition of housing discrimination under state or federal law was provided to respondents; these data reflect respondents' perception of discrimination based on their experience and knowledge. Similarly, the question asking the reason for the discrimination was open-ended, so as not to bias the results nor to limit responses to only those circumstances defined by law.

According to respondents in 2015, the top reasons for the perceived housing discrimination experienced are:

- Criminal history;
- Low income;
- Age; and
- Family status.

Other responses included disability, religion, having pets and being disliked.

⁷ http://www.cdapress.com/news/local_news/article_c47bfb5b-0cbc-5d01-9632-fc351fd87720.html

⁸ http://www.cdapress.com/news/local_news/article_0aaf5b25-2a66-57c3-ae5a-40ed6a5e435d.html

**Figure IV-11.
Experience with Perceived
Housing Discrimination**

Note:
n= 202. Limited to current residents of Coeur d'Alene.

Source:
BBC Research & Consulting from 2015 Coeur d'Alene
Resident Survey.

11%

of Coeur d'Alene residents said
they have experienced housing
discrimination



What was the reason you felt discriminated against?
Examples in their own words:

"Criminal history, I made choices that could have been better, I paid my dues by incarceration, moved forward with the knowledge."

"Single mom with kids and pets."

"We were not LDS."

"Married couples received inferior housing."

"A mistake I made when I was young."

All survey respondents were asked which person or organization they would call if they or someone they knew was discriminated against when looking for housing. Thirty seven percent of residents were not sure who to contact for information. This compares to 41 percent in the 2011 survey, indicating that knowledge of fair housing resources may have improved in the past four years. Nineteen percent of 2015 respondents would contact a legal resource, 17 percent would contact a government official and 13 percent said they would contact HUD.

Households included at least one member with a disability provided additional insight into potential fair housing concerns related to accessibility and reasonable accommodation. Most renter households in the disability sample strongly disagreed with statements describing landlord refusal of reasonable accommodation requests or denial of assistance animals. However, 19 percent said their landlord did refuse to make a reasonable accommodation and 23 percent said their landlord refused to accept an assistance animal. Fifteen percent of homeowners said the HOA in their neighborhood wouldn't allow changes to their house or property to accommodate a disability. Respondents also discussed the need for community improvements to sidewalks and public transit to enhance accessibility to community assets, employment and health care within Coeur d'Alene.

Stakeholder fair housing concerns. Primary fair housing concerns identified by stakeholders included lack of accessible housing, design and construction violations, affordability shortage disproportionately impacting protected classes, community opposition to housing development, and landlords' failure to make reasonable accommodations.

- **Accessible housing.** Stakeholders expressed concern that there may be a shortage of accessible housing in Coeur d'Alene. As the population ages the demand for accessible housing will continue to increase, as will the need for affordable, accessible modifications to allow seniors to remain in their homes as long as they wish. The Intermountain Fair Housing Council also indicated that they have received a number of reports that even new

construction of multifamily developments do not meet the accessibility features required under Fair Housing Law and the Americans with Disabilities Act. Over the past several years, Intermountain Fair Housing Council conducted seven audits of newly constructed properties in Coeur d’Alene and all had some type of design and construction concern related to kitchen and/or bathroom compliance. Common infractions included insufficient clear floor space, non-compliant toilet and sink placement (center-line issues), and/or improper slope/grade. These issues are typical, not just in Coeur d’Alene, but statewide. Of the 20 accessibility assessments conducted statewide, the overwhelming majority identified substantial design and construction infractions. This failure to comply with accessibility requirements reveals fair housing concerns in the development community but also within the city review process which failed to catch the violations during the review process.

- **Reasonable accommodations.** The Intermountain Fair Housing Council indicated that one of the most common types of calls they receive from residents in northern Idaho are from seniors with a disability that cannot find accessible housing and/or cannot get a reasonable accommodation. Stakeholders and residents at public meetings expressed additional concern about landlords refusing service animals.
- **Affordability shortage disproportionately impacting protected classes.** Rental affordability and opportunities for homeowners were top concerns among stakeholders. Workforce housing, in particular was cited as an issue—although unemployment has declined, wages have not increased and housing prices are on the rise. Although rental development seems to have increased, the price point remains out of reach for many of Coeur d’Alene’s residents, especially those who are young renters and those who work in the service industry. With protected class incomes falling short of other residents, there is some concern that those protected classes are disparately impacted by lack of affordable housing options.
- **NIMBYism.** A number of stakeholders recounted incidences of neighborhood opposition to new development, particularly multifamily and affordable development within Coeur d’Alene. Perception of the characteristics of renters, particularly low income renters, seems to be the driving force behind this type of NIMBYism.

Fair Housing Compliance and Infrastructure

This section reviews private and public barriers to housing choice, beginning with lending practices of regulated financial institutions. The section then reviews public land use policies, public housing policies, and current fair housing activities of the city. It also includes a discussion the availability of fair housing information.

Analysis of mortgage lending. The inability of residents to obtain loans for home purchases, home improvements and mortgage refinancing not only creates barriers to choice for residents, but also has adverse effects on the neighborhoods in which private capital is limited. The Home Mortgage Disclosure Act (HMDA) data is the best source of information on lending practices to protected classes and in minority and low income neighborhoods. HMDA datasets contain loan

application records with information on the race, ethnicity, gender, and income of the applicant, as well as loan terms.⁹ The data are widely used to detect evidence of discrimination in lending practices, although analysis of the publicly available data is limited by lack of applicant credit information. In coming years, HMDA data will include information on credit scores, allowing for a more robust analysis of lending practices. HMDA data are insufficient to evaluate discrimination on the basis of disability as the data lack disability status of applicants.

Loan applications. The 2013 HMDA data report 2,317 loan applications for properties in Coeur d’Alene. Most were refinancing applications (57%); 40 percent were home purchase applications and just 2 percent were home improvement loan applications. Two thirds of all loan applications resulted in origination.

Figure IV-12 shows the racial and ethnic distribution of loan applicants compared to their representation in Coeur d’Alene’s population overall. Minority groups are somewhat underrepresented among loan applications.

Figure IV-12.
Racial/Ethnic Distribution of Loan Applicants and Residents, Coeur d’Alene, 2013

	Loan Applicants	Residents
Non-Hispanic white	96%	90%
Hispanic	2%	6%
Other minority	2%	4%

Note:

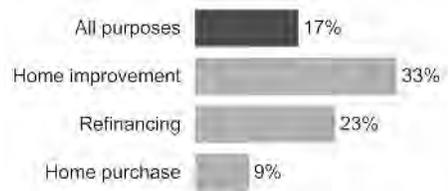
Does not include loans for multifamily properties or non-occupants. Other Minority includes American Indian or Alaska Native, Asian, Black or African American and Native Hawaiian or other Pacific Islander.

Source:

FFIEC HMDA Raw Data 2013, 2013 ACS and BBC Research & Consulting.

Loan denials. As shown in Figure IV-13, 17 percent of residential loan applications were denied in 2013 in Coeur d’Alene.¹⁰ Home improvement loans were denied at a much higher rate (33%) than mortgage loans (9%), as were refinancing loans (23%).

Figure IV-13.
Loan Denials by Loan Purpose, Coeur d’Alene, 2013



Note:

Does not include loans for multifamily properties or non-occupants.

Source:

FFIEC HMDA Raw Data, 2013 and BBC Research & Consulting.

For all loan purposes shown in Figure IV-14, denial rates were higher for non-Hispanic minorities (27%) than for non-Hispanic whites (16%). Hispanic applicants had a slightly lower denial rate (14%) than non-Hispanic whites.

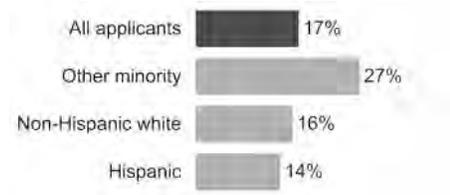
⁹ HMDA data includes information for mortgage loans, home improvement loans, and refinancing loans.

¹⁰ Denial rates are calculated as the number of denied loan applications divided by the total number of applications, excluding withdrawn applications and application files closed for incompleteness. This definition is consistent with Federal Reserve analyses of HMDA data.

Figure IV-14.
Loan Denials by Race/Ethnicity, Coeur d'Alene, 2013

Note:

Does not include loans for multifamily properties or non-occupants. Other Minority includes American Indian or Alaska Native, Asian, Black or African American and Native Hawaiian or other Pacific Islander.



Source:

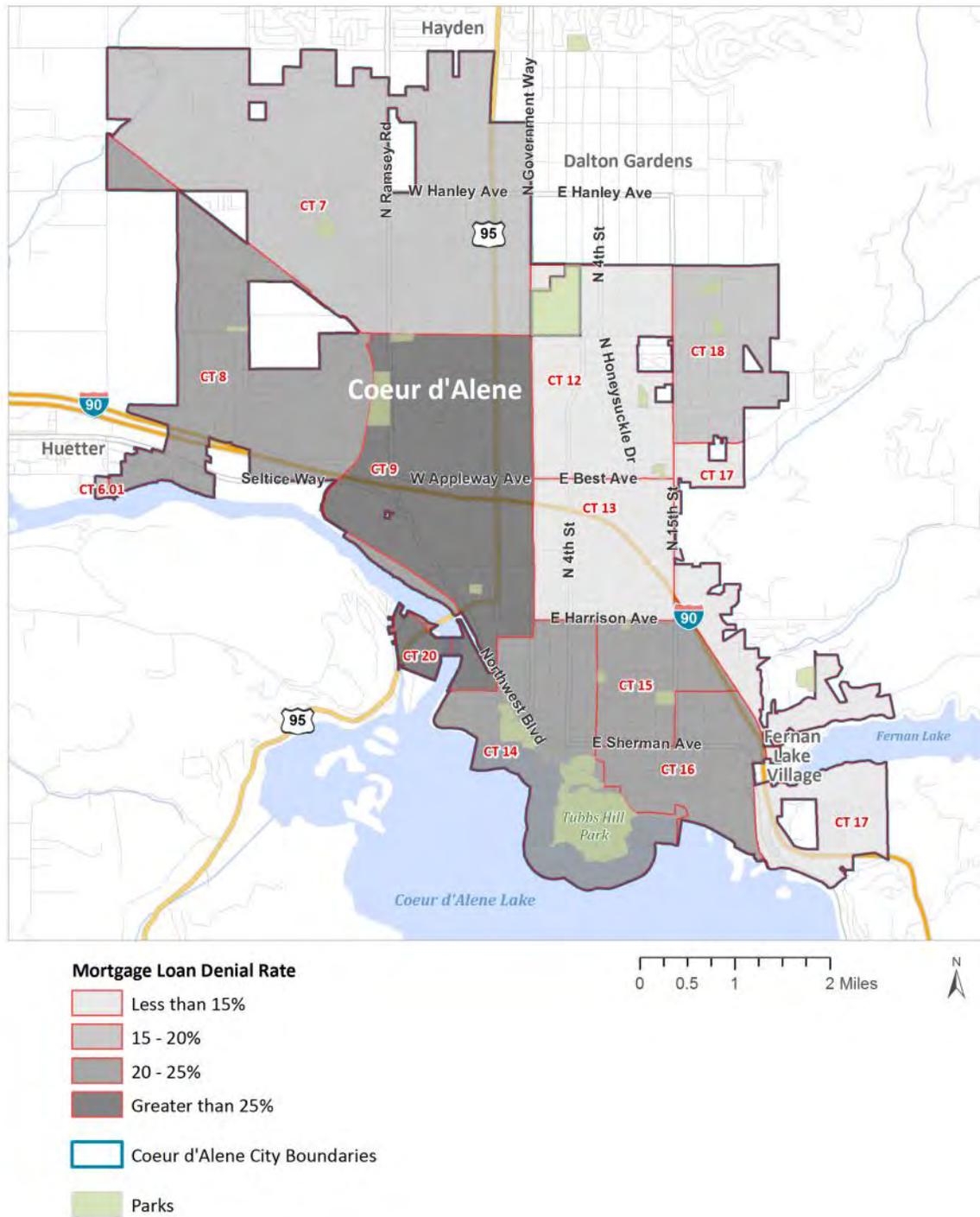
FFIEC HMDA Raw Data, 2013 and BBC Research & Consulting.

Figure IV-15 shows denial rates by Census tracts in Coeur d'Alene. Denial rates are highest in central Coeur d'Alene.

Subprime lending. In 2013, just 1.3 percent of originated loans in Coeur d'Alene were subprime (APR of more than three percentage points above comparable Treasuries).¹¹ As shown in Figure IV-16, residents in some portions of the city were more likely to receive subprime loan products than other portions of the city. Two tracts, in particular had high rates of subprime loans: tract 15 had a subprime rate of 3.1 percent and tract 9 had a subprime rate of 2.4 percent.

¹¹ This classification of subprime is consistent with the intent of the Federal Reserve in defining "subprime" in the HMDA data.

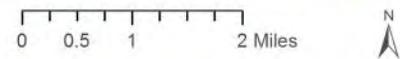
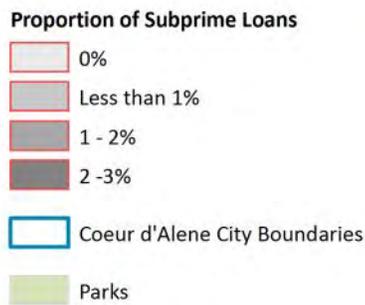
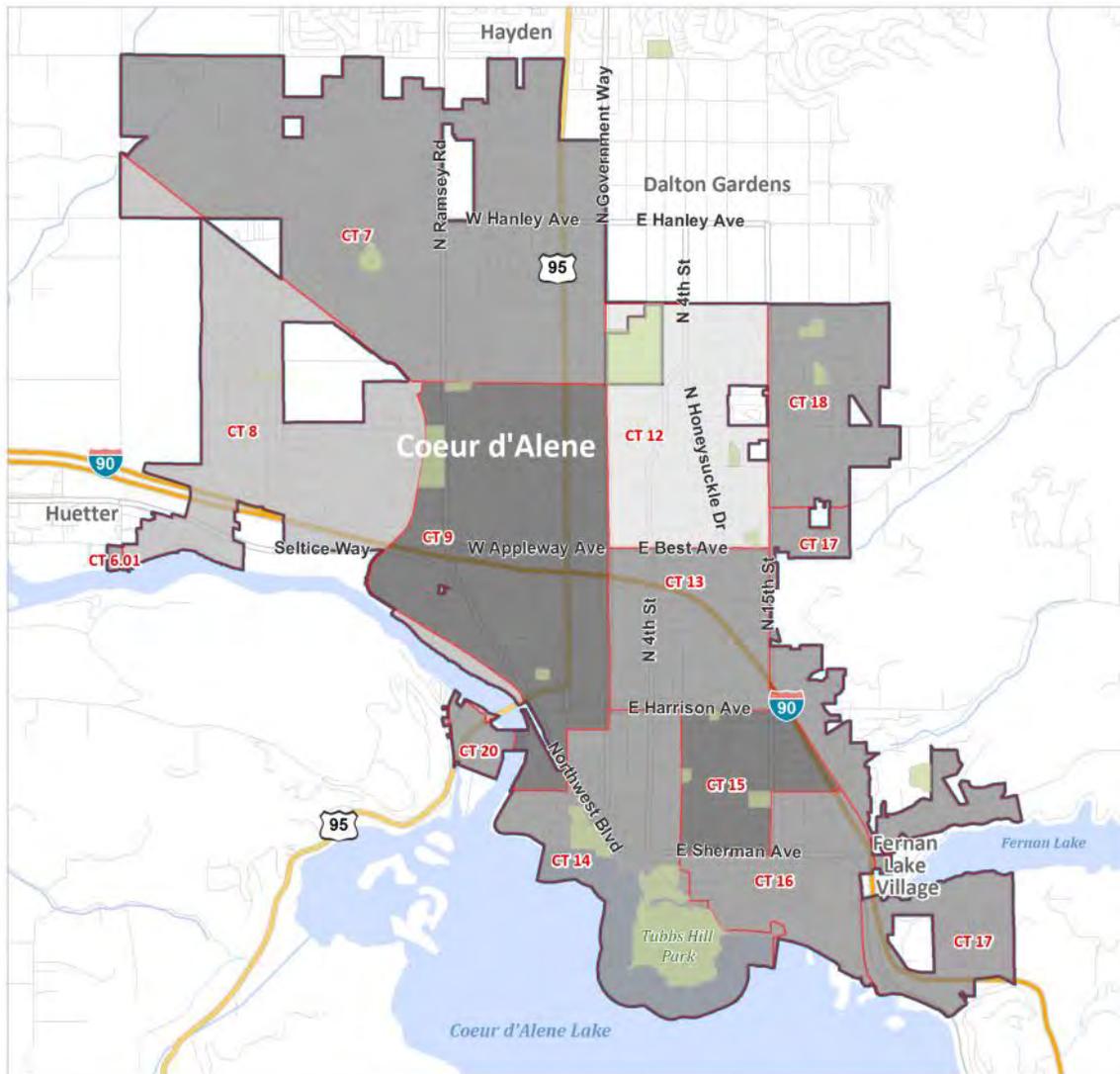
Figure IV-15.
Denial Rate by Census Tract, Coeur d'Alene, 2013



Note: Does not include loans for multifamily properties or non-occupants.

Source: FFIEC HMDA Raw Data, 2013 and BBC Research & Consulting.

Figure IV-16.
Subprime as a Proportion of Originated Loans by Census Tract, Coeur d'Alene, 2013



Note: Does not include loans for multifamily properties or non-occupants.

Source: FFIEC HMDA Raw Data, 2013 and BBC Research & Consulting.

Land use policies and practices. The ability of private real estate markets to meet affordable housing needs is strongly affected by zoning, subdivision, and land development regulations adopted by local governments. In many cases, local regulations that are intentionally or unintentionally exclusionary can offset the impact of affordable housing subsidies or increase the amount of subsidies necessary for the market to meet affordable housing needs.¹² As such, it is important that local governments review their zoning, subdivision and land development regulations to ensure that they do not create barriers to private production of affordable housing, and that they include appropriate tools that could spur private production of affordable housing to fill identified gaps in housing supply. For the purposes of an AI, it is necessary to evaluate land use policies for barriers to affordable housing, which can have a disparate impact on protected classes, but also to evaluate overt limitations on housing for protected classes (e.g., limiting occupancy for persons with disabilities without imposing the same occupancy limits on other unrelated groups).

BBC reviewed Coeur d'Alene's zoning and land use policies to identify fair housing issues and/or policies that could disparately impact protected classes. The review focuses on fifteen key land use questions that can have significant impacts on fair and affordable housing. Results are presented below.

- 1. *What is the smallest minimum lot size available in a residential district?*** Coeur d'Alene accommodates pocket residential in the R-8, R-12 and R-17 residential districts, as well as the C-17L and C-17 commercial districts. Pocket residential has no lot size and setback minimums on the site, but overall density is set by the zoning.
- 2. *What is the narrowest lot width allowed in a single family district?*** Fifty feet, unless an alternative is approved by the city through the normal subdivision procedure (i.e. cul-de-sac) or unless the lot is a valid nonconforming lot.
- 3. *What is the highest density available in a multifamily district?*** Seventeen dwelling units per gross acre in R-17. High density can be achieved in the Downtown Core (DC) district.
- 4. *What is the tallest building height permitted in a multifamily district?*** Three and a half stories (45 feet) in R-17. Buildings in the DC district can exceed 75 feet as long as they comply with other DC district standards.
- 5. *Where is multifamily permitted? By Special permit?*** Multifamily housing is permitted in commercial and high density residential districts as well as in the DC district without a special permit.
- 6. *What types of group housing are permitted in single family and multifamily districts (if any)?*** Group homes with fewer than eight residents and two staff members are considered a "family" and are therefore permitted by right in any single family or multifamily district. Other group homes (e.g., nursing home, group dwelling with more than eight residents) require a special use permit in residential districts. Group dwellings (eight or more

¹² Levine, Jonathan, Zoned Out (RFF Press, Washington, D.C., 2006).

residents), boarding houses and nursing/convalescent homes are permitted by right in commercial districts.

7. **How does the code address manufactured housing or mobile homes?** Manufactured homes are considered single family detached housing and are permitted in residential districts. The code includes standards for manufactured homes, mobile homes, parks and subdivisions. The city also has a mobile home zoning district.
8. **How does the code address accessory dwelling units?** The city allows for 300 square foot accessory dwelling units (ADU) in all zoning districts. Special permits are not required to build an ADU.
9. **How much parking does the code require for single and multifamily units, and does it have lower standards for affordable/special needs housing?** For single family units, the code requires two paved off-street spaces per unit and for multifamily units, the code requires one space per studio, 1.5 spaces per one-bedroom unit and two spaces per two-bedroom unit. Parking requirements are reduced in the DC district and pocket residential requires only one space for a one bedroom unit.
10. **Are there any city incentives for affordable housing, and if so what are they?** Yes. The city has a density bonus incentive in place in the Downtown Core (DC) to induce workforce housing development. Four square feet of floor area is allowed for each square foot of workforce housing provided within 1.5 miles of the project site and within Coeur d'Alene city limits.
11. **Does the code definition of "family" have the effect of discriminating against unrelated individuals with disabilities who reside together in a congregate or group living arrangement?**
No. The definition of family explicitly includes unrelated individuals with disabilities who reside together. Family is defined in the code as
 - One or more persons who are related by blood, marriage, or adoption; or
 - No more than four persons who are unrelated by blood, marriage or adoption living together as a single housekeeping unit; or
 - No more than a total combination of five persons related and unrelated living together as a single housekeeping unit; or
 - A group:
 - Placed in a foster home or childcare facility by an authorized agency;
 - Eight persons or less devoting full time to a religious or ethical discipline, unrelated by blood, marriage, or adoption, any of which are living together as an independent housekeeping unit together with incidental domestic servants and temporary nonpaying guests; or
 - Eight persons or less who are unrelated by blood, marriage, or adoption who are mentally or physically handicapped, or elderly with no more than two residential staff members.

- 12. Does the jurisdiction policy allow any number of unrelated persons to reside together, but restrict such occupancy, if the residents are disabled?** No. As demonstrated in the family definition (above), Coeur d'Alene's zoning code allows no more than four unrelated persons to live as a single housekeeping unit but allows eight unrelated persons to do so if those residents have a disability or are devoting full time to a religious or ethical discipline.
- 13. Does the zoning ordinance deny housing opportunities for disability individuals with on-site housing supporting services?** No. Dwellings with eight or fewer persons and two support staff are considered a "family" and are permitted for any residential district. Larger group homes and nursing/convalescent homes are permitted in commercial districts.
- 14. Does the zoning ordinance describe any areas in this jurisdiction as exclusive?** No.
- 15. Does the zoning ordinance include a discussion of fair housing?** No. The city should consider incorporating fair housing language into the purpose statement of the zoning code. In addition, the city should explicitly reference design and construction requirements of the Fair Housing Act.

The review yielded no overt fair housing concerns. Coeur d'Alene provides sufficient options for developing density and increasing affordability and allows for the residential integration of persons living with disabilities. However, the review does suggest room for improvement specifically in regard to explicit acknowledgement of the Fair Housing Act and related design and construction requirements.

Affordable housing and public housing review. Affordable housing programs available to Coeur d'Alene residents include the Low Income Housing Tax Credit (LIHTC) program; the HOME program; the Project-Based Section 8 program; and the Section 8 Housing Choice Voucher program. The city does not have a public housing authority in operation. The Idaho Housing and Finance Association administers the Section 8 program in Coeur d'Alene.

Data from HUD indicate there are approximately 1,500 subsidized units in Coeur d'Alene (including LIHTC units and housing choice vouchers). That represents about 8 percent of the state's subsidized units—a higher proportion than might be expected given Coeur d'Alene comprises just 3 percent of the state's total households.

About one third of subsidized households in Coeur d'Alene include a member with a disability, about one-quarter are families with children and nearly half (45%) are occupied by a senior. Five percent of subsidized units are occupied by a racial/ethnic minority.

Low-Income Housing Tax Credit (LIHTC). About half of Coeur d'Alene's subsidized units (745) were created through the LIHTC program. The LIHTC program provides a developer with federal tax credits to build or rehabilitate housing for low income persons. LIHTC developments usually serve slightly higher income populations (40 to 60 percent of MFI) than do Public Housing Authorities or the Section 8 voucher program, which generally serve households at 30 percent of MFI and less. As of 2013 (most recent data available), there were 13 LIHTC developments in Coeur d'Alene accounting for 745 subsidized units and 166 market rate units.

Section 8 housing choice voucher program. The second largest subsidy program in Coeur d’Alene is the housing choice voucher program, which currently serves about 450 households. The housing choice voucher program provides rental subsidies to qualifying households who find rental housing in the private market. It is a very popular program because it offers families a wide range of choices about where to live and, as a result, waiting lists to participate in the program are usually quite long. The housing choice voucher program is generally the best program available to assist extremely low- and very low- income households because the subsidies available are deeper than those provided by other programs. In many communities, the housing choice voucher program is the primary housing assistance for special needs populations, including those at-risk or formerly homeless and persons with disabilities.

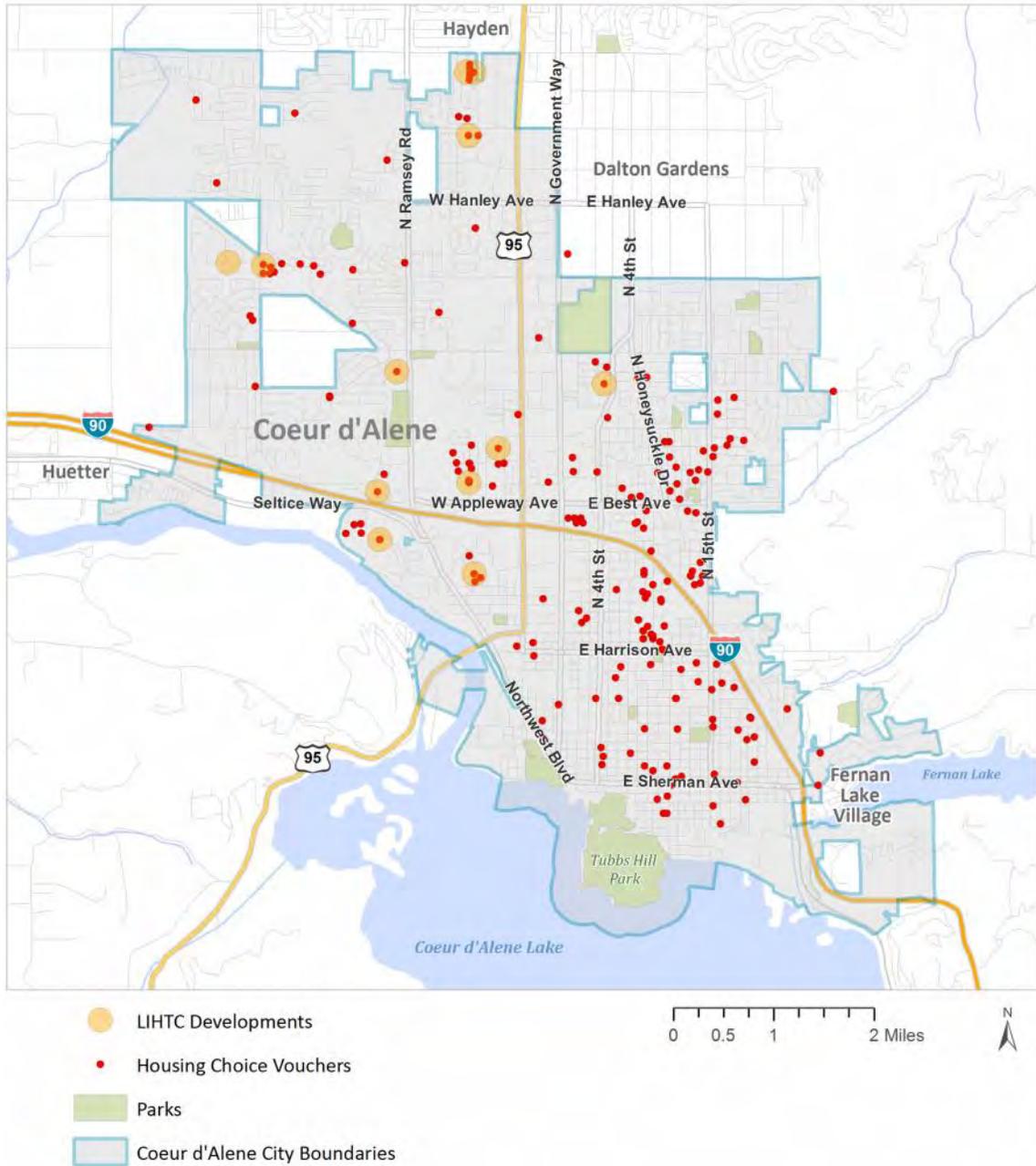
The Idaho Housing and Finance Association administers the voucher program through four branch offices statewide, including an office in Coeur d’Alene. As of July 2015, 453 Section 8 Vouchers were being used by households residing in Coeur d’Alene. There are another 395 Coeur d’Alene households on the waitlist for a Section 8 voucher—a three year wait or longer for a voucher.

Project-Based Section 8 program. Project-based Section 8 units account for 272 of Coeur d’Alene’s subsidized units. Under the project-based Section 8 program, a Public Housing Authority (PHA) enters into an assistance contract with a property owner to provide rental assistance to a specified number of units and for a specified term. The PHA refers families from its waiting list to the project owner to fill vacancies. The rental payment is on a sliding scale, determined by a tenant’s household income. Because the assistance is tied to the unit, a family who moves from the project-based unit does not have any right to continued housing assistance. However, they may be eligible for a tenant based voucher when one becomes available. The PHA pays the owner the difference between 30 percent of a family’s income and the gross rent for the unit.

HUD maintains a database of subsidized units that utilized government contracts which are time-limited. Upon maturity of these contracts, property owners may elect to convert their units to market rates. A review of the HUD “expiring use” database found that, of the above Project-Based Section 8 units, 59 percent are subject to expiration in the next five years.

Concentration of affordable housing. Figure IV-17 displays the location of LIHTC units and housing choice voucher holders. Vouchers are most likely to be located in the central and eastern portion of the city, many near major employment and service centers. LIHTC developments are largely in the western portion of the city where land and redevelopment opportunities may be more plentiful. Several LIHTC properties are in close proximity to the city’s primary recreational areas.

Figure IV-17.
Geographic Distribution of LIHTC Developments and Housing Choice Vouchers, Coeur d'Alene



Note: There are 451 voucher holders in Coeur d'Alene, however, there are only 215 locations represented in the map because several apartment complexes house multiple voucher holders.

Source: HUD, Idaho Housing and Finance Association and BBC Research & Consulting.

Fair housing activities. As described in Coeur d'Alene's most recent Consolidated Annual Performance and Evaluation Report (CAPER), the city continues to affirmatively further fair housing choice primarily through education and training, as well as investments in accessibility improvements for residents with disabilities.

- The city maintains up-to-date fair housing information and resources on its webpage, including training materials, information on how to file a fair housing complaint and landlord/tenant guidelines;
- The city provides financial sponsorship and organizational support for fair housing workshops in Coeur d’Alene and the Spokane Valley, Washington;
- The city supports fair housing month each April through an annual fair housing proclamation; and
- The city has also used CDBG funds to improve infrastructure accessibility, revitalize neighborhoods and increase affordable rental opportunities (for all low and moderate income residents regardless of race/ethnicity).

Other organizations offering fair housing services in Coeur d’Alene include St. Vincent DePaul, Intermountain Fair Housing Council, North Idaho Housing Coalition, Idaho Legal Aid Services and Idaho Housing and Finance Association.

Availability of fair housing information. A lack of fair housing information and awareness is a common issue cited in AIs, including the city’s 2011 AI. It is important that all members of a community—residents, community leaders, landlords, HOA board members—correctly understand fair housing laws so they do not intentionally or inadvertently deny a member of a protected class the same housing rights as other community members. It is also critical that residents who feel they may have experienced discrimination be able to access resources to investigate their rights and/or file a complaint.

BBC reviewed the city’s website to assess the availability of fair housing information. The city’s home page includes a fair housing link which contains the following fair housing resources:

- Fair housing training resources, including FAQs and presentation materials from recent fair housing trainings;
- Information about how to file a fair housing complaint, including contact information for HUD;
- Fair housing notice which contains a list of protected classes and a description of the Fair Housing Amendments Act;
- Link to Idaho landlord/tenant guidelines;
- Links to the city’s Fair Housing Policy and Residential Anti-Displacement and Relocation Assistance Plan;
- A copy of the 2011 Analysis of Impediments to Fair Housing; and
- Links to other helpful housing and social services resources in the area.

Barriers and Impediments to Fair Housing Choice

This update to the fair housing analysis conducted for the City of Coeur d'Alene in 2011 revealed the following:

Impediments to Fair Housing Choice

Impediments to fair housing choice affect one or more protected classes by denying them housing opportunities.

Impediment No. 1. Persons with disabilities have trouble receiving or are denied reasonable accommodations to their dwelling units when requested.

Impediment No. 2. New multifamily construction in Coeur d'Alene is consistently in violation of Federal Fair Housing Act accessibility standards and the Americans with Disabilities Act (ADA).

Impediment No. 3. Housing with accessibility features needed by residents with disabilities is lacking.

Barriers to Fair Housing Choice

Barriers limit housing opportunities for residents overall; they are not specifically linked to a certain protected class.

Barrier No. 1. The city has limited affordable housing for its very lowest income renters. More than half are cost burdened, which limits their ability to save for a home, invest in education and contribute economically to the city.

Barrier No. 2. Landlords, developers and residents lack knowledge of fair housing laws.

Barrier No. 3. Limited transit can prevent residents from accessing jobs, health care, needed services and community amenities. This may disparately impact persons with disabilities and seniors.

Recommended Fair Housing Action Plan

1. Provide training to city building inspectors (perhaps in collaboration with other jurisdictions in the region) on the accessibility requirements of multifamily developers under the federal Fair Housing and Americans with Disabilities Acts (ADA);
2. Continue to provide financial sponsorship and organizational support for fair housing workshops in Coeur d'Alene and the Spokane Valley, Washington;
3. Continue to maintain up-to-date fair housing information and resources on its webpage, including training materials, information on how to file a fair housing complaint and landlord/tenant guidelines;
4. Continue to make accessibility improvements a funded activity under its Community Development Block Grant program;
5. As the city's population grows and ages, explore ways to expand transit services; and

6. Consider offering incentives such as fast track approval and fee waivers to developers who integrate Universal Design concepts into new residential construction.

SECTION V.

Conclusions and Recommended Action Plan

SECTION V.

Conclusions and Recommended Action Plan

This section contains recommendations for addressing the housing needs identified in this study and for reducing barriers to housing choice. These recommendations are organized around the three primary findings from the housing needs analysis and review of housing barriers:

- Affordable housing is lacking for the city’s lowest income renters and for average-wage workers who want to buy;
- There is limited housing to meet the accessibility needs of the city’s growing senior population and persons with disabilities; and
- Barriers to housing choice, although few, still exist in Coeur d’Alene.

Activities to improve housing affordability. The two primary areas of housing need in Coeur d’Alene are 1) A shortage of rental housing priced at less than \$500 per month for renters earning less than \$20,000 per year; and 2) Limited housing for residents earning less than \$50,000—both current renters and in-commuters—who want to become homeowners.

The following recommendations to improve housing affordability are primarily oriented around achieving higher levels of affordability through reduced land costs. The cost of land heavily influences the economics of housing and to the extent that per unit costs can be reduced (through additional densities, fee waivers, fast track approvals, and discounted or donated land parcels), greater levels of affordability can be achieved.

Some of these recommendations are familiar; similar strategies were recommended in the 2006 study. The city has successfully employed many of the 2006 recommendations to add to the stock of affordable rentals. Without this additional housing, the current needs of low income renters would be much greater.

1. Continue to proactively identify and work with the urban renewal authority to convert underutilized and blighted land parcels to mixed-income and mixed-use housing developments. Increasing the stock of affordable and mixed-income housing, particularly in close proximity to employment centers, should continue to be a focus of urban renewal efforts.
2. Consider adopting a city policy that when public land becomes available for re-use, development of mixed-income housing is a top consideration.
3. As the city budget allows, offer reductions or waivers from fees associated with residential development. Some cities offer reductions on a sliding scale depending on the level of affordability achieved; others offer waivers up to a maximum amount each year

allocated from General Funds. Pair fee reductions and waivers with expedited review processes for affordable and mixed-income housing developments.

4. As appropriate for the development site, provide density bonuses and variances from residential development standards to reduce land and development costs. Consider expanding density bonuses in exchange for affordable housing beyond the downtown core as other areas of the city become increasingly expensive.
5. Set an affordable housing target—for example, that 18 to 20 percent of the city’s rental should be affordable to its lowest wage workers. Many communities faced with high housing costs set affordable rental and workforce housing targets. Establishing a target helps communities prioritize their efforts—e.g., in negotiations with private developers and when pursuing competitive housing grants. Currently, 9 percent of rental units are affordable to renters making less than \$15,000 per year; 6 percent is affordable to those earning between \$15,000 and \$20,000 per year.
6. Use this study to help educate residents about historical trends in development and affordability, current housing needs and the housing that will be needed to accommodate projected workforce. Public support for affordable housing can change as residents experience affordable housing challenges first hand—e.g., when they cannot find affordable rentals for their aging parents or homes to buy for their young-adult children.
7. If the State of Idaho enabled cities to raise revenues more aggressively through tax increases, the city would be able to consider asking voters for a tax increase that would fund affordable housing. This solution to funding constraints has become more popular in many high-cost cities as federal funds for housing have declined.

Activities to improve housing accessibility. The lack of housing that is accessible to persons with disabilities was a top concern of stakeholders, identified as a top need of residents with disabilities, and found to be a barrier to housing choice. A survey of residents conducted for this study suggests that as many as 900 households, about one-third of households with a member with a disability, are living in homes that are not accessible.

Some communities—the City of Arvada (Denver suburb) and the City of Austin—have adopted requirements or incentives to encourage the development of “visitable” housing to accommodate growing populations of seniors and residents with disabilities. Visitable units are those that can be easily accessed by seniors with mobility limitations and persons with disabilities. They are also easily modified for more enhanced accessibility features (e.g., reinforced walls for grab bars), should these be needed in the future.

In Austin’s case, it is too early to tell how many units will be developed under the new visitable housing requirement. Arvada has not produced many visitable units, primarily because the fee-in-lieu (to buy out of the requirement) is lower than the cost of making new units visitable.

The City of Coeur d’Alene should engage developers in discussions about the challenges of incorporating visitable features into new construction of detached and attached residential homes—and how city assistance, through density bonuses, zoning modifications and land assemblage and/or donation may offset these challenges. The city should also monitor the

success of other cities' visitability ordinances and, if these are found to be successfully addressing demand for accessible homes, considering adopting model policies.

The city should continue to offer accessibility modifications and ADA improvements to public infrastructure as part of the city's programs funded by the Community Development Block Grant

Finally, the city should bolster the ADA training that city building inspectors receive (see below).

Activities to reduce barriers to housing choice. In addition to improving accessibility of housing through the above recommendations, the city could implement the following to further reduce barriers to housing choice.

- Provide training to city building inspectors (perhaps in collaboration with other jurisdictions in the region) on the accessibility requirements of multifamily developers under the federal Fair Housing and Americans with Disabilities Acts (ADA);
- Provide financial sponsorship and organizational support for fair housing workshops in Coeur d'Alene and the Spokane Valley, Washington;
- Continue to maintain up-to-date fair housing information and resources on its webpage, including training materials, information on how to file a fair housing complaint and landlord/tenant guidelines; and
- As the city's population grows and ages, explore ways to expand transit services.