

Final Report

**City of Coeur d'Alene Consolidated
Plan, FY2008-2012, and Analysis of
Impediments to Fair Housing Choice**

Final Report

November 13, 2007

**City of Coeur d'Alene Consolidated Plan,
FY2008-2012, and Analysis of
Impediments to Fair Housing Choice**

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Executive Summary

Executive Summary

In 2007, the City of Coeur d'Alene became eligible to receive the federal Community Development Block Grant, or CDBG. CDBG is administered at the federal level by the U.S. Department of Housing and Urban Development (HUD). CDBG dollars can be used by cities to address a variety of housing and community development needs within their jurisdictional boundaries.

In order to receive the CDBG, cities must prepare a report called a Consolidated Plan every three to five years. The purpose of the Consolidated Plan is:

1. To identify a city's housing and community development needs, priorities, goals and strategies; and
2. To stipulate how funds will be allocated to housing and community development activities to address the city's housing and community development needs.

This Executive Summary summarizes the FY2008–2012 Five-Year Consolidated Plan for the City of Coeur d'Alene. This is the first time the City has completed a Consolidated Plan. The City intends to have the 2008 Program Year begin on January 1, 2008.

In addition, each year, cities must prepare a spending plan for their annual allocation of CDBG; this is called an Annual Action Plan. Cities must also report on which activities and organizations received funding each year through a report called the Consolidated Annual Performance and Evaluation Report, or CAPER. The City's funding plans and priorities for the 2008 program year are contained in this Executive Summary. The CAPER for the 2008 program year will be produced at the end of the program year, in 2009.

HUD also requires that cities receiving CDBG funding take actions to affirmatively further fair housing choice. Cities report on such activities by completing an Analysis of Impediments to Fair Housing Choice (AI) and developing a Fair Housing Action Plan. In general, the AI is a review of impediments to fair housing choice in the public and private sector; the Action Plan addresses the identified impediments. This Executive Summary also contains the 2008 Fair Housing Action Plan for the City of Coeur d'Alene.

Compliance with Consolidated Plan Regulations

The City of Coeur d'Alene FY2008–2012 Consolidated Plan was prepared in accordance with Sections 91.100 through 91.230 of the U.S. Department of Housing and Urban Development's Consolidated Plan regulations.

Lead and Participating Organizations

The City of Coeur d'Alene, Office of Administration, oversaw the completion of the City's first Consolidated Plan. The City retained BBC Research & Consulting (BBC) of Denver to assist with the completion of the report and provide needed technical assistance related to CDBG.

Many organizations and stakeholders were consulted during the development of the Consolidated Plan. The City held three public forums to gather information about the City's greatest housing and community development needs, including the needs of special populations. Twenty-six organizations/stakeholders were represented at these forums. In addition, a focus group was conducted with housing and community development professionals during the development of the Plan. This was attended by 7 stakeholders.

The City also consulted with organizations that assist special needs and low-income populations by asking them to help distribute a resident survey that was used to collect and analyze residents' needs.

The organizations that were consulted, attended the focus groups and/or submitted comments about the needs in Coeur d'Alene included the following:

- North Idaho College Head Start—representing low-income families and youth;
- St. Vincent de Paul—representing persons who are homeless and at-risk of homelessness;
- League of Women Voters, Affordable Housing Committee;
- Coeur d'Alene Association of Realtors;
- Affordable and workforce housing advocates; and
- Various lenders and title companies.

A copy of the Draft Consolidated Plan was provided to the State of Idaho during the 30-day comment period.

Coeur d'Alene does not have a public housing authority. The Idaho Housing and Finance Association (IHFA) administers the Section 8 voucher program in the Coeur d'Alene area. IHFA was consulted during the development of the Consolidated Plan to obtain information about the wait list for the Section 8 voucher program.

Citizen Participation Process

The Consolidated Plan and AI were developed with a strong emphasis on community input. Flyers explaining the purpose of the Consolidated Plan and how citizens could contribute were posted throughout the City and mailed/mailed to relevant organizations and stakeholders, City Committees, Commissions and Board Volunteers. During the 30-day public comment period, the Consolidated Plan was posted on the City's website and available for review at City Hall.

Public outreach for the Consolidated Plan and AI consisted of the following activities:

- A focus groups with housing and community development professionals in the City (attended by 7 stakeholders);
- A housing survey of Coeur d'Alene residents distributed through relevant organizations and stakeholders, available on the City's website and at City Hall (completed by 78 residents);
- Three city-wide public forums (attended by 26 individuals); and
- One public hearing with City Council to review the Draft Consolidated Plan.

Public comments received on the Draft Consolidated Plan are contained in Appendix B of the full document.

Top Housing and Community Development Needs

The City's top housing and community development need identified through the Consolidated Plan research process include the following:

- **Shortage of affordable rental housing for extremely low-income renters.** A comparison of supply and demand of housing found that there is a shortage of 861 units to serve the City's renters earning less than \$15,000 per year. Many of the City's lowest income renters also have special needs—e.g., disabilities, homeless or at-risk of homelessness, mental illnesses—and need affordable rental housing coupled with supportive services. Although the City has a good supply of assisted living developments and nursing homes to assist elderly and, to some extent, persons with disabilities, there is demand for housing for persons who are homeless and have other special needs.
- **Shortage of affordable housing to buy for low- to moderate-income households.** For owner-occupied housing, households earning less than \$60,000 per year have difficulty finding a home they can afford in the current market. A review of homes for sale in September 2007 found that 11 percent of residential units for sale were affordable to low- and moderate-income households (making less than roughly \$50,000). This was improved from the percentage in August 2006 (6 percent)—nonetheless, the for-sale market is still very limited for low- and moderate-income renters who want to be owners.
- **Economic development that produces jobs paying a livable wage.** In the Coeur d'Alene metropolitan statistical area (MSA), the average wage for all occupations was \$31,330 and the median wage was \$25,090 as of May 2005—not high enough to afford the median-valued home in 2005. Based on average wage rates by occupation, workers holding jobs in three out of the top 10 fastest-growing occupations between 2006 and 2010 could not afford the median rent in 2006. The City has a need for economic development that will produce higher-paying jobs, especially if home prices continue to increase.
- **Sidewalk repair.** Many sidewalks in the City are chipped, cracked, broken and, as such, are not in a condition that persons in wheelchairs or who are sight-impaired can easily use.
- **Citizens and stakeholders** named very similar top needs in the City as those identified in the research. These needs include:
 - Mixed-income affordable/workforce housing;
 - Home improvement program for low-income owners;
 - Downpayment assistance to help lower-income renters buy homes;
 - Improved sidewalks and parking downtown for persons with disabilities; and

- Housing for persons with special needs and operating support for the organizations that serve them.

Five-Year Goals

The City of Coeur d'Alene has established the following five top-level goals and priorities to guide its Consolidated Planning funding during program years 2008 through 2012.

Goal No.1. Increase the supply of for-sale housing at prices affordable to the City's low- and moderate-income workers.

Goal No.2. Increase the supply of rental housing affordable to the City's extremely low-income renters and residents with special needs, including persons who are homeless.

Goal No.3. Improve the City's sidewalks to make them more accessible to persons with disabilities.

Goal No.4. Continue with neighborhood revitalization efforts, including code enforcement activities, to improve the condition of housing and commercial properties in low-income areas.

Goal No.5. Expand higher-paying employment opportunities for the residents of Coeur d'Alene through economic development.

In addition to these five goals, the City has established goals related to the City's efforts to affirmatively further fair housing. These goals are discussed in the Fair Housing Action Plan section.

Action Plan

This section outlines the specific 2008 Action Plan that will guide achievement of the five goals.

Goal No.1. Increase the supply of for-sale housing at prices affordable to the City's low- and moderate-income workers.

Objective 1.1: Provide incentives for workforce housing production.

- *Fund infrastructure improvements for affordable housing developments.*
- *Grant density bonuses and code variances (e.g., reduce parking requirements) as needed to support affordable housing.*
- *Consider granting impact fee waivers, particularly for the most affordable/deeply subsidized units.*
- *Provide an expedited review process. Developments with an affordable component would go to the top of the review pile, and the review process should occur within a guaranteed number of days and be as transparent as possible.*

Outputs:

- 1.1.1. Each program year, set aside a portion of CDBG funding each year to support the development of for sale workforce housing by subsidizing the cost of infrastructure or land acquisition. Track the CDBG funding per affordable unit and the amount the unit price was lowered (below market) as a result of the CDBG funding. Goal for PY2008 = \$70,000 for land acquisition and/or utilities infrastructure to produce an estimated 15 affordable units.
- 1.1.2. Entertain requests for density bonuses, code variances, impact fee waivers for new development that contains affordable housing. Grant more generous bonuses/variances/waivers for the most deeply subsidized units. Track the per-unit subsidy (e.g., total fees waived divided by the number of units) and the amount the unit price was lowered (below market) as a result of the bonuses/variances/waivers.
- 1.1.3. Document the amount of review time developers save as a result of an expedited review process.

Objective 1.2: Inventory and donate publicly owned land and buildings and private land for workforce housing development.

Outputs:

- 1.2.1. The City, along with the Lake City Development Corporation, the County and the school districts will conduct a joint evaluation of the potential of parcels owned by them for workforce housing locations—with the goal of dedicating some parcels to workforce housing development. The evaluations will consider proximity to transit, commercial services, supportive services and other land uses, to ensure that the sites would be appropriate for workforce housing.

If these parcels are dedicated to the development of workforce housing, the City and/or School District would be entitled to dedicate the housing that is development for its workforce. Similarly, private landowners who donate land would be entitled to use the housing developed for their workforce.

Objective 1.3: Promote existing buyer resources.

Outputs:

- 1.3.1. The City will advertise existing programs (mostly through IHFA) for downpayment assistance, low-interest mortgage loans and reverse mortgages available to residents.

Goal No.2. Increase the supply of rental housing affordable to the City's extremely low-income renters and residents with special needs, including persons who are homeless.

Objective 2.1: Develop deeply subsidized rentals.

Objective 2.2: Continue to work with homeless/housing providers to respond to requests for funding assistance as appropriate.

Outputs:

- 2.1.1. Each program year, set aside a portion of CDBG funding each year to support the development of affordable rental housing by subsidizing the cost of infrastructure. Track the CDBG funding per affordable unit and the amount the unit price was lowered (below market) as a result of the CDBG funding.
- 2.2.1. As opportunities become available, assist housing providers with securing resources to provide additional affordable housing with supportive services and operating funds. Goal for PY2008 = \$100,000 to support development of a Section 811 project with an estimated production of 14 units.

Goal No.3. Improve the City's sidewalks to make them more accessible to persons with disabilities.

Objective 3.1: Continue the City's Sidewalk Compliance Program to bring the City's sidewalks into compliance with the American with Disabilities Act (ADA).

Objective 3.2: Provide funding to low-income owners who have sidewalks needing repair but who cannot afford to make the repairs without some type of assistance. Goal for PY2008 = \$20,000 available to assist an estimated 20 homeowners.

Objective 3.3: Use CDBG funding to make repairs to sidewalks abutting publicly owned properties.

Outputs:

- 3.2.1 and 3.3.1. Track the number of sidewalk feet that are repaired using CDBG funding annually. Monitor the repairs to ensure compliance with ADA.

Goal No.4. Continue with neighborhood revitalization efforts, including code enforcement activities, to improve the condition of housing and commercial properties in low-income areas.

Objective 4.1: Fund code enforcement programs in CDBG eligible areas. Goal for PY2008 = \$23,000 to support code enforcement efforts in low- to moderate-income neighborhoods.

Objective 4.2: As opportunities become available, provide CDBG funding to revitalization of commercial and residential properties in CDBG eligible areas and/or which benefit low- and moderate-income households. Goal for PY2008 = \$27,000 available to an estimated 20 homeowners for weatherization and emergency repairs.

Outputs:

- 4.1.1. Track violations reported and corrected in CDBG eligible areas and, annually, document how code enforcement activities contributed to neighborhood revitalization.
- 4.2.1. For each activity, document the dollars invested in each project, the specific project outcomes, indicators to track performance, and the reporting period over which the performance trends are monitored.

Goal No.5. Expand higher-paying employment opportunities for the residents of Coeur d'Alene through economic development.

Objective 5.1: Support private and public sector economic development efforts that result in job training and employment for the City's low- to moderate-income residents.

Outputs:

- 5.1.1. Track and report on, for each economic development grant: Number of residents trained by type of training and how training increased capacity of resident to find employment. For employment grants, track number of residents obtaining jobs by income level of resident household, wage level paid and reason for firing or separation from employment if occurring.

Exhibit ES-1 on the following page illustrates the City's Action Plan for 2008, including program goals, HUD objective categories and outcome categories and performance indicators.

**Exhibit ES-1.
City of Coeur d'Alene Action Plan, Program Year 2008**

Description of Activity	Funding Source	Funding Amount	Outcome Category	Performance Measure, 2008	Location	Description
Action Items funded by CDBG:						
Actions to produce Decent Housing:						
Administration	CDBG	\$60,000	N/A.			Administer CDBG in 2008 and 2007 preparation of Consolidated Plan.
Infrastructure support for affordable housing	CDBG	\$70,000	Increase availability/ accessibility of housing.	15 units.	Priority for Midtown.	Fund property acquisition and/or utilities to support development of workforce/affordable housing.
Housing with supportive services	CDBG	\$100,000	Increase availability/ accessibility of housing. Provide affordable housing.	14 units.	Fruitland Lane.	Fund development of a Section 811 project to serve persons with development disabilities/ severe mental illnesses.
Neighborhood revitalization/ homeowner rehab	CDBG	\$27,000	Preserve/sustain affordable housing.	20 homeowners.	Citywide. Available to low- and moderate-income homeowners.	Provide weatherization and emergency repair low-interest loans to low- and moderate-income homeowners.
Actions to create a Suitable Living Environment:						
Sidewalk improvements	CDBG	\$20,000	Improve sustainability of sidewalks.	20 homeowners assisted.	Citywide. Available to low- and moderate-income homeowners.	Provide grants to low- to moderate-income homeowners for sidewalk repair and replacement.
Code enforcement	CDBG	\$23,000	Improve sustainability of neighborhoods.		Low- to moderate-income areas.	Fund the partial and qualifying costs of code enforcement personnel serving low- to moderate-income areas in the City.
Other Action Items:						
Provide incentives for workforce/ affordable housing development				Subsidies to housing units for workforce. Time/development costs saved.	Citywide.	Grant density bonuses, code variances, fee waivers and expedited review for workforce/affordable housing developments.
Donate public land in support of workforce/affordable housing				Land donated.	Citywide.	Donate publicly owned land for workforce/ affordable housing development as available.
Promote homebuyer resources			Provide resources to renters wanting to be homeowners.		Serve low- to moderate-income renters.	Advertise existing homebuying programs to renters.
Expand employment opportunities			Create jobs that pay a living wage.		Serve low- to moderate-income residents.	Support private and public sector economic development efforts.

Source: City of Coeur d'Alene and BBC Research & Consulting.

Homeless Strategy

The Idaho Housing and Finance Association (IHFA) coordinates the Continuum of Care for persons who are homeless statewide. In this capacity, IHFA annually applies for Continuum of Care grants to assist homeless housing and supportive services providers. In 2007, IHFA was awarded a \$2.26 million Continuum of Care grant from HUD. As part of this grant, St. Vincent de Paul received \$188,000 to assist with transitional housing provision in Coeur d'Alene and \$41,400 for transitional housing provision in Post Falls.

The State of Idaho's formal efforts toward reducing homelessness are relatively new. The Idaho Homelessness Policy Council was established in 2005. The State's Action Plan to Reduce Homelessness followed.

The City's strategy for preventing homelessness and reducing the number of people who are currently homeless consists of the following:

- As stated in Goal No. 2, increase the supply of rental housing affordable to the City's extremely low-income renters and residents with special needs, including persons who are homeless. Specifically,
 - Objective 2.1: Develop deeply subsidized rentals.
 - Objective 2.2: Continue to work with homeless/housing providers to respond to requests for funding assistance as appropriate.

The City is currently working with St. Vincent de Paul to develop a Section 811 housing development to house persons with developmental disabilities who are at-risk of homelessness. The City has donated land in support of this project. As these opportunities arise, the City will continue to find ways to subsidize the development of rental units with supportive services that assist the City's special needs populations who are currently homeless or at-risk of homelessness.

Northern Idaho's efforts to reduce and end homelessness are nascent. However, the City Council has expressed a strong interest in taking a leadership role in developing such an effort. On October 16, 2007, the City Council made a motion to "endorse the concept of a 10 year plan to end chronic homelessness." As Coeur d'Alene expands its role in reducing homelessness in Kootenai County, the City will be instrumental in coordinating a regional effort.

Funding Priorities

HUD's Housing and Community Development Activities table, attached to the end of this section, will guide the funding priorities of the City during the next five years. This section summarizes the funding priorities that will be implemented to achieve the five strategic plan goals and accompanying objectives for the five year plan. The funding priorities were established based on the housing and community development needs identified through public and stakeholder input, the housing market analysis and the analysis of the needs of special populations. The City of Coeur d'Alene also used a comprehensive housing needs assessment conducted in 2006 to assist in funding prioritization. This study identified needs for production of affordable workforce housing, deeply subsidized rental housing/housing for special needs populations, and revitalization efforts of housing condition improvements and sidewalk repair.

The City's top housing and community development needs are summarized in the beginning of this chapter.

High Priority Funding

- Production of for sale housing affordable to the City's workforce
- Production of rental housing priced to serve the City's lowest income renters
- Production of housing with supportive services to serve the City's low-income special needs populations and persons who are homeless
- Revitalization targeting neighborhoods with underutilized commercial properties and substandard residential housing
- Improvements to sidewalks to make them more accessible to persons with disabilities

Medium Priority Funding

- Social service operation support for organizations assisting special needs populations
- Support for homeless service providers
- Acquisition and rehabilitation of residential housing
- Transitional housing
- Support private/public sector economic development efforts

Fair Housing Action Plan

As part of the Consolidated Plan, a review of fair housing issues in the City was conducted. The analysis of fair housing data, interviews with stakeholders and public input identified the following fair housing impediments in Coeur d'Alene:

- **Citizens could be better informed about fair housing issues.** The City offers fair housing handbooks and posters, in addition to pamphlets with local resources for housing and social

services assistance. However, in the forums conducted for this study, residents expressed concern that discrimination exists but is underreported because residents are unaware of their rights. Indeed, 60 percent of the survey respondents who said they had experienced housing discrimination “did nothing” about it.

- **Landlords and developers would benefit from more education about fair housing laws and ADA.** A review of legal cases and testing performed by the Intermountain Fair Housing Council suggests that property owners and landlords can be ignorant of many aspects of the Fair Housing Law, particularly reasonable accommodations, ADA compliance in construction, rights of persons with disabilities and rights of families. The survey conducted for the Consolidated Plan suggests that familial status and disability are the top reasons that residents are discriminated against in Coeur d’Alene.
- **Lack of accessible sidewalks.** The City’s sidewalks are maintained by property owners in the residential and commercial developments abutting them. Many sidewalks are chipped, cracked, broken and, as such, are not in a condition that persons in wheelchairs or who are sight-impaired can easily use.
- **Lack of accessible parking downtown.** An attendee of one of the focus groups conducted for the Consolidated Plan mentioned that parking downtown is very difficult for persons with physical disabilities—specifically, that handicapped spots are too limited and are not in locations which are convenient to downtown services.

The following Fair Housing Action Plan is recommended for the City to address the above barriers:

- **Increase resident awareness of fair housing law and the complaint process.** The City of Coeur d’Alene should bolster its public outreach and education of fair housing laws.
 - At least once a year, the City should sponsor a fair housing workshop (this might be part of another community event) that offers information about the Fair Housing Act to citizens and includes representatives from organizations that receive and process complaints. The presentations made at this workshop should be televised on the City’s public access channel.
 - In addition, the City should more actively distribute materials—brochures, posters and videos—about fair housing law and the complaint process through its schools, library, community centers and other similar venues. The City should change these materials frequently to keep them “fresh” and noticed. Videos and brochures are available through the Fair Housing Council of Oregon, an excellent resource on fair housing issues (<http://www.fhco.org/>). In addition, the Idaho Housing and Finance Association distributes free fair housing calendars that the City could obtain and make available at public venues (http://www.ihfa.org/fair_housing_calendar.asp).
 - The City should develop and post on its website uniform language about fair housing laws and ADA, and the appropriate contacts for citizens who feel they have been discriminated against and/or have fair housing concerns and questions. The information should be available in Spanish as well as English. In addition, persons who

are sight or hearing impaired should have the ability to access the information in formats that accommodate their disabilities.

- **Continue to educate developers, property owners/landlords about ADA and fair housing laws.** At least every two years, the City should sponsor a class for real estate professionals, especially developers and property owners/landlords about fair housing law and compliance. An excellent resource to conduct such a training would be the Fair Housing Council of Oregon (<http://www.fhco.org/>). The City should require the class for any developer/real estate organization receiving City funding and/or fee waivers, density bonuses, expedited planning review or other benefits.
- **Increase internal knowledge and resources about fair housing law.** We recommend that the City develop a fair housing resource list for distribution to all relevant departments, identify contact people within the departments, conduct fair housing training with the department contacts and coordinate distribution of fair housing materials to these contacts. Department contacts should be employees who have direct contact with the public in any capacity of housing and community development, economic development or social services.
- **Continue to improve sidewalks and parking for persons with physical disabilities.** The City has a stated goal to bring its sidewalks into compliance with ADA. The City is reviewing sidewalks and providing notices to property owners of needed repairs and/or replacements. The City Code provides up to 365 days to complete the work. The City should consider providing funding to low-income owners to facilitate making these improvements. In addition, the City should work with persons in the community who are disabled to understand the problems with handicapped parking in downtown and other key areas of the City and explore how to make improvements to the parking situation.

SECTION I.
Introduction

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Introduction

In 2007, the City of Coeur d'Alene became eligible to receive the federal Community Development Block Grant, or CDBG. CDBG is administered at the federal level by the U.S. Department of Housing and Urban Development (HUD). CDBG dollars can be used by cities to address a variety of housing and community development needs within their jurisdictional boundaries.

In order to receive the CDBG, cities must prepare a report called a Consolidated Plan every three to five years. The purpose of the Consolidated Plan is:

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HUD also requires that cities receiving CDBG funding take actions to affirmatively further fair housing choice. Cities report on such activities by completing an Analysis of Impediments to Fair Housing Choice (AI). In general, the AI is a review of impediments to fair housing choice in the public and private sector. This report also contains the 2008 AI for the City of Coeur d'Alene.

Compliance with Consolidated Plan Regulations

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Organization of the Report

This Consolidated Plan is organized into six sections and two appendices.

- Section I is the introduction to the report.
- Section II discusses the demographic and economic trends in the City of Coeur d'Alene that set the context for the housing and community development needs and strategies discussed in later sections.
- Section III contains a detailed analysis of the City's housing market, including housing vacancies, unit characteristics, affordability and cost burden. It also contains quantitative estimates of housing need. This section also discusses the housing and community development needs of the City's special-needs populations.
- Section IV reports the findings from the public outreach process, which included a resident survey, public forums and a hearing and a stakeholder focus group.
- Section V contains the 2008 Analysis of Impediments to Fair Housing Choice report.
- Section VI contains the City's FY2008-2012 Strategic Plan and the 2008 Annual Action Plan.

The Appendices include:

- Appendix A—Citizen Participation Plan
- Appendix B—Public comments

Lead and Participating Organizations

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- St. Vincent de Paul—representing persons who are homeless and at-risk of homelessness;
- League of Women Voters, Affordable Housing Committee;
- Coeur d’Alene Association of Realtors;
- Affordable and workforce housing advocates; and
- Various lenders and title companies.

Citizen Participation Process

The Consolidated Plan and AI were developed with a strong emphasis on community input. Flyers explaining the purpose of the Consolidated Plan and how citizens could contribute were posted throughout the City and mailed/emailed to relevant organizations and stakeholders, City Committees, Commissions and Board Volunteers. During the 30-day public comment period, the Consolidated Plan was posted on the City’s website and available for review at City Hall.

Public outreach for the Consolidated Plan and AI consisted of the following activities:

- A focus groups with housing and community development professionals in the City (attended by 7 stakeholders);
- A resident housing survey of Coeur d’Alene residents distributed through relevant organizations and stakeholders, available on the City’s website and at City Hall (completed by 78 residents);
- Three city-wide public forums (attended by 26 individuals); and
- One public hearing with City Council.

Acknowledgments

Many individuals deserve special thanks for assisting with the completion of the Consolidated Plan and AI. Renata McLeod, Project Coordinator in the City’s Administrative Office, provided direction, information and key contacts that were invaluable in the completion of the reports. In addition, the many folks active in housing and community development issues in Coeur d’Alene shared their thoughts with us through the public forums and surveys, providing essential input in preparation of these reports.

SECTION II.
Community Profile

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Community Profile

This section gives background demographic data on the City of Coeur d'Alene and Kootenai County for the Consolidated Plan and AI. It includes a discussion of population levels and growth, and the characteristics of households residing in the area. This section concludes with an analysis of employment and wages in the Coeur d'Alene and the North Idaho Wage Area.

Summary

- Coeur d'Alene, along with all of Kootenai County, has grown rapidly during the past 15 years. Between 1990 and 2000, the City added an average of 750 persons per year. Since 2000, this growth has almost doubled to 1,350 per year. The 2006 population estimate for the City is 42,613 people.
- An examination of household characteristics of residents in Coeur d'Alene found that the City has a very small minority population—just 5 percent of residents report their race as something other than White and 3 percent are of Hispanic descent. Compared to the communities surrounding Coeur d'Alene, the City has a relatively low proportion of children and a high proportion of seniors. Almost half of households in Coeur d'Alene are made up of married couples, the majority of whom (55 percent) do not have children living with them. A little less than one-third of households in the City are made up of people living alone.
- In the Coeur d'Alene metropolitan statistical area (MSA), the average wage for all occupations was \$31,330 and the median wage was \$25,090 as of May 2005. However, the wage required to afford the median-valued home in 2005 was \$39,007. Therefore, neither workers earning the median wage nor workers earning the average wage could afford the median-valued home in 2005 (\$129,922).
- Based on average wage rates by occupation, workers holding jobs in three out of the top 10 fastest-growing occupations between 2006 and 2010 could not afford the median rent in 2006. These occupations include food preparation occupations; healthcare support occupations; and building and grounds cleaning and maintenance occupations. Persons employed in these occupations are also likely to have a difficult time in the future finding a place to rent *and* will be priced out of the homeownership market.

Population Characteristics

In 2000, the population of the City of Coeur d'Alene was 34,514, according to the U.S. Census¹. This was up from 27,065 in 1990, an increase of 7,449 people over 10 years. Therefore, from 1990 to 2000, the population in the City increased by approximately 750 persons per year, or at a compound annual growth rate of 2.5 percent per year. Kootenai County grew at a compound annual rate of 2.9 percent from 1990 to 2000.

2006 population. J.P. Stravens/Planning Associates is a local planning firm that produces population estimates for all cities in Spokane and Kootenai Counties. J.P. Stravens' current estimate for the City in 2006 is 42,613 persons. Claritas, a national commercial data provider, estimates the 2006 population of Coeur d'Alene at 38,955 (3,658 fewer people than J.P. Stravens' estimate).

2000 to 2006 growth. Coeur d'Alene's rate of population growth has increased rapidly since 2000. According to the J.P. Stravens' data, between 2000 and 2006 Coeur d'Alene grew by 1,350 people per year. This is almost twice as high as the per-person annual growth between 1990 and 2000 (750 persons per year).

Between 2000 and 2006, the City's annual growth rate is equivalent to 3.6 percent, compared to 2.5 percent from 1990 to 2000. From 2000 to 2006, Kootenai County's compound annual growth rate is 4.1 percent.

Historical and current population. Exhibit II-1 shows Census population estimates for 1990 and 2000, and J.P. Stravens' interim estimates for Coeur d'Alene and Kootenai County.

Exhibit II-1. Population Trends for Coeur d'Alene and Kootenai County, 1990 to 2006

	1990 Census	1996	1998	2000 Census	2004	2006
Coeur d'Alene	27,065	30,568	32,171	34,514	38,250	42,613
Kootenai County	81,059	95,667	105,026	108,685	121,071	138,093

Note: 1996, 1998, 2004 and 2006 numbers are J.P. Stravens/Planning Associates' estimates.

Source: Inland Northwest Demographics, Population & Dwelling Unit Estimates and Projections, 2006, J.P. Stravens/Planning Associates, Inc.

¹ There are multiple data sources that offer population and household estimates for Coeur d'Alene and Kootenai County. The sources discussed in this section include the U.S. Census Bureau, J.P. Stravens/Planning Associates and Claritas, a commercial data provider. This study uses the latest and most reliable data for population and housing estimates. The sources used are provided throughout the report.

Household Characteristics

This section presents information on the household characteristics of the residents in Coeur d'Alene.

Race and ethnicity. Data on race and ethnicity require clarification about how the U.S. Census Bureau collects and analyzes the data. The 2000 Census asked two different questions about race and ethnicity: The first question asked respondents to identify their race; the second asked whether respondents were of Hispanic/Latino origin. The Census Bureau does not classify Hispanic/Latino as a race, but rather as an identification of origin and ethnicity. If a respondent reported Hispanic/Latino ethnicity but did not mark a specific race category, they are classified in the Some Other Race category. Persons of Hispanic/Latino descent most commonly report their race as White or Some Other Race.²

Exhibit II-2 shows the estimated races and ethnicities of Coeur d'Alene residents in 2005. Racially, the vast majority of residents were White in 2005 (95 percent). The next largest racial category, persons identifying themselves as “Two or more races,” described just 2 percent of the population in Coeur d'Alene. Ethnically, 97 percent of the population was Non-Hispanic/Latino and only 3 percent was Hispanic/Latino.³

Exhibit II-2. Population by Race and Ethnicity, 2005

Source:
PCensus, 2005 Claritas database.

	Number	Percent
Race		
White alone	36,385	95%
Black or African American alone	142	0%
American Indian and Alaska Native alone	290	1%
Asian alone	251	1%
Native Hawaiian and Other Pacific Islander alone	54	0%
Some other race alone	286	1%
Two or more races	805	2%
Ethnicity		
Hispanic/Latino	1,212	3%
Non-Hispanic/Latino	37,001	97%

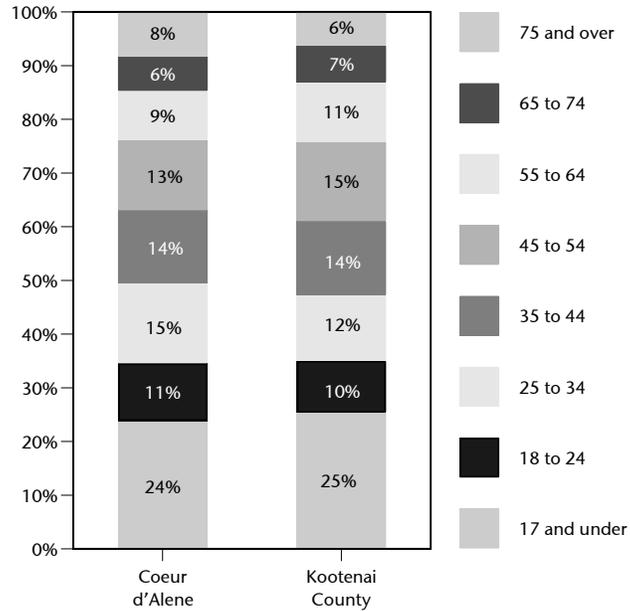
² The “Some Other Race” category and “Two or more races” category were combined so that 2000 Census data would be comparable to 1990 Census data. The “Some Other Race” category includes all other responses not included in the “White,” “Black or African American,” “American Indian or Alaska Native” and “Asian” race categories. Respondents providing write-in entries such as multiracial, mixed, interracial, or a Hispanic/Latino group (for example, Mexican, Puerto Rican, or Cuban) in the “Some Other Race” write-in space are included in this category.

³ The U.S. Census collects data on race and ethnicity separately. The Census defines “ethnicity” as Hispanic or non-Hispanic descent. Hispanic is not considered a race category by the U.S. Census. The U.S. Department of Housing & Urban Development requires that the Census definitions of race and ethnicity be used in housing studies that are used as applications for federal block grant funds.

Age of population. Exhibit II-3 shows the estimated age distribution of residents in 2005 for Coeur d’Alene and Kootenai County. A little more than one-third of Coeur d’Alene’s residents are under age 25; 14 percent are seniors.

**Exhibit II-3.
Age Distribution, 2005**

Source:
PCensus, 2005 Claritas database.



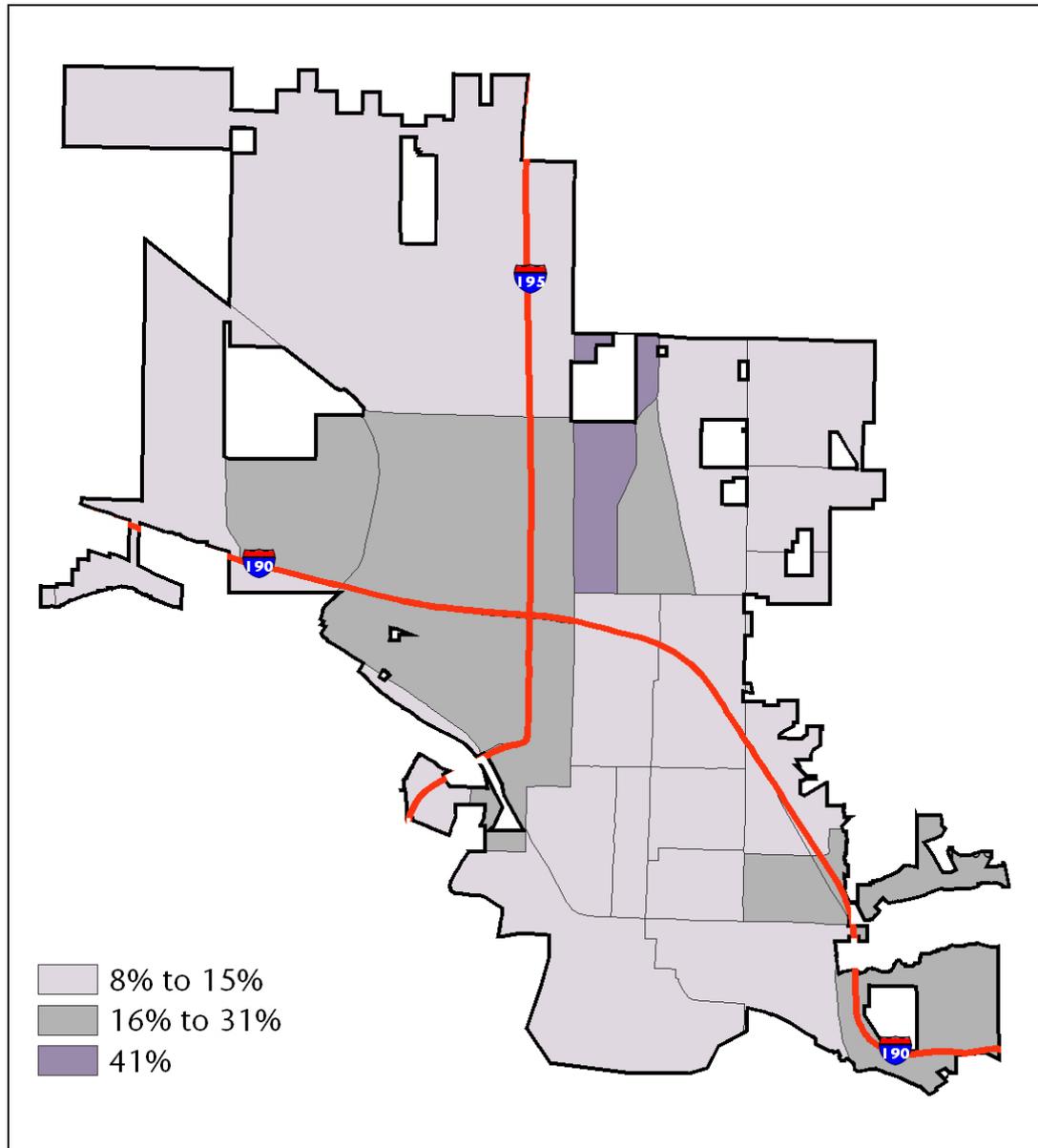
Compared to the communities surrounding Coeur d’Alene, the City has a relatively low proportion of children and a high proportion of seniors. The relatively higher percentage of people over 75 may be due to the greater number of nursing homes and assisted-living facilities in Coeur d’Alene compared to surrounding cities.

Where seniors live in Coeur d’Alene. The map in Exhibit II-4 on the following page shows where persons who were over the age of 65 in Coeur d’Alene lived in 2005. The legend at the bottom shows the percentage of seniors for each “block group” within the City⁴. A block group is the smallest geographic unit for which the Census Bureau tabulates much of its data. A block group is made up of “blocks,” which can correspond to residential blocks in cities and towns.

Approximately 15 percent of the population in Coeur d’Alene is made up of seniors (defined as age 65 and older). The area east of Highway 95 and north of I-90 has the highest percentage of seniors: 41 percent of the population in this block group is over the age of 65, which is almost 3 times the Citywide proportion. By comparison, most block groups have between 8 and 15 percent of the population age 65 and over.

⁴ The legend does not contain a range between 31 and 41 percent because there are no block groups with these percentages.

Exhibit II-4.
Distribution of Population Age 65 and Over, Coeur d'Alene, 2005



Source: PCensus, 2005 Claritas database.

Household structure. Household structure refers to the relationship between the members in a household, whether the household is comprised of related members (e.g., husband and wife), unrelated individuals (e.g., students living together), or a householder living alone. Household structure is important in analyzing housing need because households make different housing choices depending on their circumstances. For example, a married couple expecting children may have very different housing desires and needs than a single person who is starting school or a senior living with a caregiver. Household structure can also have implications for fair housing, if certain households (e.g., large families, people with disabilities) have a more challenging time than others finding housing that meets their needs and/or if they are more vulnerable to discrimination.

Exhibit II-5 separates Coeur d’Alene’s households into several categories:

- Married couples—with and without children;
- Single parents—single fathers and single mothers;
- People who live alone; and
- People living with others to whom they are not related (e.g., roommates sharing a house).

**Exhibit II-5.
Household Structure,
2005**

Source:
PCensus, 2005 Claritas database and BBC
Research & Consulting.

	Coeur d’Alene		Kootenai County	
Married-Couple Families	7,406	48%	26,906	58%
With Own Children	3,307	45%	12,002	45%
No Own Children	4,099	55%	14,904	55%
Single Parents	1,641	11%	4,100	9%
Single Fathers	412	25%	1,234	30%
Single Mothers	1,229	75%	2,866	70%
People Living Alone	4,261	28%	10,082	22%
Single Male Householder	1,594	37%	4,389	44%
Single Female Householder	2,667	63%	5,693	56%
Unrelated People Living Together	2,076	13%	5,079	11%
Male Householder Living with Others	979	47%	2,497	49%
Female Householder Living with Others	<u>1,097</u>	<u>53%</u>	<u>2,582</u>	<u>51%</u>
Total	15,384	100%	46,167	100%

In 2005, married-couple households made up the highest proportion of households in Coeur d’Alene at 48 percent. The majority of married-couple households (55 percent) did not have children. People living alone made up the next highest proportion at 28 percent of all households. About 11 percent of Coeur d’Alene’s households were single parent-households, the majority of which were headed by single mothers.

Compared to Kootenai County, Coeur d’Alene had a lower percentage of married-couple households, and a higher proportion of single people living alone. Coeur d’Alene’s relatively high proportion of people living alone and slightly higher proportion of people with unrelated parties is partially explained by the presence of North Idaho College in the City. North Idaho College’s enrollment for the 2005–2006 school year was approximately 4,400, and the average age of the students was 25.⁵ Therefore, a portion of the City’s population of people living alone and unrelated people living together is made up of college students.

In addition, the 2000 Census suggests that about half of the single females living alone in Coeur d’Alene are seniors (over the age of 65). By comparison, the percentage of single males living alone who are seniors is estimated at only 18 percent. As is often the case, many seniors live alone in later

⁵ <http://www.nic.edu/about/overview.htm>

years (particularly women, who tend to outlive their spouses). Nationwide, in 2000, approximately 7.5 million women over the age of 65 lived alone, compared with 2.4 million men over 65.⁶

Large households. According to HUD, large households are defined as households with five persons or more. Approximately 13 percent of Coeur d'Alene's family households met this definition in 2000. Data from HUD on housing problems by household type report that lower-income large households are more likely to have housing problems than lower-income households overall.

Persons with disabilities. The Census reported that 20 percent of residents of Coeur d'Alene had a disability in 2000, compared to 18 percent nationwide with a disability. An estimated 6,257 persons in Coeur d'Alene had some type of disability in 2000. In 2006, the number is likely closer to 8,500, reflecting the City's growth overall.

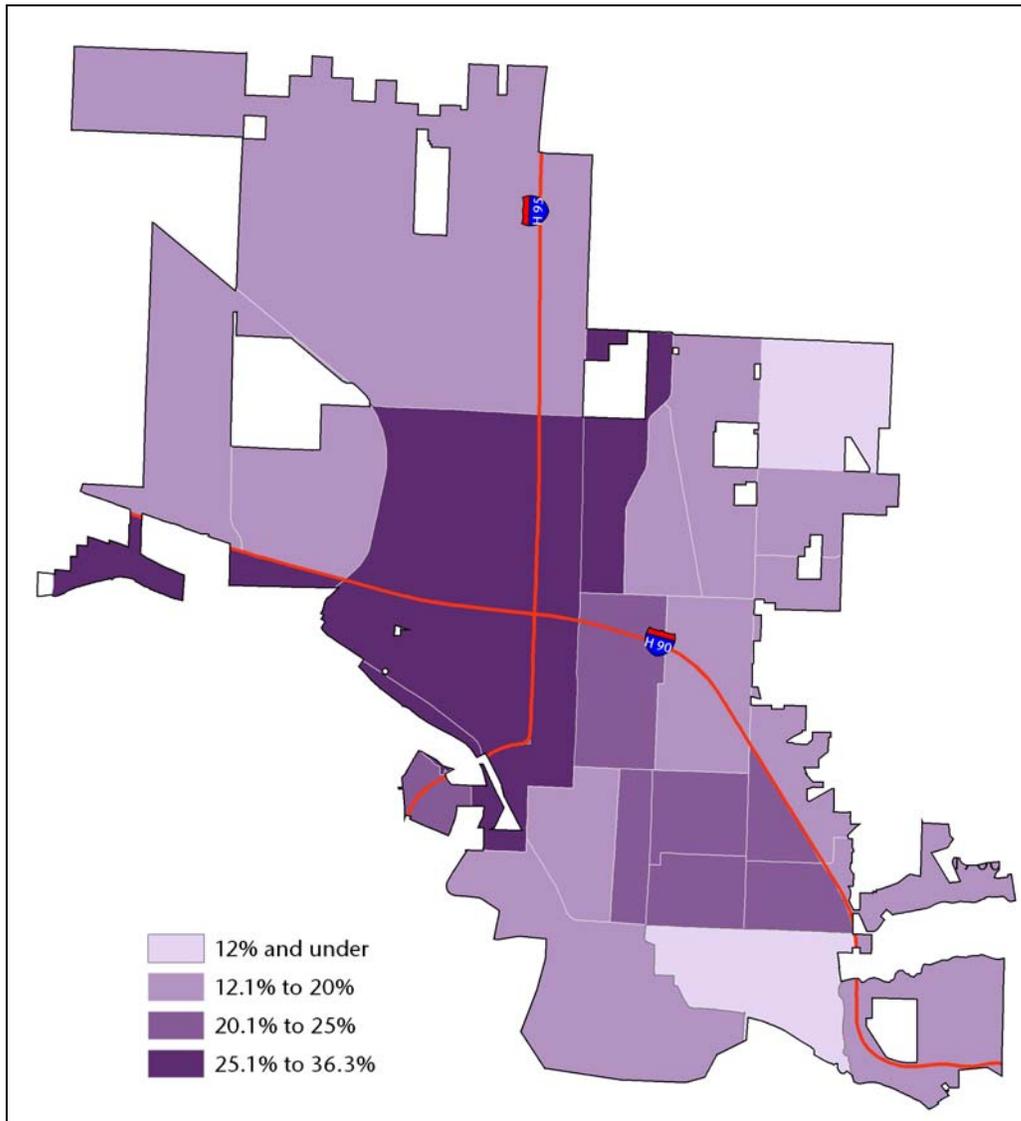
The Census's definition of disability status is based on individual answers to several Census survey questions. According to the Census, individuals have a disability if any of the following three conditions are true: (1) they were 5 years old and over and had a response of "yes" to a sensory, physical, mental or self-care disability; (2) they were 16 years old and over and had a response of "yes" to going outside the home disability; or (3) they were 16 to 64 years old and had a response of "yes" to employment disability.

The most common types of disabilities that residents of Coeur d'Alene had in 2000 were physical (25 percent), difficulty "going outside the home" (18 percent), and sensory (13 percent) and mental (16 percent). Seven percent of disabilities were related to the inability to care for oneself without assistance.

Exhibit II-6 on the following page shows where persons with disabilities lived in Coeur d'Alene in 2000.

⁶ *We the People: Aging in the United States*, Census 2000 Special Reports, issued December 2004.

**Exhibit II-6.
Concentrations of Persons with Disabilities, 2000**



Source: U.S. Census Bureau, 2000 Census.

An analysis of the distribution of persons with disabilities throughout Coeur d'Alene showed that there is very little concentration of persons with disabilities in any area. In one block group, 13 percent of persons with disabilities resided; this was the highest proportion of any block group in the City.

Income

This section provides income information for Coeur d'Alene and Kootenai County. It introduces many of the concepts that are used later in the Consolidated Plan to identify where gaps occur in housing provision and housing need by income level.

The U.S. Census estimates and reports both *family* median and *household* median income. The median income is the point at which 50 percent of households earn above the median amount, and 50 percent earn below the median amount. Household median income is usually lower than family median income, since household income counts single-person households and unrelated persons living together, where median family income does not. That is, the median family income category has a larger proportion of two-earner households, who usually have higher earnings than one-person households.

The 2000 Census reported a median *household* income of \$33,001 for Coeur d’Alene and a median *family* income of \$39,491.

From 2000 to 2005, the City’s median household income increased by 12 percentage points to \$36,811. During this same five-year period, the City’s median family income increased by 15 percentage points to \$45,360. Exhibit II-7 displays the median household and family income for Coeur d’Alene and the county in 2000 and 2005.

**Exhibit II-7.
Median Household and Family Income, 2000 and 2005**

	Median Household Income			Median Family Income		
	2000	2005	% Change	2000	2005	% Change
Coeur d’Alene	\$33,001	\$36,811	12%	\$39,491	\$45,360	15%
Kootenai County	\$37,754	\$43,004	14%	\$42,905	\$49,303	15%

Source: U.S. Census Bureau, 2000 Census and PCensus, 2005 Claritas database.

Income distribution. Exhibit II-8 on the following page shows the estimated income distribution of households in Coeur d’Alene in 2005. In 2005, 25 percent of households made less than \$20,000 per year. The majority of households—67 percent—earned less than \$50,000 per year.

**Exhibit II-8.
Household Income in
Coeur d’Alene, 2005**

Note:
May not total due to rounding.

Source:
PCensus, 2005 Claritas database and BBC
Research & Consulting.

Income	Coeur d’Alene	Kootenai County
Less than \$10,000	1,458	9%
\$10,000 to \$19,999	2,411	16%
\$20,000 to \$29,999	2,269	15%
\$30,000 to \$39,999	2,297	15%
\$40,000 to \$49,999	1,857	12%
\$50,000 to \$59,999	1,410	9%
\$60,000 to \$74,999	1,363	9%
\$75,000 to \$99,999	1,324	9%
\$100,000 to \$149,999	706	5%
\$150,000 to \$199,999	167	1%
\$200,000 or more	122	1%
Total	15,384	100%

Since 2000, Coeur d’Alene’s household incomes have shifted upward. In 2000, 28 percent of households earned less than \$20,000—by 2005, this had dropped to 25 percent. Seventy-three percent of households earned less than \$50,000 in 2000, compared to 67 percent by 2005.

Therefore, household income in Coeur d’Alene has been redistributed to the higher end. In 2000, 12 percent of households earned more than \$75,000 per year. By 2005, this percentage had increased to 16 percent.

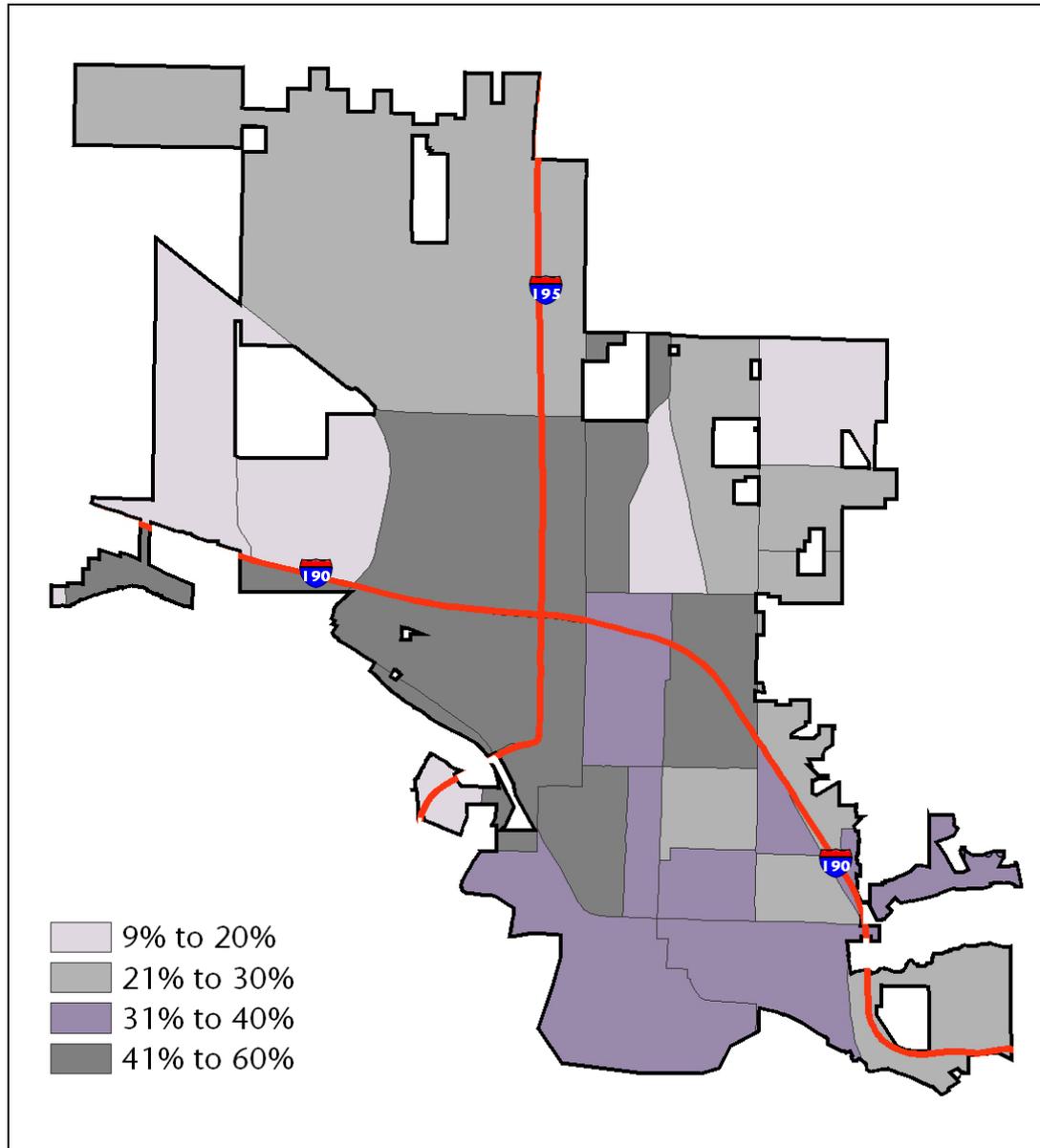
Low-income. The U.S. Department of Housing & Urban Development (HUD) separates households into certain income categories for its housing grant funds and programs. These categories are based on the family median income for an area, called the MFI. The categories are:

- Extremely low-income households, defined as those earning 30 percent of the median family income (MFI) or less;
- Very low-income, earning between 31 and 50 percent of the MFI;
- Low income, earning between 51 and 80 percent of the MFI;
- Moderate income, earning between 81 and 100 percent of the MFI.
- Households earning the median family income and more are classified as “middle-” to “high-income”.

In 2005, HUD estimated the median family income for Kootenai County at \$50,150—a 12 percent increase from 2000. The 2006 MFI for the Coeur d’Alene MSA is estimated at \$50,100 (\$50 less than the 2005 Kootenai County MFI).

Exhibit II-9 shows the location of extremely low- and very low-income households in Coeur d'Alene in 2005, using the HUD definitions of extremely low- and very low-income. Extremely low- and very low-income households are those earning less than \$25,075 per year in 2005.

**Exhibit II-9.
Distribution of Households Earning Less than \$25,075, 2005**



Source: PCensus, 2005 Claritas database and BBC Research & Consulting.

The very western edge of the City limits has the lowest percentage of households earning less than \$25,075; 9 percent of households in this block group have annual incomes in this range. However, no block group in the City is without some proportion of very low-income households.

As shown in the map displayed in Exhibit II-9, there are 3 block groups in the City that have concentrations of extremely low- and very low- income households greater than 50 percent. The

following table lists these block groups and their respective percentages of households earning less than \$25,075 annually.

**Exhibit II-10.
Block groups with Concentrations of
Extremely Low- and Very Low-Income
Households above 50 Percent**

Source:
PCensus, 2005 Claritas database and BBC Research & Consulting.

Block Group	Census Tract	Percent Earning Less than \$25,075
3	9	57%
1	12	57%
1	9	60%

At 60 percent, block group 1 in Census Tract 9, located at the intersection of Highway 95 and I-90, has the highest percentage of households earning less than \$25,075 a year.

Income of the senior population. The senior population (65 and over) in Idaho is growing very rapidly. The Census estimates that Idaho will grow by 52 percent from 2000 to 2030—one of the fastest-growing states in the nation—and a major factor will be the growth in the population 65 and over.

Exhibit II-11 shows the income distribution for seniors only in Coeur d’Alene and county. The shaded percentages represent the highest proportion of seniors in the respective income categories.

**Exhibit II-11.
Income of Senior
Households, 2005**

Note:
May not total due to rounding.

Source:
U.S. Census Bureau, 2000 Census and BBC
Research & Consulting.

Income	Coeur d’Alene	Kootenai County
Less than \$10,000	481 14%	11%
\$10,000 to \$19,999	894 26%	21%
\$20,000 to \$29,999	590 17%	17%
\$30,000 to \$39,999	484 14%	15%
\$40,000 to \$49,999	321 9%	11%
\$50,000 to \$59,999	193 6%	7%
\$60,000 to \$74,999	161 5%	6%
\$75,000 to \$99,999	167 5%	5%
\$100,000 to \$149,999	57 2%	4%
\$150,000 to \$199,999	25 1%	1%
\$200,000 or more	35 1%	2%
Total	3,408 100%	100%

In 2005, in Coeur d’Alene, 14 percent of seniors earned less than \$10,000. This compares with 9 percent of *all Coeur d’Alene households* who earned less than \$10,000 per year in 2005. Forty percent of Coeur d’Alene seniors earned less than \$20,000 in 2005, compared with 25 percent of households overall. Eighty percent of seniors earned less than \$50,000.

Seniors' incomes are much more concentrated on the lower end of the income spectrum than for Coeur d'Alene households overall. That said, the household income of seniors has shifted upwards fairly significantly since 2005.

Poverty. Households living below the poverty level are generally considered to have some of the greatest housing needs because of their very low incomes. To determine poverty status, a person's total family income is compared with the poverty threshold appropriate for that person's family size and composition. If the total income of that person's family is less than the threshold appropriate for that family, then the person is considered poor, together with every member of his or her family. If a person is not living with anyone related by birth, marriage, or adoption, then the person's own income is compared with his or her poverty threshold.

The poverty threshold is established at the federal level and updated annually. It is adjusted for household size but not by geographic area, except for Alaska and Hawaii⁷. In 2006, the poverty threshold for a family of four was \$20,000.

As of the 2000 Census, 13 percent of Coeur d'Alene's population lived in poverty. This compares to 10 percent for the county overall. The City's youngest children were most likely to be living in poverty—18 percent of children in Coeur d'Alene were living below the poverty level.

**Exhibit II-12.
Likelihood of being in
Poverty by Age, 2000**

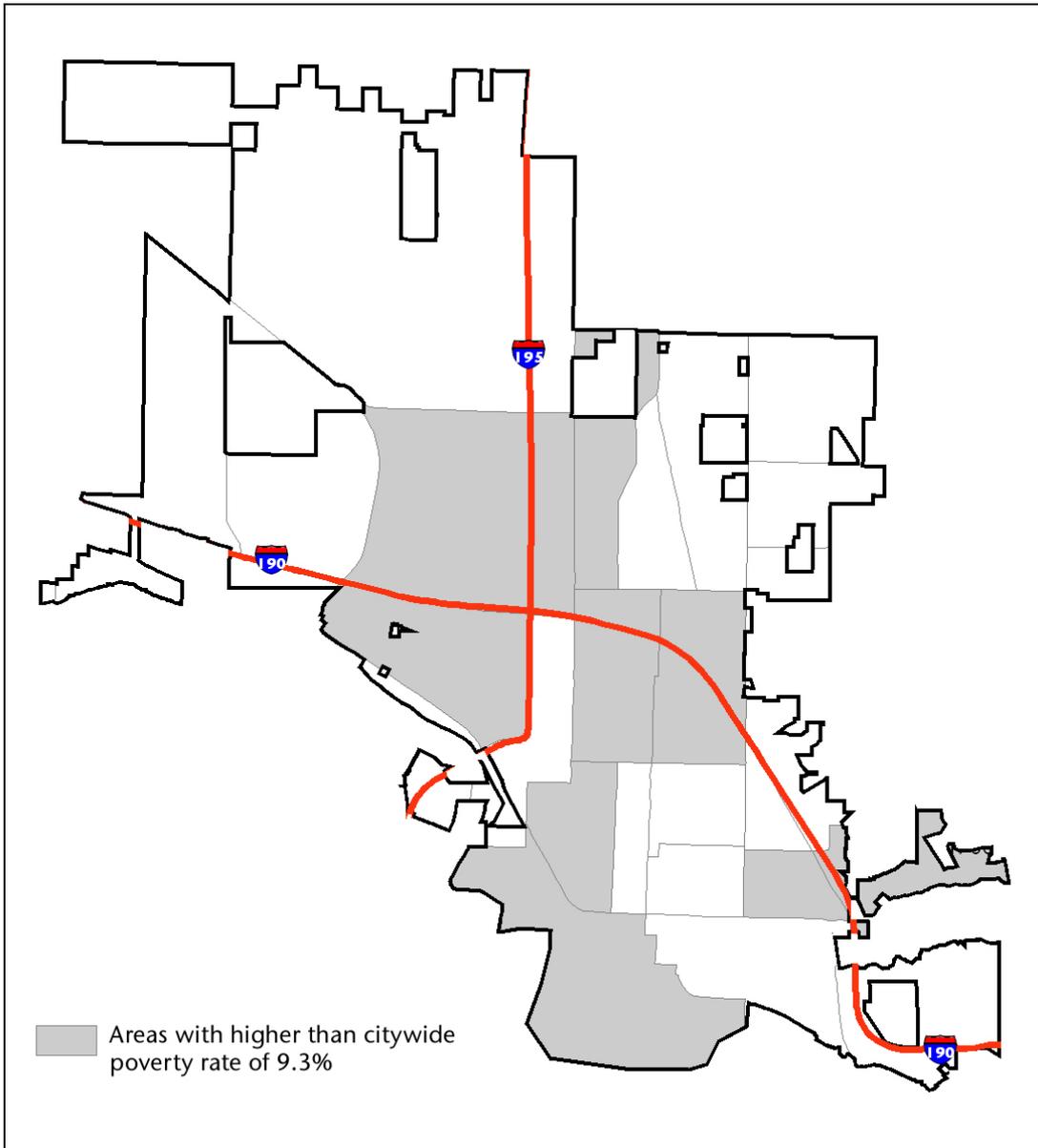
Source:
U.S. Census Bureau, 2000 Census and BBC
Research & Consulting.

Age	Coeur d'Alene		Kootenai County
Under 5 years	434	18%	15%
5 to 17 years	751	13%	13%
18 to 64 years	2,745	13%	10%
65 to 74 years	122	6%	6%
75 and over	261	10%	9%
Overall Poverty Rate		13%	10%

The Citywide *family* poverty rate in 2000 was 9.3 percent and had decreased slightly to 9.1 percent in 2005. Exhibit II-13 on the following page highlights those block groups with family poverty rates above the Citywide percentage in 2005. In general, persons living in poverty do not appear to be concentrated in certain areas in the City.

⁷ Therefore, the poverty threshold in Manhattan, New York is the same as in Minot, North Dakota.

Exhibit II-13.
Areas with Higher than Citywide Poverty Rate, 2005



Source: PCensus, 2005 Claritas database and BBC Research & Consulting.

Employment and Wages

In its current role, Coeur d'Alene is the city employing the most people in all of Kootenai County, providing an estimated 18,000 jobs in 2005. These jobs represent 32 percent of all jobs in the county. This is similar to the proportion of the County population that resides in Coeur d'Alene (31 percent).

Employment data are collected in two ways, by industry (e.g., agriculture, manufacturing) or occupation (e.g., farm worker, auto mechanic). Employment data are usually collected for a metropolitan statistical area (MSA) overall, rather than for individual communities. This section provides information about employment in the Coeur d'Alene MSA, as well as for the communities within the MSA where data are available. It also provides information on wage rates for workers by industry, identifies the largest employers in the City, tracks unemployment rates and discusses housing need as related to employment growth.

Employment base. The Coeur d'Alene Chamber of Commerce estimated that, in 2003, total employment in the City was 18,558. By 2005, the Chamber estimated that employment totaled 21,048, an increase of 2,490 jobs (13 percent) in 3 years. Kootenai County's workforce totaled 65,935 in 2005.

Coeur d'Alene's job base is relatively diverse, with the primary employment industries including the sectors of educational, health and social services, and retail trade. Exhibit II-14 shows employment in Coeur d'Alene and the county by industry, according to the 2000 Census.

As shown in the exhibit, in 2000, the sector employing the largest percentage of people was the educational, health and social services industry; 19 percent of Coeur d'Alene residents were employed in this sector. Following the educational, health and social services industry, the retail trade sector provided 2,798 jobs (17 percent of total employment in the City).

Exhibit II-14. Employment by Industry for the Population Over 16 Years Old, 2000

Industry		Coeur d'Alene	Kootenai County
Agriculture, Forestry, Fishing and Hunting and Mining	337	2%	3%
Construction	1,585	10%	11%
Manufacturing	1,451	9%	12%
Wholesale Trade	474	3%	3%
Retail Trade	2,798	17%	16%
Transportation and Warehousing and Utilities	474	3%	4%
Information	552	3%	3%
Finance, Insurance, Real Estate and Rental and Leasing	879	5%	6%
Professional, Scientific, Management, Administrative and Waste Management Services	1,342	8%	7%
Educational, Health and Social Services	3,025	19%	18%
Arts, Entertainment, Recreation, Accommodation and Food Services	1,972	12%	10%
Other Services (Except Public Administration)	663	4%	5%
Public Administration	602	4%	4%
Total	16,154	100%	100%

Source: U.S. Census Bureau, 2000 Census.

The Idaho Department of Commerce and Labor maintains a database on company name, industry, size and location. This database provides more detailed industry categories than the U.S. Census data. Using this database, the companies in Coeur d'Alene were separated from the rest of Kootenai County to determine the largest industries, defined as those that together provide 50 percent of the jobs in Coeur d'Alene.

It should be noted that although these industries employ the most people within the City limits, this does not mean that all of these employees also *live* in the City of Coeur d'Alene; workers might also commute from areas outside of the City.

Exhibit II-15 highlights specific industry types employing the most persons in the City.

**Exhibit II-15.
Industries in Coeur d'Alene Employing Half of the Workforce, June 2006**

Specific Industry	Estimated Employees	Percent of Total Employment
Kootenai Medical Center	1,750	11%
Elementary and Secondary School	1,287	8%
Food Services	1,148	7%
City and County Offices	1,000	6%
Hotels and Motels	868	5%
Automotive Sales/Repair/Stores	674	4%
Post-Secondary Education	650	4%
Residential Care Facilities	629	4%
Total Employment in Industries Employing Half the Workforce	8,006	49%
Total Estimated Employment in City per the Idaho Business Directory	16,419	

Note: Because the estimated employment was calculated using the median number of jobs in a given employment size class, the estimate may under- or overestimate employment.

Source: Idaho Commerce and Labor, Business Directory, <http://lmi.idaho.gov/cgi/dataanalysis/stFirmsReport.asp?menuchoice=STFIRMS> and BBC Research & Consulting.

The above exhibit shows that, by specific industry, the medical center employs the most people. The second largest industry was the school system, followed by food services. Together, jobs in the government sector (schools, city and county offices, and federal government offices) employ approximately 2,822 persons, providing an estimated 17 percent of total Coeur d'Alene jobs.

Employment by occupation. In Coeur d'Alene, 28 percent of all jobs were sales and office occupations in both 2000 and 2005. This was the highest proportion of any occupational category. Farming, fishing and forestry occupations represented 1 percent or less of the jobs in Coeur d'Alene.

Exhibit II-16.
Occupations for the Population Over 16, 2005

Industry		Coeur d'Alene	Kootenai County
Management, Business, and Financial Operations	1,843	10%	12%
Professional and Related Occupations	3,234	18%	16%
Service Occupations	3,438	19%	17%
Sales and Office Occupations	5,146	28%	28%
Farming, Fishing and Forestry Occupations	93	1%	1%
Construction, Extraction and Maintenance Occupations	2,111	12%	13%
Production, Transportation and Material Moving Occupations	2,224	12%	14%
Total	18,089	100%	100%

Source: PCensus, 2005 Claritas database.

Occupational employment increased by approximately 2,000 jobs from 2000 to 2005 in Coeur d'Alene. However, the distribution of jobs among occupations did not change according to employment data estimates.

Largest employers. The largest employers in Coeur d'Alene were identified using the Coeur d'Alene *Community Profile* from the Idaho Department of Commerce and Labor. Exhibit II-17 shows the company, estimated number of employees and the industry/product.

Exhibit II-17.
Largest Employers/Manufacturers, as of March 1, 2006

Company/Agency	Estimated Employees	Industry/Product
Hagadone Corporation	1,500	Hotel, Resort, Periodicals, Directories
Kootenai County Medical Center	1,200	Healthcare Services
North Idaho College	1,034	Education
Center Partners	900	Call Center
Coeur d'Alene School District #271	883	Education
Kootenai Rehabilitation Center	750	Healthcare Services
Kootenai County	560	Government Services
U.S. Government	560	Government Services
GTE Northwest	380	Call Center and Telecommunications Services
Coldwater Creek Corporation	375	Catalog Clothing Sales
Advanced Input Devices	310	Computer Keyboards Manufacturing
Stimpson Lumber	300	Lumber Manufacturer
Total	8,752	

Source: Idaho Commerce and Labor, *Idaho Community Profiles*, Coeur d'Alene.

Hagadone Corporation, a multifaceted company dealing in the hospitality, food services and publishing industries, is the single largest employer in the City, employing approximately 1,500 persons. Kootenai County Medical Center is the next largest employer in the City, providing 1,200 jobs as of March 1, 2006.

Wages. Specific wage data for the City of Coeur d'Alene alone are not available (employment and wage data are most often reported on the regional or MSA level). However, wage data for the Coeur d'Alene MSA are available from the Bureau of Labor Statistics.⁸ Exhibit II-18 shows the annual median and average wage by occupation in 2005.

Exhibit II-18.

Wages by Occupation in the Coeur d'Alene MSA, May 2005

Occupation	Employment	Annual Average Wage	Annual Median Wage
Office and Administrative Support Occupations	8,280	\$26,480	\$24,830
Sales and Related Occupations	6,150	\$27,870	\$22,360
Food Preparation and Serving Related Occupations	5,340	\$15,090	\$13,750
Production Occupations	3,650	\$25,090	\$23,170
Management Occupations	3,270	\$58,080	\$50,530
Transportation and Material Moving Occupations	2,930	\$23,660	\$22,300
Healthcare Practitioner and Technical Occupations	2,360	\$62,540	\$49,560
Healthcare Support Occupations	2,090	\$20,710	\$19,810
Installation, Maintenance and Repair Occupations	1,930	\$36,210	\$34,290
Building and Grounds Cleaning and Maintenance Occupations	1,720	\$21,010	\$19,590
Personal Care and Service Occupations	1,300	\$18,420	\$16,640
Business and Financial Operations Occupations	1,040	\$43,700	\$39,940
Protective Service Occupations	840	\$31,370	\$29,490
Community and Social Services Occupations	750	\$35,470	\$32,760
Arts, Design, Entertainment, Sports and Media Occupations	700	\$25,760	\$20,500
Computer and Mathematical Occupations	450	\$52,230	\$50,360
Life, Physical, and Social Science Occupations	370	\$42,910	\$39,490
Farming, Fishing, and Forestry Occupations	310	\$31,800	\$33,090
Legal Occupations	270	\$69,770	\$50,100
Construction and Extraction Occupations ⁽¹⁾	**	\$30,000	\$29,280
Total⁽²⁾	50,470	\$31,330	\$25,090

Note: Does not include persons who are self-employed.

(1) Estimate not released due to confidentiality reasons.

(2) Total does not match the sum of the detailed occupations due to jobs that could not be included as part of any detailed category for confidentiality reasons.

Source: Bureau of Labor Statistics, Coeur d'Alene, Idaho—Metropolitan Area, Period: May 2005, Standard Occupational Classification code, <http://www.bls.gov/soc/home.htm>.

In the Coeur d'Alene MSA, the average wage for all occupations was \$31,330 and the median wage was \$25,090, as of May 2005. As discussed in Section III, the wage required to afford the median-valued home in 2005 was \$39,007. Neither the persons earning the median wage nor the persons

⁸ The Coeur d'Alene MSA and Kootenai County are one and the same, representing the same geographic area.

earning the average wage could afford the median-valued home in 2005 (\$129,922). The average wage was \$7,677 less than the required income to afford the median-valued home. The median wage was \$13,917 less than the income necessary to afford the median-valued home in 2005.

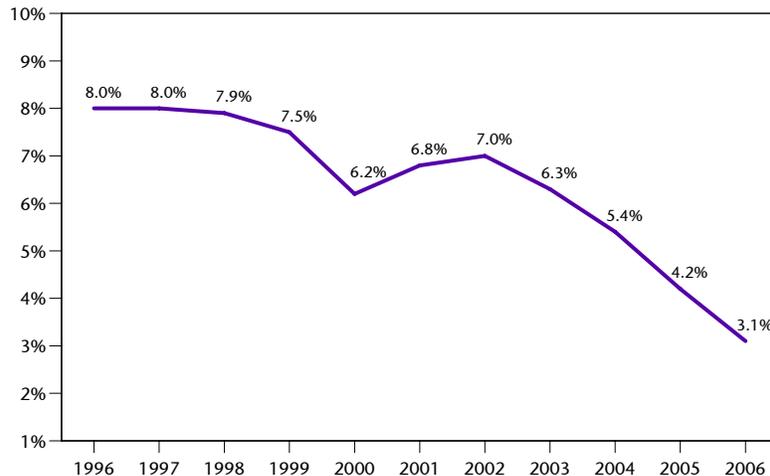
By occupational category, the greatest number of employed persons (8,280) earned an average wage of \$26,480 and a median wage of \$24,830 at an office and administrative support job. This average wage is \$12,527 less than the income required to afford a home valued at \$129,992 (the median-valued home in 2005).

Legal and management occupations earned the most in 2005. The average wage for legal occupations was the highest of all occupations at \$69,770, and the median wage of management occupations was the highest (\$50,530). However, legal occupations in the MSA totaled only 270. There are 12 times more management occupations in the MSA than legal occupations; management occupations totaled 3,270 in 2005, the fifth largest occupational category.

Unemployment rates. Exhibits II-19 and II-20 show unemployment rates in the Coeur d’Alene MSA and for the City only from 1996 through May 2006. Since 1996, the unemployment rate has been on a decreasing trend, with the exception of the early part of the decade when the unemployment rate increased. In recent years, the rate of unemployment has been decreasing at a fairly dramatic rate: From 2005 to May 2006, the unemployment rate decreased from 4.2 percent to 3.1 percent, a 26-percent decrease.

**Exhibit II-19.
Unemployment Rate,
Coeur d’Alene MSA
(Kootenai County),
1996 to 2006**

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

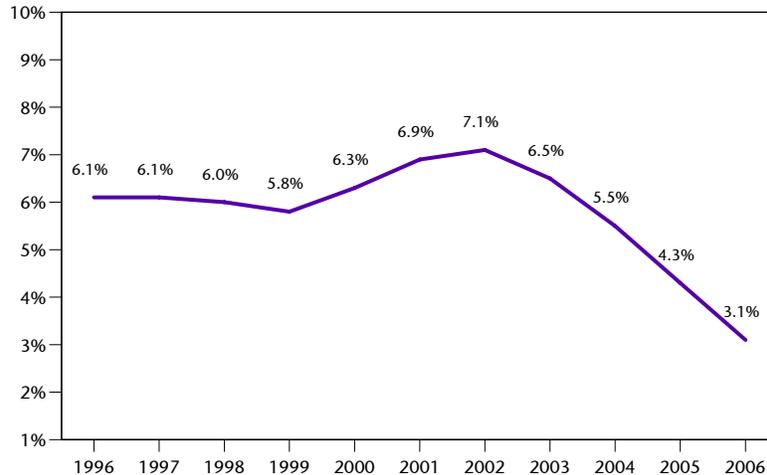


The Bureau of Labor Statistics also provides data on the unemployment rate specifically for the City of Coeur d’Alene. The trend in the unemployment rate mirrors that of the county with one exception. The City’s period of increasing unemployment rates was one year longer than the rate increase in Kootenai County. The unemployment rate in the City increased from 1999 to 2002 (a 4-year period as compared to a 3-year period in the county).

Comparing the actual numeric values of the unemployment rates, Coeur d’Alene’s rate was significantly lower than the County’s in the 1990s. However, since 2000, the City’s and the County’s unemployment rates have been quite close. Exhibit II-20 graphically displays the unemployment rates from 1996 to May 2006 in Coeur d’Alene.

**Exhibit II-20.
Unemployment Rate,
City of Coeur d'Alene,
1996 to 2006**

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



Since 2002, the unemployment rate in Coeur d'Alene has decreased significantly from 7.1 percent in 2002 to just 3.1 percent as of May 2006.

Educational attainment and future workforce. The educational attainment of a community is an important factor that employers consider when deciding to relocate in an area. Exhibit II-21 shows the educational attainment of the City's and county's population over the age of 25. In 2005, about 19 percent of Coeur d'Alene's residents over the age of 25 had graduated from college and/or obtained an advanced degree. Twenty-nine percent had graduated from high school, and another 29 percent had taken some college courses but had not obtained a degree.

**Exhibit II-21.
Educational Attainment
for the Population over
25, 2005**

Note:
May not total due to rounding.
"Professional" degree would include
degrees such as a law degree, educational
certification, etc.

Source:
PCensus, 2005 Claritas database and BBC
Research & Consulting.

	Coeur d'Alene	Kootenai County
Less than 9th Grade	951 4%	3%
9th Grade through 12th Grade (No Diploma)	2,582 10%	10%
High School Graduate (Includes Equivalency)	7,155 29%	30%
Some College, No Degree	7,141 29%	30%
Associate's Degree	2,180 9%	8%
Bachelor's Degree	3,311 13%	13%
Master's Degree	1,101 4%	4%
Professional Degree	396 2%	2%
Doctorate Degree	114 0%	0%
Total	24,931 100%	100%

Future employment growth. The Idaho Department of Commerce and Labor provides the most recent projections of employment. However, the data are only available for Idaho wage areas. Coeur d'Alene and Kootenai County are in Region 1, the North Idaho Wage Area. This area includes Benewah, Bonner, Boundary, Clearwater, Idaho, Kootenai, Latah, Lewis, Nez Perce and Shoshone Counties. Although Region 1 is quite extensive, the data can nonetheless provide some base information about the job growth in the county and Coeur d'Alene.

Exhibit II-22 presents the employment forecasts for 2006 through 2010. The data project a 17-percent increase in total jobs (14,000).

**Exhibit II-22.
Occupational Projections for the North Idaho Wage Area, 2006 through 2012**

Occupation	2006	2012	Numeric Increase	Percent Increase
Office and Administrative Support Occupations	13,013	15,570	2,557	20%
Sales and Related Occupations	9,854	11,070	1,216	12%
Transportation and Material Moving Occupations	6,097	7,160	1,063	17%
Healthcare Practitioners and Technical Occupations	3,466	4,500	1,034	30%
Food Preparation and Serving Related Occupations	7,289	8,290	1,001	14%
Construction and Extraction Occupations	5,195	6,180	985	19%
Management Occupations	5,317	6,160	843	16%
Healthcare Support Occupations	2,229	2,930	701	31%
Production Occupations	5,277	5,870	593	11%
Building and Grounds Cleaning and Maintenance Occupations	3,025	3,560	535	18%
Education, Training, and Library Occupations	3,780	4,250	470	12%
Business and Financial Operations Occupations	2,258	2,700	442	20%
Installation, Maintenance, and Repair Occupations	3,179	3,620	441	14%
Personal Care and Service Occupations	2,349	2,750	401	17%
Community and Social Services Occupations	1,550	1,940	390	25%
Protective Service Occupations	1,666	2,020	354	21%
Architecture and Engineering Occupations	1,425	1,700	275	19%
Life, Physical, and Social Science Occupations	1,341	1,610	269	20%
Computer and Mathematical Occupations	921	1,100	179	19%
Farming, Fishing, and Forestry Occupations	1,423	1,560	137	10%
Legal Occupations	692	820	128	18%
Arts, Design, Entertainment, Sports, and Media Occupations	605	680	75	12%
Total	81,952	96,040	14,088	17%

Source: Idaho Commerce and Labor, Idaho Labor Market Information System.

Numerically, office and administrative support occupations are expected to experience the largest increase of approximately 2,600 jobs. At a projected 15,570 jobs, office jobs will comprise 16 percent of total occupations in 2012. Following office and administrative jobs, sales occupations are expected to increase by 1,200 jobs.

With a 31-percent increase, healthcare support occupations are expected to increase the most percentage-wise; this represents a numeric increase of approximately 700 jobs (from 2,200 jobs to 2,900 jobs by 2012). Even though healthcare support occupations will increase the most percentage-wise over the 6-year period, these jobs will only comprise 3 percent of total jobs in 2012. Healthcare practitioners and technical occupations are expected to undergo the second largest percentage increase from 2006 to 2012. These occupations are predicted to increase by 1,000 to 4,500 jobs, 5 percent of total occupations in 2012.

Housing needs of new workers. Examining job growth by industry and wage category can assist with determining housing needs. For example, if most of the future jobs in an area pay low wages, future housing needs are likely to be at the lower price range, all other things being equal. One limitation of this exercise is that household formation and change—people getting married or divorced and having or not having children—can have a large effect on housing preferences and affordability. A teacher starting his first job might have a very difficult time finding an affordable home until he marries someone who is employed as a tax attorney, at which point housing affordability becomes much less of a concern⁹.

Exhibit II-23 below shows the top 10 occupations that are expected to produce the greatest number of new jobs between 2006 and 2012 in the North Idaho Wage Area. The exhibit estimates the number of employees that will live in Coeur d’Alene based on the current proportion of City employment in the 10-county wage area. According to employment estimates in 2005, employment in Coeur d’Alene currently represents 13 percent of total employment in the North Idaho Wage Area.

The exhibit also identifies the average annual wages of the top 10 occupations and the affordable rents and home prices for each occupation category, based on 2005 wages. Finally, the exhibit determines if an individual earning the average wage can afford to pay the median rent and buy the median-priced home in 2005.

**Exhibit II-23.
Expected Job Growth, 2006 through 2012**

Occupation	Job Openings between 2006 and 2012	Workers Potentially Housed in Coeur d’Alene	2005 Average Wage	Affordable Rent or Mortgage Payment	Affordable Home Price	Could They Afford Median Rent in 2006?	Could They Afford Median-Value Home in 2005?
Office & Administrative Support	2,557	342	\$26,480	\$662	\$88,198	Yes	No
Sales & Related Occupations	1,216	163	\$27,870	\$697	\$92,861	Yes	No
Transportation & Material Moving	1,063	142	\$23,660	\$592	\$78,872	Yes	No
Healthcare Practitioners/Technical	1,034	138	\$62,540	\$1,564	\$208,372	Yes	Yes
Food Preparation & Serving	1,001	134	\$15,090	\$377	\$50,228	No	No
Construction & Extraction	985	132	\$30,000	\$750	\$99,923	Yes	No
Management Occupations	843	113	\$58,080	\$1,452	\$193,450	Yes	Yes
Healthcare Support	701	94	\$20,710	\$518	\$69,013	No	No
Production Occupations	593	79	\$25,090	\$627	\$83,535	Yes	No
Building & Grounds Cleaning/Maint.	535	72	\$21,010	\$525	\$69,946	No	No
Total	10,527	1,408					

Note: Workers Potentially Housed in Coeur d’Alene estimates the number of employees that will live in Coeur d’Alene based on the current proportion of City employment in the 10-county wage area. According to Claritas, employment in Coeur d’Alene currently represents 13 percent of total employment in the North Idaho Wage Area.

Source: Bureau of Labor Statistics, Coeur d’Alene, Idaho—Metropolitan Area, Period: May 2005, Standard Occupational Classification code, <http://www.bls.gov/soc/home.htm>, PCensus, 2005 Claritas database, BBC telephone survey and BBC Research & Consulting. Only persons who are employed as healthcare practitioners or technicians or employed in management positions could afford the median-priced home in Coeur d’Alene in 2005 (\$129,922). All other persons in occupations that are projected to grow the fastest numerically from 2006 to 2012 cannot afford the median-priced home.

⁹ The U.S. Department of Housing & Urban Development addressed the effect of household formation on homeownership in a recent publication, “The Influence of Household Formation on Homeownership Rates Across Time and Race.”

Three out of the top 10 fastest-growing occupations could not afford the median rent, as identified a 2006 rental survey conducted by BBC in 2006 (\$540). These occupations are food preparation and serving-related occupations; healthcare support occupations; and building and grounds cleaning and maintenance occupations. Persons employed in these occupations are likely to have a difficult time finding a place to rent *and* will be priced out of the homeownership market.

The above analysis changes if the person holds more than one job or shares a housing unit with another wage-producing household member. Therefore, the exhibit is only applicable for single wage-producing households.

SECTION III.
Housing Market Analysis

SECTION III.

Housing Market and Special Needs Analysis

This section discusses the housing market in Coeur d'Alene. The section begins with an overview of housing in Coeur d'Alene and Kootenai County. For the City, the section discusses housing condition and provides an affordability analysis with a calculation of the mismatch between supply and demand for affordable housing. It concludes with a discussion of assisted and special-needs housing available in the area.

Summary

- According to the U.S. Census, the median value of all homes in Coeur d'Alene increased 23 percent between 2000 and 2005, from \$105,300 in 2000 to \$129,922 in 2005. The *average* price of homes for sale during this period increased from \$121,895 in 2001 to \$229,687 as of April 30, 2006. Countywide, 34 percent of homes on the market in 2002 were priced at \$100,000 or less. In the first 4 months of 2006, this had dropped to just 6 percent. In sum, the housing market has been very strong in the Coeur d'Alene area in the past 5 to 6 years, and affordable housing is becoming increasingly difficult to find.
- Rental prices have increased more slowly than the prices of homes for sale, and rental units are affordable to all but the City's lowest-income renters. In 2005, 60 percent of renters in Coeur d'Alene could afford the median-priced rental unit.
- A comparison of housing supply with household demand by price range found a shortage of 861 units to serve the City's renters earning less than \$15,000 per year. For owner-occupied housing, households earning less than \$60,000 per year have difficulty finding a home they can afford in the current market. Indeed, a review of homes for sale in September 2007 found that 11 percent of residential units for sale were affordable to low- and moderate-income households (making less than roughly \$50,000). This was improved from the percentage in August 2006 (6 percent)—nonetheless, the for sale market is still very limited for low- and moderate-income renters.
- A residential housing condition survey conducted in neighborhood revitalization areas in Coeur d'Alene found most properties in sound condition or needing only minor repairs. However, the Midtown neighborhood has many properties with driveways in poor condition and sidewalks that were crumbling and/or had tripping hazards, along with accessory units in unsound condition.
- Coeur d'Alene provides a variety of assisted housing opportunities for the City's lowest income households and households with special housing needs. There are approximately 4,700 families in Kootenai County (1,751 in Coeur d'Alene) whose incomes qualify them for housing assistance. Within the County there are 869 family units and 461 elderly units offering subsidized rental housing (with 175 units that are handicapped accessible); 68 beds in shelters to assist homeless persons/families and

victims of domestic violence; and 37 units (113 beds maximum) of transitional housing for persons moving out of homelessness. However, housing and service providers who serve the County’s lowest income and special-needs populations report more of these housing types are needed to meet the needs of the current population.

- The City of Coeur d’Alene includes the following populations with special needs: almost 3,000 persons with substance abuse dependence, 1,600 persons with severe mental illness, almost 800 people with a developmental disability, 6,300 residents with a physical disability, 173 unsheltered individuals experiencing homelessness in Region 1 (of which Coeur d’Alene is a part), and 580 “disconnected” youth.

Residential Housing Units

In 2000, the residents of Coeur d’Alene occupied 13,940 units. The majority of these housing units—64 percent—were single-family detached homes. The next most common types of residential unit in the City were duplexes/triplexes/fourplexes, which collectively made up 11 percent of all occupied units.

Compared to other cities in the Coeur d’Alene area, Coeur d’Alene had the lowest percentage of occupied single-family homes. This was offset by the City’s relatively higher proportion of multifamily units, ranging from duplexes to apartment complexes with more than 50 units. These multifamily residential units made up 25 percent of Coeur d’Alene’s occupied housing in 2000. The City of Coeur d’Alene has a relatively low proportion of mobile homes compared to surrounding areas: 8 percent of all occupied housing was mobile homes in 2000.

Exhibit III-1 below shows the number of units and type of residential housing in Coeur d’Alene and Kootenai County in 2000.

**Exhibit III-1.
Occupied Housing Units
by Units in Structure,
2000**

Source:
U.S. Census Bureau, 2000 Census and BBC
Research & Consulting.

	Coeur d’Alene		Kootenai County
Total housing units	13,940		41,308
1-unit, detached	8,861	64%	70%
1-unit, attached	615	4%	3%
2 to 4 units	1,473	11%	6%
5 to 19 units	0	0%	4%
20 to 49 units	236	2%	1%
50 units or more	526	4%	2%
Mobile home	1,112	8%	13%
Boat, RV, van, etc.	25	0.2%	0.3%

Exhibit III-2 shows the estimated type of residential housing in 2005. Compared to the 2000 Census data shown in Exhibit III-1, the types of housing units have changed very little.¹ For Coeur d'Alene, the most significant change was a decrease of 2 percentage points for occupied single-family units (from 64 percent in 2000 to 62 percent in 2005). Additionally, occupied mobile homes increased by 1 percentage point from 8 to 9 percent.

**Exhibit III-2.
Occupied Housing Units
by Units in Structure,
2005**

Source:
PCensus, Claritas database and BBC
Research & Consulting.

	Coeur d'Alene		Kootenai County
Total housing units	16,432		52,073
1-unit, detached	10,200	62%	69%
1-unit, attached	696	4%	3%
2 to 19 units	2,939	18%	10%
20 to 49 units	281	2%	2%
50 units or more	633	4%	2%
Mobile home	1,552	9%	14%
Boat, RV, van, etc.	131	1%	1%

Housing occupied by renters. Of the 8,861 single-family units in Coeur d'Alene in 2000, about 18 percent was occupied by renters. As shown in Exhibit III-3, renters were most likely to be renting single-family units (30 percent of renters lived in single-family units), followed by duplexes/triplexes/fourplexes (24 percent) and small apartment buildings with 5 to 19 units (20 percent).

**Exhibit III-3.
Renter-Occupied
Housing by Units in
Structure, 2000**

Source:
U.S. Census Bureau, 2000 Census and BBC
Research & Consulting.

	Coeur d'Alene		Kootenai County
Total housing units	5,314		10,527
1-unit, detached	1,584	30%	35%
1-unit, attached	448	8%	7%
2 to 4 units	1,299	24%	22%
5 to 19 units	1,075	20%	14%
20 to 49 units	228	4%	5%
50 units or more	477	9%	8%
Mobile home	184	3%	10%
Boat, RV, van, etc.	19	0.4%	0.3%

¹ Please note that the 2005 units in structure categories do not exactly match the 2000 Census categories. The 2000 Census has a separate category for occupied housing units in structures with 2 to 4 total units. Claritas does not have a separate category for 2 to 4 units; instead, the category is 2 to 19 units.

Housing Condition

This section reports the results of the housing condition survey that was conducted as part of a Citywide housing needs assessment in 2006. It also includes data on housing units in substandard condition, as reported through Census surveys.

Substandard housing definition. HUD requires that the City define the terms “standard condition,” “substandard condition” and “substandard condition but suitable for rehabilitation.” For the purposes of this report, units are in standard condition if they meet the HUD Section 8 quality standards. Units that are substandard but suitable for rehabilitation do not meet one or more of the HUD Section 8 quality standards. These units are also likely to have deferred maintenance and may have some structural damage such as leaking roofs, deteriorated interior surfaces, and inadequate insulation. A unit is defined as being substandard if it is *lacking the following*: complete plumbing, complete kitchen facilities, public or well water systems, and heating fuel (or uses heating fuel that is wood, kerosene or coal).

Units that are substandard but suitable for rehabilitation include units with some of the same features of substandard units (e.g., lacking complete kitchens or reliable and safe heating systems, or are not part of public water and sewer systems). However, the difference between substandard and substandard but suitable for rehabilitation is that units suitable for rehabilitation will have in place infrastructure that can be improved upon. In addition, these units might not be part of public water and sewer systems, but they will have sufficient systems to allow for clean water and adequate waste disposal.

Without evaluating units on a case-by-case basis, it is impossible to distinguish substandard units that are suitable for rehabilitation. In general, the substandard units that are less likely to be easily rehabilitated into good condition are those lacking complete plumbing; those which are not part of public water and sewer systems and require such improvements; and those heated with wood, coal, or heating oil. Units with more than one substandard condition (e.g., lacking complete plumbing and heated with wood) and older units are also more difficult to rehabilitate.

Residential survey. In late August 2006, as part of a City housing needs assessment, surveyors observed the exterior condition of a sample of residential properties in the Midtown and East Sherman neighborhoods in the City of Coeur d’Alene. These neighborhoods were selected because they are either existing or potential targeted redevelopment areas for the City. The surveyors took notice of the condition of public sidewalks, private sidewalks, private driveways, roofs, structure, exterior paint, windows and doors, porches/fences/accessory buildings, and the lawn/landscaping. Each item was assigned a rating of between 1 and 4 according to predeveloped rating criteria, with 4 being in sound condition and 1 being in dilapidated condition.

Exhibit III-4 shows the types of properties examined in each neighborhood. The housing units were mostly occupied or for sale, and single-family detached units.

**Exhibit III-4.
Occupancy and Type of
Housing Examined**

Source:
BBC Research & Consulting.

	East Sherman	Midtown
Occupancy		
Occupied	85%	80%
For Sale	6%	15%
Vacant	5%	0%
Unknown	5%	5%
	100%	100%
Housing Type		
Single-Family Detached	87%	91%
2-4 Units	8%	7%
5+ Units	5%	2%
Mobile Home	0%	0%
	100%	100%

Exhibit III-5 shows the average ratings of the homes examined for the two neighborhoods, by condition type. (Recall that 4 is the highest rating; 1 is the lowest). Anything between 3 and 4 implies fairly good to sound condition, with minor repairs possibly needed.

In general, the homes in the East Sherman neighborhood were found to be in slightly better condition—particularly for sidewalks and drives, and porches/fences/accessory buildings. The public sidewalks in East Sherman, however, averaged a lower condition rating than in Midtown.

**Exhibit III-5.
Condition Ratings**

Source:
BBC Research & Consulting.

	East Sherman	Midtown
Public sidewalks	2.9	3.1
Roof	3.8	3.7
Structure & exterior paint	3.9	3.8
Windows & doors	3.9	3.7
Sidewalks & drives	3.8	2.9
Lawns/shrubs/litter	3.6	3.6
Porches/fences/accessory buildings	3.8	3.2

Overall, most properties in the two neighborhoods either need minor repairs or are in sound condition. The only condition type that averaged a rating below 3 was sidewalks and driveways in the Midtown neighborhood. Some of the houses examined in this neighborhood had dirt or gravel driveways in poor condition and sidewalks that were crumbling and/or had tripping hazards.

The Midtown area also ranked relatively low for the condition of porches, fences and—in particular—accessory buildings. The surveyor observed many accessory structures that appeared to be in unsound condition and could be hazardous, as well as clutter and objects in front and back and side yards.

Census condition surveys. The 2000 Census also provides information on housing condition, as collected through the Census survey of households. The Census data are useful in identifying the percentage of units that are in severely substandard condition—lacking complete plumbing facilities, lacking complete kitchens and units without standard heating². Exhibit III-6 shows the number and proportion of units in Coeur d’Alene and the County that were in substandard condition according to the Census in 2000.

**Exhibit III-6.
Housing Units in Substandard Condition, 2000**

	Coeur d’Alene		Kootenai County	
Total housing units	14,775		46,607	
Lacking complete plumbing facilities	107	0.7%	331	0.7%
Lacking complete kitchen facilities	200	1.4%	403	0.9%
Using non-utility heat or no heat	922	6.2%	6,750	14.5%
Total	1,229	8.3%	7,484	16.1%

Note: The universe for plumbing and kitchen facilities is housing units. The universe for heating type is *occupied* housing units. Non-utility heat consists of nontraditional heat sources including coal, wood, fuel oil, kerosene and bottled gas.

Source: U.S. Census Bureau, 2000 Census and BBC Research & Consulting.

As shown above, just over 2 percent of the City’s units were lacking complete plumbing and kitchen facilities in 2000. The number of units without complete kitchen facilities (200) was almost twice the number without complete plumbing (107) in 2000.

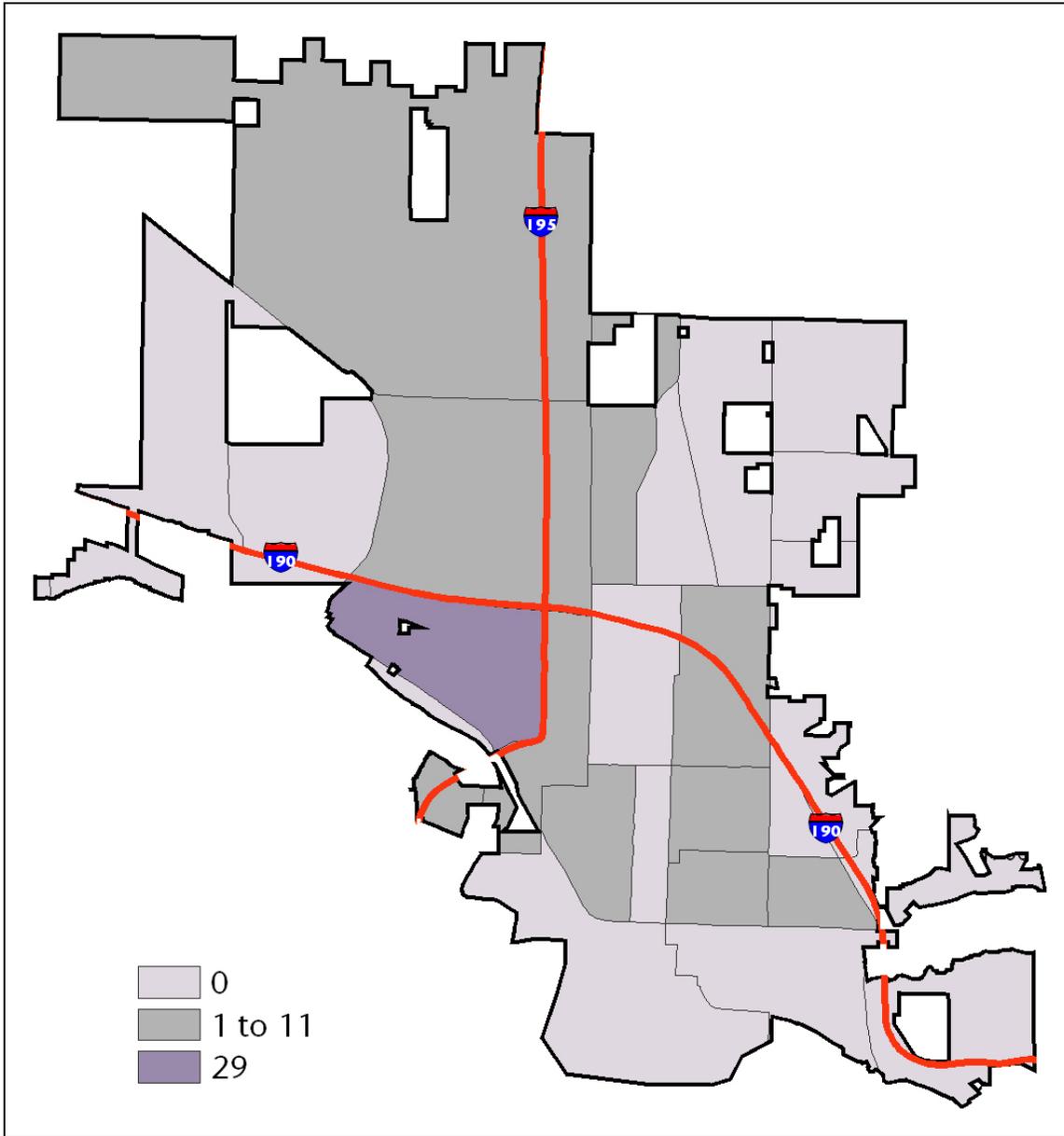
Exhibits III-7 through III-9 provide further detail on two condition indicators by Census Block Group for the City of Coeur d’Alene. Mapping these indicators gives insight into the areas with concentrations of substandard housing.

The following map shows the number of units in the City, by Block Group³, that have incomplete plumbing. Numerically and percentage-wise, the City does not have a significant problem with substandard plumbing.

² The condition survey described above did not inventory these conditions since surveyors did not go inside the home.

³ As Block Group is the smallest geographic unit for which the Census Bureau tabulates much of its data. A Block Group is made up of “blocks,” which can correspond to residential blocks in cities and towns.

**Exhibit III-7.
Housing Units Lacking Plumbing Facilities, 2000**

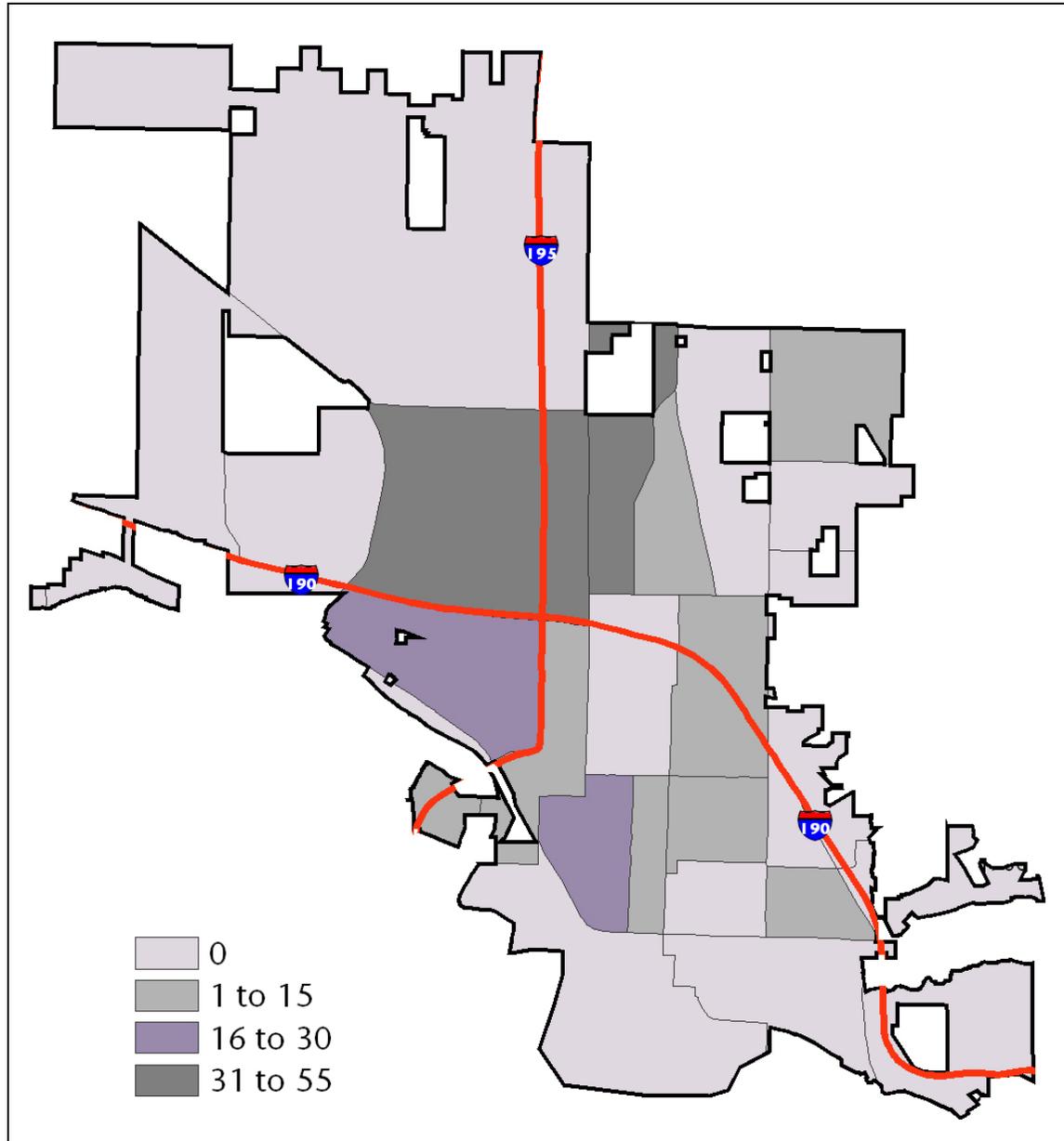


Note: The total number of housing units in the Block Groups lacking complete plumbing facilities is 7 housing units more than the City of Coeur d'Alene total without plumbing; some Census Block Groups are not wholly included in the City limits.

Source: U.S. Census Bureau, 2000 Census.

Exhibit III-8 portrays areas in the City with incomplete kitchen facilities. Similar to plumbing facilities, there are few housing units with substandard kitchen facilities.

**Exhibit III-8.
Housing Units Lacking Kitchen Facilities, 2000**

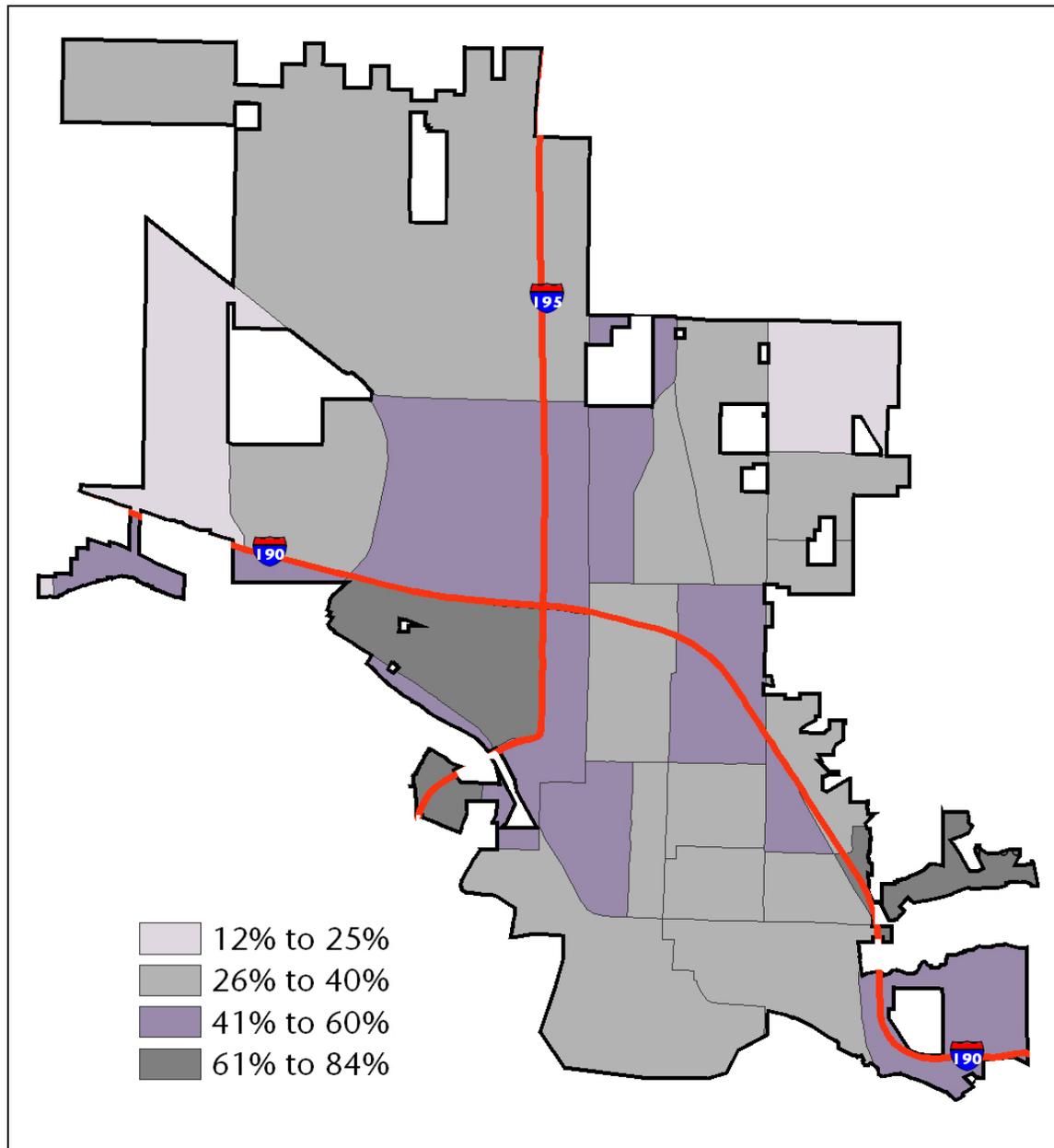


Note: The total number of housing units in the Block Groups lacking complete kitchen facilities is 7 housing units more than the City of Coeur d'Alene total without complete kitchen facilities; some Census Block Groups are not wholly included in the City limits.

Source: U.S. Census Bureau, 2000 Census.

Exhibit III-9 shows the percentage of housing units by Block Group that use non-utility sources of heat or have no heating source.

**Exhibit III-9.
Housing Units Using Non-Utility Heat or Lacking Heat Sources, 2000**



Source: U.S. Census Bureau, 2000 Census.

Age of housing units. Housing age is important to consider in any city because often the older the home, the more likely the home is to be in substandard condition. Age of housing is also correlated with lead-based paint risk (discussed later in this section).

Exhibit III-10 on the following page lists the age of housing by decade for the City and County from 1939 to March of 2000. By decade, the largest percentage of housing units in Coeur d'Alene was built between 1990 and 2000: Nearly one-third of the City's housing stock was built during these ten years. Numerically, just over 4,000 units were built during this decade.

**Exhibit III-10.
Number and Percent of
Housing Units by Age,
2000**

Note:
May not total due to rounding.

Source:
U.S. Census Bureau, 2000 Census and BBC
Research & Consulting.

	Coeur d'Alene		Kootenai County
1939 or earlier	1,865	13%	8%
1940–1949	953	7%	4%
1950–1959	1,144	8%	6%
1960–1969	1,183	8%	7%
1970–1979	3,095	22%	24%
1980–1989	1,632	12%	14%
1990–March 2000	<u>4,068</u>	<u>29%</u>	<u>38%</u>
Total	13,940	100%	100%

Comparatively, the housing stock in Coeur d'Alene is older than that of the surrounding areas in 2000. The City's housing stock built from 1939 (or earlier) to 1949 was 9 percent higher than Kootenai County (the next closest percentage-wise). Exhibit III-11 below provides further detail on the age of housing units by dividing the units into renter and owner-occupied.

**Exhibit III-11.
Number and Percent of Housing Units by Age and Tenure, 2000**

	Coeur d'Alene				Kootenai County	
	Owner-Occupied		Renter-Occupied		Owner-Occupied	Renter-Occupied
1939 or earlier	1,152	13%	713	13%	7%	10%
1940–1949	627	7%	326	6%	4%	4%
1950–1959	845	10%	299	6%	5%	6%
1960–1969	655	8%	528	10%	6%	9%
1970–1979	1,678	19%	1,417	27%	24%	26%
1980–1989	879	10%	753	14%	14%	15%
1990–March 2000	<u>2,790</u>	<u>32%</u>	<u>1,278</u>	<u>24%</u>	<u>40%</u>	<u>30%</u>
Total	8,626	100%	5,314	100%	100%	100%

Note: May not total due to rounding.

Source: U.S. Census Bureau, 2000 Census and BBC Research & Consulting.

Overall, the owner and renter housing stock in the City has been built at fairly equal rates, with one exception. From 1970 to 1979, 27 percent of the rental housing stock was built from 1970 to 1979, while only 19 percent of the homeownership housing was built during this same period.

Numerically, before 1939 until 1959, the new housing built in Coeur d'Alene was primarily owner-occupied housing. However, beginning in 1960 until the late 1980s, the housing market began to balance out and the gap in the *number* of owner and renter units built each decade narrowed. The market shifted again from 1990 to 2000 emphasizing owner units over rental units (2,790 owner units vs. 1,278 renter units).

Exhibit III-12 shows the estimated distribution of housing units by age as of 2005.

**Exhibit III-12.
Number and Percent of
Housing Units by Age,
2005**

Note:

May not total due to rounding.

Source:

PCensus, 2005 Claritas database and BBC
Research & Consulting.

	Coeur d'Alene		Kootenai County
1939 or earlier	1,902	12%	6%
1940–1949	934	6%	3%
1950–1959	1,131	7%	5%
1960–1969	1,274	8%	7%
1970–1979	3,113	19%	21%
1980–1989	1,697	10%	13%
1990–1999	4,214	26%	31%
2000–March 2005	2,167	13%	14%
Total	16,432	100%	100%

Between 2000 and 2005, the City built an estimated 2,167 new housing units (owner and renter-occupied).⁴ The number of new units built during this period (from 2000 to 2005) is on pace to meet the same number of units built during the previous decade (1990 to 2000).

Overcrowded housing. In addition to substandard housing condition, another key factor to examine in evaluating housing condition is overcrowded housing. The U.S. Department of Housing and Urban Development (HUD) defines an overcrowded unit as having more than one person per room. According to 2000 Census data, about 1 percent of owner-occupied housing units and 2 percent of renter-occupied units in Coeur d'Alene were overcrowded.⁵

Exhibit III-13 shows the number of renter and owner households in overcrowded conditions in Coeur d'Alene and the County.

**Exhibit III-13.
Households Living in Overcrowded Conditions, 2000**

1.01 or More Occupants per Room	Total Occupied		Owner-Occupied		Renter-Occupied	
	Number of Units	Percent of Units	Number of Units	Percent of Units	Number of Units	Percent of Units
Coeur d'Alene	500	4%	167	1%	333	2%
Kootenai County	1,401	3%	789	2%	612	1%

Note: May not total due to rounding.

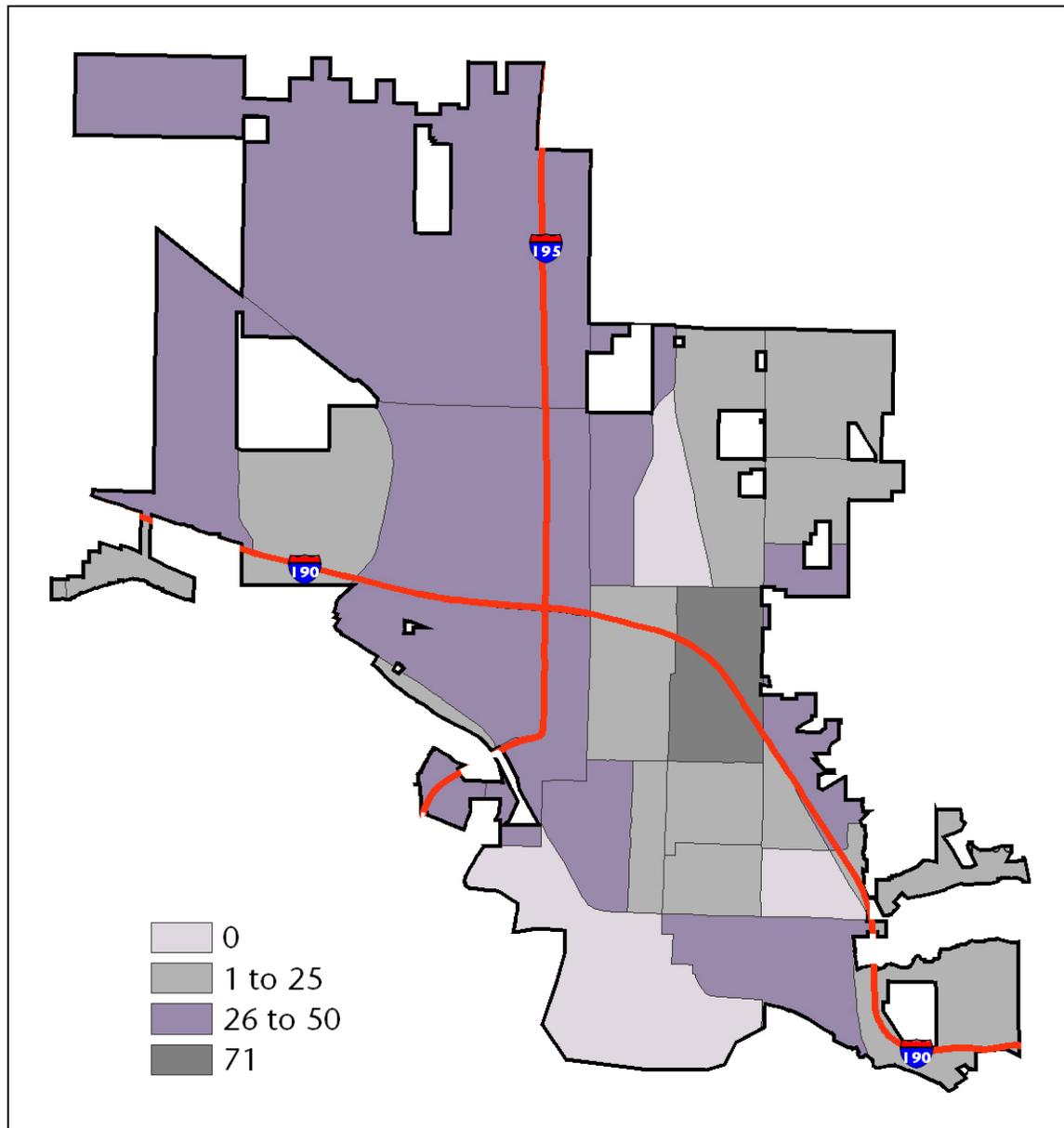
Source: U.S. Census Bureau, 2000 Census and BBC Research & Consulting.

⁴ Claritas, the commercial data provider, does not offer data on housing age by tenure.

⁵ Claritas does not offer data on overcrowded housing units for 2005.

Exhibit III-14 highlights the areas in the City where there are concentrations of overcrowded housing. It should be noted that together these units represent just 4 percent of all housing units in the City.

Exhibit III-14.
Number of Households Living in Overcrowded Conditions, 2000



Note: The total number of overcrowded housing units in the Block Groups is 83 housing units more than the City of Coeur d'Alene total; some Census Block Groups are not wholly included in the City limits.

Source: U.S. Census Bureau, 2000 Census.

The most northern Block Group in the City has 48 units with 1.01 occupants or more per room, the largest number of all Block Groups in Coeur d'Alene. The majority of Block Groups in the City, however, have between 26 and 50 households living in overcrowded conditions.

Lead-safe housing. Pursuant to Section 91.215 of the Consolidated Plan regulations, this section contains an estimate of the number of housing units in the City that contain lead-based paint hazards and are occupied by the City's low- and moderate-income families.

Lead-based paint risks. Childhood lead poisoning is one of the major environmental health hazards facing American children today. As the most common high-dose source of lead exposure for children, lead-based paint was banned from residential paint in 1978. Housing built prior to 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 estimates that heavily leaded paint is found in about two-thirds of the homes built before 1940, one-half of the homes built from 1940 to 1960 and some homes built after 1960. Inadequately maintained homes and apartments are more likely to suffer from a range of lead hazard problems, including chipped and peeling paint and weathered window surfaces.

Children are exposed to lead poisoning through paint debris, dust and particles released into the air that settle onto the floor and windowsills and even the exterior perimeter of a home from peeling paint, which can be exacerbated during a renovation. The dominant route of exposure is from ingestion and not inhalation. Young children are most at risk because they have more hand-to-mouth activity and consequently absorb more lead than adults.

Excessive exposure to lead can slow or permanently damage the mental and physical development of children ages six and under. An elevated blood level of lead in young children can result in learning disabilities, behavioral problems, mental retardation and seizures. In adults, elevated levels can decrease reaction time, cause weakness in fingers, wrists or ankles and possibly affect memory or cause anemia. The severity of these results is dependent on the degree and duration of the elevated blood level of lead.

The primary treatment for lead poisoning is to remove the child from exposure to lead sources. This involves moving the child's family into temporary or permanent lead-safe housing, particularly while renovations might be in progress. Lead-safe housing is the only effective medical treatment for poisoned children and is the primary means by which lead poisoning among young children can be prevented.

Households with lead-based paint risk. According to 2005 data projections, an estimated 12 percent (1,902 housing units) of Coeur d'Alene's housing stock was built before 1939, when lead-based paint was most common. Another 13 percent (2,065 housing units) was built between 1940 and 1960, when lead-based paint was still used, but the amount of lead in the paint was being reduced.⁶ Without conducting detailed environmental reviews of the City's housing stock, it is difficult to determine the number of households at risk of lead-based paint hazards. However, households living in substandard units or older housing and who are low-income are more likely to be exposed to lead-based paint than higher-income households living in newer or rehabilitated older housing.

As of the 2000 Census, there were 1,152 homeowners and 713 renter households living in units built before 1940, and 1,472 homeowners and 625 renters living in housing constructed between 1940

⁶ This includes vacant as well as occupied housing units.

and 1960. The Census estimates that 61 of the homeowners and 172 of the renters living in units built before 1939 had incomes under the poverty level. Similarly, 97 homeowners and 117 renters who lived in units built between 1940 and 1960 and had incomes under the poverty level.

There were also as many as 307 units in the City in 2000 without complete plumbing or kitchen facilities.

An upper bound estimate of the households at risk of lead-based paint can be calculated by assuming that all households living in units built before 1940, 50 percent of the households living in units built between 1940 and 1960, and all substandard units contain lead-based paint. This would total 3,220 housing units—or a little less than 20 percent of the City’s units. A lower bound estimate is calculated by assuming that households most at-risk of lead-based paint hazards are those with very low incomes, since they are unlikely to have the economic ability to reduce lead-based paint hazards and/or live in the most affordable housing, which may not have had lead-based paint mitigation. If all of the renters and owners in poverty and living in housing units built before 1940 and 50 percent of those living in units built between 1940 and 1960 are assumed to have lead-based paint risk, the lower bound estimate is 340 households (with substandard units, 647 units)—or between 2 and 4 percent of the City’s housing units.

Cost of Housing

This section provides data on the prices of the City’s single-family homes and rental units. The section also discusses recent trends in home sales and rental prices in Coeur d’Alene, as collected through data on home resales and a 2006 telephone survey conducted of property owners and manager of the City’s rental units.

The cost of for-sale housing. This section presents data on owner-occupied housing in Coeur d’Alene. It begins with data on the median value of owner-occupied housing, as collected through Census surveys. It also presents data for homes on the market, as reported through the real estate Multiple Listing Service (MLS).

The median values of owner-occupied housing in the City differ considerably from the average values suggested by the MLS because of a few reasons:

- The home values from the 2000 Census and the 2005 projections present values for all units in the City, not just those for sale. The MLS data represent homes for sale only.
- The home values from the 2000 Census and the 2005 projections are *median* values. That is, they report the point at which half of all houses in Coeur d’Alene are valued at less than the median, and half are valued at more. In contrast, the MLS data report *average* values. Average values are influenced by very high and very low numbers, where the median is not. Sales on the very high end of the market in Coeur d’Alene have pushed up the average value recently.

The 2000 and 2005 homes values are useful to understand how well the market fits the income distribution of residents in Coeur d’Alene. (This exercise is conducted as part of the “housing gaps” analysis that follows). The MLS data are useful in determining how easy it is for the certain

households to find a home to purchase, including household moving into the area, renters wanting to become owners and current owners who wish to sell and move into a different house.

Census data on home values. In 2000, the median value of Coeur d’Alene’s occupied owner units was \$105,300. The “median price” is the point at which half of the units are valued at less than the median and half are valued at more than the median. Using the median to measure overall prices is better than using an average because the median is not influenced by extreme prices (e.g., large, custom homes selling at prices far above the majority of the market).

Exhibit III-15 shows the 2000 median values for owner-occupied homes in Coeur d’Alene, the median value of homes on the market as of 2000 (“asked price”), and the estimated median value in 2005.

According to data projections, the median value in 2005 was estimated at \$129,922 for Coeur d’Alene—a 23 percent increase. That is, between 2000 and 2005, the median value of owner-occupied homes in the City rose by \$24,622.

**Exhibit III-15.
Median Value and Asking Price of Owner Housing Units, 2000 and 2005**

	2000 Median Value	2000 Median Price Asked	2005 Median Value	Percent Change 2000–2005
Coeur d’Alene	\$105,300	\$981	\$129,922	23%
Kootenai County	\$116,400	\$1,149	\$142,788	23%

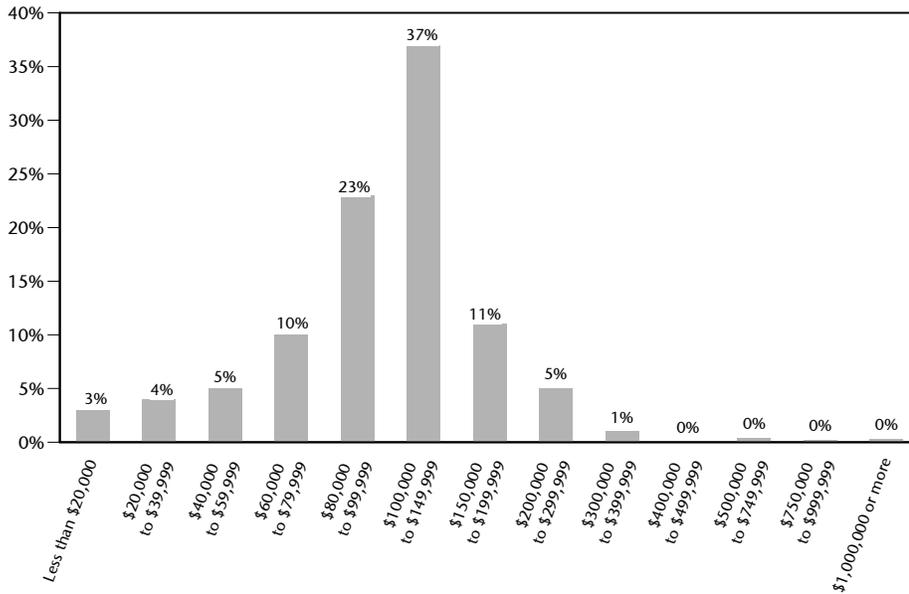
Source: U.S. Census Bureau, 2000 Census, PCensus, 2005 Claritas database and BBC Research & Consulting.

Exhibits III-16 and III-17 graphically show the median value of owner-occupied homes in Coeur d’Alene in 2000 and 2005. The highest bar represents the value of the largest proportion of units. For example, in 2000, 37 percent of owner-occupied units in Coeur d’Alene were valued at between \$100,000 and \$150,000. Another 23 percent were valued at between \$80,000 and \$100,000. Therefore, 60 percent of the City’s housing stock in 2000 had a value of between \$80,000 and \$150,000.

Comparing Exhibits III-16 and III-17 shows how the market has shifted between 2000 and 2005. Even though the highest proportion of units in 2005 remains in the \$100,000 and \$150,000 price range, the proportion of lower priced units (\$60,000 to \$100,000) has changed dramatically. In 2000, 33 percent of Coeur d’Alene’s owner-occupied units were worth \$60,000 and \$100,000. By 2005, this had dropped to 14 percent.

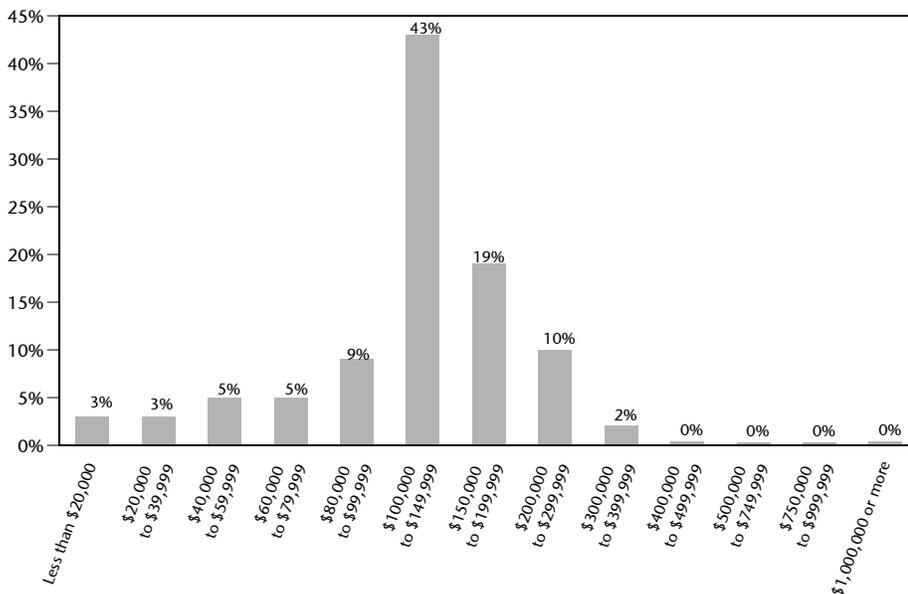
Making up for this change is a growth in units valued between \$150,000 and \$300,000. In 2000, 16 percent of the City’s owner-occupied housing stock was valued at between \$150,000 and \$300,000. By 2005, this had grown to 29 percent.

Exhibit III-16.
Values of Owner-Occupied Housing Units, 2000



Source: PCensus, 2005 Claritas database and BBC Research & Consulting.

Exhibit III-17.
Values of Owner-Occupied Housing Units, 2005



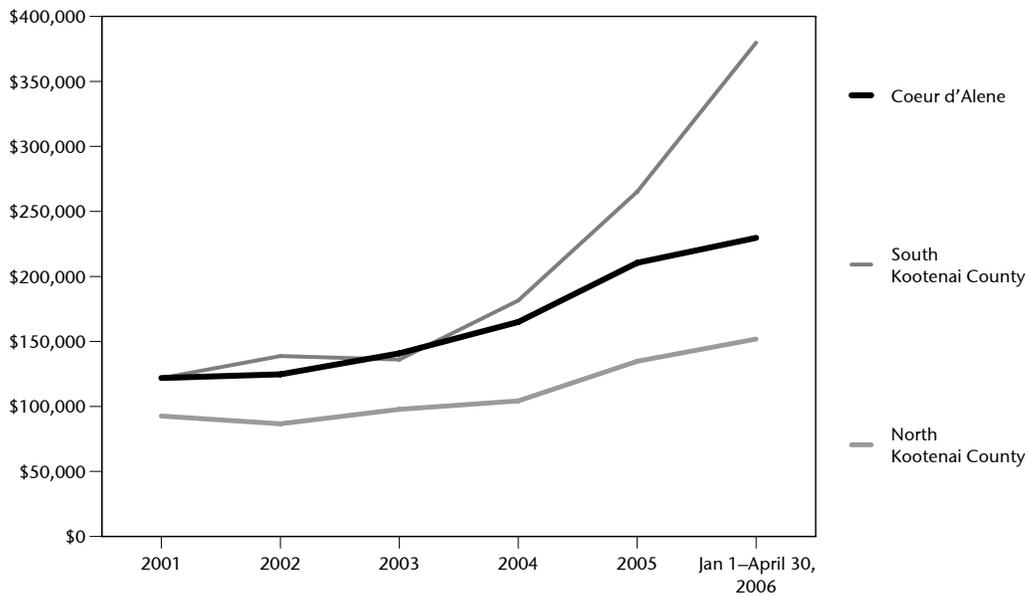
Source: PCensus, 2005 Claritas database and BBC Research & Consulting.

Multiple Listing Service (MLS). The MLS is a listing of residential properties for sale and on the market in a given area and their prices (with the exception of properties that are being sold by owners and not advertised on the MLS). The MLS also records all recent closed sales and their sales prices.

The organization responsible for maintaining the MLS in Kootenai County is the Coeur d'Alene Association of Realtors. Access to MLS data allows for a more in-depth understanding of the housing market in Coeur d'Alene by analyzing trends in the prices of sold homes and by analyzing the asking price of homes currently on the market.

According to MLS data, the average price of residential units sold in Coeur d'Alene during 2001 was \$121,895. Since 2001, MLS data demonstrate a very rapid increase in average prices. Exhibit III-18 graphs the change in the average sold price of single-family units for various cities and regions within Kootenai County. As evidenced by the graph, the average sold price increased steadily between 2001 and 2004, and then quite dramatically between 2004 to spring 2006. The average price for all listings sold between 2001 and April 30, 2006 was \$229,687 in the City.

Exhibit III-18.
Average Price of Sold Single-Family Units by Area, 2001 to April 30, 2006



Source: *MLS STATS: Coeur d'Alene Multiple Listing Service, 2002, 2003, 2004, 2005, 2006, Coeur d'Alene Association of Realtors.*

Exhibit III-19 shows the percent change in average prices from year-to-year. Again, the data show that the most significant percentage point increase for all areas occurred between 2004 and 2005. The City's average price of sold units increased by 28 percent and the average sold price in South Kootenai County (the greatest increase) was 46 percent.

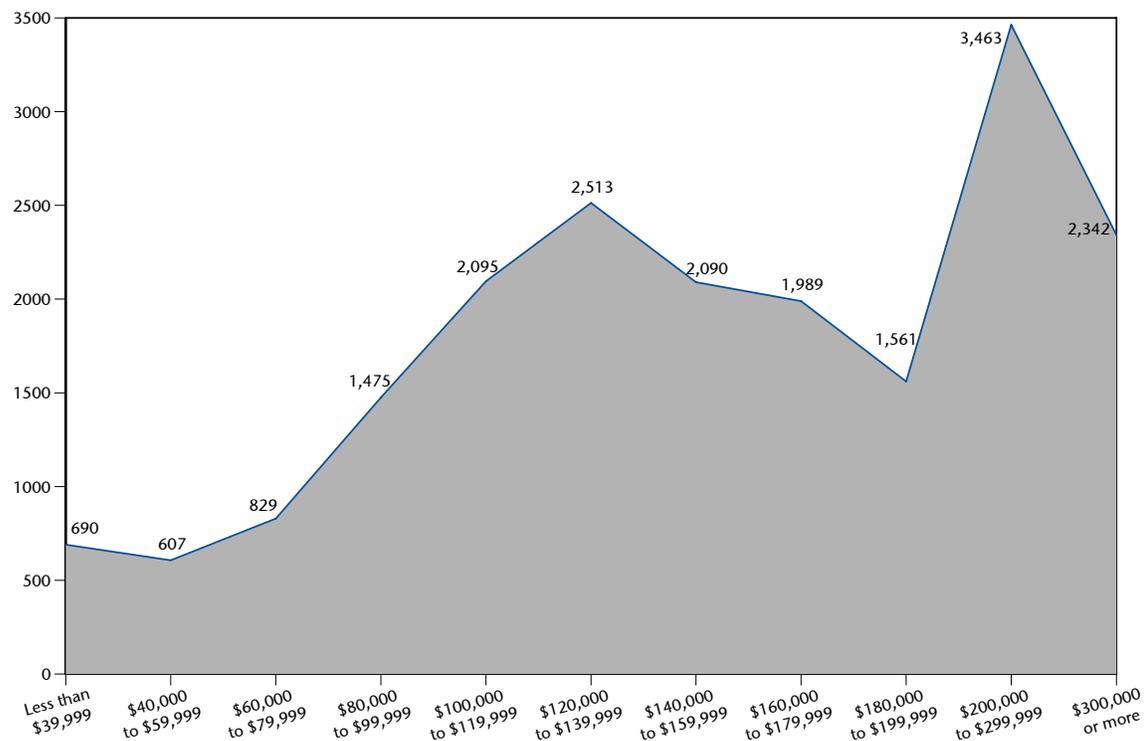
Exhibit III-19.
Percent Change in Average Sold Price of Single-Family Homes, 2001 to April 30, 2006

	% Change 2001–2002	% Change 2002–2003	% Change 2003–2004	% Change 2004–2005	% Change 2005–2006	Overall % Change 2001–2006
Coeur d’Alene	2%	13%	17%	28%	9%	88%
North Kootenai County	-7%	9%	7%	29%	13%	64%
South Kootenai County	14%	-2%	33%	46%	43%	212%

Source: *MLS STATS: Coeur d’Alene Multiple Listing Service, 2002, 2003, 2004, 2005, 2006, Coeur d’Alene Association of Realtors and BBC Research & Consulting.*

Exhibit III-20 shows the number of units for sale *countywide* between 2002 to February 27, 2007, by price range.⁷ The “peaks” in the graph represent the price ranges where the most homes could be found for sale; the “valleys” represent where the homes for sale are most limited. Altogether, 19,654 single-family housing units were sold in the County over the 6-year time period.⁸ By price range, the most units sold for between \$200,000 and \$299,999 (3,463 units).

Exhibit III-20.
Price Distribution of Sold Single-Family Homes, Kootenai County, 2002 to February 2007



Source: *MLS STATS: Coeur d’Alene Multiple Listing Service, 2002, 2003, 2004, 2005, 2006, September 1, 2006 – February 28, 2007, Coeur d’Alene Association of Realtors.*

Note: A complete dataset was not available from the MLS; data are missing for the months May through August of 2006.

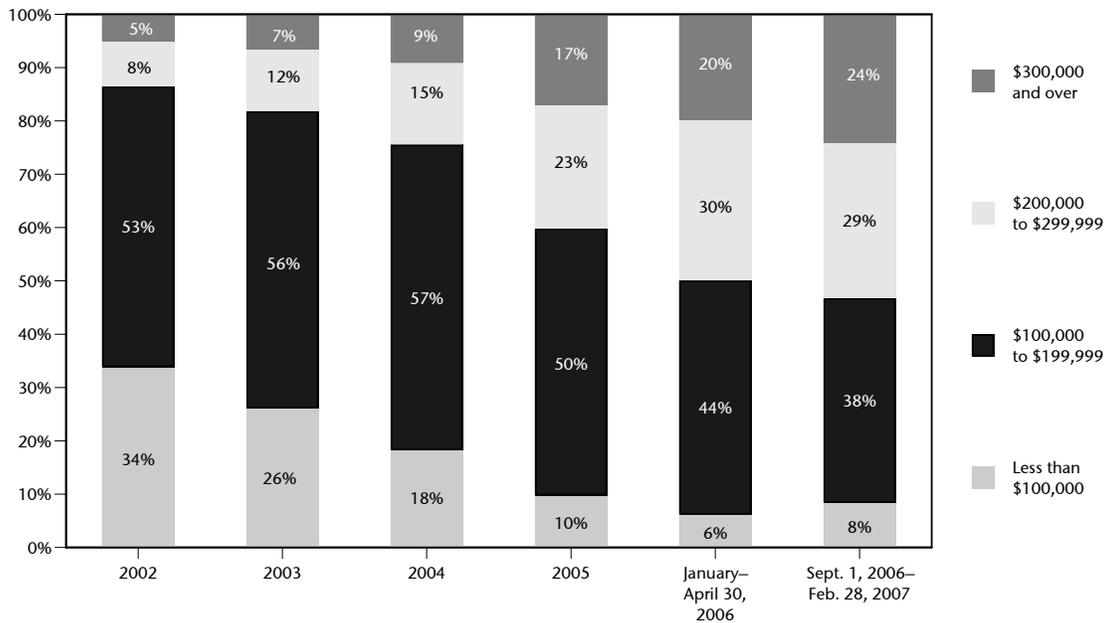
⁷ We were unable to obtain a complete dataset from the MLS; data are missing for the months May -August of 2006.

⁸ The MLS does not include price data on homes for-sale-by-owner or homes directly sold by builders.

Exhibit III-21 shows the price of sold single-family units by income range and year. The Exhibit demonstrates that from 2002 to February 2007, the market saw many more homes selling for above \$200,000, and far fewer selling for under \$200,000. The proportion of homes sold for under \$200,000 declined by a dramatic 41 percentage points. In 2002, 87 percent of resales sold for under \$200,000. By contrast, during the 6-month period from September 2006 to February 28, 2007, only 46 percent of resales sold for under \$200,000.

Homes that sold between \$200,000 and \$299,999 increased from 8 percent in 2002 to 29 percent over the 6-month period from September 2006 to February 28, 2007; this is an increase of 21 percentage points. Likewise, sold homes for \$300,000 and above increased by 21 percentage points from 5 percent in 2002 to 24 percent as of February 2007.

Exhibit III-21.
Changes in Price of Sold Single-Family Homes, Kootenai County, 2002 to February 2007



Source: *MLS STATS: Coeur d'Alene Multiple Listing Service, 2002, 2003, 2004, 2005, 2006, September 1, 2006 – February 28, 2007, Coeur d'Alene Association of Realtors.*

Note: A complete dataset was not available from the MLS; data are missing for the months May through August of 2006.

The cost of rental housing. This section reports information on the cost of rental units in Coeur d'Alene, as gathered through Census data, data from HUD and a telephone survey of property owners and managers conducted as part of the 2006 housing needs assessment.

Census data. The 2000 Census gathered information on rents in Coeur d'Alene and the County; these are the most recent comprehensive data on rents⁹.

⁹ The commercial data provider used for this study does not provide updated data on rental rates.

Exhibit III-22 lists three rent values:

- Median gross rent, which is the price of rent and utilities;
- Contract rent, which is rent cost only, and
- The rent asked for vacant units at the time the 2000 Census was conducted.

In 2000, the median gross rent paid by the City’s renters was \$555; the median contract rent was \$487; and the median rent asked was \$495. The rental rate for vacant units was only \$8 higher than the median rent paid by renters before utilities.

**Exhibit III-22.
Median Rental Values,
2000**

Source:
U.S. Census Bureau, 2000 Census and BBC
Research & Consulting.

	Coeur d’Alene	Kootenai County
Median Gross Rent	\$ 555	\$ 571
Median Contract Rent	\$ 487	\$ 497
Median Rent Asked	\$ 495	\$ 518

Rental prices have also increased since 2000, but not nearly as rapidly as single-family home prices. According to Census data, in 2000, the median contract rent (excluding utilities) was \$487. Rental data obtained from BBC’s telephone survey estimate a median rent of \$540. A comparison of these data suggests that since 2000, the median price of rental units has increased by 11 percent.

HUD rental data. Annually, HUD establishes Fair Market Rents (FMR) for metropolitan areas, which are used to determine the subsidy that households are eligible to receive under subsidized programs. The FMRs of the Coeur d’Alene MSA (which is the boundary of Kootenai County) are used for the City.

The FMRs reflect the 40th-percentile rent level in an area. That is, it is the point at which 40 percent of units rent for less than the 40th percentile; 60 percent of units rent for more. The 40th-percentile rent is lower than the median (which separates at 50 percent).

Exhibit III-23 lists the FY2007 FMRs.

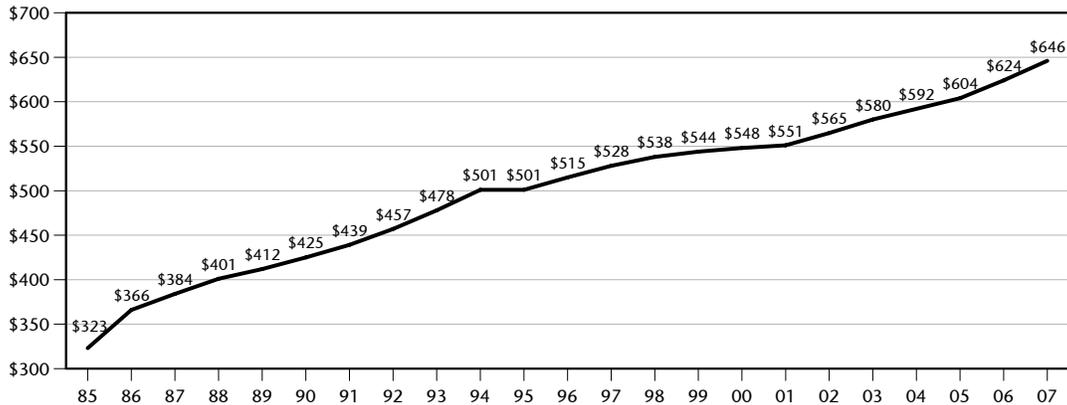
**Exhibit III-23.
Fair Market Rents,
Coeur d’Alene MSA, 2007**

Source:
U.S. Department of Housing and Urban Development.

Bedroom Size	Fair Market Rent
Efficiency	\$497
One-Bedroom	\$537
Two-Bedroom	\$646
Three-Bedroom	\$939
Four-Bedroom	\$1,050

Exhibit III-24 shows the trend in FMRs over the past 22 years. As shown, the FMRs have exactly doubled since 1985. The rent levels have generally been on a steady increasing trend. Most recently, from 2006 to 2007, the fair market rent increased by \$22.

**Exhibit III-24.
Trends in Fair Market Rents for Two-Bedroom Units, 1985 to 2007**



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

2006 BBC rental survey. As part of the City’s Housing Needs Assessment completed in 2006, BBC conducted a telephone survey of multifamily rental units on the market in July 2006. BBC called all apartment complexes found through apartment finder Internet resources. The information collected through the surveys reflects data for 1,196 units in 17 complexes. Of these units, rent cost data were provided for 870 units. Additional information collected through the survey included age of units, percent of units that are handicapped (ADA) accessible, and vacancy rates.

Exhibit III-25 summarizes the data collected through the rental survey.

**Exhibit III-25.
Characteristics of Rental
Units Surveyed July 24
through July 28, 2006**

Note:
Median rent only reflects 870 units; rates for the remaining 326 units were not provided.
Source:
BBC telephone survey, 07/24 - 07/28/2006.

Total number of units surveyed	1,196
Median year built	1980
Median rent	\$540
Percent of total units ADA accessible	7%
Median vacancy rate in July 2006	0%
Median vacancy rate in July 2005	0%

As shown above, the median year built for the 17 surveyed complexes in Coeur d'Alene was 1980. The median rent across all bedroom sizes was \$540, and 7 percent of the total units in the complexes were ADA accessible. BBC's median rent is less than HUD's 40th percentile fair market rent for the Coeur d'Alene MSA, suggesting that rents in the City are currently lower than for the MSA overall.

The vacancy rates in BBC's rental survey were reported by landlords to be so low that, when calculating the median rate, the complexes that did have vacancies were overshadowed by the 0-percent vacancy rates in the majority of the remaining developments.

Other information gleaned from the rental survey included the following:

- The most frequently mentioned needed repairs to units included new flooring (carpet and vinyl), painting and countertop replacement.
- Two bedroom units were the most likely to be vacant according to interviewees who responded to the question.
- Most of the interviewees who responded to a question about lead-based paint hazards said that their units had never been treated for lead-based paint hazards, or the interviewees were not sure if their units had ever been treated.

Affordability

This section presents an analysis of the affordability of Coeur d'Alene's single-family and rental market. The section starts by introducing industry/HUD measures of housing affordability.

Defining affordability. Housing is "affordable" if no more than 30 percent of a household's gross monthly income is needed for rent or mortgage payments, and utilities. When the proportion of household income needed to pay housing costs exceeds 30 percent, a household is considered "cost burdened."

In general, housing needs are great not only for persons living in poverty, but also for many low-income households. HUD defines low-income households more broadly than households living in poverty. Like the poverty definition, HUD adjusts the definition of low-income to incorporate family size. In addition, HUD uses several ranges to define the various levels of low-income status.

As introduced in Section II, HUD divides low-income households into categories, based on their relationship to the median family income (MFI): extremely low-income (earning 30 percent or less of the MFI), very low-income (earning between 31 and 50 percent of the MFI) and low-income (earning between 51 and 80 percent of the MFI).

In 2000, the U.S. Department of Housing and Urban Development (HUD) reported a median family income (MFI) of \$44,700 for Kootenai County.¹⁰ In 2007, HUD estimated the median family income at \$49,700—an 11.2 percentage increase from 2000.

Exhibit III-26 shows the maximum earnings of families in various income categories for 2007, using HUD’s income definitions. The two right-hand columns in the exhibit show the affordable home price and rents for households at the various defined income levels. These prices and rents represent the maximum home price and rent that the households in the defined income categories could afford without being cost burdened.

**Exhibit III-26.
HUD Income Categories
and Affordable Values,
2007**

Note: The numbers assume loan terms of 5 percent down, 6.5 percent interest rate, and 30-year term, and are adjusted for PMI, hazard insurance, and property taxes.

Source:
HUD and BBC Research & Consulting.

HUD Income Category	Income Limit	Maximum Affordable Home Price	Maximum Affordable Rent
Median Family Income (MFI)	\$49,700	\$165,538	\$1,243
Extremely low-income (0–30% of MFI)	\$14,910	\$49,662	\$373
Very Low-income (31–50% of MFI)	\$24,850	\$82,769	\$621
Low-income (51–80% of MFI)	\$39,760	\$132,431	\$994
Moderate-income (81–100% of MFI)	\$49,700	\$165,538	\$1,243
Middle-income (100–120% of MFI)	\$59,640	\$198,646	\$1,491
Upper-income (121% or more of MFI)	\$59,640 +	\$198,646 +	\$1,491 +

As shown in Exhibit III-26, a household in Coeur d’Alene that is considered extremely low-income by HUD standards (earning \$14,910 or less in 2007) could afford to buy a house priced at no more than \$49,662, or could afford to pay no more than \$373 per month in rent. According to household income projections, about 2,700 Coeur d’Alene households fell into this category, representing 17 percent of Coeur d’Alene’s households. Similarly, according to the estimated number of families, about 1,000 Coeur d’Alene families fell into this category, representing 9 percent of Coeur d’Alene’s families.

In 2007, very low-income households (earning between \$14,911 and \$24,850) could afford a rent payment of up to \$621, and could afford to buy a house that cost up to \$82,769. About 2,300 Coeur d’Alene households fell into this category, representing 15 percent of Coeur d’Alene’s households. Over 1,000 Coeur d’Alene families fell into this category, representing 10 percent of Coeur d’Alene’s families.

The City’s low-income households (earning between \$24,851 and \$39,760) could afford a rent payment of up to \$994 and could afford to buy a house that cost up to \$132,431. In 2007, approximately 3,300 households in Coeur d’Alene were considered to be low-income, representing about 21 percent of the City’s households. In 2007, almost 2,100 families in Coeur d’Alene were considered to be low-income, representing about 20 percent of the City’s families.

¹⁰ Coeur d’Alene was not classified as a Metropolitan Statistical Area in 2000. Therefore, in 2000, the City followed HUD income limits for Kootenai County. In 2006, HUD designated Coeur d’Alene as a metropolitan statistical area (MSA); however, the MSA and Kootenai County are one and the same.

Housing affordability in 2000 and 2005. According to the 2000 Census, the median home value in Coeur d'Alene was \$105,300. In 2000, the median contact rent (excluding utilities) was \$487. The income required to afford the median home in the City in 2000 was \$31,614; the income required to afford the median rent was \$19,480.¹¹

Who could afford to buy and rent in 2000? In 2000, 53 percent of households could afford to purchase the median priced home in the City. Seventy-three percent of households in the City could afford to pay the median rent. Overall, in 2000, it was less expensive (by \$303 per month) for median income households to rent than to buy a median priced home. In other words, a household that could only afford to pay the median rent would need a \$303 monthly subsidy to afford the mortgage on a median-priced home.

Who could afford to buy and rent in 2005? In 2005, the median value of owner-occupied homes was \$129,922. The income required to afford the median valued home in 2005 was \$39,007. Forty-seven percent of households could afford the median-priced home in 2005. The percentage of households able to afford the median values in 2000 and 2005 decreased by 6 percentage points over the 5-year period.

Based on the median determined through BBC's rental survey (\$540), about 60 percent of renters in the City could afford to pay the median rent. Overall, 75 percent of all households in the City could afford the median rent. In contrast to the ability to buy, the percentage of households finding it easy to pay the median rent in the City improved between 2000 and 2005.

Exhibit III-27 summarizes the median values, the income required to afford such housing, and the percentage of Coeur d'Alene residents who could afford rental and ownership housing at the median levels.

**Exhibit III-27.
Median Values and Affordability, 2000 and 2005**

	Median Value/Rent	Income Required to Afford Median Value/Rent	Percent of Households that Could Afford Median Value/Rent
2000 Occupied Units			
Single-Family Unit	\$105,300	\$31,614	53%
Rental Unit	\$487	\$19,480	73%
2005 Occupied Units			
Single-Family Unit	\$129,922	\$39,007	47%
Rental Unit	\$540	\$21,593	80%

Note: The numbers assume loan terms of 5 percent down, 6.5 percent interest rate, and 30-year term, and are adjusted for PMI, hazard insurance, and property taxes.

Source: U.S. Census Bureau, 2000 Census, PCensus, 2005 Claritas database and BBC Research & Consulting.

¹¹ Required income assumes loan terms of 5 percent down, 6.5 percent interest rate, or 30-year term, and is adjusted for PMI, hazard insurance, and property taxes.

Housing Mismatch Analysis

A common tool used to examine gaps in provision of housing at different income levels is called a “gaps analysis.” A gaps analysis compares the number of households in the City at certain income ranges to the number of occupied housing units affordable to these households. The results of the gaps analysis show how well the prices in a housing market match the ability to residents to afford housing.

We conducted two gaps analyses for this study—one for the City’s housing market in 2000, and another in 2006. The 2006 gaps analysis updates the 2000 analysis, which used Census data, by introducing rental data from BBC’s rental survey, building permit data from the U.S. Census Bureau, and single-family data from the Multiple Listing Service.

Housing gaps in 2000. Exhibit III-28 compares the number of households in Coeur d’Alene with the number of occupied renter and owner units at different HUD income ranges. The middle and far right columns show where there is a shortage (represented by parentheses) or an excess of units (no parentheses) available to households in each income range.

For example, in 2000, there were 1,553 extremely low-income renters and 876 extremely low-income owners. These households made less than about \$13,000 per year. The 1,553 renters in this income category had 646 affordable rental units to choose from in Coeur d’Alene—leaving a gap of 907 units. The 876 owners had about 85 units affordable to them—leaving a gap of 791 units.

Exhibit III-28
Under- and Oversupply of Housing Units, 2000

	Number of renter households	Number of occupied rental units	Gap in rental units	Number of owner households	Number of occupied owner units	Gap in owner units
Extremely low-income (0–30% of MFI)	1,553	646	(907)	876	85	(791)
Very low-income (31–50% of MFI)	1,127	2,253	1,126	965	802	(163)
Low-income (51–80% of MFI)	1,204	2,341	1,137	1,793	4,461	2,668
Moderate-income (81–100% of MFI)	484	230	(254)	1,130	1,683	553
Middle-income (100–120% of MFI)	349	75	(274)	941	864	(77)
Upper-income (121% or greater of MFI)	596	142	(454)	2,921	989	(1,932)
Total	5,314	5,687		8,626	7,072	

Source: U.S. Census Bureau, 2000 Census, HUD and BBC Research & Consulting.

Several mismatches are evident in the City’s housing market based on the 2000 gaps analysis:

- In 2000, there was a shortage of 907 units for the City’s extremely low income renters (earning less than about \$13,000 per year in 2000). To be affordable to this population, units must rent for less than \$335 per month. Because not all of the 1,553 renters in this income category can find affordable rental units, they live in units that are more expensive than what they can afford. Renters in this situation are called “cost burdened.”

- Once renters make more than \$13,000 per year, they have a more than adequate supply of rental units from which to choose. In 2000, most of the City’s rental units rented for between \$350 and \$900 per month. Renters who could afford to pay for units in this price range would not have had trouble finding affordable units in the City in 2000.
- Renters earning more than \$50,000 per year and more would have some difficulty finding higher-end or luxury rental units at their affordability level, since the number of such units is limited in Coeur d’Alene. It is important to note that many renters choose to rent at lower levels than they can afford because they wish to save money to potentially purchase a home. Therefore, although the gaps analysis suggests that there may be demand for higher-end rental units in Coeur d’Alene, the real demand depends on renters’ preferences to pay more for such units (v. save money by renting a less expensive unit).
- Very low-income owners (earning less than \$25,000 per year) would have had a difficult time purchasing a new/different house in Coeur d’Alene in 2000, unless they had substantial equity in their current home (and could use this equity towards a purchase of another home).

One limitation of the gaps analysis is that it tends to oversimplify reality. For example, a gaps analysis assumes that households were living in units that were affordable for their specific income range. In actuality, households may have been living in units that were more expensive than they could afford for very good reasons—e.g., a household might purchase an expensive house in anticipation of future income increases or an elderly household living on a fixed income may have been occupying a home they have owned for a long time which has increased in value. The gaps analysis in Exhibit III-28 shows where the market was under- and oversupplying housing in 2000, *assuming households desired to occupy housing that is exactly affordable for their income ranges.*

Housing gaps in 2006. Exhibit III-29 presents the updated gaps analysis for 2006. It reflects household growth by income range, housing unit growth and changes in housing prices. This gaps analysis points out the most significant changes in the City’s housing needs since 2000.

**Exhibit III-29.
Under- and Oversupply of Housing Units, 2006**

	Number of renter households	Number of occupied rental units	Gap in rental units	Number of owner households	Number of occupied owner units	Gap in owner units
Extremely low-income (0–30% of MFI)	2,065	1,204	(861)	1,381	274	(1,107)
Very low-income (31–50% of MFI)	1,374	3,209	1,835	1,384	1,558	174
Low-income (51–80% of MFI)	1,283	1,835	552	2,644	5,118	2,474
Moderate-income (81–100% of MFI)	620	107	(513)	1,653	1,726	73
Middle-income (100–120% of MFI)	201	66	(135)	989	1,036	47
Upper-income (121% or greater of MFI)	581	128	(453)	3,276	2,142	(1,134)
Total	6,124	6,549		11,327	11,854	

Source: U.S. Census Bureau, 2000 Census, MLS STATS: Coeur d’Alene Multiple Listing Service, 2002, 2003, 2004, 2005, 2006, Coeur d’Alene Association of Realtors and BBC Research & Consulting.

Between 2000 and 2006, the City's housing market changed in the following ways:

Rental Housing

- The shortage of units for the City's extremely income renters decreased slightly between 2000 and 2006, by about 50 units.
- Very and low-income renters (earning between \$15,000 and \$40,000 per year) continue to have a large number of units from which to choose.
- The "shortage" of higher-end/luxury rentals to serve low- to moderate-income households increased slightly by about 120 units.

Owner-occupied housing

- The composition of the City's owner gap has changed significantly between 2000 and 2006. On the high-end of the price range, the number of units affordable for households earning \$60,000 and more grew by more than 1,000 units, reducing the "shortage" of units for high-income owners.
- Owner-occupied units also increased at levels affordable to very low- and low-income owners.
- In 2006, mismatches in the owner-occupied housing market only occurred at the very lowest and highest price ranges. The City's extremely low-income owners would have a difficult time selling their homes and finding affordable replacement homes (without using a substantial amount of equity in the current homes), if they needed to move. The City's highest income owners are occupying homes priced less than they could afford, as the supply of housing at their price range is limited compared to the number of households.

Cost Burden

We defined "affordable" housing earlier as being less than 30 percent of a household's monthly income. Housing costs include mortgages, real estate taxes, insurance, utilities, fuels, and, where appropriate, costs such as condominium fees or monthly mobile home fees. When the proportion of household income needed to pay housing costs exceeds 30 percent, a household is considered "cost burdened." If the share of income spent on housing grows to 50 percent or more, households are considered "severely cost burdened."

The 2000 Census provides estimates of cost burdened households and includes some information about the characteristics of households that experience cost burden. The Census data estimate that in 2000 about 48 percent of Coeur d'Alene's renter households (or 2,378 renter households) and 26 percent of the City's homeowners (or 1,801 households) were cost burdened in 2000. The data also show that 23 percent of renters (1,155 households) and 9 percent of homeowners (622 households) were *severely* cost burdened, paying 50 percent or more of their incomes for housing costs.

Exhibit III-30 shows the cost burdened status of the households in Coeur d'Alene.

**Exhibit III-30.
Cost Burdened Renter
and Owner Households,
2000**

Note:

When calculating the percentage cost burdened, the number of housing units for which data were not computed was subtracted from the total number of units.

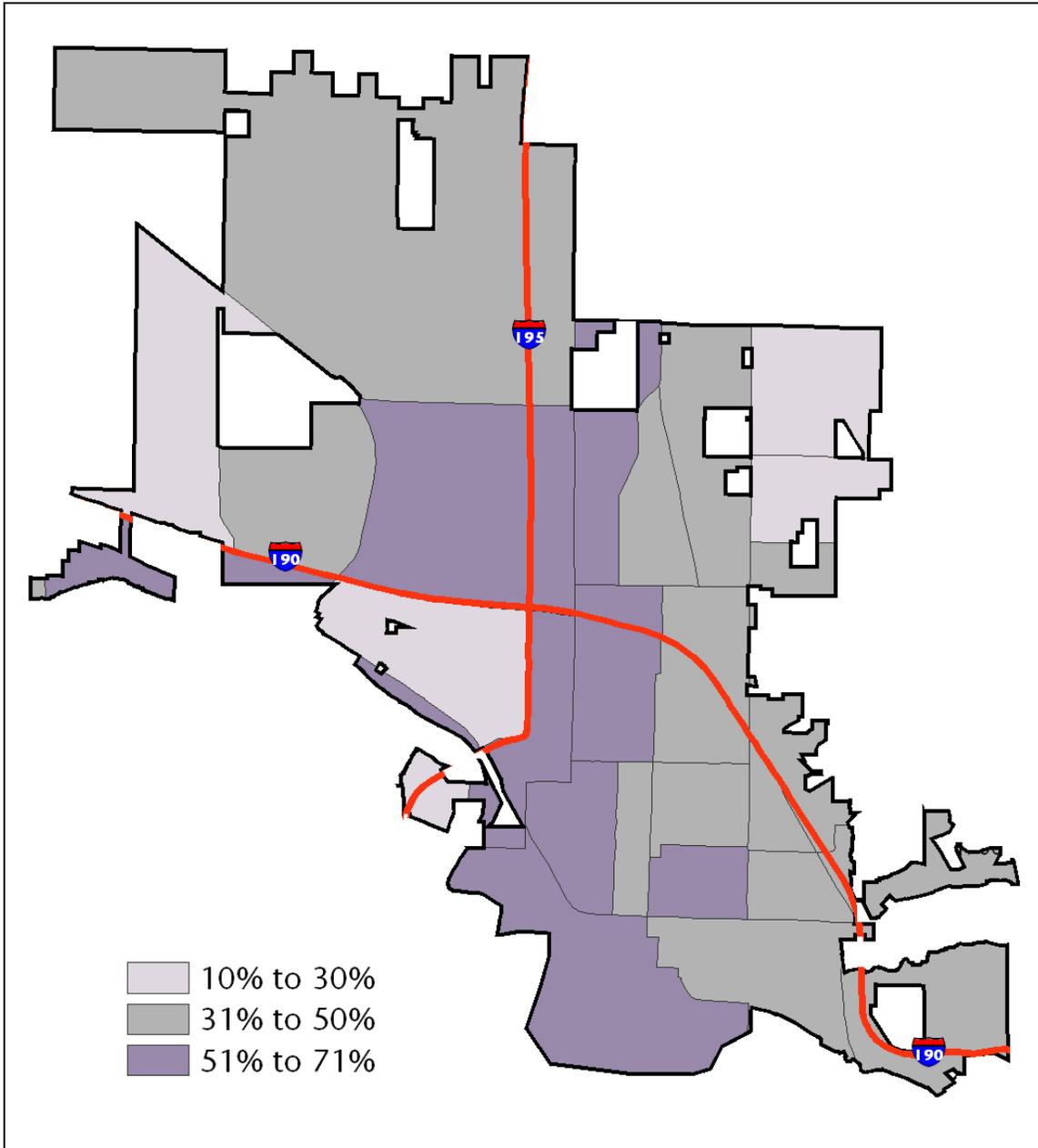
Source:

U.S. Census Bureau, 2000 Census.

	Coeur d'Alene		Kootenai County
	Number	Percent	
Renter Households	4,946		9,591
Not cost burdened	2568	52%	55%
Cost burdened	2378	48%	45%
Severely cost burdened	1,155	23%	21%
Owner Households	7,021		22,052
Not cost burdened	5,220	74%	72%
Cost burdened	1,801	26%	28%
Severely cost burdened	622	9%	10%

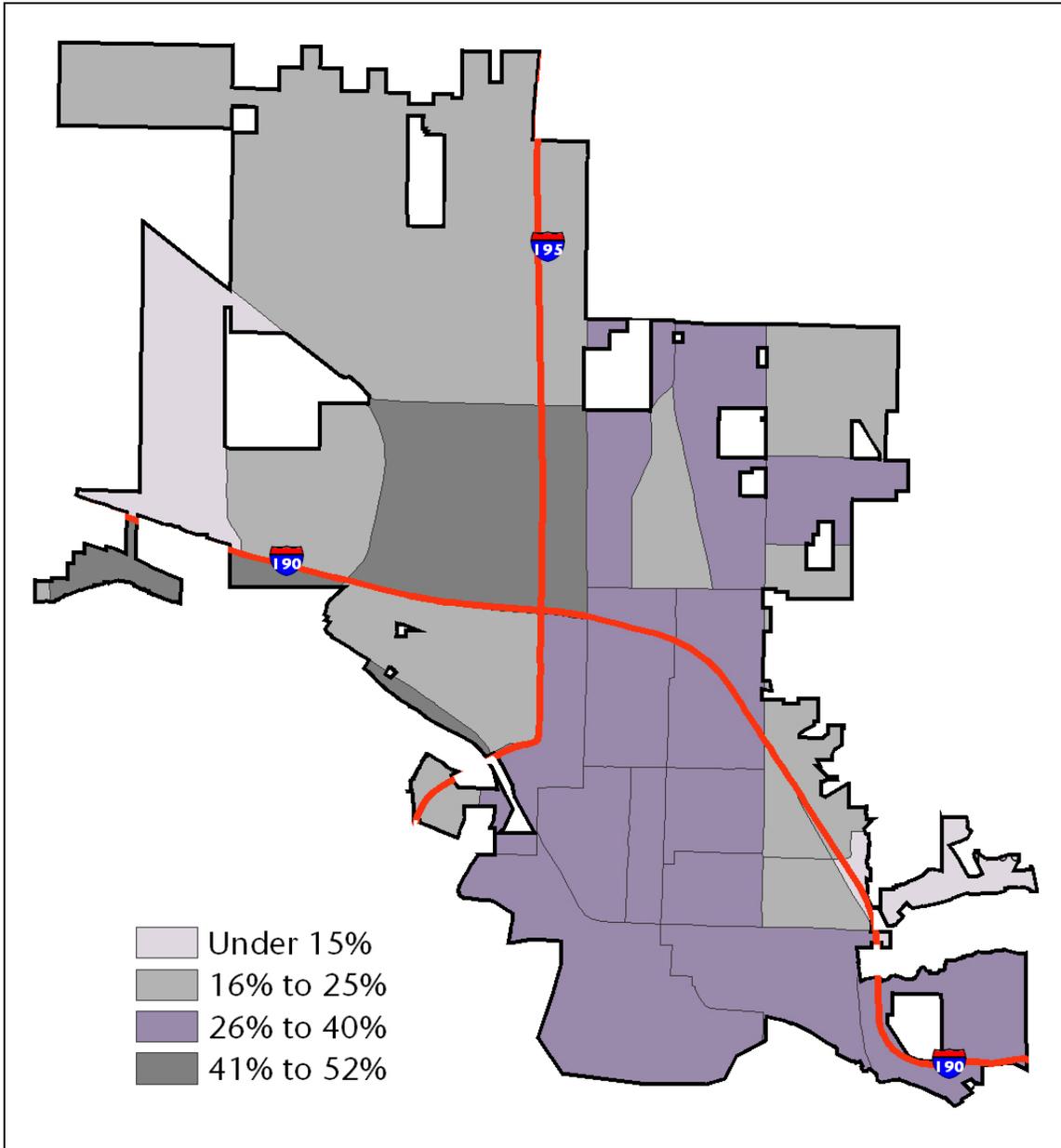
Exhibit III-31 shows the proportion of Coeur d'Alene renter households who were cost burdened in 2000 by Census Block Group. Exhibit III-32 maps the percentage of owner households who were cost burdened in 2000 by Block Group.

Exhibit III-31.
Cost Burdened Renter-Occupied Households, by Census Block Group, 2000



Source: U.S. Census Bureau, 2000 Census.

Exhibit III-32.
Cost Burdened Owner-Occupied Households, by Census Block Group, 2000



Source: U.S. Census Bureau, 2000 Census.

Exhibit III-33 shows the percentage of households who were cost burdened and not cost burdened by age and household income. For the City's *renter* households, cost burden was greatest for the householders over the age of 65; 75 percent of these householders were cost burdened in 2000.

In contrast, for the City's *homeowners* the youngest householders, those between the ages of 15 and 24, were the most cost burdened; over half (53 percent) paid more than 30 percent of their income on housing. The youngest homeowners were considerably more cost burdened than any other age group. In fact, compared to householders between the ages of 45 and 54, and 65 and over, the youngest owner householders were more than twice as likely to be cost burdened.

**Exhibit III-33.
Cost Burdened Renters
and Owners by Age,
2000**

Note:

When calculating the percentage cost burdened, the number of housing units for which data were not computed was subtracted from the total number of units.

Source:

U.S. Census Bureau, 2000 Census.

		Coeur d'Alene	State of Idaho	Kootenai County
Renter Households	2,378	48%	39%	45%
15–24 years	568	58%	46%	56%
25–34 years	476	41%	36%	39%
35–44 years	336	37%	34%	37%
45–54 years	306	39%	34%	40%
55–64 years	153	39%	39%	39%
65 years and over	539	75%	52%	68%
Owner Households	1,801	26%	21%	28%
15–24 years	85	53%	35%	43%
25–34 years	329	31%	25%	33%
35–44 years	381	25%	22%	30%
45–54 years	375	23%	19%	26%
55–64 years	216	27%	19%	28%
65 years and over	415	23%	18%	21%

Disproportionate need. A disproportionately greater need exists when the percentage of persons in a category of need who are members of a particular racial or ethnic group is at least ten percentage points higher than the percentage of persons in the category as a whole.

A comparison was conducted between *all* renter and owner households with housing problems¹² (as defined by HUD) to renters and owners of Hispanic descent as well as non-White, non-Hispanic households. Comparisons were drawn using 2000 CHAS data on the percentages of households with housing problems.

Based on 2000 CHAS data, Non-White/non-Hispanic renters and owners did not display a disproportionately high occurrence of housing problems when compared to total households. In fact,

¹² HUD defined a "housing problem" as cost burden greater than 30 percent of income and/or overcrowding and/or without complete kitchen or plumbing facilities.

the percentage of non-White/non-Hispanic owner and renter households with housing problems was within 1 percentage point of the occurrence for total households.

However, low-income Hispanic renters and owners did have a disproportionately high percentage of units with housing problems. One hundred percent of low-income Hispanic renter households had housing problems compared with only 73.5 percent of total renters, a difference of 26.5 percentage points. Similarly, 83.3 percent of low-income Hispanic owner households had housing problems in 2000 compared to only 58.2 percent of total owner households, a difference of 25.1 percentage points.

Special-Needs Facilities and Services

In most communities, there is no one affordable housing product that addresses the wide range of housing needs. The amount and type of housing assistance lower-income households need to avoid being cost burdened varies depending on their income and household characteristics.

For example, persons who have a physical disability may require special adaptations to their homes. Persons with mental illnesses and/or developmental disabilities might need housing with health care services nearby. Families living in poverty usually need large subsidies to help them pay their rent costs. HUD calls households in these and similar situations as households with “special needs.”

This section describes the housing available to special needs populations in Coeur d’Alene, including persons who are homeless.

Special needs population estimates. Due to lower incomes and the need for supportive services or structural adaptations, special needs groups are more likely than the general population to encounter difficulty in finding and paying for adequate housing, and often require enhanced community services. This section provides summary background information on special needs populations in Coeur d’Alene. The sections that follow describe the housing programs available to serve these groups.

Elderly. As noted in Section II, senior citizens currently comprise 15 percent of Coeur d’Alene’s total population and 22 percent of households. (Older people comprise a higher share of households than they do of population because their average household size is small. Many older people live alone.) According to data estimates, 58 percent of older households (those headed by a person age 65 or older) have incomes below \$30,000 per year. In contrast, only 35 percent of households headed by individuals younger than 65 have household incomes of less than \$30,000. Therefore, elderly people are more likely to have low or moderate incomes and have corresponding housing needs.

Persons Experiencing Homelessness. Estimating the total population of persons experiencing homelessness on a nationwide, statewide or even local level is challenging due to the various types of homelessness and difficulties in locating the population. For example, an individual living with friends temporarily could be experiencing homelessness but would be unlikely to be identified in a homeless count.

A point-in-time (PIT) count was completed in January 2007 as a part of Idaho’s Action Plan to Reduce Homelessness. The survey consisted of two parts: 1) an assessment of sheltered homeless collected from shelter surveys and the statewide Housing Management Information Strategies

(HMIS) database (ServicePoint); and 2) a survey of unsheltered homeless collected through street counts in each region. Across the state of Idaho, 624 unsheltered persons indicated that they were homeless. One hundred seventy-three (28 percent) of these unsheltered respondents were in Region 1, which contains Coeur d'Alene.¹³ In addition to the 173 *unsheltered* homeless in Region 1, on the night of January 29, 2007, there were also 168 *sheltered* homeless individuals in the region.

Of the sheltered and unsheltered individuals *and* households in Region 1, the vast majority were White (87 percent) followed by Hispanic/Latino (4.2 percent), Black or African American (4.2 percent), American Indian or Alaska Native (3.2 percent), Other/Multi-racial (2.3 percent), Asian (1.4 percent), and .5 percent refused to answer the race/ethnicity question. Compared to the racial and ethnic breakdown in Coeur d'Alene, persons experiencing homelessness in Region 1 are less White than the current City population (95 percent of Coeur d'Alene residents were White in 2005).

The state survey reported that of the 173 unsheltered homeless in Region 1, 78 persons (45 percent) were members of a household (i.e., not living alone). Forty-one percent of these 78 persons were members of a 2-person household, 23 percent were members of a 3-person household, 10 percent were members of a 4-person household, and 26 percent were members of a household with 5 or more people.

Physically disabled. The Census definition of people with disabilities include individuals with both long-lasting conditions such as blindness and individuals that have a physical, mental or emotional condition lasting 6 months or more that makes it difficult to perform certain activities. All disability data from the Census is self-reported by respondents.

In 2000, there were 6,257 disabilities reported for persons over the age of five. According to the 2000 Census, of all disabilities, physical disability is the most prevalent, comprising 25 percent (2,877 disabilities) of all types of reported disabilities. Seniors ages 65 and over compose 47 percent (1,343 persons) of persons with a physical disability and 28 percent of all elderly (1,343 persons) had some form of physical disability.

Developmentally disabled. The Federal Administration on Developmental Disabilities uses a 1.8 percent prevalence rate for state level estimates of developmental disabilities. This prevalence rate is based on an estimate by Golay & Associates.¹⁴ Applying this percentage to the City of Coeur d'Alene's 2006 population, approximately 767 residents would have a developmental disability.

Severe mental illness. Using the methodology developed by the Substance Abuse and Mental Health Service Administration's (SAMHSA) Center for Mental Health Services, the Idaho Department of Health and Welfare estimates that 5.4 percent of the state's adult population suffers from severe mental illness.¹⁵ With a 2005 population of 29,066 adults in Coeur d'Alene (persons 18 and over), this suggests that there were 1,570 adults in the City suffering from severe mental illness.

Substance abuse. The best estimate of Coeur d'Alene residents with substance abuse problems is derived from statewide incidence rates. Based on data from the *2004-2005 National Household Survey*

¹³ Region 1 contains Benewah, Bonner, Boundary, Kootenai and Shoshone Counties.

¹⁴ *Fact Sheet on Children with Developmental Disabilities*, National Child Traumatic Stress Network, www.NCTSN.net.

¹⁵ *State of Idaho, Mental Health Plan for Children and Adults, FY2004*, Idaho Department of Health and Welfare.

on *Drug Abuse (NHSDA)* by the Substance Abuse and Mental Health Services Administration, the statewide prevalence rate for alcohol or illicit drug dependence or abuse in Idaho is 9.04 percent. Applying this estimate to Coeur d'Alene's 2005 population 12 years and over, approximately 2,903 persons would have had some form of substance abuse problem.

Youth. There are three segments of the population of youth in Coeur d'Alene who have potential housing and supportive service needs: Youths aging out of the foster care system; older youth transitioning to adulthood with uncertain future plans; and youth who are homeless.

In 2004, 77 youth "aged out" of the foster care system in Idaho. *The Child Welfare Outcomes 2003: Annual Report to Congress* produced by the U.S. Department of Health and Human Services estimates that in 2003, .13 percent of foster care children experienced maltreatment. Maltreatment is defined as emotional abuse, medical neglect, neglect, physical abuse, sexual abuse, or other.

The Child Welfare Outcomes 2003 report also estimates that 4.1 children per 1,000 in the state of Idaho experience maltreatment annually. Using this rate, approximately 45 children 18 and under experienced maltreatment in Coeur d'Alene during 2005.

In 2005, 14 percent of all young adults in Idaho were reported by KIDS COUNT to have "difficulty making a successful transition to adulthood." These youth, also known as "disconnected" youth, are persons ages 18 to 24 who are not presently enrolled in school, are not currently working and have no degree beyond a high school degree or GED. The 14 percent of young adults considered disconnected in the state of Idaho is slightly lower than the 15 percent nationally.¹⁶ Applying this percentage to the City of Coeur d'Alene's 2005 population between 18 and 24, approximately 579 young adults would be considered disconnected.

According to the state of Idaho's point-in-time count of homeless individuals and households, on January 29, 2007, there were 51 persons under the age of 18 in shelters and another 17 unsheltered persons under 18 living in Region 1, of which Coeur d'Alene is a part.

AIDS/HIV. The U.S. Department of Health and Human Services' Center for Disease Control and Prevention produces an annual *HIV/AIDS Surveillance Report*. The most recent report was revised June 2007 and contains 2005 data. According to this report, at the end of the 2005 calendar year, 346 persons were living with HIV in the state of Idaho and another 281 people had been diagnosed with AIDS. Using the statewide incidence rate of 29.8 HIV cases per 100,000 population, there are an estimated 13 persons with HIV in Coeur d'Alene. Similarly, using the statewide incidence rate of 24.2 AIDS cases per 100,000 population, there are an estimated 10 people living with AIDS in the City.

Supply of housing. 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; the Section 8 Housing Choice Voucher program; and the Section 811 program. Combining the LIHTC, HOME and Project-Based Section 8 programs, there are 869 family units, 461 elderly units, and 175 handicapped accessible units in Kootenai County offering subsidized rental housing.

¹⁶ *KIDS COUNT State-Level Data Online*, Youth Risk Factors 2005, http://www.kidscount.org/sld/profile_results.jsp?r=14&d=1&c=7&n=1&p=5&x=154&y=10

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.

Low-Income Housing Tax Credit (LIHTC) and HOME programs. 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. The federal Home Investment Partnerships Program (HOME) provides subsidies to construct or rehabilitation affordable rental housing.

Exhibit III-34 lists the LIHTC projects and/or HOME developments in Kootenai County and the number of subsidized units. The most recent available data are current as of May 2007.

**Exhibit III-34.
Low-Income Housing Tax Credit/HOME Developments in Kootenai County, as of May 2007**

City	Facility Name	Address	Phone	Units by Type			Unit Sizes			Rent Range	
				Family	Elderly	Accessible	1 bd	2 bd	3 bd	Low	High
Coeur d'Alene	Fairwood Apts	1905 W. Appleway	664-3797	120	2		X	X		\$495	\$591
Coeur d'Alene	Cherry Ridge	1053 Emma Avenue	667-6880	71			X	X		VARIES	
Coeur d'Alene	Coeur d'Alene Senior Housing	7712 N. Heartland Drive	762-9809		29	37	X	X		\$215	\$560
Coeur d'Alene	Park Place Apts	3825 Ramsey	765-4100	30		16	X	X	X	VARIES	
Coeur d'Alene	Lakewood Ranch	3755 4th Street	765-4111		80	4	X	X		VARIES	
Coeur d'Alene	Homestead Apts	106 E. Homestead	765-5105		6	2	X	X		\$475	\$550
Coeur d'Alene	Maple Grove Apts	3157 Fruitland	765-8438	23		1	X	X		\$475	\$520
Coeur d'Alene	Silver Lake Apts I	692 W. Wilbur	772-4129	39		3	X	X	X	\$223	\$605
Coeur d'Alene	Silver Lake Properites II	698 W. Wilbur	772-4129	53		3	X	X	X	\$373	\$605
Coeur d'Alene	Heartland Senior Housing	7713 North Heartland Dr	772-1501		23	29	X	X		VARIES	
Hayden	Hayden Country Ridge	61 East Country Ridge Court	772-0491	39		3	X	X	X	VARIES	
Post Falls	Kamps Apts	201 W. Seltice	457-8380	18			X	X		\$315	\$392
Post Falls	Seltice Place Apts	3955 2nd Ave	773-6293	15				X	X	\$475	\$570
Rathdrum	Timber Cove	824 Main Ave.	245-1802	21			X	X	X	VARIES	
Rathdrum	Treehouse Apartments	1445 N. Hwy 41	687-3736	28		2	X	X	X	VARIES	
Rathdrum	Pine Wood Village	682 Heritage	623-2047		16		X			VARIES	
Total				457	154	113					

Source: Northern Panhandle Idaho Assisted Housing Directory, Idaho Housing and Finance Association.

As of May 2007, there were 16 low-income housing tax credit and HOME developments in Kootenai County. These developments had 457 family units, 154 units for seniors, and 113 were accessible to persons with disabilities. Coeur d'Alene housed 10 of the 16 LIHTC developments in the County.

Project-Based Section 8 program. 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.

Exhibit III-35 lists the Project-Based Section 8 properties in Kootenai County and Coeur d'Alene. The most common size is a one-bedroom unit. Four hundred and twelve units are designated as family units. Another 307 units are set aside for the elderly, and 62 units are accessible to persons with disabilities.

**Exhibit III-35.
Project-Based Section 8 Developments, as of May 2007**

City	Facility Name	Address	Phone	Units by Type			Unit Sizes			
				Family	Elderly	Accessible	Studio	1 bd	2 bd	3 bd
Coeur d'Alene	Heritage Place I & II	702 W. Walnut Avenue	664-2680		129	2		X		
Coeur d'Alene	English Village Apts	115 Anton Avenue	664-4290	54		8		X	X	X
Coeur d'Alene	Coeur d'Alene Manor	3016 Government Way	664-6800		60		X	X		
Coeur d'Alene	Lincoln Way Terrace Apts.	Harrison & Lincoln Way	666-1502	18		2		X		
Coeur d'Alene	Howard Place	2707 N. Fruitland Lane	667-7280	40		2		X	X	X
Coeur d'Alene	Lake Country	1421 N. 9th	667-9682	44		2			X	X
Coeur d'Alene	Prairie Run	7760 N Heartland Drive	762-9809		21	21		X		
Hayden	Lakeview Village Apts	10102 N. Government Way	666-1502	24		2		X	X	X
Hayden	Mathews Apartments	8551 N. Government Way	666-1502	24		1		X	X	X
Hayden	Gateway Apartments	649 W. Hayden Avenue	664-2042	16				X	X	
Hayden	Sarah Street Apartments	9359 N. Government Way	772-7762		35	2		X		
Post Falls	Meadow Glenn II	1105 East 3rd	457-8380		20	2		X		
Post Falls	Vali-Vu	1358 East 16th	457-8380	8						X
Post Falls	Parkside Apts	1814 N. Spokane Street	773-2459	24		1		X	X	X
Post Falls	Parkside Senior Apts	1900 North Williams	773-2459		18	1	X			
Post Falls	Ross Point I	3200 E. 2nd Street	773-3378	24		2	X	X	X	
Post Falls	Ross Point II	3200 E. 2nd Street	773-3378	24		2	X	X	X	
Post Falls	Park Ridge Apartments	In Process	746-2422	53						
Post Falls	Post Falls Terrace	1120 N Idaho St	733-3493	35			X	X		
Post Falls	Meadowood Glen	1105 E. 3rd Avenue	457-8380	12	12		X	X		
Spirit Lake	Timberlane Apartments	5923 W. Massachusetts St.	623-2651	<u>12</u>				X	X	
Spirit Lake	Maple Tree Court	5th & Jefferson	623-2424		<u>12</u>	<u>12</u>		X		
Total				412	307	62				

Source: Northern Panhandle Idaho Assisted Housing Directory, Idaho Housing and Finance Association.

Seven out of 22 Project-Based Section 8 properties are located in Coeur d'Alene.

Expiring use properties. 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, 154 units are subject to expiration in 2007 and 2008; 48 units in 2011; and 84 units in 2020 and 2021. Twenty-one of the units expiring in 2008 are operated by a nonprofit and, as such, less likely to convert to market-rate units.

In sum, based on a review of the HUD database, as many as 181 assisted units could be lost from the Project-Based Section 8 inventory during the next five years.

Section 8 voucher program. The Section 8 voucher program provides rental subsidies to qualifying households who find rental housing in the private market. Section 8 is a federally funded program with budget limitations. 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 Section 8 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 Section 8 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 Section 8 program through four branch offices statewide, including an office in Coeur d'Alene. As of August 2007, the families at the top of the list had been waiting 33 months for a voucher. The wait list is has approximately 1,300 to 1,400 families.

Section 811 Supportive Housing for Persons with Disabilities. The Section 811 program provides rental assistance and supportive services to very low-income households with disabilities. To qualify for assistance, at least one member of a household must be 18 or older with a physical, developmental and/or mental disability. Section 811 projects provide rental assistance to tenants by covering the difference between the HUD-approved operating costs and the tenant's rent contribution (usually 30 percent of adjusted income). The 811 development must offer state or local approved supportive services such as case management or employment assistance.¹⁷

As of August 2007, St. Vincent de Paul had applied for a Section 811 grant from HUD. The proposed project will include 15 units of multifamily housing for persons with disabilities. The City of Coeur d'Alene has already donated the land for the project site.

Emergency shelters. For persons experiencing homelessness and women who are domestic violence victims, there are 6 emergency shelters in the County to assist these persons. These shelters are the Children's Village, St. Vincent de Paul Women's Shelter, St. Vincent de Paul Men's Shelter, St. Pius Church, the Women's Center and the OASIS Post Falls Police Department, which is the only emergency shelter located outside of Coeur d'Alene. Together, these shelters provide beds to 68 people in need of housing because they are homeless.

The emergency shelter at the Children's Village, the Moyer Home, serves children 0 to 18 years of age who are abused, neglected and/or homeless. If needed, the home can also serve as a foster home. Siblings are kept together and the children are bussed back to neighborhood schools with the goal of keeping as much stability in their lives as possible. The Moyer Home has 11 beds.

The Women's Center is a support system for women and their families serving the five northern Idaho counties. The Women's Center provides 24-hour crisis intervention and referral for victims of domestic violence, rape and sexual assault. The center offers emergency shelter, victims' advocacy, community education, and support for abused women and their families.¹⁸ The Women's Center has 10 beds for women and children.¹⁹

The shelters provided by St. Vincent de Paul provide emergency housing to men and women separately. There are 20 beds for single men, including 8 beds on the porch and in the living room of the home. St. Vincent de Paul Women's Shelter provides 14 beds to serve women with children.

¹⁷ <http://www.hud.gov/offices/hsg/mfh/progdesc/disab811.cfm>

¹⁸ <http://www2.state.id.us/crimevictim/directory/pr/CdATribeWomensCenter/services.html>

¹⁹ Phone interview August 14, 2007.

The Post Falls Police Department OASIS program provides a maximum of 5 beds to persons fleeing domestic violence. The OASIS program previously had a shelter and transitional home city-owned complexes. However, the city of Post Falls recently sold the complexes and now the OASIS program consists of a one-bedroom apartment with a maximum of 5 beds for domestic violence victims. Families are generally only able to stay in the apartment for one to two weeks before being referred elsewhere. The OASIS program is currently seeking funding to build a 3-bedroom modular home to expand the program's reach.

Finally, St. Pius Church houses women and small children and has 8 beds available in Coeur d'Alene.

Transitional housing. The vast majority of transitional housing is provided by St. Vincent de Paul. St. Vincent's transitional family shelter has 16 units, each with a 4 bed capacity. St. Vincent's Star Transitional shelter in Coeur d'Alene has 11 units for families or singles with a maximum of 3 beds per unit. In total, St. Vincent provides 27 units (a maximum of 97 beds) of transitional housing in the City. In Post Falls, St. Vincent operates 4 one-bedroom units of transitional housing within their Kamps Apartment complex; these units serve families with children under 18 years old. The 4 units at Kamps provides a maximum of 16 beds for transitional families.

In total, there are 37 units (113 beds) of transitional housing available in the County.

Housing for youth. The Children's Village has a second home, the Miller Home, which serves children who experience difficulties such as depression, behavioral difficulties, poor social development, and lack of anger management that impairs the child from functioning on a daily basis. Many of these children are wards of the state. These children receive structured, individualized and behaviorally focused residential treatment. The Miller Home, like the emergency shelter, has 11 beds. Children at the Miller Home attend the Children's Village Academy, an accredited school by the state of Idaho located on-site.

Assisted living and housing options for seniors and persons with disabilities. For persons unable to live alone, including the elderly and persons with disabilities, there are 32 assisted living facilities in the County from which to choose. Exhibit III-36 lists the assisted living facilities, the location of the facilities, the number of beds, and the type of population served.

Depending on the facility, assisted living can be cost prohibitive to low-income seniors. However, low-income seniors who are eligible for Medicaid may be able to use their Medicaid to pay for a portion of the costs of an assisted living facility.

Exhibit III-36.
Assisted Living Facilities in Kootenai County, as of January 2006²⁰

Name	City	Number of Beds	Type
Adult Residential Care Home II	Coeur d'Alene	8	Elderly/ Alzheimer's/Dementia /Mental Illness
Beehive Homes of North Idaho—A	Coeur d'Alene	10	Elderly/Alzheimer's/Dementia/Mental Illness/Developmentally Disabled
Beehive Homes of North Idaho—B	Coeur d'Alene	10	Elderly/Alzheimer's/Dementia/Mental Illness/Developmentally Disabled
Beehive Homes of North Idaho—C	Coeur d'Alene	10	Elderly/Alzheimer's/Dementia/Mental Illness/Developmentally Disabled
Bestland Retirement Community	Coeur d'Alene	n/a	n/a
Birch Avenue Retirement Center	Coeur d'Alene	8	Elderly
Coeur d' Alene Homes	Coeur d'Alene	36	Elderly/Developmentally Disabled/Mental Illness
Courtyard on Sherman	Coeur d'Alene	15	Elderly/Alzheimer's/Dementia/Mental Illness/Developmentally Disabled
Loyalton of Coeur d' Alene	Coeur d'Alene	96	Elderly
Fairwinds	Coeur d'Alene	35	Elderly
Four Seasons Assisted Living	Coeur d'Alene	58	Elderly/ Alzheimer's/Dementia
Hayden View Cottage	Coeur d'Alene	8	Elderly/Alzheimer's/Dementia/Mental Illness/Developmentally Disabled/Physically Disabled
Legends Park Assisted Living Community	Coeur d'Alene	45	Elderly
Preferred Living	Coeur d'Alene	8	Elderly
Sherman Avenue Beehive	Coeur d'Alene	8	Elderly
Forever Young	Hayden	3	Elderly
Harmony House Assisted Living I	Hayden	12	Elderly/Alzheimer's/Dementia/Mental Illness/Developmentally Disabled/Physically Disabled/Traumatic Brain Injury
Harmony House Assisted Living II	Hayden	13	Developmentally Disabled/Mental Illness/Physically Disabled/ Traumatic Brain Injury
Hayden Country Guest Home—III	Hayden	45	Elderly/Alzheimer's/Dementia
Lark's Haven	Hayden	12	Elderly/Developmentally Disabled
Sylvan House	Hayden	45	Elderly/Developmentally Disabled/Alzheimers/Dementia
Wellspring Meadows Assisted Living	Hayden	15	Elderly/Alzheimer's/Dementia
Autumn Haven I	Hayden Lake	15	Elderly/Alzheimer's/Dementia
Autumn Haven II	Hayden Lake	11	Elderly/Alzheimer's/Dementia
Elite Care II	Hayden Lake	15	Elderly/Alzheimer's/Dementia
Elite Care LTD	Hayden Lake	9	Elderly/Alzheimer's/Dementia
Garden Homes	Post Falls	15	Elderly/Alzheimer's/Dementia
Guardian Angel Homes	Post Falls	60	Elderly/Alzheimer's/Dementia
Haven Acres Residential Care	Post Falls	9	Elderly/Alzheimer's/Dementia
Living Springs	Post Falls	14	Elderly/Developmentally Disabled/Alzheimers/Dementia
Generations Assisted Living and Wellness	Rathdrum	15	Elderly/Alzheimer's/Dementia
Aspen Springs Pioneer Homes	Spirit Lake	12	Elderly
Rose Terrace Country Homes	Spirit Lake	45	Elderly/Alzheimer's/Dementia
County Total		720	
Total in Coeur d'Alene		355	
Percent in Coeur d'Alene		49%	

Source: Residential Care Facility/Assisted Living, The State of Idaho, January 12, 2006, Bureau of Facility Standards, Idaho Department of Health and Welfare, www.elderlivingcenter.com and BBC Research & Consulting.

As shown in the Exhibit, there are 720 beds for persons with disabilities and the elderly in Kootenai County. Almost half (49 percent) of the beds are located in 14 developments in Coeur d'Alene. The majority of the remaining assisted living facilities are in the City of Hayden.

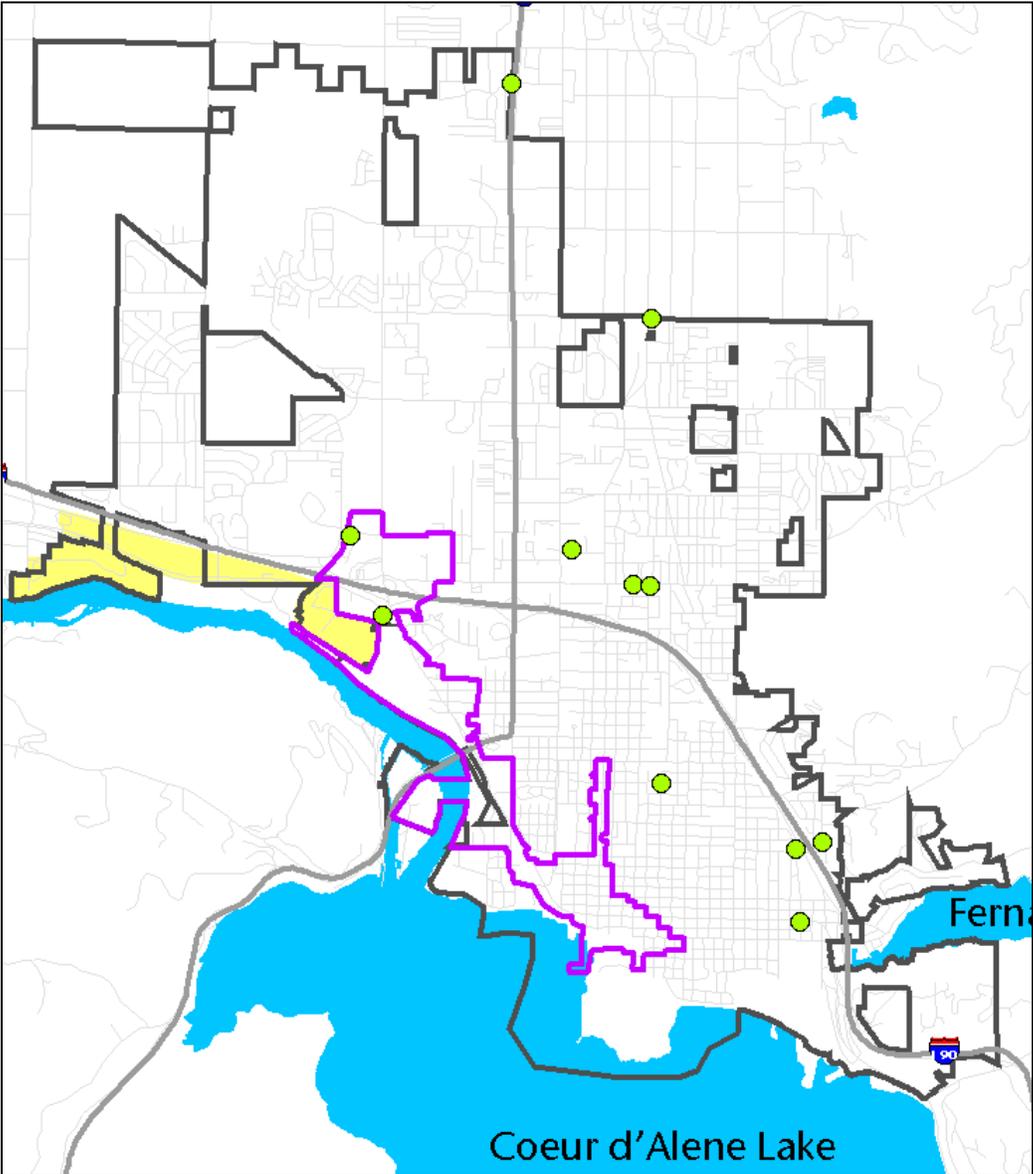
All of the facilities specifically target the elderly except for Harmony House Assisted Living I and II. The Harmony House facilities target persons with severe needs: the developmentally disabled,

²⁰ The Idaho Department of Health and Welfare no longer produces the *Residential Care Facility/Assisted Living* report. Therefore, January 12, 2006, is the most up-to-date report available.

physically disabled, patients with traumatic brain injury, and persons with mental illness. Most of the facilities specifically targeting the elderly also assist Alzheimer’s patients and persons with dementia.

Exhibit III-37 shows the locations of the assisted living facilities in the City.

**Exhibit III-37.
Location of Assisted Living Facilities, Coeur d’Alene, 2006**



Source: Residential Care Facility/Assisted Living, The State of Idaho, January 12, 2006, Bureau of Facility Standards, Idaho Department of Health and Welfare, www.elderlivingcenter.com and BBC Research & Consulting.

For residents with more intensive care needs, there are four nursing home facilities in the County, all located in Coeur d’Alene. Exhibit III-38 lists the nursing homes, the number of Medicare/ Medicaid certified beds, and the number of residents. In all of the nursing homes, the actual number of residents is less than the number of Medicare/ Medicaid certified beds.

**Exhibit III-38.
Nursing Homes in Kootenai County**

Name	City	Number of Certified Beds	Number of Residents
Lacrosse Health and Rehabilitation Center	Coeur d’Alene	130	106
Ivy Court	Coeur d’Alene	125	81
Life Care Center of Coeur d’Alene	Coeur d’Alene	120	115
Pinewood Care Center	Coeur d’Alene	<u>117</u>	<u>82</u>
Total		492	384

Notes: Lacrosse Health and Rehabilitation Center data current as of May 9, 2006.
Ivy Court data current as of May 10, 2007.
Life Care Center data current as of August 11, 2006.
Pinewood Care Center data current as of August 1, 2006.

Source: www.medicare.gov, Nursing Homes Compare.

There are a total of 492 certified beds in the four nursing homes in Kootenai County. Lacrosse Health and Rehabilitation Center has the most certified beds of all facilities (130). However, the Life Care of Coeur d’Alene currently has the highest occupancy (115 residents).

Five-Year Needs Projections

This section identifies the projected number of families with housing needs for a 5 year period, as required by the HUD Consolidated Plan regulations.

Extremely low-income renters. The gaps analysis completed for the Consolidated Plan found a current need for 861 rental units for renters earning less than approximately \$15,000 per year. If the City maintains its current population growth (3.6 percent annual growth), extremely-low income renters experience the same population growth as the City overall, and no new units are developed to assist this group, this need will increase to 1,028 units in 2012.

Low- to middle-income renters. No current need identified; no future need estimated. However, low- to middle-income renters who want to buy can find only 11 percent of the market affordable to them at this point in time. The number of low- to middle-income renters who are currently looking and cannot find properties to buy is unknown. If for-sale housing prices continue to increase, renters will find it increasingly difficult to buy in the future.

Extremely low-income owners. The gaps analysis completed for the Consolidated Plan found that 1,107 extremely low-income owners could potentially have housing problems, including the inability to make needed repairs and being unable to afford a replacement unit if they needed to sell their

home. If the City maintains its current population growth, extremely-low income owners experience the same population growth as the City overall, and no new units are developed to assist this group, this need will increase to 1,321 units in 2012.

Low- to middle-income owners. According to the gaps analysis, these owners currently have a sufficient supply of housing to meet their needs. However, if housing prices continue to increase and these owners cannot afford to make needed repairs and/or need to replace their units, there could be a need in the future.

Elderly persons. The housing needs table completed for the Plan indicates that 165 frail elderly persons in the City have housing needs. If the City maintains its current population growth (3.6 percent annual growth), frail elderly residents experience the same population growth as the City overall, and no new beds are developed to assist this group, this need will increase to 200 frail elderly persons with housing problems 2012.

Single persons. Single persons with housing needs are mostly elderly persons living alone. Please see the section above for the projected housing needs of the elderly.

Large families. According to HUD CHAS data, approximately 205 large families in Coeur d'Alene had housing needs in 2000. If the number of large families experience the same growth as the City's population overall, as many as 295 large families could have housing needs in 2012.

Persons with disabilities. There are approximately 264 units available to serve the 2,600 residents in Coeur d'Alene with some type of disability and who have housing problems. If the City maintains its current population growth (3.6 percent annual growth), persons with disabilities experience the same population growth as the City overall, and no new beds are developed to assist this group, this need will increase to 3,100 in 2012.

Persons with HIV/AIDS. Housing needs are expected to increase to 14 in 2012, from 12 currently.

Persons who are homeless. The most recent homeless count in Region 1 (of which Coeur d'Alene is part) identified 173 persons experiencing homelessness. If the number of persons who are homeless continues to grow proportionate to population growth, the number of homeless could reach 206 in five years. In a worse case scenario, if 25 percent of the severely cost burdened owners and renters in the City become homeless, the total number of persons experiencing homelessness could exceed 500.

SECTION IV.

Housing and Community Development Needs

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Housing and Community Development Needs

This section discusses Coeur d'Alene's housing and community development needs, as identified by citizens, public service agencies and government officials through stakeholder consultation and public meetings. This section addresses the requirements of Sections 91.205, 91.210, and 91.215 of HUD's Consolidated Plan Regulations.

Local Input on Community Development and Housing Needs

The City of Coeur d'Alene's citizen participation efforts for the Consolidated Plan included:

- Three forums to elicit input regarding housing and community development needs;
- A focus group with stakeholders involved in housing development, economic and community development and providing services and housing to special-needs populations;
- A 30-day public comment period; and
- A public hearing.

Resident Survey

During August 2007, a survey was available for Coeur d'Alene residents to complete and provide information on their housing needs and on their perceived housing and community development needs in the City overall. The survey also asked questions about residents' experiences with housing discrimination and homelessness.

A total of 78 residents completed the survey. This section discusses the survey results.

Respondent characteristics. Because of the way in which it was administered (residents were not randomly selected to complete the survey), the survey was not meant to statistically represent the City's population with a set level of significance. Despite this, the survey respondents represented the City's residents overall quite well.

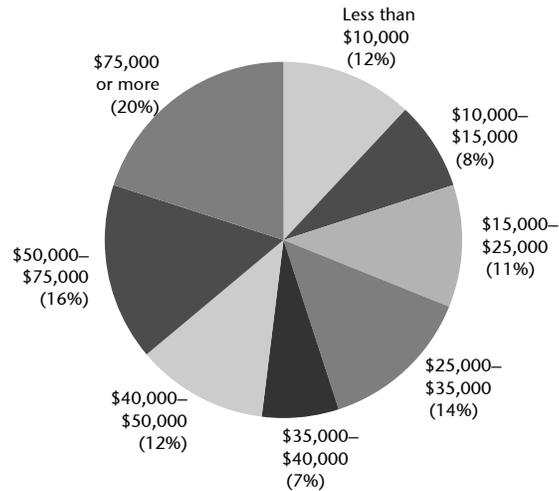
The majority of survey respondents—66 percent—lived in a single family home. Fourteen percent lived in apartments; 8 percent in mobile homes; and 5 percent in twin homes/duplexes. About 73 percent of respondents owned their homes; 27 percent rented. In 2000, 62 percent of housing units in Coeur d'Alene were owner-occupied. Therefore, the survey oversampled homeowners slightly.

Forty-five percent of survey respondents had been in their home/apartment for 5 years or more. Eighteen percent had been in their home less than 1 year; 14 percent 1 to 2 years; and 22 percent 3 to 4 years.

Exhibit IV-1 shows the income distribution of the survey respondents.

**Exhibit IV-1
Income Distribution,
Survey Respondents**

Source:
BBC Resident Survey, Coeur d'Alene
Consolidated Plan.



The income distribution of the survey respondents was close to the distribution of household incomes in the City overall. Sixty-five percent of survey respondents earned less than \$50,000 per year, compared to an estimated 67 percent of all households in the City.

About half of survey respondents lived in a household where at least one member worked full time. Of all of the adults represented by the surveys, 52 percent worked full time, 21 percent worked part-time and 27 percent did not work.

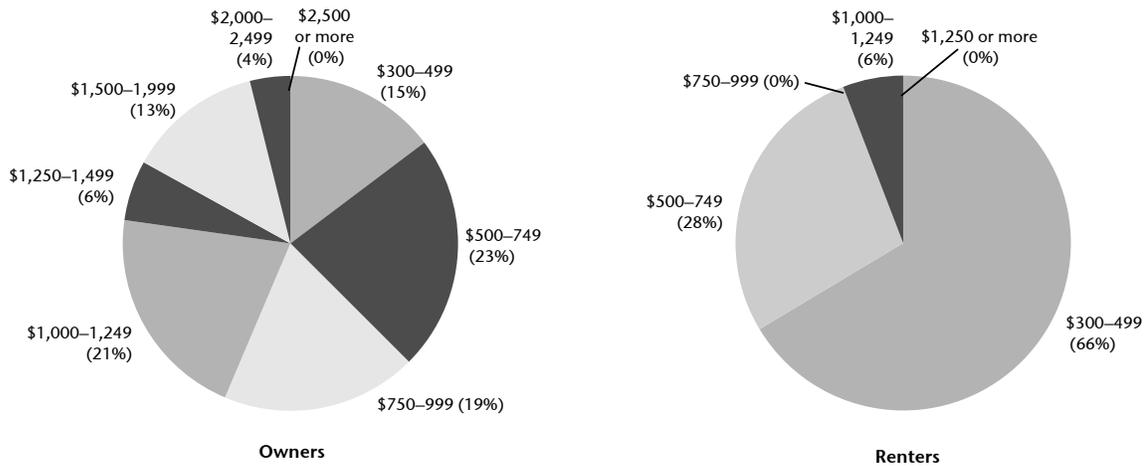
Twenty percent of respondents had children living with them. Fourteen percent of respondents were students.

Ninety-five percent of survey respondents were White, non-Hispanic; 5 percent were Hispanic—a very close representation of the race/ethnicity of the City overall.

Eighteen percent had a disability, which approximates the percentage of the City’s residents with a disability overall (20 percent).

Affordability. Exhibit IV-2 shows the distribution of the monthly mortgage or rent payments of survey respondents.

**Exhibit IV-2.
Payment by Tenure**



Source: BBC Resident Survey, Coeur d’Alene Consolidated Plan..

Most renters pay between \$300 and \$500 per month for their homes. Most owners pay between \$500 and \$1,250 for their mortgage payments.

Survey respondents were asked to describe their housing situation in terms of how easily they can afford their current mortgage or rent. As shown in Exhibit IV-3, most consider their rent or mortgage “a big expense,” but one that does not require an economic sacrifice.

**Exhibit IV-3.
“Which of the following best describes your housing situation?”**

Source: BBC Resident Survey, Coeur d’Alene Consolidated Plan..

Which of the following best describes your housing situation?	
“My rent/mortgage does not put an overall strain on my monthly expenditures.”	30%
“My rent/mortgage is a big expense for me; however, I am still able to make it month to month without too many sacrifices.”	53%
“My rent/mortgage is a significant part of my monthly expenses, and I’m currently having to sacrifice many things in my life and/or go into some debt in order to get by.”	12%
“My rent/mortgage is a significant part of my monthly expenses, and I will likely need to move in the future because I can no longer afford my payments.”	5%

Interestingly, the respondents who said their rent/mortgage was a “big expense,” had relatively low rent and mortgage payments (ranging between \$300 and \$1,000).

Satisfaction with housing situation. The survey respondents were asked, on a scale of 1 to 10 to rank their satisfaction with their housing unit (with 1 being the least satisfied and 10 being the most). The average ranking was 7.5—moderately satisfied. There was little difference in the average satisfaction between homeowners (7.6) and renters (7.5).

Respondents were asked to name the three things they would change about their housing situation if they could. The majority of renters—78 percent—said they would like to own their home. Most of the homeowners who responded to this question (56 percent) said they would like to remodel their home to better accommodate their needs or have a newer, larger home with fewer problems. Thirty-percent of homeowners wish they lived in a different (mostly nicer) neighborhood. About one-fourth of the homeowners said they would like to live closer to work. About 24 percent said they would like to lower their mortgage payment.

Exhibit IV-4 shows the changes that renters and homeowners desire the most, based on the survey responses.

Exhibit IV-4.
“What would you like to change about your housing situation?”

Source:
BBC Resident Survey, Coeur d’Alene
Consolidated Plan..

Items mentioned most often by survey respondents
Have a newer house
Have a house with fewer problems
Own rather than rent
Like in a different neighborhood
Live closer to work
Reduce my mortgage payment

Respondents who identified that they or someone in their household had a disability were asked if they had trouble finding housing that met their needs, and if their current housing meets their needs. Twenty-eight percent said that they had trouble finding the housing they need, given their disability. Most (72 percent) said that their current home is sufficient to meet their needs. Those respondents who said their home does not meet their needs were largely homeowners.

Repairs needed. The survey asked both owners and renters if they needed to have repairs made to their homes and, if so, what types of repairs.

The slight majority of homeowners—54 percent—said they did *not* need to make repairs to their homes. Of those homeowners who said they needed to make repairs, the repairs were mostly cosmetic, consisting of paint, windows and/or landscaping.

When asked why they hadn’t made these needed repairs, the homeowners said they couldn’t afford them (55 percent) or didn’t have the time (32 percent).

Three owners, or 6 percent of the homeowners responding to the survey who needed repairs, said that the repairs were so significant that they made their homes “unlivable.” This is equivalent to about 3 percent of all homeowners in the City, or approximately 500 households.

Eighty-six percent of renters said their landlords make repairs when they are needed, and only one renter said the repairs needed in their unit made it “unlivable.”

Trouble with landlords? Three renters, representing 14 percent of renters responding to the survey, said they had experienced some type of trouble with their landlords. Two of the renters said

this involved a housing unit in poor condition. One renter said he/she had been harassed by his/her landlord (a fair housing concern).

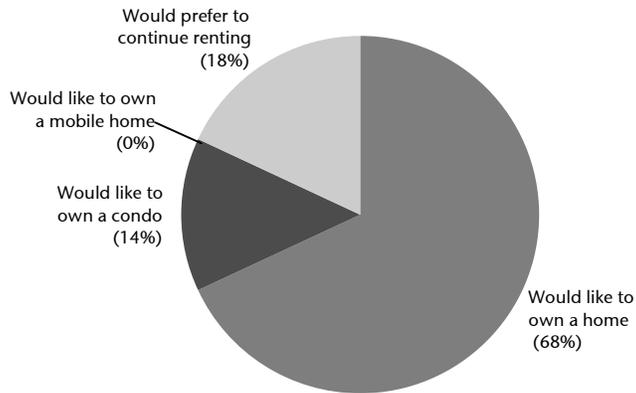
Mortgage financing and loan terms. The majority of homeowners—88 percent—said they were satisfied with the financing and loan terms they received when they got their mortgage loans. Sixty-five percent of the homeowners got their mortgage locally.

Of those who were not satisfied with their financing and/or loan terms, two homeowners said they had prepayment penalties and one said they initially were working with a “dishonest” broker. These loans could indicate some type of predatory lending.

Do renters want to buy? The majority of renters would like to own a home (68 percent); 14 percent would like to own a condominium. Fourteen percent would prefer to continue renting, as shown in Exhibit IV-5.

**Exhibit IV-5.
Renters’ Preferences for
Owning v. Renting**

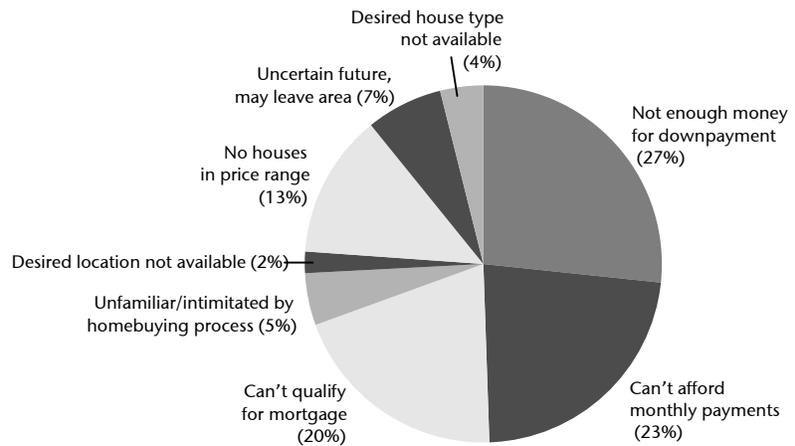
Source:
BBC Resident Survey, Coeur d’Alene
Consolidated Plan..



The primary reasons renters could not afford to buy include not enough money for a downpayment, inability to afford monthly mortgage payments and inability to qualify for a mortgage, as shown in Exhibit IV-6.

**Exhibit IV-6.
Barriers to
Homeownership, Renters**

Source:
BBC Resident Survey, Coeur d’Alene
Consolidated Plan..



Satisfaction with neighborhood. Respondents were given the opportunity to identify the three things they would like to see change in their neighborhood. Of all the changes desired, the largest percentage (37 percent) was related to general upkeep and noise, including barking dogs. Several respondents commented on rental units in poor condition in their neighborhoods needing better maintenance. Traffic was the next most-frequently mentioned problem, followed by sidewalk repairs and desiring to live further away from neighbors.

Homelessness. A surprising 26 percent of survey respondents said they had been homeless at some point in time. Sixty-percent of those who had been homeless experienced homelessness in Coeur d’Alene. The slight majority of residents who had been homeless (55 percent) are currently homeowners; 45 percent are currently renters.

Most episodes of homeless lasted between 1 and 6 months, followed by less than 1 month. About 13 percent of those who had experienced homelessness were homeless for more than 1 year.

Reasons for homelessness. There was no primary reason why the formerly homeless respondents had been homeless, as shown in Exhibit IV-7.

**Exhibit IV-7.
Reasons for Becoming Homeless**

Note:
BBC Resident Survey, Coeur d’Alene
Consolidated Plan..

Reasons for Becoming Homeless, Survey Respondents	
Couldn’t afford place I was in	5%
Couldn’t find a place I could afford	8%
Bad credit	5%
Evicted/ foreclosed	6%
Quit job	2%
Got fired	3%
Lost government housing assistance	0%
Got sick, couldn’t work	5%
Got sick, couldn’t afford care	3%
Moved to seek work	3%
Released from jail or prison	2%
Left abusive spouse/ parent	5%
Got divorced	3%

Discrimination. Fourteen percent of respondents said they had experienced some type of housing discrimination. Sixty-percent of those who felt discriminated against said they experienced the discrimination in Coeur d’Alene.

The reasons that respondents felt they had been discriminated against included having children (24 percent of the reasons); having a low-income (18 percent); being physically disabled (12 percent); being a student (12 percent); and having bad credit (12 percent). It should be noted that of these reasons, only having children and being disabled are protected classes under Fair Housing Law. If the non-protected reasons are removed, the top reasons for discrimination include having children—now at 50 percent of the reasons—and physically disabled at 25 percent.

Sixty percent of the survey respondents who said they had experienced housing discrimination “did nothing” about it.

Trade-offs. A series of trade-off questions in the survey tested the respondents’ preferences about housing and their neighborhoods. Exhibit IV-8 shows the results of these trade-off questions. As shown in the Exhibit, respondents had strong preferences for owning a more expensive single-family home versus a less expensive condo or townhome. However, in a bit of a contradiction, respondents would rather live in their desired location rather than live in a larger home, and would prefer to live close to where they work.

These answers suggest that residents are willing to make a square footage trade-off for the right location, but the home should be a single-family detached unit. However, the last trade-off question suggests that residents are also willing to trade location for a less costly mortgage or rent payment.

**Exhibit IV-8.
Trade-off Questions**

Source:
BBC Resident Survey, Coeur d’Alene
Consolidated Plan..

Would you rather...	
Live in your desired location	40%
Own your own home	60%
Purchase a \$200,000 single-family home	80%
Purchase a \$100,000 condo or townhome	20%
Have one more bedroom	67%
Have one more bathroom	33%
Have a larger home	29%
Reduce the cost of your mortgage/rent	71%
Live near desired schools	46%
Have a larger home	54%
Live in your desired location	88%
Have a larger home	13%
Live in an older home	35%
Live in a newer home	65%
Have a larger home	23%
Live close to where you work	77%
Live in your desired location	51%
Reduce the cost of your mortgage/rent	49%

How to spend CDBG. Respondents were asked how they would choose to allocate the City’s CDBG funds. Exhibit IV-9 shows the activities they would choose.

Exhibit IV-9.
“How would you choose to spend CDBG?”

Source:
BBC Resident Survey, Coeur d’Alene
Consolidated Plan..

Survey Respondents’ Opinions	
Build housing for homeless	14%
Build affordable housing for sale	25%
Build affordable rentals	21%
Improve housing in certain neighborhoods	7%
Create more jobs	11%
Improve streets/lighting/crosswalks	6%
Revitalize business corridor	4%
Improve/modify sidewalk	11%

As shown in the Exhibit, affordable housing activities were heavily favored by respondents: 25 percent of the CDBG activities chosen was building affordable housing to buy and 21 percent, building affordable rental housing. The next most popular activity was building housing for persons who are homeless.

Open-ended comments. The survey enabled respondents to make open-ended comments about housing and community development needs. These comments are summarized below. The comments have been paraphrased to protect the confidentiality of the survey respondents.

- “We should not keep building expensive high-rise condos and townhomes for second-home owners. Instead, we need decent, affordable housing for the people who work in this community.”
- “We need more jobs that pay a livable wage. Building cheap housing for workers who are only paid minimum wage is not a long-term solution.”
- “We are outgrowing our current home, but can’t afford to move into a larger home that better meets our needs.”
- “I am concerned that my daughter will not be able to afford a place to live in Coeur d’Alene.”
- “If I hadn’t inherited the home I live in, I wouldn’t be able to afford to live here...and I earn about the average wage.”
- “Fix the sidewalks! Use CDBG to assist low-income homeowners with sidewalk repair.”
- “We need many improvements to the 4th Street area. The traffic situation and parking are poor. The sidewalks are damaged. The types of businesses moving in detract from positive economic development. Commercial properties are in disrepair. Rental housing is blighted.”
- “Code enforcement activities should be targeted to the 4th Street area.”
- “I’d like to see more of a neighborhood policing model, where the police work with neighbors to reduce crime, especially in the 4th Street area.”

- “We need day care for young and old persons with disabilities, to relieve families of their care duties.”
- “We need a housing environment with supportive services for persons with severe disabilities.”

Public Forums

On August 6th and 8th, 2007, three forums were conducted to gather public input into the Consolidated Plan. The forums were held at the Harding Family Center, City Hall and Fire Station No.3. All locations were handicapped-accessible. Two forums began at 6 p.m. and one was held over the lunch hour to accommodate work and personal schedules.

Both forums included a summary of the purpose of the Consolidated Plan, descriptions of CDBG and how the funds might be used, and exercises with feedback opportunities. The exercises were designed to get the forum participants to brainstorm community needs and strategies they believe the City should use to address the needs. In addition, a worksheet was distributed asking the participants to choose which housing and community development activities they would fund if they had to prioritize among activities.

The presentations given at the forums also provided background on fair housing law. During the forums, participants were asked to identify barriers to fair housing choice in the City of Coeur d’Alene.

A total of 26 people attended the forums. A copy of the presentation given during the forums and the worksheets used for exercises appear at the end of the Citizen Participation Plan.

Top housing and community development needs. Participants in the forums were asked to identify the top housing and community development needs of Coeur d’Alene residents. The discussions are summarized below.

Housing needs

- Development costs to support affordable housing. Specific developments that were mentioned included those proposed by Habitat for Humanity and St. Vincent de Paul.
- Housing rehabilitation for owner- and renter-occupied housing. Residents support a revolving loan (rather than a grant) program and one targeted to seniors.
- Additional homeless and transitional housing.
- Housing and supportive services for veterans and for persons with serious mental illnesses.
- Downpayment assistance/individual development account (IDA) program.
- Assistance to low-income renters to make their security deposits.
- Better code enforcement.
- More affordable housing in general (rental and for-sale).

Community development needs

- Sidewalk repair and maintenance. The new City requirements/enforcement are costly to households, and lower-income households need assistance to be in compliance. This can also improve and assist with accessibility needs.
- Animal shelter and spay/neuter assistance.
- Improvements to mitigate traffic congestion. Construction of a public transit system in Coeur d'Alene. Change CDBG regulations to allow use for public transit.

Fair housing concerns

- Lack of fair housing education. People do not know their rights.
- Cost is the main barrier to accessing housing in Coeur d'Alene.
- Not-In-My-Backyard Syndrome is a problem.
- There is a sense of discrimination because of familial status, especially concerning grandparents raising their grandkids and senior housing complexes.
- Immigrants may also have a problem with discrimination, although the extent is unknown.
- Sometimes people are discriminated against, but they don't know it. They don't realize that what's happened to them is illegal.
- People are often intimidated by having to call the HUD hotline in Boise to report discrimination. They may prefer to speak to someone in person locally or file a complaint online.

How would you spend CDBG dollars? Forum participants and stakeholders were given the opportunity to choose how they would allocate the approximately \$300,000 CDBG dollars the City of Coeur d'Alene is projected to receive.

Exhibit IV-10 shows how residents who submitted worksheets chose to allocate the dollars. The forum responses were totaled and averaged by activity need. The activities are organized by type. The activities receiving the highest-percentage allocations are shaded.

Exhibit IV-10.
How would you spend \$300,000 of CDBG to improve Coeur d'Alene?

Activities	Location	Total Amt. All Responses	Average Amt. Per Response	% of All Dollars Allocated
Affordable housing—general	Citywide	\$560,000	\$29,474	10%
Affordable housing—general	Midtown	\$100,000	\$10,526	2%
Affordable housing—general	CDA—Rapid Transit-Oriented	\$200,000	\$5,263	4%
Land acquisition for affordable housing	Citywide	\$150,000	\$7,895	3%
Affordable “workforce” housing	Citywide	\$300,000	\$15,789	5%
Incentives for workforce housing	Citywide	\$153,000	\$8,053	3%
Security deposit/Downpayment assistance	Citywide	\$60,000	\$3,158	1%
Affordable Housing Activities		\$1,523,000	\$80,158	28%
Housing rehab, owner-occupied	Citywide	\$130,000	\$6,842	2%
Housing rehab, rental	Citywide	\$50,000	\$2,632	1%
Housing rehab, general	Downtown	\$200,000	\$10,526	4%
Housing Rehabilitation Activities		\$380,000	\$20,000	7%
Section 811 Funding: Disabled Hsg & Services	St. Vincent de Paul	\$355,000	\$18,684	6%
ADA Mobility Funding	Citywide	\$80,000	\$4,211	1%
ADA Funding		\$435,000	\$22,895	7%
Emergency housing	Citywide	\$200,000	\$10,526	4%
Housing for the homeless	Citywide	\$425,000	\$22,368	7%
Low income/Homelessness prevention services	Citywide	\$135,000	\$7,105	2%
Homeless Services/Housing		\$760,000	\$39,999	13%
Fair housing analyst, CDBG	Citywide	\$30,000	\$1,579	1%
Service organizations	Citywide	\$30,000	\$1,579	1%
Sidewalk repair	CDA/Old Downtown	\$795,000	\$41,842	14%
Code enforcement	Citywide	\$170,000	\$8,947	3%
Youth services	Citywide	\$80,000	\$4,211	1%
Infrastructure	Hazel St/Pennsylvania & 23rd	\$190,000	\$10,000	3%
Economic development	Citywide	\$75,000	\$3,947	1%
Planning/Administration	Citywide	\$60,000	\$3,158	1%
Job creation	Citywide	\$75,000	\$3,947	1%
Senior health services	Citywide	\$250,000	\$13,158	4%
Senior services, general	Citywide	\$130,000	\$6,842	2%
Animal shelter—spay/neuter	Citywide	\$562,000	\$29,579	10%
Crime prevention	Police Dept	\$55,000	\$2,895	1%
Low interest loans for businesses	CDA	\$100,000	\$5,263	2%
Community Development Activities		\$2,572,000	\$135,368	45%
Total Dollars Allocated Among Forum Attendees		\$5,700,000	\$299,999	100%

Note: Percentages may not add precisely due to rounding.

Source: Public Forums, August 2007 and BBC Research & Consulting.

The results indicate that residents prefer the CDBG dollars be targeted to two primary *eligible* activities: sidewalk repair and affordable housing, allocating 14 and 10 percent of the total CDBG dollars spent, respectively, on each activity type¹.

The second worksheet asked participants to rank a series of CDBG activities as either High, Moderate, Low, or No (None) priority. The results were tabulated and percentages calculated. Based on the results shown in Exhibit IV-11, residents of the Coeur d'Alene community view downpayment assistance to prospective buyers as the highest priority (79 percent of responses), followed by sidewalk repairs/accessibility modifications (57 percent), construction of emergency shelters or transitional housing (50 percent), and land acquisition for public development (50 percent). The lowest priorities from the forum results are demolition of substandard structures, crime reduction activities, construction of parks/recreational facilities and community centers.

¹ Animal shelter, spay/neuter services also received 10 percent of the funds allocated by residents. However, unless the shelter and spay/neuter services primarily benefit low- to moderate-income residents, this would not be a CDBG-eligible activity.

Exhibit IV-11.
CDBG Activities and Prioritization, Results from Public Forums

	Funding Level							
	High		Moderate		Low		None	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Downpayment assistance to prospective home buyers	11	79%	4	29%	1	7%	4	29%
Code enforcement to prevent/reverse deteriorating homes	4	29%	7	50%	5	36%	4	29%
Sidewalk repairs/accessibility modifications	8	57%	6	43%	5	36%	1	7%
Job training	3	21%	6	43%	5	36%	6	43%
Social services (e.g., youth programs, senior programs, assistance to persons who are homeless)	6	43%	8	57%	4	29%	2	14%
Rehabilitation of existing owner-occupied housing	5	36%	6	43%	3	21%	6	43%
Construction of new community centers	2	14%	2	14%	7	50%	9	64%
Rehabilitation of existing rental housing	5	36%	6	43%	5	36%	4	29%
Construction of parks/recreational facilities	1	7%	5	36%	6	43%	8	57%
Construction of emergency shelters or transitional housing	7	50%	5	36%	4	29%	4	29%
Low-interest loans to low-income entrepreneurs or to retain businesses that employ low-income workers	5	36%	9	64%	3	21%	3	21%
Crime reduction activities	3	21%	5	36%	8	57%	4	29%
ADA/accessibility modifications to public facilities	3	21%	6	43%	4	29%	7	50%
Land acquisition for public development	7	50%	1	7%	6	43%	6	43%
Demolition of substandard structures	1	7%	3	21%	10	71%	6	43%

Source: Public Forums, August 2007.

Other written comments. In addition to the worksheets, several residents who attended the forums submitted formal, written comments.

One resident distributed a written comment suggesting a specific program be funded by CDBG. The concept is to buy properties that can be sold to Coeur d'Alene residents who meet the "workforce" definition. These properties would be those in foreclosure and/or distressed. CDBG funds would be used to make repairs to the homes to bring them up to code and then resold by the City to qualifying buyers. Those purchasing the properties would need to live in them for a minimum of five years. If they do not occupy the property for this period, they would have to sell the properties back to the City for the purchase price plus a 3 percent per year appreciation and any necessary repair costs.

Another resident wrote that he would prioritize CDBG activities in the following order: First, new affordable rental housing; second, new affordable housing to buy; and third, housing for persons who are homeless.

The League of Women Voters, Affordable Housing Committee, submitted a letter describing their organization's national position on the prioritization of affordable housing. A copy of the letter appears in Appendix B—Public Comments. The League believes that every family should have access to a decent, affordable living environment, not segregated by economic status, with access to employment, preservation of open space, environmental cleanliness and beauty and other aspects of a suitable living environment.

Another resident wrote that he would like to see CDBG dollars used to develop more parks in the City and expand the City's urban forest.

One resident wrote to express her disappointment with the length of time she has been waiting to get a Section 8 rental voucher, since she is still on the waiting list and is estimated to be for 33 months. She advocates for a lottery system for vouchers. She also identified a need for home improvements for low-income residents of the City living in mobile home parks and/or their own homes, especially for seniors living on fixed incomes.

Stakeholder Focus Group

In addition to the resident surveys and public forums discussed previously, a focus group was held with key persons involved in housing and community development in Coeur d'Alene. A wide variety of stakeholders were invited to the group—including real estate professionals, lenders, economic development experts and community leaders from neighboring cities. Seven stakeholders attended the focus group, mostly representatives from the real estate profession and lenders.

During the focus group, stakeholders were asked to identify and discuss the top community development and housing needs in the City, and to brainstorm programs and activities to address the needs. The stakeholders also completed worksheets with their individual ideas of top needs and programs.

This section summarizes the discussion and worksheets received through the focus group. Please note that the needs are listed in the order in which they were discussed, not in order of importance.

In your opinion, what are the City’s top three community development needs?

- **Operating support** for social service firms, e.g., St. Vincent de Paul’s homeless shelter and transitional housing program.
- Improvements to the City’s **sewer and water system**, which is “antiquated.”
- **Preventative care and education** for households, including financial literacy, parenting, and personal health.
- **After-school programs** for idle youth; youth mentorship.
- **Accessibility for disabled downtown.** The sidewalks are in very poor condition, incomplete in some areas and lacking curb cuts. Parking downtown is terrible for persons with disabilities—there are not enough spots and the ones that exist are too small.

In your opinion, what are the City’s top three housing needs?

- Mixed-income workforce housing with community services on site (e.g., daycare, schools).
- Affordable detached homeownership. Affordable attached housing has not sold well.
- Home improvement program for low-income homeowners.
- There is concern that affordable housing communities are at-risk of decline with the downtown in the housing market. Investors buy up the properties and rent them if they can’t sell them at a specific price point.

What ideas do you have for programs to address needs?

- Create a home improvement program for low-income homeowners in a planned-unit development that is funded by an assessment of all homeowners in the homeowners’ association (HOA).
- Use CDBG to seed a housing trust fund.
- Target CDBG geographically, concentrating on areas in need of redevelopment.

Overall needs and program ideas

The exhibit on the following page summarizes the needs identified by stakeholders in the worksheets they completed after the focus group discussion.

**Exhibit IV-12.
Top Community Development and Housing Needs, Stakeholder Focus Group**

Top Community Development Needs	Top Economic Development Needs	Top Housing Needs
<p>Additional green space and public parks Accessibility improvements for disabled Expansion of affordable health care Financial literacy programs Improvements to sewer system Individual development account-matching program for education and homeownership Modify CDBG regulations to allow more than 15% toward public services Parenting skills</p>	<p>Business retention Projects that promote downtown participation Small business development</p>	<p>Affordable workforce housing Educational organization through HOAs to teach caring for homes, financial literacy Establish a website about homeowner education, including a listing of affordable properties Home rehabilitation program Homelessness prevention programs Mixed-income developments Mixed-use developments (housing above retail) Revolving loan fund for downpayment assistance “Progressive” housing (rental to homeownership) Senior housing downtown</p>

Source: Stakeholder Focus Group, August 2007.

Section V.
**Analysis of Impediments
to Fair Housing Choice**

SECTION V.

Analysis of Impediments to Fair Housing Choice

Introduction

This section is the 2008 Analysis of Impediments to Fair Housing Choice (AI) for the City of Coeur d'Alene. Cities and states eligible to receive Community Development Block Grant (CDBG) funding are required by the U.S. Department of Housing and Urban Development (HUD) to certify that they are taking actions to affirmatively further fair housing choice. Completing an AI with the three- or five-year Consolidated Plan is required to meet this certification.

This section begins with background information about AIs and the research conducted for this report. A review of the City's housing and land use policies in the context of fair housing follows. The report also contains an analysis of home mortgage lending data and fair housing complaints. The final sections of the report present the findings of a community survey conducted for the 2008 Consolidated Plan and AI, and a Fair Housing Action Plan (FHAP) for the City's fair housing activities.

Analysis of Impediments background. The AI is a U.S. Department of Housing and Urban Development (HUD) mandated review of impediments to fair housing choice in the public and private sector.

The AI involves:

- A review of a city's laws, regulations and administrative policies, procedures and practices;
- An assessment of how those laws, policies and practices affect the location, availability and accessibility of housing; and
- An assessment of public and private sector conditions affecting fair housing choice.

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.

Although the AI itself is not directly approved or denied by HUD, its submission is a required component of a city's or state's Consolidated Plan performance reporting. HUD desires that AIs:

- Serve as the substantive, logical basis for fair housing planning;
- Provide essential and detailed information to policy makers, administrative staff, housing providers, lenders and fair housing advocates; and
- Assist in building public support for fair housing efforts both within a city's boundaries and beyond.

In 2007, the City of Coeur d'Alene contracted with BBC Research & Consulting (BBC) to conduct a 2008 AI for the City as part of its first Consolidated Plan. BBC is an economic research and consulting firm with a specialty in housing studies, including fair housing.

Research methodology. BBC's approach to the City of Coeur d'Alene's AI was based on the methodologies recommended in HUD's Fair Housing Planning Guide, Vol. I, BBC's experience conducting AIs for other cities and the specific needs of the City.

The AI includes data from three public forums conducted as part of the Consolidated Plan and AI processes; a resident survey; a focus group with stakeholders; in addition to review and analysis of data on fair housing complaints, City policies, legal cases and mortgage lending transactions. BBC examined the findings from these tasks in order to determine what barriers to fair housing exist in the City. In conjunction with the City, BBC developed a recommended Fair Housing Action Plan (FHAP) for addressing the identified impediments, fair housing monitoring and education and outreach activities.

Fair Housing Act. The Federal Fair Housing Act (FHA), 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 covers most types of housing including rental housing, home sales, mortgage and home improvement lending and land use and zoning. Excluded from the Act 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 and housing operated by organizations and private clubs that limit occupancy to members and housing for older persons.¹

HUD has the primary authority for enforcing the FHA. 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).²

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.

² Ibid.

Local and State Fair Housing Ordinance. The City of Coeur d’Alene does not have its own fair housing ordinance and is instead governed by the Federal FHA. Similarly, the State of Idaho does not currently have a substantially equivalent law to the federal FHA.

Demographic and Economic Overview

The demographic and economic analysis for the City of Coeur d’Alene’s 2008 AI was completed in conjunction with the Community Profile in the Consolidated Plan. Section II contains information on the City’s population by race and ethnicity, large and female-headed households, persons living in poverty and persons with disabilities in the City.

Large households can have more difficulty finding housing—particularly affordable rental housing—due to a lack of supply. Female headed households and large households are also at greater risk of experiencing housing discrimination based on familial status than other types of households. Persons with disabilities face some of the greatest barriers to finding adequate housing, since they often require housing that has accessibility features, is near public transit and is affordable. Persons with disabilities are also at high risk of experiencing housing discrimination. Finally, the housing choices of persons living in poverty are often limited due to a lack of supply of deeply affordable units.

Summary conclusions from the demographic and economic analysis include:

- The City has a very small minority population—just 5 percent of residents report their race as something other than White and 3 percent are of Hispanic descent.
- As of the 2000 Census, 13 percent of Coeur d’Alene’s population lived in poverty. This compares to 10 percent for the Kootenai County overall. The City’s youngest children were most likely to be living in poverty: 18 percent of children in Coeur d’Alene were living below the poverty level. A review of the distribution of residents living in poverty did not show concentrations in certain areas in the City.
- According to HUD, large households are defined as households with five persons or more. Approximately 13 percent of Coeur d’Alene’s family households met this definition in 2000. Data from HUD on housing problems by household type report that lower-income large households are more likely to have housing problems than lower-income households overall.
- The Census reported that 20 percent of residents of Coeur d’Alene had a disability in 2000, compared to 18 percent nationwide with a disability. An estimated 6,257 persons in Coeur d’Alene had some type of disability in 2000 according to the Census. In 2006, the number is likely closer to 8,500, reflecting the City’s growth overall. Persons with disabilities do not appear to be concentrated in any one area in the City.

Resident Housing Survey

As part of the Consolidated Plan and AI, a survey was available to residents which asked about their housing needs and the needs of their neighborhood. The survey questions included a section on discrimination and barriers to accessing housing, which revealed the following:

- Fourteen percent of respondents said they had experienced some type of housing discrimination. Sixty-percent of those who felt discriminated against said they experienced the discrimination in Coeur d’Alene.
- The reasons that respondents felt they had been discriminated against included having children (24 percent of the reasons); having a low-income (18 percent); being physically disabled (12 percent); being a student (12 percent); and having bad credit (12 percent). It should be noted that of these reasons, only having children and being disabled are protected classes under Fair Housing Law. If the non-protected reasons are removed, the top reasons for discrimination include having children—now at 50 percent of the reasons—and physically disabled at 25 percent.
- Sixty percent of the survey respondents who said they had experienced housing discrimination “did nothing” about it.
- The majority of homeowners—88 percent—said they were satisfied with the financing and loan terms they received when they got their mortgage loans. Sixty-five percent of the homeowners got their mortgage locally. Of those who were not satisfied with their financing and/or loan terms, two homeowners said they had prepayment penalties and one said they initially were working with a “dishonest” broker. These loans could indicate some type of predatory lending.
- Three renters, representing 14 percent of renters responding to the survey, said they had experienced some type of trouble with their landlords. Two of the renters said this involved a housing unit in poor condition. One renter said he/she had been harassed by his/her landlord (a fair housing concern).

Housing and Land Use Policy Review

This section discusses the housing and land use policies that may affect fair housing in the City of Coeur d’Alene.

Housing needs. A detailed profile of the City’s housing market is provided in the Housing Market Analysis. This analysis reviews tenure (owner or renter), affordability, condition and other issues to consider in evaluating the local housing market.

The key findings of the housing market study are as follows:

- Renters earning less than \$15,000 per year are underserved by the rental market. There are 2,065 renters in this income range and 1,204 units to serve them, leaving a gap of about 861 units. Deeply subsidized rental units in the City that serve renters in this income range have long waiting lists.

- Renters earning between \$30,000 and \$40,000 would need to find housing to buy between \$100,000 to \$140,000 to afford it. Approximately 11 percent of the units for sale in Coeur d’Alene in September 2007 were priced in this affordability range. Until renters are earning \$50,000 per year and more, their ability to become homeowners in the City is extremely limited.
- A residential housing condition survey conducted in neighborhood revitalization areas in Coeur d’Alene found most properties in sound condition or needing only minor repairs. However, the Midtown neighborhood has many properties with driveways in poor condition and sidewalks that were crumbling and/or had tripping hazards, along with accessory units in unsound condition.
- Coeur d’Alene provides a variety of assisted housing opportunities for the City’s lowest income households and households with special housing needs. There are approximately 4,900 families in Kootenai County (1,800 in Coeur d’Alene) whose incomes qualify them for housing assistance. Within the County there are 791 family units and 481 elderly units offering subsidized rental housing (with 163 units that are handicapped accessible); 60 beds in shelters to assist homeless persons/families and victims of domestic violence; and 37 units of transitional housing for persons moving out of homelessness. However, housing and service providers who serve the County’s lowest income and special-needs populations report more of these housing types are needed to meet the needs of the current population.
- Based on average wage rates by occupation, workers holding jobs in three out of the top 10 fastest-growing occupations in Kootenai County between 2006 and 2010 could not afford the median rent in 2006. These occupations include food preparation occupations; healthcare support occupations; and building and grounds cleaning and maintenance occupations. Persons employed in these occupations are also likely to have a difficult time in the future finding a place to rent *and* will be priced out of the homeownership market.

Zoning regulations and codes, planning and zoning commission, planning fees. BBC reviewed the City of Coeur d’Alene’s zoning regulations, Comprehensive Plan and planning fees to assess potential fair housing concerns or opportunities resulting from the development process. This review did not uncover any significant institutional barriers to the development of affordable housing.

Zoning regulations and codes. The City zoning ordinances govern land use in the City of Coeur d’Alene. The purpose of the ordinances is to support the Comprehensive Plan’s goal of maintaining and promoting the residential character of Coeur d’Alene while providing a variety of housing situations. This includes preserving old and new neighborhoods; promoting a high standard of landscaping, building design and community development; discouraging sprawl; and encouraging the development of low-cost single-family housing. Zoning ordinances in Coeur d’Alene are administered by the Planning Commission.

An important component of the zoning ordinance is the minimum lot size requirement. Zoning ordinances should, ideally, include zoning regulations and minimum lot requirements that are

feasible for all types of developments. Overly large lot requirements may discourage or hinder affordable housing development since the land under the homes may cost more and the homes developed may be required to be larger.

Exhibit V-1 summarizes the minimum square foot lot requirements (in square feet per dwelling unit) for the various zoning districts in Coeur d’Alene.

**Exhibit V-1.
Minimum Lot Requirements, Coeur d’Alene**

District	Definition	Minimum Lot Size (sq. ft. per dwelling unit)				Percentage of city zoned
		Single-family	Duplex	Multifamily	Pocket	
R-1	1 DU/acre	34,500	not permitted	not permitted	not permitted	0.7%
R-3	3 DUs/acre	11,500	not permitted	not permitted	not permitted	6.9%
R-5	5 DUs/acre	8,500	not permitted	not permitted	not permitted	0.5%
R-8	8 DUs/acre	5,500	5,500	not permitted	5,500	8.4%
R-12	12 DUs/acre	5,500	3,500	not permitted	3,500	34.5%
R-17	17 DUs/acre	5,500	3,500	2,500	2,500	7.4%
MH-8	Mobile Home (8/acre)	5,500 (MH)	not permitted	not permitted	not permitted	2.7%
C-17	Limited Commercial	5,500	3,500	2,500	2,500	20.7%
C-17L	Commercial	5,500	3,500	2,500	2,500	7.1%
C-34	Commercial (center)	5,500	3,500	2,500	625-1,275	2.2%

Source: City of Coeur d’Alene.

The zoning districts in Coeur d’Alene allow for a variety of residential densities. The most prevalent zoning designation, making up over a third of the City, is R-12, which allows for moderately dense single-family, duplex and pocket (cluster) residential housing. C-17, which allows for higher density and multifamily developments, makes up about one fifth of City area.

Almost all land in the City allows single-family development; 80 percent allows duplex and pocket development; and 37 percent allows multifamily development.

Minimum lot sizes are reasonable and do not appear to present significant barriers to the development of affordable housing in Coeur d’Alene.

Accessory units. Accessory dwelling units (ADUs) are housing units that are constructed above a garage or in the backyard of a residential unit. In 2006, the City of Coeur d’Alene passed an ordinance allowing ADUs in all residential and commercial zones. This was done to add more affordable units to the housing stock and to provide homeowners with supplementary rent income, companionship, services. ADUs may be between 300 and 800 square feet.

Manufactured housing. In 2002, the Idaho Legislature made revisions to the Idaho Local Land Use Planning Act. Section 67-6509A now contains language that requires each local governing board to permit the siting of manufactured homes in any single-family residential zoning district except for those defined as historic districts. At the same time, the statute allows local governments to establish standards to guarantee that the manufactured housing will be compatible with the surrounding

neighborhood. Some of those standards require that the home be sited on excavated and backfilled foundation, have a pitched roof, have at least 1,000 square feet of living space, have siding and roofing that is of similar color, material and appearance to similar siding and roofing in the community and have a garage or carport if they are required for non-manufactured homes. The legislature also specifically says that any regulations adopted under this statute shall not be used to discourage needed housing “through unreasonable cost or delay.” Later amendments also clarified the difference between a manufactured home and a mobile home.

The City has designated areas which are zoned for mobile homes. A manufactured home on a permanent foundation is allowed in all zoning designations.

Group homes. The City defines a group dwelling unit occupied by more than eight persons unrelated by blood, marriage, or adoption, and living together as an independent housekeeping unit whether operated as a business or not, but excluding criminal transitional facilities, juvenile offenders facilities and other institutional arrangements involving the provision of a special kind of care or forced residence.

Group homes, in addition to nursing homes, require a special permit in residential zoning area R-17.

Pocket infill development. Coeur d’Alene recently adopted a resolution revising the regulations of cluster development, renamed pocket development, within the City. The stated purpose of pocket development is to encourage more efficient land use by allowing compact infill development on aggregate sites.

Property tax reduction mechanisms. According to HUD’s Regulatory Barriers Clearinghouse Web site, there was implicit recognition that property taxes may be overly burdensome for homeowners in Idaho. Idaho now offers both a property tax reduction and a property tax exemption to qualified applicants. The Idaho property tax reduction program, named the “Circuit Breaker,” reduces property tax for certain homeowners. To qualify, residents must have owned and lived in a home or mobile home, have a 2006 income of less than \$28,000,³ and fall into one or more of the following categories: disabled, aged 65 or older, widowed, blind, under 18 and father- or motherless, a former POW or hostage, a veteran with a service-connected disability or receiving a VA pension for a nonservice-connected disability, or disabled as recognized by the Social Security Administration. The program may reduce property taxes on the home and up to one acre of land by as much as \$1,200.

Idaho also provides homeowner land exemptions for those who own their own homes. For 2006, property taxes of owner-occupied homes, including manufactured homes, are exempted the lesser of 50 percent or \$75,000 of the value of the home and up to 1 acre, whichever is less.⁴ Residents may also receive the exemption if they are paying occupancy taxes.⁵ Once an application for the exemption

³ According to the Bannock County Assessor’s Office, the income limit of \$28,000 will remain unchanged for 2007.

⁴ For the 2007 property taxes, due and payable no later than December 20, 2007 and June 20, 2008, the percentage reduction is unchanged (50%), but the exemption can reduce taxable value up to a maximum of \$89,325 for the home and up to one acre of land.

⁵ An occupancy tax is applicable if a person purchases and moves into a newly constructed home, that no one has ever lived in and moves into it after January 1. Then that person will pay the occupancy tax instead of property taxes for the portion of the year the person lived there.

is approved, the exemption carries over year-to-year as long as the homeowner owns and occupies the property. Homeowners can qualify for an exemption on only one property at a time. The home must be owned and occupied and the application for the exemption received before April 15 a given year. Widowed persons ages 65 and older, blind persons, former POWS, fatherless or motherless minors, and qualifying disabled persons may also qualify for the property tax exemption.

Kootenai County's homeowners' exemption allows 50 percent, up to \$50,000, of a primary residence to receive tax exemption. Application forms are available through the County Assessor. Both Assessors' and Commissioners' staff are knowledgeable about the program and are able to assist property owners with questions and with the application processes.

The County also provides a means for property owners in a hardship situation to request relief from their property taxes. An application form is available from the County Clerk. Once the property owner files the application, the data is presented to the Board of Commissioners, based on the circumstances of the individual case. This program addresses what is typically a "one-time" hardship circumstance, and often will provide the necessary relief to allow property owners the opportunity to "get back on their feet" without losing their home.

Comprehensive Plan. The Comprehensive Plan is an important policy document in its guidance of the land use process. A draft version of the 2007 Comprehensive Plan has been completed and will be reviewed by the Planning Commission on September 17, 2007.

The Comprehensive Plan has two housing objectives related to affordable and workforce housing:

- Objective 3.08: Design new housing areas to meet the City's need for quality neighborhoods for all income and family status.
- Objective 3.10: Support efforts to preserve and provide affordable and workforce housing.

Another, related, economic development goal supports "livable wages." The draft plan does not specifically address the provision of housing in Coeur d'Alene for special needs populations.

Planning and development impact fees. The City of Coeur d'Alene administers impact fees on new development to offset costs of the increased level of service the project will incur. Currently, the City has impact fees for parks, police, fire and circulation. A review of the fees for residential development found them to be very reasonable and not a barrier to affordable housing development. That said, the City should consider a policy of waiving impact fees for affordable/workforce housing developments in the event that the fees increase and as a gesture to encourage such development.

Building, occupancy, health, and safety codes. The City of Coeur d'Alene's Building Code is administered by the Building Department. The City recently adopted the most recent version of the International Building Code, which combines the language of the ADA and Fair Housing Acts.

The purpose of the Building Department is to ensure the safety of all buildings and structures in the City of Coeur d'Alene through administration and enforcement of codes and ordinances regarding new construction, remodeling and abatement of dangerous buildings. The department is also

responsible for coordinating plan checks and issuances of permits for all construction electrical, plumbing, mechanical and gas installation, building demolitions, excavations, signs and sidewalks.

The City's Code Enforcement agent is responsible for monitoring compliance of Coeur d'Alene properties with zoning, sidewalk safety, property maintenance, health and sanitation, solid waste and junk vehicle ordinances.

Policy recommendations. In its review of zoning ordinances and codes in Coeur d'Alene, BBC did not find institutional barriers to affordable housing development. Minimum lot size and zoning regulations do not appear to create barriers to affordable housing in Coeur d'Alene, as the City's zoning code allows for a variety of densities and housing types. Impact fees appear reasonable and are unlikely to substantially affect the affordability of new housing.

The primary barriers are economic. Coeur d'Alene residents have relatively low incomes, and, due to the nature of economy, many jobs pay low wages. In the Coeur d'Alene metropolitan statistical area (MSA), the average wage for all occupations was \$31,330 and the median wage was \$25,090 as of May 2005. However, the wage required to afford the median-valued home in 2005 was \$39,007. Therefore, neither workers earning the median wage nor workers earning the average wage could afford the median-valued home in 2005 (\$129,922).

The situation is unlikely to improve: Based on average wage rates by occupation, workers holding jobs in three out of the top 10 fastest-growing occupations between 2006 and 2010 could not afford the median rent in 2006. Persons employed in these occupations are also likely to have a difficult time in the future finding a place to rent *and* will be priced out of the homeownership market.

BBC developed a "Strategic Blueprint" in its 2007 Coeur d'Alene Housing Needs Assessment to address these economic barriers to the development of affordable housing in Coeur d'Alene. The strategic plan included the following recommendations, among others, which are directly related to land use and zoning and housing affordability:

Create affordable homeownership opportunities for Coeur d'Alene's workforce.

- The City should grant density bonuses and building variances for affordable/workforce developments.
- The City should consider granting impact fee waivers on all affordable units. Waivers could be graduated with more affordable units receiving a deeper discount.
- The City should offer an expedited review process for development applications with affordable housing. Developments with an affordable component would go to the top of the review pile, and the review process should occur within a guaranteed number of days and transparent as possible.
- The City should programs like CDBG to offset development costs in exchange for private sector development of workforce housing by funding infrastructure improvements for the developments.

Develop more deeply subsidized rental units, including affordable senior rentals and housing with supportive services. BBC's report recommended that the City facilitate the development of 200 units of deeply subsidized rental units for the City's very lowest income households, including those who are transitioning out of homelessness. It also suggested that the City engage private sector affordable rental developers in discussions about developing such a property, the subsidies needed to make such a project cash flow and how the City might facilitate its development. The developer selected to create the property should submit a plan for property management and building reserves for property maintenance.

Fair Lending Analysis

This section contains an analysis of home loan, community reinvestment and fair housing complaint data concerning the Federal Fair Housing Act. Community Reinvestment Act (CRA) ratings and Home Mortgage Disclosure Act (HMDA) data are commonly used in AIs to examine fair lending practices within a jurisdiction. These data sets can identify potential or existing lending discrimination or community disinvestment. Fair housing complaint data are important to pinpoint the types of discrimination that are most prevalent and detect improvements or deterioration in fair housing conditions. Used in conjunction, these data sets can identify and then diagnose the reason for potential or existing housing discrimination. Each data set is reviewed in turn below.

Community Reinvestment Act compliance. The federal CRA requires that financial institutions progressively seek to enhance community development within the area they serve. On a regular basis, financial institutions submit information about mortgage loan applications as well as materials documenting their community development activity. The records are reviewed as part of CRA examinations to determine whether the institution has satisfied CRA requirements. The assessment includes a review of records as related to the following:

- Commitment to evaluating and servicing community credit needs;
- Offering and marketing various credit programs;
- Record of opening and closing offices;
- Discrimination and other illegal credit practices; and
- Community development initiatives.

The data are evaluated and a rating for each institution is determined. Ratings for institutions range from substantial noncompliance in meeting credit needs to an outstanding record of meeting a community's credit needs. Exhibit V-2 shows the CRA Ratings for 13 examinations of six financial institutions in the City of Coeur d'Alene for which CRA exam data were reported from 1990 to 2004.

**Exhibit V-2.
CRA Ratings, City of
Coeur d'Alene,
1990 to 2004**

Note:

Some banks may have been examined more than once. Every rating has been included in this exhibit.

Source:

FFIEC Interagency CRA Rating, July 2007.

	2000 to 2004		All (1990 to 2004)	
Outstanding	0	0%	1	8%
Satisfactory	4	100%	12	92%
Needs to improve	0	0%	0	0%
Substantial noncompliance	<u>0</u>	<u>0%</u>	<u>0</u>	<u>0%</u>
Total	4	100%	13	100%

As shown in the exhibit, all but one of the CRA examinations conducted between 1990 and 2004 resulted in a rating of “satisfactory”; this is equivalent to 92 percent of all examinations. From 2000 to 2004, four examinations were conducted, each of which resulted in a ranking of “satisfactory”. This distribution of ratings is slightly worse than that of the State. Of the 110 examinations of financial institutions conducted throughout the State since 1990, 24 percent were rated outstanding, 75 percent were rated satisfactory and one percent were rated “needs to improve.”

In recent years, the significance of CRA ratings in measuring community investment has been questioned by many involved in local community development. As the financial condition of banks has improved, audits have become less frequent, so CRA ratings are not always seen as a recent measure of community investment performance. Furthermore, the audit procedures required to measure CRA compliance are not as comprehensive as might be required to fully understand an institution’s performance. Finally, with the expansion of online lending and bank mergers, measures of local lending have become less important in measuring local access to credit. Therefore, it is important to examine other lending data along with the CRA data when considering the performance of lending institutions.

Lending analysis. The best source for analysis of mortgage lending discrimination is Home Mortgage Disclosure Act, or HMDA, data. HMDA data consist of information about mortgage loan applications for financial institutions, savings banks, credit unions and some mortgage companies.⁶ The data contain information about the location, dollar amount, and types of loans made, as well as racial and ethnic information, income, and credit characteristics of all loan applications. The data are available for home purchases, loan refinances, and home improvement loans.

HMDA data can provide a picture of how different applicant types fare in the mortgage lending process. These data can be used to identify areas of potential concern that may warrant further investigations. For example, by comparing loan approval rates of minority applicants with non-minorities that have similar income and credit characteristics, areas of potential discrimination may be detected.

⁶ Financial institutions are required to report HMDA data if they have assets of more than \$32 million, have a branch office in a metropolitan area, and originated at least one home purchase or refinance loan in the reporting calendar year. Mortgage companies are required to report HMDA if they are for-profit institutions, had home purchase loan originations exceeding 10 percent of all loan obligations in the past year, are located in an MSA (or originated five or more home purchase loans in an MSA) and either had more than \$10 million in assets or made at least 100 home purchase or refinance loans in the calendar year.

The Federal Reserve is the primary regulator of compliance with fair lending regulations. When federal regulators examine financial institutions, they use HMDA data to determine whether applicants of a certain gender, race or ethnicity are rejected at statistically significant higher rates than applicants with other characteristics are. The Federal Reserve uses a combination of sophisticated statistical modeling and loan file sampling and review to detect lending discrimination.

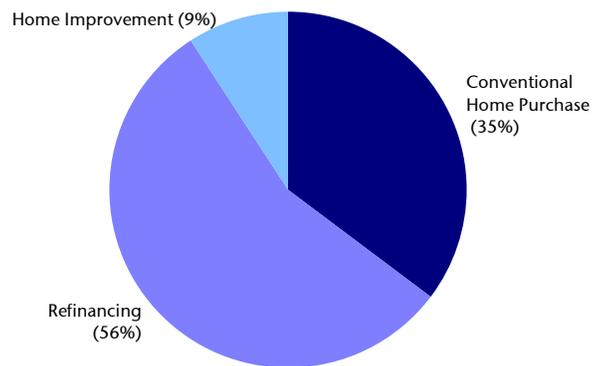
Lending in CDA MSA. According to HMDA data, 170 institutions received loan applications for owner-occupied, one- to four-family homes in the Coeur d’Alene MSA in 2005. Of these 170 institutions, two financial institutions were based within the City of Coeur d’Alene, including Mountain West Bank and Idaho Independent Bank (the other institutions had offices outside of the City but made loans to residents in the City). These two banks processed 1,041 loan applications for owner-occupied homes located in the City of Coeur d’Alene. The majority of loan applications were for conventional loans (97 percent), while the remainder was for government-guaranteed loans (e.g., FHA, VA loans). Fifty-six percent of all loan applications were for refinances; 35 percent were for home purchases; and, nine percent were for home improvement.

The data tables in this section present HMDA data for lending institutions (banks, savings banks, credit unions) that received loan applications for homes located in Coeur d’Alene. These data represent approximately 14,348 lending transaction by 170 financial institutions for owner-occupied homes located in the City of Coeur d’Alene. All loan activity took place in 2005.

Types of loans made. An analysis of the loan application records included in the HMDA data for loan applications for houses located in Coeur d’Alene showed that 35 percent of the loan applications were for home purchases, while 56 percent were for refinancing existing home loans. The remaining 9 percent of loan applications were for home improvement loans, as shown in Exhibit V-3.

Exhibit V-3.
Purpose of Loan Applications for Owner-Occupied Homes, City of Coeur d’Alene, 2005

Source:
FFIEC HMDA raw data 2005 and BBC
Research & Consulting.



The vast majority (93 percent) of the home purchase loans were for conventional loan products and a little over four percent were for FHA insured loans. VA insured loans represented one percent of home purchase loan applications as did FSA/RHS (Farm Service Agency or Rural Housing Services) insured loans.

Race/ethnicity of loan applicants. Eighty-seven percent of the loan applications (12,477 applications) were from applicants who reported their race to be White. An additional 11 percent of loan applications were from applicants who did not provide their race (1,626 applications); 1 percent

was American Indian or Alaska Native (94 applications). Only 2 percent of loan applicants were of Hispanic origin (about 283 applicants)⁷.

Loan amounts. Exhibit V-4 shows the loan amounts by loan purpose (purchase, improvement or refinance) by race and ethnicity. For home purchases, Asians and Whites requested the highest level of loan funds; African Americans requested the lowest. African Americans had the highest loan balances for refinancing, while Whites requested the most in home improvement loans. Hispanics requested amounts near the median for all three categories.

Examining the loan amount requested is important because the amount applied for can affect a lender’s decision to approve or deny a loan, depending on the applicant’s financial situation and creditworthiness.

**Exhibit V-4.
Average Loan Amount
Requested by Loan
Type and Race/
Ethnicity, City of Coeur
d’Alene, 2005**

Source:
FFIEC HMDA raw data 2005 and BBC
Research & Consulting.

Race/Ethnicity	Home Purchase	Refinance	Home Improvement
African American	\$ 120,143	\$ 112,500	\$ 150,571
American Indian/Alaska Native	\$ 146,375	\$ 90,353	\$ 151,377
Asian	\$ 175,286	\$ 38,000	\$ 122,861
White	\$ 161,605	\$ 85,492	\$ 163,580
Hispanic/Latino	\$ 144,008	\$ 107,727	\$ 157,993

Disposition of loans. The following is a list of the potential actions that could be taken on a loan and are reported in the HMDA data:

- “Loan originated” indicates that the application was approved and the applicant accepted the loan;
- “Approved, not accepted” means that the application was approved, but the applicant chose not to accept the loan;
- “Denied” signifies that the application was not approved;
- “Withdrawn” indicates that the applicant chose not to pursue the loan before an approval decision had been made; and
- “Determined incomplete” means that the application was incomplete and the loan was not evaluated.

Overall, 59 percent of loans were originated by the financial institutions; eight percent of the loan offers were not accepted by the applicants; and 18 percent of the loan applications were denied by the financial institutions. Twelve percent of the loan applications were withdrawn by applicants during the application process and three percent of the loan files were closed for incompleteness.

⁷ The total number of applicants by race did not equal the total number of applicants by ethnicity because of differences in reporting. This explains the discrepancy in percentages.

As shown in Exhibit V-5, African Americans had loan *origination* rates 20 percentage points below that of Whites. Part of this is explained by the relatively high percentage of loans that were not accepted by African American applicants.

Loan applications from African Americans, Native Hawaiians and Whites were *denied* at nearly the same rate, while American Indian/Alaska Natives were denied loans at a much higher 30 percent of the time. The denial rate for Hispanics was 22 percent, about 5 percentage points higher than that of Whites. The rate for Asians was 7 percent, the lowest of any race.

**Exhibit V-5.
Action Taken on Loan by Race/Ethnicity, City of Coeur d’Alene, 2005**

Race / Ethnicity	Loan Originated	Loan Not Accepted by Applicant	Loan Denied	Application Withdrawn	File Closed	Total Applications
African American	41%	19%	19%	16%	5%	37
American Indian / Alaska Native	38%	11%	30%	18%	3%	94
Asian	54%	17%	7%	15%	7%	59
Native Hawaiian / Other Pacific Islander	48%	10%	17%	15%	10%	48
White	61%	8%	17%	11%	3%	12,477
Not Provided	41%	7%	27%	18%	7%	1,626
All Applicants	59%	8%	18%	12%	3%	14,348
Hispanic / Latino	57%	7%	22%	13%	2%	283

Source: FFIEC HMDA raw data 2005 and BBC Research & Consulting.

Action taken by income and race. Further examination of the action taken on the loan applications showed that almost one quarter of applicants who earned less than 80 percent of the median family income (approximately less than \$40,000 and are considered low-income households) were denied loans, compared to only 16 percent of applicants who earned 80 percent and above the median family income.

Asian low-income applicants were more than three times as likely to be approved for a loan than African American low-income applicants were. White low-income applicants were denied 23 percent of the time, while African American low-income applicants were denied 50 percent of the time, as shown in Exhibit V-6.

Exhibit V-6.**Action Taken on Loan Applications by Household Income and Race, City of Coeur d'Alene, 2005**

	Loan Originated	Loan Not Accepted by Applicant	Loan Denied	Application Withdrawn	File Closed	Total Applications
Low-Income Households (less than \$40,000)						
African American	17%	17%	50%	17%	0%	6
Asian	60%	10%	20%	10%	0%	10
White	55%	7%	23%	12%	3%	2,723
Hispanic	42%	6%	37%	12%	4%	52
All Applicants	53%	7%	24%	12%	3%	3,101
Middle/Upper-Income Households (\$40,000 and over)						
African American	45%	19%	13%	16%	6%	31
Asian	53%	18%	4%	16%	8%	49
White	63%	8%	15%	11%	3%	9,754
Hispanic	60%	7%	18%	13%	2%	231
All Applicants	61%	8%	16%	12%	3%	11,247

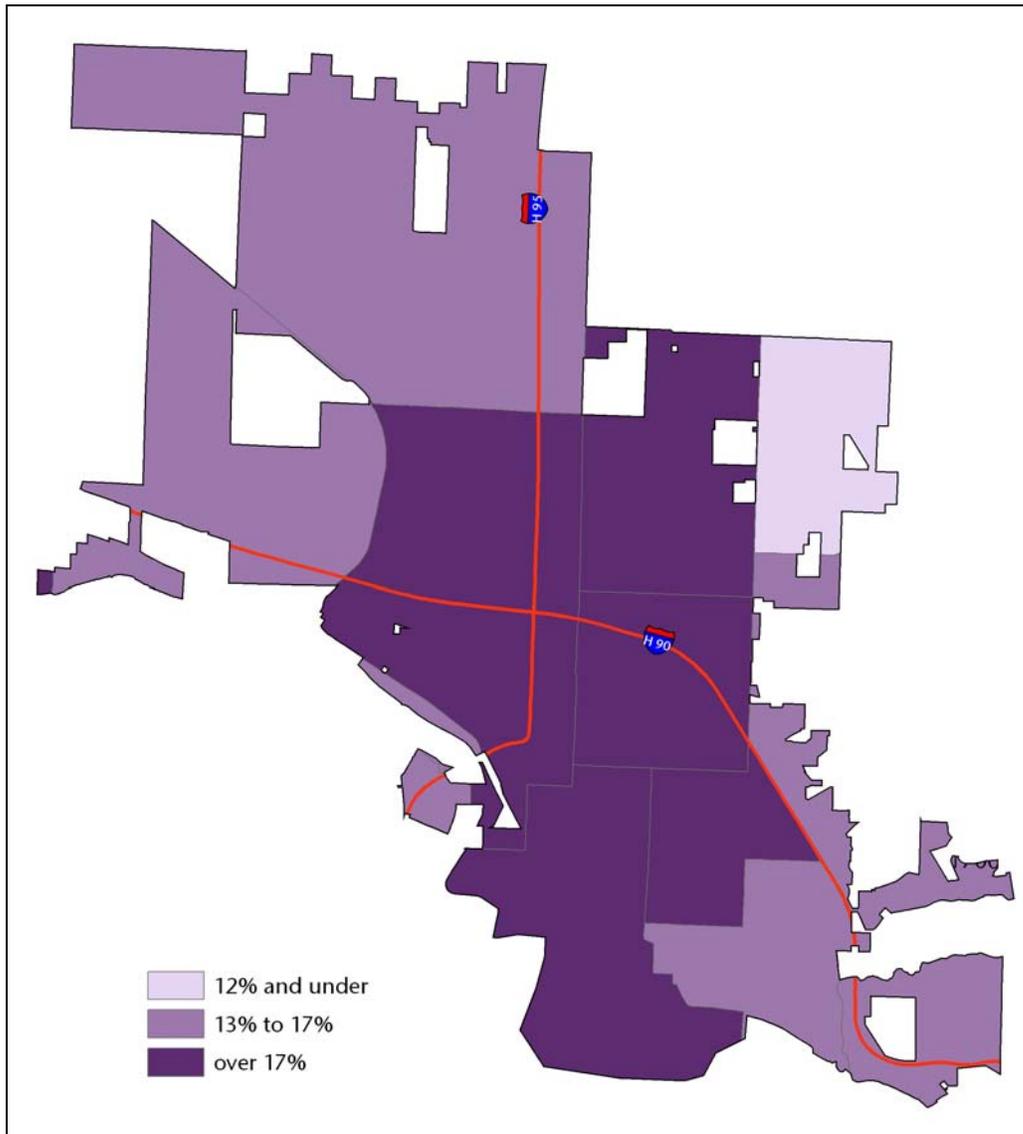
Note: The 2006 median family income as reported by HUD for the City of Coeur d'Alene was \$50,100. Therefore, 80 percent of the median family income is equal to \$40,080. Includes applicants whose annual income was recorded in the data.

Source: U.S. Department of Housing and Urban Development, FFIEC HMDA raw data 2005 and BBC Research & Consulting.

African American middle and upper income applicants had slightly lower denial rates, 13 percent denied, compared to White applicants with similar incomes (15 percent denied). The most common reason given for being denied for middle and upper income African American applicants was poor credit history (50 percent of all denials).

Denial rate by census tract. A further examination of loan denials by total applications and ethnicity is provided in the following exhibits. The denial rates by Census Tract range from a low of 10 percent to a high of 26 percent. Exhibit V-7 presents denial rates by Census Tract in the City.

Exhibit V-7.
Percentage of Loans Denied, by Census Tract, City of Coeur d'Alene, 2005

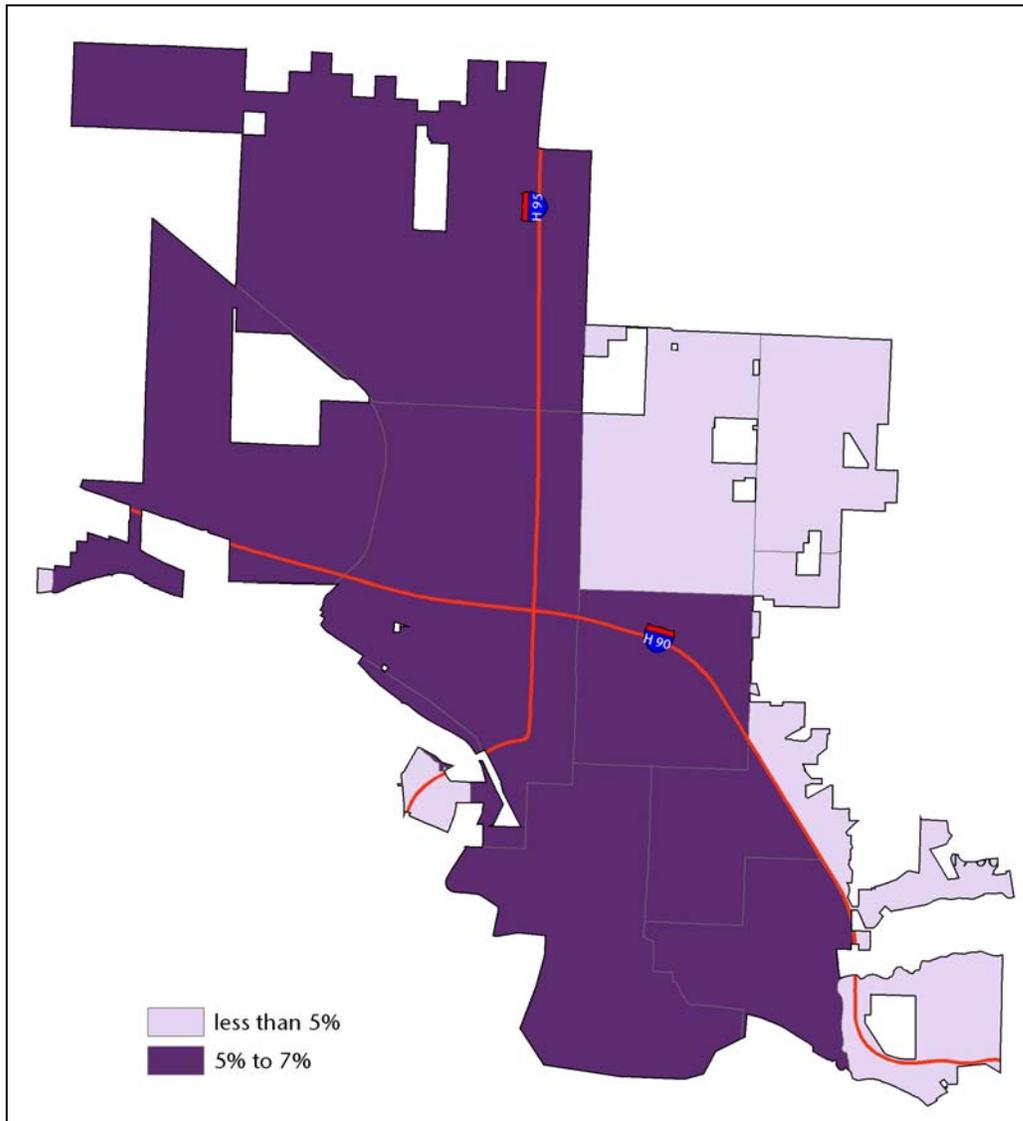


Note: Eighteen percent of all loans were denied for properties in Coeur d'Alene in 2005.

Source: FFIEC HMDA raw data 2005 and BBC Research & Consulting.

Exhibit V-8 shows the minority percentage by Census Tract for Coeur d'Alene. There is only one area in the City with higher than average percentage of minorities. Census Tract 21 reports that 27 percent of residents are minorities. Residents in this Census Tract also had the highest rate of loan denials at 27 percent. However, the denial rate is not significantly higher than that of other Census Tracts with average minority percentages. For example, Census Tract 1 had a denial rate of 23 percent and has a minority population of 5 percent. Similarly, Census Tract 19 had a denial rate of 23 percent and a minority population of 3.6 percent.

Exhibit V-8.
Percent Minority Households by Census Tract, City of Coeur d'Alene, 2005



Source: FFIEC HMDA raw data 2005 and BBC Research & Consulting.

Reasons for loan denials. The HMDA data also contain information about the reasons for denials of loan applications, which is important when determining programs and activities to assist homebuyers. For all home purchase loans that were denied, the primary reason was “other” (22 percent), followed by No Reason Given (19 percent). An applicant’s credit history was cited 16 percent of the time and an applicant’s lack of collateral was cited as the reason for denial 10 percent of the time. These data are displayed in Exhibit V-9 on the following page.

**Exhibit V-9.
Reasons for Denial of
Loan Applications for
Owner-Occupied Homes,
City of Coeur d’Alene,
2005**

Note:
Allows for multiple responses.
Source:
FFIEC HMDA raw data 2005 and BBC
Research & Consulting.

	Home Purchase Loans Denied		All Loans Denied	
Collateral	61	10%	270	10%
Credit Application Incomplete	58	9%	203	8%
Credit History	100	16%	507	20%
Debt-to-Income Ratio	86	14%	259	10%
Employment History	13	2%	28	1%
Insufficient Cash	7	1%	18	1%
Mortgage Insurance Denied	-	0%	2	0%
Unverifiable Information	45	7%	107	4%
Other	136	22%	486	19%
No Reason Given	116	19%	711	27%
Total Loans Denied	624	100%	2,591	100%

There was little discernable difference in denial reasons between Whites and other racial groups.

What do the data suggest?

There are many reasons that loan approval rates may vary for applicants—credit ratings, net worth, and income to debt ratios play a large role in the decision to deny or approve a loan. Because of the small sample of minority applicants included in the Coeur d’Alene HMDA data, it is difficult to assess the presence of discrimination by race or ethnicity. In addition, the HMDA data do not capture the effects of protected classes being intimidated by or unknowledgeable about the loan application process (and therefore not even attempting to get a loan).

Disparities in approval rates between racial and ethnic groups are not definitive proof of housing discrimination; rather, the presence of disparities suggests the need for further inquiry. The data are also useful in determining what government sponsored programs might be needed to fill the gaps between what the private market is willing to provide and what is needed.

The HMDA data presented in this section show that non-Asian minority applicants—particularly those with lower-incomes—have lower loan origination rates than White applicants. Loans to Whites were denied 17 percent of the time, compared to 22 percent for Hispanics, 19 percent for African Americans and 30 percent for American Indians/Alaska Natives. However, this disparity largely goes away when the applicants are separated by income: For example, African American applicants who earned 80 percent and above the median family income had lower denial rates (13 percent denied) compared to White applicants with similar incomes (15 percent denied). The most common reason given for being denied (approximately 50 percent of the reasons given for denials) of these middle and upper income African American applicants was poor credit history.

Minorities who are denied loans in the conventional market may seek loans from other sources, including government-guaranteed loans (e.g. FHA, VA), subprime or non-traditional sources of credit. Although there are too few loan records in this dataset representing government guaranteed loans made to minorities, in general, minorities have higher loan origination rates using government-guaranteed products because of the more flexible underwriting standards. It may benefit the City’s

minority populations if they are aware of government-guaranteed mortgage loan programs and to provide credit counseling programs.

Foreclosures

Related to the rise in foreclosures, is a growing concern about predatory and, in some cases, subprime lending. This section explores these issues for the nation, Idaho and Coeur d'Alene.

RealtyTrac™, a California company that tracks foreclosures, released its April 2007 U.S. Foreclosure Market Report, which shows a total of 147,708 foreclosure filings nationally—default notices, auction sale notices and bank repossessions—were reported during the month, down about 1 percent from the previous month but up 62 percent from April 2006. The report also shows a national foreclosure rate of one foreclosure filing for every 783 U.S. households during the month.

With 1,455 foreclosure filings reported in April, Idaho ranked 27th among the states in foreclosure rates. The state's foreclosure activity increased about 38 percent from the previous month and was up almost 400 percent from April 2006, resulting in a foreclosure rate of one foreclosure filing for every 1,984 households (0.05 percent)—27th highest among the states and less the national average of 0.13 percent.

According to RealtyTrac™, as of May 17, 2007 the City of Coeur d'Alene had no properties listed in pre-foreclosure, six properties ready to be auctioned, nine bank owner properties, 42 resale properties and 71 new homes listed in their foreclosure website.

The increase of the rate of foreclosures in the nation is often attributed to population growth, increasing homeownership rates and the growing use of alternative lending products. The finance-research firm Moody's Economy estimates that about one-fourth of all mortgage loans outstanding nationwide carry terms where their interest rates will reset in 2006 or 2007, which could mean higher payments for borrowers.

If borrowers who have little equity in their homes have to sell because they cannot afford their growing payments, they could end up with little or no gain. Their higher payments could even force them into default—and their homes in foreclosure. Buyers who bought their homes recently without much of a down payment, have lower and/or fixed incomes, and who have adjustable rate mortgages are probably at the highest risk of foreclosure.

Fair Housing Complaints

Citizens of Coeur d'Alene who believe they have experienced discrimination may report their complaints to the following entities: HUD's Office of Fair Housing and Equal Opportunity (FHEO), Intermountain Fair Housing Council, Idaho Legal Aid, and the Idaho Human Rights Commission (ICRC).

Statewide agencies. Idaho Legal Aid Services, Inc. is a nonprofit Idaho law firm with offices throughout the state, including Coeur d'Alene, working to seek equal justice for the underprivileged and poor through legal representation, community outreach, and education. They typically receive calls concerning landlord/tenant issues and counsel the callers on how best to solve the issues.

Occasionally a caller's concern will fall under the Fair Housing Act, in which case Legal Aid will refer the caller to the Intermountain Fair Housing Council if Legal Aid is unable to help them.

The Intermountain Fair Housing Council's mission is to ensure open and inclusive housing for all people throughout Idaho. They attempt to eradicate discrimination through education on fair housing laws, housing information and referrals, housing counseling, and assistance with complaints. The Intermountain Fair Housing Council also provides education and outreach on fair housing laws and practices to housing consumers, providers, and others.

According to the Intermountain Fair Housing Council, there are about two to three calls each week in Kootenai County regarding housing discrimination. About half of these concern discrimination toward persons with disabilities, almost half concern discrimination based on family status, and a few calls per year deal with discrimination based on race or religion. Of the calls regarding disabilities, about one half concern companion animal issues. In September of 2007, the Intermountain Fair Housing Council had four pending cases of housing discrimination in Coeur d'Alene, three of which were from the same housing complex.

The Intermountain Fair Housing Council conducted testing in the summer of 2006, making 10 inquiries to area housing complexes using a foreign accent and another 10 mentioning some sort of disability. Of the cases in which a foreign accent was used, about one-half were found to uncover some degree of discrimination. About three-quarters of the cases in which the caller mentioned a disability uncovered discrimination to some degree. The Intermountain Fair Housing Council filed complaints with HUD as a result of this testing, all of which were eventually resolved.

The mission of the Idaho Commission on Human Rights is to provide for execution within the state of the policies embodied in the federal fair employment practice acts banning discrimination based on race, sex, color, religion, national origin, age (40 and over) and disability. The Commission also seeks to secure freedom from housing, public accommodation and education discrimination based on race, sex, color, religion, and national origin. In addition, in housing, the Commission works to ensure freedom from discrimination based on disability. The Commission also works to protect the personal dignity of residents by promoting the interests, rights and privileges of individuals within the State.

HUD. 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.

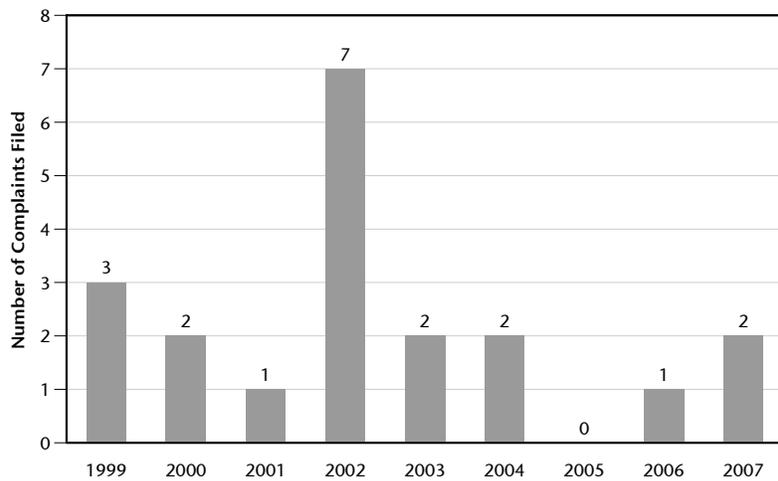
A complaint may be resolved in a number of ways. First, HUD will try to reach an agreement between the two parties involved. A conciliation agreement must protect the filer of the complaint and public interest. If an agreement is signed, HUD will take no further action unless the agreement has been breached.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

HUD fair housing complaints. 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 January 1999 to May 2007 in the City of Coeur d’Alene. Exhibit V-10 shows trends in the volume of complaints between 1999 and May 2007.

Exhibit V-10.
Number of Complaints Received by the FHEO, Coeur d’Alene, 1999 to May 2007

Source:
 HUD’s Seattle Regional Office of Fair Housing and Equal Opportunity (FHEO).



A total of 20 complaints were filed with HUD from 1999 to May 2007. Currently there is one open complaint in Coeur d’Alene. Exhibit V-11 shows the basis of the discrimination that was alleged in the complaints. For the City of Coeur d’Alene, disability and family status are the top reasons for complaints. No other reasons (e.g. national origin, religion) were used as a basis for complaints.

Exhibit V-11.
Basis for Discrimination Complaint, Coeur d’Alene, 1999 to May 2007

Basis of Complaint	1999	2000	2001	2002	2003	2004	2005	2006	2007 _{YTD}	Total	Percent
Disability	2	2	1	5	2	2	0	1	2	17	85%
Family Status	1	0	0	2	0	0	0	0	0	3	15%
Religion	0	0	0	0	0	0	0	0	0	0	0%
National Origin	0	0	0	0	0	0	0	0	0	0	0%
Race	0	0	0	0	0	0	0	0	0	0	0%
Sex	0	0	0	0	0	0	0	0	0	0	0%
Total	3	2	1	7	2	2	0	1	2	20	100%

Note: A complaint may include multiple types of discrimination.
 Source: HUD’s Seattle Regional Office of Fair Housing and Equal Opportunity (FHEO).

The complaint data also revealed the issue of why the complaint was filed. The top two issues from 1999 to May 2007 dealt with discriminatory terms, conditions, privileges, or services and failure to make reasonable accommodation to a disability.

**Exhibit V-12.
Reason Complaint Filed, Coeur d’Alene, 1999 to May 2007**

Issue	Percent
Discriminatory terms, conditions, privileges, or services and facilities	25%
Failure to make reasonable accommodation	21%
Discrimination in terms/conditions/privileges relating to rental	14%
Discriminatory refusal to rent	14%
Non-compliance with design and construction requirements (handicap)	11%
Discriminatory acts under Section 818 (coercion, etc.)	7%
Steering	7%
Discriminatory advertisement - rental	0%
Discriminatory refusal to negotiate for rental	0%
Discriminatory refusal to rent and negotiate for rental	0%
Discriminatory advertising, statements and notices	0%

Source: HUD’s Seattle Regional Office of Fair Housing and Equal Opportunity (FHEO).

Exhibit V-13 shows the reasons the complaint files were closed. Seven of the 20 complaints filed were settled. Five of the complaints that were investigated showed there was “no cause” for the allegation of discrimination. It should be noted that “no cause determination” does not necessarily mean that fair housing problems did not exist in the case; rather, it indicates that the case did not contain enough evidence to move forward.

Additionally, six complaints were withdrawn by the complainant without a resolution. One complaint, alleging design and construction violations, was found to have cause for discrimination. It was elected to go to court and became HUD Case #10-99-0284-8/United States v. Hallmark Homes.

**Exhibit V-13.
Reasons Why
Complaint Files Were
Closed, Coeur d’Alene,
1999 to May 2007**

Source:
HUD’s Seattle Regional Office of Fair
Housing and Equal Opportunity (FHEO).

Reason Complaints Were Closed	Number of Complaints
Conciliation/settlement successful	7
No cause determination	5
Complaint withdrawn by complainant without resolution	6
Election made to go to court	1
Complaint still open	1

Legal Analysis

As part of fair housing analysis, recent legal cases were reviewed to determine significant fair housing issues and trends in Idaho. A search of the Department of Justice Web site and the National Fair

Housing Advocate case database yielded one recent case from Coeur d'Alene and one from Post Falls. The search also found 18 fair housing cases across Idaho from the U.S. District Court of Idaho, the Idaho Court of Appeals, and the Idaho Supreme Court. A description of the cases reviewed to analyze impediments is available upon request.

Fair Housing Impediments and Recommendations

This section summarizes the impediments to fair housing choice identified in the research conducted for the 2008 AI and recommends a Fair Housing Action Plan for 2008-2012.

Summary of impediments. This report has presented the research and public outreach processes conducted as part of the City of Coeur d'Alene's 2008 AI. This research and outreach identified the following impediments to fair housing choice in Coeur d'Alene:

- **Citizens could be better informed about fair housing issues.** The City offers fair housing handbooks and posters, in addition to pamphlets with local resources for housing and social services assistance. However, in the forums conducted for this study, residents expressed concern that discrimination exists but is underreported because residents are unaware of their rights. Indeed, 60 percent of the survey respondents who said they had experienced housing discrimination “did nothing” about it.
- **Landlords and developers would benefit from more education about fair housing laws and ADA.** A review of legal cases and testing performed by the Intermountain Fair Housing Council suggests that property owners and landlords can be ignorant of many aspects of the Fair Housing Law, particularly reasonable accommodations, ADA compliance in construction, rights of persons with disabilities and rights of families. The survey conducted for the Consolidated Plan suggests that familial status and disability are the top reasons that residents are discriminated against in Coeur d'Alene.
- **Lack of accessible sidewalks.** The City's sidewalks are maintained by property owners in the residential and commercial developments abutting them. Many sidewalks are chipped, cracked, broken and, as such, are not in a condition that persons in wheelchairs or who are sight-impaired can easily use.
- **Lack of accessible parking downtown.** An attendee of one of the focus groups conducted for the Consolidated Plan mentioned that parking downtown is very difficult for persons with physical disabilities—specifically, that handicapped spots are too limited and are not in convenient locations to access downtown services.

Recommendations. The following Fair Housing Action Plan is recommended for the City:

- **Increase resident awareness of fair housing law and the complaint process.** The City of Coeur d'Alene should bolster its public outreach and education of fair housing laws.

- At least once a year, the City should sponsor a fair housing workshop (this might be part of another community event) that offers information about the Fair Housing Act to citizens and includes representatives from organizations that receive and process complaints. The presentations made at this workshop should be televised on the City’s public access channel.
 - In addition, the City should more actively distribute materials—brochures, posters and videos—about fair housing law and the complaint process through its schools, library, community centers and other similar venues. The City should change these materials frequently to keep them “fresh” and noticed. Videos and brochures are available through the Fair Housing Council of Oregon, an excellent resource on fair housing issues (<http://www.fhco.org/>). In addition, the Idaho Housing and Finance Association distributes free fair housing calendars that the City could obtain and make available at public venues (http://www.ihfa.org/fair_housing_calendar.asp).
 - The City should develop and post on its websites uniform language about fair housing laws and ADA, and the appropriate contacts for citizens who feel they have been discriminated against and/or have fair housing concerns and questions. The information should be available in Spanish as well as English. In addition, persons who are sight or hearing impaired should have the ability to access the information in formats that accommodate their disabilities.
- **Continue to educate developers, property owners/landlords about ADA and fair housing laws.** At least every two years, the City should sponsor a class for real estate professionals, especially developers and property owners/landlords about fair housing law and compliance. An excellent resource to conduct such a training would be the Fair Housing Council of Oregon (<http://www.fhco.org/>). The City should require the class for any developer/real estate organization receiving City funding and/or fee waivers.
 - **Increase internal knowledge and resources about fair housing law.** We recommend that the City develop a fair housing resource list for distribution to all relevant departments, identify contact people within the departments, conduct fair housing training with the department contacts and coordinate distribution of fair housing materials to these contacts. Department contacts should be employees who have direct contact with the public in any capacity of housing and community development, community development or social services.
 - **Continue to improve sidewalks and parking for persons with physical disabilities.** The City has a stated goal to bring its sidewalks into compliance with ADA. The City is reviewing sidewalks and providing notices to property owners of needed repairs and/or replacements. The City Code provides up to 365 days to complete the work. The City should consider providing funding to low-income owners to facilitate making these improvements. In addition, the City should work with persons in the community who are disabled to understand the problems with handicapped parking in downtown and other key areas of the City and explore how to make improvements to the parking situation.

SECTION VI.
Strategic Plan and Action Plan

SECTION VI.

Strategic Plan and Action Plan

This section summarizes Coeur d'Alene's community development and housing goals and strategies for program years 2008 through 2012. The objectives, strategies and means of measuring success (performance measurements) outlined in this section fulfill Section 91.115 of the Consolidated Plan regulations. This section also contains the Action Plan for the 2008 Program Year.

Top Housing and Community Development Needs

The City's top housing and community development need identified through the Consolidated Plan research process include the following:

- **Shortage of affordable rental housing for extremely low-income renters.** A comparison of supply and demand of housing found that there is a shortage of 861 units to serve the City's renters earning less than \$15,000 per year. Many of the City's lowest income renters also have special needs—e.g., disabilities, homeless or at-risk of homelessness, mental illnesses—and need affordable rental housing coupled with supportive services. Although the City has a good supply of assisted living developments and nursing homes to assist elderly and, to some extent, persons with disabilities, there is demand for housing for persons who are homeless and have other special needs.
- **Shortage of affordable housing to buy for low- to moderate-income households.** For owner-occupied housing, households earning less than \$60,000 per year have difficulty finding a home they can afford in the current market. A review of the MLS in September 2007 found that 11 percent of residential units for sale were affordable to low- and moderate-income households (making less than roughly \$50,000). This was improved from the percentage in August 2006 (6 percent)—nonetheless, the for-sale market is still very limited for low- and moderate-income renters who want to be owners.
- **Economic development that produces jobs paying a livable wage.** In the Coeur d'Alene metropolitan statistical area (MSA), the average wage for all occupations was \$31,330 and the median wage was \$25,090 as of May 2005—not high enough to afford the median-valued home in 2005. Based on average wage rates by occupation, workers holding jobs in three out of the top 10 fastest-growing occupations between 2006 and 2010 could not afford the median rent in 2006. The City has a need for economic development that will produce higher-paying jobs, especially if home prices continue to increase.
- **Sidewalk repair.** Many sidewalks in the City are chipped, cracked, broken and, as such, are not in a condition that persons in wheelchairs or who are sight-impaired can easily use.

- **Citizens and stakeholders** named very similar top needs in the City as those identified in the research. These needs include:
 - Mixed-income affordable/workforce housing;
 - Home improvement program for low-income owners;
 - Downpayment assistance to help lower income renters buy homes;
 - Improved sidewalks and parking downtown for persons with disabilities; and
 - Housing for persons with special needs and operating support for the organizations which serve them.

Five-Year Goals

The City of Coeur d'Alene has established the following five top-level goals and priorities to guide its Consolidated Planning funding during program years 2008 through 2012.

Goal No.1. Increase the supply of for-sale housing at prices affordable to the City's low- and moderate-income workers.

Goal No.2. Increase the supply of rental housing affordable to the City's extremely low-income renters and residents with special needs, including persons who are homeless.

Goal No.3. Improve the City's sidewalks to make them more accessible to persons with disabilities.

Goal No.4. Continue with neighborhood revitalization efforts, including code enforcement activities, to improve the condition of housing and commercial properties in low-income areas.

Goal No.5. Expand higher-paying employment opportunities for the residents of Coeur d'Alene through economic development.

In addition to these five goals, the City has established goals related to the City's efforts to affirmatively further fair housing. These goals are discussed in the Fair Housing Action Plan section.

Action Plan

This section outlines the specific 2008 Action Plan that will guide achievement of the five goals.

Goal No.1. Increase the supply of for-sale housing at prices affordable to the City's low- and moderate-income workers.

Objective 1.1: Provide incentives for workforce housing production.

- *Fund infrastructure improvements for affordable housing developments.*
- *Grant density bonuses and code variances (e.g., reduce parking requirements) as needed to support affordable housing.*
- *Consider granting impact fee waivers, particularly for the most affordable/deeply subsidized units.*

- *Provide an expedited review process.* Developments with an affordable component would go to the top of the review pile, and the review process should occur within a guaranteed number of days and be as transparent as possible.

Outputs:

- 1.1.1. Each program year, set aside a portion of CDBG funding each year to support the development of for sale workforce housing by subsidizing the cost of infrastructure or land acquisition. Track the CDBG funding per affordable unit and the amount the unit price was lowered (below market) as a result of the CDBG funding. Goal for PY2008 = \$70,000 for land acquisition and/or utilities infrastructure to produce an estimated 15 affordable units.
- 1.1.2. Entertain requests for density bonuses, code variances, impact fee waivers for new development that contains affordable housing. Grant more generous bonuses/variances/waivers for the most deeply subsidized units. Track the per-unit subsidy (e.g., total fees waived divided by the number of units) and the amount the unit price was lowered (below market) as a result of the bonuses/variances/waivers.
- 1.1.3. Document the amount of review time developers save as a result of an expedited review process.

Objective 1.2: Inventory and donate publicly owned land and buildings and private land for workforce housing development.

Outputs:

- 1.2.1. The City, along with the Lake City Development Corporation, the County and the school districts will conduct a joint evaluation of the potential of parcels owned by them for workforce housing locations—with the goal of dedicating some parcels to workforce housing development. The evaluations will consider proximity to transit, commercial services, supportive services and other land uses, to ensure that the sites would be appropriate for workforce housing.

If these parcels are dedicated to the development of workforce housing, the City and/or School District would be entitled to dedicate the housing that is development for its workforce. Similarly, private landowners who donate land would be entitled to use the housing developed for their workforce.

Objective 1.3: Promote existing buyer resources.

Outputs:

- 1.3.1. The City will advertise existing programs (mostly through IHFA) for downpayment assistance, low-interest mortgage loans and reverse mortgages available to residents.

Goal No.2. Increase the supply of rental housing affordable to the City's extremely low-income renters and residents with special needs, including persons who are homeless.

Objective 2.1: Develop deeply subsidized rentals.

Objective 2.2: Continue to work with homeless/housing providers to respond to requests for funding assistance as appropriate.

Outputs:

- 2.1.1. Each program year, set aside a portion of CDBG funding each year to support the development of affordable rental housing by subsidizing the cost of infrastructure. Track the CDBG funding per affordable unit and the amount the unit price was lowered (below market) as a result of the CDBG funding.
- 2.2.1. As opportunities become available, assist housing providers with securing resources to provide additional affordable housing with supportive services and operating funds. Goal for PY2008 = \$100,000 to support development of a Section 811 project with an estimated production of 14 units.

Goal No.3. Improve the City's sidewalks to make them more accessible to persons with disabilities.

Objective 3.1: Continue the City's Sidewalk Compliance Program to bring the City's sidewalks into compliance with the American with Disabilities Act (ADA).

Objective 3.2: Provide funding to low-income owners who have sidewalks needing repair but who cannot afford to make the repairs without some type of assistance. Goal for PY2008 = \$20,000 available to assist an estimated 20 homeowners.

Objective 3.3: Use CDBG funding to make repairs to sidewalks abutting publicly owned properties.

Outputs:

- 3.2.1 and 3.3.1. Track the number of sidewalk feet that are repaired using CDBG funding annually. Monitor the repairs to ensure compliance with ADA.

Goal No.4. Continue with neighborhood revitalization efforts, including code enforcement activities, to improve the condition of housing and commercial properties in low-income areas.

Objective 4.1: Fund code enforcement programs in CDBG eligible areas. Goal for PY2008 = \$23,000 to support code enforcement efforts in low- to moderate-income neighborhoods.

Objective 4.2: As opportunities become available, provide CDBG funding to revitalization of commercial and residential properties in CDBG eligible areas and/or which benefit low- and moderate-income households. Goal for PY2008 = \$27,000 available to an estimated 20 homeowners for weatherization and emergency repairs.

Outputs:

- 4.1.1. Track violations reported and corrected in CDBG eligible areas and, annually, document how code enforcement activities contributed to neighborhood revitalization.
- 4.2.1. For each activity, document the dollars invested in each project, the specific project outcomes, indicators to track performance, and the reporting period over which the performance trends are monitored.

Goal No.5. Expand higher-paying employment opportunities for the residents of Coeur d'Alene through economic development.

Objective 5.1: Support private and public sector economic development efforts that result in job training and employment for the City's low- to moderate-income residents.

Outputs:

- 5.1.1. Track and report on, for each economic development grant: Number of residents trained by type of training and how training increased capacity of resident to find employment. For employment grants, track number of residents obtaining jobs by income level of resident household, wage level paid and reason for firing or separation from employment if occurring.

Exhibit VI-1 on the following page illustrates the City's Action Plan for 2008, including program goals, HUD objective categories and outcome categories and performance indicators.

**Exhibit VI-1.
City of Coeur d'Alene Action Plan, Program Year 2008**

Description of Activity	Funding Source	Funding Amount	Outcome Category	Performance Measure, 2008	Location	Description
Action Items funded by CDBG:						
Actions to produce Decent Housing:						
Administration	CDBG	\$60,000	N/A.			Administer CDBG in 2008 and 2007 preparation of Consolidated Plan.
Infrastructure support for affordable housing	CDBG	\$70,000	Increase availability/ accessibility of housing.	15 units.	Priority for Midtown.	Fund property acquisition and/or utilities to support development of workforce/affordable housing.
Housing with supportive services	CDBG	\$100,000	Increase availability/ accessibility of housing. Provide affordable housing.	14 units.	Fruitland Lane.	Fund development of a Section 811 project to serve persons with development disabilities/ severe mental illnesses.
Neighborhood revitalization/ homeowner rehab	CDBG	\$27,000	Preserve/sustain affordable housing.	20 homeowners.	Citywide. Available to low- and moderate-income homeowners.	Provide weatherization and emergency repair low-interest loans to low- and moderate-income homeowners.
Actions to create a Suitable Living Environment:						
Sidewalk improvements	CDBG	\$20,000	Improve sustainability of sidewalks.	20 homeowners assisted.	Citywide. Available to low- and moderate-income homeowners.	Provide grants to low- to moderate-income homeowners for sidewalk repair and replacement.
Code enforcement	CDBG	\$23,000	Improve sustainability of neighborhoods.		Low- to moderate-income areas.	Fund the partial and qualifying costs of code enforcement personnel serving low- to moderate-income areas in the City.
Other Action Items:						
Provide incentives for workforce/ affordable housing development				Subsidies to housing units for workforce. Time/development costs saved.	Citywide.	Grant density bonuses, code variances, fee waivers and expedited review for workforce/affordable housing developments.
Donate public land in support of workforce/affordable housing				Land donated.	Citywide.	Donate publicly owned land for workforce/ affordable housing development as available.
Promote homebuyer resources			Provide resources to renters wanting to be homeowners.		Serve low- to moderate-income renters.	Advertise existing homebuying programs to renters.
Expand employment opportunities			Create jobs that pay a living wage.		Serve low- to moderate-income residents.	Support private and public sector economic development efforts.

Source: City of Coeur d'Alene and BBC Research & Consulting.

Homeless Strategy

The Idaho Housing and Finance Association (IHFA) coordinates the Continuum of Care for persons who are homeless statewide. In this capacity, IHFA annually applies for Continuum of Care grants to assist homeless housing and supportive services providers. In 2007, IHFA was awarded a \$2.26 million Continuum of Care grant from HUD. As part of this grant, St. Vincent de Paul received \$188,000 to assist with transitional housing provision in Coeur d'Alene and \$41,400 for transitional housing provision in Post Falls.

The State of Idaho's formal efforts toward reducing homelessness are relatively new. The Idaho Homelessness Policy Council was established in 2005. The State's Action Plan to Reduce Homelessness followed.

The City's strategy for preventing homelessness and reducing the number of people who are currently homeless consists of the following:

- As stated in Goal No. 2, increase the supply of rental housing affordable to the City's extremely low-income renters and residents with special needs, including persons who are homeless. Specifically,
 - Objective 2.1: Develop deeply subsidized rentals.
 - Objective 2.2: Continue to work with homeless/housing providers to respond to requests for funding assistance as appropriate.

The City is currently working with St. Vincent de Paul to develop a Section 811 housing development to house persons with developmental disabilities who are at-risk of homelessness. The City has donated land in support of this project. As these opportunities arise, the City will continue to find ways to subsidize the development of rental units with supportive services that assist the City's special needs populations who are currently homeless or at-risk of homelessness.

Northern Idaho's efforts to reduce and end homelessness are nascent. However, the City Council has expressed a strong interest in taking a leadership role in developing such an effort. On October 16, 2007, the City Council made a motion to "endorse the concept of a 10 year plan to end chronic homelessness." As Coeur d'Alene expands its role in reducing homelessness in Kootenai County, the City will be instrumental in coordinating a regional effort.

Funding Priorities

HUD's Housing and Community Development Activities table, attached to the end of this section, will guide the funding priorities of the City during the next five years. This section summarizes the funding priorities that will be implemented to achieve the five strategic plan goals and accompanying objectives for the five year plan. The funding priorities were established based on the housing and community development needs identified through public and stakeholder input, the housing market analysis and the analysis of the needs of special populations. The City of Coeur d'Alene also used a comprehensive housing needs assessment conducted in 2006 to assist in funding prioritization. This study identified needs for production of affordable workforce housing, deeply subsidized rental housing/housing for special needs populations, and revitalization efforts of housing condition improvements and sidewalk repair.

The City's top housing and community development needs are summarized in the beginning of this chapter.

High Priority Funding

- Production of for sale housing affordable to the City's workforce
- Production of rental housing priced to serve the City's lowest income renters
- Production of housing with supportive services to serve the City's low-income special needs populations and persons who are homeless
- Revitalization targeting neighborhoods with underutilized commercial properties and substandard residential housing
- Improvements to sidewalks to make them more accessible to persons with disabilities

Medium Priority Funding

- Social service operation support for organizations assisting special needs populations
- Support for homeless service providers
- Acquisition and rehabilitation of residential housing
- Transitional housing
- Support private/public sector economic development efforts

Obstacles to meeting needs. The greatest obstacle to meeting the needs in Coeur d'Alene is lack of funding. The City's annual CDBG allocation is far less than what is needed to adequately address its housing and community development needs. The City has worked to reduce barriers—and provide incentives—for affordable housing development. Still, producing housing for the lowest income renters and populations with special needs requires very deep subsidies. In addition, as the City's popularity as a "lifestyle choice" location grows and housing prices increase, it will be difficult for the City's efforts to produce affordable workforce housing to keep up with market pressures that drive price increases.

Fair Housing Action Plan

As part of the Consolidated Plan, a review of fair housing issues in the City was conducted. The analysis of fair housing data, interviews with stakeholders and public input identified the following fair housing impediments in Coeur d'Alene:

- **Citizens could be better informed about fair housing issues.** The City offers fair housing handbooks and posters, in addition to pamphlets with local resources for housing and social services assistance. However, in the forums conducted for this study, residents expressed concern that discrimination exists but is underreported because residents are unaware of their rights. Indeed, 60 percent of the survey respondents who said they had experienced housing discrimination “did nothing” about it.
- **Landlords and developers would benefit from more education about fair housing laws and ADA.** A review of legal cases and testing performed by the Intermountain Fair Housing Council suggests that property owners and landlords can be ignorant of many aspects of the Fair Housing Law, particularly reasonable accommodations, ADA compliance in construction, rights of persons with disabilities and rights of families. The survey conducted for the Consolidated Plan suggests that familial status and disability are the top reasons that residents are discriminated against in Coeur d'Alene.
- **Lack of accessible sidewalks.** The City's sidewalks are maintained by property owners in the residential and commercial developments abutting them. Many sidewalks are chipped, cracked, broken and, as such, are not in a condition that persons in wheelchairs or who are sight-impaired can easily use.
- **Lack of accessible parking downtown.** An attendee of one of the focus groups conducted for the Consolidated Plan mentioned that parking downtown is very difficult for persons with physical disabilities—specifically, that handicapped spots are too limited and are not in locations which are convenient to downtown services.

The following Fair Housing Action Plan is recommended for the City to address the above barriers:

- **Increase resident awareness of fair housing law and the complaint process.** The City of Coeur d'Alene should bolster its public outreach and education of fair housing laws.
 - At least once a year, the City should sponsor a fair housing workshop (this might be part of another community event) that offers information about the Fair Housing Act to citizens and includes representatives from organizations that receive and process complaints. The presentations made at this workshop should be televised on the City's public access channel.

Other Goals

Reducing barriers to affordable housing. As discussed in Section V.—Analysis of Impediments to Fair Housing Choice—the barriers to obtaining affordable housing in Coeur d’Alene are largely economic. Our review of building and zoning codes, impact fees and the City’s development requirements did not find institutional barriers to the development of affordable housing. Coeur d’Alene residents have relatively low incomes, and, due to the nature of economy, many jobs pay low wages. In the Coeur d’Alene metropolitan statistical area (MSA), the average wage for all occupations was \$31,330 and the median wage was \$25,090 as of May 2005. However, the wage required to afford the median-valued home in 2005 was \$39,007. Therefore, neither workers earning the median wage nor workers earning the average wage could afford the median-valued home in 2005 (\$129,922).

BBC developed a “Strategic Blueprint” in its 2007 Coeur d’Alene Housing Needs Assessment to address these economic barriers to the development of affordable housing in Coeur d’Alene. The strategic plan included recommendations to increase and preserve affordable housing in the City. As part of its plan to reduce economic barriers to affordable housing, the City will continue to implement the recommendations from the Strategic Blueprint. These include the following:

Create affordable homeownership opportunities for Coeur d’Alene’s workforce.

- ▶ The City should grant density bonuses and building variances for affordable/workforce developments.
- ▶ The City should consider granting impact fee waivers on all affordable units. Waivers could be graduated with more affordable units receiving a deeper discount.
- ▶ The City should offer an expedited review process for development applications with affordable housing. Developments with an affordable component would go to the top of the review pile, and the review process should occur within a guaranteed number of days and transparent as possible.
- ▶ The City should use programs like CDBG to offset development costs in exchange for private sector development of workforce housing by funding infrastructure improvements for the developments.

Develop more deeply subsidized rental units, including affordable senior rentals and housing with supportive services. We recommend that the City facilitate the development of 200 units of deeply subsidized rental units for the City’s very lowest income households, including those who are transitioning out of homelessness. The City should engage private sector affordable rental developers in discussions about developing such a property, the subsidies needed to make such a project cash flow and how the City might facilitate its development. Layered subsidies will be needed, including local, state and federal sources. The developer selected to create the property should submit a plan for property management and building reserves for property maintenance.

To this end, the City is currently in the process of working with St. Vincent de Paul to develop a Section 811 housing project. The City has donated land to support the development.

Reducing lead-based paint hazards. The City’s efforts to inform citizens of lead-based paint hazards and mitigate such hazards in housing will consist of the following:

- Provide information on lead-based paint hazards, precautions and symptoms to all homeowners, renters, and landlords involved in housing services and rehabilitation and who receive CDBG funding.
- If pre-1976 housing is purchased by the City or CDBG-funded organizations as part of affordable/workforce housing programs, the City/organization will test the housing for lead-based paint hazards and conduct mitigation if warranted.

Anti-Poverty Strategy

Poverty in Coeur d’Alene. Households living below the poverty level are generally considered to have some of the greatest housing needs because of their very low incomes. To determine poverty status, a person’s total family income is compared with the poverty threshold appropriate for that person’s family size and composition. If the total income of that person’s family is less than the threshold appropriate for that family, then the person is considered poor, together with every member of his or her family. If a person is not living with anyone related by birth, marriage, or adoption, then the person’s own income is compared with his or her poverty threshold.

The poverty threshold is established at the federal level and updated annually. It is adjusted for household size but not by geographic area, except for Alaska and Hawaii¹. In 2006, the poverty threshold for a family of four was \$20,000.

As shown in Exhibit VI-2 on the following page, as of the 2000 Census, 13 percent of Coeur d’Alene’s population lived in poverty. This compares to 10 percent for Kootenai County overall. The City’s youngest children were most likely to be living in poverty—18 percent of children in Coeur d’Alene were living below the poverty level.

**Exhibit VI-2.
Likelihood of being in Poverty by Age, Coeur d’Alene, 2000**

Source:
U.S. Census Bureau, 2000 Census and BBC Research & Consulting.

Age		Coeur d’Alene	Kootenai County
Under 5 years	434	18%	15%
5 to 17 years	751	13%	13%
18 to 64 years	2,745	13%	10%
65 to 74 years	122	6%	6%
75 and over	261	10%	9%
Overall Poverty Rate		13%	10%

The Citywide *family* poverty rate in 2000 was 9.3 percent and had decreased slightly to 9.1 percent in 2005. In general, persons living in poverty do not appear to be concentrated in certain areas in the City.

¹ Therefore, the poverty threshold in Manhattan, New York is the same as in Minot, North Dakota.

Coeur d’Alene’s approach to reducing poverty. It is important to note that in an anti-poverty strategy, there are those individuals who are capable of being gainfully employed and those who are not. Persons with debilitating diseases, persons with disabilities, and frail elderly are often limited in their ability to generate household income through employment. Income assistance—Supplemental Security Income (SSI), Social Security Disability Income (SSDI), Veterans Affairs (VA) benefits, Medicare or Medicaid, food stamps, and a “preference” for existing public housing and Section 8 vouchers—is the most realistic strategy for maintaining household income and limiting the effects of extreme poverty in these situations. For example, historically, the most successful anti-poverty program in the U.S. has been the Social Security program. Social Security has reduced poverty significantly by providing regular monthly income to elderly persons.

The strategy for those who are capable of employment is more complex. Income assistance alone is not a solution when it becomes a disincentive to work. On the other hand, full-time employment does not always provide sufficient income to lift a household out of poverty.

The City of Coeur d’Alene’s anti-poverty strategy will include the goal, strategies and actions mentioned as a part of the Five-Year Strategic Plan, along with the following efforts. The ultimate goals of the City’s anti-poverty efforts described below are to assure that families are provided with safe places to live, food and clothing, adequate transportation, jobs skills, parenting classes, high school completion programs, health care and education and opportunities to participate as functional members of the community.

- 1. Support economic development efforts.** Currently, Coeur’ d’Alene is experiencing record-setting low unemployment rates (1.8 percent as of August 2007). The City recognizes that availability of jobs that pay a living wage can be a large factor in preventing and reducing poverty. The City will continue to work with JobsPlus to encourage businesses to locate within the City limits.
- 2. Promote workforce development.** Education and training are important components of achieving long-term success in the work world; therefore, a key strategy must be to invest in education and training, particularly those programs that motivate and assist low-income individuals and families to pursue education and training opportunities while they are already working in low-wage jobs. The City is currently working with local colleges to create an “education corridor.” This area of the community will allow the colleges to grow and provide more educational opportunities, as well as create jobs. Additionally, the City plans to partner with other area organizations to provide financial literacy education.
- 3. Provide services to at-risk youth.**
 - Working families often find affordable child care is difficult to access. The City will continue to seek the best child care regulations and encourage growth in this industry throughout the community.
 - The Kroc Center will complete construction in the City within two years. The Center will provide many youth programs. The City will work with the Salvation Army at the Center to coordinate appropriate and needed activities and encourage at-risk youth to attend the activities.

- The City's local Head Start agency provides an enhanced early childhood education curriculum that focuses on school readiness skills. The City agrees that education—especially at the earliest level—is important to eliminating the cycle of poverty and will continue to support Head Start.

Institutional Structure

The City of Coeur d'Alene plans to carry out its annual Action Plans through a collaborative effort with area for-profit developers, nonprofit housing and social service providers, surrounding communities, health care agencies and the private real estate sector.

In Program Year 2008, the City plans to enter into a subcontract agreement with the Panhandle Area Council (PAC) to administer the CDBG program. PAC has worked with HUD in the past under their 701 Comprehensive Planning programs. PAC has a long, successful history of working with state and federal grants in managing a diverse range of projects, each requiring compliance with a multitude of grant conditions and regulations.

The services PAC provides include project planning, grant writing, grant administration, low interest loans to small businesses, government procurement assistance, employment training, census data depository, and business counseling.

In PAC's capacity as the City's grant administrator of CDBG, the organization will do the following:

- Accept applications from residents and certify them for the CDBG-funded weatherization and emergency assistance and sidewalk repair and replacement programs;
- Assist with the development of program policies before the programs are in place;
- Certify the completion of the CDBG-funded weatherization and emergency assistance and sidewalk repair and replacement programs;
- Provide reports to the City documenting the use of CDBG for the programs;
- Assist the City with preparation of its annual action plan; and
- Assist the City with preparation of its CAPER.

City staff will process fund requests and issue payments to residents participating in the programs and create program policies.

In addition to working with PAC, the City will contract with private and nonprofit developers to construct the 15 units of workforce housing and 14 units of special needs housing planned in Program Year 2008. The nonprofit developer is St. Vincent de Paul. The private developer is yet to be determined, but will likely be the Lake City Development Corporation.

Finally, the City will continue to implement incentives to private and nonprofit developers for the creation of affordable and workforce housing, as outlined in Goal 1 of the Strategic Plan.

The City's system of institutional structure is strong and well-coordinated, with little duplication of services. Since the system proposed for 2008 is untested, gaps in delivery have not yet been identified. The City will work with PAC to address any gaps as they arise.

Resources

Program Year 2008 would be the first year that the City of Coeur d'Alene directly receives the CDBG. The City intends to seek out all opportunities to leverage other funding sources with CDBG. These include the following:

- A partnership with the Panhandle Area Council (PAC), which currently provides economic development and small business assistance to area businesses. PAC will administer the CDBG grant for the City during 2008 and, through the organization's knowledge of community development and social service programs in the area, be able to refer residents to other needed services in a "one stop shopping" environment.
- A partnership with St. Vincent de Paul to develop a Section 811 housing project to serve persons with developmental disabilities. This project will leverage land donated by the City, a Continuum of Care grant and a Section 811 award with CDBG dollars.
- A partnership with the Lake City Development Council (LCDC) to develop affordable housing. LCDC is currently seeking to purchase land for such development and will assist in subsidizing the affordable housing development to leverage the CDBG dollars awarded to LCDC for property acquisition and/or infrastructure.

Since 2008 will be the first year of CDBG administration, the extent to which CDBG will be leveraged is unknown.

Other resources that the City is able to pursue at the State and Federal level are described below.

- **HOME Grants.** The federal HOME Program is a block grant funding source made through HUD. It is designed to encourage partnerships between federal, state and local governments, housing developers, and nonprofit service agencies to expand the supply of decent, safe, sanitary and affordable housing. This is accomplished through down payment/closing cost assistance, acquisition, and construction and rehabilitation of single-family and multi-family affordable housing for low-income families across Idaho. The Idaho Housing and Finance Association administers the HOME grant for the State of Idaho.
- **HOWPA.** The HOPWA (Housing Opportunities for Persons with Aids/HIV) Program was established by HUD to address the specific needs of persons living with HIV/AIDS and their families. HOPWA makes grants to local communities, States, and nonprofit organizations for projects that benefit low income persons medically diagnosed with HIV/AIDS and their families. Coeur d'Alene's HOWPA grants are administered by the North Idaho AIDS Coalition.
- **Idaho Community Reinvestment Corporation.** The Idaho Community Reinvestment Corporation (ICRC) is a nonprofit mortgage-banking consortium formed in 1993 by 10 Idaho financial institutions. The nonprofit 501(c)(3) organization now has 18 member banks and a \$42 million revolving loan pool to provide permanent financing for the development and acquisition of affordable housing throughout Idaho. Funding decisions are approved by the Loan Committee, which is comprised of real estate professionals from the member institutions. Idaho Housing and Finance Association (IHFA) provides technical assistance to the ICRC and affordable housing developers based on its extensive experience in finance, real estate financing

of resources, potential equity sources and affordable housing. The benefits from this IHFA/ICRC partnership include the maximum use of scarce housing resources and better service to developers by providing a “one-stop shop” for affordable housing sponsors.

- **Accessibility Improvements for the Disabled.** The Accessibility Improvements Program (AIP) is a new source of grant funding to help persons with disabilities make their homes easier to live in. Up to \$5,000 in funding are available to eligible tenants and homeowner households with at least one member with a disability who would benefit from modifications being made to the housing unit. Household income must be below 80 percent of the state median income. Fair market value for the home cannot exceed the purchase limits for IHFA’s Residential Lending program.
- **Low Income Housing Tax Credits.** The Low-Income Housing Tax Credit, established under the 1986 Tax Reform Act, provides an incentive to developers for affordable rental housing. The credit provides a dollar-for-dollar federal tax liability reduction for owners of newly constructed or substantially rehabilitated rental housing. Section 42 of the Internal Revenue Code and related regulations govern the Housing Tax Credit and establish compliance requirements, including qualified tenants’ income levels and maximum program rental rates. As Idaho’s designated Housing Tax Credit administrator, IHFA receives an annual Housing Tax Credit authority on behalf of the state. This annual credit authority is allocated through a competitive application process according to the Qualified Allocation Plan. Recipients of Housing Tax Credit allocations may claim the annual credit each year for 10 years.
- **IdaMortgage Loan Program.** IdaMortgage is a mortgage loan program provided by IHFA. Over the past 28 years, the program has assisted over 53,000 Idaho borrowers. The program provides low interest rate home purchase loans for low-income families in Idaho. Regulations control the final sales price of each home, income limits of borrowers and other considerations for each mortgage. IdaMortgage has recently introduced a new down-payment assistance program for borrowers with less than 80 percent of the Area Median Income.
- **Family Self-Sufficiency Program.** Families who participate in the federal Section 8 Housing Choice Voucher program are eligible to be part of IHFA’s Family Self-Sufficiency (FSS) Program. FSS is a voluntary program that helps families become economically independent. Through this program households learn to set goals that always include employment and often include home ownership. FSS Program participants agree, via a five-year contract, to establish and attain specific goals. The program’s goals include assisting families to become free of all forms of state and federal welfare through employment. FSS Specialists in each branch office meet with household members to establish goals that might include: employment, job training, education, job search, money management, credit repair, and home ownership. Working as a team, the family, local service providers and the FSS Specialists help families identify and eliminate obstacles to self-sufficiency.
- **Self-help Homeownership Opportunity Program (SHOP).** SHOP provides funds for eligible national and regional non-profit organizations and consortia to purchase home sites and develop or improve the infrastructure needed to set the stage for sweat equity and volunteer-based homeownership programs for low-income persons and families. SHOP funds are used for eligible expenses to develop decent, safe and sanitary non-luxury housing for low-income persons and families who otherwise would not become homeowners. Homebuyers must be

willing to contribute significant amounts of their own sweat equity toward the construction of the housing units.

- **Continuum of Care grants.** IHFA is the statewide administrator of the Continuum of Care to end homelessness in Idaho. Each year, IHFA applies for HUD grants to award to regional and local organizations that assist persons who are homeless. In 2007, the State received \$2.26 million. St. Vincent de Paul received a \$188,000 grant for transitional housing in Coeur d'Alene.

Monitoring

The City of Coeur d'Alene will institute a comprehensive monitoring and technical assistance program designed to promote communication and accountability. The selection of the subrecipient to be monitored will be based upon the risk analysis presented in the monitoring guidelines. The monitoring process will consist of four components: 1) Pre-Assessment, 2) Desk Monitoring, 3) On-Site Monitoring, and 4) Ongoing Technical Assistance.

1) Pre-Assessment

During the application process, subrecipients will be evaluated on the capacity of the organization to complete the project as described and will be scored appropriately. Prior to contract execution, each subrecipient will be required to submit audited financial statements. If the subrecipient is a past recipient, past performance will be reviewed during the application process and again at contract execution to ensure capacity and progress in meeting identified outcomes. Prior to contract execution and the first draw request, subrecipients will be required to attend an orientation session. The orientation session will discuss CDBG program requirements such as: the monitoring process, HUD income eligibility requirements, collecting and reporting "client demographic data" as mandated per HUD guidelines, HUD outcome and performance measures, and the city forms used for reporting progress and draw requests.

2) Desk Monitoring

Monitoring will be an ongoing process for the City of Coeur d'Alene. A review of the subrecipient's progress and capacity will be conducted at all stages of contact. The formal stages of contact will include draw requests, quarterly reports and closeout.

Draw Requests: Both subrecipients and city-sponsored projects will be submitted on an official form requiring progress and financial information. A review of invoices and supporting documentation will be conducted to ensure that all costs correspond to project services as outlined in recipient's contract budget. Draw requests will not be process unless progress reports are submitted.

Quarterly Reports: At the end of each quarter, CDBG recipients will submit a report including financial information, beneficiary data, progress toward completion and narratives are required of all projects.

Close-out reports: Will be submitted sixty days after the close-out of a contract synthesizing the outcomes achieved during the project year.

At the end of the contract year, the CDBG staff will comply with all client demographic data reported by the CDBG subrecipients on their quarterly reports and prepare a comprehensive clients' statistical report that will become part of the CAPER (a mandated yearly HUD report).

3) On-site Monitoring

In addition to desk monitoring, the City of Coeur d'Alene will be conducting at a minimum of three on-site monitoring reviews every year. These site visits review subrecipients' records for program and/or financial compliance. A checklist will be used at these site visits. An official letter reporting the results of the monitoring visit will be sent to the authorized agency official within thirty days of the monitoring visit. This letter will identify any concerns or findings and suggest corrective actions as well as a timeframe in which to respond to the suggested corrective actions. Funds may be withheld until the satisfactory actions are taken.

4) Ongoing Technical Assistance

The monitoring process will be further enhanced by regular contact between the CDBG grant staff and the CDBG subrecipients. Constant communication and technical assistance will be offered at all stages of the program from application to close out, to ensure compliance with appropriate regulations. Additionally, CDBG grant staff will remain in contact with other city officials to facilitate any permitting and inspections necessary for any building or construction activities.

Displacement

The City of Coeur d'Alene, Idaho will replace all occupied and vacant occupiable lower income housing demolished or converted to a use other than lower income housing in connection with a project assisted with funds provided under the Community Development Block Grant (CDBG) Program.

These procedures will not be intended to prevent the preservation of substandard housing not suitable for rehabilitation if the project sponsor and/or the City determines that the unit or units should be rehabilitated and preserved to achieve other goals established for the project including but not limited to the preservation of buildings with historical or architectural significance.

All replacement housing will be provided within three years after the commencement of the demolition or conversion. Before entering into a contract committing the City of Coeur d'Alene to provide funds for an activity that will directly result in demolition or conversion, the City of Coeur d'Alene will make public by publication in the Coeur d'Alene Press and submit to HUD the following information in writing:

- A description of the proposed assisted project;
- The address, number of bedrooms and location on a map of lower income housing that will be demolished or converted to a use other than as lower income housing as a result of an assisted project;
- A time schedule for the commencement and completion of the demolition or conversion;

- To the extent known, the address, number of bedrooms and location on a map of the replacement housing that has been or will be provided;
- The source of funding and a time schedule for the provision of the replacement housing;
- The basis for concluding that each replacement housing will remain lower income housing for at least 10 years from the date of initial occupancy;
- Information demonstrating that any proposed replacement of dwelling units with smaller dwelling units (e.g., a 2-bedroom unit with two 1-bedroom units) or any proposed replacement of efficiency or single-room occupancy (SRO) units with units of a different size, is appropriate and consistent with the housing needs and priorities identified in the approved Consolidated Plan.

To the extent that the specific location of the replacement housing and other data are not available at the time of the general submission, the city of Coeur d' Alene will identify the general location of such housing on a map and complete the disclosure and submission requirements as soon as the specific data are available.

The City of Coeur d'Alene's Finance Department will be responsible for tracking the replacement of housing and ensuring that it is provided within the required period.

The City of Coeur d'Alene's Finance Department at (208) 769-2221 will be responsible for ensuring requirements are met for notification and provision of relocation assistance to lower-income persons displaced by the demolition of any dwelling unit or the conversion of a low/moderate unit to another use in connection with an assisted activity.

Consistent with the goals and objectives of activities assisted under the Act, the City of Coeur d'Alene will take the following steps to minimize the displacement of persons from their homes:

- Encourage the rehabilitation of assisted housing to allow tenants and owners to remain in their homes during and after rehabilitation by phasing in rehabilitation to the degree possible.
- Coordinate code enforcement with rehabilitation and housing assistance programs.
- Evaluate housing codes and rehabilitation standards in reinvestment areas to prevent their placing undue financial burden on long-established owners or tenants of multi-family buildings.
- Stage rehabilitation of apartment units to allow tenants to remain during and after rehabilitation by working with empty units or buildings first.
- Establish or identify facilities to house persons who must be relocated temporarily during rehabilitation.
- Adopt public policies to identify and mitigate displacement resulting from intensive public investment in neighborhoods.
- Establish and provide homeownership counseling for homeowners and renters for persons wanting to remain in their neighborhood in the face of revitalization pressures.

- Establish grant or loan programs for rehabilitation or repairs for property owners that are not financially burdensome and allow for the needed health and safety repairs.

APPENDIX A.
Citizen Participation Plan

City of Coeur d'Alene

Citizen Participation Plan, 2008-2012

In 2007, the City of Coeur d'Alene became eligible to receive the federal Community Development Block Grant, or CDBG. CDBG is administered at the federal level by the U.S. Department of Housing and Urban Development (HUD). CDBG dollars can be used by cities to address a variety of housing and community development needs within their jurisdictional boundaries.

In order to receive the CDBG, cities must prepare a report called a Consolidated Plan every three to five years. The Consolidated Plan report examines the housing and community development needs of a city, sets priorities for HUD grant monies to which a city is entitled and establishes an action plan for meeting current and future needs. Each Consolidated Plan is also required to have a strategy for citizen participation in the Consolidated Planning process.

This document represents the City of Coeur d'Alene's Citizen Participation Plan for the 2008-2012 Five-Year Consolidated Plan period. It also outlines the citizen participation process for each Annual Action Plan. This Citizen Participation Plan was drafted in accordance with Sections 91.100 and 91.105 of HUD's Consolidated Plan regulations.

Citizen Involvement

The Consolidated Plan and Action Plan processes will offer many opportunities for citizen participation. The City will particularly encourage participation of persons with special needs and/or persons who are often underrepresented in public process—e.g., low-income, persons with disabilities, persons who are homeless. Participation will be solicited and encouraged through the following activities.

Public forums. For the Consolidated Plan, three public meetings will be held during the development of the Plan in various locations throughout the City, with an emphasis on low- and moderate-income areas. All locations will be accessible to persons with disabilities. One forum will be held during the day to accommodate persons with disabilities, seniors, and others who have limited ability to attend evening meetings.

Citizens will be informed of the forums using many methods, including distribution of brochures, personal contact with agencies and advocates, announcements on the City's website and press releases.

The forums for the 2008-2012 Consolidated Plan are scheduled at the following locations and times:

- Monday, August 6th, Harding Family Center, 6-8 p.m.;
- Wednesday, August 8th, City Council Chambers, 11:30 a.m.-1 p.m.;
- Wednesday, August 8th, Fire Station No. 3., 6-8 p.m.

In addition, during the Consolidated Plan process, a housing survey of Coeur d'Alene residents will be distributed through relevant organizations and stakeholders, available on the City's website and at City Hall.

During the Action Plan, one public forum will be conducted to inform residents of how CDBG was used in past program years, and to collect citizen input about current needs and spending priorities. The forum will be held in a location that is accessible to persons with disabilities.

Public hearing. For both the Five-Year Consolidated Plan and Annual Action Plans, a public hearing will be held in the City Council Chambers to present the Consolidated Plan goals and priorities and the proposed annual allocation of funding among housing and community development activities. This hearing will be held during the 30 day public comment period. All comments received at this hearing will be considered and incorporated into the Consolidated Plan and Annual Action Plan.

Public Comment

The City will make the Draft Consolidated Plan, Annual Action Plan and Executive Summaries available to interested parties for a comment period of no less than 30 days. The exact public comment period for the 2008-2012 Draft Consolidated Plan is to be between October 1 and October 31, 2007.

The Draft Consolidated Plan and Annual Action Plan will contain the amount of CDBG assistance the City expects to receive and the activities that are planned for the 2008–2012 Consolidated Planning period and for upcoming program years.

The entire Draft Consolidated Plan and Annual Action Plan will be available at City Hall during the full public comment period. The Draft Consolidated Plan and Action Plan will also be available for viewing on the City's website, <http://www.coeurdaleneidah.org/>. Hard copies of the Executive Summaries will be available to the public upon request.

Citizens or groups who have attended any of the forums or public hearings will be notified by mail or email of the Consolidated Plan's and Action Plan's availability for comment.

The City will openly consider any comments of individuals or groups received in writing during the Consolidated Planning process or at public hearings. A summary of the written and public hearing comments will be included in the Final Consolidated Plan and Annual Action Plan.

The City will provide a substantive written response to all written citizen complaints related to the Consolidated Plan, Action Plan, amendments and the CAPER (see below) within 15 working days of receiving the comments and complaints. Copies of the complaints, along with the City's response will be sent to HUD if they occur outside of the Consolidated Planning process and, as such, do not appear in the Consolidated Plan.

Consolidated Annual Performance and Evaluation Report (CAPER). Before the City submits a Consolidated Plan Annual Performance and Evaluation Report (CAPER) to HUD, the City will make available to interested parties the proposed CAPER for a comment period of no less than 15 days. The notification will appear on the City’s website and through a press release. The notification will be published between two and three weeks before the CAPER comment period begins.

The CAPER will be available for review at City Hall during the full public comment period and on the City’s website at <http://www.coeurdaleneidaho.org/>.

Consultation with Organizations and City Agencies

When preparing the Consolidated Plan, the City will actively consult with public and private agencies that provide housing, health and social services in order to ensure that the interests and needs of all groups are being adequately addressed. This consultation will occur through the regional forums, interviews and/or focus groups conducted with such organizations including those that provide services to special needs populations, and incorporation of data and reports produced by such organizations into the Consolidated Plan. At least one focus group or series of interviews with relevant stakeholders will be conducted during the Consolidated Plan and Annual Action Plan.

Substantial Amendments

Occasionally, public comments warrant an amendment to the Consolidated Plan. The criteria for whether to amend are referred to by HUD as “Substantial Amendment Criteria.” The following conditions are considered Substantial Amendment Criteria:

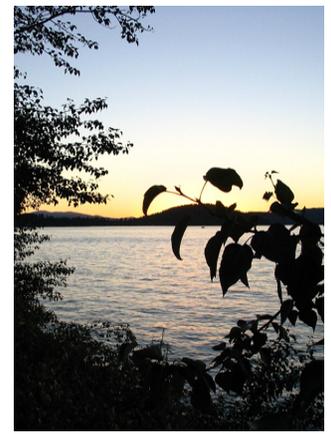
1. Any change in the described method of distributing program funds.
Elements of a “method of distribution” are:
 - Application process;
 - Allocation among funding categories;
 - Grant size limits; and
 - Criteria selection.

2. An administrative decision to reallocate all the funds allocated to an activity in the Action Plan to other activities of equal or lesser priority need level, unless the decision is a result of:
 - A federal government recession of appropriated funds, or appropriations are so much less than anticipated that the City makes an administrative decision not to fund one or more activities; or
 - The governor declares a State of Emergency and reallocates federal funds to address the emergency; or
 - A unique economic development opportunity arises where the City administration asks that federal grants be used to take advantage of the opportunity.

Citizen participation in the event of a substantial amendment. In the event of a substantial amendment to the Consolidated Plan, the City will conduct at least one public hearing. This hearing will follow a comment period of no less than 30 days, where the proposed, substantially amended Consolidated Plan will be made available to interested parties. Citizens will be informed of the public hearing through notification on the City's website prior to the hearing.

In the event of substantial amendments to the Consolidated Plan, the City will openly consider any comments on the substantially amended Consolidated Plan from individuals or groups. Comments must be received in writing or during public hearings. A summary of the written and public hearing comments on the substantial amendments will be included in the Final Consolidated Plan. Also included in the Final Consolidated Plan will be a summary of all comments not accepted and their reasons for dismissal.

Any changes in federal funding level after the Draft Consolidated Plan's comment period has expired and the resulting effect on the distribution of funds, will not be considered an amendment or a substantial amendment.



The City of Coeur d'Alene needs your input about how to spend the Community Development Block Grant funds that it will begin receiving annually starting January 1, 2008. The City is starting a process called the Consolidated Plan, which will determine how the federal funds will be spent in your community.

How to get involved

You can participate in the Consolidated Plan process by:

- Attending a public forum;
- Attending a public hearing;
- Sending us a letter or email; or
- Filling out a survey available at www.cdaid.org or City Hall.



Public Forums and Public Hearing

On August 6 and August 8, 2007, public forums will be held to gather input on housing and community development needs. Citizens, social service agencies, homeless service and housing providers, health professionals and advocates will come together to discuss the most pressing needs in their neighborhoods and in the City. Please join us at one of the forums listed on the right.

The Draft Consolidated Plan will be available for review in mid-September 2007. On October 16, a hearing will be held to take public comments on the Draft Plan.

Written Comments or Survey

If you can't attend the forums or hearing, you can participate by sending a letter, emailing, or filling out the online survey about your community's needs and how you think funding should be allocated in the City.

Public Forum Schedule

Monday, August 6
6:00—8:00 p.m.
Harding Family Center
411 N. 15th Street

Wednesday, August 8
11:30 a.m.—1:30 p.m.
City Hall Council Chambers
710 E. Mullan Avenue

Wednesday, August 8
6:00—8:00 p.m.
Fire Station No. 3
1500 N. 15th Street



Contact Information

For more information about the Consolidated Planning process, please contact:

Renata McLeod, Project Coordinator
City of Coeur d'Alene
710 E. Mullan Ave.
Coeur d'Alene, ID 83814

renata@cdaid.org

(208) 666-5741 • Fax (208) 769-2366



The City will make reasonable accommodations for anyone attending the public meetings who requires special assistance for hearing, physical or other impairments. Please call (208) 666-5741 at least 24 hours in advance of the meeting time.

Coeur d'Alene Public Forums

Summary notes from presentation and discussion:

Purpose of the Consolidated Plan. To identify a community's housing needs, goals & strategies, and to stipulate how the money will be spent to address those needs.

Analysis of Impediments to Fair Housing Choice. Identifying barriers to fair housing; also required by HUD to receive CDBG money.

Citizen participation. Public meetings, survey, stakeholder meeting & interviews. Draft Consolidated Plan will be available for public comment.

CDBG funds must be used to benefit low- to moderate-income households. May be used to prevent slum/blight or for disaster recovery; rehabilitate existing properties; acquire properties; provide employment assistance/training for low- to moderate-income workers; provide services for special-needs populations; improve infrastructure; make accessibility modifications; implement crime-reduction initiatives; assist low-income home buyers.

What CDBG activities do you think are most important?

August 6th Forum

- Assistance in building a 14-unit apartment complex of transitional housing for formerly homeless
 - Point of discussion: CDBG funds cannot be used to construct the complex, but can be used to prepare the land/infrastructure for development. HUD recommends identifying low-income areas and/or those in disrepair and targeting them for development.
- Areas with no sidewalks or unpaved roads/alleys
- Building low-income or workforce housing is difficult in the area, because of the requirement for upgrading the infrastructure. Upgrading sewer systems drives the cost of building out of the “affordable” range.
- Some people cannot pay their property taxes, so the County acquires their homes. These County-owned properties could be rented or leased to low-income residents, rather than sold.
 - Point of discussion: Counties must be large (200,000 people, excluding urban areas) to qualify for these grants. Kootenai is not currently eligible, but could apply to the State for CDBG/HOME funds.
- Public-private partnerships for transit systems
 - A light rail system elsewhere was funded with government grants and has generated 7,500 times its cost in tax revenues.
 - Point of discussion: Transit is not covered under CDBG. The only transit-related activities covered by CDBG are for employers/nonprofits to provide bus passes or reduced fares to their employees/clients; or to improve bus shelters.

- We invite comments on transit, because it is a great need in every community and should be covered.
- Question - If someone's house is in poor shape, does this mean HUD just hands them free money to fix it up? Does it still count as part of the grant even if it's a loan that the homeowner will pay back?
 - Point of discussion. It depends on how the City decides to structure the program. By using CDBG money to provide interest-accruing loans, the city can generate program income which it then re-invests.
- Initial surveys coming in have shown many comments about housing rehabilitation: "If I could afford to, I would fix this."

August 8th Forum (lunch hour)

- Development costs to assist affordable housing. A specific development was mentioned concerning Habitat for Humanity at 11th/12th and Hazel.
- Housing rehabilitation for owner and renter occupied housing—make it a loan program
- St. Vincent DePaul infrastructure needs
- Sidewalk repair and maintenance. This is costly to households. The City requires homeowners to maintain and fix the sidewalks on their property. Lower income households need some assistance. This can also improve and assist ADA improvements.
- Minor home repair—to assist with minor fixes such as screens, windows, etc. The City has a large and growing senior population who may need assistance with these minor home fixes.
- Senior services—there is a medical center that needs some rehabilitation.
- Economic development
- Affordable housing
- Homebuyer education

August 8th forum (evening)

- Homeless and transitional housing/permanent housing. The shelters are always full and there is a waiting list for transitional housing. Need housing and services for persons with serious mental illnesses and veterans.
- Animal shelter and spay/neutering assistance.
- Sidewalk repair

- Downpayment assistance
- Traffic congestion improvements
- Code enforcement—fund a position
- Grant administrator who also does fair housing
- Rehab loans for homeowners, especially for seniors
- Security deposit assistance—something similar to an IDA
- Target 10-15 percent of the funds directly to low-income persons
- Affordable rental units and for sale homes
- Education and outreach—this could be done by the grant administrator

Worksheet. If you were in charge of spending \$300,000 on community development, how would you allocate it? Prioritize potential activities as high, medium or low. Responses will be reported by frequency. (See exhibits in Section IV for results).

What is fair housing? The Federal Fair Housing Act was part of the Civil Rights Act of 1968. It prohibited discrimination in the sale, rental or financing of dwellings based on race, color, religion, sex and national origin. In 1988, disability and familial status were added. A component of the ADA also falls under fair housing: Buildings built after 1991 must have a certain number of accessibility modifications. Some exemptions: Housing for seniors; buildings reserved for religious organizations or private clubs; multi-family dwellings with 4 units or fewer, whose owner occupies one unit.

Examples of fair housing violations:

- Refusing to rent/sell or renting/selling under different terms or conditions to different people
- Steering—showing prospective residents housing only in certain areas
- Discriminatory advertising
- Refusing to make reasonable accommodations for disabilities at tenant’s expense
- Non-compliance with ADA standards

(Advertisements with examples of discriminatory behavior are shown.)

- If a tenant asks permission to make a disability modification at the tenant’s own expense and the landlord refuses (e.g. saying it will ruin the look of the building) but agrees to allow a different, more costly, modification instead—what happens if the tenant cannot afford to make it?
 - Point of discussion: This is a gray area that depends on the definition of “reasonable”. A wise tenant in this case would contact a fair housing organization or legal services for advice.

- What's the basis to define "reasonable" accommodation? Who makes that determination?
 - Point of discussion: Probably case law and prior examples. "Reasonable" is not specifically defined in the Fair Housing Act.
- Another frequently sticky area of disability accommodation is allowing service animals in housing.
- Owners who are selling their homes by themselves (without a broker) are allowed to discriminate among potential buyers (may choose to sell based on the buyer's religion, etc.).
- What if the owner selling the property is a Realtor by trade?
 - The code of ethics prevents real estate professionals from discriminating in this manner.

We need to study whether people are being discriminated against in Coeur d'Alene. We will do a fair lending analysis using Home Mortgage Disclosure Act data to see if approvals and denials are disproportionate based on race or ethnicity. We will look for areas of the city that have higher rates of mortgage denials to determine whether certain groups have more trouble getting loans.

HMDA data are publicly available for a fee. Information on applicants' race, income level, etc. is collected from their loan applications and compiled into a database, which is used to ensure that lending institutions are not engaging in redlining (refusing to lend in certain areas for discriminatory reasons).

Do you think that discrimination occurs in Coeur d'Alene? Is there blatant discrimination? Are there simply economic barriers that prevent some people from finding the housing they need?

- Not much of a sense of discrimination here; barriers are mostly economic.
- How about institutional barriers? For example, in some older areas of the country there have been laws dating from the times of slave settlements, stating that African Americans cannot live beyond certain boundaries. Even though laws have changed, people may still behave as if those restrictions are there. Patterns of segregation still exist.
 - Coeur d'Alene is not particularly diverse ethnically or socio-economically, so these patterns do not exist here as they might in older communities.

What about discrimination against families with children, or making reasonable accommodations for disabilities? People are often unaware of these regulations.

- Sometimes people are discriminated against, but they don't know it. They don't realize that what's happened to them is illegal. When clients complain about unfair treatment, they are referred to Legal Aid.
- People are often intimidated by having to call the HUD hotline in Boise to report discrimination. They may prefer to speak to someone in person locally or file a complaint online.

- Large families are sometimes discriminated against—e.g., a family with 4 or 5 children looking to rent a 2-bedroom house.
 - This may be an occupancy standard, not actual discrimination.
 - In one case like this in Coeur d’Alene, the victims complained and won. The federal government determined that occupancy standards were used as an excuse to discriminate against large families.
- Fair housing education is needed to let people know their rights. This could be combined with housing education.
- Cost is the main barrier to housing
- Presently in Spokane apartments are being converted into for-sale housing, which is depleting their supply of affordable rental housing. This maybe something to watch in Coeur d’Alene.
- People are discriminated against because of familial status, especially concerning grandparents who are caring/raising they grandchildren. This is an issue when dealing with senior only housing.
- NIMBYism
- Possible overcrowding—some households are increasing in size. They can tell when there are too many cars out front.
- Immigrants may have problems

Upcoming Consolidated Plan activities. City Council has already been studying the housing market and has information to start the Consolidated Plan process. The Draft Consolidated Plan will be available for public comment on October 1. It will contain a socioeconomic profile of the city, discussion of housing markets and analysis of needs, and a chapter dedicated to public input and survey analysis. On October 16, there will be a public hearing to discuss the research findings and the City’s strategic plan for the next five years.

Other participant comments:

- The subject of affordable housing seems to be focused on providing housing to low-income people, instead of creating an economy where few people have a low income. This is like the Johnson-era “Great Society”, which didn’t work.
 - Some CDBG money can be used for employment training and systems.
- What good is employment training when there are no suitable jobs available? Too many workers are trained only for office jobs, and there is a shortage of skilled blue-collar laborers. HUD has dropped the ball on assisting small, independent companies.

- A disproportionately high number of jobs are in the education sector, leaving few opportunities for industrial workers. We have no choice but to buy inferior foreign-made goods because there is too little manufacturing being done in this country.
- The survey should address the subjects of employment and transportation. Even if these areas are not the focus of funding now, the information can be used in the future.
 - ▶ When a community's primary needs are not eligible for CDBG, we state that in the Consolidated Plan. For instance, we may write "Public transit is this community's highest priority; unfortunately CDBG funding cannot be used for that purpose." We do communicate those needs to HUD.
- It's a more effective public policy to create wealth in the economy. Help low-income residents learn better money management skills so they can afford more desirable housing, rather than simply giving builders money to create cheap housing that perpetuates a low standard of living.
 - ▶ Some of these issues would require fundamental changes in national policy. These are important concerns, but they are outside the limited scope of HUD's assistance and would have to be addressed through other agencies.

City comments: Once the federal government has allocated the grant funding, the City can start determining its priorities. Meetings like this are the start for community input, and then the Consolidated Plan is the City's plan of action, goals and strategies. This grant money goes directly to the City because Coeur d'Alene is a principal city. Other HUD funding is given to the State, and municipalities must apply to the State to allocate funds to them.

- Do residents want to divide the money among various areas of need, or would they rather it all be turned over to one cause, e.g. to build affordable houses? Let's try to accomplish what this community needs.
- Thanks to the online survey, there has already been a lot of input. Many respondents have commented, "If I could afford to do home improvements, I would."
- Not a lot of homelessness has been reported.
- Many survey respondents state that their home is not their dream home, but it is what they could afford.
- Some residents have commented about neighbors keeping junk in their yards—code enforcement issues are brought to attention.
- Are respondents talking about affordable housing? Yes. A common answer is "If I could afford to move elsewhere in the city, I would." One specifically mentioned a wish to live on a street with less traffic, but the area of their current home was what was affordable.
- There is a great opportunity in Coeur d'Alene to assist people with housing in some way.

How would you spend CDBG dollars?

You have \$300,000 to improve housing and/or community development conditions of residents in Coeur d'Alene.

Dollars	Activities	Location
\$		
\$		
\$		
\$		
\$		
\$		
\$		
\$		
\$		
\$		
\$		
Total \$	Must add to \$300,000!	

CDBG ACTIVITIES AND PRIORITIZATION

The following are potential activities that could be undertaken with Community Development Block Grant (CDBG) funds. Please identify each activity as appropriate for high, moderate, low or no funding.

Please select:

- Four activities as *high funding*
- Four activities as *moderate funding*
- Four activities as *low funding*
- Four activities as *no funding*

That is, select no more than 4 activities for each funding level.

Activity	Funding level			
Down payment assistance to prospective home buyers	High	Moderate	Low	None
Code enforcement to prevent/reverse deteriorating homes	High	Moderate	Low	None
Sidewalk repairs/accessibility modifications	High	Moderate	Low	None
Job training	High	Moderate	Low	None
Social services (e.g. youth programs, senior programs, assistance to persons who are homeless)	High	Moderate	Low	None
Rehabilitation of existing owner-occupied housing	High	Moderate	Low	None
Construction of new community centers	High	Moderate	Low	None
Rehabilitation of existing rental housing	High	Moderate	Low	None
Construction of parks/recreational facilities	High	Moderate	Low	None
Construction of emergency shelters or transitional housing	High	Moderate	Low	None
Low-interest loans to low-income entrepreneurs or to retain businesses that employ low-income workers	High	Moderate	Low	None
Crime reduction activities	High	Moderate	Low	None
ADA/accessibility modifications to public facilities	High	Moderate	Low	None
Land acquisition for public development	High	Moderate	Low	None
Demolition of substandard structures	High	Moderate	Low	None

City of Coeur d'Alene Consolidated Plan

Presented to:
Citizens of Coeur d'Alene

August 2007

Presented by:
Heidi Aggeler, Director
Kathy Kugel, Associate
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Denver, Colorado 80209
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Purpose of the Consolidated Plan

In 1995, the U.S. Department of Housing and Urban Development (HUD) began requiring states and local communities to prepare a Consolidated Plan in order to receive federal housing and community development funding.

The purpose of the Consolidated Plan is:

- To identify a city's housing and community development needs, priorities, goals and strategies; and
- To stipulate how federal Community Development Block Grant (CDBG) funds will be allocated to housing and community development needs in the community.

An Analysis of Impediments to Fair Housing Choice and a plan to address barriers must also be completed as part of a Consolidated Plan.

Consolidated Plan Research Process

- **Citizen Participation Plan**
 - **Public meetings**
 - **Citizen survey**
 - **Stakeholder meeting and interviews**
 - **Draft plan and comment period**
- **Demographic and socioeconomic analysis**
- **Housing market analysis**
- **Analysis of special needs populations**
- **Fair housing analysis**
- **Five-year strategic plan**

Objectives of CDBG Program

- Benefit low- and moderate-income persons
- Prevent or eliminate slums or blight
- Meet other urgent community development needs

CDBG – Eligible Activities

- Reconstruction/rehabilitation of homes or other property
- Property acquisition for public purposes
- Construction of public facilities and improvements
- Demolition of property to prepare land for other uses
- Provision of employment assistance (e.g., employment training programs)
- Provision of public services for special needs populations, including youth, persons with disabilities, persons who are homeless, seniors, victims of domestic violence, persons with HIV/AIDS

CDBG – Eligible Activities (cont'd)

- Public infrastructure improvements (sidewalks, streets, water/wastewater systems, flood mitigation) including ADA and accessibility modifications
- Assistance with special economic development activities for for-profit businesses
- Implementation of crime reduction initiatives (e.g., programs for at-risk youth, programs to remove graffiti)
- Assistance to low-income homebuyers in purchasing a home
- Enforcement of local building codes to reverse housing deterioration and blight (i.e., code enforcement salaries)

What Potential CDBG Activities are Most Important?

- New affordable rental housing
- New affordable housing to buy
- Housing rehabilitation (Owner occupied housing)
- Housing rehabilitation (Rental housing)
- Sidewalk repair or replacement
- Property maintenance (e.g., Code enforcement)
- Youth center/services
- Senior services
- Community centers
- Transitional housing
- Housing for persons who are homeless
- Demolition of dilapidated structures (commercial or residential)
- Building code enforcement
- Neighborhood planning
- Economic development-assistance to businesses
- Job creation
- Neighborhood park or recreation improvements

How Would You Spend the \$\$\$?

You have \$300,000 to improve housing and/or community development conditions of residents in Coeur d'Alene.

Please use the worksheet we've circulated to identify and prioritize these needs in your community and your neighborhood.

What is Fair Housing?

Fair Housing Act (FHA):

- Title VIII of the Civil Rights Act of 1968, prohibits discrimination in the sale, rental and financing of dwellings based on race, color, religion, sex and national origin
- Amended in 1988 to prohibit discrimination on the basis of disability or familial status.
- Requires accessibility provisions in certain residential buildings ready for occupancy after March 1991

Exemptions from FHA:

- Housing developments for seniors, housing strictly reserved for members of religious organizations or private clubs, multifamily housing of four units or less with the owner occupying one unit.

Examples of Fair Housing Violations

- Refusing to rent or renting under different terms/conditions
- Refusing to sell or selling under different terms/conditions
- Steering by real estate agents
- Discriminatory advertising
- Refusing to make reasonable accommodations for persons with disabilities
- Non-compliance with accessibility/ADA standards

Violation or Not?

APARTMENT FOR RENT

Two bedroom, nice, play area for children, laundry on-site, off-street parking. Near shopping/grocery. English speakers only.

Violation or Not? (continued)

An apartment building owner is renting to a tenant who uses a wheelchair. The building is old and does not have a wheelchair ramp. The tenant asks if he could arrange to have a ramp built so he can get into the building more easily. The tenant has offered to pay for the ramp. The owner thinks a ramp will ruin the look of the building, so he refuses to have one built.

Violation or Not? (continued)

A single mother of a 13-year-old made an appointment to look at an apartment for rent in a large apartment complex. The landlord met her at the apartment. When he discovered that she had a child, he told her he doesn't allow children in his apartment complex.

Violation or Not? (continued)

A couple selling their home tells their real estate agent that they only want to sell their house to a Christian family. The real estate agent receives a call from another agent who is representing a Jewish family interested in looking at the home. The agent for the Christian couple refuses to show them the home.

Your Fair Housing Concerns

- Are people discriminated against when trying to find housing in your community? What happens?
- Are there other barriers that prevent people from finding the housing they need?

How to Participate in the Consolidated Plan Process

- **Attend a public forum:**
 - **Monday, August 6, 6:00—8:00 p.m.**
Harding Family Center, 411 N. 15th Street
 - **Wednesday, August 8, 11:30 a.m.—1:30 p.m.**
City Hall Council Chambers, 710 E. Mullan Avenue
 - **Wednesday, August 8, 6:00—8:00 p.m.**
Fire Station No. 3, 1500 N. 15th Street
- **Complete a citizen survey here, at City Hall or online at www.cdaid.org.**
- **Read the draft plan available October 1st and attend the public hearing at City Hall on October 16th**
- **Send an e-mail to renata@cdaid.org**
- **Send a letter to: Renata McLeod, City of Coeur d'Alene, 710 E. Mullan Avenue, Coeur d'Alene, ID 83814**

APPENDIX B.
Public Comments

WANDROCKE ENTERPRISES, L.L.C.

4108 Arrowhead Rd.
Coeur d'Alene, Idaho 83815
(208) 664 -1052 • Fax (208) 664 -1710

Attn: Renata McLeod
City of Coeur d'Alene
710 E Mullan Avenue
Coeur d'Alene, Id 83814

August 9, 2007

Attn: Renata

I apologize for not getting back to you sooner, I've been traveling; however, I did want to comment re the first Public Forum held (August 6) for the Consolidated Plan process.

I felt there were at least three topics for CDBG, that should be high on the list of the approximately 17 considerations that were the most important (reference is to page 6 in the 15 page plan). First, new affordable rental housing, secondly, new affordable housing to buy, and thirdly housing for persons who are homeless.

While I am not in any need of public assistance, I do understand certain needs within our community that are being considered and need to be addressed. Hence, I did not complete the Coeur d'Alene Resident Housing Survey of six pages.

Wishing all of you the very best in obtaining your desired goals.

Most sincerely,



Dick Wandrocke

8/15/07 Suggestion for Use of Annual Block Grant Funds

The Simple Concept

Buy properties that can be sold to those who meet the "workforce" definition.

The Details

Most of these properties that can be purchased and resold in a "workforce" price range are likely to be distressed properties, such as in foreclosure or the subject of liens that cannot be paid by the owner. Properties in disrepair would be repaired and cosmetically improved with grant funds through a bid process by registered local contractors to make the homes ready for new owners.

The city would then sell the properties to those meeting workforce criteria at a price that will allow them to qualify for a mortgage on the property through a standard mortgage provider.

Initially a program manager and office assistant would be hired from the grant funds. Then properties would be selected that would net a profit for the city. Over time, part of the profits would be used to pay the program staff and be directed to additional property purchases, making the program self-sustaining.

Additional Requirements

These transactions should be completed directly by the city without an agent's commission,

Those who purchase the properties from the city would have to live in them for a minimum of five years. If they are unable to complete the five-year term or choose to sell the property before the end of the term, they would have to sell the property back to the city for their original purchase price plus 3% per year appreciation and any necessary repair costs. Owners would not be reimbursed for any improvements they have made during the term.

Summary

This approach provides the greatest benefit by allowing purchasers to acquire single-family or duplex housing with yards and other amenities they prefer over low-cost condo designs. Although there are currently condo choices that are at or near the right price range, they are not selling due to lack of interest in that type of living by most workforce members.

I also think this program has little to no possibility of abuse or profiteering by any developer. It provides ongoing construction related opportunities for registered contractors, some of whom may qualify as part of the workforce it is serving.



League of Women Voters of Kootenai County
2831 East Somerset Court
Hayden, ID 83835

August 8, 2007

City of Coeur d'Alene
710 E Mullan Ave
Coeur d'Alene, ID 83814

RE: Community Development Block Grant Consolidated Plan.

To Whom It May Concern:

The League of Women Voters of Kootenai County appreciates the opportunity to comment in the Community Development Block Grant Consolidated Plan development. The League's Affordable Housing Program Committee has attended the various public meetings including the Coeur d'Alene Housing Needs Survey presentation, the Northern Idaho Workforce Housing Summit at Schweitzer, and the Kootenai Perspectives meetings.

Our national organization has positions which we have attached to provide the criteria for prioritizing projects. We believe that every family should have access to a decent, affordable living environment, not segregated by economic status, with access to employment, preservation of open space, environmental cleanliness and beauty, and other aspects of a suitable living environment.

Thank you for providing opportunities for public input and encouraging citizens to participate in the development of this plan.

Sincerely,

A handwritten signature in cursive script that reads "Joyce Bergen".

Joyce Bergen
President
League of Women Voters of Kootenai County

A handwritten signature in cursive script that reads "Theresa Potts / JPB".

Theresa Potts
Chair
Affordable Housing Committee

LWVUS POSITIONS ON HOUSING

Criteria for housing supply

The following considerations can be applied to programs and policies to provide a decent home and a suitable living environment for every American family:

- Assure that our economic system is functioning to produce and maintain sufficient, decent housing for citizens at all income levels;
- Compensate for any failure or inadequacy of the system by building, financing, renting and selling homes to those citizens whose housing needs are not being met;
- Give a variety of incentives to local jurisdictions to encourage them to provide, within their boundaries, an adequate supply of decent housing for low and moderate-income groups;
- Assist by establishing effective agencies to aid, promote, coordinate, and supplement the housing programs of the federal government and the private sector.
- Make available sufficient funds for housing-assistance programs when families or individuals cannot afford decent housing.
- Provide assistance in the form of income and/or subsidized housing.
- Evaluate subsidies to building, financing and insuring industries for housing for lower-income families in terms of units produced rather than in terms of benefits accruing to these industries.
- Develop policies that will assure sufficient land at reasonable cost on which to develop housing and that will assure fulfillment of other goals such as access to employment, preservation of open space, environmental cleanliness and beauty, and other aspects of a suitable living environment.
- Promote planning to prevent haphazard urban growth, and housing for low- and moderate-income families should be provided as a part of all planned neighborhoods or communities.
- Include lower-income families in developments or neighborhoods. As their economic status improves lower-income families should be enabled to

continue to live in the same units as private tenants or as homeowners, if they are so inclined.

- Design housing to meet human needs and should be built with amenities that will encourage economic integration within apartment buildings as well as within neighborhoods.
- Include publicly assisted housing in viable, balanced communities, with provision for quality public services and facilities, including schools, transportation, recreation, etc., that will encourage integration and stability.
- Promote zoning practices and procedures that will counteract racial and economic isolation.
- Adopt and enforce:
 - uniform building codes with standards based on performance;
 - housing codes to protect the health and safety of all citizens.
- Examine State and local tax structures and revise to:
 - benefit communities that build housing for lower-income families;
 - encourage private owners to improve their homes;
 - reduce speculative land costs.
- Government, industry and labor should encourage innovative building techniques to reduce the cost of housing production.
- Rights of tenants to negotiate for proper maintenance, management of facilities and services should be protected.
- Housing programs should be administered by individuals trained for the jobs and sympathetic with the needs of their clientele.
- Citizens groups should participate in the development of publicly assisted housing programs by:
 - Evaluating performance
 - Activating nonprofit sponsorships
 - Supporting legislation
 - Developing public awareness of housing discrimination and need.