

Comprehensive Plan & Development Regulations Periodic Update 2026



Racially Disparate Impact (RDI) Analysis



Introduction

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

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

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



RDI Evaluation Methodology: Policy and Regulation Evaluation



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

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

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

Key Findings

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

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

Historical Context

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

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

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

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

Racial Covenants & Potential Redlining

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

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

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

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

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

Spokane County Racial Covenants Locator Map

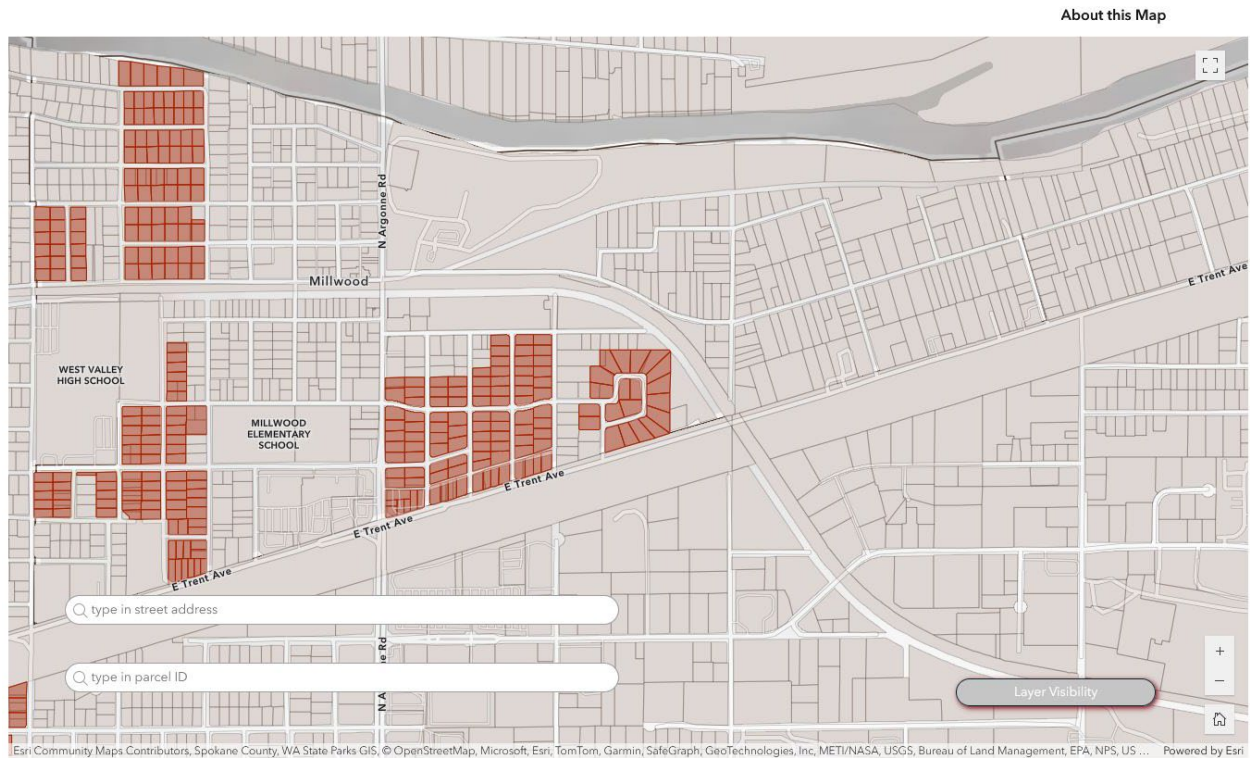


Figure 1 – Riverwood Addition Racial Covenant Example

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

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

8611 E SOUTH RIVER WAY

Parcel ID: 45064.0101 (click to zoom)

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

RACIAL COVENANT ASSOCIATED WITH THIS PROPERTY

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

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

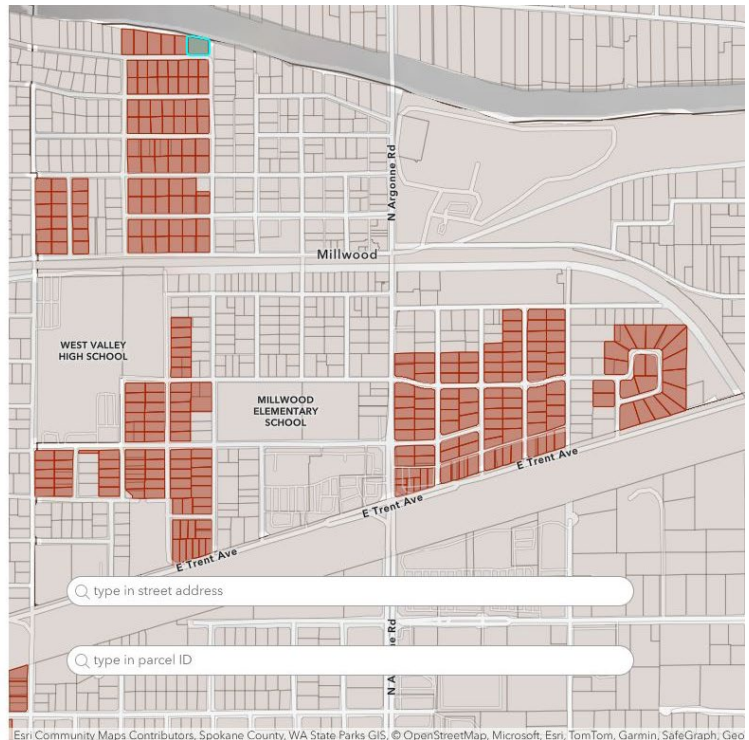


Figure 2 – Sipple’s Addition Racial Covenant Example

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

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

8304 E LIBERTY AVE

Parcel ID: 45064.1917 (click to zoom)

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

RACIAL COVENANT ASSOCIATED WITH THIS PROPERTY

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

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



Figure 3 – Hedman’s Addition Racial Covenant Example

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

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

3018 N LAURA RD

Parcel ID: 45071.1001 (click to zoom)

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

RACIAL COVENANT ASSOCIATED WITH THIS PROPERTY

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

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



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

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

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

2723 N SIPLE RD

Parcel ID: 45071.2401 (click to zoom)

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

RACIAL COVENANT ASSOCIATED WITH THIS PROPERTY

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

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

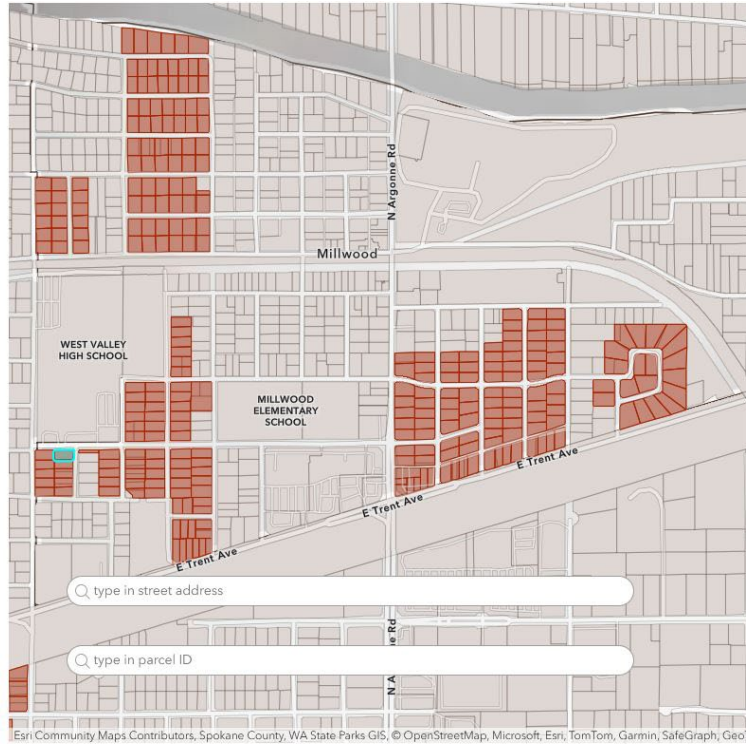


Figure 5 – Polwarth’s Addition Racial Covenant Example

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

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

2722 N BESSIE RD

Parcel ID: 45071.1412 (click to zoom)

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

RACIAL COVENANT ASSOCIATED WITH THIS PROPERTY

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

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



Figure 6 – Julian Addition Racial Covenant Example

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

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

8605 E YORK AVE

Parcel ID: 45071.1504 (click to zoom)

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

RACIAL COVENANT ASSOCIATED WITH THIS PROPERTY

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

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

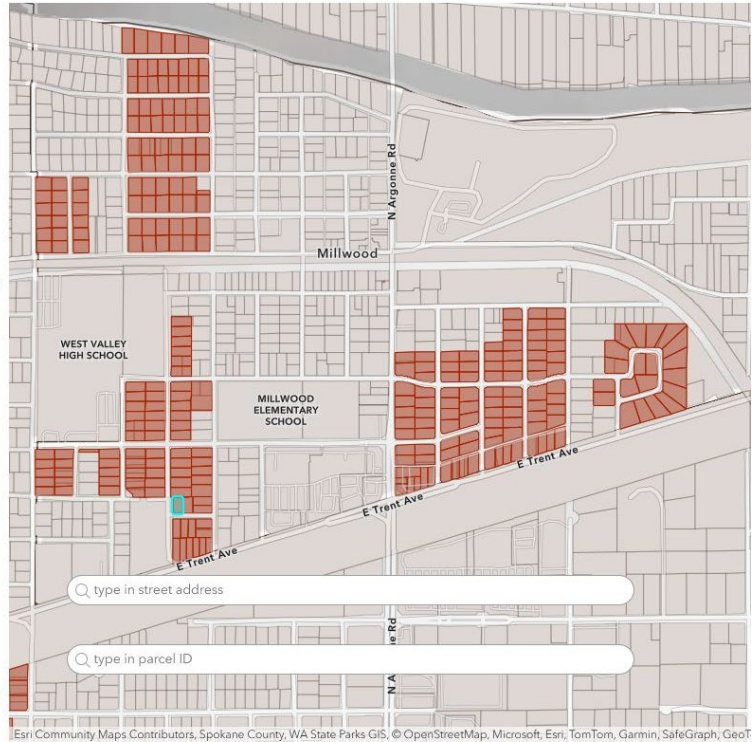


Figure 7 – Millwood Homes Addition Racial Covenant Example

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

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

2918 N ARGONNE RD

Parcel ID: 45082.0802 (click to zoom)

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

RACIAL COVENANT ASSOCIATED WITH THIS PROPERTY

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

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

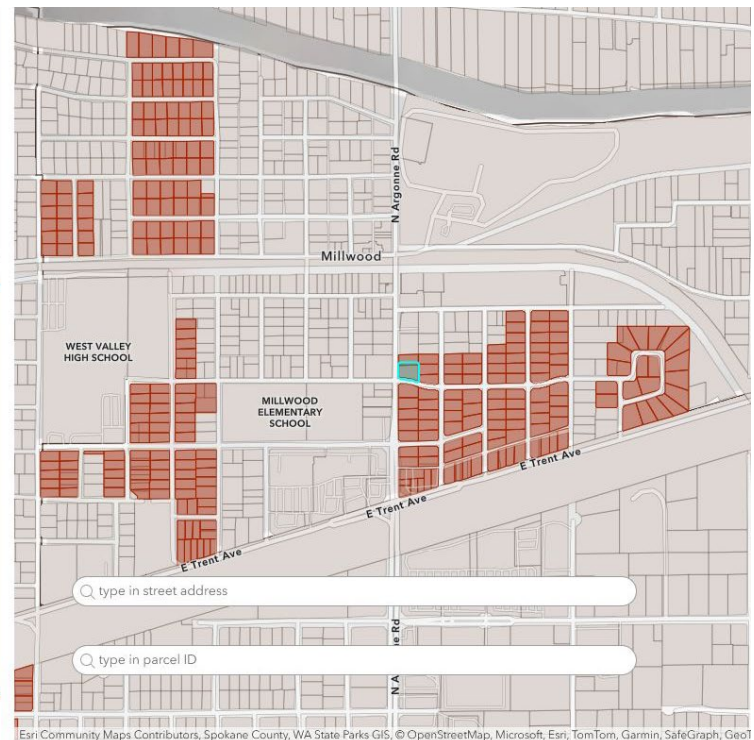


Figure 8 – Hooker’s Addition Replat Racial Covenant Example

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2901 N BOEING RD

Parcel ID: 45082.0308 (click to zoom)

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

RACIAL COVENANT ASSOCIATED WITH THIS PROPERTY

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

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



Community Matters: Moving Forward Together

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

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

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

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

Assessing Racially Disparate Impacts

Population

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

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

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

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

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

Table 5.1
Millwood Historical Population Trends

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

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

5.2.3 Racial Distribution

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

Table 5.4
Racial Distribution 1990

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

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

Racial Distribution 2000

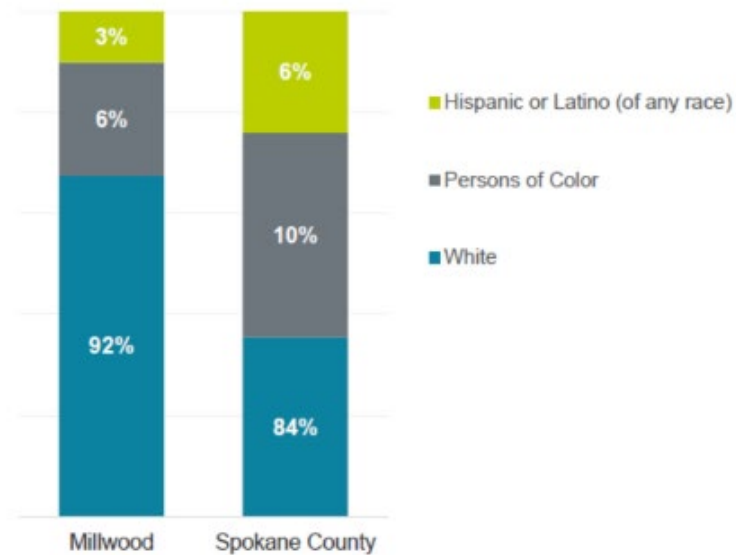
Race	# of Persons	Percent	Spokane County
White	1,571	95.3	91.4
Black or African American	9	0.5	1.6
American Indian or Alaskan Native	7	0.4	1.4
Asian	17	1.0	1.9
Native Hawaiian and Other Pacific Islander	2	0.1	0.2
Other Race	8	0.5	0.8
Two or More Races	35	2.1	2.8
Total	1,649	100.00	100.0

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

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

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

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

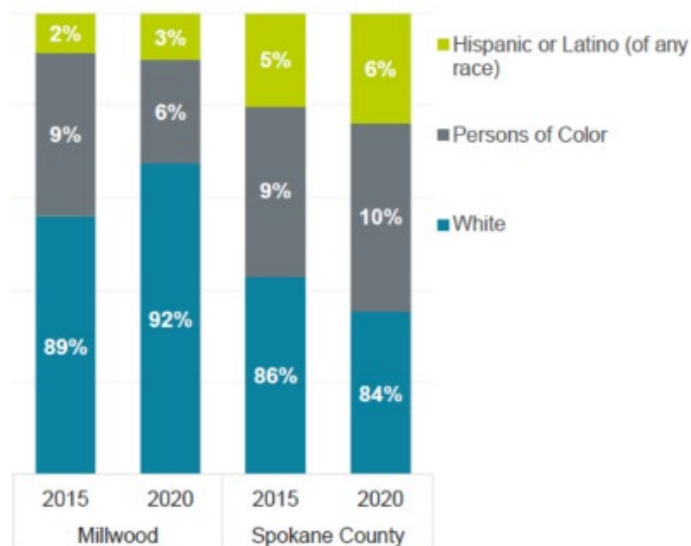


Source: US Census Bureau, 2016-2020 American Community Survey 5-Year Estimates (Table DP05); Washington Department of Commerce, 2023

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

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

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

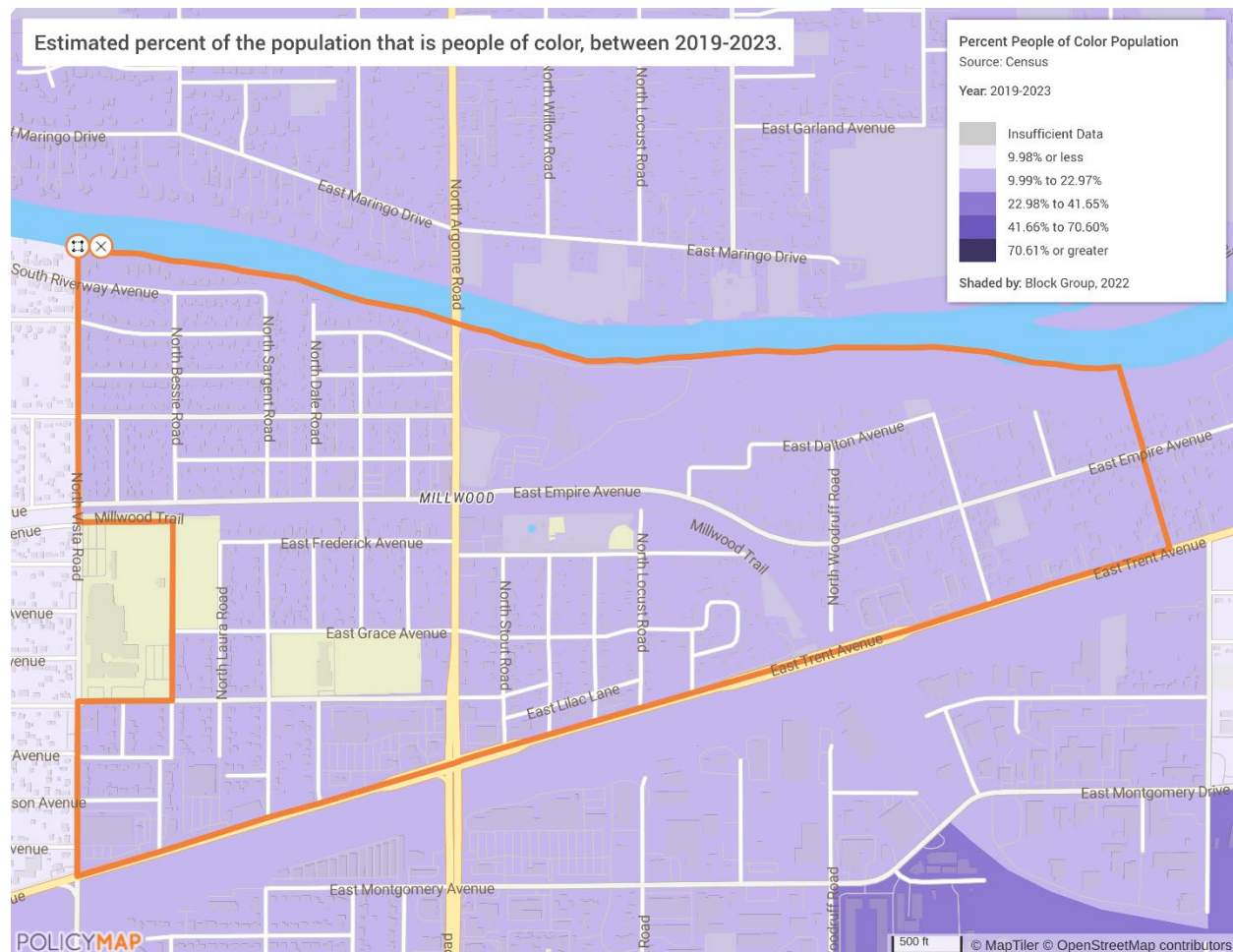


Source: US Census Bureau, 2011-2015 and 2016-2020 American Community Survey 5-Year Estimates (Table DP05); Washington Department of Commerce, 2023

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

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

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



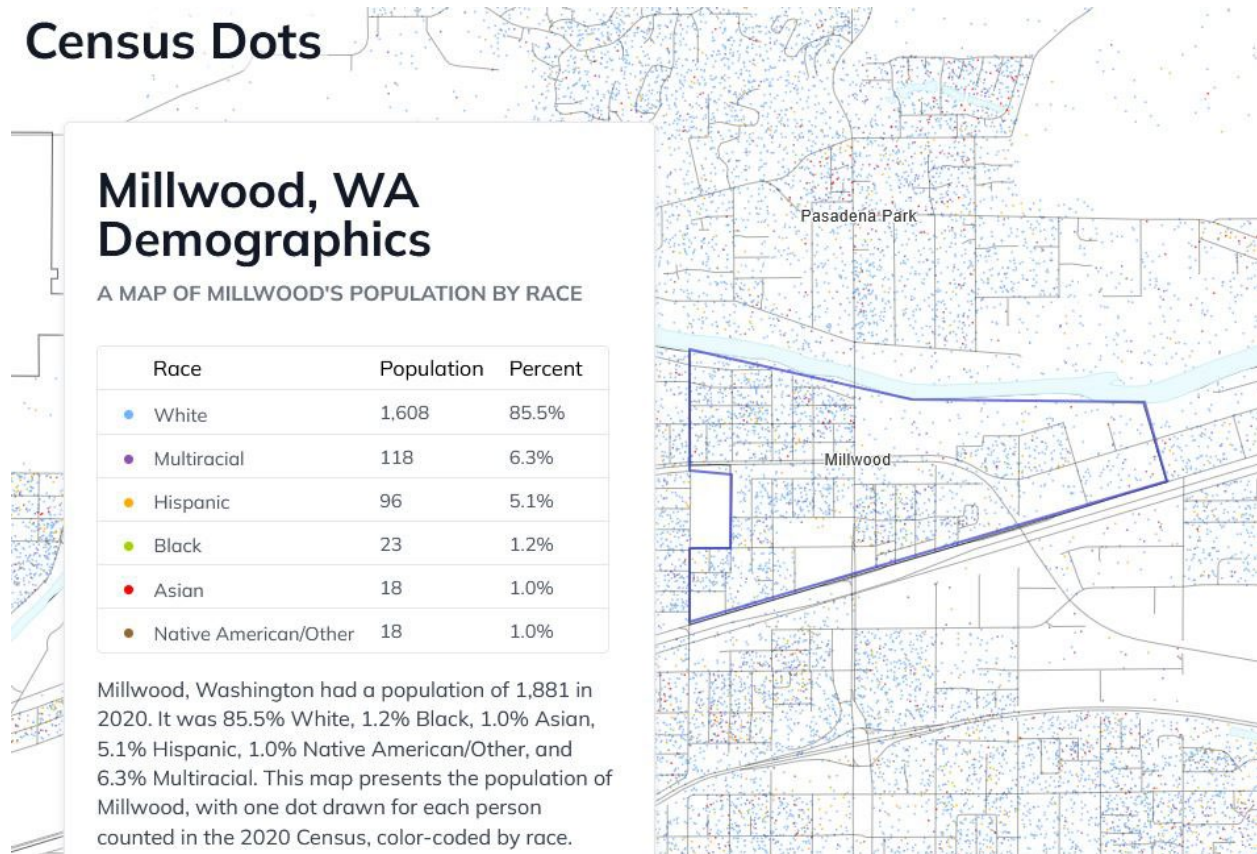
According to 2022 ACS 5 Year Estimates, 2.1% of the Millwood population speaks a language other than English at home (Spanish, Other Indo-European languages, and Asian/Pacific Islander languages).

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

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

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

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



Income and Housing

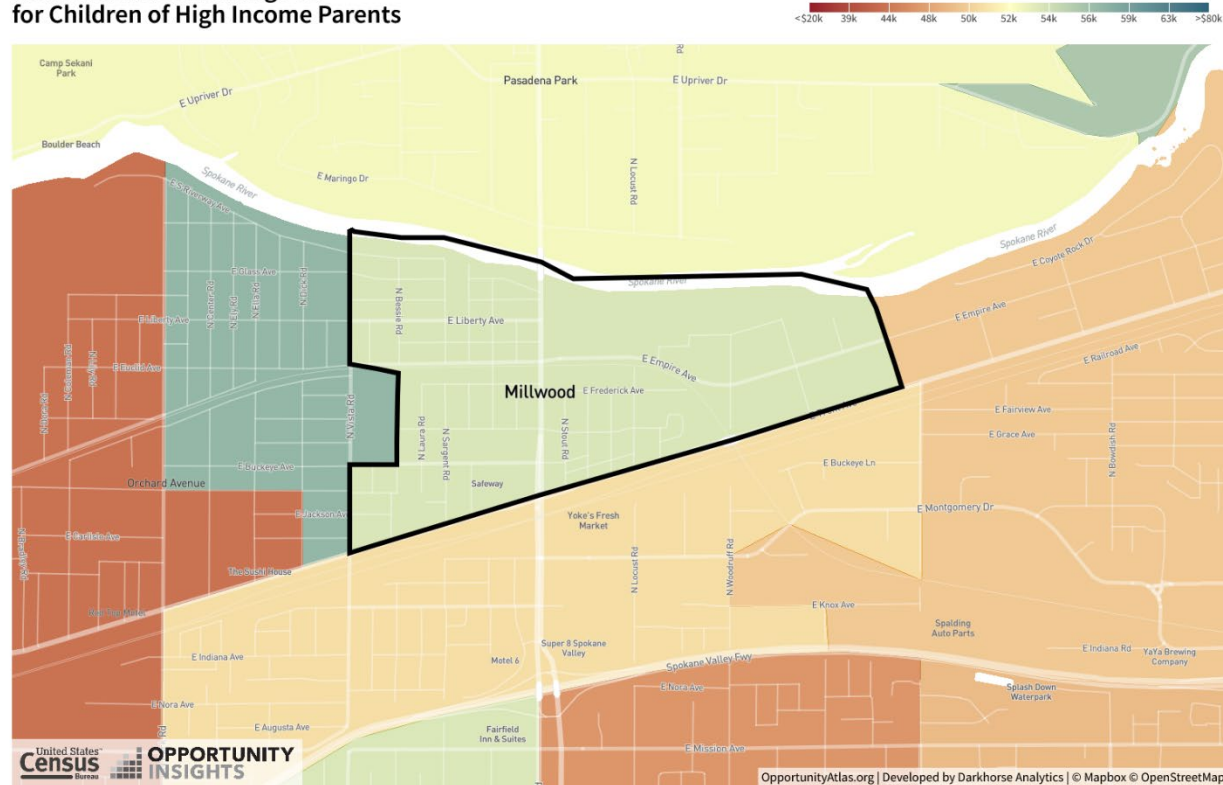
“In 2018, in collaboration with Opportunity Insights, the Census Bureau constructed and released the [Opportunity Atlas](https://www.census.gov/programs-surveys/ces/data/public-use-data/opportunity-atlas-data-tables.html), a comprehensive Census tract-level dataset of children’s outcomes in adulthood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

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

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

Map 4 – Household Income at Age 35 for Children of Millwood High Income Parents

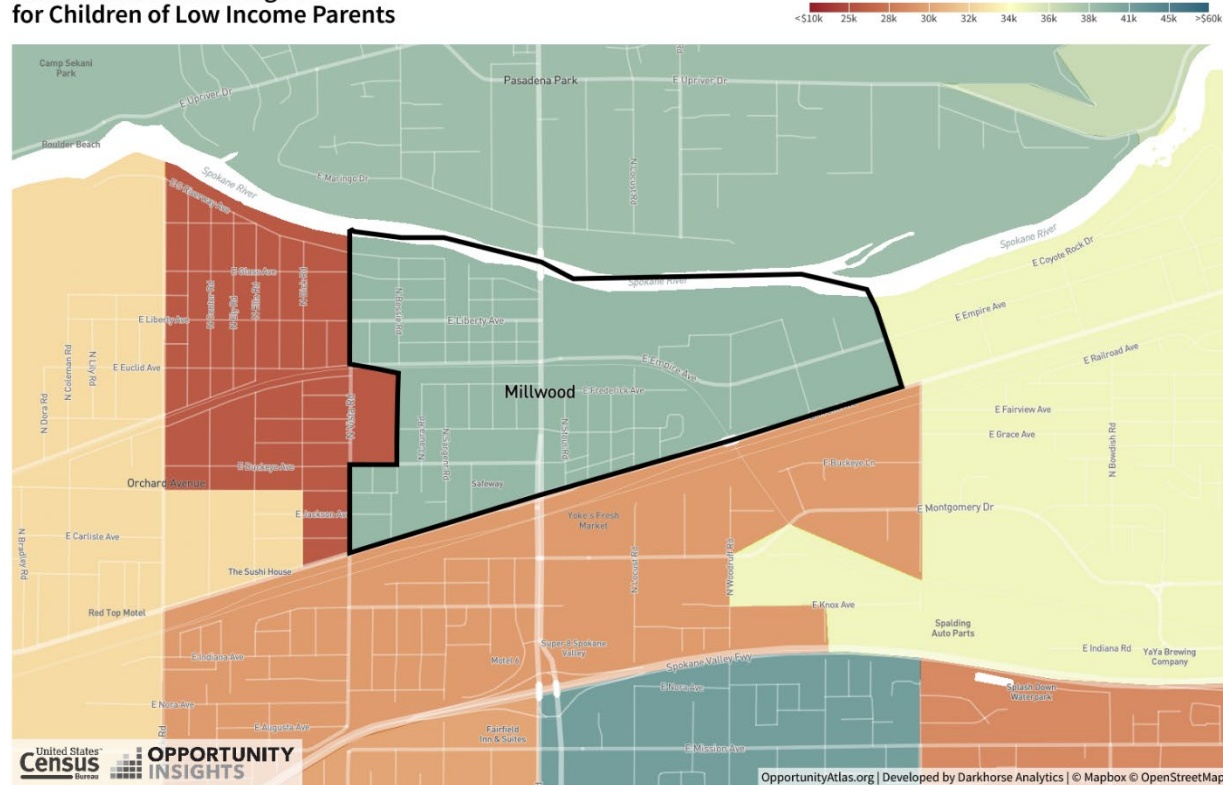
**Household Income at Age 35
for Children of High Income Parents**



Map 4 above shows that children born to families in Millwood with Higher Income Parents (75th percentile), were also in the above median income brackets (2014-2015 average annual household incomes of \$54K compared to the median of \$52K) in their mid-thirties, while the results for surrounding areas varied. The 2014-2015 average annual individual incomes were for \$25K for women with a 77% employment rate and 68% of women were married in 2015, while men individually earned \$42K with an 89% employment rate and 57% of men were married in 2015. The data also stated that the children of Millwood's Higher Income Parents had an incarceration rate that was less than 1%, a teenage birth rate of 2.5%, and their overall employment rate was 82%.

Map 5 – Household Income at Age 35 for Children of Millwood Low Income Parents

**Household Income at Age 35
for Children of Low Income Parents**



Map 5 above shows that children born to families in Millwood with Lower Income Parents (25th percentile) made about \$16K less than those in Map 4; however, they were still above the median income (2014-2015 average annual household incomes of \$38K compared to the median of \$34K) in their mid-thirties, while the results for surrounding areas varied. The 2014-2015 average annual individual incomes were for \$22K for women with a 62% employment rate and 54% of women were married in 2015, while men individually earned \$25K with a 73% employment rate and only 37% of men were married in 2015. The data also stated that the children of Millwood's Lower Income Parents had an incarceration rate of 4.5%, a teenage birth rate of 20%, and their overall employment rate was 67%.

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

Figure 14 below summarizes the results between children of higher income parents in Millwood and children of lower income parents in Millwood. The 2014-2015 average annual individual income differences between women and men from higher income parents vs. lower income parents was surprising.

Figure 14 – The Opportunity Atlas Data Summary

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

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

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

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

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

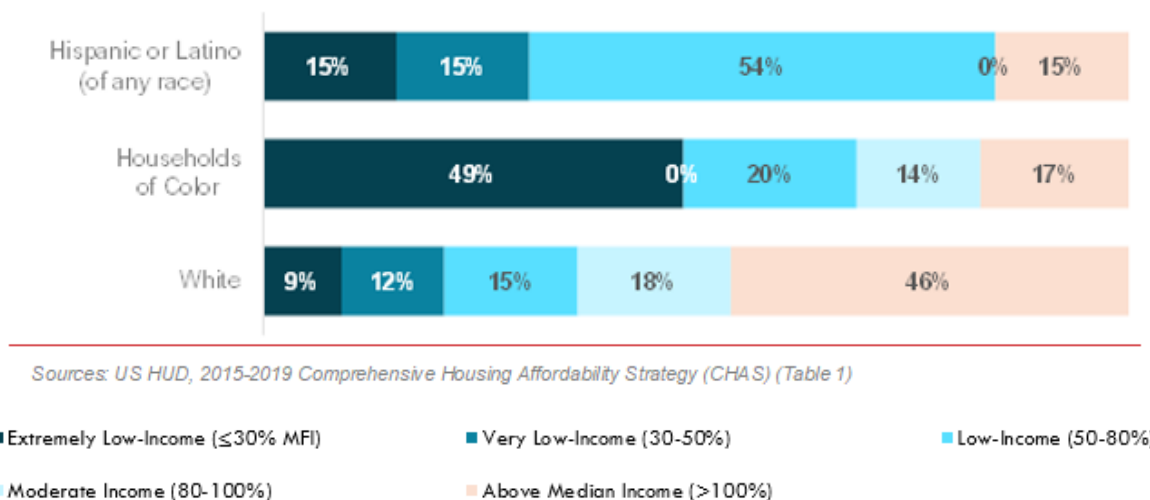
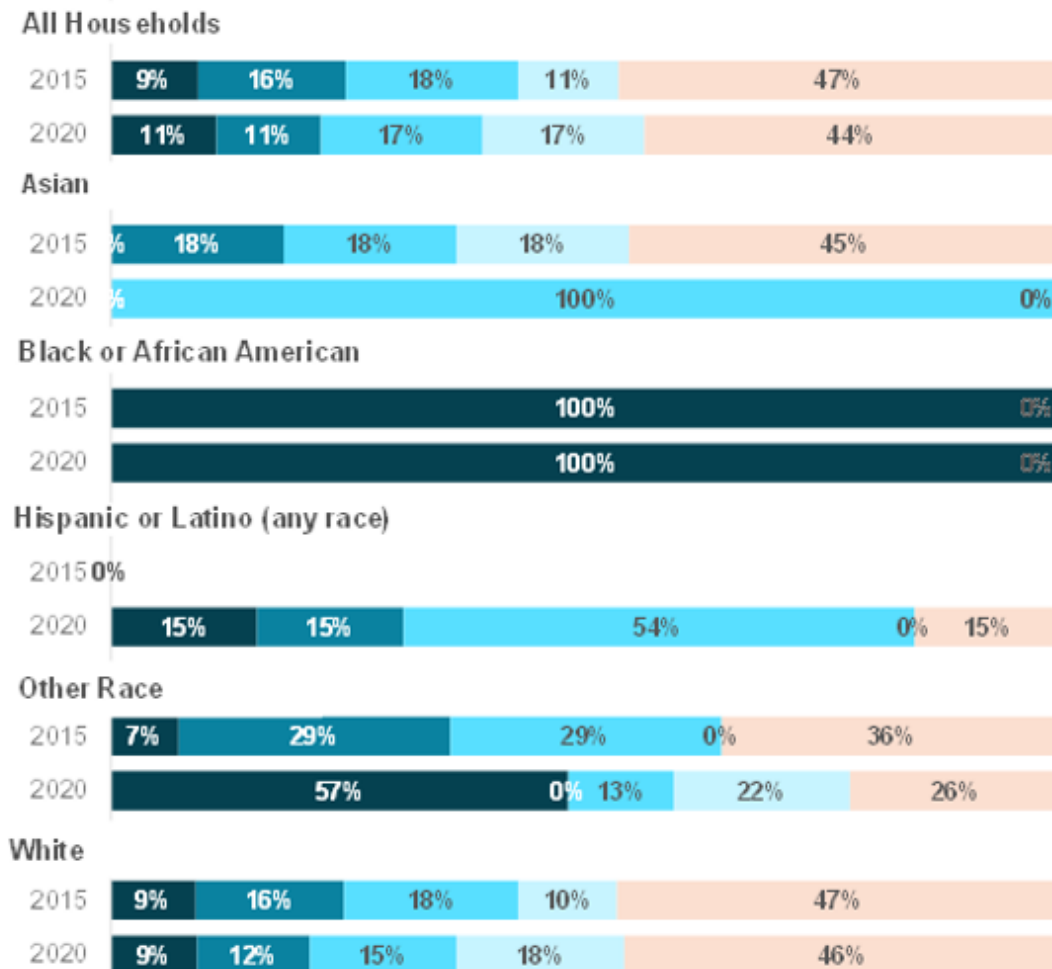


Figure 16 – Millwood percentage of households by income category and race in 2015 vs. 2020 (2026 Draft City of Millwood Comprehensive Plan Figure 4-9)

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

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



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

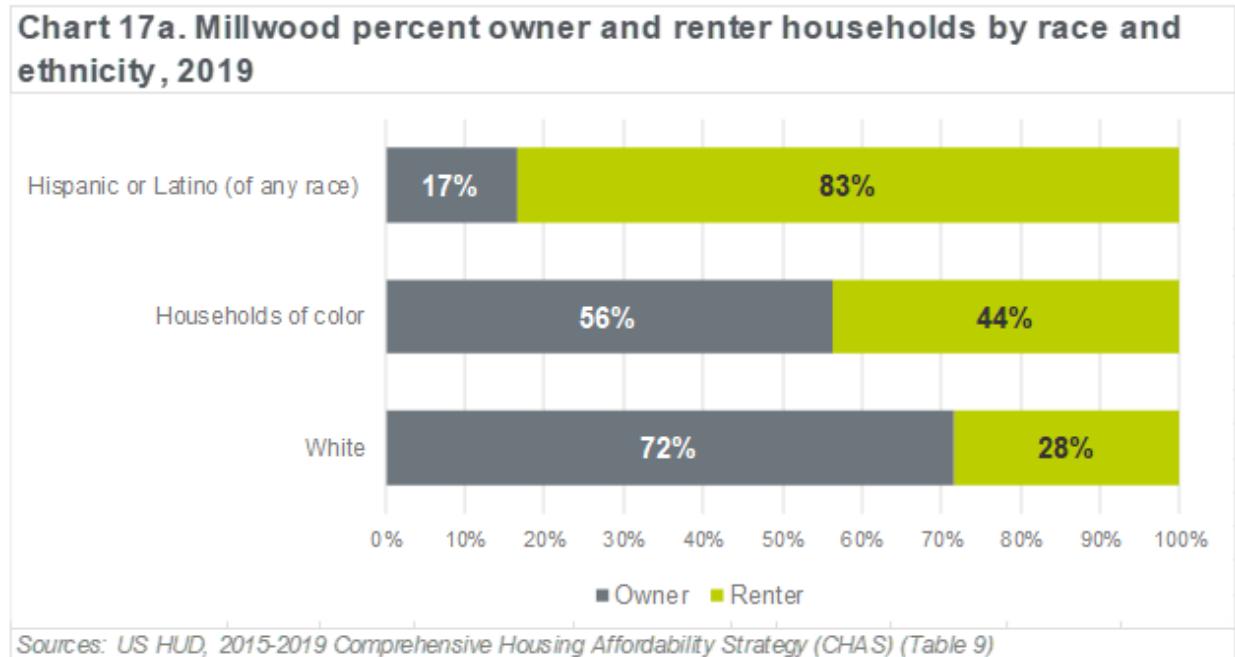
■ Extremely Low-Income (≤30% MFI)
 ■ Very Low-Income (30-50%)
 ■ Low-Income (50-80%)
 ■ Moderate Income (80-100%)
 ■ Above Median Income (>100%)

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

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

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

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



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

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

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

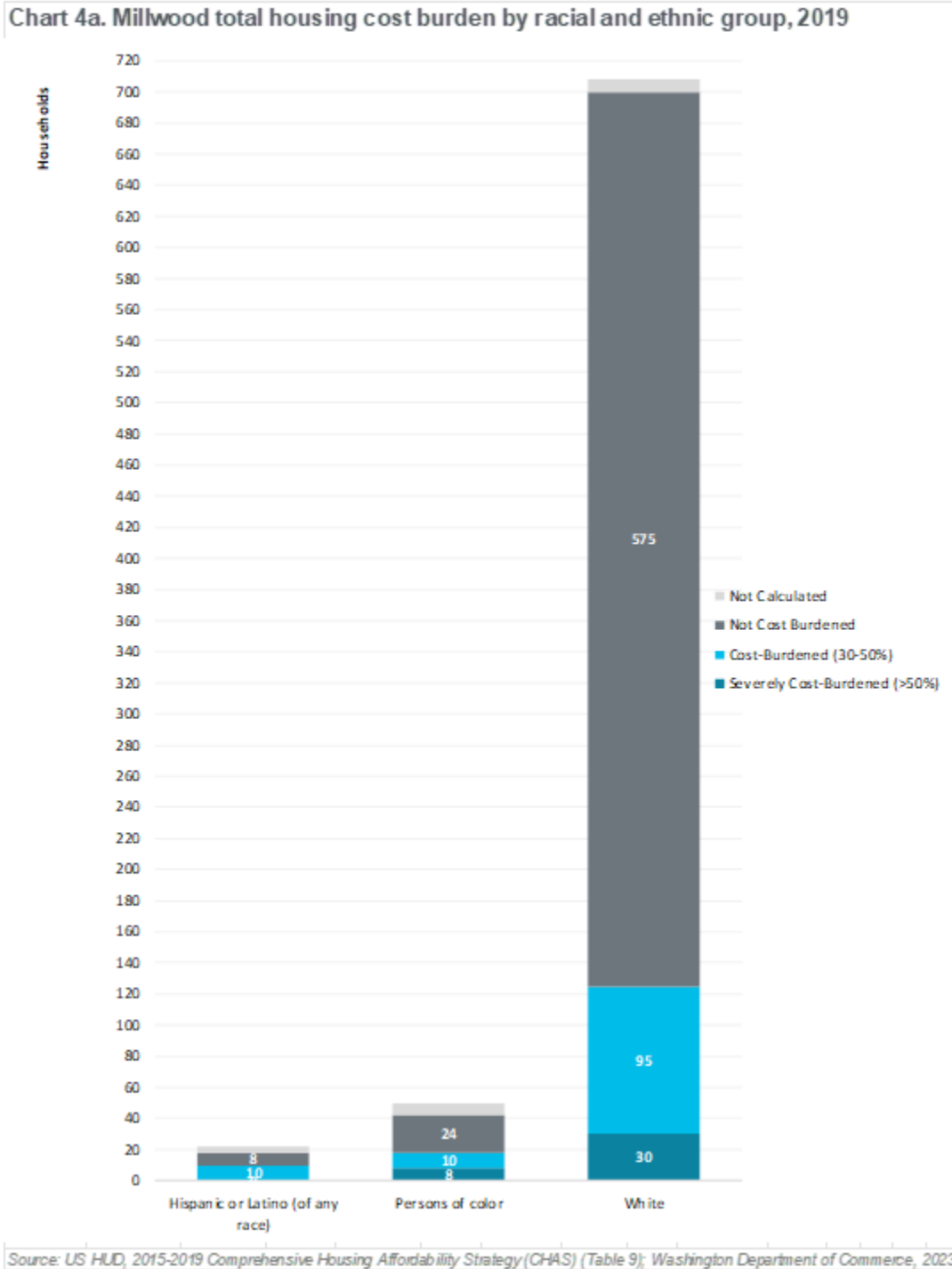


Figure 19 – Millwood Owner Households Experiencing Housing Cost Burden, 2019 (2026 Draft City of Millwood Comprehensive Plan Figure 6-5)

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

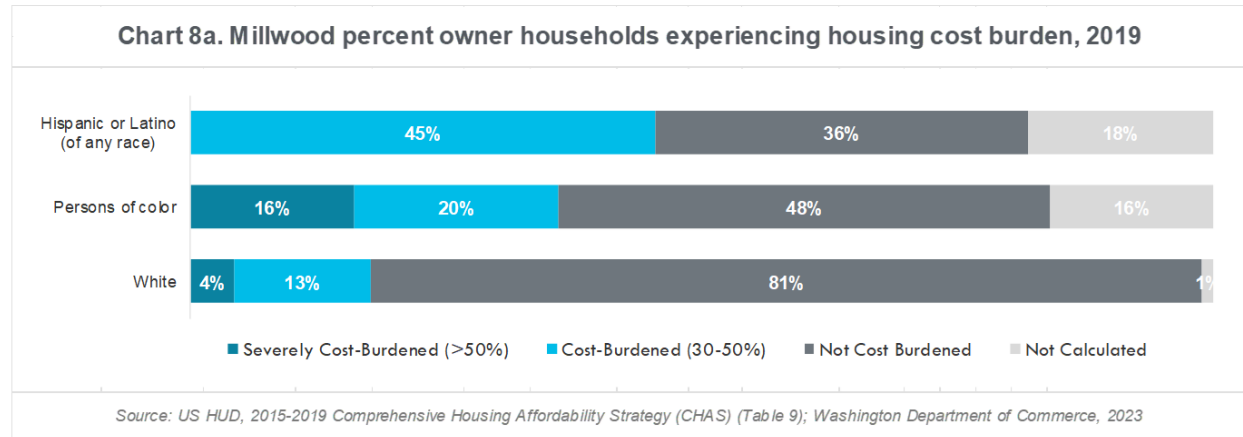
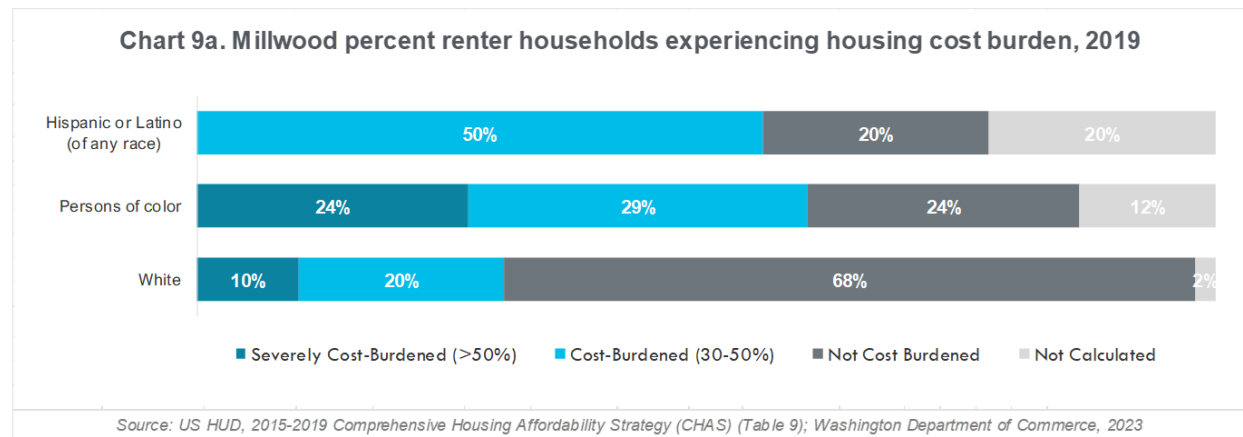


Figure 20 – Millwood Renter Households Experiencing Housing Cost Burden, 2019 (2026 Draft City of Millwood Comprehensive Plan Figure 6-6)

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



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

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

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

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

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

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

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

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

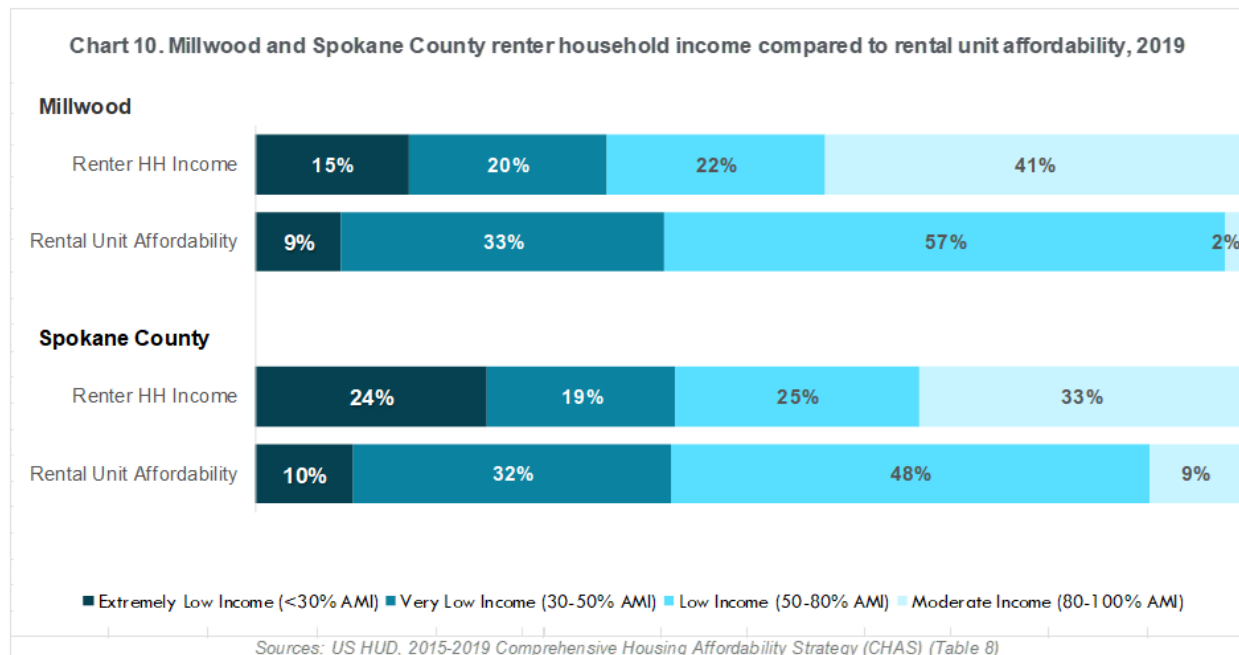
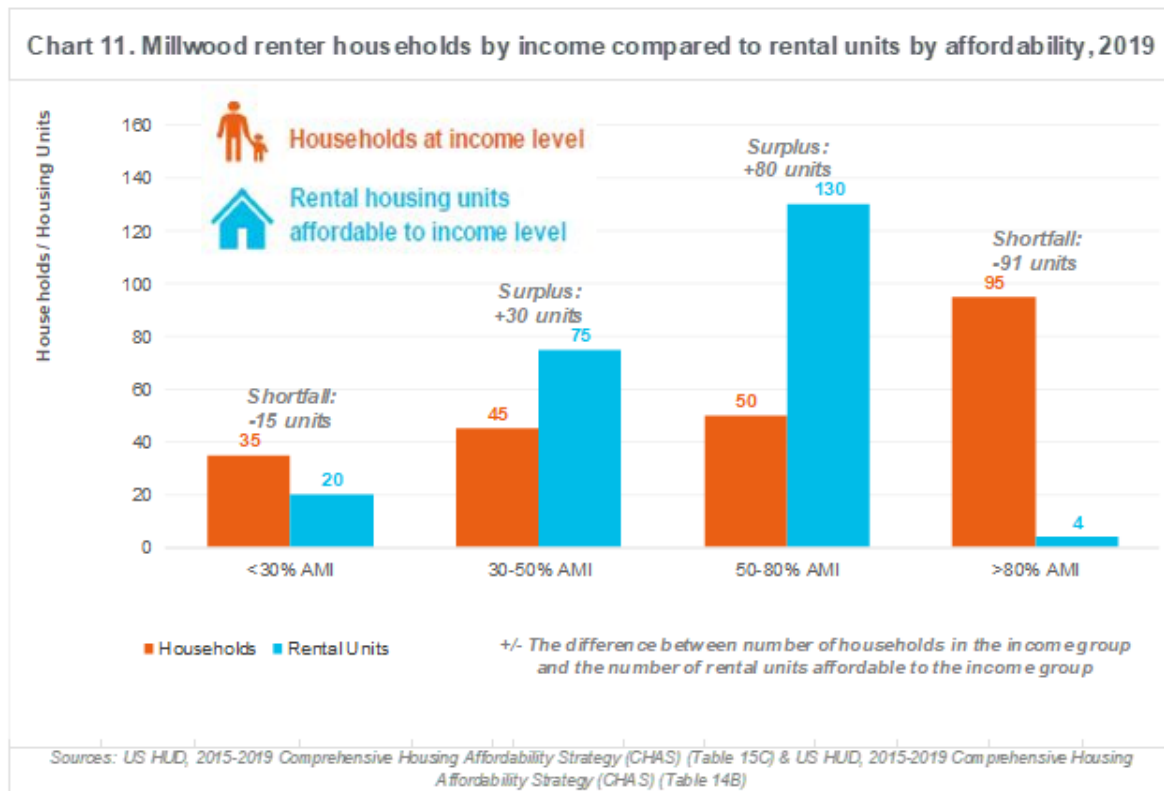


Figure 23 – Millwood Renter Households By Income Compared to Rental Units By Affordability, 2019
(2026 Draft City of Millwood Comprehensive Plan Figure 6-8)

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



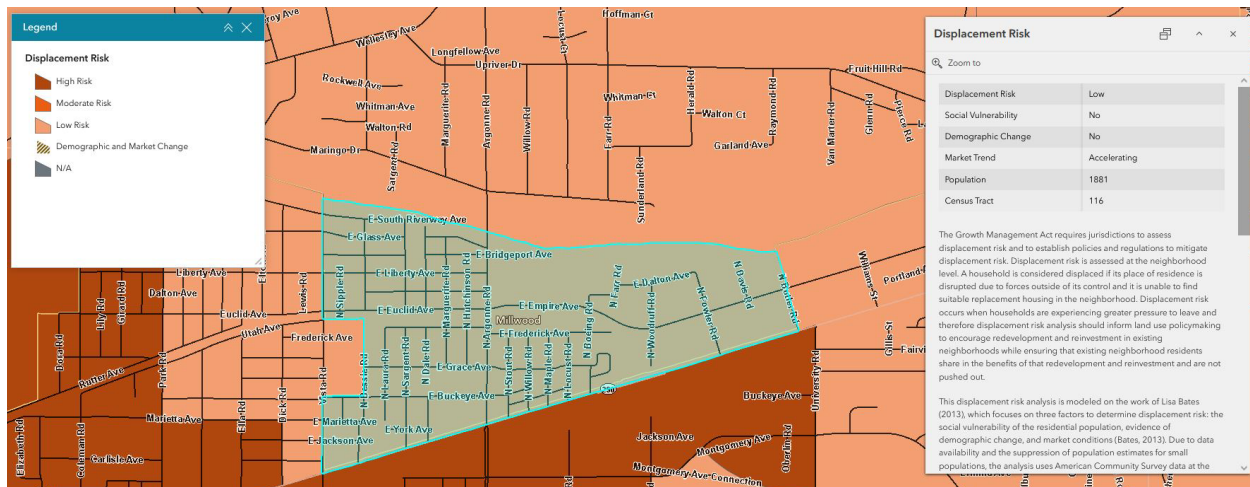
These figures suggest that residents from some racial and ethnic backgrounds face higher economic challenges compared to their White counterparts. Rapid increases in property values can exacerbate affordability issues, particularly for communities that have historically been marginalized.

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

Displacement

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

Figure 24 – Millwood Displacement Risks



Policy Evaluation

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

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

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

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

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

(NA)
Not applicable

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

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

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

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

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

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

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

Contact

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